



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

13 September 2004

Dear Des

HOLYROOD REPORT, SEPTEMBER 2004

This is my eleventh monthly report on the Holyrood building, providing the Finance Committee with the latest information on the Project cost and programme.

This is the first report since the Parliament's migration to the new building took place and deals with progress since the previous report on June 21 st.

The move to Holyrood has been completed on schedule. I want to thank all our staff who worked so hard to ensure that all services were in place to allow Parliament to meet for the first time on 7 September.

Key points this month:

1. There is no change to the overall cost of £430.5m as reported in my letter to the Committee in February.
2. Since the June report, £2.4m has been moved from the risk and programme reserve into construction commitment. In addition, just under £260k has been moved from programme contingency into construction reserve. These movements were all in fulfilment of anticipated commitments. Details are given in the attached cost breakdown at Annex A.
3. The programme of works on external landscaping is on schedule for completion prior to the official Opening on 9 October.

Migration and Occupation

As Members are aware, the migration of staff took place at the beginning of August and MSPs moved in at the end of the month. As with all modern buildings so heavily dependant on information and communication technology, a great deal of testing has to be undertaken. As with any new building, there have been a number of snagging problems. I can assure Committee Members that the process to address them all continues apace.

A detailed schedule of snagging has been developed and the execution of works is being carefully managed between the Holyrood Project Team (HPT), Bovis and the Trade Package

Contractors. Some of those works are achievable more quickly than others, but they will continue to be carried out, as far as possible, outwith Parliament business hours. As set out in my June letter to the Committee, snagging and commissioning work is likely to continue in some form until the end of the year, and possibly beyond.

Timber louvred screens

In my previous reports, I noted that the post-fixing of the timber louvred screens at the rear of the Debating Chamber, and on Tower 4, was likely to be carried out in the October or November recess. I am now happy to report that these works have been completed ahead of schedule.

Next steps

Apart from settling-in issues, the key focus will now be on achieving the best financial settlements possible on all Trade Package contracts. This will be a difficult process, but the HPT is working closely with DLE and Bovis to try to minimise the overall cost of the Project. I will keep the Committee advised of the progress until financial completion is achieved.

Post-completion group

The SPCB is now in the process of formally establishing the Post Completion Advisory Group, to provide advice on building issues arising after the official handover. The Group's remit will include maintaining the architectural integrity of the building but by far its main job will be setting up processes for the handling of claims. The Group will draw on the experience of existing HPG professionals, relevant Parliament officials and external expertise as appropriate. Membership will be announced as soon as the Group is finalised.

Yours sincerely

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

GEORGE REID

Encl: [financial summary annex](#) (pdf)