

Edinburgh Tram Network

BSC-Tie Strategy for Resolution of Delay and Disruption Impacts in Period May-December 2008

1 Introduction

The ETN contract has been impacted by a number of significant delays in the initial 6 month period. The current Contract programme remains the programme issued on 29th April, against which we are currently showing a 5-6 month delay. The absence of a realistic programme is having a negative impact on planning, procurement and monitoring of progress. It is therefore important to develop a strategy for successful resolution of these issues with tie, in a defined timescale, and establish a sound baseline for going forward.

2 Strategy for Resolution

Meetings at tie/BSC director level have established an outline framework for addressing the delay issues. In particular it was agreed that the initial design programme delay should be resolved first and independently of subsequent issues.

The director discussions focussed on a method of analysis of delay by "time slice" to establish the position at intervals from Contract Commencement to date. It is however the view of the BSC site team that the process in fact requires 2 stages :-

(1) analyse separately the different delay classes, to establish the effect of each

(2) integrate the impact of the various delay classes, at agreed intervals, to identify concurrent delay and establish the overall liability for time and cost.

This document only outlines the site team proposals to address item (1), which will be complete by the end of 2008. Integration of the various delays, and establishment of overall liability for time and cost, item (2), has yet to be addressed.

3 Classes of Delay

3.1 V26 / V31 Design Programmes

The design programme (V26) referenced in the Contract was superseded by V31 at the Contract Commencement date. BSC immediately notified a tie change, claiming delay and consequential cost. On 10th September we submitted a written claim for EOT of 9w 1d against this variation based on a straight substitution of the V26 dates with V31 dates in the Contract Programme. We have offered a mitigation programme which shows a delay of 7w 3d.

On 20th October, tie indicated they would agree the time evaluation of 7w 3d but strongly contested the consequential cost evaluation (£5.2m) and would not settle one element without the other. This movement is the direct result of the director level meetings, and will now be driven to resolution at site level.

3.2 MUDFA Completion

The original basis of the contract programme was that all utility diversions would be complete before any Infraco works commenced. Ongoing presence of MUDFA activities on site prevents access by INFRACO to many areas of the site. **tie** have recently issued a MUDFA completion programme – impact on the Infraco programme is now being analysed.

3.3 MUDFA works transferred to INFRACO

We have received a number of **tie** change orders for the transfer of MUDFA works into the INFRACO contract and also to deal with services abandoned by MUDFA. The full scope of such diversions is not yet confirmed, and detailed planning is ongoing.

3.4 Ongoing Design Delays, Post V31

The current projected delay to the contract is now 19 weeks based on V36 of the SDS programme. We are working with SDS to produce a full account of critical delays.

3.5 Changed Designs and Misalignment Issues

Although many areas of the works remain unchanged from the design freeze drawings there are some significant variations. The process to consider every IFC drawing and compare it with tender is time consuming and cannot be completed until the design is completed (currently programmed for spring 2009). In addition the misalignment (i.e differences between Consortium proposals and the SDS base design) issues could impact the programme. We will therefore initially limit re programming to specific and clearly identifiable changes. A complete analysis will be undertaken at a later date.

3.6 Mobilisation

tie continue to claim that BSC have failed to mobilise in accordance with the original programme and instructions issued either under the Mobilisation and Advance Works Contract or the Main Contract.

4 Evaluation of Different Classes of Delay

The proposal is to tackle the issues in a sequential manner. However the following indicates a possible summary of activities and timescale.

V26 / V31

- Insert V31 dates into contract programme
completed

Tie also believes that rescheduling / acceleration will improve the end date.

- Gain tie agreement that any consideration of rescheduling / acceleration is left until the end of the process to avoid exercises that become irrelevant as a result of considering other delays (e.g. where festivals fall relative to activities on the programme).

Delayed Access due to Incomplete MUDFA Works

- Following agreement of V26 / V31 insert new MUDFA dates for each subsection into the revised programme.
Complete by 7 November 2008

Tie wish to consider in more detail the ability of MUDFA and INFRACO to work in the same geographic sub sections.

- Detailed consideration of MUDFA works on revised programme.
Complete by 21 November 2008

Transfer of Work from MUDFA to INFRACO

We have already received a number of tie change orders for the transfer of MUDFA works into the INFRACO contract and also to deal with services abandoned by MUDFA. These are proving to be difficult to price and programme owing to the difficulty of getting such information from specialist sub contractors and Utility Companies. Once this information can be collated the result will be fed into the programme.

- Agree the total scope of works with tie.
- Following the agreement of the above two programme revisions insert new items into the programme for MUDFA to INFRACO scope changes and abandoned services.
Complete by 5 December 2008

Post V31 Design Delays

- SDS to substantiate delays to the release of IFC drawings for the critical areas 2A, 5B and 5C.
Complete by end October 2008
- SDS to substantiate delays to the release of IFC drawing that affect the start of construction in other areas of the contract.
Complete by end November 2008
- Following the agreement of the above three programme revisions incorporate the post V31 design delays that can be attributed to tie into the programme.
Complete by 19 December 2008

Changed Designs

Although many areas of the works remain unchanged from the design freeze drawings there are some significant variations , the following is proposed.

- Identify the significant changes from the design freeze drawings and re-programme these individual activities.
Undertake in parallel with the above actions.

- Following the agreement of the above four programme revisions incorporate these separately identified changes into the programme.
Complete by end January 2009
- Incorporate all effects of IFC drawings into revised programme.
Complete 6 weeks after last IFC drawing received.

Misalignment Issues

- Identify the programme effects of the mis-alignment issues and re-programme the individual areas.
Undertake in parallel with the above actions.
- Following the agreement of the above five programme revisions incorporate these separately identified changes into the programme.
Complete by mid February 2009

Mobilisation

As noted above we need to understand the effects, if any of mobilisation dates.

- Consider actual performance in light of all impacts (internal, tie and third party) and with appropriate use of contractors float.
Complete by 19 December 2008

5 Integration of Various Delays to Assess Overall Impact

Assess on agreed time intervals :-

May 14th to end July
1st August to end September
1st October to end December