



HOUSE OF LORDS

Annual Report 2010/11

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Foreword by the Lord Speaker

The 2010/11 financial year, with the advent of the Coalition Government, has clearly been a time of change in British politics, not least in the House of Lords, where we have a large number of new Members and some of the old certainties about how we conduct our business have been put under strain.

We have all had to adjust to the new arrangements and find new ways to perform our role as a revising Chamber.

Despite this, the House has continued to show itself as an effective second chamber carrying out its key tasks of holding the executive to account and scrutinising and improving legislation. The statistics illustrate the scale of the work the House has undertaken. In 2010/11, the House sat for 135 days, with an average sitting time of 7 hours per day. In all, 2029 amendments were tabled and 441 amendments made. A total of 147 debates were held and nearly 6900 written questions were answered. 105 select committee reports were also published. This demonstrates a great deal of hard work by Members and staff, to whom I offer my thanks.

The last year also saw the introduction of a new scheme of financial support for Members, with the old expenses based system replaced by a greatly simplified scheme. The new system has bedded down well and its advantages in terms of clarity, simplicity and comprehensibility to the outside world have been widely welcomed.

As my term of office as Lord Speaker comes to an end, I would like to thank all Members and staff who have supported me in my role, and wish my successor well.



Preface by the Clerk of the Parliaments

This report covers the final year in office of my predecessor as Clerk of the Parliaments, Sir Michael Pownall, who retired on 15 April 2011.

Early in the year, the dissolution of Parliament was followed by the formation of a coalition government, significantly affecting the working of the House. The new Government's appointment of over 100 new life peers during the year put pressure on space in the Chamber and on accommodation and services outside the Chamber. The House Administration successfully ran a major induction exercise for the new Members.

Work on the refurbishment of the Millbank Island Site continued throughout the year, in preparation for its occupation in the summer of 2011 and the consequential ending of the House's occupation of three floors of 14 Tothill Street. The new accommodation will provide valuable extra space for Members and staff.

The system of reimbursement of Members' expenses was replaced, in October 2010, by a simpler and more transparent system of daily allowances, with reimbursement of expenses confined to vouched-for travel costs.

In June 2010 the House appointed its first Commissioner for Standards, Paul Kernaghan CBE QPM, former Chief Constable of Hampshire, on a part-time basis.

In October 2010 Sir Freddie Viggers KCB retired as Black Rod owing to ill health. He was succeeded in February 2011 by Lieutenant General David Leakey CMG CBE. In the interim, the role of Black Rod was carried out by the Yeoman Usher, Lieutenant Colonel Edward Lloyd-Jukes OBE.

Following my appointment as Clerk of the Parliaments in April 2011, Edward Ollard was appointed to succeed me as Clerk Assistant.

The year was a busy one for the House Administration, and it was a privilege for me to support Michael Pownall as his deputy. The coming year looks set to be equally challenging, with a busy legislative programme, the move of Members and staff into Millbank House, the examination by a Joint Committee of the Government's proposals for House of Lords reform, and a backdrop of severe restraint on public expenditure. But Sir Michael has bequeathed an Administration which is in good heart and ready to tackle whatever the future may hold.

David Beamish

Strategic Developments for the Administration

Introduction

This annual report by the House of Lords administration is for the financial year from 1 April 2010 to 31 March 2011 and relates to the House of Lords Business Plan 2010/11, published on 2 March 2010.¹ The report focuses primarily on strategic developments for the administration of the House and a succinct assessment, by strategic objective, of the fulfilment of tasks prescribed in last year's Business Plan. Other strategic developments, which may not have been foreshadowed in the Plan, are also included.

Much of the narrative material relating to the core business of the House can be found in the sessional publication *The Work of the House of Lords* (available from the House of Lords Information Office) which serves as a complementary publication to this Annual Report.

The main strategic developments in 2010/11 related to:

- Accommodation and works
- New Members
- Conduct and Registration of Members' Interests
- Members' Finance
- Delivering financial economies

Accommodation and works

In response to the pressing demands for improved accommodation, both for Members of the House and for the administration, an accommodation strategy for the period 2010-20 was developed following many months of preparation. The strategy was approved by the House Committee in December 2010. A key feature of this strategy is the increased flexibility which will result from the occupation of Millbank House (as the former 1 and 2 Millbank will be called).

Work continued on the renovation and fit-out of 1 Millbank and its integration with 2 Millbank. At the end of the reporting period, the project remained within budget and on

¹ HL Paper 71, (Session 2009-2010)

schedule for occupation by Members and staff in October 2011, in spite of a number of agreed extensions of time.

New Members

Following the General Election in May 2010, 117 new Life Peers were created and introduced, with most of them announced in two lists dated 28 May and 19 November. The administration had, to some extent, foreseen the new influx and in view of the pressure on accommodation more generally, had taken steps to provide open access desks, new Wi-Fi areas for Members, and other facilities for those who could not be allocated desks. The Department of Facilities, working with the Parliamentary Estates Directorate and PICT, also ensured that office moves involving Members and the Official Opposition took place quickly.

The administration also devoted more time and effort than ever before to the induction of new Members. The printed material given to new Members was streamlined and more face-to-face induction provided. In addition to the usual briefings with the Lord Speaker and senior officials at the time of introduction, each new Member was allocated a staff contact who gave them a tour of the House, ran through useful information and provided a point of contact for any future questions. Within the last year, three series of hour-long briefings with key staff were arranged for Members to introduce them to the work of the House and help them get involved. A Members' Information Point was also set-up in Royal Gallery. In addition, two Members' Open Days were held to enable Members to talk to staff in various offices about the services the Administration offers. This suite of induction briefings has been well received and is likely to continue.

Conduct and registration of interests

Last year's Annual Report described the formulation of a new Code of Conduct and the accompanying Guide to the Code of Conduct, both of which came into effect at the beginning of the present Parliament, on 18 May 2010. After taking the oath or affirmation of allegiance, every Member signed an undertaking to abide by the new Code. A new Register of Lords' Interests based on the new Code was published in June 2010. The Register is now updated on a daily basis when the House is sitting. Thanks to new software, any amendment to the Register appears on the internet edition within 30 minutes of receipt by the Registrar. Since the institution of the new Code, only one relevant conduct issue has been complained of. It was investigated by the new Lords Commissioner for Standards and resolved by remedial action. The House may now be reasonably confident that it has set in place a standards regulatory system in which

Members and the general public can have confidence and which will prove effective in protecting the good name of the House.

Members' Finance

On 20 July 2010, the House resolved to institute, in place of the various expenses claimable by Members in respect of their attendance, a new system of financial support based on a daily allowance payable in respect of attendance at the House, or its committees, or participation in certain other prescribed parliamentary duties. The new scheme was instituted with effect from 1 October. The current scheme, which is intended to be simpler than what went before, is based on the payment of a flat rate (either £150 or £300) in respect of attendance and irrespective of residence, subsistence, and other costs which were features of the old system. Travel expenses are still paid, but within limits and against receipts. The new system has, so far, proved resilient. The aim is that it should be cost-neutral in comparison with the previous scheme.

Outreach

During 2010/11 a number of innovative events were successfully delivered as part of the Outreach Programme:

- a debate in the House of Lords chamber on the future of the House of Lords, involving two hundred 15 to 18-year-olds from 19 state schools across England and Wales, delivered in partnership with the social enterprise Debate Mate;
- Lord Puttnam's lecture for young people entitled 'Parliament and Young People – bringing the two together in a digital world';
- Lord Hennessy of Nympsfield's lecture 'Cabinets and the Bomb' (covering the nuclear deterrent, security and defence), in association with the Mile End Group; and
- a seminar entitled "The Interaction between Religion and Politics in the Contemporary World", chaired by the Lord Speaker with a panel including Lord Sacks, Lord Harries of Pentregarth and Lord Parekh, that brought together an invited audience of Members and journalists.

The Peers in Schools programme continued to expand during 2010/11. 180 Members contribute to the programme, including many of the recently appointed Members. Of the 555 requests for visits received from schools between March and December 2010, over half (280) were fulfilled by 31 March 2011. This represents more than a 100% increase in the number of visits compared to 2009/10.

The Lord Speaker's competition for young people, entitled 'The Peer Factor', was

launched in January 2011. It sought entries from 11 to 16-year-olds to propose an individual who they thought should be a Member of the House of Lords, and to explain why they had the experience and qualities to make a valuable contribution to the House.

Delivering financial economies

Work on savings initiatives took up much of the year. Office spending plans were challenged vigorously by a Strategic Savings Panel comprising the Finance Director and the Head of Corporate Services. The Finance Director served on the Commons Savings Strategy Board. Indeed, the search for savings helped to bring the administrations of the two Houses more closely together in considering priorities for spending on joint activities. This work continues.

With a tighter approach to spending in mind, the Management Board modified the Administration's Strategic Plan in order to prioritise work which directly supports the effective conduct of the business of the House and which directly helps individual members to contribute to that business. The prioritised plan is printed at page 40 as Appendix A.

On the recommendation of the Management Board in December 2010, the House Committee agreed spending plans for the administration for the years 2011/12 to 2014/15. These are set out on pp 6-9 and 40-42 of the House of Lords Business Plan 2011/12². The Committee also agreed the following savings target for the House of Lords administration over the next four years:

"We will aim not to increase our resource costs in real terms throughout the period of the plan, despite the increased size of the House, and will reduce them where possible by reviewing what we do and how we do it."

Implementation of the Business Plan

Introduction

The House of Lords Business Plan 2010/11³ was published in March 2010 and related to the financial year from 1 April 2010 to 31 March 2011. This part of the Annual Report relates to the eight strategic tasks in that plan. While the administration devotes most of its resources to carrying out the House's core business as the second chamber of the United Kingdom legislature, the emphasis in this part of the Annual Report is on new developments in 2010/11 and in particular on those developments foreshadowed by last year's Business Plan – almost all of which were achieved.

House and Committees

Task 1: Ensure that the procedural advice, research, administrative support and reporting services for the House and its committees are timely, impartial, and of high quality, and are provided in a way which is responsive to Members.

Select Committees

- The first action in the new Parliament was the review of committee activity by the Liaison Committee. In the event, the Committee decided not to recommend any changes to the structure of committee scrutiny; this approach was reviewed later in the year by the Leader's Group on Working Practices (see below), and will be reconsidered by the Liaison Committee in due course.
- The activity of the investigative committees was reduced because of the general election, which meant that most committees did not reach full activity levels until the Autumn. By the last quarter activity levels were high, with the establishment of a new ad hoc committee on HIV and AIDS in the UK, and a pre-legislative joint committee on pre-charge detention, soon to be followed by a second pre-legislative committee on defamation. Over 160 Members were involved as members of policy select committees.

- The main focus of activity remained scrutiny of the European Union; eighty five members were engaged in the work of the European Union Committee and its sub-committees. Major inquiries included investigations of the EU's financial framework, economic governance, the single market, innovation in agriculture, the Court of Justice, sport and the internal security strategy. In addition the Committee conducted a range of detailed scrutiny of individual legislative proposals, reported on the jobs and growth strategy and the Commission's work programme, held one-off meetings with Ministers, and cooperated with their counterparts in other Member States in scrutiny activities, in particular in consideration of the appropriate mechanism for interparliamentary scrutiny of European foreign, defence and security policies. The Committee also issued reports expressing objections on subsidiarity grounds to two measures, and a report relating to the UK opt-in, in accordance with the new scrutiny procedures agreed by the House following the ratification of the Lisbon Treaty. The two subsidiarity motions were approved by the House and Reasoned Opinions submitted to the EU Commission, Council and Parliament.
- A number of other significant inquiries were undertaken in the year. The Constitution Committee scrutinised the Government's programme of constitutional legislation, both in its regular scrutiny work and through a series of more substantial scrutiny inquiries, notably on the Parliamentary Voting System and Constituencies Bill and the Fixed-term Parliaments Bill, many of which were relied on to a significant extent during the House's consideration of the legislation. It also reviewed the draft Cabinet Manual. The Communications Committee considered the regulation of television advertising, and the Economic Affairs Committee conducted an investigation of the role of the "big four" auditors. The Science and Technology Committee continued its scrutiny of science policy both through one-off hearings and through longer inquiries, in particular on behaviour change. Finally, the ad hoc committee on HIV and AIDS began its investigation of a wide range of aspects of HIV and AIDS policies in the UK.
- The Committee Office Guide was revised and reissued, and a new Guide for Members and Chairmen of Select Committees issued. These incorporated new guidance for members relating to declarations of interests and for committees relating to personal criticism of individuals in committee reports.
- Member committees endorsed the decision to stop printing written evidence from 1 October 2010 and all evidence from 1 April 2011, and new templates were created to support direct publication of evidence on the Internet. These measures are expected to release substantial savings.

New reporting services

- From 1 August 2010, the Official Report assumed responsibility for committee transcription services, producing some 50% of the transcripts in-house and contracting out the rest to two external suppliers. Significant savings were made without compromising standards.
- Work continued to replace the current digital audio system with a new bi-cameral solution for audio recording and the original technical obstacles were overcome. (Live operation is planned for October 2011.)

Legislation

- This financial year saw the end of the last Parliament, followed by a five week dissolution and the beginning of the current Parliament. During the last month of the last Parliament 18 Bills were given Royal Assent. So far in this Parliament 16 Bills have been given Royal Assent, so a total of 34 Public General Acts passed into law during the financial year. In the previous financial year 33 Acts were passed.
- The following activity indicators give an idea of the workload during the year:

The figures in brackets are the equivalents for 2009/10:

Amendments tabled/agreed to	2,499/610 (5,597/1,807)
Days in Committee of the Whole House	44 (52)
Days in Grand Committee	18 (29)
Pages of bill material produced	5,990 (14,132)

- 2 new private bills were introduced this year, and 2 Private Acts received Royal Assent. In addition, 9 private bills from previous sessions were still before Parliament. The House has also considered a hybrid instrument.

Printing and publishing

- The Printing and Publishing Group, chaired by the Clerk Assistant, continued to review the House's printing and publishing requirements, with particular reference to the delivery of services under contract by The Stationery Office Limited, with a view to informing the administration's approach on the termination of the current contract in March 2012. The Group expanded in-year to include the Director of Information Services and it oversaw implementation of new initiatives to discontinue the printing of written and oral evidence submitted to committees, to discontinue the same-day delivery service of House papers and to rely on electronic publication only of certain

other publications, including the EU Committee's Progress of Scrutiny report. It is likely that the emphasis on electronic, rather than print, publication will continue and intensify in the future, drawing on the bicameral strategy to migrate the production of core procedural information to an XML basis, enabling it to be better used both inside and outside Parliament. It is however also understood that the ability to produce documents in other media where that is required remains important.

- The management arrangements for the TSO print contract continued to work well, with weekly print and bimonthly electronic liaison meetings.

Procedural

- In July 2010 the Leader of the House announced the establishment of a 12-strong Leader's Group on Working Practices, chaired by Lord Goodlad. The Group met 19 times between October 2010 and March 2011, publishing a wide-ranging report in April, containing recommendations on, among other things, the organisation and conduct of business, the House's scrutiny of legislation, its committee structure, and the role of the Lord Speaker. The Group's inquiry was supported throughout by the Clerk of the Journals and the Registry Clerk. At the end of the reporting period, the recommendations had yet to be considered by the House.
- Also in July 2010 the Leader of the House announced the appointment of a second Leader's Group, chaired by Lord Hunt of Wirral, "to identify options for allowing members to leave the House of Lords permanently". After an open invitation to members to volunteer their views, the Group published a consultative report summarising the views presented, and this was debated in the House on 16 November. The Group published a further report in January 2011, concluding that there was a broad consensus that the current House was too big and that the overall size of the House should be reduced as soon as possible. The Group recommended implementation of a scheme to allow members to give notice of their intention to retire from the service of the House permanently on a voluntary basis; and further recommended that the existing provisions for Leave of Absence should be strengthened.⁴
- The editorial board for the new edition of Erskine May decided to delay publication by some months to accommodate major changes in the House of Commons, including the implementation of some recommendations of the Reform of the House Committee (the "Wright Committee") and the formation of a coalition Government in May 2010. (Publication took place on 27 June 2011.) The Clerk of the Journals acted as Lords editor.

⁴ Shortly after the end of the reporting period the House agreed to implement the Group's recommendations.

Library Services

- Library staff completed 13,097 (12,767) reference enquiries and 1,859 (1,357) research enquiries – a rise of 3% and 37% respectively. These figures give some indication of the rise in demand-led services. Corrected to exclude the dissolution months April to June, there was a 23% increase in reference enquiries (10,791 up from 8,809) and a 61% increase in research enquiries (1,611 up from 998).
- Proactive work continued to form an important part of service delivery. For example, the number of Library Notes increased by 50% (from 20 to 30) and take-up of Notes doubled to 5,437 (from 2,307).
- As part of the wider Department of Information Services and Information Committee strategy to e-enable members, the Library established Thursday drop-in sessions to offer easy access training on online resources. In addition, new members have been given a streamlined introduction to Library services, in particular the online resources options, and regular updates on these resources appear in the members' newsletter Red Benches and the staff newsletter Red Carpet News.
- Plans are well-advanced for the fit-out of the Library space at 1 Millbank and offices for the entire, expanded research team have been agreed with the Facilities Department. Planning is well underway for the move.
- The Information Office press team now provide daily online press alerts building in part on the Library hardcopy press pack. The alerts are freely available to all across Parliament.
- The Library was involved in early trials of e-book and other document readers and the first iPad trial in Autumn 2010. This has enabled staff to offer innovative applications in response to members' increasing use of mobile technologies of this kind and to keep ahead of the Chamber and Information Committee pilots.
- A new library management system including a more user friendly catalogue was successfully implemented in March 2011, on time and to budget. The catalogue provides easier searching and navigation, and has a clearer screen interface. In addition, a simple cross-search to the Commons Library is now available. Feedback from members has been favourable. The new system also enables Library staff to issue loans and check stock online, which will allow for improved stock control.

Accommodation and Facilities

Task 2: Improve the provision of accommodation and facilities to enable Members, Members' staff and the staff of the House to work in an efficient and safe environment.

Accommodation

- Work continued on the renovation of 1 Millbank (see page 6).
- Decisions were taken regarding the provision of cleaning and mail services, having regard to best value for money and the provision of support services across the House of Lords estate as a whole.
- Consideration began on how 5 Great College Street should be used after 2015, having regard to the Parliamentary Estates Directorate's Strategic Property Review and the requirement for decant space as work continues to improve the Palace of Westminster's mechanical and electrical services.
- An accommodation strategy was prepared after many months of work including the creation of a number of workstreams to assess the needs of the House. The House Committee endorsed the strategic Principles and Plan in December 2010.
- Due to the unique nature of the Palace of Westminster it was not possible to benchmark facilities and estates costs across the board against Office of Government Commerce and commercial indicators. However, in certain areas such as allocation of space, benchmarking against OGC standards has taken place and been used to develop accommodation standards.

Shared maintenance projects with the Commons as part of the 25 year programme

- Works on the Speaker's Court roofs were completed. A Gateway 4 review of this phase of the project gave the project green status and concluded that this portion of the cast iron roofs project was successfully delivered to time, cost and quality. Work began on a business case for the South Return Phase of the project.
- The five-year programme of "aggressive maintenance" of mechanical and electrical services in the Palace began.
- The design of the first phase of a new fire detection and voice alarm system for the Palace was tested successfully; and work continued on fire compartmentation.
- The final year of planned further adjustments to comply with the Disability Discrimination Acts 1995 and 2005 was completed. A small number of items remained outstanding at the end of the year but were due to be completed in May 2011.

Heritage

- The scope of the project to restore statues and high level walls in the Chamber was developed following the completion of a quadrennial inspection. The project now includes the removal of the commentary box in the Press Gallery.
- The Armada paintings were successfully installed during September 2010, following their exhibition in the Royal Gallery. This was followed by light testing and installation of suitable lighting for the paintings.

Catering and Retail

- Some progress was made in implementing the review by Panache, catering consultants, of catering services. Quick wins included simplification of menus, the introduction of new banqueting and gift shop marketing brochures, simplifying charges in banqueting, improved control of overtime and recording of waste, cancelling all vending services and closure of the catering provision at 14 Tothill Street. Prices were increased. The search for operational efficiencies and a review of member-facing outlets continue. Further reductions in subsidy were achieved.

Security

Task 3(a): Ensure that security arrangements are appropriate to the assessed level of threat and allow the House to function effectively.

Mitigation of vehicle-borne attack

- CEVA Logistics Ltd was selected as the contractor to provide an off-site commercial vehicle searching facility for both Houses and phased introduction was instituted.
- To improve security protection, work started to place protection bollards around the North end of the Parliamentary Estate. Works along Parliament Street and Victoria Embankment were nearing completion at the end of the reporting year with work on Bridge Street due to commence shortly.
- Regular inspections were begun on the condition of the inner courtyard areas so as to improve control over these areas.

Mitigation of foot borne threat to the Palace of Westminster

- Two further areas (the Library and Department of Facilities) were provided with proximity readers the better to control access to those locations.

- Work to improve the facilities at Black Rod's Garden Entrance to provide an additional search lane, waiting area and pass holders' entrance was almost complete at the end of the reporting period.

Mail screening

- Following competitive tender, the bicameral mail screening contract was re-let to Pitney Bowes at reduced cost to the House.

Contingency Planning and Business Continuity

Task 3(b): Develop contingency plans to enable the House and its Committees to continue their work under any circumstances.

- Two Incident Management Framework exercises and two relocation exercises were conducted as planned.
- Documentation relating to the State Opening of Parliament has been up-dated. The review of arrangements for other events did not take place due to the illness of a key member of staff.
- The House of Lords has been represented on the Business Risk and Resilience Group which coordinates the bicameral effort in this area. Alongside the exercises mentioned above, the BRRG has conducted a programme of individual training to better prepare and qualify key staff in responding to and managing incidents. Despite the vacancy at the end of the year of the Business Continuity Manager post, Parliament completed the requirements for achieving the Government standard for Business Continuity. (Formal notification of accreditation was received after the year-end.)

Outreach and Access

Task 4: Improve public access to, and understanding and knowledge of, the work of the House of Lords and its heritage.

Press advice and liaison

- The Press and Media Team planned and implemented targeted communications activity for all select committee reports, major outreach activities and chamber debates, and highlighted maiden speeches. It also worked to increase the House of Lords' reach and influence by developing select committees' use of online channels and contacts with influential outside organisations, and improving services to journalists through an out-of-hours service. The team also managed media interest in a number of areas affecting the House's reputation – abuse of the expenses system, criminal proceedings, and the remedial measures adopted in response.
- To monitor inquiries from the public, a customer relationship management system was installed to record interactions via emails and telephone calls, and provide a single platform for storing responses to inquiries for information in a more resilient way.
- A Press Office and out-of-hours press service was established in January 2011 under arrangements comparable with those used by the Cabinet Office.
- A supplier was identified to provide media training for Lords' spokespeople, following a procurement exercise.
- A communications plan was developed in support of the Millbank House project.

Online promotion of the work of the House

- The Press and Media Team are now trained to use the content management system governing the Parliament website.
- An online “media centre” was put in place to support journalists which will be further enhanced in the coming year.
- Work began to redevelop the landing page of the House of Lords website as a corporate portal, starting with a section on ‘How the Lords is run’, which explains the governance of the Administration, and the ‘Media centre’. For House of Lords content across the Parliament website, there were 14,520 visits on average per week to the end of March 2011. Further work is necessary to ensure that the website better reflects House of Lords requirements.

- Support was provided to the Hansard Society to run the Lords of the Blog website, on which 12 Members blogged first-hand about life and work in the House of Lords. The site is attracting numerous public comments and is increasingly being mentioned by other media

Publications

- The review of all House of Lords public information publications was completed, and revision of the suite of publications began.

Outreach and Visitors

- About half of the recommendations made in the Information Committee's report 'Are the Lords Listening?' have now been implemented. Many of the rest of them are to be met through the procedural data programme and through the joint services.
- A review of the target audience for House of Lords outreach activity was carried out and parents with young families and the recently retired were identified as primary targets.
- The Parliamentary Outreach Service delivered 493 regional training events to more than 15,000 participants and a series of well-received workshops on parliamentary procedure, many supported by the members and staff of the House.
- The Parliamentary Education Service welcomed over 37,000 young people on its school visits programme and trained over 1,000 teachers through its outreach programme. Plans were developed for a Lords Education Programme to be implemented through it.

Exhibitions

- The 350th anniversary of the restoration of King Charles II was marked by a display in the Royal Gallery. Documents on display included the Declaration of Breda and an Act relating to the attainder of the regicides.
- The Parliamentary Archives' "Connecting with Communities" project continued with events for schools and adult learners in Birmingham and Kent.

Staffing and Training

Task 5: Pursue Human Resource Policies which promote the recruitment, retention and development through training of staff of high calibre; which encourage diversity and support innovation; and which provide staff with the skills and motivation to meet the needs of the House.

Supporting staff

- The recommendations following the 2010 Staff Survey (which had received a higher response rate than previous surveys) were delivered on time. Levels of staff engagement remained high. An action plan was developed and implemented.
- Investors in People (IIP) re-accreditation was secured.
- The Human Resources intranet pages were revised to ensure better support for staff by improving accessibility of key documents. Further work is planned for the future.
- A Mobilisation Manager (fixed-term post) was recruited to support the move of staff from 14 Tothill Street to 1 Millbank.

Training and Development

- A revised training and development strategy, taking account of recommendations from the IIP review, was prepared and considered by the Management Board.
- New Core Competences for senior staff were agreed by the Management Board and work on competences for other grades commenced.
- A perceived skills gap was met by a range of training delivered, or made available, to staff including in Prince2 Project Management; the role of the Senior Responsible Owner of a project (SRO); and management training including training in running meetings and handling difficult situations.
- The annual appraisal and autumn development review forms were redesigned. A full review of the appraisal system awaits a review of the pay and reward system which in turn awaits consideration of broader developments in the public sector following the pay freeze.

Recruitment and retention

- The policy on absence, including reporting, was reviewed. Absence continued to be well-managed by managers with support from HRO and figures for the Administration were lower than those for the wider public sector.
- The House of Lords Pension Scheme was administered efficiently and correctly while the Authorised Pensions Administration Centres were merged into a single provider, MyCSP.

Corporate Governance

Task 6: Ensure a system of corporate governance and internal control which is open, effective and accountable, which delivers value for money and which is based on sound financial management.

Spending

- The resource Accounts 2009/10 were published on time, with an unqualified certificate from the NAO. The financial planning round in 2010 was accelerated to fit HM Treasury's timetable for the Comprehensive Spending Review, and the planning period was extended from 3 years to 4.
- The savings strategy and financial plan 2011/12 to 2014/15, agreed by the House Committee in December, involved a freeze of resource spending on real terms (see page 9).
- The Security Contract Steering Group achieved an outturn for 2010/11, the first year of the new Metropolitan Police contract, of £31.3m (Lords share 31%). This was just under budget and represented a saving of £0.9m against the previous year.

Financial support for Members

- In March 2010, the House agreed major changes to the Members' finance regime, involving declaration of principal residence and quarterly publication of sums paid, with effect from 1 April 2010. Then in July 2010 it agreed a completely new scheme, with effect from 1 October (see page 8). The Finance Department and its Members' Finance Section successfully implemented both sets of changes.

Joint services

- The Department of Facilities took an active role on the Maintenance Service Level Agreement and new service levels were agreed by the end of the year and were in the process of being communicated to staff. (The Parliamentary Estates Directorate Business Plan for 2011 contains 55 service delivery objectives in the areas of management, maintenance, project delivery, programme and planning and fire, safety and environment.)
- The Library, as part of its Department of Information Services remit, administers five shared services budgets with the House of Commons and Memoranda of Understanding were established and updated for each of these services: Education, Outreach, Visitors, Curator of Works of Art, and Web and Intranet.

- A joint internal audit was carried out on Service Level Agreements and Memoranda of Understanding for Parliamentary Shared Services. The recommendations were accepted and implementation is work in progress. The two Houses' internal audit services also carried out a Review of Cost Sharing Ratios for Shared Services.

Corporate Structure

- Transfer of fire safety management from Black Rod to the Director of Facilities was successfully completed during the year. Representatives from the Department of Facilities now attend the Fire Safety Committee and Fire Safety Programme Board.
- Progress was made in transferring ceremonial responsibilities of the Staff Superintendent in connection with the State Opening of Parliament to Black Rod's Department.
- A business case for contracting-in five archive conservation staff from the British Library from 1 April 2011 was accepted. This will enable the collection care staff to undertake a wider range of activities to support conservation of heritage assets across both Houses.



The House of Lords Management Board

- An external reviewer was appointed to review the structure of the administration with the assistance of a senior member of the administration. Shortly after the end of the review, certain changes were put in place to simplify and improve the administration:
 - The Printed Paper Office was absorbed into the Journal Office;
 - The Delegated Legislation Office acquired responsibility for the Joint Committee on Statutory Instruments and was in turn merged into the Public & Private Bill Office.

House of Lords Management Board

- Following the appointment of David Beamish as Clerk of the Parliaments in place of Michael Pownall (with effect from 26 April), a number of changes were made to the composition of the Management Board.

Performance Management

- A performance management system, specifically tailored for the House of Lords administration, was developed by the then Clerk of the Delegated Legislation Office who consulted widely with all key stakeholders. Its format was agreed by the Management Board and House Committee. The framework is currently being populated with data and quarterly reporting to the Management Board will begin in the current financial year. The Secretary of the Management Board will co-ordinate the report, overseen by the Head of Corporate Services.

Corporate responsibility

- The annual sustainability improvement plan is now subject to a separate bi-cameral report which is published at page 36. Annual targets on recycling and waste consumption were met. Carbon emission targets were, due to the severity of winter weather, met only if figures were seasonally adjusted.
- The Management Board agreed that, where appropriate, offices might engage in corporate responsibility activities (e.g. support for charitable organisations, or sustainability initiatives not directly connected with the environment). It is recognised that in the parliamentary context most corporate responsibility benefit will be derived from improving environmental sustainability performance and that opportunities for promoting the public good in other areas unrelated to core business will be more limited than, say, in the private sector where resources are more freely available.

Information and Communications

Task 7: Develop information and communication strategies to give parliamentary and public users ready access to parliamentary information, when they want it and without having to know where it is held.

Accessibility of procedural information

- The House of Lords administration has been seeking, as part of the Procedural Data Programme, to roll-out up-graded ICT applications (using XML tagging) to allow procedural information (e.g. HL Business, Journals, Hansard) to be shared. As part of this programme, the new Lords Business system went live on the first day of the new Parliament, in May 2010. There was an immediate impact, in the creation of improved links between web-based systems, including House of Lords Business, the Members' Names Information Service, and the Register of Lords' Interests. The project of which the Lords Business system was a part was closed in September, following completion of the Journal production and indexing system.
- The project to provide better support to the Registry Database, making it more robust and easier to use, has, like the wider Procedural Data Programme, suffered significant delays, and it has been twice extended. The most recent change request is for an extension to the end of October 2011. However, the project has delivered a more robust and accurate Members' Names service, and a wholly new system for administering the issue of pre-paid envelopes. New attendance and division systems are expected to "go live" in July 2011.
- The Hansard application is delayed and now not expected to go live until 2012.

Works and facilities

- Preparatory work was carried out on a prior information notice (PIN) to start the tendering process for new facilities IT software which will deliver web-based services; following a competitive tender, a completely new EPOS system was introduced into Lords catering and retail outlets (the contractor Micros also supplies the Commons); work on a new stock control system was deferred for expenditure reasons.

Improving accessibility of parliamentary information

- The House Committee considered a paper, outlining the key technical issues and options for improvements in capturing divisions and attendance in March 2010. The Committee has requested a further “options paper”, which is currently being taken forward.
- The business case for a project to deliver an operational digital repository and associated preservation services was approved by both Houses in July 2010; the requirements for the digital repository system were agreed, and a procurement exercise was undertaken, with a contract due to be awarded to the selected supplier in summer 2011.
- A new system was designed and developed which will enable the Private Bill Witness database, a valuable finding aid, to be made available to online users. The data from the original, obsolete application was successfully migrated.
- Following development work conducted under the oversight of a bicameral working group, chaired by the Clerk of Committees, the committee pages on the Parliamentary website were relaunched in May 2010 with a new design and improvements in navigability and clarity. Part of the project involved the transfer of responsibility for publishing and maintaining content on committee pages to committee secretariats, and this involved a significant retraining of committee staff to use the new content management system and its tools. This in turn facilitated the move away from print and reliance on external contractors for electronic publishing.

Electronic record keeping in Parliament

- The software contract for SPIRE, a bi-cameral electronic documents and records management project, was awarded. Staff of the Parliamentary Archives participated throughout the procurement process on both the procurement and selection panels. Extensive work on adapting the Parliamentary classification and disposal schemes for use in an electronic environment took place. The SPIRE Implementation team (which includes SPIRE, PICT, Parliamentary Archives and senior users) together with the supplier, met to agree the business configuration for the ‘bronze build’ of the system and plans for the Model Office.

Data security

- An information security audit focusing on sensitive information held by offices was completed.
- Guidance and training materials relating to the new protective marking scheme were developed and distributed. Further support in implementing the scheme in

the Lords was provided in the form of a series of office visits by the Information Compliance Manager.

Freedom of Information

- The Fol Publication Scheme and Guide were reviewed and new categories of information (including Management Board agendas and papers, details of expenses, gifts and hospitality received or given by Management Board members and banqueting functions sponsored by Members of the House) were added to the publication scheme.

Improving ICT service delivery

- Towards the end of the reporting period, both Houses commissioned a “health check” of the Parliamentary Information and Communications Technology Service (PICT), in the context of a review of the working of the Parliament (Joint Departments) Act 2007. Its scope was to examine “whether the performance and financial arrangements for parliamentary ICT are effective in meeting the IT needs of Parliament including how well Parliament determines its level of spend on, and investment in, IT services”. Amongst the recommendations made, and subsequently agreed by the two Management Boards, were proposals that the PICT Advisory board (PICTAB) play a bigger role in portfolio management of IT proposals and their delivery; and that the size of the Board be increased to improve business representation.

External Relations

Task 8: Strengthen working relationships with the House of Commons, devolved parliaments and assemblies, Commonwealth Parliaments and European Union institutions and national parliaments.

International Relations

- At the end of the reporting period, the British Group Inter-Parliamentary Union and the UK branch of the Commonwealth Parliamentary Association decided not to join the proposed bi-cameral International Relations Directorate. Further decisions by the House of Commons Commission and House Committee on the governance and financing arrangements of the bodies were expected in 2011/12.

Meetings of Speakers

- The House continued to be represented at meetings of Speakers of overseas parliamentary chambers. The Lord Speaker represented the House at the biennial Council of Europe Conference of Presidents of Parliament in Cyprus in June. She also attended the Sixth Annual Meeting of Women Speakers of Parliament in Bern, followed by the World Conference of Speakers of Parliament in Geneva in July. (The Lord Speaker was prevented from attending the XII Meeting of the Association of European Senates in Rome in April 2010 at the last minute due to volcanic eruption in Iceland).
- Lord Roper (Principal Deputy Chairman of Committees) deputised for the Lord Speaker at the annual EU Speakers Conference in Stockholm in May, and Lord Desai represented the Lord Speaker at the G20 Speakers' Consultation in Ottawa in September.
- In the course of the year the Lord Speaker also made official visits to the State Council of Oman and the national parliaments of Albania and Montenegro.
- At home the Lord Speaker received a number of visiting speakers and presidents of parliaments including speakers from Australia, China, Costa Rica, Armenia, Tajikistan and India.



The Lord Speaker addresses the Parliament of Montenegro

Inward visits and representative travel

- During the year some 30 programmes of varying duration were arranged for speakers, members and officials on attachment from overseas legislatures. These included visits from the President of the Italian Chamber of Deputies, the President and officials from the European Parliament, and the Chairman and Members of the Russian Federation Council. Visits were also arranged for various parliamentary committees from Thailand, Sweden, Denmark, Finland, Uganda, South Africa, the Czech Republic and Canada, to mention but a few.
- The Overseas Office facilitated participation by members in a representative capacity at numerous international meetings of parliamentarians. These focused on a wide range of issues such as the rule of law (6th Consultative Assembly of Parliamentarians for the International Criminal Court and the Rule of Law), health (Parliamentary meeting on the legislative aspects of HIV), gender issues (32nd PGA Annual Forum on Empowering Women: Building Human Security), and Europe-Africa and Europe-Asia relations (EU–Africa: Partnership for Development and Security Conference and 6th Asia–Europe Parliamentary Partnership Meeting, both held in Brussels, as well as meetings and seminars held under the auspices of AWEPA). In all, arrangements were made for 21 members and officials of the House to attend meetings overseas in a representative capacity. A further 27 meetings in the framework of EU interparliamentary cooperation were attended by members of the EU Select Committee; and members of the EU Committee's foreign affairs sub-committee took part in a new series of meetings with French parliamentarians to consider bilateral defence arrangements.

UK conferences

- Work began in earnest in preparing for the centenary conference of the Commonwealth Parliamentary Association Parliamentary Assembly to be held in London in July 2011. A steering group was established which included the Reading Clerk as Clerk of the Overseas Office.

Expenditure

Net provision for Members' expenses and general administration costs in 2010/11 was £80,501,000. Net expenditure totalled £58,530,719. Net provision for works services in 2010/11 was £21,525,000 and net expenditure was £18,867,942. Capital works services and other capital provision in 2010/11 was £26,727,000 and expenditure was £17,602,182.

The announced change from the Retail Prices Index to the Consumer Prices Index for the purposes of uprating public sector pensions resulted in a one-off 'past service saving' of £10,874,000 in 2010/11. This is included in these figures.

The administration provision for 2011/12 was set by the House Committee at £77,829,000. The works services provision for 2011/12 was set at £32,352,000 and capital projects and other capital provision was set at £17,881,000.

A detailed breakdown of expenditure by core task as described in the House of Lords Strategic Plan is set out below in Table 1, and by type in Table 2.⁵

Table 1: Expenditure by core task	2010/11	2009/10
	£000	£000
Core task 1 To provide the House and its committees with the advice and services they need for the effective conduct of business.	28,640	31,888
Core task 2 To provide individual Members of the House with the advice and services they need for the effective performance of their parliamentary duties (regardless of party or office).	26,818	30,680
Core task 3 To make the House and its work accessible to the public.	4,381	6,453
Core task 4 To maintain the House's buildings and collections, having regard to the heritage they represent.	19,473	18,892
Net (gain)/loss on revaluation of property	(1,914)	8,286
Net Operating Cost	77,398	96,199

Source – House of Lords Resource Accounts 2010/11, note 7.

⁵ The increase in expenditure on Members' expenses was due to the influx of new Members during the year.

Table 2: Expenditure by type	2010/11	2009/10
	£000	£000
Staff costs	23,286	21,883
Members' Expenses	18,740	17,237
Security	10,203	10,123
Property Costs	18,158	16,261
Other expenditure	14,659	17,227
Non-cash items	9,367*	19,882*
Income	(6,141)	(6,414)
Pension adjustment	(10,874)	-
Total	77,398	96,199

Source – House of Lords Resource Accounts 2010/11, notes 8-10

* The difference in these figures is attributable to a change in the value of property.

Audit Committee Annual Report for 2010-11

Introduction

1. This is the second report that I have prepared as Chairman of the Audit Committee. I have adjusted the format, following a recommendation arising from a self-assessment exercise undertaken by the Committee in the summer of 2010. In line with guidance prepared by the National Audit Office, the report contains more detail than in previous years.

2. During the year, Lord Cotter resigned from the Audit Committee in line with the Committee's four-year rotation rule. On behalf of the Committee, I place on record our thanks to Lord Cotter for his dedication to the work of the Committee. Lord Sharman has re-joined the Committee.

3. Alongside the ongoing "business as usual" work of the Committee in maintaining oversight of risk, audit, governance and financial management, there were a number of areas where we have taken a particular interest. These are set out in more detail below.

Review of the year 2010/11

4. The Committee met four times during 2010/11. A private meeting was held with the Clerk of the Parliaments in March 2011. The Committee is satisfied that the Administration continues to make good progress across a number of areas.

Internal Audit Programme

5. The Committee endorsed the internal audit programme for 2010/11 at the start of the year. During the year, the Committee received internal audit reports on the following item. Those marked with a † relate to bicameral projects or shared services:

- | | |
|--|--|
| a. The first phase of the Cast Iron Roof refurbishment project (Speaker's Court) † | c. PICT's Incident Management procedure and Service Desk † |
| b. PICT's anti-virus arrangements † | d. Staff use of email and internet † |
| | e. Information assurance |

- | | |
|--|--|
| f. Parliamentary Archives' income | n. Overtime and night duty allowances |
| g. Compliance with budgetary control procedures | o. Late night transport arrangements |
| h. Procurement frameworks | p. Long Term Suppliers |
| i. Staff recruitment | q. Works of Art |
| j. Project management for installation of Automatic Fire Detection systems † | r. Memoranda of Understanding and Service Level Agreements for Parliamentary shared services † |
| k. Catering & Retail Services stock control | s. The Pass Office † |
| l. Management of Freedom of Information requests | t. Business case preparation † |
| m. VAT accounting arrangements | u. Planning and design prior to use of property rented by Parliament † |

6. In general, management responses to internal audit reports are positive, with most recommendations accepted and implemented. In order to gain assurance that actions set out in management responses are being undertaken, the Committee also received follow-up reports, both on some of the audits above and on audits from earlier years. The Committee was also informed regularly of the progress of all outstanding audit issues; the number of outstanding audit recommendations is consistently low. The Committee also received annual updates on fraud, and risk management. An internal audit on the risk management framework is currently underway and will be discussed by the Committee in 2011/12. The Committee already receives reports on corporate risks that are submitted to the Management Board.

7. Due to difficulties in maintaining a full complement in the internal audit team throughout the year, internal audits on electronic publishing, books and periodicals and stand-off protection were postponed from the 2010/11 internal audit programme to the 2011/12 programme. The team is now at full complement and able to deliver its forward programme of work.

8. Following his retirement earlier this month, I would like to place on record the Committee's appreciation of the work of, and the considerable progress in relation to audit matters under, Michael Pownall as Clerk of the Parliaments and Accounting Officer.

9. On behalf of the Committee, I would also like to thank the National Audit Office for their work as the House's external auditors and their involvement in the work of the Committee. We are grateful for their support. The Committee would also like to thank Paul Thompson, Head of Internal Audit, for his excellent work through the year.

Joint audit programme

10. A planned concurrent meeting with the House of Commons Administration Estimate Audit Committee in January was postponed. The Committee hopes that it will take place shortly. Nevertheless, coordination of audit work between the internal audit teams of the House of Lords Administration and the House of Commons Service continues. 14 of the 26 reports proposed in the draft audit programme for 2011/12 relate to shared or joint services.

Infrastructure: Palace of Westminster

11. We continued to monitor work undertaken by the Parliamentary Estates Directorate (PED), and in particular the major projects which represent a substantial proportion of the House's budget: refurbishment of the Cast Iron Roofs; overhaul of mechanical and electrical services across the Parliamentary Estate; installation of modern fire detection systems; and the refurbishment of Millbank House which will reopen later this year. The Committee has noted improvements in project management by PED. The Committee will continue to seek assurance relating to projects while they are in train, including through the consideration of OGC Gateway reports for major programmes.

Financial Support for Members

12. Although the previous system of financial support for Members of the House was revised near the start of the financial year, an entirely new system was introduced in the second half of 2010/11. This scheme has been bedding in since its introduction, and we have monitored from the audit point of view the minor adjustments that were made to the rules to ensure that the system remained workable and auditable. Once again, we commend the work of the Finance Department to introduce the new systems, and strongly support the measures to make the system more transparent while ensuring value for money.

Resource Accounts for 2009/10

13. The Committee considered the draft Resource Accounts for 2009/10 in July 2010 and will consider the 2010/11 draft Resource Accounts in July 2011. The 2009/10 Accounts were issued with an unqualified opinion. The Committee also agreed the NAO's Audit Strategy for the 2010/11 Resource Accounts and was satisfied with the NAO's intention to place reliance on other sources of assurance where reasonable to do so.

14. In line with changes across the public sector, the 2009/10 Accounts were the first produced using IFRS accounting methodology. We have monitored the transition to the new methodology, and have been assisted in so doing by the National Audit Office. We are pleased to report that the process has been handled seamlessly, and commend the Finance Department for their work in this area.

15. In respect of the House of Lords risk management, control and governance processes in 2009/10, the Head of Internal Audit was able to provide substantial assurance to us in May 2010. The Committee was content that the assurance was based on a sufficiently broad and comprehensive audit programme. For the first time, the Committee was able to take note of the letters to the Accounting Officer from Management Board members which support the Statement of Internal Control. This was a useful initiative which will be repeated this year.

The Year Ahead: 2011/12

16. Following the imminent publication of a new Code of Conduct for public sector corporate governance, the Committee will consider an internal audit report on the Administration's corporate governance. This will be particularly timely in the light of the recent appointment of the new Clerk of the Parliaments. As noted above, the Committee will also discuss internal audit reports on the Administration's risk management framework and on capital projects undertaken by the Estates Directorate. Significant internal audit reports are also planned in areas including information security, electronic point of sale systems in Catering & Retail Services, and procurement.

17. The Committee will undertake training in July, and for the first time will hold a private meeting with the NAO. Following discussions with the House Committee and the Lord Speaker, it has been agreed that the Committee should expand to include a fifth Member of the House, and this will occur during the forthcoming year. Each major party, and the Crossbench peers, will still have one representative, but the expansion will allow the Committee to draw further on Members' experience in private and public sector audit.

18. We continue to welcome suggestions by other Members of the House for issues within our terms of reference which might merit our consideration; and welcome the views and comments of Members on this report.

June 2011

Lord MacGregor of Pulham Market
Chairman of the Audit Committee

Membership:

The Audit Committee was re-appointed by the House Committee on 27 October 2009. The membership of the Committee during 2009/10 was:

Lord MacGregor of Pulham Market (Chairman)

Lord Sharman

Ian Luder (external member)

Malcolm McCaig (external member)

Lord Tomlinson

Lord Turnbull

Terms of Reference:

The Audit Committee is appointed by the House Committee. Its terms of reference are:

1. To consider internal and external audit reports and other material, and to assess management responses thereto;
2. To recommend to the Accounting Officer a suitable annual internal audit work programme and to monitor progress against the audit plan;
3. To provide advice to the Accounting Officer in the exercise of his responsibilities;
4. To evaluate the adequacy of the risk management system and the suitability of the control arrangements reported to it, and to advise the Management Board accordingly;
5. To monitor value for money, good financial practice, appropriate internal controls, and effective governance throughout the administration of the House;
6. To make an annual report to the House, to be submitted, in the first instance, to the House Committee and to be published with the House of Lords' Annual Report.

Declarations of Interest:

The relevant financial interests of internal Members of the Committee are listed in the Register of Lords Interests. An up-to-date version of the Register can be found at:

<http://www.publications.parliament.uk/pa/ld/lldreg.htm>

Sustainability Report

The Sustainability Report is prepared by the Fire, Safety and Environment team for submission to the Management Board of both Houses.

CARBON DIOXIDE EMISSIONS		2008-09	2009-10	2010-11
Non-Financial Indicators (tCO₂e)	Total Gross Emissions for Scopes 1 & 2.	22,331	21,527	21,415
	Total Net Emissions for Scopes 1 & 2. (i.e. less green tariffs)	8,540	8,025	8,213
	Gross emissions Scope 3 business travel	1,606	1,216	1,833
Related Energy Consumption (KWh)	Electricity: Non-Renewable	4,597,742	4,914,661	4,783,903
	Electricity: Renewable	25,680,977	25,070,449	24,461,916
	Gas	32,816,168	29,111,913	30,507,931
Financial Indicators (£k)	Expenditure on Energy	3,743	3,986	4,107
	Expenditure on accredited offsets (e.g. GCOF).	16	16	24
	Expenditure on official business travel.	3,881	4,110	1,981

Performance Commentary (including targets)

We have a short term target to reduce our absolute carbon dioxide emissions resulting from energy use by 7% by March 2011 and a long term target to reduce emissions by 34% by March 2021 relative to 2008/09 baseline levels. These targets take into account Parliament's expected operating arrangements in 2010/11. In 2010/11 we achieved a 6% reduction relative to our 2008/09 baseline year. This improvement was as a result of efforts to reconfigure building management systems; monitor and react to energy performance, installation of ventilation and lighting controls and energy efficient lighting and IT improvements over the last year. This is the first year in which Parliament can

report an annual reduction in carbon dioxide emissions and was achieved in a period experiencing particularly adverse weather.

Controllable Impacts Commentary

The main contributor to our carbon dioxide emissions is Estate energy consumption. An environmental improvement plan is in place to reduce energy consumption. We are seeking to create a baseline for emissions and financial spend relating to business travel in 2010/11. Parliament is not covered by the Carbon Reduction Commitment Energy Efficiency Scheme but will seek to mirror the scheme, publicly reporting on carbon dioxide emissions.

Overview of Influenced Impacts

We are seeking to reduce our own emissions as a priority but will influence the consumption of our supply chain through procurement specifications to be developed in 2011/12.

WASTE		2008-09	2009-10	2010-11
Non Financial Indicators (t)	Total waste	2,215	1,947	1,755
	Hazardous waste*			
	Total	28	14	75
	Non hazardous waste*			
	Landfill	0	0	0
	Reused/ Recycled	1,120	1,126	905
	Incinerated/ energy from waste	1,068	807	775
Financial Indicators (£k)	Total disposal cost	523	542	524
	Hazardous waste - Total disposal cost*	NA	NA	NA

WASTE		2008-09	2009-10	2010-11
	Non hazardous waste - Total disposal cost*	NA	NA	NA
		NA	NA	NA
		NA	NA	NA

Performance Commentary (including targets)

We have a short term target to reduce our waste generation by 10% by March 2011 and a long term target to reduce consumption by 25% by March 2021 relative to 2008/09 baseline levels. In 2009/10 we achieved a 20% reduction relative to our 2008/09 baseline year. We also have a short term target to increase our recycling rate to 60% by March 2011 and a long term target to increase the rate to 75% by March 2021 relative to 2008/09 baseline levels. In 2009/10 we achieved a recycling rate of 56%, a 6% increase relative to our 2008/09 baseline year. These targets take into account Parliament's expected operating arrangements in 2010/11 and the improvements were as a result of efforts to raise awareness of good practice and the provision of additional recycling facilities on the Estate over the last year.

* Waste paper, plastic, metal, glass, wood, oils, fluorescent tubes, sodium lamps, light fittings and batteries.

Controllable Impacts Commentary

We consume a large volume and variety of resources, including paper and office materials, construction materials and electronic equipment. Our general waste is diverted from landfill through disposal to facilities in the London area obtaining energy from waste. Plans are in place to improve the way we segregate and collect waste to improve the recycling rate and to pilot a food waste composting scheme. In 2010/11 we are seeking to develop a baseline for paper consumption which will allow us to target further reductions in this area of significant resource use. We aim to provide information on construction waste in future reports.

Overview of Influenced Impacts

We are seeking to reduce our own waste generation and disposal of waste to landfill as a priority but will influence that of our supply chain through procurement specifications to be developed in 2011/12.

FINITE RESOURCE CONSUMPTION - Water			2008-09	2009-10	2010-11
Non-Financial Indicators (M3)	Water Consumption	Supplied	150,172	138,057	163,522
		Abstracted	172,221	171,728	105,925
Financial Indicators (£k)	Water Supply Costs		314	252	278

Performance Commentary (including targets)

We have a short term target to reduce our water consumption by 12% by March 2011 and a long term target to reduce consumption by 25% by March 2021 relative to 2008/09 baseline levels. These targets take into account changes to Parliament's expected operating arrangements from 2010/11. In 2010/11 we achieved an 18% reduction relative to our 2008/09 baseline year. This improvement was as a result of efforts to reduce water wastage by our borehole water cooling and domestic systems on the Estate over the last year.

Controllable Impacts Commentary

The main water consumers on the Parliamentary Estate are domestic and catering services.

Overview of Influenced Impacts

We are seeking to reduce our own water consumption as a priority but will also influence the consumption of our supply chain through procurement specifications to be developed in 2011/12.

Appendix A

House of Lords Administration Strategic Plan 2011-15

Aim

The aim of the House of Lords administration is:

To enable the House and its members to carry out their parliamentary functions effectively.

Objectives

1. The objectives of the House of Lords administration are:
2. To provide the House and its committees with the advice and services they need for the effective conduct of business.
3. To provide individual members of the House with the advice and services they need for the effective performance of their parliamentary duties (regardless of party or office).
4. To make the House and its work accessible to the public.
5. To maintain the House's buildings and collections, having regard to the heritage they represent.

Priorities in the period 2011-15:

While all four objectives are important to the work of the House, in this period we will prioritise work which directly supports the effective conduct of the business of the House and which directly helps individual members to contribute to that business. Objectives 3 and 4 will be pursued with emphasis on tasks which most directly support objectives 1 and 2. We will also seek to improve the effectiveness for the Lords of our joint working with the House of Commons in delivering those services where the Commons is the majority stakeholder. This plan is drafted in the context of significant cost savings throughout the public sector; low public regard for Parliament; and new proposals for reform of the House of Lords.

Tasks

The following tasks are intended to contribute to the objectives set out above. The annual business plans will set out how these objectives will be met.

1. Ensure that the advice, research, administrative support and reporting services for the House, its committees and individual members are timely, impartial, responsive and of high quality. [Links to objectives 1 & 2] Priorities in the period 2011-15:

- (1) In the provision of our services, we will earn the respect of members and the public for our independence, integrity and professionalism.
- (2) We will help members fulfil their roles and obligations in a changing House by making our services more accessible but in efficient and cost-effective ways.
- (3) We will benchmark and review our working practices to ensure that our services are provided effectively and efficiently.
- (4) We will provide impartial and expert advice on proposals for reform of the House of Lords.

2. Improve accommodation and facilities to enable members and staff to work effectively, and in a safe, healthy, and sustainable environment. [Links to objectives 2 & 4]

Priorities in the period 2011-15:

- (1) We will propose an effective and efficient accommodation strategy for both members and staff; and we will implement the agreed strategy making best use of the opportunities offered by occupancy of Millbank House.
- (2) We will focus the works programme on securing the long-term viability of the Palace of Westminster as the working environment for Parliament and we will set out a 25-year plan to deliver this in conjunction with a strengthened Parliamentary Estates Directorate.
- (3) We will promote efficiency and sustainability in our buildings, while having regard to our architectural heritage.
- (4) We will change the provision of catering services more appropriately to meet the needs of members and staff; and continue to reduce its subsidy from public funds.

3. Ensure that security arrangements are appropriate to the assessed level of threat and the effective conduct of business; and develop and maintain contingency and business continuity plans so as to minimise the impact of disruption caused by unplanned incidents. [Links to all objectives]

Priorities in the period 2011-15:

- (1) We will develop and test our business continuity and contingency mechanisms to make the administration resilient to disruption.

- (2) We will better secure the perimeter of the estate, and seek to take forward the pedestrianisation of St Margaret Street and Old Palace Yard.
 - (3) We will examine whether our security arrangements would be more efficient if further integrated with the Government Security Zone.
4. Facilitate public access to, and understanding and knowledge of, the work of the House of Lords, its heritage and collections. [Links to objectives 3 & 4]

Priorities in the period 2011-15:

- (1) We will consolidate and focus work under this task on specific audiences, creating communications that increase their understanding of the work and role of the House of Lords and how to interact with it.
 - (2) We will improve our website and make it the primary channel to help people to understand the work of the House.
5. Recruit, develop and retain staff with the capability and motivation to meet the needs of the House; encourage diversity and innovation; and approach tasks with a sense of common purpose. [Links to all objectives]

Priorities in the period 2011-15:

- (1) We will focus on the delivery of human resources core functions: efficient recruitment, deployment, learning and development, performance management, appropriate conditions of service and record-keeping.
 - (2) We will work to earn the loyalty and motivation of staff in a challenging period.
 - (3) We will respond better to business priorities by encouraging initiative and becoming more agile at allocating human resources across the administration.
6. Ensure a system of corporate governance and internal control which is open, effective and accountable, which delivers value for money and which is based on sound financial management. [Links to all objectives]

Priorities in the period 2011-15:

- (1) We will aim not to increase our resource costs, in real terms, throughout the period of the plan, despite the increased size of the House, and will reduce them where possible by reviewing what we do and how we do it.
- (2) We will make management more efficient and responsive, more cohesive and better at decision making and forward-planning; and we will aim to encourage diversity in all management grades.

(3) We will review the structure of the Administration.

7. Ensure that information produced in support of objectives is well-managed, and that for all information requirements ICT is effectively exploited. [Links to all objectives]

Priorities in the period 2011-15:

- (1) We will work with PICT to ensure that its strategy delivers robust core services and reflects an informed understanding of business needs.
- (2) We will encourage greater reliance by members and staff on electronic rather than paper documents and records; and we will implement an electronic document and record management system for the administration.
- (3) We will help PICT consider how new ICT developments (including internet-based computing) could produce secure, more efficient and effective ICT services.

8. Maintain good working relationships with the House of Commons, particularly in the provision of shared services; share information and best practice with other parliaments and assemblies within the United Kingdom and overseas; and co-operate with other organisations that can assist the work of the House and its administration. [Links to all objectives]

Priorities in the period 2011-15:

- (1) We will agree and monitor memoranda of understanding with the House of Commons for the delivery and management of each shared service.
- (2) We will consider the establishment of further joint services, or outsourcing, where this would decrease the cost to the taxpayer and increase the efficiency and effectiveness with which the administration provides services to the House and its members.
- (3) We will ensure that the work of the new International Relations Directorate meets the needs of the House and optimises the use of resources.

Values

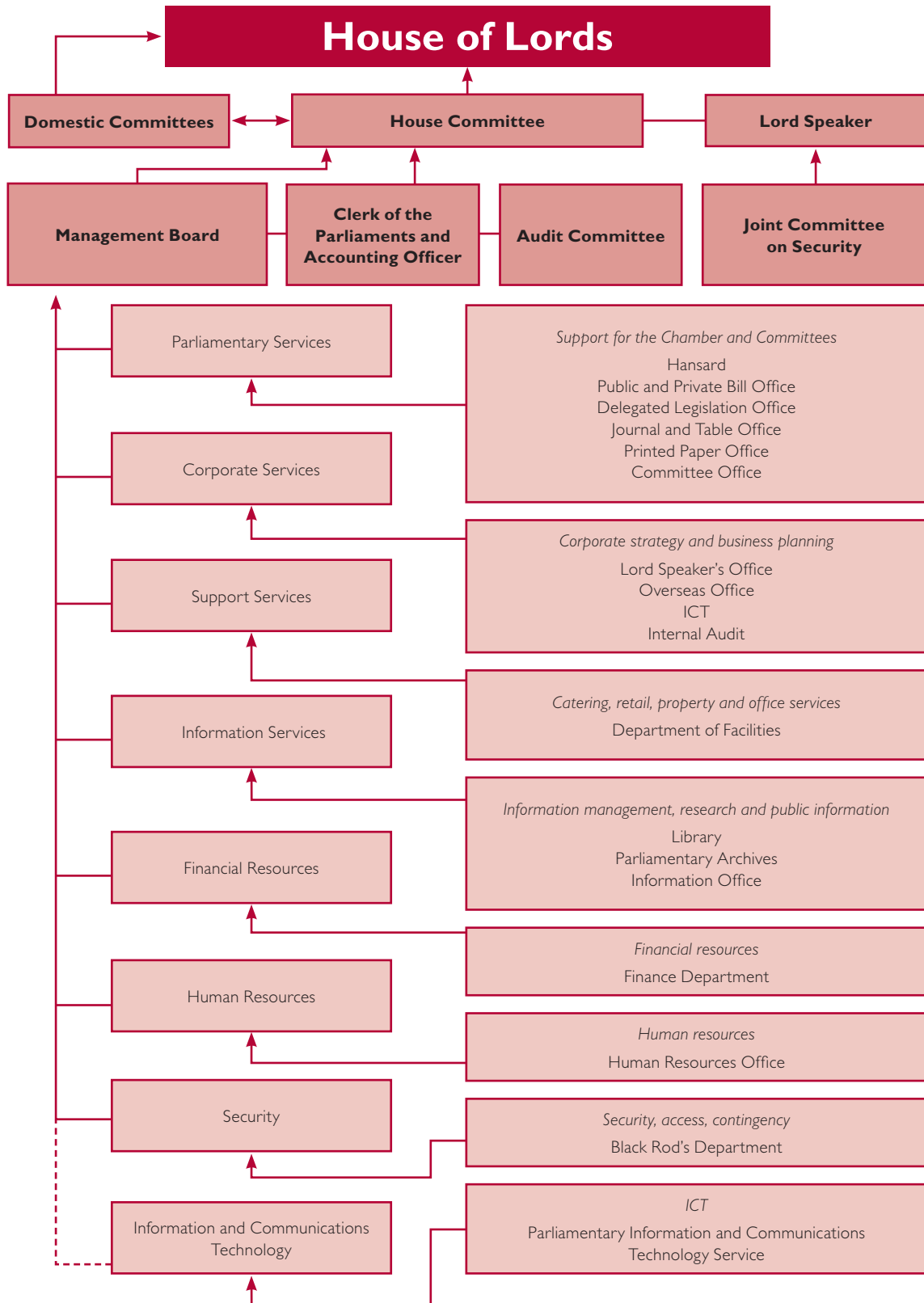
The administration will be guided by the following values and principles:

- Respect for the constitutional importance and dignity of Parliament
- Professional excellence
- Honesty, impartiality and integrity
- Openness and accountability

- Fairness and respect for all staff
- Obtaining value for money while recognising our corporate responsibility to wider society
- Environmental sustainability

Appendix B

House of Lords Governance Structure



Appendix C

Composition of the House of Lords in 2010/11

I. During the year the size of the House rose significantly, and the average daily attendance for 2010/11, at 448, was up from a figure of 394 for 2009/10.

Composition of the House as at 31 March 2010

	Men	Women	Total
Archbishops and bishops	26	–	26
Life peers under the Appellate Jurisdiction Act 1876	14	–	14
Life peers under the Life Peerages Act 1958	438	138	576
Peers under the House of Lords Act 1999	89	2	91
Total	567	140	707

Note: These figures exclude 12 peers on leave of absence, 16 disqualified as senior members of the judiciary, and 1 disqualified as an MEP.

Composition of the House as at 31 March 2011

	Men	Women	Total
Archbishops and bishops	25	–	25
Life peers under the Appellate Jurisdiction Act 1876	14	–	14
Life peers under the Life Peerages Act 1958	492	172	664
Peers under the House of Lords Act 1999	87	2	89
Total	618	174	792

Note: These figures exclude 22 peers on leave of absence, 14 disqualified as senior members of the judiciary, 1 disqualified as an MEP and 2 suspended.

2. One hundred and seventeen new life peers were created during the year (of whom two were nominated by the House of Lords Appointments Commission). Four bishops retired and three were succeeded. Nineteen members died, including three excepted hereditary peers whose deaths precipitated by-elections, and five Members resigned pursuant to s. 42 of the Constitutional Reform and Governance Act 2010.

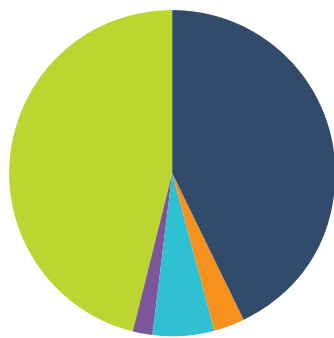
3. At the end of the year the state of the parties/groups in the House, excluding peers on leave of absence, disqualified or suspended, was as follows:

Conservative	218
Labour	243
Liberal Democrat	93
Crossbench	184
Other	29
Bishops	25
TOTAL	792

Appendix D

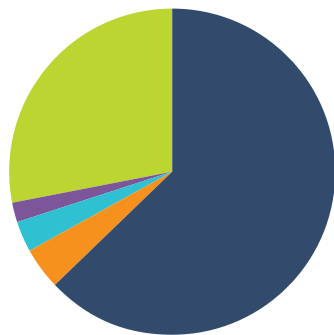
Diversity statistics for House of Lords staff appointments 2010–11⁶

Ethnicity



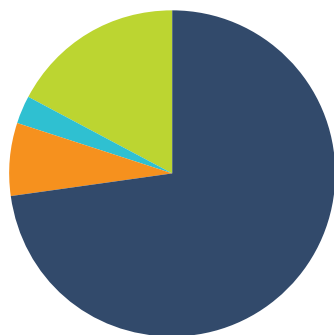
Applicants

White	43%
Black	3%
Asian	6%
Other	2%
Not Supplied	46%



Interview

White	63%
Black	4%
Asian	3%
Other	2%
Not Supplied	28%



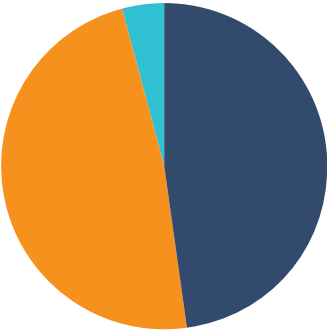
Successful

White	73%
Black	7%
Asian	3%
Other	0%
Not Supplied	17%

⁶ Based on 58 appointments made

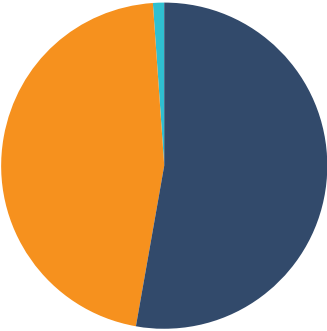
Gender

Applicants



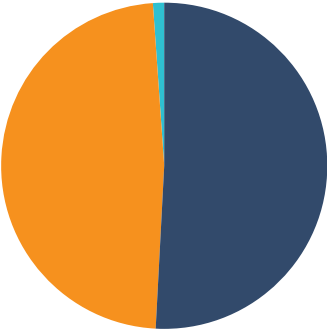
Male	48%
Female	48%
Not Supplied	4%

Interview

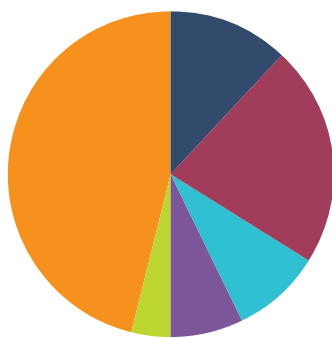


Male	53%
Female	46%
Not Supplied	1%

Successful



Male	51%
Female	48%
Not Supplied	1%



Age

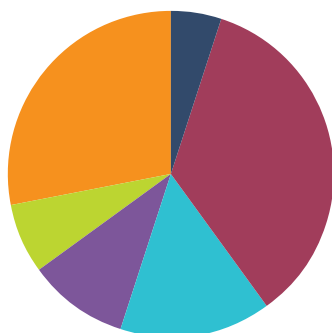
Applicants

16-24	12%
25-34	22%
35-44	9%
45-54	7%
55 +	4%
Not Supplied	46%



Interview

16-24	7%
25-34	25%
35-44	13%
45-54	11%
55 +	5%
Not Supplied	39%



Successful

16-24	5%
25-34	35%
35-44	15%
45-54	10%
55 +	7%
Not Supplied	28%

