

From: [John Connarty](#)
To: [Murdoch D \(David\)](#)
Cc: [John Connarty](#)
Subject: RE: Edinburgh Tram Inquiry
Date: 27 October 2017 16:53:16

David,

I have reviewed our records. My understanding is that £6.032m in respect of the SDS contract was paid to the Bilfinger Berger Siemens (BBS) consortium (and, in turn to Parsons Brinkerhoff). This sum is included in the Infracore account and is accounted for through the T19.01.20 code.

Adjusting for the above, estimated final expenditure on Design was £32.7m, i.e. £26.7m per Appendix 17 of my statement plus £6.0m paid via the BBS consortium. This total estimated final expenditure of £32.7m includes £0.3m for support provided by Technical advisors and accounted for through the T08.01 and T08.02 codes.

I hope this is helpful. If you require any additional information, please let me know.

Regards

John

From: David.Murdoch@edinburghtraminquiry.org [mailto:David.Murdoch@edinburghtraminquiry.org]
Sent: 17 October 2017 09:12
To: John Connarty <John.Connarty@edinburgh.gov.uk>
Subject: RE: Edinburgh Tram Inquiry

Thanks John, I'm afraid the novation agreement (CEC01370880) referred to in my email below is too large to send by email, which is why I have had to put it in on your SteelNet account. Please let me know if you can't access your account.

Regards,

David

From: John Connarty [mailto:John.Connarty@edinburgh.gov.uk]
Sent: 16 October 2017 21:36
To: Murdoch D (David)
Subject: RE: Edinburgh Tram Inquiry

David,

Firstly apologies for the delay in responding. I was seconded to a priority project last week and I haven't had any time to catch up on priority emails.

I'm afraid I'm not able to answer the questions that you raise in your emails. I will ask a colleague if he is able to assist. Unfortunately, he is on leave this week but I will ask him to treat this as a priority when he returns next week.

I note that you have added relevant documents to my steelnet account. I would be grateful if you could email all documents to me to assist with consideration of your questions.

Regards

John

From: David.Murdoch@edinburghtraminquiry.org [mailto:David.Murdoch@edinburghtraminquiry.org]
Sent: 09 October 2017 12:17
To: John Connarty <John.Connarty@edinburgh.gov.uk>
Cc: [evidence@edinburghtraminquiry.org](#); [david.shelton@edinburghtraminquiry.org](#)
Subject: Edinburgh Tram Inquiry

TRI00000248_0001

John,

We are trying to determine the total sum paid to Parsons Brinckerhoff (the designers of the tram system under the Systems Design Services (SDS) contract), in particular, after the SDS contract was novated to the Infraco contract when that contract was signed on 14 and 15 May 2008. At the point of novation the Bilfinger Berger Siemens consortium replaced CEC as the client in the SDS contract.

In the table at page 65 of your statement, the total sum for the design contract is shown as £26.7m. That, however, seems at odds with page 94 of the SDS novation agreement where Parsons Brinckerhoff's anticipated final account is stated as £31.9m (CEC01370880 – I will arrange for this document to be placed into your SteelNet account). It is also at odds with the statement of Steve Reynolds of Parsons Brinckerhoff in which he states that Parsons Brinckerhoff's final account ended up "probably more like £50m".

What we suspect has happened is that sums paid to Parsons Brinckerhoff post SDS novation were paid by Tie/CEC to the Bilfinger Berger Siemens consortium (and, in turn, to Parsons Brinckerhoff) and will, therefore, show up in the Infraco account rather than in the design account.

We are not entirely clear, however, where in the Infraco account these sums show up. We note that the tables at pages 22 and 28 of your statement include a sum (T19.01.20) in the Infraco account of £24.2m which is "unallocated to section" and it is possible that the sums paid to Parsons Brinckerhoff after May 2008 are included in that figure.

Could you please clarify the total sum paid to Parsons Brinckerhoff (both before and after financial close in May 2008), including where the sums paid for design post novation appear in the Infraco account. A response by email is fine.

Many thanks,

David

David Murdoch
Assistant Solicitor
Edinburgh Tram Inquiry

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