

TRANSDEV EDINBURGH TRAM LTD

STRICTLY CONFIDENTIAL – FOISA QUALIFIED EXEMPTION

TRANSDEV EDINBURGH TRAM REPORT TO tie

24th October 2006

Significant Events – Safety

1. Nil

Significant Events – Management

1. The Tram Design Working Groups re-commenced on 18th October.
2. TramCo ITN returns were received on 9th October 2006..
3. The JRC Business Case Overview was delivered by Steer Davies Gleave on 19th October. The results of the overview were encouraging at this stage.
4. The TEL (Draft) Business Plan was delivered on 19th October. This plan indicated the envisaged, initial and lifecycle, patronage, revenue and costs for the tramway.
5. Transdev issued a revised operational cost model to **tie** with amended start times of 0600hrs and associated tram drivers, kms run and maintenance costs on 12th October.
6. The MUDFA contract was awarded to McAlpine on 03rd October.
7. The Infrcao tender documentation was released on 3rd October. An email detailing Transdev's concerns with regard to the documents submitted was sent to Willie Gallagher by Kevin Belfield.
8. Kevin Belfield has been in Edinburgh to attend a social event as a guest of Willie Gallagher's.

Significant Events - Design Support

1. The development of the InfraCo ITN documentation resulted in some 700 comments being issued on 22nd October on part of the Employers Requirements.

Significant Events – Mobilisation

1. There are to be changes to the members of the Transdev Edinburgh Tram Board, following changes to the Transdev internal organisation. Transdev will advise **tie** further when these have been finalised.
2. See Resources to year end.

Resources in the period

1. The Transdev Edinburgh team have spent the bulk of the month in Edinburgh, with the exception of Roger who had a period of leave in the month. Carl also attended the "Modern Tram" conference in London at which Andie Harper was a guest speaker.

Resources to year end

1. A draft forecast of resources and costs for the period to December 2007 was issued on 12th October. Within the forecast is the previously agreed incremental increase in the rate at which Carl Williams is charged to **tie** and also the appointment of Safety and Standards, Operations and Engineering Managers. Admin assistance still being given by **tie**.

Programme

1. Transdev commented on **tie's** driver training programme. A revised programme was collated to take into account the Transdev comments and the expansion of drivers required to facilitate all of the service schedule possibilities.

Deliverables

1. There has been no response from **tie** on the suite of amendments to the DPOFA, commented on by Transdev on 26th September.
2. Transdev reviewed part of the Employers Requirements, as issued to Infraco, and issued approximately 700 comments on the documentation.

Input from tie over next period

1. **tie** should implement document control and management systems for the project. Productivity during the InfraCo ItN document preparation process was hampered by poor **tie** document control and direction.
2. There continue to be significant changes to **tie's** internal organisation. These changes have contributed to opportunities for Transdev to support **tie** being missed. Transdev could be better engaged with **tie** in the internal project processes.
3. **tie** should lead the resolution of the issues associated with system tests and the ongoing performance regimes.
4. **tie** should share the detailed programme and process for the Infraco tender evaluations.
5. **tie** should organise a thorough review of the issued InfraCo ITN documentation. This should include a review of any potential omissions or inconsistencies within the ITN, and ensure necessary refinement is addressed in the procurement programme and process.
6. **tie** should involve Transdev in the closeout of Transdev comments made on the SDS Preliminary Design Phase submissions. The process for this activity remains unclear.

7. **tie** should develop the proposed programme of "design workshops" with SDS to "set the scene" for the detailed design process, agreeing expectations in advance. This matter is linked to item 1 above.
8. Transdev expects there to be many questions from the InfraCo bidders due to the anticipated quality of the issued ITN. The process for managing and responding to InfraCo bidders' questions, together with the stakeholder and advisor "signoff" to **tie**'s responses, should be shared with Transdev.
9. Currently **tie** are to provide Transdev's office IT systems under the DPOFA. Transdev has suggested that the **tie** change" could transfer this obligation from **tie** to Transdev. The provision of the IT system is not included in the Infraco scope.

Main Concerns

1. The Tram Business Case.
2. The process for the production of, and the consequential quality of, the InfraCo ITN documentation.
3. The potential impact of the quality of the ITN documentation on Infraco's and **tie**'s risk premia.
4. The availability of a suitable process for dealing with questions from InfraCo bidders.
5. Continuation of the proposed DPOFA amendments process.

Next steps

1. Transdev to deliver programme proposals to **tie** when resources are available to do so.
2. TramCo evaluation, InfraCo questions, and refinement of InfraCo documentation.

TRANSDEV

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