
From: Mike Heath [mike@██████████]
Sent: 11 March 2009 22:48
To: Julie Smith
Cc: williamt@██████████ Steven Bell; 'malcolm hutchinson'; 'Mike Heath'; Stewart McGarrity
Subject: Information

Julie, Steven

I think this sums up the information we need. Some of it is from previous requests most of it is new.

Copies of Clauses 87 and 111.

Copy of Change order 21 (listed in your email but not there)

Is there a narrative section to Schedule4. We have appendices F1-F4.

Andrew Fitchie was going to produce a note outlining what other contractual options had been considered and rejected in favour of DRP and why.

The next points are really for Steven to advise you what you can send us.

Steven the next points are aimed at ensuring that the DRP and associated papers don't falter on technicalities.

- a) Does the Project Director have any status in the contract?
- b) Does the Tie Chairman have any status in the contract ?
- c) Can the tie representative delegate their powers to give notice?
- d) Is there another change order instructing BSC to start in Prince's street or does the 2nd DRP rely on Change Order 21?
- e) Does the issue of full depth reconstruction affect Change Order 21 and if so does it constitute a Tie change?
- f) Is there any evidence of BSC refusal to start works in princes street before 19th February?

The next are key evidence points really for Steven's comments.

Do you have the emails referred to around 9/10th February where the £50-80m additional cost is mentioned and it is said by BSC to be to Tie's account?

Does Tie acknowledge the logic that BSC have arrived at for the 16 month overrun on programme referred to by BSC (presumably unmitigated)?

If there is no other change order in play what contractual provision is Tie relying on to instruct BSC to start work on princes street on 21st February, non compliance with which is considered a serious breach of contract by Tie?

If Tie has the right to instruct the contractor to work to some but not all elements of the programme what contractual provision(s) is it relying on to protect itself from unwittingly importing the programme risk?

Steven,

Having spoken to Malcolm and Willie we think we can give you a provisional view on the two DRP's by Monday morning. (Gives us the weekend to tidy anything up) The extent to which it is caveated will be determined by the responses on these last questions.

Malcolm is very much of the view that the next peer Review should be more of a workshop session dealing with contract management in the round not just the construction and integration aspects but also testing and operation post opening with an emphasis on dispute avoidance. Your thoughts on this would be appreciated.

Kind regards

Mike