

STATES OF JERSEY

COMMITTEE OF INQUIRY INTO TENDER PROCESS AND AWARD OF BUS SERVICE CONTRACT

BLAMPIED ROOM, STATES BUILDING

Committee: Mr Huw Shephard (President)
 Mr Christopher Blackstone (Member)
 Mr Trevor Garrett (Member)

In attendance Mr Mac Spence (Committee Clerk)

EVIDENCE FROM:
MR C. LEWIS, RECALLED

on

Thursday, 27th January 2005

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MR SHEPHEARD: I see that Mr Lewis is here. There are a couple of points that arose from

evidence given yesterday that perhaps it would be sensible if we cleared those points up now. So can I please recall Mr Lewis? (**Mr Lewis came forward**)

Mr Lewis, I remind you, as I am obliged to, that, so far as the proceedings of this Committee are concerned, you remain under oath. In the evidence given yesterday, it was put to Mr Childs of ... Mr Macklin as to what had been said at the meeting on 28th February 2002 about the size of buses to be used on the route, or on the routes, I should say. We've received a note from you, Mr Lewis, and I am recalling you simply so that we receive this in evidence as such. You feel that there has perhaps been a misunderstanding in relation to this point; is that right.

MR LEWIS: That's right. When I was hearing the questions, I actually have to say that I didn't have the notes in front of me, but my genuine feeling was that when asked about the vehicles -- and we asked a question about the vehicles to Roger Macklin at the time -- he said "Well, everybody's quoted on 40 seater buses." Now, I have to say he didn't say "Everybody's quoted just on 40 seater buses", he said "Everybody's quoted with 40 seater buses." What he didn't say was "40 seater buses are a requirement". He definitely didn't say that. Of that I'm pretty sure and I'm sorry if I have given the impression or misled anybody on that matter, because I am pretty damn sure that he didn't say that, and there is no other evidence in any of the tenders to say that 40 seaters buses were a requirement, and I think it is important.

MR SHEPHEARD: And it was also said in evidence yesterday that the Jersey Bus tender didn't include provision for the shift allowance. Now, is it the case that it did or it didn't?

MR LEWIS: Right. Well, that was a point which was brought up by the other Halcrow consultant.

MR SHEPHEARD: Mr Childs.

MR LEWIS: Roger Childs. He said, and referred to that Jersey Bus had only included a 4.5% pay award. We definitely included the shift allowance in our tender, our compliant bid. We actually say it at the beginning of our notes relating to our compliant bid that we've included the pay claim of the Transport and General Workers' Union in its entirety. In fact, at that time, we made some adjustment. Although admittedly the shift allowance was mainly related to the bus

reliefs, we actually took some consideration with engineers and admin staff as well, although of the two ... but that is the quote and definitely I can assure you we included the shift allowance in our compliant bid.

The 4.5%, the only thing I can think of where the consultant, Roger Childs, may have got that from was that I think at the time, in the Bulletins and the different types of information that was going to and from during that period between about the 12th and 18th February, we said "We are still in negotiations, but we've included the 4.5%." Now, it may have been ... it wasn't deliberately meant to be misleading, but there may have been an element of misleading to the consultant, Roger Childs, at the time, but we weren't saying "The only thing we've actually taken into account is 4.5%." I think when we sent that we still hadn't made our mind up whether to include the shift allowance, but the shift allowance was definitely included in our bid. It is approximately about £192,000.

We mentioned this when we meet with Roger Macklin to confirm it again, which I think is in our notes, my notes. I know that we mentioned it to a couple of the members of the Transport and General Workers' Union before we sent the tender in as well, because what we didn't do is go down and tell them what our figures were, but they wanted an assurance, so we said "Look guys, we can assure you that we have included the shift allowance. We've made provision for it in our bid." Obviously, as you well know, we did not sign that agreement until after 1st May.

MR SHEPHEARD: Now, one of the things that has caused a little bit of confusion in relation to that meeting of 28th February is the issue of whether Mr Muir was in fact present during the whole of the meeting or whether he was only there for part of it. Are you able to assist us any further in relation to that?

MR LEWIS: Well, the notes referred yesterday to a comment. What I tend to do with notes is, if it was something said by Roger Macklin, it would be an "RM" or an "AM" for Alan Muir or for Mike Cotillard it would be "MC". I think in the notes we discussed ... I am certain he attended the meeting. There is no question about it. He attended the meeting and for a considerable amount of the meeting. Um, now from those notes it may suggest that perhaps he

only came in after we have covered one of the aspects to do with the pay award. In my opinion, he was there during that period.

I have also discussed this matter with Mike Cotillard and I have also discussed the matter with Carl Pickering. Now, in my notes, I don't think I actually make a note in my notes that Carl Pickering, who was our General Manager, attended that meeting. He did attend that meeting, so I am sorry for that error. Again, I have spoken to both these people since the interview yesterday and we are both, we are all of the general opinion that Alan Muir was there at that moment in time. Mike Cotillard feels that he had some message that Alan Muir was going to be late, but in fact we all obviously ... we all weren't in the room ... we all didn't arrive at the same time. Um, but apparently I arrived about five minutes late. Roger Macklin, Mike Cotillard, Carl Pickering and I presume Alan Muir were there at the time.

I myself ... what I'm telling you is what I believe to be the truth. I cannot honestly say that Alan Muir was there right at the very beginning, but I am pretty sure and from talking to Mike Cotillard and Carl Pickering that he was. I mean, there has been talk of the fact that he only arrived to introduce Mr Macklin -- I've heard that -- which doesn't seem to be consistent with the fact whether we arrived late or not. I have also been told that he left early. Well, from my notes, as you can see, certainly at the end of my notes one of the last points came from Alan Muir, which was related to what happens next as far as the process of preferred bidder, announcement in the States etc. So I'm still pretty sure that Mr Muir was there for most of that meeting and I think he was there at the beginning. I have to say though it is not one of those points that I'd put my life on to depend on, but I have checked with Mr Cotillard and with Mr Pickering on that matter as well. **(Pause)**

MR SHEPHEARD: Mr Blackstone?

MR BLACKSTONE: Yes. I have been through your notes in some detail and the first reference to "AM" does come after any reference to the shift allowance.

MR LEWIS: Because I haven't got it in front of me, what was the point he actually ... I know we talked ... I know in my notes (and I don't have them in front of me) we spoke quite a bit about the labour, aspects of the labour which referred to not just the shift allowance but, I think,

aspects like the like mileage etc. Then there is a point where he comes in. So it may be in fact that it wasn't the case. I have to say that I said I can't swear on my life that he was there when we discussed that particular point. I thought he was. I have checked with my colleagues and, as far as we are concerned, we believe he was. It doesn't mean simply he was because "A Muir" was mentioned later that he wasn't there in the beginning. It just mentions that that is where he actually makes some sort of valid contribution. That's all. I take it that that is what I meant when I did the notes at the time.

MR GARRETT: It is the next entry, immediately after discussion on the salary point, and it is about the Transportation Centre being set up.

MR LEWIS: Well, that was the point when it came up about the fact of the adjustment that was needed at some point to take into account. We budgeted originally for the rent being £50,000, but in fact, as Alan Muir explained to us at the time, he referred to "*prime site costs*". I wasn't familiar with that term at the time, but he was explaining that that would only apply when we were actually paying for the Transportation Centre. The original rent that we would be paying was closer to the £20,000 for the Weighbridge area, which is in fact what Jersey Bus had been paying as a rent over the last few years, around about that sort of figure.

MR BLACKSTONE: I think we have to go on the written evidence in this case where there is a clear dispute.

MR SHEPHEARD: We will draw the appropriate inferences and consider the totality of the evidence. Thank you very much, Mr Lewis.

MR LEWIS: Thank you.

MR SHEPHEARD: I think that clears everything up for now. Do you have anything further for us this afternoon?

MR SPENCE: Nothing for this afternoon.

MR SHEPHEARD: In that case, we will adjourn until tomorrow morning at what time?

MR SPENCE: We reconvene at 9.30, Sir.

MR SHEPHEARD: Nine-thirty tomorrow morning.

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