

From: Mark Hamill
Sent: 23 April 2009 10:11
To: Hazel Kennedy
Subject: Risk Section

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Please see below. Give me a call if you or Frank need anything changed. Thanks.

Infraco Risk Update

Risk reviews were carried out in the period with the PMs for Princes Street works, Roads and Drainage, Invasive Species, Murrayfield Pitch Relocation, Structures and the Depot. All treatment plans were reviewed and updated accordingly. The four risks below are those high-level risks identified by the Infraco Director as currently facing the Infraco team. The risk relating to a commercial dispute has now occurred and is being managed by **tie** management.

Discipline	Risk description			
	Risk Number	Cause	Risk Event	Effect
General	80	Lack of agreement over design changes between Nov 07 and May 08	Commercial dispute prevents progress of critical works	Delay to programme, extension of time claim. Additional costs.
General	79		Failure of SDS/CUS to supply 'as built' drawings to tie	Rework on existing designs. Delay to programme, additional costs
General	48	Utilities do not finish diversion works prior to Tramworks commencing work	Tramworks are unable to commence work or work is delayed/disrupted (ARM ID 1076)	Delay and disruption claims from BSC.
General	49	Lack of visibility of design changes between November 2007 and May 2008 and in general	Tramworks price based on a design which may have been altered. Unclear who authorised design changes from 25/11/07 onwards.. (ARM ID 1077)	Additional cost from Tramworks to meet revised design.

Work has progressed between the **tie** Project Risk Manager and Siemens' commercial team as **tie** continue to ensure BSC meet their requirements with regards to risk management as set out in the Employers Requirements.

There has been one drawdown on the Infraco project risk allocation. The Project risk "Increase in levels of spoil excavation" (Risk Id 974) had been reassessed in Period 13 as the allowance for this risk had been identified as being insufficient. The risk allocation at contract award for this risk was £100k. In period 9 this was increased to £400k however in Period 1 09/10, as part of an overall review of the project risk allocation, the allowance for this risk was increased to £2600k to take account of the revised levels of material at the depot and the potential for other material to be removed elsewhere in the project. The amount being drawn down this period is £1,425,174.

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