

Agenda

Joint Project Forum

Wednesday 21 March 2012 at 9.00am
in the Chief Executive's Board Room, Waverley Court, Edinburgh

- 1 **Previous Minute 22 February 2012** – submitted for approval as a correct record (circulated)
- 2 **Consolidated Project Update Highlight Report – Key points of Progress**

Verbal reports from Colin Smith, Kevin Russell, Alfred Brandenburger and Richard Garner

 - 2.1 Consents and Approvals
 - 2.2 Network Rail
 - 2.3 CEC Approvals
 - 2.4 Scottish Water
 - 2.5 New Ingilston Wayleave
 - 2.6 Haymarket – Network Rail and Scottish Power
 - 2.7 ScotRail
- 3 **Governance – Project Team Structure, Resourcing and Behaviours**
 - 3.1 Certification, Working Decisions and Agreements
 - 3.2 Decisions/Instructions Awaited
- 4 **Utilities**
- 5 **Cost Engineering Instructions**

6 Programme

- 6.1 Review of Programme
- 6.2 Rev 5 Review and discussions
- 6.3 Partial Princes Street Handback

7 Matters Requiring Escalation

8 Milestones (Project /Concerns / Threats)

9 Edinburgh Gateway

- 9.1 Access – Red Line Boundary
- 9.2 Collateral Warranty

10 Communications

- 10.1 Strategy
- 10.2 Communications Control Meeting
- 10.3 Media Alert Circle/Incident Forum
- 10.4 Stakeholders Support

11 Lothian Buses

- 11.1 Snagging
- 11.2 Operational Requirements

12 AOB

Notes: If you have any questions about the agenda or meeting arrangements, please contact Gavin King, Committee Services, City of Edinburgh Council, City Chambers, High Street, Edinburgh, EH1 1YJ; ☎ 0131 [REDACTED] e-mail gavin.king@edinburgh.gov.uk

Note of Meeting

Joint Project Forum and Principals

Edinburgh, 22 February 2012

Present:- Sue Bruce (in the Chair), Lucy Adamson (Transport Scotland), Antonio Campos (CAF), Alan Coyle (CEC) Ian Craig (Lothian Buses), Axel Eickhorn (Siemens), Vic Emery (CEC), Martin Foerder (Bilfinger Berger), Neil Gibson (Big Partnership), Dr Jochen Keysberg (Bilfinger Berger), Alastair Maclean (CEC), Ainslie McLaughlin (Transport Scotland), Kelly Murphy (CEC), Julie Owen (Siemens), Dr Joerg Schneppendahl (Siemens), Colin Smith (CEC), and Chris Walton (Lothian Buses)

Also Present:- Gavin King (CEC).

Item No	Subject	Action Owner
1	<p>Previous Minute – 25 January 2012</p> <p>Sue Bruce noted that following on from the Audit Committee’s consideration of a Tram project update the press had misinterpreted that the relationship between the Council and the contractors was poor and mired in disagreement. The Council and Transport Scotland had reacted strongly to rebut this interpretation. There were no disputes between the parties.</p> <p>Decision</p> <p>To approve the minute of 25 January 2012 subject to the deletion of the second sentence in decision 1 of item 5.1.</p>	
2	<p>Key Points of Progress – October 2011 – February 2012</p> <p>Colin Smith explained that at the previous principals meeting on 18 October 2011 it was discussed that the Turner and Townsend utilities team would remain at Citypoint. The utilities team had not remained at</p>	

Item No	Subject	Action Owner
	Citypoint and had relocated to Torphichen Street at no cost to the Project.	
<p>2.1</p>	<p>Progress Photographs</p> <p>A series of photographs were shown that outlined the significant progress in construction throughout the Project since October 2011.</p> <p>Colin Smith highlighted that the Gogar roundabout had been a significant part of the Project with the contractor and sub-contractor doing an excellent job. Martin Foerder added that backfilling was currently taking place next to the roundabout and it should be re-opened at the end of March 2012.</p> <p>Colin Smith explained that the work undertaken in the Murrayfield Corridor included many complications and was a very tight working area but that work was progressing well.</p> <p>Sue Bruce observed that a major re-development of Haymarket Railway Station would be taking place by Network Rail. It was imperative that planning continued to take place with Network Rail to ensure that the two projects' work did not conflict.</p> <p>Sue Bruce highlighted that there was significant progress around Haymarket to Shandwick Place. This was the area that was having a big impact on businesses and if stakeholder relations were not managed carefully could have a detrimental effect on the Project's reputation.</p> <p>Decision</p> <p>To note the update.</p>	
<p>2.2</p> <p>2.2.1</p>	<p>Verbal Reports from Martin Foerder, Axel Eickhorn, Antonio Campos and Colin Smith</p> <p>Commissioning and Integration Of Trams</p> <p>Colin Smith advised that feedback from the control meeting indicated that the team was working well on the commissioning and integration of the trams. The Sub-Licence had also being signed and the Project was on track in this area. Lothian Buses had now increased</p>	

Item No	Subject	Action Owner
	<p>their involvement and were attending control meetings. There were Lothian Buses staff in the depot including drivers training on the trams.</p> <p>Sue Bruce added that a recent depot visit had occurred with elected members who had been very impressed with the depot and the staff working there. The staff at the depot were excellent and were great ambassadors for their companies. The depot would also be used for future high profile visits to spread a good impression of the Project.</p>	
2.2.2	<p>Third Party Consents/ CEC Approvals</p> <p>Turner and Townsend had been asked to gather all the third party consent issues and monitor using one tracker. It had been stressed to the Project Team that 2012 was an important year for the project and ensuring that third party consents and CEC approvals were resolved efficiently was a key aspect of this.</p> <p>Martin Foerder advised that there was a requirement to gain planning permission for a central OHLE pole in Shandwick Place. This had to be utilised as all the alternatives had been explored and dismissed. The decision had been taken to go ahead with the construction while planning permission was pending. There was a high degree of confidence that permission would be granted and Colin Smith had spoken to Mark Turley on the issue to ensure that Planning dealt with the approval as soon as they could.</p>	
2.2.3	<p>Network Rail</p> <p>Colin Smith explained that a conveyor belt system had been established in January 2012 to help resolve Network Rail approval of documents which were required to begin construction. This involved including all parties in one room, speaking to each other and with Network Rail acting as Project Manager of the process. At the time the approvals were about nine weeks behind programme and as a result of the conveyor belt system this area was now ahead of programme.</p> <p>Martin Foerder agreed that the system had resulted in a significant improvement. There was one major item remaining which was the soil mixing approach at Murrayfield but that was being progressed.</p>	

Item No	Subject	Action Owner
2.2.4	<p>Scottish Water</p> <p>Colin Smith reported that a significant issue had arisen with Scottish Water over the use of deep manholes. Scottish Water had now stated that they had not approved their use and that it should be looked at on an individual basis. Turner and Townsend had been asked to discuss with Scottish Water what was necessary to resolve the situation. Scottish Water had indicated last night that they were not satisfied with the situation. The impact on the project would be substantial if the deep manholes were not able to be used.</p> <p>Martin Foerder stated that agreement on the design had previously been reached with Scottish Water and they had provided no comment. They had now indicated that they had not approved it. This would have a significant impact in time and would also have commercial implications.</p> <p>If the Forum agreed Colin Smith would meet with Richard Ackroyd and Steven Downie of Scottish Water to resolve the situation.</p> <p>Decision</p> <ol style="list-style-type: none"> 1) To agree that Colin Smith prioritise the manholes issue and discuss the situation with Scottish Water and Turner and Townsend to identify a solution. 2) To report back on the Scottish Water manhole issue for escalation if necessary. 	<p>Colin Smith</p> <p>Colin Smith</p>
2.2.5	<p>Scottish Power</p> <p>Colin Smith advised that Scottish Power were meeting with Network Rail later today on the substation issue and there would be further information provided at a forthcoming meeting.</p>	
2.2.6	<p>Scotrail</p> <p>The relationship with Scotrail had been good until a health and safety incident occurred. Scotrail then expressed concerns at the works around their depot and there was a potential for a 7-8 week delay to the Project. This issue was resolved following discussion</p>	

Item No	Subject	Action Owner
	and a protocol agreed. The Contractor had now returned to the work site.	
<p>3</p> <p>3.1</p>	<p>Governance</p> <p>Project Team Structures and Behaviours</p> <p>Martin Foerder advised that there had been a learning curve for Turner and Townsend at first but now they were co-operating well and there were reasonable fruitful discussions between the parties. There was a team approach that was visible through all organisations and this was exemplified by the cost engineering exercise.</p> <p>Sue Bruce agreed that the Project Teams were all working well together and was a result of hard work from all parties.</p> <p>Decision</p> <p>To note the update.</p>	
<p>3.2</p>	<p>Certification, Working Decisions and Agreements</p> <p>Colin Smith advised that there were no disputes. Six issues had been submitted to the Independent Certifier for an opinion, four on value and two on contract. There had been no challenges to the opinion and the issues had been resolved.</p> <p>Decision</p> <p>To note the update.</p>	
<p>4</p>	<p>Cost Engineering Report</p> <p>Colin Smith provided details of the decision by the Joint Project Forum in January on the cost engineering initiatives. The team had been very competitive and all parties had contributed items, which were recorded and investigated. 16 items had been taken forward and they had made a significant impact on the Project ensuring that a Summer 2014 completion date was achievable.</p> <p>Dr Keysberg enquired whether this would be an ongoing process now the concept was embedded into the Project. Colin Smith agreed that this would be beneficial and the team were collectively looking for</p>	

Item No	Subject	Action Owner
	<p>further efficiencies and improvements.</p> <p>Decision</p> <p>To note the update.</p>	
5	Programme	
5.1	<p>Utilities, Recording, Measurement and Sign Off and Revision 4c and CEC Programme (Rev 4c* - CEC revision Master programme)</p> <p>Utility conflicts remained a substantial risk to the Programme. In regard to the on street work the responsibility lay with the Client so clearing the conflicts has had to be completed while not affecting the Rev 4 Programme.</p> <p>Rev 4 was the contractual programme and was looked as being separate and untouchable. Rev 4c has arisen out of the cost engineering exercise and contained 22 weeks banked time which would diminish over time as the effect of utilities was realised. Planners from the Council, Turner Townsend and BBS had reviewed the Rev 4c and were content that it was a competent piece of work to build on.</p> <p>The programme would be examined further to see if there was a possibility of early running. The intention was to report back on the programme in April 2012.</p> <p>Dr Keysberg enquired whether any of the 22 weeks saved had been lost. Martin Foerder advised that time had been lost in St Andrew Square with McNicholas's utility work that was still ongoing.</p> <p>It was discussed whether a client target completion date could be identified in Summer 2014 for the running of the tram. Colin Smith stated that an answer should be able to be provided in April 2012 when the programme had been examined further with the active participation of all parties. Martin Foerder advised that there had also been a two week delay at Section B (Airport to Depot) which had been caused by the retaining wall at the airport.</p>	

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6	<p>Lothian Buses</p> <p>Colin Smith advised that Lothian Buses had an increasing involvement in the Project. There were also discussions ongoing with the Airport on providing the opportunity to purchase tram tickets on the concourse.</p> <p>Colin Smith advised that they would ensure that all snagging issues at the depot were resolved before Lothian Buses took control. There may be defects later on but snagging issues would be resolved.</p> <p>Chris Walton stated that Lothian Buses and the Council had to have discussions on the relationship between the two bodies in regard to the tram.</p> <p>It was confirmed that the working assumption was that the operator of the tram would be Lothian Buses but that had not been finalised yet. Ian Craig added that the current operator of the trams was Edinburgh Tram Limited.</p> <p>Decision</p> <p>To note the update.</p>	
7	<p>CEC/Turner and Townsend Blended Team</p> <p>7.1 Turner and Townsend Resource</p> <p>Colin Smith explained that at the previous Principals meeting on 18 October 2011 there had been a concern that there was an overemphasis on resources with Turner and Townsend. Advice had been provided by Faithful and Gould and an examination with Turner and Townsend had been undertaken on the size and make up of their team. The current proposal for the Turner and Townsend reduced team was outlined.</p> <p>Martin Foerder and Axel Eickhorn confirmed that they were content with the changes.</p> <p>Decision</p> <p>To note the structure.</p>	

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7.2	<p>CEC Resource</p> <p>A similar exercise had been undertaken on the CEC team and this would also be reduced to achieve an effective but efficient project team.</p> <p>Decision</p> <p>To note the structure.</p>	
8 8.1	<p>Project Concerns or Threats</p> <p>Haymarket to Shandwick – Works Support Programme</p> <p>Colin Smith highlighted that it was recognised that there was a commitment to a contract and a programme but there was a requirement to consider our neighbours. The constructions works were affecting businesses especially in the Haymarket to Shandwick Place area. Through walkabouts which the Chief Executive and the project team had undertaken, a series of measures including re-designating a blue line boundary for the site, housekeeping and increasing crossings had been proposed to help mitigate the effects of the tram works.</p> <p>Sue Bruce highlighted that BBS had kept Princes Street as a very clean and tidy site and if this was replicated on Shandwick Place then this would improve the situation for businesses. Grahams and McNicholas had also been very good with the public, providing a good impression while not being distracted from their work.</p> <p>Alastair Maclean explained that a meeting had taken place with Joan Hewton, the Assessor for the Lothian Valuation Joint Board, on rates relief for businesses affected by the tram works. She confirmed that the previous 30% of rates relief was a one off allocation and 20% would be the benchmark figure for general rates relief. However, the Assessor was not aware that the utility works had being carried out twice and thus the businesses had been affected twice. The Assessor had confirmed that she had discretion over rates but had not yet indicated an intention to exercise that discretion. Work had to be undertaken to collect evidence on the need and requirement for rate relief and a cohesive approach including all businesses would assist in gaining the relief. Sue Bruce added that the tram</p>	

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	<p>information shop could be used as a first attempt and example for gaining rate relief.</p> <p>Martin Foerder observed that the correct balance in stakeholder communications had to be found. The sub-contractors were working to a programme and limiting their activities could affect that. It would be a decision for the Council whether they wished to limit work on site which may have commercial implications.</p> <p>Decision</p> <p>To note the update.</p>	
<p>9</p>	<p>Edinburgh Gateway</p> <p>Ainslie McLaughlin advised that the Edinburgh Gateway was a complex issue because of its possible impact on the Tram Project Programme. The final considerations were being appraised and the aim would be to impact on the Programme as little as possible. A decision would be provided on 29 February 2012.</p> <p>Decision</p> <p>To note the update.</p>	
<p>10</p>	<p>Communications</p> <p>Neil Gibson provided details of a Communications Strategy for the project. This covered the communication objectives, strategy and tactics as well as the communication risks.</p> <p>The Communications Team had previously been reacting to issues and events and the Strategy aimed to allow the team to be more proactive and to anticipate and plan for issues and events. It was stressed that this would only be effective if the project team provided timely information and that effective mitigation measures were in place and maintained. The Strategy included the need to develop a number of programme action plans and initiatives to increase the effectiveness of the team.</p> <p>Kelly Murphy advised that the media coverage of the Project over the previous six months had been much improved. The coverage was definitely more balanced</p>	

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	<p>and there had been positive stories such as the depot opening and the trams arriving from Spain. The aim for the future was to release a good news story periodically which showed the progress made in the Project. Examples of this may be the re-opening of the A8 roundabout or the completion of the test track to the Airport. The Communications Team would sit down with the contractors and develop the individual plans for each event.</p> <p>Kelly Murphy stated that public drop in sessions and a stakeholder session had been held in the West End. The Council was investigating how businesses could be assisted with the issues affecting their trade including the tram works. A 'Mitigation Tracker' had been put together and would list all outstanding/new issues being reported from businesses. This would be discussed at the regular Communications Control meetings where actions would be agreed. The Open for Business budget would be used to assist this area and a local West End action group had been established to guide how that money could be best spent. Sue Bruce added that Mark Turley had provided some of his staff to assist in the West End to ensure that that the area was clean and tidy outside of the construction site.</p> <p>Lucy Adamson reiterated the importance of stakeholder engagement in the West End and subsequently avoiding a more negative image of the Project. The Project was very high profile and there was a duty to keep the public informed of progress.</p> <p>Ainslie McLaughlin stated that currently the Scottish Ministers could see the progress been made in the Project and were much more reassured that it was heading in the right direction.</p> <p>Dr Keysberg advised that in other projects, Bilfinger Berger often sponsored or assisted with some advertising of a local event. This for example might be a Chamber of Commerce event or a local newspaper. If there was an opportunity of a local event then Infracore would be interested in being involved. Sue Bruce welcomed this offer and confirmed that the Council would be willing to assist in identifying appropriate events.</p>	

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	<p>Decision</p> <p>1) To note the offer of Infraco in advertising or sponsoring a local community event.</p> <p>2) To agree to liaise with Martin Foerder and Alfred Brandenburger on identifying a suitable local community event for Infraco to sponsor.</p>	<p>Neil Gibson/Kelly Murphy/Martin Foerder/Alfred Brandenburger</p>
11	<p>AOCB</p> <p>The next meeting of the Joint Project Forum was 21 March 2012 but there were no Principals meetings set.</p> <p>Decision</p> <p>To liaise with Martin Foerder on future meeting dates.</p>	<p>Martin Foerder/Gavin King</p>