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**From:** Willie Gallagher  
**Sent:** 28 September 2007 10:58  
**To:** Matthew Crosse; Steven Bell; Graeme Barclay  
**Cc:** Fitchie, Andrew  
**Subject:** FW: Presentation

Comments please.

Willie

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**From:** Reynolds, Steve [mailto:ReynoldsS@██████████]  
**Sent:** 28 September 2007 09:56  
**To:** Willie Gallagher  
**Subject:** RE: Presentation

Dear Willie

Thank you very much for your email. Following receipt of your email from yesterday I undertook a through review with my team and this email summarises my findings. Whilst I was unable to attend the MUDFA Sub-committee Meeting on Wednesday, I was present for the discussion on MUDFA which took place at last Friday's Critical Issues Meeting, and I have also had a number of conversations with Steven Bell on the subject. Let me say immediately that I fully appreciate and share your concern over the delays to production of the IFC drawings. I believe the challenge is to introduce changes to current methods of working such that all parties are properly engaged and committed to delivering in line with the Utilities Diversion design and construction targets.

The programme for production of the IFC drawings by SDS depends critically on the commitment of the SUCs. At the time PB was bidding for the SDS Contract we were provided via the Data Room with Draft Agreements (drawn up by DLA) between *tie* Limited, the City of Edinburgh Council, and each of the SUCs. These Agreements had been prepared in recognition of the fact that SDS would require information from the SUCs in order to complete the utilities diversions designs. The Agreements call for each of the SUCs to provide detailed information for this purpose and also highlight the need for that information to be made available sensibly in advance of the award of the MUDFA Contract. In the event the response from the SUCs was patchy. Information was provided in the required timeframe by a number of SUCs but in several cases proved not to be to the expected level of detail. One SUC, BT Openreach recognised the need for detailed information but has repeatedly failed to meet required sectional completion dates to the extent that several packages are still outstanding long after the MUDFA Contract was awarded. Given the need for composite drawings to be produced by SDS, detailing not just the specifics of the individual utility designs but also the integration between them, this failure by BT has resulted in serious delay to all subsequent milestones, including final delivery of the IFC drawings.

Once composite drawings have been prepared by SDS they are circulated for review and approval to each of the SUCs. The programme to date has been based on a four week duration for this activity. In practice four weeks has proved to be too short a period for Scottish Water with the result that final IFC milestones have slipped further. I understand from reading the MUDFA Sub-Committee papers prepared for the 26 September meeting that *tie* has now proposed that the period for SUC review and approval be reduced to two weeks. Experience to date suggests that Virgin Media, Thus, and Cable & Wireless will all have difficulty in meeting this revised target and I am not aware that Scottish Water has introduced the changes which would be required to improve performance to the required level. In this context it should be noted that the weekly workload arising from the responsibility for review and approval of the SDS drawings by the SUCs has yet to peak.

Problems with approval of SDS designs have also arisen due to the delay to the conclusion of a commercial agreement between *tie* and Scottish Gas. In the absence of an agreement it has not been possible for SDS to secure final approval, although SDS has been promoting an approach based on technical approval subject to later commercial endorsement.

It should also be noted that the designs which have been submitted for the Scottish Water, (Foul), diversions have been produced in the absence of a complete set of manhole data. AMIS is responsible for providing the required data and SDS has had to work to complete designs without full information in order that programme impacts in this area are minimised.

My understanding is that a commercial agreement has now been concluded with Scottish Gas, and whilst there are several issues which need to be addressed to ensure timely completion of the remaining IFC drawing packages, two issues stand out as critical, viz;

- Continuing delay in the provision of design information from BT Openreach
- Failure by Scottish Water to meet the durations allocated within **tie**'s MUDFA programme for design review and approval.

In addition to the discussions which I understand have now commenced between **tie** and SUC senior management a comprehensive action plan has to be formulated. MUDFA programme delivery is now on the agenda at the weekly Critical Issues meeting and I am proposing that the following items be added to the debate this week.

- The pros and cons of drafting a new IFC Delivery programme based on realistic periods for SUC review and approval
  - *Introducing more realistic periods for SUC review and approval carries with it the risk that the achievement of some milestones may be delayed. To offset this the whole programme should be reassessed with a view to relating sectional IFC drawing delivery dates more closely with MUDFA start-of-construction dates. In addition effort should be focused more sharply on early priorities. Some work is still progressing against out-dated schedule targets in areas where MUDFA construction work will no longer be undertaken – Section 5A for example, where utilities diversions will now be the responsibility of Infracore.*
- The need for **tie** to secure the buy-in from the SUCs to any revised programme. Given the critical dependence of IFC milestone dates on earlier SUC activities this is essential and any concerns over SUC commitment must be highlighted as early as possible.
- **tie** to consider the appointment of a replacement "Technical Liaison with Utilities" Manager. I understand that this position on the **tie** organisation chart has been vacant for some six weeks following the departure of the previous incumbent.
- The frequency of meetings with BT should be increased. Currently SUC management meetings are held with each SUC each period but it is evident that a more constructive relationship needs to be developed with BT. I understand that this is likely to require a significant increase in resources within BT for the initiative to succeed.

In my view, however, the number one priority in relation to unlocking the current logjam is for **tie** to enforce its contractual Agreement with BT Openreach.

I confirm that I will be in attendance at the next MUDFA Sub-Committee meeting which I understand has been scheduled for 24 October. In the meantime I would be pleased to meet with you if required to discuss any other matters arising and I shall also give you a call today to talk things through.

Best regards - Steve

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**From:** Willie Gallagher [mailto:Willie.Gallagher@tie.ltd.uk]  
**Sent:** 28 September 2007 09:41  
**To:** Reynolds, Steve  
**Subject:** RE: Presentation

Steve,

I gather that you feel a bit sore concerning the MUDFA situation. I would like to sit down and talk to you frankly about why I reacted in the manner I did. Basically, last month I have a collective assurance from my Graeme & your Jason on Programme, this month – no dates hit and we have AMIS sitting in the corner preparing their claim. My frustration is not a PB singular attack, it is with the entire team as my tie management team are now fully aware - it will cost them significant money if October dates are not achieved.

We need to crack these SUC and Programme Issues now or Tram will end up going nowhere.

If you wish to call me, I am on [REDACTED]

Willie

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**From:** Reynolds, Steve [mailto:ReynoldsS@[REDACTED]]  
**Sent:** 26 September 2007 14:23

**To:** Willie Gallagher  
**Subject:** Presentation

Willie

Thank-you for the opportunity to meet with you last week. Following that meeting I have now reviewed the information we have which describes the vision for the Tram Network. I have arranged for the material to be put together to provide a comprehensive overview of the design intent so if you could let me know when would be most convenient for you to spend some time we'd be pleased to meet with you to go through the presentation and focus on the key highlights.

Regards - Steve

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