

TO Susan Clark Deputy Project Director Tie.

FROM Members of Peer Review team.

25th January 2010

Impending Work.

Further to our discussions last Friday, we have given some thought on how we might help. We understand that Tie and CEC do not require a Peer Review for the work you intend to carry out. What we are doing is giving you a view, in good faith, based entirely on the information you provide to us.

There seem to us to be 2 options going forward.

1. We review documents on a progressive basis between now and the date you produce your final strategy so we can consider the final document in the light of previous information.
2. We limit our comments to a session on the final document which will be about strategy.

As you have indicated that following Option 1 may delay progress on a tight timescale, we think Option 2 would be the better one to follow in the circumstances. We would give you best support if we could see the proposed strategy and key supporting papers sufficiently in advance to provide an informed comment on them. We think the final review might be best done face to face with a limited number of attendees to ensure confidentiality.

In the meantime, you asked us for some comments in the light of Friday's discussion. We think we covered the issues of describing the background, risk, the council's powers and duties, possible procurement avenues and integration adequately then. Since then, we have given further thought to the audit aspects around design and feel that you will have to ensure that your audit processes are sufficiently robust to be able to sift out the subjective issues that inevitably surround design if you are to be able to demonstrate breach. Time and the level of BSC co-operation may also militate against your aspirations in this area.

We are not familiar with the Wiesbaden agreement but it did seem to us to be worthy of your consideration to establish its background in case a court might not be readily persuaded that its impact on the whole agreement was disproportionate.

Finally we do feel there is serious merit in testing your model arrangements post whichever option you choose as you go, as this may help you determine which approaches offer the most likelihood of success.

We recognise that the choice of approach is entirely a matter for Tie and await your confirmation of the way you would wish to proceed.

M G Heath for M G Heath, A Sloan, W Gillan