

Colin Smith

From: Anthony Rush [anthony@██████████]
Sent: 02 March 2011 08:04
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Cc: 'Jim Molyneux'
Subject: Costs to complete

Nigel/Colin

Amongst the many unknowns is the cost of completing the works from Airport to Haymarket. I haven't seen any output from Cyril Sweett so my only comment is that I understand that it is limited to civils works (Bilfinger Berger) and it is claimed to be current market prices.

Jim maintains a figure of £219 million plus inflation and he identifies risk to trackwork of up to £25 million.

I deduce that the sub-contractor prices in the PPP and as Jim validated during Carlisle leave £100 million of civils work left to complete.

But for Siemens we can only assume a price between c£80 million to £136 million plus substantial exclusions.

I don't want to start hares running but having seen the PPP I am concerned that Siemens Contract Work Price is substantially under bid and as a consequence re-procuring the Systems Work will push the costs well above Jim's £219 million.

Tony