
From: Stewart McGarrity
Sent: 10 October 2006 08:09
To: Graeme Bissett (external contact)
Cc: Neil Renilson (TEL); Alastair Richards - TEL; Miriam Thorne; Alasdair Sim
Subject: RE: DFBC Programme

Graeme,

See quick reference index to the DFBC below.

I have enough material to make a produce a good first draft of sections 2,3,4 and 10 and have just set about doing so this evening. As ever the challenge is dedicating the time and I'm a wee bit behind where I thought I would be in drafting these sections. I need to ignoring the other stuff I can and I may require the weekend to complete.

First go at section 5 is with the commercial team under Geoff and with Trudi for certain bits. Requirements are well defined and I think Geoff has 23/10 down for his bits (he also has the cost estimates to deal with and our other reporting requirements) and Trudi said she would be striving for a first draft next week.

Section 6 is a summary of the TEL Business Plan which is in the hands of Alastair R and Miriam for first draft. The words are a significant way there and are being reviewed by Neil. As soon as he is happy with them they will be with us for review – tomorrow (Tues) I hope. Completion of the financial analysis and BCR stuff is dependent on delivery by JRC of their draft reports which are due on Friday. We should discuss common understanding of format and content of BPIC presentation next Thursday (19th) – it now seems unlikely everything will be ready by then. We also need briefings for TS/CEC before BPIC in lieu of the MRSG which was planned for next Monday and which we will no longer have. We need to cover Lex for Andrew H, Rebecca for Donald McG and John Ramsay for TS. I have not set those sessions up yet but the Monday slot is in their diary if we can pull the info together before then.

Re your earlier email, taxation is part of the TEL Business Plan to be drafted in. In financial modelling terms I expect to include only the 30% Corporation Tax charge we discussed last week – is this in line with your expectations?

The material for Sections 7 and 9 will come out with the cost estimates emerging by 16/10 in accordance with Geoff's programme. As soon as I've finished the wordy sections, I'll draft what this will look like with the figures to slot in. I believe we want to keep the detailed cost estimates as a commercially sensitive appendix to the DFBC.

Mark is working on the risk management section.

For the next 2 days my concerns are on finalising a series of base case JRC outputs we can all stand behind for now and getting us into shape for a BPIC presentation next week. JRC will give us their next offering and explanations on 1a only tomorrow. The base BCR results are about 1.5 for 1a+b and 1.0 for 1a only. We have a session on the TEL financials set up for Thursday. As noted above the JRC's revenue risk analysis is due on Friday.

Stewart

Stewart McGarrity
Finance & Performance Director
tie Limited

- 1. EXECUTIVE SUMMARY**
- 2. SCHEME JUSTIFICATION - SMcG**
 - 2.1 History of scheme development
 - 2.2 Establishment of Transport Edinburgh Limited (TEL)
 - 2.3 Project Phasing
 - 2.4 STAG appraisal summary (Phase 1a / Phase 1a+b)
- 3. PROJECT SCOPE - SMcG**
 - 3.1 Functional specification (Phase 1a / Phase 1a+b)

- 3.2 Phasing plan & Functional Spec - Phases 2 and 3
- 3.3 Interchange proposals

- 4. GOVERNANCE**
- 4.1 Governance arrangements - **SMcG**
- 4.2 Gateway Review report and action plan - **SMcG**
- 4.3 Delivery team – **Susan C**

- 5. PROCUREMENT & IMPLEMENTATION**
- 5.1 Contracting Strategy - **Geoff G**
- 5.2 Negotiation strategy to financial close - **Geoff G**
- 5.3 Systems integration strategy and implementation plan - **Geoff G / Alastair R**
- 5.4 Approvals (inc planning and TROs) - **Trudi**
- 5.5 3rd Party Works (inc NR and BAA) - **Trudi**
- 5.6 Land assembly - **Trudi**
- 5.7 Environmental management plan - **Trudi**

- 6. OPERATIONAL PLAN - Alastair R, Miriam, Alasdair S with Neil overseeing**
- 6.1 TEL Business Plan
- 6.2 JRC modelling outputs (Phase 1a / Phase 1a+b)
- 6.3 Benefits realisation plan

- 7. FINANCIAL ANALYSIS - Geoff G and SMcG**
- 7.1 Capital costs estimates (Phase 1a / Phase 1a+b)
- 7.2 Affordability analysis (Phase 1a / Phase 1a+b)
- 7.3 Cash flow and application of CEC / TS funding
- 7.4 Lifecycle costs and funding of major renewals

- 8. RISK MANAGEMENT - Mark Bourke w input from Geoff G**
- 8.1 Risk management strategy

- 9. PROGRAMME - Geoff G**
- 9.1 Programme to Financial close
- 9.2 Programme for construction and commissioning

- 10. COMMUNICATIONS STRATEGY - Suzanne & Mike C**
- 10.1 Media strategy
- 10.2 Stakeholder liaison
- 10.3 Public liaison

Appendices

TEL Business Plan
STAG2 Report
JRC Revenue & Risk Report
Detailed cost estimates and cash flows

Glossary

From: Graeme Bissett [mailto:graeme.bissett@██████████]
Sent: 09 October 2006 15:45
To: Stewart McGarrity
Subject: RE: DFBC Programme

When do you anticipate wanting me to review DFBC and TEL BP ?

Regards
Graeme

Graeme Bissett

m : [REDACTED]

From: Stewart McGarrity [mailto:Stewart.McGarrity@tie.ltd.uk]
Sent: 06 October 2006 13:33
To: John.Ramsay@transportscotland.gsi.gov.uk; Lorna.Davis@transportscotland.gsi.gov.uk;
Damian.Sharp@transportscotland.gsi.gov.uk
Cc: julian.ware@kpmg.co.uk; Miriam Thorne; Graeme Bissett
Subject: FW: DFBC Programme

As requested.

Stewart McGarrity
Finance & Performance Director
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[REDACTED]

From: John.Ramsay@transportscotland.gsi.gov.uk [mailto:John.Ramsay@transportscotland.gsi.gov.uk]
Sent: 06 October 2006 13:26
To: Miriam Thorne
Cc: Stewart McGarrity; Lorna.Davis@transportscotland.gsi.gov.uk; Damian.Sharp@transportscotland.gsi.gov.uk
Subject: DFBC Programme

Miriam

Following yesterday's "Headroom" meeting Stewart agreed to send Julian Ware an electronic copy of the DFBC programme report sheet that was tabled at Wednesday's meeting.

As a matter of urgency could you also forward a copy to Damian, Lorna and myself this afternoon. If there are any difficulties please give me a call to discuss. Thanks

Regards

John Ramsay

Project manager - Edinburgh Trams

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