



## Chapter 5

### Evolution of the Building User Brief

#### Purpose of the Brief

5.1 Treasury Guidance at the time<sup>214</sup> indicated the purpose of a project or building brief as follows:

'The project brief is a comprehensive statement of the department's requirements for the project. Tender documents for professional services should include either a complete project brief or a draft version requiring the successful tenderer's input to its completion. This should enable the construction professionals to understand the scope and extent of the project and the department's quality requirements'.

5.2 Treasury Guidance<sup>215</sup> also referred to the Construction Industry Board report "Briefing the team" published in June 1997, the introduction to which says:

'Briefing is the process by which a client informs others of his or her needs, aspirations and desires.....

The outcome of any project relies on the quality of the briefing provided.

...

---

<sup>214</sup> SE/5/421-448 – HM Treasury Procurement Guidance Note No 3 'Appointment of Consultants and Contractors', December 1997, Para B6

<sup>215</sup> SE/5/399-420 - HM Treasury Procurement Guidance Note No 2 "Value for Money in Construction Procurement, 1997

Effective briefing is essential throughout the project. **However, perhaps the most important element is the time spent at the outset.** Many construction projects suffer from poor definition due to inadequate time and thought being given at an early stage. This is often because there is a sense of urgency fuelled by the desire for an immediate solution.

Investing time at the beginning of a project in developing a complete definition taking account of all the requirements will reduce the likelihood of changes later. The later that changes are made in a project, the more likely they are to cost in both direct and knock on effects'.<sup>216</sup>

- 5.3 The Inquiry heard evidence from Mr Tombs, Secretary of the RIAS, who confirmed that the Brief is “critical” to how architects work.<sup>217</sup> Dr Gibbons in his evidence said: “one of the critical issues, in terms of how the building works, is the clarity of the Brief”.<sup>218</sup> When asked why such clarity was important he said it was “to avoid change in the process of building. ...The amount of time you can invest before you start to build is very important in the efficiency of the process that follows on”.<sup>219</sup> He went on to say: “Change has to be avoided at all costs, for obvious reasons.”<sup>220</sup>
- 5.4 It was pointed out in the September 2000 report of the Auditor General for Scotland that the Scottish Office did not issue separate strategic and detailed project Briefs for the new Parliament building<sup>221</sup> as a first stage which the Construction Industry Board would regard as desirable, and as was also recommended in Scottish Office Guidance.<sup>222</sup> The guidance sets out with great clarity the need for clear definition of the cost and timetable criteria for any large project. In fact Project Management issued a composite Building User Brief which appeared in various versions. It seems to me that the Auditor General intended this as a criticism but this is not a matter on which there was specific evidence before the Inquiry. It is however my view that the decision to construct a new Parliament was a given factor so far as those with responsibility for the Brief were concerned.
- 5.5 Accordingly many of the questions which might, in terms of the guidance,<sup>223</sup> have been addressed in developing any strategic brief were redundant. If there is a criticism of the fact that no separate strategic brief was prepared, it would be subsumed within any broader

---

<sup>216</sup> MS/28/001-020 - Construction Industry Board Report “Briefing the Team”, June 1997

<sup>217</sup> Evidence of Mr Sebastian Tombs on 2 December 2003, Para 50

<sup>218</sup> Evidence of Dr John Gibbons on 24 November 2003, Para 126

<sup>219</sup> *ibid*, Para 142

<sup>220</sup> *ibid*, Para 152

<sup>221</sup> Auditor General for Scotland Report of September 2000, Para 3.23

<sup>222</sup> SE/5/621-644 – Building Directorate Practice Note 5 ‘Consultant Selection & Fee Tendering’, Page 627

<sup>223</sup> MS/28/001-020 - Construction Industry Board Report “Briefing the Team”, June 1997, Page 13

criticism of the decision to press ahead with a new Parliament building instead of leaving it to the Parliament itself.

### The Appointment of Mr Bill Armstrong

5.6 From an early stage the preparation of a brief was seen as an urgent and important task. After a first start towards identification of the requirements of any new parliament by civil servants in June 1997<sup>224</sup> it was decided to employ the services of a consultant, and during that month Mr William (Bill) Armstrong was engaged for the specific task of developing a brief for a Parliament Building.<sup>225</sup> Mr Armstrong was an experienced architect and project manager. While employed by Project Management International he had worked as project adviser to the Scottish Office in relation to the construction of Victoria Quay and had acted as project manager for the fit out. As a result he was well known to Mr Gordon, Mrs Doig and other civil servants with whom he had worked successfully. Mr Armstrong's appointment as a consultant did not follow a formal competitive recruitment process of any kind but I have no doubts as to his competence to carry out this role.

### Early Development of the Brief

5.7 Mr Armstrong set in hand a process of consultation and, in the company of either Dr Gibbons or Mrs Doig, made fact-finding visits to Westminster and to the Parliaments in Dublin, The Hague (the Tweede Kamer or Second Chamber), Berlin (both the Reichstag and the Berlin State Parliament), Oslo and Dresden.<sup>226</sup> Dr Gibbons told the Inquiry that the Brief was heavily based on the Dresden building, the State Parliament in Saxony, which had almost exactly the same number of members as the 129 foreseen for the Scottish Parliament.<sup>227</sup>

5.8 Drafts of sections of a brief were circulated among civil servants and assistance was sought from external consultants in relation to areas such as traffic, environment and structure and mechanical and electrical services. On 5 September 1997 Mr Kinsey circulated four draft sections of the Brief relating to (1) Planning and Functions, (2) Space Requirements and Uses, (3) Schedule of Accommodation and (4) Building Fabric.<sup>228</sup> Views were sought from Ministers on a range of issues such as the shape, size and layout of the main chamber, the numbers of committee rooms, MSP accommodation and catering arrangements.<sup>229</sup> By 3 November 1997 Mr Armstrong was in a position to circulate a further draft<sup>230</sup> making the point in his covering

---

<sup>224</sup> SE/7/006-016 – Minute from Mrs Barbara Doig, 18 June 1997

<sup>225</sup> MS/6/001-002 - Letter from Dr John Gibbons to Mr William Armstrong, 12 July 1997

<sup>226</sup> MS/6/046-071 – Mr William Armstrong's Witness Statement, Para 3.1 and Evidence on 2 December 2003, Para 169 *et seq*

<sup>227</sup> Evidence of Dr John Gibbons on 3 February 2004, Para 195

<sup>228</sup> SE/7/084-090 – Minute from Mr Eric Kinsey to Dr John Gibbons and Mr Alistair Brown, 5 September 1997

<sup>229</sup> SE/7/091-097, SE/7/098-10 and, SE/7/103106 – Minutes from of 10 and 17 September 1997, E-mail: Parliament Specification, 25 September 1997

<sup>230</sup> SE/7/107a-115 – Minute from Mr William Armstrong, 3 November 1997

minute that if the selection of the architect was to be by competition the Brief would need to be finalised by the end of that month to enable publication of the necessary notice in OJEC by the end of 1997 to keep the current programme on course. At that time there was no formal programme as such but since a meeting on 13 June 1997 the Secretary of State's declared objective had been to have permanent accommodation available, if at all possible, by the spring of 2000.

- 5.9 It is not clear to me that the Brief in fact required to be finalised before the OJEC advertisement or before conduct of the competition. In connection with the competition there was evidence before the Inquiry to suggest that the version of the Brief then available was considerably more detailed than was appropriate.<sup>231</sup> Greater detail meant greater inflexibility and although the Auditor General was broadly and correctly complimentary about the success of the User Brief in presenting a "clear vision of the requirements of the new Parliament", he noted that it did not address the potential for conflict between the various dimensions of area, cost, time and quality. Nor did it recognise that client needs might evolve.<sup>232</sup> I find myself in agreement with the Auditor General's comments. A further version of the Brief was made publicly available in January 1998 when a copy was placed in the House of Commons library.
- 5.10 On 5 February 1998 officials met with Ministers to discuss various matters including the Brief, in relation to which agreement was sought on design specification in relation to the Chamber, MSP accommodation, media and catering facilities.<sup>233</sup> It was confirmed at that meeting that the whole of Queensberry House should be used for offices which represented a departure from the previous position that only the basement would be used for parliamentary purposes.

### Scottish Parliament Building Steering Group and the Consultative Steering Group

- 5.11 Mr Armstrong was principally directed in his preparation of the Brief by the Scottish Parliament Building Steering Group which was set up in August 1997. After selection of the site, this group became the Holyrood Building Steering Group. It was chaired by Mr Gordon and its objective was to bring together senior officials from different parts of the Scottish Office with varying degrees of involvement in the building project with a view to co-ordinating activities and removing obstacles to progress. After her appointment as Project Sponsor, the Group included Mrs Doig. As well as the Brief it considered matters such as the outline project

---

<sup>231</sup> WS/12/001-007 – Miss Joan O'Connor's Witness Statement and Evidence of Mr Sebastian Tombs on 2 December 2003, Paras 10 and 50 *et seq*

<sup>232</sup> Auditor General for Scotland's Report of September 2000, Para 3.25

<sup>233</sup> SE/7/135-137 - Minute from Mr Paul Grice to PS/Secretary of State, 5 February 1998

timetable, site selection processes and criteria, procurement and management arrangements and planning issues.<sup>234</sup>

- 5.12 The Consultative Steering Group (CSG) on the Scottish Parliament was set up by Donald Dewar under the chairmanship of Henry McLeish in November 1997, after the referendum. It met for the first time in January 1998 and its membership included representatives of all four major Scottish political parties, as well as of a wide range of civic groups and interests. Its remit included the bringing together of views on and consideration of the operational needs and working methods for the Scottish Parliament. In January 1998 the CSG was invited to comment on the proposals in the latest draft of the Brief for matters such as the shape and size of the chamber and the seating arrangements. Arrangements were thereafter made for the three political party representatives, Alex Salmond for the SNP, Jim Wallace for the Liberal Democrats and Michael Ancram for the Conservatives to be briefed and a mock up of the proposed MSP rooms was constructed at Victoria Quay for inspection.

### Further Development of the Brief

- 5.13 During the course of April 1998 Mr Armstrong finalised the first draft of the entire Brief<sup>235</sup> which he circulated on 1 May 1998.<sup>236</sup> This was a substantial document running to several hundred pages. The Introduction stated its objective was to act as a guide to the Design Team and others involved in the procurement of the Scottish Parliament Building but made it clear that it would be subject to change and that many of the questions it posed might not be answered in finite detail until after MSPs had been elected. It repeated the adopted wording of the White Paper which set out the aspirations for the building and used expressions such as:

‘The building ...must be of such a quality, durability and civic importance as to reflect the Parliament’s status and operational needs.’

and

‘It will be an important symbol for Scotland. It should pay tribute to the country’s past achievements and signal its future aspirations..... Quality and value for money are also key considerations’.<sup>237</sup>

- 5.14 Section 3 of the Brief set out the “Aims and Objectives” for the building and includes references such as:

‘The ... building presents the appointed Design team with a unique opportunity to make a significant contribution to the design of this building which marks a milestone

<sup>234</sup> WS/15/001-013 – Mr Alistair Brown’s Witness Statement, 6 November 2003

<sup>235</sup> SE/7/180-306 – Relevant extracts from April 1998 draft Building User Brief

<sup>236</sup> SE/7/179 - Minute from Mr William Armstrong, Draft Building User Brief dated April 1998

<sup>237</sup> White Paper - <http://www.scotland.gov.uk/government/devolution/scpa-00.asp>, Section 10.2 – 10.4

in Scotland's political history. The White paper extract quoted...lays down in outline strategic guidelines which point out the aspirations of the Government and the people of Scotland for this building.'

'The design should embody the image that Scotland has of itself with reference to both its past and future. The building should be vested with the authority and the Scottish peoples' aspirations as a nation.'

'The architecture should reflect the social and economic culture of the nation as well as producing a building which will be a work of art in its own right. It should reflect the cultural dimensions of the country and be a place for the work of artists and designers in Scotland.'

'The design should respect its historic surroundings, paying due regard to the significant adjacent buildings of the Palace of Holyrood House, Queensberry House and the Canongate, but at the same time be a building which reflects the culture at the end of the century and the millennium. It will be the first landmark, political building of the 21<sup>st</sup> Century. It should have a resonance of quality, durability and civic importance of which the Scottish people can be proud.'

'This project represents a wonderful opportunity for the Design Team to produce a landmark building reflecting the aspirations of Scotland as a nation, with a building of quality and value.'<sup>238</sup>

- 5.15 The terms of the Brief in relation to the expectation of quality, communicated a powerful message to the Design Team as to the client's expectations for the building. Material from the April 1998 version of the Brief was provided to the 12 long listed candidates for the designer selection competition and remained in effect during the early stages of the actual design process.<sup>239</sup> As Mr Brian Stewart, Director, EMBT/RMJM Ltd, put it in his evidence:

"These are stirring words but immensely significant because what it demonstrates was that the client realised the importance of the building as a symbol of political determination. Such high octane rhetoric placed challenging demands on a piece of architecture; requirements which carried its own cost. What was required was not a building imbued with the authority of a modest office building but a structure in which a nation is emblazoned."<sup>240</sup>

---

<sup>238</sup> SE/7/187 - Minute from Mr William Armstrong, Draft Building User Brief dated April 1998. These paragraphs were omitted from November 1998 Building User Brief

<sup>239</sup> RM/1/055-076 - Memorandum of Appointment between the Secretary of State and EMBT/ RMJM, Clause 5.11 specifically required the Architect to take into account in the performance of its duties the information and directions contained within the Brief.

<sup>240</sup> Evidence of Mr Brian Stewart on 11 March 2004 (am), Para 44

Mr Stewart also drew attention to the fact that the Brief provided for a design life of 100 years<sup>241</sup> which is, I understand, approximately double the design life of a standard office block.

Section 3.11 of the “Aims and Objectives” said:

‘A budget has been set for the building of the Project of £50 million at current price levels. This should enable the designer to reflect the requirements of the Brief and also to provide quality in construction and design, and value for money.’

This was supplemented by Section 10 which clarified that the £50 million budget was exclusive of VAT and professional fees, that the breakdown was £46.75 million for new building works and £3.25 million for Queensberry House and that demolition costs were not included within the £50 million but that a further £500,000 had been allocated for this.

5.16 In relation to programme, Section 3.14 said:

‘It is the aim of the Secretary of State to have the building completed and occupied by the Parliament in the year 2001. To achieve this, the personnel at all levels must make timeous decisions to enable the programme to be achieved.’

This version of the Brief also contained, in Section 11, a master development programme clearly setting out the milestones to be achieved to deliver the construction and fit out of the building for an opening in October 2001. Section 11.4 confirmed that upon the appointment of a Construction Management or Management Contractor the programme would be reviewed “to agree a programme of information and construction to achieve the completion date – July 2001.” The Brief also contained various appendices including sections on the roles and activities of the Project Manager, Design Team responsibilities, material on Queensberry House and an independent environmental and site report.

5.17 Over the summer of 1998, during the course of which EMBT/RMJM Ltd were appointed as Project Architect, the Brief was the subject of further comment and refinement as demands for increased space and occupancy continued to come through. On 3 July 1998 Mr Grice, on behalf of the Constitution Group, minuted Mr Armstrong with nine pages of consolidated comments on the April 1998 draft.<sup>242</sup> Demands for increased space were pressing and, as an example, in his letter of 1 October 1998<sup>243</sup> circulating a revised version of the Schedule of Accommodation, Mr Armstrong reported that the number of staff to be employed in connection with the Official Report had increased from 6 to 30 with a requirement for 300m<sup>2</sup> of space

<sup>241</sup> SE/7/366 – 574 - Building User Brief, November 1998, Section 7.4.5

<sup>242</sup> SE/7/307-317 – Minute from Mr Paul Grice to Mr William Armstrong, 3 July 1998

<sup>243</sup> RM/1/077 - Letter from Mr William Armstrong to Mr Brian Stewart, 1 October 1998

rather than 60m<sup>2</sup>, and that in connection with the Public Information Service the number of staff had increased from 4 to 18 with a requirement for 250m<sup>2</sup> rather than 50m<sup>2</sup>. An issue leading to an increase in area of some 700m<sup>2</sup> was the decision to provide for three entrances to the building rather than the two originally envisaged in all versions of the Brief.<sup>244</sup> The Design Team had identified at an early stage the need for a third “formal” entrance and had continued to incorporate it into the designs in the light of the RFACS’s concerns about the treatment of the foot of the Canongate.<sup>245</sup>

- 5.18 In October and November 1998 Mr Armstrong issued further versions of the Brief which involved only limited changes from the April 1998 draft. Although arrangements were made for a formal change control procedure to be instituted with effect from November, no steps were taken actually to amend the Brief until June 2000 when Stage D was finally reached. Against the background of the extensive design development which took place over that period, I find this dismaying to say the least. It suggests to me that over that crucial period in the development of the Project, sight was lost of the terms of the Brief. If that is correct, much of the extensive design development over that period was not taking place against the background of the clearly formulated set of client or user requirements, which the Brief should have contained.

### Increases in Area

- 5.19 By early August 1997 Mr Armstrong was putting forward rough draft schedules of accommodation bringing out a net area for the building of 18,000m<sup>2</sup> net or 22,000m<sup>2</sup> gross.<sup>246</sup> The gross internal area of a building is defined as its total area measured from the inner face of its exterior walls. The net area represents the area actually available for its primary purposes. The difference between the net and gross areas is referred to as the “balance area” or “circulation space” and comprises space such as stairs, corridors, plant rooms and void areas.
- 5.20 In the draft circulated by Mr Kinsey on 5 September 1997<sup>247</sup> the net area of the building excluding car parking was to be 13,096m<sup>2</sup> and the gross area, after allowing 15% for the balance area, was 15,060m<sup>2</sup>. An apparent error was introduced into the calculations from this point in that the percentage balance area should properly have been applied as a proportion of gross area rather than as an addition to the net area. The result of this was that instead of being 15% the balance area actually represented only 13% of the gross area of the building.

---

<sup>244</sup> SE/7/180-306 – Minute from Mr William Armstrong, Draft Building User Brief dated April 1998, Section 4.6

<sup>245</sup> SE/4/100-116 - Paper from Mrs Barbara Doig to Jack McConnell, 26 May 1999

<sup>246</sup> SE/7/18-032 – Minute from Mr William Armstrong to Mr Paul Grice, 6 August 1997

<sup>247</sup> SE/7/084-090 – Minute from Mr Eric Kinsey to Dr John Gibbons and Mr Alistair Brown, 5 September 1997

- 5.21 In terms of the draft Brief produced in January 1998 and lodged with the House of Commons library, the net area of the building excluding car parking was to be 14,035m<sup>2</sup> and the gross area, which was intended to allow for a balance area of 20%, was 16,842m<sup>2</sup>. It is not clear why there was this intended change from 15% to 20% but the balance area in fact represented just under 17% of the gross area of the whole building.<sup>248</sup> By 6 February 1998 the gross area of the building was being reported by Mr Armstrong at 17,300m<sup>2</sup>.<sup>249</sup> The drafts of the Brief produced in April 1998 provided for a gross area of 17,400m<sup>2</sup><sup>250</sup> and in November 1998 for a gross area of 18,550m<sup>2</sup>, in both cases with an effective balance area of 17% .
- 5.22 In November 1998 representations were made by the Architect seeking an increase in the balance area.<sup>251</sup> Mr Stewart in his evidence to the Inquiry said that the original estimate was “Absolutely, too optimistic for a public building of this nature.”<sup>252</sup> That possibly begs the question as to why the Architect had not made their position in this respect known at an earlier stage against the background that the April 1998 version of the Brief, available at the time of the designer competition, made the position very clear. In March 1999<sup>253</sup> and May 1999,<sup>254</sup> by which time the gross area of the building had increased to 23,000m<sup>2</sup>, Mrs Doig first sought an increase in the construction cost budget from £50 to £60 million. When doing so she confirmed that it was by then accepted against the background of the complexities of the Holyrood site and on the basis of a reappraisal of public buildings, including the Dresden parliament, that a net usable area of only 65% (i.e. a balance area 35%) would be reasonably achievable for a building of this kind. It appears to have been a matter of agreement that the 20% of the net area allowed for circulation was too low and should be increased at an estimated cost, according to Mrs Doig, of a further £5.5 million.<sup>255</sup>

### The Shape of the Debating Chamber

- 5.23 An early draft of the Brief produced in August 1997 suggested for the Chamber that a “circular or semi circular arrangement with the Speaker or First Minister at the focal point would appear to be appropriate”.<sup>256</sup>
- 5.24 Mr Dewar’s initial views were set out in a minute of 17 September 1997<sup>257</sup> and were discussed at a meeting of Ministers and officials on 18 September 1997 at which it was agreed that the

---

<sup>248</sup> Evidence of Mr Hugh Fisher, 15 December 2003, Para 486

<sup>249</sup> SE/7/140 – Minute from Mr William Armstrong to Mr Alistair Brown, 6 February 1998

<sup>250</sup> SE/7/084-090 Minute from Mr Eric Kinsey to Dr John Gibbons and Mr Alistair Brown, 5 September 1997

<sup>251</sup> SE/4/040 – Letter from Mr William Armstrong to Mrs Barbara Doig, 25 November 1998

<sup>252</sup> Evidence of Mr Brian Stewart on 11 March 2004 (am), Para 180

<sup>253</sup> SE/4/057-067 - Progress Report from Mrs Barbara Doig to PS/Secretary of State, 23 March 1999

<sup>254</sup> SE/4/100-116 - Paper from Mrs Barbara Doig to Mr Jack McConnell, 26 May 1999

<sup>255</sup> SE/4/057-067 - Progress Report from Mrs Barbara Doig to PS/Secretary of State, 23 March 1999

<sup>256</sup> SE/7/039-083 – Building User Brief (1<sup>st</sup> Draft) from Mr Eric Kinsey, 20 August 1997, Para 5/10.3

<sup>257</sup> SE/7/098-101 - Minute from Mr Kenneth Thomson to Mr Stewart Gilfillan, 17 September 1997

## The Holyrood Inquiry

Chamber should be “horseshoe” shaped and should be “on the small side”, while allowing convenient access for the disabled.<sup>258</sup> In the draft Brief produced in November 1997 the Chamber was nevertheless still referred to as “circular or semi-circular”.

5.25 At a meeting on 5 February 1998 Mr Dewar confirmed that he wanted a compact Chamber which would generate atmosphere while accepting the need for good accessibility.<sup>259</sup> At the briefing for Messrs Ancram, Salmond & Wallace on 11 February 1998<sup>260</sup> they confirmed their preference for the Chamber to be something closer to a horseshoe than a wide arc and stressed the importance of eye contact between MSPs.

5.26 The November 1998 Brief contained what was then the final word on the shape of the Chamber and said:

“The arrangement of the Members’ seating reflects the role of the Parliament. A horseshoe or semi-circular arrangement with the Presiding Officer at the focal point would appear to be the most appropriate.”<sup>261</sup>

### Adequacy of the Brief

5.27 The Brief sent out strong messages to the Design Team as to the significance not only of the symbolism of designs for the building but also as to the high quality expected. The messages in relation to programme and, perhaps more significantly, in relation to budget are more muted. With the benefit of hindsight the Brief might well have sent out a more considered message to the Design Team as to the relative significance of cost in the Cost/Quality/Programme triangle.

5.28 It is clear from the fact that it subsequently proved necessary to increase the balance area from some 17% of the gross area of the building to 35% that there was a failure sufficiently to investigate and identify the balance area appropriate for a building of this kind. Recognition of inadequacy of the Brief in this respect is implicit in the acceptance by Donald Dewar in early June 1999 of the revised budget of £62 million predicated on a balance area of 35%.

5.29 It is self evident that the Brief did not anticipate sufficiently the actual requirements of the Parliament once these became apparent following the handover of the Project on 1 June 1999. The November 1998 Brief postulated a requirement for a gross area of 18,550m<sup>2</sup> for the building, including a 20% balance area but excluding car parking of 3,300m<sup>2</sup>. These figures suggest a gross internal area of at least 21,850m<sup>2</sup>. By the time that Stage D was finally reached in June 2000, after the actual requirements of the Parliament had become

---

<sup>258</sup> SE/7/102-106 - Note from Mr Stewart Gilfillan to PS/Secretary of State, 23 September 1997

<sup>259</sup> SE/7/138-139 – Minute from Mr Paul Grice to PS/Secretary of State, 9 February 1998

<sup>260</sup> SE/7/149 - Minute from Mr Paul Grice to PS/Henry McLeish, 11 February 1998

<sup>261</sup> SE/7/366-574 – Building User Brief, November 1998, Section 5.30.3

## Evolution of the Building User Brief

established, the gross area had increased to some 30,593m<sup>2</sup>.<sup>262</sup> On any view the Brief substantially underestimated the actual requirements of the Parliament as the ultimate client and user of the building.

---

<sup>262</sup> DL/1/008-012 – DLE Timeline Development of Costs, October 1998 – August 2000