



## TRANSPORT INITIATIVES EDINBURGH LIMITED

### Minutes of tie BOARD MEETING

Held in the Old Council Chambers, City Chambers,  
on Monday 24<sup>th</sup> May 2004 @  
10.00 hrs – 13.30 hrs

Board Members: Ewan Brown (Chairman)  
Gavin Gemmell  
John Richards  
Andrew Burns

In attendance: Michael Howell, tie Chief Executive  
Graeme Bissett, tie Finance Director  
Alex Macaulay, tie Projects Director  
Ian Kendall, tie Operations Manager  
Monica Langa, tie, Senior Commercial Manager  
Andrew Holmes, CEC, City Development Director  
Keith Rimmer, CEC, CDD, Transport  
Ronnie Hinds, CEC, Head of Corporate Finance  
Jonathan Pryce, Scottish Executive  
John Brownlie, Scottish Executive  
James Papps, PUK  
Martin Buck, PUK

Apologies: Bill Cunningham  
Jim Brown  
Maureen Child

Circulation: As Above +  
Ewan Kennedy, CEC, CDD, Transport  
John Burns, CEC, Corporate Finance

### Item

#### 1. MINUTES OF THE MEETING OF 20<sup>th</sup> APRIL 2004 FOR APPROVAL AND SIGNING

The minutes were approved.

### Initials

EB  
GG  
JR  
AB

MH  
GB  
AM  
IK  
ML  
AH  
KR  
RH  
JPr  
JB  
JPa  
MB

## 2. MATTERS ARISING FROM MINUTES OF THE MEETING OF 20<sup>TH</sup> APRIL 2004

Item 3 (ii) – tie Business Plan 2004/5

The **tie** Business plan had been presented and approved at the Council meeting on 29<sup>th</sup> April. The chairman thanked PUK for their significant help in the final stages of the plan and their willingness to provide funding.

Item 3 (v) – Lothian Integrated Transport Ltd

The agreement had been approved at the Lothian Buses board meeting. MH to ensure a signed copy of the agreement is received.

Item 4 – Financial Matters (15<sup>th</sup> December 2003):  
Joint venture with EDI – AH reported that this matter will be discussed at the Council Executive meeting on 15<sup>th</sup> June.

Item 6 (c) – Trams (29<sup>th</sup> January 2004):  
Meeting with Patricia Ferguson - AB advised that he has had no response to his several attempts to progress this matter. This was viewed by the board as a matter of some concern.

## 3. CHIEF EXECUTIVE'S REPORT

### i. General

Progress this month included:

- Signature on 14<sup>th</sup> May of DPOF agreement with Transdev SA
- Good progress on Congestion Charging Public Inquiry
- “Edinburgh in the 21<sup>st</sup> Century” conference organised by the Institute for Scottish Public Policy was well attended and highlighted the “Capital Gain” scenario and the part which transport infrastructure and congestion charging must play.
- Formalisation of the **tie** Executive Board, chaired by MH, which will meet monthly to consider a risk related agenda covering key cross project issues.
- An informal meeting with John Ewing to brief him on **tie's** activities and progress.

**Action  
By**

**MH**

**AH**

**AB**

ii. Financial Report

With the exception of funding for tram procurement, the financial planning issues that had been open at the time of the last meeting were closed satisfactorily by the Council meeting at the end of April. Funds for development of the congestion charging system and for an information programme had also been approved.

Funding for necessary implementation of the DPOFA had not been approved by the Scottish Executive. It was hoped that a written submission from **tie** would secure the funding.

iii. Tram

The DPOF agreement appointing Transdev as the tram network operator had been signed on 14<sup>th</sup> May subject to confirmation of funding from the Scottish Executive.

A meeting will be held to initiate the Project Board for Lothian Integrated Transport Limited (LITL). **tie** had proposed that Andrew Burns should chair the company through its initial stages. The offer of space within **tie's** new offices was made to Lothian Buses.

iv. NAO report and visit to Portsmouth

A copy of the National Audit Office (NAO) report on improving public transport in England through light rail was presented. A response from **tie** confirming the different approach taken in Edinburgh has been issued to CDD, and a report presented to the Council.

Through an introduction from PUK, MH had met Steve Nicholson, Project Director of SHRT (South Hampshire Rapid Transit) for a useful visit.

v. Congestion Charging

The Public Inquiry is on schedule with major objections having been heard from neighbouring authorities and City Retailers, including John Lewis and Jenners.

A conference arranged by The Institute for Scottish Public Policy was held on 11<sup>th</sup> May and was well attended. Donald Anderson had made a positive public statement on congestion charging which had received wide press coverage and made it clear that "the people would decide".

**Action  
By**

**GB/JPr**

vi. Managing the public interface

The approach to managing the information programme has been agreed. The information programme manager, who will be employed by **tie**, will report to a new bilateral CEC/**tie** co-ordinating group, under the chairmanship of Barry Cross.

Ray Perman has agreed to lead the formation of a pro-growth lobby, and has secured a promise of funding from several major businesses. An inaugural meeting is being encouraged for early June.

Meetings with Schools and Universities are under way to ensure necessary progress in the Autumn Term.

**tie** has been requested to support the City Centre Management Company by providing funds for a City Centre Project Manager. The Board agreed to restrict funding to CCMC to the existing retail impact study.

MH reported that Monica Langa has committed to a permanent contract with effect from 1<sup>st</sup> September 2004.

a) Risk Report

The Monthly Risk Report was discussed.

b) Heavy Rail

EARL

Work continues to schedule and on budget on EARL.

SAK

The MoU has still to be signed and Clackmannanshire have suggested that to appoint **tie** to SAK without a tender process may breach European procurement rules. The Executive are considering alternative ways of funding **tie** for SAK to overcome this. Tax implications are also being reviewed should **tie** become the authorised undertaker for SAK. PP will report at next meeting

**Action  
By**

**ML**

**GB**

**PP**

c) Stakeholder Management/Public Relations

A paper providing an update on Stakeholder Management on Congestion Charging and Trams was presented. The second edition of the Newsletter is currently being prepared and ML advised that feedback from the first issue has been positive.

Arrangements are being made to bring in-house the administration of **tie's** stakeholder database, currently provided by WS.

**4. GOVERNANCE & FINANCIAL MATTERS**

a) Financial Report

The monthly Financial Report was reviewed.

b) Audit Scotland review

It was recommended that the Board should address internal audit requirements at least annually.

c) Establishment of Audit Committee

The Audit Scotland review has also recommended that establishment of an Audit Committee as a committee to the Board. GB tabled a paper which outlined a possible structure. The committee would meet to review the year's financial results and internal controls. EB to consult on the chairmanship of the committee.

d) Public Interest Disclosure Policy (Whistleblowing)

A proposed whistleblowing policy, adapted from a CEC format was tabled for consideration. With appropriate modifications, including direct access to the Chairman, this was approved. To be tabled in final form at next meeting

**5. ITI – CC/TRAMS**

a) Progress Reports

Project Progress reports were presented for information.

b) DPOF

Transdev have been briefed on the issues relating to SE approval of funding and have also been given a copy of the LITL agreement between CEC, Lothian Buses and **tie**.

**Action  
By**

**ML**

**ML**

**EB**

**GB**

## c) Development of Service Integration

A meeting was held with Lothian Buses to agree next steps which included the Legal issues surrounding the LITL/JV concept and tax issues. DLA will agree the scope of work with legal advisors to both LB and Transdev.

Details of the LITL Board, including chairman, board members and an agreed position on the legal and tax issues is expected by the end of June. LITL will then be tasked with developing its business plan and its budget by the end of September 2004.

## d) Receipt of Tenders:

## i. WEBS on street works

Five tender packages were delivered on Friday 23<sup>rd</sup> April 2004. Halcrow carried out assessment on behalf of **tie** and recommended that the contract be awarded to ERDC. Under delegated authority Alex Macaulay in consultation with the CE approved the recommendation and a letter of Award was issued on 10<sup>th</sup> May 2004.

AM advised that the contractor has been instructed to erect signs publicising the WEBS project, and would progress urgently

## ii. Ingliston P &amp; R

Six tenders were delivered on Tuesday 18<sup>th</sup> April 2004. The lowest tender exceeded the construction estimate by £80,000. Delegated powers were requested for the Project Director in consultation with the Chief Executive to award the contract, pending detailed analysis of the tenders and discussions with CEC on options for value engineering in order to align the project costs with the budget.

This was approved by the Board.

## iii. Congestion Charging

A progress report for action was presented along with an evaluation of tenders. The Board were requested, subject to no material issues arising from the presentations to be received from both candidates, to approve the recommendation that IBM and CGEY be selected as the preferred bidders and grant delegated authority for **tie** to sign contracts on behalf of CEC. Approval was also requested for communication to all tenderers so that matters of detailed process and contract can be progressed with preferred tenderers while asking the other tenderers to hold their position.

This was approved by the Board

**Action  
By**

**AM/GB**

**AM**

**AM**

**AM**

## iv. EARL

Papers with recommendation of the award relating to the Topographical Survey on EARL and the provision of Legal Services for EARL were presented. The board approved the appointment of Mason Land Surveys.

With regard to the legal appointment, it was agreed a subgroup of the board would interview DLA and D&W, to make a final decision.

**6. AOB**

None

**7. Date of Next Meeting**

The next meeting will be held on Monday 21<sup>st</sup> June 2004 at 10.00 hrs

Congestion Charging Presentations

Presentations, which were from part of the formal tender process, were made by IBM and Cap Gemini Ernst & Young and directors had the opportunity to question both candidates.

**Action**  
**By**

**MH**