

Draft Parliamentary Buildings (Restoration and Renewal) Bill

October 2018

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Draft Parliamentary Buildings (Restoration and Renewal) Bill

Presented to the House of Commons by the Leader of the House
of Commons

Presented to the House of Lords by the Leader of the House of
Lords

by Command of Her Majesty

October 2018



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Foreword

The Palace of Westminster is one of the most iconic and significant buildings in the world. Now a Grade I listed building, the Palace forms part of the UNESCO Westminster World Heritage Site with Westminster Abbey and St Margaret's Church.

Since its construction, many features have never undergone major renovation and, as a result, parts of the Palace of Westminster are now in a state of significant disrepair. The House Authorities established a Restoration and Renewal Programme to establish what improvements were required to the Palace of Westminster so that it can continue to serve as home to the UK Parliament in the 21st century.

A Joint Committee was established to consider an Independent Options Appraisal on different approaches to how the Restoration and Renewal work could be undertaken. The Joint Committee published its recommendations, concluding that the ongoing maintenance programme was not sustainable and considered that a major programme of works was required. As part of its recommendations the Joint Committee suggested establishing a set of governance arrangements to oversee the Restoration and Renewal Programme.

On 31 January 2018, the House of Commons approved a resolution that work should commence on the restoration and renewal of the Palace of Westminster. In particular, the resolution required that 'immediate steps be taken' to establish a shadow Sponsor Body and Delivery Authority, and that their 'statutory successors' be established by legislation in due course. A resolution in identical terms was approved by the House of Lords on 6 February 2018.

The draft Parliamentary Buildings (Restoration and Renewal) Bill seeks to establish the statutory bodies that will be responsible for the restoration and renewal works within the Parliamentary estate, giving effect to the resolutions passed by Parliament. In developing the draft Bill, the Government has worked closely with the House Authorities.

The Bill will establish the governance structure within which those bodies will operate. The bodies will have the capacity and capability to make strategic decisions on the restoration and renewal programme, so that the Palace of Westminster can be secured as the UK Parliament for future generations.

The Bill establishes a Parliamentary Works Sponsor Body. The Sponsor Body will have overall responsibility for the Restoration and Renewal Programme and will also be empowered to form a Delivery Authority as a company limited by guarantee. The Delivery Authority will formulate proposals in relation to the restoration works, and ensure their operational delivery. This two-tier approach, as used in the successful

London Olympics project, is the best structure to deliver a value for money programme, which commands the confidence of taxpayers and Parliamentarians.

The Bill also establishes a Parliamentary Works Estimates Commission. The Estimates Commission will lay the Sponsor Body's estimates before Parliament, and will play a role in reviewing the Sponsor Body's expenditure.

The Government agrees with Parliament that there can be no blank cheque for this work and it must represent good value for taxpayers' money. In doing so the Bill provides that the Sponsor Body and the Delivery Authority must have regard to value for money when exercising their functions throughout the Programme. The Treasury would also be able to review and comment on the annual estimates for the funding of the Programme, and the National Audit Office will be able to undertake audits and value-for-money reviews. Furthermore, the Estimates Commission will have the power to review, comment on, and in certain circumstances reject those annual estimates.

The Bill will ensure that the relevant bodies are independent and are able to operate effectively in the commercial sphere, bringing the expertise and capability needed for a project of this scale. The creation of a separate, statutory Sponsor Body will provide a single client for the Programme including on behalf of both Houses and all Members. In doing so, the Bill stipulates that the Sponsor Body will have a majority of Parliamentarians on its Board, alongside external expertise and that Parliament will be fully consulted on the strategic direction of the Programme. These arrangements will provide for completely separate funding and accounting mechanisms for the Programme from the House Authorities, strengthening the independence of the bodies. The creation of a Delivery Authority will be focussed solely on the efficient and effective delivery of the Programme, to manage delivery will bring efficiency and effectiveness through a body which is organised and resourced to deliver such a programme and can focus solely on doing so.

However, it is important that the views of Parliamentarians on the Programme are taken into account. The Bill stipulates that the Sponsor Body will have a majority of Parliamentarians on its Board, alongside external expertise. Parliamentarians will be fully consulted on the works in relation to the Palace of Westminster. Furthermore, Parliament will be given an opportunity to vote on the proposed design, cost and timing of the substantive building works relating to the Palace of Westminster. The Sponsor Body would be required to return to Parliament for approval to make any significant changes to the approved proposals in respect of the Palace. Parliament will also be given an opportunity to vote on the annual expenditure of the Sponsor Body and the Delivery Authority, through the estimates process.

As part of the resolution passed in both Houses earlier this year, it was agreed that the most cost-effective delivery option for the Restoration and Renewal Programme

was by a full and timely decant of the Palace of Westminster. Under the Bill, the Sponsor Body and Delivery Authority must undertake their work on the Restoration and Renewal of Parliament so that both Houses can return to the Palace of Westminster as soon is practically possible.

We have decided to publish the Bill in draft to ensure that all interested parties have the opportunity to consider the approach taken to the governance of the Restoration and Renewal Programme before the Bill is introduced. We welcome the forthcoming Parliamentary scrutiny to ensure that the draft Bill achieves the aim of ensuring that the Restoration and Renewal Programme will be sufficiently independent, drawing on outside expertise, whilst also being transparent and accountable to Parliament.



The Rt Hon Andrea Leadsom MP
Leader of the House of Commons
Lord President of the Council



The Rt Hon Baroness Evans of Bowes Park
Leader of the House of Lords
Lord Privy Seal

Parliamentary Buildings (Restoration and Renewal) Bill

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TO

Make provision in connection with building works relating to the Palace of Westminster and other buildings on the Parliamentary Estate; and for connected purposes.

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

The works

1 “The Parliamentary building works”

- (1) For the purposes of this Act “the Parliamentary building works” means—
- (a) works for or in connection with the restoration of the Palace of Westminster, and 5
 - (b) works relating to the Parliamentary Estate, other than works within paragraph (a), that are designated for the purposes of this section by the House Commissions with the agreement of the Sponsor Body and the Delivery Authority.
- (2) Works within subsection (1)(a) are referred to in this Act as “Palace restoration works”. 10
- (3) If either House of Parliament is located otherwise than in the Palace of Westminster during the carrying out of the Parliamentary building works, the functions under this Act in relation to the works must be exercised with a view to facilitating the return of that House to the Palace of Westminster as soon as is reasonably practicable. 15

The Sponsor Body and the Delivery Authority

2 The Parliamentary Works Sponsor Body

- (1) A body corporate called the Parliamentary Works Sponsor Body (referred to in this Act as “the Sponsor Body”) is established for the purpose of having overall responsibility for the Parliamentary building works. 20

- (2) The Sponsor Body's duties are –
- (a) to determine the strategic objectives of the Parliamentary building works;
 - (b) to make strategic decisions relating to the carrying out of the Parliamentary building works; 5
 - (c) to form the Delivery Authority (see section 4);
 - (d) to fund the Delivery Authority (see section 8);
 - (e) to require the Delivery Authority to formulate proposals relating to the design, cost and timing of Palace restoration works;
 - (f) to oversee the activities of the Delivery Authority in connection with the carrying out of the Parliamentary building works; 10
 - (g) to deal with matters relating to completion of the Parliamentary building works, including the making of arrangements for the handing over of the buildings to which those works relate.
- (3) In performing the duties under subsection (2)(a) and (b) in relation to Palace restoration works, the Sponsor Body must consult members of each House of Parliament in accordance with the strategy under section 3. 15
- (4) In exercising its functions, the Sponsor Body must have regard to –
- (a) the need to ensure that the Parliamentary building works represent good value for money; 20
 - (b) the need to ensure that those works are carried out with a view to ensuring the safety of people who work in Parliament and of members of the public;
 - (c) the need to protect the environment and to contribute to achieving sustainable development; 25
 - (d) the need to ensure that any place in which either House of Parliament is located while the Parliamentary building works are being carried out is accessible to members of the public;
 - (e) the need to ensure that –
 - (i) any place in which either House of Parliament is located while the Parliamentary building works are being carried out, and 30
 - (ii) the Palace of Westminster (after completion of those works), are accessible to people with disabilities;
 - (f) the need for improved visitor access to the Palace of Westminster after completion of the Parliamentary building works; 35
 - (g) the desirability of ensuring that educational and other facilities are provided for people visiting the Palace of Westminster after completion of those works.
- (5) Schedule 1 contains further provision about the Sponsor Body.
- 3 Consultation strategy 40**
- (1) The Sponsor Body must prepare a strategy for consulting members of each House of Parliament for the purposes of section 2(3) (requirement to carry out consultation in relation to Palace restoration works).
 - (2) The Sponsor Body must publish the strategy no later than 8 weeks after the date on which this section comes into force. 45
 - (3) The Sponsor Body must keep the strategy under review and revise it if appropriate.

- (4) If the Sponsor Body revises the strategy it must publish the revised strategy.

4 The Delivery Authority

- (1) The Sponsor Body must form a company limited by guarantee to exercise the functions conferred on the company by this Act.
- (2) The constitution of the company must include provision to ensure that the only member of the company, and its only guarantor, is the Sponsor Body. 5
- (3) The company formed under subsection (1) is referred to in this Act as “the Delivery Authority”.
- (4) The Delivery Authority’s duties are –
- (a) to formulate proposals relating to Palace restoration works, as required by the Sponsor Body under section 2(2)(e), and 10
 - (b) to carry out the Parliamentary building works in line with the requirements of the Sponsor Body.
- (5) The Delivery Authority may do whatever it considers appropriate for the purposes of the duties under subsection (4), provided that it acts in accordance with – 15
- (a) the agreement entered into by the Sponsor Body and the Delivery Authority under section 5,
 - (b) any other agreements entered into by the Sponsor Body and the Delivery Authority in relation to the Parliamentary building works, and 20
 - (c) the Delivery Authority’s memorandum and articles of association.
- (6) In performing the duties under subsection (4) the Delivery Authority must have regard to the matters mentioned in section 2(4).
- (7) Schedule 2 contains further provision about the Delivery Authority. 25

5 Relationship between the Sponsor Body and the Delivery Authority

- (1) The Sponsor Body and the Delivery Authority must enter into an agreement containing –
- (a) a statement of the Sponsor Body’s strategic objectives in relation to the Parliamentary building works; 30
 - (b) provision about the review of the Delivery Authority’s activities by the Sponsor Body;
 - (c) provision about how, and in what circumstances, the Sponsor Body may intervene in relation to the performance by the Delivery Authority of its duties under section 4(4) where the Sponsor Body considers that the Delivery Authority is not performing those duties effectively and efficiently. 35
- (2) The provision referred to in subsection (1)(b) includes provision for the Sponsor Body or any person authorised by it – 40
- (a) to inspect documents in the Delivery Authority’s possession, and
 - (b) to interview any member of the Delivery Authority’s staff.
- (3) An agreement under subsection (1) may contain provision dealing with such other matters as the Sponsor Body and the Delivery Authority consider appropriate.

- (4) If the Sponsor Body and the Delivery Authority fail to reach agreement for the purposes of subsection (1)(b) or (c), they must refer the differences between them to the House Commissions.
- (5) Where the House Commissions settle a difference referred to them under subsection (4) – 5
- (a) their decision is binding on the Sponsor Body and the Delivery Authority, and
- (b) the Sponsor Body and the Delivery Authority are to be treated as having entered into an agreement under subsection (1) that reflects the decision. 10
- (6) An agreement under subsection (1) may be varied by agreement between the Sponsor Body and the Delivery Authority (and subsections (4) and (5) apply in relation to any variation).

Parliamentary approval

- 6 Parliamentary approval for Palace restoration works etc** 15
- (1) In this section –
- “Delivery Authority proposals” means proposals formulated by the Delivery Authority by virtue of section 2(2)(e);
- “Parliamentary approval” means approval by a resolution of each House of Parliament (and references to “approval resolution” and “approved by Parliament” are to be construed accordingly); 20
- “phase two works” means the Parliamentary building works that are proposed to be carried out during the period that –
- (a) begins when Parliamentary approval is obtained for the purposes of subsection (2), and 25
- (b) ends when the Parliamentary building works have been completed.
- (2) No Palace restoration works, other than preparatory works, may be carried out before the Sponsor Body has obtained Parliamentary approval for – 30
- (a) Delivery Authority proposals in respect of those works, and
- (b) funding, up to an amount specified in the approval resolution, in respect of phase two works.
- (3) In subsection (2) “preparatory works” means works in preparation for the restoration of the Palace of Westminster, including – 35
- (a) initial design works, and
- (b) other works that do not affect the continued functioning of the Palace of Westminster for the purposes of either House of Parliament.
- (4) After obtaining Parliamentary approval for the purposes of subsection (2), the Sponsor Body must seek further Parliamentary approval – 40
- (a) before proceeding with Delivery Authority proposals that the Sponsor Body considers would significantly affect the design or timing of Palace restoration works, or
- (b) if the Sponsor Body considers that the amount of funding in respect of phase two works that is for the time being approved by Parliament is insufficient for the purposes of carrying out those works. 45

- (5) When seeking Parliamentary approval for the purposes of subsection (2) or (4)(a), the Sponsor Body must lay before Parliament the Delivery Authority proposals in question.
- (6) When seeking Parliamentary approval for the purposes of subsection (2) or (4)(b), the Sponsor Body must lay before Parliament its assessment of the amount of funding (or further funding) required in connection with phase two works. 5
- (7) The reference in subsection (4) to further Parliamentary approval is— 10
- (a) in a subsection (4)(a) case, a reference to Parliamentary approval for the Delivery Authority proposals, and
- (b) in a subsection (4)(b) case, a reference to Parliamentary approval for further funding, up to the amount specified in the approval resolution, in respect of phase two works.

The Estimates Commission and funding

7 The Parliamentary Works Estimates Commission 15

- (1) A body corporate called the Parliamentary Works Estimates Commission (referred to in this Act as “the Estimates Commission”) is established.
- (2) Schedule 3 contains further provision about the Estimates Commission.

8 Funding

- (1) The Sponsor Body’s expenditure is to be met out of money provided by Parliament. 20
- (2) Schedule 4 contains provision about the preparation of estimates by the Sponsor Body for the purposes of its funding.
- (3) The Sponsor Body may make such payments to the Delivery Authority as the Sponsor Body considers appropriate. 25
- (4) Payments under subsection (3) may be made at such times, and subject to such conditions, as the Sponsor Body considers appropriate.

Abolition etc of bodies

9 Power to abolish the Sponsor Body

- (1) The Leader of the House of Commons may by regulations made by statutory instrument abolish the Sponsor Body. 30
- (2) Regulations under subsection (1) may provide for the transfer of functions, property, rights or liabilities from the Sponsor Body to such other person as the Leader of the House of Commons considers appropriate.
- (3) But regulations under subsection (1) may not provide for the transfer of anything to a person who has not consented to the transfer. 35
- (4) The things that may be transferred by virtue of subsection (1) include—
- (a) property, rights and liabilities that could not otherwise be transferred;

- (b) property acquired, and rights and liabilities arising, after the making of the regulations.
- (5) Regulations under subsection (1) may –
- (a) create rights, or impose liabilities, in relation to property or rights transferred; 5
 - (b) make provision about the continuing effect of things done by the Sponsor Body in respect of anything transferred;
 - (c) make provision about the continuation of things (including legal proceedings) in the process of being done by, on behalf of or in relation to the Sponsor Body in respect of anything transferred; 10
 - (d) if the Transfer of Undertakings (Protection of Employment) Regulations 2006 (S.I. 2006/246) do not apply in relation to the transfer, make provision that is the same or similar;
 - (e) make other consequential, supplementary, incidental or transitional provision (including consequential provision amending or repealing any provision of this Act). 15
- (6) References in this section to rights and liabilities include rights and liabilities relating to a contract of employment.
- (7) Before making regulations under subsection (1), the Leader of the House of Commons must consult the Minister of the Crown who is for the time being designated as Leader of the House of Lords by the Prime Minister. 20
- (8) A statutory instrument containing regulations under subsection (1) may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.
- 10 Power to dissolve the Delivery Authority** 25
- The Sponsor Body may dissolve the Delivery Authority, but only –
- (a) after completion of the Parliamentary building works, and
 - (b) with the consent of the House Commissions.

General

- 11 Interpretation** 30
- (1) In this Act –
- “the Delivery Authority” has the meaning given by section 4(3);
 - “the Estimates Commission” means the Parliamentary Works Estimates Commission;
 - “financial year”, in relation to the Sponsor Body or the Estimates Commission, means – 35
 - (a) the period beginning with the date on which the Sponsor Body or the Estimates Commission (as the case may be) is established and ending with the 31 March following that date, and
 - (b) each successive period of 12 months; 40
 - “financial year”, in relation to the Delivery Authority, means –
 - (a) the period beginning with the date on which the Delivery Authority is formed and ending with the 31 March following that date, and

- (b) each successive period of 12 months;
- “the House Commissions” means the House of Commons Commission and the House of Lords Commission (and see subsection (2));
- “House of Lords Commission” means any committee of the House of Lords whose terms of reference are to provide strategic and political direction for the administration of the House of Lords on behalf of the House; 5
- “Leader of the House of Commons” means the Minister of the Crown who is for the time being designated as Leader of the House of Commons by the Prime Minister; 10
- “Minister of the Crown” has the same meaning as in the Ministers of the Crown Act 1975;
- “Palace restoration works” has the meaning given by section 1(2);
- “the Parliamentary building works” has the meaning given by section 1(1); 15
- “the Sponsor Body” means the Parliamentary Works Sponsor Body.
- (2) References in this Act to something being done by or to the House Commissions is to its being done by them jointly or to both of them.
- (3) Any question arising in relation to the definition of “House of Lords Commission” in subsection (1) is to be determined by the Speaker of the House of Lords. 20

12 Extent, commencement and short title

- (1) This Act extends to England and Wales, Scotland and Northern Ireland.
- (2) This section comes into force on the day on which this Act is passed.
- (3) The other provisions of this Act come into force at the end of the period of 6 months beginning with the day on which this Act is passed (subject to subsection (4)). 25
- (4) The Leader of the House of Commons may by regulations made by statutory instrument appoint a day, falling before the end of the period mentioned in subsection (3), on which— 30
- (a) the provisions of this Act, other than this section, are to come into force, or
- (b) those provisions of this Act that are specified in the regulations are to come into force;
- and different days may be appointed for different purposes. 35
- (5) This Act may be cited as the Parliamentary Buildings (Restoration and Renewal) Act 2018.

SCHEDULES

SCHEDULE 1

Section 2

THE PARLIAMENTARY WORKS SPONSOR BODY

PART 1

MEMBERS OF THE SPONSOR BODY 5

Membership

- 1 (1) The Sponsor Body is to consist of the following members –
- (a) a chair appointed in accordance with paragraph 2,
 - (b) at least 2 but not more than 4 persons appointed in accordance with paragraph 3, and
 - (c) at least 4 but not more than 8 persons appointed from amongst the members of the House of Commons and the members of the House of Lords (and see also paragraph 4).
- (2) In this Schedule –
- (a) references to the “external members” are to the chair and the members referred to in sub-paragraph (1)(b);
 - (b) references to the “Parliamentary members” are to the members referred to in sub-paragraph (1)(c).
- (3) The number of Parliamentary members must be greater than the number of external members.

External members: appointment

- 2 (1) The chair is to be appointed by the House Commissions.
- (2) A person may be appointed as the chair only if the person has been selected for appointment by the House Commissions on merit on the basis of fair and open competition.
- (3) A person may not be appointed as the chair if the person is –
- (a) a member of either House of Parliament,
 - (b) a Minister of the Crown,
 - (c) a member of either of the House Commissions, or
 - (d) a director of the Delivery Authority (other than a director within paragraph 1(1)(c) of Schedule 2).
- (4) The appointment of the chair does not have effect unless it is confirmed by a resolution of each House of Parliament.

- 3 (1) The external members (other than the chair) are to be appointed by the Sponsor Body.
- (2) A person may be appointed under this paragraph only if the person has been selected for appointment by the Sponsor Body on merit on the basis of fair and open competition. 5
- (3) A person may not be appointed under this paragraph if the person is –
- (a) a member of either House of Parliament,
 - (b) a Minister of the Crown,
 - (c) a member of either of the House Commissions, or
 - (d) a director of the Delivery Authority (other than a director within paragraph 1(1)(c) of Schedule 2). 10
- (4) The functions conferred by this paragraph on the Sponsor Body are to be discharged by the House Commissions –
- (a) before the Sponsor Body is first constituted in accordance with paragraph 1(1), or 15
 - (b) at any time when the number of external members is less than 2.
- (5) The appointment of an external member under this paragraph does not have effect unless it is confirmed by a resolution of each House of Parliament.

Parliamentary members: appointment

- 4 (1) A person may not be appointed as a Parliamentary member if the person is – 20
- (a) a member of either of the House Commissions,
 - (b) a Minister of the Crown,
 - (c) a director of the Delivery Authority (other than a director within paragraph 1(1)(c) of Schedule 2), or 25
 - (d) a member of the Estimates Commission.
- (2) The appointment of a Parliamentary member does not have effect unless it is confirmed by a resolution of the House of Parliament from which the person is drawn.

Terms of appointment: general 30

- 5 (1) An external member of the Sponsor Body holds and vacates office in accordance with the terms and conditions of the member’s appointment (subject to this Schedule).
- (2) A Parliamentary member of the Sponsor Body holds and vacates office in accordance with terms and conditions set by the Sponsor Body (subject to this Schedule). 35
- 6 (1) A member must be appointed for a fixed term of not more than 3 years.
- (2) Those responsible for setting fixed terms for members must have regard to the desirability of securing that appointments do not all expire at the same time. 40
- (3) The reference in sub-paragraph (2) to those responsible for setting fixed terms is a reference to the House Commissions (in the case of the chair) and the Sponsor Body (in the case of other members).

- 7 The previous appointment of a person as a member does not affect the person's eligibility for re-appointment.

Remuneration for external members

- 8 The Sponsor Body may pay to an external member such remuneration and allowances as the Sponsor Body may determine. 5

Code of conduct

- 9 (1) The Sponsor Body must issue, and may from time to time revise, a code of conduct for its members.
- (2) The code must in particular –
- (a) incorporate the Nolan principles or such other similar principles as may be adopted by the Sponsor Body from time to time, and 10
 - (b) include provision about the disclosure of interests by the members of the Sponsor Body.
- (3) “The Nolan principles” means the 7 general principles of public life set out in the First Report of the Committee on Standards in Public Life (Cm 2850). 15

Resignation, suspension and removal

- 10 (1) In this paragraph “the appropriate authority” means –
- (a) in relation to the chair, the House Commissions, and
 - (b) in relation to any other member, the chair.
- (2) A member of the Sponsor Body may resign by giving notice in writing to the appropriate authority. 20
- (3) The appropriate authority may without notice suspend a member of the Sponsor Body from office if it appears to the appropriate authority that the member –
- (a) has failed without reasonable excuse to carry out the member's functions, or 25
 - (b) is unable or unfit to carry out the member's functions.
- (4) The period of suspension must not exceed [3 months].
- (5) The appropriate authority must review the suspension before the expiry of the period of suspension. 30
- (6) Following a review, the appropriate authority may –
- (a) revoke the suspension, or
 - (b) decide that the member should be removed from office.
- (7) A decision under sub-paragraph (6)(b) does not have effect unless it is confirmed – 35
- (a) in the case of an external member, by a resolution of each House of Parliament, or
 - (b) in the case of a Parliamentary member, by a resolution of the House of Parliament from which the member is drawn.

- 11 (1) A Parliamentary member ceases to be a member of the Sponsor Body if – 40

- (a) the member ceases to be a member of the relevant House (but see sub-paragraph (4)),
 - (b) the relevant House orders the suspension of the member from the service of that House for a specified period of the requisite length,
 - (c) the member becomes – 5
 - (i) a member of either of the House Commissions, or
 - (ii) a Minister of the Crown,
 - (d) the member becomes a director of the Delivery Authority (other than a director within paragraph 1(1)(c) of Schedule 2), or
 - (e) in the case of a Lords member, the member is granted leave of absence in accordance with Standing Orders of the House of Lords. 10
- (2) For the purposes of sub-paragraph (1)(b) a specified period is “of the requisite length” if –
- (a) where the period is expressed as a number of sitting days, it is a period of at least 10 sitting days, or 15
 - (b) in any other case, the period (however expressed) is a period of at least 14 days.
- (3) For the purposes of sub-paragraph (1)(b) it does not matter –
- (a) when the period of suspension starts, and
 - (b) where that period is expressed as a number of sitting days, what provision (if any) is made by the relevant House regarding what does, or does not, count as a sitting day for the purpose of calculating that period. 20
- (4) Where a Commons member ceases to be a member of the House of Commons on the dissolution of Parliament prior to a Parliamentary general election – 25
- (a) sub-paragraph (1)(a) does not apply, and
 - (b) unless the person is re-elected to the House of Commons at the election (and subject to the earlier expiry of the person’s term of appointment), the person ceases to be a member of the Sponsor Body – 30
 - (i) on the appointment of a new Parliamentary member in the person’s place, or
 - (ii) if no new Parliamentary member is appointed, at the end of the period of 6 months beginning with the date on which the person ceases to be a member of the House of Commons. 35
- (5) A person who continues to be a member of the Sponsor Body as a result of sub-paragraph (4) is to be treated for the purposes of this Schedule (other than this paragraph) as a member of the House of Commons until the person ceases to be a member of the Sponsor Body in accordance with sub-paragraph (4)(b). 40
- (6) In this paragraph –
- “Commons member” and “Lords member” mean a person who is a Parliamentary member by virtue of being a member of the House of Commons or the House of Lords (as the case may be); 45
 - “the relevant House”, in relation to a Parliamentary member, means the House of Parliament from which the member is drawn.

- | | | |
|----|--|---|
| 12 | <p>An external member ceases to be a member of the Sponsor Body on becoming –</p> <ul style="list-style-type: none"> (a) a member of either House of Parliament, (b) a member of either of the House Commissions, (c) a Minister of the Crown, or (d) a director of the Delivery Authority (other than a director within paragraph 1(1)(c) of Schedule 2). | 5 |
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Interim chair

- | | | |
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| 13 | <p>(1) The House Commissions may appoint one of the external members of the Sponsor Body to be its interim chair if –</p> <ul style="list-style-type: none"> (a) the office of chair is vacant, or (b) the chair is suspended from office under paragraph 10(3). <p>(2) Appointment as interim chair is for a term ending on the earliest of –</p> <ul style="list-style-type: none"> (a) the appointment of a new chair, (b) the revocation or expiry of the existing chair’s suspension, and (c) the end of the interim chair’s term as an external member. <p>(3) The previous appointment of a person as interim chair does not affect the person’s eligibility for re-appointment.</p> | 10 |
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PART 2

POWERS, PROCEDURE, REPORTING ETC 20

Status

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| 14 | <p>(1) The Sponsor Body is not to be regarded –</p> <ul style="list-style-type: none"> (a) as a servant or agent of the Crown, or (b) as enjoying any status, immunity or privilege of the Crown. <p>(2) The members and staff of the Sponsor Body are not to be regarded as Crown servants.</p> | 25 |
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Powers

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| 15 | <p>The Sponsor Body may do anything that is calculated to facilitate the carrying out of its functions or is incidental or conducive to the carrying out of those functions.</p> | 30 |
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Staff

- | | | |
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| 16 | <p>(1) The Sponsor Body must appoint a person to be its chief executive.</p> <p>(2) The chief executive is a member of the Sponsor Body’s staff and is to be appointed on terms and conditions determined by the Sponsor Body.</p> <p>(3) The Sponsor Body may appoint other staff on terms and conditions determined by the Sponsor Body.</p> <p>(4) In determining terms and conditions of appointment under sub-paragraph (2) or (3) (including as to remuneration and allowances), the Sponsor Body must have regard to the desirability of keeping the terms and conditions</p> | 35 |
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broadly in line with those applying to staff in the House Departments (within the meaning of the House of Commons (Administration) Act 1978).

- 17 (1) In the Superannuation Act 1972, in Schedule 1 (kinds of employment to which a scheme under section 1 of that Act can apply), in the list of other bodies, at the appropriate place insert – 5
“The Parliamentary Works Sponsor Body.”
- (2) The Sponsor Body must pay to the Minister for the Civil Service, at such times as the Minister may direct, such sums as the Minister may determine in respect of any increase attributable to this paragraph in the sums payable out of money provided by Parliament under the Superannuation Act 1972. 10

Transfer of property etc to the Sponsor Body

- 18 (1) The Leader of the House of Commons may make a scheme for the transfer of relevant property, rights and liabilities from the House of Commons Commission to the Sponsor Body.
- (2) “Relevant property, rights and liabilities” mean property, rights and liabilities held or incurred by the House of Commons Commission in connection with the restoration of the Palace of Westminster. 15
- (3) The things that may be transferred under a transfer scheme include –
- (a) property, rights and liabilities that could not otherwise be transferred; 20
 - (b) property acquired, and rights and liabilities arising, after the making of the scheme.
- (4) If the Transfer of Undertakings (Protection of Employment) Regulations 2006 (S.I. 2006/246) do not apply in relation to a transfer, a transfer scheme must make equivalent provision. 25
- (5) A transfer scheme may –
- (a) create rights, or impose liabilities, in relation to property or rights transferred;
 - (b) make provision about the continuing effect of things done by the House of Commons Commission in respect of anything transferred; 30
 - (c) make provision about the continuation of things (including legal proceedings) in the process of being done by, on behalf of or in relation to the House of Commons Commission in respect of anything transferred;
 - (d) make other consequential, supplementary, incidental or transitional provision. 35
- (6) A transfer scheme may provide –
- (a) for modifications to the scheme by agreement between the Leader of the House of Commons and the person (or persons) affected by the modifications; 40
 - (b) for modifications to have effect from the date when the original scheme came into effect.
- (7) References in this paragraph to rights and liabilities include rights and liabilities relating to a contract of employment.

Committees

- 19 (1) The Sponsor Body may establish committees.
- (2) A committee established under sub-paragraph (1) may establish one or more sub-committees.
- (3) A committee or sub-committee may consist of or include persons who are neither members, nor members of staff, of the Sponsor Body. 5

Delegation

- 20 The Sponsor Body may delegate functions to a committee, sub-committee, member or member of staff.

Delegation and contracting out of pension functions 10

- 21 (1) Section 1(2) of the Superannuation Act 1972 (delegation of functions relating to civil service superannuation schemes by Minister for the Civil Service to another officer of the Crown etc) has effect as if the reference to an officer of the Crown other than a Minister included a reference to the Sponsor Body's chief executive. 15
- (2) A pension function conferred on the chief executive by virtue of sub-paragraph (1) may be carried out by –
- (a) a person authorised by the chief executive, or
- (b) an employee of a person so authorised.
- (3) "Pension function" means a function of administering schemes made under section 1 of the Superannuation Act 1972, and from time to time in force. 20
- (4) The chief executive may under sub-paragraph (2) authorise a person to exercise pension functions –
- (a) to their full extent or to a specified extent;
- (b) in all cases or in specified cases; 25
- (c) unconditionally or subject to specified conditions.
- (5) An authorisation under sub-paragraph (2) –
- (a) is to be treated for all purposes as given by virtue of an order under section 69 of the Deregulation and Contracting Out Act 1994 (contracting out of functions of Ministers and office-holders), and 30
- (b) may be revoked at any time by the Sponsor Body or the chief executive.

Procedure

- 22 (1) The Sponsor Body may (subject to this Schedule) determine its own procedure and the procedures of its committees and sub-committees. 35
- (2) No proceedings of the Sponsor Body, or of its committees or sub-committees, are invalidated by a vacancy or a defective appointment.
- 23 (1) The quorum for a meeting of the Sponsor Body is 5 members, who must include at least 2 external members and at least 2 Parliamentary members.

- (2) The Clerk of the Parliaments and the Clerk of the House of Commons, or their representatives, may attend and participate in meetings of the Sponsor Body.
- (3) The Sponsor Body may nominate an external member to chair a particular meeting of the Sponsor Body if – 5
 - (a) the office of chair is vacant, or the chair is suspended from office under paragraph 10(3), and no interim chair has been appointed under paragraph 13, or
 - (b) the chair is unable, unfit or unwilling to perform the chair’s functions (whether because of illness or otherwise). 10

Accounts and audit

- 24 (1) The Sponsor Body must keep proper accounts and proper records in relation to them.
- (2) The Sponsor Body must prepare a statement of accounts for each financial year. 15
- (3) The statement of accounts must comply with any directions given by the Treasury, which may include directions as to – 20
 - (a) its content and form,
 - (b) the methods and principles to be applied in preparing it, and
 - (c) the additional information (if any) that is to be provided for the information of Parliament.
- (4) The chief executive is to be the Sponsor Body’s accounting officer (but see paragraph 25).
- (5) The accounting officer is to have, in relation to the Sponsor Body’s accounts and finance, the responsibilities that are from time to time specified by the Sponsor Body. 25
- (6) References in sub-paragraph (5) to responsibilities include – 30
 - (a) responsibilities in relation to the signing of accounts;
 - (b) responsibilities for the propriety and regularity of the Sponsor Body’s finances;
 - (c) responsibilities for the economy, efficiency and effectiveness with which the Sponsor Body’s resources are used;
 - (d) responsibilities in relation to the appointment of the Delivery Authority’s accounting officer.
- (7) The Sponsor Body must send a copy of the statement of accounts for a financial year to the Comptroller and Auditor General as soon as practicable after the end of that year. 35
- (8) The Comptroller and Auditor General must – 40
 - (a) examine, certify and report on the statement of accounts, and
 - (b) send a copy of the certified statement and of the report to the Sponsor Body as soon as practicable.
- (9) The Sponsor Body must, in respect of each financial year, lay before Parliament a copy of the certified statement and report sent under sub-paragraph (8)(b).

- 25 (1) If the chief executive is unable to discharge the chief executive’s responsibilities as accounting officer, the Sponsor Body must nominate a member of its staff to be the accounting officer for as long as the chief executive is so unable.
- (2) If the office of chief executive is vacant, the Sponsor Body must nominate a member of its staff to be the accounting officer for as long as the office of chief executive remains vacant. 5

Report

- 26 (1) At least once in every calendar year, the Sponsor Body must prepare a report about the carrying out of the Parliamentary building works and the progress that has been made towards completion of those works. 10
- (2) The Sponsor Body must publish each report prepared under this paragraph.

Documentary evidence

- 27 (1) The application of the seal of the Sponsor Body must be authenticated by the signature of – 15
- (a) a member of the Sponsor Body, or
 - (b) another person authorised for that purpose by the Sponsor Body.
- (2) A document purporting to be duly executed under the Sponsor Body’s seal or signed on its behalf – 20
- (a) is to be received in evidence, and
 - (b) is to be taken to be executed or signed in that way, unless the contrary is shown.
- (3) This paragraph does not extend to Scotland.

Freedom of information

- 28 In Part 6 of Schedule 1 to the Freedom of Information Act 2000 (other public bodies and offices which are public authorities) at the appropriate place insert – 25
- “The Parliamentary Works Sponsor Body.”

SCHEDULE 2

Section 2

THE DELIVERY AUTHORITY 30

Board of directors

- 1 (1) The Delivery Authority is to have a board of directors consisting of – 35
- (a) a chair appointed by the Sponsor Body,
 - (b) at least 4 persons appointed by the Delivery Authority as non-executive directors,
 - (c) up to 2 persons appointed by the Sponsor Body as non-executive directors, and
 - (d) at least 2 persons appointed by the Delivery Authority as executive directors.

- (2) A person may be appointed as chair only with the consent of the House Commissions.
- (3) A person may not be appointed as a director of the Delivery Authority if the person is –
 - (a) a member of either House of Parliament, 5
 - (b) a Minister of the Crown,
 - (c) a member of either of the House Commissions,
 - (d) a member of the Sponsor Body, or
 - (e) a member of the Estimates Commission.
- (4) But sub-paragraph (3)(a) and (d) do not apply in relation to the appointment of a person within sub-paragraph (1)(c). 10
- (5) The number of non-executive directors appointed by the Delivery Authority must at all times exceed the number of executive directors.
- (6) A person who is an executive director is a member of the Delivery Authority's staff. 15
- (7) A person may be appointed as a director of the Delivery Authority only –
 - (a) if the Sponsor Body consents to the appointment, and
 - (b) in the case of a non-executive director, if the person has been selected on merit on the basis of fair and open competition.

The chair and non-executive directors: term of office 20

- 2 (1) The chair and the non-executive directors are to be appointed for a fixed term of not more than 3 years.
- (2) The person responsible for setting fixed terms for the chair and the non-executive directors must have regard to the desirability of securing that appointments do not all expire at the same time. 25
- (3) The reference in sub-paragraph (2) to the person responsible for setting fixed terms is a reference to –
 - (a) the Sponsor Body, in the case of the chair and any non-executive directors appointed by the Sponsor Body, and
 - (b) the Delivery Authority, in the case of non-executive directors appointed by the Delivery Authority. 30
- (4) The previous appointment of a person as the chair or as a non-executive director does not affect the person's eligibility for re-appointment.

Removal

- 3 (1) The Sponsor Body may by notice in writing remove the chair from office. 35
- (2) Before giving a notice under sub-paragraph (1) the Sponsor Body must obtain the consent of the House Commissions.
- (3) The Delivery Authority may by notice in writing remove any other director from office.
- (4) Before giving a notice under sub-paragraph (3) the Delivery Authority must obtain the consent of the Sponsor Body. 40
- 4 (1) A person ceases to be a director of the Delivery Authority on becoming –

- (a) a member of either House of Parliament,
 - (b) a Minister of the Crown,
 - (c) a member of either of the House Commissions, or
 - (d) a member of the Sponsor Body.
- (2) But sub-paragraph (1)(a) and (d) do not apply in the case of a director within paragraph 1(1)(c). 5

Validity of acts

- 5 The validity of any act of the Delivery Authority is not affected –
- (a) by a vacancy in relation to the board of directors, or
 - (b) by a defect in the appointment of a person as a director of the Delivery Authority. 10

Staff

- 6 The Delivery Authority may appoint staff on such terms and conditions (including as to remuneration and allowances) as the Delivery Authority may determine. 15

Statement of required resources

- 7 (1) The Delivery Authority must, before the beginning of each financial year, prepare a statement setting out the resources it requires for the year in order to exercise its functions.
- (2) The Delivery Authority must send each statement to the Sponsor Body. 20
- (3) The Sponsor Body must review each statement and may approve or reject it.
- (4) If the Sponsor Body rejects a statement, sub-paragraphs (1) to (3) apply again.
- (5) A statement that has been approved by the Sponsor Body is to be included in the estimate prepared by the Sponsor Body for the financial year to which the statement relates (see paragraphs 4, 7 and 9 of Schedule 4). 25
- 8 (1) The Delivery Authority may prepare a supplementary statement setting out any additional resources it requires for a financial year in order to exercise its functions.
- (2) The Delivery Authority must send a supplementary statement to the Sponsor Body. 30
- (3) The Sponsor Body must review a supplementary statement and may approve or reject it.
- (4) A supplementary statement that has been approved by the Sponsor Body is to be included in a supplementary estimate prepared by the Sponsor Body for the financial year to which the statement relates (see paragraphs 6, 8 and 10 of Schedule 4). 35

Accounts and audit

- 9 (1) The Delivery Authority must keep proper accounts and proper records in relation to them. 40

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- (2) The Delivery Authority must prepare a statement of accounts for each financial year.
- (3) The Sponsor Body’s accounting officer must, with the consent of the Delivery Authority, appoint one of the Delivery Authority’s executive directors to be the Delivery Authority’s accounting officer. 5
- (4) The accounting officer is to have, in relation to the Delivery Authority’s accounts and finance, the responsibilities that are from time to time specified by the Sponsor Body’s accounting officer.
- (5) References in sub-paragraph (4) to responsibilities include – 10
- (a) responsibilities in relation to the signing of accounts;
 - (b) responsibilities for the propriety and regularity of the Delivery Authority’s finances;
 - (c) responsibilities for the economy, efficiency and effectiveness with which the Delivery Authority’s resources are used.
- (6) The Delivery Authority must send a copy of the statement of accounts for a financial year to the Comptroller and Auditor General as soon as practicable after the end of that year. 15
- (7) The Comptroller and Auditor General must –
- (a) examine, certify and report on the statement of accounts, and
 - (b) send a copy of the certified statement and of the report to the Sponsor Body as soon as practicable. 20
- (8) The Sponsor Body must, in respect of each financial year, lay before Parliament a copy of the certified statement and report sent under sub-paragraph (7)(b).
- 10 (1) If the executive director who is the Delivery Authority’s accounting officer is unable to discharge the responsibilities of accounting officer, the Delivery Authority must nominate a member of the Delivery Authority’s staff to be the accounting officer for as long as the executive director is unable to discharge those responsibilities. 25
- (2) If there is no accounting officer, the Delivery Authority must nominate one of its executive directors to be the accounting officer until an accounting officer is appointed. 30
- (3) A nomination under this paragraph requires the consent of the Sponsor Body’s accounting officer.
- Freedom of information* 35
- 11 In Part 6 of Schedule 1 to the Freedom of Information Act 2000 (other public bodies and offices which are public authorities) at the appropriate place insert –
- “The company formed under section 4 of the Parliamentary Buildings (Restoration and Renewal) Act 2018.” 40

SCHEDULE 3

Section 7

THE PARLIAMENTARY WORKS ESTIMATES COMMISSION

Membership

- 1 (1) The Estimates Commission is to consist of –
- (a) two persons appointed from amongst the members of the House of Commons (“Commons members”), and 5
 - (b) two persons appointed from amongst the members of the House of Lords (“Lords members”).
- (2) A person may not be appointed as a member of the Estimates Commission if the person is – 10
- (a) a Minister of the Crown,
 - (b) a Parliamentary member of the Sponsor Body, or
 - (c) a director of the Delivery Authority.
- (3) The appointment of a member of the Estimates Commission does not have effect unless it is confirmed by a resolution of the House of Parliament from which the person is drawn. 15

Removal from office

- 2 (1) A person ceases to be a member of the Estimates Commission –
- (a) on the passing of a resolution to that effect by the relevant House,
 - (b) on ceasing to be a member of the relevant House (subject to sub-paragraph (4)), 20
 - (c) if the relevant House orders the suspension of the member from the service of that House for a specified period of the requisite length, or
 - (d) in the case of a Lords member, the member is granted leave of absence in accordance with Standing Orders of the House of Lords. 25
- (2) For the purposes of sub-paragraph (1)(c) a specified period is “of the requisite length” if –
- (a) where the period is expressed as a number of sitting days, it is a period of at least 10 sitting days, or
 - (b) in any other case, the period (however expressed) is a period of at least 14 days. 30
- (3) For the purposes of sub-paragraph (1)(c) it does not matter –
- (a) when the period of suspension starts, and
 - (b) where that period is expressed as a number of sitting days, what provision (if any) is made by the relevant House regarding what does, or does not, count as a sitting day for the purpose of calculating that period. 35
- (4) Where a Commons member ceases to be a member of the House of Commons on the dissolution of Parliament prior to a Parliamentary general election – 40
- (a) sub-paragraph (1)(b) does not apply, and
 - (b) unless the person is re-elected to the House of Commons at the election, the person ceases to be a member of the Estimates Commission –

- (i) on the appointment of a new Commons member in the person's place, or
 - (ii) if no new Commons member is appointed, at the end of the period of 6 months beginning with the date on which the person ceases to be a member of the House of Commons. 5
- (5) A person who continues to be a member of the Estimates Commission as a result of sub-paragraph (4) is to be treated for the purposes of this Schedule (other than this paragraph) as a member of the House of Commons until the person ceases to be a member of the Estimates Commission in accordance with sub-paragraph (4)(b). 10
- (6) In this paragraph "the relevant House", in relation to a member of the Estimates Commission, means the House of Parliament from which the member is drawn.

Procedure

- 3 (1) A meeting of the Estimates Commission is only quorate if at least one Commons member and one Lords member are present. 15
- (2) Subject to that, the Estimates Commission may regulate its own procedures.

Freedom of information

- 4 In Part 6 of Schedule 1 to the Freedom of Information Act 2000 (other public bodies and offices which are public authorities) at the appropriate place insert – 20
"The Parliamentary Works Estimates Commission."

SCHEDULE 4

Section 8

FUNDING: SPONSOR BODY'S ESTIMATES

PART 1 25

INTRODUCTION

Interpretation

- 1 (1) In this Schedule –
 - "Parliamentary approval" means approval by a resolution of each House of Parliament (and any reference to "approved by Parliament" is to be construed accordingly); 30
 - "phase one" means the period that –
 - (a) begins with the day on which section 1 first comes into force, and
 - (b) ends when Parliamentary approval is obtained for the purposes of section 6(2); 35
 - "phase one works" means Parliamentary building works that are not phase two works (and "phase one expenditure" means expenditure in connection with phase one works);
 - "phase two" means the period that – 40

- (a) begins when Parliamentary approval is obtained for the purposes of section 6(2) (approval for plans relating to Palace restoration works), and
 - (b) ends when the construction of the Parliamentary building works has been completed; 5
- “phase two works” means the Parliamentary building works that are proposed to be carried out during phase two (and “phase two expenditure” means expenditure in connection with phase two works).
- (2) For the purposes of the definitions of “phase one” and “phase two”, where one House passes a resolution on a different day from the other House, the reference to the day on which Parliamentary approval is given is to be read as a reference to the second of those days. 10

Assessment of expenditure

- 2 (1) The Delivery Authority must, at least once during each assessment period that begins during phase one, assess the total amount of phase one expenditure that it expects to be incurred. 15
- (2) The Delivery Authority must, at least once during each assessment period that begins during phase two, assess the total amount of phase two expenditure that it expects to be incurred. 20
- (3) In this paragraph “assessment period” means—
- (a) the period of 6 months beginning with the day on which this Schedule comes into force, and
 - (b) each subsequent period of 6 months.
- (4) The Delivery Authority must give the Sponsor Body an assessment under this paragraph as soon as practicable after it is made. 25
- (5) In this Schedule—
- (a) “phase one costing” means an assessment under sub-paragraph (1);
 - (b) “phase two costing” means an assessment under sub-paragraph (2).

PART 2 30

PHASE ONE

Annual estimates during phase one

- 3 (1) Paragraph 4 applies in relation to a financial year of the Sponsor Body that begins during phase one.
- (2) But it does not apply in relation to— 35
- (a) the Sponsor Body’s first financial year, or
 - (b) a financial year to which Part 3 of this Schedule (transition year) applies.
- 4 (1) For each financial year to which this paragraph applies, the Sponsor Body must prepare an estimate of its expenditure. 40
- (2) The estimate must cover the Delivery Authority’s statement of resources for the year under paragraph 7 of Schedule 2.

- (3) The Sponsor Body must submit to the Estimates Commission –
 - (a) the estimate for the year, and
 - (b) the Delivery Authority’s most recent phase one costing.
- (4) The Estimates Commission must review the estimate, and in doing so must – 5
 - (a) consult the Treasury, and
 - (b) have regard to any advice given by the Treasury.
- (5) The Estimates Commission may make such comments on the estimate as it considers appropriate.
- (6) If the phase one costing exceeds the phase one expenditure limit (see paragraph 5), the Estimates Commission may – 10
 - (a) lay the estimate before the House of Commons, or
 - (b) reject it.
- (7) Otherwise, the Estimates Commission must lay the estimate before the House of Commons. 15
- (8) When laying the estimate before the House of Commons under sub-paragraph (6)(a) or (7), the Estimates Commission must also lay before that House –
 - (a) the Estimates Commission’s comments on the estimate, and
 - (b) any comments made by the Treasury as a result of the consultation under sub-paragraph (4)(a). 20
- (9) If the Estimates Commission rejects the estimate under sub-paragraph (6)(b), the Sponsor Body must prepare a fresh estimate for the year (and sub-paragraphs (1) to (8) apply accordingly).
- 5 (1) For the purposes of paragraph 4 the “phase one expenditure limit” means – 25
 - (a) the limit, set by the House Commissions on or before the day on which this Schedule comes into force, for phase one expenditure, or
 - (b) if the House Commissions revise (or further revise) the limit for phase one expenditure, the revised limit.
- (2) Before revising (or further revising) the limit for phase one expenditure, the House Commissions must consult the Sponsor Body and the Delivery Authority. 30

Supplementary estimates

- 6 (1) Where under paragraph 8 of Schedule 2 the Delivery Authority sends the Sponsor Body a supplementary statement of resources in respect of a financial year, the Sponsor Body must prepare a supplementary estimate of the Sponsor Body’s additional expenditure for that year. 35
- (2) Paragraph 4 (except for sub-paragraph (9)) applies to a supplementary estimate as it applies to an estimate prepared under that paragraph.

PART 3

TRANSITION YEAR

Transition year estimate

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| 7 | (1) The Sponsor Body must prepare an estimate for a financial year in accordance with this paragraph if— | 5 |
| | (a) the financial year is one that begins during phase one, and | |
| | (b) the Sponsor Body expects during the financial year to seek Parliamentary approval for the purposes of section 6(2). | |
| | (2) The estimate must set out the Sponsor Body’s estimate of— | |
| | (a) its phase one expenditure for the financial year, and | 10 |
| | (b) its phase two expenditure for the year. | |
| | (3) The estimate must cover the Delivery Authority’s statement of resources for the year under paragraph 7 of Schedule 2. | |
| | (4) The Sponsor Body must submit to the Estimates Commission— | |
| | (a) the estimate for the financial year, and | 15 |
| | (b) the Delivery Authority’s most recent phase one costing. | |
| | (5) The Estimates Commission must review the estimate, and in so doing must— | |
| | (a) consult the Treasury, and | |
| | (b) have regard to any advice given by the Treasury. | 20 |
| | (6) The Estimates Commission may make such comments on the estimate as it considers appropriate. | |
| | (7) If the phase one costing exceeds the phase one expenditure limit (as defined by paragraph 5), the Estimates Commission may— | |
| | (a) lay the estimate before the House of Commons, or | 25 |
| | (b) reject it. | |
| | (8) Otherwise, the Estimates Commission must lay the estimate before the House of Commons. | |
| | (9) When laying the estimate before the House of Commons under sub-paragraph (7)(a) or (8), the Estimates Commission must also lay before that House— | 30 |
| | (a) the Estimates Commission’s comments on the estimate, and | |
| | (b) any comments made by the Treasury as a result of the consultation under sub-paragraph (5)(a). | |
| | (10) If the Estimates Commission rejects the estimate under sub-paragraph (7)(b), the Sponsor Body must prepare a fresh estimate for the financial year (and sub-paragraphs (2) to (9) apply accordingly). | 35 |

Supplementary estimates

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| 8 | (1) Where under paragraph 8 of Schedule 2 the Delivery Authority sends the Sponsor Body a supplementary statement of resources in respect of a financial year to which paragraph 7 applies, the Sponsor Body must prepare | 40 |
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a supplementary estimate of the Sponsor Body’s additional income and expenditure for that year.

- (2) Paragraph 7 (except for sub-paragraph (10)) applies to a supplementary estimate as it applies to an estimate prepared under that paragraph.

PART 4

5

PHASE TWO

Annual estimates during phase two

- 9 (1) This paragraph applies in relation to a financial year of the Sponsor Body that begins during phase two.
- (2) The Sponsor Body must prepare an estimate of its expenditure for the financial year. 10
- (3) The estimate must cover the Delivery Authority’s statement of resources for the financial year under paragraph 7 of Schedule 2.
- (4) The Sponsor Body must submit to the Estimates Commission – 15
- (a) the estimate for the year, and
- (b) the Delivery Authority’s most recent phase two costing.
- (5) The Estimates Commission must review the estimate, and in doing so must –
- (a) consult the Treasury, and
- (b) have regard to any advice given by the Treasury. 20
- (6) The Estimates Commission may make such comments on the estimate as it considers appropriate.
- (7) If the phase two costing exceeds the amount of funding in respect of phase two works that is for the time being approved by Parliament, the Estimates Commission may – 25
- (a) lay the estimate before the House of Commons, or
- (b) reject it.
- (8) Otherwise, the Estimates Commission must lay the estimate before the House of Commons.
- (9) When laying the estimate before the House of Commons under sub-paragraph (7)(a) or (8), the Estimates Commission must also lay before that House – 30
- (a) the Estimates Commission’s comments on the estimate, and
- (b) any comments made by the Treasury as a result of the consultation under sub-paragraph (5)(a). 35
- (10) If the Estimates Commission rejects the estimate under sub-paragraph (7)(b), the Sponsor Body must prepare a fresh estimate for the financial year in question (and sub-paragraphs (1) to (9) apply accordingly).

Supplementary estimates

- 10 (1) Where under paragraph 8 of Schedule 2 the Delivery Authority sends the Sponsor Body a supplementary statement of resources in respect of a 40

financial year, the Sponsor Body must prepare a supplementary estimate of the Sponsor Body’s additional income and expenditure for that year.

- (2) Paragraph 9 (except for sub-paragraph (10)) applies to a supplementary estimate as it applies to an estimate prepared under that paragraph.

PARLIAMENTARY BUILDINGS (RESTORATION AND RENEWAL) BILL

EXPLANATORY NOTES

What these notes do

These Explanatory Notes relate to the Parliamentary Buildings (Restoration and Renewal) Bill as published in Draft on 18 October 2018 (Cm 9710).

- These Explanatory Notes have been prepared by the Cabinet Office in order to assist the reader of the Bill. They do not form part of the Bill and have not been endorsed by Parliament.
- These Explanatory Notes explain what each part of the Bill will mean in practice; provide background information on the development of policy; and provide additional information on how the Bill will affect existing legislation in this area.
- These Explanatory Notes might best be read alongside the Bill. They are not, and are not intended to be, a comprehensive description of the Bill.

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Overview of the Bill

- 1 The Bill establishes the statutory bodies that will be responsible for the works for the restoration and renewal of buildings within the Parliamentary estate (defined as the Parliamentary building works). It also establishes the governance structure within which those bodies will operate.

Policy background

- 2 [On 31 January 2018, the House of Commons approved a resolution that work should commence on the restoration and renewal of the Palace of Westminster \(“the R&R Programme”\)](#). In particular, the motion required that ‘immediate steps be taken now’ to establish a shadow Sponsor Board and Delivery Authority, and that their ‘statutory successors’ be established ‘by legislation’ in due course. That resolution was approved by the House of Lords on 6 February 2018.
- 3 The resolutions were passed following a report of the Joint Committee on the Palace of Westminster, published on 8 September 2016. The Joint Committee’s recommendation was endorsed by a report of the Public Accounts Committee published on 10 March 2017.
- 4 The Bill seeks to give effect to Parliament’s resolutions by providing for the establishment of the requisite statutory bodies and processes to take forward the works (including substantive design works) in relation to the R&R Programme. The Bill also enables those bodies to take on responsibility for such other Parliamentary building works projects as are designated from time to time by the House Commissions, acting with the agreement of the relevant bodies. Two bodies will be established by the Bill: the Parliamentary Works Sponsor Body (the “Sponsor Body”), which will be empowered to form the Delivery Authority (being a company limited by guarantee); and the Parliamentary Works Estimates Commission (the “Estimates Commission”), which will lay the Sponsor Body’s estimates before Parliament, and will play a role in assessing the Sponsor Body’s proposed expenditure. This structure will ensure:
 - Accountability and transparency, particularly as to funding;
 - That the relevant bodies are independent and the Delivery Authority in particular is able to operate effectively in the commercial sphere;
 - Parliament has a clear role in approving the design, cost and timing of the restoration works

Legal background

- 5 The Bill does not rely or build on any existing legal provisions. Rather, it is a free-standing Bill which seeks to give effect to the will of Parliament, as expressed in the resolution agreed by the House of Commons on 31 January 2018 and the House of Lords on 6 February 2018.

Territorial extent and application

- 6 *Clause 12* sets out the territorial extent of the Bill. The extent of a Bill can be different from its application. Application is about where a Bill produces a practical effect. The Bill will extend and apply to the whole of the United Kingdom, including Northern Ireland. The commentary on individual provisions (or groups of provisions) of the Bill includes a paragraph explaining their extent and application.
- 7 There is a convention that Westminster will not normally legislate with regard to matters that are within the legislative competence of the Scottish Parliament, the National Assembly for Wales or the Northern Ireland Assembly without the consent of the legislature concerned. The matters to which the provisions of the Bill relate are not within the legislative competence of the Scottish Parliament, the National Assembly for Wales or the Northern Ireland Assembly, and no legislative consent motion is being sought in relation to any provision of the Bill. If there are amendments relating to matters within the legislative competence of the Scottish Parliament, the National Assembly for Wales or the Northern Ireland Assembly, the consent of the relevant devolved legislature(s) will be sought for the amendments. This is the Government's view at the publication of the Bill in draft and is subject to change.
- 8 See the table in Annex A for a summary of the position regarding territorial extent and application in the United Kingdom. The table also summarises the position regarding legislative consent motions and matters relevant to Standing Orders Nos. 83J to 83X of the Standing Orders of the House of Commons relating to Public Business.

Commentary on provisions of the Bill

Clause 1: The Parliamentary building works

- 9 *Subsection (1)* defines the Parliamentary building works to which the Bill relates:
- *Paragraph (a)* is concerned with the works to restore the Palace of Westminster, including ‘connected works’. The latter refers to, for example, works done on those sites to which the Houses of Parliament will be relocated (where necessary) for the duration of the works to the Palace. Together, these works are defined as “Palace restoration works”.
 - *Paragraph (b)* provides that other works on the Parliamentary Estate may be encapsulated within the definition of Parliamentary building works. The House Commissions, who are the supervisory bodies of the administrations of both Houses of Parliament, will decide which such works (if any) will be in scope, with the agreement of the Sponsor Body and Delivery Authority.
- 10 As suggested above, either or both Houses of Parliament may have to re-locate from the Palace of Westminster whilst the Parliamentary building works are carried out. *Subsection (3)* requires those exercising functions under the Bill to do so with a view to enabling both Houses of Parliament to return to the Palace of Westminster as soon as is reasonably practicable. This is in line with the resolution agreed by both Houses on 31 January and 6 February 2018 respectively.

Clause 2: The Parliamentary Works Sponsor Body

- 11 *Clause 2* establishes the Sponsor Body. *Subsection (1)* provides that the Sponsor Body will have overall responsibility for the Parliamentary building works. *Subsection (2)* makes provision concerning the Sponsor Body’s duties. In particular, *subsection 2(a)* requires the Sponsor Body to determine the strategic objectives of the Parliamentary building works, and *subsection 2(b)* requires the Sponsor Body to make strategic decisions relating to the carrying out of those works. *Subsection (3)* requires the Sponsor Body to consult with members of both Houses when performing its duties under subsections *2(a)* and *(b)*. Further information as to this requirement is set out in *clause 3* of the Bill.
- 12 In exercising its functions, the Sponsor Body must have regard to certain matters. These are set out in *Subsection (4)*.
- 13 Further provision about the Sponsor Body is made in *Schedule 1*.

Clause 3: Consultation strategy

- 14 *Clause 3* provides that the Sponsor Body is required to develop a strategy for consulting members of both Houses for the purposes of *clause 2(3)* (see paragraph 11). *Subsection (2)* provides that the strategy must be published within 8 weeks of the commencement of these provisions. *Subsections (3)* and *(4)* require the Sponsor Body to keep the strategy under review, and publish any revised version.

Clause 4: The Delivery Authority

- 15 *Clause 4* requires the Sponsor Body to form a Delivery Authority. The Delivery Authority will be a company limited by guarantee, and the Sponsor Body will be its sole member and guarantor. Pursuant to *subsection (4)*, the Delivery Authority’s duties are to formulate proposals relating to the Palace restoration works and to ensure the operational delivery of the Parliamentary building works in line with the Sponsor Body’s requirements. The Delivery Authority may do whatever it considers necessary in order to carry out the Parliamentary

building works, provided it acts in accordance with the agreement(s) that it enters into with the Sponsor Body, and with its memorandum and articles of association. For example, it is expected that the Delivery Authority will be free to decide on what it considers to be the most appropriate procurement strategy, and what form of commercial contracts it will use. Further provision is made about the Delivery Authority in *Schedule 2*.

- 16 *Subsection (6)* requires the Delivery Authority to have regard to the same matters as the Sponsor Body does under *clause 2(4)* when performing its duties.

Clause 5: Relationship between the Sponsor Body and the Delivery Authority

- 17 *Clause 5* makes provision concerning the relationship between the Sponsor Body and the Delivery Authority. *Subsection (1)* provides that the Sponsor Body and the Delivery Authority must enter into an agreement relating to the Parliamentary building works – effectively, a ‘programme delivery agreement’. That agreement will include a statement of the Sponsor Body’s strategic objectives in relation to those works. It will also set out how the Sponsor Body will review the Delivery Authority’s activities, and include provisions about when and how the Sponsor Body may intervene in relation to the Delivery Authority’s performance of its duties. *Subsection (2)* is self-explanatory.
- 18 *Subsection (3)* allows the programme delivery agreement to contain other provisions, not specified under *subsection (1)*, if the Sponsor Body and the Delivery Authority consider it appropriate.
- 19 *Subsection (4)* provides that if the Sponsor Body and Delivery Authority cannot agree as to the terms of the programme delivery agreement, they must refer their differences to the House Commissions. *Subsection (5)* provides that the House Commissions’ decision in relation to any such disagreement will be binding on the Sponsor Body and the Delivery Authority.
- 20 *Subsection (6)* makes provision for variation of the programme delivery agreement, by agreement between the Sponsor Body and the Delivery Authority.

Clause 6: Parliamentary approval for Palace restoration works etc

- 21 *Clause 6* provides that the Sponsor Body must seek approval by resolution of Parliament for two matters: firstly, for the Delivery Authority’s proposals in respect of the design, cost and timing of the Palace restoration works; and, secondly, for the overall cost of those works, together with any other Parliamentary building works that are expected to be carried out during phase two. No substantive Palace restoration works may be carried out before such Parliamentary approval has been granted. However, it will be possible for the relevant bodies to carry out works *in preparation for* the Palace restoration. This is likely to include matters such as preliminary design work. If Parliamentary approval is given, “Phase two” of the project will begin. As above, the approval resolution will specify the overall funding limit in respect of all of the phase two works. “Phase one” is defined in *schedule 4* (see paragraph 75). “Phase two” is the period running from Parliamentary approval until completion of the Parliamentary building works.
- 22 *Subsection (4)* provides that the Sponsor Body must seek further Parliamentary approval in two instances. First, if the Sponsor Body plans to adopt new proposals (formulated by the Delivery Authority) which it considers would significantly affect the design or timing of the approved Palace restoration works. Second, where the Sponsor Body considers that the amount of funding in Parliament’s most recent approval resolution is insufficient for carrying out the phase two works.

Clause 7: The Parliamentary Works Estimates Commission

- 23 *Clause 7* establishes the Parliamentary Works Estimates Commission. The functions and

constitution of the Estimates Commission are dealt with in *Schedules 3 and 4* of the Bill.

Clause 8: Funding

- 24 *Clause 8* provides that the Sponsor Body will be funded out of money provided by Parliament. *Schedule 4* contains further provision about the mechanisms by which such money is provided, including for review of the Sponsor Body's annual estimates both by the Estimates Commission and by Parliament.
- 25 *Subsection (3)* provides for the Sponsor Body to make payments to the Delivery Authority. This means that, effectively, the Delivery Authority is also funded out of monies provided by Parliament. *Subsection (4)* enables the Sponsor Body to make conditions as to such payments.

Clause 9: Power to abolish the Sponsor Body

- 26 *Clause 9* makes provision for the abolition of the Sponsor Body. The power to abolish the Sponsor Body lies with the Leader of the House of Commons and must be exercised by regulations made under the affirmative procedure. The Leader of the House of Commons is required to consult the Leader of the House of Lords before making such regulations.
- 27 *Subsection (5)* provides that the power to make regulations under this clause may include consequential provision, including amending or repealing any provision of the Act. This is necessary because the abolition of the Sponsor Body may require the Act to be changed – for example, to transfer the Sponsor Body's powers and duties in relation to the Delivery Authority to another body or person. Regulations may also make provision concerning the transfer of the Sponsor Body's property, rights and liabilities, including rights and liabilities relating to a contract of employment.

Clause 10: Power to dissolve the Delivery Authority

- 28 *Clause 10* provides that the Sponsor Body will be able to dissolve the Delivery Authority upon completion of the Parliamentary building works, subject to the consent of the House Commissions. However, the Sponsor Body is not *obliged* to dissolve the Delivery Authority. Accordingly, it may choose not to do so - if, for example, it is considered desirable for the Delivery Authority to have a continuing role in the management of the Parliamentary Estate.

Clause 11: Interpretation

- 29 *Subsection (1)* defines certain terms used throughout the Bill.
- 30 *Subsection (2)* provides that the various references in the Bill to things being done by or to the House Commissions mean by or to those bodies *acting jointly*. Thus, for example, the House of Commons Commission will not be able to undertake those duties or functions on its own. Rather, the two Commissions will be required to act together.

Clause 12: Extent, commencement and short title

- 31 *Subsection (1)* provides that the Bill extends to the jurisdictions of England and Wales, Scotland and Northern Ireland.
- 32 *Subsections (2), (3) and (4)* set out that the provisions of the Bill will come into force six months after it is passed, or on an earlier day or days appointed by regulations made by the Leader of the House of Commons. Different days may be appointed for different purposes.
- 33 *Subsection (5)* establishes that the short title of the Bill is the Parliamentary Buildings (Restoration and Renewal) Act 2018.

Schedule 1: The Parliamentary Works Sponsor Body

Part 1: Members of the Sponsor Body

These Explanatory Notes relate to the Parliamentary Buildings (Restoration and Renewal) Bill published on 18 October 2018 (Cm 9710)

Membership

- 34 *Paragraph 1* makes provision relating to the membership of the Sponsor Body. It sets out the maximum numbers of both parliamentarians and external members who can be appointed to the Sponsor Body. It provides that the number of Parliamentary members must always be greater than the number of external members.

External members: appointment

- 35 *Paragraph 2* makes provision concerning the process for selecting and appointing the chair of the Sponsor Body. The chair must be an external member. He or she will be appointed by the House Commissions on merit, on the basis of fair and open competition. The appointment does not take effect until it is confirmed by a resolution of both Houses.
- 36 *Paragraph 3* makes provision concerning the process for selecting and appointing external members of the Sponsor Body other than the chair. They will be appointed by the Sponsor Body on merit, on the basis of fair and open competition. The appointment will not take effect until it is confirmed by a resolution of both Houses.
- 37 In the initial period after establishment of the Sponsor Body, when its full complement of members are not yet in place, its usual role in appointing external members will be taken by the House Commissions. Similarly, the House Commissions are empowered to appoint external members at any time when there are less than five members of the Sponsor Body (including at least two external members, and two Parliamentary members).
- 38 A Member of either House of Parliament, a member of the House Commissions, a Government Minister, or a director of the Delivery Authority may not be appointed as an external member of the Sponsor Body. This includes the chair.

Parliamentary members: appointment

- 39 *Paragraph 4* makes provision for appointing Parliamentary members. *Sub-paragraph (1)* provides that a member of the House Commissions, Government Minister, a director of the Delivery Authority, or a member of the Estimates Commission may not be appointed as a Parliamentary member. The appointment of a Parliamentary member will not take effect until it is confirmed by a resolution of the House that the member is drawn from.

Terms of appointment: general

- 40 *Paragraph 5, 6 and 7* make general provision as to the terms on which members of the Sponsor Body will be appointed and hold office. *Paragraph 6* provides that a member of the Sponsor Body must be appointed for a fixed term of no more than three years. There is therefore some flexibility to make appointments of different lengths. Further, in making such appointments, there is a duty to be mindful of not making appointments which end at the same time.

Remuneration for external members

- 41 *Paragraph 8* provides that the Sponsor Body may pay remuneration to external members of the Sponsor Body. However, no similar provision is made in relation to Parliamentary members. Members of the House of Commons will not receive any remuneration additional to that received as MPs. Members of the House of Lords will receive the usual attendance allowance, but no more.

Code of conduct

- 42 *Paragraph 9* requires the Sponsor Body to issue a code of conduct for its members. The code must incorporate the 'seven general principles of public life' set out by the Committee on

Standards in Public Life (or such other similar principles as the Sponsor Body chooses to adopt) and must require members to disclose their interests.

Resignation, suspension and removal

- 43 Paragraphs 10, 11 and 12 make self-explanatory provision for the circumstances in which members of the Sponsor Body, including the chair, may resign or be suspended or removed, and the procedures to give effect to their resignation, suspension or removal.

Interim chair

- 44 Paragraph 13 makes provision for the appointment of an interim chair of the Sponsor Body by the House Commissions in certain circumstances. Only an external member can be appointed as interim chair.

Part 2: Powers, procedure, reporting etc

Status

- 45 Paragraph 14 makes clear that the Sponsor Body and its staff are not Crown servants, and that the Sponsor Body does not enjoy the immunities and privileges of the Crown.

Powers

- 46 Paragraph 15 provides that the Sponsor Body may do anything that it wishes to do in order to carry out its functions, or that is incidental or conducive to the carrying out of those functions. This may include (for example) entering into contracts, outsourcing some of its support functions, employing staff, or setting up advisory panels.

Staff

- 47 Paragraph 16 requires the Sponsor Body to appoint a Chief Executive Officer, who will be part of the Sponsor Body's staff. The Sponsor Body may determine the Chief Executive Officer's terms of appointment, but must do so with regard to the desirability of keeping those terms and conditions broadly in line with those applying to staff in the House of Commons Departments.
- 48 The Sponsor Body may appoint and dismiss staff and set their terms of engagement. Again, the Sponsor Body is required to have regard to the desirability of keeping the terms and conditions broadly in line with those applying to staff in the House of Commons Departments.
- 49 Paragraph 17 provides that the Sponsor Body's staff will be entitled to participate in civil service pension schemes.

Transfer of property etc to the Sponsor Body

- 50 Paragraph 18 creates a power for a transfer scheme allowing employees of the House of Commons Commission (who will staff the shadow Sponsor Board) to be transferred to the Sponsor Body once it has been established. The transfer scheme must make equivalent provisions in the case that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (S.I 2006 / 246) do not apply in relation to a transfer.

Committees

- 51 Paragraph 19 provides that the Sponsor Body may establish committees, and that those committees may establish sub-committees. The Sponsor Body's committees and sub-committees may include people who are neither members of the Sponsor Body nor its staff.

These Explanatory Notes relate to the Parliamentary Buildings (Restoration and Renewal) Bill published on 18 October 2018 (Cm 9710)

Delegation

- 52 *Paragraph 20* allows the Sponsor Body to delegate its functions to any of its members, committees, or staff. In practice, the Sponsor Body is likely to reserve certain matters to itself for collective decision, such as approving the required outcomes of the Parliamentary building works, the approval of budgets, and any decision to exercise intervention rights.

Delegation and contracting out of pension functions

- 53 *Paragraph 21* provides a power to the Minister for the Civil Service to delegate pension functions to the Chief Executive of the Sponsor Body, and sets out the limits of that delegation.

Procedure

- 54 *Paragraph 22* allows the Sponsor Body to regulate its own procedures, and those of its committees and sub-committees. *Sub-paragraph (2) of paragraph 22* makes it clear that no proceedings will be invalidated by vacancies on the Sponsor Body or a defective appointment.
- 55 *Paragraph 23* makes provision for the quorum for a meeting of the Sponsor Body. The quorum is five members, including at least two external members and two Parliamentary members. The Clerks of the Parliaments and the Clerk of the House of Commons, or their representatives, may attend and participate in such meetings. A temporary chair may be appointed in respect of a particular meeting, in the absence of any appointed chair. (For the avoidance of doubt, such a temporary chair is not an 'interim chair', for whom separate provision is made at paragraph 13).

Accounts and audit

- 56 *Paragraph 24* requires that the Sponsor Body keep proper accounts and records, and makes provision relating to the Sponsor Body's accounts, the procedure for the audit of those accounts and the appointment of the Sponsor Body's Chief Executive as its accounting officer. The Sponsor Body must prepare a statement of accounts for each financial year and send a copy of its statement of accounts for a financial year to the Comptroller and Auditor General as soon as practicable after the end of that year. The Comptroller and Auditor General must then examine and certify the statement of accounts, and send a copy of the certified statement together with a report to the Sponsor Body. Finally, the Sponsor Body must lay before Parliament a copy of the certified statement and of the Comptroller and Auditor General's report.
- 57 *Paragraph 25* provides that the Sponsor Body must nominate an interim accounting officer in the event that the Chief Executive cannot perform this function, or the position is vacant.

Report

- 58 *Paragraph 26* requires the Sponsor Body to publish a report at least once a year on the progress of the Parliamentary building works.

Documentary evidence

- 59 *Paragraph 27* provides that the application of the seal of the Sponsor Body must be authenticated by the signature of any member of the Sponsor Body, or another person who has been authorised for that purpose. A document which has been duly executed in this way can be received in evidence and is taken to be validly executed or signed, unless the contrary is shown. The intention is to enable third parties to have certainty as to the provenance and legality of documents issued and sealed by the Sponsor Body, and to ensure that the Sponsor Body's seal is not applied without proper authority.

Freedom of information

- 60 *Paragraph 28* applies the provisions of the [Freedom of Information Act 2000](#) to the Sponsor Body. This will mean that the Sponsor Body will have to introduce a publication scheme explaining how it intends to handle information in its possession, as well as being obliged to consider requests for information in accordance with the provisions of that Act.

Schedule 2: The Delivery Authority

Board of directors

- 61 *Paragraph 1* makes provision concerning the Board of the Delivery Authority (the “DA Board”), its constitution and the status of the Delivery Authority’s executive directors. There must always be a majority of non-executive directors on the DA Board.

The chair and non-executive directors: term of office

- 62 *Paragraph 2* provides that the chair and non-executive directors can be appointed for renewable terms of no more than three years.

Removal

- 63 *Paragraph 3* provides that the Sponsor Body may remove the chair of the DA Board by notice in writing, with the House Commissions’ prior agreement. The Delivery Authority may remove any other director of the DA Board by notice in writing, with the Sponsor Body’s prior agreement.
- 64 *Paragraph 4* provides for the circumstances in which a person ceases to be a director of the Delivery Authority.

Validity of acts

- 65 *Paragraph 5* makes it clear that any act of the Delivery Authority is not invalidated by vacancies on the board of directors or a defective appointment.

Staff

- 66 *Paragraph 6* provides that the Delivery Authority may employ staff on such terms that it may determine, including as to remuneration and allowances.

Statement of required resources

- 67 *Paragraphs 7 and 8* require the Delivery Authority to prepare and submit to the Sponsor Body a statement of the resources it needs to carry out its functions for each financial year. The Sponsor Body may approve or reject the Delivery Authority’s statement of resources. If the Delivery Authority’s statement of resources is rejected by the Sponsor Body, the Delivery Authority must prepare a fresh statement. If and when such a statement is approved, the Sponsor Body must include it in its estimate for the relevant financial year.
- 68 The Delivery Authority may submit a supplementary estimate during the course of a financial year if it requires resources additional to those already approved.

Accounts and audit

- 69 *Paragraphs 9 and 10* require that the Delivery Authority must keep proper accounts and records. The Sponsor Body will appoint one of the Delivery Authority’s executive directors as the Delivery Authority’s accounting officer, with the consent of the Delivery Authority. For each financial year, the Delivery Authority must prepare a statement of accounts, a copy of which must be sent to the Comptroller and Auditor General, who will examine, certify and

report on them. The Sponsor Body must lay a copy of the certified statement and report before Parliament.

Freedom of information

- 70 *Paragraph 11* applies the provisions of the [Freedom of Information Act 2000](#) to the Delivery Authority. This will mean that the Delivery Authority will have to introduce a publication scheme explaining how it intends to handle information in its possession, as well as being obliged to consider requests for information in accordance with the provisions of that Act.

Schedule 3: The Parliamentary Works Estimates Commission

Membership

- 71 *Paragraph 1* provides that the Estimates Commission will consist of four Members: two from the House of Commons (“Commons members”), and two from the House of Lords (“Lords members”). A Government Minister, a Parliamentary member of the Sponsor Body, or a director of the Delivery Authority cannot be a member of the Estimates Commission. Their appointment will not have effect until it is confirmed by a resolution of the House that the relevant member is drawn from.

Removal from office

- 72 *Paragraph 2* makes provision on the circumstances in which a member of the Estimates Commission will cease to be a member.

Procedure

- 73 *Paragraph 3* provides that the quorum for meetings of the Estimates Commission is one Commons member and one Lords member. Beyond this, *sub-paragraph (2) of paragraph 3* allows the Estimates Commission to regulate its own procedures.

Freedom of information

- 74 *Paragraph 4* applies the provisions of the [Freedom of Information Act 2000](#) to the Estimates Commission. This will mean that the Estimates Commission will have to introduce a publication scheme explaining how it intends to handle the information in its possession, as well as being obliged to consider requests for information in accordance with the provisions of that Act.

Schedule 4: Funding: Sponsor Body’s Estimates

Part 1: Introduction

Interpretation

- 75 *Paragraph 1* defines the terms used in *Schedule 4*. In particular, it defines the two phases of the Parliamentary building works. “Phase one” is the period preceding Parliamentary approval of the Delivery Authority’s proposals in relation to the Palace of Westminster, and of the overall funding of the Parliamentary building works programme (as to which approval, see *clause 6*). It runs from the date that *clause 1* comes into force until the date when such Parliamentary approval is received. “Phase two” is the period running from Parliamentary approval until completion of the Parliamentary building works.

Assessment of expenditure

- 76 *Paragraph 2* provides that, every six months, the Delivery Authority is required to make an estimate as to its likely total expenditure in the current phase. These assessments are defined as phase one or phase two ‘costings’ (as the case may be). When reviewing the annual

estimate, the Estimates Commission will compare these costings against the expenditure limit for the relevant phase – as to which, see further below.

Part 2: Phase one

Annual estimates during phase one

- 77 *Paragraph 4* provides that, during phase one, the Sponsor Body will submit two items to the Estimates Commission for review: an estimate for each financial year (which will include the Delivery Authority's statement of required resources for that year – see paragraph 67 above) and the Delivery Authority's most recent phase one costing. In reviewing these items the Estimates Commission must consult the Treasury and have regard to any advice it gives. If the phase one costing does not exceed the budget for phase one expenditure set by the House Commissions (see paragraph 78 below), the Estimates Commission will lay the estimate before the House of Commons together with its comments on the estimate and any comments made by the Treasury. If the phase one costing exceeds the budget for phase one expenditure set by the House Commissions, the Estimates Commission can either lay the estimate before the House of Commons or reject it. In the latter case the Sponsor Body would have to submit a fresh estimate for the financial year.
- 78 *Paragraph 5* provides that the House Commissions set the budget in respect of phase one, and can revise that budget from time to time, following consultation with the Sponsor Body and Delivery Authority.

Supplementary estimates

- 79 *Paragraph 6* requires the Sponsor Body to prepare a supplementary estimate of its additional income and expenditure where the Delivery Authority sends it a supplementary statement of resources for a financial year.
- 80 The procedure described above applies to supplementary estimates as it does to the ordinary annual estimates.

Part 3: Transition year

Transition year estimate

- 81 *Paragraph 7* sets out the procedure which the Sponsor Body will follow for submitting annual estimates during a transition year, namely a financial year falling partly in phase one and partly in phase two.
- 82 The Sponsor Body's estimate for the transition year must include its anticipated phase one expenditure for the financial year and its anticipated phase two expenditure for the year.
- 83 The Sponsor Body must submit its estimate for the transition year, together with the Delivery Authority's most recent phase one costing, to the Estimates Commission. The Estimates Commission can reject the estimate if the phase one costing exceeds the phase one expenditure limit, as described above. There is no provision to reject the estimate on the basis of anticipated phase two expenditure, because the limit in relation to the latter will not (at this stage) have been set.

Supplementary estimates

- 84 Again, provision is made in *paragraph 8* for the preparation and submission of supplementary estimates where necessary in a transition year.

Part 4: Phase two

Annual estimates during phase two

85 *Paragraph 9* provides that a similar process will apply to annual estimates during phase two as for phase one. The Sponsor Body will submit an estimate of its expenditure for each financial year (which will include the Delivery Authority's statement of resources for that year), together with the Delivery Authority's phase two costing, to the Estimates Commission. The Estimates Commission must consult the Treasury and have regard to any advice it gives in reviewing the Sponsor Body's estimate. If the phase two costing does not exceed the funding limit set by Parliament in the approval resolution, the Estimates Commission will lay the estimate before House of Commons, together with its comments on the estimate and any comments made by the Treasury. If the phase two costing exceeds the budget for phase two, the Estimates Commission can either lay the estimate before the House of Commons or reject it, in which case the Sponsor Body would have to submit a fresh estimate for the financial year.

Supplementary estimates

86 Again, provision is made in *paragraph 10* for the preparation and submission of supplementary estimates where necessary in phase two.

Commencement

- 87 The provisions of the Bill will come into force six months after it receives Royal Assent, or on an earlier day or days appointed by regulations.

Financial implications of the Bill

- 88 The Bill will not in itself trigger any financial expenditure, or make final decisions on the design, cost or timing of the works to the Palace of Westminster. These matters will be determined at a later date, once the relevant statutory bodies have been established.
- 89 The Bill provides for the establishment of the Sponsor Body in statutory form and empowers it to establish the Delivery Authority as a company limited by guarantee. The Sponsor Body (and, effectively, the Delivery Authority) will be funded out of money provided by Parliament. It will be the responsibility of the Sponsor Body to determine the strategic objectives of the Parliamentary building works. In exercising its functions, the Sponsor Body must have regard to the need to ensure that the Parliamentary building works represent good value for money.
- 90 The Sponsor Body will commission proposals from the Delivery Authority in relation to the design, cost and timing of works for (or in connection with) the restoration and renewal of the Palace of Westminster. Parliament will be given an opportunity to vote on those proposals, and on the overall cost of the Parliamentary building works. Thereafter the Sponsor Body must return to Parliament if it wishes to make significant changes to the initial proposals, or for further funding, if it considers that the overall cost of the Parliamentary building works is greater than the sum for which approval has already been given.
- 91 The legislation will also establish an Estimates Commission to review and lay the supply estimates for the Programme. In so doing, it plays an integral part in managing the financial implications of the Programme. The Estimates Commission will review the estimates for each financial year submitted by the Sponsor Body. In so doing, it must seek the views of the Treasury and have regard to its advice. The Estimates Commission can reject the estimate in a particular year, if the Delivery Authority's *assessment of the overall expenditure for the relevant phase* has increased such that it exceeds the relevant funding limit (which is set by the House Commissions in phase one, and by Parliament's approval resolution in phase two). Otherwise, it must lay the estimate before Parliament, together with its comments and those of the Treasury.
- 92 The accounts of both the Sponsor Body and Delivery Authority will be subject to audit by the Comptroller and Auditor General to ensure transparency and value for money.
- 93 Clause 8 provides that the Sponsor Body's expenditure (which includes that of the Delivery Authority) is to be met out of money provided by Parliament.

Compatibility with the European Convention on Human Rights

- 94 The Bill does not engage ECHR rights, and accordingly the department has not prepared any separate memorandum on human rights issues.

Related documents

95 The following documents are relevant to the Bill and can be read at the stated locations:

- [Report of the Joint Committee on the Palace of Westminster: 'Restoration and Renewal of the Palace of Westminster', HL Paper 41, HC 659](#)
- [Report of the Public Accounts Committee: 'Delivering Restoration and Renewal', HC 1005](#)
- [Report of the Treasury Select Committee: "Restoration and Renewal of the Palace of Westminster: Preliminary Report", HC 1097](#)
- [House of Commons debate on the Report of the Joint Committee, 31 January 2018](#)
- [House of Lords debate on the Report of the Joint Committee, 6 February 2018](#)

Annex A - Territorial extent and application in the United Kingdom

The Bill will extend and apply to the whole of the United Kingdom, including Northern Ireland. This is the Government's view at the publication of the Bill in draft and is subject to change.¹

Provision	Extends to E & W and applies to England?	Extends to E & W and applies to Wales?	Extends and applies to Scotland?	Extends and applies to Northern Ireland?	Would corresponding provision be within the competence of the National Assembly for Wales?	Would corresponding provision be within the competence of the Scottish Parliament?	Would corresponding provision be within the competence of the Northern Ireland Assembly?	Legislative Consent Motion needed?
Clauses 1-12	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No
Schedules 1-4	Yes	Yes	Yes	Yes	N/A	N/A	N/A	No

Minor or consequential effects

There are no minor or consequential effects.²

¹ References in Annex A to a provision being within the legislative competence of the Scottish Parliament, the National Assembly for Wales or the Northern Ireland Assembly are to the provision being within the legislative competence of the relevant devolved legislature for the purposes of Standing Order No. 83J of the Standing Orders of the House of Commons relating to Public Business.

² References in this statement to an effect of a provision being minor or consequential are to its being minor or consequential for the purposes of Standing Order No. 83J of the Standing Orders of the House of Commons relating to Public Business.

PARLIAMENTARY BUILDINGS (RESTORATION AND RENEWAL) BILL

EXPLANATORY NOTES

These Explanatory Notes relate to the Parliamentary Buildings (Restoration and Renewal) Bill published on 18 October 2018 (Cm 9710).

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