

Kirsty-Louise Campbell

(2007/28 below)

From: Gill Lindsay
Sent: 26 September 2007 19:16
To: Colin MacKenzie
Subject: RE: Final Business Case Draft

Colin

Thank you. I agree but the acute timescale provided has prevented any considered view. It was helpful to have considered is am and it seems matters have been now included by you.

Thanks

Bill

From: Colin MacKenzie
Sent: 26 September 2007 15:58
To: Duncan Fraser; Alan Squair; Nick Smith
Cc: Robin Goodwin; Rebecca Andrew; Gill Lindsay
Subject: RE: Final Business Case Draft
Importance: High

2007/28

Duncan,

Comments as requested on the draft report to Council. Time has not allowed a proper consideration of the Appendices.

It may be that the further comments are forwarded on the draft as it progresses. The Council Solicitor may also contact you direct with additional comments/amendments. I will use the numbering followed in the draft report.

1.1 rather than approval by the Council of Preferred Bidders, should the report not say "noting the result of tie's evaluation and accepting their recommendation..."

1.1 should read 1998 rather than 1968

1.26 rather than a component LB will be part of TEL

In the last sentence it is premature to say that the governance arrangements have been strengthened

1.31 In line one it should be 23 August

1.32 The word "achieved" is missing in line four. It should be noted in this paragraph that CEC has not been involved in the evaluation process, nor in the contract negotiations. The Council is therefore relying wholly on tie and tie's internal and external legal advisers for this process. In the last sentence it should be made clear that tie is the contracting party with Tramco and Infracore respectively. Comments also apply in 4.37 that since tie has no assets, it is expected that the Council will be called upon to give some form of formal guarantee of tie's contractual obligations.

1.3 Has this benchmarking been against actual outturn costs of completed Tram projects ?

Section 4 generally needs to be updated. Table at 4.10 should be updated to reflect position as set out in the report to today's CPB which indicates a £1m increase in Developer Contributions' cash.

1.27 and 4.30 are very light on the risks to the Council. It is clear that ultimately all public sector risks from the contracts lie with CEC as tie have no assets. The report will have to deal with the degree of comfort required by the Preferred Bidder. How do you propose advising members of the work being undertaken by Turner and Townsend and DLA in identifying, allocating and quantifying the risks ?

1.46 and subsequent paragraphs. The procurement process right through to selection of PB has been conducted by tie without any Council input. Accordingly there is a need for the report to explain what tie have done by way of procurement and evaluation. Details of tie's recommendations will require to be inserted in the report, together with what comfort the Council can take from this process given the support from DLA and Turner and Townsend. Ultimately, the Director of Finance will be

27/09/2007

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