



Agenda for tie Board Meeting
 The Boardroom, Verity House, 19 Haymarket Yards, Edinburgh
 09:30 – 11:30 Monday 23rd April 2007

Item No.	Agenda Item	Resp	Timing
1.	Minutes of Meeting of 26 th March and matters arising *	WG	09:30
2.	Executive Chairman's Board Report*	WG	
3.	Projects a) Tram * b) EARL * c) SAK * d) Portfolio Projects* # e) Fastlink * # f) Ingliston Park & Ride Phase 1 * #	MC BC SB SB SC SC	
4.	Functional Reports a) Health & Safety * b) Risk * c) Organisation * d) Communications * e) Finance & Performance * f) Stakeholder Relations *	SB SB CMcL CMcL SMcG CMcL	
5.	AOB		
6.	End		11:30 hrs
7.	Date of next meeting – Monday 28 th May @ 09:30 hrs at tie office, Verity House, Edinburgh		

* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)

= these reports will be taken as read subject to any specific questions from Directors.



MINUTES OF tie BOARD MEETING
The Boardroom, Verity House, 19 Haymarket Yards, Edinburgh
at 9.30 am on Monday 26th March, 2007

In Attendance: Directors:
Brian Cox (Chairman)
Allan Jackson
Phil Wheeler
Kenneth Hogg
Neil Scales
Ricky Henderson
Peter Strachan
Maureen Childs

Other Attendees:
Ewan Kennedy, CEC
Bill Reeve, Transport Scotland
Neil Renilson, Lothian Buses/TEL (part)
Steven Bell, **tie**
Graeme Bissett, **tie**
John Boyle, **tie**
Matthew Crosse (part), **tie**
Julie Thompson, **tie**
Pat Diamond, **tie**
Colin McLauchlan, **tie**
Kevin Murray (part), **tie**
Susan Clark (part), **tie**

Apologies:
Willie Gallagher
Barry Cross
Stewart McGarrity

Circulation: As above

BC
AJ
PW
KH
NS
RH
PS
MC
EK
BR
NR
SB
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JB
MCr
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SMcG



Item

**Action
by**

1. MINUTES OF MEETING of 26th February 2007

The minutes of the meeting were approved. Apologies were received from Willie Gallagher, Barry Cross and Stewart McGarrity. Brian Cox chaired the meeting in the Chairman's absence.

2. EXECUTIVE CHAIRMAN'S BOARD REPORT

The report was noted and approved.

It was noted that in the run up to the Scottish Parliamentary elections in May, we were now entering a period of purdah.

The SAK project has given rise to cost risks and programme and these would be discussed later in the meeting.

3. PROJECT REPORTS

a) **TRAM**

The report was noted and approved.

MCr provided the Board with a copy of the 2007 Project – Strategic Map showing where he envisaged the project proceeding in the future.

A new engineering director has been appointed.

A tie team event was held on 15th February with the aim of bringing the various parties involved in the project together.

The lease for the occupation of the 2nd floor at Citypoint has now been signed and the fit-out will commence in due course.

A "blue skies" event was held on 21st March to test previous assumptions regarding the desired location of risk between the various stakeholder parties.



The trial site for commencement of MUDFA works is scheduled to begin at the beginning of April with the main work commencing in June.

Ministerial approval for an additional £60m funding to financial close was announced on 16th March. The issue of the grant letter for the funding of Phase 1a should be issued by Transport Scotland (TS) imminently.

Alstom and CAFS were announced as the two preferred bidders for the tramco contract and the press release was issued to the Board for their information.

The Scottish Executive has agreed to amend the Scottish Traffic Regulation Orders to dispense with the need to hold a public hearing for our core traffic regulation orders. A public hearing will still be required for the non-core orders.

A reassurance was sought by the Board on the status of progress with Parsons Brinkerhoff. The new replacement at the head of the team had already produced results and meetings were held at regular intervals to review progress. The Head of PB in the UK was visiting Edinburgh tomorrow for such a meeting.

A question was raised on the risk associated with the project delivery dates. An exercise is currently being undertaken to agree the strong lines between the tasks and where it needs to happen. The new project programme will be issued in due course.

MC

The Board asked for clarification on the composition and competency of the sub committees for Infraco and Tramco. These are small sub committees which have been set up to act as a sounding board to the Evaluation Panel. The committees consist of Willie Gallagher, Neil Renilson, Stewart McGarrity, Matthew Crosse/Geoff Gilbert and the appropriate specialist as and when required.

b) Fastlink (WEBS)

The report was noted and approved.

tie will prepare a final report to CEC to close out the project.

SC



c) Ingliston Park & Ride Phase 1 and Phase 2

The report was noted and approved.

The adjudication proceedings are continuing and the Adjudicator has asked for an extension of 2 weeks to allow him to consider the volume of information put before him.

A paper on the flooding and canopy issues will be presented to the next board. The reason for the flooding has been that a fine mesh filter was fitted but has been unable to cope with the capacity of rainwater. This has been factored into the specifications for Phase 2.

The temporary extension to Phase 1 should commence in the next couple of weeks.

The Steering Group is now making progress on the tender award for the design of Phase 2. An advertisement is being placed in The New Civil Engineer with a view to awarding the contract in June.

d) Portfolio Projects

The report covering FETA, Cross Forth Ferry & Stirling Waste Management was noted and approved.

e) EARL

The report was noted and approved.

The annual forecast was £13.45m but we have since received a contribution from BAA for the development of the project amounting to £1.2m which reduces the annual forecast figure by that amount.

The final account for the SE Pier is expected from BAA by the end of the month.

The Final Stage Debate was held on 14th March and the Bill was approved by 86 votes for, 29 against and 3 abstentions. Royal Assent should follow by end April/early May. TS expressed their congratulations to the EARL team for their efforts in securing a successful outcome on the Bill.



The current critical items identified on the schedule have resulted in a delay in issuing the PIN notice which is on the critical path.

A key opportunity on the project is the potential re-use of the spoil material from the project. Procurement is currently underway to identify potential "Spoil Acceptable Partners".

The Board was taken through the EARL Project Delivery model.

After Royal Assent is given, **tie** becomes the Authorised Undertakers and their roles and responsibilities need clarification. **GB**

By the next Board, the model should have been agreed by the major stakeholders and a paper will be presented to the Board. **GB**

TS reiterated that the clarity of the roles and responsibilities of Network Rail need to be finalised and the impact on **tie's** reputation given the delays on SAK needs to be managed carefully.

f) SAK

The report was noted and approved.

We have suffered a major setback this month which is impacting on the reputation of **tie**, Jacobs and First Nuttall. This is concerning the signalling design. The contractor tabled his revised design programme which indicated that although the installation works would commence as planned in May, the commissioning could not be achieved until September as a result of additional checking required.

Detailed programme review and evaluation is expected to be complete this week, together with an evaluation of likely impact on AFC. TS stated that there had been significant improvements on the project since the change in **tie's** project management team. **SB**

Realistic analysis of likely commissioning and service opening dates and once concluded external communication of this needs to be agreed with TS. **SB/JB**

TS stated that there had been significant improvement on the project since the change in **tie's** project team, but the project was suffering from issues which should have been resolved in 2006.



A question was raised on the resources of the project and SB said he has arranged for changes to be made to the Jacobs team and would report back at next Board on the **tie** team.

SB

4. **FUNCTIONAL REPORTS**

a) Health and Safety

The report was noted and approved.

The HSQE Plan 2007/08 was given approval by the Board.

There had been a security alert at Citypoint. A full-scale evacuation had taken place and lessons had been learned from the incident and will be implemented to enhance our security procedures.

CDM 2007 legislative changes have been assessed and an action plan is underway. Detailed papers are expected at the April Project Boards and the April **tie** Board.

SB

TS encouraged **tie** to pursue ISO accreditation. SB will update the Board on the situation later in the year.

SB

b) Risk

The report was noted and approved. PS suggested a review of all treatment status for each item in the next Board update.

SB

c) Human Resources

The report was noted and approved.

d) Communications

The report was noted and approved.

The external consultants' roles are being reviewed as contracts are due to expire.



e) Finance & Performance

The report was noted and approved.

5. **AOB**

There was no other business.

6. The date of next scheduled meeting is Monday 23rd April at 9.30 am.

Signed and approved on behalf of the Board of **tie** limited by:

Willie Gallagher (Chairman).....

Date.....

Declaration:

*Agenda Items marked * indicate that a report or relevant paper on this subject was attached and will be made available under FOI(S)A but will be subject to review under Section 5b of **tie's** publication scheme and The FOI (Scotland) Act 2002. The contents of these minutes will be reviewed by **tie** prior to release and items marked with a **(C)** may be deemed exempt according to the provisions of The FOI (Scotland) Act 2002.*

Paper to : **tie Board**
Subject : **Tram Project Update – April 2007**
Date : **13th April 2007**

1.0 Executive Summary

1.1 Previous Period Update

1.1.1 Engineering

- SDS design is proceeding closely to the recently agreed revised programme. Preliminary design has now been accepted and detailed design is approx. 50% complete on average. Several critical design issues have been resolved in the period to enable progress to be maintained. However, continued focus on critical items resolution is required to avoid subsequent delay. To this end, further critical items resolution meetings are planned to the end of April.
- As a result of resolutions passed at recent TPB meetings, some work packages have been passed to Network Rail for their implementation (e.g. infrastructure system immunisation and equipment relocation), and handover meetings have been held to facilitate this. Contractual arrangements however, are not yet in place and conclusion of these are actively being sought.
- The design review process has been refined to capitalise upon the self-assurance processes which are inherently part of the SDS contract.
- The Project Safety Certification Committee is active and oversees system and operational safety issues, directly linking into statutory processes.

1.1.2 Traffic Management

- Significant progress has been made in discussions with the Scottish Executive. The aim is to change Scottish Traffic Order Regulations in relation to mandatory public hearings on TRO core measures for schemes which have already received Parliamentary Approval. If not changed, this could create a legal risk for the tram project. Confirmation was received during the period that the Scottish Executive are prepared to go out for consultation on an amendment to the Regulation.

1.1.3 Commercial and Procurement

- Infraco
Further information updates were provided to the bidders to support the return of Consolidated Proposals due back in Period 2. This information drop included more detailed design information on structures to assist in refining and reducing allowances for structures in the bids.
- Tramco
The number of bidders was reduced from 4 to 2, with Alstom and CAF being chosen. Evaluation and negotiations with the two bidders are continuing.

- **Advance Works**
Tenders were received for the treatment of invasive species. These are currently being evaluated but early indications are that the proposed methodology for treatment of invasive species may reduce the anticipated costs.

AMIS have provided proposals for the advance clearance of vegetation and removal of earth bunds work at the Gogar Depot. These proposals are currently being evaluated and a decision on the award of the contracts will be made in early Period 1.

- **OCIP**
A decision was taken during the period to delay the commencement of the OCIP into 07/08. The reason for this delay is the Insurers requirements for detailed project information which conflicts with the commercial sensitivity around the current stage of the Infraco Tender negotiations. The required information can be provided to the Insurers once the Infraco procurement has reached preferred bidder stage which will allow the OCIP to start prior to the main MUDFA works in the summer. The trial works under MUDFA are being covered under AMIS's global insurance cover.

1.1.4 Delivery

- **MUDFA**
The strategic MUDFA programme was updated to take account of the re-phasing for Phase 1b and the Statutory Utilities approvals.

Mobilisation for the works on the trial site on 02 April continued and a number of controls procedures were established and implemented to manage works orders and design progress.

- **Ingliston Park & Ride (temporary)**
Costs were obtained for these works from AMIS. These are currently being evaluated and subject to a Value for Money test before award of the works during Period 1.
- **Land & Property**
Following the ministerial announcement for funding, the 2nd GVD notices for the first tranche of land acquisitions were issued.

1.1.5 Finance & Business Case

- The ministerial announcement giving approval for the next stage of the project was received on 16th March. Following the announcement, the grant letter for funding was issued by TS to CEC to allow the continued development and procurement of Phase 1a of the Edinburgh Tram Network, Advance Works, land acquisition and utilities diversions needed for that phase.

1.2 Key Issues for forthcoming period

1.2.2 Engineering

- Focus will be on the close-out of the remaining critical design issues.
- The self-assured design review process will continue to be refined and outputs will be monitored. Recent organisational rearrangement and imminent staff co-location will facilitate better liaison between CEC, TEL, Transdev and SDS. Close liaison is being maintained with all stakeholders to derive optimal designs that are acceptable, constructable and operable, and that will fit the desired streetscape design ethos.
- The Stray Current Working Party will commence operations shortly – its purpose being to interact with all of the affected utilities to plan effectively for corrosion-preventive measures for buried services or structures

1.2.3 Traffic Management

- A comprehensive strategy for the management of TRO's is being prepared and will be presented to the TPB in Period 1.
- Based on satisfactory progress of the re-calibration of the traffic model, a comprehensive first run populated with the key design features will be undertaken during Period 1, subject to sign off of the PD 2 stage Tram design as acceptable.

1.2.4 Commercial and Procurement

- Infraco
Discussions and negotiations will continue during Period 1 to support the return of Consolidated Proposals in Period 2.
- Tramco
No major milestone are planned for the period.
- Advance Works
A detailed procurement plan will be developed for the remaining Advance Works, advance piling works and other activities to relieve Infraco programme pressures.

1.2.5 Delivery

- MUDFA
The MUDFA trial dig is set to commence on 2nd April.
The re-phased Strategic programme to take account of the delay to Phase 1b will be agreed during the period.
- Advance Works
Contract award and mobilisation of activities to commence Advance Works at the Gogar Depot, Ingliston Park & Ride temporary extension, badger sett construction and invasive species eradication.
- Land & Property
Following the issue of the 2nd GVD notices, title to the first tranche of land acquisition will be taken on 24 April.

1.2.6 Finance & Business Case

- Comments on the DFBC were received from TS on the 03rd of April. These will be reviewed during the period to provide a response and action plan.

1.3 Cost

1.3.2 Financial status

COWD in current month 06/07				
	Month £k (Incremental)	Current Actual £k (Cumulative)	Previous Forecast £k (Cumulative)	Variance £k (Current minus previous)
Phase 1a	£2,825	£30,431	£31,417	(£986)
Phase 1b	£ 520	£ 1,047	£ 1,047	-
Phase 1a+1b	£3,345	£31,478	£32,464	(£986)
AFC – Current Financial year position to Mar 07				
	Approved Budget £k	Current Forecast £k	Previous Forecast £k	Variance £k (Current minus previous)
Phase 1a	£42,994	£30,431	£31,417	(£986)
Phase 1b	£ 1,047	£ 1,047	£ 1,047	-
Phase 1a+1b	£44,041	£31,478	£32,464	(£986)
AFC – Anticipated Final Cost				
	Funding £k	Current Forecast £k	Previous Forecast £k	Variance £k (Current minus previous)
Phase 1a	£545,000	£501,755	£500,500	£1,255
Phase 1b	£0	£ 92,000	£ 92,000	-
Phase 1a+1b	£545,000	£593,755	£592,500	£1,255

*Approved Budget to end Mar 07, reflecting new Approved Funding Paper (Nov06)

Notes on Variances

- The current financial year end VOWD forecast has reduced to £31.5m. The variance against the budgeted figure is primarily due to the deferral of land purchase pending Ministerial endorsement of the grant funding for 07/08, the delay in taking out the OCIP for construction works and the deferral of the advanced payment for BT utility works.
- The current AFC for the scheme is £501.755m for Phase 1a and £593.755m for Phase 1a + 1b. This represents an increase of £1.255m, relating primarily to approved changes for CEC resource costs to support the development of the project and increased JRC modelling costs.
- Anticipated changes totalling £1.2m have been identified but are not included in the current AFC. Given the tight probity requirements in respect of the current major procurements, any changes to the AFC are reported against the AFC as detailed in the Draft Final Business Case (DFBC). The AFC will be updated and advised to the Board Procurement Sub Committee with the emerging evaluation and negotiation programme.
- Note:- Delivery of the AFC for Phase 1a within the Current Forecast is contingent on achieving negotiation and value engineering savings.

1.4 Health, Safety, Environment and Quality

1.4.2 Safety

- There have been **zero** accidents in the period. One safety alert was issued in relation to two **minor**, office-based accidents, which occurred in the previous period.
- Safety tours are continuing, these are currently primarily office-based. 7 unsafe conditions have been identified and are being addressed.
- A meeting with the HSE Inspector was held to discuss the MUDFA programme and further, regular meetings are being scheduled.

1.4.3 Quality

- No quality system audits were planned for this period. A draft audit schedule has been prepared and is being reviewed. This will be implemented from the next period.
- No non-conformance reports (NCRs) were raised in the period and there are no outstanding NCRs.
- The project management plans and procedures continue to be developed. An external audit is planned on the 5th March and all plans and procedures are to be in place prior to this.

1.4.4 Environment

- There were no environmental incidents in the period.
- There are no other environmental issues to report.

1.5 Stakeholder and Communication

- The Stakeholder and Communications strategies, as documented in the DFBC, are continuing to be delivered.
- During the previous period, residents and business packs were issued in relation to the MUDFA trial site and support will be provided during the trial dig in line with the conditions of the pre-election Purdah period.
- A tram helpline number was established and is now operational.

1.6 Approvals required

1.6.2 Items for information – papers submitted to TPB

- Value Engineering paper (To follow for special TPB)
- Risk Map for principal contracts

1.6.3 Decisions required from TPB

- Approval of the proposals for the process for settling the historic SDS commercial issues
- Resolution of project reporting timetable
- Approval of Depot Advance Works contract award
- Approval of Invasive Species contract award
- Decision on Ingliston P&R Phase2 affordability and Infracore interface

1.6.4 Decisions/ support required from TS

- Clarification of funding / process to achieve for funding for whole of 07/08
- Letter of comfort to Infracore bidders
- Confirmation of funding draw-down to permit confirmation of payment arrangements to bidders
- Resolution of the TS/CEC funding and risk sharing agreements

1.6.5 Decisions/ support required from CEC

- Resolution of the TS/CEC funding and risk sharing agreements

1.6.6 Decisions / support required from others

n/a

Submitted by:-

Matthew Crosse
Project Director

Date:- 13/04/07

tie Limited

Paper to : tie Board
Subject : EARL Project Update
Date : 23rd April 2007

1. Executive Summary

Cost Status as at end of March 2007 (Financial Year – 2006/07)

		Budget	Forecast	Actual
Actual Cost in Month:	-	1,133,453	1,956,214	(391,579)
Actual Cost to Date:	34% under budget.	16,728,975	11,111,752	11,111,752
Annual Cost Forecast:		16,728,975	11,111,752	11,111,752

Final figure for year is £1.127m less than February forecast resulting in a negative figure for month of March. This is due mainly to a combination of over-optimistic forecasting on Technical Support and Design Services area and the Ground Investigation Phase 3 works anticipated.

The project team have already identified areas of reporting that require improvement and meetings, with internal and external parties involved in cost reporting, are to be scheduled before April ends to stress the need for a more robust reporting structure going forward.

2. Parliamentary Process

The EARL Bill was submitted to the Palace in early April and Royal Assent is expected to be awarded in the week commencing 16 April.

3. Communications

Media

EARL featured in the following media throughout March and up to the 13 April:

The Herald, The Scotsman, Evening News, BBC News online, Glasgow Daily Record, STV, BBC Radio Scotland, Reporting Scotland, Real Radio, Forth One, Local Transport Times, Queensferry Gazette and Fife Today.

The majority of this coverage was generated by the positive result of the Final Stage Debate, which took place on 14 March. This included Barry Cross' interview with STV. Other coverage in the Scotsman included a negative letter stating that EARL was not backed by the Scottish Executive plus a positive response from Barry Cross.

April coverage to date has been focused on the political party's manifesto and their views on EARL.

Artist's impressions of the EARL station were produced in March to illustrate the internal and external views of the station. These visuals were distributed, with the news release on the result of the Final Stage Debate.

With the pre-election period taking place from 3 April to 3 May, the communications team will spend this time producing a new EARL media strategy for the next stage of the project.

Stakeholder and Consultation

In March, Barry Cross met with Eric Guthrie, Director of TACTRAN and Kevin Murray met with Margaret Smith MSP.

Issue three of the EARL newsletter was distributed on 23 March to approximately 1,900 EARL stakeholders by email.

Consultation meetings have taken place with New Ingliston Ltd, CALA Management Ltd, Walker Group, West Craig's Ltd and PPG in which discussions commenced regarding the design of the EARL route in liaison with the development areas.

The results for the suitability of replacement land for SASA, specifically regarding the content of Potato Cyst Nematodes (PCNs) are now known, and following a meeting with SASA it is confirmed that both plots 743 and 744 are suitable for SASA use in this regard. SASA are now studying the other characteristics of the land to determine their preferred option for the replacement land, this will be formally proposed to tie before the end of April.

EARL Communication Strategy

An EARL Communication Planning Session took place on 27 March at which tie, Transport Scotland and Media House attended. The EARL branding and communication strategy was discussed and actions allocated. Throughout the next month a new Communication Strategy will be developed and will include media, community, stakeholder and political strategies.

4. Programme

The current schedule forecast completion date is February 2012, against a baseline forecast completion date of December 2011.

Upon completion/finalisation of the procurement strategy, the schedule will be updated to reflect the agreed way forward.

A 'roadmap' has been produced and distributed within the team to illustrate how we get to having an agreed baseline which aligns scope, schedule and cost. This is anticipated to be complete by the end of May, and is dependant upon having the project roles & responsibilities and the procurement strategy agreed by the end of April.

The current critical items were identified on the schedule for completion during March: the finalisation of the procurement strategy, the commencement of the update to the business case, the final debate in parliament and the issue of a PIN notice;

only the final debate was achieved. This has had a negative effect on the project end date by two months.

The GI Phase 3 works are ongoing and the good weather benefits progress of this phase of the project.

5. Procurement

Following the tri-partite procurement workshop in March, discussions are continuing with the key stakeholders to derive an agreed way forward.

The Procurement Working Group has incorporated the results of the stakeholder workshop and is in the process of analysing the final 8 delivery models. Over the next few weeks the models will be evaluated on a financial basis and it is planned to finalise the Stage 2 report for issue on 25 April in time for a recommendation to the May IDM (09 May).

Following the approval of the procurement strategy the Business Case preparation will commence, it is expected that this work will be completed by June 2007.

6. Project Risk and Opportunities

Overview

The management of the project risks focussed upon the Requirements Definition, Reference Design Phases, as well as the procurement strategy. Twelve of the 'Black' risks either reduced in risk profile or were closed as they were no longer applicable.

Reduction of the potential impacts of the 'Black' risks continues to be a focus for the team. Reaching an agreement with Network Rail for the signalling plan, finalisation of the track alignment and obtaining stakeholder buy-in of the station design during April will further reduce the number of 'Black' risks on the project.

Opportunities

Action plans have been developed with the project team and are in progress. One new opportunity (remodel Inghliston junction) has been identified in the period.

Developments

Eleven risks have been closed primarily as a result of the Final Stage debate. New risks were identified in respect of the procurement strategy, ground conditions and the Carlowrie area road re-alignment.

Key Risks

Top five risks for the period are:

- Impact or delay in commencement of ERIC works (links directly to procurement strategy)
- Changes to Network Rail operational standards will constrain timetable
- Lack of clarity and definition of functional specification (rolling stock & electrification)
- Roddinglaw box / tunnel implications - specific requirements of tunnel need to be incorporated into the design

- Environment – breach requirements of key consenting bodies

7. TSDS

Design Development

Approval awaited from TS on Functional Specification (was issued on 08 March)

Two meetings have been held with Lothian & Borders Fire Rescue Service. Confirmation has been received that current station options will not trigger the Fire Regulations (Sub-Surface Stations) and the assumed design heat release rate of 12MW is valid. NR has been present at both meetings and is now supportive of the Fire Strategy proposals.

Proof of Concept workshop held with NR on 4 April. All requirements driven by NR were reviewed and the validation criteria agreed. A similar workshop is taking place with BAA on 20 April.

The Ground Water study and Geotechnical Interpretative Report has been published and issued to NR and BAA for review and approval. Comments have been received from NR on the Mineworking report – all report conclusions agreed with. The principle risk from mineworkings lies at connection with East Coast North at Airport North Junction (Dalmeny). NR is providing historical information to assist project design out the need for remediation of workings in this area.

First Form A submissions made to Network Rail w/c 09 April. Submissions will now continue on a weekly basis. Eight week look-ahead process has been agreed and is in operation.

The Design Safety Review report has been completed and issued along with Project Hazard Log.

Draft command and control strategy has been produced and presented to BAA and NR at second operations workstream. Useful feedback has been received and the document is being updated.

Design review workstream with NR, BAA, TS and FSR commenced 07 March with a review of the station concept design. A good understanding received of each stakeholder's hierarchy of key requirements. Most are aligned with the key issues being:

- FSR and BAA view the “gateway to Scotland” requirement for the station as meaning customer experience and design from the inside out. TS view this requirement as being a signature building.
- FSR and BAA wish for passengers to be able to take luggage trolleys onto the platform. NR not supportive of this for safety and operational cost reasons. It also conflicts with TS requirement for automatic ticket barriers.

Stakeholders liked parts of both concept designs and a 3rd option was prepared for presentation at the next workshop on 04 April. This was endorsed by all stakeholders for detailed development. The only major requirement outstanding is whether baggage trolleys should be allowed at platform level or not. TS and NR are against this proposal and BAA and FSR are presently reviewing their initial position in light of information provided by the design team.

Station design remains on the critical path for completion of the reference design phase due to the large number of stakeholders who have an interest in this aspect and the consequent difficulty in finalising decisions.

Timetable modelling has been undertaken on the 5 options to resolve the tunnel signal sighting issue. Packs are being prepared to issue to the NR Project Review Group established for signalling approvals. The PRG will advise which solutions are worth pursuing in more detail.

Meetings have taken place with NR on the applicability of the Railways Interoperability Regulations 2006 (RIR). NR has provided tie with substantiation that the project does not need to comply with these regulations and could achieve all required approvals through the ROGS Regulations 2006. The key benefits of this approach would be:

1. No need to seek a derogation from the EU on the Safety in Railway Tunnels TSI (project is non compliant on distances between cross passages and escape shafts due to the restrictions imposed by the operational airport above the route)
2. No requirement for a Notified Body and the costs associated with these. Duties would be undertaken by a Competent Independent Person who can be supplied by NR.

Key disadvantages are:

1. Non compliance with RIR could prohibit access to TENS funding.
2. Project has to demonstrate design is ALARP whereas compliance with the RIR automatically gives this.

Extension of Time claim from TSDS still under review. Increased project management costs will be incurred but design costs are being fixed. Only areas of dispute remaining are for an inflationary increase on elements of the fixed fee and for perceived additional work undertaken during the requirements definition phase.

Track alignment design completed and fixed. Uncertainty still exists at Gogar, Ingliston and Airport Central Junctions as NR has changed from a previous position and these have been confirmed as requiring "first of type" design. NR has offered the project the opportunity to undertake the "first of type" geometry design. A change notice has been raised with TSDS to understand the cost and resource implications of this.

Design assurance database fully operational and populated with project requirements, design assumptions and design issues / risks. This is maintained "live" and BAA and NR have been given access to track progress against their issues and requirements. A presentation was given to BAA on 08 March regarding the project design assurance process. This was reasonably well received and some useful feedback received. Our process is being refined to reflect the feedback. Workshop with NR on 04 April obtained their support to the process.

8. Rolling Stock and Timetable

Work on the signal sighting issue with Scott Wilson and Network Rail continues with a review using the modelling tool VISION now underway.

Rolling stock strategy development is the responsibility of Transport Scotland. At the last progress meeting on 09 March, TS reported on the possibility of procuring a new

generation of the Class 170 Turbostar from Bombardier. He is reviewing the projected performance of these vehicles with Bombardier and Scott Wilson to assess the impact on journey times, performance and the EARL business case. TS are supportive of this approach.

Prepared by: EARL Team

Recommended by: Barry Cross, EARL Project Director

Date: Friday 16th March, 2007

tie Limited

Paper to : **tie Board**
Subject : **Stirling Alloa Kincardine Railway Project**
Date : **23rd April 2007**

Safety

On the 11th April 2007, a tamper re-railed at very low speed without injury or damage to the vehicle but damage was caused to the track. Investigations are currently underway.

Progress

Notable progress in the month is as follows:

- The Alloa Eastern Link Road – Completed in February and ready to open when defects and remedial works completed. Agreement has been reached with First Nuttall that they will replace the non-compliant fill material in the filter drains which is the outstanding defect. This is expected to take four weeks.
- Alloa Station –Base for station building complete and car park under construction. New roundabout 50% complete. New retaining was complete.
- Permanent Way –Follow up tamp underway and will be completed by end of April.
- 90% of signalling troughing has been laid and cables being run out.
- Signalling bases are 75% complete with posts due for delivery in April and May.
- HMRI submissions made via Network Rail.

Ongoing activities in the next reporting period include:

- Detailed signalling design.
- Signal troughing, bases, posts, location cases and cabling.
- Alloa Station construction including the new roundabout and access road.
- Level crossing construction.

Disruptive access has now been agreed with Network Rail for the signalling installation in 77 and 54 hour possessions in weeks 6 and 7. First Nuttall will also utilise already arranged 29 hour possessions in weeks 8 and 9 although they have given up the 54 hour possessions previously planned for these weeks. The commissioning and testing will take place during a 29 hour possession in week 26 (September weekend) and rules of the route possessions during the following week. Platforms 6 and 9 at Stirling will also be out of use for that week with platforms 2 and 3 being used instead.

We have checked the logic, sequence and resourcing of the programme and confirmed that the programme is achievable.

Notwithstanding the above comment, we have also felt it prudent and realistic to book a further contingency possession in week 30 at this stage.

On the 12th April 2007, a meeting took place at Cambus between HMRI, Transport Scotland, the Council and the Project Team. The objective of the meeting was to review the Level Crossing Orders and ROTS submission proposals. On the 13th April 2007, we received advice from John Tilly of HMRI that he did not consider that the proposed types of level crossing for Cambus and Blackgrange were appropriate and that Cambus should be changed to an MCB3 and Blackgrange to an AHB.

At this stage we are establishing the potential implications of these changes and a Special Meeting of the Operating Group is being arranged for week commencing 16th April 2007. Early indications are however, that the Council do not wish to challenge the recommendation from HMRI.

Programme

Notwithstanding the signalling issues above, the project team have been working very closely together to a programme that delivers most of the remaining infrastructure by the end of May 2007. It is understood that this is achievable but requires the very close management of a series of issues and a combined client/contractor/3rd Party action list is being monitored and managed formally twice a week (Tuesday & Thursday). A demobilisation programme is now being progressed with the contractor.

There are no client actions that are being tracked that are currently holding up progress of the works.

A draft commissioning plan for the works to be carried out between weeks 6 and 7 has been produced and this will be refined and resourced over the coming weeks. A testing plan for the final commissioning has still to be received.

On the Operations Work-stream, the key stakeholders are meeting on a regular basis and a detailed programme and service commissioning plan has been produced to plan the activities required to bring the services into operation. This programme has been further reviewed and will be formally agreed with the key stakeholders (initially Transport Scotland and Network Rail and then ScotRail and EWS) when the final commissioning date and therefore, the opening date has been agreed.

The contractor's revised programme submission has still to be formally accepted by Jacobs.

Cost

The final outturn cost (inclusive of land, compensation and enhancements) is estimated at £75.8m

This figure assumes a final cost of £57.1m for First Nuttall.

These figures are under review, following the confirmation from the contractor of the commissioning programme. The costs are however extracted from the contractors cost loaded programme for the September commissioning and accordingly should account for the delayed commissioning. However, we have not allowed any additional possible TOC compensation costs for the additional possession.

The AFC assumes a value of Alloa Station of £2.0m although the current quotation from the contractor is £3.2m. **tie** has produced their own assessment which will be agreed with Jacobs w/c 16th April and then tabled to the contractor.

Other allowances within the AFC are a residual employer's risk fund of £1m and a residual contractor's risk fund of £1m. Allowance has been made within the AFC for ongoing support from **tie**, Jacobs and other advisers post commissioning and prior to the transfer of the infrastructure into the RAB.

A letter from Clackmannanshire Council was issued to Transport Scotland on the 15th March formally requesting additional funding up to the current AFC and further information to support the AFC and programme was provided on the 6th April 2007.

Risk

The Risk Register is under active management and a residual employer's risk fund is updated in the AFC. In addition, the Opportunities Register has been reviewed. At this stage of the project, the most significant areas of opportunity lie in the control of the actual costs to completion and specifically, the management costs of the project and costs after commissioning of the route.

Key Issues

- Agreement on the way forward with Cambus and Blackgrange level crossings.
- Signalling design and testing resources are critical to the achievement of the programme and this is being closely monitored through to completion.
- The interface with Network Rail, specifically on the issue of approvals, free-issue of materials and commissioning of the infrastructure is critical and these issues are being intrusively managed on a weekly basis.
- Network Rail and Transport Scotland have now agreed on the recruitment and training of additional signallers for the route
- A further meeting has taken place between the agents of Diageo and Knight Frank and report on the way forward for settlement of the compensation claim will be tabled at the Operating Group on the 26th April 2007.

Prepared by: Richard Hudson, Project Director

Recommended by: Steven Bell, Engineering & Procurement Director

Date: 16th April 2007

RISK SIGNIFICANCE

- BLACK – SHOWSTOPPER; difficult to quantify impacts
- RED – High Risk
- AMBER – Medium Risk
- GREEN – Low Risk

TREATMENT STATUS

- RED – Treatment Strategy behind programme
- AMBER – Treatment Strategy on programme
- GREEN – Treatment Strategy ahead of programme or complete

Stakeholder Risks

Ref	Risk Description	Effect	Risk Sig	Mitigation Strategy	Treatment Status end Feb	Treatment Status end Mar	Due Date	Owner
1	Property compensation costs exceed estimates	Budget exceeded and whole Project requires reauthorisation by TS via SE		Early consultation with main property owner Diageo and QSPL; if not successful then early request for and planning for Public Land Tribunal case; QSPL costs agreed at £2.75m which exceeds estimates.			May 2007	(A) Jackie McGuire (Clacks) Knight Frank
2	HMRI approval not achieved	Delay to commencement of TOC/FOC operations on line		Meeting held with HMRI on 12 March and no issues raised. Schedule of dates for inspections in June agreed. Separate discussions between MHRI and TS on level crossings planned for 12.4.07. All draft submissions to be with HMRI by 28.3.07			May 2007	(A) Hazel Martin (NR) (B) Tara Whitworth (JB)
3	Operational costs not included in Project CAPEX Budget; and NR demand further unbudgeted cost recovery.	Budget exceedance		Early consultation with NR, TOC and FOC via PIG; and continuous monitoring of APA obligations/terms. [Now agreed that, although these costs need to be managed – they do not form part of the Project Costs]			May 2007	(A) Carolyn Brennan (TS) (B) Alan Somerville (tie)

Ref	Risk Description	Effect	Risk Sig	Mitigation Strategy	Treatment Status end Feb	Treatment Status end Mar	Due Date	Owner
4	Funding of infrastructure enhancements by NR	Budget exceedance		Early consultation with NR; and continuous monitoring of APA obligations/terms.			May 2007	(A) Carolyn Brennan (TS)
5	NR approval not achieved	Delay to commencement of TOC/FOC operations on line		Early consultation NR to agree programme of acceptance; and continuous monitoring of APA obligations/terms. Intrusive management of approvals process in place to ensure quick turn around of approvals.			May 2007	(A) Kevin Macallum (NR) (B) David Ramsay (JB)
6	TOC/FOC refuses to operate on new railway due to possible delays at Larbert IBS and poor commercial position.	Political embarrassment and no TOC/FOC revenue		Early consultation with TOC/FOC by NR/TS to agree commercial matters. No reason now for ScotRail to withhold approval of Network Change.			May 2007	(A) Bill Reeve (TS) Ron Macaulay (NR)

Project Risks

Ref	Risk Description	Effect	Risk Sig	Mitigation Strategy	Treatment Status end Feb	Treatment Status end Mar	Due Date	Owner
1	Acceleration and Disruption due to mine remediation workings and access to Diageo.	Additional project costs and/or expenditure of Employers Risk Budget		Assessment completed and consensus achieved with contractor. Final sign up to figures still to be obtained.			Overdue	Richard Hudson (tie) David Ramsay (JB)

Ref	Risk Description	Effect	Risk Slg	Mitigation Strategy	Treatment Status end Feb	Treatment Status end Mar	Due Date	Owner
2	Lack of key resources for testing and commissioning during disruptive possessions in May & September 2007	Commissioning not achieved and completion date not achieved.		Programme being developed to utilise ROR access before and after commissioning to ensure resources are available. Strategy still to be formally agreed with NR			End Mar 2007	David Ramsay (JB)
3	Loss of key resources across the delivery team	Loss of project knowledge and reduced confidence in ability to respond with appropriate commercial and administrative support		All key positions now re-filled			Nov 2006	Richard Hudson (tie)
4	Signalling design fails to be completed due to resource or other internal constraints	Fail to meet the disruptive possessions resulting in delay to commissioning and to opening.		Monitor resources and review progress against programme. Do not issue any further changes.			September 2007	Richard Hudson (tie) David Ramsay (JB)
5	Cambus level crossing proposals not accepted by HMRI Subset of Stakeholder risk 2	Fail to receive HMRI approval to open the railway.		Pre-condition as far as practicable the outcome of HMRI visit by doing all that is required in advance. Seek early reviews/opinion. Prepare an alternative strategy in case the recommendations are not accepted			May 2007	Richard Hudson (tie) David Ramsay (JB)

tie Limited

Paper to : **tie Board**
Subject : **FETA, Cross Forth Ferry & Stirling Waste Management
Projects Summary Reports**
Date : **23rd April 2007**

FETA

We are currently providing assistance with the management of consultants for the Main Cable replacement/Augmentation Feasibility Study. Fairhurst were appointed by FETA in October. .

The first stage gate review was held on 22 December 2006 and has been accepted with minor comments from the Scottish Executive's consultant (Flint & Neill). The consultant has now moved on to stage 2 of the study which involves looking at the various options and coming up with a favoured solution to be worked up in detail in stages 3 and 4. The next milestone is reporting initial findings to the Scottish Executive at the end of May. The next stage gate review is due in September and the current programme shows completion of the study in April 08.

The key areas being supported by **tie** are traffic management, economic appraisal and risk management. **tie** are pressing FETA to ensure Fairhurst fully address the risk and economic appraisals required within their remit.

An updated agreement reflecting the latest Project Agreement Revisions has been sent to FETA for their signature.

Cross Forth Ferry

The service provided to Fife Council, acting on behalf of a joint steering group, is the procurement and management of a consultant (Hyder Consulting) to develop proposals for a passenger ferry service linking Kirkcaldy and Leith.

Following the first stage gate review there does not appear to be a viable business case for a ferry based on previous patronage figures and updated capital and revenue costs. The client has instructed the consultant to undertake more detailed patronage forecasting using the Transport Model for Scotland as part of a phase 1b. This is due to be delivered on 14 May. If there appears to be potential for a viable business case using more up to date patronage forecasts then the steering group may decide to proceed to Phase 2 of the works but this will have introduced a minimum 2 month delay to the programme.

Following discussions with Fife Council Legal Services an updated Project Agreement has been sent to Fife Council for their signature..

Stirling Waste Management

tie has provided Stirling Council with a Project Management for a range of Waste Management Infrastructure projects service since August 2005.

Few major new Waste Management Infrastructure projects will be developed by the Council during 2007 / 08 and the remaining current projects will all be completed by the end of May.

The Council has therefore notified **tie** that they intend to terminate the current agreement and appropriate measures are now being taken by **tie** to both ensure smooth hand-over of any residual work and to close out activities professionally and effectively with the Council.

It is anticipated that the level of service provided to Stirling Council will gradually diminish from an average monthly level of approximately four/five days per week to zero by the end of May 2007.

Prepared by Ken McLeod and David Burns, Project Managers

Recommended by Steven Bell, Engineering and Procurement Director

Date 16th April 2007

tie Limited

Paper to : **tie Board**

Subject : **WEBS-Fastlink**

Date : **12th April 2007**

Project Close out

1. tie are preparing a final report for CEC to close out the project. A full report will be provided to Transport planning detailing;
 - the final project cost (estimated saving of £90,000)
 - quality assessments
 - Analysis of project benefits measured following the first year of operation.
 - Reported increase in patronage of 35%
 - Improved Reliability
 - Time savings

Location	Mode of bus Priority	Max saving in Seconds
South Gyle	Bus lane Dual Carriageway Converted	58
Fastlink	Guided Busway	540
Stenhouse / Stevenson Drive	Road widening for new Bus lane	305
Balgreen / Stevenson Road	Realignment to allow Bus Lane	62
West Approach Road	Bus lane Dual Carriageway Converted	114

2. Consideration is being given to the options for the ongoing management and maintenance of the Busway.

Balfour Beatty – Guideway Contract

3. A favourable commercial settlement has been reached. The final invoice has been certified and payment is complete. Balfour Beatty's sub contractor will continue to carry out Landscape maintenance until November of this Year as contracted.

ERDC – On Street Bus Priority Measures Contract

4. The final retention invoice has been certified and payment is complete

MCI/Verizon Business

5. A further approach will be made to VZB to attempt to reach an equitable commercial settlement. If a settlement is repelled by VZB then **tie** may be forced to take some form of legal action. This process will not commence until there is comfort that this will not expose the Tram project to costs that can't be reclaimed if there is deterioration in co-operation between **tie** and VZB regarding equipment in St Andrew Square. Advice has been sought on this final issue. In order to give an accurate baseline of VZB's performance in co-operating with the Tram Project it is intended to hold off proceedings until Tram receives and assesses VZB's C4 estimate.

Prepared by: Lindsay Murphy

Recommended by: Susan Clark

Date: 12th April 2007

tie Limited

Paper to : **tie Board**
Subject : **Ingliston Park and Ride Phase 1**
Date : **16th March 2007**

1. The Adjudicator's decision was received at 6.30p.m.on the 5th of April 2007.
2. The table below shows how the outturn figure compared with the scenarios presented to the board in February and March 07.

		Reported to tie Board 23 rd March 06	
	Predicted Outturn	Scenario 1	Scenario 2
Border construction	2,591,453	2,766,414	2,215,264
tie and Advisors	356,914	362,164	362,164
Provisional Items and Utilities	190,454	190,454	190,454
Adjudication Fees	90,000	90,000	90,000
Budget	3,072,526	3,072,526	3,072,526
Variance	156,295.22(over)	336,508(over)	214,642 (below)

3. A full report will be prepared comparing the statements in the Adjudicator's decision with tie's case.
4. Dundas and Wilson do not consider that there are grounds for successfully challenging the decision. The courts are eager to enforce the adjudicator's decisions and the experience is that it will only be where the Adjudicator has breached the "rules of natural justice" that a court will consider it to be unenforceable. As an experienced Adjudicator he has been careful to answer the questions put to him and has afforded both parties the opportunity to present its case to him whether tie and tie's advisors consider this decision to be correct or not.
5. It is essential that tie understand the implications of this for future contracts to fully assess any latent risks. It should be noted that this was only the second construction tender to be let by tie (pre-congestion charging referendum). tie's management procedures have already significantly changed since that time and many of the risks to which tie and CEC were exposed will already have recognised management procedures allocated to their reduction.

- The main areas of focus would be further improvement in the areas of
 - Control of contract preparation
 - Tender analysis
 - Choice of form of contract
 - Control and monitoring of Contractors
 - Choice of Claims resolution procedures
 - Length of defects correction period
6. Border Construction will continue to repair all defects. The ceiling replacement is well advanced with doubled supports and revised fixing arrangements as proposed by the manufacturer's representative.
7. A proposal has been received for alterations to the Drainage system to improve flow into the filter trench. This proposal is being evaluated.

Prepared by: L Murphy
Recommended by: S Clark

Date: 16th March 2007

tie Limited

(FOISA Exempt Commercial in Confidence)

Paper to : tie Board
Subject : Health & Safety Management Report: April 2007
Date : 23rd April 2007

SAFETY HIGHLIGHTS

- The Internal Health & Safety audit was carried out within tie by Scott Moncrieff, the results of which have been supplied in draft for formal review and management response. The summary reported that: - *"In our opinion, the controls in place within tie Limited for health and safety management both in respect of project and tie operational arrangements are adequate and operating effectively"*.
Corrective actions are being addressed within the company during the following reporting periods.
- Fire Drill successfully undertaken at Verity House on 4th April. Both tie premises now successfully drilled in 2007.
- The tie Audit & Inspection and Safety Tour Procedures were created / amended and authorised for use during this period and will be applied within tie and across all projects as well as being used for the auditing of contractors.
- On Call / Incident management arrangements have been implemented within tie to support the start of MUDFA works on Tram. Training workshops for staff involved have been arranged.
- CDM 2007 legislative changes have been assessed and our action plan to take necessary actions as tie and with our supply chain and stakeholders is underway. Detailed papers will be formally considered at the May tie Board.

SAFETY ALERTS / BULLETINS

No safety alerts / bulletins issued in March.

Bulletin on importance of prompt accident / incident reporting will be issued by 23rd April to all staff and Contractors. This is also to be included in monthly staff newsletter.

SAFETY MEMORANDUM

None issued.

HSE / HMRI LIAISON / ACTION

No liaison / action this month other than at project specific level.

FIRES, ENVIRONMENTAL, INCIDENTS AND DANGEROUS OCCURENCES/INCIDENTS THIS MONTH.

- 2 minor accidents were reported by via TSDS on EARL. These have been investigated and recommendations actioned.
- 1 near miss was reported at the MUDFA site office with an electrical equipment fault. It has been investigated.
- Fire Drill held at Verity House on 4 April. Successful evacuation undertaken with no significant issues raised.
- A meeting was held between the tenants of City Point and Reith Lambert following the security alert. Evacuation Procedures are in the process of being amended.

REPORTING AND AUDITING

The period 13 report for **tie** ltd. has been prepared and is reported in Appendix 1 consolidated for the company.

Key issues to note are:

- 2 minor accidents reported on EARL Ground Investigation to ERM sub contractor employees. 1 infected cut finger and 1 No time lost with piece of earth hitting ERM operative on leg. This was found to be due to lack of communication between the ERM operator and the JCB operator with a combined lack of safety awareness on both parties. This matter has been investigated and relevant corrective and preventive actions taken
- AFR remains at YTD 0.00, with >200,000 hours worked.
- No pollution or environmental complaints raised.
- The **tie** Audit & Inspection and Safety Tour Procedures were created and authorised for use during this period and will be applied within **tie** and across all projects as well as being used for the auditing of contractors
- There was one Safety Tour carried out as programmed by the Exec Chairman and Engineering & Procurement Director on the MUDFA project for Tram and no significant issues were found.
- 1 internal audit of **tie** Ltd HSQE arrangements was completed by Scott Moncrieff. Overall, the report summary found that *"In our opinion, the controls in place within **tie** Limited for health and safety management both in respect of project and tie operational arrangements are adequate and operating effectively"*.
7 of the 15 areas reviewed identified some scope for improvement, all of which are included in the 2007/08 HSQE Plan

TRAINING

Training carried out since August 2006.

COURSE	tie Employees	Consultants	TOTAL
Introduction to Health and Safety	17	0	17
Senior Managers Health and Safety	4	2	6
Fire Safety	5	0	5
Fire Warden / Fire Marshall	13	0	13
Fire Evacuation Procedures	11	0	11
Emergency First Aid	11	0	11
First Aid at Work First Aider	2	0	2
Manual Handling	5	0	5
COSHH	5	0	5

Training completed since last Board report.

The following training has been planned.

COURSE	tie Employees	Month Planned	TOTAL
Fire Warden / Fire Marshall	3	April 07	3
Incident & Injury Free Seminar	3	30 April 07	3

QUALITY

- Document Control and Information Management approach is being upgraded utilising the tie Intranet and Share Point Software. A new tranche of HSQE information is available on the tie intranet site. (<http://wss.tieltd.local/HandS>)
- Integrated Business Management System Proposals have been drafted. This will dovetail with the proposals for utilising the new Business Improvement Director from May 2007.

ENVIRONMENT

- Integrated Business Management System Proposals have been drafted. This will dovetail with the proposals for utilising the new Business Improvement Director from May 2007. Environmental Sustainability Policy under review at HSQE Committee on 18th April 2007.

OCCUPATIONAL HEALTH

- Drugs and Alcohol Procedures final Draft to be presented at next HSQE Committee Meeting (18th April).

Prepared & recommended by: Steven Bell, Engineering and Procurement Director

Date: 16th April 2007

Appendix 1



Period 13

v2.01 SAFETY DATA		Period	Year to date
Interaction with Health & Safety Executive			
Visits by the Health & Safety Executive		0	0
Prosecutions pending		0	0
Convictions		0	0
Improvement Notices issued		0	0
Improvement Notices closed out		0	0
Improvement Notices open		0	0
Prohibition Notices issued		0	0
Prohibition Notices closed out		0	0
Prohibition Notices open		0	0
Statutory Reporting RIDDORs			
Fatal		0	0
Major Injuries		0	0
Lost Time Reportables		0	0
Notifiable Dangerous Occurrences		0	0
tie RIDDORs		0	0
TOTAL		0	0
Other non-RIDDOR events			
Accidents - Lost Time		1	1
Accidents - Other		1	6
Incidents		0	1
tie Non-RIDDOR Accidents		0	1
TOTAL		2	9
Hours Worked			
Total hours worked - SITE		1045	17,234
Total hours worked - NON-SITE		15828	182,239
tie hours worked		9485.5	94,439
TOTAL		26,359	293,912
Accident Performance YTD			
AFR to date		0.00	0.00
Reportable Injuries / Lost time accidents to date		0	0
Dangerous Occurrences to date		0	0
Site hours worked to date		1,045	17,234
Non-Site Hours Worked to Date		25,314	276,678
Accident Performance Rolling			
AFR Rolling			
Reportable Injuries / Lost time accidents Rolling			
Dangerous Occurrences Rolling			
Site hours worked Rolling			
Non-Site Hours Worked Rolling			
Near Misses			
Number of Near Misses		1	1
Body Count Injury			
Head		0	

Back /Torso	0	
Arm	0	
Eyes	0	
Face	0	
Hands	1	
Legs	1	
Feet	0	
TOTAL	2	
COMPLIANCE		
MONITORING DATA		
Contractor Internal and Sub-contractor Audits		
Monitoring planned	0	0
Monitoring conducted	0	0
Monitoring kpi for the month	0	0
% Achieved		
NONCONFORMANCE REPORTS		
Contractor and Sub-contractor		
NCRs raised	0	4
NCRs closed out	0	4
NCRs overdue	0	
NCRs open	0	
% Achieved		
AUDIT DATA		
Contractor Internal and Sub-contractor Audits		
Audits planned	1	4
Audits conducted	1	3
Audit findings / NCRs raised	0	0
Audit findings / NCRs closed out	0	0
Audit findings / NCRs overdue	0	
Audit findings / NCRs open	0	
% Achieved	100%	
ENVIRONMENTAL DATA		
Pollution Incidents		
Minor Pollution Incidents	0	0
Major Pollution Incidents	0	0
Major Environmental Incidents	0	0
Major Pollution/Environmental Incidents Closed Out	0	0
Complaints/Enquiries		
Complaints/Enquiries from statutory bodies relating to noise	0	0
Complaints/Enquiries from statutory bodies relating to vibration	0	0
Complaints/Enquiries from statutory bodies relating to litter	0	0
Complaints/Enquiries from statutory bodies relating to vegetation	0	0
Complaints/Enquiries from statutory bodies relating to other environmental issues	0	0
No. of Complaints/Enquiries from statutory bodies closed out	0	0

	Number of Complaints/Enquiries from residents received	0	0
Materials & Waste Management			
Controlled Waste to Landfill			
	Inert	0	0
	Non-hazardous	0	0
	Special	0	0
Recycled			
	Scrap metal	0	0
	Concrete	0	0
	Cardboard/paper	0	0
	Wood (including waste pallets, cable drums)	0	0
	Spoil	0	0
	Tyres	0	0
	Others (please provide detail)	0	0
Total Waste Produced		0	0

tie Limited

(FOISA Exempt Commercial in Confidence)

Paper to : **tie Board**
Subject : **Risk Management**
Date : **23rd April 2007**

Executive Summary

We have continued to make progress to mitigate risks at company wide and project levels and the current Executive Risk Register for March 2007 is included at Appendix I.

We have restructured the Risk Register to bring in line with the corporate planning structure, namely, Strategic Direction and Operational Objectives. Refinement of the Risk Register has been undertaken with review of risk effects and will continue next month with review of strategy for planned mitigations.

Further treatments have been developed following review by the QRR Panel and with the designated Risk Owners.

Commentary on Current Executive Risks

Two new risks are raised in relation to their potential to compromise our Operational Objectives, as follows.

- Lack of, or inconsistent, engagement from/by stakeholders to the management of risk (Delivery Excellence – Aggregating Project Issues Risk Ref.12). Concerns exist regarding lack of progress by stakeholders to implement their mitigation plans. Planned treatments include development of processes for engaging stakeholders, planned stakeholder risk workshops and in briefing stakeholders to our approach to risk management; and
- Failure to develop or gain new business (New Business Imperative Risk Ref.18). Concerns exist regarding our susceptibility and long-term viability without increased delivery role beyond the current workload should that reduce. Planned treatments include increasing business development resources, opportunity review and development of relationships with existing and potential Clients.

No risks within the Executive Risk Register have been removed or closed. However, we are generally not completing mitigation actions in line with original planned timescales. This is indicated in the treatment status of activities being shown as 'red' (behind programme). Whilst this does not necessarily mean that we have a worsening position it does mean that Risk Owners are not progressing planned mitigations on a number of fronts.

We propose to review the dates for completing outstanding planned mitigations and report on this next month. The following areas of management attention are being addressed.

Strategic Direction (Risk Ref.1)

- Increased effort will be given to address uncertainties in the review and prioritisation of developing of policies and procedures across schemes and support initiatives to transfer knowledge between projects.

Delivery Excellence – Board Reporting & Governance (Risk Ref.2)

- We will address Funder's concerns through communication of business and project controls. This will be supported by Executive team review, where necessary an update of Project Management Plans and effort to reach agreement of TS and tie's role in projects.

Delivery Excellence – Project QA & Governance (Risk Ref.3)

- In order to avoid compromised commercial negotiations, we will review the effectiveness of our budget managers, place increased effort to scope and pursue opportunities for cost and programme savings and review the alternative arrangements for delivery of services to projects.

Delivery Excellence – Financial Reporting, Funding, Risk & Performance Measurement (Risk Ref.4)

- In addressing our internal efficiency, we will further develop and implement our corporate processes, project controls and management systems. A prioritised workplan will be developed.

Delivery Excellence – Corporate Processes & Controls (Risk Ref.5)

- To improve the effectiveness of our systems we will improve cost and programme management including increased challenge to expenditure.

Delivery Excellence – Project Aggregating Issues (Risk Ref.9, 10 and 11)

- Increased attention will be given to ensure that we meet our delivery objectives. We aim to clarify our Client's objectives (including agreement of scheme objectives between TS and NR); enhance project controls; improve interface liaison to address common knowledge and construction issues between projects; and have increased engagement with NR on key issues and negotiations e.g. land and agreements.

People Imperative – Quality of Management & People (Risk Ref.16)

- Development of our management structure will be supported by increased effort in development of our QA system that regulates the extent of checking of our internal/external deliverables.

The Project Directors' reports presented in the Board papers detail the current areas requiring most significant management and influence and include the Primary Risk Registers for respective schemes.

Two tie corporate risks are specifically highlighted:

1. Reputation Risks (Risks Ref.2, 3, 9, 10, 11, 12, 17 and 18)

If tie's business reputation is damaged then our capacity to deliver our projects effectively will be compromised, the ability to retain and develop the necessary quality of people will reduce, the ability to action or broker resolution of key project issues will diminish and future development of the company will be jeopardised.

- Care will be needed in the management of Tram/Earl interfaces and agreements with 3rd parties and Contractors e.g. EAL, NR and MUDFA to ensure consistent or complimentary project approaches are adopted. Potential emerging disputes between schemes will require management by the Executive team.
- A planned number of milestone dates have been missed. Confidence within industry and market in our ability to meet planned delivery programmes continues to reflect directly on our reputation (and potential developing role) within coming months e.g. SAK handover, Tram Infraco/Tramco negotiation and issue of OJEU commencing the EARL Main Infrastructure procurement. A review of the programmes is underway on SAK, Tram and EARL with planned reporting in May.
- Clarity of the reasons behind SAK cost and programme creep will need to be managed actively and this is inter-related with schedule management risks. A review of the cost for delivery is underway.
- We continue to implement internal Quality & Risk Reviews. We have to reinforced the aims, objectives, membership, information requirements and agenda. The most recent have proven to be highly constructive. A summary of the 'aggregating' wide range of issues from reviews has been prepared for review by the Executive team.
- We are dependent on the performance of our service providers with regard to opportunity management. Increased effort will be required to prioritise value management/engineering activities.
- We are reviewing with the projects the areas where dashboard reporting will provide an indication of quality levels in design development on SAK, Tram and EARL.

The above areas with potential reputational risk continue to demand very active management from the Executive team.