

Critical Contractual Decisions to enable Chief Executive to use delegated powers to approve tie to sign the contract with BBS							
Issue		Description	tie Final Deal Countdown List Item Dated 14 Jan 2008	Document or report where evidence of this can be found	tie Deliverer		Notes
					Document	Report	
Contract	1.1	Novation agreement ready to be signed off - CAF	1.4	Agreements concluded & reference in close report	AF/GG	GB	
		SDS	1.3	Agreements concluded & reference in close report	AF/GG	GB	
	1.2	CEC Guarantee agreed with BBS and ready to sign off	2.1	Agreements concluded & reference in close report	AF	GB	
	1.3	Due Diligence on approvals for Infraco & Tramco	8.4	Report from DLA & mention in close report	AF	GB	
	1.4	Operating Agreement - tie	4.1	Agreement signed and mention in close report	GB	GB	
		Operating Agreement - TEL	4.2	Agreement signed and mention in close report	GB	GB	
	1.5	Mudfa - risks related to Infraco?	5.5	Close report	G Barclay	GB	
	1.6	DLA supportive letter with risk matrices	5.2	All available and mention in close report	AF	SMcG	explanation of risk profile
	1.7	OCIP exclusions	9.4	Report available, summary of policy arrangements & reference in close report	TK	GB	
1.8	tie to provide a list of what is not included within the BBS contract ( i.e. the items which BBS have specifically excluded ) with a financial value against each item.	5.3	Pricing spreadsheet & Close report	SMcG	GB	OCIP caps, scope of works etc	
Programme	2.1	Confirm dates for 1a and 1b	5.7	Close report	TH	GB	
	2.2	Agreement of On-street Construction Methodology	1.11	Sign off sheet	TH	GB	closure periods v cost implications
Employers Requirements	3.1	Summary to CEC of Employers' Requirements, including detailed scope of the Tram Works with endorsement from DLA. The ER is a key part of the overall contract which sets compliance standards of the tram works. BBS have been given version 2.4 to price. BBS have responded to this with variations, this may be a lowering of standards to keep the price level below the net £498m e.g CCTV specification. tie to produce a list of variations that they are minded to accept from version 2.4, with a justification for the variation with TELs comments, and also to give assurances that what is proposed to accept as a variation is in all cases "fit for purpose" both in term of price and quality.	1.5/5.6	Close report	MC	GB	to assure CEC liabilities are explicit
	4.1	Statement from the Preferred Bidder that they accept the performance run-time model and "law of physics" results and confirmation of acceptance of the emerging quality of design.	8.2	Letters from bidders and Close report	MC	GB	potential for additional design costs
Risk	5.1	Full transparency of QRA	5.3	Risk report & close report	MH	SMcG	
	5.2	(a) Black flag risks: Provide a list of these items and what is the likelihood of any of these risks occurring ? What is tie's strategy to avoid said risks materialising ? What is the cost of exiting from a Black Flag item ?	5.3	Risk report & close report			be explicit even if outwith budget avoidance strategy
		(b) Details of the risk management strategy for the key risks through delivery.	5.3	Risk report & close report			highlighted by OGC report
		(c) Detailed analysis of programme risk. Confirmation of the risk allowance for programme delay. Detail of items on critical path and what is being done to ensure they do not cause (further) delay.	5.3	Risk report & close report			emphasis on liability to CEC

	5.3	Tie written statement to CEC on risks as at 25 October 2007 compared to immediately post contract award.	5.3	Risk report & close report			
<b>Value Engineering</b>	6.1	VE summary included in the final deal and highlighting other potential savings with a probability value	5.8	VE report & Close report	JM	GB	
<b>Pricing &amp; Funding</b>	7.1	The Council requires a detailed analysis of prices, costs and risks allowance. tie required to explain how prices for maintenance etc. impact on operating cost assumptions	1.9/5.8	Spreadsheets, commentary & Close report	SMcG	GB	including for both construction and operation e.g. design timescale not accepted
	7.2	Cross refer to item 1 above re exclusions from contract by BBS.	1.9/5.8	As above	SMcG	GB	
	7.3	Statement on % of costs fixed and % outstanding as provisional sums with programme for moving these to fixed costs	1.9/5.8	As above	SMcG	GB	
<b>NR Insurance</b>	8.1	Full statement from tie on current status of every proposed agreement between CEC and NR, including Depot and Station Change Procedures. Full risk analysis in respect of each agreement explaining consequences for CEC in terms of time and cost relative to any delays in concluding agreements. This analysis to cross refer to BBS programme	Section 6	Paper & Close report	AS	GB	
	8.2	NR is contracting with third parties re other works at the Depot. Risk analysis to be provided regarding impact on BBS contract ( time and cost) arising from late completion of NR works.	Section 6	Paper & Close report	AS	GB	
	8.3	Plan B to take account of any delays in achieving agreement with NR on all matters, including Caley Ale House, Lift and Shift and Immunisation. This to be included in QRA report.	Section 6	Paper & Close report	AS	GB	
	8.4	Minimum requirements of the APA agreement	Section 6	Paper & Close report	AS	GB	
	8.5	Written confirmation from First Scotrail ( and from other TOCs in respect of Station Change ) that they are not objecting to Depot and Station Change.	Section 6	Letters and close report	AS	GB	
<b>SDS Assurances</b>	9.1	Full written explanation of SDS Novation to be provided by tie, including risks of failing to deliver design	1.4	Paper & Close report	DS	GB	including risks of failing to deliver in terms of quality and in time to meet BBS programme
	9.2	Full details are required from tie on status and degree of completion of SDS design work as at 14 January 2008,	1.4	Paper & Close report	DS	GB	also show how this will be managed by tie with CEC
	9.3	Confirmation that the public sector (tie & CEC) are not liable for delays for Planning or Road Approvals	1.4	Paper & Close report	DS	GB	assumes CEC act reasonably
	9.4	tie to provide written report on previous claim settlement with SDS identifying details, cause of claim and costs of settlement. Are any further claims expected from SDS ? Are any further claims from SDS competent	1.4	Paper & Close report	DS	GB	showing justification and causes and lessons learned
<b>Funding Letter</b>	10.1	Terms to be agreed with CEC and TS	2.2	Letter & close report	SMcG	GB	letter from CEC required to say the "best endeavours" reference in the tie operating agreement will not expose TS or Scottish Ministers
<b>Third Party Agreements</b>	11.1	Status report on third party agreements	5.9	Report Close report	AS	GB	
	11.2	Disclosure list and acceptance of these by BBS	5.9	List & Close report	AS	GB	check for exclusions
	11.3	Status of Telewest and SP agreement and when req.	5.9	Agreements & Close report	AS	GB	
	11.4	Forth Ports agreement and risk of not having this in place	5.9	Letter of comfort & Close report	AS	GB	
<b>Lease between CEC and tie</b>	12.1	To be concluded before financial close	3.3	Agreement & close report	AS	GB	
<b>Land Acquisition</b>	13.1	Statement of land acquisitions	5.10	Statement & Close report	AS	GB	
	13.2	Confirmation that GVD completed	5.10	Statement & Close report	AS	GB	any outstanding matters
	13.3	Confirmation of match between what land has been acquired by CEC matching BBS requirements	5.10	Statement & Close report	AS	GB	check programme/cost or time implications