Finance Committee

Draft Minutes

Tuesday 12 October at 3.15pm in Room G.32 Millbank House

Present:

Lord Vaux of Harrowden (Chair)
Lord Colgrain
Lord Collins of Highbury
Earl of Courtown
Lord Davies of Brixton
Lord Lee of Trafford
Baroness Noakes
Lord Stoneham of Droxford

together with the Clerk of the Parliaments.

Fehintola Akinlose (Finance and Procurement Director) and Claire Arlington (Head of Finance Business Partnering) were in attendance. Patrick Vollmer (SRO, Archives Relocation Programme) attended for item on the archives; Isabel Coman (Managing Director, In House Services and Estates) and Carl Woodall (Director of Facilities) attended for the item on In House Services and Estates; and Abigail Fox-Smith (Director of Visitor Experience) and Matthew Morgan (Commercial Visits Business Manager) attended for the item on tours.

Apologies

Apologies were received from Lord Levene of Portsoken and Lord Campbell-Savours.

Agreeing the minutes of the last meeting, and matters arising

The minutes of the Committee's July meeting were agreed.

Archives Relocation Programme Update F/21-22/13 [RESTRICTED]

Patrick Vollmer presented an update to the Committee. Iterations of the Archives Relocation Programme had been around since 2015. The current SRO took over in 2019 and set out to define and agree the programme mandate. The Accounting Officers agreed the mandate of the programme: to reduce the risk to the collection and people; move the collection out of the Victoria Tower by summer 2025 for Restoration and Renewal (R&R); and to enable continued access to the collection during that time. Additionally, the programme would consider long term solutions for the location of the Archive and how to increase its usage.

As part of the Outline Business Case process the programme considered various options for owned and leased facilities and the option of partnerships. When assessed the highest scoring option was a partnership with the National Archives in Kew. The partnership would give greater public access, retrievals would be made in 30 minutes rather than half a day as at present. It would be possible to hold exhibitions both in the Palace and at Kew. The option would also provide career progression options for staff who would be transferred to the National Archives under the Transfer of Undertakings (Protection of Employment) Regulations 2006. The ownership of the collection would remain with Parliament to allow the Clerk of the Parliaments to continue to discharge their statutory duties.

Following discussion with senior political office holders the programme had looked at the options for retaining a small on-site collection. The paper set out three options to do so and asked for the Committee's steer. It was not within the gift of the programme to deliver any of the options, but it proposed to recommend an option to the Chair of the R&R Sponsor Body. A member requested that further consideration be given to a permanent exhibition space in Victoria Tower.

The Committee was supportive of the partnership with the National Archives and felt that the collection was best kept together in one place with the option of holding exhibitions in the Palace, leaving any decision on the future use of the Victoria Tower to be part of the R&R process. The Committee felt this was the best option both for the safety of the collection and for its practical use for research.

The Committee thanked Patrick for all his work to get the programme to its current position.

Update on the In House Services and Estates Action Plan F/21-22/14 [RESTRICTED]

Isabel Coman provided the Committee with an update on the In House Services and Estates (IHSE) Action Plan. The IHSE Action Plan brought together all the actions IHSE had been taking to improve project delivery. The collation of the actions had taken place around a year ago and the update circulated to the Committee showed that a significant portion of the actions had now been closed out, including many cultural and system changes.

A number of key actions were highlighted to the Committee:

- The creation and approvals process for business cases had been changing, improving both the quality and speed of approval of business cases;
- A standard cost plan has been developed and rolled out across all projects;
- Together with the Royal Institute of Chartered Surveyors (RICS), IHSE was developing a benchmarking tool which will be able to measure progress in projects that are underway It was hoped that once up and running it could be utilised by other public bodies, particularly those with historical estates;
- There was now a performance and reporting team in place, standardising the reporting and data collection process;
- A significant amount of work had been done on the structure and capability of delivery teams and a benchmarking process would take place to align pay scales to market rates for commercial specialities; and
- A new soft landing process had been implemented to improve the handover of projects to business as usual running, which had proved successful in the recent handover of Derby Gate.

The improvements that had been put in place would take time to move through the delivery process to the point the Committee would start to see clear results, but the Managing Director was confident that the actions were making a difference.

Historically a lack of surveys completed ahead of projects being approved and works starting had caused scope creep and significant increases in budgets. Surveys were now a fundamental part of the early stages of projects, with projects able to apply for funding at the outline business case for surveys to take place before the full business case was submitted and approved.

The new SRO/Executive Sponsor model was now being trialled on a number of projects. Job descriptions for the SRO role had been redefined and recruitment was underway to ensure there was sufficient capability in the team. An independent review of the new model had taken place and would be reporting to the Joint Investment Board next month. Final sign off of the new model would come from the Accounting Officers. Subject to that sign off, work could then progress on the development of an Expert Panel to support projects and programmes.

The role of the Executive Sponsor was to challenge the SRO and hold them to account for the delivery of projects on time and on budget. With the SRO previously having to take on this role in addition to being responsible for the delivery of the project, it was felt that the Executive Sponsor Role was able to act as a source of independent challenge and the move was a welcome change.

The Project Academy was now running with Project Leaders receiving training to improve the consistency in the running of projects. The Managing Director agreed to consider the option of secondments to other organisations for Project Leaders as another way to build skills and knowledge.

IHSE had worked with PDS to prioritise the software upgrades it required, including providing the funding to PDS where required. The same approach would be taken in the next financial planning round.

The Committee took note of the encouraging report and welcomed future updates.

Options for the future of tours of the Palace of Westminster and Elizabeth Tower F/21-22/15 [RESTRICTED]

Abigail Fox-Smith and Matthew Morgan provided an overview of the options for tours. Before the Tower closed prior to refurbishment it had the capacity for 12.5k visitors a year; with the refurbishments and new tours it was expected this would increase to 28k visitors a year. The paper set out a number of options for the tours of the Tower. All models other than offering all tours of the Tower as democratic access tours were cost neutral, with most allowing the Visitors Services team to make an overall contribution to Parliament. Consideration was also being given to an allocation model that would allow for mixed groups to take part in tours, with a number of tickets reserved for democratic access each year.

The Committee was supportive of a mixture of democratic access and commercial tours of the Tower, which it felt should as a minimum break even. It felt that the Tower, unlike the Palace, could be marketed as a commercial tourist attraction, whereas the focus of Palace tours was the work of the Houses and role of democracy.

The final decision would be taken by the Commissions of both Houses.

Any other business

The Committee would next meet on Wednesday 3 November at 3.15pm.

The Forward Work Programme and Future Dates had been shared with the Committee. It was expected that an additional meeting would be needed on R&R as the Commission had asked the Committee to look at the Phase 1 funding.

It was confirmed that a Chief Operating Officer had been appointed and was expected to join the Administration in January, with the announcement to be made in due course.

Once agreed the date for a further informal session with EPMO would be shared with the Committee.

The Committee would continue to receive electronic circulations, unless members requested a hard copy.

Jen Mills
Clerk
HLFinanceCommittee@parliament.uk