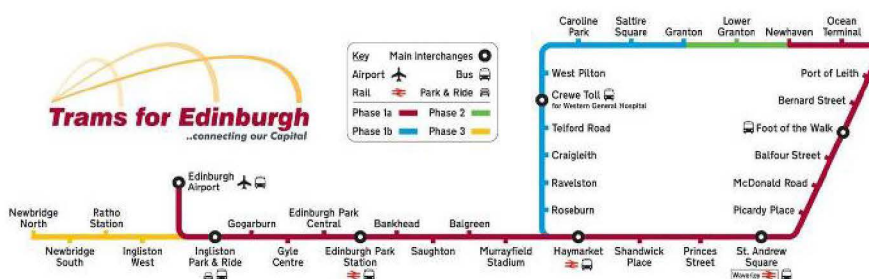




EDINBURGH TRAM

Highlight Report to the Chief Executive's Internal Planning Group

30 January 2008



1 Background

This 'highlight report' is an update to the Chief Executive's Internal Planning Group on the Edinburgh Tram Project. To inform on the progress on this project, and any decisions required. This report focuses on three main topics that are attached as appendices. They are as follows:

2 *tie's* Deliverables For Contract Award

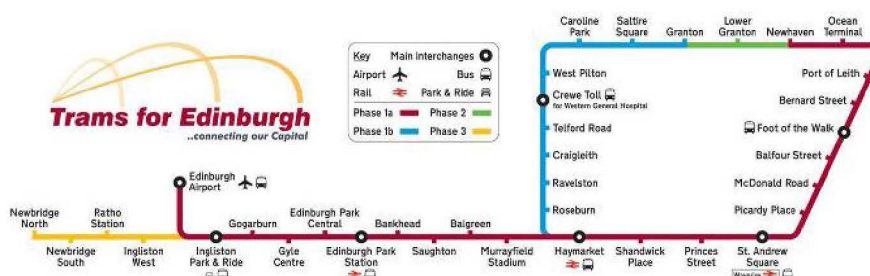
Appendix 1 lists activities and deliverables in tabular format that are expected to be achieved by 9 February 2008 to allow formal award of contracts by *tie* on, or around that date.

3 *Presentation for the Infraco construction sequencing.*

Appendix 2 provides an overview of the Infraco construction programme.

4 *Utility Diversion Newsletter and Lunchtime Seminars*

Appendix 3 provides a copy of the Mudfa utility diversion update newsletter for the works in Shandwick Place that will commence in February 2008 (20,000 copies will be distributed within the next few weeks), and an example of the proposed lunchtime seminars to raise the awareness of the tram project internally within CEC.



Critical Contractual Decisions to enable Chief Executive to use delegated powers to approve tie to sign the contract with BBS					
Item	Issue	Description	tie action	Status	Anticipated Completion Date
1	Contract	1.1 Novation agreement ready to be signed off - CAF		Ongoing - reported to be progressing well	05-Feb
		Novation agreement ready to be signed off - SDS		Issue relates to consents	14-Feb
		1.2 CEC Guarantee agreed with BBS and ready to sign off		Need confirmation that Infraco and Grant Award Letter are aligned	
		1.3 Due Diligence on approvals for Infraco & Tramco		This will be completed immediately before contract award	
		1.4 Operating Agreement - tie		to be put to tie Board on Tues 29/01 for approval	29-Jan
		Operating Agreement - TEL		Ongoing - interim OA being prepared with end date	
		1.5 Mudfa - risks related to Infraco?		MUDFA programme v6 is incorporated into BBS programme	
		1.6 DLA supportive letter with risk matrices		To include confirmation re consents issue and alignment of Infraco/CEC guarantee	14-Feb
1.7	OCIP exclusions		CEC request this item is moved from 9.4 into Section 4 Governance and Corporate and request detail on caps or non insured aspects.	Report available for review by CEC	
		1.8 tie to provide a list of what is not included within the BBS contract (i.e. the items which BBS have specifically excluded) with a financial value against each item.		Status unknown tie yet to provide	11-Feb
2	Programme	2.1 Confirm dates for 1a and 1b		Complete	
		2.2 Agreement of On-street Construction Methodology		Complete	
3	Employers Requirement	3.1 Summary to CEC of Employers' Requirements, including detailed scope of the Tram Works with endorsement from DLA. The ER is a key part of the overall contract which sets compliance standards of the tram works. BBS have been given version 2.4 to price. BBS have responded to this with variations, this may be a lowering of standards to keep the price level below the net £498m e.g CCTV specification. tie to produce a list of variations that they are minded to accept from version 2.4, with a justification for the variation with TELs comments, and also to give assurances that what is proposed to accept as a variation is in all cases "fit for purpose" both in term of price and quality.		Workshop held with CEC and needs to be completed. Agreed with Duncan Fraser/Susan Clark that the presentation used for this workshop would suffice as the summary requested by CEC. DLA to provide sign off on finalised ER's Check if CEC have approved version 2.4 and check if CEC have approved variations to 2.4	13-Feb
4	Due Diligence	4.1 Statement from the Preferred Bidder that they accept the performance run-time model and "law of physics" results and confirmation of acceptance of the emerging quality of design.		Awaiting Confirmation. Response due from BBs on 1st Feb	01-Feb
5	Risk	5.1 Full transparency of QRA	All issues on CEC Item 5 require to be incorporated in 5.3 of tie's list.	Need QRA to be updated and contrasted with 25 October version. QRA will be run just in advance of notification to award	14-Feb
		5.2 (a) Black flag risks: Provide a list of these items and what is the likelihood of any of these risks occurring? What is tie's strategy to avoid said risks materialising? What is the cost of exiting from a Black Flag item?		Draft report available covering this	
		(b) Details of the risk management strategy for the key risks through delivery.		Draft report available covering this	
		(c) Detailed analysis of programme risk. Confirmation of the risk allowance for programme delay. Detail of items on critical path and what is being done to ensure they do not cause (further) delay.		Programme report available covering this item	13-Feb
		5.3 Tie written statement to CEC on risks as at 25 October 2007 compared to immediately post contract award.		tie will update just in advance of notification to award	14-Feb
5.4 Risk Register needs to be updated to include the potential risks and knock-on effects of prior and technical approvals not having being obtained prior to Financial Close. This is linked to 9.2.					
6	Value Engineering	6.1 VE summary included in the final deal and highlighting other potential savings with a probability value	Item 5.8 on tie list to include probabilities of VE items	tie to provide	13-Feb
7	Pricing & Funding	7.1 The Council requires a detailed analysis of prices, costs and risks allowance. tie required to explain how prices for maintenance, etc. impact on operating cost assumptions	Detail of CEC Item 7 requires expansion of tie list items 1.9/5.8	Draft close report will be updated	13-Feb
		7.2 Cross refer to item 1 above re exclusions from contract by BBS.		Draft close report will be updated	13-Feb
		7.3 Statement on % of costs fixed and % outstanding as provisional sums with programme for moving these to fixed costs		Draft close report will be updated	13-Feb
		7.4 What design version was the BBS contract priced against and what changes have subsequently taken place		Draft close report will be updated	13-Feb
		7.5 Cost per week of not signing contract on time to be estimated by tie		Draft close report will be updated	13-Feb
		7.6 Does the Infraco contract allow BBS to pre purchase material and equipment prior to design approval? If so how is CEC protected if such materials do not meet CEC approval.		Draft close report will be updated	
8	Network Rail	8.1 Full statement from tie on current status of every proposed agreement between CEC and NR, including Depot and Station Change Procedures. Full risk analysis in respect of each agreement explaining consequences for CEC in terms of time and cost relative to any delays in concluding agreements. This analysis to cross refer to BBS programme	All items relating to NR in section 6 of the list should be moved to Section 3 (Third Party Agreements) these are not seen as subsidiary items from CEC perspective.	CEC expects the Network Rail Suite of documents to be in agreed form apart from the Operating Agreement which should be substantially agreed before tie contract with BBS - as Depot and station change will not be concluded until 1st March, the APA will not be signed until at least that point in time.	13-Feb

Critical Contractual Decisions to enable Chief Executive to use delegated powers to approve tie to sign the contract with BBS					
Item	Issue	Description	tie action	Status	Anticipated Completion Date
		8.2 NR is contracting with third parties re other works at the Depot. Risk analysis to be provided regarding impact on BBS contract (time and cost) arising from late completion of NR works.		tie to provide	13-Feb
		8.3 Plan B to take account of any delays in achieving agreement with NR on all matters, including Caley Ale House, Lift and Shift and Immunisation. This to be included in QRA report.		tie to provide	13-Feb
		8.4 Minimum requirements of the APA agreement		Ongoing - Needs to be agreed	NR & CEC to execute agreement on 06/02
		8.5 Written confirmation from First Scotrail (and from other TOCs in respect of Station Change) that they are not objecting to Depot and Station Change.		Meeting held with all TOC's last week in relation to Station change. Actions being addressed to try and get letter of comfort. CEC to give comfort on bus parking in Market Street. Both depot & station change consultation periods end on 1/03	01-Mar
9	SDS Assurances	9.1 Full written explanation of SDS Novation to be provided by tie, including risks of failing to deliver design		tie to deliver	01-Feb
		9.2 Full details are required from tie on status and degree of completion of SDS design work as at 14 January 2008, including prior and technical approvals. If approvals risk is not being transferred to BBS the Council needs to know the impact and likelihood of the risks and a strategy for managing the risks.		Confirmation required from BBS/SDS that all prior and technical approvals and all other necessary consents will, as a minimum requirement, be fully compliant with Tram Design Manual and other relevant CEC Policies and Guidelines	01-Feb
		9.3 Confirmation that the public sector (tie & CEC) are not liable for delays for Planning or Road Approvals		tie to provide	01-Feb
		9.4 tie to provide written report on previous claim settlement with SDS identifying details, cause of claim and costs of settlement. Are any further claims expected from SDS ? Are any further claims from SDS competent		tie to provide	01-Feb
10	Funding Letter	10 Funding terms to be agreed with CEC and TS		Complete	
11	Third Party Agreements	11 Status report on third party agreements	Items in Section 11 of CEC list require to be added to item 5.9 of tie list	In close report & will be updated until notification date	13-Feb
		11 Disclosure list and acceptance of these by BBS		In close report	
		11 Status of Telewest and SP agreement and when req.		tie to provide	
		11 Forth Ports agreement and risk of not having this in place		In close report & will be updated until notification date	13-Feb
12	Licence between CEC and BBS	12 To be concluded before financial close		Awaiting signature	28-Jan
13	Land Acquisition	13 Statement of land acquisitions	Items in Section 13 of CEC list require to be added to 5.10 of tie list.	In close report	
		13 Confirmation that GVD completed		In close report	
		13 Confirmation of match between what land has been acquired by CEC matching BBS requirements		In close report	

Other Issues



Issue re protection re advance purchase of steel to be added to 1.6 in tie list.

7.1 – 7.5 inclusive in tie's list to be moved to Section 3.

Street traders issue to be added to Section 3.

Edinburgh Tram Programme


Programme Summary
Presentation to the IPG on 30 January 2008



Edinburgh Tram Programme

Overview


- ▶ The construction programme has been developed with BBS and tie in conjunction with senior representatives from major stakeholders including City of Edinburgh Council, Lothian Buses and Lothian and Borders Police.
- ▶ The construction programme commences in February 2008 and delivers Open for Revenue Service of Line 1a in Spring 2011 with Line 1b (if sanctioned) in December 2011.
- ▶ The programme is primarily constrained by the following factors
 - Delivery of Design to meet construction programme
 - Delivery of MUDFA to meet construction programme
 - Consideration of potential resource constraints on particular skills (i.e. rail welders)

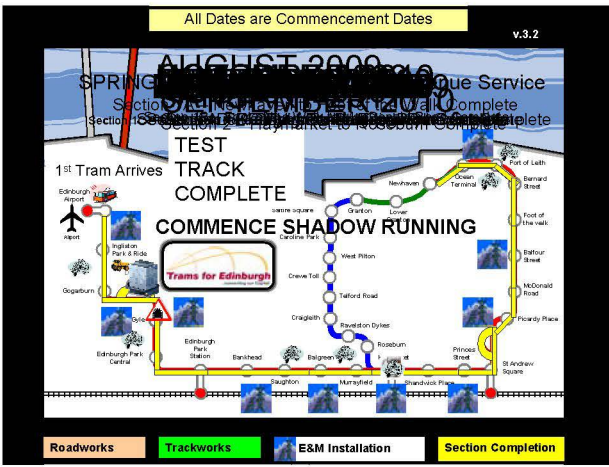


Edinburgh Tram Programme

Overview

- The programme is also underpinned by a number of assumptions with the main ones being:
 - EMBARGO,s (Limits being Haymarket junction to Picardy Place)
 - August Festival Embargo is from 1st Sunday in August to 1st Sunday in September annually.
 - Christmas Market Embargo is from the Thursday preceding the 1st Sunday in December to 1st working day after New year annually.
 - Princes Street Construction is based on minimal works to the existing road surface.
 - All programmed durations are based on the contractor working within the confines of the Code of Construction Practice.





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Edinburgh Tram Programme

Line 1a Open for Revenue Service

Spring 2011



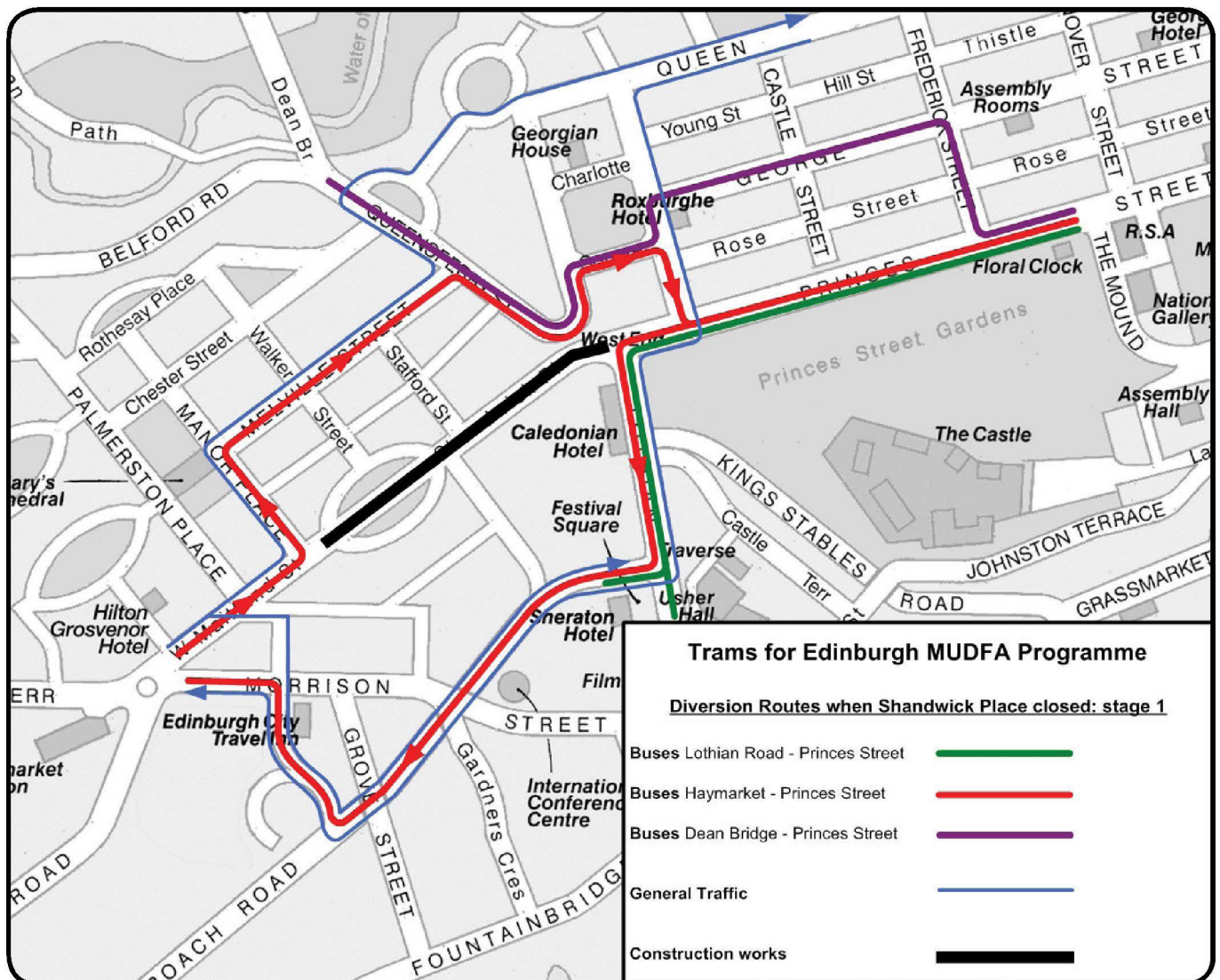

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Tram
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Update

Utility Diversions – Shandwick Place

Temporary traffic management measures will be put in place. From mid-February, Shandwick Place, from Manor Place to the Lothian Road junction will be closed for five months.

- During the closure of Shandwick Place traffic will be diverted via Melville Street or Morrison Street and the Western Approach Road.
- The new routes for drivers and buses are detailed on the map and clear signage will be posted throughout the works.
- Motorists who wish to shop on Shandwick Place, Stafford Street and William Street should access these streets via Walker Street.
- Pedestrians will still have normal access to Shandwick Place, Stafford Street and William Street throughout the works.



Edinburgh's city centre businesses will remain open and accessible and welcome your continued patronage.

During the construction of Edinburgh's 21st century tram network, we would like to thank you all for your support and patience in helping to build a new and modern transport system.

Businesses

Each business within and around the work site will remain open for business as usual. Where necessary, special access for loading, unloading or parking will be arranged in collaboration with each business. We will work with the business community to agree suitable solutions to meet business requirements during ongoing works.

Residents

All residents within the works area have been advised of the upcoming work. Access to homes in the construction area will be maintained throughout and any special needs will be addressed.

Buses

tie has been working closely with Lothian Buses to ensure that diverted routes cause minimal disruption to travel (this includes other bus operators). Buses will be diverted away from Shandwick Place and the map highlights the bus diversion routes. For more information, visit www.lothianbuses.co.uk or your local operator's website.

Motorists / Taxis

Drivers should use alternative routes to the city centre where possible, or follow the signed diversion routes to their destination.

Shoppers / Tourists

Throughout the works Shandwick Place and the West End will continue to be open for shoppers and tourists. Any changes to access will be clearly signposted.

Cyclists

We are in close consultation with Spokes to agree any future amendments to cycling routes during construction. In the interim, cyclists should follow the appropriate traffic diversions. For more information, visit www.spokes.org.uk.

Special Needs

All pedestrian routes will have disabled access. For any specific needs or requirements, please contact us using the information below.

Learn more / Share your thoughts

-  Speak to the uniformed tram helpers who will be at every work site
-  Customer Helpline: 0131 623 8726
-  Email: roadworks@tramsforedinburgh.com
-  Website: www.tramsforedinburgh.com

While we build > > > > > **Edinburgh's city centre is open for business**

Planning and Strategy Lunchtime Seminar Series

Places and People



Do you want to know about the **Edinburgh Tram Project**?

Come along on **Monday 4th February 2008** to hear the latest from
Duncan Fraser, Tram Coordination Manager

- Background to project
- Links with other departments and organisation
- Planning role
- Public realm connections
- Construction programme
- Mudfa diversions
- What's next.

Room C48 Waverley Court 12.30pm - 1.30pm

All Welcome