
From: Gregor Roberts
Sent: 20 July 2009 15:41
To: David Mackay
Cc: Steven Bell; Richard Jeffrey
Subject: RE: Tram report to Council: Draft 2

David,

My view is that the report is a little too explicit with regards to **tie's** general strategy and commercial position and would require some changes to be made before being submitted to the Council.

Specific comments with regards sections of the report are:

- 2.1 – I don't think that we should highlight the fact that the project is 'unlikely to be delivered within the funding envelope'. We have no certainty on our programme or cost estimates currently.
- 2.2 – Is it necessary to flag that the council are assessing the robustness of the £45m contribution? This is a public document and could set alarm bells as to affordability; especially in relation to the comment that there will be 'delays in achieving the target levels of receipts'.
- 3.2 – The report intimates that **tie** entered into the DRP alone (wording) rather than with full support of the board (and including council support to go to DRP).
- 3.3 – I don't think that we should say that our intention of DRP 1 sought to achieve a revised commercial baseline for the tram programme. It was one of the levers, but not the final aim of DRP1 alone.
- 3.8 – I think that we should take out the stipulation that BSC 'reiterated their demands of between £80m and £100m with no clear evidence or justification'. This statement isn't entirely accurate and quite inflammatory. BSC could take this as us taking their DRP claims lightly.
- 3.11 – I think that we should change 'best, baseline and worst case view' to 'prepare a range of programme and budget implications'. We have no certainty of what a best case view is.
- 3.12 – We should take this out. We cannot mention the £560m-£600m costs or potential truncation at Newhaven as these would all significantly weaken our strategies moving forward and are commercially sensitive items.
- 3.13 – Again, we should not mention strategic truncation options at OT or Newhaven as this will give BSC a heads-up on any potential approaches.
- 3.15 – The mention of Project Termination in a public document will light the blue-touch paper. This needs to be removed as will have the press scrambling (and Transport Scotland).
- 3.21 – It does not seem sensible that the Council are flagging in a public document that they expect to struggle to get their forecast contributions from FP, as this will weaken CEC's bargaining position.
- 3.26 – Should the council specifically highlight it's funding mechanism (through prudential) in this document? This seems overly detailed and an unnecessary disclosure?
- 3.29 – I do not think that it is prudent to mention bonus payments under the new governance section. Could this open up tie/ TEL/ CEC to claims for changing personnel contracts without consultation?
- 3.30 – Comments regarding the councils 'desire to exercise tight control over tram project expenditure' and 'difficulties in exercising these controls in practice' are quite inflammatory. **tie's** role in managing this project is specifically to deliver and control delivery and the budget; this section implies that this is not being done properly/ in-line with CEC expectations.
- 3.36 – The table in 3.36 for comparison purposes should exclude phase 1b as this is no longer on the agenda.
- 3.42 – Should be updated in-line with amendments being made to the Business plan (following feedback to GR from GB/ SB)

If you have any queries about any of this I will be able to chat through with you.

Regards,
Gregor

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From: Julie Thompson
Sent: 17 July 2009 08:35
To: David Mackay; Steven Bell; Gregor Roberts
Cc: Richard Jeffrey
Subject: FW: Tram report to Council: Draft 2

Guys

Can you have a look at this and feedback to Dave please in Richard's absence.

Thanks

Julie

From: Dave Anderson [<mailto:Dave.Anderson@edinburgh.gov.uk>]
Sent: 16 July 2009 19:09
To: Tom Aitchison; Marshall Poulton; Alan Coyle; Andy Conway - CEC; Gill Lindsay; Jim Inch; Donald McGougan; Max Thomson
Cc: Richard Jeffrey; Julie Thompson
Subject: Tram report to Council: Draft 2

Please find attached a second draft of the proposed tram update report to August Council for consideration and comment. My thanks again to Alan Coyle and CEC/ Tie colleagues for their input to this. I would welcome input from Richard and David on any points of accuracy or concerns about commercial sensitivity. Regards. Dave

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