
From: Hamish Sheppard
Sent: 07 May 2008 10:14
To: David Carnegie
Subject: FW: Infraco Breakdown for Line 1b

FYI

From: Hamish Sheppard
Sent: 07 May 2008 10:13
To: Stewart McGarrity
Cc: Elliot Scott
Subject: RE: Infraco Breakdown for Line 1b

Stewart

Hope the holiday is going well. Speaking with Elliot it appeared as if back a number of months we had costs attributable to Line 1b regarding design. This was originally deducted correctly off of the cost of line 1A, but was never initially added into line 1b. Subsequently 1b AFC was short by the £2.9m with the lower figure reported to TS as the FBC AFC. Currently this £2.9m is still not showing as a cost within Line 1b's current AFC, and as such I assumed that we were attempting to mitigate the cost through further anticipated savings.

Elliot, if my understanding of the history of the adjustment above is incorrect then could you set me right?

Thanks
Hamish

Hamish Sheppard

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From: Stewart McGarrity
Sent: 06 May 2008 17:15
To: Hamish Sheppard
Cc: Elliot Scott; David Carnegie; Graeme Bissett
Subject: RE: Infraco Brakdown for Line 1b

Hamish,

So - someone found a source document from which the Ph1b Infraco budget was derived!

You should compare these figures to the final Commercial Report at Preferred Bidder stage which Val will be able to get for you. The Phase 1a BBS bid in that report is GBP208.7m plus GBP17.8m normalisation giving a total for the Infraco contract of GBP226.5m. These final numbers for Phase 1a (which agree to whats in the GBP498m at FBC) are a bit slightly lower than the PDF attachment to your email and I believe the Phase 1b figures you will find to be a bit higher. This may be explained by a last minute switch of costs from Phase1a to Phase1b which is of great interest at the moment.

The GBP2,963k which you have labeled further anticipated target saving in your reconciliation is exactly equal to Phase 1b design cost - some coincidence?

Cheers,

Stewart

From: Hamish Sheppard
Sent: Tue 06/05/2008 3:37 PM

To: Graeme Bissett
Cc: Stewart McGarrity; Elliot Scott; David Carnegie
Subject: Infraco Brakdown for Line 1b

Graeme as requested:

Per DC Scan	Infraco Bid	£49,700
	Normalisation	£5,690
	Target negotiation saving	(£2,000)
	Non infraco works (adv species etc)	£604
	Total DC Scan	£53,994
	Difference as further anticipated target saving	(£2,963)
Total 1b Infraco (incl invasive species and non infrastructure works) per PM Report		£51,031

Hope this helps explain

Hamish
Hamish Sheppard

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