

EDINBURGH TRAM INTERNAL PLANNING GROUP

DRAFT AGENDA

26 October 2006

- | | | |
|---|-------------------------|----|
| 1 | Apologies | - |
| 2 | Remit for the Group | TA |
| 3 | High Level Project Plan | AH |
| 4 | Governance Arrangements | AH |
| 5 | Future Meetings | - |
| 6 | AOB | |
| | • Legal Issues | |
| | • Financial Issues | |

Remit of the Group

Edinburgh Tram Internal Planning Group

26 October 2006

Purpose of report

- 1 This report identifies the purpose of the Edinburgh Tram Internal Planning Group.

Main report

- 2 The creation of a tram network for Edinburgh is a vital project for the ongoing development of the capital and for the delivery of some key objectives for the city. It is a uniquely complex project that will require the coordinated input of several agencies and, internally, of different departments of this Council.
- 3 A Business Case will be presented to the City of Edinburgh Council and the Scottish Executive in December 2006. The intention is to report to Council on 1 February 2007 seeking their approval of the Business Case.
- 4 It is imperative that this decision is taken at the February Council meeting to avoid a substantial delay in progressing the project work. Should a decision not be made at that point, further discussion and decisions would be prevented by the impending Local Government and Scottish Parliamentary elections. Such a delay would be costly in time, financial resources and public perception of the project. With sufficient planning, that risk can be minimised.
- 5 The Department of City Development has the primary role in achieving this deadline. However, support from Finance and legal input from Corporate Services will also be necessary factors without which the timescales will not be met.
- 6 I have therefore instituted this group to ensure that there is a clear corporate understanding and oversight of the various strands of work that must be undertaken in anticipation for the February decision. All relevant preparation, including consultation with elected members, must be understood and appropriately sequenced. I will chair this group and I expect it to take a corporate responsibility of r the successful delivery of this programme of work.
- 7 Other reports on this agenda will inform and influence the future role of this group. The paper on the high level project plan clarifies the key milestones over the next months of which this group should be aware and towards which I expect us to work.

- 8 The paper on governance arrangements is similarly foundational to this group. Clarity is needed with respect to the roles of the various bodies in terms of decision making as it relates to this project, particularly in the period leading up to the February Council.
- 9 Given the volume of work in the coming months I have cleared time in my own diary for weekly meetings for this group. A paper outlining the programme for these meetings is also on this agenda. Obviously, the volume of business at each meeting may vary, but given the importance of this project I would expect attendance to be treated as a priority.

Recommendations

- 10 Understanding the importance of this project, I would therefore request that this group:
 - agree to the remit as I have defined above in paragraph 6;
 - agree to attend weekly meetings.

Tom Aitchison
Chief Executive

Appendices

Contact/tel Chris Highcock, Business Manager
[REDACTED]
chris.highcock@edinburgh.gov.uk

Wards affected

Background Papers All on this agenda:

- High Level Project Plan
- Governance arrangements
- Programme for future meetings



"The trams will bring many benefits to Edinburgh as a whole, while the planned routes will contribute greatly to the regeneration of north Edinburgh, Granton and Leith, providing cleaner, efficient transport to key areas of the city."

The Rt Hon. Lesley Hinds
Lord Provost of Edinburgh

It's Time for Trams

A new transport choice to help keep Edinburgh moving as our city continues to grow.

Further information:
www.tramtime.com or
freephone: 0600 328 3934

Chief Executive – “Tram Progress Meeting” 26 October 2006



Background

The tram concept emerged from the JATES study in 1991, which highlighted the need for a public transport system that has priority on and off road and importantly was not delayed at saturated road junctions.

Local Transport Strategy – Public Transport Priority

Recently the tram has been enshrined in to the Local Transport Strategy. That action plan shows delivery of a tram system in 2011. To achieve this ambitious fast track programme a number of key milestones have to be met. These are as follows: -

Key Milestone Events

		Key Milestone Events																															
ID	Task Name	2005				2006				2007				2008				2009				2010				2011				2012			
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1	Approval in principle by CEC and the Scottish Executive	◆																															
2	Parliament Approve Acts for tram line 1 and 2								◆																								
3	Initial Business Case Approved (SE/CEC)								◆																								
4	Mudra Contract awarded for utility works								◆																								
5	Tramco Tender return (rolling stock)								◆																								
6	Modelling outputs								◆																								
7	DFBC approval by CEC								◆																								
8	Infraco tenders returned								◆																								
9	Final approval of DFBC by CEC								◆																								
10	Final approval of DFBC by Transport Scotland								◆																								
11	Mudra Works								◆																								
12	Infraco Contract								◆																								
13	Tram Operational (dependant on infrastructure contractor)								◆																								◆





Issue emerging from the programme

The Business Case:-

The business case provides CEC and the Scottish Executive with a quantitative and qualitative assessment of the benefit cost ratio of the tram including financial viability and affordability. This assessment under the STAG (Scottish Transport Appraisal Guide) assessment method takes account of a range of parameters including capital and operation cost, as well as any disbenefits to other road users. A report will be prepared on the draft Final Business Case for the Council meeting on 21 December 2006.

Multi Utility Diversion Framework Agreement (Mudfa) Contract Award

The contract was awarded to Alfred McAlpine Ltd two weeks ago at a sum within that budgeted in the business case.

The Mudfa contract will carry out the necessary works to remove the majority of the utilities (cables and pipes) from the line of the track and replace them in the remaining carriageway or footways. Initially there is a pre-construction period when Alfred McAlpine Ltd and tie, in consultation with CEC, will develop the programme and method of executing the works. Phased utility works will only commence, if the Council and the Scottish Executive approves the business case, and would be implemented over an estimated 18-month period.

Tramco Tender Returns

Tramco is the contract for the construction of the tram power unit and carriages. Four contractors have returned their tenders this month. Currently, these are being appraised, and encouragingly the out-turn figures fall within the budget set. As part of the submission contractors have been asked to give illustrations of what the tram will look like and some of these will be provided at the Sounding Board.

Public Relations Strategy

Advertising

A city-wide advertising campaign has been launched to highlight the benefits of Trams. The campaign aims to raise public awareness of the benefits Edinburgh’s newest public transport choice could bring by focusing on five people from Edinburgh, and why they are looking forward to the arrival of trams.





A student recruitment officer, business manager, mother, student, and Edinburgh’s Lord Provost all feature. Each person highlights the benefits trams could bring to them and the importance of an integrated transport system where trams and buses work together. Their opinions include benefits such as reducing on street pollution, economic growth, providing a clean, efficient mode of transport, providing investment and jobs, improving the transport network, better accessibility and increased space for wheelchairs and prams.

The campaign will run for four months initially, with adverts appearing on bus shelters, bus backs, promo vans, three large poster sites around the city, in the press, and also audio adverts on Radio Forth.

Mobile communications vehicle

A single decker bus is currently being transformed into an information centre with tram info/branding/visuals etc. It will travel around the city from November visiting Parliament, corporate and local workplaces, airport and shopping centres etc. The possibility of it visiting Council venues, including the new HQ, the city chambers, Chesser House and schools, is being investigated.

Tram DVD

A tram DVD is being produced. There will be a 10 minute and 3 minute version. It will include interview with Councillor Aitken, Willie Gallagher and Neil Renilson and shots of Edinburgh, vox pops and shots of Dublin (where a similar tram scheme has been introduced with great success).

Other issues

The Compensations Scheme

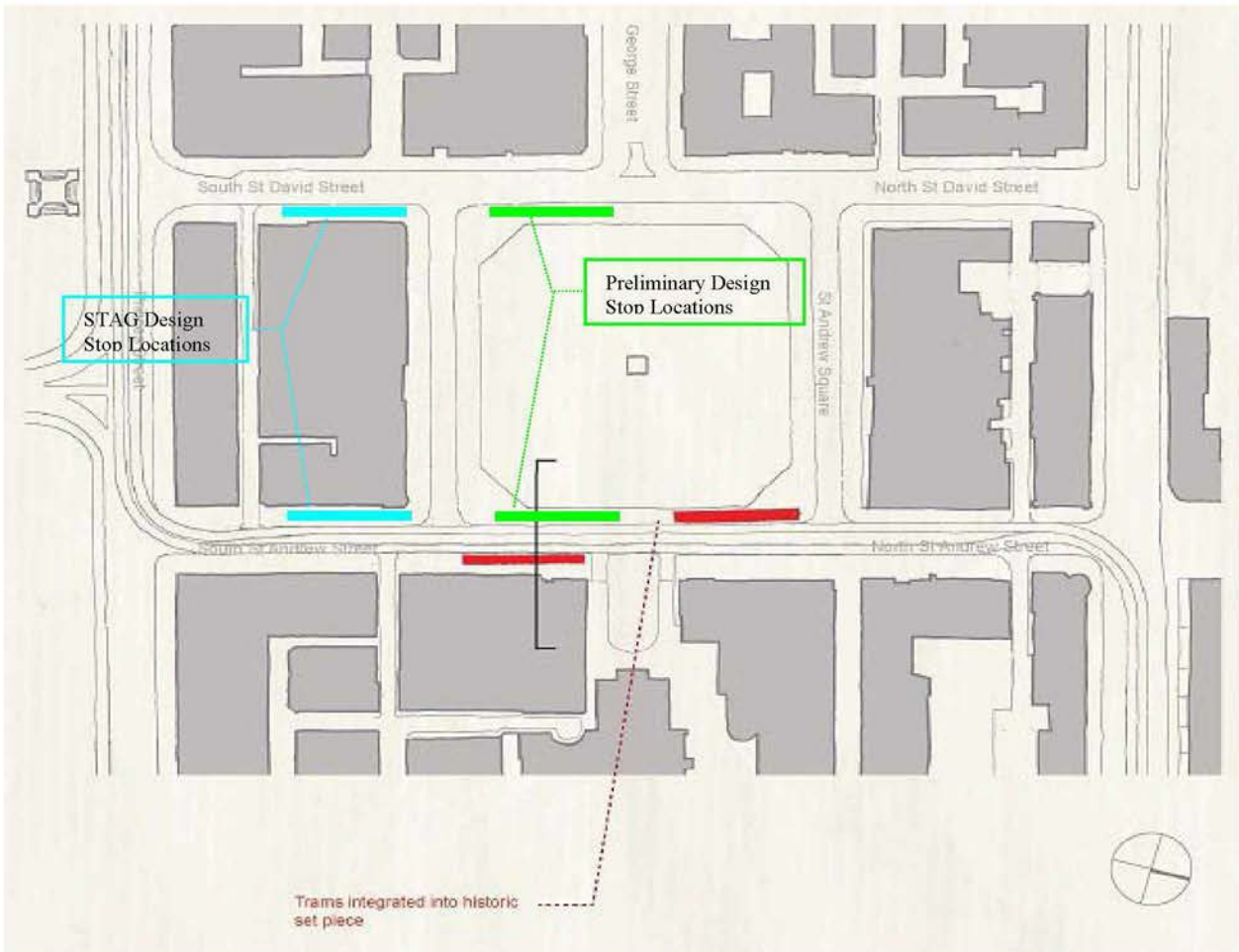
A support scheme is being developed for businesses during the construction period. This will be aimed primarily at businesses which rely on customer footfall and will comprise of several different elements including the possibility of temporary reductions in rateable values for the businesses that are most affected, and communication and marketing for the city centre during construction.

In addition, there are ongoing discussions regarding the possibility of an additional relief scheme for small businesses based on the scheme developed in relation to the construction of the Nottingham tram.



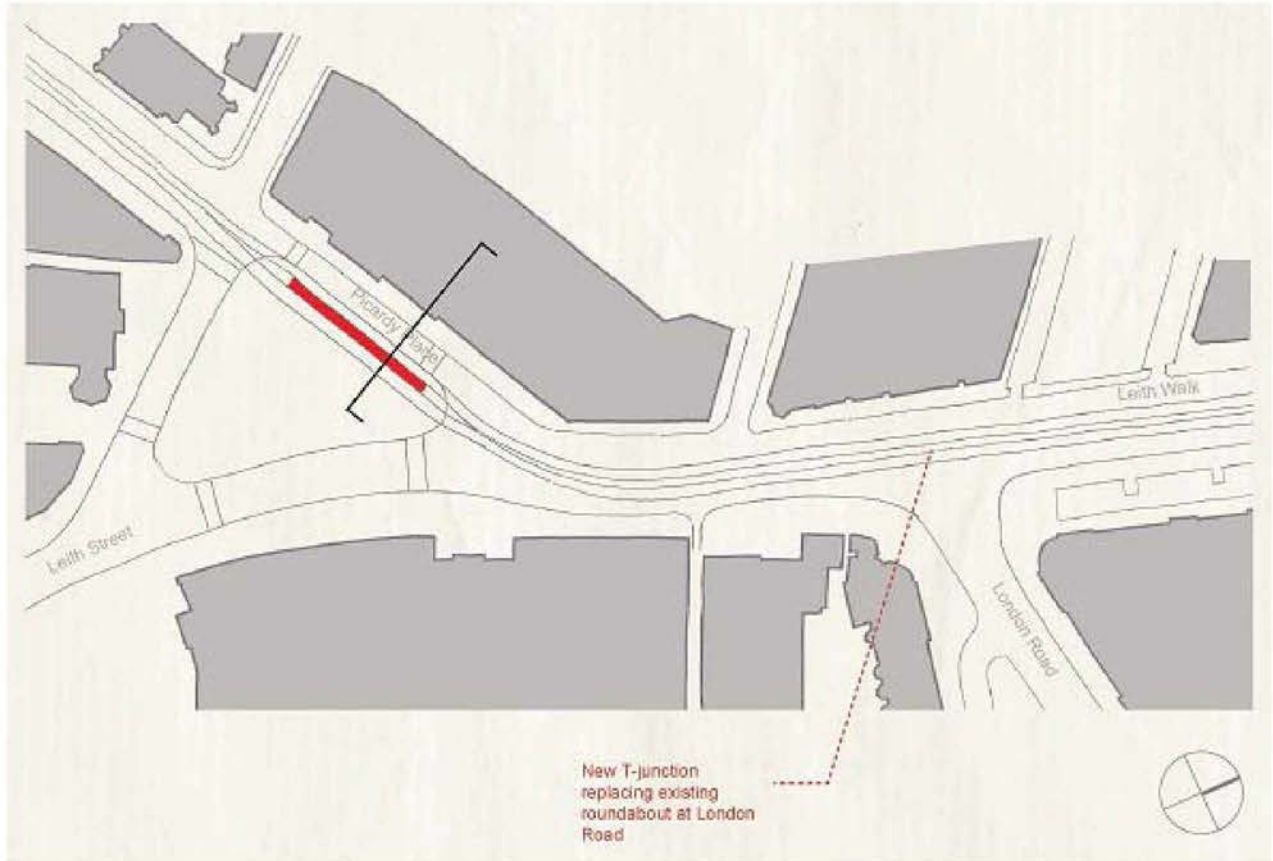
Charettes

Charettes workshops have been undertaken for the Edinburgh Tram between representatives of the diverse organisations and disciplines with a common aim of addressing the key design principles related to the final design. The following sketches describe the key points at St Andrew Square, Picardy Place and the Foot of the Leith Walk. The coloured blocks represent platforms. Further discussion of the drawings will take place at the Sounding Board meeting.



St Andrew Square - with both tracks on the east side. Exact platform locations are still being investigated.



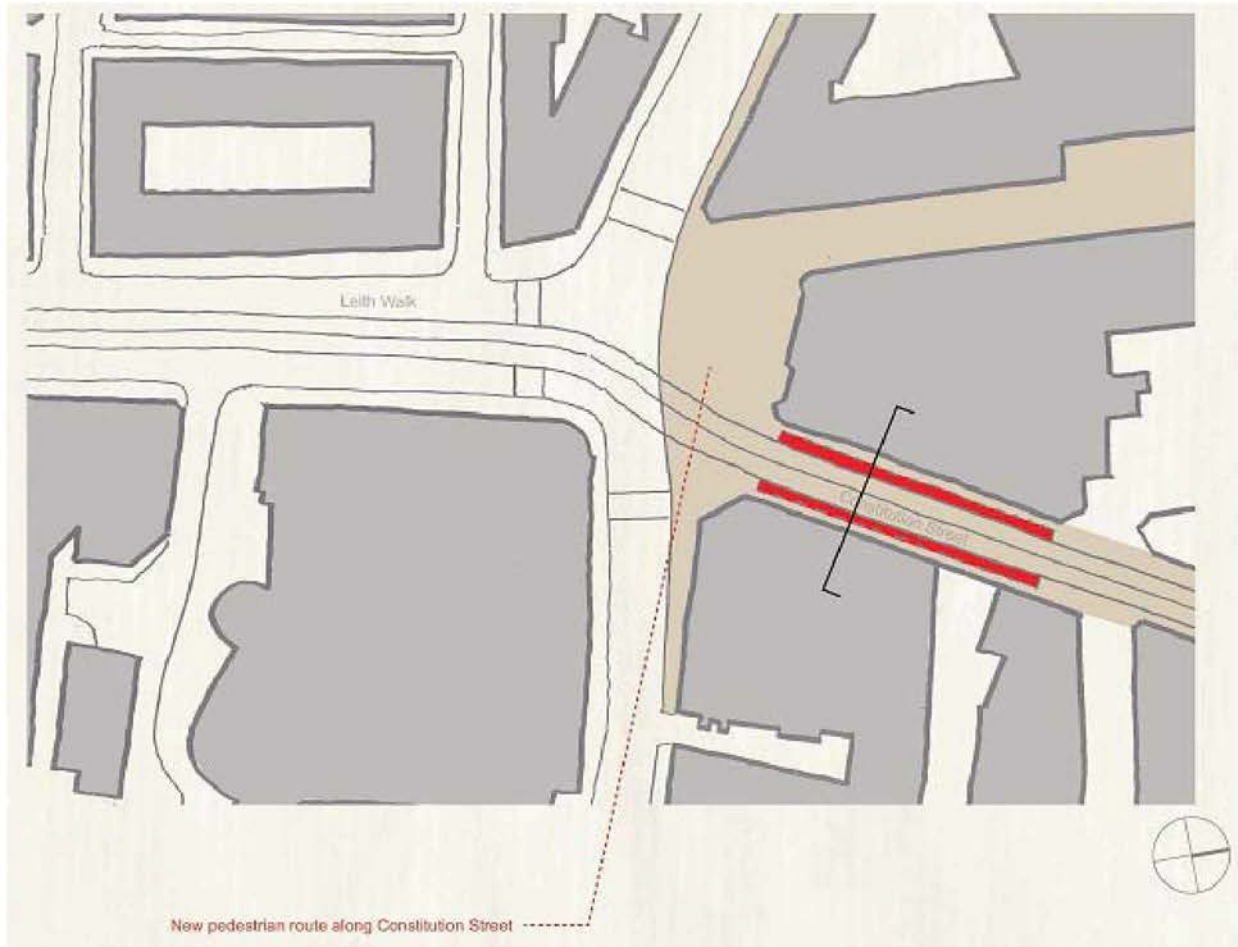


Picardy Place - with the road layout returned to its historic layout with a central island platform.

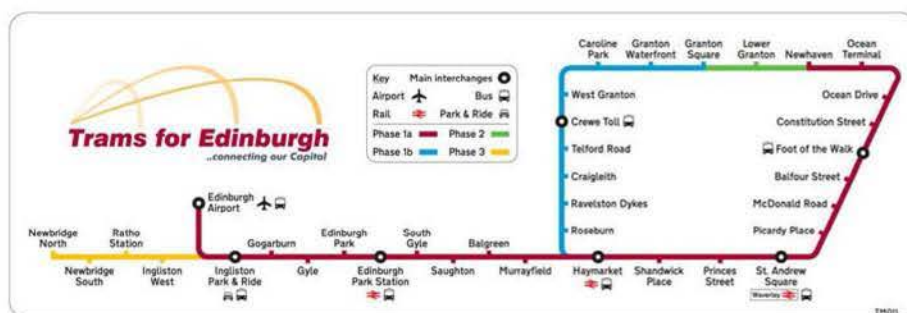




Trams for Edinburgh
..connecting our Capital



Foot of the Walk - with the tram stops moved into Constitution Street (this may require the removal of general traffic).





Haymarket Interchange

A study and Master Plan is being developed to provide an attractive multi-modal transport interchange facility at Haymarket that will accommodate forecast levels of demand from all modes of transport.

The estimated completion date for the study and Master Plan is spring 2007. The study/Master Plan programme is split into 5 main stages:

- Stage 1: Initial Findings and Longlist Options
- Stage 2: Review Period and Shortlist Options agreed
- Stage 3: Shortlist Options Development
- Stage 4: Review Period and Select Preferred Option
- Stage 5: Finalise Preferred Option - September 2007

Stages 1 & 2 of the study/Master Plan are now complete and the current Stage 3 is programmed to run from June 2006 to April 2007.

Scottish Executive (Transport Scotland) provided the City of Edinburgh Council with a grant of £900,000 over two financial years, 2005-6 and 2006-7, to carry out a Feasibility Study and produce a Master Plan for the Haymarket Station area.

It should be noted that, at this stage, there is no provision for capital funding to construct any of the options. The feasibility study will be central to determination of future funding from Transport Scotland.

Consultation will be undertaken early in the New Year, by which time the tram proposal for Haymarket should have been confirmed. Progress during Stage 3 is dependent on a variety of factors, but principally the timing and content of traffic modelling information becoming available from the Edinburgh Tram project. The Council, TfE and Transport Scotland are working together to achieve the agreed timescales.

The consultant is currently working on 6 long-term options, which take into account wider development of the area including the replacement of key buildings in the area. All use a long-term phased approach and, as a minimum, provide multi-modal interchange on the day of opening of the tram.

Construction will be phased, to match any funding provided, and initially to enable some construction in the short term in parallel with the Tram project (approx. 2008 to 2010). It is likely that potential further construction associated with the more significant redevelopment will be phased over the longer term (approx. 2011 to 2031). This work will not impact the running or alignment of the tram.





Vesting and Compulsory Purchase Orders

The Edinburgh Tram Acts now have Royal Assent and consequently the Council has been granted powers to acquire land for the construction, operation and maintenance of the trams.

The Council will be using these powers through the General Vesting Declaration (GVD) process to acquire land and or property for the tram project.

Under the GVD process the 'First Notices' will be issued to affected parties in November for information purposed only. Subject to the approval of the business case by the Council and the Scottish Minister 'Second Notices' will be issued, which will entitle the Council to have title to the property and be entitled to take entry and commence the works.

Critical next steps:-

- McAlpine's and tie to develop the Mudfa programme and method of working
- GVD issued to affected land owners in November 2006
- Report on the Draft Business Case to Full Council on 21 December 2006
- Report on the Tramco Tenders to Council (post election date to be advised later)
- Report on the Final Business Case in February 2007 including financial information from the Infraco tenders



tie Limited

Paper to : **tie Board**
Subject : **Project Governance**
Date : **August 2006**

**Edinburgh's integrated transport system
Project governance – agreed structure, August 2006**

Note :

This paper combines the principles and structure which were set out in papers to the TEL Boards on 19 June 2006 and 24 July 2006 and the results of further discussions. The paper is intended to be a complete picture of the agreed structure to take the project through to financial close.

Background

The delivery of Edinburgh's integrated transport system has the following key players:

- CEC was the Promoter of the Tram Bills, will be the user of the output from the project and is part-funder of the project
- TEL was created by CEC to deliver an integrated bus and tram system
- Tie is the delivery agent for the tram as specified by its client CEC acting through TEL
- Transport Scotland (TS) is the principal funder

This paper establishes a practical approach to project governance through to Financial Close. It is anticipated that a revised structure will be required to execute the construction phase of the project.

The fulcrum of the previous governance structure was the TEL Board acting as the Project Board. Attendance included senior parties from the key stakeholders, including CEC and TS. The Tram Project Director (TPD) had delegated authority from the TEL Board to execute and in turn delegated on day to day matters to his tram project team.

Agreed structure - August 2006

The revised structure is summarised in the diagrams in Appendix 1. These highlight the following four key bodies :

- TEL Board
- Tram Project Board (an independent body with authority delegated to it by CEC (through TEL) and by TS ("TPB"))
- TPB sub-committees : 1) Business Planning, Integration and Commercials ("BPIC") ; and 2) Design, Procurement and Delivery ("DPD")

Remits for each of the four primary bodies are set out in Appendices 2-4. In summary, their roles are as follows :

TEL Board

The role of the TEL Board is focussed on its statutory stewardship role and on its overall responsibility to deliver an integrated tram and bus network for Edinburgh, on behalf of CEC. It will make the formal recommendations to CEC on key aspects of the project including business plan and business case approval, contractual commitment and matters which have a political dimension. Attendance will be restricted to Directors. The TEL Board will also address any matters outwith the direct arena of Integrated Bus and Tram systems and any statutory TEL considerations.

Tram Project Board

The TPB is established as an independent body with full delegated authority from CEC (through TEL) and TS to execute the project in line with the remit set out in Appendix 3. In summary, the TPB has full delegated authority to take the actions needed to deliver the project to the agreed standards of cost, programme and quality. The TPB also exercises authority over project design matters which significantly affect prospective service quality, physical presentation or have material impact on other aspects of activity in the city. Certain matters are reserved by TS and CEC, as described below.

The delegation of authority to the TPB is formalised by the approval of this paper by the TEL Board and by the Senior TS Representative.

The suggested membership of the TPB is 6 people (Office of Government Commerce constituency definitions "highlighted"):

- Chair
- Senior TS Representative
- Senior CEC Representative - "Senior User Representative"
- TEL CEO and Project "Senior Responsible Owner"
- "Senior Supplier" representatives (tie Executive Chairman and TEL Operations Director)

The Chair will be the TEL Non-executive Chairman, rather than the Project SRO. Other parties, principally senior project management and advisers, will be called to attend as required, though it is anticipated that a common group including the Tram Project Director will attend most meetings.

The intention is that the empowerment of Senior Representatives of TS and CEC will enable the TPB to act with appropriate efficiency.

The Senior TS Representative is empowered by TS to support all decisions made by the TPB except those matters reserved by Scottish Ministers and set out in Appendix 3A. In particular, the milestone approval requirements set out in the grant award letter are within the approval powers of the Senior TS Representative. The Senior CEC Representative is empowered by CEC to support all decisions made by the TPB except those matters reserved by CEC and set out in Appendix 3B.

Exceptionally, the TS or CEC Senior Representatives may withhold approval of matters within their powers for further reference in their respective organisations.

Sub-committees

Execution workstreams will be categorised (largely as at present) as either “Business Planning, Integration and Commercials” (“BPIC”), or “Design, Procurement and Delivery” (“DPD”). The BPIC programme is under the direction of TEL management led by Bill Campbell. The DPD programme is under the direction of the Tram Project Director Andie Harper. There are critical linkages and dependencies which the two programme directors must manage effectively. At operational level, CEC, TS and Transdev have key involvement in many of the workstreams. This structure should encompass all workstreams and approvals needed to deliver the integrated system. In particular, the two programme leaders must ensure that all other project-related activities (“influencing groups”) are fully aligned with the governance structure documented in this paper, or bring any parallel activities to the attention of the TPB for action to be taken.

The role of the sub-committees is to challenge and filter workstream outputs and provide recommendations to the Tram Project Board. Membership of sub-committees will be partly sub-set of the TPB and partly additional advisers and stakeholder representatives. It is also likely that membership will vary according to the subject-matter on the table. The sub-committees have no delegated decision-making authority (except as specifically delegated by the TPB) but will be required to make recommendations to the TPB.

The tie Board

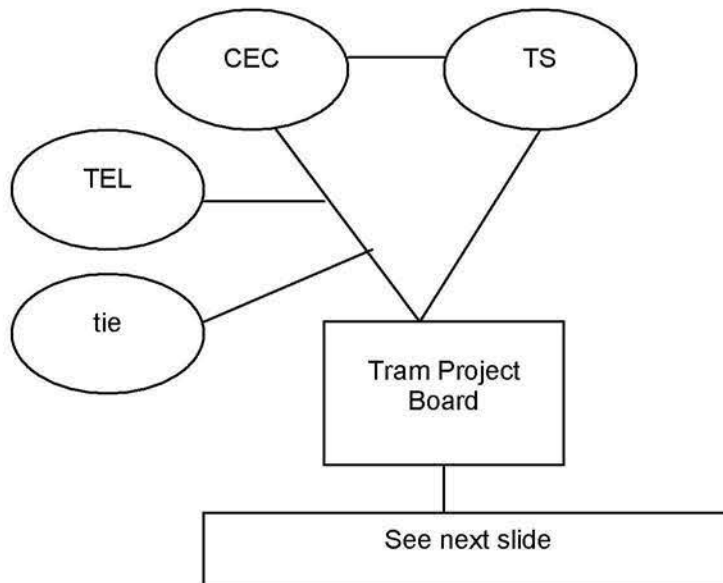
In addition to the four primary bodies, the tie Board retains a specific role, in line with its previous responsibilities. These are 1) to apply quality assurance to the execution by the Tram Project Director and his team ; 2) to make formal funding requests to TS and be accountable for expenditure ; and 3) to enter into contractual arrangements necessary to execute project delivery. It is anticipated that the tie Board will place reliance on the governance processes executed by the TPB in assessing the work required to execute their own responsibilities under 2 and 3.

Members and participants

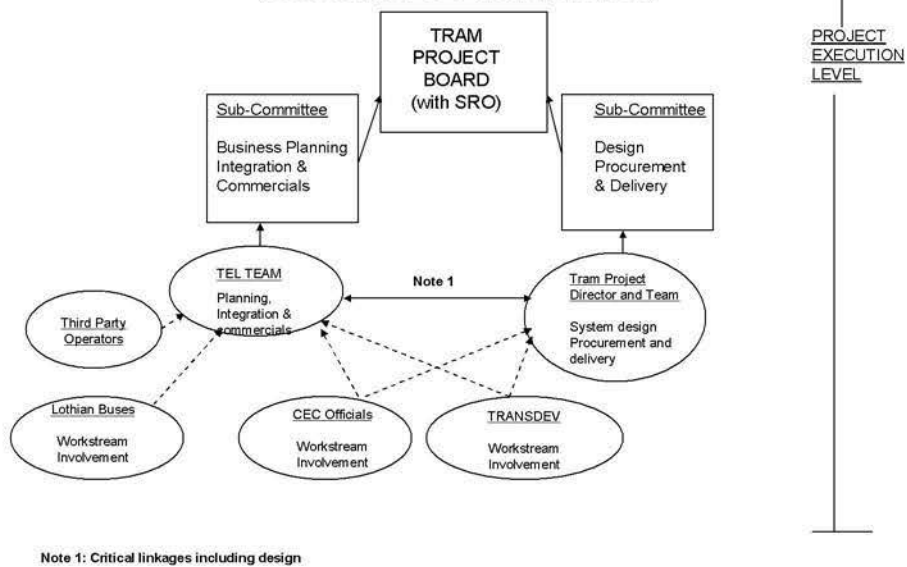
Appendix 5 sets out the suggested composition of the four primary governance bodies. The status of individuals is defined either as “Member”, each of whom has formal decision-making authority, or “Participant”.

Appendix 1 – Overview of governance structure

EDINBURGH'S INTEGRATED TRANSPORT SYSTEM
Governance to Financial Close



EDINBURGH'S INTEGRATED TRANSPORT SYSTEM
Governance to Financial Close



Note 1: Critical linkages including design

Appendix 2 - TEL Board Remit

The TEL Board has the following responsibilities :

(1) Company stewardship

1. Matters relating to TEL as a statutory entity, including Board membership, statutory reporting, maintenance of books of account and statutory records.
2. Matters arising from CEC / TEL Operating Agreement
3. Matters relating to TEL employees including Health & safety

(2) Integrated Edinburgh Tram and Bus Network

1. Overall responsibility for the delivery of an integrated Edinburgh Tram and Bus Network on behalf of CEC
2. Preparation of a Business Plan (and a supporting Tram Business Case) for the Tram Project covering specifically the period to Financial Close (as defined in the Project Programme), and setting out in particular (1) the Company's assessment of the financial and economic viability of a proposed integrated bus and tram system and the affordability of constructing a tram system ; and (2) how the Company intends to incentivise the tram and bus operators to deliver a high quality, viable integrated bus and tram system.
3. Execution of its responsibilities under 1 and 2 through the project governance arrangements, while reserving the following powers :
 - Formal recommendation to CEC :
 - that the TEL Business Plan and the Tram Draft Final Business Case be approved with defined consequential approvals
 - in relation to other critical milestones through to Financial Close where it is anticipated that full Council approval will be required
4. Health & Safety responsibilities arising from the Integrated Edinburgh Tram and Bus Network.

Appendix 3 - Tram Project Board ("TPB") Remit

Except for the matters reserved by respectively TS and CEC and set out in Appendices 3A and 3B, the TPB has full delegated responsibility for the delivery of an integrated Edinburgh Tram and Bus Network on behalf of CEC and TS, in particular :

1. To oversee the execution of all matters relevant to the delivery of an integrated Edinburgh Tram and Bus Network, with the following delegations :
 - a. Changes above the following thresholds
 - i. Delays to key milestones of > 1 month
 - ii. Increases in capital cost of > £1m
 - iii. Adversely affects annual operational surplus by >£100k
 - iv. is (or is likely to) materially affect economic viability, measured by BCR impact of > 0.1
 - b. Changes to project design which significantly and adversely affect prospective service quality, physical presentation or have material impact on other aspects of activity in the city
 - c. Delegate authority for execution of changes to TEL CEO with a cumulative impact as follows:
 - i. Delays to key milestones of up to 1 month
 - ii. Increases in capital cost of up to £1m
 - iii. Adversely affects annual operational surplus by <£100k pa
 - iv. is (or is likely to) materially affect economic viability, measured by BCR impact of <0.1

[Note: these are cumulative impacts since the last position approved by the TPB.]

The TEL CEO will delegate similar authority to the leaders of the BPIC and DPD workstreams respectively. Changes within this level of delegation require the approval of both the workstream leader and the TEL CEO.

2. To appoint the Senior Responsible Owner for the project and to receive reports from the SRO on project progress
3. To receive reports from sub-committees established to oversee 1) Business Planning, Integration and Commercial ("BPIC") ; and 2) Design, Procurement and Delivery ("DPD").
4. To ensure BPIC and DPD workstreams are executed according to robust programmes under the leadership of Project Directors appointed by the TPB.
5. To approve the release of procurement documentation to the market, to approve procurement selection decisions and to recommend to the TEL and tie Boards (as appropriate) that they enter into contractual commitments.
6. To approve the submission of funding requests and to recommend approval of funding terms to the TEL and tie Boards (as appropriate). The TPB will also confirm to TS compliance that all relevant aspects of the grant award letter.
7. To ensure proper reporting through the TPB Chairman to the TEL Board, CEC or TS (as appropriate) of decisions made and reserved power compliance. .

All papers seeking decisions from the TPB shall have been circulated to Transport Scotland, City of Edinburgh Council, TEL, tie and Transdev for comment before formal submission to the TPB. In practice this should be achieved primarily through the sub-committees

Appendix 3A – Scottish Ministers' Reserved Matters

The following matters cannot be determined by the Transport Scotland Senior Representative without further consultation within Transport Scotland and the Scottish Executive.

1. Those of City of Edinburgh Council's reserved matters set out in Appendix 3B which may be referred to the Scottish Ministers for determination.
2. Approval of the business case.
3. Commencement of physical works under the Multi Utilities Diversion Framework Agreement
4. Entering into contracts for the delivery of tram vehicles (Tramco) or system infrastructure (Infraco)
5. Increases in Scottish Ministers' funding beyond the total of grant already offered to City of Edinburgh Council
6. Decisions in relation to the application of concessionary fares to the Edinburgh Trams scheme

[Note: item 5 should still allow assumptions to be made within the business case but makes it clear that agreement to those assumptions does not bind our colleagues in Transport Group to deliver those assumptions. That would form part of the collective decision making about the scheme.]

Appendix 3B – CEC Reserved Matters

[THIS APPENDIX TO DOCUMENT EXCEPTIONS TO DELEGATED AUTHORITY PROVIDED BY CEC TO CEC SENIOR REPRESENTATIVE]

[Statutory process including “prior approval processes” specified in the Acts, principally planning related ;

Matters of substantive public interest which require political involvement.

Specific matters requiring Council Executive and full Council approval.

- that the TEL Business Plan and the Tram Draft Final Business Case be approved with defined consequential approvals*
- in relation to other critical milestones through to Financial Close where it is anticipated that full Council approval will be required]*

Appendix 4 – Remits of TPB Sub-committees

1. To assess progress on matters within the Project Programme headings of (respectively) 1) Business Planning, Integration and Commercial (‘‘BPIIC’’); and 2) Design, Procurement and Delivery (‘‘DPD’’); as appropriate, to request further work or investigation, or to approve the reports and recommend their acceptance to the TPB.
2. To ensure that papers brought to the sub-committee meetings and reported to the TPB are succinct but comprehensive, highlight key issues and decisions, define matters where project dependencies exist and the means of ensuring that those dependencies are addressed; and that all members receive papers timeously and are given the opportunity to comment fully.
3. To report to the TPB through the sub-committee Chairmen: 1) on matters which are reserved to the TPB, CEC, the TEL Board and TS; and 2) generally, as deemed appropriate by the sub-committee Chairman.

Appendix 5

TRAM PROJECT - MEMBERS AND PARTICIPANTS IN GOVERNANCE BODIES				
	TEL Board	Tram Project Board	BPIC Sub-Comm	DPD Sub-Comm
Members :				
David Mackay	Chair	Chair	Chair	
Willie Gallagher	X	X	X	Chair
Neil Renilson (TEL CEO and Project SRO)	X	X	X	X
Bill Campbell	X	X	X	X
Donald McGougan	X			
Ricky Henderson	X			
Fred Mackintosh	X			
Bill Reeve (TS Senior Representative)		X		
Andrew Holmes (CEC Senior Representative)		X		
Damian Sharp			X	X
CEC Senior Representative			X	X
Participants :				
Andie Harper		X	X	X
Graeme Bissett		X	X	X
Stewart McGarrity		X	X	X
Transdev		X	X	X
Project team members as required				
Advisers as required				
James Stewart (PUK)		X		
James Papps (PUK)			X	X
Norman Strachan (Secretary)	X	X	X	
Mark Bourke (Secretary to DPD Sub-Committee)				X

EDINBURGH TRAM INTERNAL PLANNING GROUP

Programme of Meetings

Thursday 26 October	3.15
Thursday 2 November	8.30
Wednesday 8 November	Following CMT
Thursday 16 November	8.30
Thursday 23 November	3.00
Thursday 30 November	4.00
Thursday 7 December	11.30

All meetings to be held in the Chief Executive's Boardroom

EDINBURGH TRAM INTERNAL PLANNING GROUP

Action Note: 26 October 2006

Summary of Actions

Item	Present	Note	Agreed outcome	Action required by
	Present	Gill Lindsay, Jim Inch, Chris Highcock, Tom Aitchison, Andrew Holmes, Keith Rimmer, Donald McGougan		
1	Apologies	<ul style="list-style-type: none"> • none 	<ul style="list-style-type: none"> • Noted 	
2	Remit for the Group	<ul style="list-style-type: none"> • Paper previously circulated 	<ul style="list-style-type: none"> • Agreed 	
3	Project Plan	<ul style="list-style-type: none"> • Paper tabled by AH slowing key milestones. • On target for the Business Case report in December. • Current cross-party accord. • Target is for 1/2/07 Council with concurrent approval from the Scottish Executive. However this target may be too tight. There may therefore be an option to consider using the budget meeting on 8/2/07 or the Council on 8/3/07 	<ul style="list-style-type: none"> • A more detailed project plan is required to cover clearly the period from now until March • Daily diary of actions / issues to be aware of may be of use for this period 	<ul style="list-style-type: none"> • Director of City Development for 8/11 • Director of City Development for 8/11

Item		Note	Agreed outcome	Action required by
		<ul style="list-style-type: none"> • However, also concern to avoid the purdah period; also note that in practice an incoming council could cancel the project. • Risk Analysis needs to be considered with respect to costings. There seems to be an agreement to an index linking of the Transport Scotland contribution • Sounding Board with councillors has had 2 meetings so far. It will need to consider in details issues associated with key public spaces e.g. St Andrews Sq, Foot of the Walk etc. • Planning workload – note the risk associated with what may be a 25% increase in workload. 	<ul style="list-style-type: none"> • Need to identify the start of the “purdah” period. • What is the index to be used? • What is the residual risk with respect to these financial issues. • Is it possible to agree the Business Case subject to financial close? • Clear project plan for council action over the next 3 months is vital • There needs to be a clear understanding of deadlines to ensure consultation with cllrs is achieved. • Need to consider this pressure in risk register 	<ul style="list-style-type: none"> • Director of Corporate Services to clarify this time period with Alex Thomson by 8/11/06 • Director of City Development for 8/11 • Director of City Development for 8/11 • Director of City Development for 8/11 • Director of City Development • Director of City Development

Item		Note	Agreed outcome	Action required by
		<ul style="list-style-type: none"> • PR / Communications – campaign is underway. Thus far no negative stories in the press. • Haymarket interchange – note difficulties here with respect to traffic management. However there likely be a positive impact on land values due to improved transport links. • Resources needed for support of project. • Resources needed form Legal and Finance. With respect to legal note current estimate of 1 FTE solicitor. Some concern expressed over how this estimate has been arrived at – via analysis of likely work or on the basis of funds available. • Note that there is likely to be a volume of work with respect to TROs 	<ul style="list-style-type: none"> • Need to consider potential support / involvement from SFC – i.e., with respect to environmental / networks. • Need to check with Legal (Colin MacKenzie) with respect to estimate of resource requirement; • Need a clear understanding of the legal responsibilities that CEC has and a clear estimate of the associated legal work. Work to be properly scoped, with idea of priorities 	<ul style="list-style-type: none"> • Director of City Development to discuss with Director of SFC • Director of Corporate Services / Director of City Development

Item		Note	Agreed outcome	Action required by
		<ul style="list-style-type: none"> Financial resources – note likely to be a significant draw on time of Director of Finance with respect to securing £45 million 	<ul style="list-style-type: none"> Estimate of resource requirement needed Estimate of resource requirement needed for 8/11 	<ul style="list-style-type: none"> Director of City Development for 8/11 Director of City Development for 8/11
4	Governance Arrangements	<ul style="list-style-type: none"> Paper tabled by Director of City Development, with respect to project governance. Has been agreed by TIE and TEL. Key part is Appx 3b – CEC reserved matters 	<ul style="list-style-type: none"> Appx 3b needs to be fleshed out.. This is especially important with respect to legal role. 	<ul style="list-style-type: none"> Director of City Development and Council Solicitor to discuss.
5	Future Meetings	<ul style="list-style-type: none"> Paper previously distributed 	<ul style="list-style-type: none"> Agreed No meeting on 2 November Next meeting 8 November, following CMT 	
6	AOB	<p>Business Plan – slides tabled by Director of City Development</p> <ul style="list-style-type: none"> While the report to Council is due for February / March, preparations need to be made now. 	<ul style="list-style-type: none"> Skeleton / outline business plan needs to be drafted. Structure of Council report to be drafted. Sub group to be established 	<ul style="list-style-type: none"> Lex Harrison, Rebecca Andrew etc for 8/11

Item		Note	Agreed outcome	Action required by
		<ul style="list-style-type: none"> • Director of City Development noted that much of this work is proceeding on a “just in time basis”, so precise estimates of resource requirements etc can be difficult to achieve. • Issue raised of Lothian Buses and its legal structure. With respect to tax position and TEL there may be reason to consider a change to a LLP. • Note issue of lifecycle costs in business plan estimates. Refurbishment does not mean replacement of tram vehicles 	<ul style="list-style-type: none"> • Input needed form David Cooper with respect to developer contributions • To be investigated 	<ul style="list-style-type: none"> • Director of City Development for 8/11 • Director of City Development / Director of Finance / Council Solicitor for 8/11

Item		Note	Agreed outcome	Action required by
		<ul style="list-style-type: none"> • Patronage estimates. These are necessarily rough estimates which depend on other factors such as developments in Granton. However, the sensitivities used in the estimates of passenger growth are quite conservative, given experience of growth in Dublin and Nottingham. • Note also however, that if there is no tram, the need for additional buses will be acute and will place extreme pressure on many roads given estimates of likely growth. 		

Next meeting: 8 November in the Boardroom, following CMT