



Des McNulty MSP
Convener
Finance Committee
The Scottish Parliament
Edinburgh
EH99 1SP

24 November 2003

Dear Des

HOLYROOD REPORT, NOVEMBER 2003

This is the fifth of my monthly reports on Holyrood, providing the Finance Committee with the latest information on the Project cost and programme.

Key points this month:

1. There is no change in the overall cost reported last month. This remains at £389.4m, plus a programme contingency of £11.8m.
2. Since the October report, £4.2m has been moved from the risk reserve into construction commitment. Details of this are given in the attached cost breakdown at annex A.
3. There is no change in the strategic programme reported last month.

Progress on site this month includes:

- The last remaining scaffolding is now being removed from the MSP building and all floors are fully carpeted. Apart from some minor finishing, the building will be complete, on target, on 30 November;
- The next building on schedule to be finished will be Queensberry House. This will also be complete at the end of this month, apart from minor fit-out works in five rooms which will be finished by the second week in December.
- The first scaffolding below the lobby rooflights has been dismantled and the engineering and design achievements of this complex structure can be seen and appreciated.
- interior fittings across Towers 3 & 4 are well advanced: the cellular offices are now largely in place and the raised access flooring and partitions are well advanced;
- Steel flights for the public stair area are on site and ready to be installed. The fitting of glazing and steelwork has also begun in this very tight area of the site;

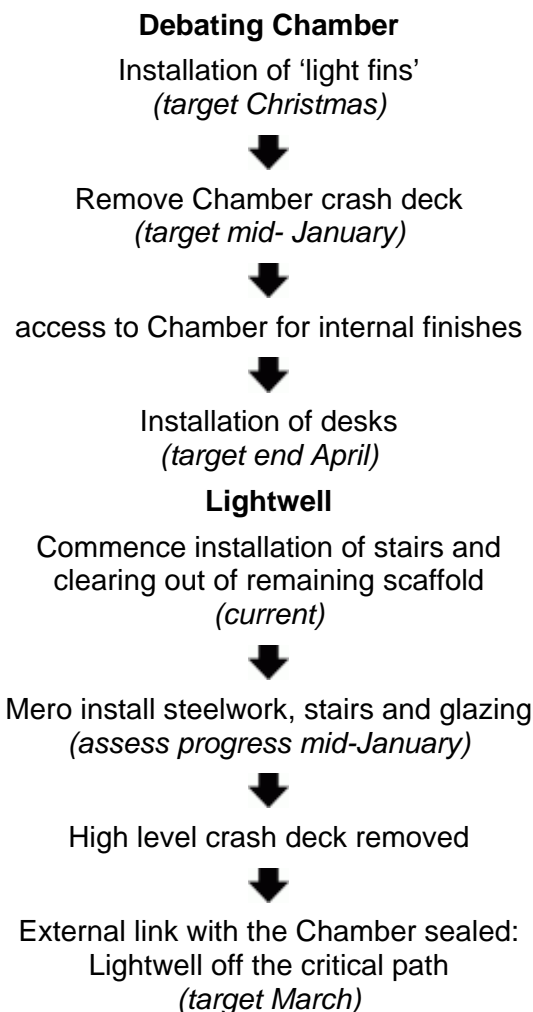
- Horse Wynd will be completed and re-open to traffic before Christmas.

The strategy from here to completion

The strategy is to close down areas of the site, reducing the number of 'live' work faces. The knock-on benefit of this is the opportunity to conclude individual works packages, move people off site and focus the remaining organisations on key areas. The completion of the MSP and Queensberry buildings is a significant step in that direction. A number of final accounts are currently being closely scrutinised by the Project Team and details of these will be given to the Committee in subsequent reports.

There is a degree of slippage being reported, but Bovis are working to accommodate this so that it does not impact on the overall target completion date of July. Achievement of a number of key milestones will provide a good indicator of the likelihood of this being achieved. For example, the Crash Deck under the Chamber roof must come down by mid January and works must proceed satisfactorily in the lightwell area if programme targets are to be met. We will be able to report progress against these in the January report to the Committee.

The strategic programme is a hugely complex document comprising inter locking programmes for individual packages. However, the following diagrams give a flavour of the type of key construction milestones we will be monitoring over the coming months:



Progress in other areas this month:

- *Committee Conveners*

Committee Conveners and their Deputies have been invited to see round the building and to look at the six Committee Rooms in particular. Thirteen members have already taken this up and more visits are planned for the coming weeks. See the comments from Conveners' Group Convener, Trish Godman and related photographs in the attached progress report .

- *Horse Wynd*

Expert advisers to the City Council are continually reviewing ways in which traditional granite setts can be laid in order to take the weight of modern-day traffic. Our engineers have been attempting to meet the specification currently set by the Council, but were unable to persuade any specialist contractor to accept liability for the performance of the finished road. We have now reached the point where we cannot afford to spend any more time on this issue, so we have reached agreement with CEC that the road will be surfaced with asphalt to avoid further delays. Horse Wynd will therefore re-open for traffic before Christmas.

It is hoped that it may be possible for the road to be re-surfaced with setts at some time in the future if a technically feasible specification can be agreed. This could be done on top of the existing road make-up.

- *Loose Furniture and Furnishings*

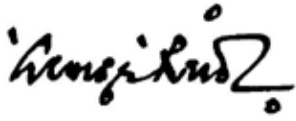
I can also advise that, since we last reported to you, the five contracts which cover the provision of loose furniture and furnishings at Holyrood have been successfully tendered and let. These contracts include work stations for parliamentary staff, general office furniture, seating for public areas, furniture for the dining and catering areas and seating in the Chamber, Committee Rooms and Members' offices.

I am pleased to report that the Parliament's Procurement Office has been able to take advantage of a strongly competitive market and has delivered four out of five of these packages significantly under budget. Many of the individual items within these packages have been secured not only below catalogue price, but below tender price through a robust process of post-tender negotiation.

The table below details savings of £636, 958 against budget. The furniture contracts are provided for within the total fit out budget of £19.5m, (see attached cost annex). Savings identified here will be used either to reduce the total budget or to offset the cost of other fit out items between now and completion.

Lot Description	Budget	Total	Company
Standard Office Furniture	£498,445	£280,210	Kinnarps
Lounge/Reception Furniture	£78,900	£100,229	Godfrey Syrett
Catering/Dining Furniture	£123,050	£110,617	Godfrey Syrett
Standard Seating	£262,850	£149,545	Samuel Bruce
Executive/Specialist Seating	£917,275	£602,960	Godfrey Syrett
Total	£1,880,520	£1,243,562	

Yours sincerely

A handwritten signature in black ink, appearing to read 'George Reid', with a stylized flourish at the end.

GEORGE REID

- [annex a - financial summary \(pdf\)](#)
- [annex b - progress report and site images \(pdf\)](#)