**From:** Ramsay J (John) **Sent:** 13 March 2009 12:46

To: Jerry Morrissey (Jerry.Morrissey@transportscotland.gsi.gov.uk)

Cc: Reeve W (Bill)

Subject: Edinburgh Tram Dispute: Daily Bulletin for 13 March 09

## Official report

 No progress or breakthrough with Bilfinger. However it is known that their sub contractors are running out of preparatory work (on Princes Street) but Bilfinger do have their heavy plant on standby ready to mobilise if agreement is reached.

- 2. Martin Forder is due to return to Edinburgh on Monday having consulted with the Bilfinger Board for continued discussions with Tie (Steven Bell).
- 3. Martin Forder has also written (again?) to Steven Bell underlining that Bilfinger is prepared to commence work if Tie agree to change Infraco contract to "a demonstrable work basis"- original reference by Bilfinger to "Tie needs to agree to work with Bilfinger so they can recover the additional costs required to deliver....." Tie are about to refuse as this would lead to very substantial cost increases (Bilfinger has advised Tie that they estimate the money they are loosing on the contract is between £50 £80m)
- 4. David Mackay is again planning to speak directly with Dr Schlependahl of Siemens to encourage their greater involvement (in isolating Bilfinger from the Consortium's position)
- 5. The above will doubtless be included in this afternoon's conference call with Bill, David Mackay and Donald McGougan.

## **Unofficial Report**

- 1. David Mackay is coming alone to the meeting next week 17 March with Mr Swinney & Mr Stevenson (Ministers have confirmed they do not require official support)
- 2. Des McNulty is reported to have been impressed by Richard Walker Bilfinger UK in his recent round of meetings with MSPs and consequently Transport Scotland have 11 written PQs for answer next week

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