
From: Sharp DP (Damian)
Sent: 15 August 2006 14:30
To: Howison J (John)
Cc: Reeve W (Bill)
Subject: FW: C1002852 - Project bidders costs.pdf
Attachments: C1002852 - Project bidders costs.pdf

Tracking:	Recipient	Read
	Howison J (John)	
	Reeve W (Bill)	
	Pollock C (Carron)	Read: 15/08/2006 14:34
	McLaughlin E (Eileen)	Read: 15/08/2006 15:14

John

Following the discussion you and I had last Wednesday and the brief chat you and Bill had earlier today, I attach a copy of the letter from tie ltd to Bill on bidder costs.

The letter is fairly self-explanatory and it is clear that 3 bidders would represent more of a real competition than 2 – this is particularly relevant in that the last time a UK tram scheme started with 2 bidders they lost one bidder quite early in the process and were in negotiation with a sole bidder. This was Mersey tram.

The particular case for bidder support in the event of cancellation is particularly strong for both tram and projects in Edinburgh.

3 recent UK schemes have been cancelled after bids were received:

- Leeds
- Mersey
- South Hants

Other tram extensions have been postponed or cancelled. This has led to a very negative perception of UK tram schemes within the construction market. The only reason we have any bidders at all is the consistent message that we are the Scottish Executive not DfT and have a different view. However, bidders are well aware that this is a fundamentally political position and could change. They are therefore nervous.

The position is compounded by City of Edinburgh Council's recent record as a scheme promoter. In recent times they have cancelled the City of Edinburgh Rapid Transit (CERT) guided busway after BAFO, the Western Approach Road and the congestion charging scheme. This means that the market does not have a perception of CEC as a determined deliverer of the projects they promote.

I hope this is sufficient for you to raise this with central procurement colleagues but please get in back in touch if further information would be helpful.

Damian

Damian Sharp
Head of Major Projects
Rail Delivery Directorate
7th Floor
Buchanan House
Ext [REDACTED]

-----Original Message-----

From: Valerie Clementson [<mailto:Valerie.Clementson@tie.ltd.uk>]

Sent: 15 August 2006 14:13

To: Sharp DP (Damian)

Subject: C1002852 - Project bidders costs.pdf

This email has been received from an external party and has been swept for the presence of computer viruses.

Damian,

Project Bidders Costs as requested.

Regards,

Valerie

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