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**From:** Steven Bell  
**Sent:** 04 June 2008 11:57  
**To:** Graeme Bissett (external contact); Willie Gallagher; Jim McEwan; Stewart McGarrity; Colin McLauchlan; Susan Clark; Dennis Murray; Andrew Fitchie; Alastair Richards - TEL; david\_mackay@[REDACTED] Neil Renilson (TEL)  
**Subject:** RE: Introspection

Graeme

Comments embedded below. Happy to discuss.

Steven

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**From:** Graeme Bissett [[mailto:graeme.bissett@\[REDACTED\]](mailto:graeme.bissett@[REDACTED])]  
**Sent:** 30 May 2008 09:45  
**To:** Willie Gallagher; Steven Bell; Jim McEwan; Stewart McGarrity; Colin McLauchlan; Susan Clark; Dennis Murray; Andrew Fitchie; Alastair Richards - TEL; [david\\_mackay@\[REDACTED\]](mailto:david_mackay@[REDACTED]); Neil Renilson (TEL)  
**Subject:** Introspection

Willie has asked me to compile a Lessons Learned paper following the conclusion of the tram procurement. The exercise is part of the development of our corporate knowledge base and should help guide us in future light rail procurements as well as potentially having wider application. To make sure I cover the ground, could you take a few minutes to record your comments in bullet form under the headings below.

- The 5 things that we did best, the good ideas or qualities we brought to the procurement, structural elements which enhanced the outcome, good quality processes etc
1. Focused all relevant management capability at a number of levels, and as a coherent team (but only after a number of false starts and once tie became a "one project" company))
  2. Juggled 2 consortia members, CAF and SDS to cross the finishing line eventually.
  3. Mixed up the style and approach for the negotiation to deliver best effect in the circumstances and managed to communicate the issues during difficult times with the relevant Boards. [Having Jim and Dennis focused on this from February onwards helped greatly]
  4. TramCo focus worked well in parallel to InfraCo procurement (other than item 5 below).

5. LAC and CEC engagement on Third Party issues as well as Contract principles improved significantly over time and aided communication with CEC.
- Our 5 biggest mistakes or weaknesses even if they were overcome, what we would do better next time.
1. Moved to Preferred Bidder too early and lost any commercial leverage with BBS, with BBS being led by lawyers in certain areas and tie not challenging that quickly enough.
  2. Hindsight showed that there were too many loose ends to close in the negotiation and not enough firm control on the priority elements that ranked most important for tie/CEC and where appropriate TEL. [We “nickel & dimed” items which gave little material benefit or risk transfer and then ended up conceding more than ideal because of time pressures]
  3. Too many deadlines passed without sanction.
  4. The criticality of the level of design management and status of completion of design (and its relationship with Consents) was not understood well enough before going to preferred bidder and neither was the Bidder’s discomfort over the designer. We should have managed SDS more assertively and robustly much sooner.
  5. Systematic Evaluation of the InfraCo and TramCo bids and the review still missed the Currency problem on TramCo.

The paper will obviously delve a bit deeper into the history of the procurement and put flesh on the bones of the conclusions, but your guidance on the headlines will be very useful at this point. Please be as direct as you like.

Since you were all absorbed in the process, your immediate thoughts will be most valuable so don’t take too long on this. There will be time for a more considered view when I’ve got a decent draft in circulation.

Would it be fair to ask for a response by cob Tuesday 4<sup>th</sup> June ?

Regards  
Graeme

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Graeme Bissett

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