
From: Iain Whyte
Sent: 12 October 2010 16:28
To: Dave Anderson; Donald McGougan
Cc: Allan Jackson; Jeremy Balfour; Tom Aitchison; Alistair Dinnie
Subject: RE: Tram Report
Attachments: Tram costs Oct 2010.xls

For information I have updated Alan Coyle's table with the information I now have and attach a copy. The gaps are bigger!

Iain

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

From: Dave Anderson
Sent: 12 October 2010 07:52
To: Iain Whyte; Donald McGougan
Cc: Allan Jackson; Jeremy Balfour; Dave Anderson; Tom Aitchison; Alistair Dinnie
Subject: RE: Tram Report

Iain. My apologies for the delay in replying. I was off yesterday for a hospital appointment. The utilities figure is stuck partly due to some areas that BT need to re-open for cabling work and also because there is part of the Ocean terminal to Newhaven stretch that tie believes it doesn't make sense to commit to at this stage. Estimates for achieving a fully completed design have moved around a little because of the interplay between SDS and BSC but end December was the last target date reported to me. I'll call Richard this morning to confirm that this remains the case. Best regards. Dave

Sent from my HTC Touch Pro 2 on Vodafone

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

From: Iain Whyte <Iain.Whyte@edinburgh.gov.uk>
Sent: 11 October 2010 15:50
To: Donald McGougan <Donald.McGougan@edinburgh.gov.uk>
Cc: Allan Jackson <Allan.Jackson@edinburgh.gov.uk>; Jeremy Balfour <Jeremy.Balfour@edinburgh.gov.uk>; Dave Anderson <Dave.Anderson@edinburgh.gov.uk>; Tom Aitchison <Tom.Aitchison@edinburgh.gov.uk>; Alistair Dinnie <Alistair.Dinnie@edinburgh.gov.uk>
Subject: RE: Tram Report

Donald,

I would be keen to have at least an initial take on this from you before our Group meeting tomorrow.

Iain

From: Iain Whyte
Sent: 08 October 2010 17:38
To: Donald McGougan
Cc: Allan Jackson; Jeremy Balfour; Dave Anderson; Tom Aitchison
Subject: Tram Report

Donald,

I have read the tram report for next week's Council and am confused and concerned about the way project progress has been presented and the costs spent to date. As the finances have been "explained" rather than set out in an easy to understand tabular format I have done my own here:

Element	%	Budget	% complete	Spent
Utilities	10	51	95	48
Vehicles	11	56	60	34
Project cost	21	108	100	108
Design	12	61		
Infrastructure	46	236	24	57
	512	308		

To do this I have had to make certain assumptions that I hope you can confirm are accurate or explain why they are wrong. These are:

- * That the budget is £512m as signed off by the Council (we can only measure progress against this original 95% certain figure).
- * That project costs are a running cost and spend is 100% of the 21% of the project described in the report.
- * That the spend is on budget in relation to the %age completion described for each part of the project.

On this basis I calculate a spend to date of £308m and not the £381m you have noted in the report. Now I do note that you have said that there is a 30% increase in utilities costs but you have not said whether this is within the 10% of the project assigned to utilities. If this is additional it would equate to £15m.

So the obvious question (even taking account of utilities) is where has the other £73m been spent? It would suggest that more than double has been spent so far on Infrastructure given the completion rate. It leaves an accusation that about 50% of Infrastructure budget has been spent for 24% progress. It also is out of step with the reported costs of DRP.

In order to clarify things I think it would be best if you could provide me with a table like that above with your understanding of things and an additional column indicating the budget you would have expected to have spent on the level of completion to date.

Perhaps Dave could also provide some further explanation as to why design is listed as "substantially complete" and not complete and why utilities has been stuck at "over 95% complete" for months.

I look forward to hearing from you.

Iain