

House of Commons Management Board

A note by the Director General of Facilities

House of Commons Accommodation

Purpose

1. This paper presents for the Board's agreement an update on accommodation matters for consideration by the House of Commons Commission at its meeting on 16 May. It also provides the Management Board with advance notice of certain key conclusions of a Strategic Property Review which underpin the Commission paper.
2. The paper also outlines a programme of accommodation refurbishment works which will deliver the strategic objective of maintaining the estate and seeks the Board's agreement to the programme in principle.

Background

3. The Management Board has recently agreed an accommodation policy for the House of Commons. This policy, together with the outcomes of a Strategic Property Review and the requirements for refurbishment work in the previously agreed Interim Estates Strategy 2010-15, have been brought together in the Short Term Parliamentary Accommodation Programme Outline Business Case for both Houses. The Strategic Property Review will be considered by the Parliamentary Estates Board at its meeting on Tuesday 26 April.
4. Subject to the Strategic Property Review being agreed by the PEB, the Outline Business Case will come forward to the Accounting Officers, through the Finance Directors in the usual way. The Director General of Facilities will provide an oral update on PEB consideration of the Strategic Property Review at the Board's meeting.
5. The Strategic Property Review will be brought to the Board for consideration at its meeting on 19 May.

Action for the Board

6. The Management Board is requested to:
 - a. Agree the attached update note to the House of Commons Commission (see annex)
 - b. Note the conclusions of the Strategic Property Review, in particular that the leases the House currently holds on areas of 4 Millbank can be disposed of to make savings from FY 2012-13

- c. Agree that further work should be undertaken to develop the programme of projects listed in paragraph 9.

Strategic Property Review

7. The Strategic Property Review has considered in detail:

- Leasehold liabilities options
- Freehold options and their alternative use
- Running costs
- Intensity of building use
- Items of major expense (including major refurbishment projects)
- Accommodation requirements, including decant accommodation to facilitate major works.

8. The Strategic Property Review has concluded that it is necessary to retain a significant amount (up to 3000m²) of decant accommodation in order to permit the planned programme of refurbishment works to be completed. The review concludes that this accommodation should be in 14 Tothill Street unless additional, more advantageous, freehold property becomes available contiguous with the secure estate. This recommendation is based on space availability and suitability plus the costs involved in exiting the lease of that building. The review also concludes that the leases of 2 The Abbey Garden and 4 Millbank can be disposed of to save money from FY 2012-13. The Management Board has already agreed to exiting 2 The Abbey Garden in the Autumn.

Future Programme

9. [s.36(2)(b) and s.36(2)(c)]

10. There is still a need for significant work to develop a detailed plan to execute this programme. The Board is requested to agree that work should continue in this direction

John Borley
Director General of Facilities
April 2011

Annex

[s.36(2)(b) and s.36(2)(c)]