

Tram Project Board

24 September 2008

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Transport Edinburgh
Edinburgh Trams
Lothian Buses

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Overview

Willie Gallagher

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Safety and Quality

- Project Safety AFR to date – 0.08
- MUDFA AFR to date – 0.20
- The revised Carillion RIDDOR report has been received and accepted by **tie** with one recommendation to be concluded.
- MUDFA Audit Action Plan agreed with Carillion and being implemented.
- Safety surveillance increased for InfraCo and their subcontractors.

Organisation	Year to Date AFR
Scottish Water Solutions	0.26
May Gurney Integrated Services	0.16
Carillion Civils	0.22
Carillion Infrastructure	0.26

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MUDFA

GOOD	BAD
New management team in place from Carillion, tie management reinforced. Reporting improved to reflect week on week targets and performance, 40% increase in productivity targeted.	Traffic Management proposals to TMRP are not meeting required standard and will be focussed on over the next 2 weeks.
6 Audit Actions closed out with No 7 in progress. Programme produced for reinstatement and tie has augmented planned site supervision resource. (2 new inspectors being hired).	Overall, programme is now predicting an end date of March 2009 with potential impacts on INFRACO particularly if BT overlaps are difficult to address.
Haymarket Phase 1 commenced 18 August – on time, targeted to conclude before Christmas 2008.	Lothian Road will be done in parallel with Mound, this will present TM challenges which the TMRP will review in the next week.
Programme base-lined at Rev 7, underpinned by detailed programme proposals.	Designs still awaited for Ocean Terminal, still awaiting plates 1-12, being progressed with SDS.
Proposals to significantly reduce diversion towards Newhaven, proposals accepted by Chancelot Mills and SUCs (in principle).	

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MUDFA Performance issues

- Meetings on Commercial and contractual issues are continuing, led by Steven Bell with Steve Hudson of Carillion.
- Challenge placed on productivity levels showing mean achievement historically of c~3 metres per man per day, Carillion are now targeting 5 metres per day.
- Technical Query resolution process has been under major review with a focus on shortening timescales, a regular weekly meeting has been established (3 held to date), progress in reduction of timescales is encouraging
- Weekly meeting established between Senior Mgt of Carillion and **tie** to review progress and issues, good traction to date.

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Tramco



- Mock-up technical review 29th & 30th September
- Final Mock-up review 14th October
- Delivery to Edinburgh in December
- System integration work progressing
- CAF motivated to start fabrication as early as possible (Target Dec 08)

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Design and Consents

- Prior and technical approvals progressing but slowed by known 3rd party issues (EAL, Forth Ports)
- Conversion into IFC's slow, principally as a result of roads related delays and drainage consents
- Roads & Drainage approvals being addressed by SDS and BSC are providing a prioritised list to Scottish Water
- Last period's hotspots were addressed by issuing instructions related to Forth Ports and concluding IFC for 1B roads resolving many of the issues in principle
- This period's focus remains on concluding the drainage consents and finalising the roads technical approvals

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INFRACO

Good	Bad
Site office establishment completed. tie move in 24 September 2008	Only 1 package contractor fully mobilised (Farrans)
Demolitions progressing as planned. NCR completed. Viking & Simlok within P7	Construction milestones commenced but not yet achieved
3-month detailed construction plan agreed and being implemented. W/E 20/9 completed as planned – needs to continue to build confidence	Inspection & Test Plans being developed too slowly (but revised plan now prepared)
Leith Walk on street works to commence 2/10/08 at Kirk St – Steads Place	Subcontract strategy for section 1A and 2A/5A to be resolved by InfraCo. Alternative package contractors are being considered.
Structures and site clearance underway	HSQE focus still not consistent across worksites and subcontractors
Systems design and integration underway	

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Overall Programme

Based on current opportunities Open for Revenue Service Range is
May 2011 – December 2011 with July 2011 held

The following elements contribute:

- Design Change V26-V31
- Mobilisation and Delivery InfraCo
- Design/Progress/Change V31-V35
- MUDFA potential overlaps/conflicts
- Detailed construction delivery plan for next 3 months (confidence in delivering measured weekly)
- Recovery, integration and acceleration opportunities during 2009/2010

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Finance – Project Costs & Funding

- YTD Expenditure of £47.4m is £11.5m behind budget 08/09
- main impact: delay of Infraco close and mobilisation of Infraco and the delayed completion of land acquisitions
- Outturn costs for 0809 reduced from £150m to £139m reflecting Infraco programme look ahead – includes a risk allowance of £8m
- At 91.7% TS share is £120m before risk allowance or £127m including risk allowance – TS funding allocation is £120m
- Outturn estimate likely to reduce further with the principal catch up opportunities in 0910
- Overall costs remain at £512m including £29m risk allowance

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Finance – Phase 1b

- Refreshed patronage, revenue and operating cost projections now substantially complete both for TEL in aggregate and for Ph1b at the margin – still a very robust financial plan.
- Discussions underway with Infracore with a view to confirming arriving at firm price for Ph1b infrastructure by end November – additional funding required likely to be in £65m to £75m range depending on headroom required.
- PwC preparing definitive advice on best tax structure to shelter future TEL profits
- Examination of funding options now progressing in consultation with CEC
- Mature proposals to be presented to 22 Oct TPB and thereafter to CEC Committee / Full Council in November (to be agreed)

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Finance – South East Tramway (Line 3)

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END

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