

# Tram Project Board

4 June 2008

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**Edinburgh Trams**  
**Lothian Buses**

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# Overview

Willie Gallagher

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## Safety

- Project Safety AFR to date – 0.14
- MUDFA AFR to date – 0.35
- Investigations complete re: RIDDOR on 02.04.08 and Traffic Management at Constitution Street – recommendations being actioned.
- Safety tours ahead of programme and addressing Safety, Quality, Environmental and Stakeholder issues.
- Assessment of Infraco arrangement and their supply chain in hand, with particular focus on NR interface.

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## Contractual Final Position

- Contract Suite signed 14 May 2008
  - Infraco
  - Tramco
  - SDS Novation
  - Tramco Novation
- CAF joining the Consortium.
- Project Control budget £512m (Infraco £246.8m, Tramco £58m, Risk £30m).
- Contract Programme – open for revenue July 2011

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## Design and Consents

- Control Tracker in place
- Empowered “chaser” for each organisation (CEC nominee being confirmed)
- Consolidated senior BBS focus
- **tie** Chairman to meet / “warm up” key external parties (Historic Scotland, Architecture and Design Scotland, Edinburgh World Heritage) to focus timely comments.
- Forth Ports and SRU agreements to be closed out directly
- Improved Quality Control Design addressed by SDS

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## MUDFA

- Close out works on Leith Walk progressing in line with overall plan.
- Close out programme now produced and agreed for Shandwick Place/ Constitution Street and St Andrews Square.
- Overall progress within 2 weeks of contract path for Infracore Works and Rev 07 Programme being finalised to enable any impact to be mitigated.
- Carillion's new Project Director D Smith commenced.
- Resource and supervision requirements for core utilities works and the necessary enabling works.
- Detailed planning for Haymarket phase of works being completed to enable communication of the detailed arrangements and start timing.

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## Infraco Mobilisation

Work commenced in developing Work Package Plans and Method Statements in preparation for starting work in the following areas:

- Carrick Knowe, Network Rail, & Edinburgh Park.
- Mobilisation of the specialist sub-contractors (Demolition & Asbestos removal) for the Caledonian Ale House. WPP's being completed.
- Meeting held with Baird Drive residents to explain design detail.
- Infraco 12 week look-ahead being reviewed.
- **tie** Project Management Team being further reinforced over the next period.

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## Finance

- Late cost pressures from BBS and PB contained at aggregate £5.9m increase in Base Costs offset by £1.9m reduction in required risk allowance following concessions by BBS and PB
- Net increase in total estimate for Ph1a from £508m to £512m including a risk allowance of £30.3m
- Concessions made by private sector which improves public sector risk profile (of which £0.8m credit taken in risk allowance):
  - Immediate contract close on preferred terms
  - Elimination of claims arising from works underway
  - Capping of road reinstatement exposure
  - Capping of roads related prolongation

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## Finance - Control Budget at Financial Close

£m	FBC	Period 1	Control
	Estimate	Report	Budget
<b>Project Management</b>	65.4	65.9	<b>65.9</b>
<b>Other Resources</b>	6.4	6.9	<b>6.9</b>
<b>Design</b>	23.7	24.4	<b>26.8</b>
Traffic management/modelling	2.3	2.6	<b>2.6</b>
3rd party interfaces	0.3	0.5	<b>1.0</b>
Land and other compensation	20.6	20.6	<b>20.6</b>
Insurance	4.5	4.5	<b>4.5</b>
MUDFA / Utilities	51.5	48.5	<b>48.5</b>
<b>Infrastructure &amp; Maintenance</b>	223.0	243.8	<b>246.8</b>
<b>Tram Supply &amp; Maintenance</b>	51.4	58.0	<b>58.1</b>
<b>Base Costs</b>	449.1	475.7	<b>481.7</b>
<b>Risk Allowance</b>	49.0	32.3	<b>30.3</b>
<b>Total Phase 1a Costs</b>	<b>498.1</b>	<b>508.0</b>	<b>512.0</b>

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## Finance - Control Budget at Financial Close

Phase 1a Control Budget and profiling					
£m	Cum FY0708	FY0809	FY0910	Balance	AFC
Infrastructure & Vehicles	30.7	89.0	114.7	70.5	304.9
Utilities diversions	18.4	30.2	-	-	48.6
Design	21.4	3.9	0.7	0.8	26.8
Land & Compensation	16.8	3.7	-	-	20.5
Resources & Insurance	42.7	14.8	10.4	13.0	80.9
<b>Base Costs</b>	<b>130.0</b>	<b>141.6</b>	<b>125.8</b>	<b>84.3</b>	<b>481.7</b>
Risk Allowance	-	9.3	12.6	8.4	30.3
<b>Total Phase 1a</b>	<b>130.0</b>	<b>150.9</b>	<b>138.4</b>	<b>92.7</b>	<b>512.0</b>

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## Finance

- Project Control Budget set in stone - subject to change only through the Change Management Procedure and in accordance with the reinforced Delegated Authority Rules
- Initial milestone payments to CAF and BBS now made
- Grant drawdown process with TS working effectively
- Focus on Phase 1b business plan and funding approach

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## Programme – Next 6 month milestones

- The following represent the significant milestones over the next 6 months according to the master programme:

	Contract	Actual
Infraco/ Tramco Award and SDS Novation	14 April 08	14 May 08
Construction commences	14 April 08	
Haymarket viaduct commences	8 May 08	
Edinburgh Park viaduct commences	6 August 08	
A8 underpass commences	8 August 08	
Carricknowe Bridge commences	21 August 08	
All demolition work complete	22 August 08	
Tram mock-up delivered	October 08	
First track installation commences – on Street	3 November 08	
MUDFA works complete	November 08	
Haymarket viaduct complete	8 December 08	

- Infraco have already slipped on a number of these start dates and discussions are ongoing to agree how this will be recovered.
- Progress against milestones will be reported each period.

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# Governance

Graeme Bissett

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