

**TRAM IPG  
ACTION NOTE  
23 DECEMBER 2009**

**Present:** TA (chair), DA, DMcG, JI, MT, MP, IR, GL, NS, A Conway, A Wilson.

Item	Subject		Action
1	<b>Note of previous meeting – 28 October</b>	<ul style="list-style-type: none"> <li>Agreed as accurate. Matters arising mostly covered by this month's highlight report. Some discussion has now taken place between MP and SB re action on joint working between CEC and Tie on engineering issue, but more required.</li> </ul>	<b>MP</b>
2	<b>Highlight Report – 23 December</b>	<p><b>Financial Report</b></p> <ul style="list-style-type: none"> <li>Finance has started working on contingency planning and reporting to Transport Scotland on £545 plus 10% as a planning assumption. Finance are working closely with <b>tie</b> re financial forecast, but the latest indications from the DRP process and Princes St supplemental agreement make this planning assumption look increasingly risky.</li> <li>Princes St required a full depth reconstruction along its entire length. On the positive side this means we have a base on Princes St that will last for 30 years rather than 2/3. Unfortunately, we didn't have the discussion re trade-off against longer maintenance costs for the street before the works began. It is therefore important before contractor goes into Leith Walk that there are discussions regarding the longer term road and footpath repair, in case full depth reconstruction proves necessary. There could be significant financial implications for the project if the need for full depth reconstruction is replicated in Leith Walk, Shandwick place etc. Need to follow up in discussion with BSC – could take costs well in excess of £600M figure</li> <li>Finance is reinvigorating review of Strategic Options. BSC require to deliver their work programme to <b>tie</b>. Stewart McGarrity and Andy Coyle to meet asap in the new year. Finance are conscious that some of the options proposed within the draft strategic options paper may not be palatable from a political perspective. RJ is meeting with Stuart Stevenson on 11 Jan. John Ramsay has been querying whether the figures on financial outturn for the project are accurate and is demanding an update for Mr Swinney.</li> <li>MP/SB had a discussion yesterday, following SB's latest call with BSC.. There is now</li> </ul>	<p><b>MP/MT</b></p> <p><b>MP</b></p> <p><b>ACoyle</b></p>

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		<p>no way the Supplemental Agreement will be signed before Hogmanay and therefore BSC will not be on Leith Walk and Shandwick Place wc 4 Jan. Utilities work on Broughton St and Haymarket and Torphicen St will restart wc 4 January.</p> <ul style="list-style-type: none"> <li>• Cashflow is an issue for Transport Scotland, if work does not start at the beginning of January. However, CEC will use TS money for the remainder of this financial year and use CEC money next year.. We have achieved £15.7 million in contributions and have paid out £30 million, so CEC are now in a borrowing situation in funding this project. The biggest risk in this area is the developers' contributions and that of Forth Port's in particular. DA has met with Charles Hammond and awaits a response to a letter sent after that meeting.</li> </ul> <p><b>TMO Update</b></p> <ul style="list-style-type: none"> <li>• The tram project is now at a crossroads after the good news of the reopening of Princes St. It now looks as though we are 95% of the way to a conclusion of the Supplemental Agreement, but the last 5% is extremely problematic and would mean a cost exposure to tie of £25-30 million. There has been no movement from BSC who are adopting a very strong line, despite earlier optimism from the 'Darcy effect'. A sub – committee has been set up round the signing of the supplemental agreement. If signing takes us above £545million there is a need to report to Council.</li> <li>• DRPs – the hearing took place last week regarding the Russell Rd retaining wall. The adjudicator requested a week extension and should announce decision 24/12/09.</li> <li>• Tony Rush – a heavy hitter brought in to <b>tie</b> – may be looking at more targeted audits. <b>tie</b> may be raising 2 or 3 more disputes in January.</li> <li>• As part of settlement on Line 1, BSC have agreed to deliver programme to the end of the works by end January for agreement by end Feb.</li> </ul> <p><b>Tram Legal Agreements</b></p> <ul style="list-style-type: none"> <li>• Statutory Approvals - 1% more agreed. John Bury has tram related concerns, for example if we need to start on Shandwick Place, we need to cut down trees – he recognises this will create objections – local councillors (eg Joanna Mowatt not happy).</li> <li>• Building fixings – As of last week CEC won 4 cases on Constitution St. CEC got awarded costs. There are 4 cases outstanding where we hope to negotiate solution.</li> <li>• CAAD – Appendix 4 has table showing plots of land/who owns etc. Would cost £22m. Need to solve outstanding issues – 2 with CALA and BAM – need to make determination on. SB would like to be left to try and sort it out and would prefer for CEC</li> </ul>	DA

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		<p>not to take to Planning Committee.</p> <p><b>Council Reports</b> MP would prefer a Transport Subcommittee rather than a tram subcommittee to look at operational decisions rather than have operational decisions dominating the current tie committee. However, it requires a council decision to change the committee structure.</p> <p><b>AOB</b></p> <p>The Tram Act allows only 3 events to take place on Princes St. A decision is required as to the start date for this restricted use of Princes St as an event space. MP/DA/JI to meet and discuss mechanism for this being introduced. It was felt it could be incorporated within pedestrianisation plans for Princes St. There may be an impact on the TEL business Plan. Report drafted 21/1' Workshop on pedestrianisation of Princes St 29/1; Report to Policy and Strategy Committee 23/2. If Leith Harbour redevelopment goes ahead there will be the opportunity for a new events space there.</p> <p>We are compiling a comprehensive snagging list for Princes St – eg drainage, kerb works, bus tracker power supply, signing etc. There will need to be a further opening of the Mound at Princes St to get access to undertake water repairs but will try and undertake the work using lane closures only. Communications will be important as this is a Scottish Water problem, not tramworks. The pipes involved were over a 100 years old.. Scottish Water would like access in January.</p> <p>TA/DA asked that their appreciation of the huge effort that had allowed the successes of this year be passed on to all the team involved. They also expressed their confidence in the team's ability to rise to the challenges of the year ahead.</p>

DA/MP

MP/DA/JI