From: Jim McEwan

Sent: 07 November 2007 16:22

To: Jim McEwan; Andy Steel - TSS; Jim Harries (Transdev); Alastair Richards - TEL; Gavin

Murray; 'wwcampbell@lothianbuses.co.uk'; Tony Glazebrook; David Crawley; Lindsay

Murphy

Cc: David Carnegy; Willie Gallagher; Steven Bell; Geoff Gilbert; Susan Clark

Subject: RE: Value Engineering Meeting 3pm today venue : Kingdom

Attachments: KEY PRINCIPLES ON VE NOVEMBER.ppt

Slide attached.

From: Jim McEwan

Sent: 07 November 2007 16:20

To: Jim McEwan; Andy Steel - TSS; Jim Harries (Transdev); Alastair Richards - TEL; Gavin Murray;

'wwcampbell@lothianbuses.co.uk'; Tony Glazebrook; David Crawley; Lindsay Murphy

Cc: David Carnegy; Willie Gallagher; Steven Bell; Geoff Gilbert; Susan Clark **Subject:** RE: Value Engineering Meeting 3pm today venue: Kingdom

My thanks to those who managed to attend this afternoon's meeting, I attach for your review a copy of the slide I prepared for the meeting. The principle message is that we have a budget to hit and the more savings that we can identify from the ongoing technical review process the easier our target will be. The BBS bid price is generally based on designs which were current in March of this year, designs which may well have evolved since with SDS and may also have gone through some formal or informal approval, if this has the net effect of forcing a change to the BBS bid which will reduce the price then these can be garnered as VE saving opportunities, if it goes the other way then the item in question should be recorded by the appointed TIE technical review stream chairman in the template supplied by Susan Clark, these will be debated with CEC where appropriate and in the context of the more pragmatic view now abroad on costs vs desired 'nice to haves'.

The default position is that the least expensive design must prevail providing it meets the fundamental criterion on safety and functionality.

Jim McEwan

From: Jim McEwan

Sent: 07 November 2007 10:28

To: Andy Steel - TSS; Jim Harries (Transdev); Alastair Richards - TEL; Gavin Murray; 'wwcampbell@lothianbuses.co.uk'; Tony Glazebrook; David Crawley; Lindsay Murphy

Cc: David Carnegy; Willie Gallagher; Steven Bell; Geoff Gilbert **Subject:** Value Engineering Meeting 3pm today venue: Kingdom

Gentlemen

You've been invited to attend a brief meeting today to discuss Value Engineering Principles. I attach for your review the Value Engineering update to last week's Tram Project Board, this shows the size of the task we are facing and I'd like the opportunity to discuss with you the technical review process and the essential requirement to achieve the value engineering savings and just as importantly to avoid potential price creep. Willie Gallagher has asked that I call this meeting, accordingly I'd be very grateful if you could schedule it into your busy diaries, it should take 30 minutes max.

Many thanks

Jim