



Transport Edinburgh

Edinburgh Trams

Lothian Buses

Tram Project Board Report on Period 3 Papers for meeting 8th July 2009

10:00am – 1:00pm following the tie Board meeting

Distribution:

Members and attendees

David Mackay (Chair)
Marshall Poulton
Bill Campbell
Steven Bell
Kenneth Hogg
Cllr Ian Perry

Cllr Phil Wheeler
Stewart McGarrity
Cllr Allan Jackson
Cllr Gordon Mackenzie
Brian Cox
Peter Strachan

Donald McGougan
Richard Jeffrey
Dave Anderson
Graeme Bissett
Alastair Richards
Neil Scales
Alasdair Sim (minutes)

In addition – for information only

Cllr Maggie Chapman
Andy Conway
Norman Strachan
Iain Coupar
Susan Clark

Cllr Tom Buchanan
Frank McFadden
Alan Coyle
Gregor Roberts

Dennis Murray
Ailie Wilson
Jim McEwan
Gill Lindsay

TRAM PROJECT BOARD

Transport Edinburgh

Edinburgh Trams

Lothian Buses

FOISA exempt
 Yes
 No

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Agenda Tram Project Board

Brunel Suite – Citypoint, 2nd Floor

8th June 2009 – 10.00am to 1.00pm following the tie Board meeting

Attendees:

David Mackay (Chair)	Cllr Phil Wheeler	Donald McGougan
Marshall Poulton	Richard Jeffrey	Dave Anderson
Bill Campbell	Stewart McGarrity	Graeme Bissett
Steven Bell	Cllr Allan Jackson	Alastair Richards
Kenneth Hogg	Cllr Gordon Mackenzie	Neil Scales
Cllr Ian Perry	Brian Cox	Alasdair Sim (Minutes)

Apologies:

- 1 Review of previous minutes and matters arising
- 2 5 Key Business Priorities (Richard Jeffrey)
 - 2.1 Building the Tram (Steven Bell)
 - Project Director Progress Report Period 2*
 - Change Requests & Risk Drawdown
 - 3 Month Programme Storyboard
 - Commercial/Legal Issues/Disputes
 - Traffic Management
 - 2.2 Getting Ready for Operations (Alastair Richards)
 - 2.3 Building the Brand (Mandy Haeburn-Little)
 - 2.4 Building the Team (Richard Jeffrey)
 - 2.5 The Future of **tie** (Richard Jeffrey)
- 3 Strategic Options Review
- 4 Health & Safety Update
- 5 Risk Register Update
- 6 Date of next meeting – 29th July 2009
- 7 AOB

(* Papers contained in TPB Pack)

Edinburgh Tram Network Minutes

STRICTLY PRIVATE AND CONFIDENTIAL

Tram Project Board

3rd June 2009 (10:10 to 12:55)

tie offices – Citypoint II, Brunel Suite

Members:			
David Mackay (Chair)	DJM	Bill Campbell	WWC
Cllr Gordon Mackenzie	GM	Donald McGougan	DMcG
Richard Jeffrey	RJ		
In Attendance:			
Steven Bell	SB	Cllr Allan Jackson	AJ
Brian Cox	BC	Cllr Phil Wheeler	PW
Graeme Bissett	GB	Stewart McGarrity	SMcG
Marshall Poulton	MP	Alastair Richards	AR
Kenneth Hogg	KH	Susan Clark (Item 4.7)	SC
Cllr Ian Perry	IB	Alasdair Sim (minutes)	AS

Apologies: Dave Anderson, Peter Strachan, Neil Scales

1.0	Introduction	
1.1	DJM welcomed the participants to the meeting and acknowledged the apologies before introducing Alasdair Sim as the new TBP Secretary.	
1.2	The Board approved the proposal for Richard Jeffrey to assume the Senior Responsible Officer (SRO) role, and DJM thanked SMcG for his contribution as interim SRO.	
2.0	Review of Previous Minutes and Matters Arising	
2.1	The minutes of the previous meeting were approved.	
2.2	SB noted that Items 2.2, 3.6, 7.3 from the previous minutes have all been closed out.	
2.3	Item 4.2: SB reported that a session is planned with MP w/c 8/06/09 to discuss outstanding matters with Carillion.	SB/MP
2.4	Item 9.1: The Primary Risk Register is currently undergoing a refresh and this will be reported on at the next Board Meeting.	SB
2.5	Item 9.3: Following the Finance, Legal and Commercial Committee meeting on Monday 1 st June 2009, it was agreed that an update to the TEL Business Plan will be prepared. This document to be available in advance of the Council Meeting on 20 th August 2009.	SMcG/ AR
3.0	5 Key Business Priorities Presentations	
3.1	RJ outlined his proposals for the 5 Key Business Priorities, these being <ul style="list-style-type: none"> ▪ Building the Tram ▪ Getting Ready for Operations 	

	<ul style="list-style-type: none"> ▪ Building the Brand ▪ Building the Team ▪ The Future of tie <p>He proposed that future tie and TBP presentations and agendas will be structured around these headings.</p>	
3.2	Selected members of the Executive Team will assume responsibility for each of these business streams.	
4.0	Building the Tram	
4.1	<p><u>Overview</u></p> <p>SB presented an overview of progress during Period 2, which included presentations on HSQE, the Strategic Options, an update on commercial matters and progress on mediation for DRP1, programme and construction/procurement matters.</p>	
4.2	<p><u>HSQE</u></p> <p>No reportable accidents during Period 2 and the rolling AFR is 0.28, against a target of 0.24 (falling from 0.29 in the previous period). The score for Health & Safety inspections fell slightly during Period 2, however only two inspections fell below the 80% compliance level.</p>	
4.3	<p><u>Project Delivery (INFRACO)</u></p> <p>CEC has confirmed that work can continue on Princes Street through the embargo, and that mitigation planning for the Festival is underway. Good progress on Princes Street under the Supplemental Agreement during the period. Arrangements to switch traffic from South St David Street to South St Andrew Street will be undertaken on 06/06/09 and track laying works to commence from 8/6/09. The estimated completion date from BSC for the Princes Street works is 2/12/09, and discussions are ongoing with the contractor to recover time on this programme. This will be discussed at TOG.</p>	
4.4	<p><u>Project Delivery (Utilities)</u></p> <p>SB reported 77% of all utilities diversions are now complete. All Carillion utilities works are expected to be completed by the end of July, with the expectation is that the Carillion contract will be closed down by the end of August. There will be commercial matters to resolve around delay and disruption claims, and these are likely to be challenging given the poor record keeping that has been evidenced by the contractor in substantiating claims to date, and SB noted that it will be a commercial advantage to ensure that Carillion works on site are concluded before this process commences. In response to a query from GM, SB confirmed that allowances to cover the anticipated outcome of this matter have been made within the available funding envelope. DMcG noted that BSC will be monitoring the outcome (particularly behaviours) of this process with interest, the Board recognising that on conclusion of the commercial negotiations, that the outcome will become a matter of public record.</p>	
4.5	<p><u>Project Delivery (Other)</u></p> <p>Further to the matters raised, SB noted that whilst the Traffic Management Peer Group (TMPG) approved the original BSC proposal for Leith Walk, work is underway to develop an alternative option for the construction methodology along this key corridor. RJ recognised that this is a very sensitive area of the City, and the balance between construction duration/costs and the level of</p>	

	<p>disruption (perceived or actual) needs to be carefully managed. There was general agreement by the Board that Leith Walk presents unique challenges and that there is no easy fix here. RJ recommended that the affected stakeholder representatives (traders and residents) as well as local and national elected members be brought into a forum to discuss the pros and cons of these proposals, with the aim of coming to a consensus view. SB to brief to Board on the options at the next meeting.</p>	SB
4.6	<p><u>Strategic Options</u> SB reported on progress against each of the Strategic Options work streams, the specific points to note, discussion and queries are summarised below:</p> <ul style="list-style-type: none"> ▪ <u>General Progress</u> The PMP has met 6 times now, and constructive engagement with BSC is slowly improving. Some success has been achieved through the PMP, but significant issues are still under discussion. Next meeting scheduled for 12/06/09. General delivery impetus from BSC has improved in the period. ▪ <u>Workstream A : Programme</u> The tie 'Live' Programme, which is based upon actual progress to date sets commencement of passenger services at July 2012, and with the appropriate mitigation in place, this indicates a re-baseline date for service commencement in February 2012. The backstop date remains October 2012. BC asked what is the public perception regarding the operations date, and RJ responded that he had recently announced in the media that the July 2011 passenger operations date would be delayed by several months. A programme workshop is scheduled with BSC on 16/17 June, and tie will be undertaking an 'internal challenge session' on 15 June with some invited experts in the field in advance of the meeting with BSC. ▪ <u>Workstream B : Key Commercial & Legal Disagreements</u> A successful conclusion to the DRP1 Mediation was reached on 29/05/09. SB confirmed this outcome was in line with tie's assumptions and within the funding envelope. It is expected that an agreed joint tie/BSC statement will be released to the media as necessary. QC opinion has been sought on key contractual/legal matters and a written opinion is expected on 03/06/09. SB noted that progress on this item is more positive than reported in the previous period, BC and KH noting that it is important to get this message out into the public domain that the project is progressing on the ground and gaining momentum. ▪ <u>Workstream C/D : DRP/Breach & Changes</u> SB reported that 4 further DRP matters are currently under preparation should be PMP route proved to be unsuccessful. QC opinion will be sought where appropriate. RJ is to work on building up the relationships/trust with BSC for future negotiations and DJM noted that a meeting in Germany has been scheduled for later in June, where a more pragmatic approach to disagreement resolution and an appropriate way forward will be 	

	<p>discussed. tie however remain geared up to follow the more formal path if necessary.</p> <ul style="list-style-type: none"> ▪ <u>Workstream G : Contract & Risk Management Regime</u> Additional commercial resources (internal and external specialists) are to be secured by early July to deal with Carillion and BSC matters and the Primary Risk Register will be recalibrated in line with the approved budget going forward. ▪ <u>Strategic Options Timetable</u> DMcG enquired about the level of confidence in reaching agreement with BSC on the recalibrated programme and commercial matters. DJM assured the Board that the tie team were working as hard as possible towards reaching this goal by the Council Meeting on 20th August, but in order to reach this, a change in contractor behaviour would be critical to reaching a successful outcome. KH noted that should this behaviour not change, then the Board will have to give serious consideration to the implications of this on the continuation of the project. 	<p>SB</p>
<p>4.7</p>	<p><u>3 Month Programme Storyboard</u> SC presented a series of 3 month storyboard covering the periods 01 April – 30 June; 01 July – 30 Sept and 01 Oct – 31 Dec 2009. These high level graphical representations were considered useful information for the purposes of the Board, and prompted debate around the dissemination and format of information to be made available for public consumption. SC to consider and report back to the Board. AJ noted that in order to reinforce the ‘unstoppable’ message, if simplified but meaningful information or images of work in progress could be made publically available then this may start to foster a positive public message. IP asked if more information on integrated bus/tram services could be made available to the public, again with a view to making the project more ‘real’ to the travelling public. WC to report on the current integrated services network at the next meeting, and the Board will consider how to take this forward. SB/AS to arrange for a Site Tour to form part of the next Board meeting schedule.</p>	<p>SC WC SB/AS</p>
<p>4.8</p>	<p><u>Finance</u> SMcG reported that there is no change to the forecast expenditure of £150m in FY0910 on Phase 1a. The Council decision to postpone Phase 1b will mean an additional liability of £3.2m to be payable to BSC, although this may become a matter for commercial negotiation. The outturn estimate and risk allowances presented in SMcG’s presentation were discussed. KH requested that more visibility be provided on the split between confirmed costs and risk allowances and anticipated claims. SMcG confirmed that this information is available, and will be suitably presented at the next Board. IP noted that the Board should be careful in considering too many variations and means of presenting figures for decision making purposes. DMcG concurred noting that the key issue is for the project outturn to remain within the available funding envelope of £545m, and that the CEC expect an indication around the confidence levels of this being achieved for the August 20th Council Meeting.</p>	<p>SMcG</p>

4.9	<p><u>Project Change Control</u> The Board approved MUDFA Risk Drawdown (COP087) associated with additional costs for the increase in scope of the utilities diversion works.</p>	
5.0	Getting Ready For Operations	
5.1	<p>RJ introduced AR as the Executive Team member with responsibility for the operations and maintenance of the tram system. The key objectives of this workstream will be to develop strategies and plans to ensure that we are ready for operations, with particular emphasis on integration with the existing Lothian Buses business, the 'one brand' ethos and the integrated operations between buses and trams. Key points to note from this presentation and discussion/queries are summarised as follows:</p> <ul style="list-style-type: none"> ▪ There are 5 trams in various stages of construction in the CAF factory; these being approximately 2 months ahead of schedule. ▪ It was agreed that when these modules become more recognisable as trams, this will provide a good publicity opportunity and a site visit for the press can be arranged. This would probably be in late July. This will help reinforce project momentum and credibility. AR/RJ to discuss strategy with KH and the CEC Communications team. ▪ It may be appropriate as the operations date approached to form a Board sub-committee to deal with specific decision making. ▪ MP recognised that Strategic Traffic Control systems for all road users, including buses, tram and private cars will be a critical element in optimising the City transport network into the future. It will be important to ensure that the systems which will be put in place as part of the tram works can integrate with those that CEC are currently considering for in the wider city context. ▪ TEL recruitment will be undertaken in a staged/phased process over the next two years prior to commissioning/operations. ▪ Commissioning and handover of the asset to CEC/TEL is fundamental. DJM noted that lessons will be learned from the commissioning of other tram systems both in the UK and overseas. 	AR/RJ
6.0	Building the Brand	
6.1	<p>RJ explained that his focus going forward is to foster a shift in attitude/perception towards tie and to the project. Building trust and relationships, working within the framework of respect for the City, residents and businesses will help promote tie as a brand. RJ will update the Board as the process gains momentum.</p>	RJ
7.0	Building the Team	
7.1	<p>RJ reported that Mandy Haeburn-Little (MHL) has taken on the role of Communications Director to assist in this process. MHL and her team have a great deal of experience in communications and brand building, and started work with tie on 1st June 2009.</p>	
7.2	<p>RJ will not be replacing the HR Director Role, and to this end Claire Logan will take on additional responsibility to deal with internal HR matters. RJ to discuss with CEC, a 'One Family' approach to broader HR matters.</p>	
7.3	<p>Towards the end of the Summer 2009, RJ will have concluded a review of staff requirements and roles and responsibilities within tie and report to the Board during August.</p>	RJ

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FOISA exempt
 Yes
 No

8.0	The Future of tie	
8.1	GB reported that discussions are ongoing with CEC and other agencies regarding the funding of a feasibility study for the South East Tram Line (SETL). A paper was presented to the tie Board for discussion, and is annexed to this minute.	
8.2	The governance review arrangements with tie operating as part of TEL has not been progressed in the Period by CEC due to other commitments, but the principle of avoiding duplication is supported. GB will progress governance structure matters with CEC in the next Period.	GB
8.3	<u>Tax Planning</u> A mechanism to offset tax liabilities against the value of the Tram system as a capital asset has been identified. Under the current taxation arrangements, this would appear to be a legitimate mechanism. GB is currently reviewing opportunities to move this forward, as there is a potential saving over the operating life of the system. Specialist advice in this area is generally at premium rates. GB to report back to the Board in line with progress.	GB
9.0	Sub-committee updates	
9.1	<u>Traffic Management Peer Group</u> The TMPG met on 2 nd June 2009, and the main recommendation from this was to extend the areas encompassing the relaxation of the embargo period for August to include not only Princes Street, but also Haymarket, York Place and Picardy Place.	
9.2	<u>Financial, Commercial and Legal</u> The FCL Committee met on 1 st June 2009. The Agreement with Forth Ports is nearing completion, and CEC Legal Services are progressing the Building Fixings Cases to lodge with the Sheriff Court.	
10.0	AOB	
10.1	<u>Concessionary Fares</u> WC reported that the latest Scottish Government report dealing with concessionary fares is silent on the matter of the Edinburgh Tram. This does not mean that the tram will be excluded from the scheme, but the matter does require to be clarified. DJM noted that both Ian Craig (LB) and RJ are scheduled to meet with David Middleton from the Scottish Government, who has been dealing with this. DMcG noted that this matter has considerable implications on the TEL Business Plan, so a clearer understanding of the funding for concessionary fares will be required.	
10.2	DJM thanked the Board for their participation and input, and the meeting closed at 12:55.	
11.0	Date of Next Meeting	
11.1	The date of the next meeting will be Wednesday 8 th July 2009.	

Prepared by Alasdair Sim on 10th June 2009.

Project Directors Report

Period 3 09/10

HSQE

HS&E ACCIDENTS and INCIDENTS SUMMARY											
Project Running Totals	Total Hours	>3 day	Major	Injury	NM/Unsafe Condition	Service Damage	ENV	RTA	MOP	AFR	SFR
Period 03	150,136	0	0	3	10	15	0	2	2	0.00	9.99
Year to Date	431,514	0	0	10	53	34	0	3	11	0.00	7.88
13 period rolling	1,519,392	1	3	35	205	205	3	17	90	0.26	13.5



There were no reportable accidents during period and the project 13-period rolling AFR is 0.26 (target 0.24, last period 0.28). The frequency of service damages has increased during the period on the project but decreased on an overall 13 month rolling basis. A new method of measuring service strikes v's holes dug has revealed that during period 3 there were 193 holes opened on sites sampled and 3 of those holes suffered service damage. This measure has been created to help identify good practices as well as areas requiring improvement.

The score for **tie** health and safety inspections was on average 84%. The new joint inspections carried out by Carillion and **tie** have been effective in highlighting issues with housekeeping, subsequently there has been a concerted effort by **tie** and Carillion to improve tidiness on sites with good results so far. **tie** and BSC are in discussion about joint inspections for **tie** and BSC Project Managers, it is hoped that this will be finalised during period 4.

The first inspections under the "Deliver a Safe Tram" metrics were carried out in Period 3. The Princes Street works were chosen to sample and test the new metrics. The inspections highlighted that in three instances, construction was being undertaken using drawings that had not been through the contractors inter disciplinary design check system.

Progress

Overall progress remains behind both the current three month look-ahead and the master programme, primarily due to:

- Finalisation of the agreement of change delaying the commencement of work;
- Incomplete utility diversions in the On-Street sections caused in part by traffic management constraints
- Slow mobilisation of INFRACO, including lack of formal sub-contracts being in place;
- Failure of INFRACO to submit preparatory paperwork in a timely manner i.e. Work Package Plans, Method Statements etc;

- Requirement for re-design of temporary works;
- Design slippage since novation of design to INFRACO (now recorded in v46 of the design programme);
- Design changes as a result of the Prior and Technical Approvals process; and
- Consortium integrated design programme and validation

The Project Management Panel (PMP) between **tie** and the INFRACO Contractor has continued to focus on addressing the top priority issues affecting progress including the depot and key structures, with a view to recovering lost time. Progress has not been satisfactory on these issues.

A meeting between senior representatives from the INFRACO Contractor and **tie** has confirmed agreement on an intense mediation week commencing 29th June on the key contractual programme and commercial issues.

The output of this mediation week will be reviewed on 6/7/09 by senior representatives of INFRACO and **tie**. Clear recommendations will be made to the **tie** Board and Tram Project Board on 8/7/09. **tie** will continue to liaise with key stakeholders (including CEC and TS) in advance of the 8/7/09 Board meetings.

The **tie** live programme currently predicts an Open for Revenue Service date of August 2012. This has slipped slightly since last period and is mainly due to the lack of progress being achieved by INFRACO across the route compounded by delays caused by Utility Diversions at Haymarket and Newhaven.

The recalibration of the programme was one of the key priorities for the PMP. The INFRACO contractor has now provided revised programmes which have been reviewed by **tie**. These are provided by BSC to achieve agreement on relief/extension of time and as yet do not provide any material mitigation measures to recover the programme. Review of this programme is underway and detailed discussions have continued with both teams to resolve the causes and effects of delay.

As for the previous period reporting **tie** retain an unapproved recalibrated baseline programme which reflects an Open for Revenue Service date of 23 Feb 2012.

Progress – Design

No new submissions have been lodged in the period, but 2 technical approvals have been granted in Period 2. A summary of Prior and Technical Approval progress is presented below:

Phase 1a only	Number required		Number	
	v31	v45	Submitted	Granted
Prior Approvals	49	54	51 (94%)	49 (91%)
Technical Approvals	71	80	72 (90%)	71 (89%)

Although there is evidence of better management of SDS by BSC, this has not yet resulted in improved design performance. V46 includes a number on integration design activities and the impact of these will be analysed over the coming period.

Progress – MUDFA

Progress on MUDFA works during Period 3 is presented below:

Rev. 08 Figures	Period		Delta	Cumulative		Delta
	Plan	Actual		Plan	Actual	
MUDFA PERIOD 02 PROGRESS						
Section 1a Newhaven to Foot of the Walk*	1.4%	0.8%	-0.6%	42.9%	41.6%	-1.2%
Section 1b Foot of the Walk to McDonald Road	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 1c McDonald Road to Princes Street West	4.7%	4.9%	0.2%	92.9%	80.8%	-12.0%
Section 1d Princes Street West to Haymarket	6.5%	4.9%	-1.6%	97.3%	92.9%	-4.5%

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Combined Sections 1A-1B-1C-1D (On-Street) Newhaven Road to Haymarket	2.8%	2.4%	-0.4%	78.6%	74.3%	-4.3%
Section 2 Haymarket to Roseburn Junction	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 5a Roseburn Junction to Balgreen Road	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 5b Balgreen Road to Edinburgh Park Central	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 5c Edinburgh Park Central to Gogarburn	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 6 Gogar Depot	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 7a Gogarburn to Edinburgh Airport*	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Combined Sections 2A-5A-5B-5C-6A-7A (Off-Street) Haymarket to Edinburgh Airport	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
FULL ROUTE PHASE 1A NEWHAVEN ROAD TO EDINBURGH AIRPORT	2.3%	2.0%	-0.3%	82.2%	78.6%	-3.6%

* Note that tenders are currently out for the remaining utilities works at Leith Docks and at the Airport.

Key points to note are:

- Progress in the period has been slower than planned in those sections that MUDFA are working. These poor productivity and performance levels can be attributed in part to underground obstructions and technical issues, but the lacklustre behaviour evident on site has been influenced by CUS's commercial stance.
- A large section of The Mound was handed over to the INFRACO contractor during the period;
- Utilities diversion works for Sections 1A and 7 are now out to tender. These works will not be carried out by Carillion;
- Section 1b: tie ins, cabling and abandonments are scheduled for completion during July and August 2009, and
- All utilities works are complete in Sections 2 and 6 are now complete.

Progress – INFRACO

The project continues to experience problems with slow progress for INFRACO works and, in particular, resolution of commercial principles, the appointment of direct BSC resource and the final appointment of the main package contractors. The BSC sub-contractors continue to operate with Limited Letters of Intent whilst awaiting conclusion of the full sub-contracts.

Haymarket viaduct constructions has been on hold due to BSC's sub contractor issues with the A8 underpass delayed through requirement of temporary works redesign. However, work has continued on a number of worksites including:

- Princes Street with the laying of the first tracks, drainage ducts installed and the continuation of installation of OHL bases;
- Earthworks between Balgreen Road and Carricknowe bridge started this period
- Edinburgh Park Bridge – beam installation complete and diaphragm wall construction has commenced.
- At Gogarburn Bridge poor concrete quality has led to replacement piers being constructed at this location
- Depot - spoil removal from the depot continued (95000 CM of 141000 CM total spoil removed).

Progress is being monitored against the Revision 1 programme, and the summary milestones against the agreed INFRACO Contract are shown below:

Milestones	Period 03		Cumulative (Short-Term)		Contract Planned to P03
	Planned	Actual	Planned	Actual	
Prelims	2	2	46	46	46
Construction	3	2	34	33	497

Progress – TRAMCO

Good progress continues to be made with the progress of deliverables against the schedule. The production line has commenced during Q1 2009 with the delivery of the first tram still on schedule for April 2010.

The CAF contract programme is incorporated in the Master Tram Project Programme and the current position indicates the following confirmed milestone dates:

- 1st Tram delivery – 09-Apr-10
- 5th Tram delivery – 10-May-10
- 27th Tram delivery – 17-Jan-11

The fabrication programme maintains approximately two months ahead of schedule and it is expected that the first tram will be ready for factory acceptance tests by August.

Progress – Testing & Commissioning

The process for acceptance of the Edinburgh Tram is designed to ensure that it is delivered in an acceptably safe, compliant and efficient manner. This process is undertaken via the testing and commissioning regime to validate and verify the system against applicable standards. To this end, a number of processes are underway including:

- Design Assurance. This process being undertaken by BSC(SDS)/**tie**
- Quality Checking: 10 of the 37 BSC inspections and test plans are in progress
- Systems Safety: Safety verification plans are in place and this process of verification is underway with INFRACO, the ICP, TEL and Transdev all involved in the process.

BSC have produced Inspection and Test Plans (ITP's) for the current set of construction works, however they have not yet produced a consolidated Test and Commissioning Plan. Constituent elements are available from CAF, the tram manufacturer, the Operator and an overall framework from TEL exists to cover the activities.

It is intended over the next three periods to obtain collective engagement on testing and commissioning, and agreement to the formation of a project wide multi-disciplinary test coordination team.

Progress – Interface with 3rd Party Projects

tie and CEC identify other projects ongoing within the City that may impact on the tram project. This is reviewed on an ongoing basis both internally and with TS, to identify any conflicts and mitigations. The key projects to note in this regards are:

- The Gogar Surface Station promoted by Transport Scotland. Design changes have been instructed and are underway and **tie** and TS are developing an integrated programme for these works.
- The redevelopment of the St James Centre, which has been downgraded from red to amber in the period as commencement for this project is expected to take place towards the completion of the tramworks.
- Airdrie to Bathgate Rail Line, these works requiring co-ordination along the common sections of the railway corridor in regard to possessions and RotR workings.
- CEC/**tie** and NR are currently in discussion over agreeing a process to accommodate traffic management arrangements for the construction of the Waverley Steps TAWS Order Inquiry (22 July 2009).

Progress – Other

- A TRO programme is in place to ensure that the first order TRO 1, which will allow for operation of the tram system, is made by October 2010. The informal consultation process for this has been completed and BSC have been instructed to incorporate minor design revisions into the final design. Delivery of a set of TRO drawings which will enable the statutory consultation process to commence is scheduled for Aug 1st 2009.

Network Rail

- INFRACO has now delivered its EMC Management Plan and EMC Strategy for NR infrastructure assets and established the scope for the immunisation works. A programme for these works is being developed with INFRACO;
- INFRACO are developing the full assurance case for NR acceptance. The preliminary assurance case to enable traction power testing and commissioning will be completed by August 2009. Further assurance will be provided up to, and including, bringing into service;
- The Relocation of the Diesel tanks has been completed;
- The INFRACO has submitted for ROTR possessions according to the look-ahead programme;

Third party interfaces

- NR – the Bridge Agreements are not yet concluded. There is an outstanding issue on indemnities to close out. CEC are taking this matter up directly with TS, and **tie** are no longer directly involved. An Operating Agreement draft has been returned to NR on 26/06/09;
- Forth Ports – expecting imminent execution of agreement, awaiting FP final drafting comments prior to closure.
- Haymarket car park compensation – **tie** have agreed compensation with NR and will settle this in Q1 09/10. **tie** continue to discuss with TS the additional compensation payable to First ScotRail, as a result of the extension of the FSR franchise from Nov 2011 to Nov 2014, as it is believed to be a TS cost. A meeting is arranged with TS to address this in Period 4;
- Building fixings – deemed consent has been obtained from 306 owners as well as 66 consents with the owners' agreement. There are nine fixings where matters remain unresolved and CEC have committed to pursue these through Sheriff Court action. Dates for hearings are to be established. The building fixing construction programme will commence in Spring 2010; and
- Interfaces are being managed to ensure that the SRU accommodation works and events are cohesive. **tie** have now agreed approach to the design and construction of the works with SRU.

Fast link modifications (Front Line)

- Surfacing of lay-by 95% complete and open to traffic. BT manhole is still to be installed a date for this work to be advised by BT.
- Installation of the TRO lining works are scheduled for completion 26/06/09.

Ancient Monuments/Statues (Land Engineering)

Sherlock Holmes Statue

- The Sherlock Holmes Statue at Picardy Place is scheduled for removal week commencing 29/06/09.

BAA - Burnside Road (BAA)

- Burnside Road Relocation Final Option 4B layout still requires formal BAA Stakeholder sign off. Initial comments are positive.
- Detailed design to option 4B is ongoing. Design review held W/C 22 June 2009.
- Design – Award letters to be issued during W/C 22 June 2009.
- Tenders: Tender documents due for return 25 June 2009
- Utilities works –. Contract awarded 19 June 2009. Start up meeting 22 June 2009

Hilton Car Park & Phase 1

- INFRACO – No works have commenced, and Reviewable Tram Works Data has been submitted to BAA in line with the terms of the Licence. A response on this is expected during W/C 22 June 2009

Archaeological works at Constitution Street (Frontline):

- The archaeological works in Constitution Street continue and 150 skeletons have been removed to date.

Cost

Current Financial Year

- The budget for Phase 1a in 2009/10 is £150.1m which has been produced linking the **tie** re-baselined programme to INFRACO construction milestones. **tie** are currently in the process of agreeing an updated programme with the INFRACO contractor.
- In addition to phase 1a (£150.1m) 2009/10 costs, the budget also includes potential additional costs of £3.2m which relate to the postponement of Phase 1b INFRACO construction contract;
- Funding available from TS for the project in 2009/10 is £149m. The TS share of this year's budget (£153.3m) is £140.6m, giving available headroom of £8.4m.

Actual YTD P3 & forecast P4-P13 FY09/10

£m	YTD P 3	Forecast P4- P13,09/10	Total FY09/10
Infrastructure and vehicles	16.0	106.4	122.5
Utilities diversions	3.2	0.5	3.7
Design	0.7	0.4	1.1
Land and compensation	0.6	1.0	1.6
Resources and insurance	2.9	10.0	12.9
Base costs	23.5	118.4	141.8
Risk allowance	0.0	8.3	8.3
Total Phase 1a	23.5	126.6	150.1

- COWD to Period 3 is £23.5m (Period 2 £15.2m) against budget £21.0m. The main drivers for the £2.5m variance are: the timing of INFRACO and Tramco costs forecast in 2009/10 (2.0m); the timing of Non-INFRACO construction works spend (£1.2m) ahead of plan; Offset by a fall in PM costs (-£0.6m). All of these are timing differences only and do not impact on the outturn for the year.

Total Project Anticipated Forecast Cost

Re-baselined Phase 1a AFC and profiling

£m	Cum FY07/08	Actual 08/09	FY 09/10	FY 10/11	FY 11/12	AFC
Infrastructure and vehicles	30.7	45.4	122.5	92.1	19.0	309.5
Utilities diversions	18.4	33.4	3.7	0.0	0.0	55.5
Design	21.4	4.7	1.1	0.0	0.0	27.3
Land and compensation	16.8	1.7	1.6	0.0	0.2	20.3
Resources and insurance	42.7	15.8	12.9	7.8	2.9	82.1
Base costs	130.0	101.0	141.8	99.8	22.0	494.6
Risk Allowance	0.0	0.0	8.3	19.0	5.2	32.5
Total Phase 1a	130.0	101.0	150.1	118.9	27.1	527.1
Phase 1b postponement	3.0	0.0	3.2	0.0	0.0	6.2
Total Phase 1a and Phase 1b	133.1	101.0	153.3	118.9	27.1	533.3

- The table above reflects the base costs and risks aligned to the re-baselined programme and re-alignment of the INFRACO milestones schedule. The AFC for Phase 1a above includes an unapproved increase of £15.1m to the project risk allowance. The approved cost estimate for delivery of Phase1a of the project remains at £512m. The phasing of the £527.1m plan

remains in-line with period 2 and will be updated when there is an updated agreed programme with the INFRACO contractor.

- The latest forecast view includes £3.2m of costs relating to Phase 1b which may crystallise as contractually payable to BSC due to the postponement of Phase 1b (this will require to be covered by current funding). Coupled with the re-baselined forecast, there is £11.7m of funding headroom within the £545m total funding available.

Risk & Opportunity

There were eight risk reviews held in the period. A total of 4 concerns were added to the INFRACO Concerns Register. These are shown below:

Discipline	Risk description			
	Risk Number	Cause	Risk Event	Effect
General	103	Lack of clarity between consortium members regarding responsibility for design and provision of trackside signage	Delay in production of trackside signage	Impact on trial running programme
Section 7	104	Contract allows for compensation to BAA for loss of business as a result of tram works	Claim for compensation from BAA for loss of business	Additional cost
General	105	Scope within third party agreements differs from BDDI information	tie responsible for changes in scope from BDDI	Additional cost
General	106	BSC's alleged lack of assumption within contract price	Due to lack to detail at tender stage BSC are claiming they have omitted to price for various aspects of the contract e.g. Drainage	Additional cost

One risk (from Mudfa) was closed in the Project Risk Register. Two risk draw downs totalling £163k were drawn from the project risk allocation and three draw downs totalling £63k were drawn from contingency. This leaves a risk and contingency balance of £19.7m (based upon the approved Project Risk Allowance at Financial Close). BSC submitted their first consortium risk register and this will be reviewed in Period 4.

QRA

The Project Risk Allocation has reduced by £226,042 in the period. All draw-downs are shown in the table below. The current Project Risk Allocation (based on the approved budget) is £19,743,581.

All existing risks, as well as those recently added, are being reviewed to ensure the QRA output is as accurate as is reasonably possible. It is accepted that the additional risks and increase in QRA output are currently unapproved. These are within the unapproved range in costs provided to TS on 26th May. tie will continue to report on the risk allocation at Financial Close until a new budget (with an updated QRA) is approved.

Communications/Customer Service

A full Brand and Customer Service improvement plan is being produced for presentation to the Board on the 8th of July. This will be presented by the recently appointed Director of Customer Services and Communications. In the future it is likely that the format of this report will change to reflect a twin track approach to this activity; namely:

- Broader public perception
- Localised customer activity

Media

The laying of the first tracks on Princes Street generated interest from local and national press, and included several interviews with Cllr Gordon MacKenzie, the CEC Transport Convenor. Media Activity for Period 3 also included interviews with Project Director Steven Bell, which featured in The Scotsman, New Civil Engineer and The Times amongst various other newspapers. A contribution was also made to BAA Edinburgh's in house passenger magazine, *Capital*, which plans to run a

feature on the project. The Scotsman also had pictures taken of the new viaduct construction works at Edinburgh Park.

Customer Service

The total correspondence for Period 3 numbered 535, a rise of 513 from Period 2 an increase of 22. Information Requests remain the bulk of all correspondence each period with 426 contacts being recorded for Period 3.

Public Information Planning

During Period 3 a total of 12 notifications were distributed to businesses and residences. An update was issued once a week for both Leith Walk and Constitution Street, numbering 8 in total. Further notifications are due to be produced for Period 4 including weekly updates for Leith Walk as well as updates for Carrick Knowe and the Haymarket area. The tram website recorded 11,145 visitors between 25th May and 21st June, an increase of 586 on last period.

Logistics

No issues have been recorded during Period 3 regarding logistics. On 20th June, logistics teams from SW Global assisted the organisers of an Antiques Fair being held at the Freemasons Hall on George Street. SW Global and Sole Logistics both continue to assist local businesses in their respective areas of Princes Street and Haymarket/Leith Walk.

Partner and Stakeholder Communications

Eight Primary schools have been visited in the past 2 weeks to deliver a short 10 minute assembly which gives an overview of the tram project. Over 1800 children were in attendance in total, with every child being given our new quarterly factsheet and a baseball cap. The response has been very positive from pupils and head teachers, and many have already arranged the next visit for the beginning of the first school term after the summer holidays.

Regular meetings are held with local traders associations such as the Leith Business Assembly, Haymarket Traders Association and TOG. Attendance at the traders and business associations takes place monthly with ad hoc meetings throughout Period 3. This is to ensure that they are kept up to date with construction works that may affect them and for them to raise any concerns they may have.

Freedom of Information Requests – FOI

Over the reporting period, we received 9 new FOI requests under the Freedom of Information (Scotland) Act 2002. We responded to 12 requests, had one request withdrawn by the requestor. We received one request for a review of our decision regarding the release of information.

Change Requests & Risk Drawdown

FOISA exempt
 Yes
 No

FOISA exempt

Yes
 No

Primary risk register

FOISA exempt

Yes
 No

FOISA exempt

Yes
 No

FOISA exempt

Yes
 No

Period 3 Transport Scotland report Sections 2-7

On following pages are Sections 2-7 of the Transport Scotland report (Section 1 is the Project Directors report).

2 Progress

2.1. Overall

Overall progress remains behind both the current three month look-ahead and the master programme, primarily due to:

- Finalisation of the agreement of change delaying the commencement of work;
- Incomplete utility diversions in the On-Street sections caused in part by traffic management constraints
- Slow mobilisation of INFRACO, including lack of formal sub-contracts being in place;
- Failure of INFRACO to submit preparatory paperwork in a timely manner i.e. Work Package Plans, Method Statements etc;
- Requirement for re-design of temporary works;
- Design slippage since novation of design to INFRACO (now recorded in v46 of the design programme);
- Design changes as a result of the Prior and Technical Approvals process; and
- Consortium integrated design programme and validation.

The Project Management Panel (PMP) between **tie** and the INFRACO Contractor has continued to focus on addressing the top priority issues affecting progress including the depot and key structures, with a view to recovering lost time. Progress has not been satisfactory on these issues.

A meeting between senior representatives from the INFRACO Contractor and **tie** has confirmed agreement on an intense mediation week commencing 29th June on the key contractual programme and commercial issues.

The output of this mediation week will be reviewed on 6/7/09 by senior representatives of INFRACO and **tie**. Clear recommendations will be made to the **tie** Board and Tram Project Board on 8/7/09. **tie** will continue to liaise with key stakeholders (including CEC and TS) in advance of the 8/7/09 Board meetings.

The **tie** live programme currently predicts an Open for Revenue Service date of August 2012. This has slipped slightly since last period and is mainly due to the lack of progress being achieved by INFRACO across the route compounded by delays caused by Utility Diversions at Haymarket and Newhaven.

The recalibration of the programme was one of the key priorities for the PMP. The INFRACO contractor has now provided revised programmes which have been reviewed by **tie**. These are provided by BSC to achieve agreement on relief/extension of time and as yet do not provide any material mitigation measures to recover the programme. Review of this programme is underway and detailed discussions have continued with both teams to resolve the causes and effects of delay.

As for the previous period reporting **tie** retain an unapproved recalibrated baseline programme which reflects an Open for Revenue Service date of 23 Feb 2012. This is still a **tie** only view as, to date a recalibrated programme although now submitted by INFRACO has not been agreed with BSC. **tie** has commented on submissions received from INFRACO and detailed discussions have continued with both teams to resolve the causes and effects of delay.

The table below remains as was previously reported and as well as the recalibrated baseline programme it also reflects a completely unmitigated programme as a control scenario only. This is an unapproved delay to the Open for Revenue Service date. On a section by section basis there are "swings and roundabouts" identified in terms of improvement / degradation of delivery dates. Integration of these sections by BSC is now underway and the re-baselined programme assumes the all logic changes will be accepted by BSC.

Area	Description	Unmitigated Finish	Re-baseline Finish
Section 1A	Newhaven Road to Foot of the Walk	03-MAY-12	08-SEP-11
Section 1B	Foot of the Walk to McDonald Road	10-JAN-12	09-SEP-11
Section 1C	McDonald Road to Princes Street west	28-MAR-12	06-SEP-11
Section 1D	Princes Street west to Haymarket	19-OCT-11	17-MAR-11
Section 2A	Haymarket to Roseburn junction	14-FEB-11	28-JUL-10
Section 5A	Roseburn Junction to Balgreen Road	20-MAR-12	17-JUN-11
Section 5B	Balgreen Road to Edinburgh Park central	23-JUN-11	04-FEB-11
Section 5C	Edinburgh Park Central to Gogarburn	24-OCT-11	20-JAN-11
Section 6A	Gogar depot	28-MAR-11	15-OCT-10
Section 7A	Gogarburn to Ingliston Park and Ride	07-JUL-11	11-MAR-11
Section 7B	Ingliston Park and Ride to Airport	26-JUL-11	11-MAR-11
Section A	Depot (ready to receive trams)	21-JAN-11	15-OCT-10
Section B	Test track	07-JUL-11	27-DEC-10
Section C	All construction complete	20-APR-12	27-AUG-11
Section D	Open for Revenue Service	17-OCT-12	23-FEB-12

Importantly, the re-baseline programme does not take account of any opportunities regarding:

1. Improved productivity rates – Princes Street will be an important test in this regard;
2. Embargo relaxations;
3. Alternative construction methodologies to recover time;
4. Adjustments to the testing and commissioning phase (the original programme window has been held); or
5. Partial opening options.

2.2. Design

IFC Design

Approvals and Consents are progressing as follows:

- IFCs – Phase 1a 76 issued out of 93;
- Prior Approvals are progressing well with 91% granted, three left to be submitted (including the RBS Gogarburn tramstop, and Murrayfield Accommodation Works which has been added as a PA application) and five left to be granted;
- Technical approvals also progress well with 89% granted, eight remaining to be submitted and 9 (3 from v31) left to be granted;
- Structures approvals are progressing well – one structure from v31 remains to be approved (Balgreen Road NR access bridge);
- Roads approvals - Two areas remain outstanding for Technical Approval in Phase 1a (1A3 & 1C2);
- Scottish Water have sent formal acceptances to BSC for all sections excepting 1A3, 1C2 & 1C1. BSC have responded to these acceptances; however a permit for construction for section 6 is still to be issued.
- Sections 1B, 1D, 1C3 & 5B close reports have been signed off by CEC, subject to BSC concluding any concessions included in the reports during construction. CEC are reviewing all other sections based on the prioritisation list provided by BSC.

Phase 1a only	Number required		Number	
	v31	v45	Submitted	Granted
Prior Approvals	49	54	51 (94%)	49 (91%)
Technical Approvals	71	80	72 (90%)	71 (89%)

Reasons for design slippage are being reviewed and recorded each week at the design taskforce meeting which is focused on resolving outstanding design issues. This slippage has

been addressed as part of the re-calibration of the programme. **tie** are identifying and implementing opportunities to mitigate the impacts of this slippage.

Although there is evidence of better management of SDS by BSC, this has not yet resulted in improved design performance. V46 includes a number on integration design activities and the impact of these will be analysed over the coming period.

2.3. Utility works (MUDFA)

Progress on MUDFA works during Period 3 is presented below:

Rev. 08 Figures	Period		Delta	Cumulative		Delta
	Plan	Actual		Plan	Actual	
MUDFA PERIOD 02 PROGRESS						
Section 1a Newhaven to Foot of the Walk*	1.4%	0.8%	-0.6%	42.9%	41.6%	-1.2%
Section 1b Foot of the Walk to McDonald Road	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 1c McDonald Road to Princes Street West	4.7%	4.9%	0.2%	92.9%	80.8%	-12.0%
Section 1d Princes Street West to Haymarket	6.5%	4.9%	-1.6%	97.3%	92.9%	-4.5%
Combined Sections 1A-1B-1C-1D (On-Street) Newhaven Road to Haymarket	2.8%	2.4%	-0.4%	78.6%	74.3%	-4.3%
Section 2 Haymarket to Roseburn Junction	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 5a Roseburn Junction to Balgreen Road	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 5b Balgreen Road to Edinburgh Park Central	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 5c Edinburgh Park Central to Gogarburn	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 6 Gogar Depot	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Section 7a Gogarburn to Edinburgh Airport*	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
Combined Sections 2A-5A-5B-5C-6A-7A (Off-Street) Haymarket to Edinburgh Airport	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%
FULL ROUTE PHASE 1A NEWHAVEN ROAD TO EDINBURGH AIRPORT	2.3%	2.0%	-0.3%	82.2%	78.6%	-3.6%

* Note that tenders are currently out for the remaining utilities works at Leith Docks and at the Airport.

The key point to note here is that progress in the period has been slower than planned in those sections that MUDFA are working. These poor productivity and performance levels can be attributed in part to underground obstructions and technical issues, but the lacklustre behaviour evident on site has been influenced by CUS's commercial stance.

Section	Commentary
Section 1a Newhaven to Foot of the Walk	Awaiting IFC's to allow Lindsay Road Retaining Wall to proceed. Baltic Street Junction will not commence until after Queen Charlotte Street works and re-issue of re-design for utility diversions between Tower Street and Baltic Street junction. Temporary diversion works on Victoria Dock Bridge and Tower Bridge commenced in period. The works facilitate commencement of INFRACO bridge works. Note that the Leith Docks sections of 1a are currently out to tender.
Section 1b Foot of the Walk to McDonald Road	Final water tie-ins targeted late June. Telecoms re-cabling works forecast to commence early July. SGN service connections complete. Traffic Management approved for gas main abandonments works in July & August.
Section 1c McDonald Road to Princes Street West	Programme & Traffic Management strategy being finalised for completing utility diversions between McDonald Road & York Place. St Andrew Square utility diversion works completed in period to facilitate INFRACO Traffic Management switch for ongoing Princes Street works. The Mound – work continues on 30" MP Gas main bypass although Princes Street footprint released to INFRACO.

Section 1d Princes Street West to Haymarket	Works continue on South Charlotte Street / Lothian Road water connections. Haymarket Junction programme currently under review due to additional underground chambers being found.
Section 2 Haymarket to Roseburn Junction	Haymarket Yards utility diversion works complete.
Section 5a Roseburn Junction to Balgreen Road	MUDFA Diversions COMPLETE. Utilities transferred to INFRACO remain in Scotrail Depot
Section 5b Balgreen Road to Edinburgh Park Central	Sewer diversion at South Gyle Access bridge transferred to INFRACO Telecoms proximity to South Gyle Access bridge West abutment & Bankhead Drive RW
Section 5c Edinburgh Park Central to Gogarburn	Utility diversion works complete. Telecoms re-cabling works underway - forecast completion early August.
Section 6 Gogar Depot	COMPLETE
Section 7a Gogarburn to Edinburgh Airport	Removed from CUS scope. Keir have completed and tested all utility diversion associated with the BAA Walkway project. Remainder of scope will require to be delivered by a non-MUDFA party and this tender has been awarded..

2.4. Tramworks (INFRACO)

The project continues to experience problems with slow progress for INFRACO works and, in particular, the appointment of direct BSC resource and the final appointment of the main package contractors. The BSC sub-contractors continue to operate with Limited Letters of Intent whilst awaiting conclusion of the full sub-contracts.

Haymarket viaduct constructions has been on hold due to BSC's sub contractor issues with the A8 underpass delayed through requirement of temporary works redesign. However, work has continued on a number of worksites including:

- Princes Street with first tracks laid in the period, drainage ducts installed and the continuation of installation of OHL bases;
- Princes St – additional sections handed over to BSC – The Mound and South St David's - - Waverley Bridge
- Earthworks between Balgreen Road and Carricknowe bridge started this period
- Edinburgh Park Bridge – beam installation complete and diaphragm wall construction has commenced.
- At Gogarburn Bridge poor concrete quality has led to replacement piers being constructed at this location
- Depot - spoil removal from the depot continued (95000 CM of 141000 CM total spoil removed).

Progress is now being monitored against the Revision 1 programme. The summary milestones against the agreed INFRACO contract and the short term Rev 1 programme milestones are shown in the table below.

Milestones	Period 03		Cumulative (Short-Term)		Contract Planned to P03
	Planned	Actual	Planned	Actual	
Prelims	2	2	46	46	46
Construction	3	2	34	33	497

The Revision 1 programme incorporates the agreed 38 business days (seven weeks plus three days) EOT variation to the contract programme as in the table below. As had been the

case in the contract programme progress, the common denominator in the Revision 1 programme remains that every activity in the programmes has a work content generated against it which translates into a weighting, allowing accurate reporting of progress.

	Period		Delta	Cumulative		Delta
	Plan	Actual		Plan	Actual	
INFRACO PERIOD 03 PROGRESS (Contract Rev.01 Programme)						
Section 1a Newhaven to Foot of the Walk	3.9%	0.0%	-3.9%	19.2%	0.0%	-19.2%
Section 1b Foot of the Walk to McDonald Road	1.9%	0.0%	-1.9%	40.0%	1.5%	-38.6%
Section 1c McDonald Road to Princes Street West	0.9%	0.0%	-0.9%	9.8%	0.0%	-9.8%
Section 1d Princes Street West to Haymarket	2.8%	0.7%	-2.1%	49.0%	6.9%	-42.1%
Combined Sections 1A-1B-1C-1D (On-Street) Newhaven Road to Haymarket	2.6%	0.2%	-2.4%	26.7%	1.7%	-25.0%
Section 2 Haymarket to Roseburn Junction	2.2%	0.0%	-2.2%	70.6%	12.6%	-58.0%
Section 5a Roseburn Junction to Balgreen Road	5.4%	0.1%	-5.3%	61.9%	3.5%	-58.4%
Section 5b Balgreen Road to Edinburgh Park Central	1.3%	2.3%	1.0%	82.0%	9.4%	-72.6%
Section 5c Edinburgh Park Central to Gogarburn	4.6%	1.1%	-3.4%	53.1%	2.8%	-50.4%
Section 6 Gogar Depot	4.5%	3.3%	-1.1%	77.4%	5.2%	-72.2%
Section 7a Gogarburn to Edinburgh Airport	1.2%	1.7%	0.5%	45.8%	11.6%	-34.2%
Combined Sections 2A-5A-5B-5C-6A-7A (Off-Street) Haymarket to Edinburgh Airport	3.1%	1.7%	-1.5%	68.6%	7.1%	-61.5%
FULL ROUTE PHASE 1A NEWHAVEN ROAD TO EDINBURGH AIRPORT	2.9%	1.1%	-1.9%	52.1%	5.0%	-47.1%

Section	INFRACO Commentary
Section 1a Newhaven to Foot of the Walk	Section 1A4 Lindsay Road under review. Design awaited to allow Utility diversions to be carried out for W1 Lindsay Rd RW which releases INFRACO works in this section.
Section 1b Foot of the Walk to McDonald Road	Roadworks due to commence post Leith embargo delayed to Sep-09 awaiting MUDFA completion.
Section 1c McDonald Road to Princes Street West	Roadworks due to commence post Leith embargo delayed to Sep-09 awaiting MUDFA completion. Section of Princes St east of the Mound junction to west side of South St David Street continued during period 3.
Section 1d Princes Street West to Haymarket	Princes Street works re-started 23Mar09 and continue between South Charlotte Street and the Mound. Tram Works in Haymarket are dependent on MUDFA completion that has slipped from end of July completion
Section 2 Haymarket to Roseburn Junction	Haymarket Viaduct temporary works design resolved although contractor has not yet mobilised following Christmas 2008 break. Verity House access rd complete 23 rd May.

	All required consents in place for track installation. Commercial issues holding-up commencement of works.
Section 5a Roseburn Junction to Balgreen Road	Temporary & permanent works re-design along with commercial resolution delaying various structures. All required consents in place for track installation.
Section 5b Balgreen Road to Edinburgh Park Central	Temporary & permanent works re-design along with commercial resolution delaying various structures. Only progress in period is against S27 Edinburgh Park viaduct. All required consents in place for track installation.
Section 5c Edinburgh Park Central to Gogarburn	A8 Underpass recommenced during P13 but has since been on hold due to discovery of obstructions & refusal of piles. Design solution to combine Phases 1 & 2 now in place.
Section 6 Gogar Depot	Depot handed over from MUDFA to INFRACO 9Feb09 Earthworks progressing ahead of revised programme and have addressed critical areas for Building footprint during period 03.
Section 7a Gogarburn to Edinburgh Airport	Virtually no progress during period 03 due to requirement for remedial works at S29 Gogarburn underbridge .

2.5. Tram construction (Tramco)

Good progress continues to be made with the progress of deliverables against the schedule. The production line has commenced during Q1 2009 with the delivery of the first tram still on schedule for April 2010.

The CAF contract programme is incorporated in the Master Tram Project Programme and the current position indicates the following confirmed milestone dates:

- 1st Tram delivery – 09-Apr-10
- 5th Tram delivery – 10-May-10
- 27th Tram delivery – 17-Jan-11

The fabrication programme maintains approximately two months ahead of schedule and it is expected that the first tram will be ready for factory acceptance tests by August.

2.6. Testing and commissioning

The process for acceptance of the Edinburgh Tram Project is designed to ensure that it is delivered in an acceptably safe, compliant and efficient manner. The objectives of the process are to ensure that the system performance, integrity, reliability, availability and safety are rigorously tested and that throughout all stages of the delivery process the many sub-systems and the overall system are validated and verified against the requirements and applicable standards. The detailed sequence and scope of testing and commissioning prior to systems Acceptance testing is to be programmed out and proposed by BSC in further detail in the next year.

To achieve these objectives there is a layered approach to the overall testing and commissioning as laid out in the table below.

What	Who	Status
Design assurance	BSC (SDS) / tie	Underway.
Quality	INFRACO	10 of the 37 BSC Inspections and Test Plans have been revised by BSC incorporating tie comments. tie are awaiting formal issue from BSC. tie have requested an update of the status of the remaining ITP's.
Systems Safety	INFRACO / Independent Competent Person(ICP) / TEL / Transdev	Started - Safety verification plan in place and process of verification already underway. The ICP has been appointed and has started his verification process.
Performance*	INFRACO / Transdev / TEL	Requirements set out in the employer's requirements and will be tested following completion of each section of the network.

BSC have produced Inspection and Test Plans (ITP's) for the current set of construction works, however they have not yet produced a consolidated Test and Commissioning Plan. Constituent elements are available from CAF, the tram manufacturer, the Operator and an overall framework from TEL exists to cover the activities.

It is intended over the next three periods to obtain collective engagement on testing and commissioning, and agreement to the formation of a multi-organisation, multi-disciplinary test coordination team.

Testing undertaken and witnessed in the period has included the A8 piles at Gogar and the first tram set of body shells, (weld quality, dimensional tolerances and water tightness).

*Pre-system acceptance testing includes both Factory Acceptance Tests(FATs), site Acceptance Tests (SATs), Sub-system integration tests (SITs) and System commissioning Tests(SCTs). Once a section of the network is physically completed and the SITs are satisfactorily completed then the formal acceptance process requires BSC to carry out and pass a series of systems Acceptance Tests in order to achieve Sectional Completion. These are shown in the table below.

Test	Test Name	Test Description	Programme
T1	Post Commissioning Test	To demonstrate that each Section of the ETN in sequence is able to perform in an acceptably safe manner and deliver the required run times. This is the gateway test to driver training.	Post Commissioning Test immediately follows successful commissioning of each section and is required for progressing to Driver Training.
T2	Performance Test 1	After Phase 1a is complete and has passed Test T1, this test demonstrates that Phase 1a is able to perform satisfactorily before starting the three-month Shadow Running period. This is the gateway test to shadow running.	Performance Test 1 will immediately precede the Shadow Running period and is a requirement for progressing to this phase of the programme.
T3	Pre-operations Test	The test covers a seven day period during the latter part of the Shadow Running phase of the programme using the initial 6/12 tph service timetable.	Pre-operations Test shall immediately precede the Service Commencement Date.
T4	Network Performance Test	The Test is carried out over a 28 day period in Passenger Service to establish that the ETN can reliably	To be completed within twelve months of the Service Commencement

		operate.	Date.
T5	Network Reliability Test	Reliability Testing of key sub-systems in Passenger Service.	To be completed within twelve months of the Service Commencement Date.

This whole process can be described by the following flowchart.

Stage	Flow Chart	Tests	Description
8	Passenger Service	Network Performance (T4) and Reliability Test (T5)	The date upon which the Edinburgh Tram Network starts in public service
			PASSENGER SERVICE COMMENCEMENT
7	Shadow Running	Pre-Operations Test (T3)	The period of Tram operations that simulates full public service operation including running to published timetable and calling / dwelling at Tramstops before the ETN enters public service
			ENERGISATION OF COMPLETED PHASE OF THE ETN
6	Test Running & Driver Familiarisation	Performance Test 1 (T2)	The period post-ETN commissioning used to complete driver and control room staff training and gain confidence to enter Shadow Running Phase
			ENERGISATION OF SECTION OF THE ETN
5	Commissioning	Post-Commissioning Test (T1)	All subsystems, including the tram, are fully-integrated to form the ETN and are tested to demonstrate that they work together successfully and meet the Employer's Requirements
			ENERGISATION OF SECTION OF THE ETN
4	Set to Work Tests	System Integration Test	The point at which subsystems have been installed and then tested to prove they meet their requirements with both Type tests and Site Acceptance tests
			LIMITED ENERGISATION OF PART OF THE ETN
3	Installation / Construction	Site Tests	Once the subsystem has successfully passed Factory Acceptance Tests installation / construction at site will take place and as appropriate a delivery test undertaken.
2	Factory Acceptance Tests	FAT	Thorough demonstrable testing of the subsystem at Infraco's premises
1	Build / Manufacture		Manufacture and assembly of the System by the Infraco
D	Design		The scope of the works designed through Approval in Principle and Approved for Construction & Manufacturing Drawings; with associated verification and validation test and integration plans complete

2.7. Interface with other projects

The following table identifies the other projects ongoing within the city which may impact on the Tram project. This is reviewed on an ongoing basis both internally and in conjunction with TS to identify conflicts and mitigations. The most significant interface of concern is the Gogar interchange. tie has instructed the design change and this is underway. The St James centre re-development remains as amber as commencement of this project is now indicated towards the completion of the Tramworks and therefore interfaces should diminish.

External Project	Promoter	Project Description	Potential Conflict	Tram contract		Project dates		Comments
				Start	Finish	Start	Finish	
Gogar Surface Station	Transport Scotland	New mainline station to the east of the Gogar depot.	Unknown as yet but expected to include 1. Re-design impacts 2. Approvals and consents 3. Tram alignment issues 4. Traffic management clashes 5. Potential site access issues.	Aug-08	Jul-11	Oct-09	Mar-11	All works with the exception of track installation between Gyle Centre and Depot stop and E&M Installations will be complete by Sep 2010. Design is instructed and now underway and tie and TS developing an integrated programme.
St. James Centre re-development	CEC / Henderson Global	Redevelopment of existing shopping centre.	Interface with Picardy Place junction re-construction and Cathedral Lane sub-station.	Nov-10	Oct-11	2011	2016	Downgraded from red to amber as commencement of this project is now indicated towards the completion of Tramworks and therefore interfaces should diminish.
St. Andrew Square development	CEC	Demolition of existing buildings bordering South Side St. Andrew Square, South St David Street and Meuse Lane.	INFRACO programme.	Jan-10	Mar-10	TBA	TBA	Traffic Management changeover completed 6 th /7 th June09. INFRACO activities will not commence until Jan 2010
Airdrie - Bathgate	Transport Scotland	New track installation.	Tram possessions mainly "piggy-backed" on A2B possessions which could be altered / cancelled.	TBA	TBA	Mar-09	Mar-10	Various possessions and RotR workings.
RBS tramstop - Gogarburn	RBS	Design by RBS - Build by INFRACO.	Design and consents not in place in a timely manner to allow INFRACO to build to programme.	Sep-10	Feb-11	TBA	TBA	Design and approvals progressing to programme.
Princes Street Hotel	Deramore Property Group	Redevelopment of existing buildings at 121 - 123 Princes Street to 80,000 square feet 3 floor of retail and 100 bedroom hotel.	Direct clash with INFRACO programmed works in Princes Street during the traffic diversions.	Mar-09	Nov-09	Early 2009	Jun-11	Currently in planning stage. CEC is managing the developer within the tram constraints. Contractors programme being sought.
Princes Street Hotel	asediqbal consulting	Site clearance and redevelopment at 125a Princes Street on all 3 floors to convert to an EasyHotel	Access through BSC worksite. Internal strip-down ongoing and access required for debris removal.	Feb-09	Nov-09	TBA	TBA	Requirement to access BSC worksite to allow removal of debris has been addressed and achieved.
National Portrait		Major building construction	Interface with both Utilities and INFRACO	Now	Mar-10	Apr-09	Nov-11	Decant complete June 09

External Project	Promoter	Project Description	Potential Conflict	Tram contract		Project dates		Comments
				Start	Finish	Start	Finish	
Gallery		and refurbishment.	works on St Andrew Street / York Place.					No issues expected.
Haymarket Interchange	First Scotrail	Capacity Increase Project - Installation of new lifts and walkways from Haymarket Terrace	Utility diversions continue until late July 2009 Potential Interface with INFRACO works at Haymarket junction commencing July 2009	Now	Apr-10	Dec-11	Dec-12	Possible interface between installation of lifts for this project and construction works for viaduct, tramstop and OHL. ScotRail are required under their franchise to install lifts due to the uncertainty over the integrated scheme at Haymarket. ScotRail will progress but it will be at the end of their Franchise 2011/12..
Waverley Steps	Transport Scotland	Refurbishment of existing Waverley Steps with inclusion of new escalators and elevators.	Reviewed with both TS and Waverley Steps project team. Potential TM conflict being managed.	Jan-10	Mar-10	Jun-10	May-12	Under the revised Waverley Steps programme received 7/5/9 Tramworks will be complete in this area prior to Waverley Steps works progressing. Downgraded from Amber to green May09. CEC/NR and tie cueenety working to agree programme and traffic management for the construction in advance of the TAWS hearing .
Pollution Prevention works	Network Rail / Scotrail	Re-location of existing diesel tanks at Haymarket Sprinter Depot.	Interface with S21A Roseburn Street viaduct and associated track.	Mar-10	Mar-11	Complete	Complete	Diesel tanks demolished & site cleared-up VE design on Roseburn viaduct has seen this structure re-programmed.
New Hotel in Haymarket	Tiger Developments	New build hotel.	Utility diversions and potential interface with INFRACO works.	Jan-09	Apr-10	TBA	2012	Risk has diminished. Manageable conflict.
Waverley Station re-roofing	Transport Scotland	New roof and general upgrade to station interior.	May be Traffic Management issues.	Feb-09	Mar-10	Apr-10	Apr-14	Although the tram main construction works will be complete by end Mar-10 this area will be re-visited in Q4 2010 for OHL installation.
Haymarket Terrace	DTZ Surveyors	Common Repairs to buildings at 2-4-6-8-68 and 74 Haymarket Terrace.	Scaffolding and external repairs.	Now	Apr-10	May-09	ASAP	Scaffold erected and building repairs underway between INFRACO TM phases.
Baxter Place Development	Fitzpatrick Hotel Group	Conversion of existing building adjacent Greenside Lane and with frontage onto Leith Street.	Proposal to divert existing utilities through basement of building. Also potential TM interface issues with Picardy Place construction.	Now	Jul-11	TBA	Dec-10	No conflict.
Former Bus & Tram Depot nr Shrub Place	Fraser & Neave	Transformation of former Tram and Bus Depot into 121 room serviced apartments.	None identified. Dependent on timescales.	Now	May-11	TBA	TBA	No conflict.
Shrubhill House	Unite	Transformation of former council social work headquarters into 200 bed hotel	None identified. Dependent on timescales.	Now	May-11	TBA	TBA	Awaits planning consent.

Colour code

Green	No conflict anticipated but being monitored
Amber	Managing any conflict
Red	Conflict which causes programme concern / unknown effect on tram programme

This has been sent to TS for their input for projects they are sponsoring and will continue to be reviewed by **tie** to identify any potential impacts on the Tram programme as early as possible in order to manage them. A review of the TS projects was carried early June 2009 with TS. A further session has still to be arranged for Period 4 09/10.

2.8. Other

Temporary traffic regulation orders (TTROs)

- Weekly visual summary being produced of all tram traffic management throughout city.
- Successful switch of traffic from South St David's – South St Andrews St.

Traffic regulation orders (TROs)

- A TRO programme is in place to ensure that the first order TRO 1, which will allow for operation of the tram system, is made by October 2010. The informal consultation process for this has been completed and BSC have been instructed to incorporate minor design revisions into the final design. **tie** are currently awaiting a set of TRO drawings to enable the statutory consultation process to commence (anticipated Aug 1st 2009).

Network Rail

- INFRACO has now delivered its EMC Management Plan and EMC Strategy for NR infrastructure assets and established the scope for the immunisation works. A programme for these works is being developed with INFRACO;
- INFRACO will be developing the full assurance case for NR acceptance. Preliminary assurance case to enable traction power testing and commissioning will be completed by August 2009. Further assurance will be provided up to, and including, bringing into service;
- The Relocation of the Diesel tanks has been completed; and
- A local agreement with First ScotRail has been reached to accommodate any potential overlap between completion of the pollution prevention activities and commencement of the INFRACO works;
- The contractor has submitted for ROTR possessions according to the look-ahead programme;

Third party interfaces

- NR – the Bridge Agreements are not yet concluded. There is an outstanding issue on indemnities to close out. CEC are taking this matter up directly with TS, and **tie** is no longer involved. An Operating Agreement with NR is currently with **tie**/TEL and updated drafting to be returned to NR by 26/06/09;
- Forth Ports – expecting imminent execution of agreement, awaiting FP final drafting comments prior to closure.
- Haymarket carpark compensation – **tie** have agreed compensation with NR and will settle this in Q1 09/10. **tie** continue to discuss with TS the additional compensation payable to First ScotRail, as a result of the extension of the FSR franchise from Nov 2011 to Nov 2014, as it is believed to be a TS cost. A meeting is arranged with TS to address this in Period 3;
- Building fixings – deemed consent has been obtained from 306 owners as well as 66 consents with the owners' agreement. There are nine fixings where matters remain unresolved and CEC have committed to pursue these through Sheriff Court action. Dates for hearings are to be established. The building fixing construction programme will commence in Spring 2010; and
- Interfaces are being managed to ensure that the SRU accommodation works and events are cohesive. **tie** have now agreed approach to the design and construction of the works with SRU.
- Waverley Steps TAWS – NR, CEC/**tie** and Lothian Buses are engaged in discussions on programme and traffic management arrangements in advance of the TAWS inquiry scheduled for 22 July.

Fast link modifications (Front Line)

- Surfacing of lay-by 95% complete and open to traffic. BT manhole is still to be installed a date for this work to be advised by BT.
- Installation of the TRO lining works are scheduled for completion 26/06/09.

Murrayfield Pitches (Souters)

- Maintenance works ongoing daily.
- Final accounts now agreed. Subject to works being carried out during maintenance and establishment period.

Ancient Monuments/Statues (Land Engineering)

Sherlock Holmes Statue

- The Sherlock Holmes Statue is scheduled for removal week commencing 29/06/09.

BAA - Burnside Road (BAA)

- BRR Final Option 4B layout still requires formal BAA Stakeholder sign off. Initial comments are positive.
- BRR Detailed design to option 4B is ongoing. Design review held W/C 22 June 2009.
- BRR - Design – Award letters to be issued during W/C 22 June 2009.
- BRR Tenders: Tender documents due for return 25 June 2009
- Utilities works – Tenders being assessed. Contract awarded 19 June 2009. Start up meeting 22 June 2009

Hilton Car Park & Phase 1

- INFRACO – No works have commenced on site and Reviewable Tram Works Data has been submitted to BAA in line with the terms of the Licence. A response on this is expected during W/C 22 June 2009

Gogar Interchange

- Design kick off meeting held between **tie**, Transport Scotland & Network Rail. A design workshop being arranged to include all parties.

Archaeological works at Constitution Street (Frontline):

- The archaeological works in Constitution Street continue and 150 skeletons have been removed to date. 50 meters of road has been reinstated.

3 Headline cost report

Current financial year

	FY 09/10 COWD Period			FY 09/10 COWD Year To Date			FY 09/10 COWD Full Year Forecast			COWD To Date Actual	Costs To Go Forecast	Total AFC Forecast
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance			
Total Project COWD	8.278	10.814	-2.537	23.462	21.023	2.439	150.084	150.072	0.013	254.481	272.618	527.099
Other Funding	0.854	0.893	-0.038	2.108	1.736	0.372	12.656	12.391	0.265	21.183	22.603	43.786
Demand on TS	7.423	9.921	-2.498	21.353	19.287	2.066	137.428	137.680	-0.253	233.298	250.015	483.313

- The budget for Phase 1a in 2009/10 is £150.1m which has been produced linking the **tie** re-baselined programme to INFRACO construction milestones. **tie** are currently in the process of agreeing an updated programme with the INFRACO contractor.
- In addition to phase 1a (£150.1m) 2009/10 costs, the budget also includes potential additional costs of £3.2m which relate to the postponement of Phase 1b INFRACO construction contract;
- Funding available from TS for the project in 2009/10 is £149m. The TS share of this year's budget (£153.3m) is £140.6m, giving available headroom of £8.4m.

Actual YTD P3 & forecast P4-P13 FY09/10

£m	YTD P 3	Forecast P4- P13,09/10	Total FY09/10
Infrastructure and vehicles	16.0	106.4	122.5
Utilities diversions	3.2	0.5	3.7
Design	0.7	0.4	1.1
Land and compensation	0.6	1.0	1.6
Resources and insurance	2.9	10.0	12.9
Base costs	23.5	118.4	141.8
Risk allowance	0.0	8.3	8.3
Total Phase 1a	23.5	126.6	150.1

- COWD to Period 3 is £23.5m (Period 2 £15.2m) against budget £21.0m. The main drivers for the £2.5m variance are: the timing of INFRACO and Tramco costs forecast in 2009/10 (2.0m); the timing of Non-INFRACO construction works spend (£1.2m) ahead of plan; Offset by a fall in PM costs (-£0.6m). All of these are timing differences only and do not impact on the outturn for the year.
- Tramco production activity is now running ahead of plan; this is reflected in the Tramco construction works forecast profile. It should be noted that the Tramco forecast has been amended with the release of the advanced payment now being smoothed periodically rather than quarterly to avoid 'spikes' in the cash application.
- As previously reported and agreed with CEC and TS, initial milestones under the INFRACO and Tramco contracts in the aggregate amount of £24.2m, in respect of advance material purchases, have been classified as prepayments. These will be reclassified as expenditure against funding in the periods when the related materials are delivered to site and incorporated in the works. The release will occur on the achievement of trackwork and structures milestones in 2009/10 and future years.

Current financial year profile**Profile for FY09/10 - Phase 1a only**

£m	Q1 (p1-3)	Q2 (p4-6)	Q3 (p7-10)	Q4 (p11-13)	Total FY09/10
Infrastructure and vehicles	16.0	20.7	51.8	34.0	122.5
Utilities diversions	3.2	0.5	0.0	0.0	3.7
Design	0.7	0.4	0.0	0.0	1.1
Land and compensation	0.6	0.8	0.1	0.1	1.6
Resources and insurance	2.9	3.3	3.8	2.9	12.9
Base costs	23.5	25.7	55.7	36.9	141.8
Risk allowance	0.0	2.2	5.2	0.9	8.3
Total Phase 1a	23.5	27.9	60.9	37.8	150.1

- A full reforecast of the cost profile was produced which links the re-baselined programme to INFRACO constructions milestones. The realigned base costs and risk have then been linked against this programme; and
- The latest forecast for 2009/10 shows base cost of £141.8m (P2 - £141.4m) and risk £8.3m (P2 - £8.7m), giving a total phase 1a cost of £150.1m. There is no movement in outturn forecast in the period. This will be re-assessed on agreement of an updated programme with the INFRACO contractor.
- The cost profile above shows a ramp-up in activity throughout 2009, with base costs increasing from £23.5m in Q1 to a peak of £60.9m in Q3. This reflects the anticipated shift in INFRACO milestone activity from Q1 to Q3.

Total project anticipated forecast cost**Re-baselined Phase 1a AFC and profiling**

£m	Cum FY07/08	Actual 08/09	FY 09/10	FY 10/11	FY 11/12	AFC
Infrastructure and vehicles	30.7	45.4	122.5	92.1	19.0	309.5
Utilities diversions	18.4	33.4	3.7	0.0	0.0	55.5
Design	21.4	4.7	1.1	0.0	0.0	27.3
Land and compensation	16.8	1.7	1.6	0.0	0.2	20.3
Resources and insurance	42.7	15.8	12.9	7.8	2.9	82.1
Base costs	130.0	101.0	141.8	99.8	22.0	494.6
Risk Allowance	0.0	0.0	8.3	19.0	5.2	32.5
Total Phase 1a	130.0	101.0	150.1	118.9	27.1	527.1
Phase 1b postponement	3.0	0.0	3.2	0.0	0.0	6.2
Total Phase 1a and Phase 1b	133.1	101.0	153.3	118.9	27.1	533.3

- The table above reflects the base costs and risks aligned to the re-baselined programme and realignment of the INFRACO milestones schedule. The AFC for Phase 1a above includes an unapproved increase of £15.1m to the project risk allowance. The approved cost estimate for delivery of Phase1a of the project remains at £512m. The phasing of the £527.1m plan remains in-line with period 2 and will be updated when there is an updated agreed programme with the INFRACO contractor.
- The latest forecast view includes £3.2m of costs relating to Phase 1b which may crystallise as contractually payable to BSC due to the postponement of Phase 1b (this will require to be covered by current funding). Coupled with the re-baselined forecast, there is £11.7m of funding headroom within the £545m total funding available; and the Project Management Panel (PMP) is up and running and being used by tie and INFRACO senior management to flag key issues and ensure proactive engagement to resolve issues and progress Tram construction works.

4 Time schedule report

Report against key milestones

In advance of developing agreement with BSC, tie has developed an unapproved recalibrated baseline programme which reflects an Open for Revenue Service date of 23 Feb 2012. A completely unmitigated programme as a control scenario only has also been produced which shows a date of 17 Oct 2012. However, the live programme has been used to generate the milestone data below and this is based on all current information fed into the master programme. This indicates an open for revenue service date of August 2012.

(The agreed baseline programme reference for this project is that at Financial Close leading to revenue service in July 2011.)

Milestones	Baseline programme date	Actual / current forecast date live
Approval of DFBC by CEC	21 Dec 06A	21 Dec 06A
TRO process commences	14Dec07A	10-Dec-07A
MUDFA – commencement of utility diversions	02 Apr 07A	02 Apr 07A
Approval of FBC by TS – approval and funding for INFRACO / Tramco	09 Jan 08	Dec 07A
Tramco / INFRACO – award following CEC / TS approval and cooling off period and SDS novation.	28 Jan 08	14 May 08A
Construction commences	14-Apr-08	14-May-08A
Haymarket viaduct commences	08-May-08	01-Sep-08A
Edinburgh Park viaduct commences	06-Aug-08	01-Sep-08A
A8 underpass commences	08-Aug-08	28-Aug-08A
Carrick Knowe Bridge commences	21-Aug-08	19-Aug-08A
Demolition of Wanderers clubhouse	25-Aug-08	22-Sept-09
All demolition work complete excluding Wanderers clubhouse	22-Aug-08	08-Dec-09
Tram mock-up delivered	Oct 2008	Nov 2008A
First track installation commences – on street	03-Nov-08	Jun 2009A
Utilities works complete	Nov 2008	Nov 2009
Haymarket viaduct complete	08-Dec-08	25-Jan-10
Roseburn viaduct commences	20-Jan-09	28-Jun-10
Design assurance complete	20-Jan-09	Dec-09
All Issue for Construction (IFC) drawings delivered	21-Jan-09	Dec-09
Princes Street closed	03-Feb-09	22-Feb-09A
Roseburn viaduct complete	20-Apr-10	06-Jun-11
Carrick Knowe bridge complete	11-May-09	26-Jan-10
All consents and approvals granted	18-May-09	Nov-09
Edinburgh Park viaduct complete	24-May-09	28-Oct-09
A8 underpass complete	14-Jul-09	16-Sep-10
Princes Street re-opened	01-Aug-09	29-Nov-09
NR immunisation complete	Nov 2009	Nov 2009
TRO process complete	01-Dec-09	May-10
1 st OHL installed (Commence Section 2)	11-Dec-09	08-Sep-10
Commission Section 2 (Haymarket to Roseburn junction)	11-Jan-10	Nov-10
Commission Section 6 (depot)	25-Mar-10	Apr-11
1 st Tram delivered	09-Apr-10	09-Apr-10
Test track complete	23-Apr-10	Jun-11
1 st section (other than depot) complete ready for energisation	25-June-10	Nov-10
Commission Section 7 (Gogar to Edinburgh Airport)	25-June-10	Jun-11

Driver recruitment commences	July 2010	Oct 2010
Commission Section 5 (Roseburn junction to Gogar)	09-Nov-10	Jan-12
Driver training commences (depot only)	Dec-10	Jan-11
Driver training commences (excludes depot)	Nov 2010	Apr-12
System testing complete off street	09-Dec-10	Mar-12
Final tram delivered	17-Jan-11	17-Jan-11
Construction Line 1a complete	17-Jan-11	Feb-12
System testing complete on street	16-Feb-11	Mar-12
Commission Section 1 (Newhaven to Haymarket)	11-Mar-11	Feb-12
Letter of "no objection" from Independent Competent Person to commence tram running	17-Apr-11	Apr-12
Shadow running starts	18-Apr-11	Apr-12
Shadow running complete	July 2011	Aug-12
Letter of "no objection" from Independent Competent Person to commence revenue service	July 2011	Aug-12
Open for revenue service	July 2011	Aug-12

Guidance for Completion:

Legend for colouring of Actual / forecast date text

Green: Actual / forecast date is ahead or in line with baseline
Yellow: Slight slippage – readily recoverable with action.
Pink: Significant slippage but expect recovery can be achieved
Red: Notable / significant slippage – difficult to recover, even with action.

Key issues affecting schedule

Programme is one of the priorities of the PMP and a refresh of the key issues affecting schedule will be provided in future periods following engagement with BSC.

12-week look-ahead

Milestones	Actual / current forecast date
2A Completion of Verity House Access Road	23-May-09A
1C Complete Utility diversions St Andrew Sq Central & South St Andrew Street	05-Jun-09A
1C Complete SGN Service connections St Andrew Sq Central & South St Andrew Street	05-Jun-09A
1C Commence track installation on Princes Street*	08-Jun-09A
1A Commence Victoria bridge temporary utility diversions	08-Jun-09A
1A Commence Tower bridge temporary utility diversions	08-Jun-09A
5B Trackworks Balgreen Rd Saughton Road North	29-Jun-09
1C Commence Utility diversions at Broughton St junction	13-Jul-09
Gogar Depot Access Road	16-Jul-09
Depot Access Roads – Track & Stabling	16-Jul-09
1B Complete Utility diversions Foot of the Walk to Balfour Street	20-Jul-09
2A S19 Haymarket viaduct re-commences	24-Jul-09
6 – Depot Building Foundations	24-Jul-09
1B Complete Utility diversions Balfour Street to McDonald Road	27-Jul-09
Gogar depot building foundations	24-Jul-09
5B Trackworks Saughton Rd to Bankhead	27-Jul-09
5B Trackworks Bankhead to Edinburgh Park Stn	28-Jul-09
1C Complete SGN diversion & BT Installation works at Mound junction **	15-Aug-09

1D Complete Utility diversions works Lothian Rd junction	03-Aug-09
1A Complete Utility Diversions between Port of Leith and Bernard Street	07-Aug-09
2A Track works Haymarket to Roseburn Junction	10-Aug-09
W3/W4 Russell Road retaining walls	11-Aug-09
S20 Russell Road bridge	11-Aug-09
1B Leith Walk Road Works re-commence	14-Sep09
1D Roadworks Haymarket junction	07-Sep-09
6 – Depot Sub-Station	14-Sep-09
1A Complete Utility Diversions between Bernard Street and Foot of the Walk	21-Sep-09
5A Demolition of Wanderers Clubhouse	22-Sep-09
1A Complete Utility Diversions between Newhaven and Ocean Terminal	28-Sep-09
1A Complete Utility Diversions between McDonald Road and Picardy Place	28-Sep-09
1A Complete Utility Diversions between Ocean Terminal and Port of Leith	26-Oct-09

*Works recommenced 23rd March 09.

** Princes Street footprint handed-over to Infracore with Utility works continuing in Hanover Street.

5 Risk and opportunity

Review of risk register

Summary

There were eight risk reviews held in the period. A total of 4 concerns were added to the INFRACO Concerns Register. One risk (from Mudfa) was closed in the Project Risk Register. Two risk draw downs totalling £163k were drawn from the project risk allocation and three draw downs totalling £63k were drawn from contingency. This leaves a risk and contingency balance of £19.7m (based upon the approved Project Risk Allowance at Financial Close). BSC submitted their first consortium risk register and this will be reviewed in Period 4.

Risk and Opportunity Reviews

The following reviews took place in the period:

Date	Format of review	Attendees	Comments
10/06/09	Change and Risk Review	Project Risk Manager INFRACO QS Cost Control Manager	Review of current and proposed changes against risk allowance
15/06/09	Signalling, Communication and Control (SCC) Risk Review	Project Risk Manager SCC Project Risk Manager	Risks identified and treatment plans created
15/06/09	Section 7 Risk Review	Project Risk Manager Project Manager	All Risks and Treatment Plans Reviewed
15/06/09	Structures Risk Review	Project Risk Manager Project Manager	All Risks and Treatment Plans Reviewed
16/06/09	Depot Risk Review	Project Risk Manager Depot Project Manager	All Risks and Treatment Plans Reviewed
16/06/09	High-level INFRACO Risk Review	Project Risk Manager INFRACO Director	Risks and Treatment Plans Reviewed
17/06/09	Mudfa Risk Review	Project Risk Manager Mudfa Construction Director Mudfa Commercial Director	All Risks and Treatment Plans Reviewed
17/06/09	Princes Street Risk Review	Project Risk Manager Project Managers	All Risks and Treatment Plans Reviewed

Risk Register

The Primary Risk Register is attached at Appendix D. The Primary Risk Register contains those high impact risks which are impacting (or have the potential to impact) the project at this moment in time. In addition, the potential risks identified in regard to programme slippage are being reviewed

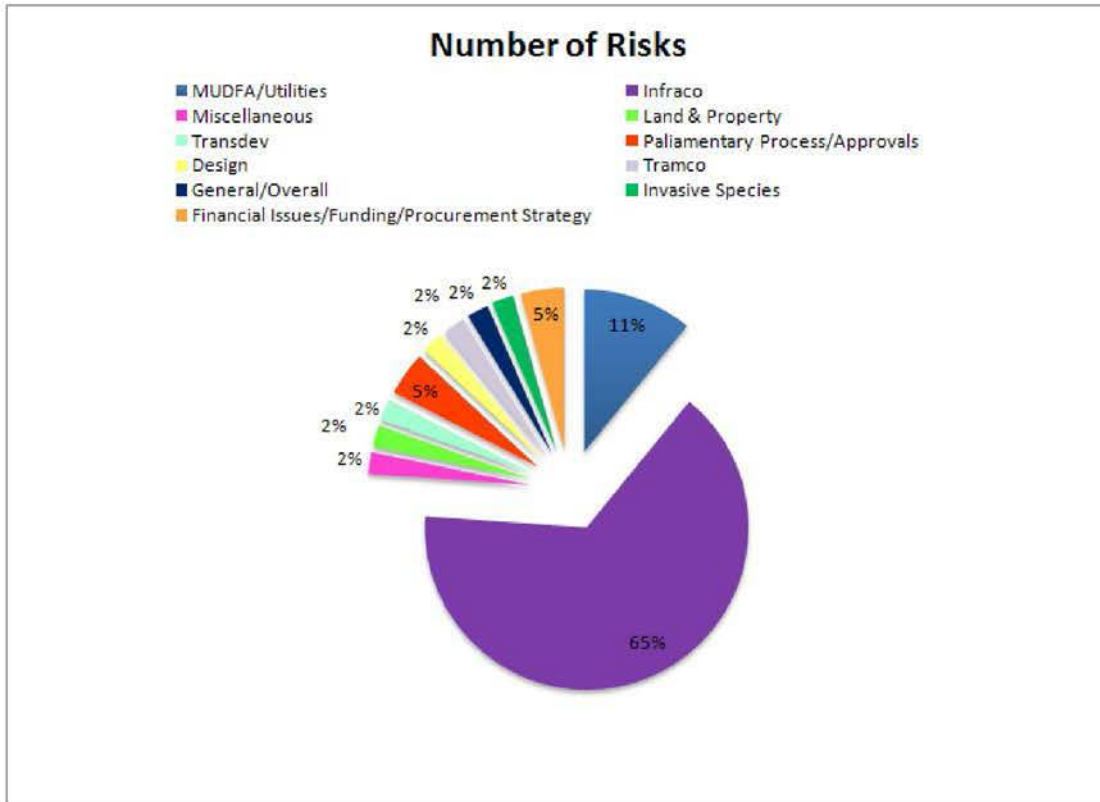
periodically and will form part of the updated QRA. There are 47 risks in the risk register. The top five project risks are listed on the following pages.

Top 5 Risks - Period 03 2009/10

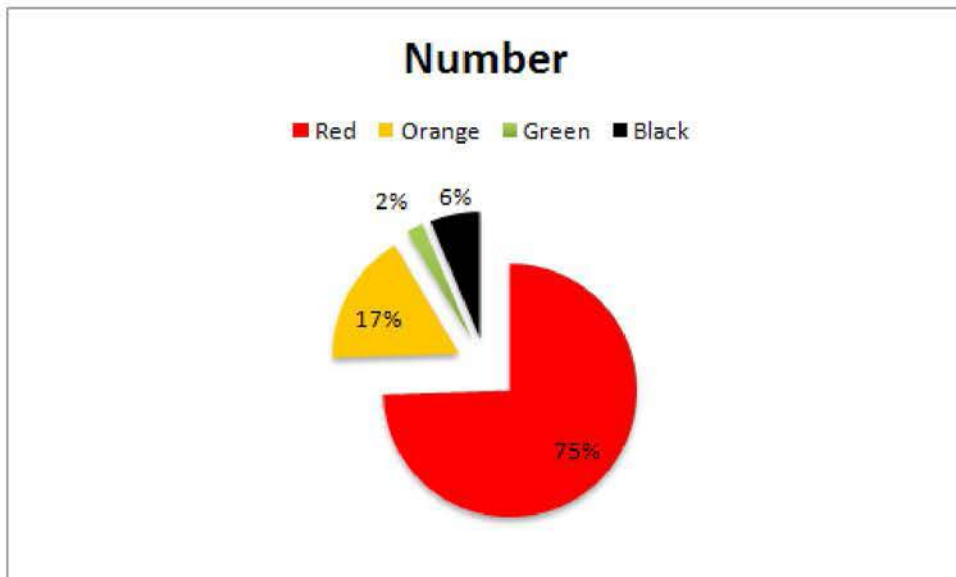
Risk Description											
ARM Risk ID	Cause	Event	Effect	Risk Owner	Significance	Black Flag	Treatment Strategy	Previous Status	Current Status	Due Date	Action Owner
1077	Base Date Design Information to Issued For Constructions (BDDI-IFC). Lack of visibility of design changes between November 2007 and May 2008	Tramworks price based on a design which may have been altered. Unclear who authorised design change.	Additional cost and programme delay	R Bell	High - 26.00		Establish a process which will act as a control mechanism for design changes. (If one exists already then ensure process is complied with)	On Programme	On Programme	30-Jun-09	T Glazebrook
							Intensive 'Mediation Marathon' 29/6/09 to 6/7/09 to try and resolve issues.	n/a	On Programme	30-Jun-09	S Bell
1090	Initial costs for Burnside Road works higher than anticipated	Cost of works at Burnside Road exceed that allowed in project budget.	Additional Cost	F McFadden	High - 25.00		Costs being reviewed and tender documents sent out April 09.	n/a	On Programme	30-Jun-09	M Butchert
1091	Unsuitable Ground Condition	Excavation of soft, unsuitable material below Earthworks outline	Additional cost	F McFadden	High - 25.00		Extent of soft ground being investigated. External specialist advice deployed.	n/a	On Programme	30-Jul-09	M Patterson

343	General delay to programme with various causes e.g. failure to obtain approvals on time; parliamentary processes, contractor issues.	Delay to completion of project	Increased out-turn cost due to delay plus revenue loss	S Bell	High - 23.00	Programme management paid.	On Programme	On Programme	30-Dec-11	F McFadden
						Weekly tie/BSC commercial meetings	On Programme	On Programme	30-Dec-11	D Murray
						Liason between tie/BSC programme managers	On Programme	On Programme	30-Dec-11	T Hickman
						Key mediation week commencing 29 June 09	n/a	On Programme	06-Jul-09	S Bell
1101	Unreasonable behaviour of BSC commercial management	Unrealistic estimates being submitted for potential changes	Programme delay while disputes regarding estimates are resolved	A Sim	High - 23.00	All estimates to be scrutinised by tie commercial team and, where appropriate, challenge made to BSC. Additional resource (T&T) being used to check estimates to reduce delay.	On Programme	On Programme	30-Dec-10	D Murray

The risks within the Project Risk Register are categorised below.



The ratings of the risks are illustrated below.



New risks and concerns

The Project Risk Manager, in conjunction with the relevant director, agrees which concerns are escalated to risks and are added to the Project Risk Register. New risks are discussed in section 5.3. The following items were added to the INFRACO Concerns Register in the period.

Discipline	Risk description			
	Risk Number	Cause	Risk Event	Effect
General	103	Lack of clarity between consortium members regarding responsibility for design and provision of trackside signage	Delay in production of trackside signage	Impact on trial running programme
Section 7	104	Contract allows for compensation to BAA for loss of business as a result of tram works	Claim for compensation from BAA for loss of business	Additional cost
General	105	Scope within third party agreements differs from BDDI information	tie responsible for changes in scope from BDDI	Additional cost
General	106	BSC's alleged lack of assumptions within contract price	Due to lack to detail at tender stage BSC are claiming they have omitted to price for various aspects of the contract e.g. Drainage	Additional cost

Risk action plan for next two periods

The following treatment plans are due for completion in the next three periods.

Action Owner	Risk ID	Action ID	Action Name	Due	Active	Complete	Late	Next 3 periods
A Hill	164	42	In conjunction with MUDFA, undertake trial excavations to confirm locations of utilities and inform designer. All complete but section 1A1 and York Place to Picardy Place outstanding.	30/07/2009	Yes	No	No	Period 5
A Hill	931	605	MUDFA trial holes to verify GPR surveys	30/07/2009	Yes	No	No	Period 5
A Hill	139	42	In conjunction with MUDFA, undertake trial excavations to confirm locations of utilities and inform designer. All complete but section 1A1 and York Place to Picardy Place outstanding.	30/07/2009	Yes	No	No	Period 5
D Sharp	279	635	Monitoring and tracking through the 3rd party rep	30/06/2009	Yes	No	No	Period 4
F McFadden	336	662	SDS to review and identify high risk areas. Additional control measures to be added by tie.	31/07/2009	Yes	No	No	Period 5
G Barclay	1084	654	Assess TM implications to minimise enabling works and additional cost	31/08/2009	Yes	No	No	Period 6
G Barclay	1085	653	Examine VE opportunity to reduce costs with SUCs and SDS	30/06/2009	Yes	No	No	Period 4
G Barclay	1085	655	Where applicable pursue third party funding	31/08/2009	Yes	No	No	Period 6
G Barclay	139	664	Solution to be developed to manage the issue of the underground structures at Picardy Place and Lothian Rd and the cellar in York Place.	31/07/2009	Yes	No	No	Period 5
I Clark	914	573	SDS to obtain consent for design in accordance with programme requirements - Scottish Water and all Telecoms. Complete with the exception of section 1A1	30/06/2009	Yes	No	No	Period 4
M Blake	911	628	Liase with Scottish Power to agree and approve method of crossing tunnel	30/07/2009	Yes	No	No	Period 5
M Blake	914	557	SDS to obtain consent for design in accordance with programme requirements - SGN and Scottish Power. Complete with the exception of section 1A1	31/07/2009	Yes	No	No	Period 5
R Bell	1076	645	Tramworks PMs attendance at Traffic Management meetings. Weekly meetings between tie Tramworks and Utilities PMs. 4-weekly tie Tramworks/Utilities management meetings. Identification of programme clashes between Tramworks and Utilities works tracked.	31/07/2009	Yes	No	No	Period 5
R Bell	1079	648	Ongoing review of BSC resources and formal review at 4-weekly meeting. Objectives to be set for BSC at monthly meetings in order to monitor progress.	31/07/2009	Yes	No	No	Period 5
T Glazebrook	1077	646	Establish a process which will act as a control mechanism for design changes. (If one exists already then ensure process is complied with)	30/06/2009	Yes	No	No	Period 4

Cost Quantative Risk Analysis

The Project Risk Allocation has reduced by £226,042 in the period. All draw-downs are shown in the table below. The current Project Risk Allocation (based on the approved budget) is £19,743,581.

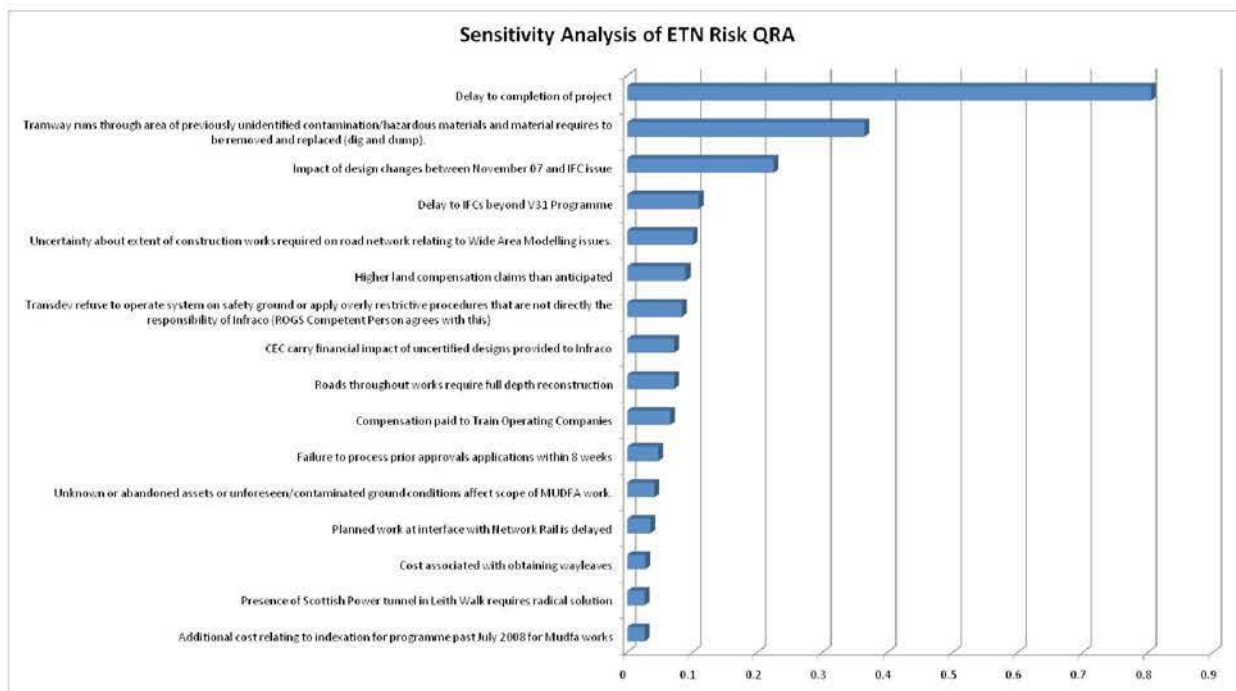
All existing risks, as well as those recently added, are being reviewed to ensure the QRA output is as accurate as is reasonably possible. It is accepted that the additional risks and increase in QRA output are currently unapproved. These are within the unapproved range in costs provided to TS on 26th May. **tie** will continue to report on the risk allocation at Financial Close until a new budget (with an updated QRA) is approved.

Risk drawdown

The following table includes the approved drawdown applications on the project risk allocation in Period 3.

Description	Owner	Value (£)
PWC strategic commercial advice	G Roberts	-11,864
Risk Drawdown - Road Surveys	M Patterson	-77,498
Risk Drawdown - Soft Ground Condition Risk 1091 Drawdown	M Patterson	-85,183
Installation of Badger Resistant Fencing to A8	M Patterson	-9,262
Edinburgh Park Office rental - additional cost	F McFadden	-42,235
Total		-226,042

Sensitivity analysis of approved cost QRA.



The above chart highlights those component risks which are correlated most closely with the overall risk allocation. These risks are the ones which, if changed in terms of probability or impact, would have the most significant effect on the final output.

Schedule QRA

tie is currently working with the supplier of Active Risk Manager (ARM – the risk management software which **tie** uses) with a view to integrating Primavera and ARM so that a schedule risk analysis can be developed. A schedule QRA will be created following agreement of the recalibrated programme.

6 Health, safety, quality and environment

H&S accidents and incidents, near misses, other or initiatives

HS&E ACCIDENTS and INCIDENTS SUMMARY											
Project Running Totals	Total Hours	>3 day	Major	Injury	NM/Unsafe Condition	Service Damage	ENV	RTA	MOP	AFR	SFR
Period 03	150,136	0	0	3	10	15	0	2	2	0.00	9.99
Year to Date	431,514	0	0	10	53	34	0	3	11	0.00	7.88
13 period rolling	1,519,392	1	3	35	205	205	3	17	90	0.26	13.5



There were no reportable accidents during period and the project 13-period rolling AFR is 0.26 (target 0.24, last period 0.28). The frequency of service damages has increased during the period on the project but decreased on an overall 13 month rolling basis. A new method of measuring service strikes v's holes dug has revealed that during period 3 there were 193 holes opened on sites sampled and 3 of those holes suffered service damage. This measure has been created to help identify good practices as well as areas requiring improvement.

The score for **tie** health and safety inspections was on average 84%. The new joint inspections carried out by Carillion and **tie** have been effective in highlighting issues with housekeeping, subsequently there has been a concerted effort by **tie** and Carillion to improve tidiness on sites with good results so far. **tie** and BSC are in discussion about joint inspections for **tie** and BSC Project Managers, it is hoped that this will be finalized during period 4.

The frequency of Member of Public incidents has decreased yet again after the rapid increase seen in period 13 due to the Princes Street works. A study is underway, modeling the estimated pedestrian flow through the City Centre during the festival. This will be reviewed in conjunction with the projects past knowledge of M.O.P incidents and a target inspection produced.

Briefings on the Code of Construction Practice and the Construction Design and Management Regulations have taken place at to **tie** staff on the INFRACO project and have increased the knowledge and awareness of these subjects; further briefings are planned for MUDFA and Citypoint.

Environment

Investigations are underway to establish and understand which regulatory controls govern Forth Ports area, SEPA are not the regulator for this area. **tie** have been involved in some meetings with

BSC and Mott MacDonald and appraised of the progress towards the completion of the BSC Tram Project Env Plan. TCM have been continuing to treat the knotweed at the Viking building and tie await a response from BSC regarding further works in this area and their proposed methods to ensure the knotweed is dealt with correctly.

Quality

During Period 3 the first inspections were carried out under “Deliver a Safe Tram” metrics. Princes St works were chosen to sample and test the new metrics which will help to ascertain if BSC are controlling works adequately to assure the delivery of a safe tram. The inspection is carried out on site and chooses a construction topic then checks the topic against each of six measures (see table below)

Section	Activity	Data Checked					
		Interdisciplinary Design Check	Hazards	Inspection and Test Plan System	Design Variation/Change	As Built	Asset Register
1c/1d Princess Street	Track Placement	N	Y	P	N	NA	NA
1c/1d Princess Street	Reinforced slab	N	P	P	Y	Y	NA
1c/1d Princess Street	OLE Base	N	Y	P	P	Y	NA
PD	Total (y)	0	2.5	1.5	1.5	2	0
	Max Possible Total (y)	3	3	3	3	3	3

Key - Y = Evidence exists (1) N = No evidence exists (0) NA = Not applicable (-) P = Part evidence in place (0.5)

The inspections highlighted that all three activities were being constructed to drawings that had not been through the contractors interdisciplinary design check system, i.e. they were constructing to drawings that were not internally approved by the consortium for construction. In contrast, the items chosen demonstrated that potential operational hazards had been considered and partially mitigated prior to construction taking place.

Construction control i.e. quality control of the items chosen appeared good, Quality inspections were taking place by BSC’s subcontractor and packs of detailed information and records for the track substructure and OLE columns had been partially compiled (partial because only partial construction) however the ITP being used appeared not to be the most current revision and did not have any check for earthing and bonding requirements.

From observations it appeared that the construction was as the drawings detailed, there did not appear to be any deviation from design at this stage. NOTE – design not complete. Setting out and positioning of the works was discussed, this is carried out via a direct CAD interface system but no “sense checks” to kerbs or buildings were being carried out by BSC or its subcontractor.

Progress towards “As built” and “Asset Management logging” information was evident. BSC civils subcontractor has been recording the co-ordinates of all as built civils structures, “discovered” structures and services these were being plotted directly onto the Principal Contractors CAD system.

7 Stakeholder and Communications

Brand

A full Brand and Customer Service improvement plan is being produced for presentation to the Board on the 8th of July. This will be presented by the recently appointed Director of Customer Services and Communications.

Change of Format

In the future it is likely that the format of this report will change to reflect a twin track approach to this activity, as in:

- Broader public perception
- Localised customer activity

Media / Press Activity

The laying of the first tracks on Princes Street generated interested from local and national press, and included several interviews with Cllr Gordon MacKenzie, the CEC Transport Convenor. Media Activity for Period 3 also included interviews with Project Director Steven Bell, which featured in The Scotsman, New Civil Engineer and The Times amongst various other newspapers. A contribution was also made to BAA Edinburgh's in house passenger magazine, *Capital*, which plans to run a feature on the project. The Scotsman also had pictures taken of the new viaduct construction works at Edinburgh Park.

During Period 3, 27 media enquiries were recorded. Seven of these enquires were regarding the laying of tracks on Princes Street. The remaining enquiries were on a range of different topics including burst water pipes, Gogar work sites, and Haymarket road diversions.

Customer Service Activity

The total correspondence for Period 3 numbered 535, a rise of 513 from Period 2 an increase of 22. Email, Phone Calls and now, increasingly, face to face (F2F) meetings constitute the main format for incoming correspondence. Fax, TCA Reports and Letters collectively total 3 contacts, which leaves 532 contacts in Period 3 being received via Email, Phone and Meetings.

Information Requests remain the bulk of all correspondence each period with 426 contacts being recorded for Period 3. Complaints, throughout Period 3, were consistently high, numbering 12, for weeks 2 and 3 while rising by one to 13 during week 4. Complaints ranged from issues regarding water cut offs and signage to parked vans and portable cabins. Correspondence regarding COCP Complaints has also reached similar figures as Period 2 with Period 3 totalling 18 COCP contacts compared to 15 last month. The graph below illustrates the fluctuation in contacts over the past 12 months. Period 3 Customer Service Report accompanies the graph and gives an overview of the Customer Service team's target performance ratings.

Public Information Planning

During Period 3 a total of 12 notifications were distributed to businesses and residences. An update was issued once a week for both Leith Walk and Constitution Street, numbering 8 in total. One update was also issued for the City Centre outlining the new traffic diversion on South St Andrew Street. The diversion was installed due to the Princes Street work site being extended to Waverley Bridge. Three further notifications were distributed with street specific information for the Torphichen Street trail hole, Hopetoun Crescent Parking Suspension and Shandwick Place Scotland Gas Networks.

Transport Edinburgh

Edinburgh Trams

Lothian Buses

FOISA exempt

Yes

No

Further notifications are due to be produced for Period 4 including weekly updates for Leith Walk as well as updates for Carrick Knowe and the Haymarket area.

The tram website recorded 11,145 visitors between 25th May and 21st June, an increase of 586 on last period. 1210 people accessed those pages which allow them to sign up for automatic notifications, bringing the probable total number of subscribers to c7500. This indicates that a significant audience now receives automatic notifications from www.edinburghtrams.com with the Local Updates section proving the most popular area.

Overall, the "Local Updates", "Route Map" and "Story so Far" archive remain the most popular pages for visitors, though there has been a significant increase in activity on our "Media" pages, principally in terms of access to photographs and secondarily access to video and Tram TV. This is believed to be a combination of three factors: firstly, the inclusion of numerous construction photos pertaining to the track-laying work on Princes Street, secondly the addition of new video items which will become a regular feature and finally an increase in overall subscription to media alerts using RSS.

Green Travel Policy

Edinburgh Trams are also in the process of launching its own Green Travel Policy. Information on this has been provided to the Green Party and will be disseminated to other interested groups.

Logistics

No issues have been recorded during Period 3 regarding logistics. On 20th June, logistics teams from SW Global assisted the organisers of an Antiques Fair being held at the Freemasons Hall on George Street. SW Global and Sole Logistics both continue to assist local businesses in their respective areas of Princes Street and Haymarket/Leith Walk.

Throughout Period 4 logistics will be preparing provisions for the upcoming Tram Works phase of construction on Leith Walk and Haymarket.

Partner and Stakeholder Communications

Eight Primary schools have been visited in the past 2 weeks to deliver a short 10 minute assembly which gives an overview of the tram project. Over 1800 children were in attendance in total, with every child being given our new quarterly factsheet and a baseball cap. The school kids were taught about the history of trams in Edinburgh, the reason for bringing trams back, and the work we have to do to prepare the streets for the trams to become operational.

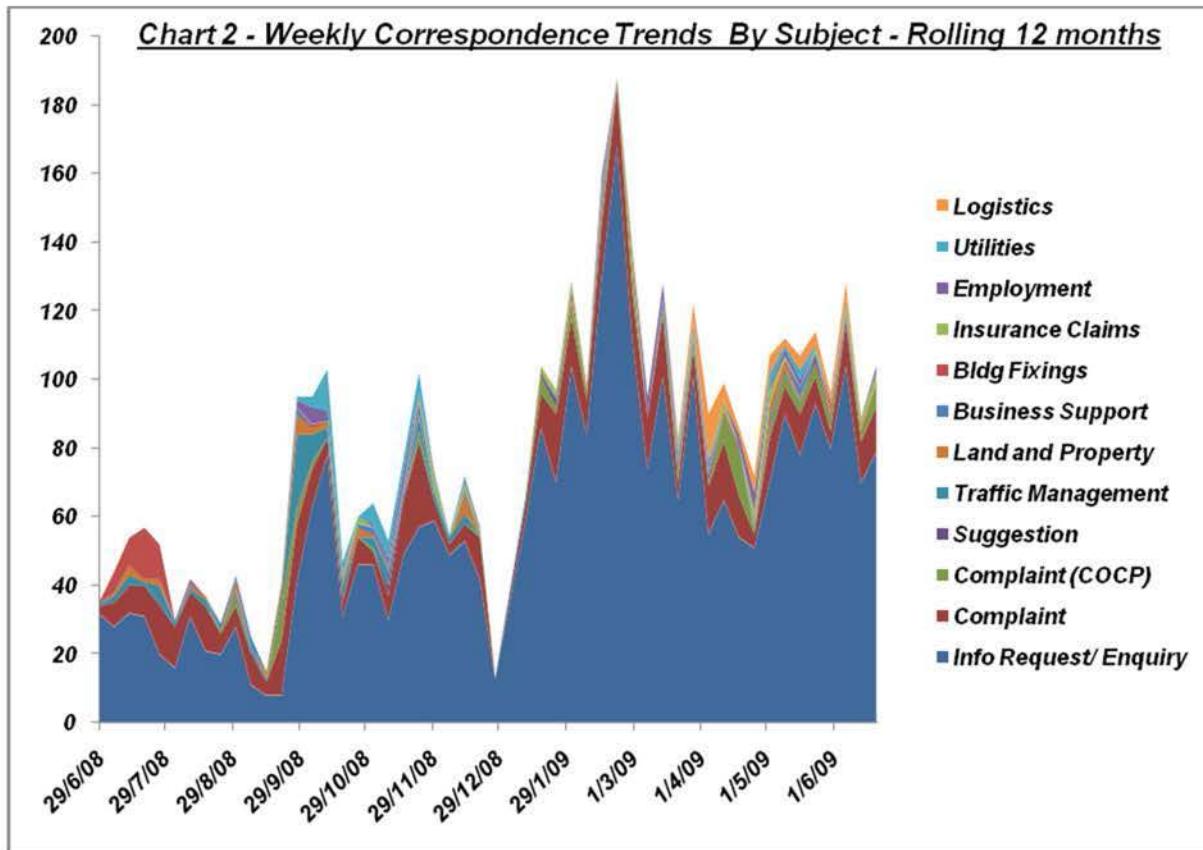
The response has been very positive from pupils and head teachers, and many have already arranged the next visit for the beginning of the first school term after the summer holidays.

Regular meetings are held with local traders associations such as the Leith Business Assembly, Haymarket Traders Association and TOG. Attendance at the traders and business associations takes place monthly with ad hoc meetings throughout Period 3. This is to ensure that they are kept up to date with construction works that may affect them and for them to raise any concerns they may have.

Freedom of Information Requests – FOI

Over the reporting period, we received 9 new FOI requests under the Freedom of Information (Scotland) Act 2002. We responded to 12 requests, had one request withdrawn by the requestor. We received one request for a review of our decision regarding the release of information.

Customer Service Graphs and Figures



a) **Monthly Customer Service Report 25/05/2009 - 21/06/09**

Item	Volume Month	Volume (Cumulative from 21/11/08)	Performance (Month)	Performance (Cumulative)	Target Performance
Telephone response	281	1922	99	98	90% in 30 seconds
Telephone Same day resolution	274	1857	97	97	Info only
Email acknowledgement	134	1052	100		100% acknowledged within 24 hours
Email response			100	99	90% resolution in 7 days
Email same day resolution	130	937	97	88	Info only
Letter acknowledgement	7	68	100		100% acknowledgement within 24 hours
Letter response			100	94	100% resolution in 7 days
Total Enquiry	422	3042			

Volumes					
Website update	128	573	100	100	Weekly

b) Out of Standard/Work in Progress statement at month end 19 June 2009

		Volume of WIP @ m/end	Oldest date	Oldest Issue	Handled By
M/e 19 June 2009	Email	2	17/06/09 (In standard)	Cycle racks removed from Leith Walk	Michael Blake/Bob Shaw
	Letters	2	25/11/08 (Out of standard)	TRO Process	Alasdair Sim
	Calls	0	N/A	N/A	N/A

c) Monthly Notifications Performance 25/05/09 to 19/06/2009 and Cumulative from 1st September 2008)

- 0 Major notifications –
- 8 Minor notification – 5 for utility (3 in standard) – 3 for tram works, (2 in standard)
- 0 Emergency notifications

Notification Type	Work Site		Utilities	Tram works	Total	% in Standard
	Month	Notifications				
Major works	Month	Notifications	0	0	0	
		In Standard	N/A	N/A	N/A	N/A
	Cumulative	Notifications	6	4	10	
		In Standard	0	1	1	10
Minor Works	Month	Notifications	5	3	8	
		In Standard	3	2	5	63
	Cumulative	Notifications	34	21	55	
		In Standard	27	13	40	72
Emergency	Month	Notifications	0	0	0	
		In Standard	N/A	N/A	N/A	N/A
	Cumulative	Notifications	14	0	14	
		In Standard	14	0	14	100