



**Tram Project Board  
Report on Period 07 (2010/11)  
Papers for meeting 21<sup>st</sup> October 2010**

**11:30am – 14:00pm**

**Distribution:**

**Members and attendees**

David Mackay (Chair)  
Marshall Poulton  
Bill Campbell  
Steven Bell  
Kenneth Hogg  
Cllr Ian Perry  
Ian Craig

Cllr Phil Wheeler  
Stewart McGarrity  
Cllr Allan Jackson  
Cllr Gordon Mackenzie  
Brian Cox  
Peter Strachan  
Mandy Haeburn-Little

Donald McGougan  
Richard Jeffrey  
Dave Anderson  
Alastair Richards  
Neil Scales  
Alasdair Sim (Secretary)

**In addition – for information only**

Cllr Maggie Chapman  
Andy Conway  
Norman Strachan  
Iain Coupar

Cllr Tom Buchanan  
Frank McFadden  
Alan Coyle  
Gregor Roberts

Dennis Murray  
Ailie Wilson  
Susan Clark

TRAM PROJECT BOARD

<b>Contents .....</b>	<b>Page</b>
<b>Agenda Tram Project Board .....</b>	<b>4</b>
<b>Tram Project Board Minutes 22/09/10 .....</b>	<b>6</b>
<b>Project Directors' Report .....</b>	<b>13</b>
<b>Papers for Consideration Period 07 2010/11 .....</b>	<b>21</b>
<b>Primary Risk Register .....</b>	<b>27</b>
<b>Period 07 Transport Scotland Report Sections 2-7 .....</b>	<b>31</b>

**Agenda Tram Project Board**  
**Brunel Suite – Citypoint, 2<sup>nd</sup> Floor**  
**21<sup>st</sup> October 2010 – 11.30am to 14.00pm**

**Attendees:**

David Mackay (Chair)	Cllr Phil Wheeler	Dave Anderson
Richard Jeffrey	Cllr Ian Perry	Stewart McGarrity
Bill Campbell	Cllr Allan Jackson	Alastair Richards
Cllr Gordon MacKenzie	Brian Cox	Graeme Bissett
Donald McGougan	Neil Scales	Mandy Haeburn-Little
Steven Bell	Kenneth Hogg	Andy Conway
Marshall Poulton	Peter Strachan	Alasdair Sim (Minutes)

## Apologies:

- 1 Review of Previous Minutes and Matters Arising (DJM)
- 2 5 Key Business Priorities (RJ)
  - 2.1 Building the Tram
    - Update on Progress with BSC (RJ)
    - Project Director Progress Report Period 07 (SB)
    - Change Requests & Risk Drawdown (SB)
  - 2.2 Preparing for Operations (AR)
  - 2.3 Building the Brand (MHL)
  - 2.4 Building the Team (RJ)
  - 2.5 Preparing for the Future (RJ)
- 3 AOB
- 4 Date of next meeting – 17 November 2010

## Tram Project Board Glossary of Terms

APA	Asset Protection Agreement	MUDFA	Multi Utilities Diversion Framework Agreement
AFR	Accident Frequency Rate	NPF	National Planning Framework
BCR	Benefit to Cost Ratio	NPV	Net Present Value
BROR	Benefits Realisation & Operational Readiness Committee	NR	Network Rail
BSC	Bilfinger Berger, Siemens and CAF	NTS	National Transport Strategy
CCTV	Closed Circuit Television	OCIP	Owner Controlled Insurance Programme
CEC	The City of Edinburgh Council	OGC	Office of Government Commerce
COCP	Code of Construction Practice	OJEU	Official Journal of the European Union
DFBC	Draft Final Business Case	OLE	Overhead Line Equipment
DPOFA	Development Partnering & Operating Franchise Agreement	PFI	Private Finance Initiative
DRP	Dispute Resolution Process	PIN	Preliminary Information Notice
DV	Valuation Office Agency	PMP	Project Management Plan
EARL	Edinburgh Airport Rail Link	QRA	Quantitative Risk Analysis
ER	Employers Requirements	RBS	Royal Bank of Scotland
ETL	Edinburgh Trams Limited	REV	Revision
ETN	Edinburgh Tram Network	RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations
ETP	Edinburgh Tram Project	ROGS	Railway and Other Guided Transport Systems (Safety) Regulations
FATS	Factory Acceptance Test	RPI	Retail Price Index
FBC	Final Business Case	RTS	Regional Transport Strategy
FOISA	Freedom of Information (Scotland) Act	SATS	Site Acceptance Test
FoTW	Foot of the Walk	SCADA	Supervisory Control and Data Acquisition
GMP	Guaranteed Maximum Price	SDS	Systems Design Services contractor
GVD	General Vesting Declaration	SE	Scottish Executive
H&S	Health and Safety	SESTRAN	South East of Scotland Transport Partnership
HSQE	Health, Safety, Quality & Environment	SNH	Scottish Natural Heritage
HMRI	Her Majesty's Rail Inspectorate	SP	Scottish Power
HR	Human Resources	SPOKES	Lothian Cycle Campaign
IDC	Inter-Disciplinary Checks	SRO	Senior Responsible Owner
ICP	Independent Competent Person	SRU	Scotland Rugby Union
Infraco	Infrastructure Contract	STAG	Scottish Transport Appraisal Guidance
ICT	Information Communications & Technology	SUCs	Statutory Utility Companies
INTC	Infraco Notice of Tie Change	SW	Scottish Water
ITN	Invitation to Negotiate	TEL	Transport Edinburgh Limited
ITPs	Implementation Test Plans	TENS	Trans-European Transport Network Executive Agency
ITT	Invitation to Tender	TPB	Tram Project Board
JRC	Joint Revenue Committee r	TRO	Traffic Regulation Order
KPI	Key Performance Indicator	TTRO	Temporary Traffic Regulation Order
LB	Lothian Buses	Tramco	Tram Vehicle Supply and Maintenance Contract
LLAU	Limits of Land to be Acquired or Used	TS	Transport Scotland
LOD	Limits of Deviation	TSS	Technical Support Services contract
LRT	Light Rapid Transit	UTC	Urban Traffic Controls
LRV	Light Rail Vehicle	VAT	Value Added Tax
LTS	Local Transport Strategy	VFM	Value For Money
MP	Member of Parliament		
MSP	Member of Scottish Parliament		

**Edinburgh Tram Network Minutes**

**STRICTLY PRIVATE AND CONFIDENTIAL**

**Tram Project Board**

**22<sup>nd</sup> September 2010 (09:30 to 12:00)**

**tie offices – Citypoint II, Brunel Suite**

<b>Members in Attendance:</b>			
David Mackay	DJM	Bill Campbell	WWC
Richard Jeffrey	RJ	Donald McGougan	DMcG
Cllr Gordon MacKenzie	GM		
<b>In Attendance:</b>			
Steven Bell	SB	Andy Conway	ACon
Brian Cox	BC	Gregor Roberts	GR
Alastair Richards	AR	Kenneth Hogg	KH
Marshall Poulton	MP	Cllr Allan Jackson	AJ
Stewart McGarrity	SMG	Cllr Phil Wheeler	PW
Dave Anderson	DA	Mandy Haeburn-Little	MHL
Alan Coyle	AC	Greg Ward (Part time)	GW
Peter Strachan	PS	Alasdair Sim (minutes)	AS

**Apologies:**

Cllr Tom Buchanan, Cllr Maggie Chapman, Cllr Ian Perry, Ian Craig, Peter Strachan; Neil Scales

<b>1.0</b>	<b>Introduction, Review of Previous Minutes and Matters Arising</b>	
1.1	DJM welcomed the participants to the meeting and noted the apologies.	
1.2	<p><u>Matters Arising from Previous Minutes</u></p> <p>Action Item 2.3: An options paper is in progress and on schedule for delivery in October.</p> <p>Action Item 3.1: A typo was noted - the report refers to Period 5, and not Period 4.</p> <p>SB noted that a CEO meeting with CUS has been held and that matters are likely to be escalated into DRP; mediation scheduled for early October.</p> <p>Action Item 3.3: Reported on later at the TPB.</p> <p>Action Item 5.3: Action closed – see minutes below.</p> <p>All other actions identified in the minute have been closed out.</p>	
1.3	The minutes of the TPB from 25 August 2010 were accepted as an accurate record.	

1.4	<p>DJM asked the TPB to declare and confirm any new conflicts of interest; there being none, he went on to emphasise the absolute requirement for strict adherence to commercial confidentiality, both in regard to the specific matters discussed and to papers referred to in the meeting.</p>	
<b>2.0 Open for Business</b>		
2.1	<p>Following an invitation extended at the previous TPB (Item 5.3 above), Greg Ward (CEC Head of Economic Development) outlined a proposal to extend the 'Open for Business' initiative. This project is focussed on supporting Edinburgh both as an entity, as well as marketing local business during the tram construction.</p> <p>The Board discussed the wider benefits arising from these types of initiatives and considered a variety of investment options and noted that the implications of this on Tram Project Grant Award funding. It was agreed that a formal report will be presented to the TEL Board for consideration during October 2010.</p>	MHL
<b>3.0 Traffic Regulation Order (TIE Committee)</b>		
3.1	<p>GM updated the Board on the Transport, Infrastructure &amp; Environment Committee meeting held on 21/09/10, and specifically on the decision reached by the Committee to defer the decision on making the Tram TRO1 Order until the November TIE Committee (23/11/10). This will allow sufficient opportunity to provide training to the Members on the legal and procedural context of this particular set of Traffic Regulation Orders. TRO1 will introduce the regulatory measures required to allow operation of the tram within the City Centre.</p> <p>This was noted by the Board, and RJ cautioned that the City could be exposed potentially significant risk (in terms of delay and cost) under the INFRACO contract if the making of this TRO conflicts with the commencement of on-street commissioning and operations.</p>	
<b>4.0 Strategic Workstream Update</b>		
4.1	<p>RJ presented a summary on the current status of the three strategic workstreams being progressed in parallel, these are:</p> <ul style="list-style-type: none"> <li>▪ Workstream A – Assertive administration of the mechanisms available under the terms of the existing INFRACO Contract; and</li> <li>▪ Workstream B – Negotiations aimed at reaching a position where BSC complete part of the project and <b>tie</b> re-procure the remainder on an incremental basis.</li> <li>▪ Workstream C – Business Case refresh – this will be presented before Full Council on 14 October 2010.</li> </ul> <p>Both workstreams (A &amp; B) were debated in detail by the Board. It was recognised that resolution on these Workstreams may still require around two</p>	

	<p>months to conclude and it will be essential to obtain the strongest possible legal opinion on the key points in regard to both workstreams to advise decision making.</p> <p>It was noted that it is unlikely that <b>tie</b> will be in a position to set out the detail of this workstream in full for the report to the 14 October Council Meeting.</p> <p>The Board were unanimous in the view that cross party solidarity at the local level is particularly important at this critical time, and whilst concerns around the ongoing uncertainties are acknowledged and understood, the ongoing negotiations are finely balanced and a loss of political stability could weaken the commercial positioning and expose the Council and the Project to significant risk.</p> <p>It was agreed by the Board to provide individual support/assistance as necessary to GM and DJM/RJ in their ongoing discussions at both Local and National political levels.</p>	<p>GM/ DJM</p>
<p>4.2</p>	<p><u>DRP Update</u> SB updated the Board on the Dispute Resolution Procedures at Period 6:</p> <ul style="list-style-type: none"> <li>▪ 20 items in DRP - 11 referred by <b>tie</b>, 9 by BSC.</li> <li>▪ 3 resolved by negotiation &amp; 3 resolved through mediation - 8 decisions made by Adjudication.</li> <li>▪ Depot Access Bridge – decision due 22/9/10.</li> <li>▪ 3 New DRP referred by BSC in the period, relating to Preliminaries, Section 7 drainage and Princes Street valuation.</li> </ul> <p>A revised estimate has been received from BSC in regard to costs and delay associated with utilities diversions, and this is under review by <b>tie</b>.</p>	
<p><b>5.0</b></p>	<p><b>Building the Tram</b></p>	
<p>5.1</p>	<p>SB presented the progress updates for Period 6.</p> <p><u>HSQE – Deliver a Tram Safely</u> There were no reportable accidents during Period 6. The rolling 13 Period AFR is at 0.19, still below the target of 0.24 for the project. During Period 6 concerns were received from the Health and Safety Executive regarding the use of chemicals to spray the Haymarket Viaduct deck. The sub contractor (Grahams) responded quickly and professionally and an appropriate system put in place. BSC currently not mitigating invasive species in line with the requirements of the CoCP - BSC have advised <b>tie</b> that they will re-consider the issues regarding the mitigation of invasive species for 2011. <b>tie</b> are considering any action to be taken to mitigate the impacts of re-growth and with BSC's approach.</p> <p><u>HSQE – Deliver a Safe Tram</u> Interim Design Assurance Statements (DAS's) received on 9th August 2010 for</p>	

the Civils (SDS), System (Siemens) and vehicle (CAF) packages of designs, with the Integrated (BSC) DAS's to follow for each geographical section. BSC have not submitted (Interdisciplinary Design Checks) IDC information and BSC's approach to IDC/DAS submission is too fragmented and does not address the core requirement to demonstrate assurance. This is unacceptable. 4 inspections carried out during period. The scores for Period 6 highlight a dip from 50% to 35% attributed to poor recording of data for the Asset Register. Office of Rail Regulation, Ian Raxton, visited the project and attended a presentation on "Readiness for Safe Operation." This was well received by ORR. Meeting held 13th August 2010 to close out actions arising from the CEC/Princes Street Audit. 8 of the 11 findings have been closed, with 3 outstanding.

Code of Construction Practice

Compliance on COCP remains constant at 98% in Period 6, and although this is set against the background of very limited on-street works, this remains encouraging. Those areas requiring attention, notably fencing and hoardings, litter and general site housekeeping have been raised with BSC for action.

Utilities

All remaining on-street Utility, remedial & snagging works have been on hold until after the Summer Embargo, and the recent Papal visit. BT continue to progress their telecom re-cabling activities on-street, with cabling works in St Andrews Square, Torphichen St ongoing. Cabling work at York Place will commence in Period 7.

Discussions are ongoing with the SUC's regarding Betterment. CEC have been updated, and it is expected that resolution with Scottish Water may be reached by December 2010. Negotiations with BT are more complex and as a result are likely to be settled over a longer timeframe (Q1 2011). The valuation of betterment remains as previously reported to the Board.

Under the DRP brought by Carillion, Representatives Meetings have taken place and Position Papers have been exchanged. During this process Carillion have reduced the quantity of the dispute, but a final settlement is not yet agreed. A Chief Executives' meeting took place on the 15th September 2010 and as a result the parties agreed to proceed to Mediation.

Progress Overall

SB reported on overall progress on the project at end of Period 6 2010/11:

Utilities Diversions	97%	~ 48,300m Complete (of ~50,000m) Cabling & Transfers ongoing
Tram Vehicles	59%	16 of 27 Complete & factory tested; 11 trams still under manufacture

Tram Project Ancillary Works	86%	<p>Ingliston Park &amp; Ride Phase 2 - 100% complete          Burnside Road Bridge relocation at Edinburgh Airport - 100% complete          Murrayfield Training Pitches relocation - 100% complete          Murrayfield Wanderers Club House - 98% complete          Murrayfield Turnstiles relocation (finishing October 2010) - 70% complete          South Gyle sewer tunnel: (finishing October 2010) - 47% complete</p>	
Construction Off Street	35%	<p><i>Depot at Gogar</i>          Occupation commences in November 2010 ~60% complete          Stabling area: Phase 1 &amp; 2 under construction, completion November 2010.  <i>Structures</i>          Bridges: 8 out of 16 under construction ~44% complete          Culverts: 3 out of 3 100% complete          Retaining Walls: 6 out of 17 under construction ~ 19% complete  <i>Systems</i>          Track:1400m installed and now starting in depot ~12% complete          Substations: 2 under construction ~12% complete          Overhead Lines: Work commences in Autumn 2010</p>	
Project Expenditure	70%	Of Authorised Funding (£545m)	
5.2	<p><u>Change Requests and Risk Drawdown</u>          SB reported To the end of Period 5, £47.5m had been drawn down from the project risk allowance. In Period 6, an additional £40.5K has been drawn down:</p> <ul style="list-style-type: none"> <li>▪ JRC business case support (COP401 - £23,825)</li> <li>▪ Scottish Power Utility Diversion at Russell Road (COP410 - £16,739)</li> </ul> <p>The outstanding a risk allowance is £5.7m. SB to advise the TPB on when the remaining allowance is likely to be required.</p>		<b>SB</b>

<b>6.0</b>	<b>Preparing for Operations</b>	
6.1	<p><u>Tram Progress</u> AR reported that all 27 trams are now completed or in production, with 18, 19, 20, 21 and 22 in the finishing area. Factory testing on Tram 17 has started and trams 3 to 16 are completed and stored ready for delivery.</p> <p>To date, 81,000 people have visited the tram on Princes Street and feedback is still largely positive.</p>	
6.2	<p><u>Operational Readiness</u> AR reported that Construction works at the depot 60% complete. Building fit-out continues to progress well for late December completion and external track work well underway in zones 1 and 2. It is anticipated that delivery of a tram should be possible in late October.</p> <p>A series of key operational decisions will be made over the next months, these are:</p> <ul style="list-style-type: none"> <li>▪ September <ul style="list-style-type: none"> <li>– Support to ongoing BSC negotiations;</li> <li>– Finalisation of preparations for tram commissioning stages.</li> <li>– Moving and safeguarding of tram on Princes Street during city events.</li> <li>– Power and Gas procurement for depot placed.</li> </ul> </li> <li>▪ October <ul style="list-style-type: none"> <li>– 2<sup>nd</sup> Delivery of tram from factory;</li> <li>– Relocation of tram from Princes Street;</li> <li>– Commencement of installation of specialist depot plant.</li> </ul> </li> </ul>	
<b>7.0</b>	<b>Building the Brand</b>	
7.1	<p><u>Press, Media and Communications</u> MHL summarised the recent press/media activity, noting that meetings had been held with Senior Editorial staff regarding recent misleading and inaccurate reports in a particular newspaper.</p> <p>MHL advised the Board that a public exhibition on the history of trams in Edinburgh from 1885 to present will be presented in the Princes Street tram during September/October.</p> <p>It was confirmed that a series of visits for local and national politicians have been arranged and will take place over the next few weeks.</p>	
7.2	<p><u>Integration Planning and TEL</u> MHL noted that the integration process is ongoing with nothing further to report at this time.</p>	

<b>8.0</b>	<b>Building The Team</b>	
8.1	No updates were provided at this time.	
<b>9.0</b>	<b>Preparing for the Future</b>	
7.1	No updates were provided at this time.	
<b>10.0</b>	<b>Governance</b>	
8.1	No updates were provided at this time.	
<b>11.0</b>	<b>AOB</b>	
11.1	DJM noted that subject to progress with BSC over the coming weeks, it may be necessary to convene a special TPB meeting. To be advised.	AS
<b>12.0</b>	<b>Date of Next Meeting</b>	
12.1	DJM thanked the Board for their participation and confirmed that the date of the next meeting will be <b>Thursday 21<sup>st</sup> October 2010</b> commencing at <b>09:30hrs</b> .	
12.2	The meeting closed at 12.00	

Prepared by Alasdair Sim, 30<sup>th</sup> September 2010

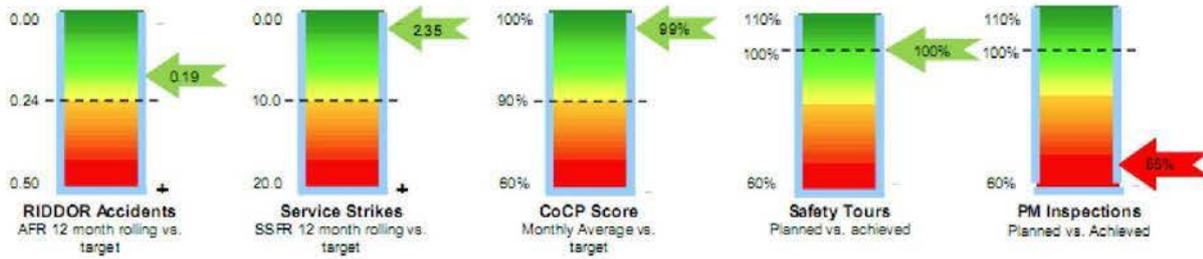
# Building The Tram Project Director Report - Period 07 [10/11]

On Friday 1<sup>st</sup> October 2010, BSC began to demobilise and cease works on certain sites across the route (Sections 2A, 5A, 5B and 5C), this reflecting an escalation in the contractual dispute between BSC and tie. In response to this action, tie has entered into formal correspondence with the contractor and is undertaking detailed site monitoring on both active and inactive sites.

## HSQE

### Deliver a Tram Safely

HS&E ACCIDENTS and INCIDENTS SUMMARY											
Total	Total Hours	>3 day	Major	Injury	NM/Unsafe Condition	Service Damage	ENV	RTA	MOP	AFR	SFR
Period	116,738	0	0	1	15	0	0	0	2	0.00	0.00
13 period rolling	1,572,455	1	2	19	198	37	22	7	22	0.19	2.35



There were no reportable accidents during the Period. The rolling 13 period AFR is at 0.19 still below the target of 0.24 for the project. The number of alleged MOP incidents (2) recorded during Period 7 continues to be at a low level. CoCP compliance at 99% during Period 7, a slight improvement on Period 6. 66% of the planned PM joint inspections were carried out during Period 7 (primarily as a result of holidays) and 100% of planned safety tours were completed.

The recent reduction in numbers of BSC supervisory and HSQE staff is viewed with concern by tie. tie HSQE are monitoring BSC's on site and off site H&S management performance across the Infraco project. Infraco director also raised in BSC progress meeting. BSC confirmed they have adequate resource.

### Environment

No environmental incidents were recorded during Period 7. No formal response has been received from BSC regarding the mitigation of invasive species. Further correspondence regarding this issue to be sent to BSC during Period 8.

Formal report issued for audit on BSC Site Waste Management Plans carried out 30<sup>th</sup> August 2010, to date no formal response has been received regarding the close out of findings raised. Formal correspondence to be sent to BSC during Period 8 regarding the close out of this audit.

**Deliver a Safe Tram**

Section	Activity	Data Checked				
		IDC	ITP's	Design Variation/Change	As Built's	Asset Register
Carrick Knowe to Balgreen	Drainage & Ducting	0.5	1	1	1	N/A
Edinburgh Gateway	Design Interface	0.5	1	N/A	N/A	N/A
Edinburgh Park	Earthworks ITP 006	0.5	1	1	1	N/A
<b>PD</b>	<b>Total (y)</b>	1.5	3	2	2	0
	<b>Max Possible Total (y)</b>	3	3	2	2	0
<b>Total</b>	<b>Percentage P6</b>	44%	91%	81%	74%	35%
	<b>Percentage P7</b>	44%	91%	82%	75%	35%

**Key - Y = Evidence exists (1) N = No evidence exists (0) NA = Not applicable (-) P = Part evidence in place (0.5)**

**Interim Design Assurance submission**

On 9<sup>th</sup> August 2010, **tie** received ten 'civils –type' Design Assurance Statements (DAS) from BSC on a "For Information" basis. These were not to a satisfactory standard.

**tie** also formally received DAS' for 7 Siemens system elements and a preliminary one for the CAF tram vehicle. **tie** has responded formally to these, and has noted that the documentation is incomplete in several key areas, and does not demonstrate integration across multiple disciplines.

BSC intends to submit formally their "Integrated DAS" during 4Q10. BSC has claimed that these will demonstrate fully integrated design across all disciplines for all route sections.

All of these DAS' will be used to underpin BSC's "Cases for Safety", whose preliminary versions have been formally submitted and reviewed and are likely to be generally satisfactory if completed as promised, although again only representing "work in progress" pending finalisation of all of the supporting evidence.

**Site Completion Certificate**

Discussions are ongoing with BSC Quality to agree the format of the Site Completion Certificate as per Schedule 3 of the Infraco Contract. Meeting held with BSC during Period 7. Agreement made that a trial certificate will be utilised on the Test Track at the Depot. Upon agreement/review this certificate will be formally implemented in all relevant areas.

**Deliver a Safe Tram Key Metrics**

3 metrics inspections carried out during Period 7. BSC have raised an NCR with regard to the alignment of the OLE bases at Haymarket. No further information received; **tie** to request progress update of NCR during Period 8.

SHE Committee carried out a site tour at BSC's (McKean) Tower Bridge site: The site was found to be well organised with McKean delivering a visitors' induction and **tie** PM fully describing the scope of works. There were no attendees from BSC.

A number of TQA Audits (Gogar Depot Track, Princes Street and South Gyle Access Sewer) have been carried out in the Period, and the results reported to BSC for action.

34 Infraco ITPs have been submitted to **tie**. 32 are Level A no objection. BSC are currently reviewing all off their ITPs, and will reissue in due course. Currently **tie** are reviewing the ITP for Signaling and the reissue of the ITP for Bridge Bearings.

## Progress

As indicated above, BSC began steps at the end of Period 7 to cease works on several sites across Sections 2A, 5A, 5B and 5C, this reflecting an escalation in the contractual dispute between BSC and **tie**. In response to this action, **tie** has entered into formal correspondence with the contractor and is undertaking detailed site monitoring on both active and inactive sites for evidence gathering purposes.

Given that the above action took place at the end of Period 7, the progress achieved in the Period for INFRACO works was 1.3% against a plan of 1.2%. This rate of progress, when compared to the expended site man-hours would appear to mark a reduction in productivity as similar progress has been achieved in previous periods. BSC are undertaking very limited on-street works in the Leith Docks area at present.

The total cumulative physical completion for Infraco Works is 25.7% at end of Period 7. The total Project completion as a financial metric estimated at circa 70%.

### Progress Comparison with Period 6 – Infraco

Period	Cumulative Progress (Actual)	Rev 1 Target
2010/11 Period 6	24.3%	96.0%
2010/11 Period 7	25.7%	97.2%

This shows for progress up to and including 1<sup>st</sup> October 2010 an OFRS date of 28 August 2013 against the contractual Rev.1 programme date of 06 Sep 11 and reports a 28 day slippage in the 28 day period.

**tie** continues to monitor progress against their “*live*” programme which is based on the contractual Rev.1 Programme logic, although progress recorded against this programme considers the currently known work-scopes. This indicates a Sectional D completion of 21-April-13, which is a 29 calendar day slippage from Period 6.

### Dispute Resolution

In recent weeks, **tie** has adopted a strategy of not launching further DRP's but has instead focussed on the assertive management of the Infraco Contract. However, since August, BSC have increased the intensity of referral to DRP with 1 new DRP launched in the period.

In total, 20 items have now been referred to the formal dispute resolution agreement process – 11 by **tie** and 9 by Infraco. 1 was referred by BSC in Period 7 and relates to Princes Street payments. In total three have been resolved through negotiation, three through external mediation and ten were decided through adjudication. It is important to note that overall, the application of DRP to disputed matters has reduced BSC's claims for additional payment from £20.7m to £8.8m in relation to those DRPs which have actually reached a financial settlement.

The Depot Access Bridge DRP decision was received during period 7. The Adjudicator decided on a narrower scope than suggested by **tie**. However, the financial award made was some £1.25m lower than what was claimed by BSC. **tie** can also pursue a reduction for the change in scope which the Adjudicator did not consider.

**tie** has continued with the contractually assertive approach to management of the contract. From Period 7 this has taken the cumulative issue of Contract Notices to : 10 Remedial Termination Notices (RTN's) and 2 Underperformance Warning Notices (UWN's) - a 3<sup>rd</sup> UWN was issued in early Period 8. Rectification plans have been received for 3 RTN's due from 5. All 3 have been rejected by **tie** as they do not address the defaults identified with satisfactory proposals.

**Design**

Design approvals status in Period 07 is summarised below:

phase 1a only	Numbers Required							Number
	V26	V31	V58	V59	V60	V61	V62	Granted
Prior Approvals	44	49	56	56	56	56	60*	54
Technical Approvals	53	71	92	92	92	92	63*	55
IFC	71	81	233	230	227	230	230	183

\* increase/reduction in TAA/PAA approval numbers due to revision / amalgamation of approvals following discussions with BSC ie where Roads, Track and Drainage were previously counted as 3 individual packages by tie this has now been agreed as constituting 1package

Reasons for design slippage are being reviewed and recorded monthly at the design taskforce meeting, which is focused on resolving the outstanding design issues. **tie** is identifying and implementing opportunities to mitigate the impacts of this slippage. It should be noted that this is a consortium issue to manage, and **tie** will provide support in this respect. However, **tie** is testing through audit the management of SDS by BSC.

Design performance by Infraco and their designer is the subject of the RTN's mentioned in the section above and is being vigorously pursued through the Design Task Force sessions held weekly with BSC.

**Utility & Cabling Works**

Utility work has commenced on the 12-way at Elder St (due to complete in Period 8), in St Andrew Square and on Leith Walk with the final Bus Tracker to complete in Period 8.

The remaining on-street Utility, remedial & snagging works and are under programme development by **tie**, and BT cabling works are in progress on Leith Walk and St Andrew Square, commencing in York Place during Period 8 .

The tender process for Utility work at Baltic street remains on hold until **tie** receive the required IFC drawings from SDS - which remain outstanding with no confirmed delivery schedule in place from SDS.

**Tramworks (INFRACO)**

INFRACO progress is primarily focussed on the off-street section between Haymarket and the Airport. Progress in Period 7 is summarised as follows:

Period 07 2010-11	Period		Delta	Cumulative		Delta	Project
INFRACO PERIOD 07 PROGRESS (Contract Rev.01 Programme)	Plan	Actual		Plan	Actual		Wtg
Section 1a Newhaven to Foot of the Walk	1.8%	0.7%	-1.1%	93.2%	5.4%	-87.8%	16.2%
Section 1b Foot of the Walk to McDonald Road	0.0%	0.0%	0.0%	100.0%	1.3%	-98.7%	7.4%
Section 1c McDonald Road to Princes Street West	4.9%	0.0%	-4.9%	88.0%	0.0%	-88.0%	10.8%
Section 1d Princes Street West to Haymarket	0.0%	0.0%	0.0%	100.0%	42.1%	-57.9%	7.6%
Combined Sections 1A-1B-1C-1D (On-Street) Newhaven Road to Haymarket	1.9%	0.3%	-1.7%	94.3%	10.0%	-84.3%	42.0%
Section 2 Haymarket to Roseburn Junction	0.0%	0.8%	0.8%	100.0%	35.1%	-64.9%	4.2%
Section 5a Roseburn Junction to Balgreen Road	2.9%	0.8%	-2.1%	96.9%	9.9%	-87.0%	13.9%
Section 5b Balgreen Road to Edinburgh Park Central	0.0%	0.2%	0.2%	100.0%	43.4%	-56.6%	13.2%
Section 5c Edinburgh Park Central to Gogarburn	0.0%	2.8%	2.8%	100.0%	21.9%	-78.1%	7.2%
Section 6 Gogar Depot	0.0%	5.8%	5.8%	100.0%	65.3%	-34.7%	11.9%
Section 7a Gogarburn to Edinburgh Airport	0.0%	1.9%	1.9%	100.0%	46.8%	-53.2%	7.6%
Combined Sections 2A-5A-5B-5C-6A-7A (Off-Street) Haymarket to Edinburgh Airport	0.7%	2.1%	1.4%	99.3%	37.0%	-62.3%	58.0%
FULL ROUTE PHASE 1A NEWHAVEN ROAD TO EDINBURGH AIRPORT	1.2%	1.3%	0.1%	97.2%	25.7%	-71.5%	100.0%

**Issues in the Period**

- BSC advised **tie** in the period that they intended to ramp down construction works at various locations. This was followed by news in the media that the consortium had commenced laying off staff and sub-contractors.
- Flood Report issues at Edinburgh Airport still to be resolved. Meeting was held on 16<sup>th</sup> Sept with all parties to discuss possible solution, which could also help with final design to main retaining walls in this area.
- Track laying at depot going very slowly. Several issues have been highlighted that could result in rework being required.
- Issue surrounding contaminated material throughout site needs to be addressed. At present, due to liability, **tie** are trying to pursue permission to use this material in additional landscape areas. Quantity could be in excess of 20000 cubic metres.
- Progress in the Haymarket Yards area has been slow due to issues surrounding accommodation works and OHL bases clashing with Gas Main. SGN employed to divert the gas main, although this works has been postponed following BSC ceasing works on this site.

**TRAMCO**

CAF is progressing well to deliver trams to Edinburgh according with its contractual programme but there is currently no access available to the depot to receive the trams. CEC have now taken title to the first tram (252).

At the end of period 07 Trams 01 and 3-16 inclusive are now complete and ready for delivery. The remaining 11 are at varying stages of assembly along the production line from painting to final assembly and testing.

**Preparing for Operations**

TEL have been planning in detail the first three stages of preparation for the Testing & Commissioning. The Benefits Realisation & Operational Readiness Sub-Committee of the TEL Board provides the governance overview and monitors the progress of the tasks and decisions required to deliver the Operational Readiness programme. Good progress is being made in all activities except those that are dependent upon progress with the infrastructure works.

Lloyds Register Rail have been appointed to provide a review of the plans and procedures for managing the safety of the tram system and provide audit report at the key stages of the testing and commissioning process. The quarterly meeting with the ORR (HMRI) went very well with a visit to the depot and presentation of the operational preparations.

The procurement of the ticketing equipment for the tram system, to integrate with the existing Lothian Buses ticketing system has progressed to the stage where we have shortlisted to two suppliers who will be invited to submit formal tenders at the end of October. We expect to select a preferred bidder by November.

The maintenance of completed infrastructure assets continues to be developed with BSC maintenance representatives.

## Edinburgh Gateway

Progress on the Edinburgh Gateway Project in Period 7 2010/11 is summarised as follows:

- Prior Approval for Edinburgh Gateway was granted on 28<sup>th</sup> July 2010. Work on the detailed design to achieve Technical Approval has continued, however the anchoring of the main retaining wall and extent of wall required to retain the NR landscape proposals will require alteration to the wall alignment and length. This may require an amendment to the Prior Approval. **tie** are reviewing this situation with BSC to mitigate any delay to achieving IFC.
- **tie** have requested an Estimate from BSC for Edinburgh Gateway construction works as a Change under the Infraco Contract. The request for the Estimate contains a number of programme matters that **tie** have indicated that Infraco should assume when completing their Estimate. These programme points are in line with key milestone dates currently under discussion between **tie** and Transport Scotland. Receipt of a final estimate will require the design to have achieved IFC and completion of the Design Assurance process. **tie** Change Order 184 was issued this period, the value was £828k and it covers both SDS and Siemens.
- Following an initial discussion with Transport Scotland, **tie** held a Construction Staging meeting with TS, Network Rail and BSC. The primary aim of the Construction Staging meeting was to identify the actions required by all parties to allow BSC to meet high level milestones. The meeting focussed particularly on BSC scope. Within these meetings, **tie** put forward a proposal which will offer Network Rail an opportunity to significantly reduce their programme. This will involve additional cost to the tram scope, however the overall benefit to Transport Scotland should be significant.
- **tie** have agreed to take responsibility for a revised road drainage design at the A8 which has arisen from Network Rail's sewer design. This is due to the optimum solution being likely to overlap with BSC construction activity. The initial Estimate received from BSC was based on the Network Rail preliminary design proposal, however **tie** have identified a potential solution which would be more cost and programme effective and have received an amended Estimate of £27k for this scope. The Estimate is currently being evaluated, but is within the anticipated range. To assist in maintaining the design programme, **tie** has instructed BSC to progress this design.
- **tie** supported CEC with respect to the legal agreements at the meeting on 30<sup>th</sup> August 2010. **tie** remain concerned that the target completion of October 2010 for legal agreements will not be achieved. **tie** will not accept responsibility for any delay associated with legal agreements not being reached in line with the needs of the construction programme. The land transfer from CEC to Network Rail cannot proceed ahead of other agreements being substantially complete because the land transfer needs to include servitudes in favour of **tie**/TEL to allow access to and through this land for the operation and maintenance of the ETN.
- **tie** presented the revised Estimate and arranged a follow up meeting to allow other Transport Scotland staff the opportunity to review the Estimate. A draft risk register was presented at this

follow up meeting. A QCRA meeting is planned to be carried out by 22<sup>nd</sup> October to review the risk register.

## Cost

The 'AFC' (£545m) in this report does not reflect an approved and reliable Anticipated Final Cost for the Edinburgh Tram Project. Rather, the forecast presented reflects the best view of the spend profile of the funding currently available for the delivery of phase 1a. Given the commercial uncertainties with Infraco and continuing delays to the project it is now considered unlikely that the full scope of Phase 1a will be completed within the available funding envelope of £545m.

Until the key issues are resolved through the contractual and legal process, it will not be possible to accurately forecast a revised budget outturn.

Key cost related items to note in Period 7 are:

- COWD to date is £387.2m, with funding to date split to TS (£355.2m) and CEC (£32.0m).
- The budget for ETP in 2010/11, established in April 2010 is £142.2m (£153.3m 09/10). Transport Scotland funding for 2010/11 is £130.5m for ETP, with £11.7m funding available from CEC. See detailed cost report (section 3.1) for an explanation of budget and reforecast differences.
- Full year forecast for 2010/11 has been reduced from £120.3m (Q1) to £86.7m. According to the latest forecast the TS share of funding has reduced (-£20.2m) from £110.3m (Q1 reforecast) to £79.5m (Q2 reforecast).
- Key sensitivities to the reforecast are identified in the main report.
- **tie presented an updated forecast for 2010/11 and 2011/12 project spend to TS and CEC on 8<sup>th</sup> July. A further update meeting between tie/ CEC & TS is due to take place on Tuesday 19<sup>th</sup> October with Sharon Fairweather & Jerry Morrissey attending on behalf of TS.**

### Actual YTD P7 & forecast P8-P13 FY10/11

£m	YTD P7	Forecast P8-P13,10/11	Forecast FY10/11
Infrastructure and vehicles	30.9	39.3	70.2
Utilities diversions	-0.3	0.0	-0.3
Design	1.0	0.9	2.0
Land and compensation	0.3	0.1	0.3
Resources and insurance	7.5	7.0	14.5
<b>Base costs</b>	<b>39.4</b>	<b>47.3</b>	<b>86.7</b>
Risk allowance	0.0	0.0	0.0
<b>Total Phase 1a</b>	<b>39.4</b>	<b>47.3</b>	<b>86.7</b>

- ETP COWD in FY10/11 to Period 7 is £39.4m (P6 - £33.6m)

As previously reported and agreed with CEC and TS, initial milestones under the Infraco and Tramco contracts in the aggregate amount of £14.3m, in respect of advance material purchases, have been classified as prepayments. These will be reclassified as expenditure against funding in the periods when the related materials are delivered to site and incorporated in the works. The release will occur on the achievement of trackwork and structures milestones in 2010/11 and future years.

## Risk & Opportunity

There were nine risk reviews held in the period. There were four draw-downs on the risk allowance approved in the period totaling £3,329,848. Based upon the revised project risk allowance this leaves a risk balance of £2.3m.

Drawdowns on risk and contingency to the end of Period 7 10/11 now total £49,085,232. The remaining risk balance based on the approved QRA plus the additional funding is £2.3m. An application for the approved budget to be increased by £5m to £540m will be made at the next Tram Project Board.

## Stakeholder & Communications

### Media / Press Activity

Media coverage surrounding the project has been significant over the last four weeks. Consistently enquiries have been received by The Herald, Scotsman and Evening News regards various aspects of the project, many of which are commercially confidential.

The Herald's coverage of the project has covered different aspects of construction work including work on the Edinburgh Gateway. Following the release of documents through Freedom of Information, the Evening News ran a story on the basis that Transport Scotland continued to release funding on the project when no work was taking place. This was completely untrue and a robust response was given explaining that work was currently ongoing along the off road section of the route and that our current spend to date for this is under budget.

There was further substantial coverage of the project generated in the run up to the October Full Council Meeting on 14<sup>th</sup> October, following the release of the Edinburgh Tram Update Report on Friday 8<sup>th</sup> October.

### Website / Internet Communications

During Period 7 we have had approximately 13700 visitors, each one viewing on average at least four different pages of content on the website. We have, however, noticed a substantial increase in social network activity, with many of our social media posts to information and content receiving over 200 hits within a few hours of posting. There has also been a marked increase in twitter activity in this period, which may be attributed to various announcements and media coverage. Additional activity is to be expected since our twitter following has now grown to 988 followers, while 792 people follow our facebook page and many participate actively in discussions and comment on posts.

### Freedom of Information Requests

5 Freedom of Information requests were being addressed in Period 7, one review and four new requests for information. One new request was received during Period 7 taking the total number of requests to six which will be carried on to Period 8. In every case, a response is given to the requestor within 20 working days.

### Customer Service Activity

Period 7 figures have increased since Period 6 by 74. This is unsurprising given that Period 6 recorded one of the lowest period totals outside of the festive season. The main channels of correspondence continue to be via Email (119) and Phone (104), with very few enquiries being logged by Face to Face meetings (1) or Fax (1). No letters were received during the four week period.

## Period 07 2010/11 – Papers for Consideration

**Paper to:** TPB **Meeting date:** 21<sup>st</sup> October 2010  
**Subject:** Project Change Control Update – Period 07, 2010/11  
**Preparer:** Mark Hamill

**Summary**

This paper is to update the Tram Project Board with the current status regarding approved project change orders and their implications on the overall Tram Project Budget. To the end of Period 5, £47.5m had been drawn down from the project risk allowance.

In Period 07, an additional £3.3m has been drawn down leaving a risk allowance of £2.3m.

Following the delegated authority from TEL to the TPB authorising the use of the £545m funding envelope and the subsequent approval to increase the budget to £535m in Period 5 2009/10, **tie** is now seeking formal approval to increase the budget to £540m. This additional funding of £5m would be added to the Project Risk Allowance.

**tie** will continue to report on, and ensure that the Board have clear visibility of, all changes which have been authorised and recommended and to seek Board approval for all changes greater than £1m, in line with the Delegated Authority Rules.

Any changes which are approved are in relation to either actual expenditure, a commitment to future expenditure or based upon an anticipated future commitment.

The table below summarises the approved changes that have impacted the Project Risk Allowance in Period 7.

Description	Base cost	Risk	Total
<b>Position at Financial Close (PCB)</b>	<b>481,680,811</b>	<b>30,336,196</b>	<b>512,017,007</b>
<b>Increases in Approved Budget</b>		22,982,993	535,000,000
Changes to end Period 6	47,677,551	<b>-47,677,551</b>	
<b>Position at end Period 6</b>	<b>529,358,362</b>	<b>5,641,638</b>	<b>535,000,000</b>
Period 07 Changes	3,277,848	3,277,848	
<b>Position at end Period 7 (CAB)</b>	<b>532,636,210</b>	<b>2,363,790</b>	<b>535,000,000</b>

**Changes Approved in Period 07**

Water of Leith Bridge (COP310 - £20,000)

This is a Without Prejudice commercial agreement for all design (BDDI – IFC drawing) changes associated with the Water of Leith Bridge. This is a change because the changes in design from BDDI to the IFC issue of drawings are outwith normal development and completion of design.

Technical Support Services (2010 - 2011) (COP330 - £661,900)

This change is to update the forecast for ongoing commercial/engineering support to be provided by the Technical Support Services (TSS) Contract (supplier is Scott

Wilson/Turner Townsend) to the end of March 2011. A further review will be undertaken to confirm the requirements for future financial years. This is a change because 1) TSS is providing additional commercial support to backfill the DRP workload, and 2) the existing budget provision set at Infraco Contract award in mid-2008 is inadequate to support the tram project to completion as it was anticipated that the majority of design reviews would have been concluded by now.

The 2009/10 forecast was constantly updated throughout the last financial year and included in the AFC and this change is a formal reconciliation of the AFC with the approved budget.

#### Extended Construction & Design Support (COP391 - £588,709)

Under Schedule Part 23 of the Novation of SDS Agreement there is a requirement for SDS to provide extended construction support and design support. Extended construction support (ECS) is an on-site design function intended to provide clarification to the construction team on site, address Technical Queries and issue design clarifications. Design Support (DS) is necessary to support Infraco in securing Approvals & Consents for systems design.

Uncertainty exists about the current and immediate future requirements of this service both in terms of the Infraco Contract going forward and the BSC/SDS justification for recent increased resources. Given the current circumstances this is an interim change to cover budget requirements to the end of Period 8, when it is intended that agreement will be reached on the current resource levels and improved clarity is gained on reducing future requirements. A new forecast will then be provided to support any further change documentation if necessary.

#### Farrans 1A Plates 1-10 (COP414 - £137,072)

This change is to reconcile the original budget with the estimated final account value of £2,975,000 (plus design support). This is a change because of delay and design costs incurred by design issues which emerged once the contractor was on site. We will be seeking recovery from SDS for the costs of those changes (circa £84k) which we believe arose from inaccurate design information.

#### Replacement of Rubber Kerbs & Guardrails City Centre (COP366A - £195,318)

In Period 4, a change was approved for the removal of the mass barrier currently in place in the city and replacing the same with re-usable rubber kerbing units and associated white lining/refuge islands together with the installation of pedestrian guard rails in certain locations.

This change was approved following the agreement that the current temporary traffic management in place throughout the city centre should be lifted and the traffic management measure should be replaced to its previous arrangements in so far as is practical.

A further change was required in the period to fund the cost of the increased scope relating to the various items including removal of traffic poles, additional lining and signals work and the accelerated delivery costs.

A lessons learned will be conducted on this workscope to review the workscope from start to end and identify ways of managing and controlling similar activities more efficiently in future.









FOISA exempt

Yes  
 No

## Primary risk register

1011 Period 07 - Top 6 Risks

Risk Description											
ARM Risk ID	Cause	Event	Effect	Risk Owner	Significance	Black Flag	Treatment Strategy	Previous Status	Current Status	Due Date	Action Owner
1159	Commercial dispute with contractor	Depending on outcome of negotiations the revised cost leads to funding pressures for CEC.	CEC required to increase	S Bell	High: 21.00		Intensive commercial negotiations with contractor.	On Programme	On Programme	31-Oct-10	S Bell
							CEC exploring contingency measures for additional funding	On Programme	On Programme	30-Jan-11	A Coyle
343	General delay to programme with various causes e.g. failure to obtain approvals on time; contractor issues, access after completion of utility diversions	Delay to completion of project	Increased out-turn cost due to delay plus revenue loss	S Clark	High: 55.00		Access maps showing areas available	On Programme	On Programme	30-Nov-10	F McFadden
							Use of Clause 34 / 80.15 - addressed via DRP	On Programme	On Programme	31-Aug-10	S Bell
							Contractually assertive workstreams to progress programme	On Programme	On Programme	29-May-10	S Bell
							DRP Mudra Rev 8 response	Complete	Complete	31-Aug-10	S Bell
							DRP on programme management (EOT1)	Complete	Complete	30-Oct-09	S Bell
							Liason between tie/BSC programme managers	On Programme	On Programme	30-Dec-11	T Hickman
							Programme Management Panel process	Complete	Complete	30-Dec-11	F McFadden
							Weekly tie/BSC commercial meetings	On Programme	On Programme	30-Dec-11	M Paterson
1101	Unreasonable behaviour of BSC commercial management	Unrealistic estimates being submitted for potential changes	Programme delay while disputes regarding estimates are resolved	D Murray	High: 25.00		Issue UWN on programme	Complete	Complete	15-Sep-10	S Clark
							Additional resource from T&T	Complete	Complete	29-Jul-09	M Paterson
							Agreed with BSC for independent evaluation to get benchmark	Complete	Complete	30-Jul-09	M Paterson
							All estimates to be scrutinised by tie commercial team and, where appropriate, challenge made to BSC. Additional resource (T&T) being used to check estimates to reduce delay and other commercial resources on these areas	On Programme	On Programme	30-Dec-10	M Paterson
							Clause 34/80 issues using DRP for disputed values	Complete	Complete	31-Aug-10	S Bell
							Legal challenge to Clause 80 and BSCs interpretation thereof	Complete	Complete	31-Aug-10	S Bell

1011 Period 07 - Top 6 Risks

Risk Description											
ARM Risk ID	Cause	Event	Effect	Risk Owner	Significance	Black Flag	Treatment Strategy	Previous Status	Current Status	Due Date	Action Owner
1094		Roads throughout works require full depth reconstruction	Programme impact plus additional costs. £1.5m cap applies to only 4 areas. (PA 12) Also affects (PA 14)	F McFadden	High - 24/00		All party buy in - application of appendix 7(1)	On Programme	On Programme	31-Dec-11	C Neil
							Carry out surveys to confirm extent of roads requiring full depth reconstruction	Complete	Complete	30-Jun-09	C Neil
							Intensive engagement with CEC, palette of options, methodology being agreed	On Programme	On Programme	31-Dec-10	C Neil
							Resolution of trackform at trackform workshop	On Programme	On Programme	30-Nov-10	R Bell
							Suite of options from surveys to be reviewed and agreement reached	Complete	Complete	30-Jul-10	C Neil
							tie developed on-street proposal - optimal solution	On Programme	On Programme	30-Nov-10	S Bell
928	Major single safety and/or environmental incident (including a dangerous occurrence) during construction	Safety incident during construction	Delay (potentially critical) due to HSE investigation and rework. PR risk to tie and stakeholders.	F McFadden	High - 21/00		All Site Staff to get CSCS or equivalent	On Programme	On Programme	30-Jan-11	B Cummins
							HSQE Audits, site inspections and Management Safety Tours to be carried out	On Programme	On Programme		
							Incident management process regularly updated and revisited	On Programme	On Programme	31-Dec-12	B Cummins
							Safety Induction to be carried out for all site staff	On Programme	On Programme	31-Dec-10	B Cummins
							TEL HSE committee overview applied	On Programme	On Programme	31-Dec-10	B Cummins
							The tie "Safety" bus is being used to deliver safety talks & culture surveys to the contractors workforce. Build the tram safety Drugs & Alcohol policy	Complete	Complete	31-Dec-09	B Cummins
1160	Lack of signed, formal agreement between CEC and Forth Ports regarding Forth Ports contribution to Tram works	Forth Ports contribution does not materialise or does not equal value of works carried out	CEC required to fund difference between Forth Ports contribution and value of works	S Bell	High - 23/00		Liase with Dave Anderson and Donald McGuigan to ensure awareness of issue and agreement of current strategy	On Programme	On Programme	1-Nov-10	S Bell
							Meet with TS and ensure they are aware that costs are being allocated	On Programme	On Programme	5-Nov-10	S McGarrity

## **Period 07 Transport Scotland report Sections 2-7**

On following pages are Sections 2-7 of the Transport Scotland report (Section 1 is the Project Directors report).

## 2 Progress

***On Friday 1<sup>st</sup> October 2010, BSC began to demobilise and cease works on certain sites across the route (Sections 2A, 5A, 5B and 5C), this reflecting an escalation in the contractual dispute between BSC and tie. In response to this action, tie has entered into formal correspondence with the contractor, and is undertaking detailed site monitoring on both active and inactive sites.***

Given that the above action took place at the end of Period 7, the progress achieved in the Period for INFRACO works was 1.3% against a plan of 1.2%. This rate of progress, when compared to the expended site man-hours would appear to mark a reduction in productivity as similar progress has been achieved in previous periods. BSC are undertaking very limited on-street works in the Leith Docks area at present.

The total cumulative completion for Infraco Works is 25.7% at end of Period 7. The total Project completion as a financial metric estimated at circa 70%.

The cost, programme and risk information in this Period 07 report continues to be based upon an unapproved forecast on the information reported in May 2009. This will be updated once agreement is reached with BSC on a new revised programme.

BSC continue to report progress against the agreed Rev.1 contractual programme, although for information only they also include an update against the "*Updated Programme – previously known as Rev 3A*".

This shows for progress up to and including 1<sup>st</sup> October 2010 an OFRS date of 28 August 2013 against the contractual Rev.1 programme date of 06 Sep 11 and reports a 28 day slippage in the 28 day period.

**tie** continue to monitor progress against their "*live*" programme which is based on the contractual Rev.1 Programme logic, although progress recorded against this programme considers the currently known work-scopes including some changes. This indicates a Sectional D completion of 21-April-13, which is a 29 calendar day slippage from Period 6. Note that the *live* programme does not make any assumptions regarding BSC restarting on site.

Overall the relationship with BSC is suffering in the following key areas:

- Refusal by BSC to progress works under **tie** instruction in relation to Clauses 80/34/22/65
- BSC de-mobilising various worksites where an INTC estimate remains to be agreed.
- Work unable to start on-street where sites are available and accessible as BSC's contractual obligations are not satisfied;
- Resolution of the contractual interpretation on BDDI-IFC (pricing assumption 1, development and completion of design), and

Linked to all of the above is the provision of a programme to completion capable of acceptance.

Progress remains behind the master programme, primarily due to:

- Contractual obligations not met to allow works to commence on street;
- Design slippage since novation of design to INFRACO (now recorded in v62 of the design programme);
- Consortium integrated design programme, assured and validation;
- Finalisation of the agreement of change delaying the commencement of work even though instructed to progress by **tie**;
- Remaining small pockets of incomplete utility diversions in the On-Street sections;
- Slow mobilisation of INFRACO, including lack of formal sub-contracts being in place;

Section	Description	Contract Programme Rev.01	BSC Forecast (P06) Rev.01	BSC Forecast (P07) Rev.01	BSC Movement in Period Cal Days (c) – (b)	tie Live Forecast (P06) Rev.01**	tie Live Forecast (P07) Rev.01**	tie Movement in Period Cal Days (f) – (e)
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
Section A	Depot completion	01-Jun-10	29-Jul-11	21-Jul-11	8	26-Jul-11	24-Jun-11	32
Section B*	Test Track Available	01-Jul-10	12-Jul-12	09-Aug-12	28	15-Feb-12	14-Mar-12	27
Section C	All Phase 1a Construction complete	10-Mar-11	01-Feb-13	01-Mar-13	28	24-Sep-12	23-Oct-12	29
Section D	Open for Revenue Service	06-Sep-11	31-Jul-13	28-Aug-13	28	23-Mar-13	21-Apr-13	29

\*The interpretation is that Sectional Completion "B" means that Test Track is available for Tram movements.

## Contractual Strategy & Dispute Resolution

### Dispute Resolution (Infraco)

In recent weeks, tie has adopted a strategy of not launching further DRPs but has instead focussed on the assertive management of the Infraco Contract. However, since August, BSC have increased the intensity of referral to DRP with 1 new DRP launched in the period.

In total, 20 items have now been referred to the formal dispute resolution agreement process – 11 by tie and 9 by Infraco. 1 was referred by BSC in Period 7 and relates to Princes Street payments. In total three have been resolved through negotiation, three through external mediation and ten were decided through adjudication. It is important to note that overall, the application of DRP to disputed matters has reduced BSC's claims for additional payment from £20.7m to £8.8m in relation to those DRPs which have actually reached a financial settlement.

The Depot Access Bridge DRP decision was received during period 7. The Adjudicator decided on a narrower scope than suggested by tie. However, the financial award made was some £1.25m lower than what was claimed by BSC. tie can also pursue a reduction for the change in scope which the Adjudicator did not consider.

DRP No	Subject	Nature of Dispute	Launched or planned	PD Mtg	Position Papers	CEO Meeting	Referral	Decision
50	Depot Access Bridge	BDDI to IFC	√	√	√	√	√	Referred to financial panel by BSC. Decision due by 20/09
	Landfill tax	Liability for paying landfill tax	√	√	√	√	√	Mediation held 4 <sup>th</sup> October – no agreement and now referred to adjudication
	Sub-contracts	Approval of BSC sub-contractors	√	√	√	√	√	Referred to mediation
	Preliminary payments	Method for applying for preliminary payments	√	√	√	√	√	Referred to mediation
	Section 7 drainage	BDDI - IFC	√	√	√	√	x	Agreement reached without resorting to adjudication
	Princes St	Payment	√	√	√	√		To be decided

Launched by tie

## Contractual Strategy

A strategic review of commercial and contractual options is underway and is reported to the Tram Project Board and Transport Scotland each period.

**tie** has continued with the contractually assertive approach to management of the contract. From Period 7 this has taken the cumulative issue of Contract Notices to : 10 Remedial Termination Notices (RTN's) and 2 Underperformance Warning Notices (UWN's) - a 3<sup>rd</sup> UWN was issued in early Period 8. Rectification plans have been received for 3 RTN's due from 5. All 3 have been rejected by **tie** as they do not address the defaults identified with satisfactory proposals.

## Commercial Update (MUDFA)

As previously advised Carillion have challenged the values certified by **tie** and initiated the Dispute Resolution Process. No further Application for payment has been received by Carillion.

The Chief Executives meeting has taken place and the parties have agreed to continue the process into mediation. It is anticipated that a mediator will be appointed over the next few days and a timetable from exchange of papers and meeting agreed.

The dispute covers five areas, these are:

*Changes* - Iain Allan Associates have examined **tie** assessment of the value of Changes and found that **tie** have a robust case for the position that they have taken

*tie deductions*. – Allan Associates have also examined **tie** assessment of the value of **tie** deductions and are currently pulling together backup information and drafting positing papers – it is expected that the initial part of this will be concluded within the next week this position will be acceptable for mediation. If however, the dispute continues to Adjudication a further review of back up information will be required to allow **tie** to finalise its case.

*Re-measurement of Works* – Within the period Carillion have forwarded documents which purports to be all back-up documentation for work carried out. **tie** has carried out a review of this data and found that significant information is outstanding or erroneous. Deductions from the agreed value of remeasured works are appropriate where information is still outstanding. The value of this deduction varies depending upon the information received from Carillion.

*Enabling Works* – **tie** have responded to Carillion with their review of the information provided and indicated that **tie** are still of the opinion that Carillion have not adequately supported their application. Further that **tie**'s assessment of the value of the work is less than currently certified.

*Disruption Claim* – A number of meetings with Carillion have taken place to examine the information behind their Disruption claim. These have highlighted discrepancies between the value Carillion have claimed and the value that they are able to support by vouchering. This discrepancy in backup information significantly reduces the value of the claim currently submitted. Notwithstanding the previous comment Carillion have still not made available all information requested.

Acutus are currently preparing an Expert Report of their findings which will be used by **tie** in the DRP.

## Design

### IFC Design

v62 was submitted to **tie** on 14 September 10 with a progress date of 30 August10. Note that this is 32 calendar days earlier than the reported construction progress to 1<sup>st</sup> October.

There are 27 IFC's with a slippage of 28 days or more in the period

The final scheduled IFC remains as "Connection to Path/Ramp & Ocean Drive" and is now forecast for delivery 20 January 2011.

Design approvals status in Period 07 is summarised below:

phase 1a only	Numbers Required							Number
	V26	V31	V58	V59	V60	V61	V62	Granted
Prior Approvals	44	49	56	56	56	56	60*	54
Technical Approvals	53	71	92	92	92	92	63*	55
IFC	71	81	233	230	227	230	230	183

\* increase/reduction in TAA/PAA approval numbers due to revision / amalgamation of approvals following discussions with BSC ie where Roads, Track and Drainage were previously counted as 3 individual packages by tie this has now been agreed as constituting 1 package

V62 data has been used to inform the programme updates. **tie** have included these into the live programme.

- IFCs – Phase 1a: 183 issued out of 230 (80%)
- 60\* Prior Approvals are included in V62 – 54 of which have been granted – those remaining include the Edinburgh Gateway & Canopy & Boundary Treatment at Airport Kiosk (90%)
- 55\* Technical Approvals out of 63 have been granted in V62 (93%)
- Roads approvals - One area remains outstanding from the V31 Technical Approval in Phase 1a (1C2- Picardy Place to St Andrew Square);
- Scottish Water has sent formal acceptances to BSC for all sections with the exception of 1C2 (Picardy Place to St Andrew Square) & 1C1 (McDonald Rd to Picardy Place).
- Sections 1A1, 1A2, 1A4, 1B, 1D, 5A, 5B, 5C & 6 close reports have been signed off by CEC, subject to BSC concluding any concessions included in the reports during construction. CEC are reviewing all other sections based on the prioritisation list provided by BSC.

Reasons for design slippage are being reviewed and recorded monthly at the design taskforce meeting, which is focused on resolving the outstanding design issues. **tie** is identifying and implementing opportunities to mitigate the impacts of this slippage. It should be noted that this is a consortium issue to manage, and **tie** will provide support in this respect. **tie** supported BSC in the period to ensure that all parties are capturing the same information in the reporting of the SDS programme. As an ongoing exercise, **tie** is testing, through audit, the management of SDS by BSC.

**tie** has implemented an extensive programme of site based monitoring to validate & verify the installation of works in line with an integrated design assured construction.

**tie** undertook an audit on management of design by BSC/SDS during periods 3-4. This has been hampered for a number of weeks now with resistance encountered and contractual correspondence is in place in respect of this matter to try and re-start the audit process. A response is awaited from BSC.

Design performance by Infracore and their designer is the subject of the RTN's mentioned in the section above and is being vigorously pursued through the Design Task Force sessions held weekly with BSC.

### Utility & Cabling Works

Utility work has commenced on the 12-way at Elder St (due to complete in Period 8), in St Andrew Square and on Leith Walk with the final Bus Tracker to complete in Period 8.

The remaining on-street Utility, remedial & snagging works are under programme development by **tie**. The tender process for Utility work at Baltic street remains on hold until **tie** receive the required IFC drawings from SDS - which remain outstanding with no delivery schedule in place from SDS.

BT continue to progress their telecom re-cabling activities on-street, with cabling works in St Andrews Square, Torphichen St ongoing and cabling work at York Place commence in Period 8.

The completion of BT Cabling on the northbound carriageway between MacDonald Rd – Jane St is compounded by delays to the duct work at York Place; however the Southbound carriageway is available to BSC.

**Tramworks (INFRACO)**

The progress achieved in the Period for INFRACO works was 1.3% against a plan of 1.2%. This rate of progress, when compared to the expended site man-hours would appear to mark a reduction in productivity as similar progress has been achieved in previous periods. BSC are undertaking very limited on-street works in the Leith Docks area at present. The total cumulative completion is 25.7% at end of Period 7.

Progress continues to be monitored against the Revision 1 programme. The summary milestones against the agreed INFRACO contract and the short term Rev 1 programme milestones are shown in the table below.

Milestone	Period 07		Cumulative (Achieved to date)	Contract
	Planned	Actual	Actual	Planned to P07
Prelims	0	0	69	77
Construction	18	16	169	1127

**Contract Milestones**

Works are currently not being carried out in line with the original Contract Programme and subsequently cannot be achieved as originally forecast.

**Prelim Milestones**

Prelim Milestones are no longer being forecast as BSC are not applying for these milestones in accordance with the Infraco Contract. It is also the case that a number of BSC's key subcontractors have not commenced in certain areas of the site therefore the milestones are not being achieved in full at this stage.

(%) Infraco Construction Progress Period 7

Period 07 2010-11	Period		Delta	Cumulative		Delta	Project
INFRACO PERIOD 07 PROGRESS (Contract Rev.01 Programme)	Plan	Actual		Plan	Actual		Wtg
Section 1a Newhaven to Foot of the Walk	1.8%	0.7%	-1.1%	93.2%	5.4%	-87.8%	16.2%
Section 1b Foot of the Walk to McDonald Road	0.0%	0.0%	0.0%	100.0%	1.3%	-98.7%	7.4%
Section 1c McDonald Road to Princes Street West	4.9%	0.0%	-4.9%	88.0%	0.0%	-88.0%	10.8%
Section 1d Princes Street West to Haymarket	0.0%	0.0%	0.0%	100.0%	42.1%	-57.9%	7.6%
<b>Combined Sections 1A-1B-1C-1D (On-Street) Newhaven Road to Haymarket</b>	<b>1.9%</b>	<b>0.3%</b>	<b>-1.7%</b>	<b>94.3%</b>	<b>10.0%</b>	<b>-84.3%</b>	<b>42.0%</b>
Section 2 Haymarket to Roseburn Junction	0.0%	0.8%	0.8%	100.0%	35.1%	-64.9%	4.2%
Section 5a Roseburn Junction to Balgreen Road	2.9%	0.8%	-2.1%	96.9%	9.9%	-87.0%	13.9%
Section 5b Balgreen Road to Edinburgh Park Central	0.0%	0.2%	0.2%	100.0%	43.4%	-56.6%	13.2%
Section 5c Edinburgh Park Central to Gogarburn	0.0%	2.8%	2.8%	100.0%	21.9%	-78.1%	7.2%
Section 6 Gogar Depot	0.0%	5.8%	5.8%	100.0%	65.3%	-34.7%	11.9%
Section 7a Gogarburn to Edinburgh Airport	0.0%	1.9%	1.9%	100.0%	46.8%	-53.2%	7.6%
<b>Combined Sections 2A-5A-5B-5C-6A-7A (Off-Street) Haymarket to Edinburgh Airport</b>	<b>0.7%</b>	<b>2.1%</b>	<b>1.4%</b>	<b>99.3%</b>	<b>37.0%</b>	<b>-62.3%</b>	<b>58.0%</b>
<b>FULL ROUTE PHASE 1A NEWHAVEN ROAD TO EDINBURGH AIRPORT</b>	<b>1.2%</b>	<b>1.3%</b>	<b>0.1%</b>	<b>97.2%</b>	<b>25.7%</b>	<b>-71.5%</b>	<b>100.0%</b>

**ON-STREET**

Item	Period05 % Comp	Period06 % Comp	Period07 % Comp
<b>Section 1 Newhaven Road to Haymarket</b>			
Lindsay Rd RW's	28.6%	40.0%	53.3%
S17 Tower Place bridge	32.2%	34.2%	56.0%
1B Leith Walk (Foot of the Walk – McDonald Rd)	1.3%	1.3%	1.3%
1D Princes Street to Haymarket	42.1%	42.1%	42.1%

**OFF-STREET**

Progress Off-street has continued or commenced at the following locations: Note that the (%) completion estimates relate to the full structure.

Item	Period05 % Comp	Period06 % Comp	Period07 % Comp
<b>Section 02 Haymarket to Roseburn Junction</b>			
Caley Alehouse Demolition	100.00%	100.00%	100.00%
S19 Haymarket viaduct	73.4%	78.6%	79.7%
Trackwork Civils and Earthworks Haymarket to Roseburn junction	2.4%	6.2%	14.1%
Trackwork Track Laying Haymarket to Roseburn junction	0.0%	0.0%	0.0%
Haymarket Station TS	1.8%	1.8%	1.8%
<b>Section 05A Roseburn Junction to Balgreen Road</b>			
Network Rail Haymarket Sprinter Depot Carpark	0.0%	76.0%	100.0%
Russell Road Retaining Walls	22.4%	22.7%	22.7%
Murrayfield Wanderers Clubhouse Demolition	100.0%	100.0%	100.0%
Murrayfield SRU Accomodation Mods	30.0%	75.0%	95.0%
<b>Section 05B Balgreen Road to Edinburgh Park Central</b>			
S23 Carricknowe bridge	72.7%	75.3%	78.5%
Trackwork Civils and Earthworks Balgreen to Saughton	42.7%	42.7%	42.7%
Trackwork Track Laying Balgreen to Saughton	11.3%	11.3%	11.3%
Trackwork Civils and Earthworks Saughton to Bankhead (includes Guided Busway)	100.0%	100.0%	100.0%
Trackwork Track Laying Saughton to Bankhead (includes Guided Busway)	63.7%	63.7%	63.7%
Trackwork Civils and Earthworks Bankhead to Edinburgh Park	0.0%	0.0%	31.0%
Trackwork Track Laying Bankhead to Edinburgh Park	0.0%	0.0%	0.0%
Edinburgh Park Station TS	0.0%	4.1%	6.4%
Trackwork Civils and Earthworks Edinburgh Park Station to Edinburgh Park Central	9.5%	43.4%	43.4%
Trackwork Track Laying Edinburgh Park Station to Edinburgh Park Central	0.0%	0.0%	0.0%
S27 Edinburgh Park viaduct	93.5%	94.1%	94.2%
<b>Section 05C Edinburgh Park Central to Gogarburn</b>			
Trackwork Civils and Earthworks Edinburgh Park Central to Gyle Centre	10.2%	10.2%	19.8%
Trackwork Track Laying Edinburgh Park Central to Gyle Centre	0.0%	0.0%	0.0%
A8 underpass (Excluding utilities works)	31.0%	39.6%	45.4%
S32 Depot Access bridge	34.8%	39.1%	45.2%
Trackwork Civils and Earthworks Gyle to Depot Stop	4.2%	4.2%	4.2%
Trackwork Track Laying Gyle to Depot Stop	0.0%	0.0%	0.0%
Trackwork Civils and Earthworks Depot Stop to Gogarburn	27.9%	61.9%	61.9%
Trackwork Track Laying Depot Stop to Gogarburn	0.0%	0.0%	0.0%
<b>Section 06 Gogar Depot</b>			
Depot Earthworks & drainage	97.1%	97.1%	98.0%
Depot Trackworks Civils	65.0%	70.0%	72.7%
Depot Trackworks - Track Laying	5.0%	9.0%	12.0%
Depot building.	57.3%	64.3%	68.8%
Depot Sub-station	32.9%	44.8%	50.4%
Depot Access Roads	46.3%	48.1%	63.1%
Depot in totality	55.0%	59.4%	65.3%
<b>Section 07 Gogarburn to Edinburgh Airport</b>			
Gogar Landfill	14.6%	90.0%	91.5%
Gogarburn Bridge	98.5%	98.5%	98.5%
S30 Gogar Culvert No.1	100.0%	100.0%	100.0%
Trackwork Civils and Earthworks Gogarburn to Ingliston P&R	22.8%	24.6%	69.0%
Trackwork Track Laying Gogarburn to Ingliston P&R	0.0%	0.0%	0.0%
Hilton Hotel Carpark Phase 1	100.0%	100.0%	100.0%
Ingliston Park and Ride Sub-station	0.0%	0.0%	1.4%
W14A&B / W15C&D Gogarburn RW's	26.0%	50.0%	57.5%
S31 Gogar Culvert No.2	100.0%	100.0%	100.0%
S34 Gogar Culvert No.3 (Remedial works to be done)	97.2%	97.2%	97.2%
Trackwork Civils and Earthworks Ingliston Park & Ride to Edinburgh Airport	42.1%	42.1%	82.8%
Trackwork Track Laying Ingliston Park & Ride to Edinburgh Airport	0.0%	0.0%	0.0%

Section	Commentary
Section 1a Newhaven to Foot of the Walk	<p>No agreed programme for recommencing main works in this section</p> <p>Works are progressing slowly on Lindsay Road RWs (1A, 1C &amp; 1D).</p> <p>Tower Bridge - All cope falsework is installed with the first pour targeted for early Period 8 and work to the East &amp; West approaches have commenced.</p>
Section 1b Foot of the Walk to McDonald Road	<p>No agreed programme for recommencing in this section</p>
Section 1c McDonald Road to Princes Street West	<p>No agreed programme for recommencing in this section</p>
Section 1d Princes Street West to Haymarket	<p>No agreed programme for recommencing in this section</p>
Section 2 Haymarket to Roseburn Junction	<p><u>Haymarket Viaduct</u></p> <p>Run-on track slabs at the east abutment completed during the period. West abutment run-on slabs commenced during the period. No work carried out on the tram stop during the period – Grahams awaiting tram stop service ductwork details from BSC. BSC are not progressing works and no productive works were carried out since 01<sup>st</sup> October 2010.</p> <p><u>Haymarket Yards</u></p> <p>Road closure implemented on 13/09/10. Construction of OLE bases and installation of service ductwork commenced during the period. Further areas of vegetation and underground obstructions also removed in this area during the period. Service ductwork and OLE base construction continued during the period from ICAS towards Russell Road. BSC are not progressing works and no productive works were carried out since 01<sup>st</sup> October 2010.</p>
Section 5a Roseburn Junction to Balgreen Road	<p>Temporary &amp; permanent works re-design along with commercial resolution is delaying various structures. All required consents in place for track installation.</p> <p><u>Russell Road Bridge</u></p> <p>No works carried out during the period. Temporary works design for the soil nails now due signed off by Network Rail this period. Scheme for protection of the 24" gas main during the soil nail works submitted to SGN by BSC during the period. Details of protection to the gas mains during the piling works awaited from BSC. Road /Footpath/Cycleway closure was planned for 04/10/10, however now on hold.</p> <p><u>Russell Road Retaining Wall W4</u></p> <p>No piling work carried out during the period. No work carried out by Expanded during the period. Crummock completed the new Scotrail car park during the period. Additional barrier security to be provided to ensure Scotrail move into the new car park. Pile caps for units 1-9 300mm out with the LOD – BSC/SDS to resolve.</p> <p><u>W18 – Murrayfield Tram Stop RW</u></p> <p>BSC claim Plot 101 is within the LOD and clashes with the foundations of W18 RW – tie to investigate.</p> <p><u>W8 – Baird Drive RW</u></p> <p>Expanded recommended site clearance during the period. Form C for works to be signed off by Network Rail. Track monitoring arrangements remain to be agreed with NR.</p>

Section	Commentary
<p><b>Section 5b Balgreen Road to Edinburgh Park Central</b></p>	<p>Temporary &amp; permanent works re-design along with commercial resolution delaying various structures.</p> <p><u>Balgreen Road to Carrick Knowe Bridge</u></p> <p>Track drainage continued during the period. BSC are not progressing works and no productive works were carried out since 01<sup>st</sup> October 2010.</p> <p><u>Carrick Knowe Bridge</u></p> <p>Construction of the inspection galleries continued during the period.</p> <p>Construction of the south approach ramp continued during the period.</p> <p><u>Edinburgh Park Bridge North Ramp to Edinburgh Park Central</u> No work has been carried out in this section during this period. The OLE bases were planned to commence 13<sup>th</sup> September 10 however BSC reported that the coarse material (6C) used for replacing the organic material will cause a problem for the piling. At the weekly meeting on 27/09/10 BSC confirmed that the piling will not commence until the earthworks through 5C are completed since this area will be used as the haul road.</p> <p><u>Bankhead Drive</u></p> <p>No works by BSC during the period [apart from the Busgate]. This area is being used to store excavated material from across sections 5A and 5B, including the material BSC report as being contaminated. BSC has now installed heras fencing around the rubble (concrete/blacktop/etc) stockpiles within the chestnut fencing and repaired the damaged chestnut fencing.</p> <p><u>Edinburgh Park Bridge</u></p> <p>No works carried out during the period.</p> <p>Issues with the DKE/OLE plinths/Robust kerbs still not resolved by BSC.</p> <p>Colour of cladding at the north approach ramp also not resolved by BSC.</p> <p><u>Busgate</u></p> <p>95% of the deep drainage between manholes 5B/N07/08-09 has now been completed. The section to the east of the HV cables up to the position of manhole 5B/N07/09 (approximately 10m) was installed leaving only the section below the HV cables still to be resolved. This short section required an additional 500mm dig out and replace due to the ground water which may be a problem for the drainage along the length of Bankhead Drive towards South Gyle Access.</p> <p>On 01/10/10 BSC instructed the sub-contractor to stop all work, make the site safe and to vacate the site by 08/10/10. <b>tie</b> has raised concerns regarding safety and site maintenance without the sub-contractor being in attendance particularly given the extent of footpaths with a temporary surface.</p>
<p><b>Section 5c Edinburgh Park Central to Gogarburn</b></p>	<p><u>A8 Underpass</u></p> <p>Phase 1/2: Prep and pour of central north abutment. Phase 4: Break out of concrete at pile heads, excavation around piles and prep of formation for blinding works. BSC are not progressing works and no productive works were carried out since 01<sup>st</sup> October 2010.</p> <p><u>Depot Access Bridge</u></p> <p>North Abutment: No Works during period. Central Pier: Concrete, formwork and steel works to central</p>

Section	Commentary
	<p>column sections – works 90% completed South Abutment: Concrete pours continuing to south east, central and south west bases and wingwalls. Break out of concrete at pile heads also carried out.</p> <p><u>Edinburgh Park Central to Gyle Tram Stop</u></p> <p>The earthworks between Lochside Avenue and South Gyle Broadway re-commenced on 22/09/10. The soft material was removed to 1130mm below top of sub-base and replaced with 600mm 6C followed by a 270mm blaes capping layer. Work was completed by 27/09/10 and the site cleared.</p>
<p><b>Section 6 Gogar Depot</b></p>	<p>Depot Building works: Accommodation area: Building fit out currently 85% completed. Building envelope completed with door installation completed in period. Internal brickworks completed and painted. M&amp;E works and Power Energy Building and Substation fit-out progressing.</p> <p>External works: Drainage works 95% complete. Ductwork installation commenced and 70% complete by period end. Footpath works commenced</p> <p>Track Laying: Track, cross-overs and road crossing now 70% completed. Concrete to walkways in Area 2B continuing – 90% completed – concrete to walkways in Area 2C commenced. Ballast to Area 4 70% completed. Works to hardstand areas progressing particularly east where drainage and hardstands are 40% completed.</p> <p>BSC are not progressing all external works (any INTC related works) at depot site and no productive works were carried out since 01<sup>st</sup> October 2010.</p>
<p><b>Section 7a Gogarburn to Edinburgh Airport</b></p>	<p>Gogarburn Bridge: Area available for Siemens track laying. No works in period.</p> <p>IPR to EAL: Drainage and ductwork 80% completed. OLE foundations 95% complete. Sub base installation 50% complete. Track slab steel and concrete works commenced close to IPR. BAA phase B north of Eastfield Avenue drainage works 100% complete.</p> <p>Gogarburn to IPR: Drainage and Ductwork 75% completed. OLE Foundations 95% completed. Gogar Landfill: Surcharge removal agreed for 50% of area but only 10% of material actually removed remaining areas continue to be monitored.</p> <p>No works to NIL crossings in period.</p> <p><u>General</u> Works were suspended from 01/10/10 on all non drainage related works in Section 7 due to decision to stop any INTC related works that have not been fully agreed with tie.</p> <p><u>Stakeholder Management – Section 6 &amp; 7</u></p> <p>BSC seeking amended BAA approval to extend Phase A to East field Avenue. Ongoing BSC / BAA / tie consultation about Eastfield Avenue crossing / closure. Works cannot commence to Construction Phase C until BSC have obtained CEC/BAA approvals for the revised retaining wall design (W14C and D) – SDS currently amending design.</p>

**Other Progress Points to note in Period 7:**

- The Network Rail Haymarket Sprinter Depot car park was completed in the period.
- Accommodation Works at SRU substantially completed on the 1<sup>st</sup> October 2010, revised contract end date of 15<sup>th</sup> October 2010 agreed with no EOT on Contractor's prelims.
- Tunnel works to South Gyle Bridge sewer diversion progressed ahead of programme, at time of writing 10 days ahead, however a new design issue could cause delay to the completion.

**Issues in the Period**

- BSC advised **tie** in the period that they intended to ramp down construction works at various locations, this was due to alleged non payment of items relating to changes. **tie** rejects these claims. This was followed by news in the media that the consortium had commenced laying off staff and sub-contractors.
- Flood Report issues at Airport still to be resolved. Meeting set up for 16<sup>th</sup> Sept with all parties to discuss possible solution, which could also help with final design to main retaining walls in this area.
- Track laying at depot going very slowly. Several issues have been highlighted that could result in rework being required.
- Issue surrounding contaminated material throughout site needs to be addressed. At present, due to liability, **tie** are trying to pursue permission to use this material in additional landscape areas. Quantity could be in excess of 20000 cubic metres.
- Progress in the Haymarket Yards area has been slow due to issues surrounding accommodation works and OHL bases clashing with Gas Main. SGN employed to divert the gas main, although this works has been postponed following BSC ceasing works on this site.
- Likely delay will occur on Technical Approval for Edinburgh Gateway due to 2 no. design issues with retaining wall anchors and sewer diversion for Scottish water.

## Tram Construction (Tramco)

The CAF contract programme is incorporated in the Master Tram project Programme. **tie** are now receiving an electronic submission of the CAF programme to allow analysis of the programme.

CAF is progressing well to deliver trams to Edinburgh according with its contractual programme but there is currently no access available to the depot to receive the trams.

At the end of period 07 Trams 01 and 3-16 inclusive are now complete and ready for delivery. The remaining 11 are at varying stages of assembly along the production line from painting to final assembly and testing.

## Preparing for Operations

The Operational Readiness detailed programme information is included in the Master Tram Project Programme and reviewed and updated each period with progress.

Regular Operational Readiness Workshops are held including representatives from each member of the BSC consortium and the Edinburgh Trams team to review and coordinate commissioning and testing preparation based on the current **tie** live programme. The focus continues to be progress at the Depot in order to allow tram deliveries and the start of tram testing on site with a 'mini' test track adjacent to the depot as early as possible in the first quarter in 2011. Work has also started on mapping out how this testing will extend to the Airport when infrastructure progress allows.

We have been planning in detail the first three stages of preparation for the Testing & Commissioning. The Benefits Realisation & Operational Readiness Sub-Committee of the TEL Board provides the governance overview and monitors the progress of the tasks and decisions required to deliver the Operational Readiness programme. Good progress is being made in all activities except those that are dependent upon progress with the infrastructure works.

Lloyds Register Rail have been appointed to provide a review of the plans and procedures for managing the safety of the tram system and provide audit report at the key stages of the testing and commissioning process. The quarterly meeting with the ORR (HMRI) went very well with a visit to the depot and presentation of the operational preparations.

The procurement of the ticketing equipment for the tram system, to integrate with the existing Lothian Buses ticketing system has progressed to the stage where we have shortlisted to two suppliers who will be invited to submit formal tenders at the end of October. We expect to select a preferred bidder by November.

The maintenance of completed infrastructure assets continues to be developed with BSC maintenance representatives.

### 3 Edinburgh Gateway

#### Key Issues to note in Period 7

Progress on the Edinburgh Gateway Project in Period 7 2010/11 is summarised as follows:

- Prior Approval for Edinburgh Gateway was granted on 28<sup>th</sup> July 2010. Work on the detailed design to achieve Technical Approval has continued, however the anchoring of the main retaining wall and extent of wall required to retain the NR landscape proposals will require alteration to the wall alignment and length. This may require an amendment to the Prior Approval. **tie** are reviewing this situation with BSC to mitigate any delay to achieving IFC.
- **tie** have requested an Estimate from BSC for Edinburgh Gateway construction works as a Change under the Infraco Contract. The request for the Estimate contains a number of programme matters that **tie** have indicated that Infraco should assume when completing their Estimate. These programme points are in line with key milestone dates currently under discussion between **tie** and Transport Scotland. Receipt of a final estimate will require the design to have achieved IFC and completion of the Design Assurance process. **tie** Change Order 184 was issued this period, the value was £828k and it covers both SDS and Siemens.
- Following an initial discussion with Transport Scotland, **tie** held a Construction Staging meeting with TS, Network Rail and BSC. The primary aim of the Construction Staging meeting was to identify the actions required by all parties to allow BSC to meet high level milestones. The meeting focussed particularly on BSC scope. Within these meetings, **tie** put forward a proposal which will offer Network Rail an opportunity to significantly reduce their programme. This will involve additional cost to the tram scope, however the overall benefit to Transport Scotland should be significant. **tie** attended a Construction Staging meeting with Transport Scotland and Network Rail on 13<sup>th</sup> August 2010 to support the development of a **tie** proposal, which will minimise NWR's programme. The indications are that **tie**'s proposal will be taken up by Transport Scotland and Network Rail.
- **tie** have agreed to take responsibility for a revised road drainage design at the A8 which has arisen from Network Rail's sewer design. This is due to the optimum solution being likely to overlap with BSC construction activity. The initial Estimate received from BSC was based on the Network Rail preliminary design proposal, however **tie** have identified a potential solution which would be more cost and programme effective and have received an amended Estimate of £27k for this scope. The Estimate is currently being evaluated, but is within the anticipated range. To assist in maintaining the design programme, **tie** has instructed BSC to progress this design.
- **tie** supported CEC with respect to the legal agreements at the meeting on 30<sup>th</sup> August 2010. **tie** remain concerned that the target completion of October 2010 for legal agreements will not be achieved. **tie** will not accept responsibility for any delay associated with legal agreements not being reached in line with the needs of the construction programme. The land transfer from CEC to Network Rail cannot proceed ahead of other agreements being substantially complete because the land transfer needs to include servitudes in favour of **tie**/TEL to allow access to and through this land for the operation and maintenance of the ETN.
- **tie** met with Transport Scotland on 13<sup>th</sup> August 2010 to review a revised **tie** Estimate for the Edinburgh Gateway project based on the approved Prior Approval drawings and anticipated technical solutions. **tie** presented the revised Estimate and arranged a follow up meeting to allow other Transport Scotland staff the opportunity to review the Estimate. A draft risk register was presented at this follow up meeting. A QCRA meeting is planned to be carried out by 22<sup>nd</sup> October to review the risk register.

#### Forecast Cost to Complete Design

Forecast outturn is now at £1,162k (revised in period) against an original £880k:

#### £880k Breakdown

SDS	£400k
JRC	£ 30k
<b>tie</b>	£100k
Siemens	£350k

#### £1,162k Breakdown

SDS	£540k
JRC	£ 45k
<b>tie</b>	£120k
Siemens	£327k
Const. Staging	£ 30k
ICP	£ 20k
Name Change	£ 3k
A8 Drainage	£ 27k
Legal Costs	£ 50k

Transport Scotland has agreed the required additional Grant funding.

**tie** have discussed outstanding milestone applications with BSC in an effort to ensure cash flow is consistent with progress.

#### Period 7 Design Progress

At the end of Period 7 **tie** assessed the design phase as 87% complete for the increased scope. Due to lack of information from BSC this has not been revised for the period.

Cost of work done to date is £1,000k versus the £880k originally forecast and the £1162k revised AFC.

The Prior Approval application for Edinburgh Gateway was approved on 28<sup>th</sup> July 2010. BSC have progressed detailed design of the high and low level retaining walls in the period and a meeting was held with NR and TS on 22<sup>nd</sup> September 2010 to review the latest details. The BSC low level retaining wall design results in a realignment being required to the SW sewer. This has been proposed to NR and **tie** awaits a response. The high level wall requires to be realigned to ensure the anchors avoid the existing SW sewer with the wall increased in length to accommodate the height of the landscape swirl. BSC have prepared an option to reduce the length of the wall in conjunction with a tightening of the landscape swirl. A further review meeting is scheduled for 8<sup>th</sup> October 2010 with TS and NR to agree further promotion of this option with CEC planning. **tie** and NR consider the revised design to be a non material variation to the Prior Approval and NR Planning Application however this will need to be confirmed with CEC planning following the meeting on 8<sup>th</sup> October 2010.

Design Management meetings have continued between **tie**, TS and NR and fortnightly conference calls have taken place between **tie**, NR and the respective designers.

**tie** continue to have concerns as to Network Rail accepting their responsibility for leading the design co-ordination between both designs. Responsibility in this respect was agreed between TS, NR and **tie** at the outset of the design. **tie** understands Transport Scotland and Network rail discussed this matter however **tie** was not been formally advised of the detail of these discussions. The lack of any formal agreement on this responsibility gives **tie** concern as to the quality of design at any areas of interface.

#### Tram Design Issues

BSC previously identified a need to discuss the reduced headroom for the OLE through the tramstop with the Independent Competent Person (ICP). The **tie** engineering team have discussed this further

with BSC and have received confirmation that this is still an issue. BSC will supply the justification for the **tie**/ICP to review.

A meeting was held on 2<sup>nd</sup> September 2010 between **tie**, TS and NR with ETN ICP John Dolan. The meeting discussed the design interface issues that require to be addressed to satisfy ETN ICP John Dolan. These will be addressed through detailed design and final confirmation sought during the Design Review carried out in accordance with the Infraco Contract. Further discussions will be required with NR to close out the specific interface issues. These will be addressed through the regular Design Managements meetings between **tie**, TS and NR and the fortnightly conference calls.

#### **Tram Patronage Modelling & Business Case**

**tie** and the JRC transportation modelling consultants (Colin Buchanan & Partners / Steer Davies Gleave) met with representatives of Transport Scotland on 23 September 2010 to present the findings outlined in the draft patronage forecasting report.

At this meeting it was agreed that the Transport Scotland modelling team would require some time to consider the implications of this work at the detail level. Following this internal review, Transport Scotland to arrange a meeting with **tie** and their advisors to further understand the modelling methodology and assumptions adopted in the study work. It is anticipated that this review will take place during Period 8.

#### **Programme Milestones**

Discussions are continuing between **tie** and Transport Scotland to agree Key Milestones. Transport Scotland has sought to agree these milestones with **tie** in the period. **tie** consider it to be inappropriate to agree all of these milestones at the moment due to the lack of agreement with BSC and the number of outstanding issues with Transport Scotland/Network Rail. **tie** will however review these milestones to determine which, if any, of the individual milestones can be agreed prior to a full agreement.

PERIOD Ending	
---------------	--

ALL DATES ARE INDICATIVE ONLY UNTIL BASELINE PROGRAMMES ARE AGREED

Progress against milestones in programme				
		Baselined	Forecast	Status / Completion Date
<b>Edinburgh Gateway - Tram Works</b>				
Milestone G1	Completion of Detail Design	30-Aug-10		
Milestone G2	NR Approval (Form B)	30-Sep-10		
Milestone G3	Completion of Technical Approvals	30-Sep-10		
Milestone G4	Completion of Statutory Approval & Consents (Prior Approval)	28-Jul-10		
Milestone G5	Completion of Issue for Construction (IFC) Information	18-Oct-10		
Milestone G6	Completion of Stage 1 Tram/Business Case Modelling	22-Jun-10		
Milestone G7	Completion of Construction Staging and Programme	30-Sep-10		
Milestone G9	Provision of Proposal to TS (Price & Programme)	08-Oct-10		
Milestone G10	Provision of Grant Offer	15-Oct-10		
Milestone G11	Confirmation of Scope of Legal Agreements/Heads of Terms	05-Aug-10		
Milestone G12	Completion of Heads of Terms	19-Aug-10		
Milestone G13	Completion of Legal Agreements	01-Oct-10		
Milestone G14	Commencement of Tram Construction Phase 1	18-Oct-10		
Milestone G15	Completion of Tram Construction Phase 1	31-Mar-11		
Milestone G16	Access to Tram Area 1 for NR Works (Ref.252960/CIV/6001/001)	01-May-11		
Milestone G17	Access to Tram 2 for NR Works (Ref.252960/CIV/6001/002)	01-Jul-11		
Milestone G18	Commence Tram Construction Phase 2	01-Jul-11		
Milestone G19	Commence Network Rail Phase 2	01-Dec-11		
Milestone G20	Commence Commissioning	01-Jan-12		
Milestone G21	Completion of Commissioning	30-Jun-12		
Milestone G22	Entry into Service	01-Jul-12		
Milestone G23				

Item Complete	Strikethrough		
Item due for completion on time	Green	Green	

### Legal Agreements

The scope of **tie** works now includes an allowance for external legal costs in relation to land or agreements. It is likely that **tie** will need legal advice in relation to agreements with Network Rail.

Meetings have continued and there has been progress on several issues of principle however **tie** remains concerned that this work stream will not be completed in October 2010 as planned by Transport Scotland.

### Long-lead Items / Abortive Works

**tie** has written to Transport Scotland confirming arrangements put in place with respect to avoiding abortive costs. Transport Scotland has confirmed that **tie** should take steps to minimise the abortive costs on the basis that the Edinburgh Gateway project will go ahead. CEC and Transport Scotland are discussing terms of a grant extension that will also cover abortive costs.

Drainage for the earthworks at the Depot is currently being installed to the west of the Depot Access Bridge. There is no option that does not involve some abortive cost if Edinburgh Gateway goes ahead as foul and surface water drainage works need to be installed to allow completion of the Depot and Section 5C test track. The full extent of the abortive works will not be known until the drainage design for the Edinburgh Gateway has been designed and approved. TS are aware of the limited scope of works being progressed and the BSC design is being progressed to maximise reuse of the existing IFC drainage systems.

### **Construction Staging**

**tie** met with Transport Scotland and BSC on to review the requirements for commissioning of the tram system test track and the impact of Edinburgh Gateway project on 1<sup>st</sup> September 2010. Edinburgh Gateway does not appear to have a significant impact in this respect, however a number of minor issues were identified as requiring consideration. **tie** issued TNC letter to BSC on 10<sup>th</sup> September 2010 to cover this scope of works.

**tie** have advised Transport Scotland of areas of work which would require to be implemented immediately to minimise/mitigate delay to the Gogar Interchange works and the impact on ETN. This is very minor work, however Transport Scotland have requested further detail on costs associated with this work. **tie** will provide this, however this will delay commencement of these works. **tie** would suggest contingency funding should be agreed between **tie** and Transport Scotland that will allow similar issues to be actioned immediately by **tie** in future. This matter was again discussed in a meeting between **tie** and Transport Scotland on 1<sup>st</sup> September 2010. No contingency funding has yet been agreed.

Network Rail has identified a start date of 2<sup>nd</sup> November 2010 for diversion the Scottish Power 33Kv cable diversion. They have indicated the works will take 5 weeks to complete. Formal notification has been requested from Transport Scotland for the works programme together with confirmation that NR can work to the phasing identified to BSC in the small works change issued on 22<sup>nd</sup> September 2010. **tie** are considering the implications of this with respect to the construction programme for both ETN and Edinburgh Gateway with a view to mitigating the effects of this delay where reasonable to do so.

## 4 Headline cost report

### Current Financial Year

	FY 10/11			FY 10/11			FY 10/11			COWD To Date	Costs To Go	Total AFC
	COWD Period			COWD Year To Date			COWD Full Year Forecast					
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance			
Total Project COWD	5.730	12.106	-6.377	39.359	71.865	-32.507	86.674	142.245	-55.571	387.201	157.799	545.000
Other Funding	0.473	1.000	-0.527	3.250	5.934	-2.684	7.157	11.745	-4.588	31.971	13.029	45.000
Demand on TS	5.257	11.107	-5.850	36.109	65.931	-29.823	79.518	130.500	-50.983	355.230	144.770	500.000

The 'AFC' figure of £545m (table above) **does not** reflect an approved and reliable Anticipated Final Cost for the Edinburgh Tram Project. Rather, the forecast presented reflects our best view of the spend profile of the funding currently available for the delivery of the entirety of phase 1a.

Given the continuing commercial uncertainties with the Infraco and continuing delays to the project it is considered unlikely that the full scope of Phase 1a will be completed within the available funding envelope of £545m. It is not however possible at the present time to accurately forecast a reliable outturn cost until the key commercial issues are resolved through the contractual and legal process

**tie presented an updated forecast for 2010/11 and 2011/12 project spend to TS and CEC on 8<sup>th</sup> July. A further update meeting is due to take place on Tuesday 19<sup>th</sup> October.**

The review of spend for 2010/11 has resulted in a tuning down of forecast from £142.3m (budget) and a Q1 forecast of £120.2m to our latest forecast of £86.7m. Sensitivities to the £86.7m are highlighted below. **tie** are committed to keeping TS and CEC updated as to the progress of our commercial engagement and any material impacts on the Projects spend profile.

COWD to date is £387.2m, with funding to date split to TS (£355.2m) and CEC (£32.0m).

#### Actual YTD P7 & forecast P8-P13 FY10/11

£m	2010/11 to P7	Forecast P8-P13,10/11	Forecast FY10/11
Infrastructure and vehicles	30.9	39.3	70.2
Utilities diversions	-0.3	0.0	-0.3
Design	1.0	0.9	2.0
Land and compensation	0.3	0.1	0.3
Resources and insurance	7.5	7.0	14.5
<b>Base costs</b>	39.4	47.3	86.7
Risk allowance	0.0	0.0	0.0
<b>Total Phase 1a</b>	39.4	47.3	86.7

YTD 2010/11 COWD is £39.4m in period 7, -£0.2m behind the P6 forecast for P7.

The Full year forecast for 2010/11 is £86.7m (£120.3m Q1).

Key Risks and sensitivities to the £86.7m forecast for are:

- Tramco – Non Tram vehicle related costs forecast (-£5.1m)
- Infraco related prelims – currently under DRP (+£8.6m)
- Infraco Main works progress up to -£24.9m (covering P10-P13). OR slippage sensitivity of £6.2m per period
- Commercial engagement – structure of outcome will influence spend profile

As previously reported and agreed with CEC and TS, initial milestones under the Infraco and Tramco contracts in the aggregate amount of £14.3m, in respect of advance material purchases, have been classified as prepayments. These will be reclassified as expenditure

against funding in the periods when the related materials are delivered to site and incorporated in the works. The release will occur on the achievement of trackwork and structures milestones in 2010/11 and future years.

### Current Financial Year Profile

#### Profile for FY10/11

£m	Q1 (p1-3)	Q2 (p4-6)	Q3 (p7-10)	Q4 (p11-13)	Total FY10/11
Infrastructure and vehicles	16.7	9.6	15.4	28.5	70.2
Utilities diversions	-0.4	0.1	0.0	0.0	-0.3
Design	0.5	0.4	0.7	0.4	2.0
Land and compensation	0.2	0.1	0.0	0.0	0.3
Resources and insurance	3.2	3.3	4.1	3.9	14.5
<b>Base costs</b>	20.1	13.5	20.2	32.8	86.7
Risk allowance	0.0	0.0	0.0	0.0	0.0
<b>Total Tram</b>	20.1	13.5	20.2	32.8	86.7

- Costs for 2010/11 are forecast at £86.7m (£120.2m Q1). *Note: This forecast is sensitive to the key risks as identified above.*
- The latest forecast is based upon **tie** Project Managers view as at the end of period 7, updated and amended in-line with the assumptions due to be presented to TS on 19<sup>th</sup> October.
- The original TS share of the budget (£130.5m) has been reduced to a forecast of £79.5m (£110.3m Q1).

### Project Cashflow Forecast

#### Re-baselined Phase 1a Cash Profiling

£m	Cum FY07/08	Actual 08/09	Actual 09/10	FY 10/11	FY 11/12	AFC
Infrastructure and vehicles	30.6	45.2	83.5	70.2	104.5	334.0
Utilities diversions	18.4	33.4	10.6	-0.3	-3.9	58.2
Design	24.4	4.7	2.1	2.0	1.0	34.2
Land and compensation	16.8	1.7	1.6	0.3	0.0	20.5
Resources and insurance	42.9	16.0	15.9	14.5	8.9	98.2
<b>Base costs (inc 1b)</b>	133.1	101.0	113.8	86.7	110.5	545.0
Risk Allowance	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	133.1	101.0	113.8	86.7	110.5	545.0

Note: Base costs include £6.2m for ph 1b.

Per the note in 3.1 the 'AFC' figures of £545m does not reflect an approved and reliable Anticipated Final Cost for the Edinburgh Tram Project, but point to 'our best view' of the spend profile of the funding currently made available for the delivery of the entirety of phase 1a.

The TEL board have approved a risk allowance within the current funding arrangements of up to £53.2m, which takes the current agreed budget up to £535.0m.

## 5 Time schedule report

### Report against key milestones

The table below reflects the milestones set out against the Rev1 programme.

Milestones	Baseline programme date	Actual / current forecast date tie live prgm
Approval of DFBC by CEC	21 Dec 06A	21 Dec 06A
MUDFA – commencement of utility diversions	02 Apr 07A	02 Apr 07A
TRO process commences	14Dec07A	10-Dec-07A
Approval of FBC by TS – approval and funding for INFRACO / Tramco	09 Jan 08	Dec 07A
Princes Street closed	03-Feb-09	22-Feb-09A
Tramco / INFRACO – award following CEC / TS approval and cooling off period and SDS novation.	28 Jan 08	14 May 08A
Construction commences	14-Apr-08	14-May-08A
First track installation commences – on street	03-Nov-08	Jun 2009A
Carrick Knowe Bridge commences	21-Aug-08	19-Aug-08A
A8 underpass commences	08-Aug-08	28-Aug-08A
Haymarket viaduct commences	08-May-08	01-Sep-08A
Edinburgh Park viaduct commences	06-Aug-08	01-Sep-08A
Tram mock-up delivered	Oct 2008	Nov 2008A
Demolition of Wanderers clubhouse	25-Aug-08	05-Jan-10A
Edinburgh Park viaduct complete	24-May-09	Nov-10
Princes Street re-opened	01-Aug-09	29-Nov-09A
NR immunisation complete	Nov 2009	Sep-10A
Utilities works complete (including telecoms)	Nov 2008	Dec-10
All demolition work complete (S21C)	22-Aug-08	Mar-11
All Issue for Construction (IFC) drawings delivered (inc Gogar interchange design)	21-Jan-09	Oct-10
Haymarket viaduct complete	08-Dec-08	Mar-11
All consents and approvals granted	18-May-09	Dec-10
Design assurance complete	20-Jan-09	Dec-10
1 <sup>st</sup> Tram delivered	09-Apr-10	25-Apr-10A
Carrick Knowe bridge complete	11-May-09	Apr-11
A8 underpass complete	14-Jul-09	Jun-11
Roseburn viaduct commences	20-Jan-09	Feb-11
TRO1 process complete	01-Dec-09	Nov-10
Recruitment commences for Operations	July 2010	Jan-11
1 <sup>st</sup> OHL installed (Section 6 Depot)	11-Dec-09	May-11
1 <sup>st</sup> section (other than depot) complete ready for energisation (Section 2)	25-June-10	Jul-11
Commission Section 2 (Haymarket to Roseburn junction)	11-Jan-10	Sep-11
Final tram delivered	17-Jan-11	Jan-11
Commission Section 6 (depot)	25-Mar-10	Oct-11
Roseburn viaduct complete	20-Apr-10	Jan-12
Test track complete (Ready for tram testing)	23-Apr-10	Feb-12
Commission Section 7 (Gogar to Edinburgh Airport)	25-June-10	Oct-11 to Mar-12
Commission Section 1 (Newhaven to Haymarket)	11-Mar-11	Mar-12 to Oct-12
Commission Section 5 (Roseburn junction to Gogar)	09-Nov-10	Aug-11 to Jun-12
Driver training commences (excludes depot)	Nov 2010	Jun-12
System testing complete off street	09-Dec-10	Jul-12
Construction Line 1a complete	17-Jan-11	Oct-12

Milestones	Baseline programme date	Actual / current forecast date tie live prgm
System testing complete on street	16-Feb-11	Nov-12
Letter of "no objection" from Independent Competent Person to commence tram running	17-Apr-11	Nov-12
Shadow running starts	18-Apr-11	Jan-13
Shadow running complete	July 2011	Apr-13
Letter of "no objection" from Independent Competent Person to commence revenue service	July 2011	Apr-13
Open for revenue service	July 2011	Apr-13

**Guidance for Completion:**

Legend for colouring of Actual / forecast date text

- Green:** Actual / forecast date is ahead or in line with baseline
- Yellow:** Slight slippage – readily recoverable with action.
- Pink:** Significant slippage but expect recovery can be achieved
- Red:** Notable / significant slippage – difficult to recover, even with action.

**Key Issues Affecting Schedule**

- BSC advised **tie** in the period that they intended to ramp down construction works at various locations. This was followed by news in the media that the consortium had commenced laying off staff and sub-contractors.
- Lack of agreement with BSC regarding on-street construction programme;
- Completion of redesign of the permanent works to allow commencement of the construction of structures from Baird Drive through to Balgreen Road.(this section is affected by the cessation of BSC works at present).

**12-Week Look-Ahead**

Until the revised programme is in place the forecast for the next 12 weeks continues to be generated from the **tie** Live programme including latest updated information from both BSC and **tie** Project Managers.

Note that due to the uncertainty surrounding the On-street section of the Infraco works, that these works have been removed from the 12 week forecast other than for areas that are currently underway.

Similarly, as BSC have now advised that they are demobilising worksite where there is an outstanding disagreement regarding an estimate, these works have also been removed from the table.

Milestones	Actual / current forecast date
5A – Complete Construction of New Scotrail Carpark	27-Sep-10A
1A3 – S17 Construction Works Tower Place bridge	11-Oct-10C
1A4 - Lindsay Rd Retaining Wall A+C	11-Oct-10C
1B – Telecoms Works Jane Street to McDonald road	11-Oct-10C
1C2 - Telecoms Works Picardy Place to St Andrew Square	11-Oct-10C
1D – Telecoms cabling Haymarket to Crescents	25-Oct-10F
5B – S23 Carricknowe bridge	11-Oct-10C
5C – Trackworks Edinburgh Park to Gyle	11-Oct-10C
5C - S32 Depot Access bridge	11-Oct-10C
6 - Depot Building (Siemens Internals Only)	11-Oct-10C

Milestones	Actual / current forecast date
7 – Trackworks Gogarburn to Ingliston Park and Ride	11-Oct-10C
7 - W14A-B-C-D/W15A-B-C Gogarburn RWs	11-Oct-10C
7 – Trackworks Ingliston Park and Ride to Edinburgh Airport	11-Oct-10C
5A - Murrayfield Stadium SRU Accommodation Works (excludes clubhouse)	15-Oct-10F
7 – Gogar Landfill (settlement period)	27-Oct-10F
5B – S26 South Gyle Access bridge Sewer Diversion	05-Nov-10F
1C3 – Telecoms Works St Andrew Square to Princes Street West	15-Nov-10F

Key: A=Actual; C=Continues in period; S=Start; F=Finish,

## 6 Risk and opportunity

### Review of Risk Register

#### Summary

There were nine risk reviews held in the period. There were four draw-downs on the risk allowance approved in the period totaling £3,329,848. These are detailed later in the report. Based upon the revised project risk allowance this leaves a risk balance of £2.3m.

#### Risk and Opportunity Reviews

The following reviews took place in the period:

Date	Format of review	Attendees	Comments
4/10/10	Signalling and Communications & BT Cabling Work	Project Risk Manager Project Manager	Risks and Treatment Plans Reviewed
4/10/10	Depot and Section 7 Risk Review	Project Risk Manager Project Manager	Risks and Treatment Plans Reviewed
5/10/10	Section 2 and Section 5 Risk Review	Project Risk Manager Project Manager	Risks and Treatment Plans Reviewed
5/10/10	Network Rail and Trackform Risk Review	Project Risk Manager Project Manager	Risks and Treatment Plans Reviewed
5/10/10	Section 5 Risk Review	Project Risk Manager Project Manager	Risks and Treatment Plans Reviewed
5/10/10	Section 1 Risk Review	Project Risk Manager Project Manager	Risks and Treatment Plans Reviewed
1/10/10 & 5/10/10	Edinburgh Gateway Risk Review	Project Risk Manager Project Manager Quantity Surveyor	Identification of Risks and Treatment Plans
6/10/10	Infraco 'High-level' Risk Review	Project Risk Manager Infraco Director	Review of High-level Risks Impacting Infraco Works

#### BSC Consortium Risk Management

A planned risk management workshop with tie and BSC was arranged but did not take place. This was rearranged (by BSC) for September 29<sup>th</sup>.

#### Project Risk Register

There are 43 risks in the risk register. The top six project risks are listed herein.

The risks in the Project Risk Register were reviewed by the attendees at the Project Risk Review and all risks plus their assessment and treatment plans were reviewed and refreshed.

A new risk was added during the Project Risk Review. Risk ID 1160 relates to the potential liability for the costs associated with the works in the Forth Ports Estate due to the lack of formal agreement between CEC and Forth Ports.

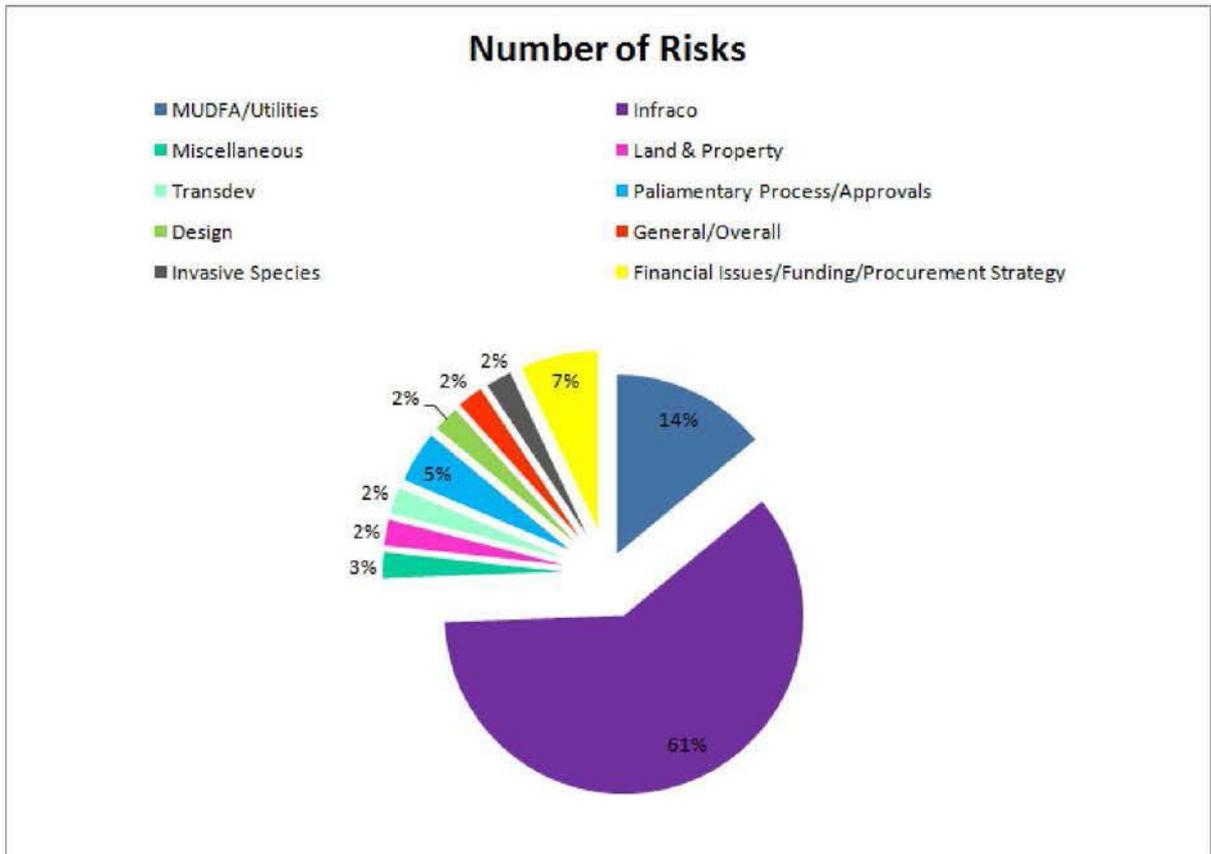
1011 Period 07 - Top 6 Risks

ARM Risk ID	Cause	Event	Effect	Risk Owner	Significance	Black Flag	Treatment Strategy	Previous Status	Current Status	Due Date	Action Owner
1159	Commercial dispute with contractor	Depending on outcome of negotiations the revised cost leads to funding pressures for CEC.	CEC required to increase	S Bell	High (21/30)		Intensive commercial negotiations with contractor.	On Programme	On Programme	31-Oct-10	S Bell
							CEC exploring contingency measures for additional funding	On Programme	On Programme	30-Jan-11	A Coyle
343	General delay to programme with various causes e.g. failure to obtain approvals on time; contractor issues, access after completion of utility diversions	Delay to completion of project	Increased out-turn cost due to delay plus revenue loss	S Clark	High (25/30)		Access maps showing areas available	On Programme	On Programme	30-Nov-10	F McFadden
							Use of Clause 34 / 80.15 - addressed via DRP	On Programme	On Programme	31-Aug-10	S Bell
							Contractually assertive workstreams to progress programme	On Programme	On Programme	29-May-10	S Bell
							DRP Mufda Rev 8 response	Complete	Complete	31-Aug-10	S Bell
							DRP on programme management (EOT1)	Complete	Complete	30-Oct-09	S Bell
							Liason between tie/BSC programme managers	On Programme	On Programme	30-Dec-11	T Hickman
							Programme Management Panel process	Complete	Complete	30-Dec-11	F McFadden
							Weekly tie/BSC commercial meetings	On Programme	On Programme	30-Dec-11	M Paterson
1101	Unreasonable behaviour of BSC commercial management	Unrealistic estimates being submitted for potential changes	Programme delay while disputes regarding estimates are resolved	D Murray	High (25/30)		Issue UWN on programme	Complete	Complete	15-Sep-10	S Clark
							Additional resource from T&T	Complete	Complete	29-Jul-09	M Paterson
							Agreed with BSC for independant evaluation to get benchmark	Complete	Complete	30-Jul-09	M Paterson
							All estimates to be scrutinised by tie commercial team and, where appropriate, challenge made to BSC. Additional resource (T&T) being used to check estimates to reduce delay and other commercial resources on there areas	On Programme	On Programme	30-Dec-10	M Paterson
							Clause 34/80 issues using DRP for disputed values	Complete	Complete	31-Aug-10	S Bell
							Legal challenge to Clause 80 and BSCs interpretation thereof	Complete	Complete	31-Aug-10	S Bell

1011 Period 07 - Top 6 Risks

ARM Risk ID	Cause	Event	Effect	Risk Owner	Significance	Black Flag	Treatment Strategy	Previous Status	Current Status	Due Date	Action Owner
1094		Roads throughout works require full depth reconstruction	Programme impact plus additional costs. £1.5m cap applies to only 4 areas. (PA 12) Also affects (PA 14)	F McFadden	High - 24.00		All party buy in - application of appendix 7(1)	On Programme	On Programme	31-Dec-11	C Neil
							Carry out surveys to confirm extent of roads requiring full depth reconstruction	Complete	Complete	30-Jun-09	C Neil
							Intensive engagement with CEC, palette of options, methodology being agreed	On Programme	On Programme	31-Dec-10	C Neil
							Resolution of trackform at trackform workshop	On Programme	On Programme	30-Nov-10	R Bell
							Suite of options from surveys to be reviewed and agreement reached	Complete	Complete	30-Jul-10	C Neil
							tie developed on-street proposal - optimal solution	On Programme	On Programme	30-Nov-10	S Bell
928	Major single safety and/or environmental incident (including a dangerous occurrence) during construction	Safety Incident during construction	Delay (potentially critical) due to HSE investigation and rework. PR risk to tie and stakeholders.	F McFadden	High - 21.00		All Site Staff to get CSCS or equivalent	On Programme	On Programme	30-Jan-11	B Cummins
							HSQE Audits, site inspections and Management Safety Tours to be carried out	On Programme	On Programme		
							Incident management process regularly updated and revisited	On Programme	On Programme	31-Dec-12	B Cummins
							Safety Induction to be carried out for all site staff	On Programme	On Programme	31-Dec-10	B Cummins
							TEL HSE committee overview applied	On Programme	On Programme	31-Dec-10	B Cummins
							The tie "Safety" bus is being used to deliver safety talks & culture surveys to the contractors workforce. Build the tram safety Drugs & Alcohol policy	Complete	Complete	31-Dec-09	B Cummins
1160	Lack of signed, formal agreement between CEC and Forth Ports regarding Forth Ports contribution to Tram works	Forth Ports contribution does not materialise or does not equal value of works carried out	CEC required to fund difference between Forth Ports contribution and value of works	S Bell	High - 23.00		Liaise with Dave Anderson and Donald McGuigan to ensure awareness of issue and agreement of current strategy	On Programme	On Programme	1-Nov-10	S Bell
							Meet with TS and ensure they are aware that costs are being allocated	On Programme	On Programme	5-Nov-10	S McGarrity

The risks within the Project Risk Register are categorised below.



The ratings of the risks are illustrated below.



**New Risks and Concerns**

The Project Risk Manager, in conjunction with the relevant director, agrees which concerns are escalated to risks and are added to the Project Risk Register.

**Infraco**

The following two items were added on the Infraco Concerns Register in the period:

	Risk Number	Cause	Risk Event	Effect
Network Rail	135	Work being carried out on railway embankment between Roseburn and Dalgreen	Movement of embankment or slip circle forms within the embankment whilst excavations ongoing	Speed restrictions on services on Frife lines
General	136	Significant reduction in BSC resources and curtailment of sub-contractor activities	Severe disruption to progress in specific worksites	Further delay to completion of works. Loss of confidence in tie's ability to deliver project.

The following three items were closed on the Infraco Concerns Register in the period:

	Risk Number	Cause	Risk Event	Effect
NR	17	Interface with other ongoing works within LMD at Haymarket (Raynesway undertaking Pollution Prevention)	Unable to work within confines of Scotrail's Light Maintenance Depot (LMD) at Haymarket	Delay to programme around Haymarket depot and Murrayfield
General	103	Lack of clarity between consortium members regarding responsibility for design and provision of trackside signage	Delay in production of trackside signage	Impact on trial running programme
Network Rail	132	Immunsation and/or civils works cause delay to Network Rail asset	Network Rail seek to recover cost of associated delays from tie	Additional cost

**Risk Action Plan for Next Three Periods**

The following treatment plans are due for completion in the next three periods.

Action Owner	Risk ID	Action ID	Event	Action Name	Due	Active	Complete	Late	Next 3 periods
A Richards	888	127	ETL refuse to operate system on safety ground or apply overly restrictive procedures	Involve ETC fully in design, construction and testing/review process.	30/12/2010	Yes	No	No	Period 10
A Sim	279	711	Third party consents including Network Rail consent are denied or delayed	Increased liason with 3rd parties	31/12/2010	Yes	No	No	Period 10
B Cummins	928	338	Safety incident during construction	Safety Induction to be carried out for all site staff	31/12/2010	Yes	No	No	Period 10
B Cummins	928	339	Safety incident during construction	HSQE audits, site inspections and management safety tours to be carried out	31/12/2010	Yes	No	No	Period 10
B Cummins	928	710	Safety incident during construction	TEL HSE committee overview applied	31/12/2010	Yes	No	No	Period 10
B Cummins	58	228	Infraco fails to deliver construction quality; latent defects occur during or after Infraco maintenance period	Undertake quality audits during construction	31/12/2010	Yes	No	No	Period 10
C Neil	1094	708	Roads throughout works require full depth reconstruction	Intensive engagement with CEC, palette of options, methodology being agreed	31/12/2010	Yes	No	No	Period 10
C Neil	931	681	Unknown or abandoned assets impacts scope of Infraco work	Obstructions and voids survey, establish ownership reduced delay on discovery	31/12/2010	Yes	No	No	Period 10
C Neil	172	732	Tramway runs through area of possible contamination and special foundation is required to cope with unstable ground	Pursue technical solution re design and agree above costs	30/10/2010	Yes	No	No	Period 08
C Neil	865	740	Asbestos found during demolition works and excavations for construction	Asbestos Surveys	31/12/2010	Yes	No	No	Period 10
C Neil	1091	705	Excavation of soft, unsuitable material below Earthworks outline	Technical challenge against SDS designs	31/10/2010	Yes	No	No	Period 08
C Neil	1091	706	Excavation of soft, unsuitable material below Earthworks outline	Interactive resting approach in order to maximise value	31/12/2010	Yes	No	No	Period 10
D Sharp	1106	714	Programme delay with dispute over accountability.	Use of additional resources to apportion accountability	31/12/2010				
D Sharp	279	634	Third party consents including Network Rail consent are denied or delayed	4-weekly meetings of Approval Task Force	31/10/2010	Yes	No	No	Period 08
D Sharp	271	559	Failure to process prior approvals applications within 8 weeks	Assure the quality and timing of submissions	31/10/2010	Yes	No	No	Period 08
D Sharp	271	637	Failure to process prior approvals applications within 8 weeks	4-weekly meetings of Approval Task Force	31/10/2010	Yes	No	No	Period 08
F McFadden	343	719	Delay to completion of project	Access maps showing areas available	30/11/2010	Yes	No	No	Period 09

Action Owner	Risk ID	Action ID	Event	Action Name	Due	Active	Complete	Late	Next 3 periods
F McFadden	1077	723	Tramworks price based on a design which may have been altered. Unclear who authorised design change.	Deploy alternative utilities contractors to progress utilities	30/11/2010	Yes	No	No	Period 09
F McFadden	1079	661	Lack of competent resources within BSC to safely and effectively deliver Tram project	Apply contract re personnel	01/01/2011	Yes	No	No	Period 10
F McFadden	1079	684	Lack of competent resources within BSC to safely and effectively deliver Tram project	Where appropriate tie can request removal of resources	01/01/2011	Yes	No	No	Period 10
F McFadden	1079	685	Lack of competent resources within BSC to safely and effectively deliver Tram project	Resource led programmes	01/01/2011	Yes	No	No	Period 10
F McFadden	1079	686	Lack of competent resources within BSC to safely and effectively deliver Tram project	List of staff and competencies to be provided	01/01/2011	Yes	No	No	Period 10
F McFadden	914	573	Statutory Utility Companies unable to meet design approval/acceptance turnaround time to meet programme	SDS to obtain consent for design in accordance with programme requirements - SGN and Scottish Power. Complete with the exception of plates the redesign of the affected utilities at Baltic Street - IFC drawings then reduce.	31/12/2010	Yes	No	No	Period 10
M Blake	1102	696	Known non-compliant utility diversions in relation to proximity to the DKE and/or other utilities.	Obtain reduction from SUCs	31/10/2010	Yes	No	No	Period 08
M Blake	1102	697	Known non-compliant utility diversions in relation to proximity to the DKE and/or other utilities.	Where relaxation cannot be obtained replace plastic with steel	30/10/2010	Yes	No	No	Period 08
M Blake	1105	699	Additional protection measures of utilities are required (primarily Leith Walk) reduced depth 1200 to 800 to save time/money. This applies to 20 no crossings on Leith Walk	Examine possibility of additional protection being used rather than additional diversion of utilities	31/10/2010	Yes	No	No	Period 08
M Paterson	1101	663	Unrealistic estimates being submitted for potential changes	All estimates to be scrutinised by tie commercial team and, where appropriate, challenge made to BSC. Additional resource (T&T) being used to check estimates to reduce delay and other commercial resources on these areas	30/12/2010	Yes	No	No	Period 10
R Bell	1094	736	Roads throughout works require full depth reconstruction	Resolution of trackform at trackform workshop	31/11/2010	Yes	No	No	Period 09
R Bell	52	726	Amendments to design scope from current baseline and functional specification.	Design Task Force	31/12/2010	Yes	No	No	Period 10
S Bell	1094	725	Roads throughout works require full depth reconstruction	tie developed on-street proposal	31/11/2010	Yes	No	No	Period 09
S Bell	1159	744	Depending on outcome of negotiations the revised cost leads to funding pressures for CEG.	Intensive commercial negotiations with contractor	31/10/2010	Yes	No	No	Period 08
S Bell	1077	703	Tramworks price based on a design which may have been altered. Unclear who authorised design change.	Continued DRP / Adjudication Process	31/12/2010	Yes	No	No	Period 10
S Bell	1077	720	Tramworks price based on a design which may have been altered. Unclear who authorised design change.	PA1 Challenge	31/12/2010	Yes	No	No	Period 10
S Bell	1077	724	Tramworks price based on a design which may have been altered. Unclear who authorised design change.	Siemens 33 initiative to achieve Airport to Bankhead Drive	31/12/2010	Yes	No	No	Period 10
S Clark	1106	738	Programme delay with dispute over accountability.	Production of concurrency information using Accutus and internal production of PITA database	30/11/2010	Yes	No	No	Period 09
W Biggins	911	628	Presence of Scottish Power tunnel in Leith Walk requires approved construction methodology from Scottish power - works scheduled for August 08.	Liase with Scottish Power to agree and approve method of crossing tunnel - SDS doing this	31/12/2010	Yes	No	No	Period 10

**Cost Quantative Risk Analysis**

The Project Risk Allowance at financial close was £30,336,196. This was increased in Period 1 by £17,982,993 to £530m and to £535m in Period 5. Drawdowns on risk and contingency to the end of Period 7 10/11 now total £49,085,232. The remaining risk balance based on the approved QRA plus the additional funding is £2.3m. An application for the approved budget to be increased to £540m will be made at the next Tram Project Board.

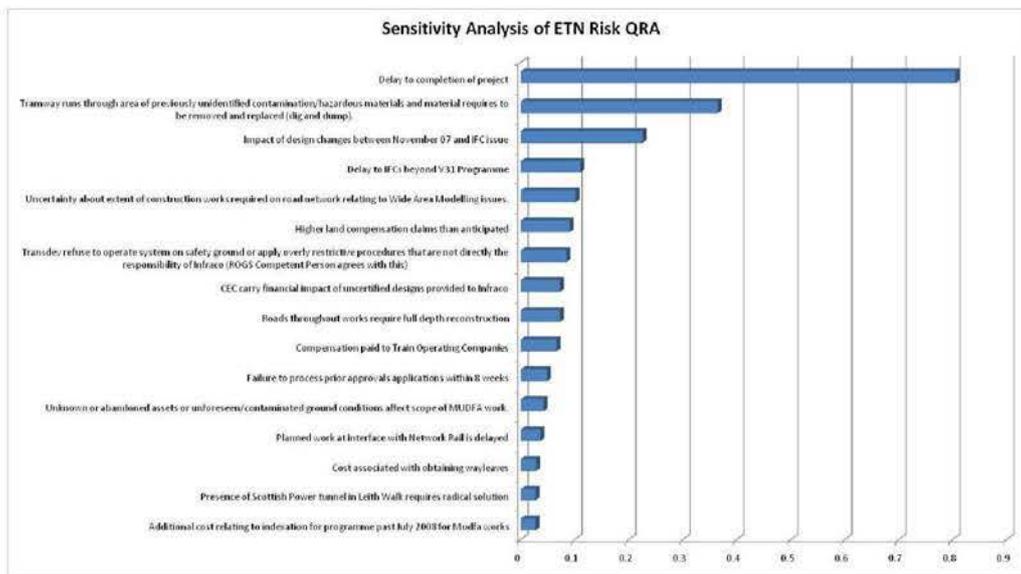
There is no current project risk allowance derived from the Project Risk Register. In order to establish what potential costs may need to be funded from risk or contingency an exercise was undertaken in Period 7 to review the Infraco Change Register with a member of the commercial team. The results of this exercise are detailed in the Change Summary.

**Risk Drawdown**

The following table illustrates the drawdown applications on the project risk and contingency allocations in Period 07.

Description	Owner	Value (£)
Water of Leith Bridge	Mike Paterson	£20,000
Technical Support Services (2010-2011)	David Carnegie	£661,900
Extended Construction & Design Support	David Carnegie	£588,709
Farrans 1A Plates 1-10	Mike Paterson	£137,072
Depot Access Bridge - BDDI-IFC risk	Mike Paterson	£1,230,625
Section 7 Track Drainage	Mike Paterson	£496,224
Replacement of Rubber kerbs and Guardrails city centre updated	Mike Paterson	£195,318
<b>Total</b>		<b>£3,329,848</b>

**Sensitivity Analysis of Approved Cost QRA**

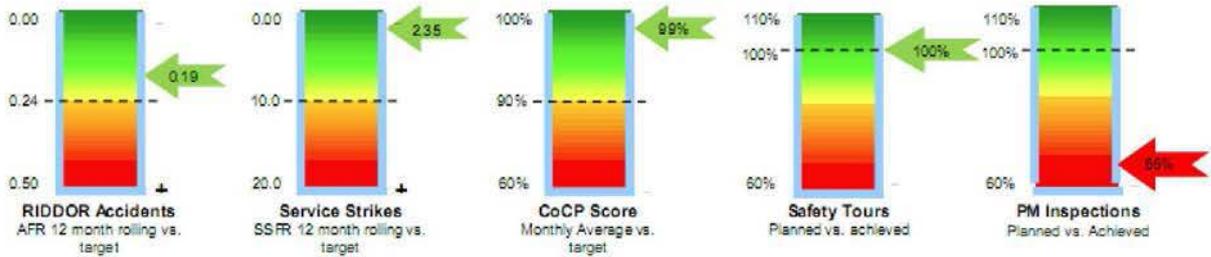


The above chart highlights those component risks which are correlated most closely with the overall risk allocation. These risks are the ones which, if changed in terms of probability or impact, would have the most significant effect on the final output.

## 7 Health, Safety, Quality and Environment

### H&S Accidents and Incidents, Near Misses, Other or Initiatives

HS&E ACCIDENTS and INCIDENTS SUMMARY											
Total	Total Hours	>3 day	Major	Injury	NM/Unsafe Condition	Service Damage	ENV	RTA	MOP	AFR	SFR
Period	116,738	0	0	1	15	0	0	0	2	0.00	0.00
13 period rolling	1,572,455	1	2	19	198	37	22	7	22	0.19	2.35



There were no reportable accidents during the Period. The rolling 13 period AFR is at 0.19 still below the target of 0.24 for the project. The number of alleged MOP incidents (2) recorded during Period 7 continues to be at a low level. CoCP compliance at 99% during Period 7 indicates a slight improvement on Period 6. 66% of the planned PM joint inspections were carried out during Period 7 (due to holidays) and 100% of planned safety tours were completed.

The recent reduction in numbers of BSC supervisory and HSQE staff is viewed with concern by **tie**. **tie** HSQE are monitoring BSC's on site and off site H&S management performance across the Infraco project. Infraco director also raised this matter in the BSC progress meeting. BSC confirmed they have adequate resource.

Lothian and Borders Fire Brigade have raised concerns that there are a number of areas on the route of the tram that do not have adequate/or any fire hydrant cover. **tie** have investigated the concerns and initiated remedial actions at some locations. A further meeting involving **tie**, LBFB and Scottish Water is planned to address any remaining issues on 07 Oct'10. A close out report is being produced.

A BSC response is still awaited on a formal request by **tie** for details of BSC's site co-ordination arrangements at the Depot area – this is being formally re-requested.

### Environment

No environmental incidents were recorded during Period 7. No formal response has been received from BSC regarding the mitigation of invasive species. Further correspondence regarding this issue to be sent to BSC during Period 8.

Headland and Guard have been asked to provide a full programme of works for the outstanding Post Excavation Works by the 10<sup>th</sup> October 2010. Meeting to be arranged with both parties during Period 8.

A formal report was issued for audit for BSC Site Waste Management Plans carried out 30<sup>th</sup> August 2010, to date no formal response has been received regarding the close out of findings raised. Formal correspondence to be sent to BSC during Period 8 regarding the close out of this audit.

Further correspondence to be sent to BSC regarding the Environmental Audit carried out during Period 12, 2009. BSC have advised that they are awaiting a response with regard to the findings from their site team. This information is now being requested for the eighth consecutive period.

**Deliver a Safe Tram**

Section	Activity	Data Checked				
		IDC	ITP's	Design Variation/Change	As Built's	Asset Register
Carrick Knowe to Balgreen	Drainage & Ducting	0.5	1	1	1	N/A
Edinburgh Gateway	Design Interface	0.5	1	N/A	N/A	N/A
Edinburgh Park	Earthworks ITP 006	0.5	1	1	1	N/A
<b>PD</b>	<b>Total (y)</b>	1.5	3	2	2	0
	<b>Max Possible Total (y)</b>	3	3	2	2	0
<b>Total</b>	<b>Percentage P6</b>	44%	91%	81%	74%	35%
	<b>Percentage P7</b>	44%	91%	82%	75%	35%

**Key - Y = Evidence exists (1) N = No evidence exists (0) NA = Not applicable (-) P = Part evidence in place (0.5)**

**Interim Design Assurance submission**

On 9<sup>th</sup> August 2010, **tie** received ten 'civils –type' Design Assurance Statements from BSC on a "For Information" basis. These could not be reviewed until the associated IDR/IDC information was received on 21<sup>st</sup> September 2010. The DAS' for route sections 1D, 2A, 6 and 7A are now being informally reviewed to look for evidence of effective cross-discipline integration and the results of this informal review indicates that the submissions are not to a satisfactory standard.

BSC intends to submit formally their "Integrated DAS'" during 4Q10. BSC has claimed that these will demonstrate fully integrated design across all disciplines for all route sections.

On 9<sup>th</sup> August 2010, **tie** also formally received DAS' for 7 Siemens system elements and a preliminary one for the CAF tram vehicle. **tie** has responded formally to these, and has noted that the documentation is incomplete in several key areas, and does not demonstrate integration across multiple disciplines. .

All of these DAS' will be used to underpin BSC's "Cases for Safety", whose preliminary versions have been formally submitted and reviewed and are likely to be generally satisfactory if completed as promised, although again only representing "work in progress" pending finalisation of all of the supporting evidence.

**tie's** mapping of the ER's to the Strategic Requirements detailed in the DC paper is progressing well.

**Site Completion Certificate**

Discussions are ongoing with BSC Quality to agree the format of the Site Completion Certificate as per Schedule 3 of the Infraco Contract. Meeting held with BSC during Period 7. Agreement made that a trial certificate will be utilised on the Test Track at the Depot. Upon agreement/review this certificate will be formally implemented in all relevant areas.

**Deliver a Safe Tram Key Metrics**

3 metrics inspections carried out during Period 7– Section 5B Edinburgh Park; Edinburgh Gateway (currently in detailed design phase) and Carrick Knowe to Balgreen. 4<sup>th</sup> inspection had been scheduled to take place at Edinburgh Park Bus Gate however there was no representative available from BSC.

BSC have raised an NCR with regard to the alignment of the OLE bases at Haymarket. No further information received; **tie** to request progress update of NCR during Period 8.

SHE Committee carried out a site tour at BSC's (McKean) Tower Bridge site: The site was found to be well organised with McKean delivering a visitors' induction and **tie** PM fully describing the scope of works. There were no attendees from BSC.

Audit TQA/BSC/06/2010 carried out at the Gogar Depot reviewing Track Ballast and Track form. 3 findings relating to materials test certification were raised and closed out following discussion with Siemens Quality Manager.

Princes Street Audit TQA/CEC/PrincesStreet/01/2010. Findings to be formally reviewed prior to submittal to CEC. Haymarket approvals audit TQA/CEC/BSC/01/2010. All evidence now submitted to **tie** for formal review prior to report being submitted to CEC. BSC carried out an Audit on Expanded Construction during Period 7. Copy of formal report to be issued to **tie**.

Sewer Diversion - Barhale works. Documentation is being collated by Barhale in line with **tie** procedures, the handover format (i.e. number of hard copies/CD's) to be agreed between BCL and **tie** PM.

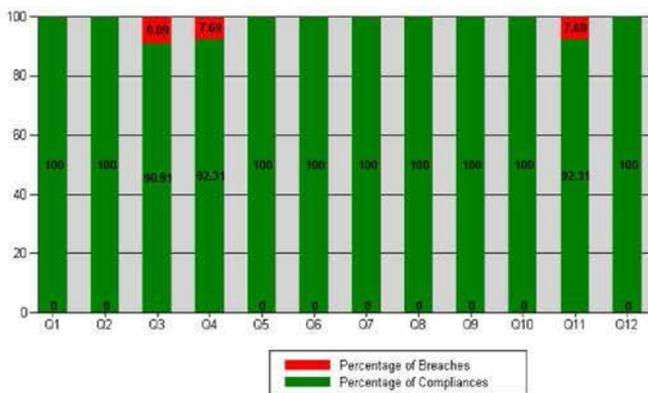
34 Infraco ITPs have been submitted to **tie**. 32 are Level A no objection. BSC are currently reviewing all off their ITPs, and will reissue in due course. Currently **tie** are reviewing the ITP for Signalling and the reissue of the ITP for Bridge Bearings.

**Action**

Continue to review the cases for safety and DAS's. Continue to Map the ER's to strategic requirements. CDM Regulation 9, Client Check on Design to the Workplace Regs audit to be rescheduled. Audit to be carried out week 2 or 3 Period 8. Population of the completion file for the mini test track at the Depot

**COCOP Compliance**

**Period 6**



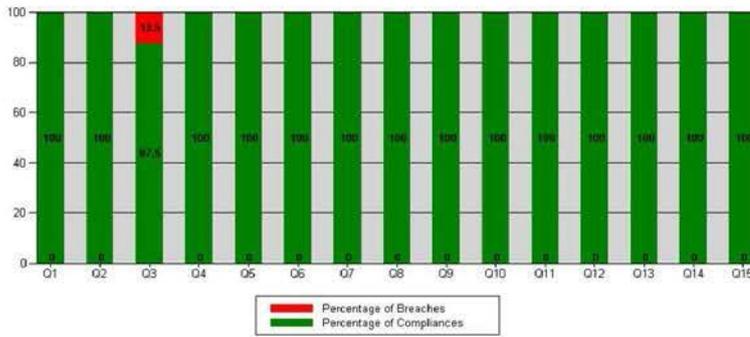
**Movement in Period**

Compliance recorded at 99% during Period 7, a slight improvement on Period 6.

A reported breach at Farrans site near Ocean Terminal related to inadequate and unclear information notices around the site. This was subsequently addressed.

Q1. Hours of Work
Q2. Notification
Q3. Notices
Q4. Fencing and Hoarding
Q5. Noise
Q6. Waste Management
Q7. Waste Water and Run-Off
Q8. Water
Q9. Emergency Access
Q10. Parking
Q11. Litter and general housekeeping
Q12. Dust
Q13. Smoking
Q14. Members of the Public
Q15. PPE and Behaviours

**Period 7**



**tie Action**

As part of an initiative to ensure the continued effectiveness of the CoCP inspection processes **tie** HSQE will carry out accompanied inspections and coaching sessions with **tie** site staff undertaking CoCP inspections.

## 8 Stakeholders & Communications

### Media / Press Activity

Media coverage surrounding the project has been significant over the last four weeks. Consistently enquiries have been received by The Herald, Scotsman and Evening News regards various aspects of the project, many of which are commercially confidential.

The Herald's coverage of the project has covered different aspects of construction work including work on the new Edinburgh Gateway project. One piece in particular surrounded concerns that serious issues with the tram track foundations exist on Princes Street and may lead to the whole street needing to be dug up and re-laid, at considerable cost and disruption to the city. This story was unsubstantiated and we responded that all concerns regards remedial work had been brought to the attention of the contractor. The story was picked up by various local and national media the following day.

Following the release of documents through Freedom of Information, the Evening News ran a story on the basis that Transport Scotland continued to release funding on the project when no work was taking place. This was completely untrue and a robust response was given explaining that work was currently ongoing along the off road section of the route and that our current spend to date for this is under budget.

One story which gained momentum was the leak of information to the Scotsman and Evening News that the principal contractor for track laying had began laying off staff and that work on the project had ground to a halt. We had received no formal notification that this was taking place, in what areas and what subcontractors were still working. It was claimed that this was as a result of money unpaid to the contractor by **tie** had led them to stop work. This claim was refuted completely by **tie** and response given to the effect that all money has been paid to the contractor as per the contract and that any malicious misinformation to the contrary would be regarded as a breach of contract.

There was further substantial coverage of the project generated in the run up to the October Full Council Meeting on 14<sup>th</sup> October, following the release of the Edinburgh Tram Update Report on Friday 8<sup>th</sup> October. This report included the conclusions drawn from a revised business plan for the potential incremental delivery of the project, of which one option would be to St Andrew Square. This revised plan was requested by Councillors and has generated coverage on several topics, mainly:

- Appointments to the TEL Board
- Alleged subsidy of the tram by Lothian Buses TEL

Robust clarification was provided on these points and separate clarifications were posted on our website and facebook page making clear that TEL is not a new concept, dating back to 2000. Also it was reinforced that the profitability of trams has always required a period in which to establish a customer base before it became profitable in its own right.

### Branding

We are working with DEMA to wrap the tram mock-up at Edinburgh Airport in festival images from the Edinburgh Sparkles Christmas campaign. This should be installed from early November and remain in place throughout the festive period. This week we have also installed a new sign close to the Airport tram stop which displays tram facts about the service.

We recently installed three 18m high banners on the front of Haymarket House with joint city wide messaging from trams, Festivals and Economic Development. These have been a big success and we have had some positive feedback about how much better they make the building look. DEMA have requested that they take on one of the banners throughout November and December to display Edinburgh Sparkles artwork.

The summer campaign banners on Princes Street will be removed this week and Festive themes from Sparkles and Hogmanay are planned to be installed from early November.

As part of the I Love Leith campaign we are working with Economic Development to install positive images on the gap site hoardings at Haddington Place, Leith Walk. This includes messages from trams, Leith business hub, economic development, local secondary schools and Edinburgh Sparkles.

We have had meetings with the Gyle shopping centre about work that will begin in the near future in front of their premises and working on signage ideas to help encourage footfall into the shopping centre.

### **Partner and Stakeholder Communications**

During Period 7 a series of work notifications were delivered to local business and residents for works in the north and west of the city:

- Princes Street Eastbound Closure - 100
- Roseburn Water Outage - 160

Notifications were sent to businesses on Princes Street regarding an eastbound closure of the street for a weekends work beginning on the evening of Friday 1<sup>st</sup> October until the early hours of the Monday 4<sup>th</sup>. This closure was primarily to accommodate a crane being erected by the newly acquired Primark store on Princes Street for work they wish to carry out on the building's frontage. Remedial work was due to be carried out on chambers by tram contractors during this closure however the crane was postponed until a later date at Primark's request therefore we decided to also postpone our work for until then. A second notification was issued to residents and businesses in the Roseburn area to inform them of a water shut off during between 12pm and 6pm on Friday 25<sup>th</sup> September. This work was carried out without incident.

A number of Primary Schools have been in touch following a letter regarding our schools programme for this year. Seven schools have responded so far expressing interest in being involved in any activities that we will be organising. Two schools requested short general presentations on the trams as part of their own transport projects. A workshop session was attended by members of the Communications Team also at Drummond High School as part of careers awareness initiative for Primary 7 pupils coming to the school. The Trambassador School programme is still currently being developed for this year.

The Edinburgh Trams exhibition on the vehicle itself was opened in stages near the end of September and gradually populated with several Perspex boxes containing items of memorabilia, old tram parts, and photographs. The majority of the items were donated by members of the public and tram enthusiasts including a tram bell and a length of cable dating to around the 1890's. A specific mention should also be given to the People's Story Museum for their loan of various items for the exhibition and their enthusiasm in getting involved with the project.

Communication continues on a regular basis between businesses and residents to keep them informed of the progress being made on the project and of any works due to commence in their area. The following stakeholder group meetings were attended by a member of the Communications and Customer Service team:

- Murieston 50+ Group
- Murrayfield Stadium/Scottish Rugby
- Leith Business Association
- Elder Street traders
- Ocean terminal
- Vine Trust
- Gyle Shopping Centre
- Verity House management

### **Website / Internet Communications**

During Period 7 we have had approximately 13700 visitors, each one viewing on average at least four different pages of content on the website. We have, however, noticed a substantial increase in social network activity, with many of our social media posts to information and content receiving over 200 hits within a few hours of posting. There has also been a marked increase in twitter activity in this period, which may be attributed to various announcements and media coverage. Additional activity is to be expected since our twitter following has now grown to 988 followers, while 792 people follow our facebook page and many participate actively in discussions and comment on posts.

Online communications have allowed us to rapidly respond to misinformation and to press stories and a concerted effort has been made to include as much accurate information as possible in anticipation of forthcoming media stories where readers may come directly to our online information for validation or correction. There has been an increased interest in media release pages this period, though almost 3000 people downloaded podcasts from Edinburghtrams.com in addition to the videos played on our facebook page. The consumption of video and photo media online remains very high, despite a slight reduction in the production of new material this period. Video and images remain one of the most engaging types of content for our user community and this may be incorporated actively into our strategy moving forward.

**Freedom of Information Requests**

Period 7 Freedom of Information requests totalled 5, one review and four new requests for information. One new request was received during Period 7 taking the total number of requests to six which will be carried on to Period 8. In every case, a response is given to the requestor within 20 working days.

**Customer Service Activity**

Period 7 figures have increased since Period 6 by 74. This is unsurprising given that Period 6 recorded one of the lowest period totals outside of the festive season. The main channels of correspondence continue to be via Email (119) and Phone (104), with very few enquiries being logged by Face to Face meetings (1) or Fax (1). No letters were received during the four week period.

The subject of correspondence has differed little during Period 7 also. Information Requests have been the main reason for contacting the customer service team logging 220 of the 238 enquiries. Only one Complaint was logged and one COCP Complaint while the main areas of enquiry were Business Support (4) and Employment (5) while 5 positive comments were recorded. One final enquiry was logged regarding Land and Property during Period 7 taking the total to 238.

**Customer Service Figures**

a) Transport Scotland - Monthly Customer Service Report 13/09/2010 - 08/10/2010

Item	Volume Month	Volume (Cumulative from	Performance (Month)	Performance (Cumulative)	Target Performance
------	--------------	-------------------------	---------------------	--------------------------	--------------------

		21/11/08)			
Telephone response	112	5030	91	96	90% in 30 seconds
Telephone Same day resolution	112	4836	100	96	Info only
Email acknowledgement	102	3138	100		100% acknowledged within 24 hours
Email response			100	99	90% resolution in 7 days
Email same day resolution	95	2866	93	91	Info only
Letter acknowledgement	2	205	100		100% acknowledgement within 24 hours
Letter response			100	96	100% resolution in 7 days
Total Enquiry Volumes	216	8373			
Website update	41	1644	100	100	Weekly

b) Out of Standard/Work in Progress statement at month end 08 Oct 2010

		Volume of WIP @ m/end	Oldest date	Oldest Issue	Handled By
M/e 08 Oct 2010	Email	0	N/A	N/A	N/A
	Letters	0	N/A	N/A	N/A
	Calls	0	N/A	N/A	N/A

c) Monthly Notifications Performance 13/09/2010 to 08/10/2010 and Cumulative from 21 November 2008

0 Major notifications  
4 Minor notification – all in standard  
0 Emergency notifications

Notification Type	Work Site		Notifications	% in Standard
	Month			
Major works	Month	Notifications	0	
		In Standard	N/A	N/A
	Cumulative	Notifications	15	
		In Standard	6	67
Minor Works	Month	Notifications	4	
		In Standard	4	100
	Cumulative	Notifications	209	
		In Standard	171	82

Emergency	Month	Notifications	0	
		In Standard	N/A	N/A
	Cumulative	Notifications	14	
		In Standard	14	100

Section	Activity	Data Checked				
		IDC	ITP's	Design Variation/Change	As Built's	Asset Register
Carrick Knowe to Balgreen	Drainage & Ducting	0.5	1	1	1	N/A
Edinburgh Gateway	Design Interface	0.5	1	N/A	N/A	N/A
Edinburgh Park	Earthworks ITP 006	0.5	1	1	1	N/A
<b>PD</b>	<b>Total (y)</b>	1.5	3	2	2	0
	<b>Max Possible Total (y)</b>	3	3	2	2	0
<b>Total</b>	<b>Percentage P6</b>	44%	91%	81%	74%	35%
	<b>Percentage P7</b>	44%	91%	82%	75%	35%

**Key - Y = Evidence exists (1) N = No evidence exists (0) NA = Not applicable (-) P = Part evidence in place (0.5)**

### 1.0 Assurance

#### Interim Design Assurance submission

- On 9<sup>th</sup> August 2010, **tie** received ten 'civils –type' Design Assurance Statements from BSC on a "For Information" basis. These could not be reviewed until the associated IDR/IDC information was received on 21<sup>st</sup> September 2010. The DAS' for route sections 1D, 2A, 6 and 7A are now being informally reviewed to look for evidence of effective cross-discipline integration and the results of this informal review will be advised to BSC in a face to face meeting in due course.
- BSC intends to submit formally their so-called "Integrated DAS" during 4Q10. BSC has claimed that these will demonstrate fully integrated design across all disciplines for all route sections.
- On 9<sup>th</sup> August 2010, **tie** also formally received DAS' for 7 Siemens system elements and a preliminary one for the CAF tram vehicle. These have been reviewed and are generally satisfactory – with the exception of one for "Off-street track" - albeit only representing "work in progress" pending finalisation of all of the supporting evidence.
- All of these DAS' will be used to underpin BSC's "Cases for Safety", whose preliminary versions have been formally submitted and reviewed and also are generally satisfactory, although again only representing "work in progress" pending finalisation of all of the supporting evidence.
- tie's** mapping of the ER's to the Strategic Requirements detailed in the DC paper is progressing well.

#### Site Completion Certificate

- Discussions are ongoing with BSC Quality to agree the format of the Site Completion Certificate as per Schedule 3 of the Infraco Contract. Meeting held with BSC during Period 7. Agreement made that a trial certificate will be utilised on the Test Track at the Depot. Upon agreement/review this certificate will be formally implemented in all relevant areas.

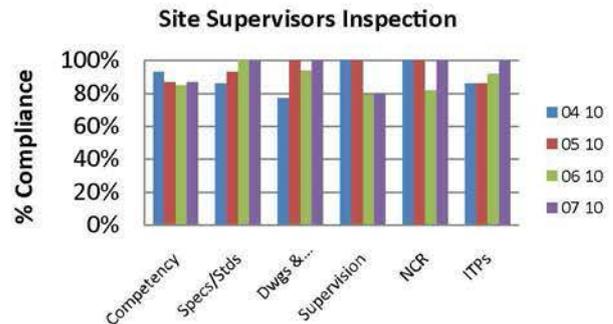
### 2.0 Deliver a Safe Tram Key Metrics

- 3 metrics inspections carried out during Period 7– Section 5B Edinburgh Park; Edinburgh Gateway (currently in detailed design phase) and Carrick Knowe to Balgreen. 4<sup>th</sup> inspection had been scheduled to take place at Edinburgh Park Bus Gate however there was no representative available from BSC.
- Issues regarding SDS completion of project as-built drawings (from CUS redline drawings) remain outstanding.
- Haymarket and York Place – Clancy Dowcra; Final packs for Haymarket received 4/10/10; York place to follow upon sign off of all TQ's by SDS.
- Section 1A – Farrans: Handover packs not fully complete as awaiting sign off of TQ's by SDS.
- Land Engineering have not delivered Handover packs for works carried out. Numerous requests have been made for this material.
- BSC have raised an NCR with regard to the alignment of the OLE bases at Haymarket. No further information received; **tie** to request progress update of NCR during Period 8.
- SHE Committee carried out a site tour at BSC's (McKean) Tower Bridge site: The site was found to be well organised with McKean delivering a visitors' induction and **tie** PM fully describing the scope of works. There were no attendees from BSC.
- Audit TQA/BSC/06/2010 carried out at the Gogar Depot reviewing Track Ballast and Track form. 3 findings relating to materials test certification were raised and closed out following discussion with Siemens Quality Manager.

- Princes Street Audit TQA/CEC/PrincesStreet/01/2010. Findings to be formally reviewed prior to submittal to CEC.
- Haymarket approvals audit TQA/CEC/BSC/01/2010. All evidence now submitted to **tie** for formal review prior to report being submitted to CEC.
- BSC carried out an Audit on Expanded Construction during Period 7. Copy of formal report to be issued to **tie**.
- Sewer Diversion - Barhale works. Documentation is being collated by Barhale in line with **tie** procedures, the handover format (i.e. number of hard copies/CD's) to be agreed between BCL and **tie** PM.
- 34 Infraco ITPs have been submitted to **tie**. 32 are Level A no objection. BSC are currently reviewing all off their ITPs, and will reissue in due course. Currently **tie** are reviewing the ITP for Signalling and the reissue of the ITP for Bridge Bearings.

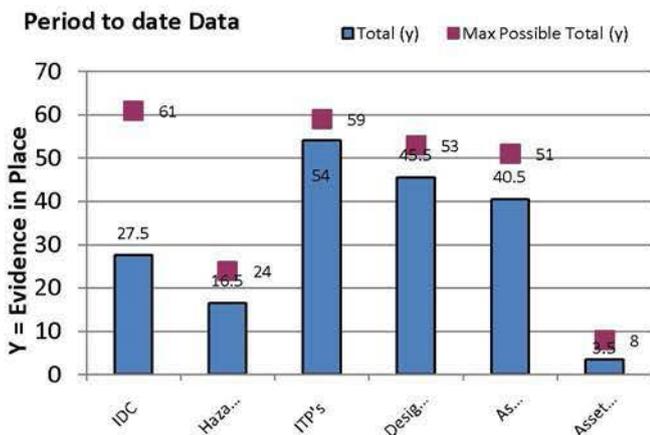
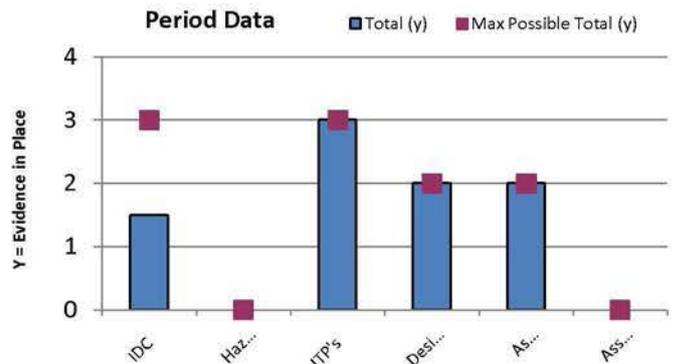
### 3.0 Site Supervisors Inspection

- 5 Site Supervisors Inspections carried out during Period 7. No significant changes have been noted from the period 7 results; however, slight improvements have been made in 4 out of the 6 topics reviewed.
- **tie** HSQE Advisor briefed **tie** Site Supervisors on the competency check sheet [positive outcome] and agreed that the supervisor's checklist and CoCP would be carried out bi-weekly, in order to make the results more meaningful. **tie** HSQE to review the effects of this change at the end of Period 8.



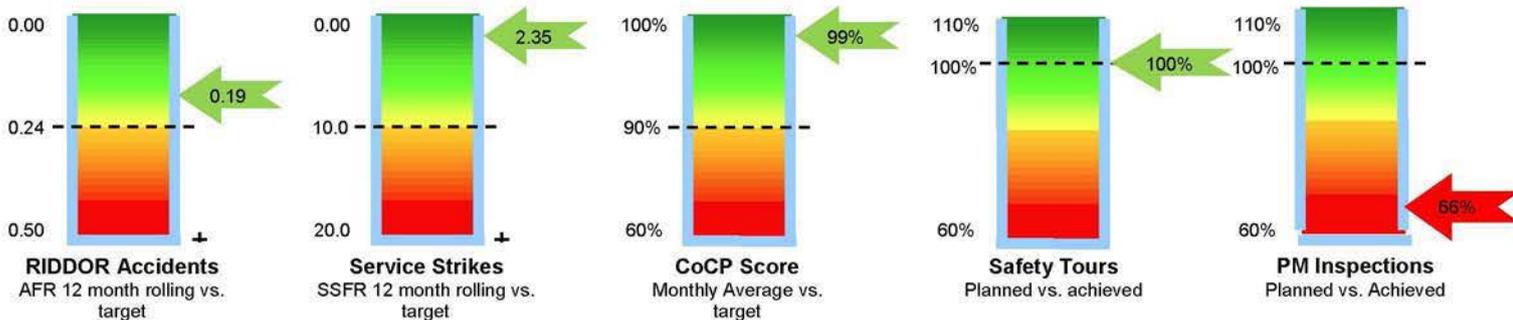
### 4.0 Deliver a Safe Tram – Required Action

- Continue to review the cases for safety and DAS's
- Continue to Map the ER's to strategic requirements
- CDM Regulation 9, Client Check on Design to the Workplace Regs audit to be rescheduled. Audit to be carried out week 2 or 3 Period 8.
- Population of the completion file for the mini test track at the Depot



### HS&E ACCIDENTS and INCIDENTS SUMMARY

Total	Total Hours	>3 day	Major	Injury	NM/Unsafe Condition	Service Damage	ENV	RTA	MOP	AFR	SFR
Period	116,738	0	0	1	15	0	0	0	2	0.00	0.00
13 period rolling	1,572,455	1	2	19	198	37	22	7	22	0.19	2.35
<b>BSC</b>											
Period	85,926	0	0	0	10	0	0	0	2	0.00	0.00
13 period rolling	1,067,726	0	2	11	88	12	10	2	10	0.19	1.12
<b>Other Tram including MUD2</b>											
Period	10,216	0	0	1	5	0	0	0	0	0.00	0.00
13 period rolling	179,162	1	0	5	96	16	10	4	9	0.56	8.93



### EXECUTIVE SUMMARY

- There were no reportable accidents during the Period.
- The rolling 13 period AFR is at 0.19 still below the target of 0.24 for the project.
- The number of alleged MOP incidents (2) recorded during Period 7 continues to be at a low level.
- CoCP compliance at 99% during Period 7, a slight improvement on Period 6.
- 66% of the planned PM joint inspections were carried out during Period 7 and 100% of planned safety tours.
- The recent reduction in numbers of BSC supervisory and HSEQ staff is viewed with concern by **tie**. **tie** HSQE are monitoring BSC's on site and off site H&S management performance across the Infraco project. Infraco director also raised in BSC progress meeting. BSC confirmed they have adequate resource.
- Lothian and Borders Fire Brigade have raised concerns that there are a number of areas on the route of the tram that do not have adequate/or any fire hydrant cover. **tie** have investigated the concerns and initiated remedial actions at some locations. A further meeting involving **tie**, LBFB and Scottish Water is planned to address any remaining issues on 07 Oct'10. A close out statement will be provided.
- A BSC response is still awaited on a formal request by **tie** for details of BSC's site co-ordination arrangements at the Depot area.

### HS&E INSPECTIONS SUMMARY *(a summary of significant inspection findings can be found in appendix B)*

Project Running Totals	HS&E Tours	HS&E PM Inspection
Number planned	5	9
Number achieved	5	5

### HSQ&E KEY ACHIEVEMENTS

- Very positive findings resulted from a **tie** Senior Management Safety Tour of the McKean site at Tower Bridge.
- There was a well received detailed presentation by Bob Cummins to BSC's monthly Occupational Health and Safety Meeting on how **tie** discharges its client and CDM(C) Statutory Duties under CDM.

### KEY ISSUES – POINTS TO NOTE

- The recent reduction in numbers of BSC supervisory and HSEQ staff is viewed with concern by **tie**. **tie** HSQE are monitoring BSC's on site and off site H&S management performance across the Infraco project.
- A formal response has been received from BSC following a **tie**/BSC meeting to discuss strategy to improve safety performance across the Infraco project.
- A minor injury occurred at the Crummock (Murrayfield) site when an operative dropped a jack hammer on his foot above the steel toe cap.
- Clarification is still awaited from BSC on perceived inconsistencies in the specific circumstances under which they will apply the testing measures outlined in the BSC Drug and Alcohol Policy.
- Lothian and Borders Fire Brigade have raised concerns that there are a number of areas on the route of the tram that do not have adequate/or any fire hydrant cover. **tie** have investigated the concerns and initiated remedial actions at some locations. A further meeting involving **tie**, LBFB and Scottish Water is planned to address any remaining issues on 07 Oct'10. A close out statement will be provided.
- **tie** HSQE are providing support to the HSE on a review of their guidance document HSG47 'Avoiding Danger from Underground Services'. This **tie** input is drawing primarily on experience gained on the multi-utility diversion works under MUDFA.
- During a **tie** site inspection at Carrick Knowe Bridge operatives were observed stripping scaffolding at high level within 4 m of the railway lines. When questioned it was apparent that there had been no task briefing and that the operatives were unclear on a safety method of work. Works were stopped and the squad moved to another area. An investigation is being undertaken by BSC and the results will be reviewed by **tie**.

### SIGNIFICANT RISKS FOR THE NEXT PERIOD

RISK	ACTION
<ul style="list-style-type: none"> <li>• Network Rail electrification programme of main line will continue during the next period.</li> <li>• Work activities likely to increase close to Balgreen Primary School.</li> <li>• Commencement of small scale site works before all CDM Compliance arrangements are in place</li> <li>• Electrical systems going live at the depot (LV initially)</li> </ul>	<ul style="list-style-type: none"> <li>• BSC briefings held for all site staff. <b>tie</b> briefings held for <b>tie</b> staff and other contractors. Site awareness checks being undertaken by <b>tie</b>.</li> <li>• BSC planning school visit with presentation materials appropriate for a primary school audience.</li> <li>• Issue raised and discussed at <b>tie</b> PM's meeting.</li> <li>• <b>tie</b>/BSC HSEQ undertaking joint site visits to verify adequacy of site co-ordination arrangements.</li> </ul>

## ENVIRONMENTAL SUMMARY

*List any significant environmental events, initiatives, breaches etc*

- No environmental incidents were recorded during Period 7.
- No formal response has been received from BSC regarding the mitigation of invasive species. Further correspondence regarding this issue to be sent to BSC during Period 8.
- Headland and Guard have been asked to provide a full programme of works for the outstanding Post Excavation Works by the 10<sup>th</sup> October 2010. Meeting to be arranged with both parties during Period 8. John Lawson to be advised of progress.
- Formal report issued for audit EN/BSC/ADD1/2010. BSC Site Waste Management Plans carried out 30<sup>th</sup> August 2010, to date no formal response has been received regarding the close out of findings raised. Formal correspondence to be sent to BSC during Period 8 regarding the close out of this audit.
- Meeting to be held with CEC regarding the tree bank action plan on 8<sup>th</sup> September 2010. Further correspondence to be sent to BSC during Period 8 requesting the outstanding information required in order to progress this work.
- Further correspondence to be sent to BSC regarding the Environmental Audit carried out during Period 12, 2009. BSC have advised that they are awaiting a response with regard to the findings from their site team. This information is now being requested for the eighth consecutive period.
- Meeting held during Period 7 with BSC and the Water of Leith Fisheries Trust, who have raised concerns regarding the works at Balgreen. BSC have agreed to facilitate WOL and have subsequently provided relevant environmental information to the WOL with regard to the programme of works.

## BEST PRACTICE

*List any significant quality events, initiatives, breaches etc*

The following examples of best practice were identified during a safety tour at McKean's Tower Bridge Place site.

- Purpose designed steps leading down to pontoon area.
- Non-slip material fixed to existing wooden walkways.
- 3 positive examples of good environmental management
  - Refueling plant arrangements
  - Ditch containment of major spills
  - Gulley covers and membrane filter arrangements.

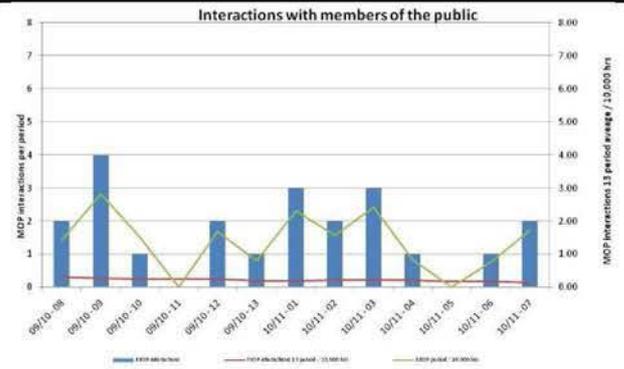


### MEMBER OF PUBLIC INTERACTION SUMMARY

List any significant interactions with members of the public, including RTA's, alleged incidents

The number of alleged MOP incidents recorded during Period 7 continues to be at a low level. There were 2 MOP incidents:-

- 1 report of a tram diversion sign blowing over at Ocean Terminal and causing minor damage to a MOPs car.
- 1 report of an MOP being splattered with mud thrown up by a JCB travelling on the public road at Broomhouse

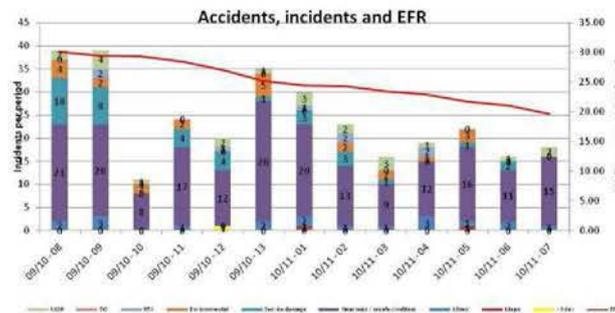
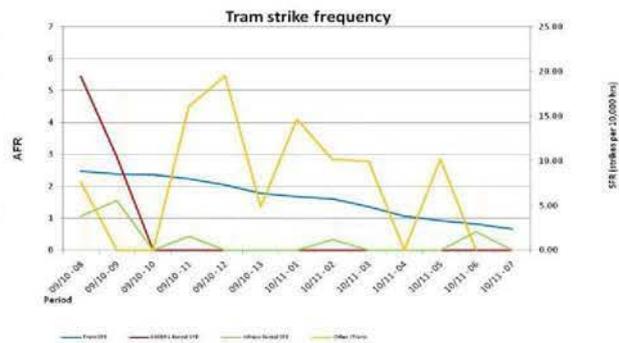


### CDM Compliance

List any significant quality events, initiatives, breaches etc

- tie HSEQ are continuing an exercise designed to verify whether arrangements relating to tie's statutory duties as client and CDM(C) are adequate and being properly discharged.
- A tie Audit structured around aspects of CDM Regulation 9 will be carried out at the Gogarburn Depot on 14 October 2010. Specifically the audit will determine compliance with the client duty to ensure that the depot buildings have been designed taking account of the provisions of the Workplace (Health, Safety and Welfare) Regulations 1992, which relate to the design of and materials used in the structure.

### GRAPHS

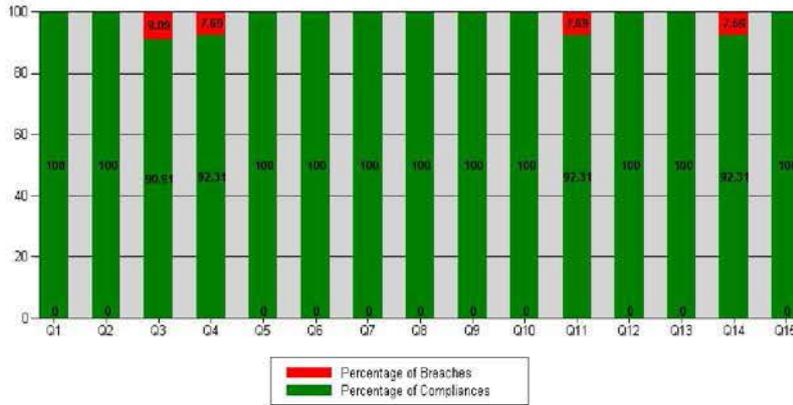


APPENDIX A  
SIGNIFICANT ACCIDENT / INCIDENT

There were no significant incidents during Period 7.

## APPENDIX B – COCP INSPECTIONS

### Period 6



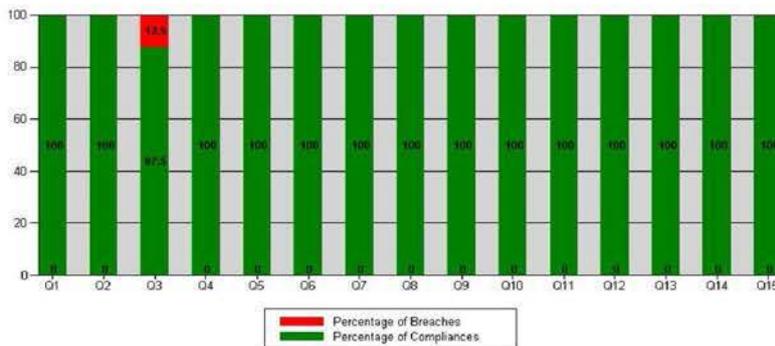
### Movement in Period

Compliance recorded at 99% during Period 7, a slight improvement on Period 6.

A reported breach at Farrans site near Ocean Terminal related to inadequate and unclear information notices around the site. This was subsequently addressed.

Q1. Hours of Work
Q2. Notification
Q3. Notices
Q4. Fencing and Hoarding
Q5. Noise
Q6. Waste Management
Q7. Waste Water and Run-Off
Q8. Water
Q9. Emergency Access
Q10. Parking
Q11. Litter and general housekeeping
Q12. Dust
Q13. Smoking
Q14. Members of the Public
Q15. PPE and Behaviours

### Period 7



### tie Action

- As part of an initiative to ensure the continued effectiveness of the CoCP inspection processes tie HSQE will carry out accompanied inspections and coaching sessions with tie site staff undertaking CoCP inspections.