

**From:** Mark Hamill  
**Sent:** 17 June 2010 09:45  
**To:** Hazel Kennedy  
**Subject:** Risk Section

Infraco Risk Update

H,

Please see below.

Risk Management

Risk reviews were carried out in the period with the PM for Section 1A and the high-level risks were reviewed with the Infraco Director. The risks below are those high-level risks identified by the Infraco Director as currently facing the Infraco team. An additional risk was added which related to the potential design liability which tie may incur due to the scope of work within the collateral warranty between SDS and tie.

	Risk description			
	Risk Number	Cause	Risk Event	Effect
General	80	Lack of agreement over design changes between Nov 07 and May 08	Commercial dispute prevents progress of critical works	Delay to programme, extension of time claim. Additional costs.
General	116	Failure of BSC to comply with Employer's Requirements	Failure to supply system verification, integration and design assurance documentation.	ICP does not approve system for operation.
General	117	Utility diversions carried out prior to final design of DKE. Lack of space when utility diversion were being carried out	Conflicts with services within the DKE at Leith Walk	Additional cost and delay
General	118	BSC failure to comply with contractual obligations with regard to on-street works.	Failure to progress on-street works and/or requirement for OSSA	Additional cost and delay
General	122	Utility works being transferred to Infraco	Insufficient funds are available to be transferred from MUDFA to cover the cost of outstanding utility works.	Increased unbudgeted cost
General	123	Allowances made in MUDFA account for betterment	Misalignment in calculation of betterment between tie and SUCs results in lower payments being received from SUCs than what has been previously been budgeted	Increased unbudgeted cost
General	126	tie prevent BSC commencing work in specific on-street sections	Decision by tie to prevent on-street works commencing in certain areas causes BSC to delay progress in off-street section.	Further delay to off-street works.
General	131	The scope of work within the collateral warranty between SDS and tie following the novation agreement does not equate to the scope of work which is actually required.	tie may have an outstanding design liability at some point in the future	Additional cost

A total of £135,000 was drawn down from the risk allowance during the period.

Mark

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