

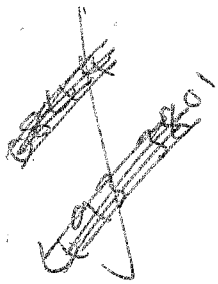


Tram Project Board

9 February 2011

Agenda

- Resolution – Richard
- Project Director's Report – Steven
- Preparing for Operations – Alastair
- Build the Brand – Mandy



Recommendations from Dec TPB

- TPB approved the recommendations to:
 - Commence mediation as soon as possible
 - Scope to cover completion of the route from airport to SAS
 - To be a fast track commercial process
 - Performance criteria to be bound into delivery of mediated outcome
 - **tie** to develop the mediation strategy with CEC Legal and Finance Directors

Potential Mediation Outcomes

1. Project Carlisle type solution
2. Mutually agreed termination of Infraco Contract
3. Grind on

Or

Failure
which...

Mediation Progress

- Mediator booked for early March
- Internal planning sessions underway, including detailed input from CEC
- Discussions held with legal representatives from all parties
- Documentation agreed with Mediator and timetable agreed for papers in advance of mediation

Update – Audit Scotland Report

- Audit Report was fair and balanced
 - Press coverage was selective
- No 'Red Flags' with regards to **tie's** performance
- Actions to take from the report Covered by Mediation:
 - Ensure Value For Money
 - Fully Understand all alternatives available
- Actions to consider now:
 - Alignment of committed funding and affordability
 - Organisational resilience
 - Effective external communications

Pitchfork - DRP (as at 8/02/11)

- 30 items in DRP - 20 referred by **tie**, 10 by BSC.
- 7 resolved by negotiation & 2 resolved through mediation - 11 decisions made by Adjudication
- Live DRPs submitted by Infraco : Preliminaries, Princes Street valuation and INTC 536 (MUDFA)
- Live DRPs submitted by **tie** : Lindsay Road, South Gyle, Bankhead Drive and Street lighting x 4
- The 4 x street lighting DRP's and INTC 536 are all new in the period.

Pitchfork - Change register update



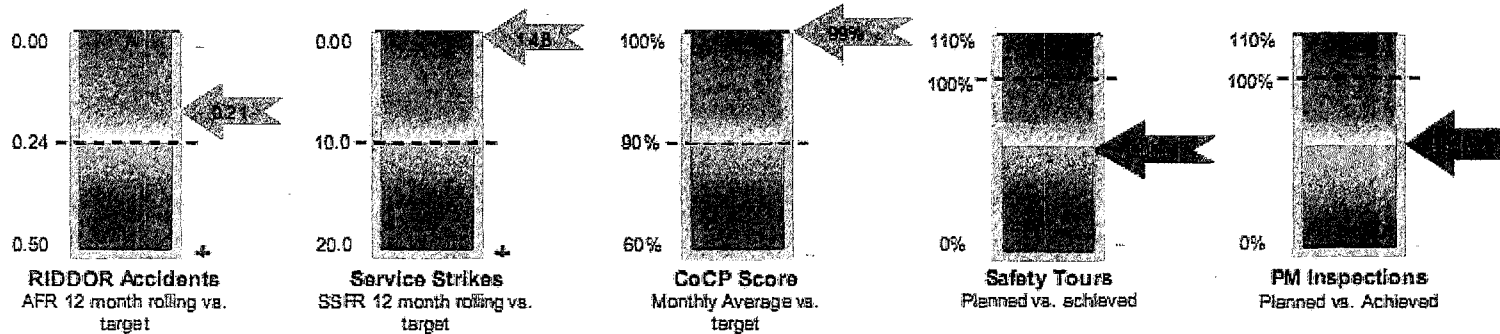
Total Notices by BSC	842
Deleted/withdrawn/superseded	<u>(162)</u>
<u>TOTAL</u>	<u>680</u>
Estimates Submitted	446
Estimates Outstanding (min)	233
tie Change Orders issued	210
<u>ESTIMATES SUBMITTED BUT NOT AGREED</u>	<u>236</u>
Outstanding BSC Actions	106
Outstanding tie Actions	113
Disputed as Change	57

Value of agreed changes **£23.927m** against original Estimate from BSC of **£45,306m** - 89% reduction.

Deliver a Tram Safely



HS&E ACCIDENTS and INCIDENTS SUMMARY											
Total	Total Hours	>3 day	Major	Injury	NM/Unsafe Condition	Service Damage	ENV	RTA	MOP	AFR	SFR
Period	67,711	0	0	0	4	1	1	0	1	0.00	1.48
13 period rolling	1,397,726	1	2	13	162	18	13	7	21	0.21	1.28



- There were no reportable accidents during the period. The rolling 13 Period AFR is at 0.21
- There were no Construction related MOP incidents recorded during Period 11, however, 2 reports were received relating to cyclists due to Princes Street tram tracks. An insurance claim was also received relating to a previously unreported incident when an MOP is alleged to have tripped at the tram tracks on Princes Street during Period 10.
- Previously reported issues relating to gritting and ice clearing on temporary and diverted footpaths have been resolved. BSC are now undertaking this work.
- BSC damaged a fibre optic cable (Virgin Media) with an excavator at Great Stuart Street. BSC investigation report is awaited.
- Further discussion relating to the transfer of semi-permanent Traffic/Ped Management maintenance arrangements to CEC is required after initial proposals were rejected.

Deliver a Safe Tram

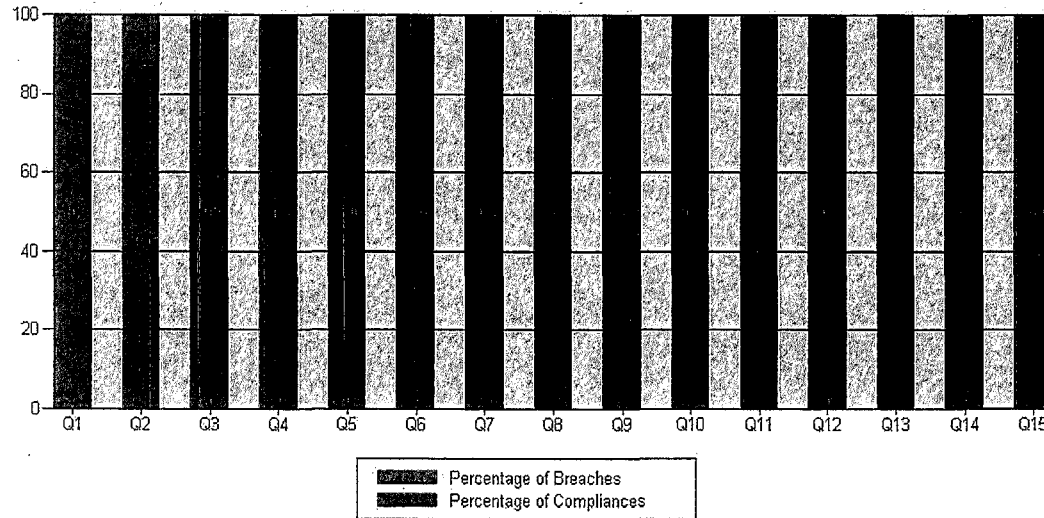


Section	Activity	Data Checked				
		IDC	ITP's	Design Variation / Change	As Builts	Asset Register
Depot Access Bridge	Concrete Pour/Reinforcement	0.5	1	0.5	1	0.5
<i>PD</i>	<i>Total (y)</i>	0.5	1	0.5	1	0.5
	<i>Max Possible Total (y)</i>	1	1	1	1	1
Total	Percentage P10		91%	86%	79%	
	Percentage P11		81%	85%	79%	

Key - Y = Evidence exists (1) N = No evidence exists (0) NA = Not applicable (-) P = Part evidence in place (0.5)

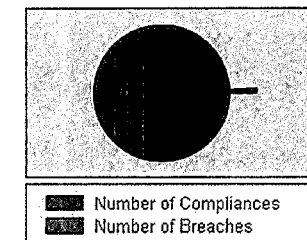
- Due to the level of work currently taking place, only one Metrics Inspection was carried out during Period 11. A concrete pour at the Depot Access Bridge was inspected.
- PSCC (Project Safety Certification Committee) Sub-Committee Hazop Report – BSC Design Phase Hazard mitigation now finalised and issued to the PSCC for consideration.
- **tie** and Siemens will assist ETL by carrying out an independent audit on their operating and maintenance systems.
- BSC advised at January PSCC that the fully integrated Design Assurance Statement for Section 6 would be the first fully complete DAS to be issued. Although no date for issue is currently set, BSC are aiming for a draft to be issued for informal review around mid-February.
- The next SVS audit on Track and Civils - will be held on the 15th February 2011.
- The Engineering Team and the HSQE team have now merged. A list of priorities has been developed including the 'ring fencing' of completed items where possible.

Code of Construction Practice– Period 11



Q1. Hours of Work
Q2. Notification
Q3. Notices
Q4. Fencing and Hoarding
Q5. Noise
Q6. Waste Management
Q7. Waste Water and Run-Off
Q8. Water
Q9. Emergency Access
Q10. Parking
Q11. Litter and general housekeeping
Q12. Dust
Q13. Smoking
Q14. Members of the Public
Q15. PPE and Behaviours

- Compliance during Period 11 was recorded at 99%. This represents a slight improvement in performance when compared to Period 10. One non-compliance related to inadequacies in the public information notices on display – this has since been addressed.
- BSC installed sound suppression measures to minimise noise nuisance from a compressor powering lights at Haymarket.
- The lack of maintenance of icy footpaths by BSC was also a COCP breach . This has now been addressed.



Progress – Period 11



What	% complete
Tram vehicles	78%
Utilities	97%
Infrastructure construction – Off Street	39%
Tram project ancillary works	100%
Tram project overall as a Financial Metric against authorised funding	~74%

- 0.1% progress achieved in the period

Finance – Cost of Work Done

Cost of Work Done - £k	Actual Period 11 2010/11	Year To Date Period 11 2010/11	Project to Date Period 11 2010/11
BB+S	1,060	20,219	132,328
Advanced Payments	(16)	635	(14,359)
CAF	331	5,262	47,458
SDS	118	1,486	32,730
Phase 1b payment to BSC	0	0	3,200
Utilities/ Other Infrastructure	813	16,278	95,208
Project Costs	1,170	10,610	74,156
Other Costs/ Inc Land	50	3,621	35,234
Sub-Total	3,526	58,112	405,954

- Run rate of £3.5m per period due to reduced Construction activity
- YTD Spend £58.1m.
- TS Forecast held at £70.1 (including sensitivities)
- Adjudication on BSC Prelims in process. Result will impact forecast
- Project to Date cost of £406m vs. total Budget of £545m

Finance – Project Costs Breakdown

Cost of Work Done - £k	Actual P11 2010/11	YTD P11 2010/11	Cash PTD P11 2010/11	COWD PTD P11 2010/11
Project management Staff Costs	431	4,334	29,997	30,105
TSS	72	552	10,500	10,686
Legal Costs (DLA & D&W)	31	224	6,297	6,347
Central Overheads	30	374	5,017	5,059
DRP Costs	495	2,816	4,102	4,484
IT & Software Costs / fitout	30	387	3,142	3,142
Citypoint - rent,rates,s/c	(3)	487	2,730	2,709
TEL	7	266	2,448	2,511
Comms/ Stakeholder	13	416	2,828	2,838
DPOF	10	257	2,629	2,679
CEC Staff Recharge	42	417	2,099	2,183
Archaeology	0	12	468	488
Recruitment Fees	10	25	449	449
Travel & Subsistence / Conference	3	44	346	346
Other	0	0	173	131
Total 'Project Costs'	1,170	10,610	73,226	74,156

- Project costs £1.2m in P11 (run-rate has increased to £900k-£1m per period)
- YTD Project management staff costs and DRP costs £7.2m of £10.6m spent
- PTD Project Costs are £74.1m (£60m/80% are resource related)
- Full re-assessment of Project costs required following mediation

Finance – Cost of Work Done vs. Budget



	FBC Budget - £k	TPB Approved to Funding Cap £k	Budget Changes Drawdown to Period 11 - £k	Current Approved Budget (CAB) - £k	Actual PTD Period 11 2010/11
BB+S	219,190		28,531	247,720	132,328
Advanced Payments	0		(0)	(0)	(14,359)
CAF	58,145		339	58,484	47,458
SDS	26,828		2,468	29,296	32,730
Phase 1b payment to BSC	0		3,200	3,200	3,200
Utilities/ Other Infrastructure	72,830		13,796	86,627	95,208
Project Costs	68,297		2,776	71,073	74,156
Other Costs/ Inc Land	36,391		539	36,930	35,234
Risk Adjustments	30,336		(18,666)	11,670	0
Additional Funding Approved		32,983	(32,983)	0	0
	512,017	32,983	0	545,000	405,954

- FBC Budget of £512m including risk increased to £545m with TPB approval
- Project Spend to date £406m Cost of Work Done

Change Requests and Risk Drawdown Period 11



Description	Base cost	Risk	Total
Position at Financial Close (PCB)	481,680,811	30,336,196	512,017,007
Increase in Approved Budget		32,982,993	545,000,000
Total Risk		63,319,189	
Changes to end Period 10	60,245,956	-60,245,956	
Position at end Period 10	541,926,767	3,073,233	545,000,000
Period 11 Changes	4,093,103	-4,093,103	
Period 11 Budget Written Back	-12,690,000	12,690,000	
Position at end Period 11 (CAB)	533,329,870	11,670,130	545,000,000

- -£4.1m of changes approved and processed in Period 11
- £12.7m of budgets put 'on hold'
- £11.7m of risk available to drawdown

Funding Position



	<u>P11 - TS</u> <u>report</u> <u>£k</u>	<u>P11 - TPB</u> <u>timing</u> <u>£k</u>	
<u>Funding Available - end Period 11</u>			
Funding Available			
Current agreed budget end P9 (inc. MUDFA drawdown)			
budget c/f from Period 10	3,073	11,670	
DPOF budget uncommitted at end P13	4,861		p11 subject to TMO confirmation
Revised alignment to Picardy PI, York PI and London Rd junctions (Psum)	2,856		p11 subject to TMO confirmation
Major utility diversions Picardy PI, York PI and London Rd junctions (Psum)	3,000		p11 subject to TMO confirmation
UTC associated with the wider area impacts	1,973		p11 subject to TMO confirmation
Sub-Total Budget Available	15,764	11,670	

<u>Changes (impacting funding) at P11 Change Panel</u>	<u>Comment</u>	<u>P11 - TS</u> <u>report</u>	<u>P11 - TPB</u> <u>timing</u>	
Telford Access Road	to 3P funded from Contingency	21		
South Gyle access bridge Sewer Diversion works	Savings vs Original Budget	50		
Clancy Docwra 1C 1D	utilities settlement	(4,165)		
5b/5c drainage	Infraco instruction		(1,590)	p11 subject to FCL approval
PM Staff Costs - to P12	pending TPB paper/hold		(3,022)	p11 subject to FCL approval
DRP costs	pending TPB paper/value		(1,881)	p11 subject to FCL approval
Sub-total Changes in period		(4,094)	(6,493)	
Sub-total Budget available at end of Period		11,670	5,177	

- £11.7m of risk available to drawdown at end P11
- -£6.5m of further changes in process plus -£3.1m for phase 1b
- Underlying £900k-£1m project costs run-rate will put budget under pressure

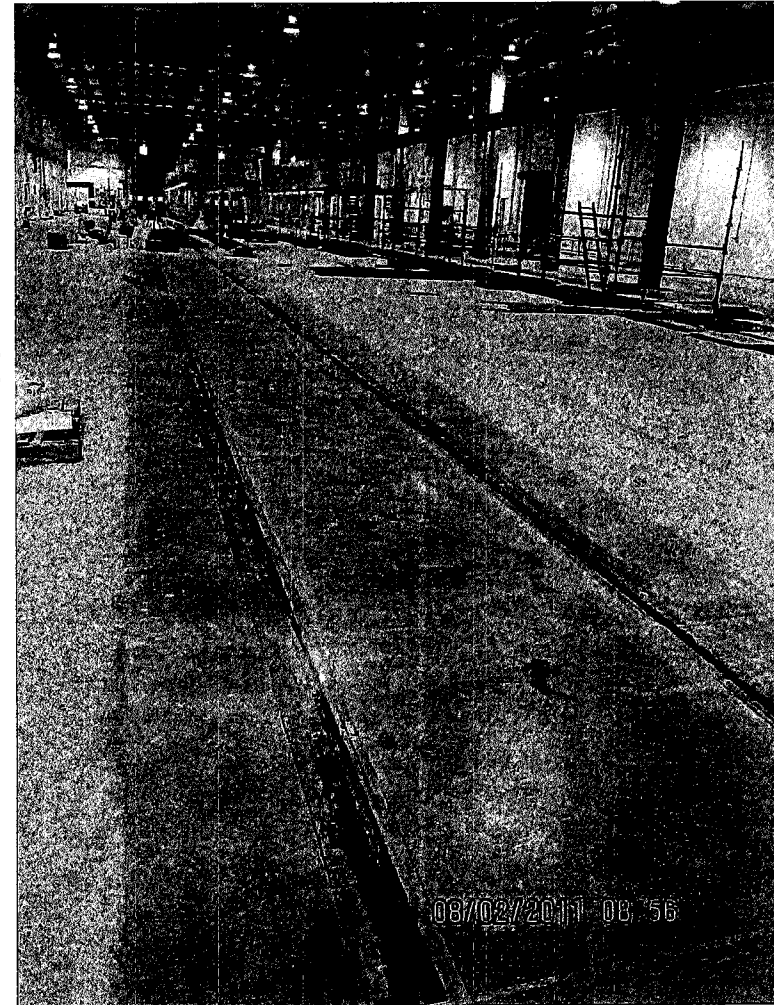
Trams Progress

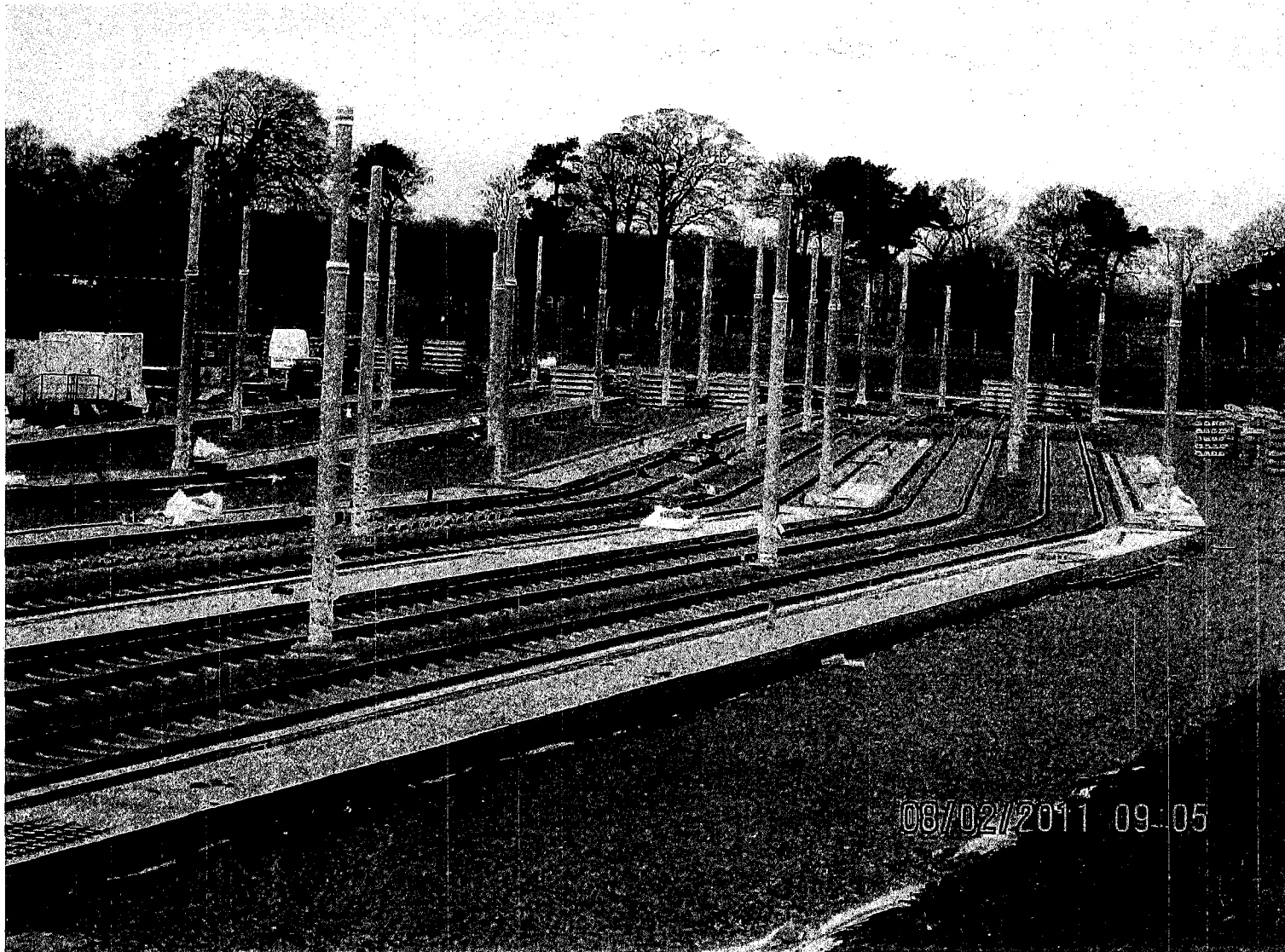
- All 27 trams now completed or in production;
- 23, 24 and 25 in finishing area;
- 22nd tram is just completing the factory acceptance test;
- 1st and 3rd to 22nd trams completed and stored ready for delivery, entitled to take title to all or selected number
- 88% of programmed tasks completed.

Operational Readiness Report

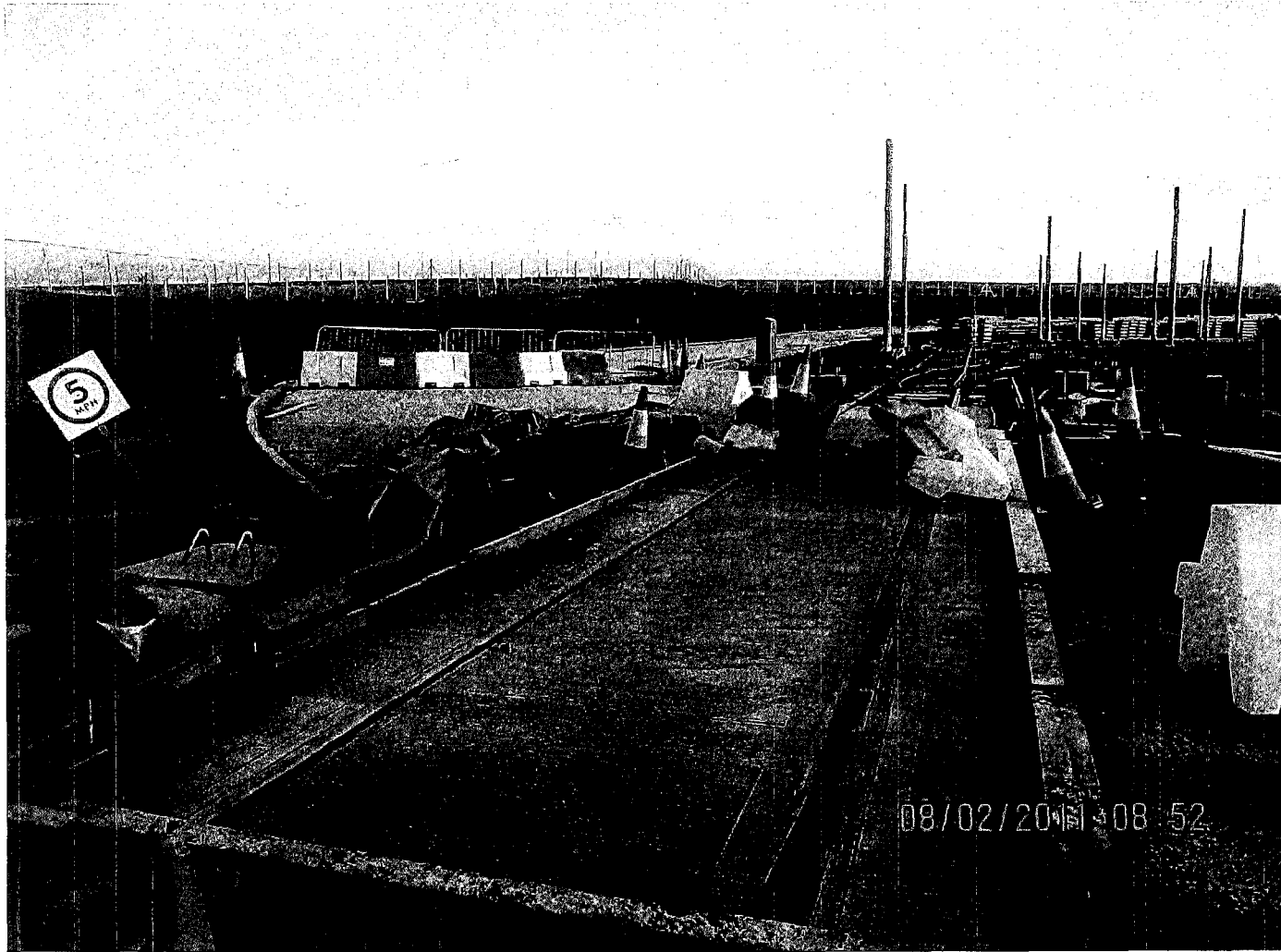


- Positive Lloyds Register Audit Report
- Construction works at the depot now 77% complete;
- Building offices fit-out complete, with snagging rectification being completed;
- Main Workshop and store rooms taking shape;
- External track works have recommenced now;
- HV sub-station equipment testing continuing;
- Workshop plant to start installation by end of February now that the floor has been brought to a level at the western end;
- Hard-standing ransom strip around the building pushing hard to unlock.





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Key operations dates

- Depot trackwork due to complete March 2011 - progressing
- Depot substation fitout due to complete end December 2010 – Completed just waiting to power-up HV
- First tram delivery into the depot building April 2011?
- Second tram delivery into depot April 2011?
- Limited HV power in workshop available April 2011
- Building and workshop completed March 2011
- Depot access bridge complete to allow track laying on mini-test track end of March 2011

Build the Team



Contract Type	Total Number
Permanent employee	61
Fixed term employee	4
TOTAL EMPLOYEES	65
Secondees	8
Sabbatical	1
Consultants on HR System	5

Communications and Customer Services

- Press update
- Social media stats
- Political activity
- OFB localised support
- Stakeholder and mobile exhibition
- Vine trust update

Gap Site Hoardings at Shrubhill, Leith



The poster features a central circle with the word **ART** in bold, surrounded by several smaller circles connected by lines. Each circle contains text about a local art venue or organization:

- with Festival**: Includes details about the festival.
- Leith Gallery**: Lists contact information for the gallery.
- Leith School of Art**: Provides details about the school.
- Scottish Contemporary Artists**: Mentions an exhibition.
- Out of the Blue**: Details about an art project or exhibition.
- Art ? ? ?**: A circle with three question marks, possibly representing an upcoming event or unknown information.
- Ritchie Collins Gallery**: Lists contact information.
- Libraries**: Mentions art-related library services.
- Leith Art Club**: Provides details about the club.
- Edinburgh Sculpture Workshops**: Details about the workshops.
- Small circles**: Several smaller circles with illegible text, likely representing other local art venues.

At the bottom of the poster is a dark banner with the text **I ♡ LEITH**, where the heart symbol is a stylized map of Leith.

Gap Site Hoardings at Shrubhill, Leith




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Gap Site Hoardings at Shrubhill, Leith



Go, fetch to me a pint o' wine,
And fill it in a silver tassie;
That I may drink before I go,
A service to my bonie lassie.
The boat rocks at the pier o' Leith;
Fu' loud the wind blows frae the Ferry;
The ship rides by the Berwick-law,
And I maun leave my bonie Mary.

The trumpets sound, the banners fly,
The glittering spears are ranked ready;
The shouts o' war are heard afar,
The battle closes deep and bloody;
It's not the roar o' sea or shore,
Wad mak me langer wish to tarry!
Nor shouts o' war that's heard afar -
It's leaving thee, my bonie Mary!

I  LEITH

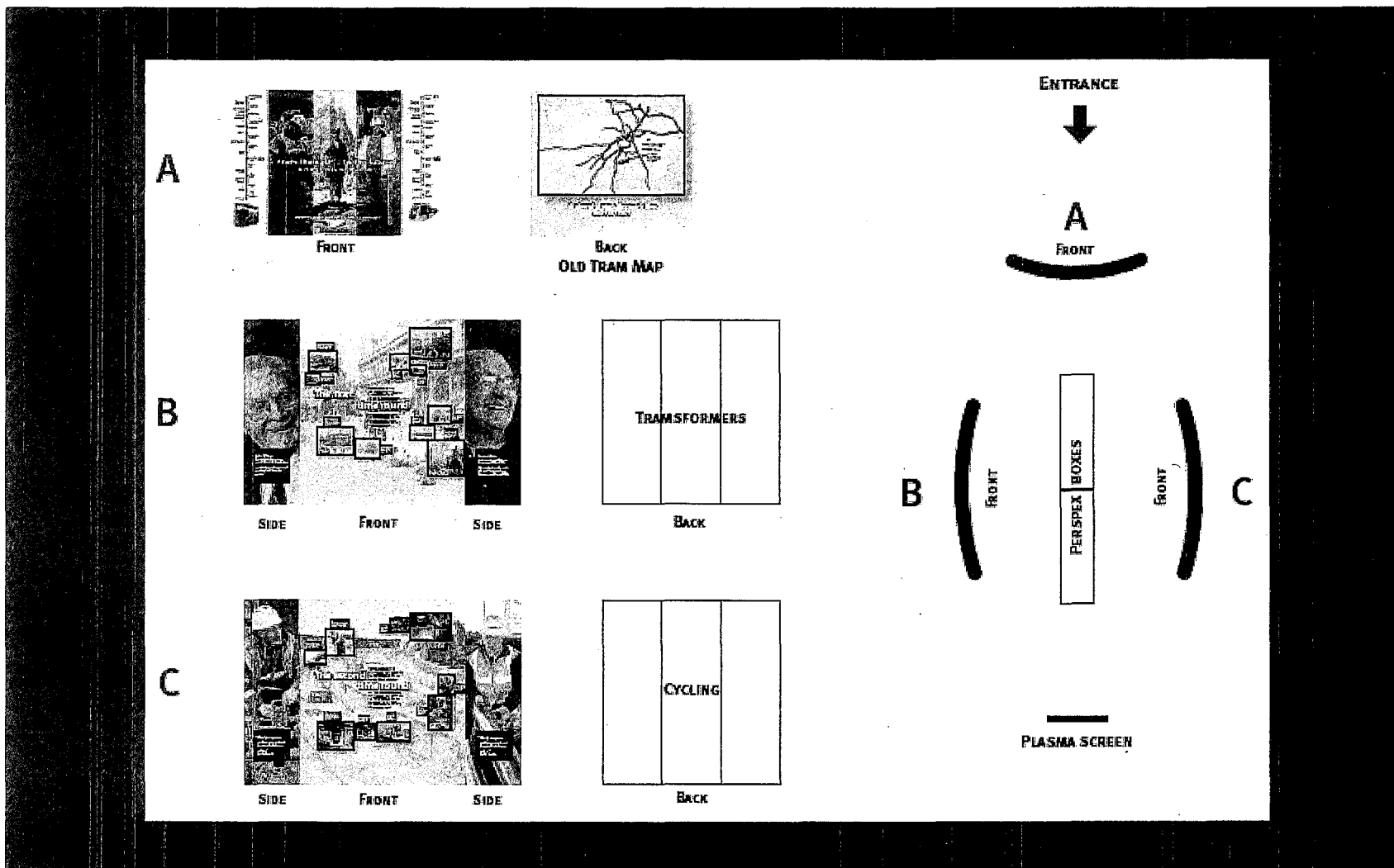
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Princes Street Banners Hogmanay Fireworks **Edinburgh Trams**

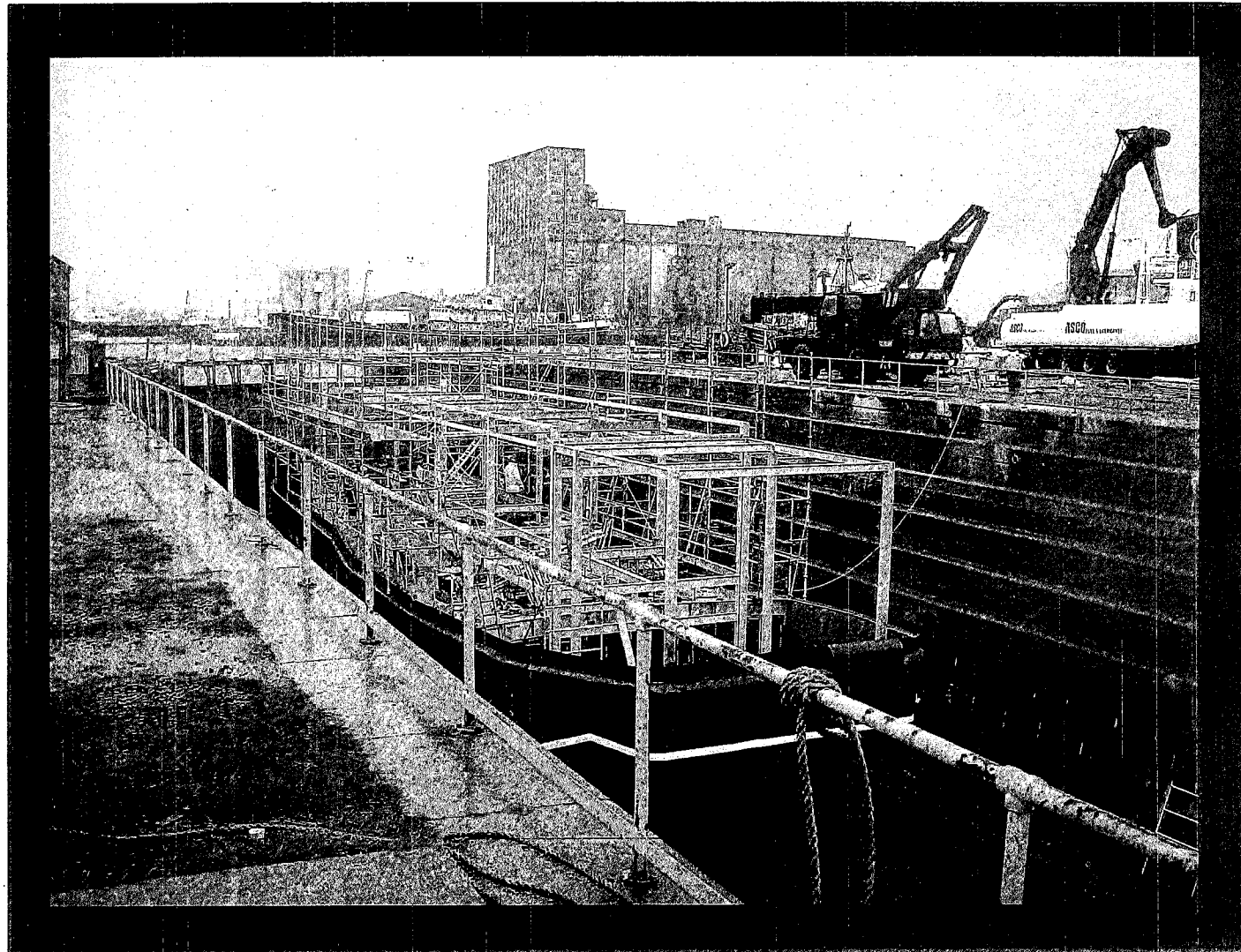


Photo: Alastair Linford

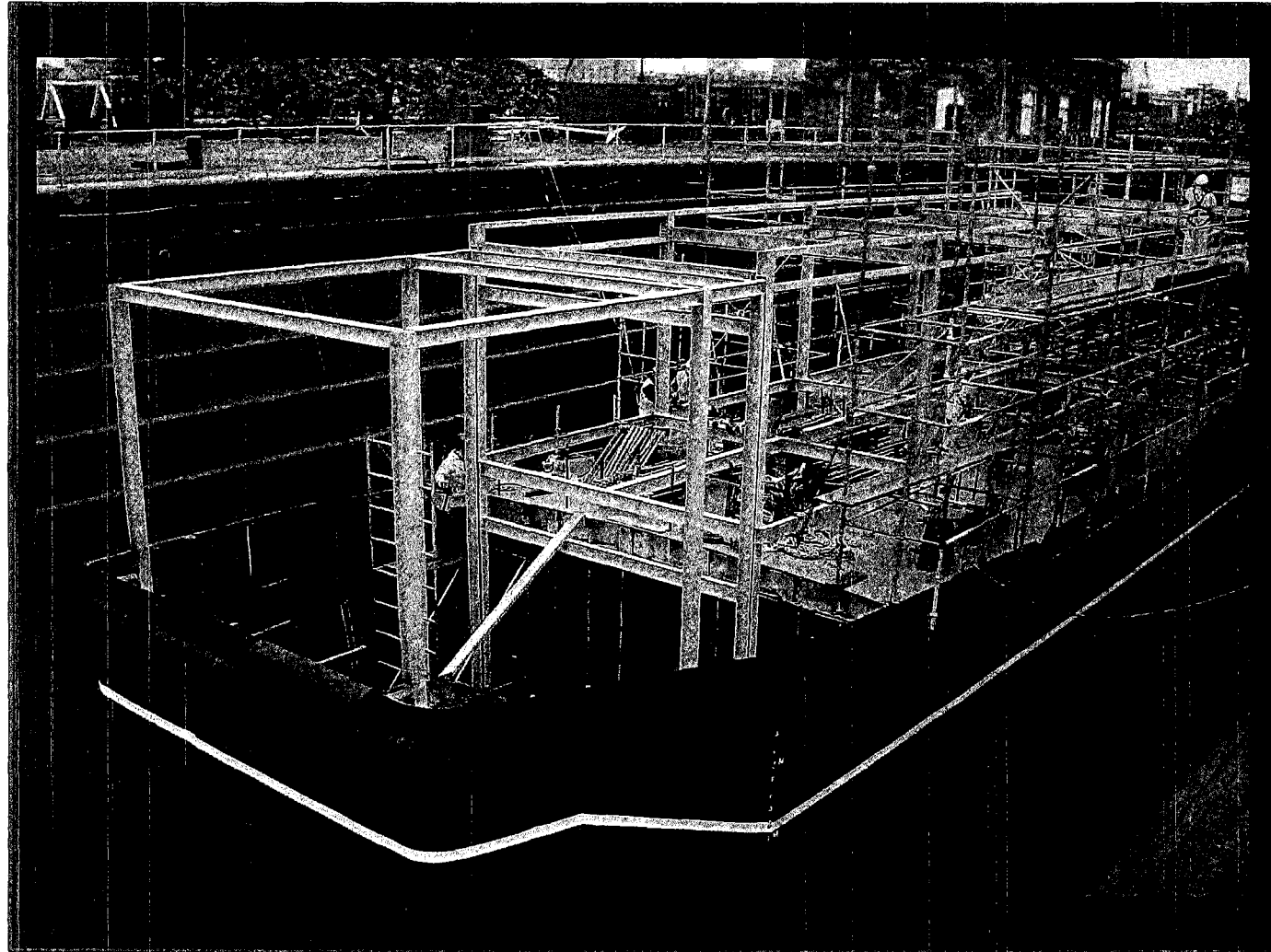
Exhibition Layout Panels



Vine Trust



Vine Trust



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End