

The Edinburgh Tram Inquiry – issues being considered – October 2015

	Issue	Description
1	Initial Proposals	The initial proposals for a tram network (as part of the wider New Transport Initiative). [Includes the extent, and objectives, of the proposed network and the Benefit Cost Ratio, as well as impact on the project of termination of other proposed projects]
		The initial estimates for the tram project (including how these estimates were arrived at, the assumptions on which they were based and any allowance for risk or optimism bias)
		The Scottish Transport Appraisal Guidance (STAG) and other appraisals
		The Parliamentary process
		The approval by the City of Edinburgh Council (CEC) of the draft and final Business Cases
2	Procurement	The creation of Transport Initiatives Edinburgh (TIE) to manage and deliver the project
		The decision to deliver the project by means of separate contracts [i.e. to enter separate contracts for the design, utility, infrastructure and tram vehicle works, with transfer (novation) of the design and tram vehicle contracts when the infrastructure contract was concluded]
		The appointment of the tram operator (Transdev) at an early stage to assist with design
		The process by which tenders were sought in respect of each of the contracts and the process by which the contracts were ultimately awarded
		The advice sought by, and given to, TIE and CEC on these matters
3	Design	The conclusion of the design contract, the terms of the contract and advice sought and obtained in relation to it by TIE and CEC
		The problems that arose with the design work, their causes and the steps taken to address them, including the collaborative planning process (Charrettes), and consultation with local and interest groups
		The state of design work at the stage the Infraco contract was put out for tender (October 2006)
		Implementation of the design contract after it had been transferred (novated) to the Bilfinger-Berger Siemens Consortium (BSC)
4	Utilities	The conclusion of the Multi Utility Diversion Framework Agreement (MUDFA) and advice obtained in relation to it by TIE and CEC
		The records that existed (whether held by the utility companies, CEC or others) of the utilities along the tram route
		The investigations made into the utilities along the tram route (and the condition of these utilities – Including checking and digging

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		inspection pits etc)
		The problems that arose with the utility works, their causes and the steps taken to address them
		The cost of the utility works
		The extent to which the problems that arose with the utility works led to problems with the infrastructure (and other) works
5	Infrastructure	The negotiation and conclusion of the infrastructure (Infraco) contract. [This includes all work from the contract being put out to tender through the appointment of Bilfinger-Berger-Siemens consortium (BSC) as preferred bidder up to signature in May 2008]
		Council approval of the contract
		The stage of design between late 2007 and May 2008 and the effect of incomplete design on the terms of the Infraco contract
		Delays in commencement of the Infraco works and initial slow mobilisation. [This includes the causes and effects of the delays]
		The Princes Street Supplemental Agreement dated March 2009. [This includes the events leading up to the agreement, the advice in relation to it, the reasons for entering into it, the terms of the agreement and its effects on the cost of the works]
		The manner in which BSC carried out their obligations under the Infraco contract and the response by TIE
		The circumstances surrounding the Minute of Variation entered into on 23 April 2010, the need for and consequences of this agreement
		The disputes as to the basis for payments for additional works and/or variations and the adjudication decisions
		Events in 2011 leading to the new agreement. [This includes the mediation discussions in March, the Priority Works Minute of Variation entered into on 20 May and 10 June and the Settlement Agreement entered into in September, including the decision to end the line at York Place, and the need for, and consequences of, these agreements]
		The infrastructure works carried out after the Settlement Agreement in September 2011 until completion of the project
6	Tram vehicles	The number of tram vehicles ordered (given the reduced length of the tram line)
7	Management	Consideration of how each of the design, utility, infrastructure and tram vehicle contracts were to be managed on a day to day basis
		How the tram project was managed overall. [This consists of the management structures and systems in place; the bodies and senior individuals involved; their experience, expertise and competence; the roles and responsibilities of legal and technical advisers; any continuity issues such as changes in senior staff and any issues arising from the overlap between these bodies and individuals]
		How risk was identified and managed
		How cost was estimated and monitored

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		How progress was planned and monitored, and the effectiveness of the various milestones
		The processes for dealing with and resolving disputes and how they were implemented
		TIE's workload
		Involvement of the project management consultancy company Turner and Townsend and the Technical Support Services provider
8	Local governance	The role of CEC (both elected members and officials) in oversight and monitoring of the project. [This includes decision making capacity, oversight, the experience of those involved (whether the CEC role was that of Councillors or officers), and the provision of information to the Council]
		The role of Transport Edinburgh Ltd (TEL) in oversight and monitoring of the project
		Information provided to the Council, officials and councillors, and TEL during the running of the contracts
		The Gateway Reviews and Peer Group Reviews
		The advice sought by and given to the Council on their role in the governance of the tram project
9	National governance	The effect of the result of the Scottish Parliament election of May 2007 on the project
		Decisions as to the role to be played by Transport Scotland on the delivery of the tram project
		Active involvement of the Scottish Ministers/Transport Scotland in the tram project [including oversight of spending and influence]
		Whether, or to what extent the involvement of Transport Scotland in the governance and supervision of the tram project differed from Transport Scotland's involvement in other large transport projects that received central government funding
		Work undertaken by Audit Scotland in relation to the project
10	Costs	The estimated total cost of the project and/or any of its components as at approval of the final Business Case (December 2007)
		The estimated total cost of the project and/or any of its components as at the negotiation and conclusion of each of the principal contracts
		The estimated total cost of the project or any of its components as at the settlement discussions and agreement (2011)
		The actual cost of each of the design, utilities, infrastructure and tram vehicle contracts and the project as a whole
		The actual other main costs. [This includes, in particular, project management, external advisors etc. It will also include the cost of financing the borrowing of the additional sums to complete the project]

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		The anticipated and actual funding of the project [This will include anticipated and actual contributions from property developers and the effect of the recession on those contributions]
		The anticipated and actual contribution from utility companies
11	Consequences	Consequences and effects on different groups and sectors: at the time of the project, in the longer-term, and on-going. [To include residents, commuters, owners or operators of businesses, commercial landlords, owners of land and prospective developers. Effects to include: displacement of traffic, access to premises, problems for pedestrians and cyclists as a result of delays in completing the project]
		Communication with these groups and the wider stakeholder community throughout the project
		For the Council [This includes financing and the need to service debt incurred on the additional sums required to complete the project]
		Reputation of Scotland and Edinburgh and public sector
		Work carried out and sums spent on parts of the line not built
		The extent to which the line as built met the original objectives of a tram network (including the estimated and actual Benefit Cost Ratio). [This includes the failure to achieve one of the principal stated rationales of the project which was to promote the development of the north Edinburgh waterfront]
12	Alternatives	This will include material suggesting how projects might be procured and managed to avoid these problems and the forms of contract that might be used

Updated – 6 October 2015