

The City of Edinburgh Council
Action Sheet
24 June 2010

**City of Edinburgh Council
Labour Amendment**

**Full Council Meeting
24th June 2010**

Item 8.2 Edinburgh Tram Project

1. **Council agrees to note** the report's four recommendations.
2. **Council further notes** that all political parties originally supported the principle of developing the Tram Project; and at the Council Meeting of 1st May 2008 all five political parties on the Council did agree to the final sign-off of the current Tram Contracts.
3. **Council also notes** that those original plans, and the contract sign-off, were predicated on the tram connecting Edinburgh's Airport with Edinburgh's Seaport/s.
4. **Council finally notes** that, as at June 2007, Audit Scotland investigated the Edinburgh Tram Project and concluded that:
 - *"arrangements in place to manage the project appear sound with:*
 - *a clear corporate governance structure for the project which involves all key stakeholders*
 - *clearly defined project management and organisation*
 - *sound financial management and reporting*
 - *procedures in place to actively manage risks associated with the project*
 - *a clear procurement strategy aimed at minimising risk and delivering successful project outcomes.*
 - *the project is approaching a critical phase leading up to early 2008 when Cabinet Secretaries and CEC are expected to be asked to approve **tie**'s final business case. This will allow infrastructure construction to commence. A range of key tasks needs to be completed before the final business case can be signed off and unless work progresses to plan, the cost and time targets may not be met."*
5. **Council does though welcome** recent announcements that Audit Scotland will re-investigate the Edinburgh Tram Project; in order to hopefully learn lessons about the advice provided to **tie**, the City of Edinburgh Council, and Transport Scotland; as well as about the way the project has been politically managed.
6. **Council further agrees** that current contractual negotiations between **tie** and Bilfinger Berger need to be concluded as a matter of urgency and that any outcome is reported back to the Council at the earliest possible opportunity.
7. **Council finally agrees** that any report on the outcome of the contractual negotiations (as above) should include a refreshed 'Tram Business Case' based on the options now being explored by **tie**.