



4 Week Period Reporting Pack 11/12

Project Title:
Edinburgh Tram Project

Reporting Period:
Period 5 – 2011/12

Transport Scotland Project Manager:
John Ramsay

Progress Meeting Date: 24 August 2011

Report authorised by: **Steven Bell**
Project Director

Signature: [Redacted]

Date: [Redacted] 19/8/11

For and on behalf of **tie Limited**

Report approved by: **Dave Anderson**
Director of City Development

Signature:.....

Date:.....

For and on behalf of the **City of Edinburgh Council**

I can confirm that the Council has expenditure controls in place and that all resources are used economically, effectively and efficiently within the eligible capital costs of the grant agreement.



Commercially Confidential

Contents

Page

| | | |
|---|---------------------------|----|
| 1 | Executive Summary | 3 |
| 2 | Progress..... | 9 |
| 3 | Headline cost report..... | 19 |
| 4 | Time schedule report..... | 21 |

1 Executive Summary

Progress

tie's assessment of the cumulative progress achieved to the end of Period 5 for the Post Mediation Programme MOV4 Prioritised Works Rev.3A is 50.9% against a plan of 62.9%. Details of how this is broken down can be found in the progress section of the report.

There were no productive works executed On-street during the period following BSC'S decision to demobilise from active worksites at Lindsay Road and Tower Place bridge. Progress Off-street has continued in Section 2A at Haymarket Yards, and in a few discreet areas within Sections 5c and 6.

The total cumulative completion for Infraco Works for the entire route (Airport to Newhaven) is 30.1% at end of Period 05.

Post Mediation Programme (MOV4) Revision 03A

tie have made their own assessment of progress against the MoV4 Prioritised works programme by comparing the progress figures reported by BSC, with those reported by tie's own construction team. The output of this assessment can be seen in the table below:

| Comparative Reported and Assessed Percentage Complete Per.05 2011-12 | | | | |
|--|---|--|---|---|
| Section | Rev.03A Dated 28- Jun-11 Planned % | Rev.03A Dated 28- Jun-11 BSC Reported Actual % | Rev.03A Dated 28- Jun-11 tie Assessment of Progress | tie Estimated delta to Rev.3A Programme |
| 2A - Haymarket to Roseburn Jnc | 59.4% | 52.9% | 52.9% | -2W |
| 5A - Roseburn Jnc to Balgreen Rd | 25.0% | 2.6% | N/A | -3W |
| 5B- Balgreen Rd to Edinburgh Park Stn | 0.0% | 0.0% | N/A | N/A |
| 5C-Edinburgh Park Stn to Gogarburn | 65.2% | 56.4% | 51.3% | -3.5W |
| 6A -Gogar Depot | 59.7% | 53.1% | 52.3% | -2.5W |
| 7A - Gogarburn to Airport | 100.0% | 100.0% | 100.0% | N/A |
| Off-Street Section | 62.9% | 53.2% | 50.9% | -3W |

Design

IFC Design

BSC submitted SDS V70 programme to tie on 09th May 2011. Although tie are aware that later versions of the SDS Design Programme are available, v70 is the last formal issue to tie.

The design status summary at Period 5 is as follows:

- IFCs – Phase 1a: 204 issued out of 241 (85%)

- 60 Prior Approvals are included in v70 – 57 of which have been granted – those remaining include Canopy & Boundary Treatment at Edinburgh Airport and Roseburn Viaduct Value Engineering option
- 56 Technical Approvals out of 63 have been granted in V70
- Roads approvals - One area remains outstanding from the V31 Technical Approval in Phase 1a (1C2- Picardy Place to St Andrew Square);

Design and consents reviews are being progressed as a post mediation escalated workstream.

Tramworks (INFRACO)

(%) Infraco Construction Progress Period 05

| Period 05 2011-12 | Period | | Delta | Cumulative | | Delta | Project |
|--|-------------|-------------|-------------|---------------|--------------|---------------|---------------|
| | Plan | Actual | | Plan | Actual | | |
| INFRACO PERIOD 05 PROGRESS (Contract Rev.01 Programme) | | | | | | | |
| Section 1a Newhaven to Foot of the Walk | 0.0% | 0.0% | 0.0% | 100.0% | 8.6% | -91.4% | 16.2% |
| Section 1b Foot of the Walk to McDonald Road | 0.0% | 0.0% | 0.0% | 100.0% | 1.3% | -98.7% | 7.4% |
| Section 1c McDonald Road to Princes Street West | 0.0% | 0.0% | 0.0% | 100.0% | 0.0% | -100.0% | 10.8% |
| Section 1d Princes Street West to Haymarket | 0.0% | 0.0% | 0.0% | 100.0% | 42.1% | -57.9% | 7.6% |
| Combined Sections 1A-1B-1C-1D (On-Street) Newhaven Road to Haymarket | 0.0% | 0.0% | 0.0% | 100.0% | 11.2% | -88.8% | 42.0% |
| Section 2 Haymarket to Roseburn Junction | 0.0% | 3.6% | 3.6% | 100.0% | 40.7% | -59.3% | 4.2% |
| Section 5a Roseburn Junction to Balgreen Road | 0.0% | 0.0% | 0.0% | 100.0% | 10.0% | -90.0% | 13.9% |
| Section 5b Balgreen Road to Edinburgh Park Central | 0.0% | 0.0% | 0.0% | 100.0% | 43.4% | -56.6% | 13.2% |
| Section 5c Edinburgh Park Central to Gogarburn | 0.0% | 1.1% | 1.1% | 100.0% | 33.9% | -66.1% | 7.2% |
| Section 6 Gogar Depot | 0.0% | 3.2% | 3.2% | 100.0% | 88.9% | -11.1% | 11.9% |
| Section 7a Gogarburn to Edinburgh Airport | 0.0% | 0.0% | 0.0% | 100.0% | 47.3% | -52.7% | 7.6% |
| Combined Sections 2A-5A-5B-5C-6A-7A (Off Street) Haymarket to Edinburgh Airport | 0.0% | 1.0% | 1.0% | 100.0% | 43.8% | -56.2% | 58.0% |
| FULL ROUTE PHASE 1A NEWHAVEN ROAD TO EDINBURGH AIRPORT | 0.0% | 0.6% | 0.6% | 100.0% | 30.1% | -69.9% | 100.0% |

Progress Points to note in Period 05:

- Depot building near completion with Civil Contractor's work almost finalised.
- Depot Access Bridge completed to wearing course level. Now being used as main access to site.
- A8 underpass progressing well with Traffic change over completed on the 7th August.
- Water of Leith sewer lining works commence in period
- Scottish Power have agreed solution to issue surrounding 132kv cable at Roseburn Viaduct
- Assembly street abandonment work progressing to revised programme.
- Edinburgh Gateway issues seem to be resolved allowing full design to commence after some lengthy backward and forward movements between designers

Issues in the Period

- Clarity required surrounding issues within section 1A where BSC have been "instructed" not to carry out any further works.
- Utility Conflicts within on street section of the works being highlighted in order to afford some time for all parties to participate in agreeing best solution for the Project. BSC'S input along with the designer and utilities is critical to this process.
- Still outstanding issues regarding Network Rail's construction health and safety plan. This in turn has an effect on the required track monitoring plan which could delay start planned for September in various areas
- Draw down agreement still to be finalised with BAA. Agreement in principle was reached with CEC/EAL on 17th August 2011 for a commercial settlement between the parties. This

should enable the planned commencement access for the the piling at the airport Tram Stop/retaining wall.

Tramco

Period 05 Summary – Tramco

| No | Planned | Activities in current Period |
|----|---|--|
| 1 | Fabrication of the trams | All 27 trams have been completed. |
| 2 | Enhanced passenger information upgrade | Plan to fit additional latest equipment (if any enhancement is required) when trams arrive in Edinburgh. |
| 3 | Review of Test Protocols and test results | ETL's testing & commissioning plan is now being finalised and integrated into the BSC test and commissioning plan, the first version of which has been reviewed and discussed with BSC. |
| 4 | Depot Equipment | CAF are continuing progress, delivery of the sand filling plant is scheduled for September 2011, Siemens have now completed installation of their plant with the exception of the Tram wash plant fitment which is currently underway. |
| 5 | Finalisation of external branding | Application of final branding to be applied whilst trams are stored at the factory prior to shipping to Edinburgh. |
| 6 | Tram O&M Manuals | Update (if required) after experience of the trams in the field. |
| 7 | Key sub-contract placement | Collateral warranties – 3 signed warranties have been received, remaining continue to be progressed. |
| 8 | Factory Based Acceptance Testing complete | All 27 trams have successfully completed factory testing to date. 100% of trams now completed and tested. |
| 9 | Testing regime | Preparations are being finalised for the testing in Edinburgh which is planned to start with static testing at the Depot commencing in October and dynamic testing between the Depot and Gogarburn commencing in December. |
| 10 | Programme progress | 90% of scheduled activities completed. |

Preparing for Operations

The Operational Readiness team are continuing to work closely with the **tie** and BSC programme teams to coordinate progress at the Depot, good progress in this area has been made. Work has now been started again in the control room after the successful Factory Acceptance Tests were completed at Siemens Ashby plant during July.

Overhead line equipment has now started to be installed in the Depot Workshop and the trackwork on the tram delivery road is completed as well as both shed aprons with the completed workshop tracks now connected to the stabling tracks. Siemens are now using a tamper to set the line and level of all of the trackwork.

Good progress is also being made with the Test track with the laying of sleepers and placement of rails between the Gogar Church area at Gogarburn to the Gogar Castle access road with the concrete slab well progressed between the Gogar Castle road and the East side of the Depot Access bridge.

The operations mobilisation supervisor and two of the secondees from Lothian Buses attended and participated in the Factory Acceptance Testing of the control room SCADA equipment in late July as part of their familiarisation process prior to starting the formal training programme. We are about to carry out induction training commencing the last week of August prior to the team attending tramway training at Nottingham tram system for a 4 week course in September. They will then be ready for the delivery of the trams to the Depot (planned October 2011) and the availability of the test track for testing.

Support is being provided to the MOV5/Settlement discussions with a revised set of Employers Requirements to reflect the reduced scope and the novation back of CAF's Tram Supply and Tram Maintenance obligations.

Cost

During March 2011 the Infraco, CEC and tie Ltd held constructive mediation discussions. Transport Scotland were party to those discussions. During mediation, heads of terms in a possible way forward were agreed by the Principals representing each party. A number of workstreams then flowed from those 'heads of terms' which included a proposed Minute of Variation (4) to the Infraco Contract which governs Prioritised Works and the vesting of materials with CEC.

In the early hours of 11th May, CEC and the Infraco agreed the wording of a draft minute of variation (MOV4) to allow the Infraco to progress works on Prioritised and Auxiliary workstreams. CEC's commercial advisor (Colin Smith of Hg Consulting) negotiated the payment schedule on behalf of CEC. During mid-April the Infraco contractor began to remobilise on a number of sites in-line with the priority works payment schedule. Payments of £57.9m have been made via tie Ltd to the Infraco to the end of Period 5. These payments were made by tie Ltd to the Infraco as instructed by CEC, in accordance with Hg Consulting's Certification of works and materials. MOV4 was formally executed on 10th June 2011.

The 'AFC' (£545m) in this report does not reflect an approved and reliable Anticipated Final Cost for the Edinburgh Tram Project. Rather, the forecast presented reflects the best view of the spend profile of the funding currently available for the delivery of phase 1a. Given the continuing commercial uncertainties with the Infraco and continuing delays to the project it is considered unlikely that the full scope of Phase 1a will be completed within the available funding envelope of £545m. It is not however possible at the present time to accurately forecast a reliable outturn cost until the key commercial issues are resolved through the contractual and legal process. It should also be flagged that the profile of the forecast for 2011/12 is likely to differ significantly from the original cashflow forecast following the agreement in execution of an MOV4 prioritised works schedule.

On 25th August 2011 The City of Edinburgh Council will meet to confirm if funds for the St Andrew Square / York Place option will be purified. Until all key issues are resolved through the contractual and legal process, it will not be possible to accurately forecast a revised budget outturn.

Key cost related items to note in Period 5 are:

- COWD to date is £486.3m, with funding to date split to TS (£446.2m) and CEC (£40.1m).

Period 5 (four week) COWD was £8.1m. The £8.1m can be split into the following constituent parts:

- £6.6m payments to the Infraco in line with MOV4 payment schedule

- £1.5m relating to Resources and Other Cost items

YTD 2011/12 COWD is £74.9m for P5.

- The budget for ETP in 2011/12, established in Period 1 2011/12 was £133.5m (£142.2m 09/10). Transport Scotland funding for 2011/12 was £122.5m for ETP, with £11.0m funding available from CEC. This is subject to revision dependent upon the final mediated settlement between the Infracore, CEC and tie Ltd.

Risk & Opportunity

Drawdowns on risk and contingency to the end of Period 5 2011/12 now total £78.5m. The remaining risk balance based upon the original funding agreement and additional funding for items put 'on-hold' (£16.1m) is now £0.1m.

Stakeholders and Communications

Media / Press Activity

Following the June 30th Council meeting, which gained a considerable amount of media coverage, the number and frequency of press enquiries, has declined. A summary of the main press stories are below.

The Sunday Herald continued their ongoing coverage of the project based on information released via the Freedom of Information process. The information concerned the costs of works to date since mediation which also covered the acquisition of systems and power equipment from one of the project contractor Siemens, for the length of the whole tram route.

The Evening News has also maintained consistent coverage of the project throughout this reporting period. Their two main stories focussed on severance details for Richard Jeffrey and also on the fact that our bid to lease tram vehicles to Croydon was not accepted. Both stories were followed up by several Scottish newspapers including the Scotsman and Herald.

Partner and Stakeholder Communications

Notifications were delivered to stakeholders and key partners during the past month regarding on street work which was due to be carried out in their area. This included:

- Princes Street Tram Works x 1350
- Assembly Street Water Interruption Notices x 150

In addition to written notifications detailing the Princes Street work programme, one to one sessions were held with retailers on Princes Street to ascertain their logistical needs including deliveries and collections of goods and refuse. These surveys have been carried out so that a logistics strategy can be put in place for the duration of the remedial work on Princes Street.

Freedom of Information Requests

Freedoms of Information (FOI) requests have decreased over the last four weeks from a total of 19 requests at the end of Period 4 to 11 being carried over to next month. The majority of these requests have been submitted by journalists regarding various topics of interest.

| | New FOISAs | Customer Reviews | SIC reviews | Totals |
|------------------------------|------------|------------------|-------------|--------|
| Brought forward m/e 15 Jul | 16 | 0 | 3 | 19 |
| New cases 18 Jul - 12 Aug 11 | 6 | 3 | 0 | 9 |
| Carried over m/e 12 Aug | 5 | 3 | 3 | 11 |

2 Progress

BSC have, since April 2011, declined to provide period updates against the Revision 01 Contract programme but are providing information against the revised Post Mediation Prioritised Works (MOV4) programme Rev.3A.

This report below continues to provide progress figures based on **tie** determinations against the Revision 01 Programme.

There is also some further opinion on progress made against the *Post Mediation Programme (MOV 4) Prioritised Works Rev.03A dated 28-Jun-11* using the actual percentage completes reported by BSC.

Following finalisation of the settlement agreement, a revised full programme will be reported against.

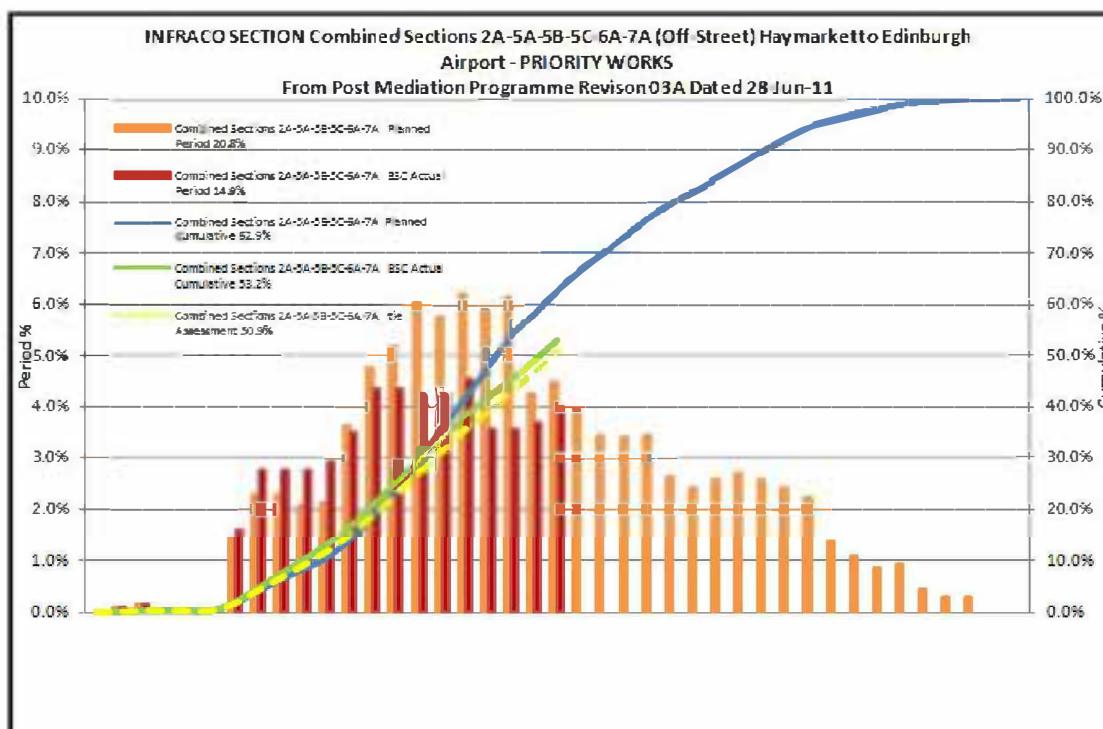
Post Mediation Programme (MOV4) Revision 03A

tie have made their own assessment of progress against the MoV4 Prioritised works programme by comparing the progress figures reported by BSC, with those reported by **tie**'s own construction team. The output of this assessment can be seen in the table below:

| Comparative Reported and Assessed Percentage Complete Per.05 2011-12 | | | | |
|--|---|--|---|---|
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| 2A - Haymarket to Roseburn Jnc | 59.4% | 52.9% | 52.9% | -2W |
| 5A - Roseburn Jnc to Balgreen Rd | 25.0% | 2.6% | N/A | -3W |
| 5B- Balgreen Rd to Edinburgh Park Stn | 0.0% | 0.0% | N/A | N/A |
| 5C-Edinburgh Park Stn to Gogarburn | 65.2% | 56.4% | 51.3% | -3.5W |
| 6A -Gogar Depot | 59.7% | 53.1% | 52.3% | -2.5W |
| 7A - Gogarburn to Airport | 100.0% | 100.0% | 100.0% | N/A |
| Off-Street Section | 62.9% | 53.2% | 50.9% | -3W |

Note that as the electronic Primavera files have not been supplied by BSC, **tie** can only make an assessment against the work content / activities that were programmed to be undertaken in the period since the *Post Mediation Programme (MOV4) Revision 03A* commenced on 3rd May 2011, with those reported to have been progressed. With the limited information available, **tie** are unable to make any determination on the effects of this progress on critical paths, nor confirm the impact on forecast Sectional completion dates.

The graph below indicates, how **tie** view the BSC reported progress in the Section between Haymarket and the Airport and **tie**'s own assessment of the progress made by BSC against the *Post Mediation Programme (MOV 4) Prioritised Works Rev.03A dated 28-Jun-11*.



This **tie** assessment suggests that BSC are currently approx. 3.0 weeks adrift of the *Post Mediation Programme (MOV 4) Prioritised Works Rev.03A dated 28-Jun-11*. BSC have stated they still expect to complete by the original programme dates.

There were no productive works executed On-street during the period following BSC'S decision to demobilise from active worksites at Lindsay Road and Tower Place bridge. Whilst it is noted that there are currently On-street auxiliary works taking place such as trial bore holes, **tie** do not have a baseline programme from which to assess progress. Works Off-street have continued in Section 2A at Haymarket Yards, and in a few discreet areas within Sections 5c and 6.

The total cumulative completion for Infraco Works (Rev.01 Contract Programme Scope) is 30.1% (between the Airport and Newhaven) at end of Period 05. A summary of progress on various project elements can be found below:

| | |
|---|--------------------|
| <p>Utilities</p> <p><i>The % complete is a physical measure of the progress against the forecast final volume of diversions across the route. It does not take cognisance of cabling, testing and transfers from the Telecom Providers (BT etc.)</i></p> <ul style="list-style-type: none"> ▪ ~ 50,000m of diversions; ~48,300m completed to date. ▪ Airport - Haymarket complete ▪ Haymarket – Newhaven complete save for: <ul style="list-style-type: none"> ▪ Some telecoms cabling and transfers (due for completion Aug11) ▪ Testing / commissioning / abandonments of transferred services (underway) ▪ Baltic Street Diversions (1500m) ▪ 250mm water main extension at the Depot is complete | <p>97%</p> |
| <p>Tram Project Ancillary Works</p> <p><i>Equal weighting is applied to the physical progress % complete for all six work packages, irrespective of value.</i></p> | <p>100%</p> |

| | |
|--|-------------|
| <ul style="list-style-type: none"> ▪ Ingliston Park & Ride Phase 2 complete 100% ▪ Burnside Road Bridge relocation at Edinburgh Airport complete 100% ▪ Murrayfield Training Pitches relocation complete 100% ▪ Murrayfield Wanderers Club House complete 100% ▪ Murrayfield Turnstiles relocation complete 100% ▪ South Gyle sewer tunnel: (Site Contract works 100% completed) 100% complete Additional works -TM switchover completed November 10 | |
| <p><u>Tram Vehicles</u> Fabrication and testing of all 27 trams is now complete.</p> | 100% |
| <p><u>Construction Off Street</u> <i>The % complete is a physical measure of the proportion of the section from Haymarket to Edinburgh Airport. Some typical elements of sections provide a more granular view. As has been reported, the on street work is subject to significant dispute and this is excluded in the summary table. Current % complete for the on street Infrastructure construction works is ~11%.</i></p> <p><u>Depot</u></p> <ul style="list-style-type: none"> ▪ Stabling area Phase 1 & 2 under construction, completion Dec '11 <p><u>Structures</u></p> <ul style="list-style-type: none"> ▪ Bridges 8 out of 16 under construction ~44% complete ▪ Culverts 3 out of 3 completed 100% complete ▪ Retaining Walls 6 out of 17 under construction ~ 24% complete <p><u>Systems</u></p> <ul style="list-style-type: none"> ▪ Track 1400m installed & now starting in depot ~12% complete ▪ Substations 2 out of 4 under construction ~20% complete ▪ Overhead Line Work has commenced at the depot with 100 out of 124 poles in depot erected. | 42% |
| <p><u>Overall Progress as a Financial Metric</u> <i>This is a summary financial metric, aggregating the current expenditure on the whole project as a % of the currently authorised funding (£545m).</i></p> | 89% |

The cost, programme and risk information in this Period 05 report continues to be based upon an unapproved forecast on the information reported in May 2009. This will be updated once agreement is reached with BSC on a new revised programme.

A post mediation agreement has been reached between CEC/tie and BSC regarding the recommencement of particular priority works which commenced during Period 2 2011-12. Additionally, BSC had agreed to carry out remedial works on Princes Street and plans were being made to divert traffic from 2nd July 2011 to allow these works to commence. However, following consultation with stakeholders and Businesses these works have been postponed to September 2011.

The priority works areas are:

- Haymarket Yards
- A8 Underpass
- Depot Access Bridge
- Depot Building & External Trackworks
- Mini-test track between Depot & Gogarburn

Design

IFC Design

BSC submitted SDS V70 programme to **tie** on 09th May 2011. Although **tie** are aware that later versions of the SDS Design Programme are available, v70 is the last formal issue to **tie**.

tie have used the SDS v70 programme to update the live programme which has a progress date of 11 April 11.

v70 design approval count:

| phase 1a only | Numbers Required | | | | | | | | | | | Number | | Number | | Number | |
|---------------------|------------------|-----|-----|-----|-----|-----|-----|------|-----|------|-----|---------|-----|---------|-----|---------|--|
| | V26 | V31 | V58 | V59 | V60 | V61 | V62 | V63 | V64 | V66 | V67 | Granted | V68 | Granted | V70 | Granted | |
| Prior Approvals | 44 | 49 | 56 | 56 | 56 | 56 | 60 | 60 | 60 | 60 | 62 | 56 | 60 | 57 | 60 | 57 | |
| Technical Approvals | 53 | 71 | 92 | 92 | 92 | 92 | 63 | 63 | 63 | 63 | 63 | 55 | 63 | 56 | 63 | 56 | |
| IFC | 71 | 81 | 233 | 230 | 227 | 230 | 230 | 229* | 234 | 238* | 192 | 240 | 201 | 241 | 204 | 204 | |

V70 data has been used to inform the programme updates.

- IFCs – Phase 1a: 204 issued out of 241 (85%)
- 60 Prior Approvals are included in v70 – 57 of which have been granted – those remaining include Canopy & Boundary Treatment at Edinburgh Airport and Roseburn Viaduct Value Engineering option
- 56 Technical Approvals out of 63 have been granted in V70
- Roads approvals - One area remains outstanding from the V31 Technical Approval in Phase 1a (1C2- Picardy Place to St Andrew Square);

Design and consents reviews are being progressed as a post mediation escalated workstream.

Utility & Cabling Works

Utility work – The tender process for Utility work at Baltic street remains on hold until **tie** receive the required IFC drawings from SDS - which remain outstanding with no delivery schedule in place from SDS.

- Telecoms continue to progress their re-cabling activities on-street – with works in St Andrews Square due to complete during Aug-11.
- Cabling in Torphichen St could be protected to allow tramworks to commence as crossings are perpendicular to Tram route.
- All Cabling between Haymarket – Foot of the Walk due to complete during Aug-11.

Tramworks (INFRACO)

The progress achieved in Period 05 for INFRACO works was 0.6% against a plan of 0.0% as against the contractual Rev.1 programme all construction activities for both the On and Off-street sections should now be complete with the route in total planned to be 100.0% complete.

There were no productive works executed On-street during the period following BSC'S decision to demobilise from active worksites at Lindsay Road and Tower Place bridge. Whilst it is noted that there are currently On-street auxiliary works taking place such as trial bore holes, **tie** do not have a baseline programme from which to assess progress Progress Off-street has continued in Section 2A at Haymarket Yards, and in a few discreet areas within Sections 5c and 6.

(%) Infraco Construction Progress Period 05

| Period 05 2011-12 | Period | | Delta | Cumulative | | Delta | Project |
|--|-------------|-------------|-------------|---------------|--------------|---------------|---------------|
| INFRACO PERIOD 05 PROGRESS (Contract Rev.01 Programme) | Plan | Actual | | Plan | Actual | | Wtg |
| Section 1a Newhaven to Foot of the Walk | 0.0% | 0.0% | 0.0% | 100.0% | 8.6% | -91.4% | 16.2% |
| Section 1b Foot of the Walk to McDonald Road | 0.0% | 0.0% | 0.0% | 100.0% | 1.3% | -98.7% | 7.4% |
| Section 1c McDonald Road to Princes Street West | 0.0% | 0.0% | 0.0% | 100.0% | 0.0% | -100.0% | 10.8% |
| Section 1d Princes Street West to Haymarket | 0.0% | 0.0% | 0.0% | 100.0% | 42.1% | -57.9% | 7.6% |
| Combined Sections 1A-1B-1C-1D (On-Street) Newhaven Road to Haymarket | 0.0% | 0.0% | 0.0% | 100.0% | 11.2% | -88.8% | 42.0% |
| Section 2 Haymarket to Roseburn Junction | 0.0% | 3.6% | 3.6% | 100.0% | 40.7% | -59.3% | 4.2% |
| Section 5a Roseburn Junction to Balgreen Road | 0.0% | 0.0% | 0.0% | 100.0% | 10.0% | -90.0% | 13.9% |
| Section 5b Balgreen Road to Edinburgh Park Central | 0.0% | 0.0% | 0.0% | 100.0% | 43.4% | -56.6% | 13.2% |
| Section 5c Edinburgh Park Central to Gogarburn | 0.0% | 1.1% | 1.1% | 100.0% | 33.9% | -66.1% | 7.2% |
| Section 6 Gogar Depot | 0.0% | 3.2% | 3.2% | 100.0% | 88.9% | -11.1% | 11.9% |
| Section 7a Gogarburn to Edinburgh Airport | 0.0% | 0.0% | 0.0% | 100.0% | 47.3% | -52.7% | 7.6% |
| Combined Sections 2A-5A-5B-5C-6A-7A (Off-Street) Haymarket to Edinburgh Airport | 0.0% | 1.0% | 1.0% | 100.0% | 43.8% | -56.2% | 58.0% |
| FULL ROUTE PHASE 1A NEWHAVEN ROAD TO EDINBURGH AIRPORT | 0.0% | 0.6% | 0.6% | 100.0% | 30.1% | -69.9% | 100.0% |

ON-STREET

Progress On-street remains "*Suspended*" with works commenced in the following locations (%'s are for full structure)

| Item | Period 03 % Comp | Period 04 % Comp | Period 05 % Comp |
|--|---------------------|---------------------|---------------------|
| Section 1 Newhaven Road to Haymarket | | | |
| Lindsay Rd RW's | 66.0% | 66.0% | 66.0% |
| S17 Tower Place bridge | 73.0% | 73.0% | 73.0% |
| 1B Leith Walk (Foot of the Walk – McDonald Rd) | 1.3% | 1.3% | 1.3% |
| 1D Princes Street to Haymarket | 42.1% | 42.1% | 42.1% |

OFF-STREET

Progress Off-street has re-commenced in Section 2A at Haymarket Yards and continued in only a few discreet areas within Sections 5c and 6. (%'s are for full structure)

| Item | Period 03 % Comp | Period 04 % Comp | Period 05 % Comp |
|--|---------------------|---------------------|---------------------|
| Section 02 Haymarket to Roseburn Junction | | | |
| Caley Alehouse Demolition | 100.00% | 100.00% | 100.00% |
| S19 Haymarket viaduct | 80.5% | 81.1% | 81.1% |
| Trackwork Civils and Earthworks Haymarket to Roseburn junction | 20.3% | 28.1% | 37.3% |
| Trackwork Track Laying Haymarket to Roseburn junction | 0.0% | 4.8% | 4.8% |
| Haymarket Station TS | 1.8% | 1.8% | 1.8% |
| Section 05A Roseburn Junction to Balgreen Road | | | |
| Network Rail Haymarket Sprinter Depot Carpark | 100.0% | 100.0% | 100.0% |
| Russell Road Retaining Walls | 22.7% | 22.7% | 22.7% |
| Murrayfield Wanderers Clubhouse Demolition | 100.0% | 100.0% | 100.0% |
| Murrayfield SRU Accommodation Meds | 100.0% | 100.0% | 100.0% |
| Section 05B Balgreen Road to Edinburgh Park Central | | | |
| S23 Carricknowe bridge | 79.5% | 79.5% | 79.5% |
| Trackwork Civils and Earthworks Balgreen to Saughton | 42.7% | 42.7% | 42.7% |
| Trackwork Track Laying Balgreen to Saughton | 11.3% | 11.3% | 11.3% |
| Trackwork Civils and Earthworks Saughton to Bankhead (includes Guided Busway) | 100.0% | 100.0% | 100.0% |
| Trackwork Track Laying Saughton to Bankhead (includes Guided Busway) | 63.7% | 63.7% | 63.7% |
| Trackwork Civils and Earthworks Bankhead to Edinburgh Park | 31.0% | 31.0% | 31.0% |
| Trackwork Track Laying Bankhead to Edinburgh Park | 0.0% | 0.0% | 0.0% |
| Edinburgh Park Station TS | 6.4% | 6.4% | 6.4% |
| Trackwork Civils and Earthworks Edinburgh Park Station to Edinburgh Park Central | 43.4% | 43.4% | 43.4% |
| Trackwork Track Laying Edinburgh Park Station to Edinburgh Park Central | 0.0% | 0.0% | 0.0% |
| S27 Edinburgh Park viaduct | 94.2% | 94.2% | 94.2% |
| Section 05C Edinburgh Park Central to Gogarburn | | | |
| Trackwork Civils and Earthworks Edinburgh Park Central to Gyle Centre | 20.6% | 20.6% | 20.6% |
| Trackwork Track Laying Edinburgh Park Central to Gyle Centre | 0.0% | 0.0% | 0.0% |
| A& underpass (Excluding utilities works) | 46.9% | 46.9% | 53.6% |
| S32 Depot Access bridge | 97.0% | 97.0% | 97.0% |
| Trackwork Civils and Earthworks Gyle to Depot Stop | 19.8% | 24.3% | 25.9% |
| Trackwork Track Laying Gyle to Depot Stop | 0.0% | 0.0% | 0.0% |
| Trackwork Civils and Earthworks Depot Stop to Gogarburn | 66.9% | 66.9% | 78.1% |
| Trackwork Track Laying Depot Stop to Gogarburn | 0.0% | 0.0% | 0.0% |

| Item | Period 03 % Comp | Period 04 % Comp | Period 05 % Comp |
|--|---------------------|---------------------|---------------------|
| Section 06 Gogar Depot | | | |
| Depot Earthworks & drainage | 99.7% | 99.7% | 99.7% |
| Depot Trackworks Civils | 89.0% | 91.1% | 94.4% |
| Depot Trackworks - Track Laying | 43.6% | 45.6% | 54.7% |
| Depot building (Total). | 84.9% | 87.8% | 91.6% |
| Building Services | 94.4% | 96.4% | 100.0% |
| Fitting Out and Finishes | 98.0% | 98.5% | 100.0% |
| E&M Workshop Equipment Installation | 33.3% | 44.9% | 65.1% |
| Depot Sub-station | 91.4% | 91.4% | 91.4% |
| Depot Access Roads | 73.8% | 75.3% | 82.7% |
| Depot E&M Works | 18.0% | 18.0% | 18.0% |
| Depot in totality | 81.6% | 83.6% | 88.9% |
| Section 07 Gogarburn to Edinburgh Airport | | | |
| Gogar Landfill | 91.5% | 91.5% | 91.5% |
| Gogarburn Bridge | 98.5% | 98.5% | 98.5% |
| S30 Gogar Culvert No.1 | 100.0% | 100.0% | 100.0% |
| Trackwork Civils and Earthworks Gogarburn to Ingliston P&R | 76.2% | 76.2% | 76.2% |
| Trackwork Track Laying Gogarburn to Ingliston P&R | 0.0% | 0.0% | 0.0% |
| Hilton Hotel Carpark Phase 1 | 100.0% | 100.0% | 100.0% |
| Ingliston Park and Ride Sub-station | 1.4% | 1.4% | 1.4% |
| W14ASB / W15CSD Gogarburn RW's | 57.5% | 57.5% | 57.5% |
| S31 Gogar Culvert No.2 | 100.0% | 100.0% | 100.0% |
| S34 Gogar Culvert No.3 (Remedial works to be done) | 97.2% | 97.2% | 97.2% |
| Trackwork Civils and Earthworks Ingliston Park & Ride to Edinburgh Airport | 85.9% | 85.9% | 85.9% |
| Trackwork Track Laying Ingliston Park & Ride to Edinburgh Airport | 0.0% | 0.0% | 0.0% |

| Section | Commentary |
|--|---|
| Section 1a Newhaven to Foot of the Walk | No agreed programme for recommencing the main works in this section. |
| Section 1b Foot of the Walk to McDonald Road | No agreed programme for recommencing in this section |
| Section 1c McDonald Road to Princes Street West | No agreed programme for recommencing in this section |
| Section 1d Princes Street West to Haymarket | No agreed programme for recommencing in this section |
| Section 2 Haymarket to Roseburn Junction | <p><u>Haymarket Viaduct</u> Remedial works to correct the level of the tramstop track improvement layer continued during the period. Siemens/Bam Rail commenced installation of sleepers on the viaduct on 06 July 2011. Track installation continued during the period. The first track slab pour on the viaduct was carried out on 23 July 2011. The second track slab pour was carried out on 30 July 2011 in the tramstop area.</p> <p><u>Haymarket Yards</u> Prioritised works continue in the Haymarket Yards area. Graham's progress construction of the OLE bases in the section throughout the period. Grahams continued excavation to formation and replacing unsuitable material with imported fill. Construction of the track improvement layer commenced and continued during the period. Installation of track drainage and service ductwork continued during the period.</p> |
| Section 5a Roseburn Junction to Balgreen Road | No agreed programme for recommencing in this section |

| Section | Commentary |
|---|--|
| | <p><u>JB McLean/Murrayfield Indoor Sports Club</u> Installation of replacement flue completed 22/07/2011. Damp issue - site visit by a specialist waterproofing / 'tanking' company carried out during the period. Details of the proposed repair methodology awaited from BSC.</p> <p><u>Plots 96, 97</u> BSC commenced the alteration works on 25 July 2011.</p> <p><u>Plot 101/102</u> No works planned or carried out by BSC. Demolition of 101 is to be carried out and the area reinstated with black-top in accordance with the request of the landowner, Mr Kelly. Licence signed on 21/07/2011, copy issued to BSC 28/07/2011. Start date to be confirmed by BSC.</p> <p><u>Murrayfield Corridor Ground Improvements – INTC 625</u> Ground Investigation - BSC/SDS/GMEC meeting held on Tuesday 19/07/2011 to discuss the proposed technical solution for the ground improvement. Details awaited from BSC.</p> |
| Section 5b Balgreen Road to Edinburgh Park Central | No agreed programme for recommencing in this section |
| Section 5c Edinburgh Park Central to Gogarburn | <p>Prioritised works programme now available for this area.</p> <p><u>Depot Access Bridge</u> Opened for site access from 6th August 2011</p> <p><u>A8 underpass</u> A8 Underpass phase. Traffic switch made 6th August 2011. This involved re opening eastbound slip road and switching main traffic from westbound to eastbound dual carriageway. Phase 4 works due to complete for traffic switch October 2011. This will provide access to the critical Phase 3.</p> <p><u>Trackwork</u> Mini Test Track: Depot Access Bridge to Gogarburn TS: Blinding concrete 80%. Track installation (Rheda Green) commenced in Period.</p> |
| Section 6 Gogar Depot | <p><u>Depot Building works:</u> Tramwash installation commenced in Period.</p> <p><u>Depot Externals:</u> Track installation substantially completed to Section 2, 3 and 4. Tamping machine due to commence 15th August 2011. Concrete perimeter road substantially completed in Period. Virgin Media: IT connection programmed to be completed in Period.</p> |
| Section 7a Gogarburn to Edinburgh Airport | <p>EAL flooding: Residual issue of impact to Burnside Road closed in Period.</p> <p>EAL have agreed in principle to route of HV cable to IPR substation. BAA provided draft wayleave to SP in Period.</p> <p>IP Gas Main: Estimate received and confirmation to proceed issued by tie in Period.</p> <p>Building warrant submitted to CEC and to EAL for approval for Kiosk and Canopy.</p> <p>tie/CEC to agree revised licence with EAL ahead of BSC site start date of 5th September 2011.</p> <p>HV Wayleave IPR substation: EAL have issued draft wayleave to SP for approval.</p> |

Progress Points to note in Period 05:

- Depot building near completion with Civil Contractor's work almost finalised.
- Depot Access Bridge completed to wearing course level. Now being used as main access to site.
- A8 underpass progressing well with Traffic change over completed on the 7th August.
- Water of Leith sewer lining works commence in period
- Scottish Power have agreed solution to issue surrounding 132kv cable at Roseburn Viaduct
- Assembly street abandonment work progressing to revised programme.
- Edinburgh Gateway issues seem to be resolved allowing full design to commence after some lengthy backward and forward movements between designers

Issues in the Period

- Clarity required surrounding issues within section 1A where BSC have been "instructed" not to carry out any further works.
- Utility Conflicts within on street section of the works being highlighted in order to afford some time for all parties to participate in agreeing best solution for the Project. BSC'S input along with the designer and utilities is critical to this process.
- Still outstanding issues regarding Network Rail's construction health and safety plan. This in turn has an effect on the required track monitoring plan which could delay start planned for September in various areas
- Draw down agreement still to be finalised with BAA. Agreement in principle was reached with CEC/EAL on 17th August 2011 for a commercial settlement between the parties. This should enable the planned commencement access for the the piling at the airport Tram Stop/retaining wall.

Tram Construction (Tramco)

The CAF contract programme is incorporated in the Master Tram project Programme. We receive electronic submission of the CAF programme to allow analysis of the programme.

Period 05 Summary – Tramco

| No | Planned | Activities in current Period |
|----|---|--|
| 1 | Fabrication of the trams | All 27 trams have been completed. |
| 2 | Enhanced passenger information upgrade | Plan to fit additional latest equipment (if any enhancement is required) when trams arrive in Edinburgh. |
| 3 | Review of Test Protocols and test results | ETL's testing & commissioning plan is now being finalised and integrated into the BSC test and commissioning plan, the first version of which has been reviewed and discussed with BSC. |
| 4 | Depot Equipment | CAF are continuing progress, delivery of the sand filling plant is scheduled for September 2011, Siemens have now completed installation of their plant with the exception of the Tram wash plant fitment which is currently underway. |
| 5 | Finalisation of external branding | Application of final branding to be applied whilst trams are stored at the factory prior to shipping to Edinburgh. |
| 6 | Tram O&M Manuals | Update (if required) after experience of the trams in the field. |
| 7 | Key sub-contract placement | Collateral warranties – 3 signed warranties have been received, remaining continue to be progressed. |
| 8 | Factory Based | All 27 trams have successfully completed factory testing to |

| | | |
|----|-----------------------------|--|
| | Acceptance Testing complete | date. 100% of trams now completed and tested. |
| 9 | Testing regime | Preparations are being finalised for the testing in Edinburgh which is planned to start with static testing at the Depot commencing in October and dynamic testing between the Depot and Gogarburn commencing in December. |
| 10 | Programme progress | 90% of scheduled activities completed. |

Preparing for Operations

The Operational Readiness team are continuing to work closely with the **tie** and BSC programme teams to coordinate progress at the Depot, good progress in this area has been made. Work has now been started again in the control room after the successful Factory Acceptance Tests were completed at Siemens Ashby plant during July.

Overhead line equipment has now started to be installed in the Depot Workshop and the trackwork on the tram delivery road is completed as well as both shed aprons with the completed workshop tracks now connected to the stabling tracks. Siemens are now using a tamper to set the line and level of all of the trackwork.

Good progress is also being made with the Test track with the laying of sleepers and placement of rails between the Gogar Church area at Gogarburn to the Gogar Castle access road with the concrete slab well progressed between the Gogar Castle road and the East side of the Depot Access bridge.

The operations mobilisation supervisor and two of the secondees from Lothian Buses attended and participated in the Factory Acceptance Testing of the control room SCADA equipment in late July as part of their familiarisation process prior to starting the formal training programme. We are about to carry out induction training commencing the last week of August prior to the team attending tramway training at Nottingham tram system for a 4 week course in September. They will then be ready for the delivery of the trams to the Depot (planned October 2011) and the availability of the test track for testing.

A weekly commissioning and integration meeting is continuing to ensure that a coordinated and integrated approach is followed.

The monthly Operational Readiness Workshop meetings are working through the detail of the forthcoming tram delivery, testing, commissioning and mobilisation tasks identifying the facilities required for each activity.

The maintenance preparation and provision of documentation to support the completed systems and infrastructure assets continues to be developed with BSC maintenance representatives.

Support is being provided to the MOV5/Settlement discussions with a revised set of Employers Requirements to reflect the reduced scope and the novation back of CAF's Tram Supply and Tram Maintenance obligations.

Work continues with the preferred bidder for the supply of ticketing equipment for the tram system, to progress the preparation of the contract documentation. Further testing of the existing Lothian Buses back office is required to take place. We hope that this work will be undertaken in the coming period.

Regular meetings are taking place with Lothian Buses senior management to discuss the proposed transfer of ETL to Lothian Buses.

3 Headline cost report

3.1 Current Financial Year

| | FY 11/12 | | | FY 11/12 | | | FY 11/12 | | | COWD To Date | Costs To Go | Total AFC |
|--------------------|-------------|--------|----------|-------------------|--------|----------|-------------------------|---------|----------|--------------|-------------|-----------|
| | COWD Period | | | COWD Year To Date | | | COWD Full Year Forecast | | | | | |
| | Actual | Budget | Variance | Actual | Budget | Variance | Forecast | Budget | Variance | Actual | Forecast | Forecast |
| Total Project COWD | 8.076 | 22.926 | -14.850 | 74.851 | 42.177 | 32.674 | 133.501 | 133.501 | -0.000 | 486.350 | 58.650 | 545.000 |
| Other Funding | 0.667 | 1.893 | -1.226 | 6.180 | 3.483 | 2.698 | 11.023 | 11.023 | -0.000 | 40.157 | 4.843 | 45.000 |
| Demand on TS | 7.409 | 21.033 | -13.624 | 68.671 | 38.695 | 29.976 | 122.478 | 122.478 | -0.000 | 446.193 | 53.807 | 500.000 |

See the Executive Summary Cost Report for an overview of the payments made this period.

The 'AFC' figure of £545m (table above) **does not** reflect an approved and reliable Anticipated Final Cost for the Edinburgh Tram Project. Rather, the forecast presented reflects our best current view of the spend profile of the funding currently available for the delivery of the entirety of phase 1a.

Given the continuing commercial uncertainties with the Infraco and continuing delays to the project it is considered unlikely that the full scope of Phase 1a will be completed within the available funding envelope of £545m. It is not however possible at the present time to accurately forecast a reliable outturn cost until the key commercial issues are resolved through the contractual and legal process. It should also be flagged that the profile of the forecast for 2011/12 is likely to differ significantly from the original cashflow forecast following the execution of an MOV4 prioritised works schedule.

COWD to date is £486.4m, with funding to date split to TS (£446.2m) and CEC (£40.2m).

Actual YTD P5 & forecast P6-13 FY11/12

| £m | COWD to P5 | Forecast P6-P13 | FY 2011/12 |
|--------------------------------|-------------|-----------------|--------------|
| Infrastructure and vehicles | 70.5 | 45.0 | 115.4 |
| Utilities diversions | 0.0 | -4.7 | -4.7 |
| Design | -0.1 | 0.8 | 0.8 |
| Land and compensation | 0.1 | 0.0 | 0.1 |
| Resources and insurance & risk | 4.4 | 17.5 | 21.9 |
| Total Phase 1a | 74.9 | 58.7 | 133.5 |

Period 5 (four week) COWD was £8.1m. The £8.1m can be split into the following constituent parts:

- £6.6m payments to the Infraco in line with MOV4 payment schedule
- £1.5m relating to Resources and Other Cost items

YTD 2011/12 COWD is £74.9m for P5.

The full-year 2011/12 outturn forecast is currently £133.5m. This is subject to revision dependent upon the final mediated settlement between the Infraco, CEC and tie Ltd.

Current Financial Year Profile

Profile for FY2011/12

| £m | Q1 (p1-3) | Q2 (p4-6) | Remaining (p7-13) | Total FY11/12 |
|-----------------------------|--------------|--------------|----------------------|------------------|
| Infrastructure and vehicles | 53.9 | 26.0 | 35.5 | 115.4 |
| Utilities diversions | 0.0 | 0.0 | -4.7 | -4.7 |
| Design | -0.1 | 0.1 | 0.8 | 0.8 |
| Land and compensation | 0.0 | 0.1 | 0.0 | 0.1 |
| Resources and insurance | 2.6 | 2.6 | 16.6 | 21.8 |
| Base costs | 56.5 | 28.7 | 48.2 | 133.4 |
| Risk allowance | 0.0 | 0.0 | 0.1 | 0.1 |
| Total Tram | 56.5 | 28.7 | 48.3 | 133.5 |

- According to the current spend profile for 2011/12 we anticipate that TS share of spend will be £122.5m.

Phase 1a Profiling

| £m | Cum FY07/08 | Actual 08/09 | Actual 09/10 | Actual 10/11 | FY 11/12 | AFC |
|-----------------------------|----------------|-----------------|-----------------|-----------------|-------------|-------|
| Infrastructure and vehicles | 30.6 | 45.2 | 83.3 | 38.9 | 115.4 | 313.3 |
| Utilities diversions | 18.4 | 33.4 | 10.6 | 8.0 | -4.7 | 65.7 |
| Design | 24.4 | 4.7 | 2.1 | 1.7 | 0.8 | 33.7 |
| Land and compensation | 16.8 | 1.7 | 1.6 | 0.1 | 0.1 | 20.3 |
| Resources and insurance | 42.9 | 16.0 | 16.2 | 14.9 | 21.8 | 111.7 |
| Base costs (inc 1b) | 133.1 | 101.0 | 113.8 | 63.7 | 133.4 | 544.9 |
| Risk Allowance | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 |
| Total | 133.1 | 101.0 | 113.8 | 63.7 | 133.5 | 545.0 |

Note: Base costs include £6.2m for ph 1b.

Per the note in 3.1 the 'AFC' figure of £545m does not reflect an approved and reliable Anticipated Final Cost for the Edinburgh Tram Project, but points to 'our best view' of the spend profile of the funding currently made available for the delivery of the entirety of phase 1a.

The TEL board have approved a risk allowance within the current funding arrangements of up to £63.3m, which takes the current agreed budget up to £545.0m.

4 Time schedule report

4.1 Report against key milestones

The table below reflects the milestones set out against the Rev1 programme. This will be rebaselined when a new programme is agreed as part of the Settlement Agreement.

| Milestones | Baseline programme date | Actual / current forecast date tie live prgm |
|---|-------------------------|--|
| Approval of DFBC by CEC | 21 Dec 06A | 21 Dec 06A |
| MUDFA – commencement of utility diversions | 02 Apr 07A | 02 Apr 07A |
| TRO process commences | 14Dec07A | 10-Dec-07A |
| Approval of FBC by TS – approval and funding for INFRACO / Tramco | 09 Jan 08 | Dec 07A |
| Princes Street closed | 03-Feb-09 | 22-Feb-09A |
| Tramco / INFRACO – award following CEC / TS approval and cooling off period and SDS novation. | 28 Jan 08 | 14 May 08A |
| Construction commences | 14-Apr-08 | 14-May-08A |
| First track installation commences – on street | 03-Nov-08 | Jun 2009A |
| Carrick Knowe Bridge commences | 21-Aug-08 | 19-Aug-08A |
| A8 underpass commences | 08-Aug-08 | 28-Aug-08A |
| Haymarket viaduct commences | 08-May-08 | 01-Sep-08A |
| Edinburgh Park viaduct commences | 06-Aug-08 | 01-Sep-08A |
| Tram mock-up delivered | Oct 2008 | Nov 2008A |
| Demolition of Wanderers clubhouse | 25-Aug-08 | 05-Jan-10A |
| Edinburgh Park viaduct complete | 24-May-09 | Sep-11 |
| Princes Street re-opened | 01-Aug-09 | 29-Nov-09A |
| NR immunisation complete | Nov 2009 | Sep-10A |
| Utilities works complete (including telecoms) | Nov 2008 | Nov-11 |
| All demolition work complete (S21C) | 22-Aug-08 | Jan-12 |
| All Issue for Construction (IFC) drawings delivered (inc Gogar interchange design) | 21-Jan-09 | Jan-12 |
| Haymarket viaduct complete | 08-Dec-08 | Nov-11 |
| All consents and approvals granted | 18-May-09 | Jan-12 |
| Design assurance complete | 20-Jan-09 | Jan-12 |
| 1 st Tram delivered | 09-Apr-10 | 25-Apr-10A |
| Carrick Knowe bridge complete | 11-May-09 | Feb-12 |
| A8 underpass complete | 14-Jul-09 | Feb-12 |
| Roseburn viaduct commences | 20-Jan-09 | Oct-11 |
| TRO1 process complete | 01-Dec-09 | Nov-10A |
| Recruitment commences for Operations | July 2010 | Oct-11 |
| 1 st OHL installed (Section 6 Depot) | 11-Dec-09 | Dec-11 |
| 1 st section (other than depot) complete ready for energisation (Section 2) | 25-June-10 | May-12 |
| Commission Section 2 (Haymarket to Roseburn junction) | 11-Jan-10 | Jun-12 |
| Final tram delivered to Depot* | 17-Jan-11 | Dec-12 |
| Commission Section 6 (depot) | 25-Mar-10 | Dec-11 |
| Roseburn viaduct complete | 20-Apr-10 | Nov-12 |
| Test track complete (Ready for tram testing) | 23-Apr-10 | Sep-12 |
| Commission Section 7 (Gogar to Edinburgh Airport) | 25-June-10 | Jun-12 to Oct-12 |

| Milestones | Baseline programme date | Actual / current forecast date tie live prgm |
|--|-------------------------|--|
| Commission Section 1 (Newhaven to Haymarket) | 11-Mar-11 | Nov-12 to Jul-13 |
| Commission Section 5 (Roseburn junction to Gogar) | 09-Nov-10 | May-12 to May-13 |
| Driver training commences (excludes depot) | Nov 2010 | Jan-13 |
| Construction Line 1a complete | 17-Jan-11 | Jul-13 |
| System testing complete off street | 09-Dec-10 | Aug-13 |
| System testing complete on street | 16-Feb-11 | Aug-13 |
| Letter of "no objection" from Independent Competent Person to commence tram running | 17-Apr-11 | Oct-13 |
| Shadow running starts | 18-Apr-11 | Oct-13 |
| Shadow running complete | July 2011 | Jan-14 |
| Letter of "no objection" from Independent Competent Person to commence revenue service | July 2011 | Jan-14 |
| Open for revenue service | July 2011 | Jan-14 |

* CAF revised programme to reflect availability of Depot for Tram delivery

Guidance for Completion:

Legend for colouring of Actual / forecast date text

| | |
|----------------|--|
| Green: | Actual / forecast date is ahead or in line with baseline |
| Yellow: | Slight slippage – readily recoverable with action. |
| Pink: | Significant slippage but expect recovery can be achieved |
| Red: | Notable / significant slippage – difficult to recover, even with action. |

12-Week Look-Ahead

Until a revised programme is agreed and is in place, the forecast for the next 12 weeks is now generated from the Post Mediation Programme Rev.3A including latest updated information from both BSC and tie Project Managers. Note that due to the uncertainty surrounding the On-street section of the Infraco works, and the recent demobilisation from site by BSC that these works have been removed from the 12 week forecast. Similarly, as BSC have now demobilised worksites where there is an outstanding disagreement regarding an estimate, these works have also been removed from the table.

| Milestones | Actual / current forecast date |
|--|--------------------------------|
| 2A – Road and track works Haymarket Yards | 15-Aug-11C |
| 5C – A8 Underpass | 15-Aug-11C |
| 5C - S32 Depot Access bridge | 15-Aug-11C |
| 5C – Civil & Track works Depot Stop to Gogarburn (Mini Test-track) | 15-Aug-11C |
| 6 - Depot Building (Installation of workshop equipment) | 15-Aug-11C |
| 6 – Depot Trackworks -Track Laying | 15-Aug-11C |
| 6 – Depot Access Roads | 15-Aug-11C |
| 6 – Depot OHL Bases | 15-Aug-11C |
| 1A – Lindsay Road RW's | 02-Sep11RC |
| 1A – S17 Tower Place bridge | 02-Sep11RC |
| 2A – S19 Haymarket viaduct Finishes | 02-Sep-11S |
| 2A – Haymarket Station Tram Stop | 02-Sep-11S |
| 5A – S20 Russell Road underbridge | 02-Sep-11S |
| 5A – W4 Russell Road RW's | 02-Sep-11RC |
| 5A – W18 Murrayfield TS RW | 02-Sep-11S |

| Milestones | Actual / current forecast date |
|---|---------------------------------------|
| 5A – S21A Roseburn Street viaduct | 02-Sep-11S |
| 5A – S21E Water of Leith bridge | 02-Sep-11S |
| 5A – W8 Baird Drive RW | 02-Sep-11S |
| 5A – S22B NR Access bridge | 02-Sep-11S |
| 5B – S23 Carricknowe bridge | 02-Sep-11RC |
| 5B – Balgreen Rd to Saughton Road North Trackworks | 02-Sep-11S |
| 5B – S26 South Gyle Access bridge | 02-Sep-11S |
| 5B – Bankhead to Edinburgh Park Stn Trackworks | 02-Sep-11S |
| 5B – Edinburgh Park Stn to Edinburgh Park Central Trackworks | 02-Sep-11S |
| 5B – S27 Edinburgh Park bridge | 02-Sep-11RC |
| 5C – Edinburgh Park Central to Gyle Centre Trackworks | 02-Sep-11S |
| 5C – W16 Gyle Centre RW | 02-Sep-11S |
| 7A – Gogarburn to Ingliston Park and Ride Trackworks | 02-Sep-11S |
| 1C – Princes Street (Waverley bridge to Princes Street TS)- Remedials | 05-Sep-11S |
| 1D – Princes Street (Princes Street TS to Lothian Rd Junction)- Remedials | 05-Sep-11S |
| 1D – Haymarket Road & Track works | 14-Sep-11S |
| 2A – Haymarket Yards to Roseburn Junction Road and Trackworks | 22-Sep-11S |
| 1A – Lindsay Road Roadworks & New Link Road | 28-Sep-11S |
| 5A – S22A Balgreen Road bridge | 30-Sep-11S |
| 5A – S21C Murrayfield Underpass | 11-Oct-11S |
| 5A – S21B Murrayfield Stadium RW | 24-Oct-11S |

Key: A=Actual; C=Continues in period; S=Start; RC=Re-commence, F=Finish,

Appendix A – Detailed Cost Report

| | | | |
|--------------------------------|-----------------|----------|--------------|
| Headline Financial Information | Edinburgh Trams | FY 11/12 | Period Nr: 5 |
|--------------------------------|-----------------|----------|--------------|

| | |
|-------------------------------|----------------|
| FY 11/12: Demand on TS | 122.478 |
|-------------------------------|----------------|

1: HEADLINE FINANCIAL COMMENTARY

PERIOD (PD):
See Section 3 of the TS report for further commentary

YEAR TO DATE (YTD):
See Section 3 of the TS report for further commentary

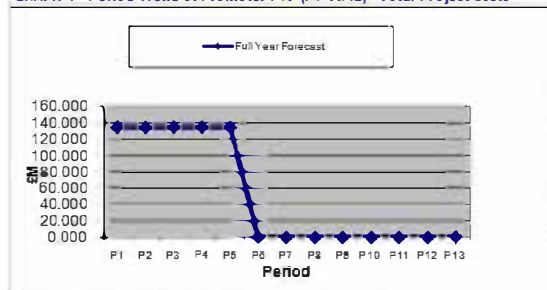
FULL YEAR FORECAST (EYE):
See Section 3 of the TS report for further commentary

ANTICIPATED FINAL COST (AFC):
See Section 3 of the TS report for further commentary

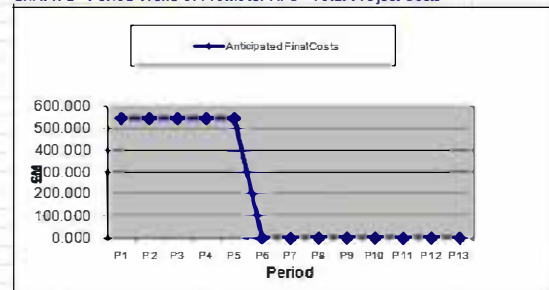
2: SUMMARY

| | FY 11/12 COWD Period | | | FY 11/12 COWD Year To Date | | | FY 11/12 COWD Full Year Forecast | | | COWD To Date | Costs To Go | Total AFC |
|--------------------|----------------------|---------------|----------------|----------------------------|---------------|---------------|----------------------------------|----------------|---------------|----------------|---------------|----------------|
| | Actual | Budget | Variance | Actual | Budget | Variance | Forecast | Budget | Variance | Actual | Forecast | Forecast |
| Total Project COWD | 8.076 | 22.926 | -14.850 | 74.851 | 42.177 | 32.674 | 133.501 | 133.501 | -0.000 | 486.360 | 58.650 | 545.000 |
| Other Funding | 0.667 | 1.893 | -1.226 | 6.180 | 3.483 | 2.698 | 11.023 | 11.023 | -0.000 | 40.157 | 4.843 | 45.000 |
| Demand on TS | 7.409 | 21.033 | -13.624 | 68.671 | 38.695 | 29.976 | 122.478 | 122.478 | -0.000 | 446.193 | 53.807 | 500.000 |

GRAPH 1 - Period Trend of Promoter FYF (FY 11/12) - Total Project Costs



GRAPH 2 - Period Trend of Promoter AFC - Total Project Costs



3: RISK AND OPPORTUNITIES TO

FULL YEAR FORECAST:
See Section 3 of the TS report for further commentary

ANTICIPATED FINAL COST:
See Section 3 of the TS report for further commentary

4: ACCRUALS COMMENTARY

5: TOTAL PROJECT ELEMENT SPEND BREAKDOWN (Total Project Costs)

PLANNED/EMERGING/FORECAST

Allocated in accordance with standard WBS. Values relevant to business case or other agreed baseline date to be known as original estimate.

| | Estimated Cost Total Project Costs | | | Actual Cost/Forecast Total Project Costs | | | Variance AFC v ELE |
|---|------------------------------------|-----------------------------|---------------------------|--|------------------------|-------------------------------|--------------------|
| | Original Estimate | Escalated Original Estimate | Escalated Latest Estimate | Cost Of Work Done (COWD) | Forecast to Completion | Anticipated Final Costs (AFC) | |
| Relevant Baseline date | 01/01/2000 | | | | | | |
| General Overall | 28.233 | 28.233 | 29.977 | 29.175 | 0.847 | 30.022 | 0.045 |
| Procurement Consultant | 68.173 | 68.173 | 93.061 | 82.137 | 11.949 | 94.086 | 1.025 |
| Design | 26.646 | 26.646 | 33.747 | 32.915 | 0.832 | 33.747 | 0.000 |
| Financial Issues/Funding/Procurement Strategy | 2.258 | 2.258 | 2.659 | 2.654 | 0.016 | 2.669 | 0.000 |
| Parliamentary Process/Approvals | 0.329 | 0.329 | 0.319 | 0.319 | 0.000 | 0.319 | 0.000 |
| Procurement Construction Works | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Construction Works | 276.302 | 276.302 | 321.796 | 291.250 | 29.640 | 320.891 | -0.895 |
| Testing & Commissioning | 1.984 | 1.984 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Handing Over & Service Operations | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| NOP/Rail Projects Interface (Promoters View) | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Interfacing Developments | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| TRAMS, Vehicles (Edinburgh TRAMS Use Only) | 51.370 | 51.370 | 63.141 | 47.900 | 15.241 | 63.141 | 0.000 |
| Risk | 48.974 | 48.974 | 0.300 | 0.000 | 0.126 | 0.126 | -0.174 |
| Opportunity (Negative Value) | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| OB/Contingency | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total | 504.270 | 504.270 | 545.000 | 486.349 | 58.651 | 545.000 | -0.000 |

