



# Parliamentary Buildings (Restoration and Renewal) Act 2019

CHAPTER 27

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# Parliamentary Buildings (Restoration and Renewal) Act 2019

## CHAPTER 27

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# Parliamentary Buildings (Restoration and Renewal) Act 2019

## 2019 CHAPTER 27

An Act to make provision in connection with works for or in connection with the restoration of the Palace of Westminster and other works relating to the Parliamentary Estate; and for connected purposes. [8th October 2019]

**B**E 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) In this Act “the Parliamentary building works” means—
- (a) works for the restoration of the Palace of Westminster,
  - (b) works relating to the Parliamentary Estate, other than works within paragraph (a), that are designated for the purposes of this paragraph by the House Commissions with the agreement of the Sponsor Body and the Delivery Authority, and
  - (c) works in connection with the restoration of the Palace of Westminster that—
    - (i) relate to land that does not form part of the Parliamentary Estate on the first day on which any provision of this section comes into force,
    - (ii) are not within paragraph (b), and
    - (iii) are not designated as excluded from this paragraph by the House Commissions.
- (2) References in this Act to “Palace restoration works” are to—
- (a) works within subsection (1)(a), and

- (b) works within subsection (1)(c).
- (3) If either House of Parliament is located somewhere other than the Palace of Westminster while the Parliamentary building works are carried out, 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.

*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.
- (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;
  - (c) to form the Delivery Authority (see section 3);
  - (d) to fund the Delivery Authority (see section 9);
  - (e) to require the Delivery Authority to formulate proposals relating to the design, cost and timing of Palace restoration works;
  - (f) to require the Delivery Authority, when considering the award of a contract in respect of the carrying out of the Parliamentary building works, to have regard to –
    - (i) the prospective contractor’s policy relating to corporate social responsibility, and
    - (ii) the prospective contractor’s policies and procedures relating to employment (including in relation to the blacklisting of employees);
  - (g) to oversee the activities of the Delivery Authority in connection with the carrying out of the Parliamentary building works;
  - (h) 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;
  - (i) to promote public understanding of the purposes of the Restoration and Renewal Programme.
- (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 5.
- (4) In performing the duties under subsection (2)(a) and (b), the Sponsor Body must make arrangements for seeking the views of –
  - (a) people employed in or for the purposes of either House of Parliament,
  - (b) people working for members of either House of Parliament (whether or not for payment), and
  - (c) members of the public.
- (5) 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;
  - (b) the need to ensure that the Parliamentary building works are carried out with a view to ensuring the safety and security of people who work in Parliament and members of the public;
  - (c) the need to protect the environment and to contribute to achieving sustainable development;
  - (d) the need to ensure that any place in which either House of Parliament is located while the Parliamentary building works are carried out is accessible to people visiting the place for the purpose of watching proceedings or attending meetings with members of either House;
  - (e) the need to ensure that –
    - (i) any place in which either House of Parliament is located while the Parliamentary building works are carried out, and
    - (ii) (after completion of those works) all parts of the Palace of Westminster used by people working in it or open to people visiting it,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;
  - (g) the need to ensure that educational and other facilities are provided for people visiting the Palace of Westminster after completion of the Parliamentary building works;
  - (h) the need to ensure that the Parliamentary building works are carried out with a view to facilitating improved public engagement with Parliament and participation in the democratic process (especially by means of remote access to Parliament’s educational and outreach facilities and programmes);
  - (i) the special architectural, archaeological and historical significance of the Palace of Westminster;
  - (j) the need to ensure that opportunities to secure economic or other benefits of the Parliamentary building works are available in all areas of the United Kingdom.
- (6) Schedule 1 contains further provision about the Sponsor Body.

### **3 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.
- (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
  - (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—
  - (a) the agreement entered into by the Sponsor Body and the Delivery Authority under section 4, and
  - (b) 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(5).
- (7) Schedule 2 contains further provision about the Delivery Authority.

#### **4 Relationship between the Sponsor Body and the Delivery Authority**

- (1) The Sponsor Body and the Delivery Authority must enter into an agreement (“the programme delivery agreement”) containing—
  - (a) a statement of the strategic objectives of the Parliamentary building works, as determined by the Sponsor Body under section 2(2)(a);
  - (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 3(4) where the Sponsor Body considers that the Delivery Authority is not performing those duties effectively and efficiently.
- (2) The provision referred to in subsection (1)(b) includes provision for the Sponsor Body or any person authorised by it—
  - (a) to inspect documents in the Delivery Authority’s possession, and
  - (b) to interview any member of the Delivery Authority’s staff.
- (3) The programme delivery agreement may contain provision about such other matters relating to the Parliamentary building works as the Sponsor Body and the Delivery Authority consider appropriate.
- (4) If the Delivery Authority and the Sponsor Body fail to reach agreement in relation to a relevant matter, the Delivery Authority or the Sponsor Body (or both) may refer the difference between them to the House Commissions.
- (5) “Relevant matter” means—
  - (a) a matter required by subsection (1)(b) or (c) to be included in the programme delivery agreement, or
  - (b) a matter to be included in that agreement by virtue of subsection (3).
- (6) Where the House Commissions settle a difference referred to them under subsection (4)—
  - (a) their decision is binding on the Sponsor Body and the Delivery Authority, and
  - (b) the programme delivery agreement is to be treated as reflecting that decision.
- (7) The programme delivery agreement may be varied by agreement between the Sponsor Body and the Delivery Authority (and subsections (4) to (6) also apply in relation to any failure to agree a variation of a relevant matter).



*The Sponsor Body and Parliament***5 Consultation strategy**

- (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.
- (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.

**6 Relationship between the Sponsor Body and Parliament**

- (1) The Sponsor Body, the Corporate Officer of the House of Commons and the Corporate Officer of the House of Lords must enter into an agreement (a “Parliamentary relationship agreement”) containing provision relating to the relationship between the Sponsor Body and Parliament.
- (2) A Parliamentary relationship agreement may contain provision about—
  - (a) the buildings to which the Parliamentary building works relate (including responsibility for those buildings and arrangements for handing them over after completion of those works);
  - (b) consultation and co-operation between the Sponsor Body and the Corporate Officers;
  - (c) such other matters as the Sponsor Body and the Corporate Officers consider appropriate.
- (3) A Parliamentary relationship agreement may be varied by agreement between the Sponsor Body and the Corporate Officers.

*Parliamentary approval***7 Parliamentary approval for works and funding**

- (1) In this section—
  - “Delivery Authority proposals” means proposals formulated by the Delivery Authority by virtue of section 3(4)(a);
  - “Parliamentary approval” means approval by a resolution of each House of Parliament (and “approval resolution” and “approved by Parliament” are to be construed accordingly);
  - “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)(a) and (b), and
    - (b) ends with completion of the Parliamentary building works.
- (2) No Palace restoration works, other than preparatory works, may be carried out before the Sponsor Body has obtained Parliamentary approval for—
  - (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—
  - (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)(a) and (b), the Sponsor Body must obtain further Parliamentary approval—
  - (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 that is for the time being approved by Parliament in respect of phase two works is insufficient for the purposes of carrying out those works.
- (5) When seeking Parliamentary approval for the purposes of subsection (2)(a) 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)(b) or (4)(b), the Sponsor Body must lay before Parliament its assessment of the amount of funding (or further funding) required in respect of phase two works.
- (7) The reference in subsection (4) to further Parliamentary approval is—
  - (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.
- (8) For the purposes of any reference in this section to the time when Parliamentary approval is obtained for the purposes of subsection (2)(a) and (b), where one House passes an approval resolution on a different day from the other House, Parliamentary approval is to be taken to have been obtained on the second of those days.

#### *The Estimates Commission and funding*

### **8 The Parliamentary Works Estimates Commission**

- (1) A body corporate called the Parliamentary Works Estimates Commission (referred to in this Act as “the Estimates Commission”) is established for the purpose of exercising the functions conferred on it by this Act.
- (2) Schedule 3 contains further provision about the Estimates Commission.

### **9 Funding**

- (1) The Sponsor Body’s expenditure is to be met out of money provided by Parliament.

- (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 pay grants, or give any other form of financial assistance, to the Delivery Authority for the purpose of enabling the Delivery Authority to exercise its functions.
- (4) Financial assistance under subsection (3) may be given at such times, and subject to such conditions, as the Sponsor Body considers appropriate.

*Abolition etc of bodies*

## **10 Abolition of the Sponsor Body and the Estimates Commission**

- (1) The Leader of the House of Commons may by regulations made by statutory instrument abolish—
  - (a) the Sponsor Body;
  - (b) the Estimates Commission.
- (2) Regulations under subsection (1)(a) 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)(a) may not provide for the transfer of anything to a person who has not consented to the transfer.
- (4) The things that may be transferred by virtue of subsection (1)(a) 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)(a) 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 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;
  - (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).
- (6) Regulations under subsection (1)(b) may make consequential, supplementary, incidental or transitional provision (including consequential provision amending or repealing any provision of this Act).
- (7) References in this section to rights and liabilities include rights and liabilities relating to a contract of employment.
- (8) Before making regulations under subsection (1), the Leader of the House of Commons—

- (a) must consult the Corporate Officer of the House of Commons, the Corporate Officer of the House of Lords and the House Commissions;
  - (b) must obtain the consent of the Leader of the House of Lords.
- (9) 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.

## **11 Dissolution of the Delivery Authority**

The Sponsor Body may dissolve the Delivery Authority, but only –

- (a) after completion of the Parliamentary building works, and
- (b) with the consent of –
  - (i) the Corporate Officer of the House of Commons,
  - (ii) the Corporate Officer of the House of Lords, and
  - (iii) the House Commissions.

### *General*

## **12 Interpretation**

(1) In this Act –

“the Delivery Authority” has the meaning given by section 3(3);

“the Estimates Commission” means the Parliamentary Works Estimates Commission;

“financial year”, in relation to the Sponsor Body or the Estimates Commission, means –

- (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;

“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 include the provision of strategic and political direction for the administration of the House of Lords on behalf of the House;

“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;

“Leader of the House of Lords” means the Minister of the Crown who is for the time being designated as Leader of the House of Lords by the Prime Minister;

“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);

“the Sponsor Body” means the Parliamentary Works Sponsor Body.

- (2) References in this Act to the doing of anything by the House Commissions are to the doing of the thing by them jointly.
- (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.

### **13 Extent**

- (1) This Act extends to England and Wales, Scotland and Northern Ireland.
- (2) This is subject to paragraph 28(3) of Schedule 1.

### **14 Commencement**

- (1) Section 13, this section and section 15 come into force on the day on which this Act is passed.
- (2) 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 (3)).
- (3) 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 (2), on which—
  - (a) the provisions of this Act (other than section 13, this section and section 15) 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.
- (4) Before making regulations under subsection (3), the Leader of the House of Commons must obtain the consent of the Leader of the House of Lords.

### **15 Short title**

This Act may be cited as the Parliamentary Buildings (Restoration and Renewal) Act 2019.

## SCHEDULES

### SCHEDULE 1

Section 2

#### THE PARLIAMENTARY WORKS SPONSOR BODY

##### PART 1

##### MEMBERS OF THE SPONSOR BODY

###### *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 both 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.
- (4) See also paragraph 8, which makes provision about the appointment of the first 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.
- (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).
- (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
  - (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 –
  - (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
  - (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*

- 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).
- 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.

(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.

#### *Appointment of initial external members*

8 (1) The person who, immediately before the commencement day, was the chair of the shadow Sponsor Body is to be treated as having been appointed on that day as the chair of the Sponsor Body in accordance with paragraph 2.

(2) Appointment by virtue of sub-paragraph (1) is to be treated as being for a term of 3 years.

(3) A person who, immediately before the commencement day –  
(a) was a member of the shadow Sponsor Body (other than the chair), and  
(b) was not a member of either House of Parliament,  
is to be treated as having been appointed on that day as a member of the Sponsor Body in accordance with paragraph 3 (external members).

(4) Appointment by virtue of sub-paragraph (3) is to be treated as being for a term ending with the last day of the period of 3 years beginning with the day on which the shadow Sponsor Body was established.

(5) An appointment by virtue of sub-paragraph (1) or (3) ceases to have effect at the end of the period of 1 month beginning with the commencement day unless, before the end of that period, the appointment is confirmed by a resolution of each House of Parliament.

(6) Paragraphs 2, 3 and 6 do not apply in relation to a member who is appointed by virtue of sub-paragraph (1) or (3).

(7) In this paragraph –  
“the commencement day” means the day on which section 2(1) comes into force;  
“the shadow Sponsor Body” means the body, established in July 2018 in connection with the restoration of the Palace of Westminster, which is known as the shadow Sponsor Body.

#### *Remuneration for external members*

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

#### *Code of conduct*

10 (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  
(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).

*Resignation, suspension and removal*

- 11 (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.
- (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
  - (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.
- (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 –
- (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.
- 12 (1) A Parliamentary member ceases to be a member of the Sponsor Body if –
- (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 –
    - (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.
- (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
  - (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.
- (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 –
- (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 –
    - (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.
- (5) For the purposes of this Schedule (other than this paragraph), a person is to be treated as a member of the House of Commons for any period during which –
- (a) the person continues to be a member of the Sponsor Body as a result of sub-paragraph (4)(a), and
  - (b) is not a member of the House of Commons.
- (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);
- “the relevant House”, in relation to a Parliamentary member, means the House of Parliament from which the member is drawn.

- 13 An external member ceases to be a member of the Sponsor Body 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 director of the Delivery Authority (other than a director within paragraph 1(1)(c) of Schedule 2).

*Interim chair*

- 14 (1) The House Commissions may appoint one of the external members of the Sponsor Body to be its interim chair if –
- (a) the office of chair is vacant, or
  - (b) the chair is suspended from office under paragraph 11(3).
- (2) Appointment as interim chair is for a term ending on the earliest of –
- (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.

- (3) The previous appointment of a person as interim chair does not affect the person's eligibility for re-appointment as interim chair.

## PART 2

### POWERS, PROCEDURE, REPORTING ETC

#### *Status*

- 15 (1) The Sponsor Body is not to be regarded –
- (a) as a servant or agent of the Crown, or
  - (b) as enjoying any status, immunity or privilege of the Crown.
- (2) The members and staff of the Sponsor Body are not to be regarded as Crown servants.

#### *Powers*

- 16 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.

#### *Staff*

- 17 (1) The Sponsor Body must appoint a person to be its chief executive officer.
- (2) The chief executive officer is a member of the Sponsor Body's staff and is to be appointed on terms and conditions determined by the Sponsor Body.
- (3) The Sponsor Body may appoint other staff on terms and conditions determined by the Sponsor Body.
- (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 broadly in line with those applying to staff in the House Departments (within the meaning of the House of Commons (Administration) Act 1978).
- 18 (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 –
- “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.

#### *Transfer of property etc to the Sponsor Body*

- 19 (1) The Leader of the House of Commons may make one or more schemes providing for the transfer to the Sponsor Body of qualifying property, rights and liabilities of –
- (a) the House of Commons Commission, or
  - (b) the Corporate Officer of the House of Commons.

- (2) The Leader of the House of Lords may make one or more schemes providing for the transfer to the Sponsor Body of qualifying property, rights and liabilities of the Corporate Officer of the House of Lords.
- (3) The Leader of the House of Commons and the Leader of the House of Lords may jointly make one or more schemes providing for the transfer to the Sponsor Body of qualifying property, rights and liabilities held or incurred jointly by the Corporate Officer of the House of Commons and the Corporate Officer of the House of Lords.
- (4) “Qualifying property, rights and liabilities” means property, rights and liabilities that the Sponsor Body considers it necessary to be transferred to it in connection with the Parliamentary building works.
- (5) The things that may be transferred under a transfer scheme include—
  - (a) property, rights or liabilities that could not otherwise be transferred;
  - (b) property acquired, or rights and liabilities arising, after the making of the scheme.
- (6) 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.
- (7) 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 transferor 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 transferor in respect of anything transferred;
  - (d) make other consequential, supplementary, incidental or transitional provision.
- (8) A transfer scheme may provide—
  - (a) for modifications to the scheme by agreement between the person making the scheme and the person (or persons) affected by the modifications;
  - (b) for modifications to have effect from the date when the original scheme came into effect.
- (9) Before making a transfer scheme, the person making the scheme must consult—
  - (a) in the case of a scheme under sub-paragraph (1), the Corporate Officer of the House of Commons;
  - (b) in the case of a scheme under sub-paragraph (2), the Corporate Officer of the House of Lords;
  - (c) in the case of a scheme under sub-paragraph (3), both those Corporate Officers.
- (10) In this paragraph—
  - (a) “transferor”, in relation to a transfer scheme, means the person or persons for the transfer of whose qualifying property, rights or liabilities the scheme provides;
  - (b) references to rights and liabilities include rights and liabilities relating to a contract of employment.

### *Committees*

- 20 (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.

### *Delegation*

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

### *Delegation and contracting out of pension functions*

- 22 (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 officer.
- (2) A pension function conferred on the chief executive officer by virtue of sub-paragraph (1) may be carried out by –
- (a) a person authorised by the chief executive officer, 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.
- (4) The chief executive officer 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;
  - (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
  - (b) may be revoked at any time by the Sponsor Body or the chief executive officer.

### *Procedure*

- 23 (1) The Sponsor Body may (subject to this Schedule) determine its own procedure and the procedures of its committees and sub-committees.
- (2) No proceedings of the Sponsor Body, or of its committees or sub-committees, are invalidated by a vacancy or a defective appointment.
- 24 (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—
  - (a) the office of chair is vacant, or the chair is suspended from office under paragraph 11(3), and no interim chair has been appointed under paragraph 14, or
  - (b) the chair is unable, unfit or unwilling to perform the chair’s functions (whether because of illness or otherwise).

#### *Accounts and audit*

- 25 (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 in accordance with directions given to it by the Treasury.
- (3) The directions that the Treasury may give under sub-paragraph (2) include, for example, directions as to—
  - (a) the content and form of the statement of accounts,
  - (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 officer is to be the Sponsor Body’s accounting officer (but see paragraph 26).
- (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.
- (6) The reference in sub-paragraph (5) to responsibilities includes—
  - (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.
- (8) 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.
- (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).

- 26 (1) If the chief executive officer is unable to discharge the chief executive officer'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 officer is so unable.
- (2) If the office of chief executive officer 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 officer remains vacant.

#### *Report*

- 27 (1) At least once in every calendar year, the Sponsor Body must prepare and lay before Parliament a report about the carrying out of the Parliamentary building works and the progress that has been made towards completion of those works.
- (2) A report under this paragraph must in particular include information about persons to whom contracts in respect of the carrying out of the Parliamentary building works have been awarded, in particular –
- (a) their size, and
  - (b) the areas in which they operate.
- (3) The Sponsor Body must publish each report prepared under this paragraph in whatever way the Sponsor Body considers appropriate.

#### *Documentary evidence*

- 28 (1) The application of the seal of the Sponsor Body must be authenticated by the signature of –
- (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 –
- (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) Sub-paragraphs (1) and (2) do not extend to Scotland.

#### *Freedom of information*

- 29 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 Parliamentary Works Sponsor Body.”

## SCHEDULE 2

Section 3

### THE DELIVERY AUTHORITY

#### *Board of directors*

- 1 (1) The Delivery Authority is to have a board of directors consisting of –

- 
- (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,
    - (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) does not apply in relation to the appointment of a person within sub-paragraph (1)(c).
  - (5) The number of non-executive directors appointed by the Delivery Authority must be greater than the number of executive directors.
  - (6) A person who is an executive director is a member of the Delivery Authority's staff.
  - (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*

- 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.
  - (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.
  - (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.



- (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.
- 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) does not apply in the case of a director within paragraph 1(1)(c).

*Validity of acts*

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

*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.

*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.
  - (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 reflected in the estimate prepared by the Sponsor Body for the financial year to which the statement relates (see paragraphs 3, 6 and 8 of Schedule 4).
- 8 (1) The Delivery Authority may prepare a supplementary statement for a financial year setting out –
- (a) any additional resources it requires for the year in order to exercise its functions, or
  - (b) any reduction in the resources it requires for the year for that purpose.
- (2) The Delivery Authority must send a supplementary statement to the Sponsor Body.

- (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 reflected in a supplementary estimate prepared by the Sponsor Body for the financial year to which the statement relates (see paragraphs 5, 7 and 9 of Schedule 4).

#### *Accounts and audit*

- 9
  - (1) The Delivery Authority must keep proper accounts and proper records in relation to them.
  - (2) The Delivery Authority must prepare a statement of accounts for each financial year.
  - (3) The Sponsor Body's accounting officer must, after consulting the Delivery Authority, appoint one of the Delivery Authority's executive directors to be the Delivery Authority's accounting officer.
  - (4) The Delivery Authority's 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) The reference in sub-paragraph (4) to responsibilities includes –
    - (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.
  - (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.
  - (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).
  - (9) The Delivery Authority is exempt from the requirements of Part 16 of the Companies Act 2006 (audit) and its balance sheet must contain a statement to that effect.
- 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 its staff to be the accounting officer for as long as the executive director is unable to discharge those responsibilities.
  - (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.

- (3) A nomination under this paragraph requires the consent of the Sponsor Body’s accounting officer.

*Freedom of information*

- 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 3 of the Parliamentary Buildings (Restoration and Renewal) Act 2019.”

SCHEDULE 3

Section 8

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  
(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 –  
(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.

*Removal from office*

- 2 (1) A person ceases to be a member of the Estimates Commission –  
(a) on becoming a Minister of the Crown,  
(b) on the passing of a resolution to that effect by the relevant House,  
(c) on ceasing to be a member of the relevant House (subject to sub-paragraph (4)),  
(d) 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  
(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.
- (2) For the purposes of sub-paragraph (1)(d) 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.

- (3) For the purposes of sub-paragraph (1)(d) 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.
- (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 –
- (a) sub-paragraph (1)(c) 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) For the purposes of this Schedule (other than this paragraph), a person is to be treated as a member of the House of Commons for any period during which –
- (a) the person continues to be a member of the Estimates Commission as a result of sub-paragraph (4)(a), and
  - (b) is not a member of the House of Commons.
- (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 etc*

- 3 (1) A meeting of the Estimates Commission is only quorate if at least one Commons member and one Lords member are present.
- (2) Subject to that, the Estimates Commission may regulate its own procedure.
- 4 The Estimates Commission may not make payments to any of its members or to any other person or otherwise incur any expenditure.

#### *Freedom of information*

- 5 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 Parliamentary Works Estimates Commission.”

SCHEDULE 4

Section 9

FUNDING: SPONSOR BODY’S ESTIMATES

PART 1

INTRODUCTION

*Interpretation*

- 1 (1) In this Schedule –
  - “Parliamentary approval” means approval by a resolution of each House of Parliament;
  - “phase one” means the period that –
    - (a) begins with the first day on which any provision of section 1 comes into force, and
    - (b) ends when Parliamentary approval is obtained for the purposes of section 7(2)(a) and (b) (approval relating to works and funding);
  - “phase one works” means the 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 –
    - (a) begins when Parliamentary approval is obtained for the purposes of section 7(2)(a) and (b), and
    - (b) ends with completion of the Parliamentary building works;
  - “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.

*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.
- (2) That amount is to be found by adding together –
  - (a) the amount of phase one expenditure that has already been incurred, and
  - (b) the amount of further phase one expenditure that the Delivery Authority expects to be incurred.
- (3) The Delivery Authority must, at least once during each assessment period that begins during phase two, assess the total amount of phase two expenditure.
- (4) That amount is to be found by adding together –

- (a) the amount of phase two expenditure that has already been incurred, and
  - (b) the amount of further phase two expenditure that the Delivery Authority expects to be incurred.
- (5) In this paragraph “assessment period” means –
- (a) the period of 6 months beginning with the first day on which any provision of this Schedule comes into force, and
  - (b) each subsequent period of 6 months.
- (6) The Delivery Authority must give the Sponsor Body an assessment under this paragraph as soon as practicable after it is made.
- (7) In this Schedule –
- (a) “phase one cost assessment” means an assessment under sub-paragraph (1);
  - (b) “phase two cost assessment” means an assessment under sub-paragraph (3).

## PART 2

### PHASE ONE

#### *Annual estimates during phase one*

- 3 (1) This paragraph applies in relation to a financial year of the Sponsor Body that begins during phase one, other than –
- (a) the Sponsor Body’s first financial year, or
  - (b) a financial year to which paragraph 6 applies.
- (2) The Sponsor Body must prepare an estimate of its expenditure for the financial year.
- (3) The estimate must reflect the Delivery Authority’s statement of resources for the year, as approved by the Sponsor Body under paragraph 7 of Schedule 2.
- (4) 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 cost assessment.
- (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.
- (6) The Estimates Commission may make such comments on the estimate as it considers appropriate.
- (7) If the phase one cost assessment exceeds the phase one expenditure limit (see paragraph 4), the Estimates Commission may –
- (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 –
    - (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 year (and sub-paragraphs (3) to (9) apply accordingly).
- 4
- (1) For the purposes of paragraph 3 the “phase one expenditure limit” means –
    - (a) the limit, set by the House Commissions on or before the first day on which any provision of 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.

#### *Supplementary estimates*

- 5
- (1) Where under paragraph 8 of Schedule 2 the Sponsor Body approves a supplementary statement of resources prepared by the Delivery Authority in respect of a financial year to which paragraph 3 applies, the Sponsor Body must prepare a supplementary estimate of its expenditure for that year.
  - (2) The supplementary estimate must reflect the Delivery Authority’s supplementary statement of resources for the financial year.
  - (3) Paragraph 3(4) to (9) applies to a supplementary estimate as it applies to an estimate prepared under paragraph 3.

### PART 3

#### TRANSITION YEAR

#### *Transition year estimate*

- 6
- (1) This paragraph applies in relation to a financial year of the Sponsor Body if –
    - (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 7(2)(a) and (b).
  - (2) The Sponsor Body must prepare an estimate of –
    - (a) its phase one expenditure for the financial year, and
    - (b) its phase two expenditure for the year.
  - (3) The estimate must reflect the Delivery Authority’s statement of resources for the year, as approved by the Sponsor Body under paragraph 7 of Schedule 2.
  - (4) 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 cost assessment.
- (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.
- (6) The Estimates Commission may make such comments on the estimate as it considers appropriate.
- (7) If the phase one cost assessment exceeds the phase one expenditure limit (as defined by paragraph 4(1)), the Estimates Commission may—
  - (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—
  - (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 year (and sub-paragraphs (3) to (9) apply accordingly).

*Supplementary estimates*

- 7 (1) Where under paragraph 8 of Schedule 2 the Sponsor Body approves a supplementary statement of resources prepared by the Delivery Authority in respect of a financial year to which paragraph 6 applies, the Sponsor Body must prepare a supplementary estimate of its expenditure for that year.
- (2) The supplementary estimate must reflect the Delivery Authority’s supplementary statement of resources for the financial year.
- (3) Paragraph 6(4) to (9) applies to a supplementary estimate as it applies to an estimate prepared under paragraph 6.

PART 4

PHASE TWO

*Annual estimates during phase two*

- 8 (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.
- (3) The estimate must reflect the Delivery Authority’s statement of resources for the year, as approved by the Sponsor Body under paragraph 7 of Schedule 2.
- (4) The Sponsor Body must submit to the Estimates Commission—



- (a) the estimate for the year, and
  - (b) the Delivery Authority’s most recent phase two cost assessment.
- (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.
- (6) The Estimates Commission may make such comments on the estimate as it considers appropriate.
- (7) If the phase two cost assessment exceeds the amount of funding in respect of phase two works that is for the time being approved by Parliament for the purposes of section 7, the Estimates Commission may—
- (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—
- (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 year (and sub-paragraphs (3) to (9) apply accordingly).

#### *Supplementary estimates*

- 9 (1) Where under paragraph 8 of Schedule 2 the Sponsor Body approves a supplementary statement of resources prepared by the Delivery Authority in respect of a financial year to which paragraph 8 applies, the Sponsor Body must prepare a supplementary estimate of its expenditure for that year.
- (2) The supplementary estimate must reflect the Delivery Authority’s supplementary statement of resources for the financial year.
- (3) Paragraph 8(4) to (9) applies to a supplementary estimate as it applies to an estimate prepared under paragraph 8.



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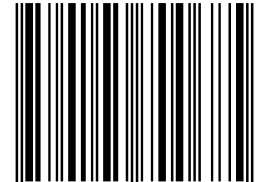
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