
From: Reeve W (Bill)
Sent: 14 May 2010 17:04
To: Middleton DF (David); McLaughlin AC (Ainslie); Fairweather S (Sharon)
Subject: FW: Tram Application 30

To be aware.

From: Reeve W (Bill)
Sent: 14 May 2010 17:02
To: Morrissey J (Jerry)
Subject: RE: Tram Application 30

Dear Jerry,

You rightly identify the sensitivity and appropriateness of bonus payments for tie staff.

I am content with your suggestion that we should withhold payment of the amount requested at present, noting that the remuneration committee has not met yet.

I will raise the matter with Richard Jeffrey.

In anticipation of the meeting of the remuneration committee, please consider the strict nature of our obligation to pay any contribution to these bonuses, having particular regard to extent to which our obligation to fund costs may be limited the need for them to be reasonably incurred.

Regards,

Bill Reeve

From: Morrissey J (Jerry)
Sent: 14 May 2010 15:03
To: Reeve W (Bill)
Subject: FW: Tram Application 30

Bill,

tie have submitted an invoice, application No.30 dated 11 May 10 that includes a potential bonus payment of £730k.

Tie have stated that their Remuneration committee that sits in June will decide if the bonus should be paid.

As you are aware, **tie** have not advised what the revised tram outturn cost will be (to-date no commercial agreement has been reached with the Consortium).

Lets fast forward to the end of June. CEC/tie present to the CEC board a new outturn figure that may be greater than £545m. At the same time the Remuneration committee might endorse the payment of this bonus to **tie**. If these scenarios become fact, then I can see the headline "tie paid for failure" etc.

Given this sensitivity could I suggest;

1. That you raise this issue with Richard Jeffrey during your weekly telephone conversation.

2. That I sign the invoice minus the potential bonus payment. If the Remuneration committee agrees to pay in June and if we see evidence of a legal/contractual commitment that a bonus should be paid then an invoice could then be raised for our review.

Grateful for your thoughts.

Thanks

jerry

Jerry Morrissey
Rail Projects Team
Rail Directorate
Transport Scotland
7th Floor, Buchanan House

0141 272 7460
07824 499275

From: Ramsay J (John)
Sent: 14 May 2010 12:59
To: Morrissey J (Jerry); Smart S (Stephen)
Cc: Cameron C (Claire)
Subject: Fw: Tram Application 30

Jerry

To note that the potential bonus is now confirmed as being only £730k" not £1.2m
Stephen has confirmed that it is in the Application: line T01.01 refers.

From: Ailie Wilson <Ailie.Wilson@edinburgh.gov.uk>
To: Ramsay J (John)
Cc: Smart S (Stephen); Alan Coyle <Alan.Coyle@edinburgh.gov.uk>
Sent: Fri May 14 11:46:16 2010
Subject: RE: Tram Application 30

Yes. The initial breakdown I was given from tie at the time we submitted the application (which is what I copied into the email I sent you with App 30) said the whole £1.2m was accrued bonus. But when you queried it just now I rang tie to check where it was within the application, which then led me to query how the whole £1.2m in T01.01 could be bonus, when surely they must have claimed for the period's salaries as well - they then confirmed that actually only £730k was for the bonus.

Apologies for this confusion.

From: John.Ramsay@transportscotland.gsi.gov.uk [mailto:John.Ramsay@transportscotland.gsi.gov.uk]
Sent: 14 May 2010 11:41
To: Ailie Wilson
Cc: Stephen.Smart@transportscotland.gsi.gov.uk
Subject: RE: Tram Application 30

Ailie

Thanks for your quick turnaround on this.

Are you now saying that the potential bonus payment will amount to about £730k, not the £1.2m previously identified?

cheers

From: Ailie Wilson [mailto:Ailie.Wilson@edinburgh.gov.uk]
Sent: 14 May 2010 11:33
To: Ramsay J (John)
Cc: Alan Coyle
Subject: RE: Tram Application 30

John,

It is in the Project management Staff costs line of tie PM costs (T01.01). I have double-checked with tie, and about £730k is actually for the bonus accrual, with the remainder being 1 months' contractor and payroll costs.

Ailie

From: John.Ramsay@transportscotland.gsi.gov.uk [mailto:John.Ramsay@transportscotland.gsi.gov.uk]
Sent: 14 May 2010 11:23
To: Ailie Wilson
Subject: RE: Tram Application 30

Ailie

I meant to ask which line of the current application does the £1.2m sit – its not entirely clear?

From: Ailie Wilson [mailto:Ailie.Wilson@edinburgh.gov.uk]
Sent: 04 May 2010 11:53
To: Ramsay J (John)
Cc: Alan Coyle; Andy Conway
Subject: RE: Tram Application 30

John,

INTC table attached. The DRP analysis and 80.13/80.15 info will follow from Alan.

Regarding the bonus issue, I believe a decision on that is due to be taken by the Remuneration committee of the Board in June, and tie are accruing the amount in the meantime in case it is to be paid. If the decision is not to pay it, the cashflow will be adjusted accordingly in a future period. We can discuss further when we meet tomorrow if you wish.

Regards,
Ailie

From: John.Ramsay@transportscotland.gsi.gov.uk [mailto:John.Ramsay@transportscotland.gsi.gov.uk]
Sent: 30 April 2010 14:13
To: Ailie Wilson
Cc: Alan Coyle; Stephen.Smart@transportscotland.gsi.gov.uk; Claire.Cameron@transportscotland.gsi.gov.uk
Subject: Re: Tram Application 30

Ailie

Thanks for the update - we are also off Monday so Tuesday is fine..

Regarding your points;

- (a) It would be helpful if the INTC table could be forwarded together with
 - the updated DRP analysis from Alan and
 - the number of 80.13 / 80.15 instructions issued to date by tie

(b) I thought the TPB had agreed that a bonus was not appropriate in the current situation - has this position changed?

Cheers

From: Ailie Wilson <Ailie.Wilson@edinburgh.gov.uk>
To: Ramsay J (John)
Cc: Alan Coyle <Alan.Coyle@edinburgh.gov.uk>; Smart S (Stephen); Cameron C (Claire)
Sent: Fri Apr 30 13:09:19 2010
Subject: Tram Application 30
John,

Please find attached the p1 Tram cash application. The key items are:

Cash Application for this period £6,345k
Resource Costs:- £1.2m Amount claimed for possible (though unlikely) bonus payment, to be paid in Period 3. This will be reversed amended once actual figures are know.
Infraco:- £1.7m forecasted for achievement of milestones, £1.5m of change, plus £1.3m for Utility work for Clancy Docwra, and other utility work.

We are off on Monday for the public holiday, so I'll send you the INTC table on Tues.

Regards,
Ailie

Ailie Wilson | Finance Manager | Financial Services | The City of Edinburgh Council | Waverley Court, Level 2:6, 4 East Market Street, Edinburgh, EH8 8BG | Tel 0131 469 3213 | Mobile 07825 821798 | Fax 0131 529 6223 | ailie.wilson@edinburgh.gov.uk | www.edinburgh.gov.uk

This email and files transmitted with it are confidential and are intended for the sole use of the individual or organisation to whom they are addressed.

If you have received this eMail in error please notify the sender immediately and delete it without using, copying, storing, forwarding or disclosing its contents to any other person.

The Council has endeavoured to scan this eMail message and attachments for computer viruses and will not be liable for any losses incurred by the recipient.

This email was received from the INTERNET and scanned by the Government Secure Intranet anti-virus service supplied by Cable&Wireless Worldwide in partnership with MessageLabs. (CCTM Certificate Number 2009/09/0052.) In case of problems, please call your organisation's IT Helpdesk. Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

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

This e-mail (and any files or other attachments transmitted with it) is intended solely for the attention of the addressee(s). Unauthorised use, disclosure, storage, copying or distribution of any part of this e-mail is not permitted. If you are not the intended recipient please destroy the email, remove any copies from your system and inform the sender immediately by return.

Communications with the Scottish Government may be monitored or recorded in order to secure the effective operation of the system and for other lawful purposes. The views or opinions contained within this e-mail may not necessarily reflect those of the Scottish Government.

The original of this email was scanned for viruses by the Government Secure Intranet virus scanning service supplied by Cable&Wireless Worldwide in partnership with MessageLabs. (CCTM Certificate Number 2009/09/0052.) On leaving the GSi this email was certified virus free. Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

This email was received from the INTERNET and scanned by the Government Secure Intranet anti-virus service supplied by Cable&Wireless Worldwide in partnership with MessageLabs. (CCTM Certificate Number 2009/09/0052.) In case of problems, please call your organisation's IT Helpdesk. Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

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

This e-mail (and any files or other attachments transmitted with it) is intended solely for the attention of the addressee(s). Unauthorised use, disclosure, storage, copying or distribution of any part of this e-mail is not permitted. If you are not the intended recipient please destroy the email, remove any copies from your system and inform the sender immediately by return.

Communications with the Scottish Government may be monitored or recorded in order to secure the effective operation of the system and for other lawful purposes. The views or opinions contained within this e-mail may not necessarily reflect those of the Scottish Government.

The original of this email was scanned for viruses by the Government Secure Intranet virus scanning service supplied by Cable&Wireless Worldwide in partnership with MessageLabs. (CCTM Certificate Number 2009/09/0052.) On leaving the GSi this email was certified virus free. Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

This email was received from the INTERNET and scanned by the Government Secure Intranet anti-virus service supplied by Cable&Wireless Worldwide in partnership with MessageLabs. (CCTM Certificate Number 2009/09/0052.) In case of problems, please call your organisation's IT Helpdesk. Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

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

This e-mail (and any files or other attachments transmitted with it) is intended solely for the attention of the addressee(s). Unauthorised use, disclosure, storage, copying or distribution of any part of this e-mail is not permitted. If you are not the intended recipient please destroy the email, remove any copies from your system and inform the sender immediately by return.

Communications with the Scottish Government may be monitored or recorded in order to secure the effective operation of the system and for other lawful purposes. The views or opinions contained within this e-mail may not necessarily reflect those of the Scottish Government.

The original of this email was scanned for viruses by the Government Secure Intranet virus scanning service supplied by Cable&Wireless Worldwide in partnership with MessageLabs. (CCTM Certificate Number 2009/09/0052.) On leaving the GSi this email was certified virus free. Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

This email was received from the INTERNET and scanned by the Government Secure Intranet anti-virus service supplied by Cable&Wireless Worldwide in partnership with MessageLabs. (CCTM Certificate Number 2009/09/0052.) In case of problems, please call your organisation's IT Helpdesk. Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

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