
From: Reynolds, Steve
Sent: 23 January 2008 14:27
To: 'Willie Gallagher'
Subject: Finalisation of the Employer's Requirements

Willie

Thank you for meeting with me today. As discussed, I think there may be merit in taking a different approach to the consolidation of a number of outstanding matters concerning the Employers Requirements, (ERs), in order to raise confidence that by Financial Close all parties will have a common understanding of the scope definition for the Infraco contract. I believe five key topics need to be addressed:-

- Verify that the modified ERs, (version 3.2 currently), reflect what the stakeholders actually want (and can afford).
- Check the ERs for consistency - no conflicts or ambiguities.
- Assess the conformance of the SDS Design to the modified ERs.
- Assess the compliance of the BBS Offer with the ERs.
- Evaluate the alignment between the current SDS Design and the BBS Offer.

We are at the point where we have had sight of a number of iterations of the Employer's Requirements but prior to novation each of the five points above should be addressed and closed out against a solid frame of reference. Given the special circumstances of the heritage city environment in Edinburgh it's important that the design matches the expectations of the approval bodies in addition to meeting the technical requirements for the scheme. That's why verification of the modified requirements with the stakeholders must go hand-in-hand with assuring the technical compliance of the BBS offer.

PB has a wealth of experience of requirements management for major schemes and if you think it would help I'd be pleased to offer our services to carry out the work required to close out the bullet points above. One of my concerns arises from the commercial necessity for PB to be satisfied with the declarations required at novation but I'm equally concerned that the programme to Financial Close may slip further if the issues are not addressed in structured fashion. Clearly any further slippage may jeopardise the scheme. By delaying now for a short period and given that the advance works contract is already in place as I understand it with the Infraco there is no reason why the overall programme should suffer. Indeed, by attending to these matters now we can also look to reduce risk for all parties in the future.

I'd be pleased to discuss this with you or with Steven in more detail and look forward to catching up with you again when you are feeling better

Regards - Steve