

EXTERNAL SECURITY FACILITY

Executive summary

1. The purpose of this paper is to invite the SPCB to decide whether it wishes to award a contract to build an external security facility.

Contact: Ken Hughes, extension 85163.

Background

2. In 2007 the SPCB commissioned and received official security advice about the security measures in place at the Parliament in relation to current threats and risks. Most of the recommendations were based on a need to extend the external security perimeter and the installation of turnstiles and new bollards have already been implemented. The one major recommendation not yet implemented is the provision of an external security facility.

3. The proposal to build an external security facility, as with the other measures already taken, stems from clear and consistent advice from the Parliament's security advisers and Lothian and Borders Police.

4. The SPCB also previously asked for legal advice to help inform its decision. That legal advice made it clear that the SPCB has a duty of care to MSPs, staff and visitors who work in or visit the Parliament complex. It must ensure that it puts in place sufficient measures to minimise the effects such as those identified by the security advisers to the extent that it is *reasonably practicable* (the statutory test) in the circumstances to do so. The question of what is *reasonably practicable* is ultimately a question of fact for a jury depending on the circumstances of each case. The SPCB must ensure that it can demonstrate that it has carried out a thorough and balanced examination of the issues against the associated risks to enable it to be satisfied that the proposed facility is a reasonably practicable measure to address the threats as identified in the security advice.

5. Failure to carry out measures that are in law reasonably practicable could leave the SPCB and its individual members open to prosecution under the Corporate Manslaughter and Corporate Homicide Act 2007 for a failure of the duty of care under the Occupier's Liability (Scotland) Act 1960, or under the Health and Safety at Work etc Act 1974 in the event of a person being killed (or injured) in a way that could have been prevented by the construction of the facility.

6. There could also be civil liability for any injury or death, which could amount to substantial damages depending on the circumstances.

7. An external security facility would provide protection for over 400,000 visitors per year and up to 1,000 daily passholders that include staff,

Members, media and contractors, through a significantly safer and more secure environment for screening.

8. The SPCB therefore decided to proceed with a staged approach that involved seeking planning permission and commissioning a detailed design. The corporate body subsequently took the decision on 18 April to instruct officials to invite tenders for the construction of an external security facility. This was on the basis that no decision to build a facility had been made but that the invitation to tender would allow the SPCB to test the market.

Tender Evaluation

9. Following a tender prequalification stage the five highest scoring organisations were invited to tender based on their track record in the successful completion of similar construction contracts, the expertise of their personnel and other areas such as their Health and Safety record and quality management. Detailed checks on the financial standing of the organisations were also carried out.

10. The invitation to tender was drawn up on the basis of a fixed design, with a fixed cost. The award criteria sought to establish the best overall value for money tender.

11. Four out of the five tenderers returned a bid. The evaluation was carried out in accordance with government construction procurement guidance and involved a separate technical and cost appraisal. Clarifications were carried out with tenderers to ensure technical compliance with the design brief and that best available rates could be obtained.

12. All tenders received were for a fixed price based on the construction of a fully designed building. The best scoring tender in terms of a combined cost and technical evaluation was submitted by Henry Brothers, who achieved a mark of 99.3%. Their tender sum after clarifications was £4,319,000. The overall project cost including all professional fees, fixtures, fittings, contingencies and VAT would be £6,488,800. A breakdown of the key project costs and a timetable is set out in Annex A.

13. The tender evaluation stage has successfully passed a peer review carried out by PricewaterhouseCoopers under the guidance of the Head of Internal Audit.

Latest Security and legal advice

14. We have consulted our security adviser who has confirmed that the case for construction of the facility is as strong as ever. Lothian and Borders Police concur.

15. The previous legal advice on matters of legal risk and on statutory obligations remains the same.

Resource Implications

16. Should the SPCB decide to award a contract, construction would begin in early October and finish towards the end of summer 2013 thereby spreading the cost over 2 financial years.

17. SPCB members have made clear previously that they are acutely mindful of the current economic climate and that, should they decide to proceed, they would expect the Parliament to meet the full cost of any construction project from within existing budgets. It is confirmed that while the total costs of the project overall can be found within the existing budget and the indicative forecast for 2013/14, it may be necessary to re-allocate priorities and defer some planned expenditure. It may also restrict the ability to meet any unplanned costs pressures that may arise.

Governance issues

18. Should the SPCB decide to proceed, a detailed construction and cost monitoring plan will be produced. A key component of this will be the establishment of a monthly progress report to the SPCB. The proposed governance structure is set out in Annex B.

Publication Scheme

19. It is recommended that this paper should be published in line with the SPCB's Publication Scheme. It is also envisaged that progress reports would be published.

Next steps

20. Subject to the SPCB's decision, officials would begin talks with the recommended contractor to ensure works began as soon as possible.

Decision

21. The SPCB is invited to decide whether to award a contract to build an external security facility and to agree a budget as set out in Annex A.

Ken Hughes
Assistant Clerk/Chief Executive
September 2012

COSTS

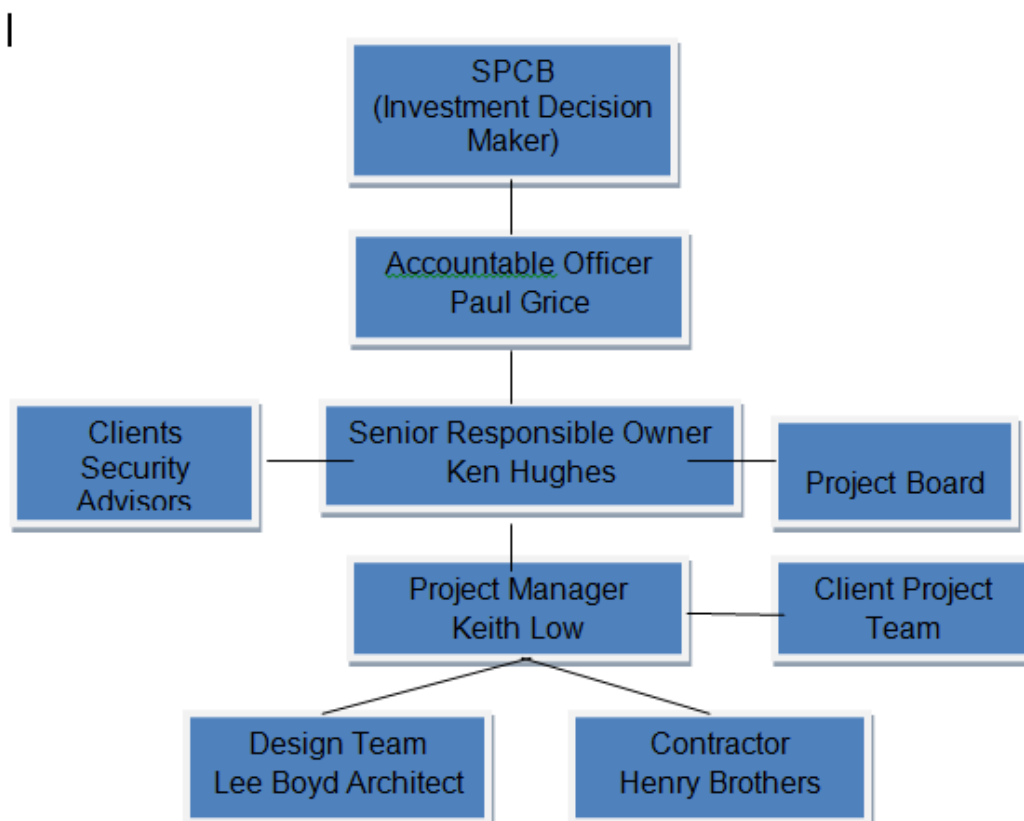
1	Construction Work	£4,319,000
2.	Furniture, Fixtures & Equipment	£135,000
3.	VAT	£890,800
4.	Professional Fees	£944,000
5.	Contingencies	£200,000
Total Estimated Project Costs:		£6,488,800

OUTLINE TIMETABLE

Contract award	12 September 2012
Construction start	8 October 2012
Build wind and watertight	Spring 2013
Fully operational	Summer 2013

Governance of the ESF Project

1. This document sets out the proposed governance arrangements for the Scottish Parliamentary Corporate Body's project to construct a new External Security Facility (ESF) at the public entrance to the existing building at Holyrood.
2. The SPCB is determined to ensure that the new facility is procured and constructed in a way that secures maximum value for money for the public purse. The ESF Project will be governed in accordance with the Scottish Government Construction Procurement manual, relevant EU legislation, the SPCB Procurement Manual as well as the SPCB's Project Governance framework.
3. The project will be subject to formal peer reviews at regular intervals. These will be carried out by the Parliaments Head of Internal Audit, supported as necessary by the Internal Audit Contractor. Reviews will also be subject to scrutiny by the SPCB's Audit Advisory Board.
4. A management structure has been put in place to govern the project as shown below:-
- 5.



Roles and Responsibilities

Investment Decision Maker (SPCB)

6. The SPCB is the Investment Decision Maker for this project. The SPCB will be in overall control of the project and take the ultimate decisions. The SPCB will decide whether or not the proposed investment in the project should be made, and then maintain visible and sustained commitment to its delivery. Responsibility for implementing the project, in line with the reporting arrangements set out below, lies with SPCB's Accountable Officer and Clerk/Chief Executive.

7. The Clerk/Chief Executive will ensure that formal reports are made to the SPCB on a monthly basis on the progress of the project. He will also ensure that any potentially novel or contentious issues are brought to the attention of the SPCB.

8. The SPCB will approve the budget, programme and design of the project at major decision points. Any risks or proposed changes to the project that may vary the approvals given will be reported immediately to the SPCB. The SPCB will receive an exception report detailing the implications of the issues and, if appropriate, what form of remedial action is proposed to be taken to resolve these.

9. The SPCB will also approve any significant changes to operational policies that impact on visitors to Holyrood that require to be implemented as part of the introduction of the ESF.

10. The SPCB shall publish regular updates to members on cost and progress as the project progresses.

Senior Responsible Owner (Assistant Clerk/Chief Executive)

11. The Senior Responsible Owner (SRO) is the individual appointed by, and accountable to, the Clerk/Chief Executive for the project and its budget.

12. For the purposes of this project, the role and duties of SRO are a combination of the Project Owner and Project Sponsor roles, as defined in the Scottish Government Construction Procurement manual. This is appropriate, given the size of the project, to ensure clear lines of accountability and responsibility.

13. Within the terms of his delegation from the Clerk/Chief Executive, the SRO is the key operational decision maker for the project, with expert technical construction advice being provided by the Project Manager.