



**Tram Project Board  
Report on Period 09 (2010/11)  
Papers for meeting 15<sup>th</sup> December 2010**

**09:30am – 12:00pm**

**Distribution:**

**Members and attendees**

Richard Jeffrey	Cllr Phil Wheeler	Steven Bell
Donald McGougan	Cllr Allan Jackson	Stewart McGarrity
Bill Campbell	Cllr Ian Perry	Mandy Haeburn-Little
Cllr Gordon Mackenzie	Dave Anderson	Gregor Roberts
Brian Cox	Marshall Poulton	Alastair Richards
Kenneth Hogg	Andy Conway	Ian Craig
Peter Strachan	Alan Coyle	Alasdair Sim (Minutes)
Neil Scales		

**In addition – for information only**

Cllr Maggie Chapman	Cllr Tom Buchanan	Dennis Murray
Norman Strachan	Frank McFadden	Ailie Wilson
Iain Coupar	Susan Clark	

TRAM PROJECT BOARD

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**Agenda Tram Project Board**  
**Brunel Suite – Citypoint, 2<sup>nd</sup> Floor**  
**15<sup>th</sup> December 2010 – 09.30am to 12.00pm**

**Attendees:**

Richard Jeffrey	Cllr Phil Wheeler	Steven Bell
Donald McGougan	Cllr Allan Jackson	Stewart McGarritt
Bill Campbell	Cllr Ian Perry	Mandy Haeburn-Little
Cllr Gordon Mackenzie	Dave Anderson	Gregor Roberts
Brian Cox	Marshall Poulton	Alastair Richards
Kenneth Hogg	Andy Conway	Ian Craig
Peter Strachan	Alan Coyle	Alasdair Sim (Minutes)
Neil Scales		

## Apologies:

- 1 Review of Previous Minutes and Matters Arising (BC)
- 2 5 Key Business Priorities (RJ)
  - 2.1 Building the Tram
    - Update on Progress with BSC (RJ)
    - Project Director Progress Report Period 08 (SB)
    - Change Requests & Risk Drawdown (SB)
  - 2.2 Preparing for Operations (AR)
  - 2.3 Building the Brand (MHL)
  - 2.4 Building the Team (RJ)
  - 2.5 Preparing for the Future (RJ)
- 3 AOB
- 4 Date of next meeting – 12 January 2011



## Tram Project Board Glossary of Terms

APA	Asset Protection Agreement	MUDFA	Multi Utilities Diversion Framework Agreement
AFR	Accident Frequency Rate	NPF	National Planning Framework
BCR	Benefit to Cost Ratio	NPV	Net Present Value
BROR	Benefits Realisation & Operational Readiness Committee	NR	Network Rail
BSC	Bilfinger Berger, Siemens and CAF	NTS	National Transport Strategy
CCTV	Closed Circuit Television	OCIP	Owner Controlled Insurance Programme
CEC	The City of Edinburgh Council	OGC	Office of Government Commerce
COCP	Code of Construction Practice	OJEU	Official Journal of the European Union
DFBC	Draft Final Business Case	OLE	Overhead Line Equipment
DPOFA	Development Partnering & Operating Franchise Agreement	PFI	Private Finance Initiative
DRP	Dispute Resolution Process	PIN	Preliminary Information Notice
DV	Valuation Office Agency	PMP	Project Management Plan
EARL	Edinburgh Airport Rail Link	QRA	Quantitative Risk Analysis
ER	Employers Requirements	RBS	Royal Bank of Scotland
ETL	Edinburgh Trams Limited	REV	Revision
ETN	Edinburgh Tram Network	RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations
ETP	Edinburgh Tram Project	ROGS	Railway and Other Guided Transport Systems (Safety) Regulations
FATS	Factory Acceptance Test	RPI	Retail Price Index
FBC	Final Business Case	RTS	Regional Transport Strategy
FOISA	Freedom of Information (Scotland) Act	SATS	Site Acceptance Test
FoTW	Foot of the Walk	SCADA	Supervisory Control and Data Acquisition
GMP	Guaranteed Maximum Price	SDS	Systems Design Services contractor
GVD	General Vesting Declaration	SE	Scottish Executive
H&S	Health and Safety	SESTRAN	South East of Scotland Transport Partnership
HSQE	Health, Safety, Quality & Environment	SNH	Scottish Natural Heritage
HMRI	Her Majesty's Rail Inspectorate	SP	Scottish Power
HR	Human Resources	SPOKES	Lothian Cycle Campaign
IDC	Inter-Disciplinary Checks	SRO	Senior Responsible Owner
ICP	Independent Competent Person	SRU	Scotland Rugby Union
Infraco	Infrastructure Contract	STAG	Scottish Transport Appraisal Guidance
ICT	Information Communications & Technology	SUCs	Statutory Utility Companies
INTC	Infraco Notice of Tie Change	SW	Scottish Water
ITN	Invitation to Negotiate	TEL	Transport Edinburgh Limited
ITPs	Implementation Test Plans	TENS	Trans-European Transport Network Executive Agency
ITT	Invitation to Tender	TPB	Tram Project Board
JRC	Joint Revenue Committee r	TRO	Traffic Regulation Order
KPI	Key Performance Indicator	TTRO	Temporary Traffic Regulation Order
LB	Lothian Buses	Tramco	Tram Vehicle Supply and Maintenance Contract
LLAU	Limits of Land to be Acquired or Used	TS	Transport Scotland
LOD	Limits of Deviation	TSS	Technical Support Services contract
LRT	Light Rapid Transit	UTC	Urban Traffic Controls
LRV	Light Rail Vehicle	VAT	Value Added Tax
LTS	Local Transport Strategy	VFM	Value For Money
MP	Member of Parliament		
MSP	Member of Scottish Parliament		

**Edinburgh Tram Network Minutes**

**STRICTLY PRIVATE AND CONFIDENTIAL**

**Tram Project Board**

**17<sup>th</sup> November 2010 (09:30 to 11:55)**

**tie offices – Citypoint II, Brunel Suite**

<b>Members in Attendance:</b>			
Brian Cox	BC	Bill Campbell	WWC
Richard Jeffrey	RJ	Donald McGougan	DMcG
Cllr Gordon MacKenzie	GM		
<b>In Attendance:</b>			
Steven Bell	SB	Andy Conway	ACon
Dave Anderson	DA	Gregor Roberts	GR
Alastair Richards	AR	Kenneth Hogg	KH
Marshall Poulton	MP	Cllr Allan Jackson	AJ
Peter Strachan	PS	Cllr Phil Wheeler	PW
Neil Scales	NS	Cllr Ian Perry	IP
Alan Coyle	AC	Mandy Haeburn-Little	MHL
Ian Craig	IC	Alasdair Sim (minutes)	AS

**Apologies:** Cllr Tom Buchanan, Cllr Maggie Chapman, Stewart McGarrity

<b>1.0</b>	<b>Introduction, Review of Previous Minutes and Matters Arising</b>	
1.1	<p>BC welcomed the participants to the meeting as acting Chair. It was noted that the Council are scheduled to consider the appointment of an interim Tram Project Board Chairperson. This decision is due on 18/11/10.</p> <p>Following the resignation of David Mackay from his positions as Chairman of the TPB, TEL and Lothian Buses Boards (on 03/11/10), BC wished to record his appreciation in respect of Mr Mackay’s immense contribution and commitment to the Project and to the City during his time as TPB Chair. These sentiments were endorsed and echoed by the Board, who wished Mr Mackay well in this retirement.</p> <p>It was noted that the TEL Board would not be meeting after the TPB.</p>	
1.2	<p><u>Matters Arising from Previous Minutes</u></p> <p>The following amendments to be made to the previous TPB minute</p> <p>Para 2.1 - to note that the TRO training to be made available to ‘Members’.</p> <p>Para 3.2 – to note that the ‘Board are not prepared to enter into public debate on commercially sensitive matters’.</p>	



1.3	<p>Action 6.1 – MP reported that almost 50% of the elected Members of the Council have either been on, or are scheduled to attend a site visit to the tram works. It was recognised that these visits afford to opportunity to witness the extent of works that would not necessarily be appreciated by the public, and MP/GM will review how to encourage further participation.</p>	MP/GM
1.4	<p>Subject to the changes indicated in 1.2 above, the minute from the previous TPB on 21 October 2010 was accepted as an accurate record.</p> <p>All outstanding actions from the previous meeting have been closed out, and there were no further matters arising.</p>	
<b>2.0</b>	<b>Strategic Workstream Update</b>	
2.1	<p>RJ updated the Board on the two strategic Work streams.</p> <p>It was noted that little progress has been made since the last TPB in regard to reaching an acceptable position on BSC completing part of the project. <b>tie</b> have asked each INFRACO member to clarify its position in relation to continuation of these negotiations, and to date, no response has been received from individual INFRACO Members.</p> <p><b>tie</b> continue to administer the INFRACO Contract assertively, and several sessions with Senior Counsel have been undertaken and are scheduled. It was noted that CEC are taking independent legal and Counsel advice on these matters. RJ reported that this is a very dynamic and fluid situation and that a great deal of work is ongoing to provide input to the Council Report which is scheduled to be tabled on 16 December 2010.</p> <p>The Board were advised to diarise 9 December 2010 for a possible special TPB meeting, where Richard Keen QC could be made available to share his findings to the Board. DA advised that the CEC Quarterly Report to Transport Scotland is also scheduled for 9/12/10, so the appropriate logistical arrangements should be considered in this regard.</p> <p>The Board discussed in detail a wide range of legal, commercial, programme and contingency planning matters as well as the mechanics of delivery for these scenarios. It was agreed that it would be helpful to present the full range of outcomes and consequences of these in matrix form to assist the decision making process.</p> <p>The opportunity to initiate third party mediation was debated in detail by the Board, and it was unanimously agreed that all avenues to resolve matters with BSC must be explored and exhausted.</p> <p><b>The Board authorised RJ to approach BSC with an offer to enter into a process to seek a mediated settlement.</b></p> <p>RJ suggested that senior CEC representation could be available for any such</p>	<p>DA</p> <p>RJ</p> <p>RJ</p>

	mediation process, and this was agreed.	
2.2	<p><u>DRP Update</u> SB updated the Board on the Dispute Resolution Procedures at Period 8:</p> <ul style="list-style-type: none"> <li>▪ 22 items in DRP - 13 referred by tie, 9 by BSC.</li> <li>▪ 4 resolved by negotiation &amp; 3 resolved through mediation - 9 decisions made by Adjudication</li> <li>▪ Live DRP's submitted by BSC – Landfill tax, Sub-contractors, Preliminaries, Princes Street valuation</li> <li>▪ Live DRPs submitted by tie – Drainage valuations of Sections 5B &amp; 5C</li> <li>▪ Mediations held on Landfill, Sub-contractors and Preliminaries – no agreement reached so will proceed to adjudication</li> <li>▪ Landfill tax adjudication commenced. Adjudication due to start.</li> <li>▪ Princes Street mediation planned for 19/11/10</li> </ul> <p>SB noted the considerable saving in value between the original BSC estimates and the settlement arising from adjudications (circa 106%).</p>	
<b>3.0</b>	<b>Building the Tram</b>	
3.1	<p>SB presented the progress updates for Period 8.</p> <p><u>HSQE – Deliver a Tram Safely</u> Against the background of partial cessation of works there were no reportable accidents during the Period. The rolling 13 period AFR is at 0.20 still below the target of 0.24 for the project.</p> <p>A planned site visit by tie's Insurers took place on 29th October 2010. Whilst the insurers will submit a formal report to tie on their findings, it is understood that no major concerns were raised at the time of the visit.</p> <p>No environmental incidents were recorded during Period 8, and an Environmental Audit at Russell Road was carried out on the 19th October 2010. An Environmental Management Plan was issued at the audit but not approved. This will be reviewed and actions have already been raised with BSC. It was noted that the Safety Health and Environment (SHE) Committee met on 16/11/10.</p> <p><u>HSQE – Deliver a Safe Tram</u> On 21st October, tie delivered comments back to BSC on the "for info" DAS's, and the initial strategic mapping of the ER's to "the right thing" has been completed.</p> <p>In Section 1A (Farrans) handover packs were not fully complete as awaiting sign off of TQ's by SDS. Land Engineering has not yet delivered Handover packs for works carried out.</p> <p>The NCR relating to the alignment of the OLE bases at Haymarket has not been closed out. Further information has been requested at the BSC progress</p>	





<ul style="list-style-type: none"> <li>▪ Murrayfield Wanderers Club House 98% complete</li> <li>▪ Murrayfield Turnstiles relocation 100% complete</li> <li>▪ South Gyle sewer tunnel: Site Contract works 100% complete</li> </ul> <p>Additional works -TM switchover will be completed by 8th Nov' 10</p>	
<p><b><u>Tram Vehicles</u></b> <i>Weighting is applied to the physical completion of trams with a Factory Acceptance Test (FAT) signed off and accepted. All others are under manufacture so this is a conservative measure of progress.</i></p> <ul style="list-style-type: none"> <li>▪ 18 out of 27 completed and factory tested with 9 under manufacture.</li> <li>▪ On programme</li> <li>▪ Tram 252 on Princes Street (removal scheduled for 21/11/10)</li> </ul>	<b>67%</b>
<p><b><u>Construction Off Street</u></b> <i>The % complete is a physical measure of the proportion of the section from Haymarket to Edinburgh Airport. Some typical elements of sections provide a more granular view.</i> <i>As has been reported, the on street work is subject to significant dispute and this is excluded in the summary table. Current % complete for the on street Infrastructure construction works is 10%.</i></p> <p><b><u>Depot A</u></b></p> <ul style="list-style-type: none"> <li>▪ Occupation commences in November 2010 ~70% complete</li> <li>▪ Stabling area Phase 1 &amp; 2 under construction, completion Nov' 2010</li> </ul> <p><b><u>Structures</u></b></p> <ul style="list-style-type: none"> <li>▪ Bridges 8 out of 16 under construction ~44% complete</li> <li>▪ Culverts 3 out of 3 completed 100% complete</li> <li>▪ Retaining Walls 6 out of 17 under construction ~ 24% complete</li> </ul> <p><b><u>Systems</u></b></p> <ul style="list-style-type: none"> <li>▪ Track 1400m installed and now starting in depot ~12% complete</li> <li>▪ Substations 2 out of 4 under construction ~15% complete</li> <li>▪ Overhead Line Work just started at Depot</li> </ul>	<b>38%</b>
<p><b><u>Overall Progress Against Funding</u></b> <i>This is a summary financial metric, aggregating the current expenditure on the whole project as a % of the currently authorised funding (£545m).</i></p>	<b>72%</b>

BSC continue to work at Depot, Section 7 and Depot Access Bridge – but slowly.

SB noted that the SRU Accommodations Works(Crummock) & South Gyle Access Sewer (Barhale) were both completed in Period 8 to programme & budget (both projects were managed direct to **tie**).



3.2	<p><u>Change Requests and Risk Drawdown</u></p> <p>The changes and risk allowance status at Period 8 is summarised below:</p> <table border="1" data-bbox="247 388 1348 682"> <thead> <tr> <th>Description</th> <th>Base cost</th> <th>Risk</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td><b>Position at Financial Close (PCB)</b></td> <td><b>481,680,811</b></td> <td><b>30,336,196</b></td> <td><b>512,017,007</b></td> </tr> <tr> <td><b>Increase in Approved Budget</b></td> <td></td> <td>27,982,993</td> <td>540,000,000</td> </tr> <tr> <td>Changes to end Period 7</td> <td>50,955,399</td> <td><b>-50,955,399</b></td> <td></td> </tr> <tr> <td><b>Position at end Period 7</b></td> <td><b>539,636,210</b></td> <td><b>2,363,790</b></td> <td><b>540,000,000</b></td> </tr> <tr> <td>Period 08 Changes</td> <td>56,639</td> <td>56,639</td> <td></td> </tr> <tr> <td><b>Position at end Period 8 (CAB)</b></td> <td><b>532,692,849</b></td> <td><b>7,307,151</b></td> <td><b>540,000,000</b></td> </tr> </tbody> </table> <p><b>The Board approved the Project Change Control status at Period 8.</b></p> <p>SB referred to Board to the recommendation to extend the OCIP insurance in the short term utilising the extension clause to extend the cover to 25 April 2011. Should the contractual position with BSC change, then it is recommended that the existing OCIP is amended in line the revised scope, cost, programme and contractual arrangements. <b>This was approved by the Board.</b></p>	Description	Base cost	Risk	Total	<b>Position at Financial Close (PCB)</b>	<b>481,680,811</b>	<b>30,336,196</b>	<b>512,017,007</b>	<b>Increase in Approved Budget</b>		27,982,993	540,000,000	Changes to end Period 7	50,955,399	<b>-50,955,399</b>		<b>Position at end Period 7</b>	<b>539,636,210</b>	<b>2,363,790</b>	<b>540,000,000</b>	Period 08 Changes	56,639	56,639		<b>Position at end Period 8 (CAB)</b>	<b>532,692,849</b>	<b>7,307,151</b>	<b>540,000,000</b>	
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3.3	<p><u>Carillion Settlement</u></p> <p>SB reported to the Board that a mediated settlement has been reached with Carillion under the MUDFA Contract. The commercially confidential arrangements for this full and final settlement were shared with the Board. The terms of the settlement were discussed and RJ recommended TPB approval.</p> <p><b>The Board authorised the settlement subject to review by the Tram Monitoring Officer.</b> MP/AC to arrange this review to which will consider delegated authority and governance matters.</p> <p><i>Post Meeting Note : This review was subsequently undertaken on 18/11/10 and approval was received on 22/11/10.</i></p>	MP/AC																												
3.4	<p><u>Risk</u></p> <p>No new items were reported to the Board.</p>																													
4.0	<p><b>Preparing for Operations</b></p>																													
4.1	<p><u>Tram Progress</u></p> <p>AR reported All 27 trams now completed or in production and that trams 20, 21, 22, 23 and 24 are in finishing area. The 19th tram is undergoing the factory acceptance test and CAF have slowed down the production rate (with tie consent). The 1st and 3rd to 18th trams are completed and stored ready for delivery. CEC are entitled to take title to all or a selected number of these.</p>																													
4.2	<p><u>Operational Readiness</u></p> <p>AR reported that Construction works at the depot 70% complete but momentum has been lost in the last 2 weeks. The building fit-out continues to</p>																													

	<p>progress well with LV power and gas connected and commissioning progressing, and external track works and HV sub-station is progressing well although a 'ransom strip' around the building being stalled by BB.</p> <p>The depot stabling is physically able to receive the first trams but BSC have refused access. An alternative arrangement for the storage of tram 252 has been made at a secure facility in Broxburn.</p> <p>A series of key operational decisions will be made over the next months, these are:</p> <ul style="list-style-type: none"> <li>▪ November <ul style="list-style-type: none"> <li>– Preferred bidder decision for TVM Supplier – ITT being finalised</li> <li>– Relocation of the tram from Princes Street – in hand</li> <li>– Finalise integration plan with Ridacard and LB back-office – ITT being finalised</li> </ul> </li> <li>▪ December <ul style="list-style-type: none"> <li>– Contract award decision for TVM supply</li> <li>– Appointment decision for test-track staff</li> <li>– Support service contracts prepared for depot building</li> <li>– LB scheduling software upgrade decision</li> </ul> </li> <li>▪ January <ul style="list-style-type: none"> <li>– Occupation of the depot building</li> <li>– Preparations for the mini-test track</li> </ul> </li> </ul>	
<b>5.0</b>	<b>Building the Brand</b>	
5.1	<p><u>Press, Media and Communications</u></p> <p>MHL summarised the recent press/media activity during Period 8; this centred around several key issues over the last four weeks, mainly the October Council Report, the resignation of David Mackay, subsequent court action taken and then withdrawn by Bilfinger Berger against Mr Mackay regarding allegations of defamation.</p> <p>The 2010 'Edinburgh Sparkles' was launched on 1<sup>st</sup> November, following the great success of the 2009 campaign, and for 2010, Lothian Buses are a partner in the initiative.</p>	
5.2	<p><u>Open for Business</u></p> <p>MHL referred the Board to the previously discussed request to extend the tram project contribution to the <i>Open for Business</i> initiative by £180K from April 2011.</p> <p>There was agreement and support on the principles of this collaborative multi-agency initiative to create a cohesive and comprehensive communications and business support framework for the City – particularly so during any period of uncertainty created by an extended cessation of City Centre tram works.</p> <p>However, following Board member concerns relating to governance and wider principal funder implications it was agreed that ratification of this request is to</p>	



	be referred to the TEL Board subject to the CEC Director's of Finance and City Development reaching a settled position on the matter.	DA/ DMcG
5.3	<u>Integration Planning and TEL</u> Nothing further to report at this time.	
<b>6.0</b>	<b>Building The Team</b>	
6.1	Nothing further to report at this time.	
<b>7.0</b>	<b>Preparing for the Future</b>	
7.1	Nothing further to report at this time.	
<b>8.0</b>	<b>Governance</b>	
8.1	Nothing further to report at this time.	
<b>9.0</b>	<b>AOB</b>	
9.1	Nothing to report.	
<b>10.0</b>	<b>Date of Next Meeting</b>	
10.1	BC thanked the Board for their participation and confirmed that the date of the next meeting will be <b>Wednesday 15<sup>th</sup> December 2010</b> commencing at <b>09:30hrs</b> . The Board were advised to diarise free time for <b>9<sup>th</sup> December 2010</b> should Special TPB be required. This will be advised as necessary.	AS
10.2	The meeting closed at 11:55.	

Prepared by Alasdair Sim, 23<sup>rd</sup> November 2010

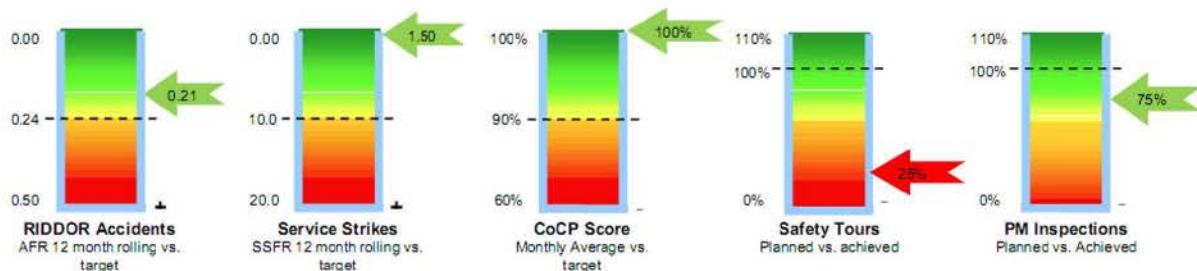
# Building The Tram Project Director Report - Period 09 [10/11]

On Friday 1<sup>st</sup> October 2010, BSC began to demobilise and cease works on certain sites across the route (over Sections 2A, 5A, 5B and 5C), this reflecting an escalation in the contractual dispute between BSC and tie. In response to this action, tie has entered into formal correspondence with the contractor regarding contractual obligations. tie continue to undertake site monitoring on both active and inactive worksites.

## HSQE

### H&S Accidents and Incidents, Near Misses or Other

HS&E ACCIDENTS and INCIDENTS SUMMARY											
Total	Total Hours	>3 day	Major	Injury	NM/Unsafe Condition	Service Damage	ENV	RTA	MOP	AFR	SFR
Period	36,865	0	0	0	10	0	0	2	1	0.00	0.00
13 period rolling	1,398,109	1	2	14	181	21	16	7	17	0.21	1.50



There were no reportable accidents during the period. The rolling 13 Period AFR is at 0.21 still better than the target of 0.24 for the project. There were two incidents of temporary road signs damaging cars due to high winds. The CoCP compliance was recorded at 100% during Period 9. 75% of the planned PM joint inspections were carried out during Period 9 and 25% of planned safety tours. Safety tours will be re-profiled to suit the current workload.

BSC continue to undertake daily site checks at construction sites, including those where construction activities have been suspended. There is continuing concern at the fragmented nature of HSE management arrangements within the consortium.

### Environment

No environmental incidents were recorded during Period 9.

### Deliver a Safe Tram Deliver a Safe Tram

Section	Activity	Data Checked				
		IDC	ITP's	Design Variatio n/ Change	As Built's	Asset Register
Depot	Fit Out and Finishing's	0.5	1	1	1	N/A
PD	Total (y)	0.5	1	1	1	N/A
	Max Possible Total (y)	1	1	1	1	N/A
Total	Percentage P8	45%	91%	86%	79%	44%
	Percentage P9	45%	91%	86%	79%	44%

**Key - Y = Evidence exists (1) N = No evidence exists (0) NA = Not applicable (-) P = Part evidence in place (0.5)**

### Interim Design Assurance submission

Review of BSC design submissions continues to schedule. Meetings have been arranged for early December 2010 to enable o/s RoR issues arising from these reviews to be closed.

The (Safety Verification System) SVS has been updated to reflect current processes and so cover comments recently received from ORR's Ian Raxton. This document has been sent to the ORR for information.

### Deliver a Safe Tram Key Metrics

Due to annual leave and a lack of work out on site only one metrics inspection was carried out at the depot during period 9. This inspection reviewed the depot fit out and finishing's, focusing on the ITP's. No issues were identified with all records available for inspection. However it is noted that a great deal of work will be required to collate the records into a BSC document which is suitable for submittal.

### Traffic Regulation Order (TRO1)

On 23 November 2011, CEC approved the making of the first tranche of the tram Traffic Regulation Order, this empowering the Council to introduce the necessary kerbside and moving restrictions and measures to enable operations of the tram through Edinburgh City Centre (Haymarket to Newhaven).

### Progress

Against the background that BSC have ceased works at a number of worksites across the route, the level of progress at the end of Period 9 at those operational sites was 0.4% against a plan of 0.8% although it should be noted that against the contractual Rev.1 programme where construction should be approaching 100% complete.

BSC are undertaking very limited on-street works in the Leith Docks area at present, with only Lindsay Road worksite remaining active post 19th November. The remainder of the period progress has been achieved primarily at the Depot Access Bridge and the Depot area itself.

The total cumulative completion for Infraco Construction Works is 27.4% at end of Period 9, and the total Project completion as a financial metric estimated at circa 72%.

### Progress Comparison Period 8 vs Period 9 – Infraco

Period	Cumulative Progress (Actual)	Rev 1 Target
2010/11 Period 8	27.0%	98.3%
2010/11 Period 9	27.4%	99.0%

BSC continue to report progress against the agreed Rev.1 contractual programme. This shows for progress up to and including 26th November 2010 an OFRS date of 23 December 2013 against the contractual Rev.1 programme date of 06 Sep 11 and reports a **42 day slippage in the 28 day period.**

It should be noted that as a result of the current rates of BSC progress and cessation of works across the site, that it is likely that slippage will continue to be report on a period by period basis, until such time as a rebaselined programme can be agreed with the Contractor.



**Dispute Resolution**

Over the period **tie** has submitted 5 new topics into DRP. 2 of these have already been agreed in the internal stage of the process (as of 10 December 2010).

In total, 25 items have now been referred to the formal dispute resolution agreement process – 16 by **tie** and 9 by Infraco. In total 7 have been resolved through negotiation, 2 through external mediation, 10 were decided through adjudication, and 6 still remain to be resolved. It is important to note that overall, the application of DRP to disputed matters has reduced BSC's claims for additional payment from £24.0m to £11.2 in relation to those DRPs which have actually reached a financial settlement.

During the period, Landfill Tax adjudicated and a decision provided. The adjudicator decided that the land fill would not have been exempt and therefore there was no need to apply for the exemptions.

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**Design**

The final scheduled IFC remains as "*Connection to Path/Ramp & Ocean Drive*" and is now forecast for delivery on 17 March 2011, a slippage of 28 days in the Period.

Design approvals status in Period 09 is summarised below:

Phase 1a only	Numbers Required									Number
	V26	V31	V58	V59	V60	V61	V62	V63	V64	Granted
Prior Approvals	44	49	56	56	56	56	60	60	60	54
Technical Approvals	53	71	92	92	92	92	63	63	63	55
IFC	71	81	233	230	227	230	230	229	229*	186

\* reduction in IFC no due to removal of IFC in IC1 - Application of Generic Void Filling Design to Support Tramway - Leith Wk Cable Tunnel (DCR 0172)

Reasons for design slippage are being reviewed and recorded monthly at the design taskforce meeting, which is focused on resolving the outstanding design issues. **tie** is identifying and implementing opportunities to mitigate the impacts of this slippage. It should be noted that this is a consortium issue to manage, and **tie** will provide support in this respect. However, **tie** is testing through audit the management of SDS by BSC and compiling evidence in this regard.

To date 120 out of 969 informatives have been closed out and agreement in principle has been reached on a further 372. Further workshops are planned for Period 10.

The Technical Support Services Contractor (TSS) has completed a design status review with **tie** and the results of this assessment indicate that the design is around 90% complete (excluding as built).

**Utility & Cabling Works**

Utility work - minimal work occurred during the period due to the commencement of the City Centre Embargo on 27/11/10.

The remaining on-street Utility, remedial & snagging works are under programme development by **tie**.



## Tramworks (INFRACO)

INFRACO progress is primarily focussed on the off-street section between Haymarket and the Airport. Progress in Period 9 is summarised as follows:

Period 09 2010-11	Period		Delta	Cumulative		Delta	Project
INFRACO PERIOD 09 PROGRESS (Contract Rev.01 Programme)	Plan	Actual		Plan	Actual		Wtg
Section 1a Newhaven to Foot of the Walk	2.1%	0.1%	-1.9%	97.1%	8.5%	-88.6%	16.2%
Section 1b Foot of the Walk to McDonald Road	0.0%	0.0%	0.0%	100.0%	1.3%	-98.7%	7.4%
Section 1c McDonald Road to Princes Street West	2.9%	0.0%	-2.9%	95.2%	0.0%	-95.2%	10.8%
Section 1d Princes Street West to Haymarket	0.0%	0.0%	0.0%	100.0%	42.1%	-57.9%	7.6%
<b>Combined Sections 1A-1B-1C-1D (On-Street) Newhaven Road to Haymarket</b>	<b>1.6%</b>	<b>0.1%</b>	<b>-1.5%</b>	<b>97.6%</b>	<b>11.2%</b>	<b>-86.5%</b>	<b>42.0%</b>
Section 2 Haymarket to Roseburn Junction	0.0%	0.0%	0.0%	100.0%	35.1%	-64.9%	4.2%
Section 5a Roseburn Junction to Balgreen Road	0.9%	0.0%	-0.9%	100.0%	10.0%	-90.0%	13.9%
Section 5b Balgreen Road to Edinburgh Park Central	0.0%	0.0%	0.0%	100.0%	43.4%	-56.6%	13.2%
Section 5c Edinburgh Park Central to Gogarburn	0.0%	0.8%	0.8%	100.0%	24.8%	-75.2%	7.2%
Section 6 Gogar Depot	0.0%	2.9%	2.9%	100.0%	73.1%	-26.9%	11.9%
Section 7a Gogarburn to Edinburgh Airport	0.0%	0.2%	0.2%	100.0%	47.2%	-52.8%	7.6%
<b>Combined Sections 2A-5A-5B-5C-6A-7A (Off-Street) Haymarket to Edinburgh Airport</b>	<b>0.2%</b>	<b>0.7%</b>	<b>0.5%</b>	<b>100.0%</b>	<b>39.0%</b>	<b>-61.0%</b>	<b>58.0%</b>
<b>FULL ROUTE PHASE 1A NEWHAVEN ROAD TO EDINBURGH AIRPORT</b>	<b>0.8%</b>	<b>0.4%</b>	<b>-0.3%</b>	<b>99.0%</b>	<b>27.4%</b>	<b>-71.7%</b>	<b>100.0%</b>

### Issues in the Period

- BSC have ceased works in all areas with the exception of Lindsay Road RWs, Depot Access Bridge, and drainage in Section 7.
- Issue surrounding flood reports and requirements to satisfy 3<sup>rd</sup> Party agreements with BAA are causing problems with the design of the airport retaining walls. An alternative design is being pursued.
- Track laying at the depot is going very slowly. Several issues have been highlighted that could result in rework being required.
- Some M+E works in Depot have been suspended by BSC due to alleged non payment of items relating to changes. **tie** disputes this.

### Other Progress Points to note in Period 9:

- Tower Place bridge re-opened to the public on 19<sup>th</sup> Nov to accommodate Ocean Terminal Christmas Shopping
- Construction on the Depot Access Bridge is continuing
- The Gogar tram depot Mechanical & Electrical (M&E) systems are being tested and commissioned using the utilities connections. It is expected that the depot plant and equipment for maintaining the trams will start to be installed in mid-January 2011.
- Good progress continues to be made with fitting out of equipment in the HV substation at the depot.

## TRAMCO

### Period 9 Summary

No	Planned	Activities in current Period
1	Fabrication of the trams	Fabrication and primer painting is completed on all the body-shells for all twenty seven trams. Equipment fit-out for the remaining trams 20 to 25 is continuing in the assembly

		hall. The first 19 trams are completed and tram 20 is about to start factory acceptance testing.
2	Enhanced passenger information upgrade	Plan still to fit final equipment when trams arrive in Edinburgh.
3	Review of Test Protocols and test results	CAF have completed final internal tests to verify and calibrate computer design tools using Tram 251 at Wildenrath on the 12 <sup>th</sup> October 2010, final report awaited.
4	Depot Equipment	CAF are continuing progress, delivery schedule under discussion in conjunction with civil works programme for depot mid-January 2011 is the current start date for this.
5	Finalisation of external branding	Discussions with CAF on application of the final branding have started and any commercial issues will be flagged in due course. We intend to use the fact that they are stored at the factory to undertake this work prior to shipping to Edinburgh.
6	Preliminary Tram O&M Manuals	Revised manuals received and reviewed. ROR sent back and next update due mid 2011 after experience on site with the trams.
7	Key sub-contract placement	Collateral warranties – 3 signed warranties have been received, remaining continue to be progressed.
8	Factory Based Acceptance Testing complete	First 19 trams have successfully completed factory testing to date. 70% of trams now completed and tested.
9	Testing regime	CAF have revised the Delivery & commissioning regime for the trams to reflect the requirement to store Trams pre delivery to Depot. All Trams will be prepared after storage, undertake Dynamic testing and commissioning. 1 <sup>st</sup> tram due for starting commissioning mid-March 11- last tram mid-May 12.
10	Programme progress	84% of scheduled activities completed

### Preparing for Operations

We have been planning in detail the first three stages of preparation for the Testing & Commissioning. Good progress is being made in all activities except those that are directly dependent upon progress with the infrastructure works.

Lloyds Register Rail have reviewed and reported on the plans and procedures for managing the safety of the tram system and the documents have been updated and reissued.

The procurement of the ticketing equipment for the tram system, to integrate with the existing Lothian Buses ticketing system has progressed to the stage where the final ITT has been issued to the two suppliers who are due to return their tenders on the 16th December for evaluation. We expect to select a preferred bidder during January and finalise a contract containing client break option clauses at suitable points in the programme.

### Edinburgh Gateway

Progress on the Edinburgh Gateway Project in Period 9 2010/11 is summarised as follows:

- Prior Approval was granted on 28<sup>th</sup> July 2010. The revised Prior Approval will be submitted to CEC in Period 10 following agreement with NR regarding the final landscaping details. Work on the detailed design to achieve Technical Approval has continued with NR and SW approval achieved in the period for the retaining wall alignment. This approval took longer than expected and together with a late revision to the bearing detail by NR delayed issue of the AIP to CEC for the retaining walls. As a result BSC will issue the Approval in Principle to CEC for the high and low level walls on 10/12/10.



- **tie** has requested an Estimate from BSC for Edinburgh Gateway construction works as a Change under the Infraco Contract. BSC will be unable to submit the finalised Estimate until the design has achieved IFC status which is dependent on the Prior and Technical Approval issues discussed above. The request for the Estimate contains a number of programme matters that **tie** have indicated that Infraco should assume when completing their Estimate. These programme issues will require adjustment following resolution of the Prior and Technical Approval issues and to reflect the delay in diverting the 33kV cable by NR.
- Construction Staging meetings with **tie**, TS, Network Rail and BSC. NR has agreed to work to a predetermined set of ETN night time possessions to construct the recirculation tower and over-bridge. All parties have discussed the preferred construction sequence which can only be verified following receipt of an Estimate and Programme from BSC.

## Cost

The 'AFC' (£545m) in this report does not reflect an approved and reliable Anticipated Final Cost for the Edinburgh Tram Project. Rather, the forecast presented reflects the best view of the spend profile of the funding currently available for the delivery of phase 1a. Given the commercial uncertainties with Infraco and continuing delays to the project it is now considered unlikely that the full scope of Phase 1a will be completed within the available funding envelope of £545m.

Until the key issues are resolved through the contractual and legal process, it will not be possible to accurately forecast a revised budget outturn.

Key cost related items to note in Period 9 are:

- COWD to date is £398.6m, with funding to date split to TS (£365.7m) and CEC (£32.9m).
- The budget for ETP in 2010/11, established in April 2010 is £142.2m (£153.3m 09/10). Transport Scotland funding for 2010/11 is £130.5m for ETP, with £11.7m funding available from CEC.
- The original TS share of the budget (£130.5m) has been reduced to a forecast of £79.5m.
- Key sensitivities to the reforecast are identified in the main report.
- **tie** presented an updated forecast for 2010/11 on Tuesday 19<sup>th</sup> October with Sharon Fairweather & John Ramsay attending on behalf of TS. A follow up meeting took place on 4<sup>th</sup> November where spend ranges and sensitivities for 2010/11 & 2011/12 were presented by **tie**/CEC to TS.

### Actual YTD P9 & forecast P10-P13 FY10/11

£m	2010/11 to P9	Forecast P10-P13,10/11	Forecast FY10/11
Infrastructure and vehicles	35.7	24.9	60.6
Utilities diversions	3.9	0.0	3.9
Design	1.3	0.7	2.0
Land and compensation	0.3	0.0	0.3
Resources and insurance	9.6	5.1	14.7
<b>Base costs</b>	<b>50.8</b>	<b>30.7</b>	<b>81.5</b>
Risk allowance	0.0	5.2	5.2
<b>Total Phase 1a</b>	<b>50.8</b>	<b>35.9</b>	<b>86.7</b>

- ETP COWD in FY10/11 to Period 9 is £50.8m (P8 - £42.5m)

As previously reported and agreed with CEC and TS, initial milestones under the Infraco and Tramco contracts in the aggregate amount of £14.3m, in respect of advance material purchases, have been classified as prepayments. These will be reclassified as expenditure against funding in the periods when the related materials are delivered to site and incorporated in the works. The release will occur on the achievement of trackwork and structures milestones in 2010/11 and future years.

## **Risk & Opportunity**

There were three draw-downs on the risk allowance approved in the period totalling £176,377. These are detailed later in the report.

## **Stakeholder & Communications**

### **Media / Press Activity**

Media coverage has reduced slightly in its intensity following the announcements made during Period 8, however a high level of contact with regards enquiries are still being dealt with on a daily basis by the Media team.

A Freedom of Information request made by the Sunday Herald was released on Friday 27<sup>th</sup> November after which we fielded questions from the journalist and provided statements in response. The request asked for information on project expenditure on bonuses to consultants and staff expenses/bonuses for the last three years.

There have been numerous enquiries during Period 9 as to the content of the next Council Report due to be considered on the 16<sup>th</sup> December.

A recent ruling on adjudications was also reported on during the last week of Period 9 by several newspapers. In response to this, we maintained our ongoing policy of not commenting on individual adjudications as they are commercially confidential.

### **Branding**

In association with DEMA the tram mock-up at Edinburgh Airport has been wrapped in festival images from the Edinburgh Sparkles Christmas campaign. This artwork will remain in place throughout the festive period. Artwork for the Edinburgh Sparkles banner on Haymarket House was also installed mid November and will remain in place until early January.

New banners have been installed on the Princes Street OLE poles with Festive themes from Edinburgh Sparkles, Edinburgh's Hogmanay and Edinburgh's Christmas.

### **Website / Internet Communications**

The number of people accessing the Media Updates section on edinburghtrams.com has increased significantly. This is largely as a result of our proactively increasing information on important news topics through this channel.

The Edinburghtrams.com site has been 're-skinned' to reflect changes to the logo and vehicle livery and is looking forward to a wider refresh in first quarter 2011 which will use what we have learned from user engagement to re-organise content within the site.

### Freedom of Information Requests

Freedom of Information requests reached a total of 12 individual requests during Period 9, the same number of which are being carried over to Period 10 and are ongoing at various stages. A noticeable rise in the number of requests is beginning to emerge with a clear rise in requests being identified over the last couple of Periods.

Over the last 6 months, there have been a total of 28 FOI requests made by the public of which 6 reviews were requested from the responses provided. Of the 6 requests three rulings have found in favour of tie Ltd, while the remaining three are awaiting a decision by the Information Commissioner.

## Period 09 2010/11 – Papers for Consideration



**Paper to:** TPB **Meeting date:** 15<sup>th</sup> December 2010  
**Subject:** Project Change Control Update – Period 09, 2010/11  
**Preparer:** Mark Hamill

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**Summary**

This paper is to update the Tram Project Board with the current status regarding approved project change orders and their implications on the overall Tram Project Budget. To the end of Period 8, £51m has been drawn down from the project risk allowance.

Any changes which are approved are in relation to either actual expenditure, a commitment to future expenditure or based upon an anticipated future commitment.

Following the delegated authority from TEL to the TPB authorising the use of the £545m funding envelope and the subsequent approval to increase the budget to £540m in Period 7 2009/10, **tie** is now seeking formal approval to increase the budget to £545m. This additional funding of £5m would be added to the Project Risk Allowance.

**tie** will continue to report on, and ensure that the Board have clear visibility of, all changes which have been authorised and recommended and to seek Board approval for all changes greater than £1m, in line with the Delegated Authority Rules.

The claim by and final account for Carillion Utility Services was agreed in Period 8. This was notified to the Board in Period 8 by the Project Director and the Board approved the settlement figure subject to review by the Tram Monitoring Officer which was subsequently carried out on 22 November 2010.

The final settlement figure is £62,500,757. In order to formally reconcile the approved budget with the final cost a drawdown from risk was required for the value of £8,302,896 and this has been incorporated within the figures shown in the table below.

The table below summarises the approved changes that have impacted the Project Risk Allowance in Period 9.

Description	Base cost	Risk	Total
<b>Position at Financial Close (PCB)</b>	<b>481,680,811</b>	<b>30,336,196</b>	<b>512,017,007</b>
<b>Increase in Approved Budget</b>		27,982,993	540,000,000
Changes to end Period 8	50,942,365	<b>-50,942,365</b>	
<b>Position at end Period 8</b>	<b>532,623,177</b>	<b>7,376,824</b>	<b>540,000,000</b>
Period 09 Changes	8,479,273	-8,479,273	
<b>Position at end Period 9 (CAB)</b>	<b>541,102,450</b>	<b>3,897,550*</b>	<b>545,000,000*</b>

\*Subject to Board Approval of £5m additional funding

**Changes Approved in Period 09**

Cabling at Tower Place Bridge Diversion Works 1 (COP404A - £155,350)

This is a change because it is necessary to carry out utilities diversion works prior to completion of the construction of Tower Place Bridge and Victoria Dock Bridge and

complete the remaining BT diversion between Old Port Road and Lindsay Road. This work was carried out by Fujitsu after following a competitive tender.

Tower Place Bridge – Service Diversions (COP431 - £10,780)

This is a change because, in order to maintain utility services routes and connections over Tower Place Bridge during the re-construction of the bridge, temporary relocation of the existing cables and from the north verge to south verge to permit the north bridge construction works to proceed was necessary. The work was carried out BB and is a notified departure under Schedule Part 4 Clause 3.3 (a).

Extension of Traffic Management - Bankhead Drive, South Gyle Access June (COP429 - £10,247)

This change is for the extension of the traffic management arrangements at the junction between Bankhead Drive and South Gyle Access previously utilised by Barhale Construction during the South Gyle Access Sewer Diversion Works. This is a change because following the completion of the works Infracore refused to take back control of the traffic management at this junction, therefore a Short Form Contract was required to be entered into between tie Ltd and Barhale Construction for the continued hire and maintenance of the Traffic Management associated with this junction.

**Decision(s) / support required**

The TPB is requested to:

1. Note the Project Change Control status at Period 9
2. Approve the proposed increase to the Project Control Budget to £545m

**Proposed**

Name: Mark Hamill

Date: 15 December 2011

Title: Risk & Insurance Manager

**Recommended**

Name: Steven Bell

Date: 15 December 2011

Title: Tram Project Director

**Approved**

.....Date: .....  
Brian Cox on behalf of the Tram Project Board



FOISA exempt

Yes  
 No

## Primary risk register

1011 Period 09 - Top 6 Risks

Risk Description

ARM Risk ID	Cause	Event	Effect	Risk Owner	Significance	Black Flag	Treatment Strategy	Previous Status	Current Status	Due Date	Action Owner
1159	Commercial dispute with contractor	Depending on outcome of negotiations the revised cost leads to funding pressures for CEC.	CEC required to increase contribution	S Bell	High - 21.0%		Intensive commercial negotiations with contractor.  CEC exploring contingency measures for additional funding	On Programme	On Programme	31-Dec-10	S Bell
343	General delay to programme with various causes e.g. failure to obtain approvals on time; contractor issues, access after completion of utility diversions	Delay to completion of project	Increased out-turn cost due to delay plus revenue loss	S Clark	High - 25.0%		Access maps showing areas available  Use of Clause 34 / 80.15 - addressed via DRP  Contractually assertive workstreams to progress programme  DRP Mudra Rev 8 response  DRP on programme management (EOT1)  Liaison between 1e/BSC programme managers  Programme Management Panel process  Weekly 1e/BSC commercial meetings  Issue UWN on programme  Additional resource from T&T  Agreed with BSC for independent evaluation to get benchmark  All estimates to be scrutinised by the commercial team and, where appropriate, challenge made to BSC. Additional resource (T&T) being used to check estimates to reduce delay and other commercial resources on these areas	On Programme	Complete	31-Dec-10	F McFadden
1101	Unreasonable behaviour of BSC commercial management	Unrealistic estimates being submitted for potential changes	Programme delay while disputes regarding estimates are resolved	D Murray	High - 25.0%		Clause 34/80 issues using DRP for disputed values  Legal challenge to Clause 80 and BSCs interpretation thereof	On Programme	Complete	31-Aug-10	S Bell





## **Period 09 Transport Scotland report Sections 2-7**

On following pages are Sections 2-7 of the Transport Scotland report (Section 1 is the Project Directors report).



## 2 Progress

*On Friday 1<sup>st</sup> October 2010, BSC began to demobilise and cease works on certain sites across the route (over Sections 2A, 5A, 5B and 5C), this reflecting an escalation in the contractual dispute between BSC and tie. In response to this action, tie has entered into formal correspondence with the contractor regarding contractual obligations. tie continue to undertake site monitoring on both active and inactive worksites.*

Given that the above action took place at the end of Period 7, the progress achieved in Period 9 for INFRACO works was 0.4% against a plan of 0.8% although it should be noted that against the contractual Rev.1 programme Off-street construction should now be complete with On-street construction nearing completion.

BSC are undertaking very limited on-street works in the Leith Docks area at present, with only Lindsay Road worksite remaining active post 19<sup>th</sup> November. The remainder of the period progress has been achieved primarily at the Depot Access Bridge and the Depot area itself.

The total cumulative completion for Infraco Works is 27.4% at end of Period 9. A summary of progress on various project elements is summarised below:

<p><b>Utilities</b> <i>The % complete is a physical measure of the progress against the forecast final volume of diversions across the route. It does not take cognisance of cabling, testing and transfers from the Telecom Providers (BT etc.)</i></p> <ul style="list-style-type: none"> <li>▪ ~ 50,000m of diversions; ~48,300m completed to date.</li> <li>▪ Airport - Haymarket complete</li> <li>▪ Haymarket – Newhaven complete save for:             <ul style="list-style-type: none"> <li>▪ Some telecoms cabling and transfers</li> <li>▪ Testing / commissioning / abandonments of transferred services</li> <li>▪ Baltic Street Diversions (1500m)</li> </ul> </li> </ul>	<p><b>97%</b></p>
<p><b>Tram Project Ancillary Works</b> <i>Equal weighting is applied to the physical progress % complete for all six work packages, irrespective of value.</i></p> <ul style="list-style-type: none"> <li>▪ Ingliston Park &amp; Ride Phase 2 complete 100%</li> <li>▪ Burnside Road Bridge relocation at Edinburgh Airport complete 100%</li> <li>▪ Murrayfield Training Pitches relocation complete 100%</li> <li>▪ Murrayfield Wanderers Club House complete 100%</li> <li>▪ Murrayfield Turnstiles relocation complete 100%</li> <li>▪ South Gyle sewer tunnel: (Site Contract works 100% completed) 100% complete Additional works -TM switchover will be completed by 8th November 10</li> </ul>	<p><b>100%</b></p>
<p><b>Tram Vehicles</b> <i>Weighting is applied to the physical completion of trams with a Factory Acceptance Test (FAT) signed off and accepted. All others are under manufacture so this is a conservative measure of progress.</i></p> <ul style="list-style-type: none"> <li>▪ 19 out of 27 completed and factory tested with 8 under manufacture.</li> </ul>	<p><b>70%</b></p>

<ul style="list-style-type: none"> <li>▪ On programme</li> <li>▪ Tram 252 relocated to secure compound in Broxburn</li> </ul>	
<p><b>Construction Off Street</b>  <i>The % complete is a physical measure of the proportion of the section from Haymarket to Edinburgh Airport. Some typical elements of sections provide a more granular view.</i>  <i>As has been reported, the on street work is subject to significant dispute and this is excluded in the summary table. Current % complete for the on street Infrastructure construction works is ~11%.</i></p> <p><b>Depot A</b></p> <ul style="list-style-type: none"> <li>▪ Occupation commences in November 2010 ~73% complete</li> <li>▪ Stabling area Phase 1 &amp; 2 under construction, completion Feb '11</li> </ul> <p><b>Structures</b></p> <ul style="list-style-type: none"> <li>▪ Bridges 8 out of 16 under construction ~44% complete</li> <li>▪ Culverts 3 out of 3 completed 100% complete</li> <li>▪ Retaining Walls 6 out of 17 under construction ~ 24% complete</li> </ul> <p><b>Systems</b></p> <ul style="list-style-type: none"> <li>▪ Track 1400m installed and now starting in depot ~12% complete</li> <li>▪ Substations 2 out of 4 under construction ~15% complete</li> <li>▪ Overhead Line Work has just commenced at the depot</li> </ul>	<p><b>39%</b></p>
<p><b>Overall Progress as a Financial Metric</b>  <i>This is a summary financial metric, aggregating the current expenditure on the whole project as a % of the currently authorised funding (£545m).</i></p>	<p><b>73%</b></p>

The cost, programme and risk information in this Period 09 report continues to be based upon an unapproved forecast on the information reported in May 2009. This will be updated once agreement is reached with BSC on a new revised programme.

BSC continue to report progress against the agreed Rev.1 contractual programme. This shows for progress up to and including 26th November 2010 an OFRS date of 23 December 2013 against the contractual Rev.1 programme date of 06 Sep 11 and reports a **42 day slippage in the 28 day period.**

It should be noted that as a result of the current rates of BSC progress and cessation of works across the site, that it is likely that slippage will continue to be report on a period by period basis, until such time as a rebaselined programme can be agreed with the Contractor.

**tie** continue to monitor progress against their "**live**" programme which is based on the contractual Rev.1 Programme logic, although progress recorded against this programme considers the currently known work-scopes including some changes. This indicates a Sectional D completion of 15-06-13, which is a 28 calendar day slippage from Period 8. Note that the **live** programme does not make any assumptions regarding BSC restarting on site. Overall the relationship with BSC is suffering in a number of key areas and progress remains behind the master programme:

- Contractual obligations not met to allow works to commence on street;
- Design slippage since novation of design to INFRACO (now recorded in v63 of the design programme);



- Consortium integrated design programme, assured and validation;
- Finalisation of the agreement of change delaying the commencement of work even though instructed to progress by **tie**;
- Remaining small pockets of incomplete utility diversions in the On-Street sections;
- Slow mobilisation of INFRACO, including lack of formal sub-contracts being in place;

Section	Description	Contract Programme Rev.01	BSC Forecast (P08) Rev.01	BSC Forecast (P09) Rev.01	BSC Movement in Period Cal Days (c) – (b)	tie Live Forecast (P08) Rev.01**	tie Live Forecast (P09) Rev.01**	tie Movement in Period Cal Days (f) – (e)
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
Section A	Depot completion	01-Jun-10	02-Aug-11	30-Aug-11	-28	22-Jul-11	19-Aug-11	-28
Section B*	Test Track Available	01-Jul-10	05-Sep-12	25-Sep-12	-20	20-Mar-12	12-Apr-12	-23
Section C	All Phase 1a Construction complete	10-Mar-11	15-May-13	26-Jun-13	-44	20-Nov-12	17-Dec-12	-27
Section D	Open for Revenue Service	06-Sep-11	11-Nov-13	23-Dec-13	-42	19-May-13	15-Jun-13	-27

\*The interpretation is that Sectional Completion "B" means that Test Track is available for Tram movements.

## Contractual Strategy & Dispute Resolution

### Dispute Resolution (Infraco)

Over the period **tie** has submitted 5 new topics into DRP. 2 of these have already been agreed in the internal stages of the process.

In total, 25 items have now been referred to the formal dispute resolution agreement process – 16 by **tie** and 9 by Infraco. In total 7 have been resolved through negotiation, 2 through external mediation, 10 were decided through adjudication, and 6 still remain to be resolved. It is important to note that overall, the application of DRP to disputed matters has reduced BSC's claims for additional payment from £24.0m to £11.2 in relation to those DRPs which have actually reached a financial settlement.

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**tie** has continued with the contractually assertive approach to management of the contract. From Period 7 this has taken the cumulative issue of Contract Notices to : 10 Remedial Termination Notices (RTN's) and 3 Underperformance Warning Notices (UWN's) - Rectification plans have been received for 4 RTN's due from 10 by the end of Period 9. All 4 have been rejected by **tie** as they do not address the defaults identified with satisfactory proposals.

DRP No	Subject	Nature of Dispute	Launched or planned	PD Mtg	Position Papers	CEO Meeting	Referral	Decision
5o	Depot Access Bridge	BDDI to IFC	√	√	√	√	√	Adjudicator made decision on smaller scope and valued works at a saving of £1.24m compared to BSC claim.
	Landfill tax	Liability for paying	√	√	√	√	√	Adjudication decision made



		landfill tax							on 3 <sup>rd</sup> Dec.
	Sub-contracts	Approval of BSC sub-contractors	√	√	√	√	√	√	No agreement reached at mediation – referred to adjudication.
	Preliminary payments	Method for applying for preliminary payments	√	√	√	√	√	√	No agreement reached at mediation – awaiting referral to adjudication.
	Section 7 drainage	BDDI - IFC	√	√	√	√	√	x	Agreement reached without resorting to mediation
	Princes St	Payment	√	√	√	√	√		Referred to adjudication
	Section 5B drainage	BDDI - IFC	√	√	√	√	√		Settlement agreed at CEO meeting
	Section 5C drainage	BDDI - IFC	√	√	√	√	√		Settlement agreed at CEO meeting
	Lindsay Road	Costs	√	√	√				
	South Gyle Access Bridge	Costs	√	√					
	Bankhead Drive retaining wall	Costs	√	√					

Launched by <b>tie</b>
Launched by BSC

A strategic review of commercial and contractual options is underway and is reported to the Tram Project Board and Transport Scotland each period.

## Design

### IFC Design

V64 was submitted to **tie** on 09 November 10 with a progress date of 25 October 10

There are 26 IFC's with a slippage of 28 Calendar days or more in the period.

The final scheduled IFC remains as "*Connection to Path/Ramp & Ocean Drive*" and is now forecast for delivery 17 March 2011.

Design approvals status in Period 09 is summarised below:

Phase 1a only	Numbers Required									Number Granted
	V26	V31	V58	V59	V60	V61	V62	V63	V64	
Prior Approvals	44	49	56	56	56	56	60	60	60	54
Technical Approvals	53	71	92	92	92	92	63	63	63	55
IFC	71	81	233	230	227	230	230	229	229*	186

\* reduction in IFC no due to removal of IFC in 1C1 - Application of Generic Void Filling Design to Support Tramway - Leith Wk Cable Tunnel (DCR.0172)

V64 data has been used to inform the programme updates. **tie** have included these into the live programme.

- IFCs – Phase 1a: 186 issued out of 229 (83%)
- 60 Prior Approvals are included in V64 – 54 of which have been granted – those remaining include the Edinburgh Gateway & Canopy & Boundary Treatment at Airport Kiosk (90%)
- 55 Technical Approvals out of 63 have been granted in V64 (93%)
- Roads approvals - One area remains outstanding from the V31 Technical Approval in Phase 1a (1C2- Picardy Place to St Andrew Square);
- Scottish Water has sent formal acceptances to BSC for all sections with the exception of 1C2 (Picardy Place to St Andrew Square) & 1C1 (McDonald Rd to Picardy Place).
- Sections 1A1, 1A2, 1A4, 1B, 1D, 5A, 5B, 5C & 6 close reports have been signed off by CEC, subject to BSC concluding any concessions included in the reports during construction. CEC are reviewing all other sections based on the prioritisation list provided by BSC.

Reasons for design slippage are being reviewed and recorded monthly at the design taskforce meeting, which is focused on resolving the outstanding design issues. **tie** is identifying and implementing opportunities to mitigate the impacts of this slippage. It should be noted that this is a consortium issue to manage, and **tie** will provide support in this respect.

To date 120 out of 969 informatives have been closed out and agreement in principle has been reached on a further 372. Further workshops are planned for Period 10.

**tie** has implemented an extensive programme of site based monitoring to validate & verify the installation of works in line with an integrated design assured construction.

**tie** undertook an audit on management of design by BSC/SDS during periods 3-4. This was hampered with resistance encountered and contractual correspondence is in place in respect of this matter to try and re-start the audit process. **tie** plans to attempt to audit again in January 2011.

Design performance by Infraco and their designer is the subject of the RTN's mentioned in the section above and is being vigorously pursued through the Design Task Force sessions held weekly with BSC.

The Technical Support Services Contractor (TSS) have completed a design status review, and the results of this assessment indicate that the design is around 90% complete (excluding as built).

## Utility & Cabling Works

Utility work - minimal work occurred during the period due to the commencement of the City Centre Embargo on 27/11/10.

The remaining on-street Utility, remedial & snagging works are under programme development by **tie**.

The tender process for Utility work at Baltic street remains on hold until **tie** receive the required IFC drawings from SDS - which remain outstanding with no delivery schedule in place from SDS.

Telecoms continued to progress their re-cabling activities on-street, with planned for early 2011 -following the Embargo - in St Andrews Square & York Place. Cabling continued in Torphichen St has outages booked for Jan 11. Cabling in this area could be protected during tramworks as crossings are perpendicular to Tram route.

The completion of BT Cabling on the northbound carriageway between MacDonald Rd – Jane St is compounded by delays to the duct work at York Place; however the Southbound carriageway is available to BSC.



**Traffic Regulation Order (TRO1)**

On 23 November 2011, CEC approved the making of the first tranche of the tram Traffic Regulation Orders (TRO1), this empowering the Council to introduce the necessary kerbside and moving restrictions and measures to enable operations of the tram through Edinburgh City Centre (Haymarket to Newhaven).

**Tramworks (INFRACO)**

The progress achieved in Period 9 for INFRACO works was 0.4% against a plan of 0.8% although it should be noted that against the contractual Rev.1 programme Off-street construction should now be complete with On-street construction nearing completion.

BSC are undertaking very limited on-street works in the Leith Docks area at present, with only Lindsay Road worksite remaining active post 19<sup>th</sup> November. The remainder of the period progress has been achieved primarily at the Depot Access bridge and the Depot area itself.

Progress continues to be monitored against the Revision 1 programme. The summary milestones against the agreed INFRACO contract and the short term Rev 1 programme milestones are shown in the table below.

Milestone	Period 09		Cumulative (Achieved to date)	Contract Planned to P09
	Planned	Actual	Actual	
Prelims	0	0	69	77
Construction	3	1	168	1136

**Contract Milestones**

Works are currently not being carried out in line with the original Contract Programme and subsequently cannot be achieved as originally forecast.

**Prelim Milestones**

Prelim Milestones are no longer being forecast as BSC are not applying for these milestones in accordance with the Infraco Contract. It is also the case that a number of BSC's key subcontractors have not commenced in certain areas of the site therefore the milestones are not being achieved in full at this stage.



(%) Infraco Construction Progress Period 9

Period 09 2010-11	Period		Delta	Cumulative		Delta	Project
INFRACO PERIOD 09 PROGRESS (Contract Rev.01 Programme)	Plan	Actual		Plan	Actual		Wtg
Section 1a Newhaven to Foot of the Walk	2.1%	0.1%	-1.9%	97.1%	8.5%	-88.6%	16.2%
Section 1b Foot of the Walk to McDonald Road	0.0%	0.0%	0.0%	100.0%	1.3%	-98.7%	7.4%
Section 1c McDonald Road to Princes Street West	2.9%	0.0%	-2.9%	95.2%	0.0%	-95.2%	10.8%
Section 1d Princes Street West to Haymarket	0.0%	0.0%	0.0%	100.0%	42.1%	-57.9%	7.6%
<b>Combined Sections 1A-1B-1C-1D (On-Street) Newhaven Road to Haymarket</b>	<b>1.6%</b>	<b>0.1%</b>	<b>-1.5%</b>	<b>97.6%</b>	<b>11.2%</b>	<b>-86.5%</b>	<b>42.0%</b>
Section 2 Haymarket to Roseburn Junction	0.0%	0.0%	0.0%	100.0%	35.1%	-64.9%	4.2%
Section 5a Roseburn Junction to Balgreen Road	0.9%	0.0%	-0.9%	100.0%	10.0%	-90.0%	13.9%
Section 5b Balgreen Road to Edinburgh Park Central	0.0%	0.0%	0.0%	100.0%	43.4%	-56.6%	13.2%
Section 5c Edinburgh Park Central to Gogarburn	0.0%	0.8%	0.8%	100.0%	24.8%	-75.2%	7.2%
Section 6 Gogar Depot	0.0%	2.9%	2.9%	100.0%	73.1%	-26.9%	11.9%
Section 7a Gogarburn to Edinburgh Airport	0.0%	0.2%	0.2%	100.0%	47.2%	-52.8%	7.6%
<b>Combined Sections 2A-5A-5B-5C-6A-7A (Off-Street) Haymarket to Edinburgh Airport</b>	<b>0.2%</b>	<b>0.7%</b>	<b>0.5%</b>	<b>100.0%</b>	<b>39.0%</b>	<b>-61.0%</b>	<b>58.0%</b>
<b>FULL ROUTE PHASE 1A NEWHAVEN ROAD TO EDINBURGH AIRPORT</b>	<b>0.8%</b>	<b>0.4%</b>	<b>-0.3%</b>	<b>99.0%</b>	<b>27.4%</b>	<b>-71.7%</b>	<b>100.0%</b>

**ON-STREET**

Item	Period07 % Comp	Period08 % Comp	Period09 % Comp
<b>Section 1 Newhaven Road to Haymarket</b>			
Lindsay Rd RW's	53.3%	62.0%	64.0%
S17 Tower Place bridge	56.0%	65.7%	73.0%
1B Leith Walk (Foot of the Walk – McDonald Rd)	1.3%	1.3%	1.3%
1D Princes Street to Haymarket	42.1%	42.1%	42.1%

**OFF-STREET**

Progress Off-street has continued or commenced at the following locations: Note that the (%) completion estimates relate to the full structure.

Item	Period07 % Comp	Period08 % Comp	Period09 % Comp
<b>Section 02 Haymarket to Roseburn Junction</b>			
Caley Alehouse Demolition	100.00%	100.00%	100.00%
S19 Haymarket viaduct	79.7%	79.7%	79.7%
Trackwork Civils and Earthworks Haymarket to Roseburn junction	14.1%	14.1%	14.1%
Trackwork Track Laying Haymarket to Roseburn junction	0.0%	0.0%	0.0%
Haymarket Station TS	1.8%	1.8%	1.8%
<b>Section 05A Roseburn Junction to Balgreen Road</b>			
Network Rail Haymarket Sprinter Depot Carpark	100.0%	100.0%	100.0%
Russell Road Retaining Walls	22.7%	22.7%	22.7%
Murrayfield Wanderers Clubhouse Demolition	100.0%	100.0%	100.0%
Murrayfield SRU Accomodation Mods	95.0%	98.3%	100.0%
<b>Section 05B Balgreen Road to Edinburgh Park Central</b>			
S23 Carricknowe bridge	78.5%	79.5%	79.5%
Trackwork Civils and Earthworks Balgreen to Saughton	42.7%	42.7%	42.7%
Trackwork Track Laying Balgreen to Saughton	11.3%	11.3%	11.3%
Trackwork Civils and Earthworks Saughton to Bankhead (includes Guided Busway)	100.0%	100.0%	100.0%
Trackwork Track Laying Saughton to Bankhead (includes Guided Busway)	63.7%	63.7%	63.7%
Trackwork Civils and Earthworks Bankhead to Edinburgh Park	31.0%	31.0%	31.0%
Trackwork Track Laying Bankhead to Edinburgh Park	0.0%	0.0%	0.0%
Edinburgh Park Station TS	6.4%	6.4%	6.4%
Trackwork Civils and Earthworks Edinburgh Park Station to Edinburgh Park Central	43.4%	43.4%	43.4%
Trackwork Track Laying Edinburgh Park Station to Edinburgh Park Central	0.0%	0.0%	0.0%
S27 Edinburgh Park viaduct	94.2%	94.2%	94.2%
<b>Section 05C Edinburgh Park Central to Gogarburn</b>			
Trackwork Civils and Earthworks Edinburgh Park Central to Gyle Centre	19.8%	20.6%	20.6%
Trackwork Track Laying Edinburgh Park Central to Gyle Centre	0.0%	0.0%	0.0%
A8 underpass (Excluding utilities works)	45.4%	45.4%	45.4%
S32 Depot Access bridge	45.2%	65.2%	71.3%
Trackwork Civils and Earthworks Gyle to Depot Stop	4.2%	4.2%	4.2%
Trackwork Track Laying Gyle to Depot Stop	0.0%	0.0%	0.0%
Trackwork Civils and Earthworks Depot Stop to Gogarburn	61.9%	61.9%	66.9%
Trackwork Track Laying Depot Stop to Gogarburn	0.0%	0.0%	0.0%



<b>Section 06 Gogar Depot</b>			
Depot Earthworks & drainage	98.0%	99.1%	99.1%
Depot Trackworks Civils	72.7%	77.2%	77.2%
Depot Trackworks - Track Laying	12.0%	16.0%	20.0%
Depot building (Total).	68.8%	74.7%	76.0%
Depot Sub-station	50.4%	66.2%	79.0%
Depot Access Roads	63.1%	63.6%	68.5%
Depot E&M Works	0.0%	11.1%	12.5%
Depot in totality	65.3%	70.2%	74.1%
<b>Section 07 Gogarburn to Edinburgh Airport</b>			
Gogar Landfill	91.5%	91.5%	91.5%
Gogarburn Bridge	98.5%	98.5%	98.5%
S30 Gogar Culvert No.1	100.0%	100.0%	100.0%
Trackwork Civils and Earthworks Gogarburn to Ingliston P&R	69.0%	71.1%	75.2%
Trackwork Track Laying Gogarburn to Ingliston P&R	0.0%	0.0%	0.0%
Hilton Hotel Carpark Phase 1	100.0%	100.0%	100.0%
Ingliston Park and Ride Sub-station	1.4%	1.4%	1.4%
W14A&B / W15C&D Gogarburn RW's	57.5%	57.5%	57.5%
S31 Gogar Culvert No.2	100.0%	100.0%	100.0%
S34 Gogar Culvert No.3 (Remedial works to be done)	97.2%	97.2%	97.2%
Trackwork Civils and Earthworks Ingliston Park & Ride to Edinburgh Airport	82.8%	85.9%	85.9%
Trackwork Track Laying Ingliston Park & Ride to Edinburgh Airport	0.0%	0.0%	0.0%

Section	Commentary
<b>Section 1a Newhaven to Foot of the Walk</b>	No agreed programme for recommencing main works in this section Works progressed slowly on Lindsay Road RWs however adverse weather in final part of period led to all works halting. Tower Bridge – No works carried out from 19/11/10 as Bridge re-opened, as per Forth Ports Licence.
<b>Section 1b Foot of the Walk to McDonald Road</b>	No agreed programme for recommencing in this section
<b>Section 1c McDonald Road to Princes Street West</b>	No agreed programme for recommencing in this section
<b>Section 1d Princes Street West to Haymarket</b>	No agreed programme for recommencing in this section
<b>Section 2 Haymarket to Roseburn Junction</b>	<u>Haymarket Viaduct</u>  There have been no productive works in this section since BSC cleared site on 1 <sup>st</sup> October 10. Attendance on site continued until 7 <sup>th</sup> October 10 to ensure the site was safe. Scottish Power worked adjacent to the BSC site from 1 <sup>st</sup> to 3 <sup>rd</sup> November 10 to repair a fault on a Pilot cable. This was not directly related to the Tram works however there were issues with the fence line being removed without permission.  <u>Haymarket Yards</u>  There have been no productive works in this section by BSC since they cleared site on 1 <sup>st</sup> October 10. Attendance on site continued until 7 <sup>th</sup> October 10 to ensure the site was safe. SGN commenced laying the temporary gas main on 28 <sup>th</sup> September 10 however had to stop due to the lack of BSC presence on 1 <sup>st</sup> October 10.
<b>Section 5a Roseburn Junction to Balgreen Road</b>	Temporary & permanent works re-design along with commercial resolution is delaying various structures. All required consents in place for track installation.  <u>Russell Road Bridge</u>  No works carried out during the period. Temporary works design for the soil nailing has been signed off by Network Rail, as well as WPP with no qualifications. Scheme for protection of the 24" gas main during the soil nail works submitted to SGN by BSC and is agreed. Details of protection to the gas main during the piling works waited



Section	Commentary
	<p>from BSC. Road /Footpath/Cycleway closure was planned for 04/10/10, however this remains on hold and the signs removed.</p> <p><u>Russell Road Retaining Wall W4</u></p> <p>No piling work carried out during the period. No work carried out by Expanded during the period. The proposal to install an additional barrier to ensure Scotrail move into the new car park has been rejected by tie and Scotrail to be advised in writing. Pile caps for units 1-9 300mm out with the LOD – BSC/SDS to resolve.</p> <p><u>W18 – Murrayfield Tram Stop RW</u></p> <p>BSC claim Plot 101 is within the LOD and clashes with the foundations of W18 RW. tie has received the structural engineers report for review.</p> <p><u>W8 – Baird Drive RW</u></p> <p>Site clearance work stopped and site cabins removed week commencing 1<sup>st</sup> November. Form C for works was signed off by Network Rail w/e 08/10/10 with the condition that the track monitoring action plan was to be agreed.</p>
<p><b>Section 5b Balgreen Road to Edinburgh Park Central</b></p>	<p>Temporary &amp; permanent works re-design along with commercial resolution delaying various structures.</p> <p><u>Balgreen Road to Carrick Knowe Bridge</u></p> <p>No work in the period.</p> <p><u>Carrick Knowe Bridge</u></p> <p>BSC informed by tie that SGA Sewer diversion is completed and site available 04-11-10. Design/ Level issue still to be sorted by BSC, Expanded will not be returning to complete until levels are resolved. No other works have been carried out during this period.</p> <p><u>Edinburgh Park Bridge North Ramp to Edinburgh Park Central</u></p> <p>There has been no work carried out in this section during this period. The route was to be used for the access to Section 5C earthworks, however, there is no resolution to the OLE base conflict with the coarse material installed by BSC to replace the organic material.</p> <p><u>Bankhead Drive Ch 522850 to 523500</u></p> <p>There has not been any works in this section during the period. BSC submitted WAC test results however the information was incomplete and insufficient, therefore returned.</p> <p><u>Edinburgh Park Bridge</u></p> <p>No works carried out during the period. Issues with the DKE/OLE plinths/Robust kerbs still not resolved by BSC. Colour of cladding at the north approach ramp also not resolved by BSC.</p> <p><u>Busgate</u></p> <p>Work on the site was stopped by BSC on 8<sup>th</sup> October 10 due to the outstanding Change issues affecting drainage, HRL, earthworks and the Tram Halt.</p> <p>There are a number of technical issues that have been ongoing for some time affecting the site and urgently require BSC/SDS solutions including; OLE clash with an existing (known) sewer, drainage conflict with SP insurance ducts, trackform drainage review/re-design and CEC approval of the latest street lighting design. A potential clash between the existing SGN IP gas main and one of the OLE bases has been reported and is being investigated.</p>

Section	Commentary
<p><b>Section 5c Edinburgh Park Central to Gogarburn</b></p>	<p><u>Section 5C Edinburgh Park Central to Gyle Tram Stop (Inclusive)</u></p> <p>The section is broken down into a number of areas due to the issues associated with each.</p> <p>CH 530 450 to 600 - Earthwork replacement was completed by 27/09/10 and the site cleared. Further works will not be progressed by BSC until ongoing Change issues are resolved.</p> <p>CH 524 490 to 530 420 – BSC replaced the pedestrian footpath with a concrete slab on 9<sup>th</sup> October 10 to enable site vehicles to cross for the earthworks. BSC carried out trial holes on 11<sup>th</sup> October 10 and highlighted the potential problem with the existing utilities being within the depth for replacement of soft material or requiring protection during the earthworks. The top soil strip was carried out between 12<sup>th</sup> and 14<sup>th</sup> October 10 and no progress has been made since. No further work will be carried out by BSC until a Change has been issued.</p> <p>CH 524 490 to 524 555 – there is currently no technical change to the earthworks in this section. The 1130mm dig and replace affects from the start of 5C. The area up to 524 490 requires only 200mm capping and 150mm starter layer. <b>tie</b> has issued a letter issued to BSC advising this area is available to them to proceed on this basis.</p> <p><u>A8 Underpass</u></p> <p>There have been no works carried out by BSC on the A8 Underpass since 01/10/10 due to the contractor's decision to stop work until all outstanding INTC's have been closed out.</p> <p><u>Depot Access Bridge</u></p> <p>North Abutment: Backfilling/Structural fill works</p> <p>Central Pier: Prep works carried out levelling areas prior to erecting Scaffold for Deck work</p> <p>South Abutment: Formworks and concreting works continued during this period, however adverse weather conditions at the end of the period exacerbated works.</p>
<p><b>Section 6 Gogar Depot</b></p>	<p>Depot Building works: Accommodation area: Building 2<sup>nd</sup> fix M&amp;E works ongoing – internal fit out ongoing. Building envelope completed with external doors, canopies, etc substantially completed. Internal brickwork painting ongoing. Workshop area floor painting ongoing. M&amp;E works and Power Energy Building and Sub-station fit-out progressing – LV power supply now operational with lighting etc now available inside building. Gas connection made resulting in heating being switched on</p> <p>External works: nominal external works including drainage progressed in period due to contractor's decision re outstanding INTC's</p> <p>Track Laying: Siemens slow progress in 2B where they are taking forward ballast, sleeper and rail works – works exacerbated at end of the period by adverse weather. On completion they plan to move into part of Area 2C.</p>
<p><b>Section 7a Gogarburn to Edinburgh Airport</b></p>	<p>Gogarburn Bridge: Area available for Siemens track laying. No works in period.</p> <p>IPR to EAL: Drainage is now substantially completed and testing is being carried out. No further ductworks, OLE found, sub-base or track slab works have taken place since 01/10/10.</p> <p>Gogarburn to IPR: Drainage crossing completed at Gogar Farm Road and testing carried out. No further ductworks, OLE found, sub-</p>



Section	Commentary
	<p>base or track slab works have taken place since 01/10/10.</p> <p>Gogar Landfill: No further surcharge materials have been removed during the period. Monitoring has now concluded and a report is awaited from SDS.</p>

Other Progress Points to note in Period 9:

- Tower Place bridge re-opened to the public on 19<sup>th</sup> Nov to accommodate Ocean Terminal Christmas Shopping
- Depot Access bridge is continuing to programme
- The Gogar tram depot M&E systems are being tested and commissioned using the utilities connections.
- It is expected that the depot plant and equipment for maintaining the trams will start to be installed in mid-January 2011.
- Good progress continues to be made with fitting out of equipment in the HV substation at the depot.

Issues in the Period

- BSC have ceased works in all areas with the exception of Lindsay Road RWs, Depot Access Bridge, drainage in Section 7 and some M+E works in Depot due to alleged non payment of items relating to changes. **tie** disputes this.
- Issue surrounding flood reports and requirements to satisfy 3<sup>rd</sup> Party agreements with BAA are causing problems with the design of the airport retaining walls. An alternative design is being pursued.
- Track laying at the depot is going very slowly. Several issues have been highlighted that could result in rework being required.

**Tram Construction (Tramco)**

The CAF contract programme is incorporated in the Master Tram project Programme. **tie** are now receiving an electronic submission of the CAF programme to allow analysis of the programme.

CAF is progressing well to deliver trams to Edinburgh according with its contractual programme but there is currently no access available to the depot to receive the trams. Tram 252 has been moved as required by CEC, pre-Embargo on the 20<sup>th</sup> /21<sup>st</sup> November as planned, to storage in Broxburn.

**Period 9 Summary – Tramco**

No	Planned	Activities in current Period
1	Fabrication of the trams	Fabrication and primer painting is completed on all the body-shells for all twenty seven trams. Equipment fit-out for the remaining trams 20 to 25 is continuing in the assembly hall. The first 19 trams are completed and tram 20 is about to start factory acceptance testing.
2	Enhanced passenger information upgrade	Plan still to fit final equipment when trams arrive in Edinburgh.
3	Review of Test Protocols and test results	CAF have completed final internal tests to verify and calibrate computer design tools using Tram 251 at Wildenrath on the 12 <sup>th</sup> October 2010, final report awaited.
4	Depot Equipment	CAF are continuing progress, delivery schedule under discussion in conjunction with civil works programme for depot mid-January 2011 is the current start date for this.
5	Finalisation of external branding	Discussions with CAF on application of the final branding have started and any commercial issues will be flagged in



		due course. We intend to use the fact that they are stored at the factory to undertake this work prior to shipping to Edinburgh.
6	Preliminary Tram O&M Manuals	Revised manuals received and reviewed. ROR sent back and next update due mid 2011 after experience on site with the trams.
7	Key sub-contract placement	Collateral warranties – 3 signed warranties have been received, remaining continue to be progressed.
8	Factory Based Acceptance Testing complete	First 19 trams have successfully completed factory testing to date. 70% of trams now completed and tested.
9	Testing regime	CAF have revised the Delivery & commissioning regime for the trams to reflect the requirement to store Trams pre delivery to Depot. All Trams will be prepared after storage, undertake Dynamic testing and commissioning. 1 <sup>st</sup> tram due for starting commissioning mid-March 11- last tram mid-May 12.
10	Programme progress	84% of scheduled activities completed

### Preparing for Operations

The Operational Readiness detailed programme information is also incorporated into the Master Tram Project Programme.

Regular meetings are held to review the programme and the potential impact of the infrastructure delivery dates to the commissioning process and the associated operational staff recruitment and training programme based on the current **tie** live programme.

A full update will be put in place at the conclusion of the Recovery Programme exercise. The Operational Readiness team are working closely with both **tie** and BSC programme teams to coordinate progress at the Depot.

We have been planning in detail the first three stages of preparation for the Testing & Commissioning. The Benefits Realisation & Operational Readiness Sub-Committee of the TEL Board provides the governance overview and monitors the progress of the tasks and decisions required to deliver the Operational Readiness programme. Good progress is being made in all activities except those that are directly dependent upon progress with the infrastructure works.

Lloyds Register Rail have reviewed and reported on the plans and procedures for managing the safety of the tram system and the documents have been updated and reissued.

The procurement of the ticketing equipment for the tram system, to integrate with the existing Lothian Buses ticketing system has progressed to the stage where the final ITT has been issued to the two suppliers who are due to return their tenders on the 16th December for evaluation. We expect to select a preferred bidder during January and finalise a contract containing client break option clauses at suitable points in the programme.

The maintenance of completed infrastructure assets continues to be developed with BSC maintenance representatives, notably the tram vehicle O&M and Operator Manuals and the asset management system for the tram vehicles.

Terms and conditions for operations staff have been drafted in partnership with Lothian Buses and the various job descriptions have been graded using the Hay Evaluation process.

Snagging activities have been carried out on the office and control room accommodation at the Gogar tram depot.

### 3 Edinburgh Gateway

#### Edinburgh Gateway

Progress on the Edinburgh Gateway Project in Period 9 2010/11 is summarised as follows:

- Prior Approval was granted on 28<sup>th</sup> July 2010. The revised Prior Approval will be submitted to CEC in Period 10 following agreement with NR regarding the final landscaping details. Work on the detailed design to achieve Technical Approval has continued with NR and SW approval achieved in the period for the retaining wall alignment. This approval took longer than expected and together with a late revision to the bearing detail by NR delayed issue of the AIP to CEC for the retaining walls. As a result BSC will issue the Approval in Principle to CEC for the high and low level walls on 10/12/10.
- **tie** have requested an Estimate from BSC for Edinburgh Gateway construction works as a Change under the Infraco Contract. BSC will be unable to submit the finalised Estimate until the design has achieved IFC status which is dependent on the Prior and Technical Approval issues discussed above. The request for the Estimate contains a number of programme matters that **tie** have indicated that Infraco should assume when completing their Estimate. These programme issues will require adjustment following resolution of the Prior and Technical Approval issues and to reflect the delay in diverting the 33kV cable by NR.
- Construction Staging meetings with tie, TS, Network Rail and BSC. NR have agreed to work to a predetermined set of ETN night time possessions to construct the recirculation tower and over-bridge. All parties have discussed the preferred construction sequence which can only be verified following receipt of an Estimate and Programme from BSC.

#### Forecast Cost to Complete Design

Forecast outturn is now at £1,166k (revised in period) against an original £880k:

##### £880k Breakdown

SDS	£400k
JRC	£ 30k
<b>tie</b>	£100k
Siemens	£350k

##### £1,166k Breakdown

SDS	£540k
JRC	£ 45k
<b>tie</b>	£120k
Siemens	£327k
Const. Staging	£ 30k
ICP	£ 20k
Name Change	£ 3k
A8 Drainage	£ 27k
Legal Costs	£ 50k
33kV Enab Wks	£ 4k

**tie** have discussed outstanding milestone applications with BSC in an effort to ensure cash flow is consistent with progress.

#### **Period 9 Design progress**

At the end of Period 9 **tie** assessed the design phase as 89% complete. The work carried out in the Period involved resolution of final Technical Approval issues with NR and did not contribute significantly to progress on the overall design.



Cost of work done to date is £1,031k versus the £880k originally forecast and the £1166k revised AFC. This has remained static in the period to reflect the issues in achieving NR approval for the alignment of the wall and final bearing details.

The Prior Approval application for Edinburgh Gateway was approved on 28<sup>th</sup> July 2010. The revised Prior Approval will be submitted to CEC in Period 10 following agreement with NR regarding the final landscaping details. Work on the detailed design to achieve Technical Approval has continued with NR and SW approval achieved in the period for the retaining wall alignment. This approval took longer than expected and together with a late revision to the bearing detail by NR delayed issue of the AIP to CEC for the retaining walls. As a result BSC will issue the Approval in Principle to CEC for the high and low level walls on 10/12/10. Edinburgh Gateway A8 road drainage design was revised in period following SW and CEC and comments and has been reissued for further consultation.

### **Tram Design Issues**

BSC previously identified a need to discuss the reduced headroom for the OLE through the tramstop with the Independent Competent Person (ICP). The **tie** engineering team have discussed this further with BSC and have received confirmation that this is still an issue. BSC will supply the justification for the **tie**/ICP to review.

A meeting was held on 2<sup>nd</sup> September 2010 between **tie**, TS and NR with ETN ICP John Dolan. The meeting discussed the design interface issues that require to be addressed to satisfy ETN ICP John Dolan. These will be addressed through detailed design and final confirmation sought during the Design Review carried out in accordance with the Infraco Contract. Further discussions will be required with NR to close out the specific interface issues. These will be addressed through the regular Design Managements meetings between **tie**, TS and NR and the fortnightly conference calls.

### **Tram Patronage Modelling & Business Case**

**tie** were scheduled to meet with Transport Scotland on 9<sup>th</sup> November 2010, to finalise any issues or queries identified by the Transport Scotland modelling team arising from the JRC report. This meeting was postponed at the request of Transport Scotland. The action resides with TS to advise on a suitable reschedule date to enable any residual matters to be addressed.

### **Programme Milestones**

Discussions are continuing between **tie** and Transport Scotland to agree Key Milestones. Transport Scotland has sought to agree these milestones with **tie** in the period. **tie** consider it to be inappropriate to agree all of these milestones at the moment due to the lack of agreement with BSC and the number of outstanding issues with Transport Scotland/Network Rail. **tie** updated the forecast dates in Period 7. No update in Period 9 due to resolution of key design issues.



## Master Project Milestone Schedule

<b>PERIOD Ending</b>	08/10/2010
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ALL DATES ARE INDICATIVE ONLY UNTIL BASELINE PROGRAMMES ARE AGREED

Progress against milestones in programme					Master Project Milestones
		Baselined	Forecast	Status / Completion Date	
<b>Edinburgh Gateway - Tram Works</b>					
Milestone G1	Completion of Detail Design	30-Aug-10	22-Nov-10		
Milestone G2	Completion of Cost Estimate (Including Risk & Value)	30-Sep-10	07-Dec-10		
Milestone G3	Completion of Technical Approvals	30-Sep-10	30-Nov-10		
Milestone G4	Completion of Statutory Approval & Consents (Prior Approval)	28-Jul-10	22-Nov-10		
Milestone G5	Completion of Issue for Construction (IFC) Information	18-Oct-10	01-Dec-10		
Milestone G6	Completion of Tram/Business Case Modelling	22-Jun-10	TBC		
Milestone G7	Completion of Construction Staging and Programme	30-Sep-10	07-Dec-10		
Milestone G8	Provision of CEC/tie Proposal to TS (Price & Programme)	08-Oct-10	07-Dec-10		
Milestone G9	Completion of Grant Funding Arrangement	15-Oct-10	10-Jan-11		
Milestone G10	Complete Design & Development Stage 1		TBC		
Milestone G11	Confirmation of Scope of Legal Agreements/Heads of Terms	05-Aug-10	05-Aug-10		
Milestone G12	Completion of Heads of Terms/Draft Legal Agreement	19-Aug-10	15-Nov-10		
Milestone G13	Completion of Legal Agreements	01-Oct-10	14-Dec-10		
Milestone G14	Commencement of Tram Construction Phase 1	18-Oct-10	10-Jan-11		
Milestone G15	Completion of Tram Construction Phase 1	31-Mar-11	10-Jun-11		
Milestone G16	Access to Tram Area 1 for NR Works (Ref.252960/CIV/6001/001)	01-May-11	01-May-11		
Milestone G17	Access to Tram 2 for NR Works (Ref.252960/CIV/6001/002)	01-Jul-11	11-Jun-11		
Milestone G18	Commence Tram Construction Phase 2	01-Jul-11	10-Sep-11		
Milestone G19	Completion Tram Construction Phase 2		24-Feb-12		
Milestone G20	Commencement of Operational Tramway Restrictions		TBC		
Milestone G21	Access to Tram Cutting for NR Works Around Operational Tram	01-Dec-11	TBC		
Milestone G22	Commence Tram Commissioning	01-Jan-12	01-Mar-12		
Milestone G23	Completion of Tram Commissioning	30-Jun-12	30-Aug-12		
Milestone G24	Completion of Implementation Stage & Commencement of Operation		TBC		
Milestone G25	Entry into Service	01-Jul-12	31-Aug-12		

Item Complete	Strikethrough		
Item due for completion on time	Green	Green	
Overrun, not yet critical - low risk to 'Final Delivery'	Amber	Amber	
Significant risk to 'Final Delivery' unless addressed	Red	Red	
Milestone also reported in PDG Section 4.1	Grey	Grey	

### Legal Agreements

Following meetings between parties on 25<sup>th</sup> and 29<sup>th</sup> October, the parties agreed not to progress the drafting of the legal agreements at the moment due to uncertainties around scope and

programme. This work will be progress in the new year. The current status of these agreements is understood to be as follows:

- Licence to occupy land from CEC to NR, also incorporating transfer of land to NR from CEC. This agreement will require to be in place in time for entry April 2011.
- Construction Interface Agreement. No drafting has progressed on this agreement to date.
- Operational Interface Agreement. No drafting has progressed on this agreement to date.
- Bridge Agreement. No drafting has progressed on this agreement to date.

Transport Scotland are urged to press Network rail to progress these agreements at the earliest opportunity to avoid delays to commencement of construction of the Station elements.

#### **Long-lead Items / Abortive Works**

**tie** has written to Transport Scotland confirming arrangements put in place with respect to avoiding abortive works. Transport Scotland has confirmed that **tie** should take steps to minimise the abortive works on the basis that the Edinburgh Gateway project will go ahead.

Drainage for the earthworks at the Depot is currently being installed to the west of the Depot Access Bridge. There is no option that does not involve some abortive work if Edinburgh Gateway goes ahead as foul and surface water drainage works need to be installed to allow completion of the Depot and Section 5C test track. BSC are at present only progressing the critical works to allow commissioning of the Depot and Test Track. The full extent of the abortive works will not be known until the drainage design for the Edinburgh Gateway has been designed and approved. The BSC design is being progressed to maximise reuse of the existing IFC drainage systems.

#### **Construction Staging**

Construction Staging meetings with **tie**, TS, Network Rail and BSC. NR have agreed to work to a predetermined set of ETN night time possessions to construct the recirculation tower and overbridge. All parties have discussed the preferred construction sequence which can only be verified following receipt of an Estimate and Programme from BSC.

**tie** met with Transport Scotland and BSC on to review the requirements for commissioning of the tram system test track and the impact of Edinburgh Gateway project on 1<sup>st</sup> September 2010. Edinburgh Gateway does not appear to have a significant impact in this respect, however a number of minor issues were identified as requiring consideration. **tie** issued TNC letter to BSC on 10<sup>th</sup> September 2010 to cover this scope of works. No response has been received to date.

Network Rail commenced on site on 2<sup>nd</sup> November 2010 to divert the Scottish Power 33Kv cable diversion. Cable works were completed on site on 26<sup>th</sup> November 2010 ready for jointing. NR have indicated jointing works will be carried out Jan 2011. No significant issues were identified in the Period.



## 4 Headline cost report

### 4.1 Current Financial Year

	FY 10/11			FY 10/11			FY 10/11			COWD To Date	Costs To Go	Total AFC
	COWD Period			COWD Year To Date			COWD Full Year Forecast					
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance	Actual	Forecast	Forecast
Total Project COWD	8.276	13.148	-4.872	50.784	94.781	-43.997	86.674	142.245	-55.571	398.626	146.374	545.000
Other Funding	0.683	1.086	-0.402	4.193	7.826	-3.633	7.157	11.745	-4.588	32.914	12.086	45.000
Demand on TS	7.593	12.063	-4.470	46.591	86.955	-40.364	79.518	130.500	-50.983	365.712	134.288	500.000

The 'AFC' figure of £545m (table above) does not reflect an approved and reliable Anticipated Final Cost for the Edinburgh Tram Project. Rather, the forecast presented reflects our best view of the spend profile of the funding currently available for the delivery of the entirety of phase 1a.

Given the continuing commercial uncertainties with the Infraco and continuing delays to the project it is considered unlikely that the full scope of Phase 1a will be completed within the available funding envelope of £545m. It is not however possible at the present time to accurately forecast a reliable outturn cost until the key commercial issues are resolved through the contractual and legal process

**tie presented an updated forecast for 2010/11 project spend to TS on Tuesday 19<sup>th</sup> October. Forecast spend ranges and sensitivities for 2010/11 & 2011/12 were presented to TS on 4<sup>th</sup> November.**

The review of spend for 2010/11 has resulted in a tuning down of forecast from £142.3m (budget) and a Q1 forecast of £120.2m to our latest forecast of £86.7m. Sensitivities to the £86.7m are highlighted below. **tie** are committed to keeping TS and CEC updated as to the progress of our commercial engagement and any material impacts on the Projects spend profile.

COWD to date is £398.6m, with funding to date split to TS (£365.7m) and CEC (£32.9m).

#### Actual YTD P9 & forecast P10-P13 FY10/11

£m	2010/11 to P9	Forecast P10-P13,10/11	Forecast FY10/11
Infrastructure and vehicles	35.7	24.9	60.6
Utilities diversions	3.9	0.0	3.9
Design	1.3	0.7	2.0
Land and compensation	0.3	0.0	0.3
Resources and insurance	9.6	5.1	14.7
<b>Base costs</b>	<b>50.8</b>	<b>30.7</b>	<b>81.5</b>
Risk allowance	0.0	5.2	5.2
<b>Total Phase 1a</b>	<b>50.8</b>	<b>35.9</b>	<b>86.7</b>

YTD 2010/11 COWD is £50.8m in period 9, and the full-year outturn forecast for 2010/11 remains at £86.7m, in-line with the forecast for P8 (£120.2m Q1).

Key Risks and sensitivities to the £86.7m forecast for are:

- Tramco – Non Tram vehicle related costs forecast (-£5.6m)
- Infraco related prelims – currently under DRP (+£8.6m)
- Infraco Main works progress up to (-£20.4m)
- Commercial engagement – structure of outcome will influence spend profile
- Final Utilities settlement with CUS

As previously reported and agreed with CEC and TS, initial milestones under the Infraco and Tramco contracts in the aggregate amount of £14.3m, in respect of advance material purchases, have been classified as prepayments. These will be reclassified as expenditure against funding in the periods when the related materials are delivered to site and



incorporated in the works. The release will occur on the achievement of trackwork and structures milestones in 2010/11 and future years.

### Current Financial Year Profile

#### Profile for FY10/11

£m	Q1 (p1-3)	Q2 (p4-6)	Q3 (p7-10)	Q4 (p11-13)	Total FY10/11
Infrastructure and vehicles	16.7	9.6	11.5	22.8	60.6
Utilities diversions	-0.4	0.1	4.2	0.0	3.9
Design	0.5	0.4	0.5	0.6	2.0
Land and compensation	0.2	0.1	0.0	0.0	0.3
Resources and insurance	3.2	3.3	4.2	4.0	14.7
<b>Base costs</b>	<b>20.1</b>	<b>13.5</b>	<b>20.4</b>	<b>27.4</b>	<b>81.5</b>
Risk allowance	0.0	0.0	0.0	5.2	5.2
<b>Total Tram</b>	<b>20.1</b>	<b>13.5</b>	<b>20.4</b>	<b>32.6</b>	<b>86.7</b>

- Costs for 2010/11 are forecast at £86.7m (£120.2m Q1). *Note: This forecast is sensitive to the key risks as identified above.*
- The latest forecast is based upon **tie** Project Managers view as at the end of period 9, updated and amended in-line with the assumptions presented to TS on 4<sup>th</sup> November.
- **The original TS share of the budget (£130.5m) has been reduced to a forecast of £79.5m.**

### Project Cashflow Forecast

#### Re-baselined Phase 1a Cash Profiling

£m	Cum FY07/08	Actual 08/09	Actual 09/10	FY 10/11	FY 11/12	AFC
Infrastructure and vehicles	30.6	45.2	83.5	60.6	104.3	324.2
Utilities diversions	18.4	33.4	10.6	3.9	-3.9	62.4
Design	24.4	4.7	2.1	2.0	1.0	34.2
Land and compensation	16.8	1.7	1.6	0.3	0.0	20.5
Resources and insurance	42.9	16.0	15.9	14.7	9.1	98.5
<b>Base costs (inc 1b)</b>	<b>133.1</b>	<b>101.0</b>	<b>113.8</b>	<b>81.5</b>	<b>110.5</b>	<b>539.8</b>
Risk Allowance	0.0	0.0	0.0	5.2	0	5.2
<b>Total</b>	<b>133.1</b>	<b>101.0</b>	<b>113.8</b>	<b>86.7</b>	<b>110.5</b>	<b>545.0</b>

Note: Base costs include £6.2m for ph 1b.

Per the note in 4.1 the 'AFC' figure of £545m does not reflect an approved and reliable Anticipated Final Cost for the Edinburgh Tram Project, but point to 'our best view' of the spend profile of the funding currently made available for the delivery of the entirety of phase 1a.

The TEL board have approved a risk allowance within the current funding arrangements of up to £58.2m, which takes the current agreed budget up to £540.0m.

## 5 Time schedule report

### 5.1 Report against key milestones

The table below reflects the milestones set out against the Rev1 programme.

Milestones	Baseline programme date	Actual / current forecast date tie live prgm
Approval of DFBC by CEC	21 Dec 06A	21 Dec 06A
MUDFA – commencement of utility diversions	02 Apr 07A	02 Apr 07A
TRO process commences	14Dec07A	10-Dec-07A
Approval of FBC by TS – approval and funding for INFRACO / Tramco	09 Jan 08	Dec 07A
Princes Street closed	03-Feb-09	22-Feb-09A
Tramco / INFRACO – award following CEC / TS approval and cooling off period and SDS novation.	28 Jan 08	14 May 08A
Construction commences	14-Apr-08	14-May-08A
First track installation commences – on street	03-Nov-08	Jun 2009A
Carrick Knowe Bridge commences	21-Aug-08	19-Aug-08A
A8 underpass commences	08-Aug-08	28-Aug-08A
Haymarket viaduct commences	08-May-08	01-Sep-08A
Edinburgh Park viaduct commences	06-Aug-08	01-Sep-08A
Tram mock-up delivered	Oct 2008	Nov 2008A
Demolition of Wanderers clubhouse	25-Aug-08	05-Jan-10A
Edinburgh Park viaduct complete	24-May-09	Jan-11
Princes Street re-opened	01-Aug-09	29-Nov-09A
NR immunisation complete	Nov 2009	Sep-10A
Utilities works complete (including telecoms)	Nov 2008	Jan-11
All demolition work complete (S21C)	22-Aug-08	Apr-11
All Issue for Construction (IFC) drawings delivered (inc Gogar interchange design)	21-Jan-09	Mar-11
Haymarket viaduct complete	08-Dec-08	Apr-11
All consents and approvals granted	18-May-09	Jan-11
Design assurance complete	20-Jan-09	Jul-10
1 <sup>st</sup> Tram delivered	09-Apr-10	25-Apr-10A
Carrick Knowe bridge complete	11-May-09	May-11
A8 underpass complete	14-Jul-09	Aug-11
Roseburn viaduct commences	20-Jan-09	Apr-11
TRO1 process complete	01-Dec-09	Nov-10
Recruitment commences for Operations	July 2010	Apr-11
1 <sup>st</sup> OHL installed (Section 6 Depot)	11-Dec-09	Aug-11
1 <sup>st</sup> section (other than depot) complete ready for energisation (Section 2)	25-June-10	Sep-11
Commission Section 2 (Haymarket to Roseburn junction)	11-Jan-10	Nov-11
Final tram delivered to Depot*	17-Jan-11	May-12
Commission Section 6 (depot)	25-Mar-10	Nov-11
Roseburn viaduct complete	20-Apr-10	Mar-12
Test track complete (Ready for tram testing)	23-Apr-10	Mar-12
Commission Section 7 (Gogar to Edinburgh Airport)	25-June-10	Dec-11 to Apr-12
Commission Section 1 (Newhaven to Haymarket)	11-Mar-11	Apr-12 to Dec-12
Commission Section 5 (Roseburn junction to Gogar)	09-Nov-10	Oct-11 to Aug-12
Driver training commences (excludes depot)	Nov 2010	Sep-12
System testing complete off street	09-Dec-10	Sep-12



Milestones	Baseline programme date	Actual / current forecast date tie live prgm
Construction Line 1a complete	17-Jan-11	Dec-12
System testing complete on street	16-Feb-11	Jan-13
Letter of "no objection" from Independent Competent Person to commence tram running	17-Apr-11	Jan-13
Shadow running starts	18-Apr-11	Mar-13
Shadow running complete	July 2011	Jun-13
Letter of "no objection" from Independent Competent Person to commence revenue service	July 2011	Jun-13
Open for revenue service	July 2011	Jun-13

\* CAF revised programme to reflect availability of Depot for Tram delivery

**Guidance for Completion:**

Legend for colouring of Actual / forecast date text

- Green:** Actual / forecast date is ahead or in line with baseline
- Yellow:** Slight slippage – readily recoverable with action.
- Pink:** Significant slippage but expect recovery can be achieved
- Red:** Notable / significant slippage – difficult to recover, even with action.

**Key Issues Affecting Schedule**

- BSC have ceased works in all areas with the exception of Lindsay Road RWs, Depot Access bridge and the Depot area due to alleged non payment of items relating to changes.
- Lack of agreement with BSC regarding on-street construction programme;
- Completion of redesign of the permanent works to allow commencement of the construction of structures from Baird Drive through to Balgreen Road.(this section is affected by the cessation of BSC works at present).

**12-Week Look-Ahead**

Until the revised programme is in place the forecast for the next 12 weeks continues to be generated from the **tie** Live programme including latest updated information from both BSC and **tie** Project Managers.

Note that due to the uncertainty surrounding the On-street section of the Infraco works, that these works have been removed from the 12 week forecast other than for areas that are currently underway. Similarly, as BSC have now advised that they are demobilising worksite where there is an outstanding disagreement regarding an estimate, these works have also been removed from the table.

Milestones	Actual / current forecast date
1A4 - Lindsay Rd Retaining Wall A+C	06-Dec-10C
1A3 – S17 Construction Works Tower Place bridge	10-Jan-10C
5C - S32 Depot Access bridge	06-Dec-10C
6 - Depot Building (Siemens Internals Only)	06-Dec-10C
6 – Depot Trackworks -Track Laying	06-Dec-10C
6 – Depot Access Roads	06-Dec-10C
6 – Depot OHL Bases	06-Dec-10C

Key: A=Actual; C=Continues in period; S=Start; F=Finish,



## 6 Risk and opportunity

### Review of Risk Register

#### Project Risk Register

There are 43 risks in the risk register. The top six project risks are listed herein.

The risks in the Project Risk Register were reviewed by the attendees at the Project Risk Review and all risks plus their assessment and treatment plans were reviewed and refreshed.

A new risk was added during the Project Risk Review. Risk ID 1160 relates to the potential liability for the costs associated with the works in the Forth Ports Estate due to the lack of formal agreement between CEC and Forth Ports.

1011 Period 09 - Top 6 Risks

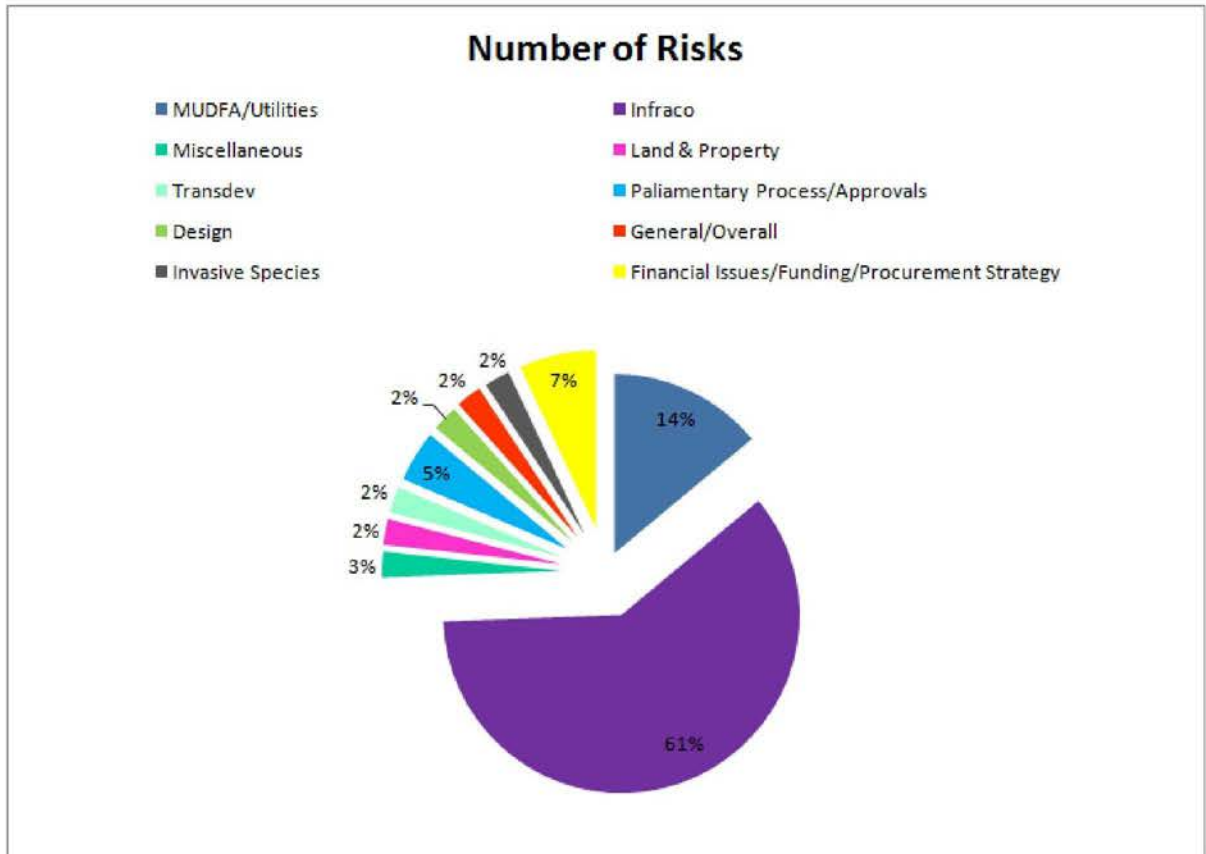
ARM Risk ID	Cause	Event	Risk Description	Effect	Risk Owner	Significance	Black Flag	Treatment Strategy	Previous Status	Current Status	Due Date	Action Owner
1159	Commercial dispute with contractor	Depending on outcome of negotiations the revised cost leads to funding pressures for CEC.	CEC required to increase contribution	S Bell	Page 25.66		Intensive commercial negotiations with contractor.	On Programme	On Programme	31-Dec-10	S Bell	
343	General delay to programme with various causes e.g. failure to obtain approvals on time, contractor issues, access after completion of utility diversions	Delay to completion of project	Increased out-turn cost due to delay plus revenue loss	S Clark	Page 25.69		Access maps showing areas available Use of Clause 34 / 80.15 - addressed via DRP Contractually assertive workstreams to progress programme DRP Mufda Rev 8 response DRP on programme management (EOT1) Liason between file/BSC programme managers Programme Management Panel process Weekly file/BSC commercial meetings Issue UWN on programme Additional resource from T&T Agreed with BSC for independent evaluation to get benchmark.	On Programme	On Programme	31-Dec-10	F McFadden	
1101	Unreasonable behaviour of BSC commercial management	Unrealistic estimates being submitted for potential changes	Programme delay while disputes regarding estimates are resolved	D Murray	Page 25.70		All estimates to be scrutinised by file commercial team and, where appropriate, challenge made to BSC. Additional resource (T&T) being used to check estimates to reduce delay and other commercial resources on there areas Clause 34/80 issues using DRP for disputed values Legal challenge to Clause 80 and BSCs interpretation thereof	On Programme	On Programme	31-Aug-10	S Bell	

1011 Period 09 - Top 6 Risks

ARM Risk ID	Cause	Event	Risk Description	Effect	Risk Owner	Significance	Black Flag	Treatment Strategy	Previous Status	Current Status	Due Date	Action Owner
1094		Roads throughout works require full depth reconstruction		Programme impact plus additional costs. £1.5m cap applies to only 4 areas (PA.12) Also affects (PA.14)	F McFadden	High - 23.00		All party buy in - application of appendix 7(1)  Carry out surveys to confirm extent of roads requiring full depth reconstruction  Intensive engagement with CEC, palette of options, methodology being agreed  Resolution of trackform at trackform workshop  Suite of options from surveys to be reviewed and agreement reached  tie developed on street proposal - optimal solution	On Programme  Complete  On Programme  On Programme  Complete  On Programme	On Programme  Complete  On Programme  On Programme  Complete  On Programme	31-Dec-11  30-Jun-09  31-Dec-10  31-Dec-10  30-Jul-10  31-Jan-11	C Neil  C Neil  C Neil  C Neil  S Bell
928	Major single safety and/or environmental incident (including a dangerous occurrence) during construction	Safety incident during construction		Delay (potentially critical) due to HSE investigation and rework. PR risk to tie and stakeholders.	F McFadden	High - 23.00		All Site Staff to get CSCS or equivalent  HSE Audits, site inspections and Management Safety Tours to be carried out  Incident management process regularly updated and revisited  Safety induction to be carried out for all site staff  TEL HSE committee overview applied  The tie "Safety" bus is being used to deliver safety talks & culture surveys to the contractors workforce. Build the tram safety Drugs & Alcohol policy  Lias with Dave Anderson and Donald McGuigan to ensure awareness of issue and agreement of current strategy	On Programme  On Programme  On Programme  On Programme  Complete  On Programme	On Programme  On Programme  On Programme  On Programme  Complete  On Programme	30-Jan-11  30-Jan-11  31-Dec-12  31-Dec-10  31-Dec-10  31-Dec-09	B Cummins  B Cummins  B Cummins  B Cummins  B Cummins  B Cummins
1160	Lack of signed, formal agreement between CEC and Forth Ports regarding Forth Ports contribution to Tram works	Forth Ports contribution does not materialise or does not equal value of works carried out		CEC required to fund difference between Forth Ports contribution and value of works	S Bell	High - 23.00		Meet with TS and ensure they are aware that costs are being allocated	Complete	Complete	5-Nov-10	S McGarity



The risks within the Project Risk Register are categorised below.



The ratings of the risks are illustrated below.



**Risk Action Plan for Next Three Periods**

The following treatment plans are due for completion in the next three periods.

Action Owner	Risk ID	Action ID	Event	Action Name	Due	Active	Complete	Late	Next 3 periods
A Richards	888	127	ETL refuse to operate system on safety ground or apply overly restrictive procedures	Involve ETC fully in design, construction and testing/review process.	30/12/2010	Yes	No	No	Period 10
A Sim	977	543	Delay in achievement of TRO(s) due to a large number of public objections and/or a legal challenge to using a TTRO to construct Infraco.	Use of TTROs to undertake construction of permanent works in advance of permanent TROs being approved	30/01/2011	Yes	No	No	Period 11
A Sim	279	711	Third party consents including Network Rail consent are denied or delayed	Increased liaison with 3rd parties	31/12/2010	Yes	No	No	Period 10
B Cummins	928	338	Safety incident during construction	Safety Induction to be carried out for all site staff	31/12/2010	Yes	No	No	Period 10
B Cummins	928	339	Safety incident during construction	HSQE audits, site inspections and management safety tours to be carried out	31/12/2010	Yes	No	No	Period 10
B Cummins	928	341	Safety incident during construction	All site staff to get CSCS or equivalent	30/01/2011	Yes	No	No	Period 11
B Cummins	928	710	Safety incident during construction	TEL HSE committee overview applied	31/12/2010	Yes	No	No	Period 10
B Cummins	58	228	Infraco fails to deliver construction quality; latent defects occur during or after Infraco maintenance period	Undertake quality audits during construction	31/12/2010	Yes	No	No	Period 10
C Neil	1094	708	Roads throughout works require full depth reconstruction	Intensive engagement with CEC, palette of options, methodology being agreed	31/12/2010	Yes	No	No	Period 10
C Neil	931	681	Unknown or abandoned assets impacts scope of Infraco work	Obstructions and voids survey, establish ownership reduced delay on discovery	31/12/2010	Yes	No	No	Period 10
C Neil	172	732	Tramway runs through area of possible contamination and special foundation is required to cope with unstable ground	Pursue technical solution re design and agree above costs	30/01/2011	Yes	No	No	Period 11
C Neil	865	740	Asbestos found during demolition works and excavations for construction	Asbestos Surveys	31/12/2010	Yes	No	No	Period 10
C Neil	1091	705	Excavation of soft, unsuitable material below Earthworks outline	Technical challenge against SDS designs	30/01/2011	Yes	No	No	Period 11
C Neil	1091	706	Excavation of soft, unsuitable material below Earthworks outline	Interactive resting approach in order to maximise value	31/12/2010	Yes	No	No	Period 10
D Sharp	1106	714	Programme delay with dispute over accountability.	Use of additional resources to apportion accountability	31/12/2010	Yes	No	No	Period 10
D Sharp	271	559	Failure to process prior approvals applications within 8 weeks	Assure the quality and timing of submissions	28/02/2011	Yes	No	No	Period 12
D Sharp	271	637	Failure to process prior approvals applications within 8 weeks	4-weekly meetings of Approvals Task Force	28/02/2011	Yes	No	No	Period 12
D Sharp	52	602	Amendments to design scope from current baseline and functional specification.	Close working relationship with CEC and stakeholders	31/01/2010	Yes	No	No	Period 11
F Dunn	1079	687	Lack of competent resources within BSC to safely and effectively deliver Tram project	Sub contractor approved process	01/01/2011	Yes	No	No	Period 10
F McFadden	343	719	Delay to completion of project	Access maps showing areas available	31/12/2011	Yes	No	No	Period 10
F McFadden	1077	723	Tramworks price based on a design which may have been altered. Unclear who authorised design change.	Deploy alternative utilities contractors to progress utilities	31/12/2011	Yes	No	No	Period 10
F McFadden	1079	661	Lack of competent resources within BSC to safely and effectively deliver Tram project	Apply contract re personnel	01/01/2011	Yes	No	No	Period 10
F McFadden	1079	684	Lack of competent resources within BSC to safely and effectively deliver Tram project	Where appropriate tie can request removal of resources	01/01/2011	Yes	No	No	Period 10
F McFadden	1079	685	Lack of competent resources within BSC to safely and effectively deliver Tram project	Resource led programmes	01/01/2011	Yes	No	No	Period 10
F McFadden	1079	686	Lack of competent resources within BSC to safely and effectively deliver Tram project	List of staff and competencies to be provided	01/01/2011	Yes	No	No	Period 10
F McFadden	914	573	Statutory Utility Companies unable to meet design approval/acceptance turnaround time to meet programme	SDS to obtain consent for design in accordance with programme requirements - SGN and Scottish Power. Complete with the exception of plates the redesign of the affected utilities at Baltic Street - IFC drawings then reduce.	31/12/2010	Yes	No	No	Period 10

Action Owner	Risk ID	Action ID	Event	Action Name	Due	Active	Complete	Late	Next 3 periods
M Paterson	1101	663	Unrealistic estimates being submitted for potential changes	All estimates to be scrutinised by the commercial team and, where appropriate, challenge made to BSC. Additional resource (T&T) being used to check estimates to reduce delay and other commercial resources on these areas	30/12/2010	Yes	No	No	Period 10
C Neil	1094	736	Roads throughout works require full depth reconstruction	Resolution of trackform at trackform workshop	31/12/2010	Yes	No	No	Period 10
R Bell	52	726	Amendments to design scope from current baseline and functional specification.	Design Task Force	31/12/2010	Yes	No	No	Period 10
S Bell	1094	725	Roads throughout works require full depth reconstruction	tie developed on-street proposal	31/01/2011	Yes	No	No	Period 11
S Bell	1160	747	Forth Ports contribution does not materialise or does not equal value of works carried out	Liase with Dave Anderson and Donald McGuigan to ensure awareness of issue and agreement of current strategy	31/12/2010	Yes	No	No	Period 10
S Bell	1077	703	Tramworks price based on a design which may have been altered. Unclear who authorised design change.	Continued DRP / Adjudication Process	31/12/2010	Yes	No	No	Period 10
S Bell	1077	720	Tramworks price based on a design which may have been altered. Unclear who authorised design change.	PA1 Challenge	31/12/2010	Yes	No	No	Period 10
S Bell	1077	724	Tramworks price based on a design which may have been altered. Unclear who authorised design change.	Siemens 33 initiative to achieve Airport to Bankhead Drive	31/12/2010	Yes	No	No	Period 10
S Bell	1159	744	Depending on outcome of negotiations the revised cost leads to funding pressures for CEC.	Intensive commercial negotiations with contractor	31/12/2010	Yes	No	No	Period 10
S Bell	1159	745	Depending on outcome of negotiations the revised cost leads to funding pressures for CEC.	CEC exploring contingency measures for additional funding	31/01/2011	Yes	No	No	Period 11
S Clark	1106	738	Programme delay with dispute over accountability.	Production of concurrency information using Accutus and internal production of PITA database	31/01/2011	Yes	No	No	Period 11
W Biggins	911	628	Presence of Scottish Power tunnel in Leith Walk requires approved construction methodology from Scottish power - works scheduled for August 08.	Liase with Scottish Power to agree and approve method of crossing tunnel - SDS doing this	31/12/2010	Yes	No	No	Period 10



**Cost Quantative Risk Analysis**

The Project Risk Allowance at financial close was £30,336,196. This was increased in Period 1 by £17,982,993 to £530m, to £535m in Period 5 and £540m in Period 7. Drawdowns on risk and contingency to the end of Period 9 10/11 now total £51,095,263. The remaining risk balance based on the approved QRA plus the additional funding is £7.2m.

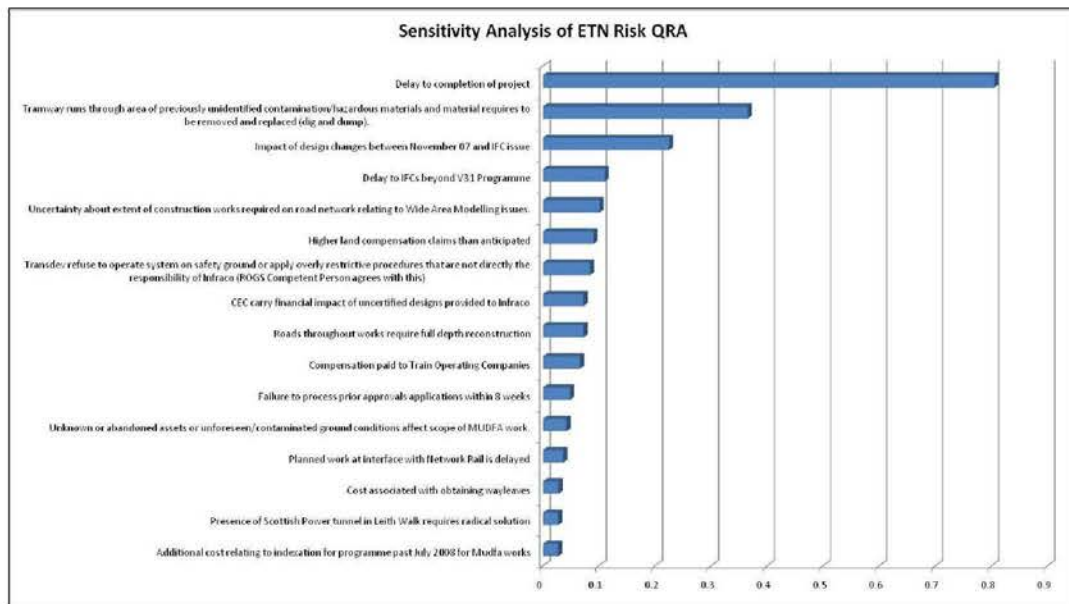
There is no current project risk allowance derived from the Project Risk Register. In order to establish what potential costs may need to be funded from risk or contingency an exercise was undertaken in Period 7 to review the Infraco Change Register with a member of the commercial team. The results of this exercise are detailed in the Change Summary.

**Risk Drawdown**

The following table illustrates the drawdown applications on the project risk and contingency allocations in Period 09.

Description	Owner	Value (£)
Cabling at Tower Place Bridge Diversion Works 1	Mike Paterson	£155,350
Extension of Traffic Management - Bankhead Drive, South Gyle Access Junc	Mike Paterson	£10,247
Tower Place Bridge – Service Diversions	Mike Paterson	£10,780
<b>Total</b>		<b>£176,377</b>

**Sensitivity Analysis of Approved Cost QRA**

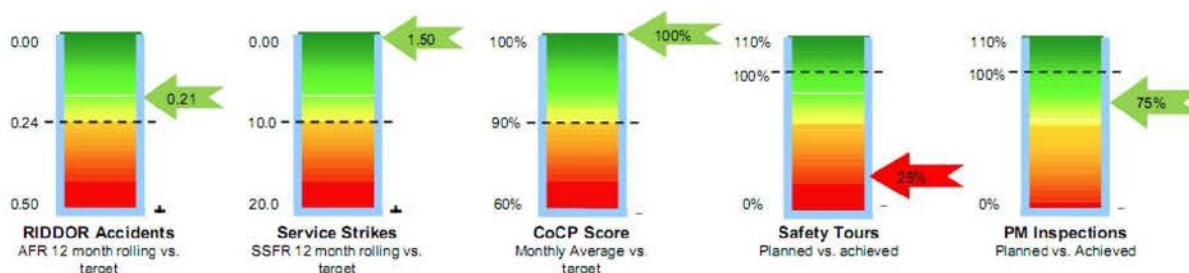


The above chart highlights those component risks which are correlated most closely with the overall risk allocation. These risks are the ones which, if changed in terms of probability or impact, would have the most significant effect on the final output.

## 7 Health, Safety, Quality and Environment

### H&S Accidents and Incidents, Near Misses or Other

HS&E ACCIDENTS and INCIDENTS SUMMARY											
Total	Total Hours	>3 day	Major	Injury	NM/Unsafe Condition	Service Damage	ENV	RTA	MOP	AFR	SFR
Period	36,865	0	0	0	10	0	0	2	1	0.00	0.00
13 period rolling	1,398,109	1	2	14	181	21	16	7	17	0.21	1.50



There were no reportable accidents during the period. The rolling 13 Period AFR is at 0.21 still better than the target of 0.24 for the project. There was one MOP insurance claim incident recorded during Period 9, this involved a jacket allegedly ripped on fencing. There were two incidents of temporary road signs damaging cars due to high winds. The CoCP compliance was recorded at 100% during Period 9. 75% of the planned PM joint inspections were carried out during Period 9 and 25% of planned safety tours. Safety tours will be re-profiled to suit the current workload.

The importance of acting on known hazards despite perceived barriers due to the current contractual relationships has been reinforced to all staff. A communication has been sent out by the Infraco Director reinforcing the need to act. This will be cascaded to all staff and monitored..

Investigations are continuing into a previously identified inadequacy in the electrical earthing installation at Gogar Depot. **tie** has requested BSC to formally investigate the circumstances of the failure and to share the output of their investigation.

BSC continue to undertake daily site checks at construction sites, including those where construction activities have been suspended. The documented checks shared with **tie** to date include only those sites controlled by BB. Evidence is being sought that similar documented checks are taking place at other Infraco sites (e.g. Siemens). There is continuing concern at the fragmented nature of HSE management arrangements within the consortium.

### Environment

No environmental incidents were recorded during Period 9. There has been no formal response received from BSC regarding the mitigation of invasive species. Further correspondence regarding this issue to be sent to BSC during Period 10.

All findings relating to the Site Waste Management Plan Audit EN/BSC/ADD1/2010 are now closed.

Environmental Audit EN/BSC/04/2010 at Russell Road was carried out on the 19<sup>th</sup> October 2010. 4 findings (3 observations and 1 major) were identified, namely, clarity required re SHE inspections being carried out; Environmental Management Plan issued at audit not approved; No safe system of work referred to during audit. Major finding – No waste transfer notes available at time of audit – No records of transfer of waste available, findings to closed off during Period 10.

Ongoing discussions being held regarding the tree bank issues. BSC have responded to **tie**'s requests for information however the response received is currently unsatisfactory. **tie** to collate and issue a formal response during Period 10.



**Deliver a Safe Tram**

Section	Activity	Data Checked				
		IDC	ITP's	Design Variatio n/ Change	As Built's	Asset Register
Depot	Fit Out and Finishing's	0.5	1	1	1	N/A
<b>PD</b>	<b>Total (y)</b>	0.5	1	1	1	N/A
	<b>Max Possible Total (y)</b>	1	1	1	1	N/A
<b>Total</b>	<b>Percentage P8</b>	45%	91%	86%	79%	44%
	<b>Percentage P9</b>	45%	91%	86%	79%	44%

**Key - Y = Evidence exists (1) N = No evidence exists (0) NA = Not applicable (-) P = Part evidence in place (0.5)**

**Interim Design Assurance submission**

Review of BSC design submissions continues to schedule. Meetings have been arranged for early December 2010 to enable o/s RoR issues arising from these reviews to be closed. Signaling FAT procedures and Control Tables were reviewed in preparation for the FATs themselves which took place on 23-25 November 2010.

The SVS has been updated to reflect current processes and so cover comments recently received from ORR's Ian Raxton. This document has been sent to the ORR for information.

The planned work to link the ER's to "The right things" list has been completed and the output and next steps will be discussed with the ICP during his next visit on 7/8 Dec 2010. A useful meeting was held with Network Rail on the Gogar Interchange station during which ICP issues were further discussed.

**Deliver a Safe Tram Key Metrics**

Due to annual leave and a lack of work out on site only one metrics inspection was carried out at the depot during period 9. This inspection reviewed the depot fit out and finishing's, focusing on the ITP's. The inspection was carried out by S. Smith and L Murphy of tie and O. McLoughlin and S. Ferguson for BSC. No issues were identified with all records available for inspection. However it is noted that a great deal of work will be required to collate the records into a BSC document which is suitable for submittal.

Tie to formally issue the Haymarket approvals audit during period 10. The initial report for this audit has been issued for comment to tie/CEC and BSC. Comments due to be received wk 3/period 9, report will be issued week 4, period 9. Awaiting comments from internal review.

Audit CDM/BSC/01/2010 CDM audit carried out at Gogar Depot to ensure compliance with Regulation 9 of the CDM regulations for workplaces. Report currently being compiled and will be issued during the first week of period 10.

Princes Street Audit TQA/CEC/PrincesStreet/01/2010. A final report has been compiled and will be issued to CEC week 4/period 9. Findings also passed to aid dispute resolution where necessary. Report amended to reflect any ongoing actions or link to the Dispute Resolution

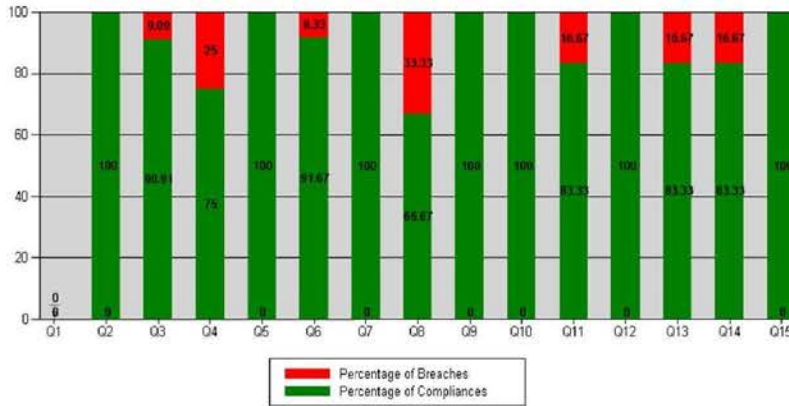
Barhale sewer works and Crummocks SRU works now complete, documentation to be issued to SUC's and BSC during week 4; period 9.

All final documents have now been received for the Clancy Dowcra works at Haymarket. Documents currently being processed and issued to SUC's and BSC. Issue of documents will be complete week 4; period 9.



**COCP Compliance**

**Period 8**

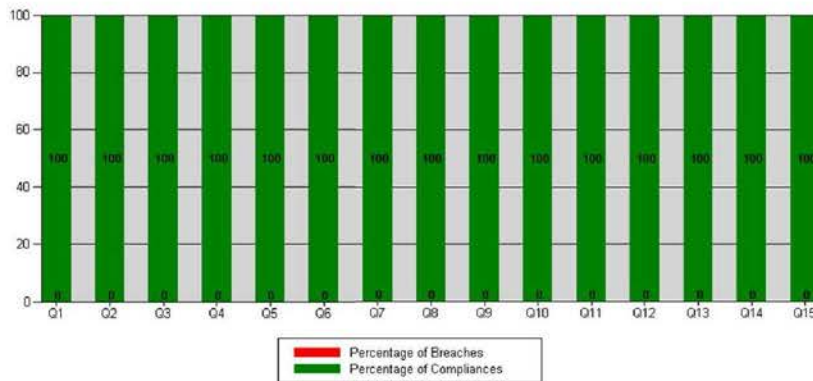


**Movement during the Period**

- Compliance during Period 9 was recorded at 100%. This represents an improvement on the 91% compliance rate during Period 8

Q1. Hours of Work
Q2. Notification
Q3. Notices
Q4. Fencing and Hoarding
Q5. Noise
Q6. Waste Management
Q7. Waste Water and Run-Off
Q8. Water
Q9. Emergency Access
Q10. Parking
Q11. Litter and general housekeeping
Q12. Dust
Q13. Smoking
Q14. Members of the Public
Q15. PPE and Behaviours

**Period 9**



## 8 Stakeholders & Communications

### Media / Press Activity

Media coverage has reduced slightly in its intensity following the announcements made in Period 8, however a high level of contact with regards enquiries, are still being dealt with on a daily basis by the Media team.

The Tram vehicle being moved from Princes Street was reported with misinformation from different sources to generate several stories around where the tram vehicle was moved to and the reasons why. The original Evening News piece was about that the tram being moved to Broxburn because the depot was not ready and the cost of the specialist haulage firm from Holland to move the vehicle sections. Following this sources outwith the project suggested that the reason the tram had been moved to Broxburn and not the Gogar Depot was due to an issue with contractors barricading the depot entrance to prevent access. This was untrue as a safety procedure to move the vehicle to Broxburn was drawn up days before the vehicle was even moved from Princes Street. Coverage was given in the Scotsman, Herald and Evening News with low level coverage in other publications.

Despite coverage in previous months, an enquiry was made into the departure of members of staff considered to have left the project in recent weeks. In fact several of the staff members named in the enquiry and subsequent article had left the project months ago. Our response to this was to clarify that this is typical staff turnover and does not impact on the project in any way. This has generated several further enquiries from different publications which have been clarified and given the same statement.

A Freedom of Information request made by the Sunday Herald was released on Friday 27<sup>th</sup> November after which we fielded questions from the journalist and provided statements in response. The request asked for information on project expenditure on bonuses to consultants and staff expenses/bonuses for the last three years. The request was a lengthy process requiring a large amount of time to compile, which accounted for the length of time needed to respond. Following this request we updated our Transparency of Information Policy on our website to represent the changes in project costs. This was picked up by the Scotsman, Evening News and Scotland on Sunday over the same weekend with the Sunday Herald article being published also on Sunday 29<sup>th</sup> November.

There have been numerous enquiries during Period 9 as to the content of the next Council Report due to be considered on the 16<sup>th</sup> December. In relation to this many enquiries questioned the impact of possible mediation talks on a decision of termination the infrastructure contract. Our response was to make clear that any mediation talks would take place before a decision on termination; however these discussions would be carried out in complete confidentiality.

A recent ruling on adjudications was also reported on during the last week of Period 9 by several newspapers. In response to this, we maintained our ongoing policy of not commenting on individual adjudications as they are commercially confidential.



**Branding**

In association with DEMA the tram mock-up at Edinburgh Airport has been wrapped in festival images from the Edinburgh Sparkles Christmas campaign. This artwork will remain in place throughout the festive period. Artwork for the Edinburgh Sparkles banner on Haymarket House was also installed mid November and will remain in place until early January.

New banners have been installed on the Princes Street OLE poles with Festive themes from Edinburgh Sparkles, Edinburgh's Hogmanay and Edinburgh's Christmas. In addition to this, we have been working with Economic Development and Braewell Galleries to install artwork in several vacant shop windows in Leith and the West End.

A branding tour was carried out with several people from JCDecaux, to look at opportunities for further marketing of the project and its various partners. Locations across the route are being considered for further branding as part of this.

**Partner and Stakeholder Communications**

During Period 9 the following notifications were distributed to traders and residents regarding our works in their area:

- Princes Street Westbound Closure - 128

The one notification which was issued for a westbound closure of Princes Street on the 20<sup>th</sup> November was in order to carry out a programme of carriageway remedial works along this section of the tram route. As well as the notification, face to face meetings were held with business groups such as the West End Traders along with community council groups to inform them of the weekend works. Meetings were held with Scotrail and Haymarket Traders regarding a diversion route put in place by Scotrail as crowd control to accommodate the Rugby International matches at Murrayfield. The diversion route resulted in the closure of the Haymarket Yards diversion route over the Saturday/Sunday of the matches but met with no issues. All businesses which used this entrance to Haymarket Yards were contacted prior to the closure.

The Tower Place Bridge has reopened to general traffic in both directions for the duration of the festive period to ease traffic flow along the Waterfront area of Leith. To raise awareness of this, a press release was issued to local media and radio stations in order to alert drivers and shoppers to the opening. Wider area variable messaging signs were also used to inform traffic entering the city limits from Portobello, Musselburgh and Meadowbank. Discussions took place with Ocean Terminal shopping centre management and the Scottish Executive Offices to make them fully aware of the situation.

Preparation for the next phase of the school programme has begun. A strategy is in the process of being approved for moving forward with a revised and rebranded Tramformer programme for Primary Schools which will be supported by a new Kid Zone section on the Edinburgh Trams website. Materials for the scheme are currently in production and will be launched early in the New Year.

The first tram vehicle to arrive in Edinburgh has now been moved away from Princes Street after being placed as an exhibit for the public in April. The vehicle has been taken to a secure location at Broxburn as a stepping stone before moving it to the Gogar Depot when it is ready to accept the vehicle.

Communication continues on a regular basis between businesses and residents to keep them informed of the progress being made in the ongoing contractual dispute and about when works could possibly commence again in their area. The following stakeholder group meetings were attended by a member of the Communications and Customer Service team:



- SCDI Dinner
- Leith Business Association
- Ocean Terminal
- Scottish Executive offices
- West End Traders
- Community Council Groups (various)
- Scotrail
- Haymarket Traders

**Website / Internet Communications**

The Edinburgh Trams website has had sustained interest with 16482 visitors in the last period, with 838 followers on Facebook and an increase to 1110 on Twitter. Despite a reduction in the number of update posts made on our social media in light of current site works, 757 of our Facebook 'fans' regularly check in with our page and review content there. This is an increase over last period, predominantly as a result of new image content in support of the Winter Festivals in Edinburgh.

The number of people accessing the Media Updates section on [edinburghtrams.com](http://edinburghtrams.com) has increased significantly. This is largely as a result of our proactively increasing information on important news topics through this channel.

The [Edinburghtrams.com](http://Edinburghtrams.com) site has been 're-skinned' to reflect changes to the logo and vehicle livery and is looking forward to a wider refresh in first quarter 2011 which will use what we have learned from user engagement to re-organise content within the site.

**Freedom of Information Requests**

Freedom of Information requests reached a total of 12 individual requests during Period 9, the same number of which are being carried over to Period 10 and are ongoing at various stages. Only one of the 12 requests is classed as a review with zero requests progressed to the Scottish Information Commissioner. A noticeable rise in the number of requests is beginning to emerge with a clear rise in requests being identified over the last couple of four week Periods.

Over the last 6 months, there have been a total of 28 FOI requests made by the public of which 6 reviews were requested from the responses provided. Of the 6 requests three rulings have found in favour of tie Ltd, while the remaining three are awaiting a decision by the Information Commissioner. The significance of these decisions is that they can be applied to any following requests on the same subject matter. In particular, a ruling regarding project board minutes means that while there is public interest in the information, it is possible to have an open and honest discussion of the project at this level which is free from public scrutiny. Popular topics for FOI are HR issues, Board Minutes and information surrounding contractor cost.

**Customer Service Figures**

a) Transport Scotland - Monthly Customer Service Report 08/11/2010 - 03/12/2010

Item	Volume Month	Volume (Cumulative from 21/11/08)	Performance (Month)	Performance (Cumulative)	Target Performance
Telephone response	66	5166	97	96	90% in 30 seconds
Telephone Same day resolution	65	4969	99	96	Info only
Email acknowledgement	80	3321	100		100% acknowledged within 24 hours
Email response			100	99	90% resolution in 7 days
Email same day resolution	78	3037	97	91	Info only
Letter acknowledgement	8	216	100		100% acknowledgement within 24 hours
Letter response			100	96	100% resolution in 7 days
Total Enquiry Volumes	154	8703			
Website update	28	1707	100	100	Weekly

b) Out of Standard/Work in Progress statement at month end 03 Dec 2010

		Volume of WIP @ m/end	Oldest date	Oldest Issue	Handled By
M/e 03 Dec 2010	Email	0	N/A	N/A	N/A
	Letters	0	N/A	N/A	N/A
	Calls	0	N/A	N/A	N/A

c) Monthly Notifications Performance  
08/11/2010 to 03/12/2010 and Cumulative from 21 November 2008

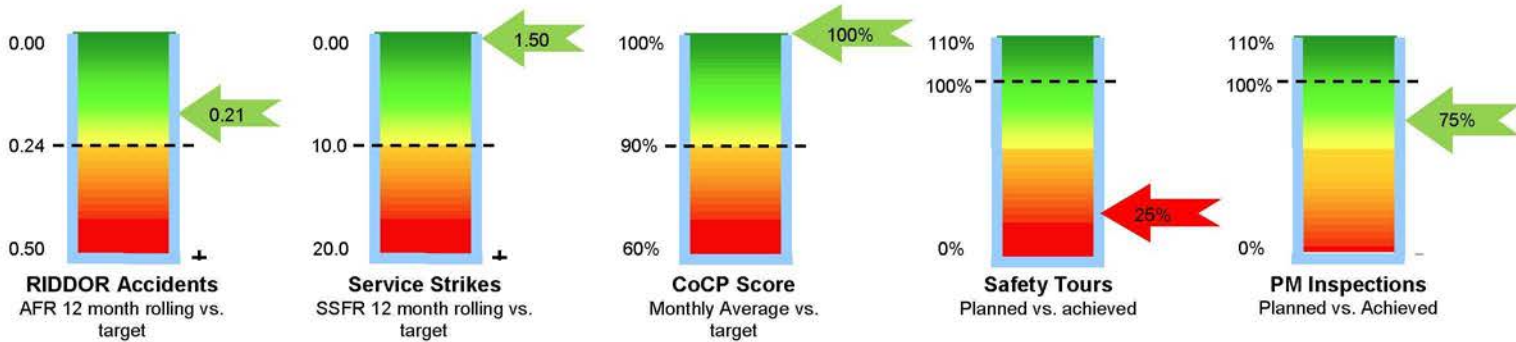
0 Major notifications  
3 Minor notification – all in standard  
0 Emergency notifications

Notification Type		Work Site	Notifications	% in Standard
Major works	Month	Notifications	0	
		In Standard	N/A	N/A
	Cumulative	Notifications	15	
		In Standard	6	67
Minor Works	Month	Notifications	3	
		In Standard	3	100
	Cumulative	Notifications	214	
		In Standard	176	82
Emergency	Month	Notifications	0	
		In Standard	N/A	N/A
	Cumulative	Notifications	14	
		In Standard	14	100



### HS&E ACCIDENTS and INCIDENTS SUMMARY

Total	Total Hours	>3 day	Major	Injury	NM/Unsafe Condition	Service Damage	ENV	RTA	MOP	AFR	SFR
Period	36,865	0	0	0	10	0	0	2	1	0.00	0.00
13 period rolling	1,398,109	1	2	14	181	21	16	7	17	0.21	1.50
<b>BSC</b>											
Period	23,817	0	0	0	6	0	0	1	1	0.00	0.00
13 period rolling	968,282	0	2	8	84	4	7	2	8	0.21	0.41
<b>OTHER TRAM</b>											
Period	1,040	0	0	0	2	0	0	1	0	0.00	0.00
13 period rolling	162,369	1	0	5	89	17	9	5	8	0.62	10.47



### EXECUTIVE SUMMARY

- There were no reportable accidents during the period.
- The rolling 13 Period AFR is at 0.21 still below the target of 0.24 for the project.
- There was one MOP insurance claim incident recorded during Period 9. This involved a jacket allegedly ripped on fencing.
- There were two incidents of temporary road signs damaging cars.
- CoCP compliance was recorded at 100% during Period 9.
- 75% of the planned PM joint inspections were carried out during Period 9 and 25% of planned safety tours.
- **tie** staff have been reminded about the importance of acting on known hazards despite perceived barriers due to the current contractual relationships. A communication has been sent out by the Project Director reinforcing the need to act. This will be cascaded to all staff.
- Investigations are continuing into a previously identified inadequacy in the electrical earthing installation at Gogar Depot. **tie** has requested BSC to formally investigate the circumstances of the failure and to share the output of their investigation.

## HS&E INSPECTIONS SUMMARY (a summary of significant inspection findings can be found in appendix B)

Project Running Totals	HS&E Tours	HS&E PM Inspection
Number planned	4tbc	4
Number achieved	1	3

## HSQ&E KEY ACHIEVEMENTS

- Fujitsu commenced work as a principal contractor to **tie** at Tower Bridge Place, undertaking the first phase of a scope of work involving power and telecoms diversions. This was successfully completed without incident.
- Following concerns from Scotrail over pedestrian safety around the Haymarket site prior to a recent rugby international, additional temporary lighting was installed and the event passed off without incident.

## KEY ISSUES – POINTS TO NOTE

- **tie** staff have been reminded about the importance of acting on known hazards in a timely manner despite perceived barriers due to the current contractual relationships. A communication has been sent out by the Project Director reinforcing the need to act. This will be cascaded to all staff.
- An alleged incident was reported relating to unsafe working practices during the dismantling and removal of the display tram from Princes Street to a storage facility at Broxburn. Concerns related to working at height without adequate fall protection and a failure to use PPE. This is being investigated by ETL who managed the operation.
- Investigations are continuing into a previously identified inadequacy in the electrical earthing installation at Gogar Depot. Whilst the earthing installation has since been confirmed as satisfactory, the causes of the previous inadequacy are not known, despite extensive correspondence on the matter between BSC and Scottish Power. **tie** has requested BSC to formally investigate the circumstances of the failure and to share the output of their investigation.
- The **tie** Ltd employee HSE Committee has reconvened after an enforced break in recent months. The Committee which meets quarterly will strive to ensure that there is adequate communication and representation from all parts of the business. Focus before the next meeting will be on employee stress and emotional resilience, work station safety (including DSE assessments) and adequacy of PPE provision. Additionally, in recognition of the potential negative impact of the contractual dispute on employee welfare, management will be briefed on the need to be alert to indicators of emotional resilience and stress issues amongst staff.
- BSC continue to undertake daily site checks at construction sites, including those where construction activities have been suspended. The documented checks shared with **tie** to date include only those sites controlled by BB. Evidence is being sought that similar documented checks are taking place at other Infraco sites (e.g. Siemens). There is continuing concern at the fragmented nature of HSE management arrangements within the consortium.

## SIGNIFICANT RISKS FOR THE NEXT PERIOD

RISK	ACTION
<ul style="list-style-type: none"> <li>• Assurance is required that there is adequate co-ordination between tram works at Haymarket and other contractors working on adjacent activities (e.g. Network Rail contractor and Verity House refurbishment contractor).</li> </ul>	<ul style="list-style-type: none"> <li>• <b>tie</b> as CDM(C) for the tram works are required to ensure that there is adequate co-ordination and co-operation between the Infraco contractor and other contractors working close by. This will be achieved through documented site co-ordination meetings involving relevant parties.</li> </ul>



## ENVIRONMENTAL SUMMARY

List any significant environmental events, initiatives, breaches etc

- No environmental incidents were recorded during Period 9.
- No formal response has been received from BSC regarding the mitigation of invasive species. Further correspondence regarding this issue to be sent to BSC during Period 10.
- All findings relating to the Site Waste Management Plan Audit EN/BSC/ADD1/2010 are now closed.
- Environmental Audit EN/BSC/04/2010 at Russell Road was carried out on the 19<sup>th</sup> October 2010. 4 findings (3 observations and 1 major) were identified, namely, clarity required re SHE inspections being carried out; Environmental Management Plan issued at audit not approved; No safe system of work referred to during audit. Major finding – No waste transfer notes available at time of audit – No records of transfer of waste available, findings to closed off during Period 10.
- Ongoing discussions being held regarding the tree bank issues. BSC have responded to **tie**'s requests for information, however, the response received is currently unsatisfactory. **tie** to collate and issue a formal response during Period 10.

## BEST PRACTICE

List any significant quality events, initiatives, breaches etc

- BSC have published their latest issues of their Health Safety and Environmental news sheet (A to B) and also their monthly safety performance summary (Dashboard).

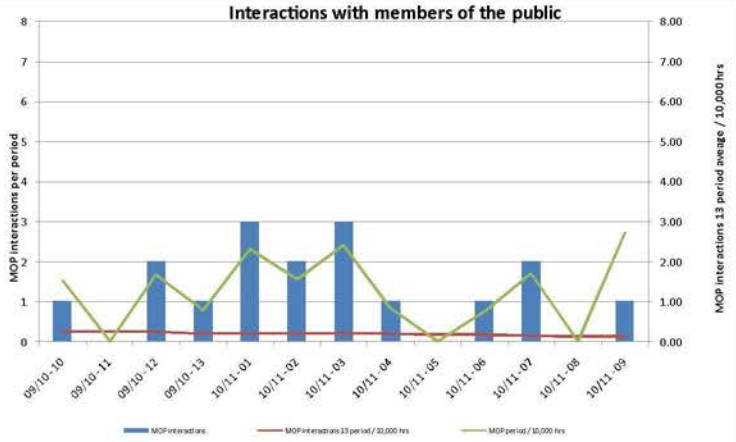




### MEMBER OF PUBLIC INTERACTION SUMMARY

List any significant interactions with members of the public, including RTA's, alleged incidents

- There was one reported MOP incident recorded during Period 9. This involved a jacket allegedly ripped on fencing.

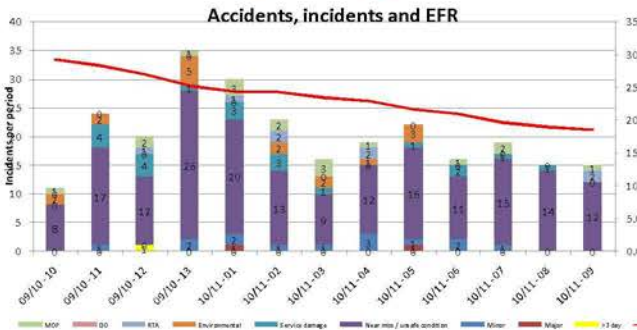
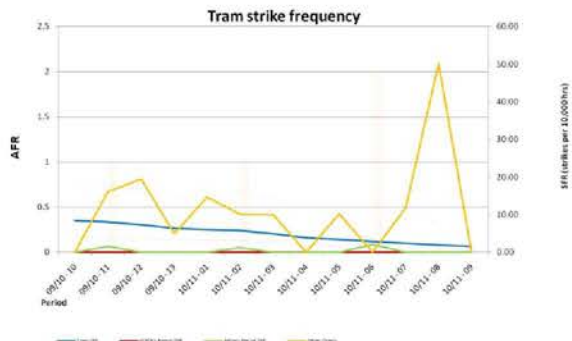


### CDM Compliance

List any significant quality events, initiatives, breaches etc

- The CDM audit report on the Gogar Depot building has been circulated. This audit focussed on compliance with the Workplace (Health, Safety and Welfare) Regulations 1992. There were no major non-conformances.

### GRAPHS

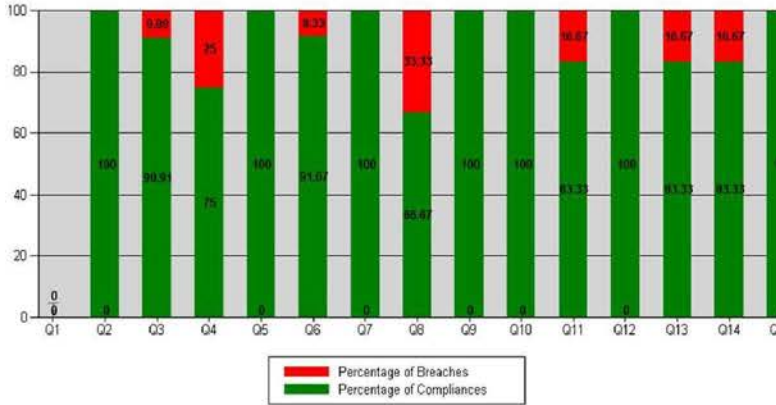


APPENDIX A  
SIGNIFICANT ACCIDENT / INCIDENT

There were no significant incidents during Period 9.

## APPENDIX B – COCP INSPECTIONS

### Period 8

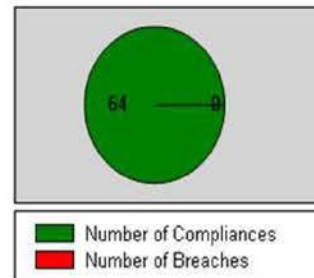
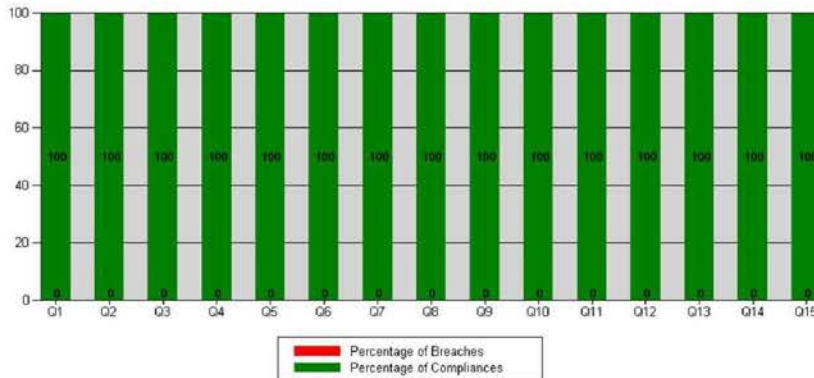


Q1. Hours of Work
Q2. Notification
Q3. Notices
Q4. Fencing and Hoarding
Q5. Noise
Q6. Waste Management
Q7. Waste Water and Run-Off
Q8. Water
Q9. Emergency Access
Q10. Parking
Q11. Litter and general housekeeping
Q12. Dust
Q13. Smoking
Q14. Members of the Public
Q15. PPE and Behaviours

### Movement during the Period

- Compliance during Period 9 was recorded at 100%. This represents an improvement on the 91% compliance rate during Period 8

### Period 9





Section	Activity	Data Checked				
		IDC	ITP's	Design Variation/Change	As Built's	Asset Register
Depot	Fit Out and Finishing's	0.5	1	1	1	N/A
<b>PD</b>	<b>Total (y)</b>	0.5	1	1	1	N/A
	<b>Max Possible Total (y)</b>	1	1	1	1	N/A
<b>Total</b>	<b>Percentage P8</b>	45%	91%	86%	79%	44%
	<b>Percentage P9</b>	45%	91%	86%	79%	44%

**Key - Y = Evidence exists (1) N = No evidence exists (0) NA = Not applicable (-) P = Part evidence in place (0.5)**

### 1.0 Assurance

- Review of BSC design submissions continues to schedule. Meetings have been arranged for early December 2010 to enable o/s RoR issues arising from these reviews to be closed. Signaling FAT procedures and Control Tables were reviewed in preparation for the FATs themselves which took place on 23-25 November 2010.
- The SVS has been updated to reflect current processes and so cover comments recently received from ORR's Ian Raxton. This document has been sent to the ORR for information.
- The planned work to link the ER's to "The right things" list has been completed and the output and next steps will be discussed with the ICP during his next visit on 7/8 Dec 2010. An ICP liaison meeting was held on 27th November.
- A useful meeting was held with Network Rail on the Gogar Interchange station during which ICP issues were further discussed.

### 2.0 Deliver a Safe Tram Key Metrics

- Due to annual leave and a lack of work out on site only one metrics inspection was carried out at the depot during period 9. This inspection reviewed the depot fit out and finishing's, focusing on the ITP's. The inspection was carried out by S. Smith and L Murphy of tie and O. McLoughlin and S. Ferguson for BSC. No issues were identified with all records available for inspection. However it is noted that a great deal of work will be required to collate the records into a BSC document which is suitable for submittal.
- Issues regarding SDS completion of project as-built drawings (from CUS redline drawings) remain outstanding.
- Section 1A – Farrans: Handover packs not fully complete as awaiting sign off of TQ's by SDS, these are now being progressed by SDS.
- Land Engineering handover packs have now been received and will be issued to the SUC's during period 10.
- Tie to formally issue the Haymarket approvals audit during period 10. The initial report for this audit has been issued for comment to tie/CEC and BSC. Comments due to be received wk 3/period 9, report will be issued week 4, period 9. Awaiting comments from internal review.
- Audit CDM/BSC/01/2010 CDM audit carried out at Gogar Depot to ensure compliance with Regulation 9 of the CDM regulations for workplaces. Report currently being compiled and will be issued during the first week of period 10.
- Princes Street Audit TQA/CEC/PrincesStreet/01/2010. A final report has been compiled and will be issued to CEC week 4/period 9. Findings also passed to aid dispute resolution where necessary. Report amended to reflect any ongoing actions or link to the Dispute Resolution
- Barhale sewer works and Crummocks SRU works now complete, documentation to be issued to SUC's and BSC during period 10.
- All final documents have now been received for the Clancy Dowcra works at Haymarket. Documents currently being processed and issued to SUC's and BSC. Issue of documents will be complete week 4; period 9.
- tie HSQE currently compiling and As Built tracker in order to monitor the as built drawings issued to BSC.

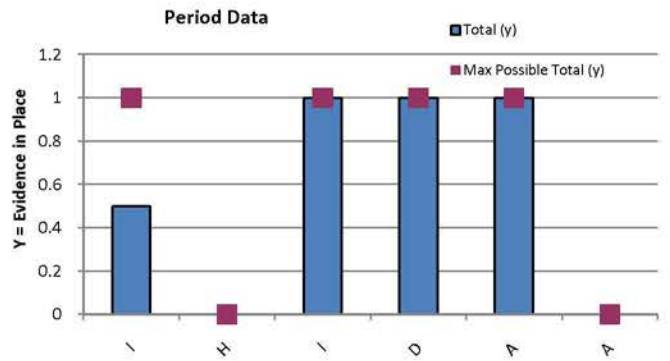
### 3.0 Site Supervisors Inspection

- Due to current works on site, only 1 supervisor's inspection has been carried out at the time of writing report. No significant issues have been identified. Ongoing monitoring of the inspections will continue to take place.



### 4.0 Deliver a Safe Tram – Required Action

- Update and formally issue Haymarket Approvals audit to BSC and CEC.
- Mapping of ER's to the right thing to be discussed with the ICP
- Completion of As Built tracker, with issue to BSC for reference.
- Issue the final report for the Princes Street audit.



### Period to date Data

