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**From:** Sharp DP (Damian)  
**Sent:** 17 January 2007 11:57  
**To:** Reeve W (Bill)  
**Cc:** Spence M (Matthew); Davis L (Lorna); Ramsay J (John); Milligan S (Steve)  
**Subject:** Trams DPD meeting

Bill

Some feedback from yesterday's DPD meeting.

#### Network Rail immunisation

- I did not agree that paper should go to TPB recommending tie take lead. There are still 3 issues to resolve and the paper must be much more explicit about these:
  1. **technical solution** (axle counters or track circuit) – workshop arranged for 5 February to resolve this – I stressed the application safety case questions given the lack of IVRS
  2. **integrate with Airdrie – Bathgate or not** – if so, then we might insist that we manage both bits of work
  3. **does TS position with NR outweigh loss of control and dilution of responsibility by tie?** – we have greater leverage with NR and, through Steve's work on a protocol for Airdrie – Bathgate, more options for contracting. This could well lead us to be able to do the work more cheaply and more quickly than tie. We are certainly less legally led which offers potential benefits. Stephen Bell argues (with good evidence) that there are dangers to a project being dependent on someone else to deliver and so tie should contract directly with NR. The question then is whether tie really gain any influence/control over NR and whether they can contract with NR quickly.
- A further meeting is needed with tie to discuss the second and third of these and Stephen Bell will set this up. Matthew and I need to be there and it would be helpful to have Steve (if available) also to share A-B experience.
- A further practical consideration is who has suitable resource to do this – tie has resource but whether they are the right people to negotiate with Kiernan is not yet demonstrated

#### Committee structure

- The Business Plan committee has been wound up – it could be resurrected in the run up to completion of the Final Business Case, if necessary. I am content with this arrangement but we should press on with offering comments we expect to see reflected in the FBC and looking at a process of progressive approval (if tie can deliver on it this time)
- There will, however, be a new committee looking hard at MUDFA progress – we need to consider whether and, if so, how we should be represented.

#### Project Controls

Miriam Thorne has been given responsibility for ensuring that there are project controls and that they are complied with. This is a key role in an area that must be strengthened within tie.

#### Opportunity report

The opportunity register will be strengthened in numbers of opportunities and rigour (owners, values, probability, deadline etc for each opportunity). Stephen Bell is pressing ahead with plans for a workshop but this will not happen until after...

Andie Harper is conducting a value engineering review with the remit of cutting £50m from the 1a + 1b budget – that will identify opportunities to feed into the register.

### SDS

SDS continues to miss deadlines. The new Tram Project Director, Matthew Crosse, commented that they have a good reputation and have delivered all round the world. That prompts the question (that wasn't discussed in any meaningful way) of why they aren't performing here. One lone voice raised the view that a contributory factor is tie not managing them effectively by not giving consistent priorities.

### Risk register

There was an attempt to close some risks on the register but not all were agreed. The risk to the procurement process of not securing sufficient risk transfer to a contractor was recast but not removed as originally proposed because bids had been received.

### TTRO and TRO

A paper will come to TPB on temporary and permanent traffic regulation orders. There will be some slight changes to the paper we saw at DPD but the main thrust of the paper is good and I am likely to recommend approval.

### MUDFA construction programme

A paper will come to the Board seeking approval for the MUDFA construction programme. I am content with the elements relating to 1a but it will also argue for 1b at the same time. I remain concerned about this – we have not sought IDM authority for this although the amount of work before financial close is not huge (and the value will be quantified in the TPB paper). I said that we were unlikely to go for this but was told that you and Tavish had discussed this with Willie when Tavish visited tie before Christmas. I need an urgent update on the tone of that discussion and whether Tavish really would be keen to spend £8m towards 1b without any robust evidence of affordability.

The paper will come to next week's board but we don't have Ministerial authority for anything on 1b so I would find it difficult to recommend any work on 1b until after we have completed consultation with Ministers. Our immediate decision is whether to add this to the paper for Ministers – something we could only do with confidence once we have revised cost estimates in light of Infraco bids.

### Advance Works Strategy

There will be a paper on this for approval in principle. No significant financial commitment is made until May/June on this. I have asked for the paper to be strengthened to make this clear.

### Late papers

There were several which I will pass to Matthew. They covered:

- **MUDFA – temporary traffic arrangements and utilities co-ordination** – for info and any comments back to Duncan Fraser
- **Tram insurance evaluation methodology** – for info only – I have already declared we won't be commenting as this goes to a level of detail beyond which we should not intervene

- **Tram developer contributions** – update paper on progress
- **CEC staff resources** – request for up to £935k in 2007-08 for additional consultancy support to CEC to ensure they have sufficient resources to undertake necessary approvals. CEC have 40 of their own staff working on this (full or part time) but need additional resources. I agree in principle with this as all these posts are additional. This will come as a change control to the TPB next week.

### Overall

It was a productive meeting with some good debate and focus on key issues. The papers are, however, weak in some basic areas – eg budgetary implications.

The production of so many late papers was clearly a problem although none of those presented were of such import that it was worth making a big fuss. Miriam is to reinforce the need for papers to be in on time.

Damian