



Agenda for tie Board Meeting
 tie offices, Verity House, Edinburgh
 10:00 - 12.30 hrs on Monday 30th October 2006

Item No.	Agenda Item	Resp	Timing
1.	Minutes of Meeting of 2 nd October and matters arising *	WG	10:00 hrs
2.	Executive Chairman's Board Report*	WG	
3.	Projects a) Trams * b) EARL * c) SAK * d) Portfolio Projects*	AH BC RH SC/SB	
4.	Functional Reports a) Health & Safety * b) Risk c) Organisation d) Communications * e) Finance & Performance *	SB SB SW SMcG	
5.	AOB a) Company Secretarial b) tie's banking requirements		
6.	End		12.30 hrs
7.	Date of next meeting – Monday 11 th December @ 14:00 hrs at tie office, Verity House, Edinburgh		

* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)

tie Limited

Paper to: tie Board

Subject: Executive Chairman's Report

Date: 24th October 2006

1. BOARD AND SENIOR MANAGEMENT

Our meeting on 30 October should be the first with our full complement of new directors and I take this opportunity to welcome all of you to our Board. There is no question that you are joining tie at an interesting time !

Since my report to the Board meeting on 2 October 2006, there have been a number of important developments in the main tie projects and these are discussed below. The next few months will be crucial to the medium term success of tie's projects and to tie itself. We continue to address the organisation's resource requirements and have recently agreed terms with John Boyle to lead our public communications efforts in number critical arenas. John was previously PR Director for Scotrail and his skills and connections will be a first-class asset.

2. REVIEW OF PROGRESS AND ACHIEVEMENTS ON MAJOR PROJECTS

Full reports on the three major projects are included with the Board papers and will be presented by the Project Directors. Of particular note are :

Tram

- The need for sustained better performance by our designers, Parsons Brinckerhoff, remains an issue. Andie's report describes how this challenge is being addressed but this is a particularly difficult matter, involving a third party adviser who has frankly failed to deliver the quality we require. There are implications for our procurement strategy and for the programme and I would value colleagues' advice on how best to make progress.
- The utility diversion contract ("MUDFA") was awarded to McAlpine and preliminary work is underway. This is another key milestone and helps with the firmness of our cost estimates, of which more below
- Tender returns for the vehicle contract ("Tramco") were received on 9 October and provide further support to our cost estimates.
- The tender for the infrastructure contract ("Infraco") was issued on 3 October as planned. Since then, there have been a series of discussions with the bidders as they absorb the terms of the ITN and assess the issues for their bids. Unsurprisingly, this process has produced both good and disappointing reaction. Andie and I will provide the Board with a full update at the meeting.
- Prior to issue of the Infraco ITN, an independent Gateway review was performed to assess readiness for issue as further comfort on the quality of the tender documentation. I am pleased to say that the review team, who had performed an earlier review in May 2006, recorded a very positive set of comments on the development of the project since their previous visit and fully supported the issue of the ITN.

- The Business Case develops apace and the outputs to date have been positive in relation to the performance measures which the project must meet. A verbal update on progress will be made at the Board meeting. The work required of our own people and our advisors in this process has been prodigious.
- We are in the process of finalising cost estimates after a rigorous and intensive process. This is a critical part of the business case and is the basis for the affordability assessment.

EARL

- The Bill received Preliminary Stage approval from Parliament on 21 September 2006. This is a major milestone and achievement for the team and for tie. However, the Committee Report contained a number of key concerns which tie and Transport Scotland are addressing urgently.
- A constructive dialogue has been developed with BAA with the objective of reaching agreement on a number of inter-related and critical matters including the removal of their objection to the Bill.
- The EARL project has become a high profile political issue in recent weeks and a number of press reports have focussed on claimed weaknesses in the project's execution. We are in no doubt that the opposite is the truth. EARL is a very robust project, with the potential to bring enormous benefit to Scotland. We are re-doubling our efforts to ensure the press coverage is balanced and also to ensure that politicians of all parties are presented with a clear view of the project's benefits.
- We continue to seek progress on the linked areas of project governance, stakeholder roles and responsibilities, procurement structure and funding structure. This is a further difficult area where I am hoping for guidance on how best to mesh various critical moving parts for the benefit of the overall project. In addition to Barry's main project report, we have included 1) a short paper highlighting the programme risks arising from the lack of an agreed project structure ; and 2) a paper summarising the proposed approach to project governance. These documents set the scene for a key discussion at the Board meeting. Tie cannot drive these aspects of the project on its own and we continue to work with Transport Scotland to create a consensus position from which to make operational progress.
- There is one important change to assess and approve in relation to the tunnel boring methodology and necessary equipment which carries a material change to cost estimates. The details are set out in Barry's report and we believe have the support of Transport Scotland and other stakeholders.

SAK

- Excellent progress continues to be made on construction. The works are on programme to achieve the completion date of 1 June 2007 and a planned opening date of 14th July 2007. Formal agreement with the contractor to the accelerated programme is being progressed.
- There are cost pressures in the forecast outturn, notably a dispute with the contractor over alleged costs of programme acceleration and the means of agreeing gain and pain shares. The project team has a clear focus on cost control/reduction measures to ensure the final outturn costs on the project are contained within the current forecast.

3. PORTFOLIO PROJECTS - STATUS

Susan Clark has taken on the management of the Ingliston Park and Ride and Fastlink (WEBS) projects. Both of these are in close-down mode and we are dealing with contract-end commercial issues, as described in the relevant reports attached. In addition, we are underway with a second phase of development at the Ingliston site, following the success of the first phase.

Management responsibility for FETA, the Cross Forth Ferry and the Stirling project has fallen to Steven Bell and he has provided reports on our progress.

Each project brings its own challenges, but overall matters appear to be in good order.

4. FUNCTIONAL REVIEWS

We have provided reports from our key function leaders which again demonstrate progress in ensuring that tie's central team are delivering fit for purpose services to the company and to the Project Directors, their internal customers. Of particular note is the report on HSQE, Steven Bell's first since joining tie last month. This is of course an area of fundamental concern to all directors and senior management and I am pleased to note the rigour which is being applied to our safety practices.

5. CONCLUSION

By the end of this calendar year (around 40 business days from now) we will have submitted, and hopefully have had approved by the Council, the extensive business case documentation for the tram project, made substantial progress with the Infraco and Tramco procurements and prepared the ground (literally) for utility diversion work in the New Year. We hope to have successfully progressed the EARL Bill, including the removal of major objectors and to have agreement on the procurement strategy and the programme for 2007 and beyond. These are daunting challenges in a short period of time, but the team in tie is ready and we will demonstrate how we intend to succeed when we meet on 30 October.

Willie Gallagher

24 October 2006



Minutes of tie BOARD MEETING

In the **tie** Boardroom, Verity House, 19 Haymarket Yards
@ 10:00 am on Monday 2nd October 2006

Directors: Willie Gallagher (Chairman)
Maureen Child
Ricky Henderson
Allan Jackson
Phil Wheeler
Brian Cox
Kenneth Hogg

In attendance: Keith Rimmer, CEC
Damian Sharp, TS (part)
Neil Renilson, TEL (part)
Graeme Bissett, **tie**
Barry Cross, **tie** (part)
Susan Clark, **tie** (part)
Stewart McGarrity, **tie**
Steven Bell, **tie**
Suzanne Waugh, **tie** (part)
Julie Thompson, **tie** Executive Support

Apologies: Bill Reeve, Transport Scotland
Andrew Holmes, CEC
Neil Scales
Peter Strachan
John Richards

Circulation: as above

WG
MC
RH
AJ
PW
BC
KH

KR
DS
NR
GB
BC
SC
SMcG
SB
SW
JT

* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and The Act)
(C) = minute exempt under Section 5b of tie's publication scheme and The Act.

Item**Action
By****1. INTRODUCTION AND WELCOME**

The Chairman welcomed the new members of the board to the meeting and gave a short presentation on delivering transport projects in Edinburgh.

The main challenge ahead was “ensuring **tie** continues to be fit for purpose”. The key issue is the need to find experienced and skilled resources to staff all projects and the retention of staff.

It was agreed that it might be beneficial to the new members of the board to visit the proposed tram route.

JPT**2. MINUTES OF THE MEETING OF 28 AUGUST FOR APPROVAL AND SIGNING**

The minutes were approved.

3. EXECUTIVE CHAIRMAN’S REPORT

The report was noted and approved.

The Chairman expressed his thanks to Gavin Gemmell and John Richards, the retiring board members, for their contribution towards **tie**’s success.

The Corporate Plan will be updated going forward and the actions to be undertaken need to be re-examined by the Board.

Board

WG updated the Board on the outstanding issue with Parsons Brinckerhoff. WG is meeting with the CEO of PB on Thursday 5th October.

WG

On EARL the Bill received Preliminary Stage approval from Parliament on 21st September.

Excellent progress continues to be made on SAK.

tie has established a Quality & Risk review process to work across the projects to give the Board comfort that the role of **tie** is being properly exercised. The Board will be informed of the outcome of these reviews on a regular basis.

4. PROJECT PRESENTATIONS AND CURRENT REPORTS.**a) Tram Presentation and report**

AH presented his report to the Board.

The MUDFA contract has been awarded to Alfred McAlpine and the contract will be formally signed tomorrow. The decision was ratified by the Board and the Board delegated the authority to sign the contract to the Chairman. This will be formally signed on Tuesday 3rd October.

The Gateway review was held last week and the feedback has been extremely positive. They supported the recommendation for Infracore to proceed. The Chairman congratulated AH and his team for their efforts.

There are still several issues outstanding including one with PB on the delay in completing design deliverables and also with CEC Legal Department and Dundas & Wilson. The legal issue should be resolved by Tuesday 3rd October.

b) TEL Business Plan

The Tram Project Board will discuss the TEL Business Plan in October. This will be followed by delivery of the complete DFBC on 9th November. The DFBC will incorporate the TEL plan. **tie** Board members will be forwarded the material immediately it has been through the Tram Project Board.

PW asked for further abbreviations and jargon to be explained in the Board papers going forward.

d) Tram Project Governance

GB updated the board on Governance.

The **tie** Board is tasked with overseeing the quality control on the projects.

tie Limited will be the contracting party for the principal partners of the project. The **tie** Board has the final responsibility for signing all contracts and for funding requests for the projects.

e) EARL Presentation and Report

BC presented his report to the Board.

EARL was passed at the Preliminary Stage by the Bill Committee and by a majority vote at the Scottish Parliament and is now entering the Consideration Stage.

A visit to the airport to be arranged for the non-execs with the possibility of also visiting the control tower.

The current issues facing EARL are the need to engage with both BAA and Network Rail, the management of objectors and securing and maintaining a supporting communications environment.

The EARL Project Board is to be re-instated.

BC needs to consider the resources of the team to support the Bill process through Parliament.

f) SAK Presentation and Report

Richard Hudson presented his report to the Board.

Further good progress has been achieved in the last period although there are a couple of key issues still to be resolved. The issue with First Nuttall needs to be resolved on the accelerated costs. The issue of retaining experienced staff on the project also needs to be addressed.

Action
by

Board

tie

BC

BC

BC

Tavish Scott, The Minister for Transport, visited the site last week and subsequently had a meeting with WG.

g) Portfolio Projects

The reports were noted and approved.

tie has received official notification from CEC to proceed with Ingliston Park & Ride Phase II.

5. FUNCTIONAL REPORTS

a) Organisation

The report was noted and approved.

The Executive Board is committed to continuing to driving forward enhanced project delivery capabilities through “Fit for Purpose” resources and structures, to ensure clarity and direction of leadership at all levels, to provide improved assurance to key strategic stakeholders and to further enhance communication and delivery throughout the **tie** community.

An operational resourcing plan is in development with a new leadership team to identify numbers, roles and responsibilities through to March 2007. A resourcing strategy paper will be presented at a future Board.

b) Health & Safety

The reports were noted and approved.

The corporate health & safety management system has now been approved and will be rolled out over the next few weeks.

A monthly report to the Board to be produced.

c) Communications

The report was noted and approved.

An informal lunch programme for staff to meet and discuss issues with WG was being implemented with the first one being held on 18th October.

Relaunch of **tie** corporate website during the week commencing 2nd October.

The first Transport Scotland and Corporate Communications meeting was held last week.

d) Finance & Risk

The reports were noted and approved.

**Action
by**

CMcL

SC/SB

SB

Coms

SW

The next meeting will be held on Monday 30th October at 10.00 am in the Boardroom at Verity House.

Signed and approved on behalf of the Board of **tie** limited by:

Willie Gallagher (Chairman).....

Date.....

Declaration:

*Agenda Items marked * indicate that a report or relevant paper on this subject was attached and will be made available under FOI(S)A but will be subject to review under Section 5b of **tie's** publication scheme and The FOI (Scotland) Act 2002. The contents of these minutes will be reviewed by **tie** prior to release and items marked with a (C) may be deemed exempt according to the provisions of The FOI (Scotland) Act 2002.*

Paper to : tie Board
Subject: Edinburgh Tram Monthly Progress Report
Date: September 2006

THIS REPORT IS PRIMARILY USED WITHIN THE GOVERNANCE STRUCTURE OF THE TRAM PROJECT, AND IS PROVIDED TO THE DESIGN, PROCURMENT AND DELIVERY (DPD) SUB-COMMITTEE AND TO THE TRAM PROJECT BOARD. THE DETAILED APPENDICES ARE NOT INCLUDED WITH THE BOARD PAPERS.

A SYNOPSIS OF THIS BOARD REPORT WILL BE PRESENTED BY THE PROJECT DIRECTOR AT THE BOARD MEETING IN ORDER TO PROVIDE DIRECTORS WITH A FOCUSED VIEW OF THE KEY ISSUES.

EDINBURGH TRAM PROJECT MONTHLY PROGRESS REPORT –SEPTEMBER 2006

1. Safety

Two issues were reported in September,

tie's new monitoring regime has identified safety contraventions which related to Method Statements in connection with ground investigation works being carried out by SDS (through sub contractors).

- The SDS ground investigation contractor, Norwest Holsts' method of working and notification of damage to a field drain did not follow the approved methodology. The outcome was suspension of work permits and re-induction of personnel on H&S and methods of working. SDS has confirmed to the Tram Project that these issues have been addressed and re-induction has taken place. Accordingly there should be no overall impact on programme. These issues are being managed by tie H&S and the site GI manager.
- CAN are sub-contracted by SDS to conduct rope assisted inspections and erection of a platform access for core boring to Coltbridge Viaduct. They were audited and found to be operating in a manner inconsistent with the methodology described in the Method Statement. The Tram Project therefore withdrew the Permit to Work. SDS were instructed to issue an explanation and a revised Method Statement to reflect the actual methodology. The Contractor resubmitted the Method Statement and completed one core sample, not the four expected. A request was made by the Tram Project to SDS explain the reduction in scope. Impact on the programme for delivery of the survey reports for subsequent release to Infracore tenderers is to be assessed.

2. Programme and Progress

Current status of key project milestones planned for September:-

- Scottish Executive Gateway 2 Review, Stage 1 - satisfactorily complete
- MUDFA contract award - signed on the 3rd of October 2006.
- Invitation to Negotiate (ITN) for Infraco - contract issued to preferred bidders on the 3rd October 2006 as planned.
- Tramco tender return date moved from 5th to 9th October following bidder requests for extension of time.
- Funding approval received from TS for certain Advance Works in respect of Line 1a.

Future key project milestones to achieve project funding are:-

- Preparations for Scottish Gateway 2 Review, Stage 2 in late October/early November
- Update of Project Estimate based on preliminary designs continues and is scheduled to be completed on 16th October 2006.
- Land Purchase - informal letters are to be issued for both section 1a and 1b at the end of October 2006 with the first notice being issued by 28th of November 2006.
- Revised SDS detail design programme due 5th October 2006
- SDS estimated construction programme due 16th October 2006.
- Draft TEL Business Plan to be submitted to BPIC sub-committee on 19th October 2006
- Phase 2 of the Infraco ITN to be issued by the end of October.

Programme for delivery into revenue service.

- The current forecast completion date remains at July 2011, based on outline productivity factors and assumed working constraints. In order to confirm the opening date this programme is being reassessed by SDS and the Tram Project based on the measured quantities derived from the preliminary design.

The updated Key Milestone Schedule up to approval of the DFBC is shown in Appendix A.

Other achievements in the previous month

- MUDFA Contract Award included a £1.1 million discount for sign-off within 90 days of award. This discount has been realised.
- CEC confirmed at the Tram Project Board that no further resources are required to be provided to them by tie.
- Papers approved by the last Board
 - The following papers were approved.
 - Health and Safety Management arrangements
 - TEL Business Plan/draft final business case Status & Progress Report
 - Year to March 2007 Expenditure Review
 - Outline Of Procurement Strategy
 - SDS Novation Issue

- Commissioning Support & Development Partnering Operations Franchise Agreement
- Options For Delivering the Network Rail signalling equipment modifications (Option 2 selected by the Board to ensure direct control over the works by the Project)
- Ratification of MUDFA Contract award Recommendation
- Tram Project Functional Specification
- Tram Depot Location (agreed that depot is to remain at Gogar. See also comment below in Section 3)
- Land Acquisition Assumptions
- Public Hearing of Objections to the traffic regulations orders for the core measures
- Structure of the Infraco ITN

Other actions for October

- A draft organisation chart is being developed for the Tram Project construction phase for issue in October. This will be used to update the Project Estimate. A recruitment plan will be developed by the Tram Project to secure the required resources.
- Infraco/Tramco/MUDFA contracts; a review of these contracts is currently being documented to ensure consistency. This will be completed by the end of October.
- Agree communications and stakeholder management plan with CEC, TEL and Transport Scotland. A workshop is planned for week commencing 9th October to agree the requirements for the plan. The plan will then be prepared and agreed with stakeholders and then included in the Phase 2 Infraco ITN to be issued at the end of October.
- Prepare and submit paper to CEC/Transport Scotland to gain formal approval for increased spend to March 07.
- Asset Protection Agreement (APA) for works associated with Network Rail will be the subject of a detailed Paper to go to the TRAM Project Board on 20th November 2006

3. Key Issues and Concerns

Resolution of issues and concerns raised last month

- Land acquisition – a way forward has been agreed in principle to resolve the issue between D&W/CEC that was delaying the land assembly process has been resolved.
- The last Tram Project Board agreed that the Tram Depot location is to remain at Gogar but that this decision will be reviewed if there is an affordability issue downstream.
- TS confirmed additional spend items
- Bid cost negotiations with the Bilfinger consortium were resolved on 2 October to the Project and Transport Scotland's satisfaction. Accordingly the prequalification process was then concluded for Infraco and the three bidders pre-qualified.
- CEC have confirmed the release of £150k funding for the design and tendering activities for the permanent extension to the Ingliston Park and Ride facility.

Current key issues and concerns arising in the period are:-

Advance Works

- SRU Murrayfield – meeting is being held on 9th October to resolve legal agreement and agree access periods for the alterations to the training pitches and for the Infraco works.
- Badger sett relocations – mitigation plans are being refined in discussion with Scottish Natural Heritage (SNH). The proposals for Roseburn corridor as identified in the Badger Mitigation Plan are proving technically difficult to design and so this being discussed with SNH. Two setts require to be replaced and these require to be done by early 2007 so as not to impact on the main Infraco programme. However, one of these is along Roseburn corridor and we need funding approval to undertake these works. Plans are in place to procure the element of this work in Phase 1a).

Ingliston Park & Ride – CEC have asked tie to prepare an analysis and report on the scale of the requirement for additional temporary car parking spaces to accommodate additional demand during tram construction works. This report will include funding requirements and programme for the temporary site and the implications and requirements if the permanent works are brought forward obviating the need for such temporary works. Early land purchase will be required if the permanent works are brought forward.

System Design Services (SDS) – A number of Preliminary Design issues require to be resolved and protocols established to close out these issues. It is **tie's** intention to "draw a line" under past events and set out what we require in relation to Preliminary Design and overall programme requirements to completion of the project. Willie Gallagher visits Parson Brinkerhoff Chief Executive on Thursday the 5th of October to discuss the issues and reinforce the Tram Project's expectations and approach for the delivery of future work.

- We recognise that we have to control and manage the contract more effectively
- Prioritisation of SDS contract Works is paramount. In particular we need to prioritise SDS approach to Building fixings for Overhead Line Electrification (OLE) and detailed design programme.
- Provision of a separate team for Utility Diversion works.

Tramco contract

- **tie** has prepared and circulated the evaluation process for approval by stakeholders. Approval is expected before return of bids on 9th October.
- The Project Functional Specification has been prepared and meetings with TS and CEC arranged for week commencing 9th October.
- **tie** is currently drafting a protocol which will set out how the necessary TTRO will be arranged and managed on a section by section basis. This Protocol will include traffic modelling based on SDS's Traffic Modelling Plan. Protocol to be provided to Tram Board in December 2006.
- Communications consultancy - future requirements for external communications are being reviewed with the intention to re-tender provision of these services early next year.

- EARL advance works
 - EARL has requested that the Tram Project undertake design works (under the SDS contract) in connection with utilities diversions between Gogar and the airport to facilitate the EARL works. An estimate is being prepared for the design costs for discussion and agreement with the EARL Project Manager (Scott Prentice). CAPEX costs are also being reviewed.
 - In addition there are other EARL changes that are currently under review by the Tram Project including one for ground investigation works and one for BAA interfaces and Eastfield Avenue Bridge.
 - The potential impact on the delivery of the Tram Project will be assessed before submitting the change orders to the Tram Project Board.
 - If progressed it is intended that these items will be funded from the EARL budget, the SDS contract will be formally varied and work delivered by the MUDFA contractor when they are mobilised in this area.

4. Risks and Opportunities

See separate report on risks.

Principal Opportunities are:-

- Potential relocation of depot to Leith (As previous report);
- A change in the design of tram stop shelters from bespoke to off-the-shelf (As previous report); and
- Use of ballasted track where possible (As previous report).
- Omission of the section from Ocean Terminal to Newhaven.
- Alternative depot solutions at Gogar

Given the concerns in respect of the potentially unaffordable level of Capex costs the Project will undertake a further value engineering exercise in October after completion of the Project Estimate update.

5. Matters for Approval or Support

Decisions required from Tram Project Board.

- The following draft papers are submitted for approval.
 1. TTRO and TRO Assumptions.
 2. Actions From Scottish Executive Gateway 2 Review.
 3. Infracore Prequalification Recommendation.
- Change Sponsor requirement agreed in principle by Tram Project Board. The Tram Project need to be advised of the nominee for the Tram Project Board Change Sponsor.

Decision /support required from TS

- None

Decision /support required from City of Edinburgh Council (CEC)

- Sign-off/Approval required for Land Assembly Management Plan by 17/10/06

Decision /support required from others

- None

6. Financial and Change Control Position

Financial Status

The current reported forecast spend to Dec 06 is £23m and £40m to the end of the financial year.

The recent approvals from TS on additional spend items has been reflected in these figures. The AFC to March 07 is maintained at £40m pending further work in respect of scheduling land purchase. The land acquisition figure has been adjusted to maintain the current £40m AFC. Further details are contained in Appendix B which identifies the monthly variances at work-stream level for: Value of Work Done (VOWD), forecast to Dec 06 and Mar '07.

The AFC for the scheme has been maintained at £623m. Work is ongoing to finalise the AFC for the BCIP sub-committee submission on 19th October (For commencement of DFBC stage 1 review on the 9th of November 2006). Primary factors that shall inform the DFBC include: the issue of the construction programme, contract award of MUDFA, Infracore estimate validation, analysis of Tramco tender returns and Risk update.

Both the Current Year Budget AFC (to December 06) and VOWD in month are down against that forecast in the previous month. However, this is not considered material in relation to the delivery of the Tram Project works this financial year.

Current Year Position

A – Current Budget Year Position (VOWD)- To December 06						
Approved Budget 06/07 £k	Current Forecast £k	Previous Forecast £k	Variance (Current minus Previous)	£k	Comments	
£32,678	£22,960	£23,162	(£202)		Legal – TRO progress slow. Reforecast with antic. Spend weighted Jan-Mar 07.	

B - VOWD in current month 06/07					
Month £k (Incremental)	Current Actual £k (Cumulative)	Previous Forecast £k (Cumulative)	Variance £k (Current minus Previous)	Comment	
£2,658	£14,268	£14,598	(£330)	For reasons for variance refer to Appendix B	

C – Current Financial Year position - To March 07				
Approved Budget £k	Current Forecast £k	Previous Forecast £k	Variance £k (Current minus Previous)	Comments
£32,678*	£40,022	£40,022	0	TS to confirm Land & Property authority. Refer Appendix B for individual budget line variances.

*Budget to end December 2006

D - Anticipated Final Cost				
Budget £k	Current Forecast £k	Previous Forecast £k	Variance £k (Current minus Previous)	Comments
£545,000	£623,000	£623,000	0	

Fuller financial details are provided in Appendix B

Change Control Summary

The Project has developed and has started to implement a clearer and more efficient change control process. The principles of this revised procedure were outlined to and approved by the last Tram Project Board. The revised procedure was completed on 25th of September 2006 and will be implemented during October.

The main concept introduced when capturing this process is the one of the Tram Project Board Change Sponsor, the person within the Tram Project Board responsible for issuing Change Requests to the Project whenever the need for a change is identified by any of the stakeholders. The plan is to have this sponsor as a central point for all changes coming from the Stakeholders, this was agreed at the Tram Project Board Meeting on Monday 25th of September.

We are working on the backlog of historical change orders to provide improved impact assessment. Revised estimates for design works have been re-issued by SDS on 5th of October and are currently under evaluation. In parallel risk and schedule impact have already been analysed and CAPEX analysis impact is underway.

7. Early Warning Claims

SDS claims currently being negotiated with a view to closing these out by the end of October 2006.

Submitted by:- Andie Harper
Project Director

Date:- 06/10/06

Paper to : Tram Project Board





Subject : Primary Risk Register

Date: 23 October 2006

1.0 Introduction.

- 1.1 The purpose of this document is to provide the monthly update to the Board with regard to the Primary Risk Register and the top risks facing the project.
- 1.2 Risk is most effectively managed when it is owned by the party best able to manage it. Risk owners are responsible for treating the risk by developing and implementing treatment plans that contain actions to reduce the likelihood of occurrence and the impact of the risk.
 - 1.2.1 The Primary Risk Register shows risks as Stakeholder Risks which are those owned by project stakeholders i.e. tie Corporate, Transport Edinburgh Limited, City of Edinburgh Council or Transport Scotland. Stakeholder owners may not have easy access to information from the project and therefore, a supporter from the project has been assigned for all stakeholder risks. Stakeholder Risks are more likely to impact directly on stakeholders than Project Risks.
 - 1.2.2 Risks that are not owned by stakeholders are owned by people who represent the project. These are shown as Project Risks. Whilst Project Risks could ultimately impact on all stakeholders, their impact may be able to be controlled within the project without having a direct impact on stakeholders. It is however, important for stakeholders to understand Project Risks, as un-controlled, the impacts may translate into a direct impact on Stakeholders.
- 1.3 Risks can be measured in terms of their significance and progress of their treatment plans.
 - 1.3.1 Risk significance is a qualitative method to show their likelihood multiplied by the level of impact i.e. the level of each risk. BLACK risks are classified as “showstoppers”. These are risks that will, either by process or through having unacceptably high impacts, prevent the project from proceeding. Often black risks cannot be quantified in terms of cost and/or time impact. RED, AMBER and GREEN levels are arrived at through comparing the likelihood and impact of each risk against a scale.
 - 1.3.3 The table below summarises Risk Significance and Risk Treatment Status.

RISK SIGNIFICANCE

-  BLACK – SHOWSTOPPER; difficult to quantify impacts
-  RED – High Risk
-  AMBER – Medium Risk
- 

TREATMENT STATUS

-  RED – Treatment Strategy behind programme
-  AMBER – Treatment Strategy on programme
-  GREEN – Treatment Strategy ahead of programme or complete

 GREEN – Low Risk

1.4 The risks that are presented on the Primary Risk Register are those that have a high risk significance but also require treatment in the near future.

2.0 Status.

2.1 Overall the status of the key risks identified has deteriorated from last month, with treatment dates on two risks having slipped from target however the programme can accommodate this slippage.

There remains however a bow-wave of activity to be addressed over the next two months as the project approaches the time wall from gaining approval.

2.2 Below is a table that shows movement on treatments between this and the last month.

<u>Status</u>	<u>August</u>	<u>September</u>
Green	15	11
Amber	36	39
Red	2	3
New Treatments		8
New Risks		2
Risks Removed		0

2.3 The High Level Register is attached as Appendix A

3.0 Consultation

3.1 The DPD Sub Committee has reviewed this register and their comments have been incorporated.

4.0 Recommendation.

4.1 The Board is asked to note this paper.

Proposed

Geoff Gilbert
Project Commercial Director Date 13

October 2006

Recommended

Andie Harper
Project Director Date 13





October 2006

Approved




Date _____
David Mackay on behalf of the Tram Project

Board




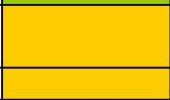










RISK SIGNIFICANCE

-  BLACK – SHOWSTOPPER; difficult to quantify impacts
-  RED – High Risk
-  AMBER – Medium Risk
-  GREEN – Low Risk

TREATMENT STATUS

-  RED – Treatment Strategy behind programme
-  AMBER – Treatment Strategy on programme
-  GREEN – Treatment Strategy ahead of programme or complete

Tram – Stakeholder Risks

Risk Description	Effect(s)	Risk Sig	Treatment Strategy	Treatment Status end August	Treatment Status end September	Due Date	Risk Owner*
Failure to demonstrate robust case for scheme against required tests of Affordability, Financial Viability, Economic Viability and Modal Shift	<ul style="list-style-type: none"> • Business case is not acceptable • Approvals delayed • Slips into purdah period 		Regular engagement with stakeholders to ensure clarity of requirements			Aug-Nov 06	Stewart McGarrity A&B
			Progressive development of draft business case				
			Updated Project estimate				
Political risk to continued commitment of TS/CEC support for the Tram scheme	<ul style="list-style-type: none"> • Reversal of decisions by incoming administrations in either or both of CEC and Holyrood • Project becomes key political issue during election campaign • Protracted decision making and unnecessary debate during consideration of Business Case 		Monitor likely outcomes and do our best to brief all relevant parties about the project in a balanced way			Aug-Nov 06	Willie Gallagher A Andie Harper B
			'Hearts and minds' campaign including Senior Executive Officer meetings with Councillors and MSPs and utilising the tram sounding board meeting with CEC and selected elected transport leads				
			Regular briefings and discussions with senior CEC and TS officers particularly in relation to Full Council presentations				

*Note: A – Stakeholder Risk Owner; B – Project Support to Stakeholder Risk Owner 12 October 2006

Risk Description	Effect(s)	Risk Sig	Treatment Strategy	Treatment Status end August	Treatment Status end September	Due Date	Risk Owner*
Poor project governance	<ul style="list-style-type: none"> Insufficient information flow to decision makers Slow or overturned decision making Failure to grasp or create opportunities 		Seek clarity of Delegated Authorities of TS and CEC representatives attending Board meetings [Awaiting CEC's statement of reserved powers, otherwise all aspects agreed.]			Aug 06	Graeme Bissett A Geoff Gilbert B
JRC model is insufficiently robust to support the Business Case.	<ul style="list-style-type: none"> Business case not approved. Time delay and resultant costs caused by redesign and remodelling. 		Intense engagement of TS, CEC and TEL in the development and delivery of patronage, revenue and BCR projections during August and September.			End Oct 06 (new date – previous date Aug-Sep 06)	Stewart McGarrity A&B
			Hold meeting with JRC and stakeholders to discuss results to gain confidence in performance.				
			Encourage approval for tram to be given appropriate priority at junctions during operation.	Not rated			
			Scenario modelling of estimate				
If there is inadequate progress on the operational system including bus/tram integration, development of network service pattern and TEL Business Plan may not be sufficiently robust.	<ul style="list-style-type: none"> Delay to JRC programme. Reworking of Plans or poorly developed Infraco arrangements with consequential delays due to re-working/change. Increased operating costs and loss of potential revenue. 		Develop clarity on the role and planned deliverables of TEL to bring about integration including development of ticketing strategies and bus/tram service patterns.			Aug 06	Neil Renilson/ Bill Campbell (TEL) A Stewart McGarrity A
			Model integration plans through JRC with rigorous review process using LB knowledge.				
			Identify optimal position for a combined tram/bus position.				
			Prepare TEL Business Plan (incorporating business case tram for system) with development of necessary policies to cover operations.	Not Rated			
Funding not secured or agreements not finalised regarding the total aggregate	<ul style="list-style-type: none"> Possible showstopper. Delays and increase in 		Ensure close and continual interactions with TS and CEC to establish funding delivery confidence and agreement.			Oct 06	Graeme Bissett A

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12 October 2006

Risk Description	Effect(s)	Risk Sig	Treatment Strategy	Treatment Status end August	Treatment Status end September	Due Date	Risk Owner*
funding including £45m CEC contribution; developer contributions; cashflow/funding profile; financial covenant; and public sector risk allocation e.g. inflation	out-turn cost may affect affordability.	High	Confidence required in contingency figures.				Geoff Gilbert B
Agreement on financial over-run risks sharing has not been reached between CEC and TS due to doubts over costs staying in budget.	<ul style="list-style-type: none"> Potential showstopper to project if agreement is not reached. 		Hold discussions with CEC & TS to ensure adequate release of funds at appropriate periods of time.			Dec 07	John Ramsay (TS) A
			Understand commitments by TS and CEC re: 1A and 1B				
	Facilitate agreement between CEC and TS.						
Uncertainty about requirements for wider area modelling and need and extent of construction works required on road network	<ul style="list-style-type: none"> Increased construction cost. Delay while additional funding is found. 	High	Clarify and agree boundaries of scope and funding provision between TS and CEC			Oct 06	Willie Gallagher A Trudi Craggs B
Failure to reach a suitable agreement with CEC regarding: <ul style="list-style-type: none"> a. Roads maintenance responsibility where the tram has been installed in CEC maintained roads; b. What is and is not realistically within the scope of the tram infrastructure delivery contract; c. The way in which tram UTC priorities are handled at key junctions. 	<ul style="list-style-type: none"> Delay to project while agreement with CEC is reached. Sacrifices being made to ensure agreement is concluded. 	High	Heads of Terms in place by end Oct Final agreement to be approved by Roads Authority, CEC Promoter, CEC in-house legal and tie Final alignments in place			Dec 06	Willie Gallagher A Trudi Craggs B
Delay in land acquisition due to uncertainty of political	<ul style="list-style-type: none"> Delays to Infracore and the 	High	Achieve approval as part of the Draft Final Business Case 1	Not Rated		Dec 06- Feb 07	Willie Gallagher A

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12 October 2006

Risk Description	Effect(s)	Risk Sig	Treatment Strategy	Treatment Status end August	Treatment Status end September	Due Date	Risk Owner*
commitment to scheme.	overall Tram project.	Red	Develop alternative programme scenarios and commentary.	Not Rated			Trudi Craggs B
			Manage the political risk and enfranchise all political stakeholders in the benefits of Tram.				
Business case is not approved during February 2007 due to lack of political commitment due to impending elections until Summer 2007.	<ul style="list-style-type: none"> Delay and resultant cost impacts (inflation) on total cost. Political support may evaporate. 	Black	Maintain procurement programme to deliver critical business case inputs			Feb 07	Stewart McGarrity A Bob Dawson B
			Managing expectations on the part of TS and CEC as to the certainty with respect to costs which are reflected in the business case.				
			Ongoing fortnightly reviews with bidders and mid term contractual mark up to inform above treatment	New Treatment			
Failure to engage with Transdev in order to adjust DPOFA in line with the development of the Infraco and Tramco procurements. This includes negotiation to secure Transdev acceptance of a subcontract to support system commissioning responsibilities.	<ul style="list-style-type: none"> Failure to achieve most effective commercial solution Delay in resolution of Agreements 	Red	Engage with Transdev to ensure adjustment to DPOFA and negotiate requirements.			Dec 06	Alasdair Richards A & B
Negative PR coverage due to perceived mistakes or problems in project becoming public	<ul style="list-style-type: none"> Damage to tie's reputation Loss in confidence of tie's delivery Funder/promoter dissatisfaction 	Black	Control confidential information and closely monitor FoI(S)A requests			Ongoing	Suzanne Waugh A Mike Connelly B
			Develop relationship with press with support for PR advisors to control stories				
			Communications Strategy being followed with Partners to ensure any problems are flagged up early and dealt with appropriately via the media or other stakeholders.	New Treatment			

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12 October 2006

Tram – Project Risks

Risk Description	Effect(s)	Risk Sig	Treatment Strategy	Treatment Status end August	Treatment Status end September	Due Date	Risk Owner
Unacceptable or inaccurate assumptions are used during JRC modelling and SDS design is based on the model.	<ul style="list-style-type: none"> Runtime performance requirements are not achieved. Business case is not approved due to doubts over model. Delay during remodelling and redesign resulting in cost and time impacts. 	High	Continually monitor JRC output through close interaction and progress meetings.			End Oct 06 (new date – previous Sep 06)	Stewart McGarrity
			Assumptions Approvals process.				
			Ensure regular interaction with stakeholders to keep them informed of progress and expected model results.				
Infraco tender documents are not issued on time INFRACO TENDER DOCUMENTS ISSUED 3 OCTOBER 2006 (ON TIME) – PHASE 2 ISSUE PLANNED FOR END OCTOBER.	<ul style="list-style-type: none"> Delay to Infraco contract award and whole project progress. Potential showstopper due to cost and loss of political will. 	High	Continue to work on developing documents to issue on schedule and conduct tender and ongoing negotiations indicating the phased release of design information			Oct 06	Bob Dawson
			Identify what information is critical to pricing by Infraco.				
			Procure legal advisor commitment to documents and deadlines set (action complete).				
			Take on additional resource if necessary and appropriate.				
			Ensure that governance structure facilitates fast decision making, review of documents and agreement to procurement strategy by stakeholders				
Infraco tenderers seek extensions of time during tender period	<ul style="list-style-type: none"> Delay to market pricing and confirmation of business case capex requirements 	High	Agree bid programme with bidders			Aug-Sep 06	Bob Dawson
			Manage bid process to ensure bidders delivery to agreed dates			9 Jan 07	

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Risk Description	Effect(s)	Risk Sig	Treatment Strategy	Treatment Status end August	Treatment Status end September	Due Date	Risk Owner
Third party consents including Network Rail, CEC Planning, CEC Roads Department, Historic Scotland, Building Fixing owner consent is denied or delayed.	<ul style="list-style-type: none"> Delay to programme. Risk transfer response by bidders is to return risk to tie Increased out-turn cost if transferred and also as a result of any delay due to inflation 	High	Engagement with third parties to discuss and obtain prior approvals to traffic management plans, landscape and habitat plans, TTROs, TROs and construction methodologies in relation to archaeological and ancient monuments	Yellow	Yellow	Aug-Oct 06	Trudi Craggs
			Identify fallback options	Yellow	Yellow		
SDS deliverables are considered to be below quality levels required or late in production	<ul style="list-style-type: none"> Delay in submission of information to Infraco Delay in achieving consents and approvals Dilution of effort to de-risk Infraco pricing 	High	Identification of key areas requiring SDS attention. Re-focus SDS effort.	Green	Yellow	Sept 06-Oct 06	Geoff Gilbert
Insufficient planning of procurements and controls on management and contract costs.	<ul style="list-style-type: none"> Weak procurement plan Cost creep Damage to reputation 	High	Present update on procurement plans	Green	Green	Sept 06	Geoff Gilbert
			Closely manage expenditure including examination of opportunities for value engineering, influence of change and optimisation of value for money	Green	Green	Oct 06	
Procurement strategy has high level of risk transfer to contractors which results in a failure to sustain suitable interest from the market throughout bid process.	<ul style="list-style-type: none"> Increased price of bids Withdrawal of bidders during bid process 	Yellow	Make risk allocation clear to bidders	Green	Green	Oct 07	Bob Dawson
			Identify feasible alternatives to risk allocation and allow negotiation of risk allocation	Green	Yellow	Mid Nov 06	
Infraco tender returns are outside forecast estimates and business case capex limit	<ul style="list-style-type: none"> Draft Final Business Case requires major change and update Business case not sustainable Confidence is lost by Funders and politicians 	High	Identify feasible options to enable scheme to proceed	Green	Yellow	Oct 06-Jan 07	Stewart McGarrity
			Conduct review of scenarios and approach to be taken for business case	Green	Yellow		
			Discuss contingency options with Funders and politicians	Green	Yellow		

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Risk Description	Effect(s)	Risk Sig	Treatment Strategy	Treatment Status end August	Treatment Status end September	Due Date	Risk Owner
Delay to early commencement (Jan 07) of depot works at Gogar	<ul style="list-style-type: none"> Potential delay and increased cost should longer timescale 		Resolve whether or not Leith alternative is viable			Oct 06	Susan Clark
			Gain TS agreement for early commencement of works including earthworks.				
tie fails to secure sufficient resource to manage all relevant processes. Especially issue of ITN, issue of Business Case and evaluation of Infraco tenders by required time.	<ul style="list-style-type: none"> Failure to advance processes at required rate resulting in programme delays and missing of milestones 		Flexible approach to resourcing including drawing on TSS support, support from other contract services providers e.g. Nicols, Dearle & Henderson etc			Ongoing	Colin McLauchlan
			Develop 6 month Resourcing Plan	n/a new treatment		Mid October	
			Develop Long Term Resourcing Strategy	n/a new treatment		Mid October	
Poor relationships with stakeholders including political, Network Rail and other major organisations, businesses, frontages, special interest groups (including Spokes, SNH etc, Equalities Transport (DDA), medial, community councils and residents associations.	<ul style="list-style-type: none"> Project loses political and public support Loss of funding support Delays due to protests 		Regular involvement with stakeholders to keep them informed and to better understand their concerns	n/a new risk		Ongoing	Andie Harper
			Develop strategies through Mike Connelly to counteract any negative comments	n/a new risk		Ongoing	
			Seek support from pro tram lobby groups to promote positive views	n/a new risk		Ongoing	
			Continue with Hearts and Minds campaign	n/a new risk		Ongoing	
If CEC are unsuccessful in their representation to Scottish Executive on core measures and the Traffic Regulation Orders process resumes, there could be an adverse recommendation from TRO hearing.	<ul style="list-style-type: none"> Traffic Orders delayed Delay in section of project Reporter does not approve and prevents Tram Network from going ahead Ultimately, CEC could be subject to judicial review 		Meeting with Scottish Executive	n/a new risk			Trudi Craggs
Infraco refuses to accept or	<ul style="list-style-type: none"> Significant delay to 		Consult with legal			Feb 07	Bob Dawson

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Risk Description	Effect(s)	Risk Sig	Treatment Strategy	Treatment Status end August	Treatment Status end September	Due Date	Risk Owner
fully engage in novation of SDS and as a consequence award is successfully challenged	delivery of Tram <ul style="list-style-type: none"> • Loss of Reputation • Significant extra costs 		Introduce Infraco bidders to SDS as early as possible				

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Edinburgh Tram Project Key Milestone Schedule

Month	Day	Date	Key Mile / Train Meeting Dates	Train Project Dates	MUDFA	INFRACO	PROCUREMENT	OSR Milestones	OSR REVIEW	JRC	Business Case Development	Capital Estimate Development	Traffic Management / Land Assembly / PPJ / Closure Events
2009	August	Mon	21/08/2009	Train Project Board/TEL Board									
		Tue	23/08/2009										
		Wed	23/08/2009										
		Thu	24/08/2009	Re Exes Board									
		Fri	25/08/2009	Inf Exes Board									
		Sat	26/08/2009										
		Sun	27/08/2009										
		Mon	28/08/2009	Re Board									
		Tue	29/08/2009										
		Wed	30/08/2009										
		Thu	31/08/2009	Inf Opn Board Group									
		Fri	01/09/2009	SCIP Papers Due									
		Sat	02/09/2009										
		Sun	03/09/2009										
		Mon	04/09/2009	Quality & Risk - Train									
		Tue	05/09/2009	Proj. Director Review									
		Wed	06/09/2009	DFP Papers Due									
		Thu	07/09/2009	Train BPC Sub-Committee									
		Fri	08/09/2009										
		Sat	09/09/2009										
		Sun	10/09/2009										
		Mon	11/09/2009										
		Tue	12/09/2009										
		Wed	13/09/2009	Re Exes Board									
		Thu	14/09/2009	Inf Exes Board									
		Fri	15/09/2009										
		Sat	16/09/2009										
		Sun	17/09/2009										
		Mon	18/09/2009										
		Tue	19/09/2009										
		Wed	20/09/2009										
		Thu	21/09/2009										
		Fri	22/09/2009										
		Sat	23/09/2009										
		Sun	24/09/2009										
		Mon	25/09/2009	Train Project Board/TEL Board									
		Tue	26/09/2009										
		Wed	27/09/2009										
		Thu	28/09/2009										
		Fri	29/09/2009										
		Sat	30/09/2009										
		Sun	01/10/2009										
		Mon	02/10/2009	Re Board									
		Tue	03/10/2009										
		Wed	04/10/2009	Quality & Risk - Train									
		Thu	05/10/2009										
		Fri	06/10/2009										
		Sat	07/10/2009										
		Sun	08/10/2009										
		Mon	09/10/2009										
		Tue	10/10/2009										
		Wed	11/10/2009										
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		Fri	13/10/2009										
		Sat	14/10/2009										
		Sun	15/10/2009										
		Mon	16/10/2009										
		Tue	17/10/2009										
		Wed	18/10/2009										
		Thu	19/10/2009										
		Fri	20/10/2009										
		Sat	21/10/2009										
		Sun	22/10/2009										
		Mon	23/10/2009										
		Tue	24/10/2009										
		Wed	25/10/2009										
		Thu	26/10/2009										
		Fri	27/10/2009										
		Sat	28/10/2009										
		Sun	29/10/2009										
		Mon	30/10/2009										
		Tue	31/10/2009										
		Wed	01/11/2009	Quality & Risk - Train									
		Thu	02/11/2009										
		Fri	03/11/2009										
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		Tue	14/11/2009										
		Wed	15/11/2009										
		Thu	16/11/2009										
		Fri	17/11/2009										
		Sat	18/11/2009										



Edinburgh Tram Project Key Milestone Schedule

Month	Day	Date	Event	Notes	Dependencies	
2007	Sun	18/11/2006				
	Mon	20/11/2006	Tram Project Board	Pre-approval of CEC		
	Tue	21/11/2006		Technical & Commercial O&Ms		
	Wed	22/11/2006			TEL	
	Thu	23/11/2006	Pre-Contract Collate Reports	Supplementary Information release		
	Fri	24/11/2006				
	Sat	25/11/2006			SEC review of DFBC Stage 1	
	Sun	26/11/2006				
	Mon	27/11/2006				
	Tue	28/11/2006	Quality & Risk - Team			
	Wed	29/11/2006		Bid Progress Review Meeting	All Outstanding Preliminary Design Approval Resolved	
	Thu	30/11/2006	Trans BPHC Sub-Committee			
	Dec	Fri	01/12/2006			
	Sat	02/12/2006				
Sun	03/12/2006					
Mon	04/12/2006					
Tue	05/12/2006					
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2007	Jan	01/01/2007				
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Mon	29/01/2007					
Tue	30/01/2007					
Wed	31/01/2007					
Feb	Thu	01/02/2007				
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Fri	23/02/2007					
Sat	24/02/2007					
Sun	25/02/2007					
Mon	26/02/2007					
Tue	27/02/2007					
Wed	28/02/2007					
Thu	01/03/2007					

CEC01579849_0029



Edinburgh Tram Project Key Milestone Schedule

Month	Day	Date	Milestone	Notes
	Fri	02/03/2007		
	Sat	03/03/2007		
	Sun	04/03/2007		
	Mon	05/03/2007		
	Tue	06/03/2007		
	Wed	07/03/2007		
	Thu	08/03/2007		
	Fri	09/03/2007		
	Sat	10/03/2007		
	Sun	11/03/2007		
	Mon	12/03/2007		
	Tue	13/03/2007	Selection of preferred Infraco bidder (2)	
	Wed	14/03/2007		
	Thu	15/03/2007		
	Fri	16/03/2007		
	Sat	17/03/2007		
	Sun	18/03/2007		
	Mon	19/03/2007	Selection of preferred Infraco bidder (2)	
	Tue	20/03/2007		
	Wed	21/03/2007		
	Thu	22/03/2007		
	Fri	23/03/2007		
	Sat	24/03/2007		
	Sun	25/03/2007		
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April	Sun	01/04/2007		
	Mon	02/04/2007		
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	Wed	04/04/2007		
	Thu	05/04/2007		
	Fri	06/04/2007		
	Sat	07/04/2007		
	Sun	08/04/2007		
	Mon	09/04/2007		
	Tue	10/04/2007	Confirm preferred bidder (2-1)	
	Wed	11/04/2007		
	Thu	12/04/2007	Selection of preferred bidder (2-1)	
	Fri	13/04/2007		
	Sat	14/04/2007		
	Sun	15/04/2007		
	Mon	16/04/2007		
	Tue	17/04/2007	Confirm preferred bidder (2-1)	
	Wed	18/04/2007		
	Thu	19/04/2007		
	Fri	20/04/2007		
	Sat	21/04/2007		
	Sun	22/04/2007		
	Mon	23/04/2007		
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	Sat	16/06/2007		
	Sun	17/06/2007		
	Mon	18/06/2007		
	Tue	19/06/2007		
	Wed	20/06/2007		
	Thu	21/06/2007		
	Fri	22/06/2007		

CEC to take the following steps of 2nd OVD Notice

Handover Traffic Management Requirements to WFRACO (in accordance with Contract)

Submit Obligations Report to CEC for publication on Public Website

CEC01579849_0030

Edinburgh Tram Project Key Milestone Schedule

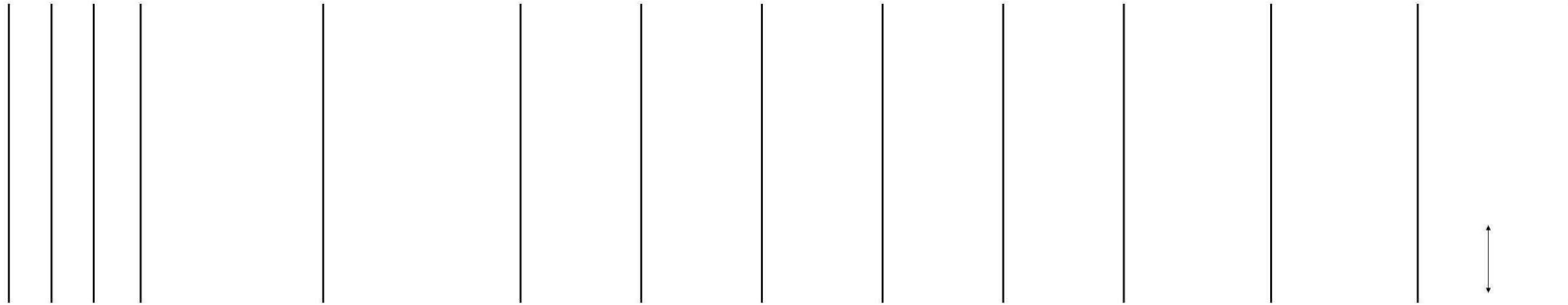
Appendix A

		Sat	23/05/2007									
		Sun	24/05/2007									
		Mon	25/05/2007									
		Tue	26/05/2007									
		Wed	27/05/2007									
		Thu	28/05/2007									
		Fri	29/05/2007									
		Sat	30/05/2007									
		Sun	01/07/2007									
		Mon	02/07/2007									
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		Sat	29/09/2007									
		Sun	30/09/2007									

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Edinburgh Tram Project Key Milestone Schedule



APPENDIX B (i) Apr - Dec 06 Review

tie Limited
 ETN PROJECT PROGRESS REPORT FOR SEPT 06 - PROJECT SPEND TO MAR 2007
 PHASING OF VALUE OF WORK DONE
 Date:- 09.10.06

Cummulative Approved Budget
 Cummulative Current Forecast Value to expend Budget

Figures in '0000s	Approved Budget	Cumulative Approved Budget vs Forecast								Apr - Dec 06 Review						
		Apr - Dec 06	Spend/Bud to date (Sept)	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	07/08	Previous	Variance (current minus previous)	Comment			
IMPLEMENTATION																
1 tie RESOURCES	2,612	1,732	2,026	2,319	2,612					4,925	5,466	6,018		4,441	(47)	actual tie overheads lower than forecast
2 DPOF	540	360	420	480	540									357		
3 LEGALS	2,072	1,447	1,655	1,864	2,072									2,065	(14)	delay in progressing protocols with CEC/TRO's.
4 SDS	11,478	8,127	9,266	10,495	11,478					10,402	11,702	13,002		9,552		
5 JRC	638	596	612	624	638									634		
6 TSS	3,585	2,105	2,894	3,234	3,585									3,184	55	Increased hours assoc with ITN for Infraco
7 UTILITIES																
8 DESIGN SUPPORT																
9 3RD PARTY NEGOT		69	93	153	209	232	255	280						210	(1)	
10 LAND & PROP	72	48	56	64	72											
11 TROs		18	23	28	33	43	53	6,311						33		
12 COMMS / MKTG	461	269	346	412	461					564	606	636		550	(29)	
13 TEL	685	390	455	520	585									528	(13)	
14 SERV INTEG PLANNING	250	180	210	230	250									88	(30)	
16 PUK	54	36	42	48	54					68	74	80		62		
16 FINANCIAL ADVISORS	60	20	40	60	60									118	(50)	Project scope reduced with completion of Tram FBC now being undertaken in-house.
17 INSURANCE	994	60	990	992	994									77	(43)	
18 CONSTRUCTION Utilities Incl MUDFA	5,260	930	6,000	6,130	6,260											
Infraco		135	865	1,065	1,260	1,550	1,850	3,235						1,200	60	HP Gas Diversion: Forecast adjusted to £600k for SGN long lead items pre Apr 07.
Tramco							200	200								
99 OTHER	45	30	35	40	45					105	110	115		62	38	
SPECIFIED CONTINGENCY	2,971	1,678	2,505	2,751	2,971											
BUDGET TOTAL	32,678	18,010	27,552	30,264	32,678											
CURRENT FORECAST		14,268	17,773	20,439	22,960	26,493	29,525	40,022						23,162	(202)	