## Tram statement amendments 2.11.17

1. 38 and Michael Howell

2. 51 Willie was always the first non-executive Director to get his expenses claim in. Most non-executive Directors gathered their expenses claims together and submitted them once every six months or once a year. Willie had his in the Finance Director's hand the day following the meeting.

3. 53 drive, charisma

4. 55 way out of his depth and had been

5. 103 Bill Reeve of TS was culpable of misleading TIE and CEC on this matter, as in response to my repeatedly raising my concerns he always responded by stating that we should include concession travel revenue in the business case revenues as the tram would be admitted to the scheme. People believed Bill rather than me as he was a senior officer of TS, and they assumed that his knowledge of ministerial intentions was more accurate than mine. Why Bill took this line may be related to what is mentioned at 317. The tram was not admitted to the scheme, and CEC have to fund that element of the revenue themselves. (approx. £450k/£500k .p.a.)

6. 104 CEC

7. 114 It also shows that despite what he presented himself as, in reality Fitchie had absolutely no knowledge of modern UK tram systems, as at that time the Sheffield , Birmingham (Midland Metro) and Croydon trams were operated by their local bus company, and the local bus company in Nottingham was greatly involved in running the trams there as a partner in the joint venture that ran them. I had not seen this document before you showed it to me, but the hugely negative tone of it proves the wisdom of TEL's view that he was no friend of ours, a charlatan, and was biased against us. In the final bullet point he says ***" From the outset the procurement has been carried***

***out without LB's involvement ".*** Proof positive that long before TEL was established the hugely flawed procurement model of separate design, utilities and infrastructure contracts, which was directly responsible for so many of the problems that blighted the scheme, and ultimately led to its failure, was already decided upon and fully embedded in the project. The seeds of its own destruction had been sown at the time of its birth.

8.

150 **Tram Frequency.**

The experience of the public transport market in Edinburgh was that if a service frequency was every 30 or 20 minutes passengers would check a timetable to decide what bus to go out for. Once the frequency reached every 10 minutes they did not, they just went to the bus stop knowing there would be a bus along in a few minutes. Waiting up to 30 minutes was a major disincentive to travel by public transport, but an average wait of 5 minutes was not.

Our experience was that passenger numbers increased as frequencies were increased up to 10 minutes, but there was little additional gain by running more frequently than 10.

Hence the incentive to run more frequently than every 10 was usually driven by demand, i.e. there were more passengers than could be comfortably carried on a 10 minute frequency.

**Tram Size**

We decided to buy 40 metre trams rather than 30 metre trams as they are cheaper to buy per passenger space, viz:

If you are seeking to provide, say, capacity for 1,500 passengers per hour you can do so by running either

6 x 250 capacity 40 metre trams =1500

Or

8x 187 capacity 30 metre trams = 1500

The price of a 40 metre tram is not 33% more than for a 30metre tram as with each you still have 2 cabs and control mechanisms, the same number of sets of electrical equipment, etc, so capital cost per passenger space is less with a 40 m that with a 30m.

By way of analogy, a double deck bus does not cost twice what a single deck bus costs.

The most important factor by far however was the running costs for the 30 year life of the project. With 6 trams per hour to run rather than 8 you need 25% less Drivers, 25% less "guards", and maintenance staff requirements are lower too.

The revenue and cost risks lay with TEL. Transdev had no financial incentive in this area, as their contract was effectively cost reimbursement plus profit margin. They would be paid an agreed sum per mile and per hour operated. Hence 8 rather than 6 trams per hour meant more miles and hours, more cost, and therefore more margin.

It was thus entirely logical for Transdev to seek a smaller tram – higher mileage option, and wholly illogical for TEL to agree.

We received bids for trams from all the major European tram suppliers, so the possibility of supplying 40 metre trams did not deter any of the expected bidders from bidding.

The weight per axle for a 40 or 30 metre tram is similar, (the 40 meter tram has more axles), so longer trams required no increased track, foundations or overhead electrical equipment compared to 30 metre trams.

**Tram Stops**

The longer trams did not cause any problems with location of tram stops, the stops would have been in the same place with 30 or 40 metre trams.

9. 200 It may also have related to Design, Utilities and Infrastructure being separate contracts which overlapped

   204 words to the effect of

   225 I felt that VE was a *Johnny come lately* to the project, and was brought in when it became obvious the money was short. I think this caused problems as designs that had been completed were opened up again and slowed things down.

10. 294 Nothing ever Often little
11. 319 conscientious substantial

12. 319 That said, any reduction in involvement by TS staff overseeing TIE was unwelcome as it gave TIE even more of a free hand to do as it wished, and the loss of Bill Reeve was unfortunate as his detailed personal knowledge of tram systems meant he gave valuable practical input.

13. 320 WAR WRR

14. After 356 107 109