

SE/2/1072

### Decisions and Consultation

5. Ministers will wish to consider, in the light of Monday's presentations, whether they wish to move straight to a decision on their preferred location; or whether further soundings/consultations are necessary. Tactics will depend to some extent on whether Ministers identify a favoured site, and if so, which one. For example, if Ministers favour Regent Road/St Andrew's House (the most expensive option), consultation would probably result in clearly-expressed public support despite the costs and this would provide some protection against criticism on the cost issue. If Ministers were attracted to the Holyrood site, on the other hand, but wanted to gauge public reaction before making a firm decision, they might decide on a more limited sounding of opinion, perhaps through the press. It would be important in that case to deploy as attractive as possible a series of images of a possible building on that site. If 2 sites appeared equally attractive, wider consultation could help in gauging public reaction generally and in forming a decision.

### Timing

6. Public consultation aside, time will be required after a decision is reached and before an announcement is made to line up City of Edinburgh Council (particularly if Ministers favour a location other than Regent Road) and to get any necessary legal points agreed. In the case of Regent Road, Holyrood and Haymarket, we believe that legal agreements could be in place or at least sufficiently far forward to allow announcement by about 10 January. (The position on legal agreements at Leith is more complicated and would in our view require a delay in any announcement.)

### Costs - general

7. As indicated, detailed cost information is given at Annex F. This covers site acquisition, estimated building costs (actual costs will depend heavily on the eventual design selected; the quality of interior and exterior construction, finishes and fitting out; and the procurement route chosen), estimated running costs of the Parliament; and likely consequential costs on The Scottish Office estate.

### Building Costs

8. The estimated building costs shown in the Annexes are drawn from work undertaken by the independent cost consultants, DLE Ltd. The basic estimates include fitting out (ie. plant and equipment, fixed furniture, catering equipment etc) but exclude fees and VAT. The Annexes show these costs separately. All of the building cost estimates exceed the original figure of £40 million included in the White Paper. There are a number of reasons for this. First, the White Paper estimate was drawn up on the basis of a building of about 12,000 square metres, before detailed information was available about the areas required for the Parliament's use. The briefed area now stands at 16,000 square metres - an increase of about 33%. Second, it has become clear from visits to Parliament buildings etc since July that a particularly high quality of construction, finishes and fittings is considered appropriate for such buildings. In early summer we allowed a cost per area figure for estimating purposes which equated to High Court standard for the main public areas of the building, and a lower (although adequate) standard for office space, meeting rooms etc. The designers and the cost consultants have applied a higher standard throughout the building, allowing a higher specification of finishes and fittings etc; this has increased overall estimates costs by about 10%. This will improve the "presence" of the building, and should also reduce running costs, but there is an up-front cost to bear.

9. A third reason for the increases is that the building estimates all include provision for secure car parking under the building or on site. No allowance was made for the cost of providing car