



**TRANSPORT INITIATIVES EDINBURGH LIMITED**

**Minutes of tie BOARD MEETING**

Held in the European Room, City Chambers,  
on Tuesday 20<sup>th</sup> April 2004 @  
14.00 hrs – 16.00 hrs

Board Members: Ewan Brown (Chairman)  
Gavin Gemmell  
John Richards  
Andrew Burns  
Jim Brown  
Maureen Child

Initials

EB  
GG  
JR  
AB  
JB  
MC

In attendance: Michael Howell, tie Chief Executive  
Graeme Bissett, tie Finance Director  
Alex Macaulay, tie Projects Director  
Paul Prescott, tie Heavy Rail Director  
Ian Kendall, tie Operations Manager  
John Burns, CEC, Corporate Finance  
Keith Rimmer, CEC, CDD, Transport  
John Ewing, Scottish Executive  
John Brownlie, Scottish Executive  
James Papps, PUK

MH  
GB  
AM  
PP  
IK  
JB  
KR  
JE  
JB  
JP

Apologies: Bill Cunningham

Circulation: As Above +

Jonathan Pryce, Scottish Executive  
Andrew Holmes, CEC, City Development Director  
Ewan Kennedy, CEC, CDD, Transport  
Ronnie Hinds, CEC, Head of Corporate Finance

Item

**1. MINUTES OF THE MEETING OF 22<sup>nd</sup> MARCH 2004 FOR APPROVAL AND SIGNING**

The minutes were approved.

## 2. MATTERS ARISING FROM MINUTES OF THE MEETING OF 22<sup>nd</sup> MARCH 2004

Item 4 – Financial Matters (15<sup>th</sup> December 2003):

Joint venture with EDI – MH expressed concern about the lack of progress within CEC in progressing this matter.

Item 6 (c) – Trams (29<sup>th</sup> January 2004):

Meeting with Patricia Ferguson - AB advised that he has had no response in his attempts to progress this matter.

## 3. CHIEF EXECUTIVE'S REPORT

### i. General

Progress this month included:

- Finalisation of the selection of a tram operator
- Agreement by which Lothian Buses and the tram operator will address bus/tram integration issues
- Strategy for generating support for ITI during the course of 2004

### ii. 2004/5 Business Plan

With the help of the Scottish Executive and PUK, an approach was agreed to secure the finance necessary to pursue the implementation of congestion charging during 2004/5, including funding of an information campaign in addition to the costs of executing the referendum. MH expressed his thanks to Graeme Bissett and Alex Macaulay for their contribution.

It was however still possible that CEC would wish to provided the funding rather than take funds from PUK.

### iii. Heavy Rail

The EARL project remains on track in terms of budget and timetable. Site investigation work continues at the Airport to determine tunnelling feasibility.

A final draft of the Memorandum of Understanding for the Stirling-Alloa-Kincardine (SAK) rail link was presented. An outstanding issue remains between the Scottish Executive and Clackmannanshire relating to allocation of financial risk. Delegated powers to sign the MoU were given to the Chief Executive and Chairman, assuming that the final draft is acceptable to all parties.

**Action  
By**

**GB**

**AB**

**tie/  
CEC**

**PP**

iv. Congestion Charging

**tie** has completed preparations for the Public Inquiry which starts on 28 April.

v. Tram

MH thanked Jim Brown for his participation in the selection procedure to appoint a tram operator.

With the leadership of CEC an agreement was reached with Lothian Buses concerning a new holding company, Lothian Integrated Transport Ltd (LITL). A signed copy of that agreement is expected to be available at the next board meeting.

Tramline 3 consultation has been launched.

vi. WEBS

Construction of the off street guideway continues on schedule.

vii. Managing the public interface (Stakeholder Management)

A budget of £600,000 has been proposed for the ITI Information Programme and is awaiting approval. A strategy and the locus of responsibility for implementation (**tie**, the Council or a shared effort) was to be discussed later.

viii. Office Accommodation

Agreement on the terms of the lease of the top floor at Verity House, Haymarket is almost finalised.

ix. Remuneration Committee Terms of Reference

The Terms of Reference for the Remuneration Committee were agreed at the Remcom meeting held prior to the board meeting. A copy is enclosed with these minutes.

a) Risk Report

The Monthly Risk Report was discussed. **tie's** corporate objectives have been included and the report and it's structure will be the subject of this month's **tie** Executive Board meeting on Friday 23<sup>rd</sup> April and form the basis of ensuring the mitigation of risk is managed.

**Action  
By**

**AM**

**GB**

**MH**

**GB**

**MH**

**MH**

b) SAK- EARL Progress

The bill for the construction of SAK is currently before Parliament. PP presented a briefing note on contracts with Network Rail which outlined the extent of negotiations likely to be required by the bill promoter and Network Rail regarding the modifications required to signalling, track and structure; the transfer of ownership of the resulting railway to NR; and the operation by NR of the resulting railway.

Anne Kelly has agreed to join **tie** as the SAK Project Manager, to be appointed on a permanent basis, when the project goes ahead. Anne will work from the Babbie offices in Glasgow.

The issues with Network Rail also have similar implications for EARL which involves construction of a section of new line, much of which passes across, or under, land ownership of BAA. BAA would wish to enter into an Asset Protection Agreement.

c) **tie** Health & Safety Policy

**tie**'s Health and Safety Policy was presented for comment and approved.

d) Business Process Systems Project

An internal project team has been established to develop and implement a **tie** business process system. The aim is develop and implement consistent process within **tie** to a level that will allow ISO 9001 accreditation.

e) Public Relations

## i. Stakeholder Management

A draft Stakeholder Newsletter was tabled for comment.

A list of commercial objectors to CC has been compiled and a strategy is being developed to address concerns. Lists of objectors to tram lines 1 & 2 are being compiled and strategies will be developed thereafter.

## ii. PR Activity

Weber Shandwick have been asked to demonstrate how best value for money is achieved on items of work or services bought in on behalf of **tie**. Marjory Kenny, CEC Marketing Communications Manager, has produced a report defining needs and a recommended approach which will be developed by **tie** and WS.

**Action  
By**

**PP**

**AM**

**ML**

**ML**

#### 4. FINANCIAL MATTERS

##### a) Audit Scotland

GB informed the Board that **tie** have been approached by Audit Scotland and are responding to their requests for documentation on Governance and related matters.

##### b) Financial Report

The monthly Financial Report was presented for comment.

GB presented a paper outlining the actions taken for improved financial reporting and management of **tie** projects. These include the recruitment of two additional people, Susan Thomson as Accounts Assistant and Pat Diamond as Project Finance Manager.

A new financial reporting platform, Microsoft Navision, has been selected which will improve project cost recording, integration between project costs and the accounts and will also enable improved reporting.

##### c) **tie** Business Plan FY05

GB provided an update on the position of the Business Plan. The intention is to have the plan approved at the 29<sup>th</sup> April 2004 Council meeting.

##### d) Legal and Financial Services

A report on the supplier expenditure of Partnerships UK, Grant Thornton and **tie's** three Legal Service suppliers BDB, DLA and Dundas & Wilson was discussed. A detailed cost by activity for the period April 2003 to February 2004 was also provided.

#### 5. Strategy for Information Programme

It was agreed that a comprehensive communications programme was urgently needed to take forward the "it's about time" campaign. A steering meeting is to be organised jointly by **tie** and the PR department of CEC.

Action  
By

GB

GB

GB

ML

**6. ITI – CC/TRAMS**

## a) Progress Reports

Project Progress reports were presented for information.

The objection list for Tram Lines 1 and 2 has been received with 206 and 87 objections received respectively. All objections have been posted on the Parliament website.

The efforts of the tram project managers in addressing issues as they arose has resulted in fewer objections being received than anticipated.

## b) DPOF

A paper outlining the bidder review and CARP evaluation for the selection of the Tram Operator was presented with the recommendation to support the appointment of Transdev as the DPOF operator. On behalf of CEC, KR confirmed their support of this recommendation.

IK

The Board endorsed the recommendation.

## c) Receipt of Tenders:

## i. Congestion Charging

4 submissions have been received for the Congestion Charging System provider. A proposal will be made to the Board on the 24<sup>th</sup> May 2004.

AM

## ii. WEBS on street works

Tender documents had been issued for the WEBS Bus Priority Measure contract by Halcrow on 11<sup>th</sup> March 04. The deadline for the tender submissions is 23<sup>rd</sup> April 2004.

Delegated powers were requested for the Project Director, in consultation with the Chairman, to award the contract provided it was within the £5m approved level.

AM

This was approved by the Board.

## iii. Ingliston P &amp; R

Tenders were issued for the Ingliston Park and Ride on 23<sup>rd</sup> March 2004 through "Constructionline". The date for tender receipt is 4<sup>th</sup> May 2004. A report will be presented to the Board on 24<sup>th</sup> May 2004.

**7. Date of Next Meeting – Monday 24<sup>th</sup> May 2004**