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**From:** Rebecca Andrew  
**Sent:** 23 August 2007 11:04  
**To:** Donald McGougan  
**Subject:** Legal advice on contract risks

Donald,

Thought I'd update you on the latest position on identifying the risks in the infraco and tramco contracts.

We are looking for an analysis of the retained risks from the contract and what is the potential financial impact, should they materialise.

We don't think we have sufficient internal resource in CEC to get this, and Andrew and Gill are both reluctant to engage external advisers (or even to approach tie on jointly commissioning them).

Having said that, DLA have written to say they will also act on the Council's behalf and will produce a risk matrix, which will help. However, external advice will probably give us greater comfort, particular as DLA are using a proforma contract, which is unfamiliar to CEC lawyers.

What is your view on this, and how do you think we should approach tie? We are not seeking to challenge tie's work, simply to get a better idea of the amount of Head room we need.

I'll be out of the office tomorrow (Friday), but will speak to you next week and also update you on today's meeting on the grant award letter.

Rebecca

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