



4 Week Period Reporting Pack

Project Title:

Edinburgh Tram Project

Reporting Period:

March 2007

Transport Scotland Project Manager:

John Ramsay



Report prepared by: **tie** limited

Signature:.....

Date:.....

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1.0 Executive Summary

1.1 Previous Period Update

1.1.1 Engineering

- SDS design is proceeding closely to the recently agreed revised programme. Preliminary design has now been accepted and detailed design is approx. 50% complete on average. Several critical design issues have been resolved in the period to enable progress to be maintained. However, continued focus on critical items resolution is required to avoid subsequent delay. To this end, further critical items resolution meetings are planned to the end of April.
- As a result of resolutions passed at recent TPB meetings, some work packages have been passed to Network Rail for their implementation (e.g. infrastructure system immunisation and equipment relocation), and handover meetings have been held to facilitate this. Contractual arrangements however, are not yet in place and conclusion of these are actively being sought.
- The design review process has been refined to capitalise upon the self-assurance processes which are inherently part of the SDS contract.
- The Project Safety Certification Committee is active and oversees system and operational safety issues, directly linking into statutory processes.

1.1.2 Traffic Management

- Significant progress has been made in discussions with the Scottish Executive. The aim is to change Scottish Traffic Order Regulations in relation to mandatory public hearings on TRO core measures for schemes which have already received Parliamentary Approval. If not changed, this could create a legal risk for the tram project. Confirmation was received during the period that the Scottish Executive are prepared to go out for consultation on an amendment to the Regulation.

1.1.3 Commercial and Procurement

- Infraco
Further information updates were provided to the bidders to support the return of Consolidated Proposals due back in Period 2. This information drop included more detailed design information on structures to assist in refining and reducing these allowances in the bids.

- **Tramco**
The number of bidders was reduced from 4 to 2, with Alstom and CAF being chosen. Evaluation and negotiations with the two bidders are continuing.
- **Advance Works**
Tenders were received for the treatment of invasive species. These are currently being evaluated but early indications are that the proposed methodology for treatment of invasive species may reduce the anticipated costs.

AMIS have provided proposals for the advance clearance of vegetation and removal of earth bunds work at the Gogar Depot. These proposals are currently being evaluated and a decision on the award of the contracts will be made in early Period 1.

- **OCIP**
A decision was taken during the period to delay the commencement of the OCIP into 07/08. The reason for this delay is the Insurers requirements for detailed project information which conflicts with the commercial sensitivity around the current stage of the Infracore Tender negotiations. The required information can be provided to the Insurers once the Infracore procurement has reached preferred bidder stage which will allow the OCIP to start prior to the main MUDFA works in the summer. The trial works under MUDFA are being covered under AMIS's global insurance cover.

1.1.4 Delivery

- **MUDFA**
The strategic MUDFA programme was updated to take account of the re-phasing for Phase 1b and the Statutory Utilities approvals.

Mobilisation for the works on the trial site on 02 April continued and a number of controls procedures were established and implemented to manage works orders and design progress.

- **Ingliston Park & Ride (temporary)**
Costs were obtained for these works from AMIS. These are currently being evaluated and subject to a Value for Money test before award of the works during Period 1.
- **Land & Property**
Following the ministerial announcement for funding, the 2nd GVD notices for the first tranche of land acquisitions were issued.

1.1.5 Finance & Business Case

- The ministerial announcement giving approval for the next stage of the project was received on 16th March. Following the announcement, the grant letter for funding was issued by TS to CEC to allow the continued development and procurement of Phase 1a of the Edinburgh Tram Network, Advance Works, land acquisition and utilities diversions needed for that phase.

1.2 Key Issues for forthcoming period

1.2.2 Engineering

- Key focus will be on the close-out of the remaining critical design issues.
- The self-assured design review process will continue to be refined and outputs will be monitored. Recent organisational rearrangement and imminent staff co-location will facilitate better liaison between CEC, TEL, Transdev and SDS. Close liaison is being maintained with all stakeholders to derive optimal designs that are acceptable, constructable and operable, and that will fit the desired streetscape design ethos.
- The Stray Current Working Party will commence operations shortly – its purpose being to interact with all of the affected utilities to plan effectively for corrosion-preventive measures for buried services or structures

1.2.3 Traffic Management

- A comprehensive strategy for the management of TRO's is being prepared and will be presented to the TPB in Period 1.
- Based on satisfactory progress of the re-calibration of the traffic model, a comprehensive first run populated with the key design features will be undertaken during period 1, subject to sign off of the PD 2 stage Tram design as acceptable.

1.2.4 Commercial and Procurement

- Infraco
Discussions and negotiations will continue during Period 1 to support the return of Consolidated Proposals in Period 2.
- Tramco
No major milestone are planned for the period.
- Advance Works
A detailed procurement plan will be developed for the remaining Advance Works, advance piling works and other activities to relieve Infraco programme pressures.

1.2.5 Delivery

- **MUDFA**
The MUDFA trial dig is set to commence on 2nd April.
The re-phased Strategic programme to take account of the delay to Phase 1b will be agreed during the period.
- **Advance Works**
Contract award and mobilisation of activities to commence Advance Works at the Gogar Depot, Ingliston Park & Ride temporary extension, badger sett construction and invasive species eradication.
- **Land & Property**
Following the issue of the 2nd GVD notices, title to the first tranche of land acquisition will be taken on 24 April.

1.2.6 Finance & Business Case

- Comments on the DFBC were received from TS on the 03rd of April. These will be reviewed during the period to provide a response and action plan.

1.3 Cost

1.3.2 Financial status

COWD in current month 06/07				
	Month £k (Incremental)	Current Actual £k (Cumulative)	Previous Forecast £k (Cumulative)	Variance £k (Current minus previous)
Phase 1a	£2,825	£30,431	£31,417	(£986)
Phase 1b	£ 520	£ 1,047	£ 1,047	-
Phase 1a+1b	£3,345	£31,478	£32,464	(£986)
AFC – Current Financial year position to Mar 07				
	Approved Budget £k	Current Forecast £k	Previous Forecast £k	Variance £k (Current minus previous)
Phase 1a	£44,041	£30,431	£31,417	(£986)
Phase 1b	Incl above	£ 1,047	£ 1,047	-
Phase 1a+1b	£44,041	£31,478	£32,464	(£986)
AFC – Anticipated Final Cost				
	Funding £k	Current Forecast £k	Previous Forecast £k	Variance £k (Current minus previous)
Phase 1a	£545,000	£501,750	£500,400	£1,350
Phase 1b	£0	£ 89,500	£ 92,000	(£2,500)
Phase 1a+1b	£545,000	£593,750	£592,400	£1,350

*Approved Budget to end Mar 07, reflecting new Approved Funding Paper (Nov06)

Notes on Variances

- The current financial year end VOWD forecast has reduced to £31.5m. The variance against the budgeted figure is primarily due to the deferral of land purchase pending Ministerial endorsement of the grant funding for 07/08 and the delay in taking out the OCIP.
- The current AFC for the scheme is £501,750m for Phase 1a and £593,750m for Phase 1a + 1b. This represents an increase of £1,350m in respect of approved changes – these relate primarily to CEC resource costs to support the development of the project and increased JRC modelling costs.
- Anticipated changes totalling £1.2m have been identified but are not included in the current AFC. Given the tight probity requirements in respect of the current major procurements, any changes to the AFC are reported against the AFC as detailed in

the Draft Final Business Case (DFBC). The AFC will be updated and advised to the Board Procurement Sub Committee with the emerging evaluation and negotiation programme.

- Note:- Delivery of the AFC for Phase 1a within the Current Forecast is contingent on achieving negotiation and value engineering savings.

1.4 Health, Safety, Environment and Quality

1.4.2 Safety

- There have been **zero** accidents in the period. One safety alert was issued in relation to two **minor**, office-based accidents, which occurred in the previous period.
- Safety tours are continuing, these are currently primarily office-based. 7 unsafe conditions have been identified and are being addressed.
- A meeting with the HSE Inspector was held to discuss the MUDFA programme and further, regular meetings are being scheduled.

1.4.3 Quality

- No quality system audits were planned for this period. A draft audit schedule has been prepared and is being reviewed. This will be implemented from the next period.
- No non-conformance reports (NCRs) were raised in the period and there are no outstanding NCRs.
- The project management plans and procedures continue to be developed. An external audit is planned on the 5th March and all plans and procedures are to be in place prior to this.

1.4.4 Environment

- There were no environmental incidents in the period.
- There are no other environmental issues to report.

1.5 Stakeholder and Communication

- The Stakeholder and Communications strategies, as documented in the DFBC, are continuing to be delivered.
- During the previous period, residents and business packs were issued in relation to the MUDFA trial site and support will be provided during the trial dig in line with the conditions of the pre-election Purdah period.
- A tram helpline number was established and is now operational.

1.6 Approvals required

1.6.2 Items for information – papers submitted to TPB

- Value Engineering paper (To follow for special TPB)
- Risk Map for principal contracts

1.6.3 Decisions required from TPB

- Approval of the proposals for the process for settling the historic SDS commercial issues
- Resolution of project reporting timetable
- Approval of Depot Advance Works contract award
- Approval of Invasive Species contract award
- Decision on Ingliston P&R Phase2 affordability and Infraco interface

1.6.4 Decisions/ support required from TS

- Clarification of funding / process to achieve for funding for whole of 07/08
- Letter of comfort to Infraco bidders
- Confirmation of funding draw-down to permit confirmation of payment arrangements to bidders
- Resolution of the TS/CEC funding and risk sharing agreements

1.6.5 Decisions/ support required from CEC

- Resolution of the TS/CEC funding and risk sharing agreements

1.6.6 Decisions / support required from others

n/a

2.0 Progress

2.1 General/Overall

- Land & Property acquisitions

Following ministerial approval on 16th March 2007 the GVD (General Vesting Declaration) notices were issued w/c 26th March for land take in Tranche 1 of Phase 1a.
- Network Rail (NR)

Discussions proceeding with NR with regard to Immunisation programme dates. Possession dates that are already booked have been shared with the Infracore bidders. Submissions for 2009 are due in June 2007.
- OCIP (Owner Controlled Insurance Policy)

A change in the commencement date for the OCIP was endorsed by the Tram Project Board.
AMIS will cover all MUDFA contract works (up to the point that OCIP is effected) under AMIS Group Insurances. This will include the MUDFA trial works and planned minor works associated with GI at Depot site and preparations for extended Ingliston Park & Ride.
The OCIP is intended to be put in place for the commencement of the 'main' MUDFA works which will now be early July. Current activities include further clarification of cover and policy wording with insurers as well as reviewing / developing an acceptable programme for the response to information requests by the insurers

2.2 Procurement Consultant

- General Management and Services during the preparation and negotiations leading to contract award.
 - Continued progress was made in recruiting directly employed personnel in accordance with the Project Resourcing plan.

2.3 Design

- System Design Services (All Preliminary and Detailed Design Informing Programme and Costs)
 - Parsons Brinckerhoff submitted version 13 of the Design schedule.. This enables the Tram Master Programme to be updated with achieved progress and / or slippage.
 - AMIS delivered Version 4 of the MUDFA programme

2.4 Financial/Funding/Procurement Strategy

- JRC Costs and Modelling.
 - Modelling continues with JRC due to submit Traffic Modelling Update report to **tie** (and approval from CEC) by 25th May.

2.5 Parliamentary Process/Approvals

This phase is now complete.

2.6 Procurement Construction Works

- Negotiations were ongoing with both Infraco bidders through a series of Technical/Programme and Commercial meetings. These support building of confidence that current Master programme is robust when compared to bidders submittals.
- Negotiations and Award of Contracts
 - Tramco – Ongoing, negotiation is now with the two approved bidders. Await return of consolidated proposals in early May to inform Infraco contract.
 - Infraco - Ongoing reviews with Infraco bidders with a view to reduce to preferred bidder by early July.
 - Ingliston P&R Phase 2 – Expressions of Interest due back 12th April, Tender issue 27th April

2.7 Construction Works

- Construction Schedules for Advance Works, Utility Diversions, Main Infrastructure Works and Tram Vehicle Manufacture and Delivery.
- MUDFA (Utilities) construction schedule Rev.04 (Strategic Programme) reviewed and agreed with AMIS and Major Stakeholders (CEC/TEL) Friday 30th March.

2.8 Testing & Commissioning

This phase has not yet commenced

2.9 Handing Over and Service Operations

This phase has not yet commenced

2.10 Network Output Programme Interface (with Transport Scotland)

This phase has not yet commenced

2.11 Interface with other Projects

Close liaison with EARL continued. The period focussed on the development of unified approach to design and programme for utilities works at the Edinburgh Airport for Tram and EARL.

Discussions continued with Network Rail and TS to ensure programme alignment with the Airdrie – Bathgate project for the necessary immunisation works.

3.0 Headline Cost Report

3.1 Current Financial Year

	COWD (YTD)	COWD YTD + f/cast to year end	Funding TS Authorised Current year
Phase 1a	£30,431m	£30,431m	£44,041m
Phase 1b	£1,047m	£1,047m	Incl above
Phase 1a+1b	£31,478m	£31,478m	£44,041m

Note:- £m - COWD = cost of work done (invoice to TS plus accrual value advised to TS i.e. Promoter Value 'earned')

- The COWD is £12.6m less than the funding due to:
 1. The delay in ministerial announcement resulting in delay to issue of the GVD notices for land purchase – (£10.6m). Funding is to be rolled over into financial year 07/08.
 2. Deferral of the advance (initial) payment for utility diversion work by BT. This payment is now aligned to the re-phased utility programme, thus the payment will be made in June for work to be undertaken in July – (£1.2m)
 3. OCIP – The Owner Controlled Insurance Policy placement for MUDFA has been deferred to coincide with commencement of on street works (£0.9m)

3.2 Next Financial Year

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total FYF
Phase 1a	£17.10m	£25.98m	£30.14m	£44.96m	£118.18m
Phase 1b	£0.9m	£0.21m	£0.10m	£0.21m	£1.42m
Phase 1a + 1b	£18.00m	£26.19m	£30.24m	£45.17m	£119.6m

- The forecast for next year includes £20.2m in respect of land purchases. This includes £7.3m for land provided by CEC / s75
- The FYF forecast will be sensitive to the progress of the Infraco and Tramco procurements and hence the start date for Infraco physical works. For example a delay in the award of Infraco by say 4 months would result in a reduction in FYF of approximately £6.7m. The FYF will also be sensitive to the extent of Advance Works undertaken prior award of Infraco. An increase in the volume of this work would to a limited degree mitigate the reduction in FYF.

3.3 Total Project Anticipated Outturn versus Total Project Funding

	FUNDING (Phase 1a)			Total COST (1a) (To Funders)
	TS	Other (CEC / s75)	Total	Promoter TOTAL AFC
Phase 1a	£500m	£45m ¹	£545m	£504m ²
Phase 1b	£0m	£3.3m ³	£3.3m	£89.5m ⁴
Phase 1a + 1b	£500m	£48.3m	£548.3m	£593.5m

1. Includes £7.3m of CEC / s75 free issue land
2. Includes £2.5m of design costs for Phase 1b
3. Represents £3.3m for CEC / s75 free issue land
4. Reconciliation – DFBC = £92m - £2.5m (design costs) - £89.5m

Phase 1a AFC is higher than the DFBC Baseline of £500m due to two authorised change orders:-

1. CEC resources allocated to Tram Project - £0.8m
2. Additional JRC modelling for wide area impacts - £0.2m

The balance of £0.5m is due to rounding within the underlying baseline figures.

3.4 Change Control

The current change control position is summarised in the table below.

	Phase 1a £m	Phase 1b £m	Phase 1a + 1b £m
Project Baseline (DFBC)	500.5	92.0	592.5
Authorised Changes	1.3	-	1.3
Current AFC	501.8	92.0	593.8
Anticipated Changes	1.2	-	1.2
Potential AFC	503.0	92.0	595.0

Note:- Anticipated Changes are not included in the AFC reported at 3.3 above.

Details of the Authorised Changes and Anticipated Changes are included in Appendix B.

A number of Anticipated Changes relate to items excluded from the Preliminary Design Stage Project Estimate Update following a review undertaken at that time. Inclusion of these items in the scheme will result in an increase in the AFC requiring either additional funding or increased savings through value engineering savings to maintain affordability.

It is proposed that these Anticipated Changes are reviewed in conjunction with the forthcoming recommendation for Value Engineering Package 1 savings. (See Opportunities)

3.5 Summary Breakdown

Original Estimate (including escalation) From DFBC

	Base Cost	Risk	Opportunity	OB	(or)Contingency	Total
Phase 1a	£449.1m	£51.4m	£0 ¹	£0 ²	£0 ³	£500.5m
Phase 1b	£80.5m	£11.5m	£0 ¹	£0 ²	£0 ³	£92.0m
Phase 1a + 1b	£529.6m	£62.9m	£0 ¹	£0 ²	£0 ³	£592.5m

Latest Estimate/AFC (including escalation)

	Base Cost	Risk	Opportunity	OB	(or)Contingency	Total
Phase 1a	£450.4m	£51.4m	£0 ⁴	£0 ²	£0 ³	£501.8m
Phase 1b	£80.5m	£11.5m	£0 ⁴	£0 ²	£0 ³	£92.0m
Phase 1a + 1b	£530.9m	£62.9m	£0 ⁴	£0 ²	£0 ³	£593.8m

Notes:-

1. Opportunities not identified at DFBC stage
2. OB included in Risk (QRA at P90 confidence level) as agreed with TS
3. Contingency included as part of Risk at present
4. Opportunities in Latest Estimate /AFC – Savings targeted through the current value engineering exercise and negotiation strategy to maintain affordability.
5. Includes Authorised Changes

4.0 Time Schedule Report

4.1 Key Milestones

Milestones taken from DFBC:

Milestones	Date	Date
Approval of Draft Final Business Case by CEC	21 Dec 06	21 Dec 06A ✓
Approval of Draft Final Business Case by Transport Minister – approval and funding for utility diversions	15 Feb 06	16 Mar 07A
TRO process commences	13 March 07	17 Jul 07
Tramco - complete initial evaluation/negotiation	19 Mar 07	09 Mar 07A
MUDFA - completion of pre-construction period of MUDFA contract	02 Apr 07	30 Mar 07A
MUDFA - commencement of utility diversions	Apr 07	02 Apr 07A
Infraco – return of stage 2 bids	05 April 07	18 May 07
Tramco - appointment of Preferred Bidder	10 May 07	30 May 07
Infraco - completion of evaluation/negotiation of bid	10 May 07	18 May 07
Infraco - appointment of Preferred Bidder.	10 May 07	31 May 07
Tramco/Infraco - facilitation of novation negotiation complete	07 Jun 07	TBA
Tramco/Infraco - final negotiation and appointment	19 Jul 07	TBA
Infraco - negotiation of Phase 1b complete.	13 Sep 07	13 Sep 07
Approval of Final Business Case by CEC and Transport Scotland – approval and funding for Infraco / Tramco	27 Sep 07	TBA
Tramco/Infraco - award following CEC/TS approval & cooling off period.	11 Oct 07	TBA
Construction commences on Phase 1a	07 Dec 07	TBA
TRO process complete	17 July 08	TBA

Construction commences on Phase 1b	29 Jun 09	◆ 29 Jun 09 ✓
Construction complete Phase 1a	08 July 10	◆ 08 July 10 ✓
Operations commence Phase 1a	Dec 10	◆ Dec 10 ✓
Construction complete Phase 1b	11 July 11	◆ 11 July 11 ✓
Operations commence Phase 1b	Dec 11	◆ Dec 11 ✓

◆Note that these dates will be subject to change following the programme re-prioritisation and reviews of bidders programmes are complete. Dates that are likely to be affected are flagged in red.

Guidance for Completion:

Legend for colouring of Act/Fcast date text

Green: Act/Fcast date is ahead or in line with baseline

Yellow: Slight slippage – readily recoverable with action.

Red: Notable/significant slippage – difficult to recover, even with action.

4.2 Key issues affecting schedule

- Award of contract for de-vegetation at Gogar Depot site to prevent bird nesting.
- Award of contract for Depot Advance Works (Phase 1 Earthworks removal at Gogar Depot Site).
- Commencement of Invasive Species Treatment
- TRO Statutory Process impacting Infraco on-street commencement.
- Network Rail Immunisation
- Award of Infraco/Tramco contracts
- SGN Procurement of long-lead items

4.3 12 week look ahead

- Award and execution of contract for Advance Works at the Depot (de-vegetation at Gogar Depot site to prevent bird nesting and Phase 1 Earthworks removal at the Gogar Depot site).
- Commencement of Invasive Species Treatment
- Badger Sett relocation
- Network Rail relocation of diesel tanks at Haymarket Depot yard.
- Contract award for Ingliston Park & Ride Phase 2

5.0 Risk and Opportunities

5.1 Review Project Risk Register

5.1.2 For further information see the Project Primary Risk Register and detailed Risk Report.

5.1.3 The principal changes in the risk position since last Period are:-

- Risks closed 0
- Risks added 5
(Risks 935, 938, 936, 946, 947)
- Red status risk treatment dates slipped 1
(Risk 917)

5.1.4 Details of the red status risks treatments are set out in the Risk Report. The significant items and the proposed recovery plans are:-

Risk ID	Description	Reason for red treatment status	Proposed recovery plan
917	STAKEHOLDER RISK Source and level of funding and risk allocation for Network Rail Immunisation Works has not been established.	Criticality of immunisation works	Appointment of Immunisation Works Manager. Establish risks retained by each party for liability; Issue instruction to Network Rail to undertake works; Agree Immunisation Project Milestones; Establish funding contributions and respective budgets from TS/ NR /CEC /Other Projects.

Risk ID	Description	Reason for red treatment status	Proposed recovery plan
139/164	PROJECT RISK Uncertainty of Utilities location and consequently required diversion work/ unforeseen utility services within LoD / Unknown or abandoned assets or unforeseen/contaminated ground conditions affect scope of MUDFA work	Behind Programme	Review design information and re-measure during design workshops with Utility Companies and MUDFA works. Develop PC Sums into quantified estimates.
270	STAKEHOLDER RISK Uncertainty about requirements for wider areas modelling and need and extent of construction works required on road network	Behind Programme	Undertake traffic modelling and scope wider area network changes required.
271	PROJECT RISK Failure to reach agreement with CEC on various approvals areas	Behind Programme	See also actions to recover design programme referred to earlier in the report
279	PROJECT RISK Third party consents including Network Rail, CEC Planning, CEC Roads Department, Historic Scotland, Building Fixing Owner consent is denied or delayed	Behind Programme	CEC Planning - mock application by SDS
280	PROJECT RISK SDS deliverables are considered to be below quality levels required or late in production	Behind Programme	Apply new Design Approval Process including SDS Design Assurance. Apply output based measure of design progress.
870	PROJECT RISK Infraco does not have detail to achieve contract close	Behind Programme	Programme behind reviewed and updated to align procurement and design output.

Risk ID	Description	Reason for red treatment status	Proposed recovery plan
946	PROJECT RISK Vegetation clearance Gogar Depot not achieved on time	Criticality of works for programme	Agree costs and issue Works package order to AMIS
947	Delay to start of Phase One Advanced Works at Gogar Depot	Criticality of works for programme	Agree costs and issue Works package order to AMIS for Phase 1 works

5.2 Risk Action Plan for next period

3 new stakeholder risks were added to the Primary Risk Register. They all relate to the Immunisation Works project and have been added due to the criticality of this work to the Tram project.

- Risk 935 addresses the risk that Network Rail does not deliver the Immunisation Works on time, resulting in a critical delay to the Tram project. The treatment status for this risk is to hold regular progress meetings with TS and to prioritise the development of relevant Tram sections with Network Rail. (Risk owner: Damian Sharp / Tony Glazebrook)
- Risk 936 is concerned with the flow of information between the tram project and Network Rail which could lead to delays and increased costs if incorrect information was received by Network Rail. This risk will be addressed by the development of a Project Execution Plan for the works including governance, which clearly defines **tie**'s role in the communications line and gains early agreement on the information requirements between SDS and Network Rail. The treatment plan is currently behind the scheduled due date of 31 March. (Risk owner: Damian Sharp/ Steven Bell)
- Risk 938 relates to the lack of adequate resource availability within TS to manage the Immunisation Works. A key action being taken forward by **tie** is the recruitment of an Immunisation Works Project Manager who will be seconded to TS. (Risk owner: Damian Sharp / Steven Bell)

Note: The current significance of Risks 936 and 938 is not high in relation to other risks on the Primary Risk Register and feature only because of the criticality of the Immunisation Works. Therefore these risks are likely to "fall-off" the Primary Risk Register (although remain on ARM) as their treatment plans become more established.

5.3 Cost Quantitative Risk Analysis

Note:- QRA updated each Period. Details are available for inspection on request.

5.4 Schedule Quantitative Risk Analysis

Note:- To be provided for future reports.

5.5 Review Project Opportunity Register

Opportunities to achieve savings have been identified from the Value Engineering Programme – Package 1. The potential total value of these opportunities ranges between £24m-£35m. As agreed at the Tram DPD sub committee details of the individual items will be reviewed separately at the DPD meetings but will not be enclosed with Reports.

5.6 Opportunity Action Plan for next period

It is proposed that following conclusion of the evaluation of the impacts on DFBC of each group of savings items a recommendation will be provided for consideration agreement with the Tram Project Board.

5.7 Optimism Bias (and/or Contingency)

Note:- Optimism Bias included in Risk.

6.0 Health, Safety, Environment, Quality & Resources

6.1 Safety

6.1.1 There have been **two** minor accidents reported this period. The Accident Frequency rate (AFR) for the project is **zero**. Summary table below;

Ref.	Accident/Incident Summary
AIIIR5	14/02/2007 No time lost. SDS employees' trousers caught on broken key in protruding from locked cupboard causing trousers to rip and gash to buttock. Immediate Action: Key removed from cupboard. Further Action: Review of all accidents to date and submit report. Update: report received but revisions required.
AIIIR6	08/02/2007 No time lost. SDS employee cut finger while looking through lever arch file on the metal shutter part. No further action.

6.1.2 There have been **17,525** hours recorded for the period of which **977** were for site work.

6.1.3 There were no Safety Tours recorded for the period. Current status of previous actions are in the table below;

No.	Item Description	Actioned	Status
1	Campbell Skinner to be given HR induction – this includes H&S induction for Citypoint.	Geoff Gilbert	Closed
	Issue notification reminder to project management of the requirement for all new staff to receive HR induction.	Heather Manson	Open
	Ensure reception notifies visitors of fire safety arrangements.	Heather Manson	Closed
2	Tables stacked in kitchen area to be replaced.	Heather Manson	Open
3	Wires to be made safe.	Heather Manson	Closed
4	Desks in corridor (Fire escape route) to be removed.	Heather Manson	Closed
5	IT cables in McAdam Room to be	Seamus Healy	Open

	secured/tidied.		
6	Brunel Room to contain only eight chairs (maximum number of persons for meeting).		Closed
7	Review storage of materials in SDS area.	Billy Johnston	Open

6.1.4 No Safety Alerts was issued this period.

6.1.5 A meeting with the HSE Inspector allocated to the Tram project took place. The purpose of the meeting was to discuss the current Construction (Design and Management) arrangements and the approach to the revised CDM 2007.

6.1.6 Notification has been sent to the HMRI confirming that the Edinburgh Tram Project shall follow the Railways and other Guided Transport Systems Regulations route for 'approval'.

6.1.7 Utility design hazard information has been provided by SDS for the MUDFA works. However, it is of a generic nature and is not site specific in terms of residual hazards. A workshop with SDS and AMIS chaired by the Planning Supervisor has been organised for Monday 12th March to address the issue.

6.2 Environment

6.2.1 There were no environmental incidents in the period.

6.2.3 Concerns had been received from the CEC Archaeologist regarding the lack of archaeological management arrangements for the MUDFA works. This has been discussed with the CEC Archaeologist for the MUDFA works and areas of archaeological interest have been agreed and levels of archaeological watching brief defined. On-going meetings have been arranged with the CEC archaeologist.

6.3 Quality

6.3.1 One quality system audit was planned for this period. It has not been undertaken this period due to other work and has been re-programmed for next period.

6.3.2 No non-conformance reports (NCRs) were raised in the period and there are no outstanding NCRs.

6.3.4 The Health, Safety and Quality Management Plan and Environmental Management Plan are ready for approval. Supporting procedures have been drafted and are under review.

6.3.5 An external audit is was undertaken on the 5th March to 9th March by Scott-Moncrieff. A report will be submitted in due course.

6.4 Resource Management

See commentary against 2.2 above – Procurement Consultant

7.0 Stakeholder and Communication

7.1 Stakeholder Strategy/Plan

The communication strategy documented in the draft Final Business Case continues to be delivered.

A stakeholder workshop was held on the 22nd January '07 and the outcomes of this workshop are being developed. These outcomes will be reported back and discussed at a stakeholder away day in May. This will be supported by a full stakeholder relations team which will be in place by the end of April.

7.2 Communication Strategy/Plan

The communication strategy documented in the draft Final Business Case continues to be delivered.

Whilst detail of approach and messaging is reviewed on an ongoing day to day basis the strategy will be reviewed each quarter, with the next review due in June. Review of the strategy will take place at the monthly Communications meeting which is attended by CEC, TS, TEL, **tie**, Media House and Weber Shandwick.

It is, at the time of writing, the pre election period therefore works on communication and PR activity are effectively halted. Planning for delivery as per the strategy in May is underway.

7.3 Communication & Stakeholder matters arising from previous period

7.3.1 MUDFA trial site:

The resident and business packs were issued by the tram helper on 27th March. 150 packs in total were issued. The approach to the trial site will be minimal and low key, with signage only at the site itself providing the customer helpline number and web address. As the trial is taking place through the pre election period there are set guidelines for Communication and PR activities. The Communications, Stakeholder and AMIS teams are aware of the guidelines and are prepared should they be approached or asked questions.

7.3.2 Resource:

Steve Gorry started with **tie** on 19 March. Steve will deliver the Customer interfaces, kpi's, protocol and journeys for **tie** and our partners and is currently meeting everyone involved. Additionally, Mike Connelly has been successful in recruiting two new members of staff for the stakeholder team, who will concentrate on business and community stakeholders. The new staff members are due to start work in April.

7.3.3 Correspondence flow

A paper was sent to partner organisations in March highlighting key decisions needing to be made on the approach to customer care preferred by each organisation. Response has now been received and with decisions made, Steve Gorry will work with the organisations to deliver the customer care package. A detailed report on the customer flow and kpi's will be included in next month's paper.

7.3.4 Customer Interaction Cycle

The four week stakeholder packs including documentation and language panels have been received. The letters that go with the packs will be printed separately with site specific information. We still await the proof of the 8 week newsletter which will be issued for comment and approval before going to print.

7.3.5 Helpline number

The tram helpline number is 0131 623 8726. The system is now in operation.

7.3.6 Mobile Information Centre

The Tram/Bus remains in the wings and will be launched at the same time as the MUDFA programme and the customer support, following the trial site.

7.3.7 Site information

AMIS has informed **tie** that they will not use debris netting at each site due to wind hazards. Based on this decision we will revert to the signs showing the trams for Edinburgh logo, phone number and web address which will be erected in multiple positions at each site.

7.4 Communication & Stakeholder action plan for next period

Communication:

The four week tram action plan is attached. Specifics include:

7.4.1 Wider area signage and communications

- Whilst formulating the traffic management plans for MUDFA, wider area signage and wider area communications have been considered.
- In order to continue to communicate openly, it is recommended that the wider area signage is clearly branded with the Trams for Edinburgh logo. The exact design of these signs will be the subject of discussion and approval of the partners; however it will almost certainly be a monochrome version of the Trams for Edinburgh logo.

- Again, during the tram project, we have tried to communicate openly with all stakeholders, and this should be continued with regard to contact with frontagers on major diversion routes. Businesses and residents will need to be informed that their street will be a diversion route for a temporary period, and the effect this will have. It is recommended that a specific leaflet is produced for these areas, giving clear information about the changes and where more information can be obtained. This will also be discussed with and approved by partners.

7.4.2 Incident Management Response – Comms/Stakeholder

- As part of the overall HSQE actions, an incident management response plan has been developed. Communications and Stakeholder incident management response is also documented and the on call function is now in place. Approach to incidents shall be assessed on an incident by incident basis as follows:
 - Self-contained, i.e. something which affects the tram scheme but has little or no impact on the general public.
 - External Impact which do impact the general public, usually immediately.