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**From:** Mary Erskine <Mary.Erskine@scottishwater.co.uk> on behalf of Campbell Connor <Campbell.Connor@scottishwater.co.uk>  
**Sent:** 16 April 2010 12:13  
**To:** John Casserly  
**Subject:** RE: MUDFA Scottish water Staff Costs

Dear John

Further to your email of 13th April 2010 Subject: MUDFA Scottish Water Staff Costs please find following the requested high level assessment of the additional costs/forecast costs that it is anticipated have been incurred by Scottish Water as a result of the MUDFA delivery performance.

Please note that the information supplied is not exhaustive and is provided on a without prejudice basis. Further, the use of any data contained herein is entirely at your own risk.

#### Design Support

Additional Costs Range - £170,000 to £290,000 Arising from:

- \* Insufficient/inadequate site investigation and design changes.
- \* Poor as-built records

#### Operational Support

Additional Costs Range - £330,000 to £460,000 Arising from:

- \* Lack of co-ordination of tie-ins
- \* Insufficient suitably qualified testing personnel
- \* Emergency shutdowns/pipe failures
- \* Additional work fronts due to programme delays
- \* Prolongation

#### Project Management and Site Supervision

Additional Costs Range - £1,160,000 to £1,750,000 Arising from:

- \* Additional work fronts due to programme delays
- \* Prolongation
- \* Additional resources required to facilitate TIE driving MUDFA delivery
- \* Lack of supervision
- \* Works not compliant with specification
- \* H&S issues/DOMS audits
- \* Public relations requirements
- \* Additional reporting and governance requirements due to prolongation
- \* Replacement delivery partners

#### Domestic Customer Repairs

Additional Costs - £10,000

Arising from:

- \* Works not compliant with specification
- \* Lack of DOMS compliance

#### Snagging/Repairs

Additional Costs Range - £1,500,000 - £2,500,000 Arising from:

- \* Works not compliant with specification

We trust that the above addresses your request for information for your deliberations over the MUDFA delivery performance.

Should you require any further information or detail we will assist you in these matters and would request that you afford Scottish Water sufficient notice for the collation of the required substantiation.

I look forward to hearing from you.

Best regards

Campbell Connor  
Commercial Manager  
Capital Investment Delivery  
Scottish Water

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