

2BS 13/2



Board Meeting

12th May 2003



Agenda for Board

To be held at The Dean of Guild Room, City Chambers

on 12th May 2003 at 10.00

1. Minutes of the meeting of 22nd April 2003 for approval and signing
2. Matters arising from the minutes
3. Addendum to Business Plan Michael Howell/
Stuart Lockhart
4. Year End Accounts Michael Howell /
Stuart Lockhart
(Tabled)
5. AOCB
6. Date of Next Meeting
7. Recruitment Status (Directors Only)



AGENDA ITEM 1

**Minutes of the meeting of
22nd April 2003
for approval and signing**

**TRANSPORT INITIATIVES EDINBURGH LIMITED**

Minutes of MEETING of DIRECTORS held
at 91 Hanover Street, Edinburgh at 1:00PM
on 22nd April 2003.

Present: Ewan Brown (Chairman)
Jim Brown
Andrew Burns
Maureen Child
Gavin Gemmell
Ricky Henderson
John Richards

In attendance: Eddie Bain, CEC, Council Solicitor
Lynne Brown, CEC, Head of Corporate Finance
Andrew Callander, tie Tram Network Manager
Michael Howell, Chief Executive of tie
Eddie McDowell, City of Edinburgh Council (CEC)– Support Staff
James Papps, PUK consultant
Jonathan Pryce, Scottish Executive
John Saunders, tie ITI Manager
Keith Rimmer, CEC, CDD, Head of Transport

1. **MINUTES OF THE MEETINGS OF 4th MARCH FOR APPROVAL AND SIGNING**

The minutes of the meetings on 4th March 2003 were approved.

2. **MATTERS ARISING FROM THE MINUTES THE MEETINGS OF 4th MARCH 2003**

Property gain

The report commissioned from McGregor's is in its final stages. The recommended steps to achieve the desired levels of gain would be brought to the June board meeting, subject to the timely appointment of a part-time Finance Director.

Action

MH

Travelticket

The agreement between **tie** and SESTRAN Travelticket Ltd is expected to be concluded shortly.

Action

MH

SESTRAN

tie were unsuccessful with their tender to provide SESTRAN with the required secretary role.

TPE

The Chair and Chief Executive will discuss the formation of the TPE further and set a date for discussion with the prospective group of members.

EB/MH

3. PROGRESS REPORT FROM THE CHIEF EXECUTIVELondon

Several weeks of data has now been made available which clearly demonstrates that a 20% reduction in vehicles has been sustained and was not linked to reduced traffic levels during the school mid term break.

Travelticket

Earlier in the year, sale figures tripled following a radio advertisement campaign and now run in excess of £30,000 per month. A further increase is expected when telephone and internet sales start shortly.

Business Plan

Eddie Bain confirmed that the Board should not be concerned by the Council not yet having signed off the **tie** Business case for 2003/4, which will be rectified in the near future in conjunction with the addendum for **tie**'s new rail projects. The objective would be for the addendum to be approved by the Board on 12th May and the total package to be submitted to the Council on 22nd May.

EBain

4 HEAVY RAIL – A LOOK AHEAD

A paper titled 'Heavy Rail – A look ahead' was circulated.

The interim project management team is in place.

Keith Rimmer confirmed his support to the early appointment of a strong leader to take the role of Rail Projects Director within **tie**.



To maximise the likelihood of gaining shareholder approval for amendments required to the tie business plan, Keith Rimmer will work through the issues with Michael Howell in advance of the proposed rail steering group to be held on 12th May.

MH/
SKR

CDD will be included in the membership of the EARL Steering group and the Scottish Executive are to be included in the list of observers for future tie boards.

MH

The Board were reminded by Keith Rimmer and Lynn Brown that no new funding should be requested from CEC in the revised business case and the new structure should not impinge on delivery of ITI.

MH

Keith Rimmer doubted that any changes would be required to the tie board over the next 12 months as a result of the rail award, but that it could be appropriate to review whether a SESTRAN representative might be appointed to the Board after the May elections.

The alternating ITI and Rail steering group meeting was agreed as appropriate for the time being.

MH

5. DELEGATED POWERS FOR CONSULTANT APPOINTMENTS

The board agreed to delegate the approval of shortlists for tenders to the Chief Executive in consultation with the Chairman.

6. AOCB

Gavin Gemmell informed the Board that to avoid any conflict of interest at later date he may require to refrain from participating with the board when land issues at Ingliston are discussed by the Board in connection with Tramline 2 or the Airport Rail Link.

Gavin Gemmell informed the Board that he will be retiring from SEEL during the course of 2003 however SEEL are still supportive that he should represent them on the tie Board and the Rail Steering Group.

7. DATE OF NEXT MEETING

The next meeting of the board will take place on 12th May, 10am in the Dean of Guild Room, City Chambers.



AGENDA ITEM 2

Matters Arising From The Minutes



AGENDA ITEM 3

Addendum to Business Plan



transport initiatives edinburgh

Addendum to Business Plan 2003/04

Edinburgh Airport Rail Link

April 2003

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OVERVIEW

This addendum to the Business Plan sets out the changes to the management and cost structure of **tie** resulting from the addition of the Edinburgh Airport Rail Link (EARL) to the active projects of the company.

Since its establishment in May 2002, the company has been responsible for the following components of Edinburgh's Integrated Transport Initiative:

- Approval for the Integrated Transport Initiative
- Progression of Parliamentary Bills for Tram Schemes
- Procurement and Implementation of the West Edinburgh Busway

tie has also assumed responsibility for administration of SESTRAN's One-Ticket scheme.

tie has skills in UK and European procurement, project management, financial management and the management of specialist advisers on transport planning, project finance, engineering and legal issues.

tie has a unique position as an arms length private but CEC-owned company. **tie** is not established for profit, and its goals are completely aligned with the Council and its other public sector stakeholders in the delivery of transport projects.

At a senior level, **tie** has in place an Operating Board, Chief Executive and Executive Management with existing links to all the transport organisations of the SESTRAN region.

At an operating level, cross-fertilisation of knowledge and experience between the ITI and EARL teams should yield significant benefits. These include project and risk management, procurement, financing and the Parliamentary approval process. It will also be possible to strengthen the management of **tie** since a proportion of the costs of shared resource will be assumed by the rail project. Within that opportunity, the board of **tie** has elected to recruit a part-time Finance Director for the balance of the 2003/4 financial year.

There is therefore logic in **tie**'s appointment by the Scottish Executive, via its shareholder the City of Edinburgh Council, to project manage, and procure the further development of EARL.

The objective is to submit the necessary Private Bill for EARL to the Scottish Parliament by Q1 2005.

1. Introduction

The Minister announced in March 2003, through the award of £5 million Scottish Executive funding, his commitment to proceed with further development of the Edinburgh Airport Rail Link (EARL). This funding is directed at the preparation and submission of a Private Bill to the Scottish Parliament to secure Royal Assent for the construction of the line.

The preferred option for Edinburgh is the "Runway Tunnel" option, involving a link from the west of Edinburgh Park, under the airport terminal and runway, to the Winchburgh - Dalmeny chord. The present estimate of project cost lies between £368 and £505 million. This option will permit diversion of existing rail services to run via a new airport station, delivering through train service to Fife, Aberdeen, Stirling, Inverness, Glasgow, Edinburgh and the South.

The addition of this project to **tie's** existing portfolio presents new challenges, not only in project management, but also in commercial contract development, procurement and finance. It also creates important opportunity for **tie** to develop a critical mass of rail expertise to attract the award of other pending rail projects within the SESTRAN area.

2. Board, Management and Governance Structure

Board

tie recognises that its principal obligation is to its stakeholder, CEC, for the timely delivery of the ITI including trams, congestion charging and other transport and infrastructure improvements.

It has already been mooted by the Scottish Executive that a seat on the board of **tie** might be made available to a representative of SESTRAN in order to facilitate transport development and integration in the SESTRAN area as a whole.

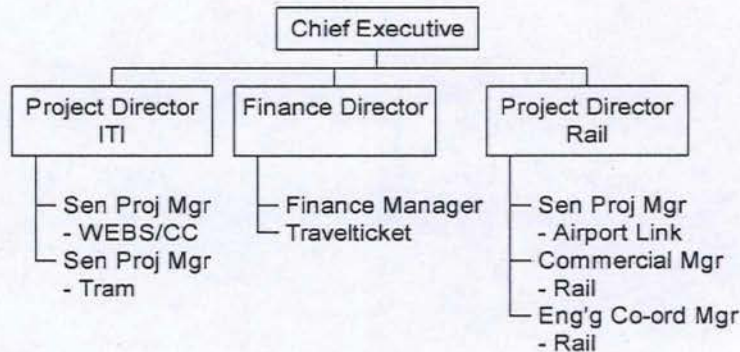
The purpose of this would be to ensure that **tie** is perceived by neighbouring authorities to be responsive to the interests of South East Scotland as a whole, and not only to the needs of Edinburgh.

Management

The involvement of large UK wide organisations in EARL i.e. SRA, Network Rail and BAA, will present commercial challenges of a new dimension.

The roles of the chief executive of **tie** and its project directors will be clearly delineated.

The Chief Executive will have overall responsibility to the **tie** board and shareholder for delivery of the ITI and rail projects. He/she will have three main reports:



The Chief Executive will be strongly focused on communication at the highest level with the key external stakeholders (rail entities, BAA, business community, media, interest groups) and on delivering for its clients (CEC, the Scottish Executive, and other local authorities).

The Project Directors will be responsible for the procurement and timely delivery of the ITI, EARL and other projects which may be passed to **tie**.

The Part-time Finance Director will be responsible for monitoring and challenging project costs in order to maintain a continuous view of project viability, for defining innovative approaches to project funding, and for company accounting and administration.

3. Project governance

The **tie** Board will be required to consider varying matters that involve differing groups of stakeholders. It will therefore be necessary for the Board to maintain a distinction between matters that relate specifically to **tie** as a company, vs. those that relate to the projects under **tie**'s leadership.

It is therefore proposed to establish two steering groups, one for Edinburgh's ITI, and a second for EARL. The Board of **tie** will lead both of these groups under the chairmanship of the **tie** Chairman. The proposed terms of reference and group composition are shown below:

	tie Board	ITI Steering Group	EARL Steering Group
Terms of reference	tie financial performance, business plan approval and monitoring, governance, staffing, remuneration, political issues	Project plans, procurement, appointment of consultants, monitor progress, action if needed, project finance, external stakeholders and consultations	Project plans, procurement, appointment of consultants, monitor progress, action if needed, project finance, external stakeholders and consultations
Chairman	tie chairman	tie chairman	tie chairman
Membership	tie directors, tie secretary	tie directors tie CE / FD / PD, CDD staff	tie directors tie CE / FD / PD, CDD staff, ScotEx, SRA, BAA
Observers	tie CE/FD/PD, CDD staff, CEC legal and financial, Scot Ex (optional)	Scot Ex PUK, CEC legal and financial (optional)	NR, Scotrail, SEEL (optional), PUK (not yet appointed), CEC legal and financial (optional)
Meeting frequency	Monthly	Every two months	Every two months

Selected acronyms: CDD = City Development Department; SRA = Strategic Rail Authority; BAA = British Airports Authority; PUK = Partnerships UK Limited

The plan is that a monthly **tie** board meeting will coincide, on an alternating basis, with one of the two steering groups. Each meeting would start with a formal **tie** board session, followed by the addition of the appropriate participants for the steering committee in question.

Separate minutes will be kept for each meeting so that confidentiality of board proceedings can be maintained.

4. Additional recruitment needs

The rail work stream suggests the following needs for recruitment:

Position	Timing	Remarks
Airport Link Project Manager	2Q2003	Reporting to Rail Project Director (see below), senior project manager to assume responsibility for the EARL project team. Initial responsibility for engineering feasibility studies leading to STAG 2 appraisal of the project. (Position filled pro tem by Richard Hudson,

		former Railtrack project manager, employee of First Engineering, assigned to tie and formerly responsible on interim basis for Tram Line 3.)
Rail Commercial Manager	2Q2003	Reporting to Rail Project Director (see below), senior commercial manager who understands the commercial interfaces within the rail industry and the statutory and contractual environment. Able to maintain effective continuous relationships and negotiate multilateral commercial arrangements with counterparts in Network Rail, TOCs, BAA, etc. Part time requirement until other projects adopted, or until the later detailed commercial stages of airport link project. (Position presently filled by Alan Somerville, former Commercial Director of Scotrail, who is working for tie on a per diem basis.)
Rail Project Director	3Q2003	Reporting to Chief Executive, experienced executive with outstanding experience in the rail industry combining both successful project delivery and higher level strategic awareness and demonstrated competence. Should have the potential to be considered for promotion to the role of tie Chief Executive within 3-5 years. Will oversee multiple rail projects and should be hired early in order to secure tie 's role in further projects.
Chief Executive	3Q2003	Reporting to Board of tie , a good communicator with excellent high level relationship skills, proven track record of delivery, preferably with rail industry experience and Scottish awareness. A full time commitment will be required, especially with the advent of other rail projects. (Position presently filled on an interim basis by Michael Howell.)
Finance Director	3Q2003	New appointment (initially part time) responsible to Chief Executive to facilitate successful financing of ITI and Rail Projects as projects pass from engineering feasibility to procurement. Experience and credibility with major PPP/PFI projects, preferably within Scotland. Overall responsibility for the finance and administrative function of tie when appointed full time.

Rail Engineering Co-ordination Manager	4Q2003	Reporting to Rail Project Director, very experienced railway engineer with multi-disciplinary experience in civil, signaling, electrification and permanent way technologies, with ability to ask right questions in wide variety of disciplines. Good lateral integrative skills. (An alternative but more expensive solution would be to hire 2-3 less senior engineering specialists.)
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It has been provisionally agreed with CEC that early appointment of a strong leader of the Rail Projects Team would be beneficial in two respects:

1. The appointment will allow the tie board and Chief Executive to retain focus on Edinburgh's own ITI projects.
2. A strong candidate would attract the right people to his/her own permanent team and it is probable that other rail projects would be awarded to tie. This would thereby facilitate the critical mass of rail competence that, it has been agreed, is needed for SESTRAN projects.

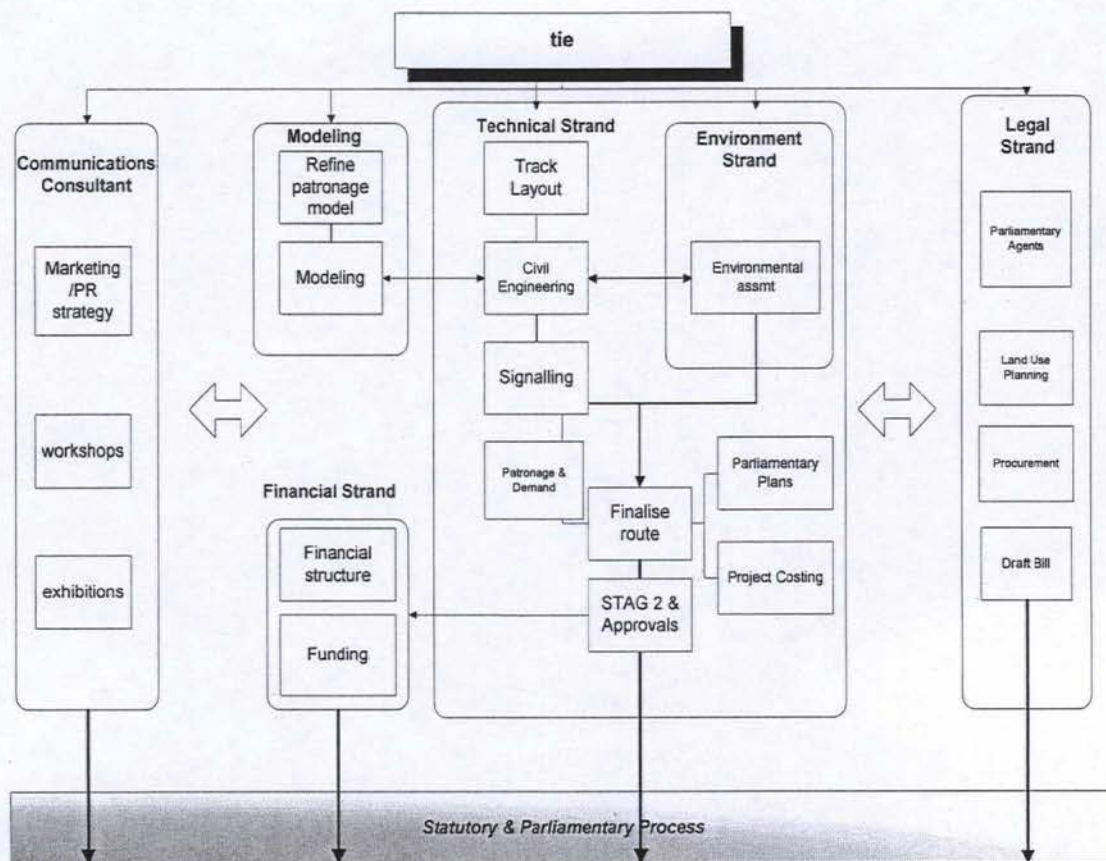
The above appointments have been incorporated into the expense plans shown below.

5. Procurement Strategy

tie has considered the tasks that must be undertaken to deliver a robust business case for the submission of the EARL Bill and the following chart indicates our proposed procurement strategy.

We envisage procuring the work in five strands:

1. Technical Consultants to conduct the engineering feasibility, environmental impact and the production of parliamentary plans.
2. Legal Advisers to draft the bill, deal with land issues and advise on procurement.
3. Financial Advisers to deal with funding and carry out the detailed financial appraisal
4. Transport Modelling Consultants to carry out demand and patronage studies.
5. Communications advisers to deal with public participation, enquiries and media issues.



Edinburgh Airport Rail Link – Proposed Procurement Strategy

The chart above shows the technical workstreams. It does not show the very important commercial work (service provision, timetabling and the associated contractual matrix) that will precede the technical activity. This will largely be delivered in-house using tie's own expertise.

6. Project schedule

We have produced an initial outline schedule, which is attached as Appendix 1. This indicates, at this stage, that the bill will be lodged by March 2005. We believe that this is consistent with the Scottish Executive's desire to open the rail link by 2010.

However, the programme is indicative at this stage and will be developed further over the next few weeks when further information has been assimilated.

7. Costs

The existing tie business plan was prepared for two financial years, 2003/4 and 2004/5.

Appendix 2 shows the present estimate of additional costs linked to tie's assumption of rail project responsibility over these two years:

tie management costs	£0.9m
Technical & Environmental	2.1
Legal	0.9
Financial Advisers	0.2
Demand Modelling	0.4
Communications	0.5
Parliamentary Support	<u>0.0</u>
	<u>£5.0m</u>

Please note that the Scottish Executive has approved £5m of funding at this stage. **No additional funding is required from CEC.**

Summary

£m	2003/4	2004/5
Existing tie business plan	13.8	8.7
Rail addendum	1.5	3.5
New total	15.3	12.2

If approved by the Scottish Executive as submitted, there will be no additional funding required from CEC's own resources during the next two years.

Note: It will be necessary to revisit the consolidated budget for 2005/6 at the end of this present financial year. We anticipate continuing rail expenditure in the order of £1.5 m for the achievement of parliamentary powers in that year.

Transport Initiatives Edinburgh Ltd
 Business Case - Financial Model
 2003-2005

	2003-2004	2004-2005	TOTAL
DECEMBER 2002 BUSINESS PLAN			
Cash outflow:			
tie management (staff) costs	601,630	631,914	1,233,544
Executive Directors	143,919	251,115	395,034
Non Executive directors	15,000	15,000	30,000
External Advisors	12,912,606	7,662,761	20,575,367
Accommodation	49,200	56,000	105,200
IT and Office Equipment	19,400	20,120	39,520
Other admin	48,000	50,400	98,400
Legal and Financial	20,000	21,000	41,000
Total costs	13,809,755	8,708,310	22,518,065
Interest on overdraft	-6,877	-5,968	-12,845
Funding required from CEC	13,816,632	8,714,278	22,530,910
ADDENDUM TO BUSINESS PLAN - APRIL 2003			
Cash outflow:			
tie management (staff) costs	332,191	404,024	736,215
Executive Directors	120,000	66,500	186,500
Non Executive directors	0	0	0
External Advisors	1,000,000	3,050,000	4,050,000
Accommodation	15,000	15,000	30,000
IT and Office Equipment	5,000	5,000	10,000
Other admin	13,600	14,100	27,700
Legal and Financial	0	0	0
Total costs	1,485,791	3,554,624	5,040,415
Interest on overdraft	0	0	0
Funding required	1,485,791	3,554,624	5,040,415
CONSOLIDATED "NEW" BUSINESS PLAN - APRIL 2003			
Cash outflow:			
tie management (staff) costs	933,821	1,035,938	1,969,759
Executive Directors	263,919	317,615	581,534
Non Executive directors	15,000	15,000	30,000
External Advisors	13,912,606	10,712,761	24,625,367
Accommodation	64,200	71,000	135,200
IT and Office Equipment	24,400	25,120	49,520
Other admin	61,600	64,500	126,100
Legal and Financial	20,000	21,000	41,000
Total costs	15,295,546	12,262,934	27,558,480
Interest on overdraft	-6,877	-5,968	-12,845
Funding required	15,302,423	12,268,902	27,571,325
Revised Total Funding Required (2003-2005)	1,485,791	3,554,624	5,040,415

COST INPUTS AND ASSUMPTIONS - RAIL PROJECTS												
Staff Costs	Start Date	Year 1	NI	SA	Total	Monthly	Year 2	NI	SA	Total	Monthly	2 Year Total
EARL- Project Manager	Apr-03	60,000	4,980	9,900	74,880	6,240	63,000	5,229	10,395	78,624	6,552	153,504
Rail Commercial Manager	Apr-03	78,000	-	-	78,000	6,500	65,625	5,447	10,828	81,900	6,825	159,900
Rail Engineering Co-ordination Manager	Jan-04	60,000	4,980	9,900	74,880	6,240	60,000	4,980	9,900	74,880	6,240	149,760
Admin Support (Part Time)	Apr-03	9,000	747	1,485	11,232	936	9,450	784	1,559	11,794	983	23,026
Rail Projects Director	Apr-03	90,000	7,470	14,850	112,320	9,360	94,500	7,844	15,593	117,936	9,828	230,256
Bonuses	Apr-03	34,200	2,839	-	37,039	3,087	35,910	2,981	-	38,891	3,241	75,929
		331,200	21,016	36,135	388,351	32,363	328,485	27,264	48,275	404,024	33,669	792,375
Serviced Office Space					15,000	1,250				15,000	1,250	30,000
Sundries												
Travel					1,000	83				1,500	125	2,500
Postage					200	17				200	17	400
Stationary					500	42				500	42	1,000
External Printing Costs					500	42				500	42	1,000
Telephones					1,000	83				1,000	83	2,000
Insurances (contents, emp.liab, pub liab)												
Insurances (personal)												
Insurances (PI)												
Catering					100	8				100	8	200
Bank Charges					300	25				300	25	600
Training					10,000	833				10,000	833	20,000
IT and Office Equipment					5,000	417				5,000	417	10,000
					421,951	35,163				438,124	36,510	860,075
Interest on Overdraft					-	-				-	-	-
												860,075
External Costs												
Technical & Environmental					600,000	50,000				1,500,000	125,000	2,100,000
Legal					100,000	8,333				800,000	66,667	900,000
Financial Advisers										200,000	16,667	200,000
Modeling					250,000	20,833				100,000	8,333	350,000
Communications Consultant					50,000	4,167				450,000	37,500	500,000
Parliamentary Support												-
					1,421,951	118,496				3,488,124	290,677	4,910,075
COST INPUTS AND ASSUMPTIONS - EXECUTIVE DIRECTOR COSTS												
Staff Costs	Start Date	Year 1	NI	SA	Total	Monthly	Year 2	NI	SA	Total	Monthly	2 Year Total
Executive Director Costs-Additional		160,000	0	0	160,000	13,333	85,199	-6,748	-11,951	66,500	5,542	226,500

Transport Initiatives Edinburgh Limited													
Addendum to Business Case - Financial Model													
2003/04													
RAIL PROJECTS	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	TOTAL
Cash Inflow													
Invoice CEC monthly in arrears		28,923	28,923	28,923	56,700	56,700	56,700	156,700	156,700	181,700	192,940	207,940	1,152,850
Cash Outflow													
Staff Costs	26,123	26,123	26,123	26,123	26,123	26,123	26,123	26,123	26,123	32,363	32,363	32,363	332,191
Office Accommodation	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000
Sundries													
Travel	83	83	83	83	83	83	83	83	83	83	83	83	1,000
Postage	17	17	17	17	17	17	17	17	17	17	17	17	200
Stationary	42	42	42	42	42	42	42	42	42	42	42	42	500
External Printing Costs	42	42	42	42	42	42	42	42	42	42	42	42	500
Telephones	83	83	83	83	83	83	83	83	83	83	83	83	1,000
Catering	8	8	8	8	8	8	8	8	8	8	8	8	100
Bank Charges	25	25	25	25	25	25	25	25	25	25	25	25	300
Training	833	833	833	833	833	833	833	833	833	833	833	833	10,000
IT and Office Equipment	417	417	417	417	417	417	417	417	417	417	417	417	5,000
External Costs													
Technical & Environmental								100,000	100,000	100,000	100,000	100,000	600,000
Legal									10,000	20,000	35,000	35,000	100,000
Financial Advisers													
Modeling				27,778	27,778	27,778	27,778	27,778	27,778	27,778	27,778	27,778	250,000
Communications Consultant									15,000	10,000	10,000	15,000	50,000
Parliamentary Support													
Total Costs	28,923	28,923	28,923	56,700	56,700	56,700	156,700	156,700	181,700	192,940	207,940	212,940	1,365,791
Net Cash Flow Before Interest	-28,923	0	0	-27,778	0	0	-100,000	0	-25,000	-11,240	-15,000	-5,000	-212,940
Simulated VAT cashflow impact	-490	-490	-490	-5,351	-5,351	-5,351	-22,851	-22,851	-27,226	-28,101	-30,726	-31,601	-180,880
	-29,413	-490	-490	-33,129	-5,351	-5,351	-122,851	-22,851	-52,226	-39,341	-46,726	-36,601	-393,820
Overdraft	-29,413	-29,903	-30,393	-63,521	-68,873	-74,224	-197,075	-219,926	-272,152	-311,493	-357,219	-393,820	
Interest on Overdraft	0	0	0	0	0	0	0	0	0	0	0	0	0
Funding Required from CEC	28,923	28,923	28,923	66,700	66,700	66,700	166,700	166,700	181,700	192,940	207,940	212,940	1,365,791
EXECUTIVE DIRECTORS COSTS													
	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	TOTAL
Cash Inflow													
Invoice CEC monthly in arrears	0	0	0	0	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	106,667
Cash Outflow													
Staff Costs	0	0	0	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	120,000
Total Costs	0	0	0	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	120,000
Net Cash Flow Before Interest	0	0	0	-13,333	0	0	0	0	0	0	0	0	130,000
Simulated VAT cashflow impact	0	0	0	0	0	0	0	0	0	0	0	0	-21,000
	0	0	0	-13,333	0	0	0	0	0	0	0	0	109,000
Overdraft	0	0	0	-13,333	-13,333	-13,333	-13,333	-13,333	-13,333	-13,333	-13,333	-13,333	
Interest on Overdraft	0	0	0	0	0	0	0	0	0	0	0	0	0
Funding Required from CEC	0	0	0	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	120,000

Transport Initiatives Edinburgh Limited													
Addendum to Business Case - Financial Model													
2004/05													
RAIL PROJECTS	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	TOTAL
Cash Inflow													
Invoice CEC monthly in arrears	212,940	265,677	295,677	285,677	265,677	295,677	280,677	265,677	295,677	305,677	305,677	290,677	3,415,387
Cash Outflow													
Staff Costs	33,669	33,669	33,669	33,669	33,669	33,669	33,669	33,669	33,669	33,669	33,669	33,669	404,024
Office Accommodation	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000
Sundries													
Travel	125	125	125	125	125	125	125	125	125	125	125	125	1,500
Postage	17	17	17	17	17	17	17	17	17	17	17	17	200
Stationary	42	42	42	42	42	42	42	42	42	42	42	42	500
External Printing Costs	42	42	42	42	42	42	42	42	42	42	42	42	500
Telephones	83	83	83	83	83	83	83	83	83	83	83	83	1,000
Catering	8	8	8	8	8	8	8	8	8	8	8	8	100
Bank Charges	25	25	25	25	25	25	25	25	25	25	25	25	300
Training	833	833	833	833	833	833	833	833	833	833	833	833	10,000
IT and Office Equipment	417	417	417	417	417	417	417	417	417	417	417	417	5,000
External Costs													
Technical & Environmental	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	1,500,000
Legal	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	800,000
Financial Advisers					10,000	15,000	20,000	30,000	40,000	40,000	25,000	20,000	200,000
Modelling	20,000	20,000	20,000	20,000	20,000								100,000
Communications Consultant	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
Parliamentary Support													0
Total Costs	285,677	285,677	285,677	285,677	295,677	280,677	285,677	295,677	305,677	305,677	290,677	285,677	3,488,124
Net Cash Flow Before Interest	-72,737	0	0	0	-10,000	15,000	-5,000	-10,000	-10,000	0	15,000	5,000	-72,737
Simulated VAT cashflow impact	-44,101	-44,101	-44,101	-44,101	-45,851	-43,228	-44,101	-45,851	-47,801	-47,801	-44,976	-44,101	-539,718
	-116,838	-44,101	-44,101	-44,101	-55,851	-28,228	-49,101	-55,851	-57,801	-47,801	-29,976	-39,101	-612,454
Overdraft	-510,858	-554,780	-598,861	-642,963	-688,814	-727,041	-776,142	-831,994	-889,595	-937,197	-987,173	-1,006,275	
Interest on Overdraft	0	0	0	0	0	0	0	0	0	0	0	0	0
Funding Required from CEC	285,677	285,677	285,677	285,677	295,677	280,677	285,677	295,677	305,677	305,677	290,677	285,677	3,488,124
EXECUTIVE DIRECTORS COSTS													
	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	TOTAL
Cash Inflow													
Invoice CEC monthly in arrears	13,333	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	74,282
Cash Outflow													
Staff Costs	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	66,500
Total Costs	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	66,500
Net Cash Flow Before Interest	7,792	0	0	0	0	0	0	0	0	0	0	0	33,500
Simulated VAT cashflow impact	0	0	0	0	0	0	0	0	0	0	0	0	-11,838
	7,792	0	0	0	0	0	0	0	0	0	0	0	21,663
Overdraft	7,792	7,792	7,792	7,792	7,792	7,792	7,792	7,792	7,792	7,792	7,792	7,792	
Interest on Overdraft	0	0	0	0	0	0	0	0	0	0	0	0	0
Funding Required from CEC	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	5,542	66,500

ID	Task Name	Duration	Start	2003												2004																																			
				Qr 4, 2002				Qr 1, 2003				Qr 2, 2003				Qr 3, 2003				Qr 4, 2003				Qr 1, 2004				Qr 2, 2004				Qr 3, 2004				Qr 4, 2004															
				Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec								
0	Airport Link High Level Programme	518 days	Wed 19/03/03																																																
1																																																			
2	Procurement	145 days	Wed 19/03/03																																																
3	Information Gathering	1 mo	Wed 19/03/03																																																
4	Submit Proposal to Scottish Executive	0 days	Mon 31/03/03																																																
5	Issue PIN	0 days	Mon 21/04/03																																																
6	Issue OJEC Notice	0 days	Wed 30/04/03																																																
7	Prepare Expressions of Interest	37 days	Wed 30/04/03																																																
8	Assess Expressions of Interest	4 wks	Fri 20/06/03																																																
9	Prepare Briefs	84 days	Wed 16/04/03																																																
10	Tender Period	28 days	Fri 18/07/03																																																
11	Tenders In	0 days	Tue 26/08/03																																																
12	Assess Bids	30 days	Wed 27/08/03																																																
13	Appoint Consultants	0 days	Tue 07/10/03																																																
14																																																			
15	Engineering Study (Consultants Programmes)	373 days	Wed 08/10/03																																																
16	Technical and Environmental	18 mon	Wed 08/10/03																																																
17	Legal	12 mon	Mon 12/04/04																																																
18	Financial	2 mon	Mon 17/01/04																																																
19	Dem and Modelling	2 mon	Mon 05/01/04																																																
20	Lodge Bill	0 days	Fri 11/03/05																																																
21																																																			
22	Network Rail Interface	58 days	Wed 09/04/03																																																
23	Initial Meeting	1 day	Wed 09/04/03																																																
24	Receive Activity Schedule	0 days	Wed 09/04/03																																																
25	Prepare Brief	12 days	Thu 10/04/03																																																
26	Negotiate Brief	15 days	Mon 28/04/03																																																
27	Network Rail Prepare Estimate	10 days	Mon 19/05/03																																																
28	Cost Validation	20 days	Mon 02/06/03																																																
29	Sign Development Agreement	0 days	Fri 27/06/03																																																
30																																																			
31	Scotrail Interface	36 days	Wed 30/04/03																																																
32	Initial Meeting	1 day	Wed 30/04/03																																																
33	First Run of Timetable	4 wks	Thu 01/05/03																																																
34	Submit to TE	0 days	Wed 28/05/03																																																
35	Validate with Network Rail	2 wks	Thu 29/05/03																																																
36	Merit Simulation	1 wk	Thu 12/06/03																																																
37																																																			
38	Co-ordination	5 days	Tue 06/05/03																																																
39	Operating Group Meeting	1 day	Tue 06/05/03																																																
40	Steering Group Meeting	1 day	Mon 12/05/03																																																



AGENDA ITEM 4

Year End Accounts



Agenda for Board

To be held at The Dean of Guild Room, City Chambers

on 12th May 2003 at 10.00

1. Minutes of the meeting of 22nd April 2003 for approval and signing
2. Matters arising from the minutes
3. Addendum to Business Plan Michael Howell/
Stuart Lockhart
4. Year End Accounts Michael Howell /
Stuart Lockhart
(Tabled)
5. AOCB
6. Date of Next Meeting
7. Recruitment Status (Directors Only)