
From: Gary.Easton@turntown.co.uk
Sent: 04 March 2013 18:44
To: Colin Smith
Cc: Alan Coyle; Bob McCafferty; Clive.Ar buckle@edinburgh.gov.uk; Richie.Hales@turntown.co.uk; Rob Leech; Andy Scott
Subject: Legally Privileged and Confidential: Request from Scottish Water for further information
Attachments: ScottishWaterFileNote_Feb13.pdf; 130301 SW Variation Close Out Position.pdf; Final certificate.PDF; Appendix 1 to Mediation Paper Confidential.pdf; Mediation report rev 2 11 11 10 Confidential.pdf

Colin

To help explain information exchange with Scottish Water we attach:

File note describing the items discussed with Scottish Water
List of items from the variation account which was developed between SW and tie plus our comments when we came on board. The 6th and 7th columns summarise SW's position and T&T comments June 2012

(See attached file: ScottishWaterFileNote_Feb13.pdf)(See attached file: 130301 SW Variation Close Out Position.pdf)

Scottish Water's queries generally relate to a point of principle or request for emails/letters which recorded agreements between tie and Scottish Water, rather than queries relating to the quantum or cost build up.

Regarding final account information we also attach:

Final Certificate for the Carillion Account amounting to £62.5M
Appendix 1 to Mediation
Mediation report

(See attached file: Final certificate.PDF)(See attached file: Appendix 1 to Mediation Paper Confidential.pdf)(See attached file: Mediation report rev 2 11 11 10 Confidential.pdf)

As an example the 1st item on the SW Variation Close Out Position is £495K for CCTV inspections. We have highlighted in yellow the same item in Appendix 1 to Mediation Paper which amounts to £540K. The commercial settlement however grouped a number of items together and was c. 30% less than the amount claimed by Carillion. The amounts submitted by tie to Scottish Water do not always follow the pro-rata figures, in certain instances, actual invoice amounts were used. We have highlighted the CCTV inspections in the Mediation Report which confirms Carillion submitted invoices during the mediation. Please note that the mediation was subject to confidentiality undertakings.

This example shows the difficulty comparing the amounts in the mediated final account to the information submitted to Scottish Water. In our discussions with Scottish Water last year we prioritised discussions around the points of principle to try and make some progress. We don't have copies of the detailed final account information which sits below the mediation summary.

Can we discuss what information is provided

Regards

Gary Easton

Director

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