UK Parliament

Quarterly Report: **Restoration and Renewal of the Houses of Parliament**

October– December 2023

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Welcome

I am pleased to present our latest quarterly report for the Restoration and Renewal Programme for the period from October to December.

The end of 2023 offers the opportunity to look back at the work that the Programme and the R&R Programme Board has achieved during this year and to look ahead to what we hope to do in 2024.

Since its establishment in February, under new governance arrangements designed to bring the decision-making process closer to Members, the Programme Board has met at least monthly to identify a preferred way forward for the restoration of the Palace. The Board has been responsible for considering a wide range of options for how R&R could be delivered and what the scope of the works should be, and arrived at a shortlist for the Houses to consider which includes a defined scope for what the works should deliver, through a decant option and a continued presence option.

It was by no means a given that the Programme Board would arrive at a shortlist, particularly under the ambitious timeframe in which we carried out our work. I would like to place on record my thanks once again to all of the Members of the Programme Board, and the staff who support the Board and the programme, for their diligent work this year.

The R&R Client Board endorsed our recommendations in July, while also deciding that work should be undertaken to the same level of detail on the third option of enhanced maintenance and improvement to determine what this could deliver. Work then began in earnest on a draft strategic case setting out these three options and recommending that the Houses agree to further work being done on each of them, to enable a final, informed decision to be taken on a preferred option in 2025.

The Client Board met in November to consider an initial draft report outlining the strategic case.

Welcome from Nigel Evans MP
Chair of the R&R Programme Board

Welcome (continued)

The Client Board will meet again in February 2024, to consider an updated strategic case incorporating their feedback. We then expect the strategic case to be published so that we can engage with all Members on the proposals in detail and keep everyone updated on progress. I look forward to engaging further on these important proposals.

In concluding, I would like to reflect on the latest results of public polling on the Programme which highlighted that 49% of people are now aware of at least one issue facing the building and that a majority – 71% of those surveyed – agree that the Palace of Westminster should be restored and protected for future generations. I look forward to seeing further progress in pursuit of this aim in the next quarter.

Welcome from Nigel Evans MP
Chair of the R&R Programme Board

Foreword

As the year draws to a close, we are keen to reflect on the progress that has been made on Restoration and Renewal, not just in the three months covered by this report, but throughout 2023. We would like to express our thanks and gratitude to everyone who has contributed to the extensive work and range of activities that have taken place.

From surveys and engagement with Members and the wider parliamentary community, through to the extensive ongoing maintenance and repair activity that helps to keep things running until we are in a position to deliver R&R. We have also been pleased to see the excellent collaboration between different parts of the House administrations in support of R&R, as well as with our Programme colleagues working in the Client Team and Delivery Authority.

October to December has been a busy period for the Programme. On 19 October, the Public Accounts Committee held a follow-up evidence session on R&R exploring a number of themes, including health and safety and transparency surrounding the Programme. The Committee has since followed up in writing. We welcome this ongoing scrutiny.

In November, the Client Board considered an initial draft of the strategic case. This report, addressed to both Houses, will set out proposals for a small number of options for R&R which the Client Board is recommending should be taken forward for further work, to inform a decision by both Houses on a preferred way forward in 2025. An updated draft of this report, incorporating feedback from the Client Board, has subsequently been reviewed by the Programme Board and is due to be discussed at the Client Board's next meeting in February, prior to its publication.

Foreword by
Clerk of the House of Commons
and Clerk of the Parliaments

Nigel Evans MP
Chair of the R&R Programme Board

Tom Goldsmith
Clerk of the House of Commons

Simon Burton
Clerk of the Parliaments

Further information:

R&R Client Board
Agendas
Minutes

R&R Programme Board
Agendas
Minutes

R&R Hub

R&R Programme Board Membership

- **Rt Hon Nigel Evans MP**
  (Chair)
- **Lord Morse**
  (Deputy Chair)
- **Wera Hobhouse MP**
- **Rt Hon Penny Mordaunt MP**
  Leader of the House of Commons
- **Thangam Debbonaire MP** (up to July 2023)
  Shadow Leader of the House of Commons
- **Lucy Powell MP** (from September 2023)
  Shadow Leader of the House of Commons
- **Lord Collins of Highbury**
- **Lord Sherbourne of Didsbury**
- **Tom Goldsmith**
  Clerk of the House of Commons
- **Simon Burton**
  Clerk of the Parliaments
- **Dr Michèle Dix**
  (External member)
- **Paul Duffree**
  (External member)
- **Steve Hails**
  (External member)
- **Sir Jonathan Stephens**
  (External member)
- **Sir Geoffrey Clifton-Brown MP**
  (Delegate of the Leader of the House of Commons – Job share)
- **Sir Edward Leigh MP**
  (Delegate of the Leader of the House of Commons – Job share)
- **Mark Tami MP**
  (Delegate of the Shadow Leader of the House of Commons)

The following members are also in attendance at the Programme Board meetings:

- **Dr Patsy Richards**
  (Interim Managing Director, R&R Client Team and Programme SRO)
- **David Goldstone**
  (Chief Executive Officer, Delivery Authority)
- **Chris Elliot**
  (Managing Director, Strategic Estates)

Summary of ongoing works on the estate and maintenance works

In-house teams continue their work to support the continued business of Parliament, by maintaining the estate as a safe and functional environment through the delivery of dozens of major projects and maintenance. These projects will repair and maintain key systems and buildings to address known critical risks associated with mechanical and electrical systems, public health and fabric and fire safety in advance of the R&R Programme. All in-house projects continue to be subject to an "R&R test" to determine which works are critical, for safety, security, or operational reasons, to be delivered before R&R and which would achieve better Value-for-Money by waiting to be delivered as part of the R&R works. The R&R test is conducted in partnership with the R&R Delivery Authority and focuses on ensuring safety alongside ongoing Value-for-Money and avoiding nugatory spend.

PALACE SEWERAGE PROJECT

The Sewerage project has successfully completed replacement of various life expired pumps across the Palace to increase resilience of the sewerage system – some parts of the Palace sewerage system date back to the 1880s. The project also installed enhanced equipment to avoid single points of failure and upgraded control panels to feed into the parliamentary Building Management System, which gives real-time data on assets running and notice of any failures. The project started work onsite in March 2022 with jet cleaning and surveys. The surveys informed a programme of abrasive cleaning works which cleared out the most significant defects and returned the network to capacity.

Summary of ongoing works on the estate and maintenance works

COLD WATER SYSTEMS

The design of the old cold water system in the Palace of Westminster meant that there was a risk of a sudden loss of water pressure, leading to issues with provision of water across the Palace. The completed project works supplied the cold water storage tanks with resilient boosted cold water feeds so pressure drops will not affect the system. Ultra-Violet light sterilisation units were installed on each tank so that water can be treated while in the tank, significantly reducing risk of legionella.

NORMAN SHAW NORTH

The Norman Shaw North project will enable the repair of Grade I listed building, provide a safe office environment for Members, their staff, and users of the estate, and provide a new lightweight glass roof over the courtyard to create a catering and informal workspace.

Work in the southern vaults, which are areas of the basement in front of the main Norman Shaw North entrance stairs by Commissioner's Yard Gate, need altering to accommodate the new services within the building. The works include digging and piling, the process of creating deep insertions in the ground for a stable foundation. These works started in Summer Recess 2023 and continued to the end of 2023.

R&R Phase 1 Milestones

The key milestones for the Programme over the next 12–18 months are set out below:

R&R Surveys	*STATUS* **ONGOING**	Continue to plan and undertake intrusive and non-intrusive investigatory survey work on or around the Parliamentary Estate to better understand the Palace and inform future works.
R&R Options shortlisting started with Programme Board	*STATUS* **COMPLETE** March 2023	The R&R Programme Board will be considering the range of R&R options and proposing a shortlist of those for endorsement by the R&R Client Board.
Early and enabling works design	*STATUS* **ONGOING** June 2024	Developing initial plans and designs for early R&R works, and studies for enabling works integrated with ongoing works on the estate to inform the design and Programme Business Case.
R&R Options Shortlist, Strategic Objectives and vision endorsed by the Client Board	*STATUS* **COMPLETE** July 2023	This shortlist of options and strategic objectives will inform the strategic case.
Strategic Case endorsed by Client Board	*STATUS* **ONGOING** October 2023	The strategic case will set out the way forward for R&R. Milestone has been delayed by a request to revise the report with more information on temporary accommodation and the enhanced maintenance improvement option.
Strategic Case presented to the Houses	*STATUS* **NOT STARTED** Early 2024 *(Changed from December 2023)*	The Client Board will consider whether a motion should be put to both Houses regarding next steps. In any event, engagement with Members and others will continue throughout 2024.
2024/25 Delivery Authority Budget Approved	*STATUS* **ONGOING** March 2024	Agreement to the future Delivery Authority budget based on the next steps put to both Houses.
Develop House of Commons and House of Lords Decant Plans	*STATUS* **ONGOING** TBC 2024	Develop plans and confirm preferred locations for the decant of both Houses if needed.
R&R Options Palace Design	*STATUS* **ONGOING** November 2024	Work by the Delivery Authority and in-House teams to further develop the Palace designs and proposals for R&R options.
Invitation to tender for Delivery Authority strategic partners	*STATUS* **ONGOING** January 2025	The Delivery Authority is planning to re-tender for the strategic partners that will deliver the works in Phase 2 of R&R.
Costed proposals presented to the Houses	*STATUS* **NOT STARTED** (Pre-summer) 2025	A motion will be put to both Houses to agree the R&R options to take forward into Phase 2 (delivery). The proposals will include costs, timescales, deliverability, temporary accommodation proposals, and risk for all three options.

Milestone progress:
Surveys work

Three intrusive surveys commenced or continued in Q3, with work completed in the second half of Conference Recess, and two non-sitting days in November. This included progressing with the Primary Services Distribution (which will tell us where these exist within the risers), and Voids surveys (which will tell us about the spaces above the ceilings and below the floors) where a combined 14 spaces were surveyed. It also included several days of drone flying to capture more of the River Terrace for the Photogrammetric survey, giving detailed photographic images of facades and the roof. A new Air Pressure Leakage survey commenced, with initial assessment work ahead of the survey work scheduled for Q4. During the quarter the Air Quality monitoring survey was completed, as well as the Heating Ventilation and Air Conditioning (HVAC) survey, although data processing will continue into the new year along with the associated reporting. Final reports are expected before the end of the quarter for the Pull-out Tests (which tell us the strength of masonry around windows) and Building Intrusive surveys (which look at the various strength and condition characteristics of floors, ceilings, and walls) which both completed site works at the end of the summer. Two surveys relating to the above ground foul and rainwater drainage, and for Archaeological trial pits will start in 2024.

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Above
R&R Photogrammetric (drone) Surveys. These surveys produce comprehensive and detailed photographic records of all external facades and roofs of the Palace of Westminster to record their current condition and enable the development of repair strategies to inform early design proposals for R&R.

The survey site works planned for Q4 include a continuation of the Primary Services Distribution and Voids surveys, where over 40 spaces will be surveyed across early January and then the February recess. The Air Pressure Leakage survey will commence in January and will test over 20 spaces by the end of February. When the weather permits, work will also resume on the Photogrammetric survey, where roof spaces form the majority of the areas still to assess. Additionally, in Q4, four new surveys will also progress to contracts being awarded to suppliers, enabling the site work to commence in the summer. This includes river terrace boreholes, dimensional and condition surveys of lift shafts, structural analysis of the underground car park and a condition and duty analysis of the sewer ejectors.

Milestone progress:
Preparatory and Enabling Works

As mentioned in the Q2 report, R&R preparatory and enabling works that have a direct impact on the schedule for starting R&R main works continue to make progress, ensuring advance readiness for efficient delivery of the main works. A Mechanical & Electrical Temporary Services strategy is being developed to support the future installation of temporary building services. Scope for marine surveys to support a concept design for a river jetty & platform are also in development.

The Programme aims to utilise river transport as a mode to deliver to the Palace site through the construction phases. The jetty and platform in the river Thames will enable vessels to moor and unload materials, as well as take away waste. It will reduce the number of lorries on the road, lowering R&R's carbon footprint, as well as mitigating health and safety risks for road users.

Engagement and Communications

Member R&R tours of the Palace continued during the reporting period, showing Members the Palace basement, courtyards, and the medieval Cloister Court off Westminster Hall. Engagement with Parliamentary staff has continued through October, November, and December: providing opportunities for staff to ask questions, appreciate the latest R&R Programme updates and feed in their technical expertise to support the programme development.

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Ongoing externally focussed communications include R&R tours for journalists in the press gallery, and regular engagement with a range of media publications. Chair of the R&R Programme Board, Nigel Evans MP continues to carry out media interviews including with the Times, Daily Express, Times Radio, and selected foreign press, and highlight progress through published quotes.

In November, a 6th round of public polling was conducted with a representative sample of the UK public and asked a number of questions about the R&R Programme. The results indicate that:

> 71% of people polled agree that the building should be restored and protected for future generations,

> Overall costs and unexpected cost increases continue to be the biggest concern relating to the R&R programme, with 70% of respondents concerned about the overall cost to the country.

> 49% of people polled are now aware of at least one issue facing the Palace with risks of fire, with the presence of asbestos and falling stones top concerns.

Engagement and Communications

The Delivery Authority and Client Team worked together to deliver a further roundtable in Northern Ireland as part of the series of engagement events around the UK in every region and nation. The events have been organised and delivered in collaboration with local Chambers of Commerce and well received by businesses and industry leaders with lively and engaging discussions to inform the Programme's procurement and skills strategies. The Client Team hosted a well-attended exhibition stand at the Historic Buildings, Parks and Gardens Event in the QEII centre, informing stakeholders of potential upcoming opportunities for involvement with the Programme.

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The Delivery Authority held its first major early market engagement event in the Palace of Westminster in October, at which it launched the consultation with potential suppliers in advance of full-scale procurements. It is anticipated that the award of any future contracts will follow the approval by Members of both Houses of Parliament of costed proposals. The Delivery Authority launched the preliminary market consultation in connection with the future procurement and appointment of three long-term Strategic Partners, for the following roles:

- Design Services Partner to undertake design services.
- An Integrator to oversee, manage and integrate the Programme.
- A Construction Partner to support the development and completion of the design, and to procure, undertake, and manage the works.

The launch event was well attended by suppliers and the consultation has received an enthusiastic response which will now be analysed to further inform this work.

Finance

The Delivery Authority Q3 outturn of £51.6m was underspent against the budget of £60.9m by £9.3m. £4.2m of this was within Surveys, from a combination of savings on contract costs, descoping/deferral of some activity following a prioritisation exercise and slippage due to access constraints and delays in consenting and procurement. There are also savings in Programme Management and Corporate areas following an organisation review of resourcing to align with the emerging programme schedule and Delivery Authority priorities, and the deferral of some Data & Digital projects following a portfolio review. Whilst Quarter 4 costs are expected to increase from current run-rates, the Delivery Authority is forecasting a full year underspend against budget, which has been recognised through the submission of a Supplementary Estimate which will release over £5m of funding.

The Chief Secretary to the Treasury recently wrote to the Parliamentary Works Estimates Commission in relation to the Supplementary Estimate for 2023–2024, noting the level of savings achieved and that the underspend reflects a responsible use of resources which is encouraging to see.

The estimate for 2024/25 is due to be published later this year, it currently envisages an increase in budget as compared to 2023/24 to allow the programme to make significant progress on the range of activities needed to inform the costed proposals to be brought to the Houses in 2025, including designs, temporary accommodation solutions and commercial planning.

Q3 Budget vs Q3 Actual

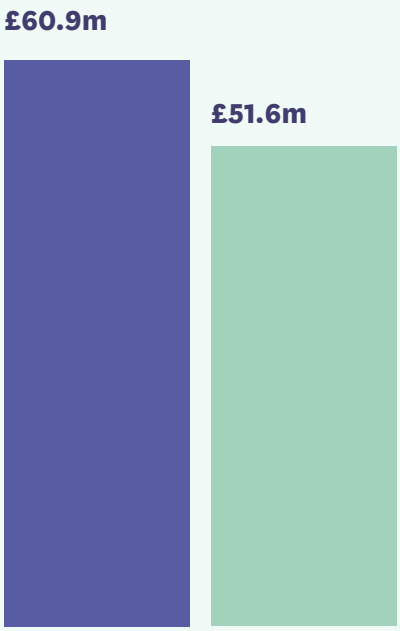
Key:

Q3 Budget

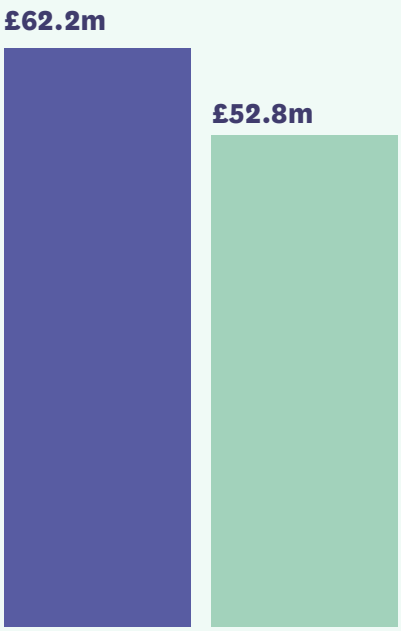
Q3 Actual

	Q3 Budget (£m)	Q3 Actual (£m)
R&R Client Team	1.4	1.2
R&R Delivery Authority	60.9	51.6
R&R Programme Total	62.3	52.8

R&R Client Team



R&R Delivery Authority



R&R Programme Total

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