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**From:** Gill Lindsay  
**Sent:** 11 March 2008 19:07  
**To:** Jim Inch  
**Subject:** FW: Tram Briefing

Jim

This is a good summary from Alan Coyle in Fin to Donald, copied for your info. Further meetings Wed am internally and as TIE/TEL Board.

Regards  
Gill

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**From:** Alan Coyle  
**Sent:** 11 March 2008 18:53  
**To:** [mandy.mcgougan@](mailto:mandy.mcgougan@)  
**Cc:** Colin MacKenzie; Duncan Fraser; Rebecca Andrew; Steve Sladdin; Andy Conway; Gill Lindsay  
**Subject:** Tram Briefing

Donald,

Further to meeting with tie this evening, here is the state of play

Novation - This is still ongoing. tie are meeting with SDS this evening. tie are more upbeat than yesterday and have said that nothing will change re. price or risk allocation presented to us. If it does, they'll come back to us before ITA.

Network Rail - Steve's latest update is:

"Looks good on NR. Final adjustments for all docs taking place now. NR London to get hard copy tomorrow for approval and then McRoberts in Glasgow will be authorised to sign. This is targeted for tomorrow probably pm. NR have accepted reasonable for the bridge agreement...!!"

DLA Letter and Close Report - To be redrafted to take account of council requested changes:

- Alignment of DLA letter to risk allowance
- Inclusion of Tramco bond
- Rewording on novation of SDS re:performance risk (ie Council is only at risk from Approvals delay)
- Redrafting of paragraph on Employers Requirement risk to moderate language to put in line with what tie are saying.

Financials

Price - £508m and no anticipated changes. We have a breakdown and summary will be presented at TPB  
QRA - Now £32m, additional sums added for VE risk and road reinstatement. Damian Sharp said that the quantum of the risk allowance was comparable with the amount at the same stage in Waverley Station Project (which was sufficient). We've asked tie for a formal assurance on the risk allowance to be provided in a letter from Willie.  
Value Engineering - Now £13.8m, was £17.8 at preferred bidder. Break down has been supplied.  
Tramco Bond - Stewart McGarrity confirmed this is in hand with a £10.8m bond from an AAA provider, Ace Global.

Staged Approach to Approval

tie will know within 24 hours whether they can proceed to issuing ITA. Gill has drafted a letter from all Directors to Tom and from Tom to tie to allow the issuing of the ITA. As it is unlikely that all the paperwork will be in place to allow the full delegation to award the contract, Gill is proposing a staged approach (which is all that tie is expecting).

We can discuss this in more detail tomorrow morning.

Alan and Rebecca

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