

Management Board**Palace of Westminster – Infrastructure**

Paper from Director General of Facilities, House of Commons

Purpose

The purpose of this paper is to outline a way ahead following the House of Lords House Committee's request for information on options for addressing the condition of the Palace of Westminster, and the House of Commons Commission's indication that I should bring forward proposals for modernisation of the building, at same time as refurbishing its M&E systems.

Action for the Board

The Board is asked to approve a proposal from the PEB for a senior bicameral Group to be established to oversee the development of proposals for Palace of Westminster modernisation and to give its comments on the draft paper for the Commission

Background

1. Commission Paper HCC 2009/032 (which in the event was not taken by the House Committee) presented a range of options:
 - a. Reactive Maintenance. Carry out low level routine maintenance, and repair systems when they fail.
 - b. Aggressive Maintenance. Applying engineering judgement, anticipate failures and replace equipment most at risk, avoiding nugatory spend where possible.
 - c. M&E Primary. Refurbish M&E primary services only, and deal with the secondary systems separately.
 - d. M&E Primary & Secondary. Determine the optimum secondary systems design, bearing in mind user requirements and carbon reduction targets, before committing to the supporting primary systems.
 - e. Redesign and Refit. Given the wholesale disruption that a combined overhaul of primary and secondary services would entail, take the opportunity to redesign the layout of the Palace.
 - f. New Build. Build an entirely new, modern Parliament building, leaving the Palace to be used perhaps as a museum and tourist attraction.
2. On the basis that an aggressive maintenance regime would defer, rather than indefinitely overcome, the need for a major M&E overhaul, the Commission

asked for proposals to be developed for the modernisation of the Palace. The Commission understood that such a programme would be likely to cost some £1bn, take some 5 years to prepare, and require a major decant.

Way ahead

3. Such a fundamental modernisation programme would be a challenging issue: costly, high profile and contentious. The PEB considers that it does not have the terms of reference, or the membership, appropriate for this task: redesign and refit would have an enormous impact on Parliamentary business, and would present a unique opportunity to modernise Parliamentary procedures. It proposes therefore that the two House Boards establish a senior bicameral Group to oversee the development of proposals for POW modernisation. The Group would require to interface with political processes, and should be chaired and constituted accordingly. Draft TORs are attached. Alternatively I could develop these proposals through the PEB, consulting other colleagues as appropriate.
4. Whether or not such a modernisation programme occurs, works are needed to manage plant risks over the next 5 to 10 years. Short term and medium term programmes have been prepared and costed accordingly. The M&E Board's intention is to seek approval for funding release in annual tranches, in order to avoid nugatory spend should the major modernisation programme proceed.
5. Should the Board agree with this approach I will prepare a paper on it for the Commission and House Committee this autumn. A very early, speculative draft is attached.

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PALACE OF WESTMINSTER MODERNISATION GROUP – draft TORs

Introduction

1. The House of Commons Commission has asked for proposals to be developed for the modernisation of the Palace of Westminster, on the basis that pre-emptive refurbishment of elements of plant would only delay, but not avoid, the need for a major M&E overhaul. The Commission understands that such a programme is likely to cost some £1bn, take some 5 years to prepare, and require a major decant. The House of Lords House Committee has asked for information on the range of options available for addressing the condition of the building.

2. The Modernisation of the Palace would be a capital works programme of profound political and symbolic significance. Not just the scale and complexity of the project, but also the opportunity it would provide for significant changes to the way Parliamentary business is done, call for exceptional handling and governance arrangements.

Purpose

3. To oversee the development of proposals for the modernisation of the Palace of Westminster.

Objectives

4. Initially, to provide the management boards of both Houses, and through them the House of Commons Commission and the House of Lords House Committee, with a proposal to modernise the infrastructure of the Palace of Westminster whilst overhauling the installed M&E systems.

5. Should a proposal for modernisation be accepted in principle, then to provide specific options for commissioning the design and delivery of the modernisation programme.

Considerations

6. Some groundwork for this programme has been laid in a number of documents, notably the M&E Modernisation Programme PID and the Decant Feasibility Study Report. But modernising the Palace as a whole would require a great deal more design and planning work, probably including a high profile architectural competition. Given the intense interest that this work would attract, and the large sum of public money required for the programme as a whole, it would be appropriate seek formal Commission and House Committee agreement to its initiation before public interest

is aroused.

7. The Commission and House Committee are likely to require further assurance that M&E overhaul is necessary in the foreseeable future, and that carefully considered pre-emptive maintenance would not sustain the Palace infrastructure over the long term. The Steering Group should therefore determine how such assurance could be provided.

8. The Parliamentary Estates Directorate is developing a firm programme for ensuring the viability of the Palace's M&E systems over the medium term, in order to reduce the risk to business continuity until modernisation occurs. The extent of this medium term programme, and the durability of the various repairs, replacements and upgrades made, must be aligned to the start date of the modernisation programme.

9. Although the results of the Decant Feasibility Study have yet to be presented to Committees, it should be assumed that modernisation of the Palace in conjunction with M&E overhaul will require decant, either of the entire Palace or of one House at a time. Any such decant will require very careful planning, taking a number of years, alongside the planning for the works programme itself.

10. Palace modernisation would dominate the Estates programme for many years, and require particular governance arrangements.

11. The Group should work discretely, and may find the election period to be a suitable opportunity for focused activity.

12. Once Member Committees have provided direction on the proposals, governance arrangements appropriate for the execution of a major programme delivery will be required, with substantial external involvement.

A Strategic Context

13. Modernisation of the Palace would provide a unique opportunity to make far reaching changes to the way in which Parliamentary business is conducted, for instance by reconfiguring debating chambers, committee rooms and social spaces to enable the full use of modern ICT and facilitate public access. To this end, modernisation of the infrastructure would most effectively be achieved within a higher level vision for the modernisation of Parliament itself. For this reason, and not just the cost and visibility of any such programme, political engagement will surely be a very strong feature.

Membership

14. tbd (but to include external membership and/or facilitation).

Accountability & Reporting

15. The Steering Group will be accountable to the Management Boards of both Houses, and will report its progress to them at 4 monthly intervals.

Michael Pownall
Clerk of the Parliaments

Dr Malcolm Jack
Clerk of the House

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HOUSE OF COMMONS COMMISSION / HOL HOUSE COMMITTEE**PALACE OF WESTMINSTER – MODERNISATION***A Paper by DG Facilities***Introduction**

1. Following consideration of my Paper on Palace of Westminster Infrastructure last July, and on the basis that a focused maintenance regime would defer, rather than indefinitely overcome, the need for a major plant overhaul, the Commission indicated that I should bring forward proposals for modernisation of the building, at same time as refurbishing its mechanical and electrical systems. The House of Lords House Committee did not take the paper, but has asked for further information on options for addressing the condition of the Palace.
2. A fundamental modernisation programme would be a challenging issue: costly, high profile and contentious. A lengthy period of decant would be needed, probably of one chamber at a time, and the scope for reconfiguration would present a unique opportunity to modernise Parliamentary procedures. The brief for this project must therefore be developed with acute sensitivity to its political significance.
3. Whether or not such a modernisation programme occurs, works are needed to manage plant risks over the next 5 to 10 years. Short term and medium term programmes have been prepared and costed accordingly, [and have been approved by the Accounting Officers of both Houses]. The M&E Board's intention is to seek approval for funding release in annual tranches, in order to avoid nugatory spend should the major modernisation programme proceed.
4. The Commission and House Committee are likely to require definitive assurance that a major refit of the Palace is necessary in the foreseeable future, and that carefully considered pre-emptive maintenance would not sustain its infrastructure over the long term. I would not expect approval to proceed to be given until this assurance had been provided and tested, and propose to proceed with discretion until that point.

Way Ahead

5. A brief for Palace overhaul and modernisation, based on Mr Maclean's paper, is being developed by [the PEB / a senior level bicameral group constituted for the purpose] and will be submitted for Commission and House Committee consideration early in the new year. An initial, outline, draft brief is attached [to be completed].
6. Work has been commissioned in parallel to determine, with authority, the case (and optimum timing) for decant and overhaul rather than ongoing pre-emptive

maintenance, with the aim of providing advice to Committees on the timing for any final decision and public announcement.

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