

Dear David,

Edinburgh Tram Project - MUDFA Design

I am writing to you following the SDS progress meeting with Halcrow held on Tuesday 10 July. I am aware that David Simmons will by now have talked through the matters arising from the meeting but I believe it is important that any report you may have had is backed up with this short letter.

Having been through the recent experience of Halcrow's failure to deliver a quality product on time against the current MUDFA schedule we are now preparing to submit the next tranche of drawings for Section 1B. The due date for submission from Halcrow to PB is 16 July 2007. The simple fact is that it is essential this date is met by Halcrow, not simply to comply with our MUDFA obligations, but, more importantly, to improve our reputation at a time when we are working hard to recover our commercial position. I have already been forced to acknowledge the earlier failings: I enclose a copy of my letter of 11 July to Graham Barclay in response to his letter setting out tie's criticism of SDS performance. I have no wish to be placed in a similar position due to failure to achieve the Section 1B goals.

I don't believe it useful in this letter to dwell on the reasons for the current problems but this matter is now generating more concern and consuming more of my time than any other issue in my dealings with tie. I must ask that you address this as a matter of absolute priority and that you ensure your team is adequately resourced to deliver against reasonable expectations. We are now at a critical point on this project and we simply cannot be seen in tie's eyes to fail again on a MUDFA deliverable.

Yours sincerely

Parsons Brinkerhoff Ltd
Stephen C Reynolds
Project Director