Annual Report and Financial Statements

For the year ended 31 March 2026

HOUSES OF PARLIAMENT
R&R DELIVERY AUTHORITY

PPMS: UNRESTRICTED

HC 380

Restoration and Renewal Delivery Authority Limited

Annual Report and Financial Statements
For the year ended 31 March 2026

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Introduction

The Restoration and Renewal (R&R) Delivery Authority was established in 2019 to formulate proposals relating to the Palace of Westminster restoration works and to deliver the works in line with the requirements of the Corporate Officers.

The Delivery Authority brings together specialist capability in major programme management, engineering, design, commercial leadership and assurance, applying best practice from major programmes across the UK and internationally. It transforms strategic direction from parliamentary decision makers into practical and executable plans, ensuring that the programme is delivered to the highest standards of safety, quality and value for money.

R&R Programme Background

The graphic below provides an overview to the R&R Programme and a summary of recent key events.

2019

October 2019

The Parliamentary Buildings (Restoration and Renewal) Act 2019 received Royal Assent

2020

April 2020

Sponsor Body formally established

May 2020

Delivery Authority formally established

2021

May 2020 – March 2021

Sponsor Body and Delivery Authority undertook Strategic Review to confirm future strategy for Restoration and Renewal

March 2021

Programme completed work to define four scheme options for restoration of the Palace for business case appraisal

2022

March 2021 – January 2022

Delivery Authority developed scheme options and a study on Continued Presence for the Palace; and developed options for House of Lords temporary accommodation

January 2022

Initial assessment of cost and schedule for two Palace options presented to House of Commons and House of Lords Commissions

2022

February 2022

Initial assessment of cost and schedule for Palace published, alongside Continued Presence study

March 2022

House of Commons Commission and House of Lords Commission published joint statement outlining proposed new approach for R&R

June 2022

House of Commons Commission and House of Lords Commission published new mandate for R&R (which was then agreed to by both Houses in July 2022)

2023

July 2022 – January 2023

Wide range of options for restoration of the Palace developed and evaluated by the Delivery Authority in line with the new mandate

January 2023

Statutory Instrument came into force which abolished the Sponsor Body and established the Client Team

June 2023

Two options shortlisted and endorsed by Programme Board, along with Strategic Objectives

July 2023

Client Board endorsed the recommended shortlist, which would be presented compared to an enhanced maintenance ("do minimum") option

2024

October 2023

Programme Board approved preferred temporary accommodation locations

January 2024

Temporary Accommodation Plan approved by Client Board

March 2024

Strategic Case report published by Client Board. Contains two shortlisted options plus a third option, focused on enhanced maintenance and improvement; and proposes further work to consider amendments to the R&R Act to consider phasing

May 2024

UK general election on 4 July announced. Parliament dissolved on 30 May, pause in R&R Programme governance

November 2024

Delivery Authority tasked with developing a phased approach to the works

2025

February 2025

Delivery Authority handed over final outputs for Programme Business Case and Framework Options Appraisal to the Client Team to support costed proposals report development

March 2025 – December 2025

Programme and Client Board consideration and development of costed proposals

2026

February 2026

Client Board published the costed proposals report with recommendations on the way forward for the R&R Programme

Chair's Foreword

Dr Simon Thurley CBE

The 2025/26 reporting year has been a crucial period for the Restoration and Renewal (R&R) Programme, marking an important step forward in securing the long-term future of the Palace of Westminster.

Our principal focus has been completing work on the two options developed by the Delivery Authority, full decant and continued presence, for inclusion in the R&R Client Board's costed proposals report, *Delivering restoration and renewal of the Palace of Westminster: the costed proposals*, published in February 2026. This comprehensive report sets out the costs, timescales and recommendations of the Client Board, offering Parliament the information required to determine how best to restore one of the nation's most significant heritage assets.

This represents a major milestone for the programme. The costed proposals report provides, for the first time, a comparable set of options for Parliament to consider. At the time of publishing this Annual Report, both Houses are expected to debate a motion to determine the way forward, and we await confirmation of when those debates will take place. Reaching this point reflects the hard work, commitment and professionalism of colleagues across the Delivery Authority and the Client Team, and I would like to record my thanks for their sustained effort in delivering this important piece of work.

This year saw a number of changes to the Delivery Authority Board, many of which have occurred after lengthy and productive tenures of Board Members. Tom Sleigh and Manish Chande joined as non-executive directors in July 2025, following the departures of Anne McMeel and Professor Stephen Duckworth OBE. In November 2025, Vanessa Howlison was appointed as a non-executive director following Anne Baldock standing down. I would like to thank all departing Board members for their contributions and service to the programme, and to welcome Tom, Manish and Vanessa, whose expertise and insight will be invaluable to the programme as we move forwards.

Significant organisational changes amongst the Delivery Authority's Executive Team were also completed following a review that began in November 2024. Janet Campbell left the organisation as Director of HR in July 2025, and I am grateful for her professionalism and leadership in maintaining a strong focus on people and culture through a period of transition. In that same month, Jane Mee, previously General Counsel, moved into a newly established role as General Counsel & Director of Corporate Services, now overseeing Legal, Data & Digital, HR and Communications. Robert Razzell OBE also joined as Finance Director from UK Government Investments (UKGI) in July 2025, strengthening our Executive Committee team as we prepare for an increasingly delivery-focused period.

The year ahead will be another important one for the Delivery Authority. As Parliament considers the costed proposals report, we will continue to support the Client Team, the Corporate Officers and members of both Houses, in determining the way forward. We will advance preparations to deliver the Phase 1 works and, crucially, we will continue to bear down on costs to ensure that every pound invested contributes to protecting and restoring the Palace while spreading the economic benefits of this across the UK.

This programme remains a once-in-a-generation undertaking. The professionalism and dedication of our people give me confidence that we can deliver this work with care, integrity and ambition, safeguarding one of the world's great buildings for generations to come.

Signed

Dr Simon Thurley CBE
Chair
2 July 2026

Chief Executive Officer's Review

Russ MacMillan

At the start of the year, the Delivery Authority had just completed and implemented a major organisational review, establishing new structures and ways of working whilst also delivering efficiencies. The 2025/26 reporting year therefore marked a period of consolidation, enabling us to stabilise the organisation, complete our principal deliverables into the costed proposals report, and turn our focus to readiness for the next phase of the programme.

The year's priorities reflected this: finalising costed proposals outputs and supporting Parliament in advance of decision-making; progressing the House of Lords temporary accommodation project as the first major programme element to be delivered; and continuing to deepen our understanding of the Palace of Westminster through surveys. Alongside this, we began preparing for the next phase of the programme by confirming our commercial approach, considering how the Delivery Authority needs to operate as an organisation, and strengthening engagement with external organisations.

Costed proposals and parliamentary support

The costed proposals report was published by the Client Board in February 2026, representing a substantial body of work undertaken by the Delivery Authority, together with Parliament's Client Team and wider parliamentary stakeholders. The report brings together the concept design development, planning and analysis undertaken by the Delivery Authority to support Parliament's consideration of future options.

In developing its recommendations in the costed proposals report, the Client Board considered how to maintain momentum, manage risk and preserve choice for Parliament ahead of a final decision on the future of the Palace. The Delivery Authority supported this through detailed design, costing, technical analysis and delivery planning, enabling the Board to recommend an initial package of Phase 1 works. These works would be delivered over seven years within a £3bn cap, while allowing further development of the full decant and enhanced maintenance and improvement plus (EMI+) options, ensuring both Houses retain a genuine, informed choice.

The full decant and EMI+options were recommended for further detailed development during the next part of the programme.

We currently await the consideration of the costed proposals report by both Houses and an agreed way forward.

Progression of the House of Lords temporary accommodation programme

The costed proposals report also detailed Parliament's work with Government, particularly the Ministry of Housing, Communities and Local Government (MHCLG), to explore the potential acquisition of the QEII Centre which is the House of Lords' preferred temporary accommodation location. In anticipation of this, considerable effort has gone into preparing for the House of Lords temporary accommodation project, including completion of RIBA Stage 2 designs, market engagement, tender readiness for the works contract (which was subsequently released in April 26) and the early development of RIBA Stage 3 design work.

Understanding the Palace of Westminster

We have continued an extensive programme of survey activity, including major marine boreholes and wide-ranging archaeological investigations, which together deepen our understanding of the Palace's condition and will help to de-risk future construction phases.

Preparing for the next phase of the programme

Another key focus has been putting in place the foundations needed to move confidently into the next phase of the programme. We continue to progress work in relation to the full decant option and work is also underway to adopt and progress the EMI+ option following Client Board's recommendation to transfer this to the Delivery Authority, ensuring that the data, assumptions and design principles developed to date are robust, well understood and ready to be integrated into future planning. In parallel, we have strengthened the programme's baseline of standards, establishing a clearer and more consistent framework to support future design and delivery of whichever option Parliament decides to take forward.

We also continued to engage with the supply chain and undertook preparatory work for the procurements that will underpin the next phase of delivery. Internally, the organisation made targeted improvements to strengthen management capability and enhance cyber resilience, achieving ISO 27001 and ISO 9001 certification as evidence of increasing organisational maturity.

Alongside this, we continued to embed our approach to social value, sustainability, heritage protection and UK-wide skills development, ensuring the programme is positioned to deliver wider benefits as it moves into delivery.

Changes across both the Board and the Executive during the year further support this transition, bringing in experience and capability aligned to the demands of the next phase.

We recognise the current pressure on public finances and continue to have a strong focus on Value for Money across all aspects of the programme. I am pleased to report that we have maintained strong financial discipline, achieving savings on our 2025/26 budget. We continue to ensure that our resources are focused on the right areas and we have taken 46% out of our corporate costs over the past two years while maintaining the capability and capacity required to deliver the programme's priorities.

I would like to thank colleagues across the Delivery Authority, the Board, and our partners in Parliament for their exceptional commitment and professionalism throughout the year. The progress we have made reflects an extraordinary collective effort. I am grateful to everyone who has contributed their expertise, energy and dedication.

This is an undertaking of profound national significance, with a responsibility that extends far beyond the Palace itself. Subject to parliamentary decisions, the year ahead is expected to mark a transition from planning into mobilisation, with an increasing focus on procurement, organisational readiness and the progression of the House of Lords temporary accommodation project. Our priority will be to ensure the Delivery Authority is fully prepared for this next phase: fit for the future, aligned with Parliament's needs, and ready to deliver with confidence, rigour and care on behalf of the UK.

Signed

Russ MacMillan
Chief Executive and Accounting Officer
2 July 2026

Strategic Report

Vision

The vision for the programme, agreed by the Houses of Parliament, is:

Preserving the Palace of Westminster for future generations and ensuring the safety of all those who work in and visit the Palace.

Strategic Objectives for the R&R Programme

The following strategic objectives were endorsed by the Client Board in July 2023 and inform the development of the R&R Programme.

Fire Protection, Health & Safety, and Security	Ensure high standards of fire protection, health and safety, wellbeing and security to provide appropriate protection for the building and everybody in it.
Business continuity	Future proof the Palace by making the building and its services sufficiently capable and resilient to support Parliament's core function as a working legislature, both now and in the future, including in response to climate change.
Heritage	Conserve and enhance the fabric of the Houses of Parliament and build appreciation of its rich history as a working building and the home of parliamentary democracy in the UK.
Accessibility and inclusion	Open up the Houses of Parliament, improve access and encourage a wider participation in the work of Parliament.
Environment	Reduce the environmental impact of the Palace through sustainable design and operation.
Social value lasting legacy	Deliver a programme that distributes the economic value of R&R across the UK and provides for the development of skills across the UK.
Value for Money	In achieving Parliament's desired outcomes and construction approach for the programme, ensure the planned works are delivered with a relentless focus on achieving value for the UK taxpayer.

Progress against Delivery Authority objectives

In 2024 the Delivery Authority Board set five strategic priorities to last until approval of the costed proposals report recommendations, all of which were focussed around progressing the key programme priorities. Strong progress against these objectives was made during 2025/26 with further detail provided below.

1. Palace of Westminster design and costed proposals

The Delivery Authority made a significant contribution to the development of the costed proposals report, approved by the Client Board and published in February 2026, particularly around design, cost, schedule and risk inputs for the two options (full decant and continued presence) developed by the Delivery Authority. This work included refining and reviewing estimates for both the full decant and continued presence options, and completing the technical work needed to plan the phases of the programme in June 25.

In addition, the Delivery Authority worked on the development of the Phase 1 initial package of works, recommended in the costed proposals report, which would:

- include a combination of pre-construction activities, resilience works (through the provision of temporary accommodation for both Houses) and early and enabling works;
- include up to seven years of expenditure as well as financial commitment for some work started in this period, such as underground construction, which would be completed after seven years.

The enhanced maintenance and improvement option contained within the costed proposals report was developed by Parliament's in-house team, Strategic Estates. As a result of Client Board deciding that the Delivery Authority would deliver any option that is chosen to be taken forward, the Delivery Authority also commenced a period of due diligence looking at the EMI+ data outputs to consider any potential risks and issues. Work on this has continued into the new financial year.

Preparation is also underway for the complex consents process that will be required prior to any restoration of the Palace taking place. Engagement with the relevant statutory bodies has continued to ensure that they remain aware of the latest programme developments and onward timescales for the planning process.

The Delivery Authority has also completed work to develop the programme's high level delivery benefits and requirements (including social value). This work involved defining a benefits narrative and setting future objectives to enhance and expand benefits relating to skills, training, small and medium sized enterprise spend and regional spend.

R&R: Our pledges to inspire careers, develop skills and create jobs across the UK

1000

apprenticeships *and* **traineeships**

We're supporting 1,000 apprenticeships and traineeships to help young people and career-changers into sustainable employment. Through long-term partnerships with schools, colleges, universities, and charities, we'll build confidence, develop skills, and open pathways — especially for those from under-represented or disadvantaged backgrounds.

1500–4000

full-time jobs

generated on average annually across the UK

based on P50 labour forecasts

The Programme will generate thousands of full-time roles annually, supporting a diverse range of professions — from heritage conservation and skilled trades to project management and building information modelling experts.

Crafting careers with dignity

Fair pay, secure terms and decent work for all

By working towards ***The Good Work Standard*** accreditation we will improve employment standards within the supply chain, including commitment to fair pay and *London Living Wage*; safe and decent working conditions; and progression opportunities.

From *rare* to *resilient*

A once-in-a-generation opportunity to revive endangered craft skills, empower new talent, and embed heritage into the future of construction and design.

Creating national training standards to equip the workforce with specialised skills for complex restoration. These accredited programmes will formalise and preserve crafts rapidly disappearing from the UK.

R&R: Our pledges to drive economic growth throughout the UK

90%

of contract opportunities are revealed

six months in advance

Enhancing transparency and accessibility by publishing a national procurement pipeline giving manufacturers and suppliers of all sizes across the UK early visibility of upcoming tenders and contract opportunities.

Building expertise and resilience

across the UK supply chain

to deliver the programme and beyond

Strengthening UK supply chains with targeted training in cyber security, sustainability, social value, health, safety, and well-being, creating a legacy of skilled people and resilient businesses that thrive long after the programme ends.

Pay small, medium enterprises (SMEs)

and micro businesses

within 30 days

Pay SMEs and micro businesses within 30 days of receiving an invoice and corresponding Payment Certificate, to help improve their cash flow and therefore support their participation in the programme, as well as helping to spread economic benefits widely across the supply chain.

Opening doors for small businesses

Clear, fair and accessible procurement made simple

Our goal is to level the playing field, helping local businesses build capability, compete confidently, secure work and provide sustained income on one of the UK's most iconic heritage projects.

R&R will future-proof Parliamentary Business in the historic Palace of Westminster

Fire, Health, Safety and Security

We will make the building safer and secure for users

100% asbestos mitigation

& certification for all areas of R&R works

Significant fire safety improvements

Significant H&S hazards reduced

Fully integrated, less intrusive security system, protecting the Palace without compromising its heritage

Heritage

We will safeguard and conserve the Palace, its collections and history for future generations

The Palace is a globally recognised symbol of UK democracy and national pride

Its historic and iconic status makes it essential to preserve as the enduring home of Parliament for future generations

Building Services

We will improve how the building works and operates across all areas, introducing resilient and secure new systems fit for the future

Life expired and poor condition

assets replaced

R&R will improve the Palace to
support Parliament's core function

Accessibility and inclusion

We will create a more accessible and inclusive environment for those who use the Palace of Westminster

Significant improvement to

step-free access

+60%

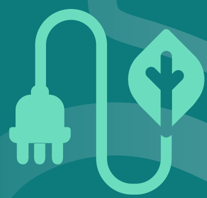
Accessibility and wayfinding enhancements,

benefiting the one million people

who visit every year and the thousands who work here every day

Sustainability

We will improve climate resilience and energy efficiency with lower running costs and reduced carbon footprint



BREEAM Excellent and WELL silver

Improved energy efficiency with lower running costs and reduced carbon footprint

This year, specialist conservators advised the Delivery Authority on the steps required to physically safeguard the heritage collections in the Palace. Comprising thousands of historic pieces of furniture, decorative items and works of art, most of these treasures will be securely stored away from the Palace ahead of construction works taking place. To prepare for this, conservators meticulously examined small groups of collections, advised how best to handle, pack and move the items out of the Palace, how to protect any that are immovable, and what remedial conservation may be required beforehand.

This work was also a pilot for integrating small businesses, sole traders and micro-companies into the R&R supply chain. In the past year, over 70 small conservation businesses successfully applied to join the Collections Conservation Dynamic Purchasing System, the procurement vehicle established for the purpose of growing the number of skilled conservators eligible to bid for work with both Parliament and the R&R Programme.

CASE STUDY

Technical Standards Management

A clear and consistent set of standards helps teams and suppliers work to the same expectations, reducing ambiguity, avoiding re-work and lowering early-stage risk. Strong standards also support efficiency, right-first-time design and enable complex systems to integrate smoothly. Having an agreed baseline of standards is essential for a controlled and assured handover to future users.

In 2020, the Delivery Authority and Parliament jointly commenced a process developing a Joint Standards Strategy to build a robust, well-governed baseline of standards that supports both current and future phases of work.

The initial activity centred on identifying, gathering and reviewing existing parliamentary technical, operational and business standards to determine their suitability for the programme. This included supporting Parliament's Standards Refresh Programme, which has reviewed and updated nearly 300 estates documents and addressed known gaps.

Working collaboratively with parliamentary standards' owners, the team assessed which standards were applicable, agreed where they were suitable, and developed derogations or technical principles where existing standards were unavailable or did not meet programme needs. This collaboration has been supported by established governance routes.

A key output was the establishment of an agreed Parliamentary Standards Baseline for each project within the programme. This is captured by Standards Summary Reports (SSRs) for each technical discipline, providing a single, consistent reference point for agreed standards, derogations and technical principles.

Fourteen discipline-specific SSRs have been agreed for the Palace during the 2025/26 reporting period, and a parallel process continues for the House of Lords Temporary Accommodation Project.

This work has created a controlled and collaborative framework that will enable delivery certainty while maintaining parliamentary ownership and governance of standards. Next year, the team will focus on ensuring contract flow down of these technical standards and reinforcing change control processes.

2. Temporary accommodation

All options in the costed proposals report require some form of decant from the Palace, onto the Northern Estate for the House of Commons and, subject to negotiation to the QEII Centre for the House of Lords, their preferred location. Phase 1 works, as outlined in the report, include the acquisition and fit-out of the QEII Centre, led by the Delivery Authority. Parliament has been working with the Government to explore acquisition of the building for House of Lords temporary accommodation, while the Delivery Authority has been preparing intensively for the necessary refurbishment. The Northern Estate programme, which will provide any decant accommodation required for the House of Commons, is being led by Parliament's in-house team. The Delivery Authority continues to work closely with the Client Team and broader parliamentary teams in relation to this matter, given the clear dependencies that exist with the broader R&R Programme.

During the reporting year, RIBA Stage 2 work on the QEII Centre was completed, ensuring the project was ready for tender. In parallel, extensive work, including market engagement, was undertaken on the invitation to tender (ITT) for the design and build contract, which was launched successfully in March 2026. Work also began on pre-RIBA Stage 3 to maintain momentum. This included developing survey scopes, completing building resilience studies, exploring design opportunities and preparing the technical engagement schedule – this work continues in the current financial year.

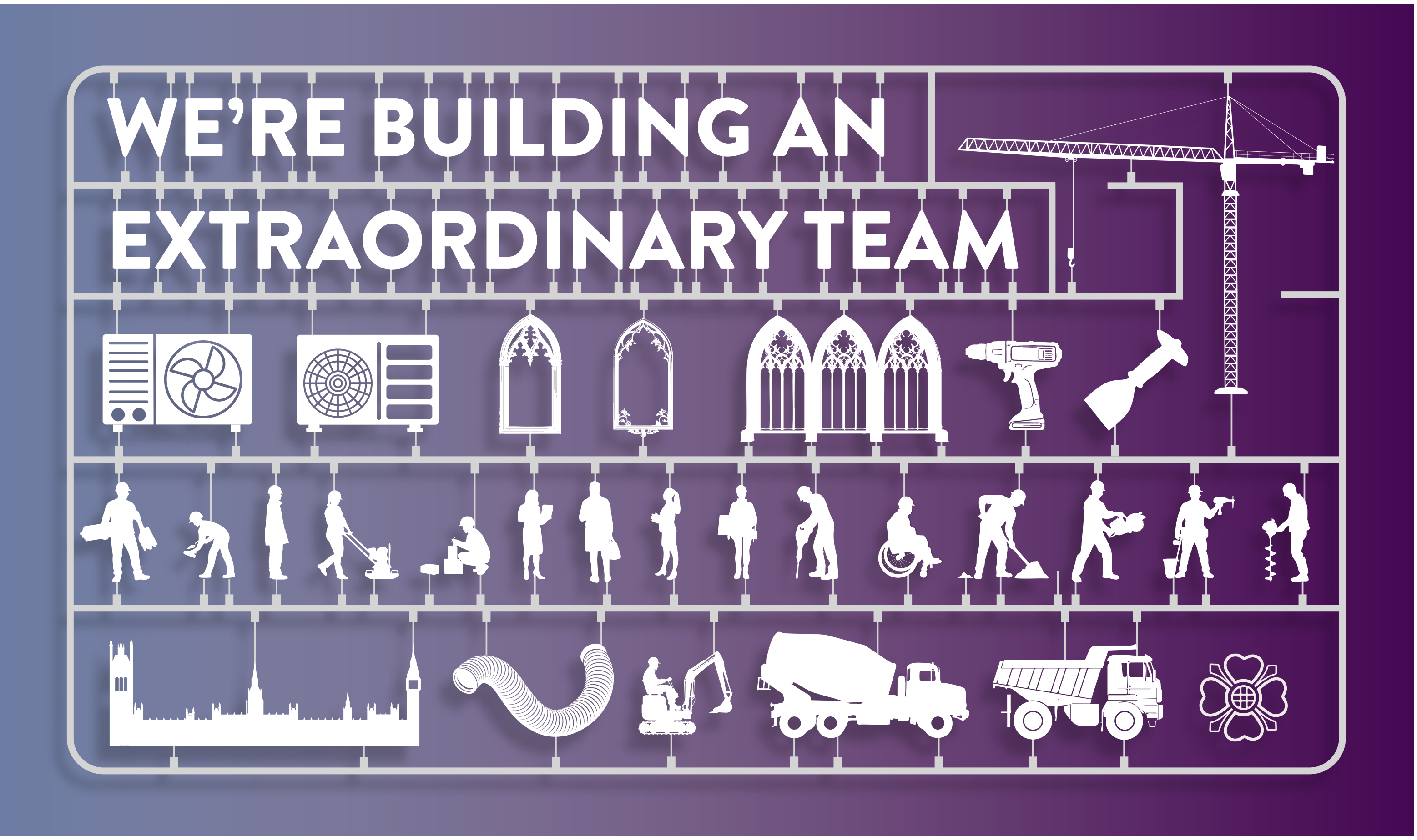
Planning-related work progressed well, and positive relationships were maintained with relevant planning and statutory stakeholders. Preparations also began for wider engagement with external stakeholders and neighbours to support future planning applications. Plans were taken forward for engaging Members of both Houses and the wider parliamentary community on emerging designs, to inform the design of the QEII Centre for the House of Lords. Surveying activity began, including visual surveys and preparation for trial pits.

QEII Centre –
The preferred decant location for the House of Lords

3. Strategic partner procurements

Engaging with future potential suppliers to help deliver the restoration programme was a key priority. The Delivery Authority's new market branding ***"We're building an Extraordinary Team"*** was launched to the prospective supply chain when 38 suppliers were hosted over multiple events in July 2025. Members of the Executive presented the options for restoration as part of the Delivery Authority's broader efforts to build appetite in working on R&R in the future. Following these events, the Delivery Authority responded to supplier queries and continued engagement with attendees, including providing a video briefing after publication of the costed proposals report to ensure suppliers remained informed and able to prepare for future opportunities.

The Delivery Authority's planned procurement approach aims to bring together design, engineering, programme and construction resource into an integrated and collaborative arrangement. With the potential for two recommended programme options to be progressed until a final parliamentary decision by 2030, and further clarity around the timing of a future programme, we are now reviewing and confirming our commercial approach to ensure that it is aligned to the most likely future programme.




BUILDING AN
ORDINARY TEA

Worked flints and waste flakes, found in Cromwell Green, from approximately 4300BC.
Image credit ©MOLA

4. Continued understanding of the Palace of Westminster (surveys)

Survey activity undertaken this year has predominantly focused on ground investigations, archaeological trial pits and vibration monitoring, all of which have contributed to an overall better understanding of the Palace. These surveys are critical for early construction works and for informing essential design decisions for example the River Terrace boreholes may influence future tunnel locations for services.

Work included drilling 14 boreholes in the River Thames over six months (with a combined cumulative depth of over 1km), and two further boreholes on the River Terrace during the Summer recess. Archaeological trial trenches and geoarchaeological boreholes were completed in Old Palace Yard and Victoria Tower Gardens, along with a geoarchaeological borehole in New Palace Yard with the findings discussed in a separate section of this report (see page 25).

Survey work can be complex in its own right, and all of the activity undertaken last year was successfully consented, with approvals being granted within the eight-week period stipulated for minor works. Health, Safety and Wellbeing also remained a priority throughout this work, and the Delivery Authority recorded no major incidents or breaches during this reporting period.

Close-out activity for surveys, completed up to Conference recess period in October 2025 and involving the successful sign off of deliverables, was finalised for all 23 surveys. This included issuing final reports for completed surveys and updates to scope documents where further work is planned.

During the February 2026 recess, the team undertook the Heritage Audit plus pilot survey, which involved several small specialist companies assessing 34 heritage objects across a small sample of locations and categories of items. The Heritage Vibration survey continued throughout the final quarter, with baseline monitoring undertaken only during times when the Houses were sitting. This included prominent areas such as Central Lobby, Cloister's Court and St Stephen's Hall.

During 2025/26, more than 28,000 hours of survey work were delivered across 115 spaces and four surveys. This brings the total undertaken by the Delivery Authority to 102,675 hours of survey work across 1,014 spaces.

CASE STUDY

The archaeology of the Palace of Westminster

The Delivery Authority has completed year two of a three-year archaeological programme – a huge collaborative effort across the Delivery Authority, Parliament, stakeholders and partners.

The Palace was the principal seat of the English monarchy until 1512. Although the 1834 fire destroyed much of it, earlier structures and archaeological features survive within and beneath the Victorian building which is nationally protected due to its historic and architectural significance.

As the programme plans for the restoration and renewal of Parliament, these essential early investigations are uncovering its past, helping deepen understanding of its present and are shaping its future.

This early knowledge informs design and planning decisions, feeds into digital modelling to guide future work, reduces risk and speeds up consents. It also opens opportunities, such as the potential to display historic structures or objects in future designs, landscaping or exhibitions, helping create a long-term legacy, engage the public and create greater social value.

Decorated lead badge with flowering heart motif
Image credit ©MOLA

What did the Delivery Authority find?

Across the programme of stage 1 evaluation, we're excavating 14 trial pits and drilling 10 geoarchaeological boreholes, in areas where future construction works might have an impact. This work started in 2024 and will continue until the end of 2027 with final reporting on completion.

In 2025/26, the earliest discoveries included over 60 flint flakes dating to the Late Mesolithic or Early Neolithic, less than a metre below Cromwell Green. Around 6,000 years ago, this area was a small island surrounded by streams – an environment well suited to hunting and fishing.

One of the most significant discoveries in summer 2025 was the identification of a substantial surviving section of the medieval Lesser Hall in Old Palace Yard. The Lesser Hall – also known as the White Hall and having previously housed the Lords and Commons chamber – was first documented in 1167–68 and was believed to have stood on the site of Edward the Confessor's earlier palace.

Further work recorded later brick walls, including a 17th century repair and an 18th-19th century cellar wall belonging to John Bellamy, the Commons Deputy Housekeeper who ran Bellamy's refreshment rooms. A gold ornamental band – possibly from jewellery or a cane – was recovered in the cellar backfill.

In Victoria Tower Gardens, finds included tile, leather, animal bone, pottery, a 14th century floor tile and a medieval stone mortar. Deeper layers revealed shoe parts, a near-complete 13th-14th century boot, plus shears, a thimble and a decorated lead badge with a flowering heart motif which may have been a love token.

The summer archaeology programme provided an excellent opportunity for the Delivery Authority to engage with its stakeholders. In collaboration with the Client Team, the Delivery Authority delivered several days of in-person engagement featuring a pop-up exhibition of archaeological finds and opportunities to discuss them with the Archaeology Lead. Attendees included UK Parliament Stakeholders, Members and Members staff and DA Colleagues. The DA delivered proactive media engagement through a targeted press release highlighting finds from archaeological trial pit investigations, resulting in extensive coverage in national, trade, select international outlets. Several broadcast opportunities were progressed including a BBC Radio 4 interview with the Archaeology Lead and a feature with US outlet Fox News. This engagement strengthened relationships with key stakeholders and increased the visibility of the programme.

CASE STUDY

Ground investigation marine river boreholes

Between April and September 2025, a comprehensive ground investigation marine survey was carried out along the River Thames, adjacent to the Palace of Westminster, spanning from Westminster Bridge to Lambeth Bridge. Using a jack up barge positioned opposite the Palace's river-facing terrace, specialist UK engineering teams drilled fourteen boreholes into the Thames riverbed to depths of up to 74.5 metres, employing cable percussion and rotary drilling techniques to assess its geological composition.

In addition, two boreholes were drilled on Parliament's River Terrace. This marked the first time river access was used to deliver equipment directly to the Palace for the R&R Programme.

The investigation aimed to improve the programme's understanding of sub-surface conditions to inform geotechnical design by characterising soil and rock strata, identifying potential hazards, and supporting future foundation and structural planning.

The marine surveys focused on capturing a detailed snapshot of the riverbed's condition, providing essential data to support potential future construction. Data from this series of surveys will inform future designs.

Lord McFall, the then Lord Speaker, said:

"I was very impressed by the professionalism and dedication of the experts on board the drilling platform in the Thames. It was eye-opening to see London clay dating back millions of years and ancient riverbed material before it was packed into crates and sent for analysis as part of the restoration and renewal programme."

Judith Cummins MP, Deputy Speaker of the Commons and Chair of the R&R Programme Board, explained:

"Our experts are getting on with the job of planning for the extensive restoration of the Palace of Westminster. It was great to meet the drilling team, who are based across the UK, showcasing the fantastic opportunities for specialists and suppliers nationwide to get involved in restoring Parliament."

Borehole depths of up to 74.5m

Jack up barge platform positioned in the River Thames by the Palace of Westminster

CASE STUDY
The Golden Rules

The Delivery Authority's Health, Safety and Wellbeing (HSW) Phase 1 Strategy sets out the mission:

... to support the Delivery Authority to deliver an exemplary Health, Safety and Wellbeing programme, ensuring everyone can go home safe and healthy.

Its aim is to create a proactive HSW culture in which every employee is a leader. To support this, the HSW and Communications Teams developed the Golden Rules – six behaviours that the Delivery Authority expects all employees and contractors to demonstrate to ensure that HSW remains a shared responsibility.

The Golden Rules are designed to guide how everyone on the programme all thinks, acts, and makes decisions day-to-day, both in the office environment and on site across the parliamentary estate and in the Palace.

The Golden Rules: know them, live them, own them.

- Personal accountability
- Effective communication
- Leadership values and action
- Continuous learning
- Problem identification and resolution
- Safe environment for voices to be heard

The two teams then developed an awareness and behaviour change campaign, delivered on site and in the office, using a range of innovative communications techniques. Awareness of the Golden Rules rose from a May 2025 baseline of 49% to a post-campaign score of 89% in February 2026, indicating much stronger visibility and campaign penetration.

Awareness sources shifted from static documents to conversation-led and visual channels, reflecting more active engagement with the Golden Rules. Colleagues' practical understanding strengthened considerably, with a clear shift from uncertainty to confidence. Overall, colleagues began considering HSW more frequently when making day-to-day decisions, demonstrating a meaningful shift since the start of the campaign that should contribute to a safer environment for all.

GOLDEN RULES

GOLDEN RULE 1

Personal accountability

GOLDEN RULE 2

Effective communication

GOLDEN RULE 3

Leadership values and actions

GOLDEN RULE 4

Continuous learning

GOLDEN RULE 5

Problem identification and resolution

GOLDEN RULE 6

Enabling a safe environment for all voices to be heard

The Golden Rules:

Know them, live them, own them.

102,675 hours of survey work across 1,014 spaces

Total hours of survey work undertaken by the Delivery Authority

5. Organisational capability and capacity

2025/26 was a year of stabilisation for the Delivery Authority following the organisation review that was undertaken in the previous year and which had successfully resulted in more efficient and effective ways of working. Work has also been ongoing to prepare the organisation for the next phase of the programme, by developing the future operating model and revising strategies and policies as required.

The Delivery Authority successfully transitioned to a new, more streamlined HR operating model while continuing to deliver services to the business. To strengthen management capability, a series of in-house, in-person training for all managers was delivered. These sessions were designed to embed a consistent approach to people management aligned with the Delivery Authority's values and behaviours, and to reduce organisational risk by ensuring managers are consistent in their understanding and implementation of HR policies.

Within the digital and IT areas, the Delivery Authority prioritised cyber security and delivery of the Data & Digital (D&D) Investment Portfolio and delivery plan. To strengthen cyber resilience, colleagues were supported through awareness initiatives such as phishing simulation exercises. The Investment Portfolio focused on three outcomes: enhancing digital capability to support major programme delivery; protecting information and data; and improving productivity through end user and efficiency-driven platform enhancements. For example, the 'AI Foundations' project identified the technical controls required for safe Artificial Intelligence (AI) deployment and assessed priority use cases across the organisation, supported by a network of AI Champions.

The Delivery Authority achieved ISO 27001 and ISO 9001 from the British Standards Institute (BSI) during the year, demonstrating that organisational processes met international standards for information security and quality management.

bsi

ISO 9001
Quality Management Systems
CERTIFIED
FS 813931

ISO/IEC 27001
Information Security Management
CERTIFIED
IS 813929

CASE STUDY

Artificial Intelligence at the Delivery Authority

In 2025/26, the DA launched a structured programme to understand, scope and progress the use of AI within the DA, including through adopting key controls such as an AI policy. The AI Foundations programme has ensured the organisation is ready to adopt artificial intelligence safely, ethically and in line with public-sector assurance requirements. The programme has focused on governance, risk management, organisational readiness and skills, rather than widescale deployment.

Clear guardrails, ethical principles and oversight arrangements have been established, organisational readiness has been assessed and improved, and potential use cases have been identified and prioritised with a focus on Delivery Authority-wide/scalable benefits. The Delivery Authority's forthcoming AI Strategy will guide future investment, underpinned through business case governance.

An AI champion said:

"As an AI Champion, I help bridge the gap between innovation and everyday work. My role is to shape how we introduce AI so it's intuitive, useful, and grounded in real business needs ensuring our people are ready, supported and empowered to embrace the opportunities ahead."

Working with our suppliers

1,259

invoices in total

100%

SME invoices paid **within 5 days***

2025/26

100%

of all invoices **paid within 30 days**

4 days

average **payment time**

* Exceeds our target to pay SMEs and micro businesses within 30 days of receiving an invoice and corresponding payment certificate.

Financial results

The Delivery Authority continues to be funded by a Parliamentary Works Grant, which is reviewed and laid by the Parliamentary Works Estimates Commission. This is administered by the Corporate Officers of the House of Commons and House of Lords. Total expenditure in 2025/26 was £49.57m, offset by other income of £1.12m, resulting in net expenditure of £48.44m covered by grant income. This represents an underspend of £4.8m against the £53.2m voted; this has largely been driven by proactive savings in corporate costs such as data and digital, and through delivery of the surveys programme to time and to budget and without recourse to risk provisions.

This has all been achieved against a backdrop of relentless cost control and focus on value for money. For example, the Delivery Authority has taken 43% out of running costs in last two years. This was a necessary adjustment for the current phase of the programme, and the budget is intended to grow in future years to support the next phase.

Social value and benefits

The creation of social value across the UK is a key benefit of delivering R&R. The social value created by the work of the Delivery Authority this financial year is described according to the three pillars identified in the Delivery Authority's Social Value Strategy: Sustaining Cultural Significance', 'Leaving a Lasting Legacy' and 'Acting on Climate Change'.

Sustaining cultural significance

This year, a variety of surveys have been undertaken across the Palace, including archaeological investigations which are ongoing [see case study on page 25]. These investigations have uncovered a rich and varied collection of artefacts that offer new insights into the people who lived, worked, and passed through this iconic location over the centuries.

The development of the Collections Conservation Dynamic Purchasing System has been a deliberate step to open opportunities to micro and small specialist businesses, demonstrating that the Delivery Authority is genuinely accessible to smaller providers. This approach has given sole trader conservators and small firms confidence that they can compete for work on an equal footing, reinforcing the programme's commitment to a diverse and inclusive supply chain.

Leaving a lasting legacy

The Delivery Authority has continued to establish and build relationships across relevant sectors to support the R&R Programme's skills commitments across the United Kingdom. For example, the London Regional Heritage Skills Network (LRHSN) has been established by the Delivery Authority, comprising 22 members, including training providers, small and medium-sized enterprises, craft skills specialist colleges and employer organisations. The network collaborates to identify opportunities for training and skills development. In parallel, the LRHSN is developing a pipeline of heritage projects to be realised over the next five to ten years. This work will help to provide confidence to training providers to invest in traditional skills training and help people and the supply chain to see a future for heritage related skills.

Environmental sustainability

Acting on climate change

The Delivery Authority continues to develop designs that meet statutory and parliamentary requirements, align with national and local planning policy, and follow good industry practice. This work is helping to reduce energy consumption and lower carbon emissions.

Carbon-related procurement requirements have now been introduced. Work will continue with current and future partners to develop carbon reduction targets for carbon-intensive programme activities, reducing environmental impact and delivering financial savings.

DA utilities and carbon reporting

The tables below set out the Delivery Authority's energy consumption and waste production. Water and electricity data is calculated from sub-meter readings provided by the building manager of the organisation's offices at 64 Victoria Street, London. Gas consumption has been apportioned by the ratio of floor area occupied by the Delivery Authority to the total area of the building.

Table 1 presents the utilities consumption and associated carbon emissions for the current and previous financial year. The carbon emissions associated with business travel are also included.

In 2025/26, gas and electricity consumption increased compared with the previous financial year. The increased gas consumption reflects greater energy use during the winter 2025/26, whilst electricity consumption was consistently higher across the year. Further investigation of these figures is ongoing to understand if improvements to the operation on our occupied floors is possible. Water consumption was reduced slightly compared with the previous year. Scope 1 and 2 carbon emissions increased slightly, associated with the increase in energy consumption. Scope 3 emissions from business travel fell significantly, as fewer journeys were undertaken.

Table 1: Utility Data

	2025/26	2025/26 (Per Occupant)	2024/25*	2024/25* (Per Occupant)
Gas Consumption (kWh/yr)	207,843	756	177,237	717
Electricity Consumption (kWh/yr)	121,643	442	120,099	486
Total Water Used (m^3/yr)	654	2.4	799	3
Scope 1 (Direct tCO2e)	38		32	
Scope 2 (Indirect tCO2e)	22		21	
Scope 3 Business Travel (tCO2e) (tCO2e)	1.6		7.2	
Total Expense on Energy (£)	26,932		23,000	
Total Expense on Business Travel (£)	2,845		7000	

* The fuel use data sets have been reviewed and updated. The review highlighted some data anomalies and proposed improvements in the data processing and validation method. As a result, some historical energy consumption values, previously reported have been updated.

Table 2 provides a breakdown of the Delivery Authority's waste produced at 64 Victoria Street. Overall, our total volume of waste decreased, despite a small increase in office footfall. Recycling rates have remained consistent with last year. Notably, the DA's waste for incineration dropped from 1.9 to 1.5 tonnes.

Table 2: Waste Data

	2025/26 (tonnes)	2024/25 (tonnes)
Total Waste	4.3	4.7
Total Waste Recycled	2.8	2.8
Total Waste for Incineration	1.5	1.9
Total Waste to Landfill	0.0	0.0
Total Biodegradable Material	1.58	0.075

Section 172(1) Statement

The Companies Act (Miscellaneous Reporting) Regulations 2018 apply to the Delivery Authority. As such the directors of the company are required to report how they have considered their duties under s.172 of the Companies Act during the reporting period. In doing so directors should have regard to certain matters, including:

- The likely consequence of any decision in the long term (see 'Principal risks and uncertainties' section on page 37 and 'Likely future developments in the business' section on page 38)
- The interest of the organisation's employees (see Remuneration and Employee Report on page 58)
- The need to foster the company's relationships with suppliers and others (see reporting around Strategic Partner procurement on page 22)
- The impact of the organisation's operations on the community and the environment (see 'Social Value and Sustainability' sections on page 34–35)
- The desirability of the organisation maintaining a reputation for high standards of conduct (see 'Management Assurance' section in the Governance Statement on page 55)

The formal governance of the company and the constitution of the Board have been established to facilitate proper consideration by the Board of the impact of the company's operations in the context of these factors. The Governance Statement details key relevant decisions that have been taken and matters that have been considered at Board and Committee level during this year (see Governance Statement paragraph 3.11).

Appropriate input from and oversight by the Board, consistent with the duties of the directors, has been provided throughout the reporting period in relation to the proposed changes to the programme and the governance changes that followed.

As such the Board of Directors of the Delivery Authority consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and the matters set out in s.172 (1)(a-f) of the Companies Act).

Principal risks and uncertainties

The Delivery Authority has continued to mature its risk management framework throughout the reporting period. Strategic risks and issues are aligned to the organisation's five strategic objectives. Over the course of the reporting period, focus has been on the following strategic issues:

- Member consensus on the way ahead for Restoration and Renewal
- Agreement of a temporary accommodation plan

And on the following strategic risks:

- Funding
- Agility of mobilisation
- Significant loss in programme knowledge
- Potential approval of initial package of works with no associated option down-selection
- House of Lords decant facility
- Interfaces and dependencies
- Supply chain
- Major incident (physical and cyber)
- Future Delivery Authority operating model

The Board has regularly reviewed these risks throughout the year. A Risk Control Framework, aimed at ensuring the organisation has an effective and efficient approach to risk management, has also been developed this year. This work has identified that there are some areas for development such as a more integrated approach to risk management, better use of risk reporting to inform business decisions and a process to ensure continuous improvement. These areas now feature in the workplan for the 2026/27 financial year.

A number of risks and uncertainties still remain, not least whether the Houses will accept the recommendations made by Client Board in the Costed proposals report. The Board will continue to work with the Executive Team to ensure that these risks and uncertainties continue to be managed appropriately.

Further information on strategic risk can be found in section 5 of the Governance Statement.

Signed on behalf of the Board:

Russ MacMillan
Chief Executive and Accounting Officer
2 July 2026

Directors' Report

The Directors of the Delivery Authority present their Directors' Report and financial statements for the year ended 31 March 2026.

Directors

The Directors of the Delivery Authority are the non-executive Board Members and those Executive Team Members whose details are set out on page 5.

Register of interests

The Executive Team and Board Members must complete a declaration of interests. There were no declarations of significant company directorships or other interests that may have conflicted with their management responsibilities. Related Party interests are disclosed in Note 13 to the financial statements.

Financial results

These are summarised on page 34 of the report.

Financial risk management objectives and policies

The Delivery Authority is funded by a Parliamentary Works Grant, reviewed and laid by the Parliamentary Works Estimates Commission. The Parliamentary Works Grant is administered by the Corporate Officers of the House of Commons and House of Lords.

The Delivery Authority is funded by amounts voted annually via Parliament and is exposed to limited financial risk. Robust policies remain in place to ensure that the Delivery Authority's expenditure is appropriately monitored and controlled, as part of the organisation's commitment to ensuring value for money and safeguarding its assets against fraud and impropriety.

Likely future developments in the business

Parliamentary consideration of the costed proposals report, published in February 2026, is currently awaited. In the meantime, the Delivery Authority continues to progress work on the basis of the recommendations contained within the report. Plans for early and enabling works, the procurement of new strategic partners and delivery of the House of Lords temporary accommodation project continues.

There remain risks and uncertainties for the Delivery Authority in particular whilst a decision on the way forward is awaited from the Houses. The timing for this decision remains unknown, as does the final decision itself.

Any decision that deviates from the recommendations within the costed proposals report would likely have an impact on the future work (and potentially on resourcing) of the Delivery Authority. This matter will therefore be kept under review as we move through the remainder of the year.

From a research and development perspective, the organisation will continue to explore cost effective and innovative solutions to ensure the design of the restoration is safe, efficient and delivers value for money.

Personal data incidents

There were no notifiable personal data breaches under GDPR or the Data Protection Act 2018 in the period that required notification to the Information Commissioner Officer (ICO).

Auditor of the Restoration and Renewal Delivery Authority Limited

The Restoration and Renewal Act appointed the Comptroller & Auditor General (C&AG) as the Delivery Authority's external auditor. The audit is undertaken on behalf of the C&AG by the National Audit Office, and it has been agreed that the National Audit Office will not charge a cash fee to the Delivery Authority but will instead charge a notional fee to the Parliamentary Works Grant. There is therefore no auditor's remuneration reported in the Income Statement of the accounts. The total notional cost of the Delivery Authority audit is £83,000. No remuneration has been provided to the National Audit Office for non-audit services.

Employees

The number of employees and related costs can be found in Note 3 to the financial statements.

Disabled persons

The Delivery Authority currently has Disability Confident Employer status. We actively work to ensure that our recruitment process is fully inclusive and accessible, including offering an interview to disabled applicants who meet the minimum criteria for the role. In the period under review, we have put in place several workplace adjustments to remove or mitigate physical and/or digital barriers experienced, and to facilitate a positive and inclusive working environment, where all colleagues can work at their best.

Statement of Directors' and Accounting Officer's responsibilities in respect of the Strategic report, the Directors' report and the financial statements

The Directors and Accounting Officer are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors and the Accounting Officer to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards.

Under company law the Directors and Accounting Officer must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors and Accounting Officer are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so

The Directors and Accounting Officer are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material mis-statement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

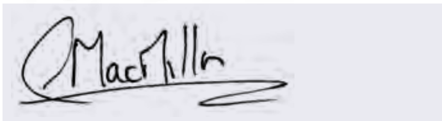
The Directors and Accounting Officer are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

The Directors and Accounting Officer confirm that they have followed all the above requirements. For the avoidance of doubt, the Directors and Accounting Officer confirm that they believe that the Annual Report and Accounts as a whole are fair, balanced and understandable and that they take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

Statement of disclosure to auditor

The Directors who held office at the date of approval of this Directors' report, including the Accounting Officer, confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Signed on behalf of the Board:



Russ MacMillan
Chief Executive and Accounting Officer
2 July 2026

Governance Statement

1. Statement by Accounting Officer

1.1
This is my personal statement as the Accounting Officer. This statement describes how I discharged the Accounting Officer duties to manage and control the resources of the Delivery Authority during the last year, both through the governance and controls structure, and the workings of the organisation.

1.2
This governance statement draws on a number of sources of information including, but not limited to:

- Feedback received from the Board of Directors, the Chairs of each Board Committee and members of the Executive Committee; and
- Internal and external reviews and audits of existing corporate governance practices

1.3
I am satisfied that the Delivery Authority's corporate governance practices have continued to provide effective governance during this reporting period.

2. Governance Framework

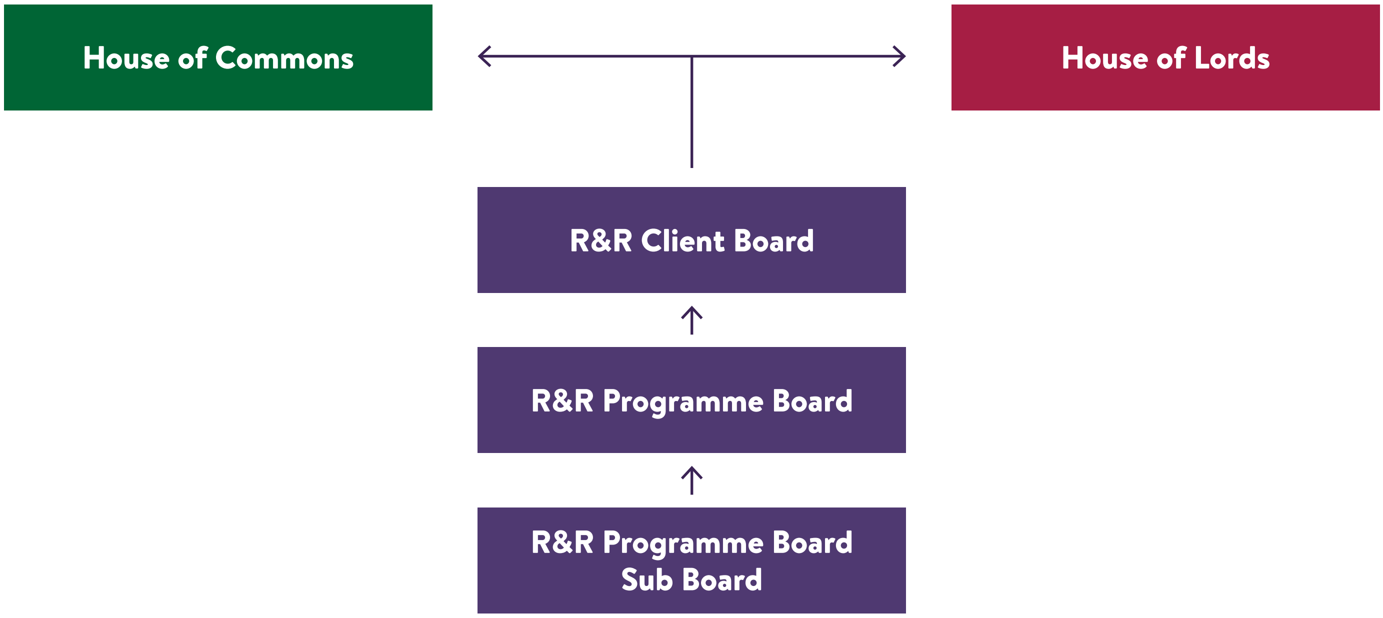
2.1
The Restoration and Renewal (R&R) Delivery Authority Limited (the Delivery Authority) is a private company limited by guarantee and incorporated under the Companies Act 2006.

2.2
The R&R Delivery Authority was established under the Parliamentary Buildings (Restoration and Renewal) Act 2019 (as amended by the Parliamentary Works Sponsor Body (Abolition) Regulations 2022 (together 'the Act'). The Delivery Authority was incorporated to formulate proposals relating to the Palace restoration works and deliver the works in line with the requirements of the Corporate Officers.

2.3
The two Corporate Officers of the Houses of Parliament – the Clerk of the House (House of Commons) and the Clerk of the Parliaments (House of Lords), supported by the in-house Client Team, are responsible for owning the scope, budget and timescale of the R&R Programme and for providing strategic direction, setting the outcomes and monitoring performance. The Delivery Authority and Parliament's in-house Strategic Estates team have been responsible for the preparation of the proposals within the Costed Proposals report which the Houses will debate, and the Delivery Authority will be responsible for the delivery of the works.

2.4
Governance requirements come from the Delivery Authority's status as a private limited company. As such, the Delivery Authority prepares its accounts in accordance with the Companies Act 2006. In line with the principles of openness and transparency, the Delivery Authority follows the 'Corporate Governance in Central Government Departments: Code of Good Practice' and the Government Financial Reporting Manual (FreM) requirements for a Governance Statement and Remuneration Report. This document is intended to provide the user with enough information to understand the Delivery Authority's financial position. More detailed information on the R&R Programme is available in the R&R Annual Progress Report 2025/26 which will also be laid before Parliament and published.

2.5
In addition, the Programme Delivery Agreement ('PDA') between the Delivery Authority and the two Corporate Officers governs the Delivery Authority's relationship with Parliament.



2.6
The Delivery Authority is funded by a Parliamentary Works Grant, reviewed and laid by the House of Commons following scrutiny by the Parliamentary Works Estimates Commission. The Parliamentary Works Grant is administered by the Corporate Officers of the House of Commons and House of Lords. The Chief Executive of the Delivery Authority is the organisation's Accounting Officer.

2.7
The current formal Member-led R&R Programme governance structure is set out above. In addition, the Parliamentary Buildings (Restoration and Renewal) Act 2019 (as amended) establishes the Delivery Authority Board which provides the strategic direction and oversight of the Delivery Authority. The costed proposals report set out some high-level recommendations on future programme governance and this is now the subject of further work, being led by the Client Team.

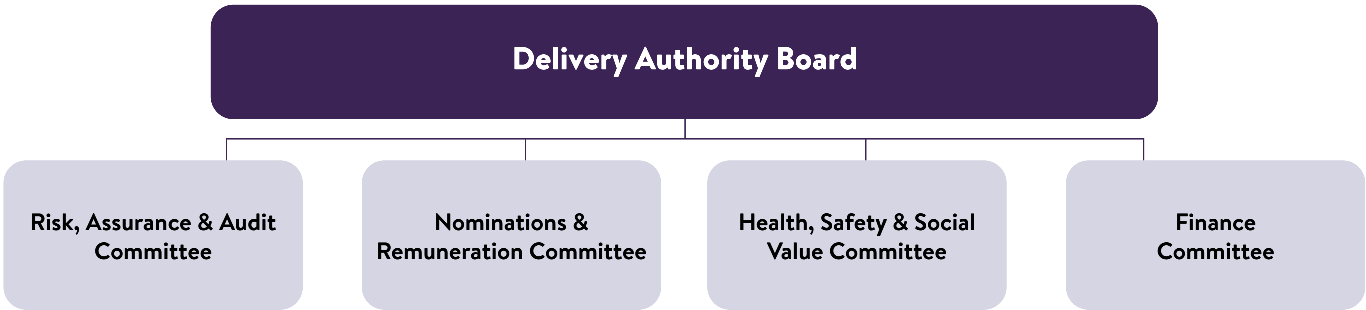
2.8
The Delivery Authority is required by the Programme Delivery Agreement (PDA) to comply with the Corporate Governance in Central Government Departments Code of Good Practice. I confirm that the Delivery Authority has complied with all the principles contained within the Code, but in common with the last reporting period implementation of such principles has been tailored to the particular nature of the Delivery Authority (as compared to the central government departments to which the Code is mainly aimed) and where supporting provisions directly relate to the operation of central government departments, alternative arrangements have been adopted by the Delivery Authority to ensure compliance.

2.9
An example of this tailored implementation include:

- Accountability: The Code requires that the "minister in charge of the department is responsible and answerable to Parliament for the exercise of the powers on which the administration of that department depends". The Delivery Authority does not have a minister in charge of its operation, however equivalent oversight is afforded as follows:
    - The Board of the Delivery Authority is accountable to the Corporate Officers of the House of Commons and the House of Lords
    - The Chair of the Delivery Authority Board and a non-executive director is appointed by the Corporate Officers
    - The Delivery Authority works with the Corporate Officers to respond to Parliamentary Questions and Freedom of Information requests pertaining to the work of the Restoration and Renewal Programme.

Delivery Authority Governance Structure

2.10
The diagram below shows the Delivery Authority's Governance structure.



2.11
The focus during the 2025/26 period has been on ensuring that governance processes remain agile and fit for purpose and on delivering continuous improvements. Of note during the reporting period:

- *Board Committee Review*: The terms of reference for the Board Committees were reviewed during the period. A number of improvements and updates were made to clarify, streamline and consolidate the respective Terms of Reference. The chairs of the committees provided feedback as part of this process and the Board reviewed and approved them in November 2025. This review has helped to provide further clarity over the role and remit of the Board's Committees and how they support the Board in fulfilling its duties.
- *Welcoming new Board Members*: Three new non-executive directors were appointed during the reporting period (detailed in Section 3). A focus during the year was to provide an induction to the new members and to re-form and appoint new chairs and members to the Board's Committees.
- *External Board Effectiveness Review*: An externally facilitated Board Effectiveness review and audit was conducted during the reporting period. This review did not identify any significant issues that individually or cumulatively prevented the Board from operating effectively and, based on the audit and interviews with Board Members, there were no significant concerns expressed.

Committee Chair Statements

"The Risk, Assurance and Audit Committee's overall responsibility is to oversee audit, assurance, and risk management processes, monitor financial statement integrity, and review internal controls. It meets quarterly.

Within that overall scope, particular areas of focus for the Committee have been on assurance of the cost and schedule estimates underpinning the costed proposals report; further strengthening the DA's cyber resilience capacity in response to a rapidly changing threat environment; and maturing the approach to risk management in a way that is proportionate to current phase of the programme lifecycle.

Vanessa Howlison and Tom Sleigh joined the Committee in the year; I am grateful to my predecessor, Anne McMeel for her work in establishing the Committee as an effective steward of risk, assurance and audit, and to Anne Baldock for her work as a member of the Committee."

Susan Cooklin, Chair of the Risk, Assurance and Audit Committee

"The Nomination and Remuneration Committee's prime purpose is to set remuneration policies and practices, to lead a robust nominations and appointments process and to oversee other key people-related matters. It meets on a quarterly basis.

Within that scope, particular areas of focus for the Committee this year have been on reviewing lessons learned following the 2024/25 organisational review, succession planning for senior roles and reviewing the approach towards performance and pay awards.

This is my first year as Chair of the Committee and I am grateful to my predecessor, Anne Baldock for her work in establishing the Committee so effectively. Thanks also to the other Committee members – Simon Thurley and Susan Cooklin for all their support throughout the year."

Tom Sleigh, Chair of the Nominations and Remuneration Committee

3. Boards and Committees

Non-executive directors

Dr Simon Thurley CBE
Chair

Susan Cooklin

Barry O’Driscoll

Vanessa Howlison

Tom Sleigh

Manish Chande

Executive directors

Russ MacMillan
CEO

Matthew White
Programme Director

Robert Razzell OBE
Finance Director

Committees Key

- Risk, Assurance and Audit
- Finance
- Health, Safety and Social Value Committee
- Nominations and Remuneration
- Committee Chair *(outline around key shape)*

3.1
Updates to the appointments to the Board of the Delivery Authority during the reporting period were as follows:

- Stephen Duckworth's term expired after two terms and he left the organisation on 17 May 2025.
- Anne McMeel resigned and left the organisation on 30 June 2025, having served on the Board since 2020.
- Anne Baldock resigned and left the organisation on 21 August 2025, having served on the Board since 2020.
- Simon Thurley was appointed as the Company Chair by the Corporate Officers on 1 April 2025.
- Robert Razzell was appointed as the Finance Director and Executive Board Director on 21 July 2025.
- Manish Chande was appointed as a non-executive director on 28 July 2025.
- Tom Sleigh was appointed as a non-executive director on 28 July 2025.
- Vanessa Howlison was appointed as a non-executive director on 3 November 2025.

3.2
Each member of the Board is appointed with full knowledge of their expected commitment to the Delivery Authority, and each committed sufficient time to the Delivery Authority to enable them to discharge their duties effectively.

3.3
During the reporting period, the Board has formally met six times. The attendance of each director at the Board meetings and the meetings of the Board Committees of which they are members is as follows in the table below:

	DA BOARD	NRC	RAAC	HSSVC	FC
Anne Baldock	2 of 2	1 of 1	1 of 1	-	-
Manish Chande	4 of 4	-	-	-	1 of 1
Susan Cooklin	6 of 6	2 of 2	4 of 4	-	1 of 1
Vanessa Howlison	2 of 3	-	2 of 2	1 of 1	-
Russ MacMillan	6 of 6	1 of 1	-	2 of 2	1 of 1
Anne McMeel	2 of 2	-	1 of 1	-	-
Barry O'Driscoll	6 of 6	-	-	2 of 2	-
Robert Razzell	4 of 4	-	-	-	1 of 1
Tom Sleigh	4 of 4	3 of 3	2 of 3	-	-
Simon Thurley	6 of 6	3 of 3	-	2 of 2	-
Matthew White	6 of 6	-	-	1 of 2	-

3.4
In addition to attending the meetings of Committees for which they are Members:

- Russ MacMillan, Robert Razzell and Matthew White regularly attended the RAAC meetings
- Matthew White attended the Finance Committee meeting

3.5
The Delivery Authority maintains a register of interests for directors. At the start of each Board and Board Committee meeting, the Chair asks directors to declare any changes to their interests. Additionally, the Company Secretary validates entries with respective directors every six months. The register was verified and updated at the end of March 2026. This process ensures that any conflict of interests and outside employments of the Delivery Authority's directors are declared and recorded.

3.6
Disclosure of the interests of two Board members were deemed to constitute a Related Party and as such are detailed in Note 13 to the financial statements on Related Parties.

Name of director	Name of company or organisation	Position held	Type of interest e.g. pay, fees, shareholding	Other relevant information
Dr. Stephen Charles Duckworth	Network Rail Infrastructure Ltd	Non-executive director	Fees	None
Manish Chande	Grant Thornton	A family member is a partner at Grant Thornton	n/a	None

3.7
The core activities of the Board and the Board Committees are recorded and planned through the corporate plan and forward agendas. Examples of significant matters the Board considered during the year include:

- **R&R Programme**
  - Approved the House of Lords Temporary Accommodation Work Package Procurement Plan, including the initiation of the Expression of Interest phase
  - Approved the House of Lords Temporary Accommodation Down Selection Report, which selected the suppliers to be invited to participate in the tender process for the House of Lords Temporary Accommodation project
  - Approved the updated Procurement Policy
  - Approved financial commitment authority for the Delivery Authority strategic partners for programme management and design contracts
  - Reviewed and provided input to the R&R costed proposals report, the Commercial Model, the Palace of Westminster designs and the House of Lords temporary accommodation proposals
- **Executive Team Reporting**
  - Regular updates on organisational, financial and programme developments and the Delivery Authority's deliverables and performance including, but not limited to, Health & Safety matters, HR matters, Security updates, Data & Digital, Commercial and Legal matters
- **Business, Finance & Risk Management**
  - Approved the 2024/25 Annual Report & Accounts and the 2026/27 Budget, prior to submission through the parliamentary governance process
  - Approved the renewal of the Agreement to Occupy for the Delivery Authority's office space
  - Reviewed the Delivery Authority's overall approach to risk management, including proposals to implement HM Government's Orange Book– Management of Risk
  - Approved the Risk Appetite Statement and undertook regular reviews of the Strategic Risks
- **Governance, policies and strategies**
  - Approved the Equality, Diversity & Inclusion Annual Report
  - Approved a Data Protection Policy, Health, Safety & Wellbeing Policy, Anti-Bullying and Harassment Policy, Information Security Policy & Modern Slavery Statement
  - Approved updates to the Delivery Authority Board Regulations and the Terms of Reference of the Board Committees

3.8
All Board and Board Committee actions and decisions are recorded in minutes and trackers, and the progress and closeout of actions is monitored and recorded.

Board Committees

3.9
There are four Committees in place to support the Board and ensure a robust governance system is in place. These Committees are:

- Health, Safety & Social Value Committee (HSSVC) – this Committee's remit includes sustainability matters
- Risk, Assurance and Audit Committee (RAAC)
- Nominations & Remuneration Committee (NRC)
- Finance Committee (FC)

3.10
Each Committees' terms of reference outline its membership, purpose, responsibilities, and reporting procedures and were approved by the Board.

3.11
The below table highlights the membership, remit and the key matters considered by the Committees during the reporting period.

Risk, Assurance, Audit Committee (meets four times a year)		
Membership	Remit	Key Matters Considered
Susan Cooklin (Chair), two other NEDs	The purpose of the Committee is to advise and report to the Board on the adequacy of risk management, internal control, management effectiveness and governance arrangements to support the achievement of the strategic goals and objectives. This includes: • Overseeing the relationship with the external auditor • Overseeing security matters • With Board and NRC, reviewing management of the Delivery Authority's corporate and programme performance framework	• Internal Audit Plans, activities and reports • Security (physical, information and cyber) assurance • Strategic risk, risk tolerances risk appetite • Assurance plans and activities, including integrated planning with internal audit • Legal compliance monitoring and reports • Information governance & personal data compliance • Annual Reports and Accounts • 2025/26 Annual Audit Committee Report to the Board • Approval of an Artificial Intelligence Policy

Nominations & Remuneration Committee (meets four times a year)		
Membership	Remit	Key Matters Considered
Tom Sleigh (Chair), two other NEDs	The purpose of the Committee is to set remuneration policies and practices, lead a robust process for nominations and appointments and consider organisational performance against performance measures.	• Approach towards Performance Rewards and Pay Awards • Reviewing the lessons learned following the Organisational Review • Succession Planning for senior roles • Colleague Survey Results • Pensions and employee benefits • Non-executive directors' recruitment and remuneration • Approval of amends to the Redundancy Policy to introduce a cap on redundancy payments • 2024/25 EDI and Remuneration Reports and 2023/24 EDI Action Plan and Gender and Ethnicity Pay Gap Report • Monitoring of HR metrics and developments

Finance Committee (meets once a year)		
Membership	Remit	Key Matters Considered
Manish Chande (Chair), two NEDs, and the CEO	The purpose of the Committee is to advise on financial matters and budgeting. The Committee's primary focus shall be on the annual budget and business plan, but it may also advise on financial performance, business planning and financial strategy.	• 2026/27 Budget & Draft Business Plan

Health, Safety & Social Value Committee (meets twice a year)		
Membership	Remit	Key Matters Considered
Barry O'Driscoll (Chair) and four other members, the majority of whom are NEDs	The purpose of the Committee is to assist and advise the Board in its consideration of Health, Safety and Social Value matters. This includes oversight, and periodic review of, the Company's Health, Safety, Wellbeing and Social Value (HSWS) policies, strategy, procedures, risks (and mitigation strategies) and assessing the Company's performance and compliance.	• Health and Safety progress, reports and performance metrics • Health and Safety Policy • Social Value and Sustainability updates • Mental Health and the Positive Mental Health Ambassador Network

Board Effectiveness

Board Effectiveness – Improvement undertaken during the 2025/26 period

3.12
An effectiveness review was undertaken in January 2025. Examples of improvements implemented following this included:

- Increasing the Board engagement on key strategic areas, such as the Commercial Model approach, Phase 2 Operating Model Options, and approaches to phasing the R&R Programme.
- Introducing a consolidated Executive Management Report to support the streamlining of corporate updates.

3.13
In addition, the Chair holds regular discussion with Board members to provide feedback on their performance and discuss their contributions to the Board.

Board Effectiveness – 2025/26 Review

3.14
An externally facilitated Board Effectiveness review was conducted by audit firm EY during the reporting period. This review did not identify any significant issues that individually or cumulatively prevented the Board from operating effectively and based on the audit and interviews with Board Members, there were no significant concerns expressed. A number of suggested recommendations were presented to the Board in terms of continual improvement and the Board was satisfied that it had fulfilled its duties as required in the R&R Act and Programme Delivery Agreement.

Committee Effectiveness

Committee Effectiveness – improvement actions undertaken during the 2025/26 period

3.15
During the 2025/26 period, internally facilitated effectiveness reviews were conducted for all of the Board Committees. Examples of improvements implemented in 2025/26 following those reviews included the following:

- **Risk, Assurance & Audit Committee** – a review of risk management has taken place to align the Delivery Authority's approach with HM Government's Orange Book, this will support the Committee in identifying and managing strategic risks. Additional work has also taken place to review the presentation and discussion of internal assurance activities, which will continue in the 2026/27 period.
- **Nominations & Remuneration Committee** – a skills mapping exercise of the current non-executive Directors was completed and the results were used to inform the recruitment process for the new non-executive Directors. Additionally, items on succession planning were introduced and discussed by the Committee.

Committee effectiveness – 2025/26 Effectiveness Review

3.16
All Committees conducted internally facilitated reviews of their effectiveness during the reporting period. These reviews indicated that all Committees operated effectively during the report period and fulfilled their remit and purpose as outlined in the Terms of Reference. Suggestions for continued improvements were noted and will be taken forward in 2026/7.

Senior Independent Director

3.17
The Board has nominated Susan Cooklin as the Board's Senior Independent Director. The Senior Independent Director acts as a sounding board for the Chair and meets with the Chair quarterly. The Senior Independent Director also serves as an intermediary for other directors or stakeholders when normal channels are inappropriate and leads on governance matters where the Chair has a conflict.

Board Directors' Performance

3.18
The Chair holds regular 1-2-1 meetings with non-executive Directors to discuss their input and contributions to the Board. The Chair was satisfied that all Board members were making a positive contribution to the Board and fulfilling their responsibilities as Directors of the company.

Whistleblowing

3.19
During the reporting period, there were no matters dealt with under the terms of the organisation's whistleblowing policy.

Executive Team

3.20
The following changes at Executive level took place:

- Robert Razzell was appointed as the Finance Director on 21 July 2025

4. Transparency

4.1
The Delivery Authority is committed to transparency and openness and is required to comply with the Freedom of Information Act 2000 (FOIA).

4.2
The Delivery Authority reviews its Publication Scheme on an ongoing basis and makes a wide range of information readily accessible via its website.

4.3
During the reporting period, the Delivery Authority received nine Freedom of Information requests, all of which were responded to within the statutory deadline.

4.4
During the reporting period, the Delivery Authority received no Data Subject Access Requests.

4.5
During the reporting period, there were no data breaches requiring reporting to the Information Commissioner's Office.

4.6
During the reporting period, there were no security breaches which required notifying to the Corporate Officers under the requirements of the Programme Delivery Agreement (PDA), Schedule 2, Section 15.

5. Strategic Risk Management

5.1
The Delivery Authority risk framework has been developed to align with current guidance from HM Treasury and in particular *The Orange Book – Management of Risk*.

5.2
The process for reviewing strategic risks is well defined, with input from the Executive, RAAC and Board. Review takes place on a quarterly basis to ensure that risks remain up to date, that current and target level assessments remain accurate and that mitigations are adequate and progressing to plan.

5.3
Strategic risks are aligned to the organisation's strategic objectives. The key strategic risks that the organisation has focused on throughout the period are set out below:

- Funding
- Agility of mobilisation
- Significant loss of programme knowledge
- Potential approval of initial package of works with no associated option down-selection
- House of Lords decant facility
- Interfaces and dependencies
- Supply chain
- Major incident (physical and cyber)
- Future Delivery Authority Operating model

6. Internal Control

6.1
The Delivery Authority's internal controls are designed to ensure delivery of organisational and programme objectives in a compliant, effective and efficient manner, while safeguarding the funds and assets in accordance with the principles of HM Treasury's 'Managing Public Money'.

6.2
The Integrated Management System (IMS) helps to identify the Delivery Authority's key control frameworks and how the business will operate. The policies, strategies, plans, processes, procedures, templates, work instructions and guidance documents go through a detailed review process, are quality and compliance checked prior to approval and are maintained in line with the Delivery Authority's document control procedures. During the period work has been on-going to rationalise the policies framework.

6.3
The IMS helps to make sure that the Delivery Authority's activities are carried out in a consistent and efficient manner, complying with the PDA, other Client Team and parliamentary requirements, and legal and regulatory requirements. The Delivery Authority also maintains risk registers at strategic, programme, and individual project levels, as referred to in section 5, above.

7. Integrated Assurance

7.1
The Delivery Authority operates a structured risk-based Assurance Model in line with the Institute of Internal Auditors' "Three Lines Model", and good practice within the Government's Orange Book.

7.2
The Delivery Authority's Three Lines of Assurance span the entire organisation and its suppliers and are illustrated in the overleaf model.

7.3
Day to day operational assurance is provided by management as part of the first line; oversight functions provide second-line challenge; and independent assurance is delivered through the Internal Audit function, independent external assurance providers and specialist technical reviewers. Collectively, these sources of assurance provide visibility of the control effectiveness across the organisation in line with the strategic risks.

Delivery Authority Three Lines Model
Based upon Institute of Internal Auditors updated Three Lines Model (2020)

Supply Chain

Suppliers and Delivery Partners

- Produce outputs for the 1st Line in accordance with agreed contractual arrangements;
- Suppliers and Delivery Partners internals controls in place, through ISO certified management systems, appropriate quality assurance and self-certification.

First Line of Assurance

Programme and Functional Teams

- Follows standardised ways of working, adhering to H&S, Quality, Environmental, Information Security, Design and other relevant standards and industry best practices;
- Provides the relevant control environment to ensure that Delivery Authority delivery teams, suppliers and delivery partners are on track to deliver the business objectives in support of the R&R Programme outcomes and other Corporate requirements.

Second Line of Assurance

Organisational Management and Programme Assurance

- One step removed from 1st Line;
- Provides proportionate 2nd Line assurance expertise to challenge the 1st Line controls;
- Provides assurance on risk related matters for project delivery, the wider R&R Programme and business operations;
- Provides confidence that the Delivery Authority 1st Line arrangements, suppliers and delivery partners are on track to deliver business objectives in support of the R&R Programme outcomes and corporate requirements.

Third Line of Assurance

Internal Audit

- Independent from the 1st and 2nd Lines;
- Provides assurance on the overall organisation's governance, risk and control framework.

External assurance providers

- External, third-party subject matter experts;
- Provides independent expertise on matters related to the delivery of the Delivery Authority Programme Objectives and Financial Reporting requirements.

Integrated Assurance Plan

7.4
The annual Integrated Assurance Plan was approved by the Risk, Assurance and Audit Committee and delivered throughout the year, with assurance activities focused on key programme milestones and the programme strategic risks. The resulting evidence from assurance and internal audit activities has contributed to a strengthened understanding of the control environment and informs the Accounting Officer's assessment of the organisation's governance, risk management and internal control arrangements.

7.5
The results of assurance activities are reported to the Integrated Assurance Group each month. Key findings and any areas for escalation are reported to the Executive Committee, the Risk, Assurance & Audit Committee, and the R&R Programme Board on a quarterly basis.

7.6
Other sources of assurance include those undertaken by the Client Team, such as continued technical assurance of Delivery Authority activity by Client-Representatives (C-Reps), external 'gateway type' reviews of programme management and an independent advice and assurance panel. While external to the Delivery Authority they also contribute to the overall view of assurance.

7.7
In addition, the Client Team also owns a risk-based R&R Integrated Approvals and Assurance Plan. This is managed in conjunction with the Delivery Authority and is regularly reviewed by both parties to minimise the risk of duplication or assurance gaps.

7.8
The organisation's risk maturity has been reviewed via an assessment of its Risk Control Framework, based upon *The Orange Book* and a Government good practice model. This Risk Control Framework together with the Assurance Map, which was also developed during the year, has been used to inform the integrated assurance plan for 2026/27.

Effectiveness and Impact of Assurance Activity

7.9
Assurance activity during the year has supported improvements in delivery, identified opportunities to enhance controls, and contributed to informed decision-making at key programme and procurement milestones. Where recommendations were made, management has committed to their timely implementation. Progress is monitored by Programme Assurance and Internal Audit and reported to the Delivery Authority Executive and Risk, Assurance and Audit Committee.

Independent Assurance and Audit

7.10
Independent assurance from internal audit and external audit has provided additional confidence on the robustness of corporate processes, financial controls and information governance. Surveillance audits have confirmed continued adherence to ISO 9001 and ISO 27001, supporting a stable control environment.

8. Management Assurance

8.1
The Delivery Authority continues to check and validate its governance processes, including through the annual questionnaires to members of the Executive Committee on legal compliance and governance.

8.2
The responses to the legal compliance questionnaire – which asked whether there had been any legal compliance issues, such as commercial claims, legal proceedings for discriminatory practices, or legal breaches notifiable to external authorities – were all negative.

8.3
The responses to the governance questionnaire – which covered areas such as risk management, use of resources, processes and controls, and culture and capabilities – indicate good confidence in the control environment, with the majority of responses being 'fully or largely appropriate and confident.'

8.4
There were some areas identified where some of the Directorate had assessed 'partial' confidence. The main areas highlighted in the questionnaire responses to progress in 2025/26 were on the continued maturing of the risk management process and on succession planning.

9. Internal Audit Opinion

9.1
In compiling this governance statement, I have also been informed by the work of Internal Audit. In his annual report, the Head of Internal Audit stated the following:

"The organisation underwent significant changes during 2025, including changes at executive and non-executive director level. Despite these changes the governance and assurance process continue to be robust, and Internal Audit's review of key financial controls confirmed that these continue to be well managed, and appropriate to the organisation size.

The reviews where a "Limited Assurance" opinion was provided tended to be in a specific area of individual reviews, and therefore these do not indicate a broader systemic issue. It is also acknowledged that the associated recommendations arising from these limited assurance reports were accepted, with a management action plan in place to ensure delivery, and therefore further improve the control environment.

During 2025/26, following the organisational review of the previous year, the business has reviewed some of the activities and functions it performs. Similarly Internal Audit activity has focussed upon ensuring the controls in place are effective and proportionate to the organisation's size, while ensuring control risks are sufficiently managed. It is also acknowledged that, as the organisation moves into difference phases of the Programme, different and/or additional controls may be required.

In conclusion, my reviews during the year, an assessment of the Risk Control Framework, the development of assurance mapping, and improvements in the implementation of audit actions, has enabled me to provide reasonable assurance on the overall adequacy and effectiveness of the organisation's current framework of governance, risk management and control."

10. Information Governance

10.1
During the reporting period, work has taken place to mature the Delivery Authority's Information Management, supported and monitored by the RAAC. Examples of improvements included:

- A Retention Guidance document has been introduced, based on legislative and programme requirements, and work to help automate the retention of DA data is underway.
- Work has taken place to improve Parliamentary Protective Marking Scheme (PPMS) compliance by training Microsoft to spot potential indicators of a certain classification. For example, if a document is initially marked as unrestricted, and an individual starts to input sensitive personal data, the system will prompt users to update the PPMS accordingly.

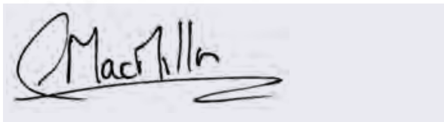
10.2
The Delivery Authority's Cyber Security maturity has continued to evolve during the period and the Delivery Authority is assessed as green in all 10 areas in the National Cyber Security Centre (NSCS) 10 Steps to Cyber Security. The Delivery Authority's strategy is to maintain the 10 Steps as a cultural baseline for staff awareness and general governance and now look to use the Cyber Assurance Framework (CAF) for formal assurance and regulatory alignment, which will complement the ISO27001 certification. The focus during the reporting period has continued to be the integration of security tooling, improved processes and procedures and developing our maturity. This has been supported by a move to a 'SECOPS' operating model, which merges IT security and IT operations into a single team, preventing silos within the wider IT organisation. This approach enables the DA to function optimally in a permissive, reliable IT environment, but within safe parameters that minimise the risk of cyber related threats, attacks and business disruption.

11. External Assurance

11.1
The Parliamentary Buildings Act (Restoration and Renewal) 2019 (paragraphs 9(6) and 9(7) of Schedule 2) sets out that the Comptroller and Auditor General shall be responsible for the auditing of the R&R Delivery Authority accounts. The NAO also audits the accounts of both Houses, of which the Client Team is a part.

11.2
The NAO is also able to carry out value for money reviews of the whole programme with the consent of the two Corporate Officers. The NAO commenced a Value for Money review in February 2026 which has comprised of a desktop review of documentation and a series of interviews with key leaders/stakeholders across the programme. The report was published in June 2026 and has informed the current Public Accounts Committee's R&R inquiry. The Chief Executive of the Delivery Authority and Managing Director of the Client Team appeared before the Public Accounts Committee in March to respond to questions about the Costed Proposals.

Signed on behalf of the Board:



Russ MacMillan
Chief Executive and Accounting Officer
2 July 2026

Remuneration and Employee Report

Introduction

This report has been prepared in accordance with the requirements of the Companies Act 2006. It complies with the Government Financial Reporting Manual (FReM) where appropriate and applicable and includes additional disclosures for transparency.

Remuneration policy

In accordance with Schedule 2 of the Restoration and Renewal Act, the Delivery Authority may appoint employees on such terms and conditions, including as to remuneration and allowances, as it may determine. In setting the Remuneration Policy, the Board determined that the Delivery Authority should, with regard to its status as a public body, provide a pay and reward framework that will attract and retain appropriate skills, experience, and talent throughout the lifecycle of the programme. The Remuneration Policy continues to reflect the need to recruit and retain appropriate skills commensurate with the complexity and significance of the R&R Programme.

We undertake independent, external benchmarking annually to ensure that total reward remains in line with market norms. Total reward means base pay, performance award and other employee benefits.

Base Salary

The Delivery Authority has no collective agreements in place. For the 1 April 2025 pay review, the average pay award for eligible employees, including the Executive Directors, was 3.1%, this excludes a small number of increases outside of the agreed matrix.

In line with our commitment to transparency, the pay and grading ranges for employees below the Executive Directors, are published on our website. The following table shows the salary ranges for these grades, as at 31 March 2026 and the number of people at each grade:

Grade	Minimum	Maximum	No. of people at 31 March 2026
4	£94,000	£158,620	30
3	£65,000	£111,240	43
2	£42,000	£76,220	31
1	£28,860	£53,560	15
Apprentice (London-based)	£28,860	£46,350	1

Other components of total reward

Group Income Protection and Life Assurance

All employees receive Group Income Protection and Life Assurance as standard benefits. The value of these benefits is not disclosed in the remuneration tables because they are not treated by HM Revenue & Customs as a taxable emolument.

Pension

Employees of the Delivery Authority are eligible to participate in a defined contribution pension scheme, which is managed on our behalf by Aviva. Employees are automatically enrolled in the pension scheme on their first day of employment unless they decide to opt out. Contributions are made via salary sacrifice arrangements and are matched by the Delivery Authority on a 2:1 basis (to a maximum of 10%). The total of the employee's salary sacrifice, and the Delivery Authority's contribution is paid into the pension scheme as an employer's contribution.

No non-executive director received a pension benefit from the Delivery Authority for the period under review.

Other benefits

We also have a variety of other benefits for our employees, including the Cycle-To-Work Scheme, Employee Assistance Programme (EAP) and Annual Season Ticket Loan.

Discretionary Performance Awards

In line with the decision taken by the Nominations & Remuneration committee, there were no performance awards paid in 2025/26 relating to the 2024/25 year.

These decisions are not a reflection on the overall performance of the Delivery Authority; they reflect the broader economic context in with the organisation operates and the need to demonstrate tight cost control during this extended Phase 1 period of the R&R Programme.

Remuneration Tables

Audited information

Details of remuneration received by members of the Board are set out in the following tables and notes.

The non-executive members of the Delivery Authority Board received no additional remuneration or benefits beyond their fees. They do have provision of IT equipment if required.

Table 1: Delivery Authority Non-Executive Board Member remuneration:

Name	Title	Fees Paid 2025/26 (£)	Fees Paid 2024/25 (£)
Simon Thurley [1]	Chair Non-executive	80,001 – 85,000 Nil	Nil 25,001 – 30,000
Mike Brown [2]	Chair	Nil	170,001 – 175,000 (95,001 – 100,000)
Anne Baldock [3]	Non-executive director	10,001 – 15,000 (25,001 – 30,000)	25,001 – 30,000
Susan Cooklin	Non-executive director	25,001 – 30,000	25,001 – 30,000
Dr Stephen Duckworth [4]	Non-executive director	0 – 5,000 (25,001 – 30,000)	25,001 – 30,000
Anne McMeel [5]	Non-executive director	5,001 – 10,000 (25,001 – 30,000)	25,001 – 30,000
Neil Sachdev [6]	Non-executive director	Nil	20,001 – 25,000 (25,001 – 30,000)
Barry O'Driscoll	Non-executive director	25,001 – 30,000	15,001 – 20,000 (25,001 – 30,000)
Manish Chande [7]	Non-executive director	20,001 – 25,000 (25,001 – 30,000)	N/A
Tom Sleigh [8]	Non-executive director	20,001 – 25,000 (25,001 – 30,000)	N/A
Vanessa Howlison [9]	Non-executive director	10,001 – 15,000 (25,001 – 30,000)	N/A

Notes to non-executive remuneration:

1. Simon Thurley was appointed Chair of the Board, effective 1 April 2025. The appointment was made by the Corporate Officers of the two Houses of Parliament (the Clerk of the House of Commons and the Clerk of Parliaments).
2. Mike Brown resigned as Chair of the Delivery Authority Board and left the organisation on 31 March 2025. His remuneration decreased in 2024/25 because he voluntarily reduced his time commitment with effect from 1 January 2025. The full year equivalent of the reduced fees is in shown in brackets.
3. Anne Baldock resigned from The Delivery Authority and left the organisation on 21 August 2025 having served on the Board since 2020; the full year equivalent of her fee is in brackets.
4. Stephen Duckworth stepped down after serving two terms on 17 May 2025; the full year equivalent of his fee is in brackets.
5. Anne McMeel resigned from the Delivery Authority and left the organisation on 30 June 2025 having served on the Board since 2020; the full year equivalent of her fee is in brackets.

6. Neil Sachdev resigned from the Delivery Authority Board and left the organisation on 31 December 2024; the full year equivalent of his fee is in brackets.
7. Following an open recruitment process, Manish Chande was appointed as a non-executive director with effect from 28 July 2025; the full year equivalent of his fees for 2025/26 is in brackets.
8. Following an open recruitment process, Tom Sleigh was appointed as a non-executive director with effect from 28 July 2025; the full year equivalent of his fees for 2025/26 is in brackets.
9. Following an open recruitment process, Vanessa Howlison was appointed as a non-executive director with effect from 3 November 2025; the full year equivalent of her fees for 2025/26 is in brackets.
10. There were no other changes to appointments or the fees for non-executive directors for the year under review.
11. Remuneration is now presented in £5,000 bands, in line with guidance in the Government Financial Reporting Manual (FReM). In previous reports, remuneration figures were rounded to the nearest £1,000.

Table 2: Delivery Authority Executive Board Member remuneration:

Name	Job Title	Base Salary £		Pension Benefit £		Discretionary Performance Award £		Exit Payment £		Total Remuneration £	
		2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Russ MacMillan	Chief Executive	305,001 – 310,000	35,001 – 40,000 (305,001 – 310,000)	30,001 – 35,000	0,000 – 5,000					340,001 – 345,000	40,001 – 45,000
David Goldstone	Chief Executive	-	135,001 – 140,000 (320,001 – 325,000)	-	10,001 – 15,000	-	-	-	-	-	145,001 – 150,000
Tanya Coff [1]	Chief Financial Officer	65,001 – 70,000	130,001 – 135,000 (250,001 – 255,000)	5,001 – 10,000	10,001 – 15,000	-	-	80,001 – 85,000		155,001 – 160,000	140,001 – 145,000
Tanya Coff [1]	Interim Chief Executive	-	125,001 – 130,000 (285,000 – 290,000)	-	10,001 – 15,000	-	-	-	-	-	140,001 – 145,000
Matthew White	Programme Director	250,001 – 255,000	250,001 – 255,000	15,001 – 20,000	15,001 – 20,000	-	-		-	265,001 – 270,000	265,001 – 270,000
Robert Razzell [2]	Finance Director	125,001 – 130,000 (175,000 – 180,000)	-	10,001 – 15,000	-	-	-	-	-	135,001 – 140,000	-

Notes to executive board director remuneration:

1. Tanya Coff left the Delivery Authority in July 2025, after her role as Chief Financial Officer was made redundant. Her total redundancy payment, including statutory redundancy, was £83k and was accounted for in 2024/25 but paid in 2025/26.
2. Following an open recruitment process, Robert Razzell joined as Finance Director on 21 July 2025.
3. Pension Benefits represent the Delivery Authority's contributions to the employee pension scheme.
4 No discretionary performance awards relating to 2024/25 were paid in 2025/26.
5. No other benefits in kind were paid in 2025/26.
6. Remuneration is now presented in £5,000 bands, in line with guidance in the Government Financial Reporting Manual (FReM). In previous reports, remuneration figures were rounded to the nearest £1,000.

Fair Pay Disclosure

Audited information

We track this through monitoring a fair pay ratio, comparing the highest-paid individual in the organisation and the median remuneration of the rest of the organisation. The calculation and presentation of the data is in line with the Government Financial Reporting Manual. Remuneration comprises salary and allowances. For comparison purposes, the annualised remuneration figure excludes any pension benefits.

The latest fair pay disclosure data is shown below, all remuneration figures disclosed are annualised:

Highest Paid Director	2025/26 £	2024/25 £	% Movement
Salary	310,000	310,000	0.00%
Discretionary performance award	-	-	-
Average (mean) remuneration of other employees	**2025/26 £**	**2024/25 £**	**% Movement**
Salary	90,878	86,050	5.61%
Discretionary performance award	-	-	-

The change to average salary from 2024/25 to 2025/26 reflects the April 2025 pay award, alongside changes in staff composition, when all starters and leavers are taken into consideration.

Remuneration Table by Quartile	Lower Quartile (25%) £		Median (50%) £		Upper Quartile (75%) £	
	2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
Salary only	59,203	55,162	81,678	76,991	108,150	100,000
Total remuneration	59,203	55,162	81,678	76,991	108,150	100,000
Ratio to Highest Paid Director – Salary only	5.24	5.62	3.80	4.03	2.87	3.10
Ratio to Highest Paid Director – Total remuneration	5.24	5.62	3.80	4.03	2.87	3.10

The highest paid director as at 31 March 2026 was the Chief Executive. At this date the total remuneration ranged from £28,860 to £310,000 (2024/25 range: £27,007 to £310,000). Total remuneration reflects salary only as no non-consolidated performance award was made during the 2025/26 year. It does not include employer pension contributions.

The lower quartile, median and upper quartile remuneration excludes the highest paid director and is based on annualised, full-time equivalent remuneration as at the end of the financial year. Non-executive directors have been excluded from the fair pay disclosure for both years.

The ratio to the highest paid director decreased for 2025/26 because the salary for the Chief Executive has not increased since appointment in February 2025 and the lowest paid colleagues have seen an increase in pay.

Employee numbers and costs

Audited information

Audited employee numbers and costs appear in Note 3 of the financial statements.

Employee turnover

Our average employee turnover is shown in the table below:

Grade	Turnover
5	28.6%
4	3.6%
3	37.9%
2	19.4%
1	51.3%
Apprentice	66.7%
Total	**28.4%**

Turnover is analysed on a rolling 12-months. At the end of March 2026, voluntary turnover was 9.7%. Total turnover increased to 28.4% (28.1% at the end of March 2025), whilst the external comparator was 12.2% (10.0% for the previous period [2]). The increase in turnover has been driven by the total number of leavers due to redundancies (compulsory and voluntary), following the organisation review in 2024/25.

[2] Source – Brightmine February 2026

Exit Packages

Audited Information

Organisation Review

Following the organisation review carried out in 2024/25, the remaining 25 affected colleagues left the Delivery Authority after completing their redundancy notice periods.

The cost of the exit packages from the review was £553,760 and were agreed and recognised in 2024/25.

Other Redundancies

One further redundancy was made during 2025/26.

The table below shows the total cost of exit packages agreed and accrued for in 2025/26 (2024/25 comparative figures are also given). £568K exit costs were paid in 2025/26, the year of departure (2024/25: £528K). It shows the number of people within each exit package cost band, which excludes, where relevant, contractual payments made for pay in lieu of notice:

	Number of compulsory redundancies		Number of other departures agreed*		Total exits	
Exit package cost band	**2025/26*** **	**2024/25****	**2025/26**	**2024/25****	**2025/26**	**2024/25****
<£10,000	0	7	-	1	0	**8**
£10,001 – £25,000	1	19	-	12	1	**31**
£25,001 – £50,000	0	5	-	3	0	**8**
£50,000 – £100,000	0	2	-	-	0	**2**
Total number	**1**	**33**	**-**	**16**	**1**	**49**
Total cost (£)	**£13,833**	**£706,195**	**-**	**£321,198**	**£13,833**	**£1,027,393**

* All other departures were agreed on a voluntary redundancy basis, and all associated costs were in line with the Delivery Authority's redundancy policy.

** Following clarification on the disclosure requirements, the prior year figures have been restated to show exit package costs on an accrual's basis, rather than a cash basis.

*** Total cost includes a settlement agreement for a leaver from 2024/25.

Consultancy

Expenditure on consultancy in 2025/26 was £16.28m (2024/25: £36.55m). This includes expenditure on project management, design and professional fees. Our operating model is designed to allow us to supplement our permanent staff base to engage specific expertise as and when we need it to support implementation of our projects.

Off-payroll engagements

As well as the direct employees detailed on page 58, we also employed workers on interim contracts. Details of the cost of these is disclosed in Note 4 to the financial statements, and further detail on the off-payroll engagements of interim workers is disclosed below. All interim workers have been treated as inside the scope of IR35 legislation, aside from as detailed below.

Where professional services have been delivered by suppliers, their staff are not included in the employee numbers reported in Note 3 and have been treated as outside the scope of IR35 legislation following management's assessment of these contracts.

The data for off-payroll engagements for the year under review is shown in the following table:

Number of existing engagements as at 31 March 2026	9
Of which:	
Number that existed for less than one year at time of reporting	4
Number that existed for between one and two years at time of reporting	2
Number that existed for between two and three years at time of reporting	2
Number that existed for between three and four years at time of reporting	0
Number that existed for four or more years at time of reporting	1
Number engagements between 1 April 2025 and 31 March 2026	18
Of which:	
Number of which were not subject to off-payroll legislation	-
Number of which were subject to off-payroll legislation and assessed as being within scope of IR35	17
Number of which were subject to off-payroll legislation and assessed as being outside the scope of IR35	1
Number of engagements reassessed for consistency/assurance purposes during the year	-
Number of engagements that saw a change to IR35 following a consistency review	-
Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, during the financial year	-
Number of individuals that have been deemed 'board members and/or, senior officials with significant financial responsibility', during the financial year. This figure should include both off-payroll and on-payroll engagements	18 [1]

[1] This number reflects the personnel changes at Board and Executive level throughout the year which are outlined in the notes to Table 1 within this Remuneration and Employee Report and also in the Governance Statement.

Our Employees

Values and Behaviours

Our Values – *we act with integrity; we are inspiring; we achieve together, and we can be ourselves* – play an important part in inspiring and motivating everyone who works at the Delivery Authority and reflects our desire to create a culture that will be instrumental in us achieving the programme vision.

Equality, diversity and inclusion (EDI)

The gender diversity across all employees and non-executive directors of the Delivery Authority is now 48% female, and 52% male representation (50% and 50%, respectively for 2024/25). The gender split for our Board and executive directors, as well as the rest of our directly employed workforce, is as follows:

	Female	Male
Non-executive directors	2	4
Executive directors	0	3
Executive (not on Board)	1	2
Other direct employees	61	59
Total	**64**	**68**

The EDI Annual Report, available on our website, provides more detail on our progress towards achieving our EDI strategy.

Employee involvement

Those working on the programme play an important role in ensuring that the organisation has a diversity of perspectives in its work and approach in the workplace. Our regular formal and informal methods for informing and consulting colleagues include:

- The monthly, interactive All Hands meeting where we engage with colleagues on a wide range of topics. This meeting is recorded and shared on our intranet.
- The Colleague Forum, an information and consultation forum made up of elected representatives of colleagues across the Delivery Authority
- Our diversity focus groups
- The Lobby, our intranet, which is available to everyone working at the Delivery Authority
- A *Weekly Bulletin* that provides an update on activities across the programme
- Regular directorate team meetings, to speak to and hear from colleagues
- Engagement surveys where we invite colleagues working at the Delivery Authority to share their views anonymously on a wide range of topics. The November 2025 colleague survey results show an overall improvement in colleague engagement compared with February 2025. The Engagement Index rose by 1.0 point to 6.5. The employee Net Promoter Score (eNPS) was 19, representing a significant improvement of 34 points. The response rate increased to 88%, well above benchmark levels.

Sickness absence

Our aim is to treat employees who are ill with compassion and fairness, while encouraging them to take the time needed to recover their health and attend work regularly. In 2025/26 the number of working days lost to sickness absence was 2.4 days per employee (5.0 days for the 2024/25 reporting period).

Employment policies and processes

We are committed to ensuring that our employees are treated fairly, with dignity and respect. All people, policies and processes underwent review during the year to ensure they remain up to date with the requirements of employment law, reflect best practice and our values.

Signed on behalf of the Board:

Russ MacMillan
Chief Executive and Accounting Officer
2 July 2026

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE MEMBERS OF THE RESTORATION AND RENEWAL DELIVERY AUTHORITY LTD AND HOUSES OF PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of the Restoration and Renewal Delivery Authority Ltd for the year ended 31 March 2026 under the Parliamentary Buildings (Restoration and Renewal) Act 2019.

The financial statements comprise the Restoration and Renewal Delivery Authority Ltd's:

- Balance Sheet as at 31 March 2026;
- Income Statement, Cash Flow Statement and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and the UK adopted International Accounting Standards.

In my opinion the financial statements:

- give a true and fair view of the state of the Restoration and Renewal Delivery Authority Ltd's affairs as at 31 March 2026 and its net income for the year then ended; and
- have been properly prepared in accordance with the UK adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Parliamentary Buildings (Restoration and Renewal) Act 2019 and Companies Act 2006.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Restoration and Renewal Delivery Authority Ltd in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Restoration and Renewal Delivery Authority Ltd's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Restoration and Renewal Delivery Authority Ltd's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report, but does not include the financial statements and my auditor's report thereon. The directors are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Employee Report to be audited has been properly prepared in accordance with directions of the Corporate Officer of the House of Commons and the Corporate Officer of the House of Lords issued under the Parliamentary Buildings (Restoration and Renewal) Act 2019.

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Restoration and Renewal Delivery Authority Ltd and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report or the Directors' Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- certain disclosures of remuneration specified by the Corporate Officer of the House of Commons an the Corporate Officer of the House of Lords and HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Employee Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' and Accounting Officer's responsibilities in respect of the Strategic report, the Directors' report and the financial statements, the directors and Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Restoration and Renewal Delivery Authority Ltd from whom the auditor determines it necessary to obtain audit evidence.
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- preparing financial statements, which give a true and fair view, in accordance with the Parliamentary Buildings (Restoration and Renewal) Act 2019 and the Companies Act 2006;
- preparing the Annual Report, which includes the Remuneration and Employee Report, in accordance with the Companies Act 2006 and directions of the Corporate Officer of the House of Commons and the Corporate Officer of the House of Lords issued under the Parliamentary Buildings (Restoration and Renewal) Act; and
- assessing the Restoration and Renewal Delivery Authority Ltd's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit and report on the financial statements in accordance with the Parliamentary Buildings (Restoration and Renewal) Act 2019.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks relate to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Restoration and Renewal Delivery Authority Ltd's accounting policies;
- inquired of management, Restoration and Renewal Delivery Authority Ltd's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Restoration and Renewal Delivery Authority Ltd's policies and procedures on:
    - identifying, evaluating and complying with laws and regulations;
    - detecting and responding to the risks of fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Restoration and Renewal Delivery Authority Ltd's controls relating to the Restoration and Renewal Delivery Authority Ltd's compliance with the Companies Act 2006, the Parliamentary Buildings (Restoration and Renewal) Act 2019, the Programme Delivery Agreement with the Corporate Officer of the House of Commons and the Corporate Officer of the House of Lords, and Managing Public Money;
- inquired of management, Restoration and Renewal Delivery Authority Ltd's head of internal audit and those charged with governance whether:
    - they were aware of any instances of non-compliance with laws and regulations; and
    - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Restoration and Renewal Delivery Authority Ltd for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Restoration and Renewal Delivery Authority Ltd's framework of authority and other legal and regulatory frameworks in which the Restoration and Renewal Delivery Authority Ltd's operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosure in the financial statements or that had a fundamental effect on the operations of the Restoration and Renewal Delivery Authority Ltd. The key laws and regulations I considered in this context included Companies Act 2006, the Parliamentary Buildings (Restoration and Renewal) Act 2019, the Programme Delivery Agreement with the Corporate Officer of the House of Commons and the Corporate Officer of the House of Lords, Managing Public Money, employment law and tax Legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Risk, Assurance and Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditors-responsibilities. This description forms part of my report.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies,
Comptroller and Auditor General *7 July 2026*

National Audit Office

157–197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Financial Statements

Income Statement

For the year ended 31 March 2026

	Note	31 March 2026 £000	31 March 2025 £000
Income			
Grant Income	2	(48,444)	(79,015)
Other Income	2	(1,122)	(342)
Total Income		**(49,566)**	**(79,357)**
Operating Expenditure			
Employee costs	3	15,215	20,406
Purchases of goods and services	4	30,960	54,892
Financing costs	4	24	67
Other expenses	4	2,172	1,892
Non-cash items	4	1,195	2,100
Total operating expenditure		**49,566**	**79,357**
Net Income		-	-
Total comprehensive net income		-	-

The Notes on pages 76–92 form part of these accounts.

Balance Sheet

As at 31 March 2026

	Note	31 March 2026 £000	31 March 2025 £000
Non-current assets			
Property, plant, and equipment	5	111	64
Intangible assets	5	1	333
Right of use assets	6	-	798
Total non-current assets		**112**	**1,195**
Current assets			
Trade and other receivables	8	1,641	1,360
Accrued income	9	112	20
Cash and cash equivalents	10	5,491	6,695
Total current assets		**7,244**	**8,075**
Total assets		**7,356**	**9,270**
Current liabilities			
Trade and other payables	11	(7,356)	(8,181)
Lease Liabilities	6	-	(1,089)
Total current liabilities		(7,356)	**(9,270)**
Total assets less current liabilities		**-**	**-**
Non-current liabilities			
Lease Liabilities	6	-	-
Total non-current liabilities		**-**	**-**
Total assets less total liabilities		**-**	**-**
Taxpayers' equity and other reserves			
General fund		-	-
Total equity		**-**	**-**

Under the Parliamentary Buildings (Restoration and Renewal) Act 2019, Schedule 2, paragraph 9 (9), the Delivery Authority is exempt from the requirements of Part 16 of the Companies Act 2006 (Audit). Its accounts are subject to audit by the Comptroller & Auditor General under Schedule 2 of the Parliamentary Buildings (Restoration and Renewal) Act 2019.

The Notes on pages 76–92 form part of these accounts.

The financial statements were approved by the Board on 29 June 2026 and were signed on its behalf by:

Russ MacMillan
Chief Executive and Accounting Officer
2 July 2026

Cash Flow Statement

For the year ended 31 March 2026

	Note	31 March 2026 £000	31 March 2025 £000
Cash flows from operating activities			
Net income		-	-
Adjustments for non-cash transactions:			
Depreciation and Amortisation	4	1,195	2,043
Impairments	4	-	57
(Increase)/Decrease in trade and other receivables	8	(281)	65
(Increase)/Decrease in accrued income	9	(92)	21
Increase/(Decrease) in trade and other payables	11	(825)	(1,665)
Increase/(Decrease) in Lease Interest expense payable	6	-	(23)
Net cash inflows/(outflows) from operating activities		**(3)**	**498**
Cash flows from investing activities			
Purchase of property, plant, and equipment	5	(66)	(66)
Increase/(Decrease) in trade and other payables	11	-	-
Net cash inflows/(outflows) from investing activities		**(66)**	**(66)**
Cash flows from financing activities			
Repayment of principal on leases	6	(1,135)	(1,467)
Net cash inflows/(outflows) from financing activities		**(1,135)**	**(1,467)**
Net increase/(decrease) in cash and cash equivalents in the period		**(1,204)**	**(1,035)**
Cash and cash equivalents at the beginning of the period	10	**6,695**	**7,730**
Cash and cash equivalents at the end of the period	10	**5,491**	**6,695**

The Notes on pages 76–92 form part of these accounts.

Statement of Changes in Equity

For the year ended 31 March 2026

	31 March 2026 £000	31 March 2025 £000
General fund		
Opening balance at 1 April	-	-
Comprehensive net income during period	-	-
Closing balance as at 31 March	**-**	**-**

The organisation's only reserve is the general fund, which has a zero balance at the end of this period as grant funding received is recognised as income to the extent that expenditure has been incurred during the year. Funding received in excess of expenditure for the year is recognised as deferred income.

Notes to the financial statements

1. Accounting policies

1.1 Basis of preparation

The Restoration and Renewal Delivery Authority Limited (Delivery Authority) is a private company limited by guarantee. Since the 1 January 2023, the Corporate Officers have been the sole member and guarantor of the Delivery Authority.

As a private limited company, the Delivery Authority prepares its accounts in accordance with International Financial Reporting Standards (IFRS) and with the requirements of the Companies Act 2006 applicable to companies reporting under IFRS. As in prior years, additional disclosures are made following a direction by the Corporate Officers that the Delivery Authority follows the 'Corporate Governance in Central Government Departments: Code of Good Practice' in the preparation of this report and accounts, and also to incorporate additional disclosures as requested by the Corporate Officers to ensure further transparency, including the inclusion of a Remuneration and Employee Report.

This Annual Report and Accounts relates to the Delivery Authority's 2025/26 financial year, commencing on 1 April 2025 and ending on 31 March 2026.

The policies adopted by the Delivery Authority are described below. They have been applied consistently in dealing with items that are considered material to the financial statements.

1.2 Accounting convention

These accounts have been prepared on a going concern basis as outlined in section 1.4 and under the historical cost convention, except as otherwise set out in the accounting policies. Figures are presented in pounds sterling and are rounded to the nearest £1,000.

1.3 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements and assumptions that affect the amounts reported for assets and liabilities at the end of the reporting period to 31 March 2026, and for amounts reported for income and expenses during the period. In the process of applying the Delivery Authority's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

- These accounts have been prepared under the assumption that the Delivery Authority is a going concern. Further information on this assessment is included in Accounting Policies, section 1.4.
- The programme is currently in Phase 1 as defined by the Act. The Delivery Authority's expenditure relates to the development of a broad range of options setting out the various methods and outcomes that can be achieved from restoring the Palace. The development and subsequent shortlisting of these options were in support of developing a Strategic Case which was approved by the Client Board in February 2024. Management have assessed this expenditure and determined that work undertaken to 31 March 2026 is akin to the 'research' stage of the project, and as such all costs are expensed during the period (aside from those capitalised as detailed in section 1.5 and 1.6).
- Expenditure for the programme is financed by funding received from the Parliamentary Works Grant (PWG) and treated as grant income.

1.4 Going Concern

Funding arrangements for the Delivery Authority remain in accordance with the mechanisms described within the Parliamentary Buildings (Restoration and Renewal) Act 2019 and Parliamentary Works Sponsor Body (Abolition) Regulations 2022. The Act requires the Corporate Officers to form and fund the Delivery Authority's activities. Funding for the DA is voted by Parliament annually in Supply and Appropriation Acts. The Parliamentary Works Grant Main Estimate for 2026/27 was laid in the House of Commons by the Estimates Commission on 21 May 2026.

The Delivery Authority's focus throughout the year has been on concluding the work on the two options developed by the Delivery Authority – full decant and continued presence – for inclusion in the R&R Client Board's costed proposals report. It has also been progressing plans relating to the Phase 1 Works Package. This work forms part of the costed proposals report that is currently awaiting consideration by both Houses of Parliament.

Whilst uncertainties continue to remain for the programme, not least around the timing and selection of a preferred option for Restoration and Renewal, the Programme and Client Boards have been clear about the continuing need for restoration works, and for the Delivery Authority to be the organisation to deliver whichever option is ultimately selected.

As such, it is the view of the directors that the Delivery Authority has sufficient funds to meet its commitments and to continue to operate as a going concern for at least 12 months after the accounts signing date.

1.5 Property, plant and equipment

Property, plant and equipment (PPE) is initially recognised at cost if it is intended for use on a continuing basis and its original carrying value, on an individual or asset pool basis where appropriate, exceeds the relevant capitalisation threshold of £2,500. Costs comprise the amount of cash paid to acquire the asset and includes all costs directly attributable to bringing them into working condition.

Valuation of PPE

PPE is carried at cost, less accumulated depreciation and the value of any accumulated impairments, except for Assets Under Construction which are held at cost. Both PPE and Assets Under Construction are reviewed annually for impairment. Right of use assets are valued at cost under IFRS 16 Leases.

Depreciation of PPE

Depreciation is calculated to write down the costs of the assets to their estimated residual value on a straight-line basis over their expected useful lives. For assets under construction, depreciation is not charged until the asset is placed into service.

Impairment

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the Income Statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

1.6 Intangible non-current assets

An intangible asset is an asset that is not physical in nature. In the Delivery Authority, intangible assets consist of the organisation's IT infrastructure.

All intangible assets are currently assessed to have a finite life and are assessed for impairment. The amortisation period and the amortisation method are reviewed at least annually at each financial year end, as well as the appropriateness of the historic cost method as a proxy for fair value.

Intangible assets are capitalised on an individual or asset pool basis where appropriate, where their cost exceeds the relevant capitalisation threshold of £2,500 and are amortised on a straight-line basis over their useful economic life of five years, with amortisation commencing in the month of acquisition.

Where the Delivery Authority makes payments in respect of the use of cloud computing services purchased from a third-party service provider (which may include the use of software, the use of an operating environment in which the Delivery Authority can develop its own software, or the use of digital processing capability), then these are not capitalised as the Delivery Authority has no legal title to, or rights to control of, the underlying assets associated with these services.

Where the company has incurred additional implementation costs to adapt third-party service provider systems to enable us to use the service, there is scope for capitalisation of these costs if they meet the criteria of development activities per International Accounting Standard (IAS) 38 (Intangible Assets). These are considered on a case-by-case basis.

Disposals

When disposing of an intangible asset the carrying amount is written off to the Income Statement and a loss (or gain) is recognised and reported net of any disposal proceeds.

1.7 Leases

At the inception of a contract the Delivery Authority assesses whether a contract contains a lease, in accordance with IFRS 16. A contract contains a lease if the contract conveys the right for the Delivery Authority to control the use of an identified asset for a period of time in exchange for consideration. In line with HM Treasury guidance the Delivery Authority has adopted the short-term lease exemption for lease terms of 12 months or less.

To assess whether a contract conveys the right to control the use of an identified asset, the Delivery Authority assesses whether:

- the asset is greater in value than the Delivery Authority's capitalisation threshold, which is £2,500
- the contract involves the use of an identified asset, which is physically distinct or represents substantially all of the capacity of a distinct asset and there are no substantive substitution rights
- the contract conveys the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use
- the lessee has the right to direct the use of the asset

The Delivery Authority had one contract assessed to fall under IFRS 16 as a long-term lease, which is the Agreement to Occupy the office premises at 64 Victoria Street. This agreement was with the Corporate Officer of the House of Commons for a period of 3 years, and started on 1 January 2023, ending on 31 December 2025. Amounts relating to this lease have been disclosed as a lease in the balance sheet, income statement, cash flow statement, accounting policy notes and Note 6 to the financial statements.

The new rental agreement entered into during the year was assessed in accordance with IFRS 16 and determined to qualify as a short-term arrangement, as the lease term is 12 months from 1 January 2026. Accordingly, the DA has not recognised a right-of-use asset or lease liability for this agreement, and rental payments are recognised as an expense over the duration of the agreement.

Right of use Assets:

IFRS 16 requires leases to be recognised in the lessee's balance sheet when the leased asset is made available, in the form of a right of use asset. A right of use asset is initially measured at the initial lease liability, and subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liability. The carrying value is also adjusted for any re-measurement of the lease liability. The cost of right of use assets includes the initial measurement of the lease liability. Right of use assets are depreciated on straight-line basis over the lease term.

Lease Liabilities:

At commencement of a lease the Delivery Authority recognises a lease liability measured at the present value of the lease payments to be made over the lease term. For the lease commencing on 1 January 2023, it was not possible to determine the "interest rate implicit in the lease", thus it has been determined that the most appropriate discount rate to use is the incremental cost of borrowing as advised by HM Treasury, which was 3.51% at the lease adoption date.

The lease liability is subsequently adjusted for the accrual of interest, repayments, and reassessments and modifications. These are measured by rediscounting the revised cash flows; the impact is reflected in the lease liability and in the right to use asset valuation.

The lease liability is split between current and non-current lease liabilities. Lease payments include fixed payments on account of the rent for the office accommodation.

Lease Expenditure:

Expenditure includes interest and straight-line depreciation. Lease payments are debited against the liability.

1.8 Grants, deferred income and other income

All expenditure was financed by funding obtained from the Corporate Officers, which in turn is obtained from Parliament through the annual Supply and Appropriation Act. This funding is treated as grant income in accordance with IAS 20 'Accounting for Government Grants and Disclosure of Government Assistance' as management have determined that the Delivery Authority has an entitlement to this income where it has incurred costs in the delivery of its objectives.

The Delivery Authority therefore recognises this funding received as grant income in the Income Statement to the extent that it has financed the Delivery Authority's expenditure during the financial year. Where the amount of funding obtained exceeds the Delivery Authority's expenditure (due to underspends against the agreed budget), this difference is recognised in the Balance Sheet as deferred income.

Where the income has been used to fund capital purchases, income is recognised in the Income Statement in line with the depreciated/amortised/impaired amounts, in addition to any gain or loss arising from the disposal of assets. The remainder is deferred as part of the overall deferred income balance, separately identified in the Notes to the Balance Sheet.

Included in "other income" are amounts received by the Delivery Authority in respect of a colleague seconded to an external organisation, as well as proceeds from the disposal of an asset that had previously been impaired.

1.9 Employee costs

Employee costs include wages and salaries, social security costs, pension costs and exit costs. All short-term employee costs payable at the year end, which will be paid within one year from the date of reporting, are recognised in the Income Statement in accordance with IAS 19 Employee Benefits. These include any accrued leave entitlements.

Employees of the Delivery Authority are eligible to participate in a Defined Contribution pension scheme, which is managed on the Company's behalf by Aviva. Employees are automatically enrolled in the pension scheme on their first day of employment unless they decide to opt out. The costs of the Delivery Authority's employer's contributions to this scheme are expensed during the period.

1.10 Survey Costs

The Delivery Authority has undertaken various industry standard surveys assessing the condition of the Palace of Westminster and its ground conditions, to support and inform the design and costing of future works.

Where survey costs meet the definition of an asset under IAS 38 Intangible Assets, these costs would ordinarily be capitalised. The Delivery Authority has determined that any survey works performed at this stage of the programme will not be capitalised; the surveys carried out to date are considered equivalent to 'research costs' and therefore expensed in operating expenditure.

1.11 Other expenses

Operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable.

1.12 Taxation

The Delivery Authority does not generate any profits and therefore its Corporation Tax return will be a nil return, as its activities were all funded by the Corporate Officers. Its recharges to the House of Commons for services provided are at cost with zero profit markup. Its deferred tax balance is therefore also a zero balance. The Delivery Authority has been made dormant for Corporation Tax.

The main activities of the Delivery Authority are not classed as trading for the purposes of VAT and output tax on sales does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets.

The recharges for services provided to the Corporate Officers are classed as trading for the purposes of VAT. These attract output tax which is paid to HMRC where not offset by the input tax recovered on the amounts initially incurred.

1.13 Financial instruments, assets and liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised in the Balance Sheet when the Delivery Authority becomes a party to the contractual provisions of an instrument, in accordance with IFRS 9.

The Delivery Authority holds financial assets (see Notes 8, 9 and 10) in the following categories:

- Cash and cash equivalents – these comprise current balances held at the Government Banking Service that are readily convertible to known amounts of cash with insignificant risk of change in value. The carrying amount of these assets approximates to their Fair Value.
- Trade receivables and accrued income – the Delivery Authority is a non-trading entity, and these comprise of balances with related parties valued at the transaction amount, with insignificant risk of change in value.
- Prepayments – invoices exceeding £10,000 paid for services spanning multiple financial periods e.g. software licenses, are recognised at year-end on the basis of service still receivable in the next financial year.

The Delivery Authority holds financial liabilities (see Note 11) in the following category:

- Trade and other payables

Trade and other payables are recognised at fair value, which represent liabilities for goods and services provided to the Delivery Authority prior to the financial year end that are unpaid. Trade and other payables are non-interest bearing; their carrying value approximates their fair value.

Accruals are recognised for expenditure incurred for goods and services delivered prior to the financial year end and that have not been invoiced. The Delivery Authority has a £2,500 de minimis (minimum) accrued expenditure threshold; this is deemed appropriate to ensure that the accounts are materially correct, whilst keeping the workload associated with producing the annual accounts proportionate with the value they provide. Management is satisfied that this is appropriate in ensuring that accrued expenditure is materially correct and that the use of this de minimis value is therefore appropriate in this financial year.

1.14 Recharges

The House of Commons have recharged the Delivery Authority for the occupation of premises at 64 Victoria Street based on the Agreement to Occupy the premises. This Agreement to Occupy is considered a lease.

There have been two employee secondments to the Client Team and Parliamentary Digital Services (PDS) at House of Commons respectively from the Delivery Authority.

There have also been recharges for costs incurred for work undertaken by an external assurance provider and for additional ground investigation activities carried out on behalf of the Client Team. These costs have been assessed as disbursements for VAT purposes.

The Delivery Authority has recharged the House of Commons for the related costs as the House of Commons undertakes payments on behalf of the Client Team.

1.15 Provisions

The Delivery Authority makes provision for liabilities and charges in accordance with IAS 37 where a legal or constructive liability (i.e., a present obligation arising from past events) exists, the transfer of economic benefits is probable, and a reasonable estimate can be made.

Provisions for liabilities are based on reliable estimates of the expenditure required to settle future legal or constructive obligations that exist. Provisions are charged to the Income Statement and released when the transfer of economic benefit to settle the obligation is made.

1.16 New standards issued but not yet effective

The Delivery Authority has considered the impact of new and revised accounting standards, interpretations and amendments that have been issued but are not yet effective and have not been early adopted.

IFRS 18 'Presentation and Disclosure in Financial Statements', effective for annual reporting periods beginning on or after 1 January 2027, will replace IAS 1 'Presentation of Financial Statements'. The Delivery Authority is currently assessing the impact of this standard. It is expected to affect the presentation and structure of the primary financial statements, including the introduction of new defined subtotals and enhanced disclosure requirements; however, it is not expected to change the recognition or measurement of items in the financial statements.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures', effective for annual reporting periods beginning on or after 1 January 2027, is not applicable to the Delivery Authority.

These standards are not yet effective for the year ended 31 March 2026 and therefore have no impact on these financial statements.

2. Income

	31 March 2026 £000	31 March 2025 £000
Total Income		
Deferred Income released	(4,593)	(5,108)
Funds received in-year	(49,000)	(78,500)
Deferred Income – Capital funding	112	1,195
Deferred Income – Revenue funding	5,037	3,398
Parliamentary Works Grant recognised in the Income Statement	**(48,444)**	**(79,015)**
Other Grant Income	-	-
Total Grant Income	**(48,444)**	**(79,015)**
Recharges to House of Commons	**(965)**	**(326)**
Other Income	**(157)**	**(16)**
Total Income	**(49,566)**	**(79,357)**

3. Employee Costs

The cost of people employed by the Delivery Authority is disclosed in the table below. The Delivery Authority is recharged the full costs of all employees seconded for the period of their secondment. The costs shown below also include irrecoverable VAT incurred on secondees and interim workers.

	31 March 2026	31 March 2025
	£000	£000
Employee Costs		
Basic pay	10,610	13,524
National Insurance	1,392	1,571
Pension	957	1,183
Apprenticeship Levy	35	49
Other staff costs	14	211
Other staff benefits	106	97
Secondments	439	375
Interim workers	1,648	2,369
Exit costs*	14	1,027
Total Employee Costs	**15,215**	**20,406**

* Further detail on exit costs can be found in page 64 of the Remuneration and Employee Report.

Employee numbers

The Delivery Authority employs people, comprising direct employees, seconded employees and individuals engaged on interim contracts.

The average and closing numbers of full time equivalent (FTE) persons employed was as follows:

	1 April 2025 – 31 March 2026		1 April 2024 – 31 March 2025	
Type	**Average FTE**	**Closing FTE**	**Average FTE**	**Closing FTE**
Direct (excluding non-executive directors)	115	123	159	139
Seconded	4	5	2	2
Interim	9	9	12	9
Total	**128**	**137**	**173**	**150**

4. Expenditure

	31 March 2026 £000	31 March 2025 £000
Employee costs	**15,215**	**20,406**
Professional fees*	16,277	36,551
Surveys**	8,439	11,177
Internal audit services	112	64
IT development, maintenance, and support	2,072	2,236
IT purchases (including hardware and software)	2,988	3,923
Legal costs	1,072	941
Purchase of goods and services	**30,960**	**54,892**
Premises costs	1,587	1,186
Insurance costs	56	49
Learning and Development	104	156
Financing costs	24	67
Other costs	425	501
Other expenses	**2,196**	**1,959**
Depreciation and amortisation	1,195	2,043
Impairments	-	57
Non-cash items	**1,195**	**2,100**
Total expenditure	**49,566**	**79,357**

The audit fees for the financial statements totalled £0.08m (2024/25: £0.08m). This cost has been met by the Corporate Officers and is accounted for through the Parliamentary Works Grant from which the Delivery Authority received funding. No non-audit services have been provided by the NAO.

* Professional fees primarily consist of the costs of services provided by our integrated delivery partner, who provide programme, Project and Cost Management Services, (£6.87m) (2024/25: £13.48m), and architectural and engineering services from our design partner (£8.03m) (2024/25: £22.46m). The remaining professional fees relate to various lower-value services procured from suppliers during the year, predominantly digital systems.

** Surveys costs include payments to contractors for undertaking surveys. They exclude associated employee and project management costs, which are included within employee and professional fees.

5. Fixed assets

a. Property, Plant & Equipment

The Delivery Authority held £0.11m of Property, Plant & Equipment as at 31 March 2026.

	31 March 2026 Assets Under Construction £000	31 March 2026 Other £000	31 March 2026 Total £000	31 March 2025 Total £000
Cost or valuation				
As at 1 April	-	76	76	67
Additions	-	66	66	66
Impairment	-	-	-	(57)
As at 31 March	**-**	**142**	**142**	**76**
Depreciation				
As at 1 April	-	(12)	(12)	(7)
Charged in period	-	(19)	(19)	(5)
As at 31 March	**-**	**(31)**	**(31)**	**(12)**
Carrying amount at 31 March	**-**	**111**	**111**	**64**

b. Intangibles

The Delivery Authority has £0.001m of Intangible Assets, relating to IT infrastructure.

	31 March 2026 Total £000	31 March 2025 Total £000
Cost or valuation		
As at 1 April	4,868	4,868
Additions	-	-
Disposals	-	-
As at 31 March	**4,868**	**4,868**
Amortisation		
As at 1 April	(4,535)	(3,561)
Charged in period	(332)	(974)
Disposals	-	-
As at 31 March	**(4,867)**	**(4,535)**
Carrying amount at 31 March	**1**	**333**

6. Right of use assets and lease liabilities

The Delivery Authority had one long-term lease during the year, which is the agreement with the Corporate Officers to occupy the office premises at 64 Victoria Street, which ended on 31 December 2025. This agreement fell under the scope of IFRS 16. The table below summarises the components of this lease. The new rental agreement entered into during the year was assessed in accordance with IFRS 16 and determined to qualify as a short-term arrangement, as the lease term is 12 months from 1 January 2026. The Delivery Authority is not a lessee or lessor to any other lease arrangements, and there are no liquidity risks associated with this lease, for the reasons set out in Note 7.

Right of Use Asset

	31 March 2026 £000	31 March 2025 £000
Cost or valuation		
At 1 April	3,193	3,193
Additions	-	-
Reassessment of lease liability	47	-
At 31 March	**3,240**	**3,193**
Depreciation		
At 1 April	(2,395)	(1,331)
Charge in year	(845)	(1,064)
At 31 March	**(3,240)**	**(2,395)**
Carrying amount at 31 March	**-**	**798**

Lease Liabilities

	31 March 2026 £000	31 March 2025 £000
Amounts falling due		
Not later than one year	-	1,108
Later than one year not later than five years	-	-
Later than five years	-	-
Total	**-**	**1,108**
Less: Discounting	-	(19)
Balance as at 31 March	**-**	**1,089**
Of which:		
Current	-	1,089
Non-current	-	-

Amounts recognised in the Profit and Loss statement

	31 March 2026 £000	31 March 2025 £000
Depreciation	845	1,064
Interest expense	24	67
Expense relating to short-term lease	326	-
Total	**1,195**	**1,131**

Amounts recognised in the cashflow statement

	31 March 2026 £000	31 March 2025 £000
Repayment of lease principal	1,135	1,467
Interest expense	24	90
Total cash outflows for leases	**1,159**	**1,557**

7. Financial Instruments

The cash requirements of the Delivery Authority are met through grant funding received directly from Parliament, and financial instruments play a limited role in creating and managing risk. The majority of financial instruments relate to contracts for non-financial items in line with the expected purchase and usage requirements and the Delivery Authority is therefore exposed to minimal credit, liquidity or market risk.

Liquidity Risk

The Delivery Authority is financed by resources voted annually by Parliament. As such it is not exposed to significant liquidity risks.

Interest Rate Risk

All of the Delivery Authority's financial assets and liabilities carry fixed or nil rates of interest and so it is therefore not exposed to significant interest rate risk.

Foreign Currency Risk

Foreign currency does not form part of the Delivery Authority's assets or liabilities and as such it is not exposed to any significant exchange risks.

Fair Values

The fair values of the Delivery Authority's primary financial assets and liabilities as at 31 March 2026 are the same as the book values shown in the Balance Sheet.

8. Trade and other receivables

	31 March 2026 £000	31 March 2025 £000
Trade and other receivables		
Receivables	5	5
Prepayments	1,636	1,355
Total trade and other receivables	**1,641**	**1,360**

9. Accrued Income

	31 March 2026 £000	31 March 2025 £000
Accrued Income		
Balance as at 1 April	20	41
Income accrued in the year	1,122	348
Accrued Income received in the year	(1,030)	(369)
Balance as at 31 March	**112**	**20**

10. Cash and Cash Equivalents

	31 March 2026 £000	31 March 2025 £000
Cash and cash equivalents		
Balance as at 1 April	6,695	7,730
Net change in cash and cash equivalents	(1,204)	(1,035)
Balance as at 31 March	**5,491**	**6,695**
The following balances were held at:		
Government Banking Service (GBS)	5,491	6,695
Balance as at 31 March	**5,491**	**6,695**

11. Trade and other payables

	31 March 2026 £000	31 March 2025 £000
Amounts falling due within one year		
Trade payables	(384)	(172)
Other payables	(559)	(588)
Accruals	(1,264)	(2,828)
Deferred Income – Capital funding	(112)	(1,195)
Deferred Income – Revenue funding	(5,037)	(3,398)
Total trade and other payables	**(7,356)**	**(8,181)**

12. Contingent liabilities

2025/26:

There are no contingent liabilities for the Delivery Authority in 2025/26. (2024/5 = nil).

13. Related Party transactions

Related Parties are defined under IAS 24 as either the individuals who exercise control or influence over an entity, or other entities that meet certain criteria such as being part of the same Group.

IAS 24 requires companies to disclose, in respect of individuals, any management compensation, and this requirement has been fulfilled in the Remuneration and Employee Report. IAS 24 also requires companies to disclose, in respect of entities, any relationships and transactions between Related Parties.

The House of Commons and House of Lords are Related Parties of the Delivery Authority as the two Corporate Officers of the Houses of Parliament are (acting jointly) the sole member and guarantor of the Delivery Authority. The House of Commons also provides services to the Delivery Authority; in the period, the following transactions have been undertaken between the organisations:

- £48.72m of income (£79.01m in 2024/25) has been recognised in the Income Statement for the grant funding the Corporate Officers have provided to the Delivery Authority in return for the delivery of its objectives under the Programme Delivery Agreement. A further £5.15m is treated as deferred income in the Balance Sheet as at 31 March 2026 (£4.59m as at 31 March 2025). Note 2 provides further details.
- The House of Commons recharged £3.38m (£3.59m in 2024/25) of costs to the Delivery Authority relating to office accommodation charges, staffing, subscriptions, rental for cabins, security and other miscellaneous costs. This includes recharges amounting to £0.08m yet to be invoiced by the House of Commons as at 31 March 26 (£0.07m for 2024/25), included in accruals on the balance sheet.
- The Delivery Authority recharged the House of Commons for colleague secondments, Marine GI and independent assurance work totalling £0.96m during 2025/26. Recharges amounting £0.11m were yet to be invoiced at 31 March 2026 and have been accounted for as accrued income on the balance sheet (£0.005m in 2024/25).

There was a recharge of £0.05m from the House of Lords for colleague secondment to the Delivery Authority during the period (nil in 2024/25).

Other than their remuneration and business-related expenses, none of the Board Members or Executive have undertaken any material transactions with related parties during the year, except as disclosed overleaf.

Name of related party	Description of Expenditure	Transaction amount (£'000) 2025/26	Transaction amount (£'000) 2024/25	Name and Position in Delivery Authority	Position held at related party
Network Rail Infrastructure Ltd	The Delivery Authority seconded staff from Network Rail Infrastructure Ltd	73	143	Dr Stephen Charles Duckworth	Non-executive director
Grant Thornton	Professional services	256*	-	Manish Chande	A family member is a partner at Grant Thornton (an existing supplier of the DA)

* The transaction amount covers the period 28 July 25 to 31 March 26, which is from the date the related party relationship commenced.

14. Losses and special payments

Managing Public Money requires the Delivery Authority to provide a statement showing losses and special payments by value and by type where they exceed £300,000 in total and those that, individually, exceed £300,000.

Total losses and special payments are below £300,000 for 2025/26 (Losses 2024/25 £58k, Special payments 2024/25 nil).

15. Capital or Other Financial Commitments

Capital Commitments

The Delivery Authority has no contractual capital commitments as at 31 March 2026 not otherwise included in these financial statements (nil as at 31 March 2025).

Other Financial Commitments

The Delivery Authority has not entered into any other non-cancellable contracts as at 31 March 2026 (nil as at 31 March 2025).

16. Events after reporting period

The financial statements were authorised for issue on the date they were certified by the Comptroller & Auditor General.

There were no material events after the reporting period.

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Cover image:
Jack up barge platform positioned in the River Thames by the Palace of Westminster

HOUSES OF PARLIAMENT
R&R DELIVERY AUTHORITY

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