

E. Construction Periods:

1C2 Road and Track					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	10/02/2010	06/09/2010	29.71 wks	19/01/2011	49.00 wks
Finish	11/03/2011	05/09/2012	77.71 wks	07/06/2012	64.86 wks
Cal. Duration	56.43 wks	104.43 wks	48.00 wks	72.29 wks	15.86 wks

- (i) Delay to Start: The table above refers to various programme dates. Issue 3 programme shows a delay to start of **30 weeks**; the IM mitigated programme projects a later start (delayed by **49 weeks**) but an earlier completion. Primary causes of delay to start as follows:-
- A. IFC process: Still not issued in respect of Roads & Track. Initial IFC is currently **74 weeks late** (planned **25/11/08**; as at **30/04/10** the actual IFC is yet to be issued). There are two concurrent issues. The first is that the SDS design is incomplete or not satisfactory to CEC. However the second issue (Henderson Global / St James Quarter) is outwith Infraco control and appears to be the main issue delaying completion of the design in this area. As a minimum however, it is expected that Infraco will be excused the time for this delay due to CEC indecision. **Delay by CEC (tie); tie culpability**
- B. INTC's: see text above. Notwithstanding Infraco delay in provision of Estimates, on the assumption that Infraco complies with that instruction, these INTC's should not provide an obstacle to commencement or progress. In respect of the remainder, the obligation remains with Infraco to provide Estimates (which are overdue in terms of Clause 80 timescales).
- C. MUDFA / Utilities: Planned completion **31/10/08**. Estimated availability is **24/06/10 to 18/7/10**. **Delay by tie; tie culpability.**
- D. Other:
- **Sub-Contractor procurement**: Understood that Crummock may be appointed by Infraco for 1B – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infraco. Infraco culpability.** The significance of this issue will increase as the 06/09/10 nears.
 - **WPP process**: Not yet in place. This could be an obstacle to commencement. **Delay by Infraco. Infraco culpability.** Unlikely to have significant impact if in place on time for commencement;
 - **IDR/IDC process**: Not yet in place. Infraco letter / programme of 18/12/09 identifies the requirement for 12 separate IDR/IDC's. Only 6 are shown in that programme. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. **Delay by Infraco. Infraco culpability.**
 - **Other**: we understand that there is some concern about accuracy of CUS as-built drawings which may therefore cause unforeseen conflicts with road and track works. This however is not something which features in the retrospective analysis (but may impact on future progress).
- (ii) Delay to Finish: Issue 3 programme shows an increase of circa **48 weeks** over the timescale in Rev.1 programme (majority of increase understood to be as a result of full-depth construction issue). IM mitigated view of Issue 3 shows an increase in duration of **16 weeks** to the Rev.1 programme (it is understood that this increase relates to the introduction of additional TM phasing). There is presently no justification for Infraco's increased Rev.3 duration.

F. tie position on area availability:

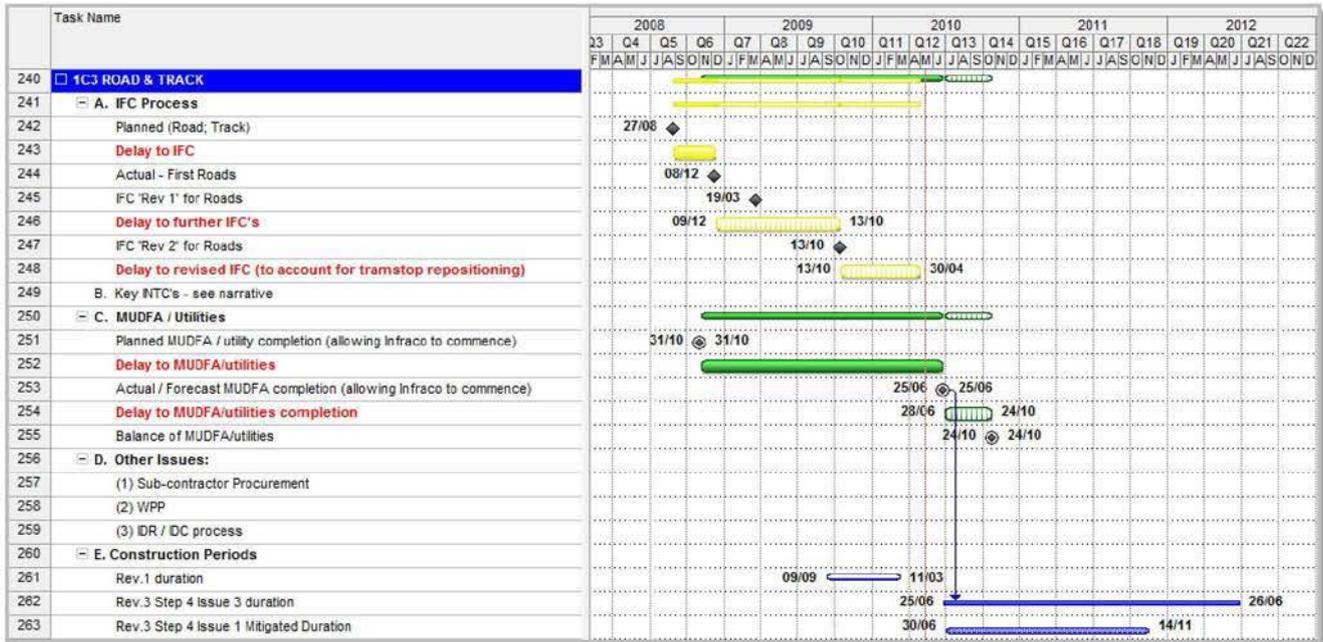
- (i) First available date for the meaningful commencement of works to this area is governed by the completion of MUDFA / Utilities works to York Place / Elder Street to North St Andrews Square and Picardy Place to York Place. Predicted completion of said MUDFA / Utilities (24/06/10 & 18/07/10). Commencement of works in this area appears to be driven by works in other areas. **Delay by tie; tie culpability**

G. Conclusion:

- (i) **'Significant' issues/events**: In our opinion there were two main contributory factors, being (a) the IFC process; and (b) late completion of MUDFA/utilities. Taking those events in chronological order:-
- The IFC was programmed to be issued on **25/11/08**; the first IFC for Road and Track has still to be issued. The cause appears to be (i) a combination of potential inadequacies in SDS design SDS (either a CE under 65(t) or (u); or possibly a failure by Infraco to manage SDS); and (ii) a delay caused by CEC's indecision in respect of Picardy Place and Henderson Global (St James Quarter). We understand that latter point to be the main reason for delay. **MUDFA/utilities diversions** were supposed to be completed on **31/10/08** (to facilitate a start in 1C2 on 10/02/10). Those diversions however are forecast to be sufficiently complete suffice to allow commencement on **24/06/10 & 18/07/10**. This is tie's culpability.
- (ii) **Concurrent issues**: In our opinion the other events detailed above (i.e. the sub-contractor procurement timing and the WPP process) have less of a bearing on the late commencement of this area. Whilst in isolation these issues may have been critical to commencement their significance is considerably diminished by the occurrence of the events in G(i) above. They may however become more significant in the lead up to the area availability in June & July 2010.
- (iii) **Considerations of dominance**: availability of design and work areas are both equally important in terms of ability to commence. The significant delay to the issue of the first IFC in this area has clearly affected commencement. This appears to be an excusable delay for Infraco. The late completion of the MUDFA / utility works also restricted access to this area. See previous comments re potential Infraco argument that the late completion MUDFA / utilities, and hence the late availability of the working area, will be more dominant (i.e. have more 'causative potency') than its delays which would / could have been overcome in accordance with the original programme had it been necessary.

As such, in our opinion the delay to the MUDFA/utility works in 1C2 Road & Track is the dominant / critical factor affecting commencement and hence completion in this intermediate section.

1C3 Road & Track



- A. **IFC Process:** Initial IFC was 15 weeks late (planned 27/08/08; actual 08/12/08). DS advises that 'Roads and Track' IFC was partially updated on 19/03/09 to incorporate moving "...St Andrew Square tram stop 4.5m south". The subsequent IFC issued on 13/10/09 was a further 'Roads' update closing out CEC comments. DS further advises that the IFC process is **not yet complete** noting "Infraco still to close out all informatives in 1C3 from CEC as planning authority and roads authority – particularly significant in terms of scale is requirement to close out tram stop informatives. However, not yet causing delay to construction". There are however, two issues which appear to be the cause of delay to completion of the design in this area: (i) CEC planning and roads authorities informatives / requirements; and (ii) the time taken for Infraco / SDS to close out said issues. Responsibility for the above noted IFC delays is likely to flow from one or more of the following reasons:-
- > Late issue by SDS (in its simplest form a CE under 65(t) – which may in turn permit the application of clause 65.12.2);
 - > A material breach by SDS (again in its simplest form a CE under 65(u) – which may in turn permit the application of clause 65.13);
 - > A failure of Infraco to provide the Infraco Design to SDS in accordance with the Consents Programme and Schedule. Part 14 (clause 19.19 refers);
 - > A tie Change;
 - > A failure of Infraco in respect of its management of SDS or another breach by Infraco (e.g. failure to properly manage the CEC interface);
 - > A requirement of CEC for which tie will bear responsibility;
- Delay by SDS, SDS /tie or Infraco?** As a minimum however, it is expected that Infraco will be excused the time for this delay due to CEC indecision.
- B. **Key INTC's:** From the information provided it appears that Infraco issued around 12 no. INTC's against this area [Complete data on INTC's awaited]. Of those INTC's 1No. is known to have a TCO issued against it (INTC's 91). Beyond that however, there is insufficient information available at present to establish which INTC's are significant. That said, it is noted that 8 No. of the foregoing were the subject of an **80.13 instruction issued to Infraco on 19/03/10**. As such, notwithstanding Infraco delay in provision of Estimates, on the assumption that Infraco complies with that instruction, these INTC's should not provide an obstacle to commencement or progress. In respect of the remainder, the obligation remains with Infraco to provide Estimates (which are overdue in terms of Clause 80 timescales). Only INTC 435 has an Estimate provided by Infraco (on 26/02/10). No instruction (80.13 or 80.15) has been issued for this INTC; neither has a TCO been issued. Whether there has been a delay by tie in instructing this INTC has yet to be established.
- C. **MUDFA / Utilities:** Planned completion was 31/10/08. MUDFA / Utilities are forecast to complete on South St. Andrew Street to Princes Street on 25/06/10 with the balance of MUDFA / Utilities completions forecast to complete on 24/10/10. Meaningful commencement appears to depend on the completion of the South St. Andrew Street to Princes Street works as that appears to be the driver to Infraco's Rev 3 step 4 Issue 3 commencement date. **Delay by tie; tie culpability**
- D. **Other Issues:**
- (i) **Sub-Contractor Procurement:** Understood that Infraco are currently concluding terms and conditions with **Mackenzie Construction Ltd** over section 1C3 (Castle Street – Waverley Bridge) – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infraco. Infraco culpability.** The significance of this issue will increase as the 25/06/10 nears (this is the earliest date of commencement in this area between Issue 3 and IM mitigated programme).
 - (ii) **WPP Process:** Not yet submitted. This *could* be an obstacle to commencement. **Delay by Infraco. Infraco culpability.** Again, the significance of this issue will increase as the 25/06/10 nears.
 - (iii) **IDR/IDC process:** Not yet in place. Infraco letter of 18/12/09 identifies the requirement for 7 separate IDR/IDC's. Only 2 are shown in that programme. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. **Delay by Infraco. Infraco culpability.**

E. Construction Periods:

1C3 Road and Track					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	09/09/2009	25/06/2010	41.29 wks	30/06/2010	42.00 wks
Finish	11/03/2010	26/06/2012	119.71 wks	14/11/2011	87.57 wks
Cal. Duration	26.29 wks	104.71 wks	78.43 wks	71.86 wks	45.57 wks

- (i) **Delay to Start:** The table above refers to various programme dates. Issue 3 programme shows a delay to start of **41 weeks**; the IM mitigated programme projects a slightly later start (delayed by **42 weeks**) but an earlier completion. Primary causes of delay to start as follows:-
- A. **IFC process: Still incomplete.** This IFC is currently **87 weeks late** (planned **25/08/08**; as at **30/04/10** the actual IFC is **not yet complete**). The main issue flows from CE planning and roads authority informatives which Infraco has still to close out. There are therefore two issues which appear to be the cause of delay to completion of the design in this area: (i) CEC informatives / requirements; and (ii) the time taken for Infraco / SDS to close out said issues. It is expected that Infraco will be excused the time for this delay due to CEC indecision. **Delay by CEC (tie); tie culpability**
- B. **INTC's:** see text above. Notwithstanding Infraco delay in provision of Estimates, on the assumption that Infraco complies with the 80.13 instruction, these INTC's should not provide an obstacle to commencement or progress. In respect of the remaining INTC's, the obligation remains with Infraco to provide Estimates (which at this time are overdue in terms of Clause 80 timescales).
- C. **MUDFA / Utilities:** Planned completion **31/10/08**. Estimated availability is **25/06/10 to 24/10/10**. **Delay by tie; tie culpability.**
- D. **Other:**
- **Sub-Contractor procurement:** Understood that **Mackenzie Construction Ltd** may be appointed by Infraco for 1C3 – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. Sub-contract not yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infraco. Infraco culpability.** The significance of this issue will increase as the 25/06/10 nears.
 - **WPP process:** Not yet in place. This could be an obstacle to commencement. **Delay by Infraco. Infraco culpability.** Unlikely to have significant impact if in place on time for commencement. The significance of this issue will however increase as the 25/06/10 nears;
 - **IDR/IDC process:** Not yet fully in place. Infraco letter of 18/12/09 identifies the requirement for 7 separate IDR/IDC's. Only 2 are shown in that programme. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. **Delay by Infraco. Infraco culpability.**
 - **Other:** we understand that there is some concern about accuracy of CUS as-built drawings which may therefore cause unforeseen conflicts with road and track works. This however is not something which features in the retrospective analysis (but may impact of future progress).
- (ii) **Delay to Finish:** Issue 3 programme shows an **increase of circa 78 weeks** over the timescale in Rev.1 programme (majority of increase understood to be as a result of full-depth construction issue). IM mitigated view of Issue 3 shows an increase in duration of **46 weeks** to the Rev.1 programme. There is presently no justification for the increased Rev.3 duration.

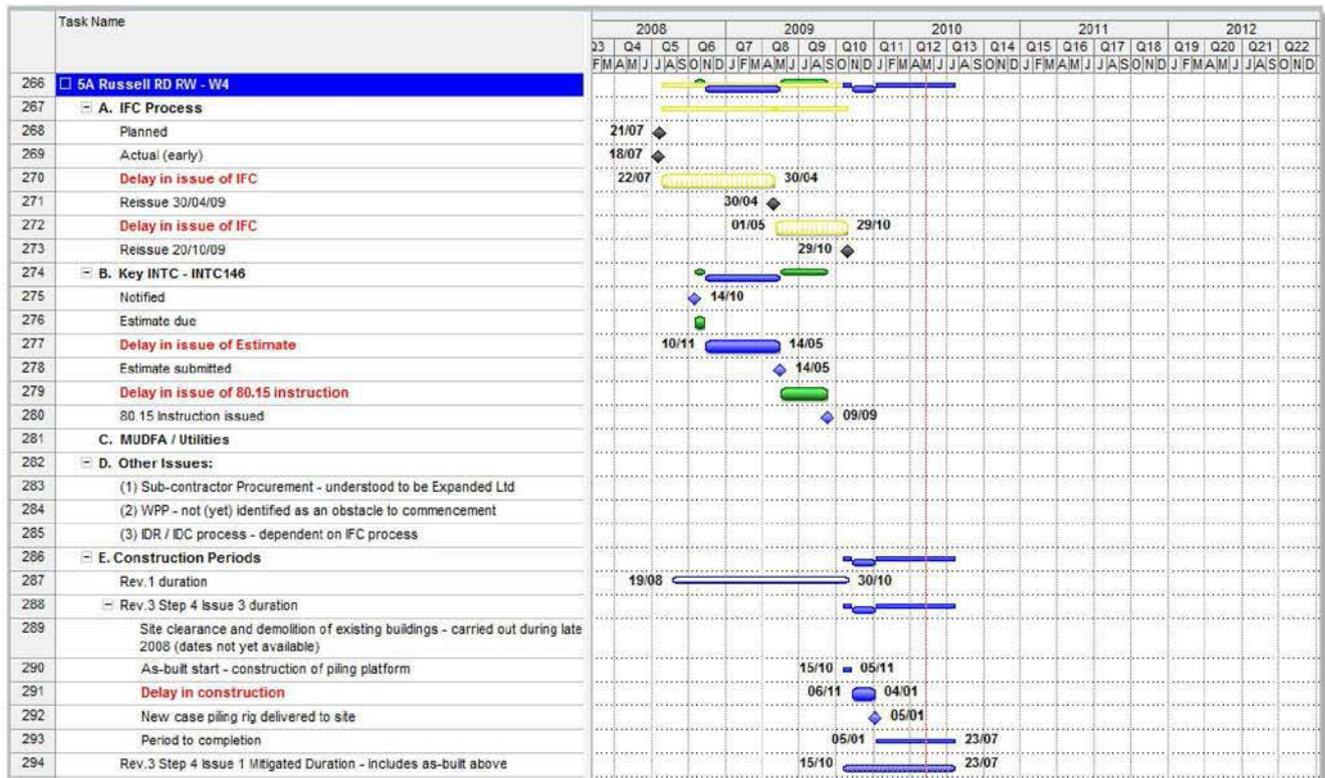
F. tie position on area availability:

- (i) First available date for the meaningful commencement of works to this area is governed by the completion of MUDFA / Utilities works forecast to complete in South St. Andrew Street to Princes Street on **25/06/10**. The completion of this work appears to be the driver to Infraco's Rev 3 step 4 Issue 3 commencement date. **Delay by tie; tie culpability**

G. Conclusion:

- (i) **'Significant' issues/events:** In our opinion there were two main contributory factors, being (a) the IFC process; and (b) late completion of MUDFA/utilities. Taking those events in chronological order:-
- The IFC was programmed to be issued on **27/08/08**; the first IFC for Road and Track has still to be issued. The cause appears to be (i) a combination of potential inadequacies in SDS design SDS (either a CE under 65(t) or (u); or possibly a failure by Infraco to manage SDS); and (ii) a delay caused by SDS / CEC interface with respect to tram stop informatives. **MUDFA/utilities diversions** were supposed to be completed on **31/10/08** (to facilitate a start in 1C3 on 09/09/09). Those diversions however are forecast to be sufficiently complete suffice to allow commencement on **25/06/10 & 24/10/10**. This is tie's culpability.
- (ii) **Concurrent issues:** In our opinion the other events detailed above (i.e. the sub-contractor procurement timing and the WPP process) have less of a bearing on the late commencement of this area. Whilst in isolation these issues may have been critical to commencement their significance is considerably diminished by the occurrence of the events in G(i) above. They may however become more significant in the lead up to the area availability in June 2010.
- (iii) **Considerations of dominance:** availability of design and work areas are both equally important in terms of ability to commence. The significant delay to the issue of the final IFC in this area may yet affect commencement. This however appears to be an excusable delay for Infraco (inasmuch as it relates at least in the main to revised CEC requirements re tramstop location). The late completion of the MUDFA / utility works has also restricted access to this area. See previous comments re potential Infraco argument that the late completion MUDFA / utilities, and hence the late availability of the working area, will be more dominant (i.e. have more 'causative potency') than the other less significant delays which would / could have been overcome in accordance with the original programme had it been necessary.

As such, in our opinion the delay to the MUDFA/utility works in 1C3 Road & Track is the dominant / critical factor affecting commencement and hence completion in this intermediate section.



- A. **IFC Process:** Initial IFC issued on time (planned 21/07/08; actual 18/07/08). This original IFC addresses / satisfied 'Geotechnical TAA'. However, subsequent partial reissues of IFC's as at 30/04/09 & 29/10/09 suggest this initial IFC was incomplete. There is no information presently available to inform culpability for these delays. As a consequence, it is (likely) that the late issue of this IFC flows from one or more of the following reasons:-
- > Late issue by SDS (in its simplest form a CE under 65(t) – which may in turn permit the application of clause 65.12.2);
 - > A material breach by SDS (again in its simplest form a CE under 65(u) – which may in turn permit the application of clause 65.13);
 - > A failure of Infraco to provide the Infraco Design to SDS in accordance with the Consents Programme and Schedule. Part 14 (clause 19.19 refers);
 - > A tie Change;
 - > A failure of Infraco in respect of its management of SDS or another breach by Infraco (e.g. failure to properly manage the CEC interface);
 - > A requirement of CEC for which tie will bear responsibility.
- Delay by SDS, SDS /tie or Infraco?**
- B. **Key INTC's:** From the information provided it appears that Infraco issued around 10 no. INTC's against this area [Complete data on INTC's awaited]. It is noted that 5 No. (INTC's 092, 117, 506 & 518) of the foregoing were the subject of an 80.13 instruction issued to Infraco on 19/03/10. As such, notwithstanding Infraco delay in provision of Estimates, on the assumption that Infraco complies with that instruction, these INTC's should not provide an obstacle to commencement or progress. We are advised that the key INTC which prevented commencement was INTC 146 (IFC Drawing Change Russell Road RTW's 1, 2, 3 & 4). That INTC was notified on 14/10/08; the Estimate was provided on 14/05/09 (27 weeks later than due). **Delay by Infraco.** This was the subject of an 80.15 instruction issued on 09/09/09; 17 weeks after submission of Estimate). **Delay by tie.**
- C. **MUDFA / Utilities:** There are a number of MUDFA / Utilities issues impacting on this structure. There is a Scottish Power 11kV cable diversion required at Haymarket Scotrail Depot. Misinformation received from Scotrail/SP suggested that there was an alternative power supply which could be utilised. We understand that this would have allowed the existing cable to be removed. This information proved to be wrong. Consequent to this, this cable remains an obstacle to completion of RW4 for most of unit 19 where the cable clashes with the proposed line of the retaining wall. tie issued Infraco with a TCO in this regard January 2010. There are further MUDFA / Utilities issues which need addressed on the access road. These issues were the subject of a MUDFA to Infraco transfer. **Delay by tie. Tie culpability [dates still to be provided].** This was not an obstacle to commencement; but may yet prove to be an impediment to progress/completion.
- D. **Other Issues:**
- (i) **Sub-Contractor Procurement:** Understood that Expanded Ltd have been issued with an extension to their current LOI to cover the mobilisation of a piling rig to complete the piling on Wall W4, units 11 to 18. – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Subject to further tie audit. **Delay by Infraco. Infraco culpability.**
 - (ii) **WPP Process:** Assumed WPP in place given the fact that works have commenced. **No delay (to date).**
 - (iii) **IDC/IDR process:** IDR was in place as at 29/10/09. **No delay.**
 - (iv) **Form 'C':** No information available on this issue. Assumed Form 'C' in place given the fact that works have commenced

E. Construction Periods:

5A Russell RD RW - W4 (piling & subsequent operations)					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated	Delay
				Rev.3	
Start	09/12/2008	15/10/2009	44.29 wks	15/10/2009	44.29 wks
Finish	30/10/2009	23/07/2010	38.00 wks	23/07/2010	38.00 wks
Cal. Duration	46.57 wks	40.29 wks	-6.29 wks	40.29 wks	-6.29 wks

Note: the above does not reconcile the actual site clearance and demolition activities. That as-built information is not (presently) available.

A re-commencement was made on 15/10/09 (on the construction of the piling platform) following resolution of the INTC 146 process. The delay up to this point centred on INTC146.

(i) **Delay to Start:** The table above refers to various programme dates. Issue 3 programme shows a delay to piling start of **44 weeks**; the IM mitigated programme also shows a delay to start of piling of **44 weeks**. Primary causes of delay to start as follows:-

A. **IFC process:** This original IFC addresses / satisfied 'Geotechnical TAA'. However, subsequent partial reissues of IFC's as at 30/04/09 & 29/10/09 suggest this initial IFC was incomplete. There is no information presently available to inform culpability for these delays. **Delay by SDS, SDS /tie or Infraco?**

B. **INTC's:** Key INTC 146 – That INTC was notified on 14/10/08; the Estimate was provided on 14/05/09 (220 days later than due). **Delay by Infraco.** This was the subject of an 80.15 instruction issued on 09/09/09; 118 days after submission of Estimate). **Delay by tie.** Other delays by Infraco in the submission of other Estimates; those INTC's however clearly did not delay commencement (it appears to have been INTC 146). Future delays attaching to the INTC process are probable. Delays may yet flow from the late IFC completion in the form of BDDI – IFC changes (i.e. further INTC's yet to be submitted).

C. **MUDFA / Utilities:** There are a number of MUDFA / Utilities issues impacting on this structure. There is a Scottish Power 11kV cable diversion required at Haymarket Scotrail Depot. There are further MUDFA / Utilities issues which need addressed on the access road. **Delay by tie. tie culpability.** It is notable that neither of these issues were obstacles to Infraco's commencement of the structure. As at 30/04/10 these works are yet to be completed and as such have the potential to prevent / compromise completion.

D. **Other:**

- **Sub-Contractor procurement:** Understood that Expanded Ltd have been issued with an extension to their current LOI to cover the mobilisation of a piling rig to complete the piling on Wall W4, units 11 to 18. – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Subject to further tie audit. **Delay by Infraco. Infraco culpability**
- **WPP process:** Permit to commence work has been received. **No Delay.**
- **IDR/IDC process:** Not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. This process is dependent upon the IFC completion – not yet in place.
- **Form 'C' Approval:** not yet identified as being an obstacle to commencement (but this still has the potential to cause delay depending on documentation collation and submission).

(ii) **Delay to Finish:** the Issue 3 programme shows a decrease in of **circa 38 weeks** over the timescale in Rev.1 programme. IM mitigated view of Issue 3 also shows a decrease in duration of **circa 38 weeks** to the Rev.1 programme.

As noted above, Infraco re-commenced this structure on 15/10/09. Thereafter a delay was incurred as a result of piling 'refusal' (tie contends that this was as are result of incorrect piling methodology adopted by Infraco – evidenced by subsequent change in piling). This could be either a **potential failure by Infraco**; or if caused by unforeseen ground conditions, **possibly a matter for which tie is responsible.**

F. **tie position on area availability:**

(i) First available date for the meaningful commencement of works to this area is governed by two separate issues; (1) the demolition of the Viking & Simlock buildings (this work was completed during **December 2008** [dates not available for this operation]); and (2) the 80.15 instruction issued against INTC 146. The date of the 80.15 instruction issued against INTC 146 was 09/09/09; this in effect became the date at which meaningful (re-)commencement could take place.

G. **Conclusion:**

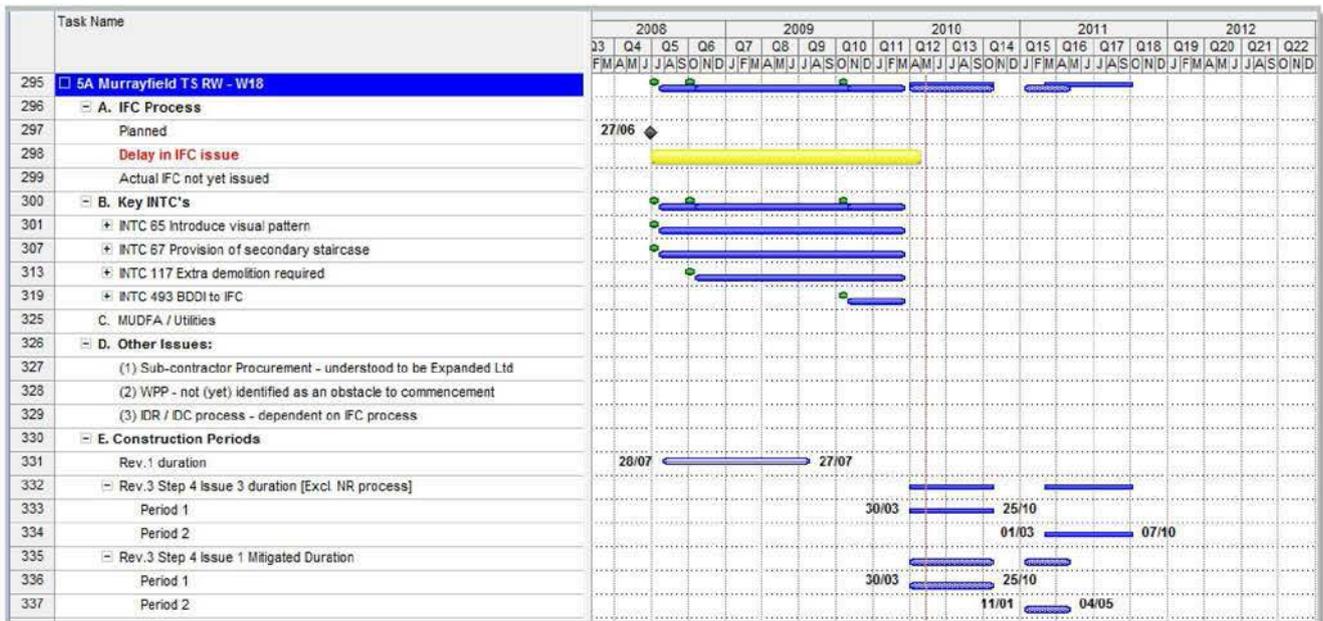
(i) **'Significant' issues/events:** In our opinion there were two main contributory factors, being (a) the IFC process; and (b) the subsequent conclusion to INTC 146 (BDDI – IFC) IFC Drawing Change Russell Road RTWs 1,2,3 &4. Taking those events in chronological order: -

In our opinion the delaying effect of the protracted IFC process is likely to have affected commencement. Although, first provided on time on **18/07/08**, this IFC was in effect incomplete. The IFC remained **incomplete** until **29/10/09**. Responsibility on this matter is currently uncertain (requires audit of design process). Running concurrently with this issue was the delay flowing from the INTC process (INTC 146) in particular. This appears to have prevented construction beyond the early demolition of the Viking & Simlock buildings from progressing any further. Infraco is culpable for delays in the late provision of the estimate from Infraco. Delays beyond that point with respect to the time taken for tie to issue the 80.15 is a matter for which tie is responsible.

(ii) **Concurrent issues:** In our opinion the other event detailed above i.e. **MUDFA / Utilities** has less of a bearing on the late commencement of this area. Whilst in isolation completion on this issue may have been a hindrance to commencement, its significance is considerably diminished by the fact that Infraco did commence. Incomplete MUDFA / Utilities issues will be more significant to the successful completion of the works in this area.

(iii) **Considerations of dominance:** The protracted delay attaching to the IFC on this structure has clearly affected commencement. However, delays to the INTC process (INTC 146) in particular appears to be the dominant delay to this structure. Although Infraco did commence demolition works in advance of this issue arising, it is clear that meaningful commencement (and subsequent recommencement of the works) was precluded by the absence of a resolution to this issue.

5A Murrayfield Tram Stop Retaining Wall – W18



A. **IFC Process:** Initial IFC is currently **96 weeks late** (planned 27/06/08; as at 30/04/10 the actual IFC is **yet to be issued**). Please see Preamble re availability of detailed information to inform culpability (and the SDS/Infraco design process being subject to further detailed tie audits). Information obtained to date as follows.

The delay in issuing this IFC appears to be a direct consequence of delays attaching to the Roseburn Viaduct VE exercise. DS advises that "... the reason for the delay in issuing this beyond the other retaining walls in this area has been BSC's decision not to issue the original design followed by the design as amended to accommodate the VE opportunity on Roseburn Viaduct. Instead BSC has opted to get SDS to only issue the design that incorporates VE and none of the VE package has yet been IFC".

Infraco period report dated 27 March 2010 noted anticipated commencement of Roseburn Viaduct as at 05/04/10. This commencement would clearly have depended on completion of the VE exercise. As at 30/04/10 the VE exercise remains incomplete. From information received on RV we understand that there are three contributory factors which have impacted on a resolution to this VE exercise they are as follows:

- (1) Infraco were slow to start the VE process, DS contends no progress initially noting that it was 18 periods (period reports?) after novation that design actually started.
- (2) Infraco has been slow to respond to CEC PA comments; and
- (3) delays in receipt of info from NR as it has been difficult to secure as-built information on utilities in the adjacent Haymarket Depot.

The above appear to be driven by two factors. The first factor (essentially covering items (1) & (2) above) is that the SDS design is incomplete or not satisfactory to CEC. However the second issue (NR) is outwith Infraco control and from discussion with DS appears to be the main issue delaying completion of the design in this area. Given the complexities attaching to the above, it is therefore likely, that the late issue of this IFC flows from one or more of the following reasons:-

- > Late issue by SDS (in its simplest form a CE under 65(t) – which may in turn permit the application of clause 65.12.2);
- > A material breach by SDS (again in its simplest form a CE under 65(u) – which may in turn permit the application of clause 65.13);
- > A failure of Infraco to provide the Infraco Design to SDS in accordance with the Consents Programme and Schedule. Part 14 (clause 19.19 refers);
- > A tie Change;
- > A failure of Infraco in respect of its management of SDS or another breach by Infraco (e.g. failure to properly manage the CEC interface);
- > A requirement of CEC for which tie will bear responsibility;

Delay by SDS, SDS /tie or Infraco? As a minimum however, it is expected that Infraco will be excused time for delays due to slow NR response.

B. **Key INTC's:** From information provided Infraco issued 4 no. key INTC's in relation to this structure; **INTC's 65, 67, 117 & 493**. We are advised that it is unlikely that any of the foregoing has materially / critically affected Infraco's ability to commence works in accordance with the Rev 01 programme. Details are as follows:-

- (i) **INTC 65:** issued by Infraco on **21/06/08** (prior to IFC issue). Estimate should have been submitted on or around 17/07/08. **Delay by Infraco.**
- (ii) **INTC 67:** issued by Infraco on **21/06/08** (prior to IFC issue). Estimate should have been submitted on or around 17/07/08. **Delay by Infraco.**
- (iii) **INTC 117:** issued by Infraco on **18/09/08** (prior to IFC issue). Estimate should have been submitted on or around 14/10/08. **Delay by Infraco.**
- (iv) **INTC 493:** issued by Infraco on **05/10/09** (prior to IFC issue). Estimate should have been submitted on or around 29/10/09. **Delay by Infraco.**

80.13 Instruction issued by tie on 19/03/10.

Given the fact that SDS has yet to issue an IFC in relation to this structure it appears likely that Infraco will issue a **further INTC** specifically addressing 'final' BDDI – IFC changes. This is clearly dependent on the completion of the Roseburn Viaduct VE exercise. There therefore remains the potential that issues attaching to this process may yet prevent / compromise commencement on Murrayfield TS RW's. See Roseburn Viaduct narrative for current view on culpability (it appears that there is split culpability for that structure). As such the delays in issue of Estimates by Infraco may, at least in part, be excused.

C. **MUDFA / Utilities:** There are no MUDFA / Utilities issues impacting on this structure. **No Delay**

D. Other Issues:

- (i) **Sub-Contractor Procurement:** Understood that Infraco intend to sublet this structure to Expanded Ltd – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infraco. Infraco culpability.**
- (ii) **WPP Process:** Permit issued 12/03/10 for site set-up only (since the IFC drawings are not in place as yet for a more expansive WPP application). **No Delay (to date).**
- (iii) **IDR/IDC process:** Not yet in place. Infraco letter of 18/12/09 predicted the IDC to be complete as 05/02/10. As at 30/04/10 the IDC is not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. This process is dependent upon the IFC completion – not yet in place.
- (iv) **Form 'C':** not yet identified as being an obstacle to commencement (but this still has the potential to cause delay depending on documentation collation and submission). As with other structures this process should be monitored.
- (v) **Russell Road RW4 Interface:** There is a sequencing interface between Murrayfield TS RW and Russell Road RW4. Piling works at rear of units 101 & 96 are required in conjunction with completion of the west end of RW4 to enable meaningful commencement of works on Murrayfield TS RW. **Delay by Infraco. Infraco culpability.**

E. Construction Periods:

5A Murrayfield TS RW - W18					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	28/07/2008	30/03/2010	87.14 wks	30/03/2010	87.14 wks
Finish	27/07/2009	07/10/2011	114.57 wks	04/05/2011	92.29 wks
Cal. Duration	52.14 wks	79.57 wks	27.43 wks	57.29 wks	5.14 wks

- (i) **Delay to Start:** The table above refers to various programme dates. Issue 3 programme shows a delay to start of **87 weeks**; the IM mitigated programme also shows a delay to start of **87 weeks**. Primary causes of delay to start as follows:-
 - A. **IFC process:** This IFC is currently **96 weeks late** (planned 27/06/08; as at 30/04/10 the actual IFC is **yet to be issued**). The delay in issuing this IFC appears to be a direct consequence of delays attaching to the Roseburn Viaduct VE exercise. It is understood that completion of this exercise is needed to better inform the IFC completion for Murrayfield TS RW. **Delay by SDS, SDS /tie or Infraco? [Subject to tie audit]**
Matter to consider: Can the (Infraco) logic, linking Roseburn Viaduct & Murrayfield TS RW be broken, such that Infraco's reliance on the VE exercise to enable IFC completion on Murrayfield TS RW can be shown as unnecessary?
 - B. **INTC's:** Delays by Infraco in the submission of Estimates. Delay up to 19/03/10 when tie issued clause 80.13 instruction. [Complete data on INTC's awaited]. Future delays attaching to the INTC process are probable. Delays may yet / are likely to flow from the late IFC completion in the form of BDDI – IFC changes.
 - C. **MUDFA / Utilities:** **No impact** on this structure.
 - D. **Other:**
 - **Sub-Contractor procurement:** Understood that Infraco intend to sublet this structure to Expanded Ltd – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infraco. Infraco culpability.**
 - **WPP process:** Permit to commence work has been received. **No Delay.**
 - **IDR/IDC process:** Not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. This process is dependent upon the IFC completion – not yet in place.
 - **Form 'C' Approval:** not yet identified as being an obstacle to commencement (but this still has the potential to cause delay depending on documentation collation and submission).
 - **Russell Road RW4 Interface:** There is a sequencing interface between Murrayfield TS RW and Russell Road RW4. Piling works at rear of units 101 & 96 is required in conjunction with completion of the west end of RW4 to enable meaningful commencement of works on Murrayfield TS RW. **Delay by Infraco. Infraco culpability.**
- (ii) **Delay to Finish:** Issue 3 programme shows an **increase of circa 27 weeks** over the timescale in Rev.1 programme. IM mitigated view of Issue 3 shows a relatively minor increase in duration of **5 weeks** to the Rev.1 programme. There is presently no justification for the Infraco increased Rev.3 duration (noting in particular that the design is not yet complete).

F. tie position on area availability:

- (i) First available date for the meaningful commencement of works to this area is governed by two separate issues. The first being the IFC issue for Murrayfield TS RW. However, this is dependent on completion of the VE exercise on Roseburn Viaduct, which is currently predicted to complete **mid May 2010 (IFC by 09/06/10)**. The second issue is the completion of outstanding works to the west end of Russell Road RW4. This incomplete work is a matter for which Infraco is responsible.

G. Conclusion:

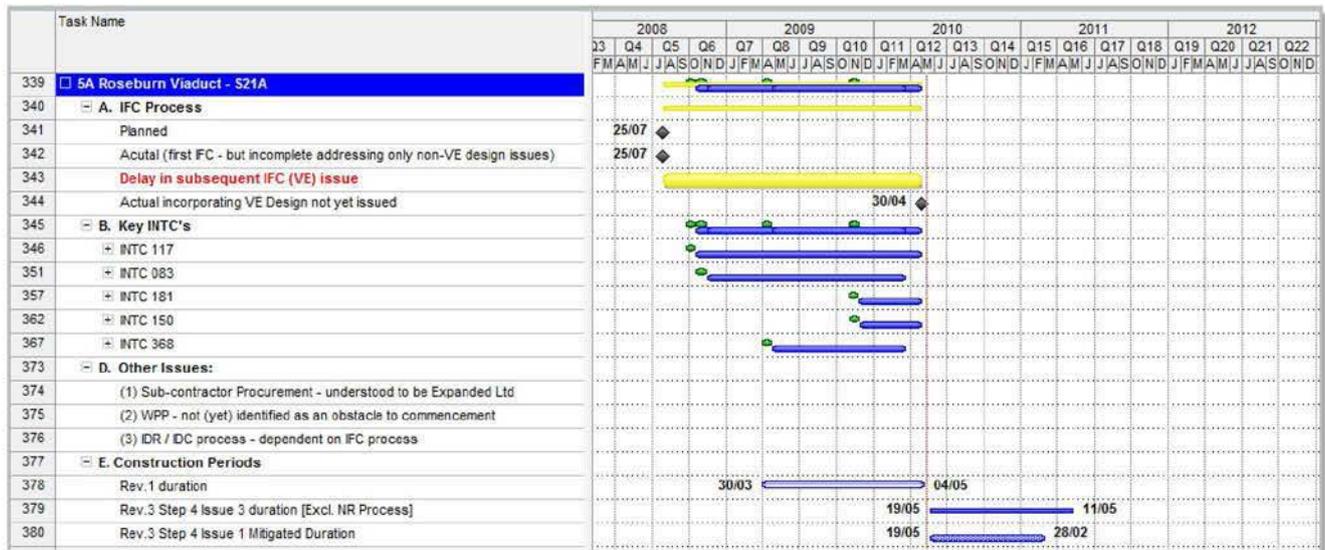
- (i) **'Significant' issues/events:** In our opinion there were two main contributory factors, being (a) the IFC process; and (b) outstanding works to Russell road RW4. Taking those events in chronological order: -

In our opinion the main delaying factor is the protracted IFC process. The IFC should have been provided by 27/06/08 as at 30/04/10 however, the IFC is **yet to be issued**. This is clearly dependent on the completion of the VE exercise at Roseburn Viaduct. Responsibility on this issue is uncertain. Running concurrent with this issue is Infraco's inaction on construction works to the west end of Russell Road RW4. These works are in effect, enabling works which are material to the meaningful commencement of works on Murrayfield TS RW. tie considers this to be as a result of dilatory progress on Infraco's part i.e. there is no known impediment to completion of this part of the works. This is a matter for which Infraco is responsible.

-
- (ii) **Concurrent issues:** In our opinion the other events detailed above (i.e. the sub-contractor procurement timing and the WPP process) have less of a bearing on the late commencement of this area. Whilst in isolation these issues may have been critical to commencement their significance is considerably diminished by the occurrence of the events in G(i) above. They may however become more significant in the lead up to the area availability in May/June 2010 (when the IFC is due to be issued). Running concurrently with this is the late provision by Infraco of Estimates for INTC's 65, 67, 117 & 493. Estimates are outstanding for all of the aforementioned INTC's. Delay attaching to Infraco's response on the foregoing is however linked to the absence of an IFC. This in turn is dependent on completion of the above noted VE exercise. Therefore although there is Infraco responsibility for delays in the provision of Estimates, this may well be subsumed by delays attaching to the VE exercise on RV. Responsibility therefore, remains uncertain pending further investigation into the RV VE exercise. Delay in provision of Estimates measured to 19/03/10 (when clause 80.13 instruction issued); but this is unlikely to have been an obstacle to actual commencement (due to RV VE & IFC processes).
- (iii) **Considerations of dominance:** The protracted delay attaching to the IFC on this structure has clearly affected commencement. This appears to be a direct consequence of delays attaching to the Roseburn Viaduct VE exercise. The latter delay has in effect three constituent parts (1) slow / late Infraco commencement to the VE process; (2) slow Infraco response to PA comments; and (3) slow NR response to the provision of as-built information on utilities in the adjacent Haymarket Depot. Of equal 'causative potency' in terms of dominance is the incomplete works to the adjacent structure at Russell Road RW4. Delays attaching to the INTC process, sub-contractor procurement could yet prove significant but currently have less 'causative potency' than the above.

Draft for
discussion

5A Roseburn Viaduct – S21A



A. IFC Process: Initial IFC issued on time (planned 25/07/08; actual 25/07/08).

It is important to note that this initial IFC although on time recognised only non VE design relating to this structure. Subsequent IFC's were forecast by SDS/Infraco to complete as follows:-

- S21A RC Portal Bridge – Roseburn Street Viaduct VE Design (forecast 23/03/10);
- S21A Steel Composite Bridge - Roseburn Street Viaduct VE Design (forecast 23/03/10); and
- S21A New Reinforced Earth Structure - Roseburn Street Viaduct VE Design (forecast 07/04/10).

The above issue dates were not achieved. As at 30/04/10 there have been no further IFC's issued.

DS advises that the revised IFC issue for the RV VE design is forecast to be issued on 09/06/10 (in SDS v56). Should this transpire the overall delay attaching to this issue will be around 98 weeks late.

The delay in issuing this IFC appears to be a direct consequence of delays attaching to the Roseburn Viaduct VE exercise. DS advises that "... the reason for the delay in issuing this beyond the other retaining walls in this area has been BSC's decision not to issue the original design followed by the design as amended to accommodate the VE opportunity on Roseburn Viaduct. Instead BSC has opted to get SDS to only issue the design that incorporates VE and none of the VE package has yet been IFC".

Infraco period report dated 27 March 2010 noted anticipated commencement of Roseburn Viaduct as at 05/04/10 (i.e. one week after issue of the said report). This commencement would clearly have depended on completion of the VE exercise. As at 30/04/10 the VE exercise remains incomplete.

From information received on RV we understand that there are three contributory factors which have impacted on a resolution to this VE exercise, as follows:-

- (1) Infraco were slow to start the VE process, DS contends no progress initially noting that it was 18 periods after novation that design actually started.
- (2) Infraco has been slow to respond to PA comments; and
- (3) delays in receipt of info from NR as it has been difficult to secure as-built information on utilities in the adjacent Haymarket Depot.

The above appear to be driven by two factors. The first factor (essentially covering items (1) & (2) above) is that the SDS design is incomplete or not satisfactory to CEC. However the second issue (NR) is outwith Infraco control and from discussion with DS appears to be the main issue delaying completion of the design in this area. Given the complexities attaching to the above, it is therefore likely, that the late issue of this IFC flows from one or more of the following reasons:-

- Late issue by SDS (in its simplest form a CE under 65(t) – which may in turn permit the application of clause 65.12.2);
- A material breach by SDS (again in its simplest form a CE under 65(u) – which may in turn permit the application of clause 65.13);
- A failure of Infraco to provide the Infraco Design to SDS in accordance with the Consents Programme and Schedule. Part 14 (clause 19.19 refers);
- A tie Change;
- A failure of Infraco in respect of its management of SDS or another breach by Infraco (e.g. failure to properly manage the CEC interface);
- A requirement of CEC for which tie will bear responsibility;

Delay by SDS, SDS /tie or Infraco? As a minimum however, it is expected that Infraco will be excused time for delays due to slow NR response.

B. Key INTC's: From information provided Infraco issued 5 no. INTC's in relation to this structure; INTC 117, 083, 181, 150, & 368. It is unlikely that any of the foregoing has materially / critically affected Infraco's ability to commence works in accordance with the Rev 01 programme. Details are as follows:-

- INTC 117: issued by Infraco on 18/09/08 (prior to IFC issue). Estimate should have been submitted on or around 14/10/08. Delay by Infraco.
- INTC 083: issued by Infraco on 15/10/08 (prior to IFC issue). Estimate should have been submitted on or around 10/11/08. Delay by Infraco.
- INTC 181: issued by Infraco on 28/10/09 (prior to IFC issue). Estimate should have been submitted on or around 23/11/09. Delay by Infraco
- INTC 150: issued by Infraco on 31/10/09 (prior to IFC issue). Estimate should have been submitted on or around 25/11/09. Delay by Infraco
- INTC 368: issued by Infraco on 27/03/09 (prior to IFC issue). Estimate should have been submitted on or around 22/04/09. Delay by Infraco

INTC's 083 & 368 were the subject of an 80.13 Instruction issued by tie on 19/03/10.

Given the fact that SDS has yet to issue an IFC in relation to this structure it appears likely that Infraco will issue a further INTC specifically addressing 'final' BDDI – IFC changes. This is clearly dependent on the completion of the VE exercise. There therefore remains the potential that issues attaching to this process may yet prevent / compromise commencement. It appears that there is split culpability for that structure. As such the delays in issue of Estimates by Infraco may, at least in part, be excused.

C. **MUDFA / Utilities:** There are no MUDFA / Utilities issues impacting on this structure. **No Delay.**

D. **Other Issues:**

- (i) **Sub-Contractor Procurement:** Understood that Infracore intend to sublet this structure to Expanded Ltd – see tie audit and Infracore Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infracore. Infracore culpability.**
- (ii) **WPP Process:** Not in place as yet but dependent on IFC process.
- (iii) **IDR/IDC process:** Not yet in place. Infracore letter of 18/12/09 predicted the IDC to be complete as 05/02/10. As at 30/04/10 the IDC is not yet in place. It is not clear whether Infracore will be permitted by tie to commence without this paperwork in place. This process is dependent upon the IFC completion – not yet in place.
- (iv) **Form 'C':** not yet identified as being an obstacle to commencement (but this still has the potential to cause delay depending on documentation collation and submission). As with other structures this process should be monitored.
- (v) **VE Exercise:** See 'A' (IFC Process) above.

E. **Construction Periods:**

5A Roseburn Viaduct - S21A					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	30/03/2009	19/05/2010	59.29 wks	19/05/2010	59.29 wks
Finish	04/05/2010	11/05/2011	53.14 wks	28/02/2011	42.86 wks
Cal. Duration	57.29 wks	51.14 wks	-6.14 wks	40.86 wks	-16.43 wks

- (i) **Delay to Start:** The table above refers to various programme dates. The Issue 3 programme shows a delay to start of **59 weeks**; the IM mitigated programme also shows a delay to start of **59 weeks**. Actual start will be later than shown due to VE/IFC exercise. Primary causes of delay to start as follows:-
 - A. **IFC process:** **Still incomplete.** This IFC is currently **92 weeks late** (planned **25/07/08**; as at **30/04/10** the actual IFC is **yet to be issued**). The delay in issuing this IFC appears to be a direct consequence of delays attaching to the Roseburn Viaduct VE exercise. **Delay by SDS, SDS /tie or Infracore?**
 - B. **INTC's:** Delays by Infracore in the submission of Estimates. Delay up to 19/03/10 when tie issued clause 80.13 instruction [Complete data on INTC's awaited]. Future delays attaching to the INTC process are probable. Delays may yet / are likely to flow from the late IFC completion in the form of BDDI – IFC changes.
 - C. **MUDFA / Utilities:** **No impact** on this structure.
 - D. **Other:**
 - **Sub-Contractor procurement:** Understood that Infracore intend to sublet this structure to Expanded Ltd – see tie audit and Infracore Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infracore. Infracore culpability.** But commencement / progress dependent on IFC process.
 - **WPP process:** Not in place as yet but dependent on IFC process.
 - **IDR/IDC process:** Not yet in place. It is not clear whether Infracore will be permitted by tie to commence without this paperwork in place. Dependent on IFC process.
 - **Form 'C' Approval:** not yet identified as being an obstacle to commencement (but this still has the potential to cause delay depending on documentation collation and submission).
 - **VE Exercise:** See A (IFC Process) above.
- (ii) **Delay to Finish:** Issue 3 programme shows a reduction in duration of **circa 6 weeks** over the timescale in Rev.1 programme. IM mitigated view of Issue 3 shows a reduction of **-16 weeks** to the Rev.1 programme. There is presently no justification for the increased Rev.3 duration – but noted that final Estimates of durations will be dependent upon final design.

F. **tie position on area availability:**

- (i) First available date for the meaningful commencement of works to this area relies on the IFC issue for Roseburn Viaduct. This is dependent on completion of the VE exercise, which is currently predicted to complete **mid May 2010 (IFC by 09/06/10)**.

G. **Conclusion:**

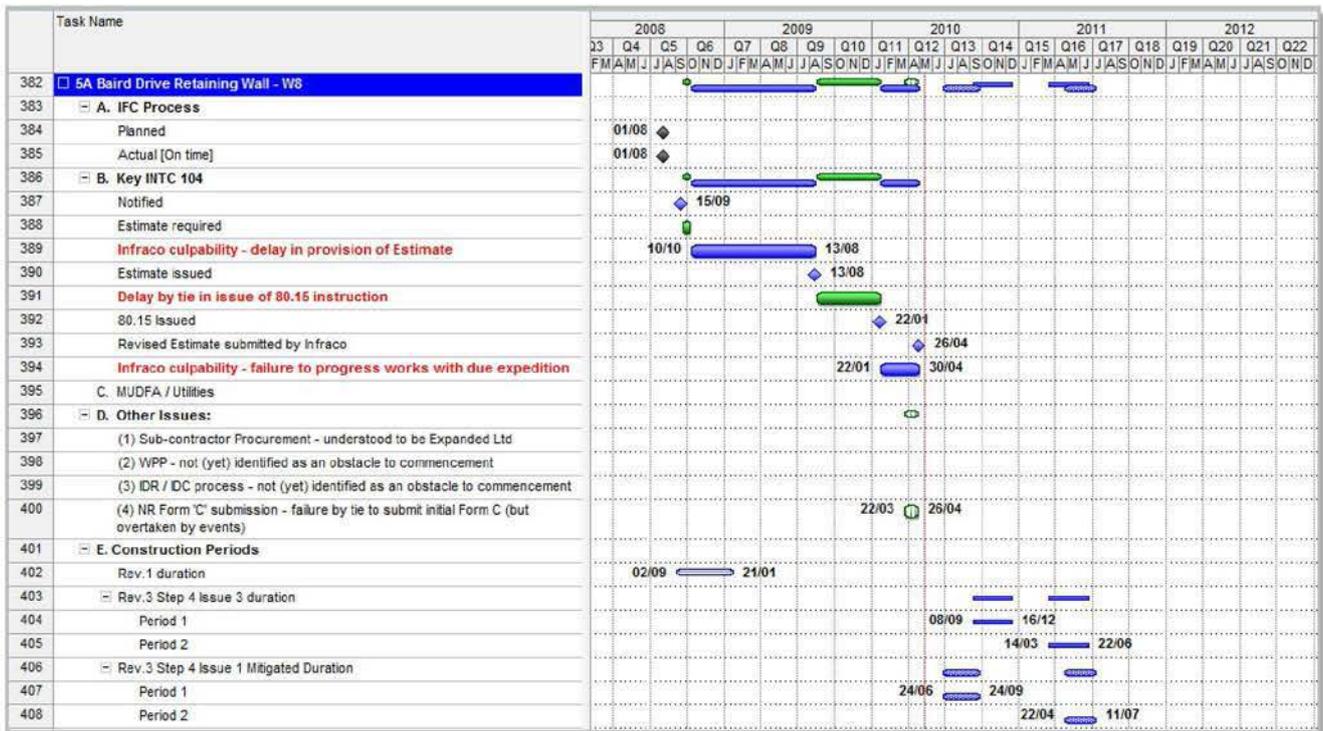
- (i) **'Significant' issues/events:** In our opinion the main obstacle to commencement on this structure is the delay to the revised IFC. The IFC should have been provided by **25/07/08** as at **30/04/10** however, the IFC is **still incomplete**. This is clearly dependent on the completion of the VE exercise. Responsibility on this issue is complex and presently uncertain due to absence of detailed evidence. This needs to be established by tie audit (see G(iii) below).
- (ii) **Concurrent issues:** In our opinion the other events detailed above (i.e. the sub-contractor procurement timing, the WPP process & the IDC / IDR process) have less of a bearing on the late commencement of this area. Whilst in isolation these issues may have been critical to commencement their significance is considerably diminished by the occurrence of the events in G (i) above. They may however become more significant in the lead up to the area availability in June 2010. Running concurrently with this is the late provision by Infracore of Estimates for INTC's **117, 083, 181, 150, & 368**. Estimates are still outstanding for all of the aforementioned INTC's. Delays attaching to Infracore's response on the foregoing are due to the absence of an IFC. This in turn is dependent on completion of the above noted VE exercise. Therefore although there is Infracore responsibility for delays in the provision of Estimates, this may well be subsumed by delays attaching to the VE exercise on RV. Responsibility therefore, remains uncertain. Delay measured to 19/03/10 (when clause 80.13 instruction issued; but unlikely to have been an obstacle to actual commencement).

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- (iv) **Considerations of dominance:** The protracted delay attaching to the IFC on this structure has clearly affected commencement. This appears to be a direct consequence of delays attaching to the Roseburn Viaduct VE exercise. The latter delay has in effect three constituent parts (1) slow / late Infracore commencement to the VE process; (2) slow Infracore response to PA comments; and (3) slow NR response to the provision of as-built information on utilities in the adjacent Haymarket Depot. Responsibility on this issue is complex and presently uncertain due to absence of detailed evidence. This needs to be established by tie audit. Delays attaching to the INTC process, sub-contractor procurement could yet prove significant but currently have less 'causative potency' than the above.

As such, in our opinion the delay to the issue of the IFC (and associated VE exercise) for this structure is the dominant / critical factor affecting commencement and hence completion for same. This should be the subject of a detailed tie audit. This issue has a knock-on delaying effect on Murrayfield Tramstop Retaining Wall – W18 and Murrayfield Tramstop.

Draft for
discussion

5A Baird Drive Retaining Wall – W8



A. IFC Process: Initial IFC issued on time (planned 01/08/08; actual 01/08/08). No subsequent IFC's have been issued as at 30/04/10. No Delay

B. Key INTC's: From information provided it appears that the Infraco issued 2 no. INTC in relation to this structure; INTC's 104 & 105. We are further advised that INTC 104 (BDDI - IFC Drawing Changes – Baird Drive RW – Section 5A) in particular, appears to have materially / critically affected Infraco's ability to commence works in accordance with the Rev 01 programme. Details are as follows:-

- (i) INTC 104: issued by Infraco on 15/09/08 (45 days after IFC issue). Estimate should have been submitted on or around 13/10/08. Estimate was received on 13/08/09; 43 weeks later than required. Delay by Infraco; Infraco culpability for time taken to produce Estimate for INTC 104. On 15/01/10 subsequent to review & discussion of INTC 104, tie gave notice that the Estimate in relation to W8 Baird Drive RW was being referred to DRP for determination. 80.15 Instruction issued by tie on 22/01/10; 23 weeks following receipt of Estimate. Delay by tie; tie culpability for time taken to issue 80.15 instruction following receipt of Estimate dated 13/08/09.

Note: we understand that Infraco submitted revised Estimate for this structure w/c 26/04/10. It is not known whether this has delayed commencement of progress.

C. MUDFA / Utilities: There are no MUDFA / Utilities issues impacting on this structure. No Delay

D. Other Issues:

- (i) Sub-Contractor Procurement: Understood that Infraco intend to sublet this structure to Expanded Ltd – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. Delay by Infraco; Infraco culpability.
- (ii) WPP Process: Permit to commence work has been received. No Delay.
- (iii) IDR/IDC process: Not yet in place. Infraco letter of 18/12/09 does not identify what the IDR / IDC requirement is for Baird Drive RW. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. Delay by Infraco; Infraco culpability.
- (iv) Form 'C': Infraco submitted Form 'C' certificate on 22/03/10. tie has not yet processed this Form 'C' application. (TC advises that tie are concerned that by signing-off on the Form 'C' submission, tie's position in respect of Infraco's argument on removal and replacement of the potentially soft underlying strata may in some way be diluted). In our opinion this will be viewed as a Delay by tie (i.e. tie culpability for the time taken to sign off Form 'C'). Currently 39 days in delay. Please however see item immediately below.
- (v) Dynamic Probe Testing: DPT carried out along Baird Drive as at w/c 22/02/10. Infraco state this was necessary because SI carried out July / August 2008 was insufficient to confirm the depth of excavation for the RW. These results have been sent to SDS by TQ. Infraco has stated that it is awaiting SDS conclusions regarding design assumptions with regard to the removal and replacement of the potentially soft underlying strata. It further states that upon receipt of SDS response Infraco will formalise a work scope and programme. This appears to be a Delay by Infraco; Infraco culpability. Note however that a revised Estimate was submitted by Infraco during w/c 26/04/10. This appears to confirm that additional reduced level excavations are no longer required. Elaborate Temp. Works in association with this has now been replaced with a proposal for piling works in isolation. This therefore appears to be a Delay by Infraco & Infraco culpability. This particular issue has been resolved sufficiently in advance of (26/04/10) the earliest date of commencement in this area between Issue 3 and IM mitigated programme to have no material delaying effect.

E. Construction Periods:

5A Baird Drive Retaining Wall - W8					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated	Delay
				Rev.3	
Start	02/09/2008	08/09/2010	105.14 wks	24/06/2010	94.29 wks
Finish	21/01/2009	22/06/2011	126.00 wks	11/07/2011	128.71 wks
Cal. Duration	20.29 wks	41.14 wks	20.86 wks	54.71 wks	34.43 wks

- (i) **Delay to Start:** The table above refers to various programme dates. Issue 3 programme shows a delay to start of **105 weeks**; the IM mitigated programme projects an earlier start (delayed by **94 weeks**) but a later completion. Primary causes of delay to start as follows:-
- A. **IFC process:** Initial IFC issued on time (planned & actual: **01/08/08**). No subsequent IFC's have been issued as at 30/04/10. **No Delay**
- B. **INTC's:** INTC 104 issued 45 days after IFC; significant Infraco delay to provision of Estimate (304 days late); **tie delay (162 days) in dealing with Estimate through to 80.15 instruction on 22/01/10.**
- C. **MUDFA / Utilities:** **No impact** on this structure.
- D. **Other:**
- **Sub-Contractor procurement:** Understood that Expanded Ltd may be appointed by Infraco for Baird Drive RW – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infraco; Infraco culpability.** The significance of this issue will increase as the 24/06/10 nears.
 - **WPP process:** Permit to commence work has been received. **No Delay.**
 - **IDR/IDC process:** Not yet in place. Infraco letter of 18/12/09 does not identify what the IDR / IDC requirement is for Baird Drive RW. In contrast to Section 1 works in particular, the absence of a completed IDR / IDC does not appear to be an obstacle to commencement for this structure. **Delay by Infraco; Infraco culpability** (but little / no effect).
 - **Form 'C' Approval:** Infraco submitted Form 'C' certificate to tie on 22/03/10. tie has not yet processed this Form 'C' application. (TC advises that tie was concerned that by signing the Form 'C' signs off, tie's position in respect of Infraco's argument on removal and replacement of the potentially soft underlying strata would in some way be diluted). In our opinion this will be viewed as a **Delay by tie (i.e. tie culpability** for the time taken to sign off Form 'C').
Note however that receipt of Infraco's revised Estimate w/c 26/04/10 is likely to allay tie concerns with regard to the above. This should see the Form 'C' certificate signed off imminently. [Not known if Form C has to be revised]. This issue has been resolved sufficiently in advance of 26/04/10 the earliest date of commencement in this area between Issue 3 and IM mitigated programme to have no material delaying effect.
 - **Dynamic Probe Testing:** DPT carried out along Baird Drive as at w/c 22/02/10. **Delay by Infraco; Infraco culpability.** (Revised Estimate submitted w/c 26/04/10 appears to confirm that additional reduced level excavations are no longer required. Elaborate Temp. Works in association with same has now been replaced with a proposal for piling works in isolation). **Delay by Infraco; Infraco culpability.** This issue has been resolved sufficiently in advance of (26/04/10) the earliest date of commencement in this area between Issue 3 and IM mitigated programme to have no material delaying effect.
- (ii) **Delay to Finish:** Issue 3 programme shows an **increase of circa 21 weeks** over the timescale in Rev.1 programme. IM mitigated view of Issue 3 shows an increase in duration of **34 weeks** to the Rev.1 programme. There is presently no justification for Infraco's increased Rev.3 duration. In respect of IM's increase in overall duration, this is due to the relationship between this structure, Water of Leith Bridge (S21E) and Balgreen Road Bridges (S22A & S22B) – see gap in chart above. Potential for reduction of this gap has been identified.

F. tie position on area availability:

- (i) First available date for the meaningful commencement of works to this area is governed by the 80.15 instruction issued by tie on 22/01/10. Allowing for 20 working days mobilisation beyond this date, works should have commenced on or around 18/02/10. Commencement of works in this area is not driven by works in other areas. Initial **delay by Infraco**; subsequent delay by tie in respect of timing of the 80.15 instruction and the NR Form C submission delay. Infraco Period Report No 3-1, to 24 April 2010 predicts commencement on 17 May 2010.

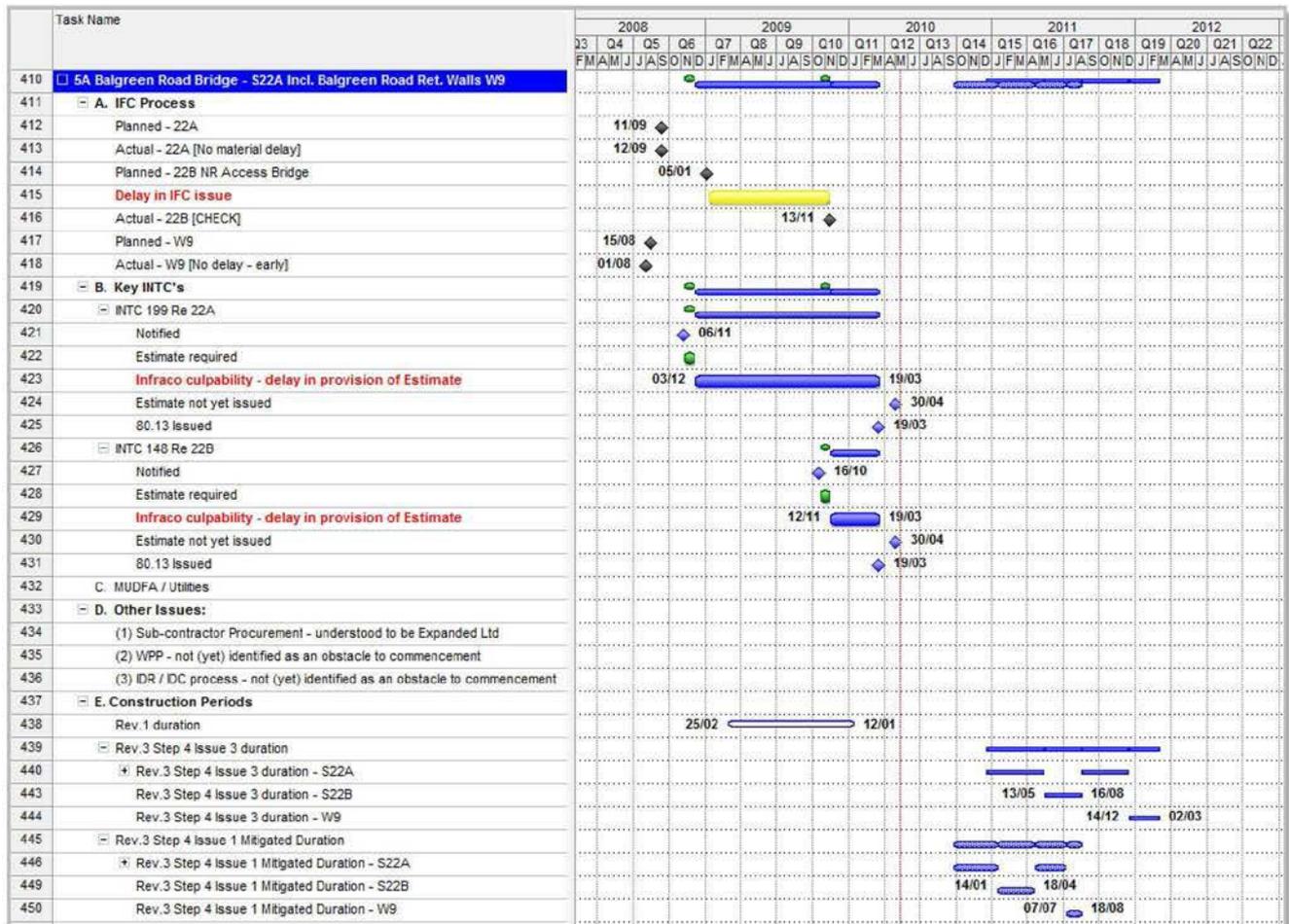
G. Conclusion:

- (i) **'Significant' issues/events:** In our opinion there were two main contributory factors, being (a) the INTC process; and (b) failure to sign off Form 'C' approval. Taking those events in chronological order:
In our opinion the main delaying factor was the protracted INTC process attaching to **INTC 104 (BDDI - IFC Drawing Changes – Baird Drive RW – Section 5A)**. INTC 104 was issued by Infraco on **15/09/08** (45 days after IFC issue). That should have been provided by 13/10/08 (earliest) but was actually provided w/c 13/08/09. This is a matter for which Infraco is responsible. Beyond 13/08/09 however, tie's review and inaction on the Estimate for INTC 104 ran until **22/01/10** (when the 80.15 instruction was issued). In light of the advice from DLA dated 24 March 2010, this is a period for which tie bears the responsibility. Following the issue of the 80.15 instruction Infraco is obliged to commence the works. Commencement however, was compromised by the absence of Form 'C' approval. tie is currently withholding this approval pending negotiations over ground conditions. This is a matter for which tie is responsible. However, given the fact that the latest revised Estimate received from Infraco does not now reflect its previous intentions in regard to work scope this is likely to require the submission of a revised Form 'C' certificate. That may well absolve tie of the delay in submission of the initial Form C.
- (ii) **Concurrent issues:** In our opinion the other event detailed above (i.e. the sub-contractor procurement timing) has much less of a bearing on the late commencement of this area. Whilst in isolation this issue may have been critical to commencement its significance is considerably diminished by the fact that there is a WPP package in place. (This suggests that the procurement process is close to resolution). This may however (if unresolved) become more significant if unresolved beyond the completion of the Form 'C' approval process.
- (iii) **Considerations of dominance:** The significant delays attaching to the issue of the first INTC on this structure has clearly affected commencement. The delay has in effect three constituent parts (1) Infraco's delay in issuing an INTC from the IFC issue date (2) the protracted

timeframe taken by Infracore to provide a compliant Estimate following the issue of the INTC, and (3) tie's delay in issuing an 80.15 instruction on receipt of the Estimate. The late approval of the Form 'C' may also have restricted access to this area. Following the issue of the 80.15 instruction Infracore is obliged to commence the works. Commencement however, was compromised by the absence of Form 'C' approval. tie is currently withholding this approval pending negotiations over ground conditions. This is a matter for which tie is responsible. However, given the fact that the latest revised Estimate received from Infracore does not now reflect its previous intentions in regard to work scope this is likely to require the submission of a revised Form 'C' certificate. That may well absolve tie of the delay in submission of the initial Form C.

Draft for
discussion

5A Balgreen Road Bridge – S22A (Incl. Balgreen Road RW9); & Bridge 22B



A. IFC Process: Initial IFC for 5A Balgreen Road Bridge – S22A was issued (effectively) on time (planned 11/09/08; actual 12/09/08). No material delay. Initial IFC for Balgreen Road RW9 was issued 2 weeks early (planned 15/08/08; actual 01/08/08). Initial IFC for 5A Balgreen Road (NR) Bridge – S22B however, was issued 45 weeks late (planned 05/01/09; actual 13/11/09). We are advised by DS that the salient factors contributing to this delay are as follows:-

- (i) Throughout the Prior Approval process there was some debate over the appropriate shape and form of the bridge. In particular, the way in which voids below the bridge would / should be treated. This however, appears to have been resolved to allow on-time granting of PA.
- (ii) Issues arose over protection measures to secure departure from recognised standards to allow a lower than 5.30m clearance. SDS was 24 weeks late in submitting the bridge for technical approval. It appears that this delay can be attributed to the late provision of access to NR land to undertake ground investigations. That said, it is our understanding that the delay noted arose from SDS's failure to request access timeously. This is a matter for which SDS is responsible.
- (iii) Following submission of the bridge for TAA, approvals were delayed by the requirement for Cat 3 checks and agreement on protection measures against bridge strikes by NR. This resulted in disagreements between NR & CEC over bridge heights. DS further advises that SDS failed to prepare a briefing note to NR & CEC with a view to meeting at the end of May 2009. Consequent to this, delays continued until the IFC was issued on 13/11/09. Note: this 6-month period appears odd, however it is presently the only information available.

Having regard to the foregoing, DS advises culpability for the delays noted rests mainly with SDS in failing to manage the Technical Approvals process / interface with both NR & CEC. Whether this extends to a failure of Infraco in respect of its management of SDS is currently uncertain (further details required from audits to be carried out). It therefore appears that the late issue of this IFC flows from one or more of the following reasons:-

- Late issue by SDS (in its simplest form a CE under 65(t) – which may in turn permit the application of clause 65.12.2);
- A material breach by SDS (again in its simplest form a CE under 65(u) – which may in turn permit the application of clause 65.13);
- A failure of Infraco to provide the Infraco Design to SDS in accordance with the Consents Programme and Schedule. Part 14 (clause 19.19 refers);
- A tie Change (depending on BDDI to IFC issues?);
- A failure of Infraco in respect of its management of SDS or another breach by Infraco (e.g. failure to properly manage the CEC interface);
- A requirement of CEC for which tie will bear responsibility.

Delay by SDS, SDS /tie or Infraco?

B. Key INTC's: From information provided Infraco issued 3 no. INTC's in relation to this structure; INTC's 097, 148 & 199. We are advised that INTC 148 (IFC Drawings for Balgreen Road Tram Bridge) and INTC 199 (IFC Drawings for Balgreen Bridge S22A) have materially / critically affected Infraco's ability to commence works in accordance with the Rev 01 programme. Details are as follows:-

- (i) INTC 148: issued by Infraco on 16/10/09. Estimate should have been submitted on or around 11/11/09. Delay by Infraco.
- (ii) INTC 199: issued by Infraco on 06/11/08. Estimate should have been submitted on or around 02/12/08. Delay by Infraco

All of the above INTC's were the subject of an 80.13 Instruction issued by tie on 19/03/10.

C. **MUDFA / Utilities:** There are no MUDFA / Utilities issues impacting on this structure. **No Delay**

D. **Other Issues:**

- (i) **Sub-Contractor Procurement:** Understood that Infraco intend to sublet this structure to Expanded Ltd – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infraco; Infraco culpability.**
- (ii) **WPP Process:** Not in place as yet. **Delay by Infraco; Infraco culpability.**
- (iii) **IDR/IDC process:** Not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. **Delay by Infraco; Infraco culpability.**
- (iv) **Form 'C':** Not yet in place. Infraco Period Report No.3-1 report to 24/04/10 notes 'Form C/WPP has continued'.

E. **Construction Periods:**

5A Balgreen Road Bridge - S22A Incl. Balgreen Road Ret.Walls W9 & Bridge S22B					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	25/02/2009	16/12/2010	94.14 wks	24/09/2010	82.29 wks
Finish	12/01/2010	02/03/2012	111.43 wks	18/08/2011	83.29 wks
Cal. Duration	46.00 wks	63.29 wks	17.29 wks	47.00 wks	1.00 wks

- (i) **Delay to Start:** The table above refers to various programme dates. Issue 3 programme shows a delay to start of **94 weeks**; the IM mitigated programme projects an earlier delay to start of **83 weeks**. Primary causes of delay to start as follows:-
 - A. **IFC process:** Initial IFC for 5A Balgreen Road (NR) Bridge – S22B was issued **45 weeks late** (planned 05/01/09; actual 13/11/09). Culpability for the delay appears to rest with SDS in failing to manage the Technical Approvals process / interface with both NR & CEC. Whether this extends to a failure of Infraco in respect of its management of SDS is currently uncertain **Delay by Infraco, SDS /tie or tie?**
 - B. **INTC's:** INTC 199 (IFC Drawings for Balgreen Bridge S22A) issued by Infraco on 06/11/08 (55 days after IFC issue). As at 30/04/10 Estimate is currently outstanding i.e. 540 days later than permitted by the Contract. INTC 148 (IFC Drawings for Balgreen Road Tram Bridge S22B) issued by Infraco on 16/10/09 (in advance of IFC issue issued 13/11/09). As at 30/04/10 Estimate is currently outstanding i.e. 196 days later than permitted by the Contract. **Significant Delay by Infraco. Infraco culpability**
Delay taken up to 19/03/10 when tie issued clause 80.13 instruction.
 - C. **MUDFA / Utilities:** **No impact** on this structure.
 - D. **Other:**
 - **Sub-Contractor procurement:** Understood that Infraco intend to sublet this structure to Expanded Ltd – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infraco; Infraco culpability.**
 - **WPP process:** Not in place as yet. **Delay by Infraco; Infraco culpability**
 - **IDR/IDC process:** Not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. **Delay by Infraco; Infraco culpability.**
 - **Form 'C' Approval:** Not yet in place. Infraco Period Report No.3-1 report to 24/04/10 notes 'Form C/WPP has continued'. **Delay by Infraco; Infraco culpability**
- (ii) **Delay to Finish:** Issue 3 programme shows an increase in duration of **circa 17 weeks** over the timescale in Rev.1 programme. IM mitigated view of Issue 3 shows a minor increase of **1 week** to the Rev.1 programme. There is presently no justification for the Infraco increased Rev.3 duration.

F. **tie position on area availability:**

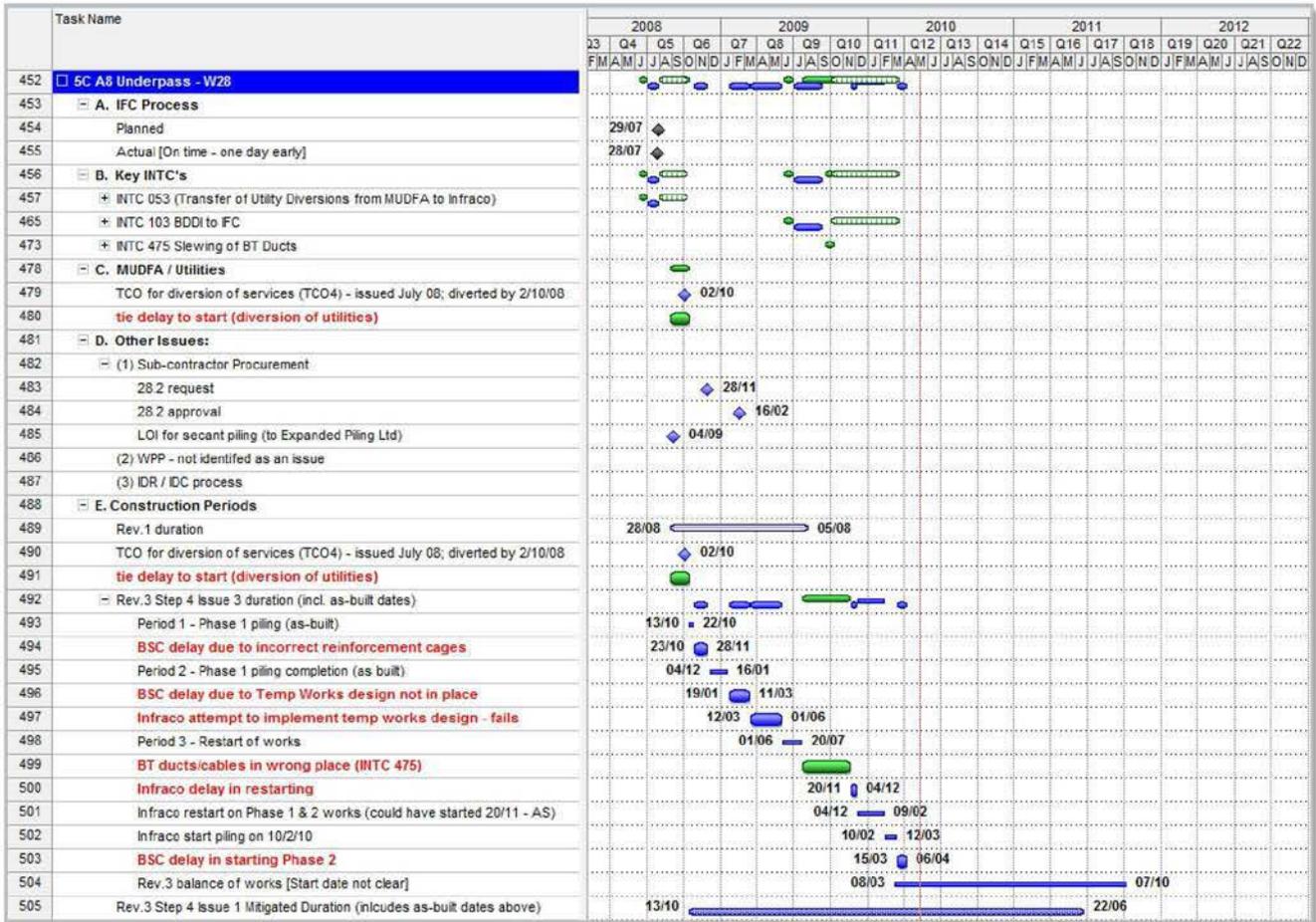
- (i) First available date for the meaningful commencement of works to this area **relies on a proportion of reinforced earthworks on Baird Drive** to enable its commencement. Protracted delays on Baird Drive (for the most part the INTC process) have significantly delayed its commencement. Infraco Period Report No.3-1 report to 24/04/10 forecasts commencement on Baird Drive on 17 May 2010.

G. **Conclusion:**

- (i) **'Significant' issues/events:** In our opinion there are three main contributory factors, being (a) completion of a proportion of reinforced earthworks on Baird Drive RW; (b) the IFC process; and (c) the INTC process. Taking those events in chronological order:- In our opinion the main delaying factor is completion of a proportion of reinforced earthworks on Baird Drive RW. Protracted delays on Baird Drive have significantly delayed commencement on Balgreen Road Bridge 22A. For responsibility refer Summary chart / narrative for Baird Drive RW above (in summary a delay caused by the INTC process re INTC 104. Split culpability – majority rests with Infraco) Running concurrently with the 'Baird Drive' delays are delays attaching to both the IFC and INTC processes. The IFC for 5A Balgreen Road (NR) Bridge – S22B was issued **45 weeks late** (planned 05/01/09; actual 13/11/09). Responsibility on this issue is uncertain (see above – this should be subject to tie audit). Thereafter, delays attaching to the provision of Estimates for INTC's 148 & 199 are matters for which Infraco is responsible.
- (ii) **Concurrent issues:** In our opinion the other events detailed above (i.e. the sub-contractor procurement timing, the WPP process and the NR Form C process) have less of a bearing on the late commencement of this area. Whilst in isolation these issues may have been / may yet be critical to commencement their significance is considerably diminished by the occurrence of the events in G (i) above. They may however become more significant in the lead up to the area availability in September 2010. Infraco's failure to submit Form 'C' for approval is a matter for which it is responsible.
- (iii) **Considerations of dominance:** The protracted delay attaching to the IFC for 5A Balgreen Road (NR) Bridge – S22B and subsequent delays attaching to INTC process for both bridges have clearly been obstacles to commencement on this element of the works. However, Balgreen Road Bridges rely on a proportion of reinforced earthworks on Baird Drive to enable its commencement. The above noted IFC & INTC delays are

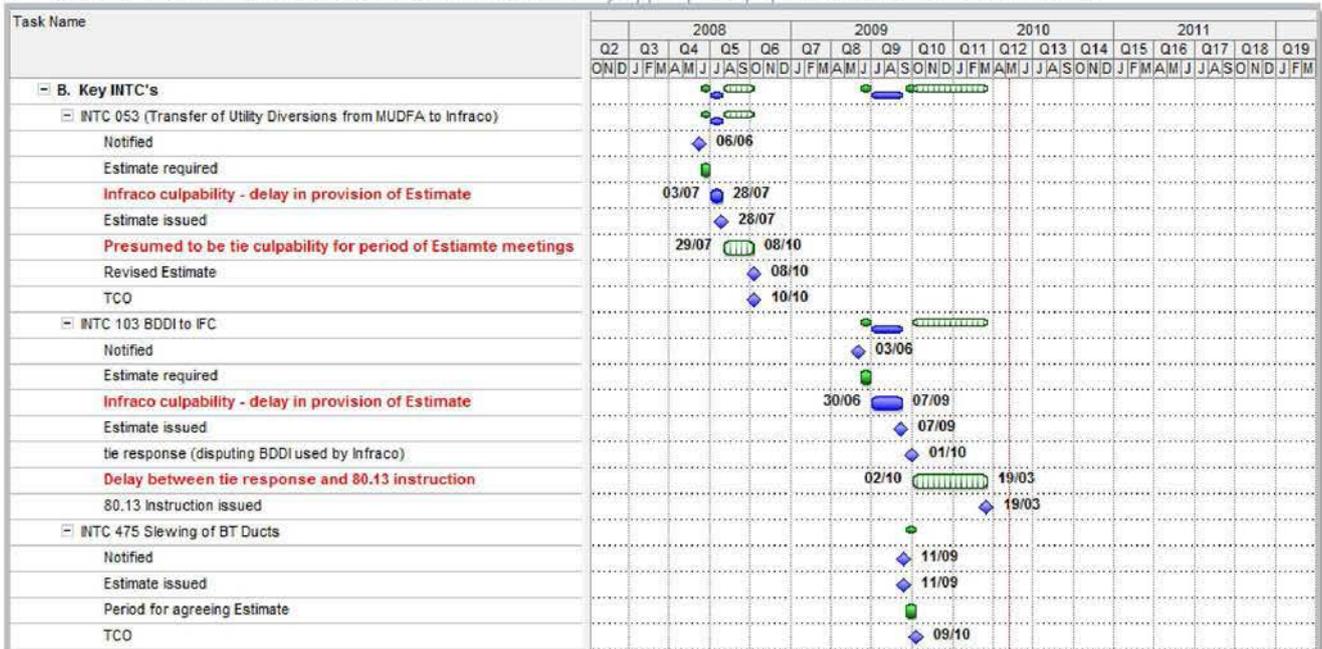
in effect subsumed by the delays attaching to Baird Drive RW reinforced earthworks which are clearly the determinant / predecessor to commencement of the Balgreen Road Bridges; and as such this has greater 'causative potency' than the other issues above.

Draft for
discussion



A. IFC Process: planned date of 29/07/08; actual issue on 28/07/08; No delay. We are also advised that 4 drawings were re-issued on 03/12/09 (no details available re reason for, or effect of, same). This may explain the re-start date of works on 4/12/09 (but has not been identified as an obstacle to recommencement).

B. Key INTC's: we are advised that the following INTC's were key to commencement and progress (see chart and details below):-



(i) INTC 053 (Transfer of Utility Diversions from MUDFA to Infraco): we understand that this was a critical delay to commencement of the A8 Underpass. Delay from planned commencement of 28/8/08 to 13/10/08 (i.e. allowing Infraco mobilisation period). Minimum 5 weeks delay; tie culpability. Likely be delay of 7 weeks to 13/10/08 (when piling actually started; allowing for mobilisation)

- (ii) **INTC 103 (BDDI to IFC):** notified 03/06/09; Estimate required 29/06/09; Estimate issued 07/09/09 (10 weeks late). tie response issued 01/10/09 disputing BDDI design information used by Infraco in preparation of Estimate; requesting Infraco to review Estimate detail. No reply from Infraco to date. [Not clear who is correct in this – affects culpability]. 80.13 Instruction issued 19/03/10.
It is not clear what this affects – as does not appear to have affected progress to date (but could increase duration required for additional work).
- (iii) **INTC 475 (Slewing of BT Ducts):** INTC issued 11/09/09; Estimate issued 11/09/09; TCO issued 9/10/09. See notes below (under 'C') re period of work and effect on progress. tie accepts culpability for effect.

C. **MUDFA / Utilities:** utility diversions transferred to Infraco under INTC 053 appear to be the critical delay to start of Phase 1. Utility diversion was complete by 02/10/08. Phase 1 piling started on 13/10/08. Delay of 5 to 7 weeks; tie culpability. This issue is not disputed by tie. Similarly, INTC 475 is not disputed. Issue identified July 2009; causing work to stop while investigations and solution found. Work took from 02/11/09 to 04/12/09. tie (AS) however believes that work could have recommenced on 20/11/09. Delay from 21/07/09 to 19/11/09 = 17 weeks; tie culpability. Note: further utility diversions (SP & SGN) appear to be identified within the tie PM Report 'Period Two; Year 10/11'. Those diversions may yet affect progress.

D. **Other Issues:**

- (i) **Sub-Contractor Procurement:** LOI issued to Expanded Piling on 04/09/08 for piling works. Although this is later than planned commencement of 28/08/08, the delay due to utility diversion was known about at that time. Appears LOI issued 'just in time' and therefore not affecting commencement.
- (ii) **WPP Process:** not identified as an obstacle to commencement or progress generally. However, see details below re temporary works design during January to March 2009.
- (iii) **IDR/IDC process:** understood not to have delayed commencement or progress.

E. **Construction Periods:**

SC A8 Underpass - W28					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	28/08/2008	13/10/2008	6.57 wks	13/10/2008	6.57 wks
Finish	05/08/2009	07/10/2011	113.29 wks	22/06/2011	98.00 wks
Cal. Duration	49.00 wks	155.71 wks	106.71 wks	140.43 wks	91.43 wks

- (i) **Delay to Start:** Actual commencement was achieved on 13/10/08 (6.57 weeks late). Primary causes of delay to start as follows:-
- A. **IFC process:** no delay identified.
- B. **INTC's:** INTC 053 (utility transfer) caused delay to commencement of 5 to 7 weeks. INTC 475 caused 17 week delay to progress. Both tie culpability.
- C. **MUDFA / Utilities:** see above re delays caused by INTC's 053 & 475.
- D. **Other:** please see comments at 'D' above. These matters are not understood to have been an obstacle to commencement.
- (ii) **Delay to Finish:** delay to actual progress (and commencement) can be summarised as follows (also see chart above):-

Description of activities	From	To	Duration		Culpability
			Days	Weeks	
Delay to Start	28/08/08	13/10/08	47	6.71	tie
Period 1 - Phase 1 piling (as-built)	13/10/08	22/10/08	10	1.43	
BSC delay due to incorrect reinforcement cages	23/10/08	28/11/08	37	5.29	Infraco
Period 2 - Phase 1 piling completion (as built)	01/12/08	16/01/09	47	6.71	
BSC delay due to Temp Works design not in place	19/01/09	11/03/09	52	7.43	Infraco
Infraco attempt to implement temp works design - fails	12/03/09	01/06/09	82	11.71	Infraco
Period 3 - Restart of works	01/06/09	20/07/09	50	7.14	
BT ducts/cables in wrong place (INTC 475)	21/07/09	20/11/09	123	17.57	tie
Infraco delay in restarting	20/11/09	04/12/09	15	2.14	Infraco
Infraco restart on Phase 1 & 2 works (could have started 20/11 - AS)	04/12/09	09/02/10	68	9.71	
Infraco start piling on 10/2/10	10/02/10	12/03/10	31	4.43	
BSC delay in starting Phase 2	15/03/10	06/04/10	23	3.29	Infraco

Summary of delays		
Days	Weeks	Culpability
209	29.86	Infraco
170	24.29	tie

Increased durations

The table at 'E' above shows that the Issue 3 programme includes an increase of circa 107 weeks over the timescale in Rev.1 programme. IM mitigated view of Issue 3 shows an increase in duration of 92 weeks to the Rev.1 programme. There is presently no justification for the Infraco increased Rev.3 duration. Increased durations are reconciled as follows:-

Phase	Rev.1 (wks)	Infraco Rev.3 (wks)	Increase (wks)
Phase 1	9		
Phase 2	18		
Phase 1&2		95	68
Phase 3	12	22	10
Phase 4	10	28	18
Subway	Incl.	7	7
Sub-total	49	152	103
Add'l Holidays	0	4	4
Total	49	156	107

The increased durations however, include the periods of earlier as-built delays (totalling circa **54 weeks**) as summarised above.

These delays are reconciled below (showing a net increased duration in the Issue 3 programme of **52.57 weeks**; and **37 weeks** in IM's mitigated Rev.3 programme). Note: it is understood that Infraco are looking at running Phase 4 concurrently with Phases 1 & 2, which could considerably reduce projected timescale.

Description	Durations (weeks)		
	Rev.1	Rev.3 Issue 3	IM Mitigated Rev.3
Original Duration	49.00	49.00	49.00
Delay: tie		24.29	24.29
Delay: Infraco		29.86	29.86
Increased duration		52.57	37.29
Total	49.00	155.71	140.43

Note: further utility diversions (SP & SGN) appear to be identified within the tie PM Report 'Period Two; Year 10/11'. Those diversions may yet affect progress.

Key issues which do or may entitle Infraco to further time are as follows:-

- (i) Delay to start (INTC 053): **6.5 weeks**
- (ii) BT diversion (INTC 475): **17.5 weeks**
- (iii) Additional scope / utility diversion or handling not included in the INTC's above (may be included in INTC Master list being complied).

The remainder of the time would appear to matters for which Infraco is responsible (as-built delays of **30 weeks**) or increased durations (**53 weeks**) which have yet to be substantiated or shown to be tie responsibility. It is noted that Infraco are considering running Phase 4 concurrently with Phases 1 & 2, which would / should reduce the projected timescales.

F. **tie position on area availability:** There was a delay of circa 7 weeks in availability of this area as a result of utility diversions (INTC 053 refers). Those utility diversions were complete by 02/10/08 with piling commencing on 13/10/08. **Delay by tie; tie culpability.**

G. **Conclusion:**

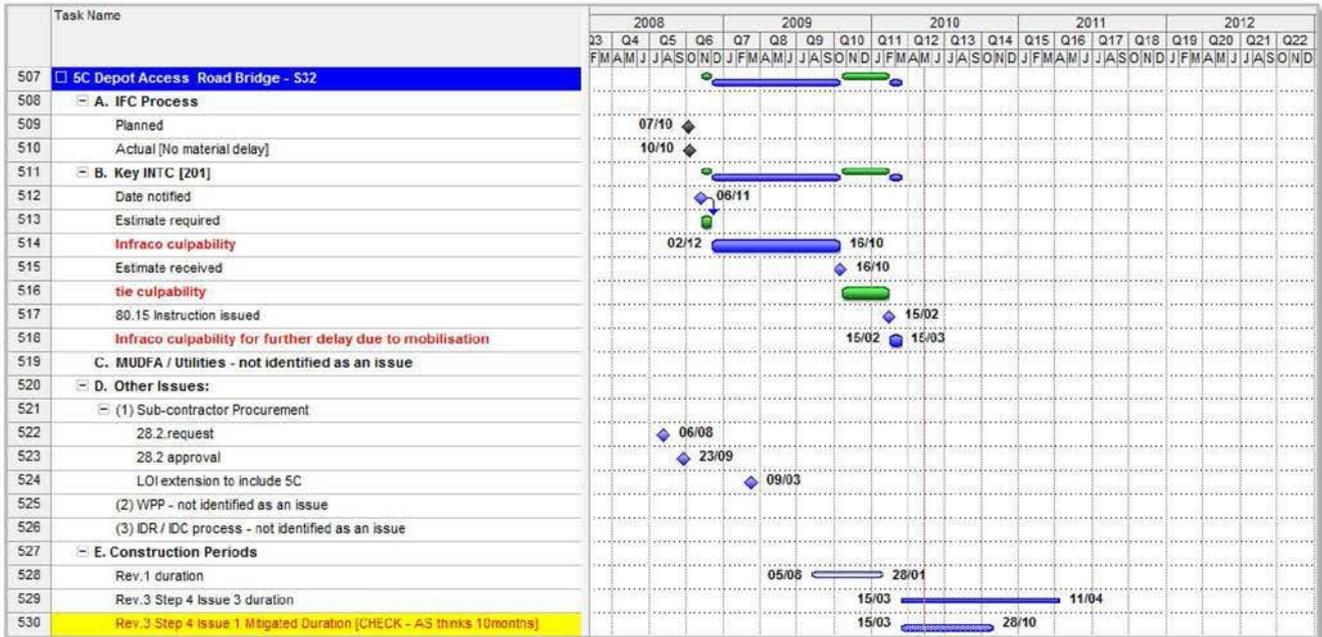
(i) **'Significant' issues/events:** In terms of as-built progress, a delay was incurred to commencement. Thereafter, various issues arose affecting actual progress. These issues can be summarised as follows:

- Utility delays (INTC 053 & 475) appear to have caused a total of **24 weeks delays; tie culpability.**
- Delays to progress which appear to be **Infraco culpability; 30 weeks.** Those matters relate in the most part to slow progress and Temporary Works design not being in place.

In addition, Infraco's Revision 3 programme also indicates increased durations of a further **52 weeks** (or **37 weeks** IM Estimate). Of those increased durations it is possible that **tie** may be culpable for a period of this. No information however is available to inform an estimate at this stage.

(ii) **Concurrent issues:** no material concurrent issues were identified. Although there is a period of delay in tie's response to INTC 103, this does not appear to have affected progress. It is also noted however that Infraco itself delayed the provision of that Estimate.

(iii) **Considerations of dominance:** please refer to comments above under 'Significant issues / events for matters which appear to have caused delay to actual start, actual progress and projected completion.



- A. **IFC Process:** planned IFC date was 07/10/08; actual was 10/10/08 i.e. 3 days late; no material delay. We are advised that one drawing was reissued on 13/11/09. That however was not identified as a material factor delaying commencement; nor was it identified as being critical to construction.
- B. **Key INTC's:**
 - (i) **INTC 201 (BDDI to IFC):** INTC issued 6/11/08; Estimate required 02/12/08; Estimate submitted 16/10/09 (45 weeks late; **Infraco culpability**). **tie** response issued 12/01/10; reference to DRP on 15/02/10 including issue of 80.15 instruction (17 weeks; **tie culpability**).
- C. **MUDFA / Utilities:** not identified as an issue.
- D. **Other Issues:**
 - (i) **Sub-Contractor Procurement:** understood that Farrans Construction has been appointed for this area. Although appointment is via LOI, the procurement itself does not appear to have affected commencement.
 - (ii) **WPP Process:** not identified as an issue.
 - (iii) **IDR/IDC process:** not identified as an issue.
- E. **Construction Periods:**

5C Depot Access Road Bridge - S32					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	05/08/2009	15/03/2010	31.71 wks	15/03/2010	31.71 wks
Finish	28/01/2010	11/04/2011	62.57 wks	28/10/2010	39.00 wks
Cal. Duration	25.29 wks	56.14 wks	30.86 wks	32.57 wks	7.29 wks

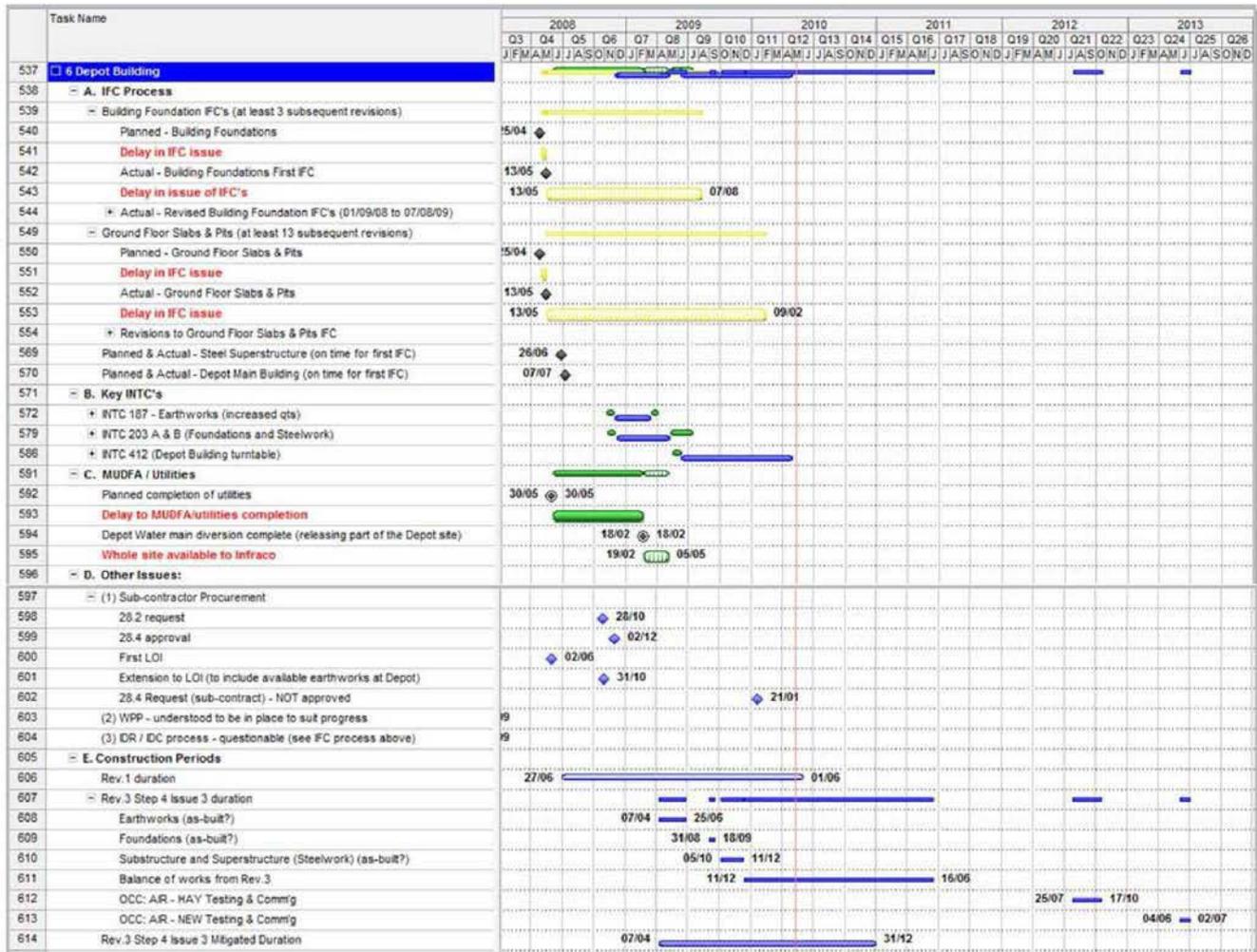
 - (i) **Delay to Start:** both the Issue 3 programme and IM's mitigated programme show a delay to start of 32 weeks. The primary causes of delay to start as follows:-
 - A. **IFC process:** No material effect.
 - B. **INTC's:** INTC 201 caused the delayed start. **Infraco delay** in provision of Estimate causes a minimum of 14 weeks delay (between 05/08/09 16/10/09; plus 4 weeks mobilisation). **tie culpability** will most likely be 17 weeks (from 17/10/09 to 15/02/10). It may be that tie could try to argue that 'but-for' Infraco's 45 week delay in provision of the Estimate, that no delay would have occurred as a result of tie's period of review and reference to DRP. That however should be discussed further.
 - C. **MUDFA / Utilities:** not identified as an issue.
 - D. **Other:**
 - **Sub-Contractor procurement:** not identified as an issue.
 - **WPP process:** not identified as an issue.
 - **IDR/IDC process:** not identified as an issue.
 - (ii) **Delay to Finish:** Issue 3 programme shows an increase of circa 31 weeks over the timescale in Rev.1 programme. The IM mitigated view of Issue 1 shows an increase in duration of 7 weeks to the Rev.1 programme. There is presently no justification for the Infraco increased Rev.3 duration. That said however, AS believes that a reasonable period for this structure is circa 10 months (or 43 weeks). That view appears to be based on the fact that the design of this structure has become more complex and hence is likely to take more time to construct. This would clearly affect projected finish of this structure.
- F. **tie position on area availability:** this area was available as per the original Rev.1 commencement date. The delay to commencement has been the INTC process associated with INTC 201.

G. **Conclusion:**

- (i) **'Significant' issues/events:** the process of providing an Estimate and instruction in relation to INTC 201 appears to have been the issue affecting commencement of this structure. This was caused by an **Infraco delay** in provision of the Estimate; causing a minimum of **14 weeks** delay (between 05/08/09 16/10/09; plus 4 weeks mobilisation). **tie culpability** will most likely be **17 weeks** (from 17/10/09 to 15/02/10) as a result of the time taken to issue an 80.15 instruction for same.
- It may be that tie could try to argue that 'but-for' Infraco's 45 week delay in provision of the Estimate, that no delay would have occurred as a result of tie's period of review and reference to DRP. That however should be discussed.
- It also appears that Infraco will be due some further time for construction of this structure beyond the duration included within the Revision 1 Programme. That increase has arisen as a result of the increased complexity / workscope involved in the final design. It is estimated that an increase in duration in the region of **7 to 18 weeks** may be appropriate.
- (ii) **Concurrent issues:** In our opinion the other events detailed above (i.e. the sub-contractor procurement timing, the WPP process) have less of a bearing on the late commencement of this area. Whilst in isolation these issues may have been / may yet be critical to commencement their significance is considerably diminished by the process associated with INTC 201.
- (iii) **Considerations of dominance:** the process of providing the Estimate for INTC 201, tie's review of same and ultimate reference to DRP is the dominant delay affecting commencement. Thereafter forecast increase in construction period affects end date.

Draft for
discussion

6 Depot Building



A. IFC Process: Numerous IFC's have been and continue to be issued for this structure. Main elements as follows:-

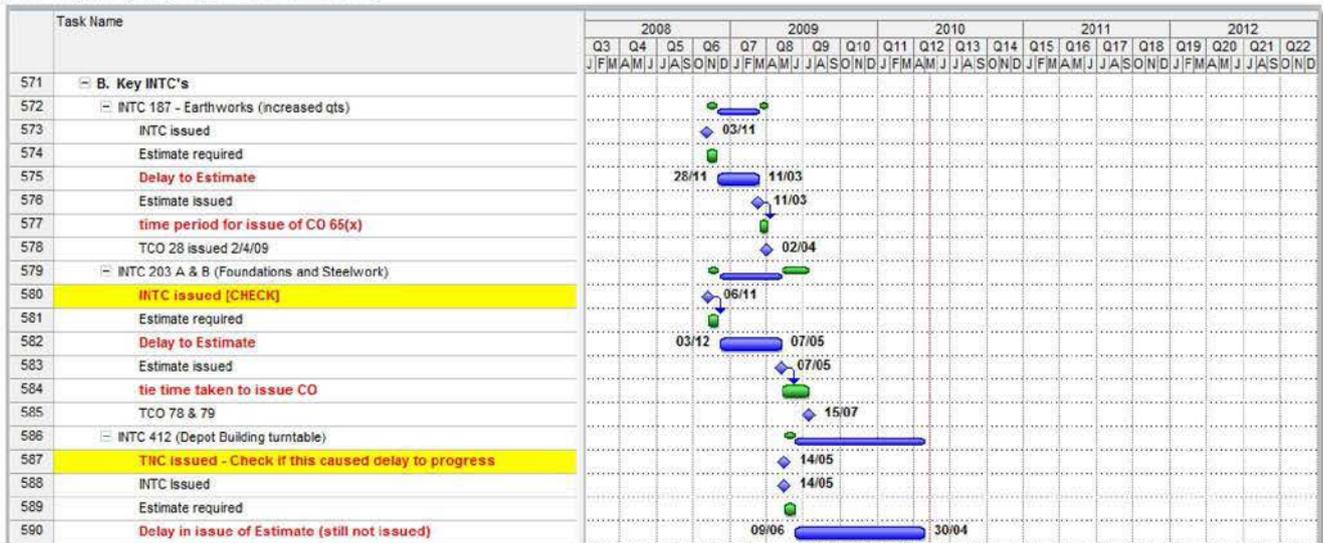
- (i) **Building Foundations:** planned IFC 25/04/08. Actual IFC 13/05/08. Initial delay of 18 days (2.5 weeks). 4 No. subsequent revisions to the IFC have been issued on 01/09/08; 24/10/08; 24/02/09; 07/08/09. It is understood that the latter revisions to the IFC's were brought about by SDS failure to consider foundation design integration with ground floor slab and pits design. This is likely to be a failure of SDS under CE(u) – excusing Infraco of culpability for delay.
- (ii) **Ground Floor Slab & Pits:** planned IFC 25/04/08. Actual IFC 13/05/08. Initial delay of 18 days (2.5 weeks). 13 No. subsequent revisions to the IFC have been issued on 01/09/08; 23/09/08; 24/10/08; 24/02/09; 15/05/09; 23/06/09; 07/08/09; 20/08/09; 17/09/09; 13/10/09; 10/11/09; 10/11/09; 09/02/10. For the most part these revised IFC issues appear to relate to integration of Infraco design into the initial IFC design issued by SDS. This should not be a matter for tie i.e. it appears for the most part to be Infraco culpability. We understand that this has caused a delay to actual progress on ground floor slab and pits. Note however that tie is responsible for addition of turntable into ground floor slab design (this appears to have been incorporated into either Rev. 14 (17/9/09) or 15 (13/10/09)).
- (iii) **Steel Superstructure:** planned IFC 06/06/08; actual IFC on time. Details on extent and dates of revisions not yet available (see comment below).
- (iv) **Depot Main Building:** planned IFC 07/07/08; actual IFC on time. Details on extent and dates of revisions not yet available (see comment below).

Extent and time taken for design finalisation is a major area of concern. Recommendation: that this should be audited / investigated in detail.

B. Key INTC's: numerous INTC's have been issued for the Depot Building. We are advised that the main INTC's which were obstacles to commencement (or progress) were INTC's 187, 203A & B; 412. Details as follows (see also chart extract below):-

- (i) **INTC 187 (Earthworks Increased Qts):** INTC issued 03/11/08; Estimate required 27/11/08; Estimate issued 11/03/09 (15 weeks later than required). TCO issued 02/04/09 (a 3 week turnaround does not appear unreasonable; but is also 'excusable' in terms of CE(x)). This process should however have occurred sooner (it appears that the delay in provision of Estimate contributed to the late start on earthworks between 18/02/09 and 07/04/09).
- (ii) **INTC 203A (Depot Building Foundations):** INTC 203 issued on 06/11/08; AS believes this is the trigger for 203A (not 07/05/09 as noted in the Master INTC list; this needs to be verified by tie). On that basis, Estimate required 01/12/08; Estimate issued 07/05/09 (22 weeks later than required). TCO issued 15/07/09 (10 week turnaround does not appear reasonable; this is also 'excusable' in terms of CE(x)).
- (iii) **INTC 203B (Depot Building Steelwork):** same details as INTC 203A above.
- (iv) **INTC 412 (Depot Building turntable):** TNC issued 14/05/09; Estimate required 09/06/09; Estimate not yet issued (currently 46 weeks late). IFC appears to have been revised on either Rev. 14 (17/9/09) or 15 (13/10/09). This timescale (4 to 5 months) appears quite long. Recommendation: Check SDS / Infraco performance (during tie audit). tie accepts culpability for this issue.

Summary (image) of key INTC's listed above



C. **MUDFA / Utilities:** Water main diversion is main issue. Planned completion of utilities was 30/05/08. Actual completion of water main sufficient to permit material commencement of earthworks achieved on 18/02/09 (plus add time for mobilisation; approx. 1 week). **Delay to this milestone of 38 weeks; tie culpability.** Remainder of area available by 05/05/09 (further delay of 11 weeks – but understood that this would / should not have been critical to building progress).

Note: the above is slightly different from previous information supplied. That is, previously we understood that tie's position was that partial access was available on or around late 2008 (i.e. prior to the completion of the water main). The above however is the explanation we have recently received. If however the earlier tie position is correct the balance of culpability shifts more towards Infracore as a result of a failure to commence earlier. The measure of the shift in culpability is likely to be in the region of 6-10 weeks.

D. **Other Issues:**

- (i) **Sub-Contractor Procurement:** first LOI issued to Barr issued on 02/06/08; 28.2 approval sought 28/10/08 – approval given 02/12/08. Extension to LOI issued on 31/10/08 to include available earthworks. This is therefore not seen as an obstacle to commencement or progress.
- (ii) **WPP Process:** we do not understand this to have been an obstacle to commencement or progress.
- (iii) **IDR/IDC process:** there is a question here about SDS / Infracore design integration – see IFC process above and extent of revised IFC's which have been (and continue to be) issued. **Recommendation:** that this should be audited / investigated in detail.

E. **Construction Periods:**

6 Depot Building (taking Earthworks as start dates)					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	27/06/2008	07/04/2009	40.57 wks	07/04/2009	40.57 wks
Finish	01/06/2010	16/06/2011	54.29 wks	31/12/2010	30.43 wks
Cal. Duration	100.71 wks	114.43 wks	13.71 wks	90.57 wks	-10.14 wks

Note: part of Rev.3 Issue 3 and IM mitigated Rev.3 duration include delays to early progress.

- (i) **Delay to Start:** The table above refers to various programme dates. Delay to actual start of earthworks is 41 weeks. Primary causes as follows:-
 - A. **IFC process:** see comments above. Considerable questions about SDS performance and possibly Infracore management of SDS and performance in providing Infracore Design. **Recommendation:** Detailed audit required.
 - B. **INTC's:** INTC 187 (delay in provision of Estimate) appears to have caused a 6 week delay to the earthworks (from 25/02/09 to 07/04/09) (**Infracore culpability**); INTC 203A & B (and relevant TCO's) contributed to the delay to the start of foundations.
 - C. **MUDFA / Utilities:** delay due to water main, causing delay to access – 27/06/08 (planned start) to 18/02/09 (plus one week mobilisation; when material start should have commenced). **35 week delay** (from 27/06/08 to 25/02/09); **tie culpability.**
 - D. **Other:**
 - **Sub-Contractor procurement:** no material cause of delay.
 - **WPP process:** ditto.
 - **IDR/IDC process:** see comments above. Considerable questions about SDS performance and possibly Infracore management of SDS and performance in providing Infracore design. **Detailed audit required.**
- (ii) **Delay to Finish:** Issue 3 programme shows an increase of circa 14 weeks over the timescale in Rev.1 programme. IM mitigated view of Issue 3 shows a decrease in duration of 10 weeks to the Rev.1 programme. There is presently no justification for the Infracore increased Rev.3 duration (it appears to be masking Infracore culpability in early performance). Delay to progress up to start of foundations can be summarised as follows:-
 - Rev.1 Period from Earthworks to Foundation start is 5 weeks (27/06/08 to 01/08/08). Actual period from Earthworks commencement to foundation commencement 21 weeks (07/04/09 to 31/08/09). Increase in lag (i.e. further delay) of 16 weeks.
 - Delay to actual steelwork erection commencement (compared to Rev.1 programme) was also 16 weeks (01/09/08 versus 05/10/09).

This equates to a further delay (beyond that incurred to earthworks) of 16 weeks. This appears to have been caused by the following:-

- Apparent Infraco refusal to excavate down to formation level under building footprint (until it found location for 'suitable' excavated material – linked to INTC 399). Delay 15/5/09 to 15/6/09; **4 weeks**. tie's current position is that handling of excavated material is an Infraco responsibility. We proceed on that premise for the time being but this should be further investigated;
- Increased workscope in respect of INTC 187 (increased volume of earthworks). Something should be allowed by tie here for this increase in workscope;
- Late Estimates from Infraco on INTC's 203A & B (Estimates issued 07/05/09; causing late issue of TCO in respect of same until 15/7/09). Estimates should have been issued 01/12/08 [but see note above re INTC date – it is crucial to understand correct INTC date];
- It is also possible that late steelwork procurement (delaying steelwork erection until 05/10/09 from 18/09/09; **3 weeks**). That is, Infraco holding off working on foundations because it knew that steelwork delivery had been delayed. This is likely to relate to late design approval between Barr (Solway) and Infraco. **A matter for which Infraco should be culpable. This needs to be verified however.**
- There may also be questions about SDS/Infraco design – see comments above re IFC revisions and audit being required.

Infraco failure to mitigate (and/or to accelerate?) is also an issue in respect of overall period to completion of Depot Building (see IM mitigation exercise).

F. tie position on area availability:

- (i) Area available for earthworks commencement as of 18/02/09 (plus one week for mobilisation of earthworks contractor). **Delay by tie (35 weeks)**. Infraco failure to provide Estimate on INTC 187 caused delay to issue of TCO (issued in reasonable time). Had Infraco issued Estimate timeously commencement would have been circa 25/02/09 (further delay of **6 weeks** to earthworks commencement). **Infraco delay.**

G. Conclusion:

- (i) **'Significant' issues/events:** the significant issues affecting commencement of the earthworks were (i) water main diversion; and (ii) INTC 187. The delay due to water main, causing delay to access – 01/08/08 (planned start) to 18/02/09 (when material start should have commenced). **35 week delay (tie culpability)**. INTC 187 (delay in provision of Estimate) appears to have caused a further **6 week delay to the earthworks (Infraco culpability)**. Thereafter there are questions surrounding Infraco performance in earthworks operations, commencement of foundations and steelwork – causing a **16 week delay** to foundations and steelwork. For the most part, excluding the water main, these appear to be Infraco culpability. That said, issues such as increased workscope in terms of earthworks volumes and foundation increased scope must be taken into account. **Split liability for this 16 weeks period.**
Note: the above is slightly different from previous information supplied. That is, previously we understood that tie's position was that partial access was available on or around late 2008 (i.e prior to the completion of the water main). The above however is the explanation we have recently received. If however the earlier tie position is correct the balance of culpability shifts more towards Infraco as a result of a failure to commence earlier. The measure of the shift in culpability is likely to be in the region of **6-10 weeks**.
- (ii) **Concurrent issues:** there is a question of the completion of the water main diversion (to 05/05/09) being concurrent. This however was not seen as critical to the building. No doubt Infraco will however major on this and the time periods taken by tie for issue of TCO's.
- (iii) **Considerations of dominance:** water main work will be difficult to argue as being anything other than dominant until 18/02/09. Thereafter, the delays to commencement of earthworks, foundations and steelwork are critical.

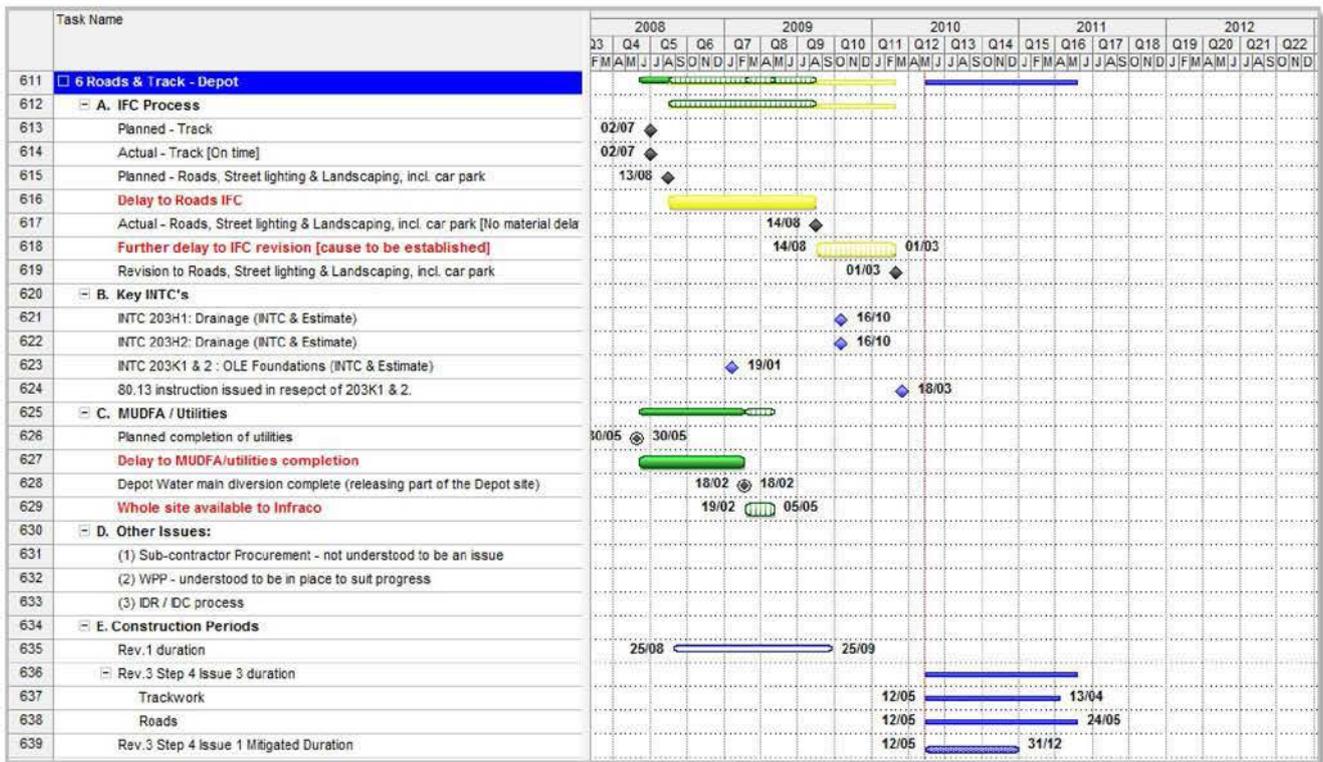
As such, our current opinion on allocation of culpability can be summarised as follows:-

Description	Opinion on tie culpability	Opinion on Infraco culpability
Delay to Start	35 weeks	6 weeks
Delay up to Steelwork erection: further 16 week delay. This may have been caused by late procurement of steelwork (hence lower range of 0 weeks); but some allowance may also be due for increased earthworks and foundation work (need more detailed as-built data to conclude).	<i>Range of 0 weeks to 8 weeks</i>	<i>Range of 8 weeks to 16 weeks</i>
Lower limit:	35 weeks	14 weeks
Upper limit:	43 weeks	22 weeks

H. Areas of risk for tie which should be addressed:-

- (i) INTC 203A & B notification dates;
- (ii) Additional time for increased volumes (but this is partially recognised in that Rev.1 e/wks to Founds was 5 wks; we are currently allowing them 7.43 wks – but may need to excuse / extend);
- (iii) Period taken for tie to issue TCO in respect of INTC's 203A (tie had previously issued an instruction to Infraco on 4/6/08 to procure steelwork early; so TCO in respect of INTC 203B should not have caused delay).
- (iv) Effect of turntable INTC 412 on progress / design.

6 Roads & Track - Depot



This element must be considered in conjunction with the Depot Building (particularly in relation to mitigated completion date). It would be a rather artificial exercise to consider it in isolation. Following gaining access to this area the key to these external works appears to be the drainage and OLE foundations.

The current Rev.3 programme shows the Drainage and Outfall works commencing on 22/03/10; with the Track and road works commencing on 12/05/10 (a lag of 7 weeks). The Rev.1 programme dates were 28/07/08 and 25/08/08 respectively (a shorter 4 week lag to the Roads; but longer 18 week lag to track).

A. IFC Process: two IFC packages identified, being:-

- (i) **Track:** planned IFC 02/07/08; actual IFC on time. Details on extent and dates of revisions not yet available (see comment below).
- (ii) **Roads, Street Lighting and Landscaping, including car park:** planned IFC 13/08/08; actual 14/08/09. **52 week delay.** Appears that this could be failure of SDS to prepare design to CEC satisfaction (possible dilatory progress by SDS – but detailed audit and analysis required). Delay arose during Technical Approvals process. This however needs to be traced through via audit process. Potential causes include:-
 - a. Late issue by SDS (in its simplest form a CE under 65(t) – which may in turn permit the application of clause 65.12.2);
 - b. A material breach by SDS (again in its simplest form a CE under 65(u) – which may in turn permit the application of clause 65.13);
 - c. A failure of Infraco to provide the Infraco Design to SDS in accordance with the Consents Programme and Schedule. Part 14 (clause 19.19 refers);
 - d. A tie Change;
 - e. A failure of Infraco in respect of its management of SDS or another breach by Infraco (e.g. failure to properly manage the CEC interface);
 - f. A requirement of CEC for which tie will bear responsibility;

Delay by SDS, SDS /tie or Infraco?

We are also advised that the Roads IFC was reissued with some changes in March 2010 (details to be established via tie audit of design process; AS will also provide further detail of design timeline – ongoing action on tie).

B. Key INTC's: the following INTC's have been identified by tie personnel as being key to progress:-

- (i) **INTC 203H1 (Drainage):** notified 16/10/09, Estimate submitted 16/10/09. No delay to submission of Estimate. Revised Estimate (203V) submitted by Infraco on 22/03/10. It is understood that Infraco has carried on with this work in the absence of a TCO.
- (ii) **INTC 203H2 (Drainage):** notified 16/10/09, Estimate submitted 16/10/09. No delay to submission of Estimate. Revised Estimate (203N) submitted by Infraco on 22/03/10. Understood that Infraco has carried on with this work in the absence of TCO.
- (iii) **INTC 203K1 (OLE foundations - Introduction of Piling to OHLE Bases) & INTC 203K2 (OLE foundations - Increase in number of OLE Bases):** notified 19/01/09, Estimate submitted 19 [possibly 26]/01/09. No delay to submission of Estimate. tie dispute the validity of this INTC (letter dated 03/02/10). **Period for tie reply (58 weeks) is excessive.** tie culpability may arise in respect of same (but may not be critical to overall completion – see issue below re design of OLE founds).

It is understood that in respect of the OLE foundations, Infraco received an IFC design from SDS but have decided to seek another different design (from Border Rail). This appears to be a preference (on Infraco's part) rather than a failure on the part of SDS or instruction from tie.

INTC's 203K1 & K2 are covered by the tie 80.13 Instruction dated 19/03/10. Neither 203H1 nor 203H2 are included in that instruction (but it is understood that Infraco is carrying out that work on site).

C. MUDFA / Utilities: See comments under 6 Depot Building. **Delay of 38 weeks (to 18/02/09); tie culpability.** Remainder of area available by 05/05/09 (further delay of 11 weeks – understood this would not be critical to building progress; this would however be relevant to commencement and progress of external works incl. road and track).

D. Other Issues:

- (i) Sub-Contractor Procurement: this is understood not to have been an issue in terms of commencement and progress (albeit sub-contractor working under LOI).
- (iv) WPP Process: we do not understand this to have been an obstacle to commencement or progress.
- (ii) IDR/IDC process: see comments above re Depot Building and IFC process immediately above.

E. Construction Periods:

6 Roads & Track - Depot					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	25/08/2008	12/05/2010	89.29 wks	12/05/2010	89.29 wks
Finish	25/09/2009	24/05/2011	86.57 wks	31/12/2010	66.00 wks
Cal. Duration	56.71 wks	54.00 wks	-2.71 wks	33.43 wks	-23.29 wks

- (i) Delay to Start: The table above refers to various programme dates. Both the Issue 3 and IM mitigated programmes show a delay to start of **89 weeks**. Primary causes of delay to start as follows:-
 - A. IFC process: see narrative above. **Track IFC on time**; 'Roads, Street Lighting and Landscaping, including car park' IFC **No material delay**. We are advised however that the Roads IFC was reissued with some changes in **March 2010** (details to be established via tie audit of design process; AS will also provide further detail of design timeline – ongoing action on tie). Any delay to progress should therefore be to Infraco account.
 - B. INTC's: see narrative above. INTC's 203K1 & K2 are covered by the tie 80.13 Instruction dated 19/03/10. Neither 203H1 nor 203H2 are included in that instruction (but it is understood that Infraco is carrying out that work on site).
 - C. MUDFA / Utilities: See comments under 6 Depot Building. **Delay of 38 weeks (to 18/02/09); tie culpability**. Remainder of area available by 05/05/09 (**further delay of 11 weeks** – understood this would not be critical to building progress; would however be relevant to commencement and progress of external works incl. road and track).
 - D. Other:
 - **Sub-Contractor procurement**: we are not aware of any issues in relation to this
 - **WPP process**: ditto.
 - **IDR/IDC process**: See comments re design of OLE foundations. This appears to be an Infraco preference not something driven by tie / INTC's. Any delay to progress should therefore be to Infraco account.
- (ii) Delay to Finish: Issue 3 programme shows a slight decrease of **-3 weeks** over the timescale in Rev.1 programme. IM mitigated view of Issue 3 shows a decrease in duration of **-23 weeks** in the Rev.1 programme durations. The delays incurred therefore appear to relate to the delayed start of this element.

F. **tie position on area availability**: Area available for earthworks commencement as of 18/02/09 – 05/05/09. **This is a delay for which tie is responsible.**

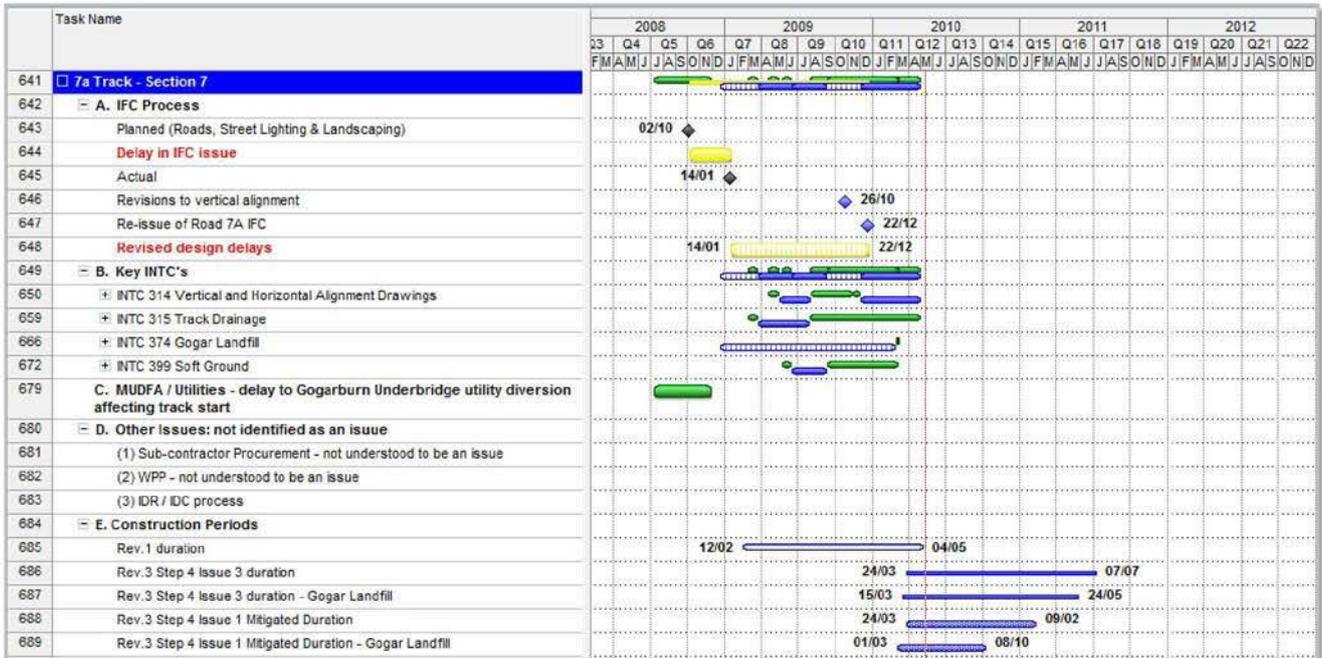
G. Conclusion:

- (i) **'Significant' issues/events**: There appear to be five main issues affecting this element. Those are (i) the water main delay; (ii) INTC 187; (iii) the delay to issue of the Roads IFC; (iv) delay to drainage design; and (v) delays to the OLE foundation design. Please refer to comments under '6 Depot Building' re (i) 7 and (ii); summarised as follows. The delay due to water main, delayed access to the site – from 01/08/08 (planned start) to 18/02/09 (when material start should have commenced). **35 week delay (tie culpability)**. INTC 187 (delay in provision of Estimate) appears to have caused a further **6 week delay to the earthworks (Infraco culpability)**. Thereafter there are questions surrounding the production of the Roads IFC and drainage design. This was not issued by SDS until 14/08/09 (52 weeks later than planned – albeit that the 41 week delay to commencement takes up the majority of that delay). This needs to be audited and analysed.
- (ii) **Concurrent issues**: there is a question of the final completion of the water main diversion to 05/05/09, being concurrent with other issues above. No doubt Infraco will however major on this and the time periods taken by tie for issue of TCO's. Infraco culpability in respect of the OLE foundations design may yet prove to cause further delay to progress (those delays however have yet to unfold). This should be monitored closely via as-built programme collation and other tie audits.
- (iii) **Considerations of dominance**: water main work will be difficult to argue as being anything other than dominant until 18/02/09 (as it restricted access to the whole site until mid February 2009). Thereafter, the delay to issue of the Roads IFC is likely to feature significantly in any delay analysis. Culpability for this delay may well rest with SDS (excusable under CE(t) or (u); but may also relate to Infraco failure to manage SDS). Risks remain that CEC was complicit in delay. Overall delay to this element and Section 'A' in particular however linked closely to completion of Depot Building (which at present is the longer more dominant string of activities).

H. Areas of risk for tie which should be addressed:-

- (i) Design process leading up to issue of Roads IFC's.
- (ii) CEC approvals (part of the above).

7 Track



A. IFC Process: planned IFC date for 'Roads, Street Lighting & Landscaping' was 02/10/08; actual was 14/01/09 i.e. 15 weeks late. We are advised that explanation for delay is as follows:

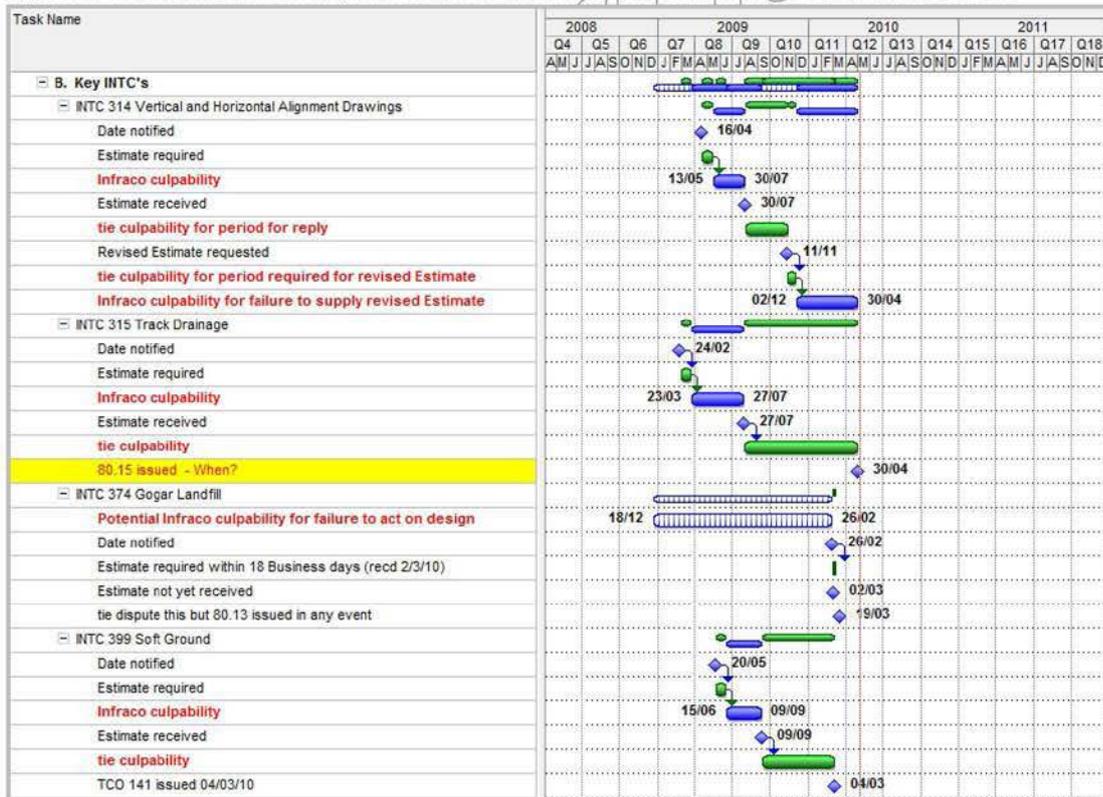
"SDS had allowed no time to incorporate CEC comments on the roads design. Initial approvals package for roads submitted 1 day late by SDS to CEC but approved 13 days late by CEC (14/10/2008) – further info would be required [from] CEC but likely reason for delay will have been SDS not having provided all necessary information in their original package. SDS then took 3 months to incorporate CEC comments into final IFC – should not have been necessary if original SDS design had been competent and complete. I note that the track design was marked as IFC at 29/9/2008 but was held back as part of wider roads and track package."

Revisions to IFC's: we are also advised that "3 vertical alignment drawings were reissued 26/10/2009 due to need to re-profile earthworks following errors in original SDS survey – BSC was not paid for redesign work here so expect that SDS was not paid either as this was their original error. These 3 drawings cover the Ingliston Park & Ride site and the area immediately to the east of the site."

Possible failure on part of SDS; possibly a failure on part of Infraco to manage SDS.

Further analysis required in respect of whether there any issues about unforeseen ground conditions which Infraco may rely upon.

B. Key INTC's: We are advised that the key INTC's which were / are material to commencement in this area are as follows:-



- (i) **INTC 399 (Soft Ground):** INTC issued 20/5/09; Estimate due 12/06/09; Estimate provided 09/09/09. Delay in provision of Estimate 13 weeks. **Infraco culpability.** TCO 141 issued 04/03/10 (25 weeks after Estimate). **tie culpability.**
- (ii) **INTC 315 (Track Drainage):** INTC issued 24/02/09; Estimate due 20/03/09; Estimate provided 27/07/09. Delay in provision of Estimate 18 weeks. **Infraco culpability.** 80.15 issued by tie on [awaiting details from AS]. **tie culpability.**
- (iii) **INTC 374 (Gogar Landfill):** INTC issued 26/02/10; Estimate due 24/03/10; Estimate provided (for 374B) 02/03/10. Disputed by tie. 80.13 instruction issued on 19/03/10. If tie is correct, then there is no culpability for this issue. Risk may be that a third party decides against tie position. In that event, period from INTC to 80.13 may be a tie issue (only 3 weeks; longer however if 80.13 instructions are held as not being valid).
Note: Geotechnical IFC apparently issued on 18/12/2008. Understood that Infraco decided to verify design; but it took a long period to do so (dates not yet available). Initial design subsequently found to be acceptable; hence INTC issued 26/2/10 – but circa 14 months after geotechnical IFC issued in 12/08. **Potential Infraco culpability in failing to proceed with 'due expedition'.**
- (iv) **INTC 314 (Quantity of earthworks in embankment):** INTC issued 16/04/09; Estimate due 12/05/09; Estimate provided 30/07/09. Delay in provision of Estimate 11 weeks. **Infraco culpability.** tie requested a revised Estimate from Infraco on 11/11/09 (tie culpability for time period to 11/11/09). **tie culpability (circa 15 weeks).**

C. **MUDFA / Utilities:** there is a period of tie culpability for the delay caused to the utility diversion affecting commencement of Gogarburn Underbridge. Trackwork in this section (7) was dependent upon the completion of that structure. Delay incurred to commencement of Gogarburn Underbridge was 21 weeks (07/07/08 to 28/11/08). **tie culpability.**
[Understood from AS that subsequent progress on Gogarburn Underbridge was not affected by tie – we have proceeded on that premise (that structure is not part of the current exercise. It is also possible that Infraco delays to progress on that structure could affect completion of the associated track in Section 7. This however is a separate exercise distinct from the current prioritised elements].

D. **Other Issues:**

- (i) **Sub-Contractor Procurement:** no issues identified. Farrans appear to have been appointed (albeit under LOI) in sufficient time.
- (ii) **WPP Process:** no issues identified.
- (iii) **IDR/IDC process:** subject to audit.

E. **Construction Periods:**

7 Track - Section 7					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	12/02/2009	15/03/2010	56.57 wks	01/03/2010	54.57 wks
Finish	04/05/2010	07/07/2011	61.29 wks	09/02/2011	40.14 wks
Cal. Duration	63.86 wks	68.57 wks	4.71 wks	49.43 wks	-14.43 wks

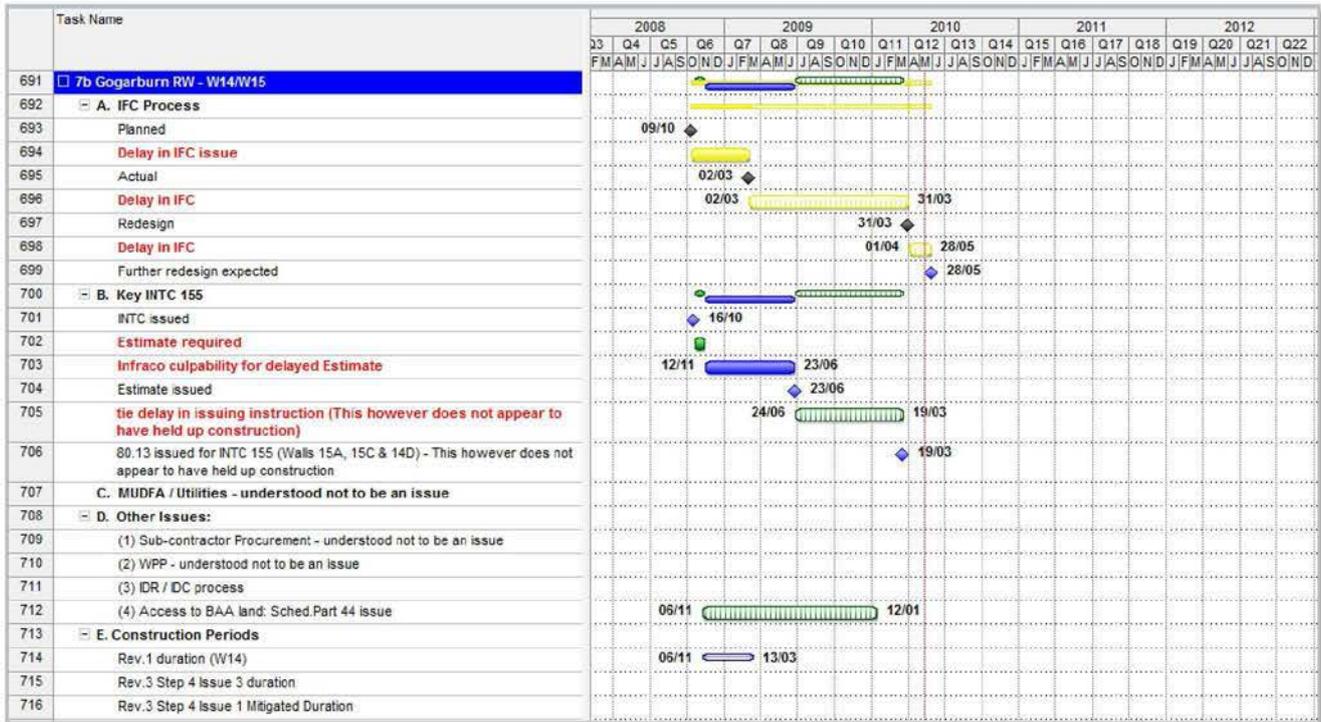
- (i) **Delay to Start:** The table above shows both the Issue 3 and IM mitigated programmes showing a delay to start of 57 weeks (IM programme takes earlier Issue 1 start date – so in practical terms there is no material difference). Actual start not yet achieved therefore actual delay will be greater than shown. Current cause of delay is understood to be **INTC 374** (although now subject to tie 80.13 instruction). Primary causes of delay to start as follows:-
 - A. **IFC process:** It is not entirely clear if design is the issue or INTC process.
 - B. **INTC's:** There are delays on the part of both parties in respect of INTC Estimate submissions and TCO/80.13/80.15 instructions. See above. See chart under 'B' above. In terms of INTC 374, there is a significant question about the date this was notified by Infraco (i.e. delay in notification). To discuss. There are however other areas of tie culpability in terms of issue of instruction.
 - C. **MUDFA / Utilities:** Critical delay (affecting commencement) of circa 21 weeks (**tie culpability**);
 - D. **Other:**
 - **Sub-Contractor procurement:** not an obstacle to commencement;
 - **WPP process:** ditto;
 - **IDR/IDC process:** not identified as causing delay (but refer to IFC process above).
- (ii) **Delay to Finish:** Issue 3 programme shows a minimal increase of circa 5 weeks over the timescale in Rev.1 programme. IM mitigated view of Issue 1 shows a decrease in duration of -14 weeks to the Rev.1 programme.

F. **tie position on area availability:** there is a period of tie culpability for the delay caused to the utility diversion affecting commencement of Gogarburn Underbridge. Trackwork in this section (7) was dependent upon the completion of that structure. Delay incurred to commencement of Gogarburn Underbridge was 21 weeks (07/07/08 to 28/11/08). **tie culpability.** [See also comments at 'C' above re progress on Gogarburn Underbridge]

G. **Conclusion:**

- (i) **'Significant' issues/events:** after initial critical delay due to utilities at Gogarburn Underbridge (21 weeks; **tie culpability**); design and INTC's appear to be the most significant issues affecting commencement.
- (ii) **Concurrent issues:** there is a considerable amount of culpability on the part of both parties in respect of the INTC process.
- (iii) **Considerations of dominance:** utility diversion at Gogarburn Bridge was critical to commencement. Thereafter a combination of revisions to IFC's and the protracted INTC process appears to have been the dominant obstacles to commencement.

7 – Gogarburn Retaining Walls W14 & W15 [Locating data for this structure has proven particularly difficult. Detailed as-built information together with accurate IFC & INTC data will assist in disentangling the issues arising. This chart is therefore a work in progress]



A. IFC Process: planned date for IFC issue was 09/10/08; actual IFC (first) was 28/02/09. This equates to a delay of 20 weeks. We are advised that this delay resulted from a delay in submission for, and granting of, Prior Approval. This is explained below:-

W14 & W15: Prior Approval Process

Description	Planned	Actual	Delay (days)
Submission to CEC	30/06/08	05/09/08	67
CEC Approval	09/09/08	19/02/09	163
Period (days)	71	167	96

- (i) A 67 day delay in submission by SDS; and
- (ii) A further 96 day delay in CEC granting PA. We understand that this was driven by the delays to the Edinburgh Airport Tram Stop (same Prior Approval batch) which were driven by changes to the design being agreed between tie and BAA.

Revised IFC's:

It is understood that the original CEC TA was provided on the basis of the original design and erroneous information provided to it as part of the SDS TA submission. During June 2009 BAA rejected the SDS design on the basis that the SDS design was based on incorrect flood model data. Thereafter it took SDS/Infraco until September 2009 to accept that there was a problem with the design.

As a result, part of structures W14 & W15 were re-issued on 31/03/10. A further redesign is expected on 28/05/10. We are advised that this "redesign is at least partly to deal with differences in survey data for Gogar Burn and partly to do with flooding risk assessment". [What walls are affected by this]

B. Key INTC's:

- (i) INTC 155 (BDDI to IFC changes): [Check these dates – taken from Master List; dates advised by AS are very different] INTC issued 16/10/08; Estimate required 11/11/08; Estimate submitted 23/06/09. Delay to Estimate 32 weeks; Infraco culpability. It is understood that INTC 155 was issued on the basis of the design of W14 & W15 contained in the first IFC issue. Subsequently however, that IFC was found to be incorrect in respect of W14C & W14D see explanation under 'A. IFC process' above). On 19/03/10 tie issued an 80.13 instruction in respect of INTC 155.

C. MUDFA / Utilities: this is not identified as an issue affecting commencement or progress.

D. Other Issues:

- (i) Sub-Contractor Procurement: understood not to be an issue affecting commencement or progress.
- (ii) WPP Process: ditto
- (iii) IDR/IDC process: understood not to be an issue affecting commencement or progress (but see IFC process above).
- (iv) Access to BAA land: we understand that access to BAA land was not possible until 12/01/10. Advised that this appears to have been as a result of delay in issue of BAA licence; brought about by (i) possible failure of Infraco to provide information to BAA; and (ii) due to design errors identified in IFC – re flood model. Sched.Part44 refers. [What happened leading up to 12/01/10 to release the BAA approval/licence?]

E. Construction Periods: [Rev.1 & Rev.3 programmes contain details of W14 – but neither contain W15 details]

7b Gogarburn RW - W14/W15					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	06/11/2008		#####		#####
Finish	13/03/2009		#####		#####
Cal. Duration	18.29 wks	0.14 wks	-18.14 wks	0.14 wks	-18.14 wks

table to be finalised

- (i) Delay to Start: planned commencement was 06/11/08 (for W14);
- A. IFC process: actual IFC (first) was 28/02/09. This equates to a delay of 20 weeks. Combined culpability for delay.
- B. INTC's:
- C. MUDFA / Utilities: understood not to be an issue affecting
- D. Other: Access to BAA land not resolved until 12/01/10 (when works commenced).

- (ii) Delay to Finish:

F. tie position on area availability:

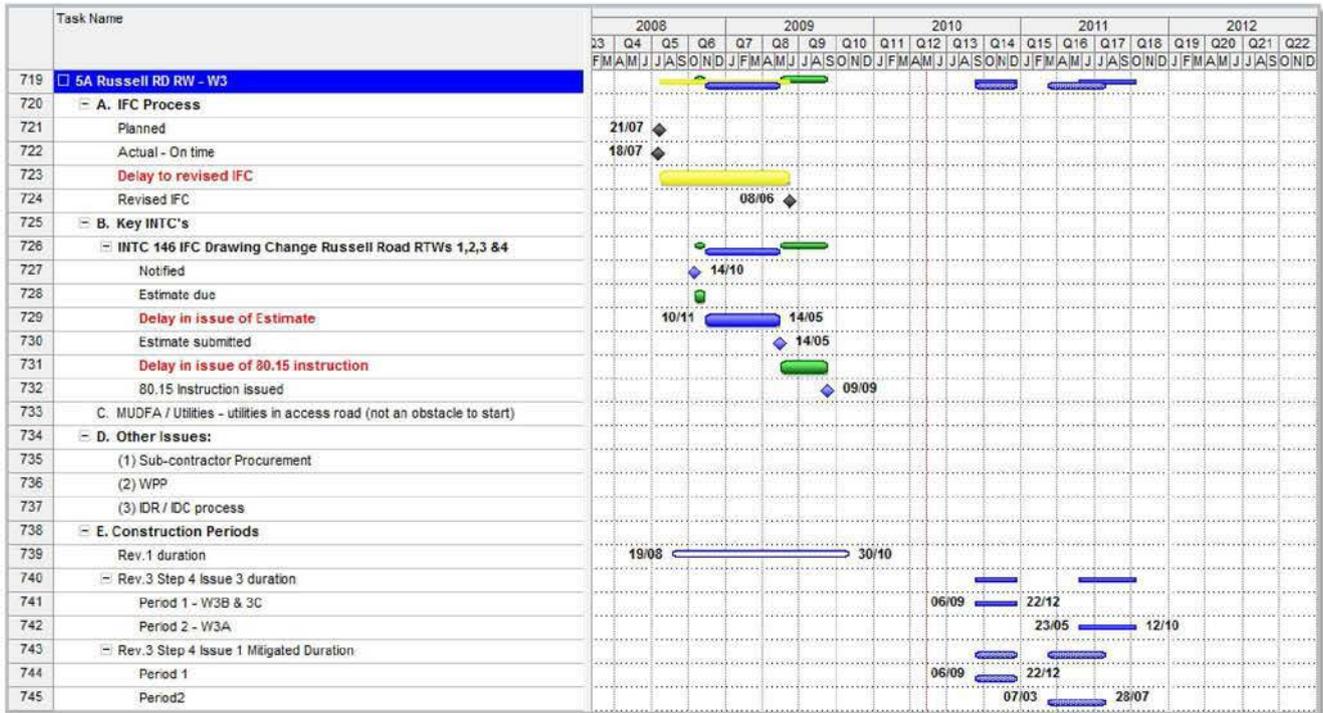
- (i) *BAA licence*

G. Conclusion:

- (i) 'Significant' issues/events: *access to land and design.*
- (ii) Concurrent issues: *INTC 155 (not clear whether this held up commencement or progress though)*
- (iii) Considerations of dominance: *access and design issues*

Draft for
discussion

5A Russell Road RW – W3



A. **IFC Process:** Initial IFC issued on time (planned 21/07/08; actual 18/07/08). This original IFC addresses / satisfied 'Geotechnical TAA'. However, a subsequent IFC was issued on 08/06/09. There is no information presently available to inform culpability for this delay. As a consequence, it is (likely) that the late issue of this IFC flows from one or more of the following reasons:-

- > Late issue by SDS (in its simplest form a CE under 65(t) – which may in turn permit the application of clause 65.12.2);
- > A material breach by SDS (again in its simplest form a CE under 65(u) – which may in turn permit the application of clause 65.13);
- > A failure of Infracore to provide the Infracore Design to SDS in accordance with the Consents Programme and Schedule. Part 14 (clause 19.19 refers);
- > A tie Change;
- > A failure of Infracore in respect of its management of SDS or another breach by Infracore (e.g. failure to properly manage the CEC interface);
- > A requirement of CEC for which tie will bear responsibility;

Delay by SDS, SDS /tie or Infracore?

B. **Key INTC's:** From information provided Infracore issued 10 no. key INTC's in relation to this structure; INTC's 073, 092, 117, 146, 282, 284, 506, 507, 511, & 518. We are advised that it is unlikely that the majority of the foregoing has materially / critically affected Infracore's ability to commence works in accordance with the Rev 01 programme. INTC's 092, 117, 146, 506 & 518 were the subject of an 80.13 Instruction issued by tie on 19/03/10. We understand that the key INTC which prevented commencement was INTC 146 (IFC Drawing Change Russell Road RTW's 1, 2, 3 & 4). That INTC was notified on 14/10/08; the Estimate was provided on 14/05/09 (27 weeks later than due). **Delay by Infracore.** This was the subject of an 80.15 instruction issued on 09/09/09; 17 weeks after submission of Estimate). **Delay by tie.** Issues attaching to the withdrawal and subsequent re-issue of INTC 092 should be the subject of further investigation.

C. **MUDFA / Utilities:** There are a number of MUDFA / Utilities issues which need addressed on the access road. These however are not an obstacle to commencement; but will require to be carried out during construction. These issues were the subject of a MUDFA to Infracore transfer. This will result in a **delay by tie. Tie culpability.**

D. **Other Issues:**

- (i) **Sub-Contractor Procurement:** Understood that Expanded Ltd have been issued with an extension to their current LOI to cover the mobilisation of a piling rig to complete the piling on Wall W4, units 11 to 18. – see tie audit and Infracore Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Subject to further tie audit. **Delay by Infracore. Infracore culpability.**
- (ii) **WPP Process:** Assumed WPP in place given the fact that works have commenced. **No Delay (to date).**
- (iii) **IDC/IDR process:** IDR was in place as at 29/10/09.
- (iv) **Form 'C':** No information available on this issue. Assumed Form 'C' in place given the fact that works have commenced

E. **Construction Periods:**

5A Russell RD RW - W3					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	19/08/2008	06/09/2010	106.86 wks	06/09/2010	106.86 wks
Finish	30/10/2009	12/10/2011	101.71 wks	28/07/2011	90.86 wks
Cal. Duration	62.57 wks	57.43 wks	-5.14 wks	46.57 wks	-16.00 wks

(iii) **Delay to Start:** The table above refers to various programme dates. Issue 3 programme shows a delay to start of 107 weeks; the IM mitigated programme also shows a delay to start of 107 weeks. Primary causes of delay to start as follows:-

- A. **IFC process:** Initial IFC issued on time (planned 21/07/08; actual 18/07/08). This original IFC addresses / satisfied 'Geotechnical TAA'. However, a subsequent IFC was issued on 08/06/09. There is no information presently available to inform culpability for these delays. **Delay by SDS, SDS /tie or Infraco?**
- B. **INTCs:** We understand that the key INTC which prevented commencement was INTC 146 (IFC Drawing Change Russell Road RTW's 1, 2, 3 & 4). That INTC was notified on 14/10/08; the Estimate was provided on 14/05/09 (27 weeks later than due). **Delay by Infraco.** This was the subject of an 80.15 instruction issued on 09/09/09; 17 weeks after submission of Estimate). **Delay by tie.**
- C. **MUDFA / Utilities:** There are a number of MUDFA / Utilities issues which need addressed on the access road. These however are not an obstacle to commencement; but will require to be carried out during construction.
- E. **Other:**
- **Sub-Contractor procurement:** Understood that Expanded Ltd have been issued with an extension to their current LOI to cover the mobilisation of a piling rig to complete the piling on Wall W4, units 11 to 18. – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Subject to further tie audit. **Delay by Infraco. Infraco culpability**
 - **WPP process:** Permit to commence work has been received. **No Delay.**
 - **IDR/IDC process:** Not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. This process is dependent upon the IFC completion – not yet in place.
 - **Form 'C' Approval:** not yet identified as being an obstacle to commencement (but this still has the potential to cause delay depending on documentation collation and submission).
- (i) **Delay to Finish:** Issue 3 programme shows a decrease in duration of **circa 5 weeks** over the timescale in Rev.1 programme. IM mitigated view of Issue 3 also shows a decrease in duration of **16 weeks** to the Rev.1 programme.

F. **tie position on area availability:**

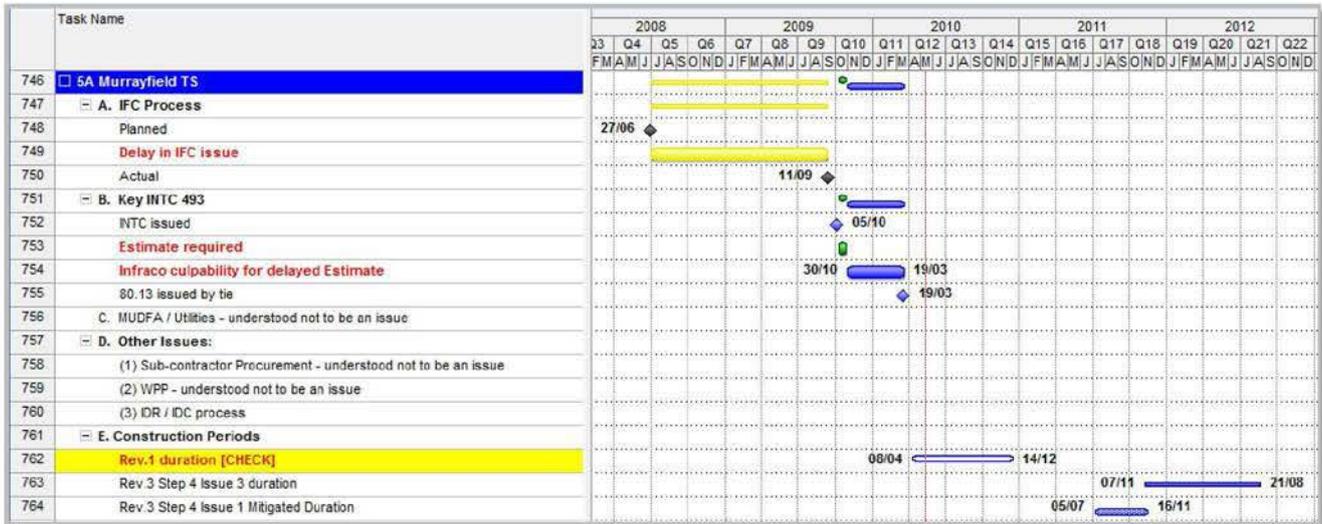
- (i) First available date for the meaningful commencement of works to this area is governed by the completion of Russell Road RW4 Units 1-10 (we understand that there is a BBDI to IFC issue for this work – however no details available). This allows the access road to be moved over to allow commencement on W3B & C. See Russell Road RW narrative for details of delays (INTC 146 process).

G. **Conclusion:**

- (i) **'Significant' issues/events:** In our opinion there were two main contributory factors, being (a) the INTC process in respect of INTC 146; and (b) the subsequent completion of Russell Road RW4 Units 1-10.
- (ii) **Concurrent issues:** In our opinion the other events detailed above i.e. MUDFA / Utilities and the IFC process have less of a bearing on the late commencement of this area. Whilst in isolation completion on this issue may have been a hindrance to commencement, its significance is considerably diminished by the fact that Infraco did commence. Incomplete MUDFA / Utilities issues will be more significant to the successful completion of the works in this area.
- (iii) **Considerations of dominance:** The protracted delay attaching to the INTC process on this structure has clearly affected commencement. Subsequent INTC (BBDI-IFC) may yet also affect commencement.

Draft for
discussion

5A Murrayfield TS



A. **IFC Process:** Initial IFC was 63 weeks late (planned 27/06/08; actual 11/09/09). DS advises that delays flowed from the interface between tie, SDS, the Police and CEC. The main focus of this was staircase arrangements at the Murrayfield TS. A combination of misconceptions and misunderstandings between the parties resulted in an overly protracted timeframe to resolve this issue. DS further explained that once agreement was reached tie deliberated over the formalising of said agreement. Thereafter, a slow response from SDS in issuing the drawings served to exacerbate the ongoing delay. Infraco had a very limited input into the process and as such may therefore bear minimal responsibility (depends on management of SDS). It is believed culpability on this issue is twofold: (1) tie responsibility for time lapse in formalising its position to SDS; and (2) the protracted timeframe beyond this for SDS to issue the IFC. It is therefore likely, that the late issue of this IFC flows from one or more of the following reasons:-

- > Late issue by SDS (in its simplest form a CE under 65(t) – which may in turn permit the application of clause 65.12.2);
- > A material breach by SDS (again in its simplest form a CE under 65(u) – which may in turn permit the application of clause 65.13);
- > A tie Change;
- > A requirement of third parties for which tie will bear responsibility;

Delay by SDS, SDS /tie or tie? Subject to more detailed audit by tie.

B. **Key INTC's:** From information provided Infraco issued 1 no. INTC in relation to this structure; **INTC 493 (Issue of Drawings for Murrayfield Stadium TS)**. It is unlikely however that issues attaching to this INTC will materially / critically affect Infraco's ability to commence works in accordance with the Rev 01 programme. Details are as follows:-

- (i) **INTC 493:** issued by Infraco on 05/10/09 (24 days after IFC issue) Estimate should have been submitted on or around 02/11/09. As at 30/04/10 Estimate is currently outstanding i.e. 179 days later than permitted by the Contract. **Delay by Infraco. Infraco culpability for time taken to produce an Estimate for INTC 493.**
INTC 493 was the subject of an 80.13 Instruction issued by tie on 19/03/10.

C. **MUDFA / Utilities:** There are no MUDFA / Utilities issues impacting on this structure. **No Delay**

D. **Other Issues:**

- (i) **Sub-Contractor Procurement:** No sub-contract yet in place. Nothing noted specific to this TS in tie audit and Infraco Period Report No.3-1 report to 24/04/10. Not clear if LOL issued covering this work or area. Subject to further tie audit. **Delay by Infraco; Infraco culpability.**
- (ii) **WPP Process:** Not in place as yet. **Delay by Infraco; Infraco culpability.**
- (iii) **IDR/IDC process:** Not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. **Delay by Infraco; Infraco culpability.**
- (iv) **Form 'C':** The Rev.3 programme does not contain any activity for a NR Form 'C'. Presumed not required.

E. **Construction Periods:**

5A Murrayfield TS					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	08/04/2010	07/11/2011	82.57 wks	05/07/2011	64.71 wks
Finish	14/12/2010	21/08/2012	88.00 wks	16/11/2011	48.14 wks
Cal. Duration	35.86 wks	41.29 wks	5.43 wks	19.29 wks	-16.57 wks

- (i) **Delay to Start:** The table above refers to various programme dates. Issue 3 programme shows a delay to start of 83 weeks; the IM mitigated programme projects an earlier delay to start of 65 weeks. Primary causes of delay to start as follows:-

- A. **IFC process:** Initial IFC was 63 weeks late (planned 27/06/08; actual 11/09/09). Culpability on this issue is twofold: (1) tie responsibility for time lapse in formalising it's position to SDS; and (2) the protracted timeframe beyond this for SDS to issue the IFC. **Delay by SDS, SDS /tie or tie? Audit detail required to establish measure of culpability.**
- B. **INTC's 493:** issued by Infraco on 05/10/09 (24 days after IFC issue) Estimate should have been submitted on or around 02/11/09. As at 30/04/10 Estimate is currently outstanding i.e. 179 days later than permitted by the Contract. **Delay by Infraco; Infraco culpability.** Delay up to 19/03/10 when tie issued clause 80.13 instruction.
- C. **MUDFA / Utilities:** **No impact** on this structure.
- D. **Other:**

- **Sub-Contractor procurement:** No sub-contract yet in place. Nothing noted specific to this TS in tie audit and Infracore Period Report No.3-1 report to 24/04/10. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infracore; Infracore culpability.**
- **WPP process:** Not in place as yet. **Delay by Infracore; Infracore culpability**
- **IDR/IDC process:** Not yet in place. It is not clear whether Infracore will be permitted by tie to commence without this paperwork in place **Delay by Infracore; Infracore culpability.**
- **Form 'C' Approval:** Presumed not required (see 'D'(iv) above)

(ii) **Delay to Finish:** Issue 3 programme shows an increase in duration of **circa 5 weeks** over the timescale in Rev.1 programme. IM mitigated view of Issue 3 shows a reduction **circa -16 weeks** to the Rev.1 programme. There is presently no justification for the Infracore increased Rev.3 duration.

F. tie position on area availability:

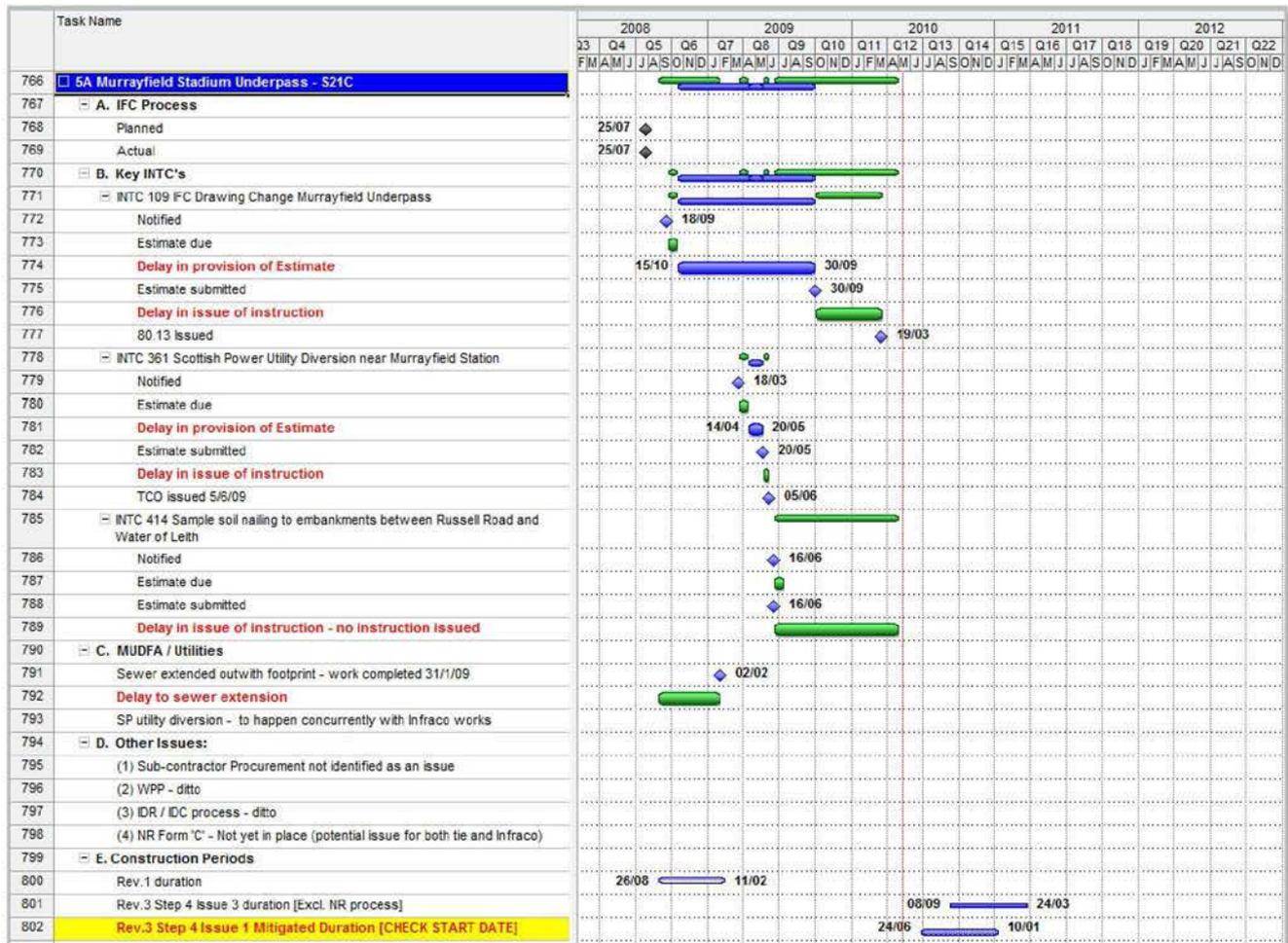
(i) First available date for the meaningful commencement of works to this area is governed by construction of the Murrayfield Tram Stop Retaining Wall. However, that is dependent on completion of the VE exercise on Roseburn Viaduct, which is currently predicted to complete **mid May 2010 (IFC by 09/06/10).**

G. Conclusion:

- (i) **'Significant' issues/events:** In our opinion the main obstacle to commencement on this structure is the delay to the issue of the IFC (which was 63 weeks late). This however, is subsumed by the delays attaching to Murrayfield TS RW's which is clearly the determinant / predecessor to commencement of the TS construction; and as such has greater 'causative potency' than the above. Murrayfield TS RW is itself dependent on (i) completion of the Roseburn Viaduct design (which is the subject of a 'late' VE exercise design); and (ii) the west end of the Russell Road RW4.
- (ii) **Concurrent issues:** In our opinion the other events detailed above (i.e. the sub-contractor procurement timing, the WPP process & the IDC / IDR process) have less of a bearing on the late commencement of this area. Whilst in isolation these issues may have been critical to commencement their significance is considerably diminished by the occurrence of the events in G (i) above. They may however become more significant in the lead up to the area availability in July 2011. Running concurrently with this is the late provision by Infracore of Estimates for INTC 493. This is a matter for which Infracore is responsible. Delay measured to 19/03/10 (when clause 80.13 instruction issued; but unlikely to be an obstacle to actual commencement).
- (v) **Considerations of dominance:** The protracted delay attaching to the IFC on this structure has clearly affected commencement. This however, is subsumed by the delays attaching to Murrayfield TS RW's which is clearly the determinant / predecessor to commencement of the TS construction; and as such has greater 'causative potency' than the above.

Draft for
discussion

5A – Murrayfield Stadium Underpass – S21C



- A. IFC Process: Initial IFC issued on time (planned 25/07/08; actual 25/07/08). No Delay
- B. Key INTC's: From information provided it appears that the Infraco issued 7 no. INTC in relation to this structure; INTC's 98, 99, 100, 101, 109, 361 & 414. We are further advised that INTC 109 (IFC Drawing Changes Murrayfield Underpass), INTC 361 (Scottish Power Utility Diversion near Murrayfield Underpass) & INTC 414 (Sample Soil Nailing to Embankments between Russell Road & Water of Leith) in particular, appear to have materially / critically affected Infraco's ability to commence works in accordance with the Rev 01 programme. Details are as follows:-
- (i) INTC 109: issued by Infraco on 18/09/08 (55 days after IFC issue). Estimate should have been submitted on or around 14/10/08. Estimate was received on 30/09/09; 351 days later than required. Delay by Infraco; Infraco culpability for time taken to produce Estimate for INTC 109.
 - (ii) INTC 361: issued by Infraco on 18/03/09 (236 days after IFC issue). Estimate should have been submitted on or around 13/04/09. Estimate was received on 20/05/09, 37 days later Estimate yet to be provided. Delay by Infraco; Infraco culpability for time taken to produce Estimate for INTC 361. TCO issued 05/06/09; tie will be culpable for the period to instruction.
 - (iii) INTC 414: issued by Infraco on 16/06/09 (326 days after IFC issue); Estimate was received on 16/06/09; (tie to CHECK if correct refer INTC list provided by tie). No instruction issued by tie – tie will be culpable for the period to instruction.
- INTC 109 was the subject of an 80.13 Instruction issued by tie on 19/03/10. Infraco Period Report No 3-1, to 24 April 2010 notes "Change from BDDI to IFC have yet to be agreed". TC currently advises that tie responded to Infraco on 14/04/10 disputing Infraco's Estimate in regard to INTC 109. There therefore remains the potential that issues attaching to this process may yet prevent / compromise commencement.
- C. MUDFA / Utilities: There are two main MUDFA / Utilities issues impacting on this structure; (1) Sewer extended outwith footprint of the proposed works to MSU; and (2) Scottish Power utility diversion. The sewer diversion was the subject of a MUDFA to tie transfer. This work was completed in January 2009. Delay by tie; tie culpability exists as the late completion of these works would have been an obstacle to the 'Rev 1' commencement date of 26/08/08. The Scottish Power utility diversion was the subject of a MUDFA to Infraco transfer. This work will be undertaken by Infraco concurrently with construction of the Underpass. This issue appears to have arisen on 03/02/09 and was not concluded until 05/06/09 when tie issued TCO 065 instructing Infraco to proceed with the works. Delay by tie; tie culpability.
- D. Other Issues:
- (i) Sub-Contractor Procurement: On 08/01/09 Infraco requested permission to sub-contract works to Grahams for work between Haymarket Terrace and Murrayfield Underpass. This permission was granted on 25/02/09 – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. Delay by Infraco; Infraco culpability.
 - (ii) WPP Process: No information available.
 - (iii) IDR/IDC process: Not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place [Discuss] Delay by Infraco; Infraco culpability.

- (iv) **Form 'C'**: not yet in place. This may yet become a hindrance to commencement. It is anticipated that Infraco will have been relying on lack of instruction on INTC's. **Delay by Infraco; Infraco culpability (but may be excusable if tie culpable for any INTC related delays).**

E. Construction Periods:

5A Murrayfield Stadium Underpass - S21C					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	26/08/2008	08/09/2010	106.14 wks	24/06/2010	95.29 wks
Finish	11/02/2009	24/03/2011	110.14 wks	10/01/2011	99.71 wks
Cal. Duration	24.29 wks	28.29 wks	4.00 wks	28.71 wks	4.43 wks

- (i) **Delay to Start:** The table above refers to various programme dates. Issue 3 programme shows a delay to start of **106 weeks**; the IM mitigated programme projects an earlier delay to start of **95 weeks**. Primary causes of delay to start as follows:-

- A. **IFC process:** Initial IFC issued on time (planned 25/07/08; actual 25/07/08). **No Delay.**
- B. **INTC's 109, 361 & 414:** Delays by Infraco in issue of INTC's and subsequent provision of Estimates. **Delay by Infraco; Infraco culpability.** As at 30/04/10 delays extant on INTC414. Delay on INTC 109 up to 19/03/10 when tie issued clause 80.13 instruction. TCO issued for INTC 361 on 05/06/09 (not in Master INTC list) **tie culpability for late instruction on INTC's.**
- C. **MUDFA / Utilities:** There are two main MUDFA / Utilities issues impacting on this structure; (1) Sewer extended outwith footprint of the proposed works to MSU; and (2) Scottish Power utility diversion. The sewer diversion was the subject of a MUDFA to tie transfer. This work was completed in January 2009. **Delay by tie; tie culpability** exists as the late completion of these works would have been an obstacle to the 'Rev 1' commencement date of 26/08/08. The Scottish Power utility diversion was the subject of a MUDFA to Infraco transfer. This work will be undertaken by Infraco concurrently with construction of the Underpass. This issue appears to have arisen on 03/02/09 and was not concluded until 05/06/09 when tie issued TCO 065 instructing Infraco to proceed with the works. **Delay by tie; tie culpability.**
- D. **Form 'C'**: not yet in place. This may yet become a hindrance to commencement. It is anticipated that Infraco will have been relying on lack of instruction on INTC's. **Delay by Infraco; Infraco culpability (but may be excusable if tie culpable for any INTC related delays).**
- E. **Other:**
- **Sub-Contractor procurement:** On 08/01/09 Infraco requested permission to sub-contract works to Grahams for work between Haymarket Terrace and Murrayfield Underpass. This permission was granted on 25/02/09. **Delay by Infraco; Infraco culpability.**
 - **WPP process:** Not in place as yet. **Delay by Infraco; Infraco culpability**
 - **IDR/IDC process:** Not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. **Delay by Infraco; Infraco culpability.**
 - **Form 'C' Approval:** Not yet in place. **Delay by Infraco; Infraco culpability.**

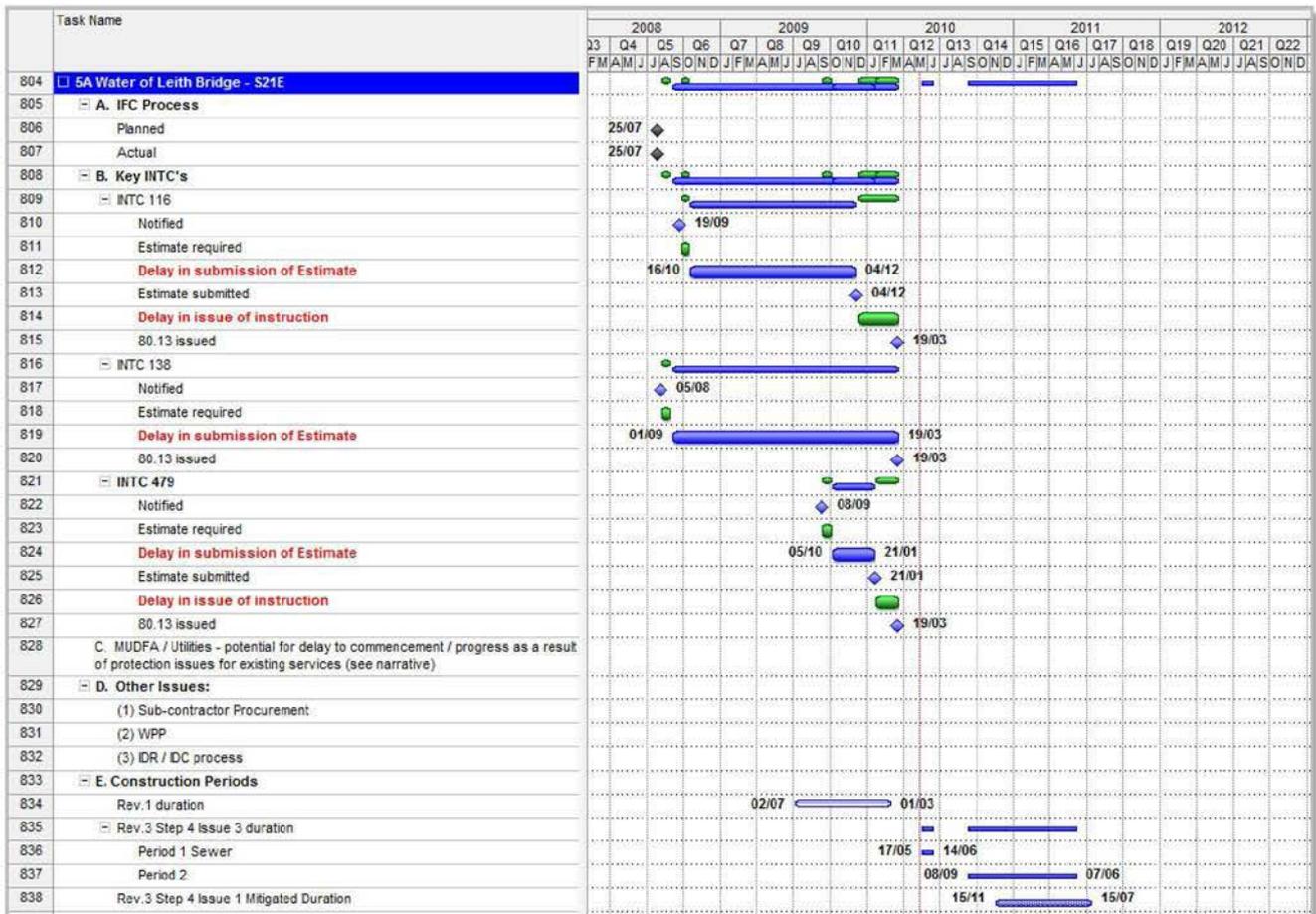
- (ii) **Delay to Finish:** Issue 3 programme shows an (minor) increase in duration of **4 weeks** over the timescale in Rev.1 programme. IM mitigated view of Issue 3 also shows an increase in duration of **circa 4 weeks** to the Rev.1 programme.

- F. **tie position on area availability:** First available date for the meaningful commencement of works to this area is governed by two separate issues; (1) the sewer extension (completed in January 2009); and (2) repositioning of the pitches at Murrayfield Stadium (date?). **These matters will be tie liability.** The latest date for completion on the above was the date of the TCO issued against INTC 361 on 05/06/09. This in effect became the first date at which meaningful commencement could take place.

G. Conclusion:

- (i) **'Significant' issues/events:** In our opinion there were four main contributory factors, being (1) the INTC process; (2) extension of sewer outwith footprint of the proposed works to MSU; (3) Scottish Power utility diversion; and (d) repositioning of the pitches at Murrayfield Stadium. Taking those events in chronological order:-
- (1) Infraco delays in issuing **INTC's 109, 361 & 414** from the IFC issue date are significant (see Preamble). The subsequent timeframe taken by Infraco to provide compliant Estimates following the issue of the INTC are matters for which Infraco is responsible. Delays in issue of instruction INTC's are matters for which tie is responsible.
 - (2) Running concurrently with this is the late completion of the sewer extension; a matter for which Infraco is responsible.
 - (3) It is also our understanding that there was an obligation on tie to complete the repositioning of pitches at Murrayfield Stadium in advance of the MSU works. The delay in completion of this exercise is a matter for which tie is responsible (need date).
- (ii) **Concurrent issues:** In our opinion other events detailed above (i.e. the sub-contractor procurement timing & WPP process) have much less of a bearing on the late commencement of this area. Whilst in isolation these issues may have been critical to commencement their significance is considerably diminished by the occurrence of the events in G(i) above.
- (iii) **Considerations of dominance:** The significant delays attaching to the INTC process on this structure have clearly affected commencement. Commencement however, was compromised by; (1) the sewer extension impacting on this structure; and (2) repositioning of the pitches at Murrayfield Stadium. These three issues are the dominant causes of delay on this particular structure. Both are likely to have a similar 'causative potency' in that both provide significant obstacles to area and workforce availability for the meaningful commencement of works.

5A - Water of Leith Bridge - S21E



- A. **IFC Process:** Initial IFC issued on time (planned 25/07/08; actual 25/07/08). Although no subsequent IFC's have been issued, some additional drawings were reissued on 03/07/09 reflecting changes to piling arrangement and removal of bat boxes. (Refer INTC's 138 & 479) below. **No material delay**
- B. **Key INTC's:** From information provided it appears that the Infraco issued 4 no. INTC in relation to this structure; INTC's 116, 138, 426 & 479. We are further advised that INTC 116 (IFC Drawing Changes Water of Leith Bridge), INTC 138 (Pile Sewer Conflict) & INTC 479 (Sewer Lining at Water of Leith Bridge) in particular, appear to have materially / critically affected Infraco's ability to commence works in accordance with the Rev 01 programme. Details are as follows:-
 - (i) **INTC 116:** issued by Infraco on 19/09/08 (56 days after IFC issue). Estimate should have been submitted on or around 15/10/08. Estimate was received on 04/12/09; **415 days** later than required. **Delay by Infraco; Infraco culpability** for time taken to produce Estimate for INTC 116.
 - (ii) **INTC 138:** issued by Infraco on 05/08/08 (11 days after IFC issue). Estimate should have been submitted on or around 29/08/08. As at 30/04/10, 609 days later Estimate yet to be provided. **Delay by Infraco; Infraco culpability** for time taken to produce Estimate for INTC 138
 - (iii) **INTC 479:** issued by Infraco on 08/09/09 (45 days after IFC issue). Estimate should have been submitted on or around 02/10/09. Estimate was received on 21/01/10; **111 days** later than required. **Delay by Infraco; Infraco culpability** for time taken to produce Estimate for INTC 479.

All of the above were the subject of an 80.13 Instruction issued by tie on 19/03/10. Infraco Period Report No 3-1, to 24 April 2010 notes "Change order for protection of existing utilities has yet to be agreed". TC currently advises that Infraco has yet to submit INTC specifically addressing this issue. There therefore remains the potential that issues attaching to this process may yet prevent / compromise commencement.
- C. **MUDFA / Utilities:** There are a number of MUDFA / Utilities issues impacting on this structure. Central pier of the Water of Leith Bridge clashes with the existing sewer. Consequent to this, in conjunction with sewer lining measures, piled foundations have been redesigned to avoid sewer clash. (Refer INTC's 138 & 479 above). TC advises that further protection measures are necessary for Scottish Power cables and Gas mains in close proximity to the works. As noted in the last paragraph of 'B' above, these issues are yet to be processed and as such have the potential to prevent / compromise commencement. Although there is **tie culpability** attaching to this issue, **Infraco culpability** exists in regard to its dilatory approach to the provision of INTC's / Estimates for same.
- D. **Other Issues:**
 - (i) **Sub-Contractor Procurement:** Understood that Infraco intend to sublet this structure to Expanded Ltd – see tie audit and Infraco Period Report No.3-1 report to 24/04/10. No sub-contract yet in place. Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infraco; Infraco culpability.** The significance of this issue will increase as the first available date for this structure nears.
 - (ii) **WPP Process:** Not in place as yet. **Delay by Infraco; Infraco culpability.**
 - (iii) **IDR/IDC process:** Not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. **Delay by Infraco; Infraco culpability.**
 - (iv) **Form 'C':** Not yet in place. **Delay by Infraco; Infraco culpability.**

E. Construction Periods:

5A Water of Leith Bridge - S21E						
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay	
Start	02/07/2009	17/05/2010	45.57 wks	15/11/2010	71.57 wks	
Finish	01/03/2010	07/06/2011	66.14 wks	15/07/2011	71.57 wks	
Cal. Duration	34.71 wks	55.29 wks	20.57 wks	34.71 wks	0.00 wks	

- (i) **Delay to Start:** The table above refers to various programme dates. Issue 3 programme shows a delay to start of **45 weeks**; the IM mitigated programme projects a later delay to start of **72 weeks**. Primary causes of delay to start as follows:-
- A. **IFC process:** Initial IFC **issued on time** (planned **25/07/08**; actual **25/07/08**). **No Delay**.
- B. **INTC's 116, 138 & 479:** Delays by Infraco in issue of INTC's and subsequent provision of Estimates. **Delay by Infraco; Infraco culpability.** Delay up to 19/03/10 when tie issued clause 80.13 instruction. Some (minor) **tie culpability** in process.
- C. **MUDFA / Utilities:** There are a number of MUDFA / Utilities issues impacting on this structure. Central pier of the Water of Leith Bridge clashes with the existing sewer. Consequent to this, in conjunction with sewer lining measures, piled foundations have been redesigned to avoid sewer clash. (Refer INTC's 138 & 479 above). TC advises that further protection measures are necessary for Scottish Power cables and Gas mains in close proximity to the works. As noted in 'B' above, these issues are yet to be processed and as such have the potential to prevent / compromise commencement. Although there is **tie culpability** attaching to this issue (this also relates to potential delay to progress), **Infraco culpability** exists in regard to its dilatory approach to the provision of INTC's / Estimates for same.
- D. **Other:**
- **Sub-Contractor procurement:** Understood that Infraco intend to sublet this structure to Expanded Ltd Not clear if LOI issued covering this work or area. Subject to further tie audit. **Delay by Infraco; Infraco culpability.**
 - **WPP process:** Not in place as yet. **Delay by Infraco; Infraco culpability**
 - **IDR/IDC process:** Not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place. **Delay by Infraco; Infraco culpability.**
 - **Form 'C' Approval:** Not yet in place. **Delay by Infraco; Infraco culpability.**
- (ii) **Delay to Finish:** Issue 3 programme shows an increase in duration of **circa 21 weeks** over the timescale in Rev.1 programme. IM mitigated view of Issue 3 shows no increase in duration to the Rev.1 programme. There is presently no justification for the Infraco increased Rev.3 duration. Please see notes above re potential for delay due to protection of existing utilities.

- F. **tie position on area availability:** First available date for the meaningful commencement of works to this area is governed by the completion of reinforced earthworks on both Murrayfield Pitches RW and Baird Drive RW is required to form the underside of the bankseat to WoL Bridge. Baird Drive however, has been subject to protracted delays flowing from BDDI – IFC Changes (refer Baird Drive Summary Chart / Narrative above). Infraco Period Report No 3-1, to 24 April 2010 predicts Baird Drive commencement on 17 May 2010. (Murrayfield Pitches RW's does not feature in the current analysis).

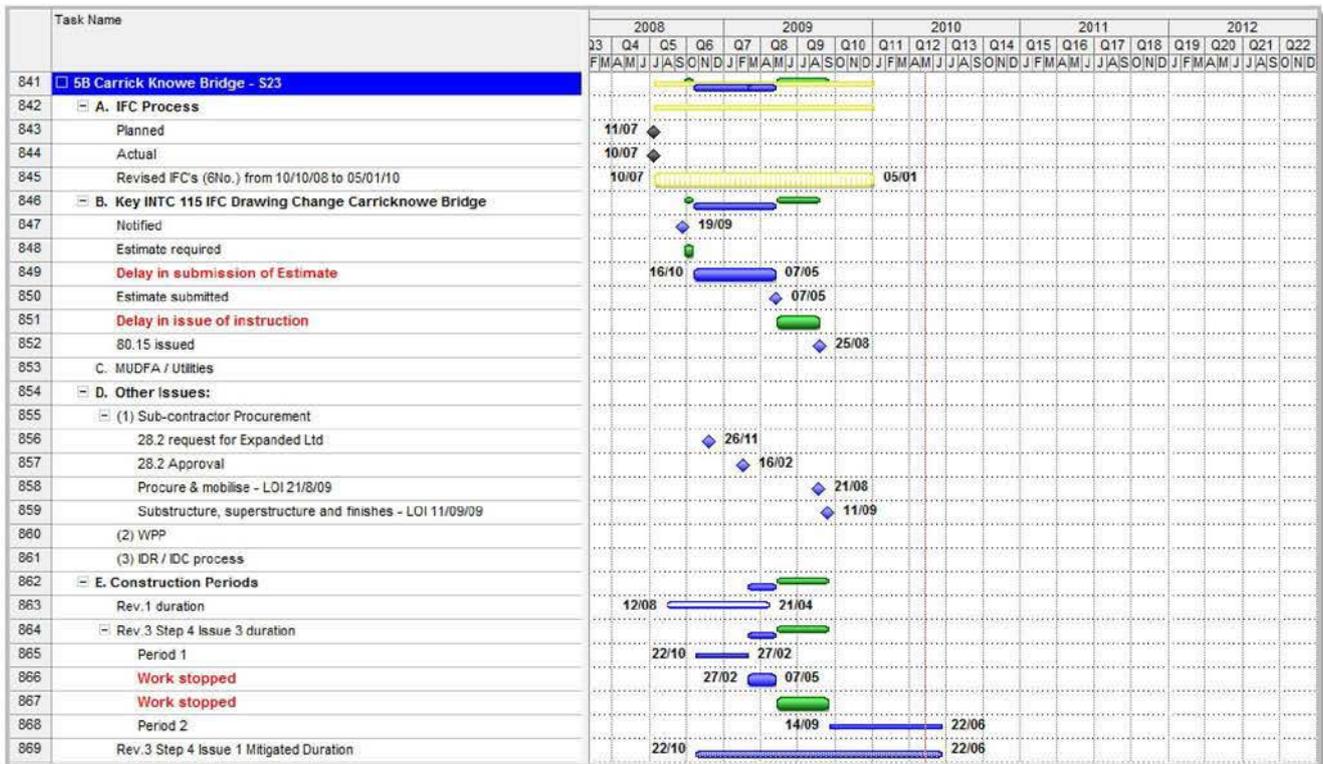
Commencement of works to this structure will also depend on agreement on protection measures necessary for Scottish Power / SGN utilities in close proximity to the works. As noted in 'B' above, these issues are yet to be processed and as such have the potential to prevent / compromise commencement.

G. Conclusion:

- (i) **'Significant' issues/events:** In our opinion there were four main contributory factors, being (a) the INTC process; (b) non agreement on protective measures needed for utilities in close proximity to the works; (c) incomplete reinforced earthworks on both Murrayfield Pitches RW and Baird Drive RW's required to form the underside of the bankseat to WoL Bridge and (d) failure to sign off Form 'C' approval. Taking those events in chronological order:-
Infraco delays in issuing INTC's 116, 138 & 479 from the IFC issue date and the subsequent timeframe taken by Infraco to provide compliant Estimates following the issue of same, are matters for which Infraco is responsible. Beyond 21/01/10 however, tie's review and inaction on the Estimate for INTC 479 ran until 19/03/10 (when the 80.13 instruction was issued). This may be a period for which tie bears the responsibility. Running concurrently with this Infraco has yet to submit (INTC) proposals for protective measures for utilities known to be in close proximity to the works. This is a matter for which Infraco is responsible. Following the issue of the 80.13 instruction Infraco *should* be obliged to commence the works. Commencement however, was further compromised by incomplete reinforced earthworks on both Murrayfield Pitches RW and Baird Drive RW's required to form the underside of the bankseat to WoL Bridge. For responsibility for this issue (refer Baird Drive Summary Chart / Narrative) above. Finally the potential to commence is further compounded by Infraco not yet having submitted NR Form 'C' for approval.
- (ii) **Concurrent issues:** In our opinion other events detailed above (i.e. the sub-contractor procurement timing & WPP process) have much less of a bearing on the late commencement of this area. Whilst in isolation these issues may have been critical to commencement their significance is considerably diminished by the occurrence of the events in G(i) above. They may however become more significant in the lead up to the area availability. (Date dependant on the issues noted at G(i) above).
- (iii) **Considerations of dominance:** The significant delays attaching to the INTC process on this structure have clearly affected commencement. The delays have in effect three constituent parts (1) Infraco's delay in issuing an INTC from the IFC issue date; (2) the protracted timeframe taken by Infraco to provide a compliant Estimate following the issue of the INTC; and (3) tie's delay in issuing an 80.13 beyond that date. Following the issue of the 80.13 instruction Infraco is obliged to commence the works. The late approval of the Form 'C' may also have restricted access to this area.

Commencement however, may be compromised by non agreement on protective measures for utilities known to be in close proximity to the works and the incomplete reinforced earthworks on both Murrayfield Pitches RW and Baird Drive RW's, required to form the underside of the bankseat to WoL Bridge. These issues are the dominant causes of delay on this particular structure. Both are likely to have a similar 'causative potency' in that both provide significant obstacles to area and workforce availability for the meaningful commencement of works.

Draft for
discussion



A. **IFC Process:** Initial IFC was on time (planned 11/07/08; actual 11/07/08). Although the initial IFC date was achieved, DS advises that this structure was the subject of multiple revisions thereafter. Revisions were presented on 10/10/08, 19/08/09, 01/09/09, 23/10/09, 16/12/09 and 05/01/10 respectively. With respect to delays attaching to the revisions noted (or indeed the reason for revising same) there is no information presently available to inform culpability. (See Preamble). Potential reasons for the late issue of IFC's to this area include:-

- > Late issue by SDS (in its simplest form a CE under 65(t) – which may in turn permit the application of clause 65.12.2);
- > A material breach by SDS (again in its simplest form a CE under 65(u) – which may in turn permit the application of clause 65.13);
- > A failure of Infracore to provide the Infracore Design to SDS in accordance with the Consents Programme and Schedule. Part 14 (clause 19.19 refers);
- > A tie Change;
- > A failure of Infracore in respect of its management of SDS or another breach by Infracore (e.g. failure to properly manage the CEC interface);
- > A requirement of CEC for which tie will bear responsibility;

Delay by SDS, SDS /tie or Infracore?

B. **Key INTC's:** From information provided it appears that the Infracore issued 7 no. INTC in relation to this structure; INTC's 115, 188, 308, 322, 390, 437, & 502. We understand that INTC 115 is likely to have materially / critically affected Infracore's ability to (re)commence works on 14/09/09. Details are as follows:-

- (i) **INTC 115:** issued by Infracore on 19/09/08 (70 days after first IFC issue). Estimate should have been submitted on or around 15/10/08. Estimate was received on 07/05/09; 204 days later than required. **Delay by Infracore; Infracore culpability** for time taken to produce Estimate for INTC 115
- (ii) **INTC 188:** issued by Infracore on 04/11/08 (116 days after first IFC issue). Estimate should have been submitted on or around 28/11/08. Estimate was received on 12/06/09, 196 days later than required. **Delay by Infracore; Infracore culpability** for time taken to produce Estimate for INTC 188; **tie will be culpable for the period to instruction.**
- (iii) **INTC 308:** issued by Infracore on 23/02/09 (227 days after first IFC issue). Estimate should have been submitted on or around 18/03/09. As at 30/04/10, 540 days later, Infracore has yet to provide an estimate. **Delay by Infracore; Infracore culpability** for time taken to produce Estimate for INTC 308. No instruction issued by tie – **tie will be culpable for the period to instruction.**
- (iv) **INTC 322:** issued by Infracore on 23/02/09 (227 days after first IFC issue). Estimate should have been submitted on or around 19/03/09. Estimate was received on 12/06/09, 85 days later than required. **Delay by Infracore; Infracore culpability** for time taken to produce Estimate for INTC 322; **tie will be culpable for the period to instruction.**
- (v) **INTC 390:** issued by Infracore on 07/05/09 (300 days after first IFC issue). Estimate should have been submitted on or around 02/06/09. Estimate was received 07/05/09 on time. **tie will be culpable for the period to instruction.**
- (vi) **INTC 437:** issued by Infracore on 08/07/09 (362 days after first IFC issue). Estimate should have been submitted on or around 03/08/09. Estimate was received 08/07/09 on time. **tie will be culpable for the period to instruction.**
- (vii) **INTC 502:** issued by Infracore on 19/10/09 (465 days after first IFC issue). Estimate should have been submitted on or around 12/11/09. Estimate was received 06/11/09, on time. **tie will be culpable for the period to instruction.**

None of the above were the subject of an 80.13 Instruction issued by tie on 19/03/10. Infracore Period Report No 3-1, to 24 April 2010 notes "Issues and concerns. None". This appears to suggest that none of the above are likely to prevent / compromise ongoing progress / completion. However it is notable that INTC 115 became the subject of a reference to DRP and an 80.15 instruction (on 25/8/09). This had the effect of stopping the works late Feb. 2009, until re-commencement on 14/09/09.

C. **MUDFA / Utilities:** no MUDFA issues impacting on this structure.

D. Other Issues:

- (i) Sub-Contractor Procurement: Expanded Ltd; LOI as at 21/08/09 to procure & mobilise. Expanded Ltd substructure, superstructure & finishes LOI 11/09/09. Subject to further tie audit. **Delay by Infraco; Infraco culpability.**
- (ii) WPP Process: Substantive WPP's recorded in DAC charts (assumed in place).
- (iii) IDC/IDR process: In place. **No Delay**

E. Construction Periods:

5B Carrick Knowe Bridge - S23					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated	Delay
				Rev.3	
Start	12/08/2008	22/10/2008	10.14 wks	22/10/2008	10.14 wks
Finish	21/04/2009	22/06/2010	61.00 wks	22/06/2010	61.00 wks
Cal. Duration	36.14 wks	87.00 wks	50.86 wks	87.00 wks	50.86 wks

Precise start date not clear; Prior information advised 22/10/08; Permit to commence issued 06/11/08. As-built required.

- (i) Delay to Start: The table above refers to various programme dates. Issue 3 programme shows a delay to start of **10 weeks** as does the IM mitigated programme. Primary causes of delay to start as follows:-
 - A. IFC process: Initial IFC was **on time** (planned **11/07/08**; actual **11/07/08**).
 - B. INTC's: no impact on commencement
 - C. MUDFA / Utilities: no impact on commencement
 - D. Other:
 - Sub-Contractor procurement: Expanded Ltd LOI as at 21/08/09 to procure & mobilise. Expanded Ltd substructure, superstructure & finishes LOI 11/09/09. Subject to further tie audit. **Delay by Infraco. Infraco culpability.**
 - WPP Process: Substantive WPP's recorded in DAC charts assumed in place..
 - IDC/IDR process: In place. **No Delay.**
 - Infraco delay in commencement: to date no information as to cause of delayed start has been obtained. tie PM personnel believe this was merely slow reaction to workforce availability by Infraco. **10 week delay; Delay by Infraco. Infraco culpability.**
- (ii) Delay to Finish: Issue 3 programme shows a circa **51 week** increase in duration over the timescale in Rev.1 programme (as does the IM mitigated view of Issue 3). That increase in duration includes a period of 28 weeks when work on this structure stopped pending resolution of INTC 115. Delayed from 27/02/09 to 14/09/09). Split culpability for that period. **Infraco (delayed Estimate) 10 weeks (27/2/09 to 07/05/09). tie (delayed 80.15 instruction) 16 weeks (08/05/09 to 14/09/09). Re-mobilisation period split at present 1 week per party.**
- (iii) In

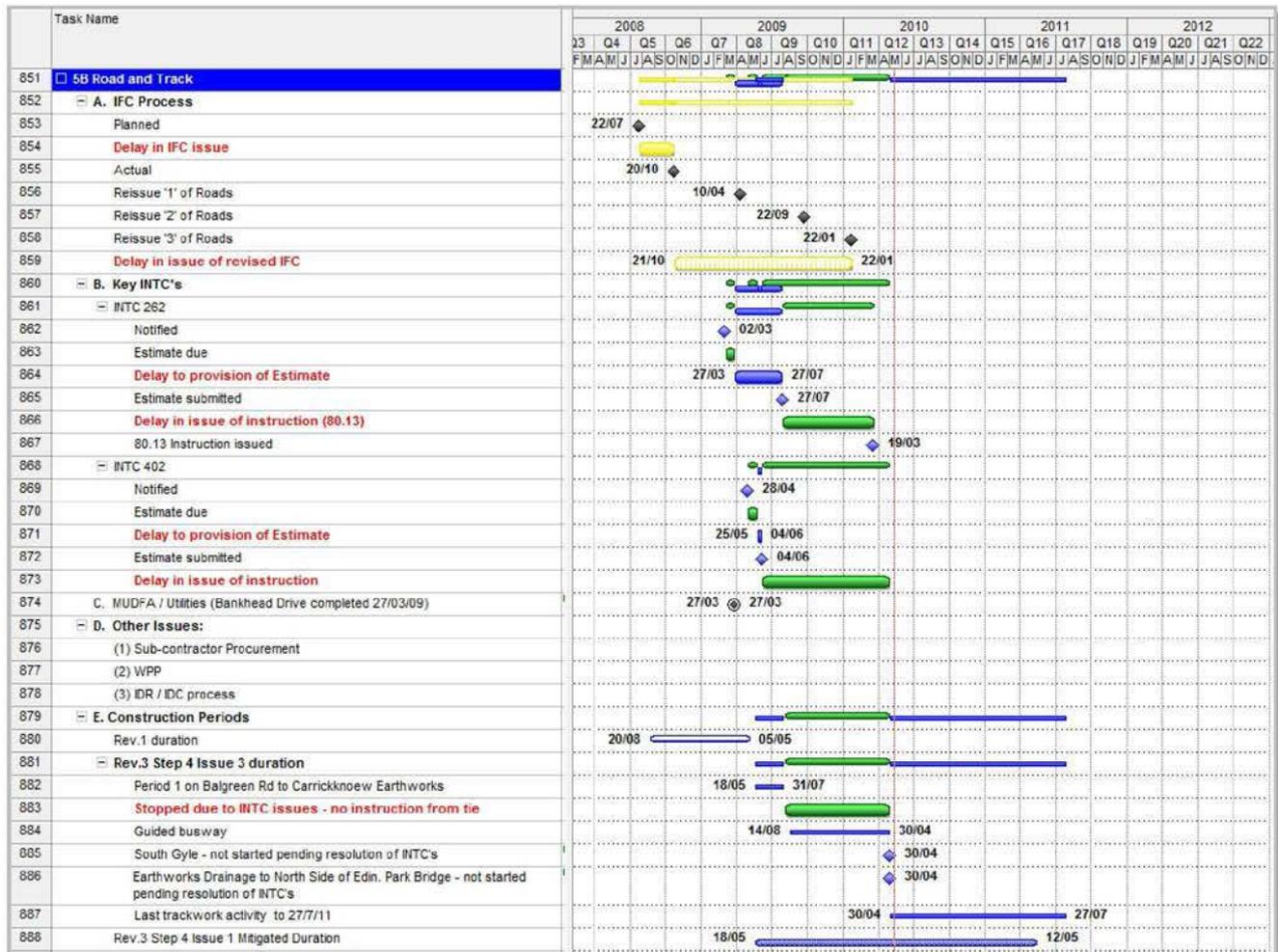
F. tie position on area availability: Work face available as originally programmed.

G. Conclusion:

- (i) 'Significant' issues/events: In our opinion the main delaying factors appear to be (a) late start by Infraco (circa **10 week** delay) (b) the INTC process associated with INTC 115 (**28 week** delay to progress); and (c) an unexplained increase in structure duration (**23 weeks**) some of which may relate to the extensive list of INTC's applicable to this structure.
- (ii) Concurrent issues: In our opinion the other events detailed above (i.e. the sub-contractor procurement timing and the WPP process) have less of a bearing on the late commencement of this area.
- (iii) Considerations of dominance: see (i) above.

Draft for discussion

5B Road & Track



A. **IFC Process:** Initial IFC was 13 weeks late (planned 22/07/08; actual 20/10/08). This initial IFC appeared to have addressed Trackworks. Subsequent IFC's however, were necessary to incorporate Roads drawing updates. The first Roads reissue took place on 10/04/09 followed by further reissues on 22/09/09 & 22/01/10 respectively. We are advised that delays to the initial IFC can be attributed to poor design by SDS. DS advises that "Delay in production follows poor SDS design – original design 9 days late not complete; nevertheless CEC reviewed and granted TAA subject to comments 16 days late. SDS then took 2 months incorporating some comments – further issues necessary to close other legitimate CEC comments". With respect to delays attaching to the Roads reissues there is no information presently available to inform culpability for delay to the foregoing (see Preamble). It is notable however, that as both Trackform and Roads (normally) require the further integration of Infraco design there is a responsibility on Infraco to provide information to SDS for incorporation on time. (It is not known if this did happen). Potential reasons for the late issue of IFC's to this area include:-

- > Late issue by SDS (in its simplest form a CE under 65(t) – which may in turn permit the application of clause 65.12.2);
 - > A material breach by SDS (again in its simplest form a CE under 65(u) – which may in turn permit the application of clause 65.13);
 - > A failure of Infraco to provide the Infraco Design to SDS in accordance with the Consents Programme and Schedule. Part 14 (clause 19.19 refers);
 - > A tie Change;
 - > A failure of Infraco in respect of its management of SDS or another breach by Infraco (e.g. failure to properly manage the CEC interface);
 - > A requirement of CEC for which tie will bear responsibility;
- Delay by SDS, SDS /tie or Infraco?**

B. **Key INTC's:** From information provided it appears that the Infraco issued 2 no. INTC's in relation to this structure; INTC's 262 & 402. We are further advised that both INTC 262 (IFC Drawing Changes for Section 5B Track Drainage) and INTC 402 (Addition of Starter and Capping Layers in Section 5B)) appear to have materially / critically affected Infraco's ability to commence works in accordance with the Rev 01 programme. Details are as follows:-

- (i) **INTC 262:** issued by Infraco on 02/03/09 (133 days after first IFC issue). Estimate should have been submitted on or around 26/03/09. Estimate was submitted by Infraco on 27/07/09. This is 17weeks later than permitted by the Contract. **Delay by Infraco. Infraco culpability for time taken to produce Estimate for INTC 262.**
- (ii) **INTC 402:** issued by Infraco on 28/04/09 (190 days after first IFC issue). Estimate should have been submitted on or around 22/05/09. Estimate was submitted by Infraco on 04/06/09. This is 2 weeks later than permitted by the Contract. **Delay by Infraco. Infraco culpability for time taken to produce Estimate for INTC 262**

Both estimates have been the subject of much debate since receipt of estimates attaching. As at 30/04/10 agreement has yet to be reached on both issues. It is notable that tie issued an 80.13 instruction on INTC 262 on 19/03/10. **tie liability for delay in issuing 80.13 instruction.** INTC 402 has yet to be instructed.

C. **MUDFA / Utilities:** We are advised that works on Bankhead Drive were dependant on the completion of MUDFA / Utility works in that area. These works were completed on 27/03/09. Given issues attaching to the INTC process completion of these works had little effect on progress. **Delay by tie.**

D. **Other Issues:**

- (v) **Sub-Contractor Procurement:** Understood that Crummock are contracted to carry out some work at the Busgate in Section 5B (see tie audit and Infraco Period Report No.3-1 report to 24/04/10). Subject to further tie audit. **Delay by Infraco. Infraco culpability.**
- (vi) **WPP Process:** Assumed WPP in place given the fact that works have commenced. **No Delay.**
- (vii) **IDC/IDR process:** IDR was in place as at 26/11/09.

E. **Construction Periods:**

5B Road and Track					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	20/08/2008	18/05/2009	38.71 wks	18/05/2009	38.71 wks
Finish	05/05/2009	27/07/2011	116.14 wks	12/05/2011	105.29 wks
Cal. Duration	37.00 wks	114.43 wks	77.43 wks	103.57 wks	66.57 wks

(i) **Delay to Start:** The table above refers to various programme dates. Issue 3 programme shows a delay to start of **39 weeks**; the IM mitigated programme also shows a delay to start of **39 weeks**. Primary causes of delay to start as follows:-

A. **IFC process:** The initial IFC appeared to address Trackworks. Subsequent IFC's however, were necessary to incorporate Roads drawing updates. The first Roads reissue took place on 10/04/09 followed by further reissues on 22/09/09 & 22/01/10 respectively. We are advised that delays to the initial IFC can be attributed to poor design by SDS. With respect to delays attaching to the Roads reissues there is no information presently available to inform culpability. **Delay by SDS, SDS /tie or Infraco?**

B. **Key INTC's:**

INTC 262: issued by Infraco on **02/03/09** (19 weeks after first IFC issue). Estimate should have been submitted on or around **26/03/09**. Estimate was submitted by Infraco on **27/07/09**. This is **17 weeks** later than permitted by the Contract. **Delay by Infraco. Infraco culpability for time taken to produce Estimate for INTC 262.**

INTC 402: issued by Infraco on **28/04/09** (27 weeks after first IFC issue). Estimate should have been submitted on or around **22/05/09**. Estimate was submitted by Infraco on **04/06/09**. This is **2 weeks** later than permitted by the Contract. **Delay by Infraco. Infraco culpability for time taken to produce Estimate for INTC 262**

Both estimates have been the subject of much debate since receipt of estimates attaching. As at 30/04/10 agreement has yet to be reached on both issues. It is notable that tie issued an 80.13 instruction on INTC 262 on 19/03/10 (delay of **34 weeks**). **tie liability for delay in issuing 80.13 instruction.** INTC 402 has yet to be instructed (a current delay of **47 weeks**).

C. **MUDFA / Utilities:** We are advised that works on Bankhead Drive were dependant on the completion of MUDFA / Utility works in that area. These works were completed on 27/03/09. Given issues attaching to the INTC process completion of these works had little effect on progress. **Delay by tie.**

F. **Other:**

- **Sub-Contractor procurement:** Understood that Crummock are contracted to carry out some work at the Busgate in Section 5B. see tie audit and Infraco Period Report No.3-1 report to 24/04/10. Subject to further tie audit. **Delay by Infraco. Infraco culpability**
- **WPP process:** Permit to commence work has been received. **No Delay.**
- **WPP Process:** Assumed WPP in place given the fact that works have commenced. **No Delay.**
- **IDC/IDR process:** IDR was in place as at 26/11/09. **No Delay.**

(ii) **Delay to Finish:** Issue 3 programme shows an increase in overall duration of **circa 77 weeks** over the timescale in Rev.1 programme. IM mitigated view of Issue 3 also shows an increase of **67 weeks** in duration compared with the Rev.1 programme. It appears that those increases include **39 weeks** of delay due to lack of INTC instruction (01/08/09 to 30/04/10).

Having regard to Infraco's 'Rev3 Issue 3' programme it is notable that activities which were previously running concurrently are now much less so. All separate activity durations are longer – due to 'Additional Earthworks and Drainage activities'. Previous advice confirmed that additional duration required for drainage and earthworks was necessary. TC confirms that view still holds. The extent to which durations should be extended requires further information from Infraco (the current increased durations are not substantiated).

F. **tie position on area availability:**

- (i) Observations on area availability, identifies four potential workfaces attaching to 5B Road & Track. They are as follows:-
 - a. **Balgreen Road to Carrick Knowe Earthworks:** commencement is dictated by completion of substantive works to Carrick Knowe Bridge to allow commencement of Balgreen Road to Carrick Knowe Earthworks. This is a position articulated by Infraco (to maintain access to CKB) but disputed by tie. Works started on 18/05/09 and stopped as at 31/07/09 pending resolution of INTC's 262 & 402. It is unlikely that Infraco will conclude that works undertaken were in effect 'meaningful'.
 - b. **Guided Busway from Carrick Knowe Bridge to South Gyle access Bridge:** the construction of new bus stops / bus lanes designed to take bus route off the line of the proposed Guided Busway. This work was completed prior to Infraco to commence of the works as at 14/08/09 on the Guided Busway from Carrick Knowe Bridge to South Gyle Access Bridge. This work is continuing;
 - c. **South Gyle Access Bridge to Edinburgh Park (along Bankhead Drive):** commencement dictated by resolution of INTC's 262 & 402. This was subject of an 80.13 instruction on 19/03/10. Works yet to commence
 - d. **Earthworks Drainage to North Side of Edinburgh Park Bridge:** commencement dictated by resolution of INTC's 262 & 402. This was subject of an 80.13 instruction on 19/03/10. Works yet to commence.

G. **Conclusion:**

(i) **'Significant' issues/events:** In our opinion the main delaying factor on 5B Road & Track is the resolution of INTC 262 (IFC Drawing Changes for Section 5B Track Drainage) & INTC 402 (Addition of Starter and Capping Layers in Section 5B). See chart and 'B' above. Split liability (majority

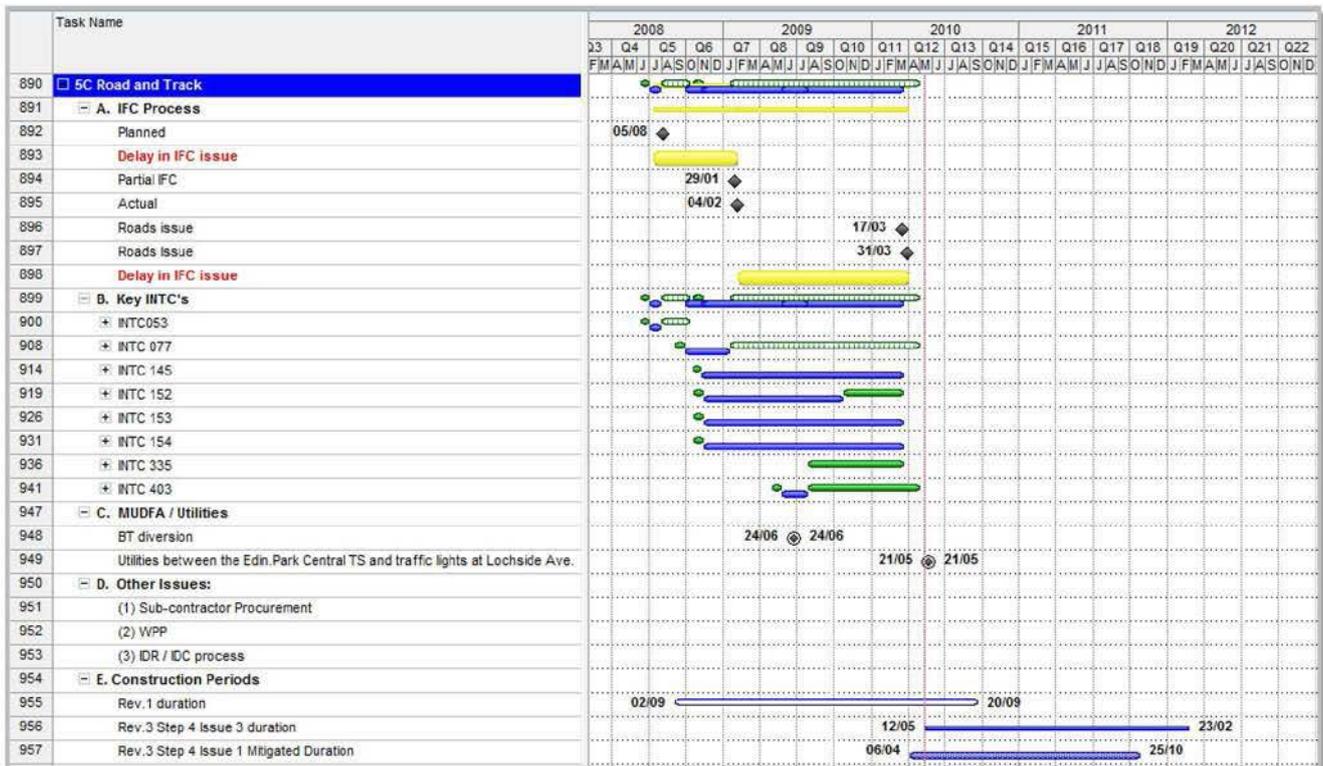
resting with tie due to lack of instruction). In addition, increased earthworks and drainage workscope will result in increased activity durations (the extent of which Infracore has yet to demonstrate).

- (ii) **Concurrent issues:** In our opinion the other event detailed above i.e. MUDFA / Utilities has less of a bearing on the late commencement of this area. Whilst in isolation completion on this issue may have been a hindrance to commencement, its significance is considerably diminished by the fact that Infracore did commence. Incomplete MUDFA / Utilities issues will be more significant to the successful completion of the works in this area.

- (iii) **Considerations of dominance:** Delays attaching to agreement on **INTC 262 (IFC Drawing Changes for Section 5B Track Drainage) & INTC 402 (Addition of Starter and Capping Layers in Section 5B)** have clearly affected (meaningful) progress in this area. The delays have in effect three constituent parts (1) Infracore's delay in issuing an INTC from the IFC issue date (2) the protracted timeframe taken by Infracore to provide a compliant estimate following the issue of the INTC; and (3) the time taken by tie to issue an 80.13 instruction following receipt of the estimate. Works are currently progressing along the Guided Busway. However, no progress has been made on either Bankhead Drive or to the North Side of Edinburgh Park Bridge. It is also notable that following initial progress at Balgreen Road to Carrick Knowe, works stopped pending resolution of INTC's 262 & 402. This demonstrates that delays attaching to agreement on **INTC 262 (IFC Drawing Changes for Section 5B Track Drainage) & INTC 402 (Addition of Starter and Capping Layers in Section 5B)** have clearly affected (meaningful) progress in this area.

As such, in our opinion the delay to the INTC process in 5B Road & Track is the dominant / critical factor affecting commencement and hence completion in this intermediate section. **Note:** as yet 30/04/10 INTC 402 had not been instructed by tie under an 80.15 instruction (i.e. delaying commencement).

Draft for
discussion



A. **IFC Process:** Initial IFC was 26 weeks late (planned 05/08/08; actual 04/02/09). Although this is noted as being the first IFC date DS advises that there was a partial IFC issued on 29/01/09 addressing Track Vertical Alignment in isolation. Subsequent IFC's however, were necessary to incorporate Roads drawing updates. The first Roads reissue took place on 17/03/10 followed by a further reissue on 31/03/10. With respect to delays attaching to the Roads reissues there is no information presently available to inform culpability for delay to the foregoing (see Preamble). It is notable however, that as both Trackform and Roads (normally) require the further integration of Infraco design there is a responsibility on Infraco to provide information to SDS for incorporation on time. (It is not known if this did happen). DS also advises that further IFC's are required for tie instructed change to adoption lines at Lochside Avenue. This is a matter for which tie is responsible. Potential reasons for the late issue of IFC's to this area include:-

- > Late issue by SDS (in its simplest form a CE under 65(t) – which may in turn permit the application of clause 65.12.2);
- > A material breach by SDS (again in its simplest form a CE under 65(u) – which may in turn permit the application of clause 65.13);
- > A failure of Infraco to provide the Infraco Design to SDS in accordance with the Consents Programme and Schedule. Part 14 (clause 19.19 refers);
- > A tie Change;
- > A failure of Infraco in respect of its management of SDS or another breach by Infraco (e.g. failure to properly manage the CEC interface);
- > A requirement of CEC for which tie will bear responsibility;

Delay by SDS, SDS /tie or Infraco?

B. **Key INTC's:** From information provided it appears that the Infraco issued 8 no. INTC in relation to this structure; INTC's 053, 077, 145, 152, 153, 154, 335 & 403, We are further advised that the aforementioned INTC's are likely to have materially / critically affected Infraco's ability to commence works in accordance with the Rev 01 programme. Details are as follows:-

- (i) **INTC 053:** issued by Infraco on 06/06/08 (in advance of IFC issue). Estimate should have been submitted on or around 02/07/08. Estimate was received on 28/07/08; 26 days later than required. **Delay by Infraco; Infraco culpability** for time taken to produce Estimate for INTC 053.
- (ii) **INTC 077:** issued by Infraco on 29/08/08 (24 days after IFC issue). Estimate should have been submitted on or around 24/09/08. Estimate was received on 16/01/09, 114 days later than required. **Delay by Infraco; Infraco culpability** for time taken to produce Estimate for INTC 077; **tie will be culpable for the period to instruction.**
- (iii) **INTC 145:** issued by Infraco on 13/10/08 (69 days after IFC issue). Estimate should have been submitted on or around 06/11/08. As at 30/04/10, 540 days later, Infraco has yet to provide an estimate. **Delay by Infraco; Infraco culpability** for time taken to produce Estimate for INTC 145. No instruction issued by tie – **tie will be culpable for the period to instruction.**
- (iv) **INTC 152:** issued by Infraco on 16/10/08 (72 days after IFC issue). Estimate should have been submitted on or around 11/11/08. Estimate was received on 21/10/09, 344 days later than required. **Delay by Infraco; Infraco culpability** for time taken to produce Estimate for INTC 152; **tie will be culpable for the period to instruction.**
- (v) **INTC 153:** issued by Infraco on 16/10/08 (72 days after IFC issue). Estimate should have been submitted on or around 11/11/08. As at 30/04/10, 535 days later, Infraco has yet to submit an estimate. **Delay by Infraco; Infraco culpability** for time taken to produce Estimate for INTC 153; **tie will be culpable for the period to instruction.**
- (vi) **INTC 154:** issued by Infraco on 16/10/08 (xx days after IFC issue). Estimate should have been submitted on or around 11/11/08. As at 30/04/10, 535 days later, Infraco has yet to submit an estimate. **Delay by Infraco; Infraco culpability** for time taken to produce Estimate for INTC 154; **tie will be culpable for the period to instruction.**
- (vii) **INTC 335:** issued by Infraco on 27/07/09 (356 days after IFC issue). Estimate should have been submitted on or around 20/08/09. Estimate was received on 27/07/09, on time. **Delay by Infraco; Infraco culpability** for time taken to produce Estimate for INTC 335; **tie will be culpable for the period to instruction.**

- (viii) **INTC 403**: issued by Infraco on **28/04/09** (266 days after IFC issue). Estimate should have been submitted on or around **22/05/09**. Estimate was received on **27/07/09**, **66 days** later than required. **Delay by Infraco; Infraco culpability** for time taken to produce Estimate for INTC 403; **tie will be culpable for the period to instruction.**

INTC's 145, 152, 153, 154 & 335 were the subject of an 80.13 Instruction issued by tie on 19/03/10. Infraco Period Report No 3-1, to 24 April 2010 notes "Trackwork, Earthworks, Drainage Changes from BDDI to IFC have yet to be agreed". There therefore remains the potential that issues attaching to the foregoing may yet prevent / compromise commencement.

- C. **MUDFA / Utilities**: There are two main MUDFA / Utilities issues impacting on this structure; (1) BT diversion carried out under MUDFA (completed 24/06/09; and (2) private and public utilities between the Edinburgh Park Central TS and the traffic lights at Lochside Avenue (which were transferred to Infraco). tie notes that Infraco took an inordinate amount of time to expedite said issues. This resulted in tie cancelling its order with Infraco and contracting the works separately to Clancy Docwra. Forecast completion on these works is expected on or around 21/05/10. These issues have clearly prevented / hindered commencement (of certain areas) within this area. Although there is clear **tie culpability** attaching to this issue, **Infraco culpability** exists in regard to its dilatory approach to the provision of INTC's / Estimates for same.

D. **Other Issues:**

- (i) **Sub-Contractor Procurement**: Infraco Period Report No.3-1 report to 24/04/10 notes that Infraco intends to sublet the remaining structures on Sections 5A, B and C to Expanded Ltd. We have not yet been advised that works on 5C in particular will extend to 5C Road & Track. Subject to further tie audit. **Delay by Infraco. Infraco culpability.**
- (ii) **WPP Process**: No information available.
- (iii) **IDC/IDR process**: Not yet in place. It is not clear whether Infraco will be permitted by tie to commence without this paperwork in place **[Discuss]**
Delay by Infraco; Infraco culpability.

E. **Construction Periods:**

5C Road and Track					
	Rev.1	Rev.3 Issue 3	Delay	IM Mitigated Rev.3	Delay
Start	02/09/2008	12/05/2010	88.14 wks	06/04/2010	83.00 wks
Finish	20/09/2010	23/02/2012	74.43 wks	25/10/2011	57.14 wks
Cal. Duration	107.00 wks	93.29 wks	-13.71 wks	81.14 wks	-25.86 wks

- (i) **Delay to Start**: The table above refers to various programme dates. Issue 3 programme shows a delay to start of **88 weeks**; the IM mitigated programme also shows a delay to start of **83 weeks** (but that was based on Issue 1 not Issue 3). Actual delay to start will be longer than above due to INTC resolution process. Primary causes of delay to start as follows:-

A. **IFC process**: Initial IFC was **26 weeks late** (planned **05/08/08**; actual **04/02/09**). Although this is noted as being the first IFC date DS advises that there was a partial IFC issued on **29/01/09** addressing Track Vertical Alignment in isolation. Subsequent IFC's however, were necessary to incorporate Roads drawing updates. The first Roads reissue took place on **17/03/10** followed by a further reissue on **31/03/10**. With respect to delays attaching to the above there is no information presently available to inform culpability for delay to the foregoing (see Preamble). **Delay by SDS, SDS /tie or Infraco?**

B. **INTC's 053, 077, 145, 152, 153, 154, 335 & 403**: Delays by Infraco in issue of INTC's and subsequent provision of estimates. **Delay by Infraco; Infraco culpability.** Delay on INTC's 145, 152, 153, 154 & 335 up to 19/03/10-when tie issued clause 80.13 instruction. **tie culpability for late instruction on INTC's.**

C. **MUDFA / Utilities**: There are two main MUDFA / Utilities issues impacting on this structure; (1) BT diversion carried out under MUDFA (completed 24/06/09; and (2) private and public utilities between the Edinburgh Park Central TS and the traffic lights at Lochside Avenue (which were transferred to Infraco). tie notes that Infraco took an inordinate amount of time to expedite said issues. This resulted in tie cancelling its order with Infraco and contracting the works separately to Clancy Docwra. Forecast completion on these works is expected on or around 21/05/10. These issues have clearly prevented / hindered commencement (of certain areas) within this area. Although there is clear **tie culpability** attaching to this issue, **Infraco culpability** exists in regard to its dilatory approach to the provision of INTC's / Estimates for same.

D. **Other:**

- **Sub-Contractor procurement**: Infraco Period Report No.3-1 report to 24/04/10 notes that Infraco intends to sublet the remaining structures on Sections 5A, B and C to Expanded Ltd. We have not yet been advised that works on 5C in particular will extend to 5C Road & Track. Subject to further tie audit. **Delay by Infraco. Infraco culpability.**
- **WPP Process**: No information available.
- **IDC/IDR process**: Not yet in place. **Delay by Infraco. Infraco culpability**

- (ii) **Delay to Finish**: Issue 3 programme shows a circa 13 week reduction in duration compared with the timescale in Rev.1 programme. IM mitigated view of Issue 3 also shows a reduction but of 26 weeks.

Having regard to Infraco's 'Rev3 Issue 3' programme it is notable that there are now three separate activities now running concurrently for longer periods. Notably however, all of these separate activity durations are longer. This appears to result from 'additional' earthworks and drainage activities. TC accepts that some increase in duration should be recognised but might be reduced on further analysis of durations.

F. **tie position on area availability:**

- (i) First available date for the meaningful commencement of works to this area is governed by two separate issues; (1) the completion of private and public utility transfers, currently forecast to complete on or around 21/05/10; and (2) BDDI – IFC changes attaching to INTC's 145, 152, 153, 154 & 335 which were the subject of an 80.13 instruction on 19/03/10. Although the latest date for completion on the above attaches to the completion of private and public utility transfers. It is notable that this issue only relates to one section of the 5C Road & Trackworks. tie therefore contends that under its obligation to mitigate Infraco could have made progress in other areas within 5C Road & Track. It was therefore the issue date of 19/03/10 for INTC's 145, 152, 153, 154 & 335 which was the first date at which meaningful commencement could take place.

G. **Conclusion:**

- (i) **'Significant' issues/events:** In our opinion there were three main contributory factors, being (a) the IFC process; (b) the INTC process; and (c) late completion of MUDFA/utilities. Taking those events in chronological order:-

The IFC was programmed to be issued on **05/08/08**; this process was not fully complete until the final roads reissue on **31/03/10 (86 weeks late)**. It is not clear if commencement depended on this late reissue or whether earlier IFC's were sufficiently complete to facilitate progress. Nevertheless delays beyond the issue of the initial IFC on **04/02/09** are matters which may have affected commencement. Responsibility for said delays is uncertain. In our opinion however, the main delaying factor was the protracted INTC process attaching to **145, 152, 153, 154 & 335**. Infraco is culpable for delays in notification and the subsequent provision of estimates attaching to same. tie is likely to be responsible for late instructions attaching. Running concurrently with the above was the late completion of MUDFA / Utility works particularly with respect to the currently incomplete private and public utility transfers. This is a matter for which tie is responsible.

- (ii) **Concurrent issues:** In our opinion the other events detailed above (i.e. the sub-contractor procurement timing and the WPP process) have less of a bearing on the late commencement of this area. This is evident from the actual (partial) commencement in October 2008. Whilst in isolation these issues may have been critical to commencement, their significance is considerably diminished by the occurrence of the events in G(i) above. They may however become more significant in the lead up to the area availability in July 2010.

- (iii) **Considerations of dominance:** The protracted delay attaching to the IFC on this structure is likely to have affected commencement. This however, is subsumed by the delays attaching to the INTC process. These delays have in effect three constituent parts (1) Infraco's delay in issuing an INTC from the IFC issue date (2) the protracted timeframe taken by Infraco to provide a compliant estimate following the issue of the INTC; and (3) the time taken by tie to issue an 80.13 instruction following receipt of the estimate. This process was not complete until such times as tie issued the 80.13 instruction on 19/03/10.

Although works to private and public utility transfers is not yet complete. We are advised that this issue only relates to one section of the 5C Road & Trackworks. tie therefore contends that under its obligation to mitigate Infraco could have made progress in other areas within 5C Road & Track.

As such, in our opinion the delay to the INTC process in 5C Road & Track is the dominant / critical factor affecting commencement and hence completion in this intermediate section.

Draft for
discussion