

**CERTIFIED EXTRACT OF MINUTE OF MEETING OF THE
POLICY AND STRATEGY COMMITTEE OF THE CITY OF
EDINBURGH COUNCIL HELD ON 13 MAY 2008**

**Edinburgh Tram – Financial Close and Notification of Contract
Award**

The Committee, under Section 40(4)(4) of the Local Government (Scotland) Act 1973 excluded the public from the meeting for this item of business on the grounds that it involved disclosure of exempt information as defined in Paragraphs 8 and 9 of Part 1 of Schedule 7(A) of the Act.

The Convener ruled that this item, notice of which had been given at the start of the meeting, be considered as a matter of urgency to allow an immediate financial close of the contracts for the Edinburgh Tram Network.

The Council, on 1 May 2008, had made various decisions relating to the financial close of contracts for the Edinburgh Tram Network.

The Convener ruled, in terms of Standing Order 22, that a changed commercial position in procurement negotiations for the Edinburgh Tram Network constituted a material change in circumstances and accordingly that the matter be reconsidered at this meeting.

Approval was sought for the Chief Executive to instruct ~~the~~ Ltd to enter into contracts with the Infraco and Tramco bidders for the Edinburgh Tram Network subject to the satisfactory final conclusion of negotiations.

Decision


- 1) To approve the final estimated cost for phase 1a of the Edinburgh Tram Network of £512m, with a further contingent payment of £3.2m due if phase 1b was not built, all of which was within the funding envelope of £545m.
- 2) To authorise the Chief Executive to instruct ~~the~~ Ltd to enter into contracts with the Infraco and Tramco bidders in the context of recent changes detailed in the report by the Chief Executive.
- 3) To refresh the delegated powers already given to the Chief Executive to make any final, minor amendments in respect of the contracts.
- 4) That the Final Business Case v2, which was modified by the Council on 20 December 2007, be further modified to reflect the above position.
- 5) To note that, following contract close, a report would be submitted to the Tram Sub-Committee.

(References – Act of Council No 12 of 1 May 2008; report by the Chief Executive, submitted)

Declaration of Interests

Councillors Jackson and Wheeler declared a non-financial interest in the above item as non-Executive Directors of TEL.

Councillors Jackson, Gordon Mackenzie and Wheeler declared a non-financial interest in the above item as non-Executive Directors of the



True and complete copy
JOHN STURT
Council Secretary
13 May 2008