

**Tram Project Board 22/11/05
Item 10a)
TEL and Service Integration**

Tram Project Governance

TEL and service integration

Note for the Tram Project Board – 22.11.05

A paper was submitted to the TEL Board on 22.11.05 to provide the basis for reaching agreement on TEL's role and how it should interface with the existing project governance and delivery arrangements. The Background and Summary sections of that paper are provided below, for information to the TPB. It is anticipated that the TEL Board will finalise its development plans at the December Board meeting and a parallel report will be tabled for the December TPB meeting.

Background

This note recommends a way of managing the relationships between the parties with an interest in the Tram project. The objective is to deliver a successful tram system as part of an outstanding integrated transport service for the people of Edinburgh. The challenge is to ensure that we move ahead on a basis of clear accountability, avoiding duplication of effort and ineffective decision-making processes. The note reflects discussions with a number of the principal parties since the last TEL Board meeting.

Nothing in this document should be interpreted as seeking to change CEC's primary role throughout the anticipated process as Transport Authority.

Summary

There are broadly three scenarios. The first involves a phased development of TEL's role and responsibilities and is the one most parties favour. In the period to Financial Close, TEL takes overall responsibility for three areas : 1) developing the optimum integrated service pattern ; 2) coordinating communications with stakeholders and media ; and 3) overseeing integration dialogue with third party operators. After Financial Close until commissioning, TEL is the principal contracting party for the system construction and vehicles contracts while tie acts as TEL's representative to project manage the delivery of the system.

The other two scenarios are : a) tie continues as the pivotal entity until commissioning in 2010, with TEL acting in an oversight capacity ; b) the tram activities and people within tie transfer to TEL at an early stage, tie has very limited further involvement as a company and TEL takes on tie's legal and contractual responsibilities. For various reasons explained in this note, neither of these options will be as effective as the phased development scenario.

If the phased approach is followed, it is necessary to preserve the newly-developed governance model while ensuring TEL is fully incorporated. From now on, TEL has substantive responsibilities for service integration and communications. The proposal is that TEL reports progress on its activities, through the TEL CEO, to the Tram Project Board until Financial Close. The TPB is the agreed forum for resolution of all project matters, with resort to the tie Board or CEC only exceptionally. TEL meetings are the appropriate forum for debate and resolution of integration related matters.