
From: Willie Gallagher
Sent: 05 June 2007 20:05
To: Jim McEwan; Stewart McGarrity; Graeme Bissett; Susan Clark; Matthew Crosse; Barry Cross; Colin McLauchlan; John Boyle; Mike Connelly; Suzanne Waugh; Steven Bell
Subject: FW: Discussion with Minister and Transport Scotland

Stewart will be calling an internal review meeting tomorrow at 4pm.

Willie

From: Willie Gallagher
Sent: 05 June 2007 20:04
To: david_mackay@...; 'Andrew Holmes'; Tom.Aitchison@edinburgh.gov.uk; 'Renilson, Neil'
Subject: Discussion with Minister and Transport Scotland

You will now be aware of the decision by the Executive to ask Audit Scotland to complete an urgent review of the methodology utilised to produce our forecast costs for Tram and Earl. Note the focus of the investigation is very narrow, they are not looking at the Business Case or attempting to evaluate or understand the benefits of either scheme.

I received a call at 6pm from the Transport Minister. He factually informed me of the review, explained the rationale behind the request, assured me that no decisions have been taken. He was chatty and complementary about tie's professional attitude to the pressure we are under. We agreed that he would meet with me prior to any decision being finalised.

I then called Transport Scotland – Bill Reeves. Bill was also informed of the review today, and has no knowledge of what role (if any) will be played by TS. His own view is that we should have no major concerns on the outcome, although it was inevitable that Audit Scotland could provide some material which could be used in a variety of negative ways. The review has to be with Ministers by June 20th – so effectively less than 10 working days and is quite an ask for Accountants from a standing start.

We have already kicked-off our preparatory work. Our team will be lead by Stewart McGarrity and supported by Matthew Crosse and Barry Cross, plus key Business & Finance resources. We are preparing a comprehensive document list and identifying all organisations e.g. Auditors and PUK who can support our work.

Kind Regards,

Willie