

Colin Smith


To: Nigel Robson; Anthony Rush
Subject: RE: 11 am Financial meeting -

Thanks Gents ,
That is helpful . See you at 11am
Regards
Colin

Colin Smith FRICS MAPM
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From: Nigel Robson [mailto:robson.nigel@[REDACTED]]
Sent: 06 March 2011 21:12
To: Anthony Rush
Cc: Colin Smith
Subject: RE: 11 am Financial meeting -

I asked yesterday for Alan to bring hard copies for the same reason.
N

--- On Sun, 6/3/11, Anthony Rush <rush_aj@cqm.co.uk> wrote:

From: Anthony Rush <[rush_aj@\[REDACTED\]](mailto:rush_aj@[REDACTED])>
Subject: RE: 11 am Financial meeting -
To: "Nigel Robson" <[robson.nigel@\[REDACTED\]](mailto:robson.nigel@[REDACTED])>
Cc: "Colin Smith" <csmith@hg-group.co.uk>
Date: Sunday, 6 March, 2011, 21:05

As long as you both understand they are very much quick guides and not adequately thought through – apart from my earlier notes. But I would use it to inform me when listening to what tie say.

I hope they bring a copy of Alan Coyles' spread sheets as I cannot print off a readable copy.

Tony

From: Nigel Robson [mailto:robson.nigel@██████████]
Sent: 06 March 2011 20:08
To: Anthony Rush
Subject: RE: 11 am Financial meeting -

Thanks Tony - I do understand these - very helpful. It might be helpful for Colin beforehand.

N

--- On Sun, 6/3/11, Anthony Rush <rush_aj@██████████> wrote:

From: Anthony Rush <rush_aj@██████████>
Subject: RE: 11 am Financial meeting -
To: "Nigel Robson" <robson.nigel@██████████>
Date: Sunday, 6 March, 2011, 19:53

A back of an email set of numbers to think about – if I can I will get up early and think about risk.

Total cost of the project Airport to St Andrew Square

I assume under Project Phoenix. See my email 1 March – add allowance from Haymarket to St Andrew Square of £22.9 million. £699.5 million

The tipping point cost of Airport to Haymarket

See my email of today £740 - 765 million

Cost and timetable of Attrition

Assuming Attrition means Airport to Newhaven and that the settlement figure of £400 million for Phoenix includes the Infraco's loss and expense.

Original Contract Works Price	£219.162 million
Additional Cost Off Street	£250.000 million
Additional Cost On-street	£125.000 million
Sub-total	£594.000 million
Cost for tie	£276.50 million
Total	£876.500 million

Cost and timetable of Separation

See my email of today and GHP 25 February to St Andrew Square £740 - 800 million

Allow 12 – 18 months of delay

Cost of Back Page Project to September 2011

Depends on the deal. If structured as I have outlined today should be minimal additional cost to tie.

Value of risks/work not done on the balance of the contract that the contractor would be released from.

As part of Project Carlisle tie reported to CEC:

Civil Works at £9 – 14 million/km (from costs at Princes Street)	£45 – 70 million
Systems	£16 million
Other	£4 – 9 million
Risk	£10 million
Range	£75 – 105 million

The range is because we just do not know what the state of the existing pavements is and what obstructions/soft ground we will meet.

Six months on I am inclined to add a further £10 million for contingency to the trackway.	£10 million
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Carlisle assumed Newhaven would be completed by the Infracore	£8 million
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I am also inclined to add 5% per annum for inflation.	£20 million
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A “bet your farm on it” budget	£143 million
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From: Nigel Robson [mailto:robson.nigel@]
Sent: 06 March 2011 18:38
To: Anthony Rush; Richard Jeffrey; BrandonNolan; Steven Bell
Subject: Fw: 11 am Financial meeting -

All,

Please see attached from Colin.

Richard - I have only circulated to you and Steven at this time.

Nigel

--- On Sun, 6/3/11, Colin Smith <csmith@hg-group.co.uk> wrote:

From: Colin Smith <csmith@hg-group.co.uk>
Subject: 11 am Financial meeting -
To: "Nigel Robson" <robson.nigel@[REDACTED]>
Cc: "Sue Bruce (Chief Executive)" <Sue.Bruce@edinburgh.gov.uk>, donald.mcgougan@edinburgh.gov.uk, dave.anderson@edinburgh.gov.uk, "Alastair Maclean" <Alastair.Maclean@edinburgh.gov.uk>, "Alan Coyle" <Alan.Coyle@edinburgh.gov.uk>
Date: Sunday, 6 March, 2011, 14:21

Nigel , Thanks for your note 4 th march .

Can I have your thoughts please on what I think would be good to gain a view and agreement on from Tie and Tony on the following points tomorrow .

- Total cost of the project Airport to St Andrew
- To Borrow Vic's phrase " a bet your farm on it " Budget figure that would be reported to the Government
- Understanding of the tipping point cost of Airport to Hay market
- Total value of the risk pot and a swingometer position on the points the client would keep and those that could not be entertained at all and must stay with the contractor
- Value of risks / work not done on the balance of the contract that the contractor would be released from on speaking with Alan this value is not being considered by the other side so far .
- Affect of the Dervaird decision on the costs
- Cost and timetable of Attrition
- Cost and timetable of Separation
- Cost of Back Page project to September 2011

Please feel free to use some or all of the above in a precirculation to all attendees to get thinking caps on in advance of the meeting

Regards

Colin

Ps I attach for info the email that I have sent out to rally attendees

Colin Smith FRICS MAPM

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