



HOUSE OF LORDS

Management Board

5th Meeting
11 May 2011

MINUTES

Present:	David Beamish	<i>Clerk of the Parliaments (Chairman)</i>
	Simon Burton	<i>Human Resources</i>
	Liz Hallam Smith	<i>Information Services</i>
	David Leakey	<i>Black Rod's Department</i>
	Andrew Makower	<i>Financial Resources</i>
	Joan Miller	<i>Director of Parliamentary ICT</i>
	Edward Ollard	<i>Parliamentary Services</i>
	Rhodri Walters	<i>Corporate Services</i>
	Carl Woodall	<i>Facilities</i>

0.1 David Beamish welcomed Andrew Makower and Edward Ollard and spoke briefly on the role of the Board. He would encourage colleagues to be more proactive, and proposed that the Board consider fewer items but in more detail.

I The Maintenance Challenge

A vision for refurbishing Parliament's Buildings

MB/2011/51, 51A & 51B

Accommodation: Strategic Property Review

MB/201/52

1.1 Fiona Smith, Head of Property & Office Services; Tom Mohan, Clerk of Public Bills; Sarah Jones, Private Secretary to the Chairman of Committees; and Mel Barlex, Director of Parliamentary Estates, attended for this item. Mel Barlex explained that the Parliamentary Estates Directorate (PED) had been asked to produce a 25-year plan and explained the methodology.

1.2 A full condition survey of the Estate, had been undertaken in 2008 (with the exception of areas, such as Millbank House, which were about to be refurbished at the time of the survey). The Directorate had already incorporated best practice in its work. Approximately 7% was assessed as requiring major repair or upgrade; in addition, the service infrastructure of the Palace would require major repairs or upgrades. Over 80% of the fabric of the Estate was serviceable or in good condition. 75% of the Estate was listed, which added complexity when seeking approval for work, and some other buildings were expected to be listed in due course.

1.3 The Board noted the level of expenditure required over the twenty-five year period to maintain the Estate, and noted that this did not include expenditure on fees, VAT, improvement works or longer-term programmes. A backlog of defects meant that the annual expenditure would be highest in the next ten years. Figures showing the expenditure required to maintain each building on the Estate were also available.

1.4 Mel Barlex highlighted the division of the planned work into projects and the scheduling of these. The capacity of the project delivery team would

increase from 2013/14 following restructuring taking place in the current financial year. The programme was purposely over-programmed to allow for delays, risk, optimism bias and contingency, and to reduce the risk of underspend. The programme was constantly being updated to reflect internal and external changes such as Landlord's consent and breakdowns.

1.5 The expenditure would primarily be capital investment in M&E services, fire safety, conservation and security. Risk, optimism bias and contingency were now being held in a central pot for use across all projects. Andrew Makower agreed to provide further information on budgeting for depreciation. AM

1.6 Mel Barlex also described PED's business as usual work, including the separation of the project and maintenance teams, and the coordination of their work.

1.7 Carl Woodall introduced the Parliamentary Estates Board paper on refurbishment of Parliament's buildings, which informed the Board of work that was commencing to scope proposals to modernise the service infrastructure of the Estate. This would build on work that had already taken place.

Restricted Access Annex

1.8 The Board agreed to the scoping exercise and asked that the results, including costed alternatives, be tabled at a Board meeting when it was completed. Mel Barlex explained that this was likely to be in summer 2012, and at that time the Board and Member Committees would be asked to approve a programme of works. The Board agreed that Members should be informed that the scoping exercise had commenced. CW

1.9 Carl Woodall introduced the paper on the Strategic Property Review. Mel Barlex explained that the Review would bring together work on diverse property issues including space allocation and requirements, third party occupation, and landlord liabilities. Once completed, it would set out policies (e.g. the balance of leasehold and freehold property, and use of different buildings on the Estate) and an outline business case would be prepared to allow it to be enacted. The policies would then be reviewed on an annual basis.

1.10 Carl Woodall asked the Board to defer further consideration of the paper until it had been considered by the Parliamentary Estates Board in June; no agreement was reached on the proposals for projects set out in the paper.

2 Oral Updates

Corporate Risk Register at 5 May

MB/2011/53

2.1 The Chairman drew the Board's attention to the report of the Leader's Group on Working Practices, the arrangements for the Speakership election, and the intention of the Chairman of Committees to step down from his post at the end of the current session. The Board noted the planned speech to be given by the President of the United States of America during his State Visit, and the planned retirement, in September, of the Clerk of the House of Commons.

2.2 Carl Woodall discussed the publication of a report into Catering & Retail Services by the House of Commons Administration Committee. He had

reassured staff in Catering & Retail Services that its proposals had no formal status in the House of Lords and that the Department had already been proactive in making changes to reduce the catering subsidy.

2.3 Joan Miller drew the Board's attention to work in PICT to respond to a recent increase in the theft of laptops on the Estate.

2.4 Andrew Makower reported on the work of the House of Commons Savings Programme. A business case would be prepared in the next month.

2.5 The Board discussed the corporate risk register. The chairman explained that he would circulate a recent internal audit report on the risk management framework. In the light of the previous item on the agenda, the Board agreed to tolerate the score for risk 2b. A discussion on Risk 6b would take place later on the agenda.

3 House Committee meeting on 24 May

3.1 The Board noted that the proposed meeting had been cancelled.

4 Risk Report: Millbank House MB/2011/54

4.1 Fiona Smith attended for this item. Carl Woodall spoke to the risk report and explained that, since its circulation, the contractor had accepted the Extension of Time and he would therefore reduce the risk to amber. A constructive relationship was now developing between the contractor, the project manager and PED. Contracts for furnishing and the supply and fitting of carpet would be awarded shortly.

4.2 Work was also progressing on the use of the accommodation, and the use of space that would be vacated in other buildings. Heads of Office should discuss any issues they had with their proposed move into Millbank House with the Mobilisation Manager.

4.3 Based on the amount of work that was underway, the Board agreed to tolerate the risk.

5 Accommodation: Strategic Principles and Plan MB/2011/55

5.1 Fiona Smith attended for this item. Carl Woodall spoke to his paper, which was the first biannual update to the accommodation strategy. He explained that some further guidance was required to keep the document fit for purpose.

5.2 The Board discussed the planning assumption that staff numbers would not rise above 500. If the recommendations of the Leader's Group on Working Practices were accepted by the House then it would be likely that there would be more pressure for staff, but this would not breach the 500 limit. The Board agreed to maintain this assumption, and to discuss the financial implications of the Leader's Group report with the House Committee after it had been considered by the House and before the start of the 2012/3 planning round.

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6 Review of the structure of the House of Lords administration and the operation of the Management Board MB/2011/56, 56A & 56B

6.1 The Board discussed some aspects of the review, including the role of the Board and the items it considered, the need for the Administration to better articulate for what it stands, and the limitations on long-term planning in a demand-led environment. The Board agreed that David Beamish should prepare a management response but in the meantime the BPG should start work on a document for staff highlighting the Administration's standards and values.

Restricted Access Annex

7 Draft Minutes of the meeting on 7 April

7.1 The Board approved the draft minutes.

8 Minutes of the Audit Committee on 28 April

8.1 The Board took note of the minutes.

9 Minutes of PICTAB on 6 April

9.1 The Board took note of the minutes.

10 Minutes of the Health and Safety Committee on 3 May

10.1 The Board took note of the minutes.

11 Minutes of the House of Commons Management Board on 24 March

11.1 The Board took note of the minutes.

12 Disclosure of salary, pension and compensation information in 2010/11 Resource Accounts MB/2011/57

12.1 The Board agreed to follow the new guidance in EPN 296 and to mirror the House of Commons' disclosure of exit packages awarded to PICT staff.

13 Operator Bureau: procurement MB/2011/58

13.1 The Board approved the procurement exercise on the terms set out in the paper.

14 House of Lords Health & Safety Policy MB/2011/59

14.1 The Board agreed that the Policy should not be approved until the briefing on Health & Safety issues for senior managers had been held.

15 Catering & Retail Services Profitability Sub-Group: Quarterly Report MB/2011/60 & 60A

15.1 The Board took note of the Report and agreed to the reappointment of the Group with the revised remit proposed in the paper. David Beamish agreed to consult Board members regarding the vacancies on the Group.

16 2012 Diamond Jubilee and Olympic Games MB/2011/61

16.1 David Leakey spoke to his paper. The Board agreed to the creation of a Project Board and supported the suggestion of the House of Commons' Management Board to include Government representatives. The Board also agreed that the Administration should not be distracted from "business as usual" by any additional programme of 2012-related activities, but should instead focus on what it would be doing anyway while accommodating

additional demands which were likely to arise (e.g. visits by foreign leaders).

16.2 The Board agreed that Member Committees should be briefed on the work that was taking place in this area.

17 Progress against business plan 2010/11

MB/2011/62

17.1 The Board took note of the report.

Next Meeting: Tuesday 7th June at 10:30 am

Secretary to the Management Board
13 May 2011

ACTION PLAN

Date	Minute item	Action	Responsible	Deadline/Status
Apr 11 Apr 11	6 9	ORAL UPDATES AT FUTURE MEETINGS: - discussion with GWO on sitting hours - implementation date for review of function service charge and gratuities	DRB CW	
July 2009	18	Arrange training on communications for all managers	TM	October 2010
May 2011	1	Circulate information on accounting treatment of Estates depreciation	AM	June 2011
Nov 2010	5	Report on cloud-based services feasibility study	JM	July 2011
Dec 2010	2	Update corporate risk register: consider inclusion of impact of larger house	RHW	July 2011
Dec 2010	2	Review whether Heads of Office require support to manage staffing requirements in shared service areas	TM	December 2011
May 2011	1	Report on refurbishment scoping work	CW	July 2012