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**From:** Reynolds, Steve  
**Sent:** 26 July 2007 15:01  
**To:** Ayres, Greg  
**Subject:** RE: Tie Deliverables Analysis

Greg

We can review the PCS Friday morning. I will be with John McNicholls in M/c. I will be in early but need three quarters of an hour out for a dental appointment which is at 0900.

On claim status there is no Claim 3 as per your definition. The supplementary claim already submitted and acknowledged by tie covered the period to 22 June - the day after the Critical Issues were unlocked and there has been no delay since other than a small amount of work on Forth Ports which is to be wrapped up when the change request for that element of the works is finalised.

Claim 4, should we decide to submit for my time (at base salary cost) and expenses, amounts to £58,000 for the period from 05 February thru 27 July. On design dislocation I don't believe we have any easily auditable method of arriving at such a figure and dislocation of continuing activities should have been included in the individual change requests. Where we would potentially have a case is for continuing slippage in start date for new activities with teams repeatedly on stand-by and then stood down. This could conceivably be derived from the critical issues timeline on the basis that expected resolutions did not happen. The likely counter though would be that we should have stood down and then remobilised when a definite plan was available. In reality that's what we did and inspection of the time booking records supports that conclusion, Structures being the only significant discipline expenditure through the later stages of the delay period. (I believe bookings in the earlier phase of the delay period were likely down to people simply booking time to the job and the instances of this reduced once management action was taken). So, I think the only charge that could reasonably be levied for design dislocation would be remobilisation of the design teams. At, say, one day for each individual and assuming, say, 100 individuals at an average sell rate of £78 per hour (senior designer) the price would equate to £58,500.

What we may have is grounds for a claim for acceleration but that's a current operations issue and shouldn't be bundled with the potential IDR subject matter.

Let's talk separately on the IDR strategy but I can't see that we have a strong case for pressing IDR when we have still to respond to yesterday's tie feedback. (some of which really came as no surprise - at several points on this contract we really didn't perform very well and whilst I hadn't been made aware of the poor quality of the Requirements Definition Report that statement has now been confirmed to me. If we acknowledge that as a key driver then we have to make some adjustment although I'm not willing to accept without further investigation the suggestion that as a direct consequence the PD was late)

On MUDFA I convened a special meeting yesterday with Alan Dolan, Tom Kelly, Halcrow David Simmonds and Jason. I went through all the issues leading up to the incident of the failure to deliver Section 1B IFC's and as you would imagine the picture is not as simple as tie would like to present. In this case the failure of Scottish Water to engage in timely approvals was key. The message I hammered home in no uncertain terms was that we as SDS have to get very much better at anticipating problems and flagging up causes for concern long before the due dates. In my view Dolan and Kelly have both failed to deliver on this score and they are now under instruction to perform much more effectively in future. As for Halcrow the message to them was the same plus the need to get drawing quality right first time. Had the first submission been of the required quality I suspect there would have been more time to deal with the SUC matters. In the team's defence it appears they were in regular discussion with the tie MUDFA team and Barclay himself knew

long before Gallagher was informed (indirectly by me of course) the true position. The other key message from me yesterday was to ensure all drawings are across the line well in advance of the 06 August dig start.

I haven't done yet but I will respond to Willie and confirm the conclusions from the meeting to Watters.

Steve

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-----Original Message-----

From: Ayres, Greg  
Sent: 26 July 2007 08:43  
To: Reynolds, Steve  
Subject: RE: Tie Deliverables Analysis

Steve

So when can we review the pcs to determine what we need to provide in the context of the Gilbert meeting yesterday and the claim.. which I think needs to be filed.

What is the quantum and status of:

Claim 3, additional services from P7 onwards Claim 4: additional DP, and design dislocation costs

We can talk later but I am still of the opinion that the clock needs to start now before August which is a write off considering the vacation of the protagonists, and represents 4 more works of MUDFA concerns

Have we written to Watters to put him on notice of the failure of "IFC" deliverables for August 6?

rgds  
Greg

-----Original Message-----

From: Reynolds, Steve  
Sent: 25 July 2007 18:42  
To: Ayres, Greg  
Subject: RE: Tie Deliverables Analysis

absolutely

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-----Original Message-----

From: Ayres, Greg  
Sent: 25 July 2007 18:18  
To: Reynolds, Steve  
Subject: Re: Tie Deliverables Analysis

Steve does this help resolve the vagaries of the PCs To go costs?

Greg

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Sent from my BlackBerry Wireless Handheld

----- Original Message -----

From: Reynolds, Steve  
To: DUCKSBURY, Bob; MORRIS, Robert (Bob)  
Cc: Ayres, Greg; Kohler, Chuck  
Sent: Wed Jul 25 17:20:00 2007  
Subject: FW: Tie Deliverables Analysis

All,

FYI and an indication of the driver behind resource planning for the remainder of the detailed design phase on Edinburgh.. This is the summary overview of delivery forecast for the design work packages we are actually producing - i.e. ahead of any remaining approvals and consents activities which are down to the client and which will require less effort from PB since we'll be employed in a support role at that point. (With minimal rework I would hope). The level of confidence in this analysis is high given the resolution of virtually all of the Critical Issues at the meeting held on 21 June.

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From: Reynolds, Steve  
Sent: 25 July 2007 17:12  
To: 'Matthew Crosse'; 'Tony Glazebrook'; 'Geoff Gilbert'  
Cc: Chandler, Jason; David Crawley  
Subject: Tie Deliverables Analysis

Further to our meeting this afternoon, I still have to add the V14 "baseline" to this but I've tidied up the presentation to show current progress as at the V17 data date of 02 July together with the forecast updated as "V17+" from this morning's latest weekly review. The end-of-period V18 data date is 30 July which is next Monday at which point we

will be in a position to confirm actual progress on the "Deliverables to tie" metric through this current period.

Steve

<<V17 tie Deliverables.xls>>

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