

---

**From:** Matthew Crosse  
**Sent:** 13 February 2007 19:17  
**To:** Ailsa McGregor  
**Cc:** Trudi Craggs; Geoff Gilbert; Susan Clark; Jim Cahill; Steven Bell  
**Subject:** RE: SDS CLAIM

Thanks Ailsa.

Notwithstanding developing a defensive position based on good facts, we may need to consider how we can put in a counter claim. This might be a long term project....

Matthew

tie limited  
Citypoint  
65 Haymarket Terrace  
Edinburgh  
EH12 5HD  
P: +44 (0) [REDACTED]  
F: +44 (0) [REDACTED]  
M: +44 (0) [REDACTED]

E: [matthew.crosse@tie.ltd.uk](mailto:matthew.crosse@tie.ltd.uk)  
W: [www.tie.ltd.uk](http://www.tie.ltd.uk)

For more information on Transport Edinburgh go to:  
[www.transport-edinburgh.org.uk](http://www.transport-edinburgh.org.uk)

**Did you know .....** Princes Street and other shopping streets will be reborn as trams help to transform our city by creating a more pleasant shopping environment and new opportunities for shopping...on an average Saturday in Strasbourg, the number of shoppers in the city centre rose from 88,000 to 163,000 after the opening of the two tram lines.

---

**From:** Ailsa McGregor  
**Sent:** 13 February 2007 17:05  
**To:** Matthew Crosse; Trudi Craggs; Geoff Gilbert  
**Cc:** Susan Clark; Jim Cahill; Steven Bell  
**Subject:** SDS CLAIM

Dear all,

Jim and I had a Changes meeting with SDS (David Hutchison and John Bloe) today and at the meeting SDS advised that they will be submitting a claim within the next week. SDS advised that the claim including the SDS raised changes will be in the order of £3million and that SDS would expect an on account payment from tie, probably in the order of 1/3<sup>rd</sup> of the value.

I stated that until tie receives the claim and we have had the opportunity to review it then tie would not be in a position to make any on account payments.

Please note that £1.5m relates to changes raised by SDS, a number of these changes are for works within their contract such as the traffic modelling at an additional £450k, CPO notice drawings at an additional £72k, site notification letters at an additional £78k, two bridges (historical from sept 2005) at £400k and some are for additional works due to the dynamics of the projects.

The SDS claim for additional management fees is likely to be about £1.5m. The contract is a fixed price contract to 2009 which includes the management of the Project.

As soon as I receive the claim I will circulate it to you all.

Regards,

CEC01791615\_0001

**Ailsa McGregor**  
**SDS Project Manager**  
**Edinburgh Tram Project**

.....  
tie limited  
Verity House  
19 Haymarket Yards  
Edinburgh EH12 5BH

Tel: +44 [REDACTED]

Fax: +44 [REDACTED]

Email: [ailsa.mcgregor@tie.ltd.uk](mailto:ailsa.mcgregor@tie.ltd.uk)