

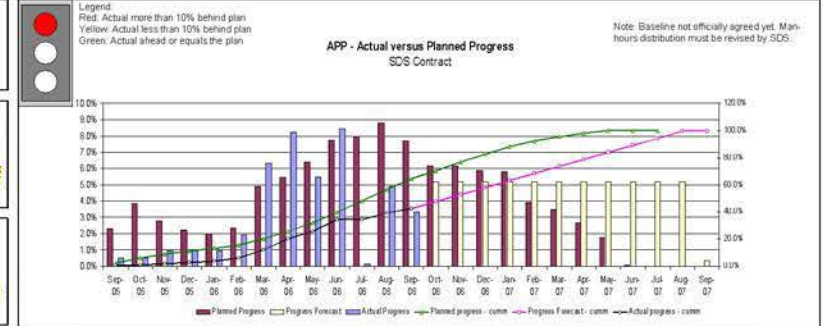
EDINBURGH TRAM PROJECT SDS CONTRACT

REPORTING PERIOD 13 – September 2006

GATEWAYS

Gateway 1: Requirements Definition to System-Wide Preliminary Design Planned: 19 Dec 06 Actual: Forecast: 12 May 06		Gateway 2: System-Wide Preliminary Design to Preliminary Design by Sectors Planned: Not available. Actual: Forecast:		Legend: Achieved in Time Forecasted in Time Forecasted Late Missed And Not Completed Missed And Completed	
Gateway 3: Prelim Design to Detail Design Haymarket Corridor Planned: 28 Jul 06 Actual: Forecast: 26 Sep 06	Gateway 4: Prelim Design to Detail Design Haymarket to Newhaven Road Planned: 21 Aug 06 Actual: Forecast: 28 Nov 06	Gateway 5: Prelim Design to Detail Design Haymarket to Gogar Planned: 11 Sep 06 Actual: Forecast: 26 Jan 07	Gateway 6: Prelim Design to Detail Design Gogar to Airport Planned: 11 Sep 06 Actual: Forecast: 26 Sep 06	Gateway 7: Prelim Design to Detail Design Haymarket to Granton Square Planned: 18 Aug 06 Actual: Forecast: 10 Oct 06	Gateway 8: Prelim Design to Detail Design Granton Sq to Newhaven Rd Planned: 02 Aug 06 Actual: Forecast: N/A
Gateway 9: Prelim Design to Detail Design Gogar Depot Planned: 04 Sep 06 Actual: Forecast: 23 Nov 06	Gateway 10: Detail Design Completed Haymarket Corridor Planned: 06 Feb 07 Actual: Forecast: 28 Aug 07	Gateway 11: Detail Design Completed Haymarket to Newhaven Road Planned: 16 May 07 Actual: Forecast: 01 Nov 07	Gateway 12: Detail Design Completed Haymarket to Gogar Planned: 17 Apr 07 Actual: Forecast: 30 Jan 08	Gateway 13: Detail Design Completed Gogar to Airport Planned: 10 May 07 Actual: Forecast: 06 Aug 07	Gateway 14: Detail Design Completed Haymarket to Granton Square Planned: 07 Jun 07 Actual: Forecast: 14 Aug 07
Gateway 15: Detail Design Completed Granton Sq to Newhaven Rd Planned: 10 May 07 Actual: Forecast: N/A	Gateway 16: Detail Design Completed Gogar Depot Planned: 26 Apr 07 Actual: Forecast: 31 Jul 07				

PERFORMANCE



EXECUTIVE SUMMARY

Progress
- SDS actual progress is recorded to 26th Aug. only. Due to the mismatch of reporting cycles between tie and SDS this will continue to be the case.
- SDS and tie have been working together to develop an agreed Detail Design baseline programme. tie has issued a completion dates schedule to SDS which are being agreed. The Detail Design programme is being revised by SDS to meet the required detail in the schedule of dates.
- The re-baselined programme which was submitted to tie on the 21st Aug. indicating Nov. 07 for the completion of Detail Design has been rejected by tie and a further submission is due on 5th Oct. 06.
- The overall progress of the project is 39.2% against a baseline of 64.2%.
- The Preliminary Design Phase overall progress is 98.4% against the plan of 100%.
- The Detail Design Phase overall progress is 9.2% against the plan of 43.0%.

Capital Costs
- SDS have delivered the revised CAPEX estimate on 3rd Sept.

Procurement
- The new tie procurement and project management personnel are now well established and a significant effort is being made to complete all the necessary Infracore Procurement documentation for issue in early Oct.

Health and Safety
- There is progressive delivery of tie's and SDS's Edinburgh Tram Induction Packages to all members of the SDS team. 45 personnel were inducted (tie / PB) in Sept.
- There are ongoing reviews of Method Statements and Risk Assessments for non-intrusive and intrusive surveys.
- Discussions ongoing with Network Rail re: safety implications of options proposed for Balgreen Road access.

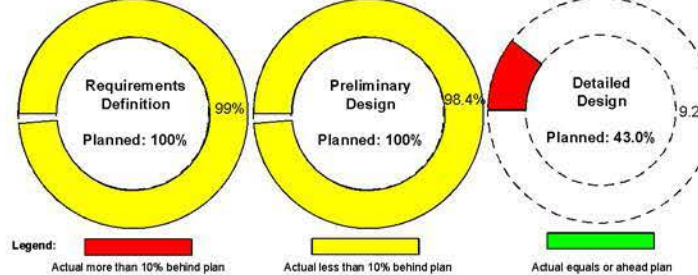
Quality Management
- No quality management issues reported on this month.

Engineering Activities
Track: Production of special versions of track alignment drawings and some trackwork documents for Infracore ITN package.
Train System Engineering: Train PTIR Evaluation Report (v2)
System Controls & Communications: The revised SCC PD Technical Specification and associated drawings.
Site Investigations: 40% OF Phase 3 works completed principally in the high priority areas of sections 1 & 2.
Road and Traffic Management: Draft TRO has been completed based on PD1. Existing TRO drawings completed based on earlier surveys. CEC approve the use of single master TTRO's for MUDFA and Infracore. Submitted traffic management plans for Section 1B.
PB Structures: Gogar Burn Bridge AIP document reissued taking on board tie and CEC comments for formal approval.
OLE: Response to tie comments on PD submission was completed and recently submitted to project.

Manufacturing – N/A
Construction – N/A
Commissioning – N/A

Project Controls
Schedule: SDS Baseline was issued in April. SDS submitted a re-baselined plan for Detail Design on 21st August which identified progress to 14th August. However as Detail Design in this schedule was not indicated as complete until Nov. 2007 this was rejected by tie and a further submission is due on 5th Oct. Requirements Definition phase actual progress of 100% indicated in SDS Monthly Report is not correct since the final milestone certificate has not been issued by tie.
Manspower: SDS were not in the position to provide actuals prior to the end of the month. Timesheets have not yet been completed, input and validated in the Oracle timesheet system. As per the contract, SDS should provide timesheets on a weekly basis and this would be a good tool for checking programme progress. tie has requested SDS to provide.
Document Management: A revised and updated Deliverables Matrix was issued by SDS on 26th Sept. 06 – which includes some Detail Design changes from August's version – as the programme has not yet been baselined and processes are still being refined. A number of new Detail Design deliverables have been identified compared with the August matrix, while a number of Preliminary Design deliverables have been transferred to the Detail Design phase and are still outstanding. A revised SDS Detail Design Programme is due 16th Oct. 06.
Changes: Revised estimates for design works have been re-issued by SDS on 5th Oct. and are currently under evaluation. In parallel, risk and schedule impact have already been analysed and CAPEX analysis impact is underway.

PERFORMANCE BY PHASES

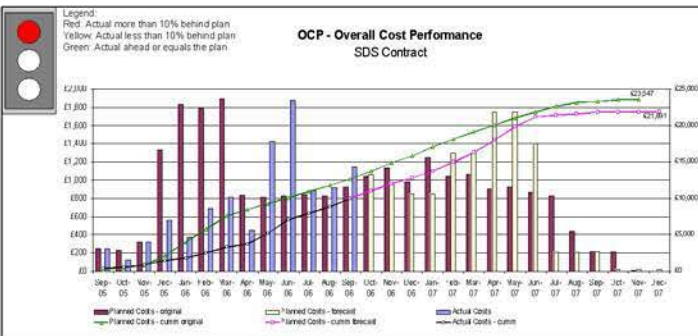


NEXT MONTH FORECAST AND CONCERNS

Forecast:
- A range of technical meetings with the newly appointed MUDFA contractor will take place between the 4th and 11th Oct. A strategy for the working relationship is to be agreed.
- The next iteration of public consultation will take place next period.
- SDS will deliver the package of information relating to Tender Issue 2 for the Infracore Contract on 25th Oct. 06 as requested by tie.
- The Traffic Modelling Report will be issued to tie by 18th Oct.
- SDS are working on the Preliminary Design estimate for the utilities diversions which will be delivered on 9th Oct. 07.
- SDS will continue to undertake the GI and SI survey works and deliver the results obtained to date in the Tender Issue 2 for the Infracore Contract on 25th Oct. 06 as requested by tie.

Concerns:
- SDS urgently require resolution of the outstanding Charette, Design Approval Panel and Planning Summit issues.
- It is important that the Design Approval Panel meetings be arranged for Section 1 to review the design and gain comments from tie and CEC on the design solutions, thus enabling SDS to proceed with the Detail Design.
- SDS delay in design completion, with actual Detail Design progress of 9.2% against 43.0% planned at the end of Sept. 06 is a matter of high concern. Preliminary Design completion and consequently its validation is running significantly late.

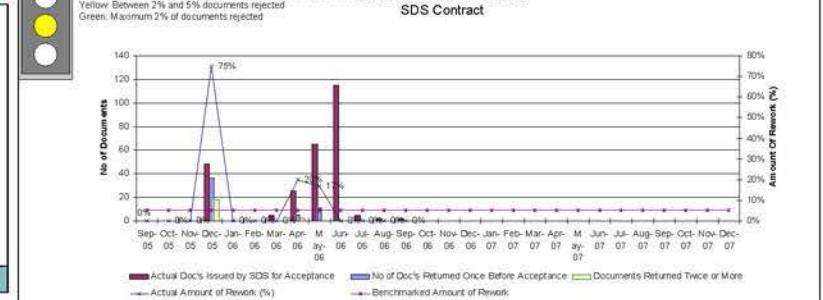
COSTS



DIP - Documents Issuing Performance SDS Contract



AOR - Amount Of Rework SDS Contract



CPT - Change Process Time SDS Contract

