
From: Rebecca Andrew
Sent: 13 March 2008 15:14
To: Colin MacKenzie; Steve Sladdin; Duncan Fraser; Andy Conway; Gill Lindsay
Cc: Alan Coyle
Subject: Intention to award - due diligence

Further to papers issued by Graeme and Andrew last night, I have the following comments and would appreciate any views you may have:

SDS Novation - achievability

Willie's letter last night, advising of a deal gives us some comfort. Ideally we would like to see the letter he refers to, so that we understand the terms of the agreement. The DLA letter refers to further work being required between ITA and contract close to enshrine all technical services and tasks in the agreement. An assessment needs to be made over (i) whether this could cause problems and (ii) whether this is achievable before the end of the Financial year, to conform to TS funding timescales.

Visibility of agreement with BBS

The DLA letter from last night required closure on

- removal of all remaining issues
- completion of pricing negotiation
- production of agreed master programme
- finalisation of ERs
- pricing for phase 1b
- close on Network Rail APA
- agreed treatment of NR immunisation
- receipt of final Infraco proposals

DLA refer to this as an "ambitious day's effort". What comfort do we need from **tie** that this has been achieved?

Network Rail

Willie has reported APA will be signed with afternoon. No mention of the state of the Framework agreement. What evidence do we require if any? Colin/Steve - I also note your concerns that CEC has neither seen the final agreement, nor received advice from DLA, permitting it to sign.

Procurement Challenge

DLA's advice is somewhat caveated, deferring to **tie**. There is a big chunk still missing in **tie**'s document regarding price. Do we need to be sure that the procurement with BBS will not be subject to challenge, prior to issuing the ITA.

Incomplete documentation

Other than DLA letter, all documents are incomplete. This would not be satisfactory for allowing contract signature - is this acceptable for giving permission for contract award?

Tramco Bond - advanced purchases

Just a small point - bond is stated to be "under discussion with tie" in report on Infraco suite and Council Guarantee. This needs to have stronger confirmation before permission given for contract signature. I'll check with Donald with ITA is OK.

Date for Signatures

Stewart McGarrity has confirmed that initial milestones can be applied for, certified and invoiced on the date of contract signature to ensure that they can be accounted for in 07-08 for grant purposes. There is some leeway to slip ITA to Monday at the latest, but **tie** are keen to issue today to allow some headroom.

Please let me know your views on this and let me know if there is anything else you think should be added to the list.

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