From: david_mackay@

Sent: 13 March 2009 10:34 **To:** Mike Connelly

Subject: RE: Meeting with Alison McInnes and Margaret Smith - STRICTLY PRIVATE &

CONFIDENTIAL

Mike

Thanks.

I totally understand the sensitivities but I will need to use the quote tone intelligently.

We are in a "no holes barred" situation.

Regards

David

----Original Message----

From: Mike.Connelly@tie.ltd.uk

Date: 13/03/2009 8:57

To: "David Mackay" < david mackay (a)

Cc: "Julie Thompson" < Julie. Thompson@tie.ltd.uk >, "Mike

Connelly "< Mike. Connelly (tie. ltd. uk>

Subj: RE: Meeting with Alison McInnes and Margaret Smith

David,

As you know nothing came back from the MSPs which too be honest was to be expected but indicates the level of which they have no desire to be exposed. In terms of the relationship which I (we) have with the MSPs I would not wish to see any of these comments attributed to them. That way we safeguard the relationship and degree of openness which I have built up over the last few years.

Regarding the 'gems' below are some of which I remember and I'm sure there will be others which would have hit some of your nerves:

- 1. RW admitted to both MSPs that he had told a lie at his meeting with Jenny Dawe and Donald McGougan regarding the completeness of the contracts that BB had in place with its suppliers. (I takes an exceptionally good liar to admit that he's a liar!)
- 2. RW mentioned that he had requested these meetings with MSPs to set the record straight on the mistruths that tie were putting out.
- 3. RW mentioned that the Consortium never asked for £80m and don't know where that figure came from and this was never part of the Princes Street works.

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- 4. Confirmation from the MSPs that RW openly shared Minutes, Memorandum and letters which were sent to the Consortium from tie and in particular how they had told tie last year that it couldn't be built on the basis of the existing price. During this sharing of information time was given to the PSP to read the sections which had been highlighted.
- 5. RW told the MSPs that all members of the Consortium were fully behind this dispute and supported the purpose of these meetings.
- 6. Margaret Smith had felt that in her early relationship with tie they were very bad at communicating and that she had held meetings in her home and got agreements with tie which were never delivered. Things have improved significantly over the last couple of years.
- 7. RW had mentioned that the Consortium wanted to be the honest broker in this mess and felt that it was only through the meetings with MSPs that the public interest in this project could be protected about 'the cover up going on by tie'.
- 8. RW explained that the contract was unworkable and would have to be re-negotiated if the project was to be delivered. There was a need to start again!
- 9. RW mentioned that the project could not be delivered on this budget and felt that MSPs needed to be aware of this. This was one of the reasons why tie was trying to prevent the Consortium from discussing these facts.
- 10. The Consortium and in particular BB were fully behind this project and wanted to deliver this for Edinburgh as it was very obvious the benefits that this would bring.
- 11. Both MSP's experience of RW was that he was extremely convincing and that he carefully put forward a compelling case for why they were right and we were wrong.
- 12. He mentioned that the design was seriously behind schedule and that that was solely down to tie's failure to effectively deliver this. This has also impacted on the MUDFA works where their delay is seriously impacting on the Consortium's ability to start work.
- 13. RW evidenced the impact of No12 above by showing a minute of a meeting between planners from both organisations which had taken place last year where tie had admitted that there was a 70 week delay. It's tie who wish to hide these facts which makes the Consortium look bad.
- 14. RW mentioned that Willie Gallagher last year had reached a 'gentleman's agreement' with the Consortium when they expressed their fears about budget costs and programme delays and that this would be resolved later this year. He quoted WG as saying that "now was not a good time to be going to the Government to ask for more money. Let's just get on with the work and I will sort that out next year". They trusted WG but don't have the same degree of trust and understanding with anyone else on the team since WG left.
- 15. There are too many people on the project who do not understand how to successfully deliver the relationship with the Consortium to take the project forward.
- 16. Margaret Smith mentioned to us that she had pointed out to RW that there was absolutely no appetite among opposition back benchers to ask the Scottish

available.
If you need to discuss give me a shout.
Mike
Mike Connelly
Stakeholder Relationship Manager
tie limited
From: david_mackay@ [mailto:david_mackay@ Sent: 11 March 2009 15:57 To: Mike Connelly Subject: Meeting with Alison McInnes
Mike
What happened to the "gems" following our meeting with Alison & Margaret?
Regards
David
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Government for more money and in any case there was likely to be no money

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