



4 Week Period Reporting Pack

Project Title:
Edinburgh Tram Project

Reporting Period:
Period 12 2007/2008

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1 Executive summary

1.1 Previous period update

1.1.1 Commercial and procurement

Infraco / Tramco negotiations

During the period, negotiations continued with the Preferred Bidders, BBS and CAF. The primary areas of negotiation were:

- SDS novation: Key items outstanding are in relation to Prior and Technical Approvals, linkage of design submission to the approvals process and CEC requirements and the legal liability relationship between BBS and SDS. To address these issues, engagement has taken place at senior level in CEC and **tie** to finalise the full approvals programme and agree an aligned programme with all parties;
- Infraco Employers Requirements: Internal technical consistency checks and legal reviews were performed during the period and the final version is now with BBS for final review;
- Tramco novation: Significant progress was made during the month to align and close out contractual issues; and
- Other items relate to the payment milestone schedule and Phase 1b terms.

Senior **tie** engagement has been ongoing to ensure Contract Close during March. Progress has commenced through advanced mobilisation (progress outlined below).

Infraco advance works

A design / constructability meeting on the demolition of Caledonian Alehouse has been held and actions placed to conclude final details. Meetings have also been held with Forth Ports, BAA, The Gyle and NR to review the respective draft "Construction Code of Practice" documents prior to mobilisation at these sites.

Advance archaeological works in the Gogar / Ingliston area have commenced with an anticipated programme of six weeks work to complete.

Project Management Plans and the Construction Health and Safety Plan have been received from BBS and are being reviewed by **tie**. An audit programme is to be agreed with them that will include their management of their package contractors.

The **tie** Construction Management Plan and procedures are being reviewed and updated to ensure effective processes are in place that match the Infraco proposal.

Works on the 2008 programme for invasive species have commenced and the contractor has outlined his proposals for future works, which will be co-ordinated with Infraco works. Ongoing badger monitoring continues to ensure no new setts are created on the route.

MUDFA

- A joint review (**tie** / AMIS) of the required utility diversions to update the AFA, based upon the currently issued IFC and the issued for approval drawings in the period, is underway and will be completed by the end of Period 13. The joint review will be based upon approximately 90% of the design for the Project.
- An excavation along Leith Walk may have affected the adjacent existing structures. This is a potential OCIP insurance issue, the insurers have been informed and a structural engineer representing the insurers has visited the site and inspected the affected properties.

1.1.2 Approvals / governance / funding

Council Financial Guarantee and Grant Award letter

- The CEC Guarantee requires CEC to stand behind **tie**'s financial obligations to BBS and is now in agreed form.
- The annual sums available from Transport Scotland for 08/09 and 09/10 are currently capped, putting some pressure on adhering to programme. Work is underway to quantify the impact on potential CEC borrowing requirements.

Delegated authority

- As reported last period, a sub-committee of the **tie** TEL and Tram Project Boards has been formed to whom authority is delegated to approve final execution by the **tie** Chairman of Notification to Award, the Infraco suite of contracts and any necessary related agreements on condition that :
 - The final terms of the contractual arrangements are within the terms of the Final Business Case, subject to slippage of up to one month in programmed revenue service in 2011; and
 - They unanimously conclude that it is appropriate to do so ; and
 - Approval has been received from the CEC Chief Executive to do so.

1.1.3 Design and engineering

Design Review

tie's Design Management Plan is in the process of being updated to accommodate the changes needed for the transition into Infracore-led design completion.

The design review of "work-in-progress" SDS design package elements has now finished. Approximately 10% of all design has been reviewed and the results discussed with SDS. Those results are being fed back into their ongoing design, as appropriate, and are intended to underpin fit-for-purpose, checked, compliant design that SDS will submit in the form of self-assured design packages. The first of these is due in March 2008.

As outlined above, engagement has taken place at senior level to finalise the full approvals programme and agree an aligned programme with all parties. In the period daily meetings were instigated to monitor the approvals process ensuring that priority approvals were submitted and returned as required. The first Technical Approvals were submitted during the period and CEC had a number of comments on them. These comments will be incorporated into future submissions.

Each of the 18 "self-assured" packages will have an associated Design Assurance (Verification) Statement (DAS), which will be the prime demonstration from SDS that the package fulfils all requirements. Each DAS and some full packs will be reviewed in detail. The reviews will be led by **tie**, assisted by TSS, and will involve all stakeholders.

The programme produced by SDS for the submission to **tie** of their self-assured design packages shows that the final package delivery will not be until the end of 2008. Also, SDS submissions to CEC for their approvals are now timed such that, in some cases, construction is programmed to commence before approval has been completed. **tie** Engineering is leading the process which will find a way through this impasse. The first manifestation of this issue has arisen with Haymarket station viaduct.

EMC

The Stray Current Working Group now has input from all potentially affected utilities. With their involvement and agreement a testing and monitoring programme will be derived.

System compatibility

A potential issue between tram vehicle and tram infrastructure is in the process of being resolved.

Roads design

Draft results from some Road Safety Audits (which review proposed roads design for user safety considerations) have revealed problems in Leith Walk and Haymarket junction. These are now being worked through in conjunction with CEC to determine a way forward.

Structures design

Ground conditions at the site of Murrayfield tramstop have necessitated a different approach to the construction of the retaining wall. The design team is working with BBS to agree a design solution.

System safety

Auditing for **tie**'s Safety Verification Scheme is ongoing. This is our means of demonstrating to **tie**'s Independent Competent Person (ICP) that the design will produce a safe tram system. Results from this work are fed into the Programme Safety Certification Committee, which is also the custodian of the projects Safety Hazard Log, so all elements of system safety can be managed effectively. Effective dialogue is ongoing with the ICP.

1.1.4 MUDFA

Progress

		Period 12			Overall Performance to Date		
		PLANNED	ACTUAL	Variance	PLANNED	ACTUAL	Variance
TOTAL	Metres	3169	1619	-1550	9754	7805	-1949
	Chambers	56	6	-50	79	44	-35
BT/Comm	Metres	1042	507	-535	2441	1783	-658
SGN	Metres	391	314	-77	649	455	-194
Scot W	Metres	1110	778	-332	3620	3169	-451
Scot P	Metres	330	10	-320	831	517	-314
Forth Ports	Metres	0	0	0	314	314	0
Gogar Comm	Metres	0	0	0	0	0	0
Gogar Scot P	Metres	0	0	0	0	0	0
Gogar Scot W	Metres	0	0	0	0	0	0

Current progress is three weeks behind programme. This is due to increasing workload being identified during the works and the number of live sections.

Based on present outputs, this can be recovered by utilising 15 additional personnel over a period of three months. Key areas to be targeted are the north end of Leith Walk (output 33%) and The Mound / St Andrew Street (output 58%), which are substantially lower than the overall average output of 80%.

The skill base of workforce personnel has been reassessed and changes have been carried out accordingly, which has resulted in resource shortages in the interim. To ensure no ongoing impact on works elsewhere, additional suitably qualified resources have been identified internally and externally (subcontractors) to carry out works in Shandwick Place and in Constitution Street. Further resources supervision and labour are being recruited to address downturn in outputs.

A programme review is underway to ensure this remedial action can be effective within the current MUDFA programme and interface with Infracore.

Section 1A

A trial hole at Foot of the Walk demonstrated that a major telecom chamber can be located in the footway, as opposed to the carriageway, as originally proposed and approved by BT.

Works outwith the LOD around Constitution Street have commenced. Traffic management modelling of Foot of the Walk / Constitution Street is complete supporting the proposed traffic diversion routes.

Section 1B

Traffic Management is in place to accommodate all diversionary works from McDonald Road to Manderston Street. Progress in the period has been less than anticipated. A review of resource numbers and types of work practices is ongoing.

Section 1C

A trial hole at the top of Dublin Street has demonstrated that a major telecom chamber can be located in the footway as opposed to carriageway at this location as well. Traffic Management in place on York Place to allow duct runs to be installed in the carriageway

BTO diversionary works are ongoing in South St Andrew Street and St Andrew's Square. These commenced on the 8 January 2008 and will be ongoing for some 16 weeks.

Diversions between the Mound and South St Andrew Street are behind programme due to extent of existing services and requirements to alter / amend TM, impacting on progress. Work site was suspended for three weeks whilst location of SGN MP main in Hanover Street was confirmed.

The remainder of the utility road crossings in Princes Street, between the junctions of Frederick Street and Castle Street, are now complete.

A large trial excavation was completed on the SGN MP main in The Mound. Outside diameter measurements were recorded by a specialist connections contractor to allow long lead time items to be ordered.

Section 1D

The remaining 31 planned trial holes along Shandwick Place up to Haymarket Junction have been progressing since 7 January 2008. These were all completed in advance of the Phase 1 Shandwick Place closure.

Phase 1 Shandwick Place Closure

A two phase strategy has been approved and drawings have been issued to AMIS. The necessary TM design work for Phase 1 has been completed with the specific requirements of all the alterations to the traffic signals and appropriate signage detailed out. Traffic signal alterations were completed by 6am Saturday 1 March 2008.

The civil works to enable the closure of Shandwick Place (Phase 1) have been ongoing since 8 January 2008. These were completed by 1st March 2008. Continuation of further enabling works (Phase 2) will now continue.

Section 5A

Works by MUDFA have been completed and the remaining works transferred to Infracore.

Section 5B

IFC utility drawings were issued on 18 January 2008. MUDFA works were re-programmed and commenced on 25 February 2008. Traffic Management requirements for northbound South Gyle access need to be reviewed and will require removal of the central reservation.

Section 5C

IFA drawings issued 25 January 2008. Current forecast for IFC 6th March 08, delayed from 8 February 2008. The majority of the works in this section will be

adjacent to the Gyle Roundabout and Gyle Broadway and in the South Gyle Access junction with Bankhead Drive. Drawings were issued to Edinburgh Park (IFA) on 30 January for approval.

Section 6

A hydrostatic test of the 250mm water main diversion has been completed and finalisation of acceptance with Scottish Water is progressing.

No works were carried out in depot over this period. Removal of final earthwork quantities is delayed by SGN IP main and BAA fence (which is sterilising the proposed route for 800mm water main). BAA has now agreed on the requirements for the amended fence line but no date has been provided.

800mm water main design drawings reviewed for discussion with SW w/c 28th January 2008. The delay in these drawings (issue was anticipated in latter part of December 2007) has exacerbated relations with SW and put these works on the critical path for the Gogar depot construction works. These drawings remain outstanding. These works, which were anticipated to commence in January 2008, will now start at the beginning of May 2008.

Section 7A and 7B

AMIS is in discussions with Grontmij regarding programme requirements. The first workshop was held with BAA on Friday 15 February 2008.

DLA draft of D&B contract has been issued to AMIS for review and acceptance. The Carillion takeover and consequential governance influence may affect the planned construction start in April 2008. this is being escalated to address any potential impact.

1.1.5 Delivery

The BAA lease and licence agreements were executed by CEC and Edinburgh Airport Ltd on 25th February 08.

Network Rail has confirmed that acceptance of the station and depot change proposals have been received from First ScotRail and the relevant train operating companies (3rd March 08). Under the APA, this now allows the Infracore contractor to access all areas of NR land in order to construct the tramway and associated facilities.

The APA is in agreed form and is expected to be signed by 10th March 08. The suite of property agreements are also in the final stages of drafting, with the framework agreement expected to be executed by Financial Close.

The modelling support to inform the design process is proceeding well. Work continues on the layout of a small number of key junctions, the most significant of which are Picardy Place, Haymarket and Frederick Street.

1.1.6 Health, safety, environment and quality

There was one minor accident in the period; an operative received a cut to their hand. There was no lost time and the accident frequency rate (AFR) for the project remains 0.00.

One minor incident was reported in the period. Enabling works to support the utility diversion works at night were stopped due to noise complaints. The works have been re-planned and the CEC Environmental Noise Officer consulted. There were nine other minor and very minor incidents. Two safety tours and four site inspections completed in the period and action plans are agreed to address the issues raised.

There was one HSQE audit completed resulting in three minor audit findings and four observations. Corrective action responses are awaited from the auditee. Two NCRs were raised in the period; both of these have been closed.

1.1.7 Stakeholder and communications

Communications teams have contacted all the affected businesses and residences to obtain access / loading / special requirement needs along Shandwick Place to develop a support strategy which will be incorporated within the overall construction philosophy for this closed-off section.

The first of the construction update leaflets were produced and distributed, as well as the Trams for Edinburgh website being updated to reflect all MUDFA activity. Inbound demand continued to rise and there were in excess of 160 inbound enquiries in the period.

The business support activity this period was the most intense since the project began with more than 109 businesses receiving support packs. The cumulative payout on the small business support scheme is £328,000.

1.2 Key issues for forthcoming period

General

- Progress to Financial Close in relation to the preferred bidder process – on price, programme, risk allocation, legals and contract elements;
- Progress of the novation agreements for SDS and Tramco;
- Achievement of Infraco mobilisation milestones; and
- Agreement on the design and approvals programme with CEC and SDS.

MUDFA specific

- MUDFA / Infraco programme interfaces;
- BT cabling and jointing programme – working with BT to explore ways of reducing the impact, although the impact on the Infraco construction programme has diminished. The programme aims to minimise potential interfaces between MUDFA and Infraco to maximise the window of opportunity for the BT works;
- SGN 30" gas main at the Mound – commercial resolution is being progressed with an agreement having been reached on the preferred solution;
- Latest IFC drawings are primarily based on drawings yet to have final approval from CEC – there is a potential problem if any of these are subsequently 'not approved';
- Design delays in the issue of IFC drawings. Trend beginning to show again. This is being escalated to address the problem; and
- 1,500mm sewer under proposed A8 underpass. Risk of not achieving alternative solution agreement to the proposed option to divert it under the A8. The latest information would indicate secondary diversions would be required over and above the underpass diversion. If this is confirmed, the probability of an alternative solution being accepted would be severely compromised. It is now a very likely that the diversion of sewer will be required.

1.3 Cost

	COWD Period	COWD (YTD)	COWD YTD + forecast to year end	AFC
Phase 1a	£4.1m	£57.5m	£85.5m	£498.1m
Phase 1b	£0.0m	£ 1.1m	£ 2.0m	£ 87.3m
Phase 1a+1b	£4.1m	£58.6m	£87.5m	£585.4m

The COWD to date in the year primarily comprises continued development of design, advance works at the Gogar depot, utilities works under both MUDFA and direct works by utility companies, project management costs and land costs.

The forecast outturn for the year has fallen from £88.8m to £87.5m reflecting a re-estimate of outturn costs across all categories and the removal of a £0.5m risk / contingency allowance included in the Period 11 report. The forecast outturn is highly sensitive to achieving Financial Close during the period – approximately £19.4m out of the total forecast would not be expended during FY0708 year in the absence of Financial Close during the current year.

The cost of land included in the year to date totalling £16.6m (comprising both land acquired under the GVD process and land injected into the project by CEC) is included in this report for completeness. However, all payments have and will be made directly by CEC.

Costs for Phase 1b relate purely to finalising design works, as previously agreed by the Tram Project Board.

As previously reported, payments to be made in the current year for advance material purchases (£24.2m) will be treated as prepayments following discussion with TS. These prepayments would not be made until the start of the FY0809 in the absence of Financial Close before the end of March 08.

Forecast expenditure during FY 08/09 (now estimated at £162.9m on Phase1a) and subsequent years is subject to finalisation of tendered costs and related cost profiles with the Infraco and Tramco bidders and the element of the risk allowance allocated to that year. Cognisance is being taken of the current £120m cap on TS funding for FY 08/09 to the extent it makes commercial sense.

1.4 Programme

The critical path has changed during the period as the as the agreed-in-principle construction programme is developed and modified to incorporate emerging issues.

Design

The delivery of design to meet the construction schedules for various structures is causing concern and detailed reviews and discussions are underway with SDS, CEC and BBS to provide solutions.

All design issues from V27 that are now directly impacting the agreed-in-principle Infraco construction programme have been reviewed and are being actioned.

Network Rail

Network Rail immunisation works are showing as near critical as the final stages are tied to pre-booked possession dates in late December 2008 and early January 2009. This will remain critical until such times that the scope and programme are confirmed. This work has to be completed prior to the depot energisation in November 2009.

MUDFA

There are only a few areas where MUDFA overlaps with the Infraco programme and in all these areas the overlap consists of localised BT cabling.

Infraco

Infraco areas showing critical are generally those impacted by design availability. There are other areas where some of the track and OHL works show as critical but this is down to resource availability.

The final phase of the advance works contract for mass excavation prior to Infraco commencement is dependant on Scottish Gas Network delivering to programme which is continuing to experience delays. This situation is being monitored and current indications are that the existing SGN Gas Main will be isolated ready for removal by 18th April 2008.

1.5 Risk

There have been reviews conducted of various risk registers including MUDFA, Land and Property, TROs and SDS. There have been a number of reviews of the risk allocation with the project directors to ensure that the risk allowance for the project reflects the current contractual position. The project risk register and risk allowance will be updated immediately prior to contract award notification to reflect the risk profile as at the end of the contract negotiations.

1.6 Approvals / decisions / support required

Decisions / support required from TS

- Cash availability in line with milestone schedule and prepayment for advance material purchases.

Decisions / support required from CEC

- CEC Chief Executive approval for **tie** Chairman to sign;
- Signing of CEC Financial Guarantee;
- Signing of operating agreements CEC-**tie** and CEC-TEL;
- Approval for formal publication to award contracts to BBS and CAF; and
- Confirmation on the opening of Frederick Street.

Decisions / support required by others

- N/A

2 Progress

2.1 General / overall

Land and Property

- A number of short-term leases were offered to businesses on Roseburn Street. Licences are being closely monitored by CEC and a number of notices to quit have been served on properties on Roseburn Street. The majority of tenants have now vacated the properties and all tenants are expected to have vacated their properties by end of March.
- The BAA agreement suite has been concluded and executed.
- NR –The principles detailed within the NR APA are agreed. The suite of property agreements are in the final stages of drafting, with framework agreement expected by Financial Close.
- Forth Ports – Agreement on design principles in FP area and looking to conclude minute of FP agreement before Financial Close.
- The **tie** and CEC asset management lease has been agreed and executed.

2.1.1 Network Rail

Immunisation

- The scope and programme for this work are being developed with Infraco and these aspects should be complete by end of March. The initial electrical modelling has been completed and has established the theoretical baseline for the zone of impact between the tram and mainline networks and also a preferred solution for the immunisation works.
- Further NR immunisation verification will be provided by means of a detailed simulation study by Infraco. Infraco will be developing the full assurance case for NR acceptance. NR has now assigned their approvals specialist to assist us with their assurance case, which is expected to be completed by July 2008 to permit detailed design of the infrastructure modifications to commence. The initial modelling further recommended some verification testing of the key areas of susceptibility identified and these tests will be developed by the Infraco.

Relocation of existing lineside equipment (lift and shift)

- NR has instructed Jarvis to design and implement the lift and shift (L&S) works to relocate the existing lineside point heating equipment which is in the way of tram construction near Balgreen Road Bridge. Design is progressing well and is expected to be completed in early March with implementation of the works expected to be complete by the end of April 2008.
- According to the Jarvis (NR) L&S programme, the design scope completion is programmed to early March 08. Until that design completion, the definitive L&S locations are unknown. It could potentially affect the

Infraco construction programme where civil and structural works are programmed in early March 2008 (Russell Road bridge and retaining walls), although this is not expected.

Relocation of diesel storage tanks at Haymarket depot

- The relocation of the Haymarket First Scotrail depot diesel fuel tanks, part of NR's pollution prevention (PP) scheme, is further delayed and is now programmed to commence on the 2nd April 2008 and last until late September 2008. The Infraco programme has been re-scheduled to accommodate this slippage and the knock-on effect on the Roseburn Street bridge. One positive outcome of this is that NR is aiming to get the PP contractor to set up work compounds in the depot, but outwith depot control. This may allow BBS onto the depot areas earlier than previously planned. Infraco may be able to start earlier in the depot if the PP contractor works in confined compounds and is therefore not working "on the depot"

General

- The contract negotiations between **tie** and NR with the DSA (Development Services Agreement) have now been completed and work has commenced on the L&S implementation works agreement.
- Discussions continue between **tie** and NR on preparation of an Asset Protection Agreement (APA) document and expected to signoff by the 10th March with more than one month slippage to last period targeted date. It should be noted that no work on NR assets can commence until after the APA has been agreed and signed-off, and additionally NR are insisting that only one contractor at a time be allowed to work within the confines of the Haymarket depot (See above). This has been considered in Infraco construction programme as presented to NR.
- Also arising from the PP scheme, the unexpected clash between the fuel tanker unloading point and Roseburn Street bridge has been resolved by NR revising their PP design at their cost.
- Meetings are on-going regarding the relocation of power supply to Haymarket station via Caledonian Ale House. Scottish Power has proposed a new connection point just inside Haymarket station.
- The ownership and height issues arising from the proposed new Balgreen Road NR access bridge have been resolved by NR and CEC agreeing that it remains an NR structure, approximately at its current height.

2.1.2 OCIP

- New activities have been included in the OCIP programme which will act as triggers to activate additional bespoke Insurance packages during the construction period.

2.2 Critical path

The critical path has changed during the period as the as the agreed-in-principle construction programme is developed and modified to incorporate emerging issues.

Design

Critical design activities following submission of SDS V27 Programme on 29th February are:

- On-street
 - There are currently no design issues impacting the Infraco construction programme.
- Off-street
 - The delivery of design to meet the construction schedules for various structures continues to cause concern and detailed reviews and discussions continue with SDS, CEC and BBS to provide solutions.
- Section 2 (Haymarket to Roseburn junction)
 - S19 Haymarket viaduct – the approvals process has been further delayed following a Road Safety Audit requirement to revise the current design.
 - S20 Russell Road bridge
- Section 5A (Roseburn Junction to Balgreen Rd)
 - W18 Murrayfield tramstop retaining wall
 - S21B Murrayfield Stadium retaining wall
 - W8 Baird Drive retaining wall
- Section 5B Balgreen Rd to Edinburgh Park
 - S26 South Gyle Access bridge
 - W11 Bankhead Drive retaining wall
- Section 5C Edinburgh Park to Gogarburn
 - Roads, streetlighting and Landscaping
 - W16 Gyle stop retaining wall
 - A8 Underpass
- Section 6 Gogar depot
 - Depot earthworks
 - Depot building
 - Internal retaining Wall
- Section 7 Depot to Airport
 - S29 Gogarburn bridge
 - W14 Gogarburn retaining wall No.1
 - W15 Gogarburn retaining wall No.2

All design issues from V27 that are now directly impacting the agreed-in-principle Infraco construction programme (received on 28 February 2008) have been reviewed and are being actioned.

Network Rail

- NR immunisation works are showing as near critical as the final stages are tied to pre-booked possession dates in late December 2008 and early January 2009. This will remain critical until such times that the scope and programme are confirmed. This work has to be completed prior to the depot energisation in November 2009.
 - Progress on NR issues is detailed above.

MUDFA

- There are only a few areas where MUDFA overlaps with the Infraco programme and in all these areas the overlap consists of localised BT cabling.

Infraco

- Infraco areas showing critical are generally those impacted by the design availability above.
- There are other areas where some of the track and OHL works show as critical but this is down to resource availability.
- In order to have the depot built and commissioned ready for 1st tram deliveries an advance earthworks contract was awarded to allow for mass excavation prior to Infraco commencement. This has proceeded to programme but the final Phase is dependant on the BAA fence and SGN delivering to programme which is continuing to experience delays. This situation is being monitored and current indications are that the existing SGN Gas Main will be isolated ready for removal by 18th April 2008.

2.3 Procurement consultant

- Work to finalise the agreements for the advance mobilisation of the Preferred Bidders continues. The advance mobilisation is ongoing and will comprise such activities as:
 - Application for building warrants, licences and submission of method statements;
 - Tree felling / site clearance as required;
 - Developing of detailed tram design programmes;
 - Initiation of negotiations for materials, equipment and fittings; and
 - Surcharging of the Gogarburn landfill.

2.4 Design

System Design Services (all Preliminary and Detailed Design informing programme and costs)

- In the period daily meetings were instigated to monitor the approvals process ensuring that priority approvals were submitted and returned as required.

- V27 of the Design programme was issued to **tie** on 29th February 2008 which presented some pressure on the construction programme. As mentioned above this has been reviewed in detail with both SDS and BBS and action plans developed to cover lost ground.

2.5 Financial / funding / procurement strategy

Based on the expenditure review detailed in sections 1.3 and 3, the indication is that there is sufficient funding in place to cover the period to anticipated Financial Close in March 08. To support achievement of the overall completion dates of Q1 2011 for Phase 1a, significant early mobilisation of Infraco and Tramco is required immediately following Contract Award. The indicative initial expenditure is estimated at £19.3m, covering such items as:

Infraco

a) *Contract Award milestone*

Deliverables under this milestone are the signed Infraco contract, the SDS, Tramco and Tram Maintenance novation agreements, placement of insurance, retention bonds and collateral warranties.

b) *Mobilisation of staff, supply chain and planning and logistical activities*

The initial milestones will include setting up site offices, office running costs, staff costs, mobilisation of the supply chain resulting in the delivery of relevant contracts with contractors and sub-contractors, associated collateral warranties and bonds, provision of programmes, method statements, project quality plans and health and safety work.

Tramco

a) *Mobilisation of staff and planning and logistical activities*

The initial milestone includes development and delivery of agreements between Tramco and Infraco, programmes, resourcing commitments, quality and management plans.

b) *Design works*

This element of the initial milestones relates to the tram mock-up, progression of the tram preliminary design and industrial design works.

c) *Hedging of the exchange rate*

Required to fix the tram vehicle contract for delivery in sterling avoiding adverse changes in the sterling – euro exchange rate.

The scope and the values for each are the subject of final discussions and negotiations with BBS and inclusion in the final confirmed milestone payment schedule for the entire project is agreed with all parties.

2.6 Parliamentary process / approvals

- This phase is now complete.

2.7 Procurement construction works**2.7.1 Negotiations and award of contracts**

Board date	Milestone	Due date	Delivered date	Comment
12 th July	Conclude initial review	03/07/07	05/07/07	Complete
	Return of Update Package 3	06/07/07	07/08/07	Complete
	Initial normalisation of price	15/06/07	29/06/07	Complete
	Draft evaluation	10/07/07	14/09/07	Complete
9 th Aug	Conclude negotiation of key contract terms for Preferred Bidder recommendation	17/07/07	12/10/07	Complete
	Infraco final bid proposals	07/08/07	07/08/07	Complete
	Updated evaluation	09/08/07	12/09/07	Complete
5 th Sept	Conclude negotiations with bidders	27/08/07	14/09/07	Complete
	Presentation of evaluation to evaluation panel	02/10/07	12/10/07	Complete
	Presentation of evaluation to TPB Procurement sub committee	02/10/07	12/10/07	Complete
26 th Sept	TPB update on Procurement and FBC	26/09/07	26/09/07	Complete
	OGC 3 Gateway review – final report	05/10/07	05/10/07	Complete
15 th Oct	TPB Endorsement of preferred bidder recommendation and FBCv1	10/10/07	15/10/07	Complete
31 st Oct	Conclusion of final facilitated negotiations	25/10/07	March 08	
	Conclusion of negotiations for final deal and contract	25/10/07	March 08	
	CEC Council meeting to endorse recommendation	25/10/07	25/10/07	Complete
	Conditional Award – mobilisation	01/11/07	20/12/07	Complete
7 th Dec	Conclusion of due diligence on critical design items	19/11/07	12/12/07	Complete
	Conclusion of negotiations for Phase 1b option	27/11/07	March 08	

2.8 Construction works

2.8.1 Utility diversions

- Trial holes at The Mound have been undertaken in the period to assess the requirements for diverting MP Gas Main.
- Enabling Works in St Andrew Square, Hope Street and Frederick Street commenced in period. Works are progressing to meet 1st March closure of Shandwick Place for MUDFA diversion works.
- Diversion works in Section 1B from McDonald Road to Balfour Street remain ongoing with actual progress 61.3% complete against a planned of 57.9%.
- Diversion works in Section 1B from Balfour Street to Foot of the Walk commenced in period with actual progress 8.5% against a planned of 25.9%.
- Diversion works in Section 1C from The Mound to Castle Street East were completed in the period.
- Diversion works in Section 1C from The Mound to St Andrew Street remain ongoing in period with actual progress 30.1% complete against a planned of 50.3%.
- Diversion works in Section 1C (RAT-1C-1) St Andrew Square BT Diversions remain ongoing in period with actual progress 35.3% complete against a planned of 62.8%.
- Diversion works in Section 1D from South Charlotte Street to Castle Street West remain ongoing with actual progress 86.5% complete against a planned of 99.8%.
- Trial holes and diversion works have commenced in period for Section 5B Edinburgh Park tramstop to Broomhouse Road.

2.8.2 Advanced work

Depot

- Phase 3 earthworks programme is dependant on the successful decommissioning of SGN Gas Main, which is now delayed to April 2008, and the repositioning of the BAA fence. This is currently planned to commence in May 2008.

Advanced works (non-depot)

- Archaeology works – GUARD was mobilised on site on Monday 25th February. The archaeology programme is now under way and is expected to take six weeks to complete.

St. Andrew Square streetscape works:

- Integration of CEC streetscape works and MUDFA programmes has been formalised in Revision 06 of the MUDFA programme.
- The full TRO will not be available until April 2008.

2.9 Testing and commissioning

This phase has not yet commenced

2.10 Handing over and service operations

This phase has not yet commenced

2.11 Network output programme interface (with Transport Scotland)

This phase has not yet commenced

2.12 Interface with other projects

- SGN have indicated that the completion of their works and the resultant isolation of the existing SGN Gas Main will see the abandonment complete by 18th April 2008. This is severely reducing the time available to complete the utility diversions (MUDFA) and remove the remaining earthworks (MUDFA and Infracore).
- BAA licence was signed by all parties during the period and is now in place. This will allow for closer integration of programmes particularly with regard to works within the confines of BAA land at or adjacent to the airport. Face to face meetings continue to take place between the BAA and **tie** programme teams.
- Discussions continue between **tie** and NR on preparation of an Asset Protection Agreement (APA) document with only 1 item still to be resolved. Expectation is that signoff will be achieved prior to Financial Close.

3 Headline Cost Report

3.1 Current Financial Year

	COWD (YTD)	COWD YTD + forecast to year end	Funding authorised current year
Phase 1a	£58.6m	£87.5m	£77.1m ²
Phase 1b	£ 0.0m ¹	£ 0.0m ¹	£0.0m ¹
Phase 1a+1b	£58.6m	£87.5m	£77.1m ²

Notes:

1. Phase 1b design costs are to be expended against Phase 1a budget as agreed by the Tram Project Board and as previously reported;
2. This comprises £60m grant for 07/08 plus £10.6m grant carried over from 06/07 for land purchases plus £1.8m grant funding from 05/06 in respect of a single property purchase plus £4.7m free issue land which is an injection of funding by CEC rather than TS; and
3. The above estimates are based on achieving Financial Close during period 13 (i.e. during March 2008).

As previously reported and agreed with CEC and TS, Milestone payments under the Infraco and Tramco contracts for advance material purchases to be made before the end of FY 07/08 will be classified as prepayments. The aggregate amount of these payments for advance material purchases is £24.2m. These prepayments will be reclassified as expenditure against funding in the periods in future years when the related materials are delivered to site and incorporated in the works.

The forecast outturn expenditure for the year has reduced from £88.8m to £87.5m, reflecting a reestimate of outturn costs across all categories and the removal of a £0.5m risk/contingency allowance included in the period 11 report.

The forecast expenditure in period 13 is summarised in the following table (NB - excludes payments for advance material purchases £24.2m, as explained above):

Nature of expenditure	P13 £m
SDS design	1.76
MUDFA and other utilities	3.23
Infraco	18.06
Tramco	2.71
Land	0.86
Other	1.41
Risk	0.00
Phase 1a total	28.03
Phase 1b (design)	0.90
Overall total	28.93

The forecast expenditure in period 13 is highly sensitive to achieving Financial Close during the period – approximately £19.4m out of the total forecast for period 13 of £28.9m would not be expended during FY0708 year in the absence of Financial Close during the current year. In addition the £24.2m advance material purchases described above would not be made until the start of the FY0809.

3.2 Next Financial Year

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total FYF
Phase 1a	£38.8m	£31.4m	£41.9m	£50.8m	£162.9m
Phase 1b	£ 0.5m	£ 0.1m	£ 0.9m	£ 2.3m	£ 3.8m
Phase1a+1b	£39.3m	£31.5m	£42.8m	£53.0m	£166.7m

Note: Any variance in summation of table figures is due to rounding.

The forecast for FY 08/09 remains highly sensitive to:

- Award of the Infraco and Tramco contracts prior to the end of the FY0708;
- Treatment of advance material purchases as prepayments (see above);
- The final negotiation of the Infraco / Tramco expenditure profiles taking cognisance of the current £120m cap on TS funding for FY 08/09 to the extent it makes commercial sense; and
- The proportion of the overall risk allowance allocated to the year (the estimate for FY 08/09 includes £24.6m).

The profile for FY0809 reflects an advanced stage of agreement with the Infraco and Tramco Preferred Bidders and is unlikely to change materially except in regards to the profiling of the risk allowance.

3.3 Total project anticipated outturn versus total project funding

	FUNDING (total project)			Total COST (To Funders)
	TS	Other	Total	Promoter TOTAL AFC
Phase 1a	£500m	£ 45m ¹	£545m	£498.1m ²
Phase 1b	£ 0m	£ 0m	£ 0m	£ 87.3m ^{2,3}
Phase 1a + 1b	£500m	£ 45m	£545m	£585.4m
Phase 1a + 1b concurrent	£500m	£ 45m	£545m	£580.4m

Total anticipated outturn is as per the Final Business Case.

Notes:

1. If Phase 1b did not proceed then £3.0m of design costs for Phase 1b would require to be expended against Phase 1a funding.
2. Estimate is valid for Phase 1b if the option under Infraco contract is exercised prior to 31st March 2009 as per the FBC.

Significant work remains through to Financial Close to ensure the current position is maintained including the pricing of provisional sections contained within the bid and realising the targeted savings from value engineering initiatives.

3.4 Change Control

The current change control position is summarised in the table below.

£m	Phase1a	Phase 1b	Phase 1a+1b
Project baseline (FBC)	498.1	87.3	585.4
Anticipated changes	-	-	-
Potential AFC	498.1	87.3	585.4

3.5 Summary Breakdown

Latest Estimate/AFC (including escalation)

	Base Cost	Risk	Opportunity	OB	(or)Contingency	Total
Phase 1a	£449.1m	£49.0m	£0	£0 ¹	£0 ²	£498.1m
Phase 1b	£ 77.7m	£ 9.6m	£0	£0 ¹	£0 ²	£ 87.3m
Phase 1a + 1b	£526.8m	£58.6m	£0	£0 ¹	£0 ²	£585.4m

Notes:

1. OB included in risk (QRA at P90 confidence level) as agreed with TS.
2. Contingency included as part of risk at present.

4 Time schedule report

4.1 Report against Key Milestones

The agreed baseline programme reference for this project is that given in the Period 3 report.

Milestones	Date	Act / Fcst
Approval of DFBC by CEC	21 Dec 06A	21 Dec 06A
Approval of DFBC by Transport Minister – approval and funding for utility diversions	16 Mar 07A	16 Mar 07A
TRO process commences		
Tramco – complete initial evaluation / negotiation	09 Mar 07A	09 Mar 07A
MUDFA – completion of pre-construction period of MUDFA contract	30 Mar 07A	30 Mar 07A
MUDFA – commencement of utility diversions	02 Apr 07A	02 Apr 07A
Infraco – return of stage 2 bids	08 May 07A	08 May 07A
Tramco – appointment of Preferred Bidder	21 Sep 07	20 Sep 07A
Infraco – completion of evaluation / negotiation of bid	10 Sep 07	25 Sep 07A
Infraco – appointment of Preferred Bidder.	25 Sep 07	23 Oct 07A
Approval of FBC by TS – approval and funding for Infraco / Tramco <i>Letter approved, but not yet signed.</i>	09 Jan 08	Dec 07
Tramco / Infraco – facilitation of novation negotiation complete	22 Oct 07	Mid Mar 08
Infraco – negotiation of Phase 1b complete.	30 Nov 07	Mid Mar 08
Tramco / Infraco – final negotiation and appointment	11 Jan 08	Mid Mar 08
Tramco / Infraco – award following CEC / TS approval and cooling off period.	28 Jan 08	Mid Mar 08
Construction commences on Phase 1a	26 Feb 08	Apr 08
Construction commences on Phase 1b	29 Jun 09	6 Jul 09
TRO process complete	19 Jun 09	17 Nov 09
Construction complete Phase 1a	08 Jul 10	27 Jan 11
Operations commence Phase 1a	Jan 11	July 2011*
Construction complete Phase 1b	Jun 11	30 Jun 11
Operations commence Phase 1b	Dec 11	Dec 2011

*Assumes that there is not a construction embargo in Picardy Place in August 2010.

Guidance for Completion:

Legend for colouring of Act/Fcast date text

Green: Act/ Forecast date is ahead or in line with baseline
Yellow: Slight slippage – readily recoverable with action.
Red: Notable / significant slippage – difficult to recover, even with action.

4.2 Key issues affecting schedule

- The BT Openreach programme impact on Infraco construction programme has diminished further during the period, and has been identified in detail in the programme.
- Delivery of design programme.
 - Many areas of the programme are dependant of timely and adequate design; therefore the programme is vulnerable to continued slippage in the SDS design programme which is emerging into the Infraco construction programme. The Infraco construction programme methodology and sequencing has been agreed in principal but is dependant primarily on maintaining design delivery as programmed now at V27.
- Gogar depot design
 - This is a programme critical area where it is proving extremely difficult to extract information from SDS on the availability of design component parts to release IFC packages.
- Murrayfield tramstop retaining wall – potential re-design due to discovery of soft ground in this area is expected to delay approvals by 4 – 6 weeks. Any delay will impact S21A Roseburn Street Viaduct on the west side and may also impact Russell Road Retaining Walls on the east side.
- 1,500mm sewer located at south entrance to A8 underpass still to resolve.
 - Depot retaining walls design delay being reviewed to understand programme impact.
- SDS deliverables
 - See above.
- Network Rail immunisation
 - The scope and programme for this work are being developed with Infraco and these aspects should be complete by end of March. There are real concerns that this may impact the tram programme as disruptive possessions are required to complete the process, which is required prior to energisation of the depot in November 2009.
- Network Rail relocation of lineside equipment
 - See above
- Network Rail Pollution Prevention Programme
- Scottish Power Network re-inforcement
- Gogarburn Landfill requires pre-loading / surcharging (if preferred option) for approximately six months prior to construction commencement. Infraco will either do this as part of the mobilisation works or early in their programme.
- Scope associated with temporary traffic management off the tram route e.g. removal of existing traffic calming measures, lopping of trees, removal of parking etc will increase programme content and associated cost.

5 Risk and opportunity

5.1 Summary

Various reviews have been conducted on the risk registers, including MUDFA, Land and Property, TROs and SDS. There have been a number of reviews of the risk allocation with the project directors to ensure that the risk allowance for the project reflects the current contractual position. The project risk register and risk allowance will be updated immediately prior to contract award notification to reflect the risk profile as at the end of the contract negotiations.

6 Health, safety, environment, quality and resources

6.1 Health and safety accidents and incidents, near misses, other or initiatives

There was one minor accident in the month. There was no lost time.

The accident frequency rate (AFR) for the project remains 0.00.

There were four very minor and five minor incidents reported during the period.

Accident summary:

- AIIR0060 – 18/02/08, St Andrews Square, an operative received cut to hand, no further detail is available and the investigation report is awaited.

Two safety tours were completed in the period and action plans are agreed to address the issues raised.

Four site inspections were completed in the period and actions have been implemented to address the issues raised.

There were three HSQE bulletins raised this period:

- HSQE B 08 – 001 Water main coupler;
- HSQE B 08 – 002 Slips, trips and falls; and
- HSQE B 08 – 003 Traffic pedestrian management.

6.2 Environment

There was one minor incident reported in the period.

- Enabling works to support the utility diversion works were planned for night time. These works were stopped due to noise complaints. The works have been re-planned and the CEC Environmental Noise Officer consulted.

6.3 Quality

There was one HSQE audit completed in the period. Three minor audit findings and four observations were raised. Corrective action responses are awaited from the auditee.

Two NCRs were raised in the period. Both of these have been closed. One NCR (018) remains open from the previous period.

- NCR019, 07/02/08 Section 1C St Andrews Square
 - Excavation is unsupported and is approximately 3m deep - the 4" water main which is running through the excavation at a depth of approx 1m

deep is unsupported.

Response: water main now supported and sheet piles installed. NCR closed.

- **NCR020, 08/02/08**
 - Installation of new and removal of road lining - failure to comply with the Construction Code of Practice.
Response: Communication issued to all AMIS staff reiterating the process of applying for relaxations and the importance of complying with the COCP. NCR closed.

6.4 Resource management

The resource management plan as approved by the Board continues to be delivered with a focus on replacing contractual staff with permanent employees and negotiating revised rates for contractors.

7 Stakeholder and communication

7.1 Stakeholder

The business support activity this period was the most intense since the project began with more than 109 businesses receiving support packs. The cumulative payout on the small business support scheme is £328,000.

7.2 Communication

The first of the construction update leaflets, outlining traffic management measures, business loading facilities and general advice for the public were produced and distributed to local businesses, community councils, councillors, libraries and at the Gyle Centre roadshow. The Trams for Edinburgh website has also been updated during the month to reflect all MUDFA activity. Inbound demand continued to rise reflecting the increased notification send out and intensity of MUDFA operations. There were in excess of 160 inbound enquiries this month, the highest recorded.

Communications teams have contacted all the affected businesses and residences to obtain access / loading / special requirement needs along Shandwick Place to develop a support strategy which will be incorporated within the overall construction philosophy for this closed-off section.

Cards have been produced for operators on-site providing telephone numbers the helpline as well as for specific media enquiries. Proactive contact by Tram Construction Advisors remains at a high level and plans are at an advanced stage for further recruitment to reflect the increase in active worksites.

Coverage of the Shandwick Place diversions will be included in the Outlook spring publication at the end of March. Work continues with CEC communications to brief Councillors on a regular basis.

DASHBOARD

FY 07/08			FY 07/08			Project to Date			
COWD Period Actual (to TS)			COWD YTD Performance (to TS)						
Actual	Planned	Variance	Actual	Planned	Variance	COWD	TS Auth Fund	3rd Party Fund	TS PAID
3.743	16.147	-12.404	52.399	111.473	-59.074	101.685	500.000	45.000	93.872

TS Funding Check	Promoter		Total	Project Funding Check		Total AFC
	Original	AFC to TS		Original	Latest EST	
Mid Point	0.000	0.000	Mid Point	0.000	0.000	0.000
Maximum	0.000	498.060	Maximum	500.000	498.000	498.000

TS Funding Commitment as announced by Minister *TS Funding Commitment as announced by Minister plus third party funding*

FINANCIAL COMMENTARY:

The forecast outturn for 07/08 and the profile for 08/09 are significantly dependent on the timing of Financial close and contract award for Infraco and Tramco. The current profile takes cognisance of the previously advised delay in contract award of 4-6 week but is predicated on achieving financial close in March 2008. This is a COWD forecast and does not represent actual flows of cash for material purchases to the value of £24.2m

Phase 1a only

TS FUNDING COMMITMENT INFORMATION

		Comment
A	Funding Announcement Date	30/03/2006
B	Relevant Time	Q1 2006
C	Range	x to x
D	Mid Point	0
E	Escalated Funding to project end date	0

TS FUNDING AUTHORISED

ALL Years	Expiry Date	Current Limit	COWD	
Grant	Description of Grants/IA's Issued to Date			
1		0.000	0.000	
2		0.000	0.000	
3		0.000	0.000	
TOTAL		0.00	0.00	

TS ELEMENT SPEND BREAKDOWN PLANNED/EMERGING/FORECAST

Allocated in accordance with standard WBS. Values relevant to business case or other agreed baseline date to be known as original estimate.

	Estimated Cost			Actual Cost/Forecast			Variance
	Original Estimate	Escalated Original Estimate	Escalated Latest Estimate	Cost Of Work Done (COWD)	Forecast to Completion	Anticipated Final Costs (AFC)	
Relevant Baseline date : xx/xx/20xx							
General Overall	500.400	500.400	28.170	20.103	8.068	28.170	0.000
Procurement Consultant	0.000	0.000	67.080	35.660	31.420	67.080	0.000
Design	0.000	0.000	24.361	20.204	4.157	24.361	0.000
Financial Issues/Funding/Procurement Strategy	0.000	0.000	2.652	1.903	0.749	2.652	0.000
Parliamentary Process/Approvals	0.000	0.000	0.319	0.319	0.000	0.319	0.000
Procurement Construction Works	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Construction Works	0.000	0.000	326.504	23.497	303.007	326.504	0.000
Testing & Commissioning	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Handing Over & Service Operations	0.000	0.000	0.000	0.000	0.000	0.000	0.000
NOP/Rail Projects Interface (Promoters View)	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Interfacing Developments	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Risk	0.000	0.000	48.974	0.000	48.974	48.974	0.000
Opportunity (Negative Value)	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OB/Contingency	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total	500.400	500.400	498.060	101.685	396.375	498.060	0.000

	P8	P10	P11	P12	P13	Total								
Current Year Budget														
1 TS Funding Spend	7,910	2,255	3,812	8,978	3,837	4,572								
2 3rd Party Funding	4,898	0,033	0,088	0,656	-0,060	0,221								
3 Total Funding Forecast	12,808	2,289	3,899	9,635	3,777	4,793								
4 Promoter COWD Forecast (to TS)	12,808	3,860	3,566	9,841	6,115	6,517								
7 Promoter COWD Forecast (to 3rd Party)	0,000	0,000	0,000	0,000	0,000	0,000								
10 Total Promoter COWD Forecast	12,808	3,860	3,566	9,841	6,115	6,517								
Current Year Actuals (Updated 4 weekly)														
12 Invoice Costs (to TS) + Revised FC	1,251	1,896	2,838	1,685	4,503	2,116								
13 Accrual Costs (to TS)	6,659	0,370	0,974	7,293	-0,666	2,456								
14 Promoter COWD + Revised FC to TS	7,910	2,255	3,812	8,978	3,837	4,572								
17 Invoice Costs (to 3rd Party) + Revised FC	3,298	0,000	0,000	0,000	0,000	0,000								
18 Accrual Costs (to 3rd Party)	0,599	0,033	0,088	0,656	-0,060	0,221								
19 Promoter COWD + Revised FC to 3rd Party	4,898	0,033	0,088	0,656	-0,060	0,221								
22 Total Promoter COWD + Revised FC	12,808	2,289	3,899	9,635	3,777	4,793								
Variance tracker														
24 Variance Line 4 to Line 14	-4,898	-1,605	0,246	-0,863	-2,279	-1,945								
25 Variance Line 7 to Line 19	4,898	0,033	0,088	0,656	-0,060	0,221								
26 Variance Line 10 to Line 22	0,000	-1,571	0,333	-0,206	-2,338	-1,724								
Next Year Forecast 08/09 (updated 4 weekly)	Q1	Q2	Q3	Q4	Total									
39 TS Funding Spend	35,624	28,801	38,488	17,107	120,000									
40 3rd Party Funding	3,206	2,582	3,462	33,644	42,905									
30 Total Funding Spend Forecast	38,830	31,383	41,950	50,751	162,905									
31 Promoter COWD (to TS)	38,830	31,383	41,950	50,751	162,905									
34 Promoter COWD (to 3rd Party)	0,000	0,000	0,000	0,000	0,000									
37 Total Promoter COWD Forecast	38,830	31,383	41,950	50,751	162,905									
The forecast outturn for 07/08 and the profile for 08/09 are significantly dependent on the timing of financial close and contract award for Infraco and Tramco. The current profile takes cognisance of the previously advised delay in contract award of 4.6 weeks but is predicated on achieving financial close in March 2008. This is a COWD forecast and does not represent actual flows of cash for material purchases to the value of £24.2m														
ALL Years (Escalated) (Updated 4 weekly)	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	TOTAL
39 TS Funding Spend	0,000	3,093	9,664	30,412	75,271	120,000	168,220	49,393	0,313	0,000	0,000	0,000	0,000	456,367
40 3rd Party Funding	0,000	0,000	0,000	0,019	10,261	42,905	18,985	3,445	0,028	0,000	0,000	0,000	0,000	41,693
41 Total Funding Spend Forecast	0,000	3,093	10,664	30,431	85,532	162,905	151,255	53,839	0,341	0,000	0,000	0,000	0,000	498,059
42 Promoter COWD (to TS)	0,000	3,093	9,664	30,412	75,271	149,454	138,766	49,393	0,313	0,000	0,000	0,000	0,000	456,367
45 Promoter COWD (to 3rd Party)	0,000	0,000	1,000	0,019	10,261	13,451	12,489	4,445	0,028	0,000	0,000	0,000	0,000	41,693
48 Total Promoter COWD Forecast	0,000	3,093	10,664	30,431	85,532	162,905	151,255	53,839	0,341	0,000	0,000	0,000	0,000	498,059

GRAPH 1 - TOTAL CURRENT YEAR

GRAPH 2 - TS ONLY CURRENT YEAR

GRAPH 3 - TOTAL ALL YEARS

GRAPH 4 - TS ONLY ALL YEARS

GRAPH 5 - CUMULATIVE CURRENT YEAR

GRAPH 6 - CUMULATIVE ALL YEARS

CUMULATIVE DATA FIELD

	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	P13	
Current Year Budget (Baseline)													
1 TS Spend (publicly committed) Base Line Forecast	7,910	10,166	13,978	22,956	26,793	31,364	37,452	34,083	39,156	42,881	48,657	52,399	
2 3rd Party Funding	4,898	4,931	5,019	5,675	5,615	5,836	6,252	5,219	5,220	5,031	4,761	5,098	
3 Total Funding Forecast	12,808	15,097	18,996	28,631	32,408	37,200	43,704	39,302	44,376	47,912	53,418	57,497	
4 Promoter COWD Forecast (to TS)	12,808	16,668	20,234	30,075	36,190	42,707	51,984	59,486	74,417	80,698	95,326	111,473	
7 Promoter COWD Forecast (to 3rd Party)	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	
10 Total Promoter COWD Forecast	12,808	16,668	20,234	30,075	36,190	42,707	51,984	59,486	74,417	80,698	95,326	111,473	
Current Year Actuals (Updated 4 weekly)													
12 Invoice Costs (to TS) + Revised FC	1,251	3,137	5,976	7,660	12,163	14,278	15,740	23,852	28,914	34,736	43,518	55,136	
13 Accrual Costs (to TS)	6,659	7,029	8,003	15,296	14,630	17,086	21,712	10,230	10,242	8,145	5,139	8,882	
14 Promoter COWD + Revised FC to TS	7,910	10,166	13,978	22,956	26,793	31,364	37,452	34,083	39,156	42,881	48,657	52,399	
17 Invoice Costs (to 3rd Party) + Revised FC	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	8,449	
18 Accrual Costs (to 3rd Party)	0,599	0,633	0,720	1,377	1,317	1,538	1,954	0,921	0,922	0,733	0,463	0,799	
19 Promoter COWD + Revised FC to 3rd Party	4,898	4,931	5,019	5,675	5,615	5,836	6,252	5,219	5,220	5,031	4,761	5,098	
22 Total Promoter COWD + Revised FC	12,808	15,097	18,996	28,631	32,408	37,200	43,704	39,302	44,376	47,912	53,418	57,497	
ALL Years (Escalated) (Updated 4 weekly)	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16
39 TS Funding Spend	0,000	3,093	12,757	43,169	118,440	238,440	408,591	456,054	456,367	456,367	456,367	456,367	456,367
40 3rd Party Funding	0,000	0,000	1,000	1,019	11,279	54,184	37,219	41,694	41,693	41,693	41,693	41,693	41,693
41 Total Funding Spend Forecast	0,000	3,093	13,757	44,188	129,720	292,624	443,880	497,718	498,059	498,059	498,059	498,059	498,059
42 Promoter COWD (to TS)	0,000	3,093	12,757	43,169	118,440	267,894	406,661	456,054	456,367	456,367	456,367	456,367	456,367
45 Promoter COWD (to 3rd Party)	0,000	0,000	1,000	1,019	11,279	24,730	37,219	41,664	41,693	41,693	41,693	41,693	41,693
48 Total Promoter COWD Forecast	0,000	3,093	13,757	44,188	129,720	292,624	443,880	497,718	498,059	498,059	498,059	498,059	498,059

EDINBURGH TRAM

ANTICIPATED FINAL COST SUMMARY

YEAR	07/08	
PERIOD	12	Period Issued

PHASE	1A	1B	TOTAL	
BASE ESTIMATE	498.10	87.30	585.40	
APPROVED CHANGES	0.00	0.00	0.00	
CONTROL BUDGET/AFC	498.10	87.30	585.40	

ETN Primary Risk Register - Period 12

ARM Risk ID	Risk Description			Risk Owner	Significance	Black Flag	Treatment Strategy	Previous Status	Current Status	Due Date	Action Owner
	Cause	Event	Effect								
286	Infraco lack of confidence in SDS designs or delivery programme	Infraco refuses to accept or fully engage in novation of SDS.	Possible delay to award; Damage to reputation; Possible extra costs or risk transferred back to tie.	B Dawson	Project		Complete designs and allow due diligence to be undertaken by bidders	On Programme	On Programme	1-Oct-08	B Dawson
							Consult with legal on options relating to due diligence to be carried out on design and availability of consents	On Programme	Complete	31-Dec-07	B Dawson
							Introduce and engage Infraco bidders to SDS as early as possible	Complete	Complete	28-Feb-07	B Dawson
916	CEC do not achieve capability to deliver	CEC are unable to honour their funding commitment	Potential showstopper to project if contribution not reached; Line 1B may depend on incremental funding from CEC	S McGarrity	Project		CEC has formed a multi discipline Tram Contributions Group to monitor identified sources of £45m contribution including critically developers contributions. tie are invited to that group. (see add info)	On Programme	Complete	30-Jan-08	CEC
							CEC to deliver necessary contributions for 1a	On Programme	Complete	30-Jan-11	CEC
							Tram Project Board to monitor progress towards gaining contributions	On Programme	On Programme	30-Jan-11	D MacKay
987	Unacceptable financial cost and/or risk	CEC do not agree to final negotiated contract	Potential cancellation of project	D Fraser		Project	Ongoing member engagement	On Programme	On Programme	Ongoing	W Gallagher
870	SDS Designs are late and do not provide detail Infraco requires	Infraco does not have detail to achieve a fixed price without provisional designs	Delay to due diligence and start on site and need to appoint additional design consultants	T Glazebrook	High		Monitor design progress and quality	On Programme	On Programme	Ongoing	T Glazebrook
							Obtain Design Progress Dashboard from SDS	Complete	Complete	15-May-07	T Glazebrook
							Review AIPs for Structural Information	Complete	Complete	2-Feb-07	S Clark

139	Utilities diversion outline specification only from plans	Uncertainty of Utilities location and consequently required diversion work/ unforeseen utility services within LoD	Increase in MUDFA costs or delays as a result of carrying out more diversions than estimated	G Barclay		Carry out GPR Adien survey Identify increase in services diversions. MUDFA to resource/re-programme to meet required timescales.	Complete Complete	Complete Complete	31-Oct-07 23-Nov-07	J Casserly J McAloon
						In conjunction with MUDFA, undertake trial excavations to confirm locations of Utilities and inform designer	On Programme	On Programme	31-Mar-08	A Hill
164	Utilities assets uncovered during construction that were not previously accounted for; unidentified abandoned utilities assets; asbestos found in excavation for utilities diversion; unknown cellars and basements intrude into works area; other physical obstructions; other contaminated land	Unknown or abandoned assets or unforeseen/contaminated ground conditions affect scope of MUDFA work.	Re-design and delay as investigation takes place and solution implemented; Increase in Capex cost as a result of additional works.	I Clark		Carry out GPR Adien survey Identify increase in services diversions. MUDFA to resource/re-programme to meet required timescales.	Complete Complete	Complete Complete	31-Oct-07 23-Nov-07	J Casserly J McAloon
						In conjunction with MUDFA, undertake trial excavations to confirm locations of Utilities and inform designer	On Programme	On Programme	31-Mar-08	A Hill
47	Poor design and review processes; cumbersome approvals process; reiterative design/approvals process.	Completion of MUDFA works is delayed (due to late design/approvals) - late utility diversions in advance of Infraco works.	Increase in price and time delay in the Infraco contract; Infraco could end up delay to commencement or with utility diversion and would have to price for or have to carry out unplanned re-sequencing; Claims from MUDFA as a result of being unable to proceed with works.	G Barclay		Incentivisation of SDS Micro management of design Review design timescales Review tie design review Revise design process	On Programme On Programme Complete On Programme On Programme	Complete On Programme Complete On Programme	28-Sep-07 1-Mar-08 30-Apr-07 1-Mar-08 1-Mar-08	M Crosse J McAloon J McAloon J Casserly J Casserly

48	Two stage tender pricing does not achieve price certainty for works at first stage.	Price certainty is not achieved	Price creep post tender (during pre-construction period). Tender evaluation period exceeds 2 months currently planned. Bidder may attempt to price low at first stage.	B Dawson	[REDACTED]	Close principal contract conditions prior to preferred bidder selection	Complete	Complete	28-Aug-07	B Dawson
						Infraco to undertake due diligence on SDS design	On Programme	Complete	1-Oct-07	G Gilbert
						Minimize Infraco qualifications to price and assumptions	On Programme	On Programme	Ongoing	B Dawson
44	SDS contractor does not deliver the required prior approval consents before novation	Late prior aproval consents	Delay to programme with additional resource costs and delay to infraco. Impact upon risk balance.	T Glazebrook	[REDACTED]	Evaluation of prior approval programme	On Programme	On Programme	31-Oct-08	D Sharp
						Hold fortnightly Roads Design Group	On Programme	On Programme	31-Dec-08	T Glazebrook
						Hold weekly CEC/SDS liaison meetings	On Programme	On Programme	31-Jul-08	T Glazebrook
						Informal consultation prior to statutory consultation	On Programme	On Programme	31-Jul-08	T Glazebrook
						Integrate CEC into tie organisation/accomodation (office move)	Complete	Complete	4-Jun-07	T Glazebrook
Tram Design Working Group	On Programme	On Programme	31-Jul-08	G Murray						