



# **tie Board Meeting**

**20<sup>th</sup> December 2004**



## Agenda for tie Board Meeting

@ Dunedin Room, City Chambers, Edinburgh  
@ 10.30 hrs – 12.30 hrs on Monday 20 December 2004

Item No.	tie Board Meeting Agenda Item	Resp	Timing
1.	<b>Minutes of Meeting of 22 November 2004 for approval and signing –</b> a) Approve and signing of Full version of minutes	EB	10.30 hrs
2.	<b>Matters arising</b>	EB	
3.	<b>Chief Executive Report –</b> a) Chief Executive Board Report * b) Risk Report and review of issues *	MH	
4.	<b>Heavy Rail -</b> a) EARL * b) SAK *	PP	
5.	<b>ITI –</b> a) Project Progress Report * b) Tram Implementation Programme * c) Tram Parliamentary Process * d) Edinburgh Fastlink (WEBS) * e) FETA, Forth Road Bridge Congestion Charging * f) Service Integration – TEL	AM IK AM  GB	
6.	<b>Governance &amp; Financial Matters –</b> a) Financial Report * b) tie Business Plan *	GB	
7.	<b>Communications -</b> a) ITI communications – Information Programme * b) Stakeholder report *	MH	
8.	<b>AOB -</b>		
9.	<b>End</b>		12.30 hrs
10.	<b>Date of next meeting – Friday 21 January 2005 @ 10.00 hrs. Venue: tie office, Verity House, Edinburgh</b>		

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)



Item 1

**Minutes of the Meeting**  
**held on 22<sup>nd</sup> November 2004**

- a) Approve full version of minutes



tie limited

**Minutes of tie BOARD MEETING**

in tie Offices, Verity House

@ 10.00 – 12.00 hrs on Monday 22<sup>nd</sup> November 2004

Board Members: Ewan Brown (Chairman)  
Maureen Child  
Andrew Burns  
Jim Brown  
Gavin Gemmell  
John Richards

In attendance: Michael Howell, tie Chief Executive  
Graeme Bissett, tie Finance Director  
Alex Macaulay, tie Projects Director  
Paul Prescott, tie Heavy Rail Director  
Ian Kendall, tie Procurement Director  
Andrew Holmes, CEC, City Development Director  
Kenneth Hogg, Scottish Executive  
Neil Renilson, Lothian Buses, Chief Executive  
Keith Rimmer, CEC, CDD, Transport  
James Papps, PUK

Apologies: Bill Cunningham  
John Ewing, Scottish Executive

Circulation: As above +  
Ronnie Hinds, CEC, Head of Corporate Finance  
Andy Nichol, CEC, Leader's Office  
Damian Sharp, Scottish Executive  
Martin Buck, PUK

**Item**

**1. MINUTES OF THE MEETING OF 25<sup>th</sup> OCTOBER 2004 FOR APPROVAL AND SIGNING**

- a) The minutes of 25<sup>th</sup> October were approved.

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and The Act)

(C) = minute exempt under Section 5b of tie's publication scheme and The Act.

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**Action**

**By**

EB  
MC  
AB  
JB  
GG  
JR

MH  
GB  
AM  
PP  
IK  
AH  
KH  
NR  
KR  
JP

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## 2. MATTERS ARISING

GB will develop Agenda for the joint Operating Committee (tie / CEC / Executive) with Scottish Executive and initiate monthly meetings.

AB to discuss Agenda for possible Ken Livingstone visit to Edinburgh with Scottish Executive (KH).

Away day: MH briefed the Board on the issues discussed, break-out sessions and external speakers including John Campbell QC, Evening News, Lothian Buses and Scottish Executive.

## 3. CHIEF EXECUTIVE'S REPORT \*

### a) General

#### i) Overview of PR Status

Efforts are being made to improve the quality of proactive communication to the media and public on tie's projects.

#### ii) Relationship with Scottish Executive

The recently announced appointments by the Scottish Executive to assist Damian Sharp were welcomed.

#### iii) SAK

***Agreement with Network Rail is essential to the successful implementation of the SAK scheme. (C)***

#### iv) Congestion Charging

Progress is being made in pressing ahead with the communications plan.

***NR noted that legal advice had been passed to tie regarding potential contributions by Lothian Buses to the communication process. (C)***

#### v) One Ticket

***NR noted that this was not ScotRail's top priority and that issues including refinement and realignment of 'zones' would be required to facilitate progress. (C)***

***It was agreed that ownership is required for this project and that until this is addressed, this item should remain on the tie Board agenda. (C)***

vi) Business Plan

MH noted that significant work to develop the Business Plan 2005/6 was underway

b) Risk Report \*

The monthly Risk Report was discussed. Future reports would include an Executive Summary and would highlight the key risks.

***Two recent NAO reports demonstrated that thinking and plans with regard to Congestion Charging and wider project management appears to be in line with emerging best practice and is benefiting from early scheme definition. (C)***

***GG recommended contact with R. Grainger (NHS Procurement) to find out their risk management approach. (C)***

JP noted that the emerging lessons from trams and congestion charging should be useful for EARL, and recommended tracking risks highlighted by Transdev.

## 4. Heavy Rail

a) EARL\*

The project progress report was presented.

PP noted that the Consultation had begun on 8 November 2004 and was confident that the Bill would be ready for May 2005. The scheme was effectively at 'design freeze' excluding issues that emerged during consultation. PP noted that the issue of Promoter had still to be determined.

AM highlighted that the timing of EARL and Line 3 Bill submissions would be under discussion later in the week. AB noted that Line 3 workstreams should be completed and the Line 3 Bill 'ready to go', even if the Bill were not lodged.

There was discussion on the issues associated with land purchase and compensation. PP asked to review land valuation issues by AH.

b) SAK \*

The project progress report was presented.

***The Agreements with Clackmannanshire and Jacobs Babbie had not yet been signed. EB highlighted that clarity of our contractual position is required and that unless Agreements were signed, it would not be appropriate for tie to continue. (C)*** PP to pursue completion of Agreements before the next Board meeting, with support of Scottish Executive.

Action

By

GB

MB

AM

PP

PP



PP noted that Network Rail were apparently unable to negotiate on a number of critical points relating to the Asset Protection Agreement and highlighted a need for more assistance from the Scottish Executive. KH noted that further discussion with Network Rail was being held this week, and offered support.

## 5. ITI

### a) Project Progress Reports \*

The project progress reports were presented.

EB requested that all monthly project reports in the board papers be 'signed off'.

AM clarified intention to write to Scottish Executive (via CEC) to treat Line One and Two as a 'totality' because of the commonality of much of the work.

### b) tie report to CEC on outcome of Congestion Charging Public Inquiry

The report, which would be submitted by 2 December, would maintain tie's earlier recommendation that there should be no exemption for West Edinburgh residents. It was agreed that the Chairman would approve the final report on behalf of the Board.

### c) Arrangements for Edinburgh Fastlink opening

AM noted that tie was currently resolving 'teething' difficulties with the Contractor through snagging to meet 2 December opening day. AM reported that the signalling and traffic signals were due to be completed over the weekend in order to achieve HMRI consent.

NR reported that driver training programme was ongoing and would continue right up to opening, but should be uninterrupted to achieve operation on 5 December.

KR noted concerns regarding the number of issues to be resolved in the available time and noted 'loose kerbs' on site visit on Friday. AM noted that remedial works were underway.

The official launch would be on 2 December with the Secretary of State and the Transport minister present.

### d) Progress report on Tram Parliamentary process including Arup's report

GB noted that the tone of the report was largely constructive in terms of robustness and depth of work undertaken by tie. Over thirty comments were extracted and responses issued to Committees. The erroneous calculation of capital estimates in the Arup report that was subsequently reported in the Evening News, had been corrected by tie. GB noted that the report identified issues that team had already been aware of.

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e) Congestion Charging Procurement Strategy

AM reported the intention to have an 'end-to-end' business system by mid-2006 and recommended an operator procurement strategy similar to the DPOF approach.

AM reported on the need to step-up resources through secondments. Contingencies for the prototype had not been called on and there was therefore no additional funding requirement in 2004/5.

JP confirmed that PUK involvement would continue to assist in risk allocation and financing of the scheme.

JB noted that necessary 'break-points' would need to be included within Agreement, similar to DPOF.

AM outlined the need for a period of consideration by the Scottish Executive and the current allowance for 3-months in the programme.  
AM to clarify the ability to seek CEC and Ministerial approvals in parallel.

f) Tram Procurement Strategy \*

***IK tabled a paper on the progress and timetable to engage advisors for the complex contractual arrangements and the need to involve the Lothian Buses team in interfaces. IK noted that planning is currently at a critical phase in reviewing Haymarket detailed alignment and interaction with CETM. (C)***

Heath Lambert Group, had been appointed as Insurance Advisors

IK had visited Croydon Tram with the three Project Managers.

IK noted that review of potential improvements was underway.

g) Service Integration - TEL

A paper was in preparation from Lothian Buses and tie for TEL. GB noted that there had been a legal review of the proposed contractual structure.

MH noted NR observer role in tie Board was being reciprocated with a similar role by MH on the TEL Board.

EB noted satisfaction that these matters were being considered well in advance of detailed design and scheme implementation.



## 6. GOVERNANCE & FINANCIAL MATTERS

### a) Financial Report \*

The monthly Financial Report was reviewed.

GB reported that delay to approval of spend has resulted in some spend on tram moving into the next year. GB noted efforts to clarify cost estimates of the substantial and largely unbudgeted support required to the new form of parliamentary process requires obvious care.

GB

***GB to clarify process to bid for additional funding for parliamentary process with the Scottish Executive. (C)***

GB

### b) tie Business Plan \*

GB tabled a paper on the Business Plan and noted that this was currently work in progress.

EB noted the need to build-in the necessary quantity and quality of tie resources within the Business Plan. GB to circulate the Plan for comment to colleagues in the Council and gain approval by Board by end of the year for submission to the Council.

GB

***GB drew attention to the possible 3-month time gap between the Referendum vote and Ministerial Approval of Congestion Charging that could require c£4m funding to meet tie's timetable. GB outlined funding options available (1) to proceed at risk (2) investigate a solution with preferred bidder (3) underwriting by Council (4) delay until approval received. (C)***

GB

***GB noted the need to review costs for Congestion Charging in conjunction with the Council and review the scheme funding options with the Council and Scottish Executive that include (1) CEC (2) SE (3) Matched Funding (4) quasi-PPP over a 3 to 20 year term. KH to discuss with colleagues in Scottish Executive. (C)***

KH

***GB noted that options to market the Congestion Charging Intellectual Property to other UK cities need to be considered. (C)***

KH

***GB highlighted the need for an agreed protocol to acquire land and property for schemes including trams and ability to access money to back ongoing negotiations. (C)***

## 7. COMMUNICATIONS

### a) ITI Communications – Information Programme \*

MH noted number of activities under way including bus advertising, the introduction of real time information, stakeholder interface meetings, Fastlink launch and the development of a Map to guide the public to public transport options.

### b) Stakeholder Report \*

The stakeholder management report was noted.

## 8. AOB

### a) Fastlink

GG asked in there was anticipated growth in the numbers of passengers making use of the Fastlink facility. NR expected that growth experienced in Leeds should also apply to Edinburgh.

## 9. Date of Next Meeting

Monday 20<sup>th</sup> December at tie offices at 10.00 am.

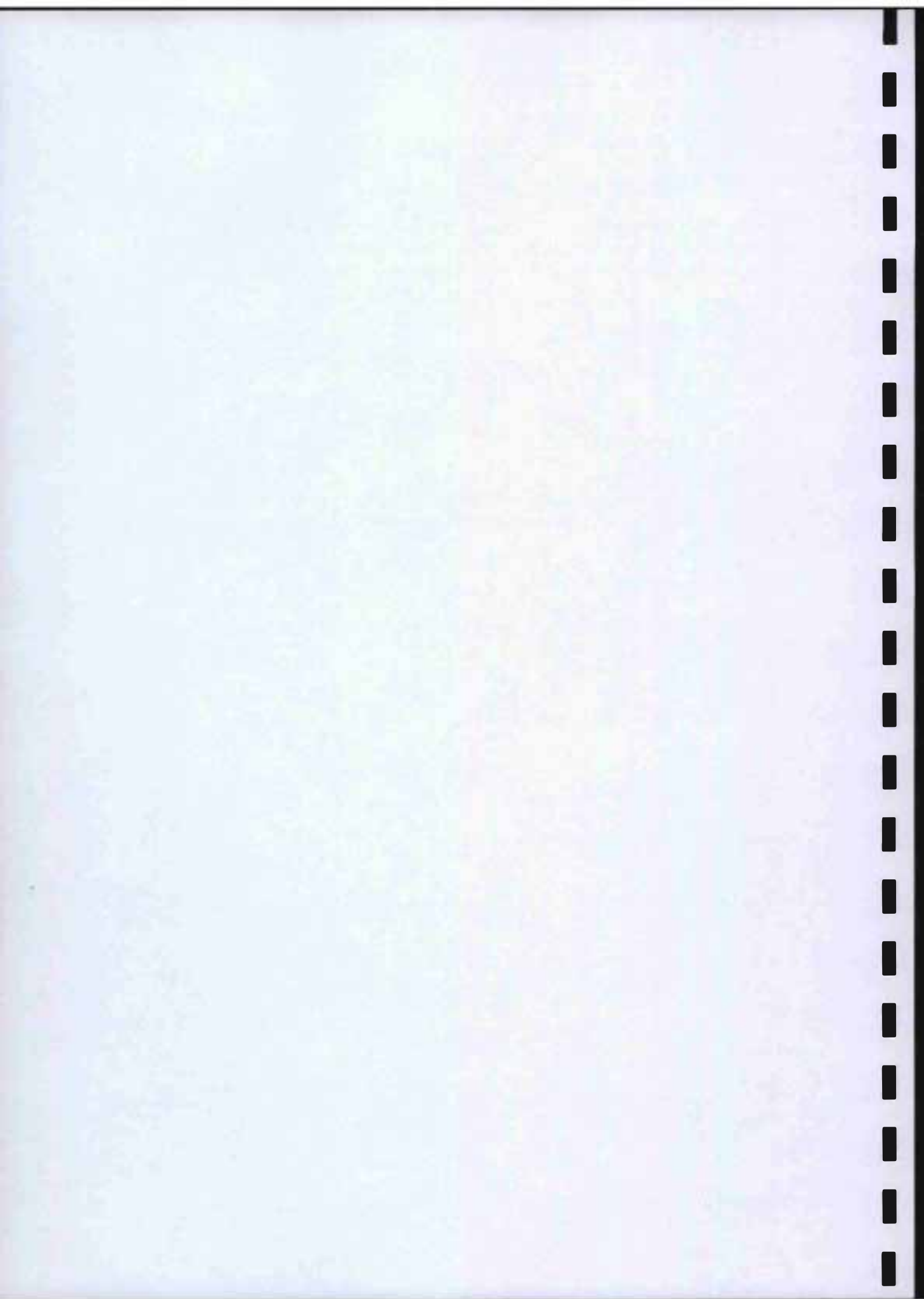
Signed as approved on behalf of tie Board by:

Ewan Brown (Chairman)..... Date.....

### *Declaration:*

*Agenda Items marked \* indicate that a report or relevant paper on this subject is attached and will be made available under FOISA but will be subject to review under Section 5b of tie's publication scheme and The FOI (Scotland) Act 2002. Comments marked as (C) and highlighted in bold italics in this minute are exempt and will not be made available under The FOI (Scotland) Act 2002.*

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Agenda Item 2

## Matters Arising





Agenda Item 3

## **Chief Executive Report**

- a) Chief Executive Board Report \***
- b) Risk Report and review of issues \***

**\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)**



Agenda Item 3a

**a) Chief Executive Board Report \***

**\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)**



## **tie BOARD MEETING – 20<sup>TH</sup> DECEMBER 2004**

Please note that this report is written within the provisions of FOI (Scotland) Act.

### **Chief Executive's Report**

Events since last report:

- Edinburgh Fastlink (formerly WEBS) was formally opened on 2<sup>nd</sup> December by the Secretary of State and started passenger operation on 9<sup>th</sup> December, after finalisation of remedial works. At the request of CEC, tie is to operate the busway for the first 12 months.
- Tram funding for 2005/6 remains under scrutiny with focus on a) the costs of supporting the ongoing parliamentary hearings, and b) the desirability and associated cost of starting work in 2005 with utilities companies and Network Rail.
- The tram parliamentary hearings continue. Tramline 2 in particular received an unenthusiastic deposition from BAA, which stoked the committee's expressed concern about the future impact of EARL on TL2.
- The City Council approved (by one vote) the largely unchanged congestion charging order which retains the Outer Edinburgh exemption.
- The proposed order, in the context of Edinburgh's overall transport strategy, will be put to a postal referendum of Edinburgh residents in February. The relevant press release is attached.
- tie has been approached by the Forth Estuary Transport Authority (FETA) and a tie proposal to develop a Road User Charging Scheme for the Forth Road Bridge has been presented to the FETA board
- Initial response to the EARL consultation has been positive with over 90% of respondents supporting the project to date.
- Further information is awaited on the shape of the Transport Scotland Agency and any associated implications for tie.
- A draft of the 2005/6 business plan is to be presented to the Board. Additional strengthening of the team, especially trams, is part of this plan.

#### **tie limited**

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**delivering transport projects**



#### **A. Scottish Executive**

- The Scottish Executive were represented at the tie/CEC Operating Committee meeting on 13<sup>th</sup> December. A useful start was made on a regular ongoing three-way dialogue.
- An informal meeting was held to explore the merits of the company structure as it could be applied to the delivery arm of the TS agency.
- A meeting was held on smartcard application to ticketing.

#### **B. Finance and Risk**

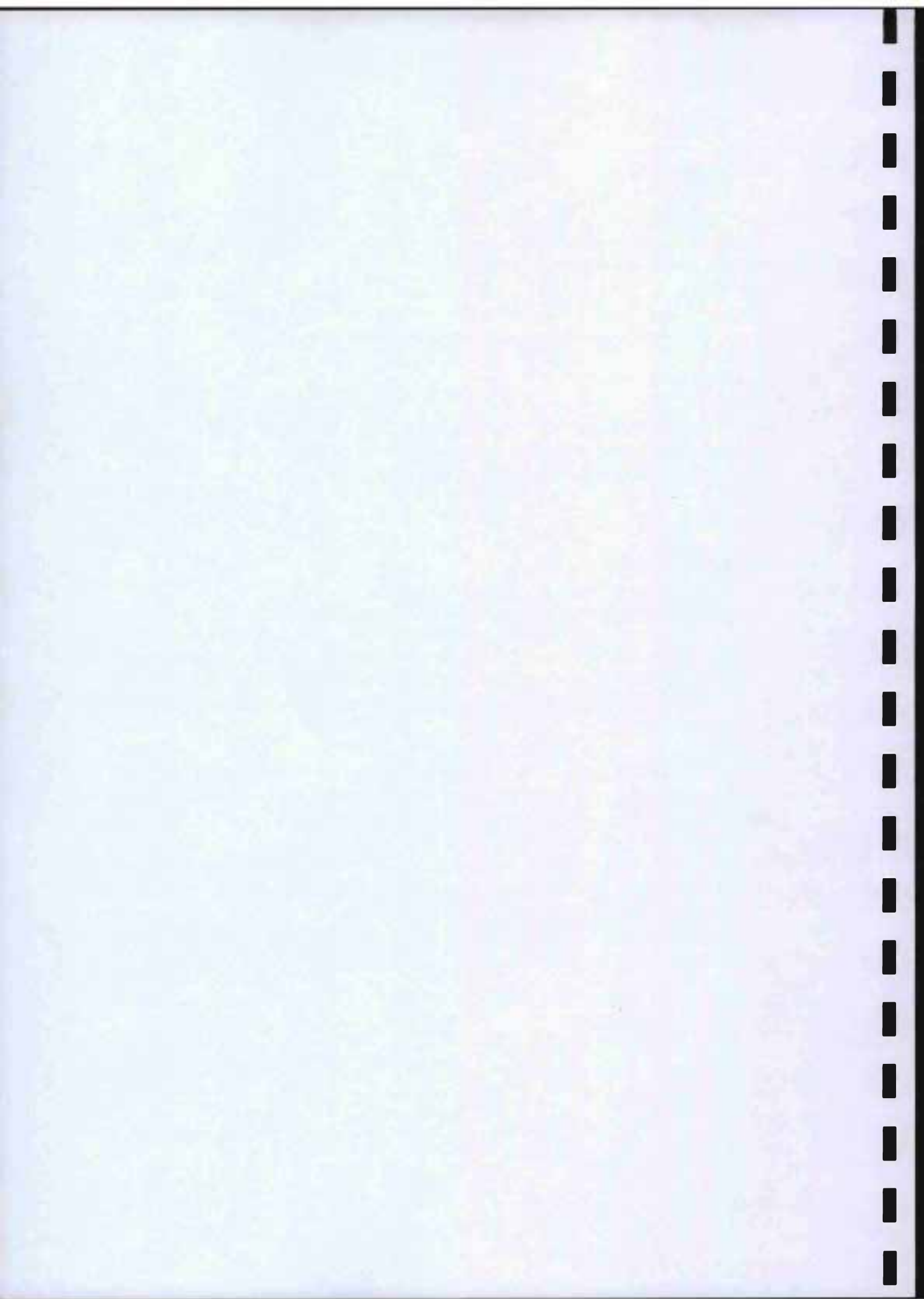
The Finance and Risk reports are attached. In particular, the risk report considers the desirability and logic of buying Professional Indemnity Insurance, since this is mandated under the terms of tie's operating agreement.

#### **C. Trams**

Three streams of activity:

- The parliamentary hearings continue. We are seeking to provide higher level input to the committees since the process does not allow us to know what questions are to be asked and the questions are invariably of a detailed nature. Therefore we shall prepare a written summary of our case before hearings end, and seek to have this presented directly to the committees.
- Mr Paul Dawkins has joined Ian Kendalls' team as Tram Design Manager. Paul was closely involved in the bid and construction of the Croydon tramlink. Other appointments are close.
- Now that TEL and its terms of reference have been established, the main issues relating to the effectiveness of the tram are coming into focus from Transdev. These issues relate to ensuring low journey time for the tram, including availability of street space, priority at junctions, and track routing e.g. Gyle Shopping Centre.





#### **D. Congestion Charging**

- Provisionally it has been agreed that Ken Livingstone will visit Edinburgh on 17<sup>th</sup> January to be lead speaker in a conference on the congestion charge. The referendum will take place in February.
- We have had the opportunity to see Cap Gemini's proposed system for congestion charging at an all day seminar held off site. Its functionality is impressive. The IBM scheme will be subject to a similar "show and tell" this week.
- As mentioned above, FETA approached **tie** to assist them in the development of a road user charging scheme for the Forth Road Bridge to start operation in 2006 at the time of expiry of their present charging powers. This is a crash programme since the steps that have to be undertaken are identical to those that we have followed for Edinburgh. **tie** would charge out its time at cost plus overheads, and would not have to tender for this work due to its public sector status.

#### **E. One-Ticket**

An explanatory meeting was held with Jamie Ross (Scottish Executive) to propose a new initiative relating to inter-modal smartcard based ticketing that could be applied to One-Ticket. There was an interested but cautious response. Next step is a proposal from **tie** to be presented in the New Year.

#### **H. Communications**

The Fastlink launch went smoothly and Suzanne Waugh is to be congratulated for her energy and attention to detail in organising the event. Lynsey Hetherington has joined Suzanne Waugh to provide additional support during the period until the referendum

The TransportEdinburgh publicity campaign is underway with leaflets being distributed on buses and a large volume of bus advertising. The quality bus corridor has been inaugurated and the BusTracker real time indicator system was launched just a week before Fastlink. More will be visible after the holiday period, including local radio slots.

Coverage from the Evening News remains sceptical at best. Appointment of new editor John McLellan may offer opportunity for a change in the editorial line.

Michael Howell

14<sup>th</sup> December 2004

9 December 2004

## COUNCIL AGREES ARRANGEMENTS FOR TRANSPORT REFERENDUM

The City of Edinburgh Council today (9 December) agreed arrangements for a postal referendum to consult on the public's view of its Local Transport Strategy, which includes the introduction of congestion charging.

Postal ballots will be issued from Monday 7 February 2005 and Edinburgh residents will have fourteen days to return their ballot form to the Council. The closing date for receipt of completed postal ballots will be Monday 21 February 2005 at 9pm. The outcome of the referendum will be made available during Tuesday 22 February 2005. The result will be reported to the full Council meeting on Thursday 24 February 2005.

The postal ballot question is:

"The leaflet enclosed with this ballot paper gives information on the Council's transport proposals for Edinburgh. The Council's 'preferred' strategy includes congestion charging and increased transport investment funded by it. Do you support the Council's 'preferred' strategy?"

Voters will be asked to vote 'Yes' in favour or 'No' against the proposal.

The Queens Counsel has checked the question on the ballot and the wording has been approved. As this is a non-statutory ballot, only the edited Electoral Register can legally be used for the referendum. This edited list does not include people who have opted not to be contacted for non-statutory purposes. The Council will continue with a publicity drive targeted to ensure that as many people as possible not on the edited register may vote.

Council information and news releases are available on [www.edinburgh.gov.uk](http://www.edinburgh.gov.uk)



# ◆ EDINBURGH ◆

## THE CITY OF EDINBURGH COUNCIL

For the result of the referendum to be known on 22 February 2005, applications to be included in the Referendum List must be received by Friday 14 January 2005.

Publicity will include radio advertising, adverts in the local press and on buses. Information was also included in the December edition of the Council's newspaper Outlook and distributed to all households in Edinburgh. A cut-out coupon and helpline number (Tel. 0131 529 4877) was included in the newspaper to assist with this.

250,000 'Use Your Vote' leaflets have been distributed to Lothian Buses, Council offices, public libraries, sports and community centers to ensure that everyone who wants to vote can.

Application forms are also available online at:

[www.edinburgh.gov.uk/transportedinburgh/referendum](http://www.edinburgh.gov.uk/transportedinburgh/referendum)

A helpline number Tel. 0131 529 4877 has been set up to assist with enquiries, issue forms and tell people if they are on the edited Register. Hours of operation are 8am to 8pm, Monday to Friday.

The Council can legally only hold a referendum for Edinburgh residents.

The Council is legally barred from campaigning for a 'Yes' vote and no public funds can be used for such purposes. Individual political parties and other organisations are free to take opposing positions. Whilst the Council cannot campaign for a 'Yes' vote, the authority has a responsibility to ensure that Edinburgh residents are in possession of as much information as possible to enable them to make an informed judgement.

A Council-produced leaflet will be circulated with the postal ballot paper to Edinburgh households containing factual and impartial information. The Council has taken independent legal advice from Senior Counsel and the leaflet has been carefully checked against the law of the land and guidance published by the Electoral Commission.

Council information and news releases are available on [www.edinburgh.gov.uk](http://www.edinburgh.gov.uk)



# ♦ EDINBURGH ♦

## THE CITY OF EDINBURGH COUNCIL

Once the outcome of the referendum is known, the Council will then meet to decide whether to proceed with an application to Scottish Ministers for approval for a congestion charging scheme.

Not only will the Council be seeking approval for a congestion charging scheme but also for the related package of planned transport improvements that will be funded from congestion charging revenue and implemented over the next twenty years. The two issues should not be seen as separate as they will be considered jointly by Scottish Ministers. It should not be assumed that one could be given the go-ahead without the other.

ends

Media Contact: Peter MacLennan, Media Officer, Telephone: [REDACTED]

Council information and news releases are available on [www.edinburgh.gov.uk](http://www.edinburgh.gov.uk)





Agenda Item 3b

**b) Risk Report and review of issues \***

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)



**tie Limited**  
**December 2004 Risk Report**

**tie Limited**  
**Risk Report**  
**December 2004**



Prepared by: **Mark Bourke**  
Date: **13 December 2004**  
Revision: **1**

File: **10.01.02 tie BOARD Portfolio Reports to Board**

## **tie Limited**

### **December 2004 Risk Report**

#### **1. Introduction**

The following paper has been prepared to explore the issues regarding Professional Indemnity Insurance (PII) that could be placed by tie.

#### **2. Context of the Operating Agreement**

We currently act under an Operating Agreement with the Council to provide development, procurement and implementation services for integrated transport projects within the Council and SESTRAN area that requires us to indemnify the Council, as follows.

*"The Company shall be wholly responsible for meeting timeously all obligations, liabilities or claims of whatsoever nature arising out of or in connection with each project and the implementation of the Company's obligations under this Agreement and hereby binds and obliges itself to indemnify the Council fully against all liability for such obligations, liabilities or claims."*

The scope of our services that we 'directly' or 'indirectly' provide (through advisors or service providers), and have been summarised from the Operating Agreement in **Appendix A**.

It is noted that tie currently fulfil their obligations through a project management role and contracting the necessary range of advisory, supply, construction, operation and maintenance services with service providers.

Within each of these contracts, tie requires industry best practice to be employed and suitable insurances to be in place including professional indemnity and public liability, as necessary.

#### **3. What value of project management services do tie provide each year?**

From review of the tie cost model, it is shown that tie provide a total of **£1.8m** project management services against a back-drop of **£24.4m** turnover for FY 2004/05. It is concluded that tie project management services constitute approximately **7.5%** of total turnover across the tie portfolio of projects with the lion's share comprising the workstreams associated with the three tram schemes.

It is worth noting the value of these services excludes overheads and those costs incurred by advisors, suppliers and contractors.

#### **4. Where is there scope for exposure?**

tie have reviewed the scope of services provided under the operating agreement, as shown in **Appendix A**. Our services can be spilt into those provided by tie, those provided solely by service providers and those with shared responsibility. It is noted that two-thirds of tie's obligations are either shared with or transferred to service providers. Our exposure is in potential negligence in project management services to the Council associated with the Integrated Transport Initiative.

Key professional indemnity insurance industry exposures are recognised as follows:-

Ref	Risk Area	Potential Exposure	No Exposure
a)	Joint-venture partnership agreements	✓	
b)	Certification, examination, licensing or regulatory functions	✓	
c)	Insurance, accountancy, actuarial, legal or financial services	✓	
d)	Asbestos surveying activities	✓	
e)	Rail related projects of any kind	✓	

**tie Limited**  
**December 2004 Risk Report**

Ref	Risk Area	Potential Exposure	No Exposure
8)	Environmental or pollution work of any kind	✓	
9)	Specify expanded polystyrene or polyurethane core sandwich panels ("EPS panels")?		✓

It is recommended that these exposures are individually assessed to confirm that all risks have been adequately transferred to service providers.

**5. What Insurances does tie currently have in place?**

A summary of the current insurances in place is provided in **Appendix B**. It is noted that these are standard insurances and with the exclusion of the Fastlink Public Liability insurance cost c£3k per annum. tie conduct a review of these 'general' business insurances on an annual basis.

tie additionally carry out ad-hoc reviews of service providers insurances in the preparation of invitation to tender, pre and post award to ensure adequate insurances are sought and in place.

tie has additionally recently supplemented this process with the engagement of Heath Lambert to provide insurance advisory services for all the projects.

**6. What is Professional Indemnity Insurance?**

Professional Indemnity cover provides protection in the event of error in project management service provided.

The general scope of project management services would be typically insured (on a civil liability rather than negligence only basis) as these would largely be in the nature of advice/management. An indication of what we could expect to be excluded follows: -

- Manufacturing type risks
- Collateral Warranties
- Fines, Penalties and the like

**7. How much would this cost?**

As per all insurances, the decision to place them should account for value for money and affordability grounds. This has been reflected in a general trend in industry to provide insurances 'when available at commercially viable rates'.

We have sought advice our insurance advisors, who have obtained brokers 'preliminary' advice on the perceived PI risk for tie.

Subject to proposal and full details of contractual responsibility, the estimated costs are as follows:-

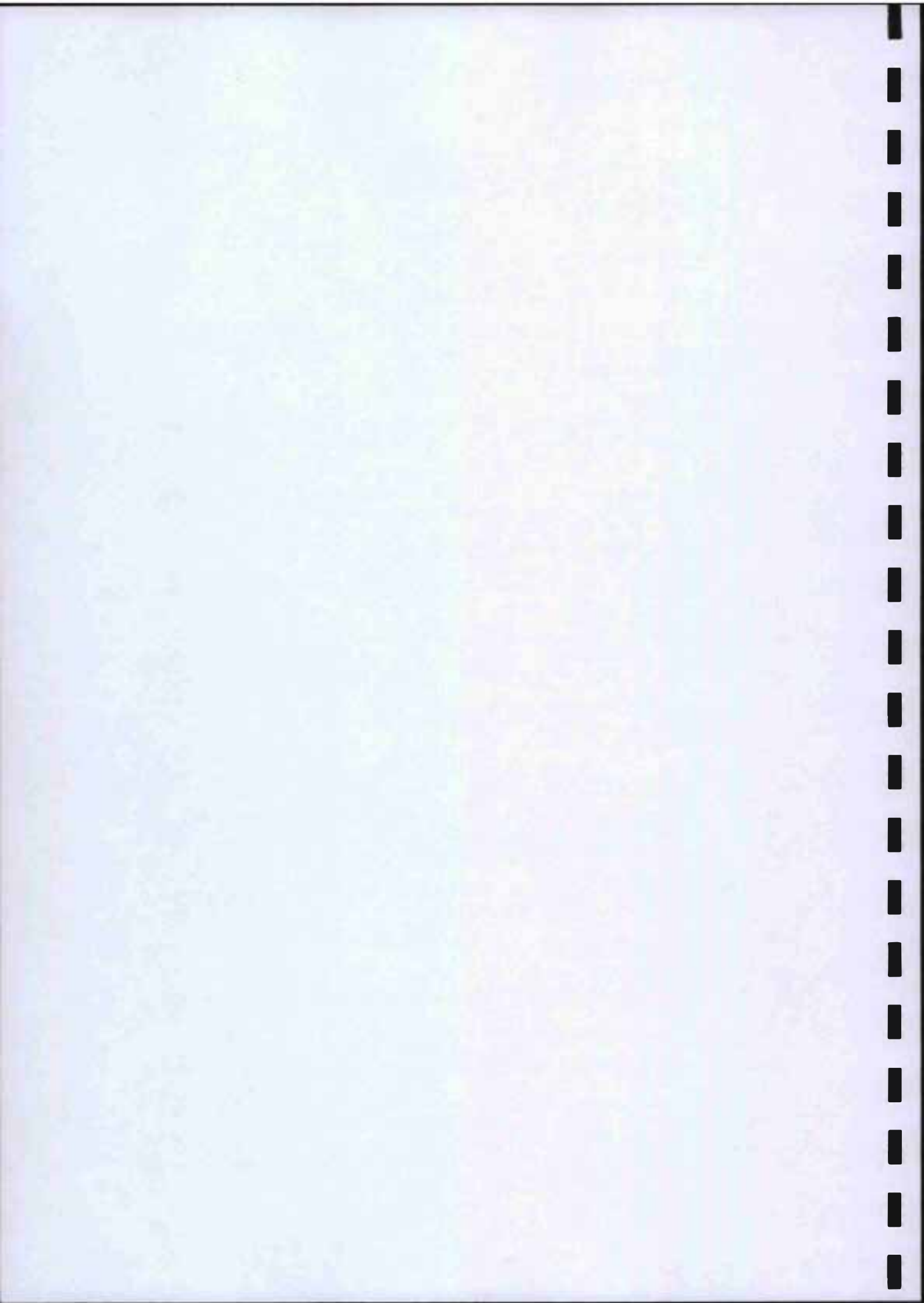
- £5m aggregate subject to a £50k excess for each and every loss will be c£75k to £125k; and
- £5m in excess of £5m (Total £10m) will be c£25k to £45k.

It is concluded that a £10m PII cover would cost between £100k and £170k per annum.

Further details would require to be obtained from the Board in order to complete the form to base a quotation on.

**8. What is the history if claims a against PI cover in industry (for the past 12-months) in relation to Project Management services**





## **tie Limited**

### **December 2004 Risk Report**

Our insurance advisors have noted that this is not an easy question to answer, primarily because, whilst there are several claims for such activity in the market, these are governed by strict confidentiality provisions. The majority of such claims stem however from issues such as cost or time overruns and quality of services provided. They vary in size but our advisors are aware of one of at least £10,000,000.

It is also likely that project managers will be brought in to defend claims though they do not have any actual responsibility for the loss.

#### **9. What loss could be demonstrated by the Council?**

It is difficult to assess the potential scope of loss that the Council could demonstrate in order to quantify the potential exposure.

tie have a duty of care to the Council and must ensure that the duty is maintained throughout. Failure could result in financial loss to the Council who may then wish to seek a recovery of losses from tie for its failure to ensure that its responsibility to the Council has been maintained.

Even if this may be considered slightly remote, unless you have a full "hold harmless" from the Council, tie could easily be involved in defending a claim through or via ourselves against the designers/contractors.

Project management wordings are more commonly on a civil liability basis of cover rather than the more common "negligence" covers available to design and construct contractors. The wording can be developed and extended with insurers but this will depend on factors such as experience and contractual reliefs and indemnities with the intention of as nearly as possible matching cover with the exposures. Contractual arrangements will dictate where and who's responsibility certain aspects will be.

Further assessment is required with our advisors and potential underwriters of our contractual obligations to form a clear picture of responsibilities and where tie may actually have an exposure.

It is recommended that this is discussed with the Council.

#### **10. What controls do tie have in place to ensure duty of care?**

tie conduct their business within an governance framework supported by necessary quality controls to ensure that the risk of errors, omissions or negligence is obviated. It is noted that the Council ensure that tie fulfils it's obligations through the Board, Operating Committee and liaison with project management and administrative teams.

Our Project Managers are responsible to the Project Director for the timely input of the all the external suppliers to the project, reviewing internal processes, providing project management support and specialist advice. Project Managers are responsible for instructing advisors, project administration and quality management.

The Project Managers are fully responsible for identification of risks and decisions on developing risk mitigation strategies.

Our Risk Manager reports to the Project Directors and works closely with the individual Project Managers. The Risk Manager's duties include the following.

- Organise, implement and monitor the process to manage the risks;
- Identifying, analysing & categorising 'existing' and 'new' risks in conjunction with appropriate tie staff and advisors;
- Proposing, agreeing and subsequently monitor risk mitigation strategies;
- Allocation of risks to the appropriate bodies & individuals and monitoring their mitigation;
- Prepare necessary progress reports; and

## **tie Limited**

### **December 2004 Risk Report**

- Assisting the project management teams as necessary.

tie engage service providers using a range of Contract types including bespoke, standard industry or tie 'in-house' advisor conditions, and ensure that adequate insurances are in place.

#### **11. What scope is there to amending existing service provision?**

An initial assessment of the ongoing procurement activities associated with the tram schemes has been undertaken. This has identified that tie will continue to have a role in the 'direct management' of service contracts with a Designer, technical support and a number of smaller consultancies to provide specific input into the development of the tram system throughout 2005 and into 2006. The development of land and property agreements, utility diversion agreements, Network Rail agreement and the BAA agreement will be developed through 2005.

However, as tie will be negotiating and deciding broad options there is the consequential risk of abortive design work. It is intended that the System Design Services contract will be novated to the Infraco at financial close with appropriate warranties for the protection of tie and the Council.

Investigation into the placement of a comprehensive policy for tie and its designers over the period to financial close in Q4 2006 will be undertaken.

#### **12. What options are available to tie and the Council?**

There are number of options available to tie and Council with regard to professional indemnity insurance, as follows.

- Current position is maintained;
- Council use available funding to invest in further governance controls e.g. Quality Assurance, internal audit et al rather than insure;
- tie/Council create a contingency fund (to build up a reserve) to deal with cost of additional resources required to support the schemes;
- tie place a 'contingent' PII cover to protect the Council for the project management services provided;
- tie review the ability to place a 'owner controlled' portfolio wide PII policy to encompass all services including advisors and seek potential reduction in advisor rates; and
- Council place a PII cover to protect the Scottish Executive for their activities and underwrite tie's liabilities.

#### **13. Recommendations**

It is recommended that the Board consider the way forward for Professional Indemnity Insurance, taking account of the views of both CEC and SE.



## **Appendix A**

# **Scope of Services**

**tie Limited**  
**December 2004 Risk Report**

Ref	tie Obligation	tie	Service providers	Shared
1	To comply in all respects with the Annual Business Plan (including any amendments the Council considers necessary)			X
2	To issue loan stock to the Council in an amount determined by the Council (which shall equal the amount issued by the Council to the Company from the Spend to Save Fund)	X		
3	Said loan stock shall be repayable to the Council at a date or dates to be agreed with the company following commencement of the Road User Charging Scheme.	X		
4	to develop, procure and implement integrated transport projects within the Council and SESTRAN area.			X
5	To ensure best value in the provision of services to the Council			X
6	to act commercially;			X
7	to work with the Council to ensure that all of the statutory requirements on the Council to re-invest receipts and profits from projects and new transport initiatives are met	X		
8	to apply principles of good corporate governance	X		
9	to co-operate with any monitoring operation carried out by or on behalf of the Council, in particular the Company will provide a copy of all Board papers to the Council's monitoring officer as advised by the Council	X		
10	providing services to the Council in carrying out or commissioning necessary feasibility work			X
11	providing services to the Council in prioritising integrated transport projects to agreed criteria on value for money, social and environmental benchmarks			X
12	providing services to the Council in obtaining any necessary statutory approvals where appropriate			X
13	providing services to the Council in trying to achieve public acceptance of these schemes through: (a) public consultation.			X
14	(b) preparation of necessary publicity material;			X
15	(c) communication with all necessary stakeholders			X
16	(d) preparation of exhibitions etc			X
17	providing services to the Council in obtaining funds for Transport Projects through appropriate grants from inter alia the Public Transport Fund, the Integrated Transport Fund and funds available to support rail projects from the Strategic Rail Authority or others	X		
18	obtaining all other necessary consents and planning permissions			X
19	establishing the optimal procurement strategy for each project			X
20	preparing specifications and contract documents		X	

**tie Limited**  
**December 2004 Risk Report**

Ref	tie Obligation	tie	Service providers	Shared
21	managing the bidding process and meeting all requirements where applicable of the procurement process	X		
22	managing the award and implementation of the projects	X		
23	ensuring that the necessary, quality, financial and supervisory controls are implemented over the life of the project	X		
24	establishing and monitoring Operations & Maintenance procedures			X
25	ensuring ongoing value for money.			X
26	securing a relevant share of any increase in revenue to third parties such as fare box revenue resulting from projects implemented by the Council			X
27	ensuring that relevant windfall opportunities are obtained e.g. Intellectual Property Rights fees			X
28	seeking funding based on net income through bank finance bonds, income securitisation etc			X
29	seeking equity funding and partners if appropriate			X
30	operate a Road User Charging Scheme all as defined in Part 3 of the Act			X
31	assisting with preparation of a Charging Order			X
32	dealing with any objections and any Public Inquiry			X
33	submission for final Order approval;			X
34	carry out the necessary quality and operational performance monitoring of the contract			X
35	monitor revenue stream returning to the Council	X		
36	ensure any handover or termination criteria are met			X
37	establish feedback and ongoing development			X
38	to account for the Road User Charging Scheme in a separate ring fenced account, as a separate business account in the name of the Council, following the best accounting standards and to report to the Council on a monthly basis with a reconciliation of revenues to the said business account			X
39	(a) plan, cost and evaluate the scheme			X
40	(b) assess risk and value management			X
41	(c) prepare programme management			X
42	(d) develop legal and commercial contract strategy			X
43	(e) prepare and cost a draft scheme against a public sector comparator			X
44	(f) develop relevant procurement strategy			X
45	(g) develop necessary ongoing contract management strategy			X
46	(h) prepare contract documentation and specification		X	
47	(a) manage the pre-qualification process	X		
48	(b) manage the bidding process	X		



**tie Limited**  
**December 2004 Risk Report**

Ref	tie Obligation	tie	Service providers	Shared
49	(c) award the contract	X		X
50	(d) manage the implementation process in line with the contract obligations			X
51	(e) provide the necessary testing			X
52	(f) provide the necessary training		X	
53	(g) ensure operational acceptance			X
54	(h) ensure a satisfactory maintenance period is achieved			X
55	Given the level of public sector funding the Company will, where appropriate follow regulations governing public procurement			X
56	To work with the Council to ensure that revenues raised from Road User Charges are managed in the most cost and tax efficient manner			X
57	To require all professional advisers and contractors where appropriate to provide Duty of Care Agreements in favour of the Council.	X		
58	To allow the Council to examine the books, accounts and other records	X		
59	to assure the mutual exchange of information about the Integrated Transport Initiative and the projects and initiatives within it	X		
60	to retain ownership of the assets acquired by the Company and to maintain the assets to the highest standard until termination of this Agreement	X		
61	To transfer all of its right, title and interest in and to the residual assets of the Company to the Council at zero cost on termination of this Agreement, whenever that might be	X		
62	To obtain all necessary insurance cover for potential liability resulting from ownership of the assets	X		
63	procurement, implementation and management of projects included in the Strategy and as detailed in the Annual Business Plan			X
64	to enforce payment tolls on behalf of the Council by the imposition of additional charges			X
65	the Company and any contractors appointed in connection with the project shall have the right under licence to enter the site to carry on the project			X
66	the Company shall indemnify the Council from and against all damage, loss, expense, liability and costs in respect of actions			X
67	The Company shall be responsible for ensuring that its future capital and revenue funding requirements to finance the project, strategy or schemes as required by the Council are met.	X		
68	The Council will be supplied by the Company on or before 31 December in each year with a draft Annual Business Plan (incorporating capital and revenue budgets, profit and loss account, balance sheet, 12 monthly cashflow statement and output targets for each quarter)	X		

**tie Limited**  
**December 2004 Risk Report**

Ref	tie Obligation	tie	Service providers	Shared
69	The Company shall be wholly responsible for meeting timeously all obligations, liabilities or claims	X		
70	The Company shall recruit and employ such staff and advisers as are required by the Board	X		

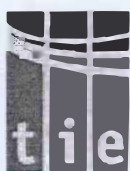
## **Appendix B**

# **Scope of Insurances**



**tie Limited**  
**December 2004 Risk Report**

Name of the Cover	Level of Cover	Description	Exclusions
Guided Bus Way	£50,000,000 split as follow: (1) Primary £5,000,000-new Line underwriting Management (2) Excess Layer (£45m xs £5m)- AIG (50%), Illium (33.33%), Arbacus (20%)	Legally Liability in respect of Bodily Injury or Loss of or damage to Third Party Property	Asbestos Professionnal Indemnity RTA Any waiver of subrogation rights
Liability	Employers Liability £10,000,000 Public Liability £2,000,000	EL:death, bodily injury or disease PL:any one accident like accidental death, injury or illness & accidental loss of or damage	Terrorism Offshore liability
Travel	£2,000,000 to £ 500	Medical and Emergency Travel Expenses Legal expenses Cancellation , curtailment and Change of itinerary Personnal Baggage Travel documents Personnal Money and Credit Cards Travel Delay Personnal Liability	
Directors and Officers	£500,000	Directors and officers liability Company reimbursement	Any claim in connection with the consequence of the rendering or failure to render professional services Any claim brought by or on behalf of - CEC / SE or the Government and its subsidiaries. any Director or Officer of the entities included above except the Insured Organisation
Money	£250,000	Money, Cash not in locked safe when premises are closed for business and unoccupied, Cash in private dwelling houses, Loss of cash, Damage to employees 'clothing or personnal effects	Shortage due to clerical or accounting errors Fraud by an employee Loss money Cash from an unattended vehicle
Legal Expenses	£100,000 Aggregate £1,000,000	Employment Disputes and Compensation Awards Legals Defence Property Protection and Bodily Injury Tax Protection / Advice Eurolaw Commercial Legal Advice Business Assistance Counselling	
Personnal accident	£100,000	Death (100%) Dismemberment (100%) Loss of speech / hearing (one 25%/ both 100%) Toe (s) / thumb / forefinger (s) / shoulder / knee / lower jaw Disablement	Person engaging in aviation Pregnancy Person suffering from sickness Expiration of the period of insurance during which an insured person attains the age of 70 years
Business Interruption	£100,000	<b>Increased cost of working resulting for interruption to the business:</b> Fire,Explosion,Malicious Damage, Storm, Flood and Bursting or Overflowing of water Pipes, Accidental Damage and Theft	
Computer	£40,000 all computers £10,000 additionnal cost of working £25,000 Reinstatement of Data	<b>Material Damage :</b> All risks and physical Loss, destruction, Damage, Derangement or Breakdown <b>Business Interruption :</b> Loss, destruction, Damage, Derangement or Breakdown / failure of electricity, Denial of Access, Erasure of Data	Deterioration due to Atmospheric / climatic conditions Loss or damage recoverable under a guarantee or maintenance Cost to replace software licenses Terrorism damage.
Material Damage	£20,276	Loss of or damage to the property: Fire,Explosion,Malicious Damage, Storm, Flood and Bursting or Overflowing of water Pipes, Tanks and Appartus, Impact, Accidental Damage and Theft	Subsidence Terrorism Cover Damage arising out of Riot and Civil Commotion



Agenda Item 4

## Heavy Rail

- a) EARL \*
- b) SAK \*

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)



Agenda Item 4a

## Heavy Rail

### a) EARL \*

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)





**Paper to:** tie Board  
20<sup>th</sup> December 2004  
**Commercial & in Confidence**

**Subject:** EARL Update

**From:** Paul Prescott

**Date:** 13<sup>th</sup> December 2004

### **Edinburgh Airport Rail Link (Project Manager - Susan Clark)**

#### **Public Consultation**

Initial feedback from the Public Consultation on EARL shows strong support. Over 90% are in favour of the proposal for an airport rail link, and 74% in favour of the route.

The Public Meeting, targeted at local residents, was held on 7<sup>th</sup> December. Over 100 people attended, primarily local residents but also a selection of developers and interested parties. Main concerns included road diversions, concerns about noise and vibration and land take. The total cost and value for money is also a concern.

A few key property/landowners have been identified from whom we require land both permanently and for construction, and one-to-one discussions with them have started. No properties need to be taken for the project, although outright purchase may turn out to be the most cost-effective option in one or two instances.

Meetings with Scottish Enterprise, CBI and Scottish Council for Development & Industry have all indicated strong support.

#### **Project Governance**

The issue of Promoter remains unresolved. However, the SE have formed a working Group to look at the whole Private Bills procedure. This will include an investigation of hybrid bills to allow SE to promote them. We are advised that this should be concluded by Christmas. **There is now a risk to the introduction timescales for EARL if SE decide to promote via a hybrid bill.**

#### **Bill Progress**

Our main focus at present is preparation of the Bill and accompanying documents. A skeleton Bill has been produced and work has started on

developing the detail for this. Our programme identifies key dates for drafts to ensure on-time delivery.

### **Procurement**

BAA have now decided to proceed with their South East Pier Extension. This requires early design works and some enabling works for EARL. Design works are most sensibly carried out by the EARL Technical consultants and SE have approved the funding for this. The costs of the enabling works are circa £1m and SE wish tie to start discussions with BAA with a view to them constructing these and funding them upfront as part of their contribution to the project. These discussions will also cover interim ownership of the enabling works and their warranties. **If tie were to own these then approval would be required from CEC, as any such agreements with BAA are currently not contained within tie's Operating Agreement.**

### **Planning**

Papers were presented to both CEC Executive and Planning Committees in November and were approved. An issue to note is that one councillor asked for the safeguarding of the site for a future station at Kirkliston. This was also raised at the Public Meeting. The scope of EARL does not include the provision of a station at Kirkliston, and provision of additional stations on this route would be challenging for the train timetable. CEC may wish to undertake work to look at alternative public transport provision for Kirkliston, perhaps integrated with tram & rail.

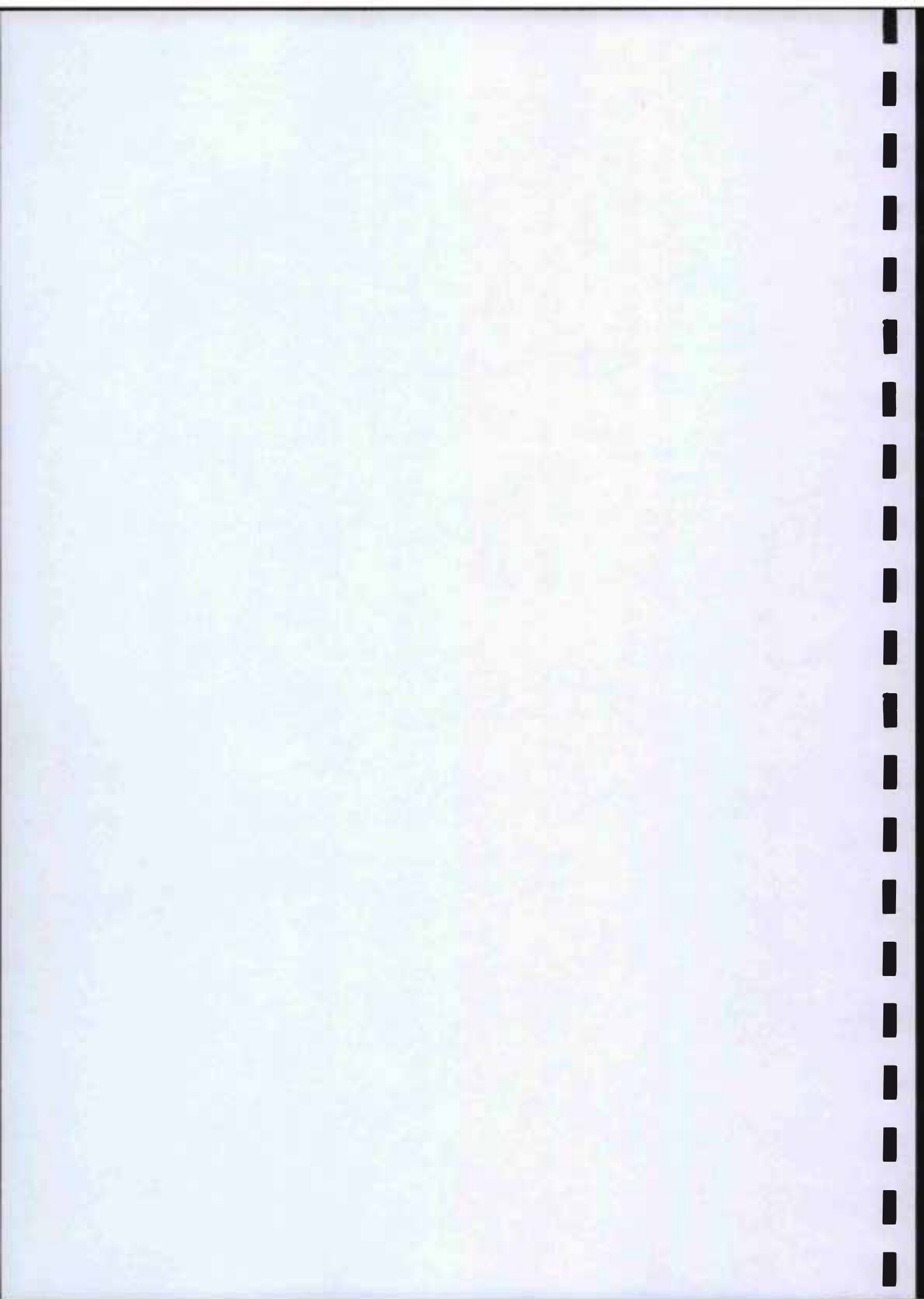
### **Finance**

A full review of the project costs to date and forecasts for the year end has been undertaken. This has concluded that the year end out-turn should be reduced from £4.1m to £3.3m. Less than £100k of this reduction is due to slippage caused by the Consultation delay. The remainder is due to efficiency savings.

### **3<sup>rd</sup> Parties**

Discussions with each of BAA and Network Rail are continuing with the aim of agreeing (separate) Heads of Terms in advance of introduction of the Bill.

Discussions are well advanced with SE in relation to the mechanism for agreeing a funding contribution from BAA. A proposal will be made to the Minister before the Christmas break.









Agenda Item 4b

## Heavy Rail

### b) SAK\*

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)



**Paper to:** tie Board  
20<sup>th</sup> December 2004  
Commercial & in Confidence

**Subject:** SAK Update

**From:** Paul Prescott

**Date:** 13<sup>th</sup> December 2004

**Stirling-Alloa-Kincardine (Project Manager - Richard Hudson)**

#### **Project Governance**

The contracts between tie and Clackmannanshire Council / Jacobs Babbie are covered under a separate item.

#### **Asset Protection Agreement**

It has been an arduous task to negotiate the APA with Network Rail and, at present, there remain some key outstanding issues to resolve. These include:

- Agreement of the track access revenues between Network Rail and the Executive;
- Network Rail's refusal to concede the Council's right to the "specific implement" remedy at law in the event of Network Rail's non-compliance (eg by refusing to operate the line);
- Network Rail's refusal to accept a clause agreeing to them acting reasonably in the contract.

There are also some other minor drafting issues to be resolved. Network Rail's requirement to transfer ownership of the road bridges to the Local Authorities is still under investigation and may yet prove another sticking point.

It is the belief of the Project Team that the three key issues above have been taken as far as they can go with Network Rail at a local level and that they now need to be elevated to Network Rail Board and/or the Rail Regulator.



### **Target Cost**

Following the initial presentation of the budget cost by the First Nuttall Joint Venture, much work has been done in the areas of risk and value management and verification of the costs.

Detailed discussions with Network Rail and continued review of the cost and risk have reduced the initial estimate. However, there remain significant costs associated with mine-working remediation, the Alloa Eastern Link Road and the structure and size of the Project Team. A presentation of the Target Cost to the full client Project Team is planned for 15<sup>th</sup> December at which it is hoped that a way of reaching an acceptable cost will be agreed.

Significant issues being considered for reduction of the current estimate are:

Acceptance of mineworking risk by the client

£4m

Direct purchasing of certain materials by the client team

£1m

Reduction of the contractor's fees

£2m

In addition to the above, an exercise is being undertaken to reconsider options for the Alloa Eastern Link Road, the costs of which have more than doubled since the initial estimates to around £10m. This requires understanding of the impact of the proposed new Upper Forth Crossing and the new Railway on road traffic flows in the area. It is understood that if the Upper Forth Crossing has a significant impact of the need for the Alloa Eastern Link Road, there may be an alternative source of funding from that project.

### **Project Programme**

The programme for completion of Phase 1 of the project to enable the Scottish Executive and Clackmannanshire Council to approve the project for construction was as follows:

- Agreement of the Target Cost by 30<sup>th</sup> November 2004.
- Agreement of the Asset Protection Agreement with Network Rail by 18<sup>th</sup> December 2004.
- Council Approval of the Project by 23<sup>rd</sup> December 2004.
- Construction commence in March 2005 (following 90 day notice for access to land)
- Construction complete by June 2006.

There has been slippage against these dates as the Target Cost is still in excess of the project budget and there remain outstanding issues to be resolved in the Asset Protection Agreement with Network Rail.

Alternative contingency programmes have been drawn up for presentation to the SAK Operating Group in December.

## **Communications Protocol**

### **SAK – Individuals involved and their roles.**

#### **Funding**

The principal funder of the project is the Scottish Executive.

The official responsible for representing the Executive's interests is Scott Noble, who reports within the Executive to Damian Sharp.

Scott is assisted and advised by John Bygate (seconded to the Executive); Kenny Laird (seconded to the Executive from Jacobs Babbie); and David Prescott (seconded to the Executive from Carl Bro).

#### **Authorised Undertaker**

The authorised undertaker of the project is Clackmannanshire Council.

The official responsible for representing the council's interests is Jackie McGuire, Head of Legal Services.

Jackie is assisted and advised by Mac West.

#### **Project Management**

Project Management of the SAK project is the responsibility of **tie** Ltd, who will act on behalf of the council under contracts agreed between them for the provision of its services.

The Project Manager is Richard Hudson, who is seconded to **tie** from Jacobs Babbie. Richard reports within **tie** to Paul Prescott, Heavy Rail Director.

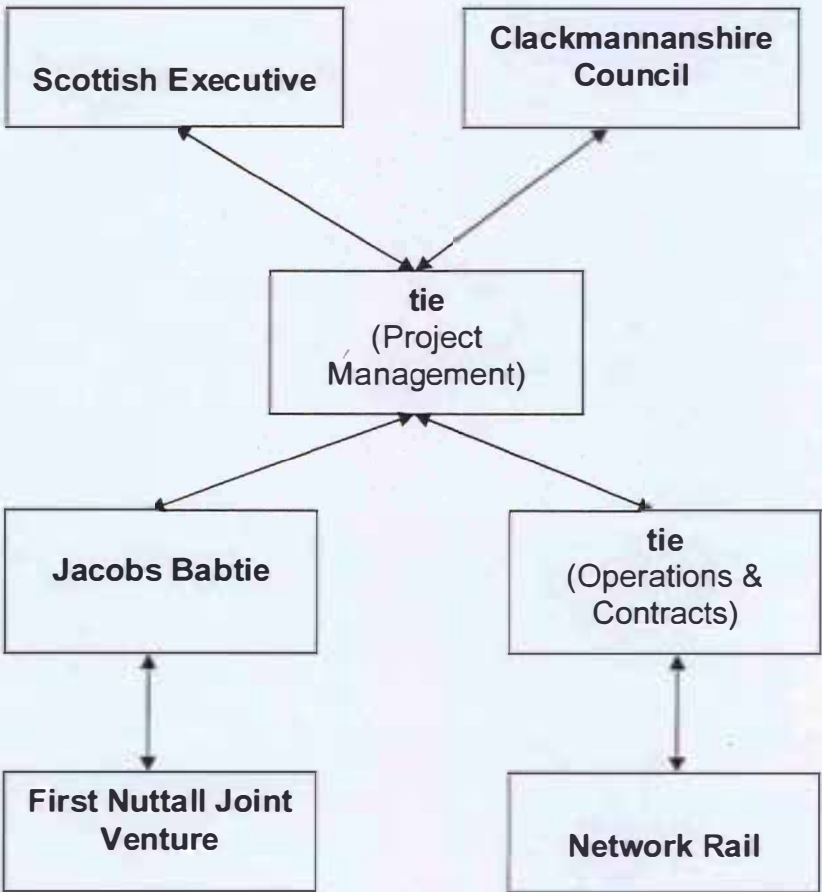
Richard will be advised and assisted by the **tie** management team, in particular by Alan Somerville.

#### **Project Assistance**

The **tie** Project Manager Richard Hudson will be assisted by managers from Jacobs Babbie, whose services are provided by an agreement between Jacobs Babbie and Clackmannanshire council, and in particular by Tara Whitworth. Tara reports within Jacobs Babbie to David Reid.

Communications Protocol

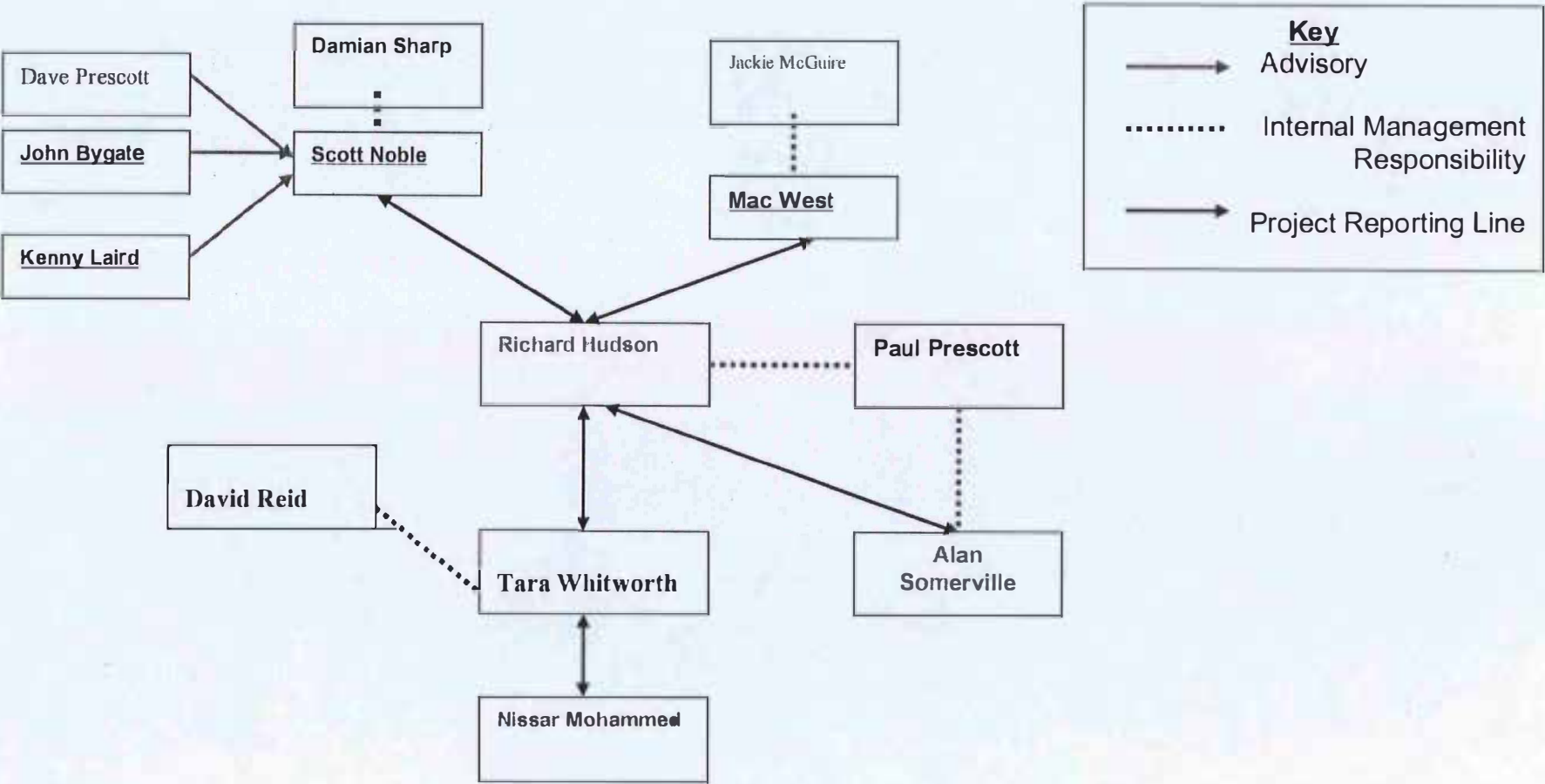
Fig. 1 – Organisational Structure





Communications Protocol

Fig. 2 – Individual Structure





# **SAK Project Management Contracts**



## History

When **tie** first became involved with the SAK project it was envisaged that the contractual relationships between the Scottish Executive, Clackmannanshire Council, **tie** and Babtie would be addressed by a Memorandum of Understanding, signed by all four parties.

The MOU, by definition, was not a formal contract. When the decision to move to a formal contractual structure was taken, it was expected that this would supersede a previously existing contract between Babtie and the Council. However, it was not possible to amend the existing Babtie contract without initiating a whole new procurement exercise under EU procurement law, which could have delayed the project by some months.

## Project Management Contracts

The above meant that a more complex structure was inevitable and the result is shown in Figure 1.

There are 3 contracts involving **tie**:

- The Project Management Agreement, whereby **tie** provides a project manager to manage, on behalf of the Council, all of the workstreams of the project;
- The **tie** Services Agreement, covering those workstreams to be directly managed by **tie**;
- A Joint Participation Agreement between **tie** and Jacobs Babtie. The Babtie-Clacks contract that is already in place will remain in place, and the JPA will cover the obligation of **tie** and Jacobs Babtie to work together, define the demarcation of duties, and transfer to **tie** some of the duties covered by the original Babtie-Clacks contract.

## The Project Management Agreement

The Project Management Agreement defines **tie**'s role in the provision of a Project Manager. Project Management of the SAK project is the responsibility of **tie**, who will act on behalf of the Council. The Project Manager is Richard Hudson, who is seconded to **tie** from Jacobs Babtie. Richard reports within **tie** to Paul Prescott, who will provide Project Direction. Richard will be advised and assisted by the **tie** management team, but in particular by Alan Somerville. The **tie** Project Manager Richard Hudson will also be assisted by managers from Jacobs Babtie, whose services are provided pursuant to the Jacobs Babtie Services Agreement and in particular by Tara Whitworth. Tara reports within Jacobs Babtie to David Reid.





The same immunity from liability is enjoyed by **tie** under this Agreement as in the **tie** Services Agreement (see below) and **tie** has the right to terminate this Agreement by written notice served at any time with three months of the date of termination of the Services Agreement (howsoever arising).

### **The tie Services Agreement**

The **tie** Services Agreement allows the Council to source certain external services relating to the management of the "contract management" and "railway operations" workstreams. These will be provided by **tie** mainly through Alan Somerville, as directed by Paul Prescott.

The Council acknowledges that **tie** is providing these services on a not-for-profit basis and shall have no liability to the Council in respect of the services or in respect of this agreement (including, without limitation, in respect of any default of **tie**). Further, in no event shall either party be liable to the other for indirect or consequential loss or damage. However, it is important to note that, under statute, **tie** cannot exclude liability for death or personal injury caused by breach of duty.

**tie** has the right to terminate this Agreement by written notice served at any time with three months of the date of termination of the Project Management Agreement (howsoever arising).

In both these agreements, the **tie** charges closely reflect the consultancy terms of Paul Prescott, Richard Hudson and Alan Somerville, with further provisions for **tie** overheads, third party costs e.g. legal support, and inflation-proofing.

|| but I  
already  
pay for  
overhead

### **The Joint Participation Agreement**

The main purpose of the Joint Participation Agreement is to provide the Council with comfort that services from **tie** and Jacobs Babbie will be provided in a cohesive manner. It is therefore important that the Council has a contractual link with both parties regarding the provisions of the services. In the adopted structure the Babbie and **tie** contracts with the Council are kept separate, with the Joint Participation Agreement providing comfort to the Council in respect of a collaborative approach.

**tie** has no obligations or liabilities to Jacobs Babbie under this contract other than working together to provide reasonable assistance required to deliver the Project. Once again **tie** has no liability to the Council under this agreement.



The latest draft was circulated on 7<sup>th</sup> December and incorporates changes required by the Council, and the **tie** Executive Board. However, Jacobs-Babtie in-house lawyers have put forward unrealistic proposals seeking a similar immunity from liability to that enjoyed by **tie**. This issue is being dealt with by the Council directly and these changes are not shown in the attached version of the JPA.

In addition, Jacobs-Babtie's lawyers have sought amendment to clause 7.3 to cover any form of "financial loss" and "loss of revenue". The amendments are very far-reaching and go some way beyond the more standard "consequential loss" exclusion that is currently in clause 7.3. Once the liability provisions in clause 7.3 in the JPA are agreed, it is anticipated that the same changes will be made to the Project Management Agreement and the Services Agreement, so that they are all consistent.

### **Recommendations**

These versions are agreed by both Clackmannanshire Council's representative and **tie's** Heavy Rail Director. Clackmannanshire Council are prepared to sign the Services Agreement and the Project Management Agreement as they now stand.

The Board is REQUESTED TO APPROVE the signing of the Project Management Agreement between **tie** and Clackmannanshire Council.

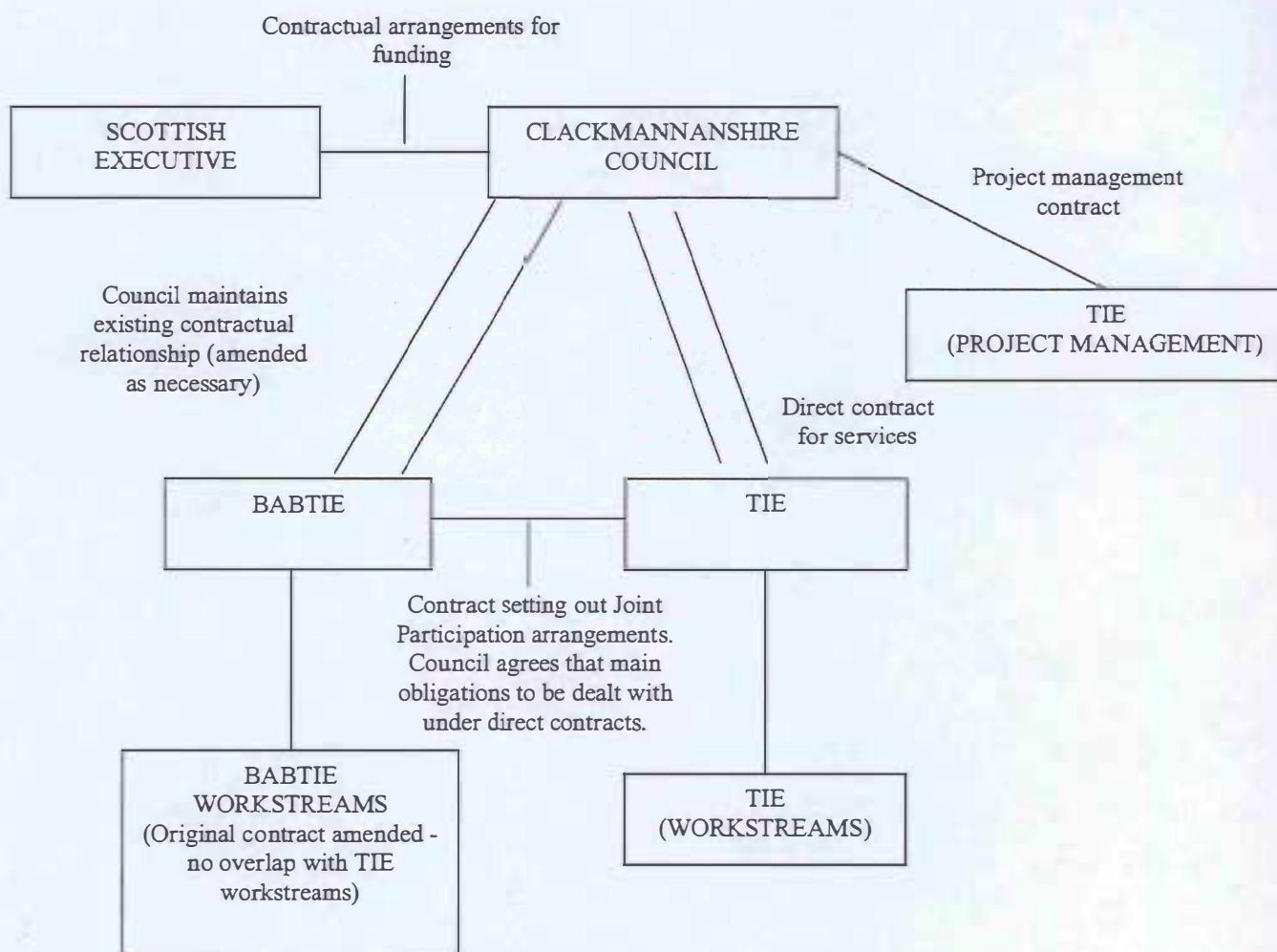
The Board is also REQUESTED TO APPROVE the signing of the Services Agreement between **tie** and Clackmannanshire Council.

The Joint Participation Agreement is an advanced draft, reflecting the requirements of both Clackmannanshire Council and **tie's** Heavy Rail Director. However, the issues of Jacobs Babtie liability remains to be finalised between Clackmannanshire Council and Jacobs Babtie.

The Board is REQUESTED TO DELEGATE TO THE CHIEF EXECUTIVE the authority to sign the Joint Participation between **tie** and Jacobs Babtie subject to there being no future change in wording that materially affects **tie's** position.



Figure 1 PROPOSED CONTRACTUAL STRUCTURE



- Notes:
1. The Babtie contract will not require formal amendment to remove services to be provided by TIE under new arrangements as originally planned. Instead the demarcation of duties will be defined in the Joint Participation Agreement.
  2. TIE project management contract may need to be with Clackmannanshire Council and Scottish Executive, if TIE is providing services to both.





## **ITI -**

- a) Project Progress Report \***
- b) Tram Implementation Programme \***
- c) Tram Parliamentary Process \***
- d) Edinburgh Fastlink (WEBS)\***
- e) FETA, Forth Road Bridge Congestion Charging \***
- f) Service Integration - TEL**

**\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)**



Agenda Item 5a

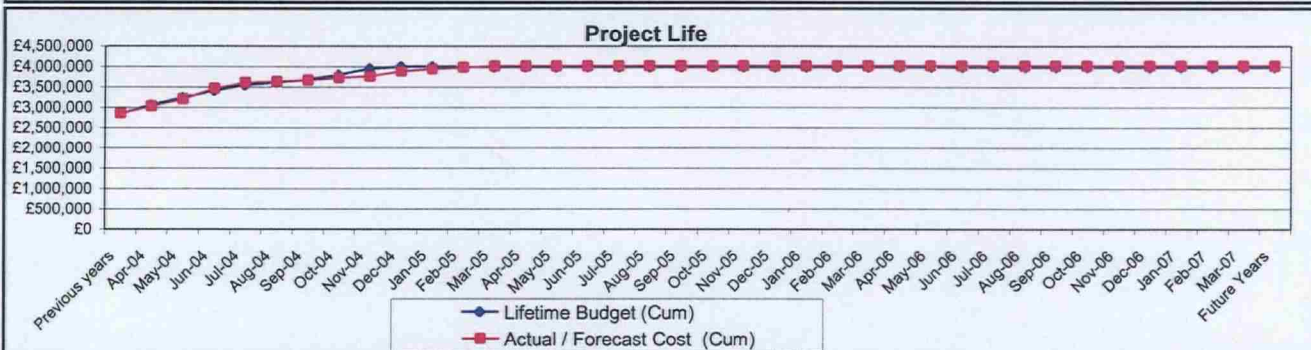
**ITI -**

**a) Project Progress Report \***

**\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)**

Project: ITI Development					
Report for Month Ending: 30-Nov-04		Project Manager:		John Saunders	
Start Date:				End Date:	
Overall Progress Status		Expenditure 2004/5		Project Life Funding	
		102%		99%	
Progress Key:				Finance Key:	
On track for successful completion as programmed.				Within 10% of estimate	
Issues have arisen which may delay completion or require discussion/direction.				10 – 20% outside estimate	
Issues have arisen which will delay completion.				>20% outside estimate	
Critical Path / Milestone Items		Original Start Date	Original Completion	Revised Completion	Progress (NS,IP,C)
1. Update business Case		1-Feb-03	31-Jan-04		C
2. Prepare Draft Charging Order and associated		1-Feb-03	15-Sep-03		C
3. Develop and assemble background material		24-Mar-03	26-Sep-03		C
4. Draft Charging order to Council		22-Sep-03	30-Sep-03		C
5. Publication and objection period CO		2-Oct-03	28-Feb-04		C
6. Negotiation. Public inquiry		3-Oct-03	2-Jul-04		C
7. Referendum preparation		6-Jan-03	11-Nov-04	Mid Jan 2005	IP
8. Prepare application in Detail		15-Aug-03	15-Nov-04		IP
9. Final scheme approval by Council		12-Nov-04	15-Dec-04	Mid Feb 2005	IP
10. AiD to Scottish Executive		Mid Feb 2005	1-Jun-05		NS
11.Procurement system Operator		1-May-03	20-Jul-05		IP
12. Retail Impact study		21-Jan-04	30-Sep-04	Mid Nov 2004	IP

	Funding	Budget	Original Cost Estimate	Start of Year Cost Estimate	Current Forecast	Variance
Previous Years	£2,851,571	£2,851,571	£2,851,571	£2,851,571	£2,851,571	£0
2004/5	£1,131,213	£1,131,213	£1,131,213	£1,131,213	£1,156,201	£24,988
2005/6	£0	£0	£0	£0	£0	£0
2006/7	£0	£0	£0	£0	£0	£0
Future Years	£0	£0	£0	£0	£0	£0
Total for Project Life Cycle	£3,982,784	£3,982,784	£3,982,784	£3,982,784	£4,007,772	£24,988



#### Summary of Key Points and suggested course of action:

Consideration has now been given to the Reporters' recommendations and a report was submitted on 2<sup>nd</sup> December to City Development, with tie's recommendations as to how to proceed with the development of the project. The recommendations included changes to locations of some of the cordon crossing points, wider options for payment and comment and recommendations relating to the extent of the exemptions to be included in the Charging Order. Technical work carried out by Halcrow Group and legal advice received from D&W helped educated this report.

Legal advice was also sought from D&W, on behalf of the Council, in relation to the legal issues raised either in written submissions prior to the Inquiry or by participants during the proceedings, which had fallen outwith the remit of the Inquiry.

Consideration is currently being given to the areas of the draft final Charging Order that may need amended to reflect changes introduced due to the outcome of the Inquiry

Work is proceeding with the Stage 2 STAG appraisal for the project, which should be completed by Halcrow Group during mid - late February 2005.

It is anticipated that all necessary development work, currently identified for this financial year, can be completed within the available budget.

"I confirm that this report provides an accurate overview of the project progress and finance."

Project Manager's signature:

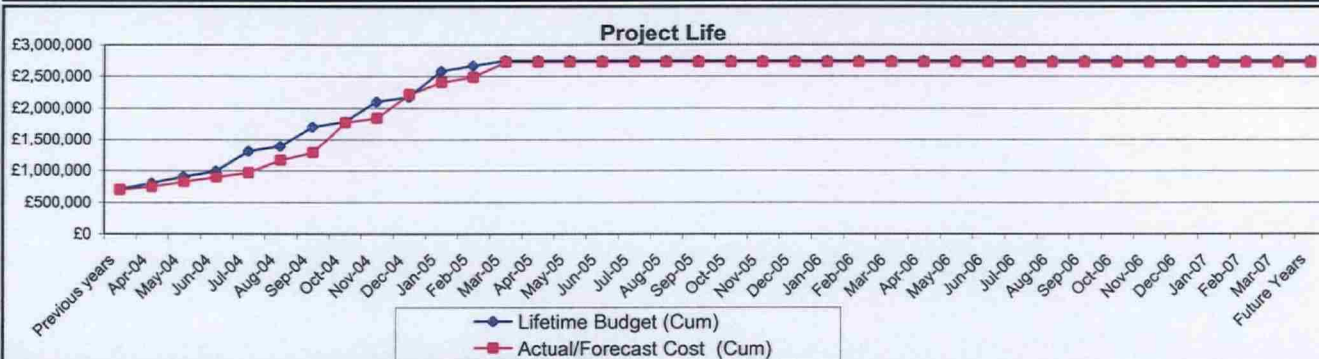
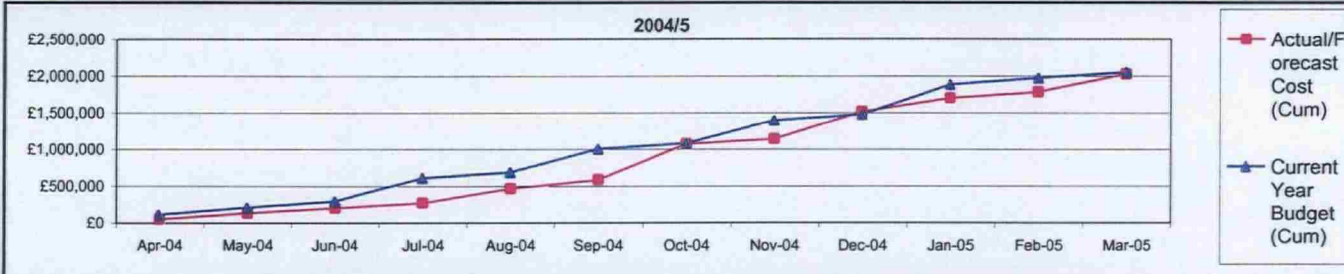
Project Director's signature:

Date: 9/12/04 09/12/2004

Date: 9/12/04 09/12/2004



Project: ITI Procurement						
Report for Month Ending: 30-Nov-04		Project Manager:		Seamus Healy		
Start Date:				End Date:		
Overall Progress Status		Expenditure 2004/5		Project Life Funding		
		99%		101%		
Progress Key:				Finance Key:		
On track for successful completion as programmed.				Within 10% of estimate		
Issues have arisen which may delay completion or require discussion/direction.				10 – 20% outside estimate		
Issues have arisen which will delay completion.				>20% outside estimate		
Critical Path / Milestone Items		Original Start Date	Original Completion	Revised Completion	Progress (NS,IP,C)	Progress Status (G,Y,R)
1. Complete Evaluation of System Procurement Tenders		8-Apr-04	14-May-04		C	
2. Contract with Agreed System Integrators (SI)		14-May-04	14-Jun-04		C	
3. SIs Team Mobilisation Complete		14-Jun-04	5-Jul-04		C	
4. Macro Designs Complete (Business Modelling)		5-Jul-04	16-Aug-04		C	
5. Technical Designs Complete		6-Aug-04	8-Nov-04		C	
6. Architecture Designs Complete		25-Oct-04	6-Dec-04		IP	
7. Prototypes Design and Build Complete		9-Aug-04	28-Oct-04		C	
8. Prototype Tests Complete		28-Oct-04	8-Dec-04		IP	
9. Complete Evaluation of Stage 1 Designs		20-Dec-04	21-Jan-05		NS	
10. Finalise Stage 2 Contract Schedules		24-Jan-05	18-Feb-05		NS	
11. Exercise Stage 2 Option with Chosen SI		21-Feb-05	18-Mar-05		NS	
	Funding	Budget	Original Cost Estimate	Start of Year Cost Estimate	Current Forecast	Variance
Previous Years	£694,159	£694,159	£694,159	£694,159	£694,159	£0
2004/5	£2,048,701	£2,048,701	£2,048,701	£2,048,701	£2,023,701	£25,000
2005/6	£0	£0	£0	£0	£0	£0
2006/7	£0	£0	£0	£0	£0	£0
Future Years	£0	£0	£0	£0	£0	£0
Total for Project Life Cycle	£2,742,860	£2,742,860	£2,742,860	£2,742,860	£2,717,860	£25,000



#### Summary of Key Points and suggested course of action:

##### Operations

Both partner's prototypes have passed tests and are now being presented to the Programme Board for approval. Finalised designs and Stage 2 proposals are well underway for submission by the end of the year.

##### Financial

Spend profile for November was approximately as expected across most spend areas with the exception that the major milestone payments for November will now be realized in December. Both designs remain on budget and to timescale.

"I confirm that this report provides an accurate overview of the project progress and finance."

Project Manager's signature: PP

Date:

09/12/2004

Project Director's signature: [Signature]

Date:

9/12/4

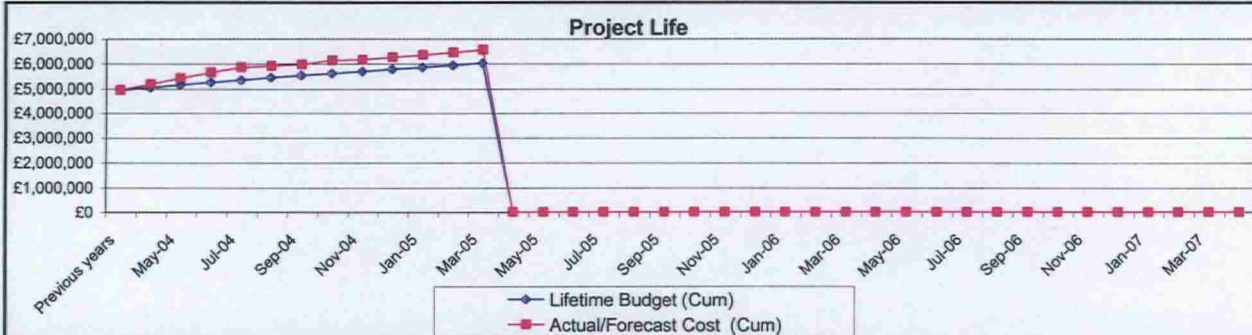
09/12/2004







Project: Line 1 North Edinburgh Tram Parliamentary Order						
Report for Month Ending: 30-Nov-04			Project Manager:		Kevin Murray	
Start Date:			End Date:			
Overall Progress Status		Expenditure 2004/5				Project Life Funding
		151%				92%
Progress Key:					Finance Key:	
On track for successful completion as programmed.					Within 10% of estimate	
Issues have arisen which may delay completion or require discussion/direction.					10 – 20% outside estimate	
Issues have arisen which will delay completion.					>20% outside estimate	
Critical Path / Milestone Items		Original Start Date	Original Completion	Revised Completion	Progress (NS,IP,C)	Progress Status (G,Y,R)
1. Prepare and Deposit Parliamentary Documents		1-Jul-02	23-Dec-03		C	
2. Support Parliamentary Process Leading to Royal Assent		1-Jan-04	24-Dec-05		IP	
3. DPOF Appointment of Operator		2-Jul-03	29-Apr-04		C	
4. Third Party & Stakeholder Liaison		5-Jan-04	20-Dec-05		IP	
5. Publication & Making of TRO's		6-Jan-04	1-Jul-06		IP	



#### Summary of Key Points and suggested course of action:

##### Operational issues:

The ETL1 Bill was introduced to the Scottish Parliament on 29 January 2004 and 197 objections were received. The parliamentary committee has held 8 meetings and will meet next on 23 November. The committee has asked for clarification and comments on a number of subjects and the promoter has submitted 9 responses on behalf of the promoter, the most recent being a response to a peer review of the PFC. The committee has started to take evidence from a range of witnesses including the promoter. Negotiations are ongoing with objectors in general accordance with the Phasing protocol.

The programme for the development and making of the TROs is currently on hold pending the development of an integrated transport proposal, which is being developed by the tram operator in conjunction with bus operators. A strategy for the future interaction of CETM with the tram is being developed with the Council.

##### Financial issues:

The parliamentary process started later than expected, is scheduled to last longer and is requiring more detailed information than anticipated. In order to satisfy the parliament, it is apparent that information generated by the ongoing design implementation work currently underway and input involving the operator will be required. The original budget for this tranche of work developed with the advisors has been managed down and is being closely monitored. TL1 & TL2 share a common section and to avoid duplication work the lines are managed on an integrated basis with an appropriate distribution of funds. Additional funding will be required for 2005/6.

"I confirm that this report provides an accurate overview of the project progress and finance."

Project Manager's signature:

Date:

Project Director's signature:

Date:

09/12/2004

09/12/2004



**Project Life**

Y-axis: £0 to £6,000,000

X-axis: Previous years, Apr-04, May-04, Jun-04, Jul-04, Aug-04, Sep-04, Oct-04, Nov-04, Dec-04, Jan-05, Feb-05, Mar-05, Apr-05, May-05, Jun-05, Jul-05, Aug-05, Sep-05, Oct-05, Nov-05, Dec-05, Jan-06, Feb-06, Mar-06, Apr-06, May-06, Jun-06, Jul-06, Aug-06, Sep-06, Oct-06, Nov-06, Dec-06, Jan-07, Feb-07, Mar-07, Future Years

Legend:

- Lifetime Budget (Cum)
- Actual/Forecast Cost (Cum)

Operational issues:

The ETL2 Bill was introduced to the Scottish Parliament on 29 January 2004 and 82 objections were received. The committee started to taking evidence from a range of witnesses including the promoter on 3 November. The final committee session is currently scheduled for 15 December and a vote on the principle of the tram is scheduled to take place by 25 February 2005. No decision on the format or programme has been decided for the detailed or consideration stage of the parliamentary process, which will follow. Negotiations are ongoing with objectors in general accordance with the Phasing protocol.

Financial issues:

The parliamentary process started later than expected, is scheduled to last longer and is requiring more detailed information than anticipated. In order to satisfy the parliament, it is apparent that information generated by the ongoing design implementation work currently underway and input involving the operator will be required. The budget shows an underspend of £543,721, which is matched by an overspend of £543,721 on Line 1 and represents an element of common work carried out by the Line 1 team and reflects the additional complexity of the work undertaken on Line 1. Additional funding will be required for 2005/6.

Project Manager's signature: \_\_\_\_\_ Project Director's signature: \_\_\_\_\_  
Date: 11/12/04 09/12/2004 Date: 09/12/2004









**Project Life**

Time Period	Lifetime Budget (Cum) (£)	Actual/Forecast Cost (Cum) (£)
Previous years	~£800,000	~£800,000
Apr-04	~£1,000,000	~£1,000,000
May-04	~£1,200,000	~£1,200,000
Jun-04	~£1,500,000	~£1,500,000
Jul-04	~£1,800,000	~£1,800,000
Aug-04	~£2,100,000	~£2,100,000
Sep-04	~£2,300,000	~£2,300,000
Oct-04	~£2,400,000	~£2,400,000
Nov-04	~£2,500,000	~£2,500,000
Dec-04	~£2,600,000	~£2,600,000
Jan-05	~£2,700,000	~£2,700,000
Feb-05	~£2,800,000	~£2,800,000
Mar-05	~£2,900,000	~£2,900,000
Apr-05	~£3,000,000	~£3,000,000
May-05	~£3,100,000	~£3,100,000
Jun-05	~£3,200,000	~£3,200,000
Jul-05	~£3,300,000	~£3,300,000
Aug-05	~£3,400,000	~£3,400,000
Sep-05	~£3,500,000	~£3,500,000
Oct-05	~£3,600,000	~£3,600,000
Nov-05	~£3,700,000	~£3,700,000
Dec-05	~£3,800,000	~£3,800,000
Jan-06	~£3,900,000	~£3,900,000
Feb-06	~£4,000,000	£0
Mar-06	~£4,100,000	£0
Apr-06	~£4,200,000	£0
May-06	~£4,300,000	£0
Jun-06	~£4,400,000	£0
Jul-06	~£4,500,000	£0
Aug-06	~£4,600,000	£0
Sep-06	~£4,700,000	£0
Oct-06	~£4,800,000	£0
Nov-06	~£4,900,000	£0
Dec-06	~£5,000,000	£0
Jan-07	~£5,100,000	£0
Feb-07	~£5,200,000	£0
Mar-07	~£5,300,000	£0
Future Years	~£5,400,000	£0

## Operational Issues

The Final Route Alignment (FRA) was approved by the tie board in September, the CEC Executive on 19/10, CEC Planning Committee on 03/11 and the Full Council on 11/11.

At a meeting on 24 /11, the Scottish Executive and CEC agree not to submit the TL3 Bill to Parliament, as planned, prior to Christmas. An alternative date was not set, instead the Scottish Executive and CEC will reconsider this issue in March / April 2005. This represents a 3-4 month delay in the original project programme. The final three months of the financial year will now be used to identify potential objectors to the line 3 bill, and to reach side agreements to ease the bills passage through Parliament. In addition, further modelling work will be carried out following the congestion charging referendum, as the base case for the project will be subject to change. Work with community groups will continue.

## Financial Issues

1. TL3 is currently projecting a £115k under-spend against this years budget, this will be rolled over in 2005-06, where the available spend is anticipated to be c£840k. The required level of spend for 2005-06 onwards will be based on the actual spend on TL1 & 2, as TL3 will follow the same process. Benchmarking indicates that the level of spend for the Parliamentary stage is significantly greater than allowed for in the budget. This will be presented in the tie business plan for 2005 / 06.
2. The Scottish Executive / CEC's decision to delay the submission of the TL3 bill has extended the programme. This has not significantly affected the 2004/2005 budget as resources will be concentrated on 'Objector Management', however the extension will result in an increase in Anticipated Final Cost (AFC) for the development phase of the project. The current programme is based on the next available date for submission (April 2005) being achieved. If the date is put back further, the AFC for the development stage of TL3 will increase again.

Project Manager's signature: \_\_\_\_\_

Project Director's signature: \_\_\_\_\_

Date: 09/12/2004

Date: 09/12/2004



**Project Life**

Time Period	Lifetime Budget (Cum) (£m)	Actual/Forecast Cost (Cum) (£m)
Previous years	~£2,500,000	~£2,500,000
Apr-04	~£2,800,000	~£2,800,000
May-04	~£3,500,000	~£3,000,000
Jun-04	~£4,800,000	~£3,800,000
Jul-04	~£6,000,000	~£4,800,000
Aug-04	~£7,500,000	~£5,500,000
Sep-04	~£8,500,000	~£6,500,000
Oct-04	~£9,500,000	~£7,500,000
Nov-04	~£10,000,000	~£8,500,000
Dec-04	~£10,000,000	~£9,500,000
Jan-05	~£10,000,000	~£10,000,000
Feb-05	~£10,000,000	~£10,000,000
Mar-05	~£10,000,000	~£10,000,000
Apr-05	~£10,000,000	~£10,000,000
May-05	~£10,000,000	£0
Jun-05	~£10,000,000	£0
Jul-05	~£10,000,000	£0
Aug-05	~£10,000,000	£0
Sep-05	~£10,000,000	£0
Oct-05	~£10,000,000	£0
Nov-05	~£10,000,000	£0
Dec-05	~£10,000,000	£0
Jan-06	~£10,000,000	£0
Feb-06	~£10,000,000	£0
Mar-06	~£10,000,000	£0
Apr-06	~£10,000,000	£0
May-06	~£10,000,000	£0
Jun-06	~£10,000,000	£0
Jul-06	~£10,000,000	£0
Aug-06	~£10,000,000	£0
Sep-06	~£10,000,000	£0
Oct-06	~£10,000,000	£0
Nov-06	~£10,000,000	£0
Dec-06	~£10,000,000	£0
Jan-07	~£10,000,000	£0
Feb-07	~£10,000,000	£0
Mar-07	~£10,000,000	£0

Construction of the Guideway is complete. The ribbon Cutting Ceremony was held on the 2<sup>nd</sup> of December 2004. Following additional works by the contractor to improve ride quality and further testing by Lothian buses services will commence on the 9<sup>th</sup> December 2004. The Final Inspection by the HMRI was carried out on the 9<sup>th</sup> November and permission was received by fax on the 30<sup>th</sup> November 2004. Other footway and signal works in the area are continuing and will be completed in the next two weeks. CCTV and Real time signs will be connected early in the New year.

ERDC have completed the widening of Stevenson Drive to accommodate a new bus lane and are continuing with the residual works which formed part of the on street bus priority measures contract. TRO's were approved by the Council Executive on the 27<sup>th</sup> of July 04 reviewed at scrutiny on the 1<sup>st</sup> September 04 then referred to full Council on the 16<sup>th</sup> of September 04. Orders should be in place for the 1<sup>st</sup> of November the bus lanes became operational on the 8<sup>th</sup> December 2004. There will be an increased police presence over the first few days of operation.

**“I confirm that this report provides an accurate overview of the project progress and finance.”**

Project Manager's signature:

Project Director's signature:

Date:

09/12/2004

Date:

09/12/2004



Project: <b>Ingliston Park and Ride</b>		Project Manager: <b>Lindsay Murphy</b>	
Report for Month Ending:	<b>30-Nov-04</b>	End Date:	
Start Date:		Overall Progress Status	
Expenditure 2004/5		Project Life Funding	
99%		101%	

**Progress Key:**

On track for successful completion as programmed.

Issues have arisen which may delay completion or require discussion/direction.

Issues have arisen which will delay completion.

**Finance Key:**

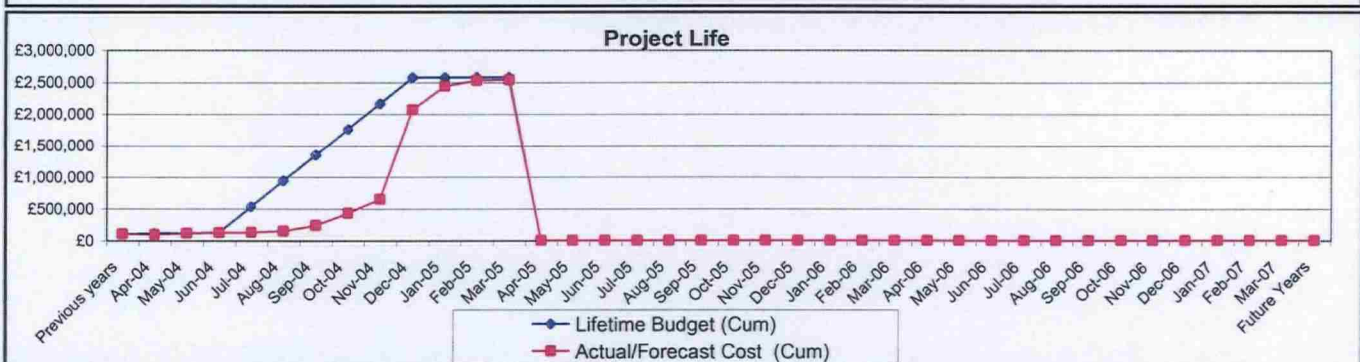
Within 10% of estimate

10 – 20% outside estimate

>20% outside estimate

Critical Path / Milestone Items	Original Start Date	Original Completion	Revised Completion	Progress (NS,IP,C)	Progress Status (G,Y,R)
Appoint Consultant	15-Aug-03	22-Aug-03		C	
Inception Report to CEC	18-Sep-03	18-Sep-03		C	
Detailed Design and Study Work	18-Sep-03	2-Jan-04		C	
Detailed Planning Consideration (12 weeks)	2-Jan-04	26-Mar-04	30-Apr-04	C	
Prepare Tender Documentation	1-Dec-03	5-Mar-04	12-Mar-04	C	
Tender Period	10-Mar-04	20-May-04	12-Jul-04	C	
Construction	21-May-04	3-Jan-05	30-Jan-00	IP	

	Funding	Budget	Original Cost Estimate	Start of Year Cost Estimate	Current Forecast	Variance
Previous Years	£106,417	£106,417	£106,417	£106,417	£106,417	£0
2004/5	£2,469,465	£2,469,465	£2,469,465	£2,469,465	£2,433,371	£36,094
2005/6	£0	£0	£0	£0	£0	£0
2006/7	£0	£0	£0	£0	£0	£0
Future Years	£0	£0	£0	£0	£0	£0
Total for Project Life Cycle	£2,575,882	£2,575,882	£2,575,882	£2,575,882	£2,539,788	£36,094


**Summary of Key Points and suggested course of action:**

Halcrow are supporting tie on this project under work package 4 of the NTI Technical and Transportation Consultancy Advisory Services Commission.

The Application to planning was passed by the Development Quality Sub-Committee of the Planning Committee on 2nd June 2004 and was sent to the Scottish Executive. Notification was received on the 7<sup>th</sup> July that the planning Permission has been granted by the Scottish Ministers.

The initial stage of the Archaeological investigation is complete. In addition Border Construction value engineering workshop was held and minor design amendments are being prepared by Border for consideration. Representatives from CEC were involved in this process to ensure delivery of their aspirations.

Construction is underway. Demolition of farm buildings complete, Earthworks are well advanced with soil stabilisation for car parking areas underway. Capping layer placed on access roads Drainage cut off ditches and gravel drains have been installed Stage 2 Road Safety Audit has been completed. Foundation works are underway on the Terminal building. Early warnings have been raised regarding Programme due to Building control and slow responses from utilities.

Consultation documents are being produced for TROs for the enforcement of the bus lanes proposed for Eastfield Road as part of the further detailed design.

"I confirm that this report provides an accurate overview of the project progress and finance."

Project Manager's signature: \_\_\_\_\_

Project Director's signature: \_\_\_\_\_

Date: \_\_\_\_\_

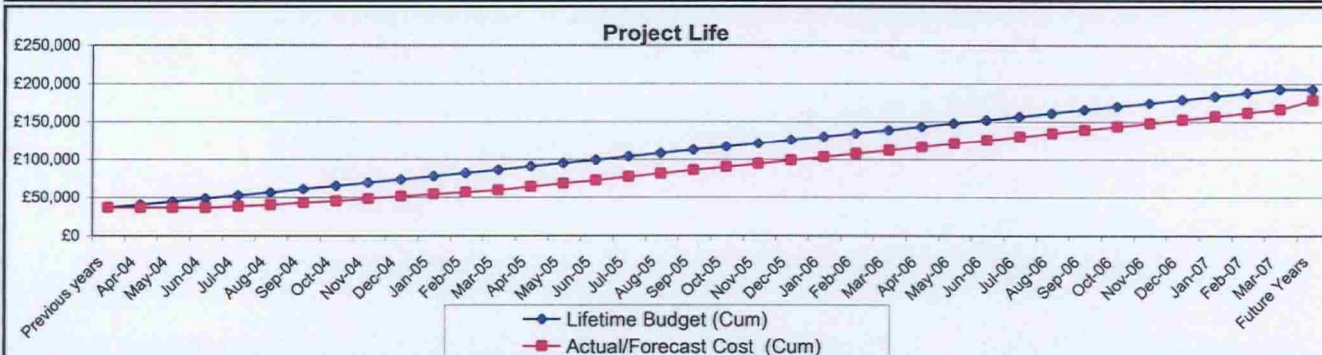
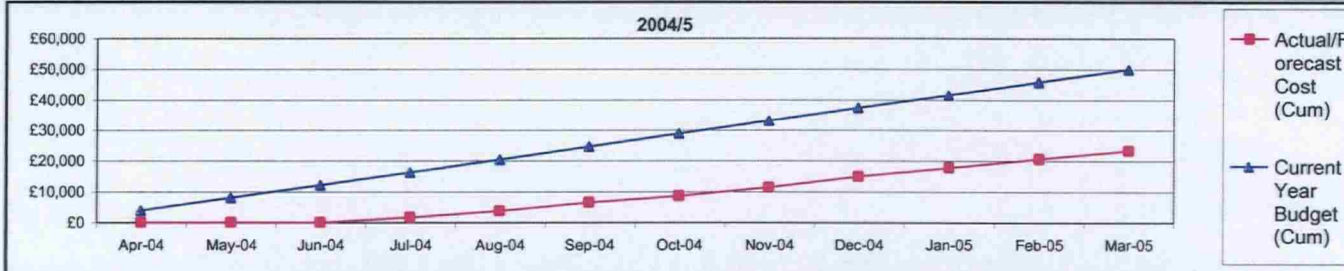
09/12/2004

Date: \_\_\_\_\_

09/12/2004



Project: "One Ticket"						
Report for Month Ending:	30-Nov-04		Project Manager:	Stuart Lockhart		
Start Date:			End Date:			
Overall Progress Status		Expenditure 2004/5		Project Life Funding		
		47%		108%		
Progress Key:			Finance Key:			
On track for successful completion as programmed.				Within 10% of estimate		
Issues have arisen which may delay completion or require discussion/direction.				10 – 20% outside estimate		
Issues have arisen which will delay completion.				>20% outside estimate		
Critical Path / Milestone Items		Original Start Date	Original Completion	Revised Completion	Progress (NS,IP,C)	Progress Status (G,Y,R)
1. Distribution & Marketing Strategy (Report)		1-Jan-03	28-Feb-03		C	
2. Project Start-Up		1-Apr-03			IP	
3. Appointment of Marketing Assistant / Administrator		14-Feb-03	28-Apr-03		C	
4. Implementation of Distribution and Marketing Strategy		1-Apr-03			IP	
5. Appointment of Marketing Assistant / Administrator		26-Sep-03	5-Nov-03		C	
6. Appointment of Business Development Manager		1-Jul-03	1-Apr-04	1-Jan-05	NS	
7. Appointment of Marketing Assistant / Administrator		6-Jan-04	6-Jan-04		C	
8. Business Planning (SE)		1-Jan-04	31-Mar-04		C	
9. Scotrail Involvement in Scheme		1-Apr-04	1-Apr-04	1-Sep-05	IP	
10. SMART Card Implementation		1-Dec-05	1-Dec-06		NS	
	Funding	Budget	Original Cost Estimate	Start of Year Cost Estimate	Current Forecast	Variance
Previous Years	£36,365	£36,365	£36,365	£36,365	£36,365	£0
2004/5	£49,982	£49,982	£49,982	£49,982	£23,303	£26,679
2005/6	£51,982	£78,661	£51,982	£51,982	£51,982	£0
2006/7	£54,061	£80,740	£54,061	£54,061	£54,061	£0
Future Years	£0	£26,679	£0	£0	£12,282	-£12,282
Total for Project Life Cycle	£192,390		£192,390	£192,390	£177,993	£14,397



#### Summary of Key Points and suggested course of action:

No material change to financial prospects compared to October report

- The only costs incurred by tie are those relating to the employment of a Marketing Assistant/Administrator. The current incumbent, Ian Carter became a member of ties staff on 1<sup>st</sup> July 2004.
- Initial meetings have taken place with First ScotRail with a detailed discussion envisaged for mid-January.

"I confirm that this report provides an accurate overview of the project progress and finance."

Project Manager's signature:

Project Director's signature:

Date:

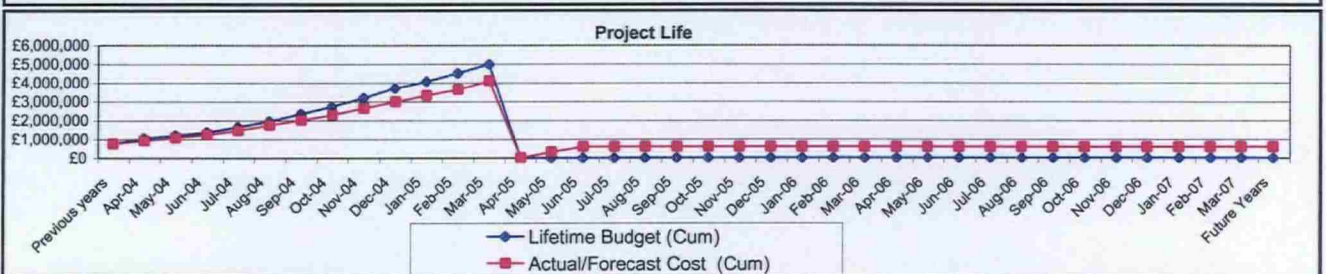
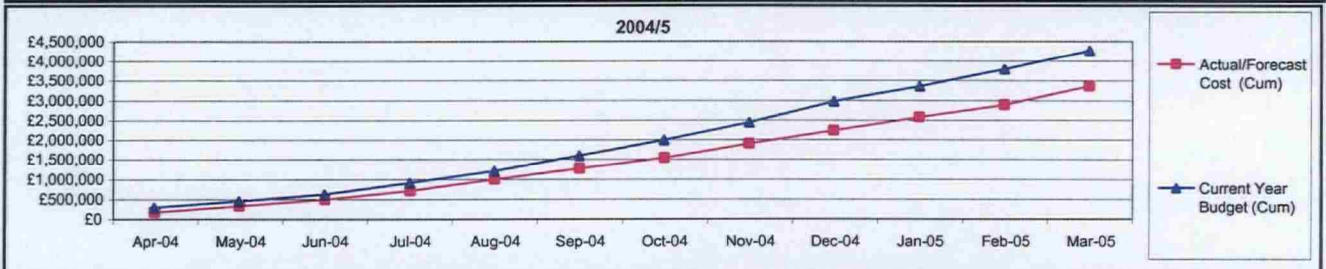
09/12/2004

Date:

09/12/2004



Project:		Edinburgh Airport Rail Link				
Report for Month Ending:		30-Nov-04		Project Manager: Susan Clark		
Start Date:				End Date:		
Overall Progress Status		Expenditure 2004/5		Project Life Funding		
		79%		100%		
Progress Key:				Finance Key:		
On track for successful completion as programmed.				Within 10% of estimate		
Issues have arisen which may delay completion or require discussion/direction.				10 – 20% outside estimate		
Issues have arisen which will delay completion.				>20% outside estimate		
Critical Path / Milestone Items		Original Start Date	Original Completion	Revised Completion	Progress (NS,IP,C)	Progress Status (G,Y,R)
1. Consultation Phase & Media Launch		13-Sep-04	13-Sep-04	8-Nov-04	C	
2. Consultation completion		26-Nov-04	26-Nov-04	19-Dec-04	IP	
3. Design Freeze for Parliament		19-Dec-04	19-Dec-04	31-Dec-04	NS	
4. Cost Report		9-Dec-04	9-Dec-04	7-Jan-05	IP	
5. STAG Report		18-Feb	18-Feb	14-Mar	C	
6. Finalise ES		03-Mar-05	03-Mar-05	07-Apr-05	C	
7. Submit Bill		10-Mar-05	10-Mar-05	20-May-04	IP	
	Funding	Budget	Original Cost Estimate	Start of Year Cost Estimate	Current Forecast	Variance
Previous Years	£744,204	£744,204	£744,204	£744,204	£744,204	£0
2004/5	£4,255,796	£4,255,796	£4,255,796	£4,255,796	£3,355,796	£900,000
2005/6	£0	£900,000	£0	£0	£900,000	-£900,000
2006/7	£0	£0	£0	£0	£0	£0
Future Years	£0	£0	£0	£0	£0	£0
Total for Project Life Cycle	£5,000,000		£5,000,000	£5,000,000	£5,000,000	£0



#### Update for month of November

##### Marketing

Initial results from Public consultation encouraging, with >90% of responses so far in favour. Public Meeting went well. Key issues emerging relate to road diversions, noise & vibration. There are a couple of residential properties close to worksites and one to one discussions started with them to look at options. Positive support being provided by bodies such as, Scottish Enterprise, CBI, Scottish Council for Development & Industry.

##### Programme

SE discussions on hybrid bills may present a risk to being able to submit the private bill. SE aim to have a response on the way forward with this by Christmas. Full programme review complete and we still plan introduction of Bill before summer recess next year.

##### Operational

Progress is being made with design. Concourse design lags slightly but a meeting involving all stakeholders held on 24<sup>th</sup> Nov agreed that integration of rail, tram, bus was something we should aim to achieve etc. Further design meeting being held to review options. Overall work package 2 is 61% complete against a target of 65%. Main areas of slippage relate to construction strategy and finalisation of drawings – not expected that these will impact the programme. Environmental (Work Package 3) is 60% complete against a target of 60%. Work on the Environmental impact assessment (EIA) has started.

##### Legal/Financial

Work progresses with Network Rail and BAA to agree issues surrounding land and station ownership and operation and Heads of Terms. PWC working on funding and establishing a strategy for BAA contribution – to be presented to Minister by end Dec.

##### Financial

Project spend has increased due to all EARL advisors now being on board.  
 2003 Spend - £744,204.  
 Nov 2004 Spend - £ 373,155  
 2004 Spend to Date - £ 1,533,118  
 Projected spend for the year end £ 3,355,796

Project Manager's signature:

Date: 10/12/04

09/12/2004

Project Director's signature:

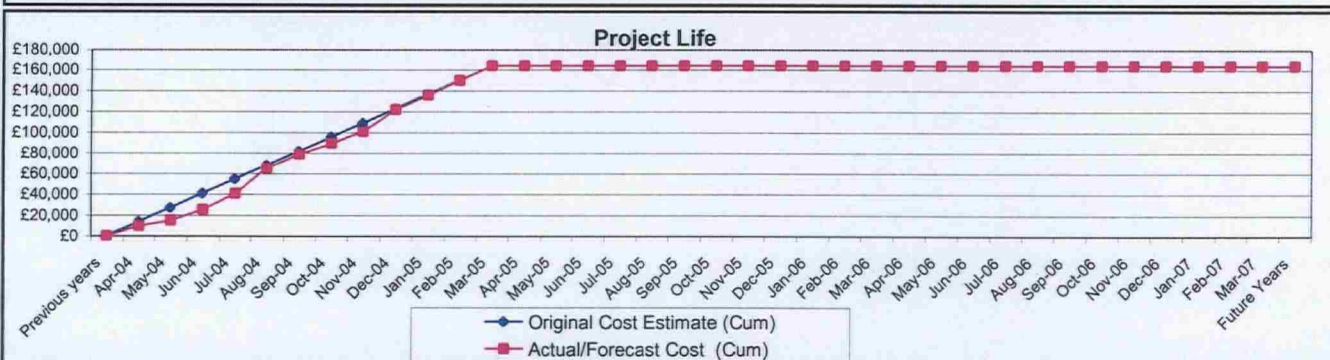
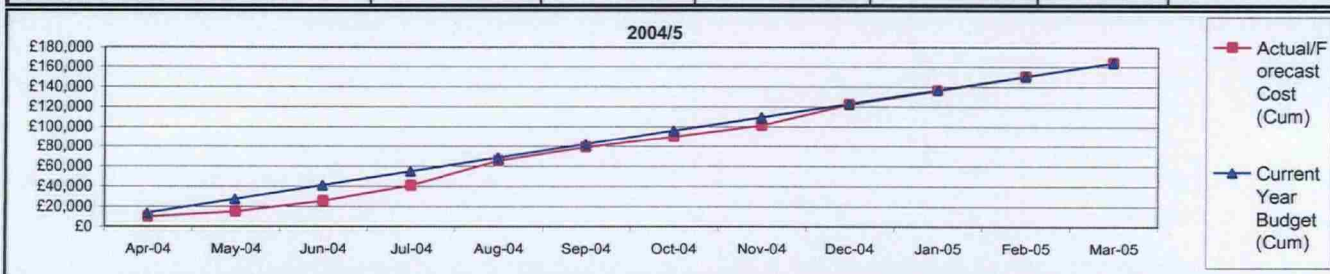
Date:

09/12/2004





Project: Stirling Alloa Rail Link						
Report for Month Ending: 30-Nov-04			Project Manager:		Richard Hudson	
Start Date:			End Date:		30-Apr-06	
Overall Progress Status			Expenditure 2004/5		Project Life Funding	
			100%		100%	
Progress Key:				Finance Key:		
On track for successful completion as programmed.				Within 10% of estimate		
Issues have arisen which may delay completion or require discussion/direction.				10 – 20% outside estimate		
Issues have arisen which will delay completion.				>20% outside estimate		
Critical Path / Milestone Items		Original Start Date	Original Completion	Revised Completion	Progress (NS,IP,C)	Progress Status (G,Y,R)
1. Parliamentary Approval		1-Jul-04	1-Jul-04		C	
2. Royal Assent		10-Aug-04	10-Aug-04		C	
3. Submit Commissioning Report		31-Jul-04	31-Jul-04		C	
4. Appoint GI Contractor		23-Jul-04	23-Jul-04		C	
5. Agree Asset Protection Agreement with NR		27-Aug-04	27-Aug-04		IP	
6. Agree Target Cost and Programme		25-Oct-04	25-Oct-04		IP	
7. Asset Protection Agreement Signed by NR		10-Dec-04	10-Dec-04		NS	
8. Completion - Phase 1		10-Dec-04	10-Dec-04		IP	
9. Commencement - Phase 2		3-Jan-05	30-Apr-06		NS	
10. Line Opening			30-Apr-06		NS	
	Funding	Budget	Original Cost Estimate	Start of Year Cost Estimate	Current Forecast	Variance
Previous Years	£0	£0	£0	£0	£0	£0
2004/5	£163,833	£163,833	£163,833	£163,833	£163,833	£0
2005/6	£0	£0	£0	£0	£0	£0
2006/7	£0	£0	£0	£0	£0	£0
Future Years	£0	£0	£0	£0	£0	£0
Total for Project Life Cycle	£163,833	£163,833	£163,833	£163,833	£163,833	£0



#### Summary of Key Points and suggested course of action:

- This project is currently under review.

"I confirm that this report provides an accurate overview of the project progress and finance."

Project Manager's signature: \_\_\_\_\_

Date: \_\_\_\_\_

09/12/2004

Project Director's signature: \_\_\_\_\_

Date: \_\_\_\_\_

09/12/2004





Agenda Item 5b

**ITI -**

**b) Tram Implementation Programme \***

**\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)**





## **Report to tie Board – 20<sup>th</sup> December 2004 - CONFIDENTIAL**

### **Tram Implementation Programme:**

The Board has previously approved the procurement strategy which allows for the development of an Infraco contract being a turnkey design, construct and commission contract for the tram system. For the Infraco contract to be let on a cost-effective basis there needs to be significant progress regarding key design and planning approvals, utility diversions and land acquisition in 2005 allowing for tendering in 2006 and leading up to Financial Close (FC) by YE2006.

The tram implementation programme to 2009 has been built around several key constraints some of which are believed to be unachievable:

1. Royal Assent: programmed for end-December 2005 and remains achievable.
2. Design: detailed design of the system commences in 2005 and is undertaken right up to Financial Close (FC). This remains firmly achievable.
3. Utility Diversions: the commencement of utility diversions at risk before Royal Assent is necessary to achieve AOD by end-2009 – budgeted in the OBC at £43.4m in 2005/6 and £31.5m in 2006/7 and is extremely unlikely to be approved by the Scottish Executive.
4. Land Acquisition: to be substantially completed before Infraco (and tram) tendering commences and fully completed before FC – budgeted in the OBC at £29.3m in 2005/6 and £27.7m in 2006/7.

The OBC submitted to the SE and CEC in August outlines a programme to Actual Opening Date (AOD) in December 2009. The OBC is clear that any delays to the commencement of works caused by budgetary approval delays would cause a corresponding delay to AOD. The implementation budget approval was not received until November 2004 – a three months delay. This by itself pushes the AOD into 2010.

In the event that the commitment to utility diversions and land acquisition prior to Royal Assent in 2005/6 is not achieved but agreements are in place to allow progress to be made immediately after Royal Assent the project completion to AOD can be achieved (subject to achieving Financial Close by Dec 2006) by Dec 2010. This is the current expected outcome.

The expenditure profile on utilities during 2005/6 consistent with a Dec 2010 opening date is within the predicted range of a minimum of £3m and a maximum of £10m. The rate of spend on utilities is subject to agreement with the utilities companies and the development of detailed works programmes by

them and is thus partially controllable by tie. As a result the tie budget for 2005/6 has been prepared with the preferred budget sum of £3m for direct utility diversion costs commencing after Royal Assent plus a budget £1.95m of cost to achieve the agreements with utilities, network rail and BAA prior to Royal Assent. The total utilities diversion budget remains at £74.9m and this will be spent over budget years 2006/7 and 2007/8.

The minimum expenditure on land in 2005/6 consistent with a Dec 2010 opening date is anticipated to be dependant upon the specific agreements reached as to the timing of payments. The separate sums of £60k in 2004/5 and £540k in 2005/6 have been allowed for land acquisition consultant and legal activities.

The total land budget remains at £60.2m and this will need to be substantially spent prior to FC at the end of calendar year 2006.

The development of revenue modelling suitable for TEL to undertake its service integration plans and to further develop the revenue forecasting models used to date by tie will be necessary in 2005/6. This has a budget of £1.26m in the tie 2005/6 business plan.

As a result the anticipated actual opening date for the tram system is December 2010.

I Kendall  
Procurement Director  
14 December 2004







Agenda Item 5c

**ITI -**

**c) Tram Parliamentary Process \***

**\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)**



**tie board December 2005**  
**T1 & T2 Parliamentary Progress Report**

Both bills are currently under consideration by their respective parliamentary committees. Details of the committees each of which is made up of five MSPs can be found at ;

<http://www.scottish.parliament.uk/business/committees/tram-one-bill/index.htm> &

<http://www.scottish.parliament.uk/business/committees/tram-two-bill/index.htm>

The committees consider the bills in principle after which the parliament will vote on the principle. The committees then enter the consideration stage and consider detailed objections to the bill.

The committees first considered the supporting documents submitted with the bills and asked a series of questions, which tie responded to. The committees also asked all the objectors to the schemes to comment on tie's submissions and tie to comment on all the objectors' submissions. This latter activity involved 290 detailed responses.

The committees have also heard evidence from the NAO in the light of their report on trams earlier this year. They visited the new Nottingham tram system and toured the routes in Edinburgh.

The committees now have a work programme of weekly committee meetings to consider oral evidence and review any accompanying documents. This runs until the 18<sup>th</sup> January, which will be the fourteenth meeting, in the case of line one and is currently scheduled to conclude with the twelfth meeting on 15<sup>th</sup> December for line two. Line one meets on Tuesday mornings and line two on Wednesday mornings. The proceedings can be followed live on;  
<http://www.holyrood.tv/committee.asp>

The format of the hearings is inquisitorial with the committee asking questions without prior notification of organisations and individuals they have invited.

There is no cross examination by the objectors or the promoter, but the promoter is interviewed last. The committees have set agendas which cover:-

The scope of the bill

Notification

Consultation

General principles

The environmental statement and

The preliminary financial case

They have heard from a wide range of bodies including , panels of objectors, SEEL, Edinburgh Chamber of Commerce, Lothian Buses and BAA. Evidence

has been given on behalf of the promoter by the Council, tie and a series of expert witnesses drawn from tie's advisers. tie has been advised by Dundas & Wilson supported by Malcolm Thomson QC and by Bircham Dyson Bell, the parliamentary agents, on the preparation and presentation of evidence.

So far tie has submitted seventeen written responses in the case of line one and fourteen in the case of line two to issues raised during the giving of evidence.

On completion of the preliminary stage the committee will prepare a report and the parliament will vote on the principle of the tram for each bill. The parliament has indicate that this should be completed by Friday 25<sup>th</sup> February. The Private bills unit (PBU) has also indicated that the recommendation of the committee will not be available to the promoter before it is presented to the parliament.

If the bill moves onto the next detailed consideration stage the parliament has given no indication so far of the programme or format for this process.

Andrew Callander  
Tram Programme Manager  
15<sup>th</sup> December 2004









Agenda Item 5d

**ITI -**

**d) Edinburgh Fastlink (WEBS)**

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)





## Paper for the Board 20<sup>th</sup> December

### Edinburgh Fastlink (WEBS)

#### Introduction

The ministerial launch for the Guideway section of WEBS took place on 2<sup>nd</sup> December and Lothian Buses commenced full service running on the 9<sup>th</sup> December. This represents a major milestone for tie in that it is the first project delivered on the ground. There are, however, a number of lessons to be learned from the experience of delivering WEBS and this paper outlines the major areas for consideration and how we propose to address the process of issues analysis.

#### Process

The process of capturing the lessons to be learned involves four stages. Stage 1 is a first stage issues review involving the projects director and the two project managers that were involved in the scheme.

The second stage will involve sessions with the two main construction contractors Balfour Beatty and ERDC. There are a number of significant contractual issues to be resolved with the contractors regarding quality of product, outstanding work to be completed, programme to final completion and financial issues.

The third stage will involve a similar review with our client representatives, Halcrow. Again there are a number of issues to be resolved with them including quality of service, financial issues and programme to completion.

The fourth stage will involve a review with Lothian Buses and CEC regarding the interface between these parties and tie and how, with the benefit of hindsight, we could have improved.

Finally the results of this will be fed into the business improvement work that is ongoing to ensure that our project management procedures benefit from the experience.

#### Recommendation

The Board is asked to note the review process for the WEBS project and note that a comprehensive review report will be brought to a future meeting.

Alex Macaulay  
Projects Director

# tie's Role in the Management of the Guided Busway

L Murphy

# Guided Busway Management Manual

- General Principles
- Legislation
  - Figure 1: HMRI Area
  - Figure 2: HMRI Area
- Management Arrangements
- Permissions for Bus Operator to use guideway
- Guideway Operating Requirements
- Permissions For Bus Operators to use Hermiston Gait Bus Only Link
- Breakdown/Blockage removal Procedures
- Emergency Procedures
  - Figure 3: Emergency Access Points
  - Figure 4: Emergency Access Points
- Maintenance Procedures
- Alterations to the Guideway and Halts
- Works by Third Parties
- Health and Safety File

## Appendices

- Appendix 1: Bus Operator's Access, And Use Licence Agreement
- Appendix 2: Guided Busway Operating/Training Manual
- Appendix 3: Work in Proximity Code.
- Appendix 4: Maintenance and Inspection Schedules



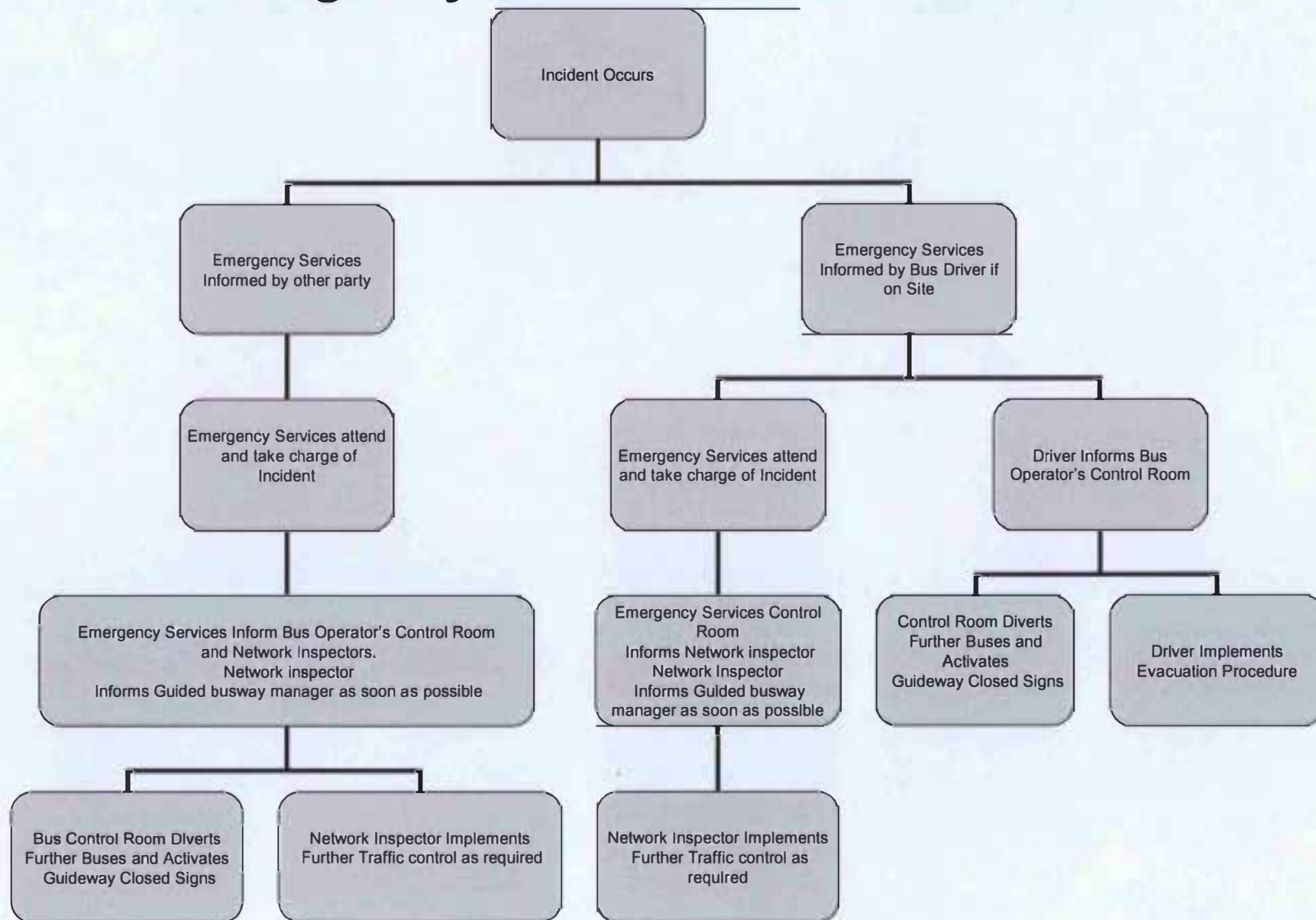
# General Principles

- The Edinburgh Fastlink Guided Busway is owned by the City of Edinburgh Council and managed by tie Limited exclusively for use by buses fitted with appropriate Guidance equipment.
- Buses and other vehicles operating on the Guideway will do so only with the express permission of the Guided Busway Manager.
- Guided buses operate as conventional road vehicles when they are not on the guided busway.
- The purpose of the management Manual is to set out the management procedures to ensure the safe and efficient operation of the Guideway. This includes Access Approvals and the provision of basic information on precautions to be taken when working in proximity to the Guided Busway.
- The manual is subject to review and revision from time to time by agreement between tie, City of Edinburgh Council and Approved Guided Busway Operators

# Management Arrangements

- The City of Edinburgh Council shall be responsible for the safety of the Guided Busway. This responsibility will be managed by tie Limited (**tie**).
- **tie** is responsible for introducing and maintaining a management Manual to ensure the safe and effective operation of the Guided Busway
- This responsibility includes the safety and stability of the Guideway and structures, the maintenance of the guideway and the associated halts, clearances and safe accesses.
- **tie** Limited will licence the access of buses to the guideway by way of an agreement with each operator. The safety of passengers, staff and the public when using the Guided Busway or on Operational Land shall be managed through the effective implementation of this document and minimum procedures annexed to each bus operator's access agreement.
- **tie** Limited shall be responsible for issuing all necessary Permits-to-Work and approvals to third parties for Works in proximity to the Guided Busway.
- **tie** Limited shall be responsible for ensuring that Third Parties which give notification of intent to carry out works are informed of all necessary requirements and restrictions imposed in when working in proximity to the Guided Busway. **tie** will endeavour to ensure that no work is undertaken on the Guided Busway without **tie**'s express permission.

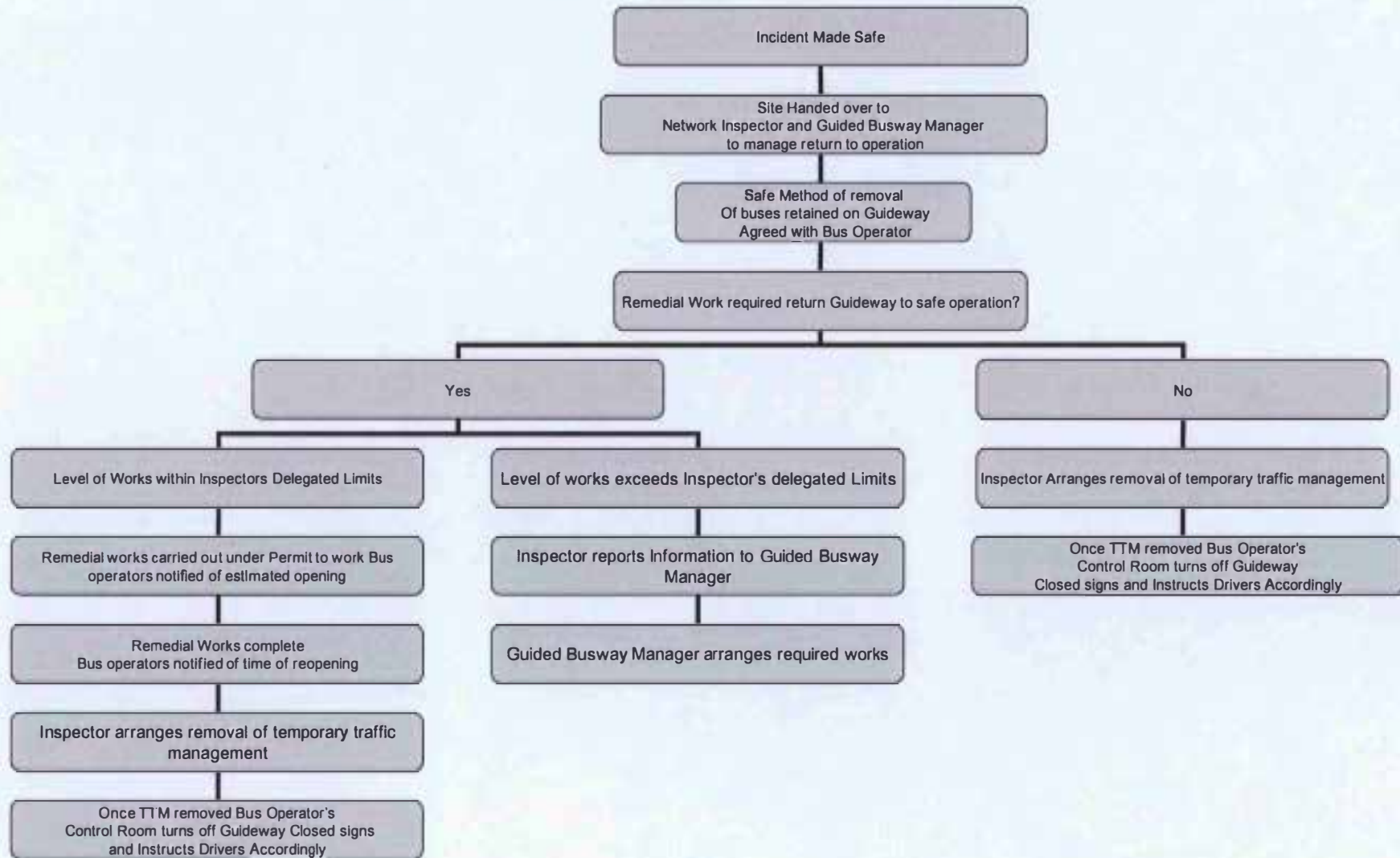
# Emergency Procedures to Make Safe



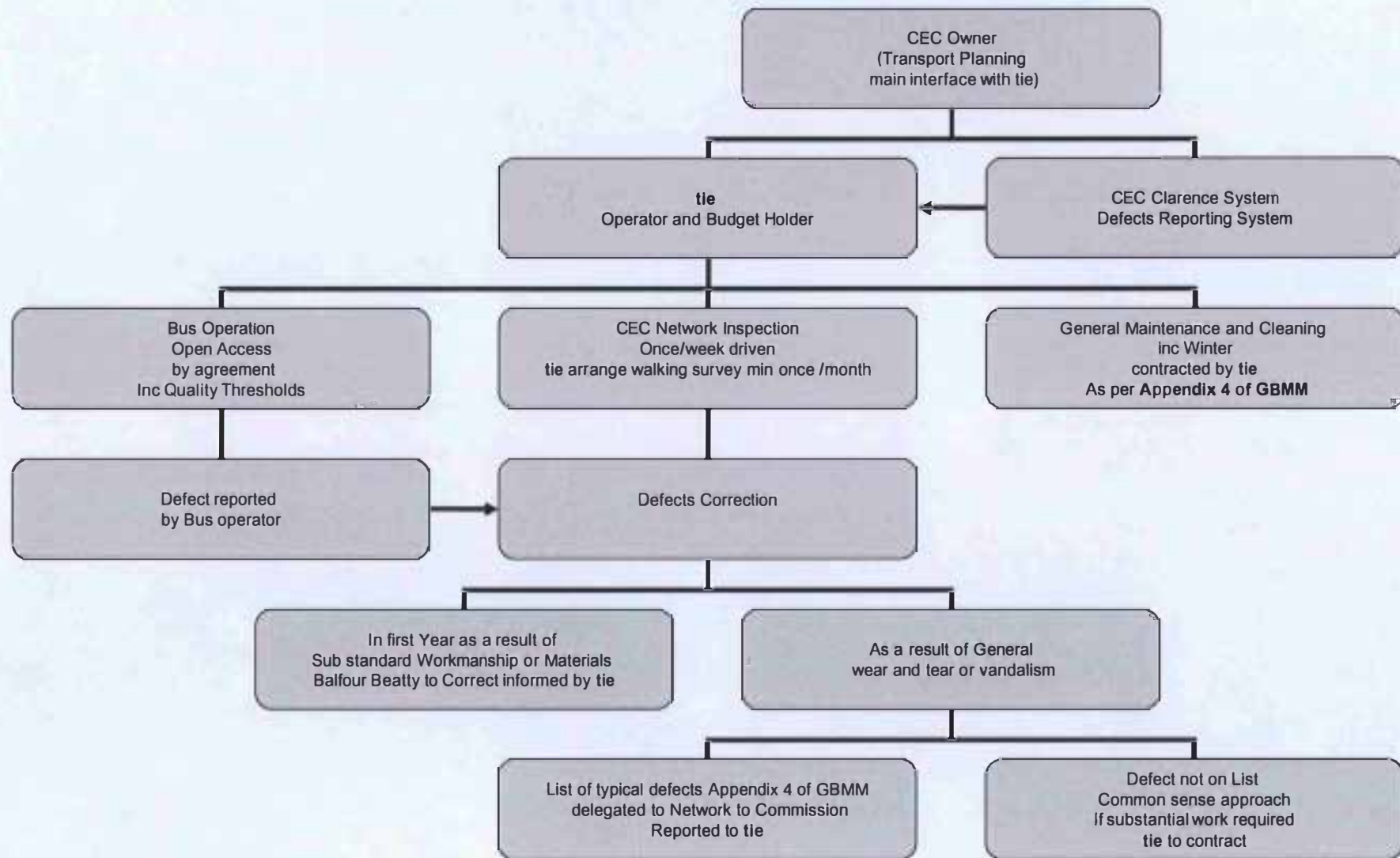


# Emergency Procedures

## Process to Return Guideway to Operation



# Maintenance Arrangements



All works on or near Guideway require to be assessed under the work in Proximity Code.

# Bus Operations

## Within the Manual

- Permissions for Bus Operator to use guideway
  - Permission to access the guideway is through Appendix 1: Bus Operator's Access, And Use Licence Agreement
- Guideway Operating Requirements
  - Operating requirements including quality thresholds are included within the manual
  - All drivers to be trained according to Appendix 2: Guided Busway Operating /Training Manual as a minimum standard

## Tie's Main Obligations within the Manual and Appendix 1

- Maintenance of the Guideway
- Information exchange with operator inc 7 days notification of planned works
- Arrange Audit of Bus Operators Systems
- Non Conformance regime incurs cessation of operators Access rights







Agenda Item 5e

**ITI -**

**e) FETA, Forth Road Bridge Congestion  
Charging \***

**\* = paper enclosed (available under FOISA but subject to review under  
Section 5b of tie's publication scheme and exceptions in The Act)**



## PROPOSAL TO FETA DEVELOPMENT OF A CHARGING ORDER

At the request of the Forth Road Bridge General Manager we have submitted a proposal to the Forth Estuary Transport Authority (FETA) to assist them with the implementation of a charging Order for the bridge. This is due to be considered by the FETA Board on the 17 December 2004.

The Transport (Scotland) Act 2001 gives powers to local authorities and certain joint bridge boards, as defined by section 69 of the act, to introduce road user charging schemes. The Act requires that a charging scheme be established by an Order that will need prior approval of the Scottish Ministers. The Order is the final part of a two stage approval and consultation process that local authorities and joint bridge boards will have to follow if they are to introduce a scheme

The outline process for bringing forward a charging scheme as part of an Integrated Transport Initiative is detailed in the Scottish Executive Guidance dated August 2001. Referring to this guidance it is assumed that FETA are at stage 3 of a 12 stage process – Authority considers results of consultation on Local Transport Strategy and draws up ITI –and also that the charging Order is required to come into force by 1 April 2006.

In this proposal tie would assist FETA staff, including the Treasurer, by preparing briefs and contract documents as appropriate for the external services of legal, financial and technical advice. Wherever possible external consultants would be engaged by FETA directly and tie would project manage and certify payments in accordance with the contract documentation. tie could also offer to use its own consultants where specialised services were required or where insufficient time was available for procurement. We would also offer guidance to FETA on procedures, timescales etc in light of our experience with Edinburgh's Integrated Transport Initiative.

Although the charging Order for FETA is likely to be simpler than the one prepared for Edinburgh's scheme the process and technical development is likely to be very similar. It is therefore suggested that a significant resource will be required to bring forward the scheme, particularly with regard to the required timescale. A draft programme is attached to give an indication of the work plan. This does not have any allowance for appointment of consultants and it is assumed that we would use existing contracts with FETA or alternatively tie will use its own advisors charged at cost.

We understand that FETA are in the process of appointing legal advisors but additional services required are likely to cover financial, technical, marketing and communications. In addition there will be costs associated with running a public inquiry. At this stage it would be difficult to quantify the costs of these additional services but a significant allowance, probably in excess of £1.5m, should be made.



The fee payment due to tie would be the actual staff costs plus overheads and expenses. Based on our previous experience this could amount to the equivalent of 1 to 2 full time staff members from the date of commission up until the delivery of a charging Order. A notional cost for this is estimated at £150,000 but it is proposed that timesheets would be recorded for members of tie staff engaged on the project and FETA would be billed monthly in arrears for the actual time expended. The staff involved would normally be based in tie's office but could work from FETA's accommodation if required.

John Saunders  
ITI Programme Manager  
14<sup>th</sup> December 2004





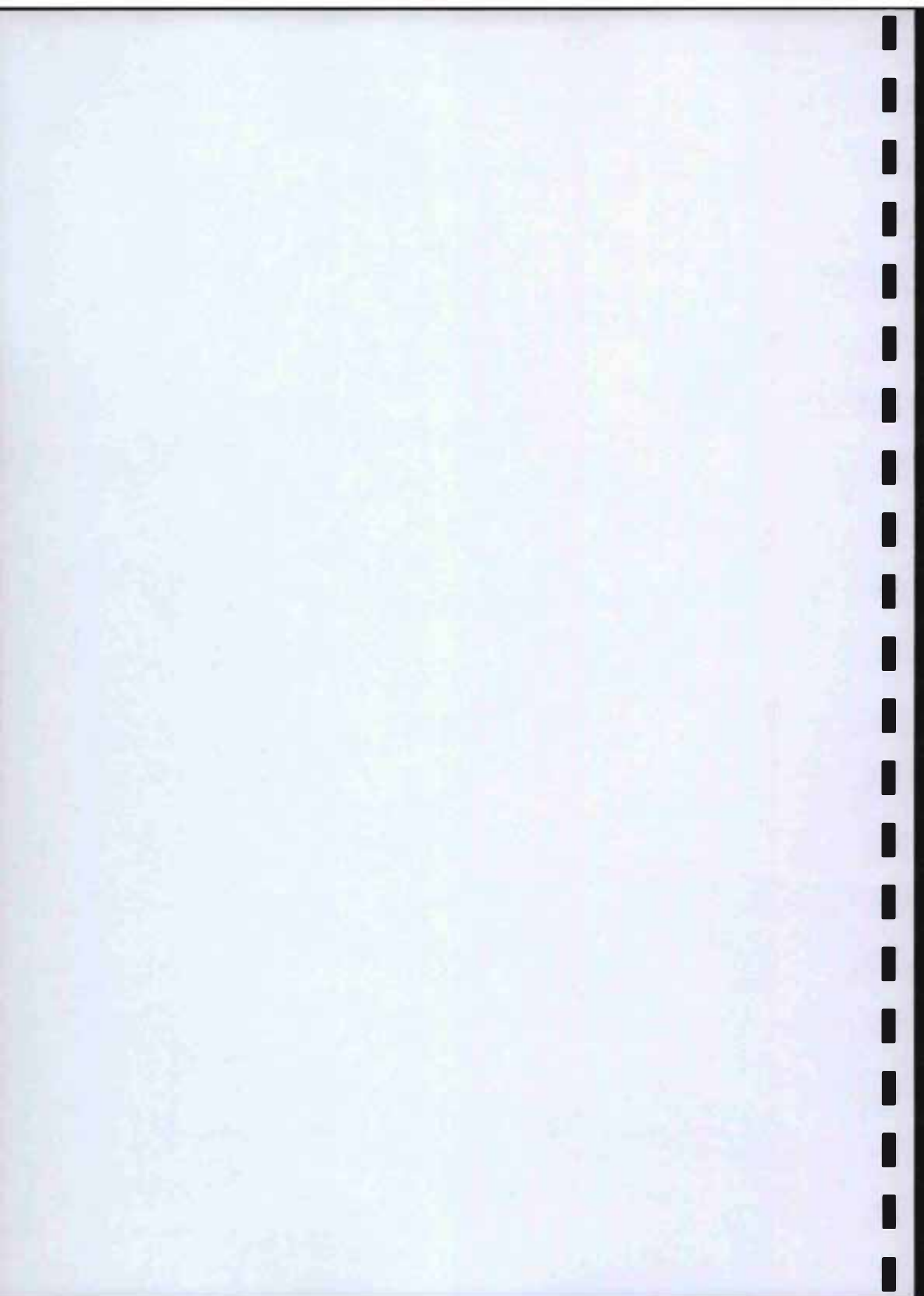
Agenda Item 5f

**ITI -**

**f) Service Integration - TEL**

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)







Agenda Item 6

## **Governance & Financial Matters**

- a) Financial Report \***
- b) tie Business Plan \***

**\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)**



Agenda Item 6a

## **Governance & Financial Matters**

### **a) Financial Report \***

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)



# **tie**

## **Monthly Financial Report**

### **November 2004**

Prepared by Stuart J Lockhart

14<sup>th</sup> December 2004

**Contents:**

- 1 Key Points Summary
- 2 Project Portfolio Structure and Basis of Preparation
- 3 Project Cost Commentary & Graphical Presentation
- 4 Overheads Commentary and Graph
- 5 Detailed Expenditure – Current Month, Year to Date, Full Year Forecast
- 6 Balance Sheet – Month End and Year to Date Progress
- 7 Cash Flow – Year to Date and Full Year Forecast

## 1. Key Points Summary

Overall, there is no material change from last month's report.

tie continues to have difficulty controlling spend on the parliamentary process for tram lines 1 and 2 because of the unpredictable demands of the process. However, a best estimate has now been fully re-evaluated and is targeted at staying within aggregate budget for this financial year. There is a need to formalise the aggregation of the two budgets and a process has been agreed with CEC and the Executive to resolve this.

Tram implementation work is now underway including continuing work with Transdev and commencement of detailed design and procurement activity. It is likely the current financial year outturn will undershoot the budget with work rolled into next year and this has been discussed with CEC and the Executive.

There will be a significant undershoot on EARL budget for the year is due to a combination of probable real savings and delay due to consultation commencement. This has again been discussed with the Executive.

The business plan for FY06 is now well underway. There are a significant number of challenging areas which will require further detailed work in the New Year, notably the evaluation and decision-making process around congestion charging. These have been discussed in principle with CEC and the Executive.



## 2 Project Portfolio Structure and Basis of Preparation

tie's project portfolio comprises:

	Projects Director	Programme Manager	Project Manager	2004/05 Expenditure Plan	2004/5 Expenditure		Variance	Monthly
					YTD Plan	YTD Actual	YTD Delta	Confirmations
				(£'000's)	(£'000's)	(£'000's)	(%)	Completed per Timetable
<b>Congestion Charging Programme</b>								
1 Development & Public Inquiry Process	A Macaulay	J Saunders	D Burns	1,131	912	907	-1%	Yes
2 System Procurement	A Macaulay	J Saunders	S Healy	2,049	1,398	1,137	-19%	No
3 Information Campaign	A Macaulay	J Saunders	S Campbell	600	580	229	-61%	No
<b>Tram Programme</b>								
3 Line 1 Development & Parliamentary Process	A Macaulay	A Callander	K Murray	1,073	751	1,217	62%	No
4 Line 2 Development & Parliamentary Process	A Macaulay	A Callander	G Duke	1,838	1,289	723	-44%	No
5 DPOF Execution	A Macaulay	A Callander	I Kendall	5,008	878	1,188	35%	No
6 INFRACO Procurement & Funding	A Macaulay	A Callander	I Kendall	0	0	0	0%	No
7 Line 3 Development	A Macaulay	A Callander	W Fraser	1,984	1,609	1,185	-26%	Yes
<b>Other ITI Projects</b>								
8 WEBS	A Macaulay	-	L Murphy	7,960	7,599	6,606	-13%	No
9 Ingliston Park & Ride	A Macaulay	-	L Murphy	2,470	2,060	543	-74%	No
10 One-Ticket	A Macaulay	-	S Lockhart	50	33	11	-67%	Yes
<b>Heavy Rail Projects</b>								
11 EARL	P Prescott	-	S Clark	4,256	2,444	1,897	-22%	Yes
12 SAK	P Prescott	-	R Hudson	166	101	101		No
				<b>28,585</b>	<b>19,654</b>	<b>15,744</b>	<b>-20%</b>	
13 Overheads	M Howell	-	S Lockhart	1,119	765	740	-3%	N/A
<b>Variance reported if +/- 5% delta on budget</b>								

Each of these 12 projects is managed and financially controlled by the tie managers noted above. The underlying business reasons for the variances from Plan are explained in detail, together with graphical presentation, in Section 3 below.

### 3 Project Cost Commentary & Graphical Presentation

#### Congestion Charging Scheme - Development

*No material change to financial prospects compared to October report.*

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Project Costs (Total Incl. OH)</b>									
Congestion Charging - Development	42,497	133,304	-90,807	907,370	912,386	-5,016	1,156,201	1,131,201	25,000

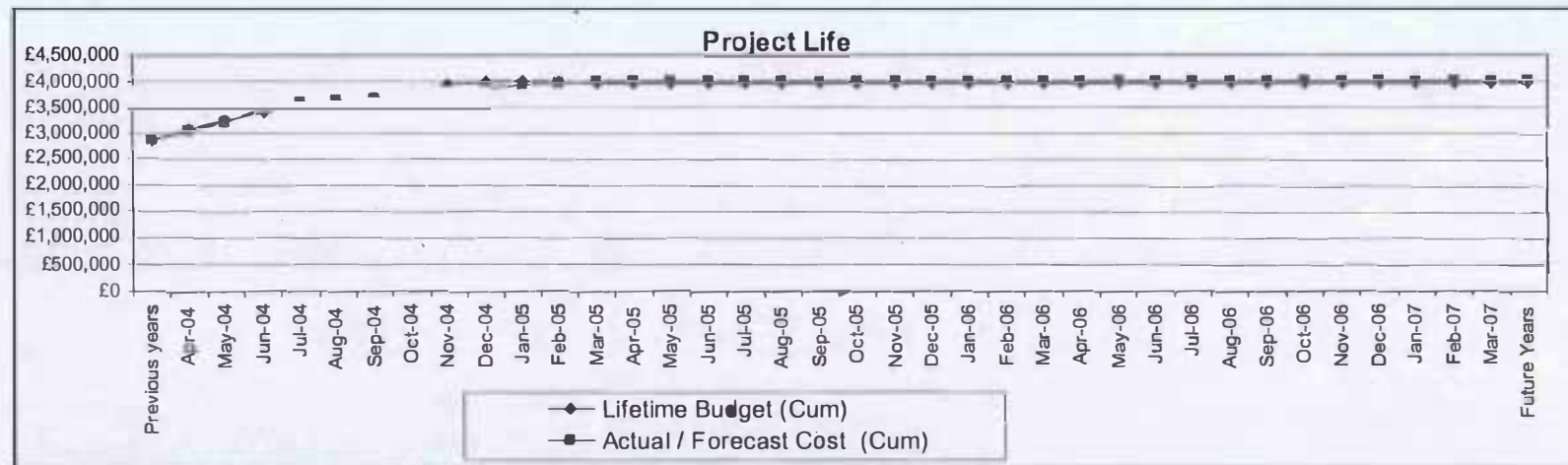
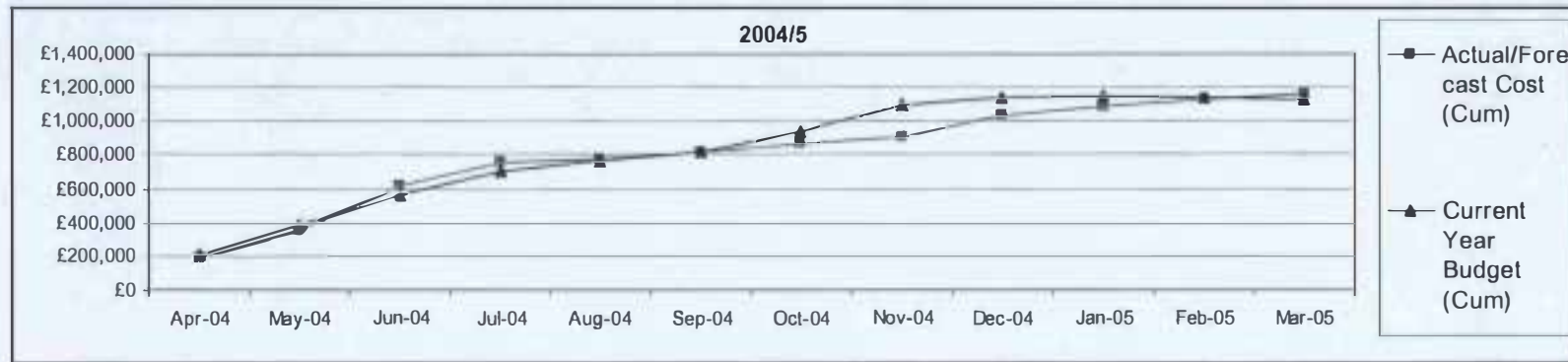
Consideration has now been given to the Reporters' recommendations and a report was submitted on 2<sup>nd</sup> December to City Development; with the recommendations as to how to proceed with the development of the project. The recommendations included changes to locations of some of the cordon crossing points, wider options for payment and comment and recommendations relating to the extent of the exemptions to be included in the Charging Order. Technical work carried out by Halcrow Group and legal advice received from D&W helped inform this report.

Legal advice was also sought from D&W, on behalf of the Council, in relation to the legal issues raised either in written submissions prior to the Inquiry or by participants during the proceedings, which had fallen outwith the remit of the Inquiry.

Consideration is currently being given to the areas of the draft final Charging Order that may need amended to reflect changes introduced due to the outcome of the Inquiry.

Work is proceeding with the Stage 2 STAG appraisal and business case for the project which should be completed by Halcrow during mid/late February 2005.

It is anticipated that all necessary development work, currently identified for this financial year, can be completed within the available budget.





Congestion Charging Scheme - Procurement

*No material change to financial prospects compared to October report.*

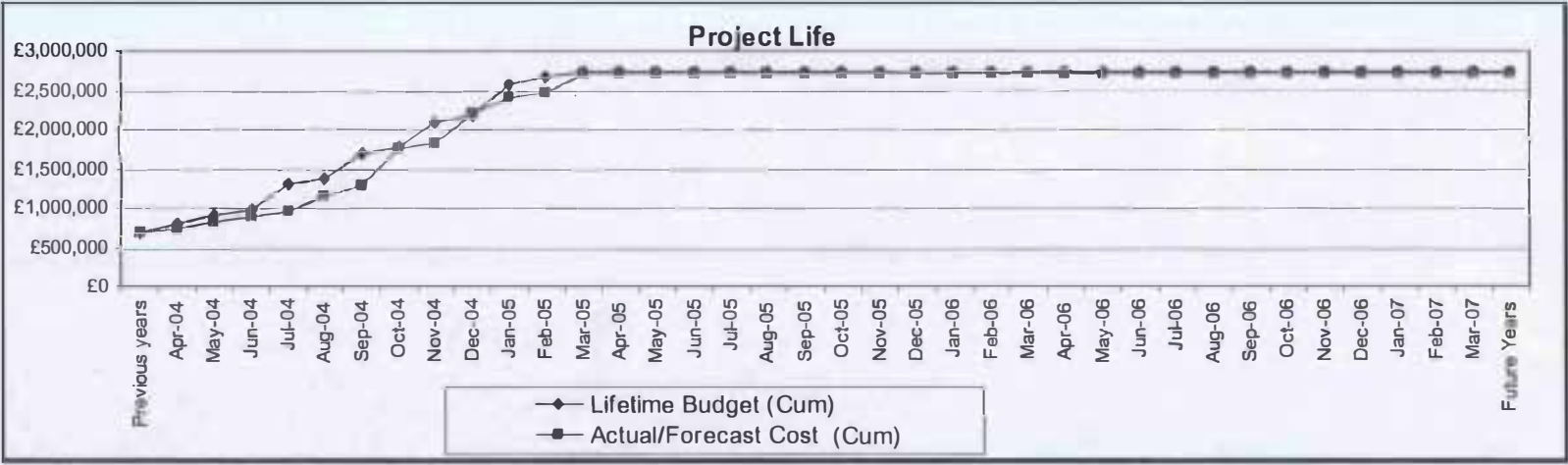
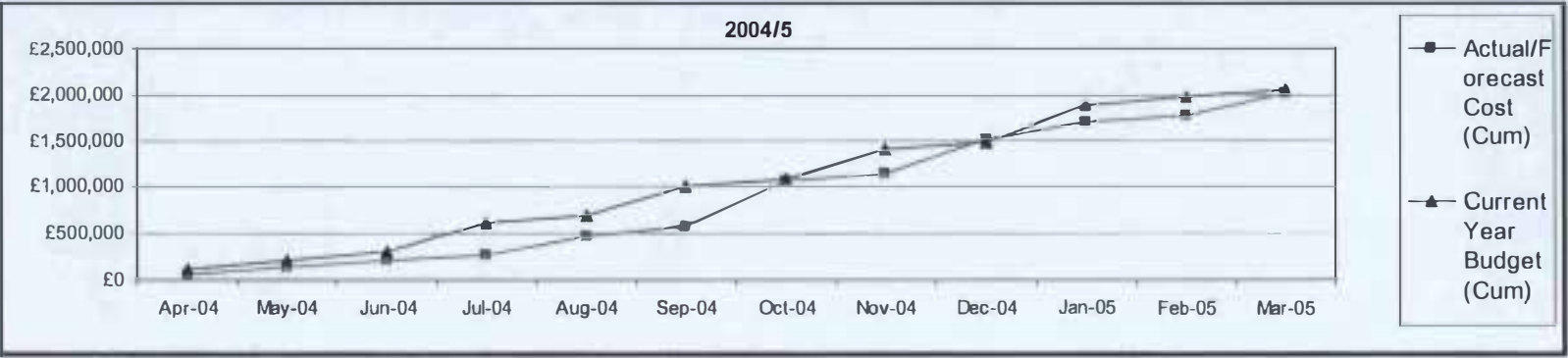
	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Project Costs (Total incl. OH)</b>									
Congestion Charging - Procurement	69,697	315,819	-246,122	1,137,238	1,398,433	-261,195	2,023,701	2,048,711	-25,010

*Operations*

Both partner's prototypes have passed tests and are now being presented to the Programme Board for approval. Finalised designs and Stage 2 proposals are well underway for submission by the end of the year.

*Financial*

Spend profile for November was approximately as expected across most spend areas with the exception that the major milestone payments for November will now be realised in December. Both designs remain on budget and to timescale.



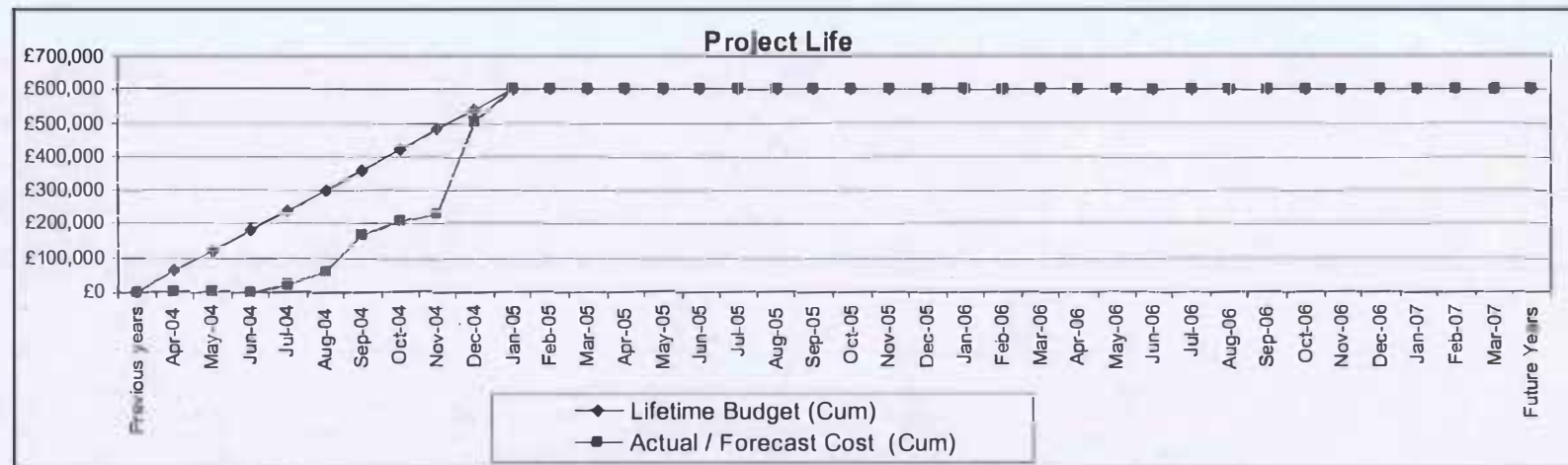
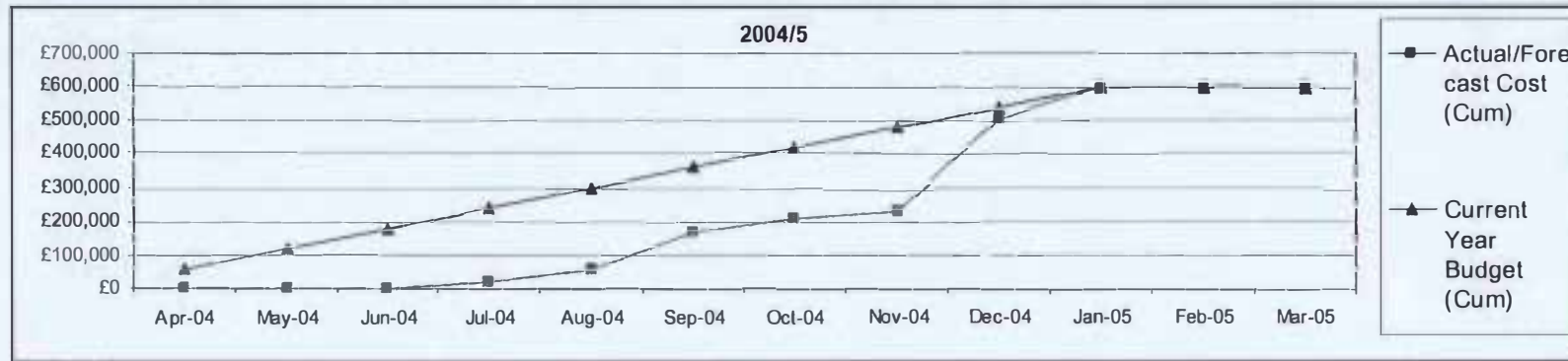
Congestion Charging Scheme – Information Programme

*No material change to financial prospects compared to October report.*

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Project Costs (Total Incl. OH)</b>									
Congestion Charging - Information Campaign	19,646	70,000	-50,354	228,919	580,000	-351,081	600,000	600,000	0

**tie** has no authorisation or accounting involvement in this spending.





Tram Lines One & Two*Important financial issues being addressed*

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Project Costs (Total Incl. OH)</b>									
Tram 1	17,349	80,535	-63,186	1,217,016	750,596	466,420	1,616,457	1,072,736	543,721
Tram 2	79,278	140,672	-61,394	722,967	1,289,134	-566,167	1,294,599	1,838,320	-543,721

**See Key Points Summary****Line One**

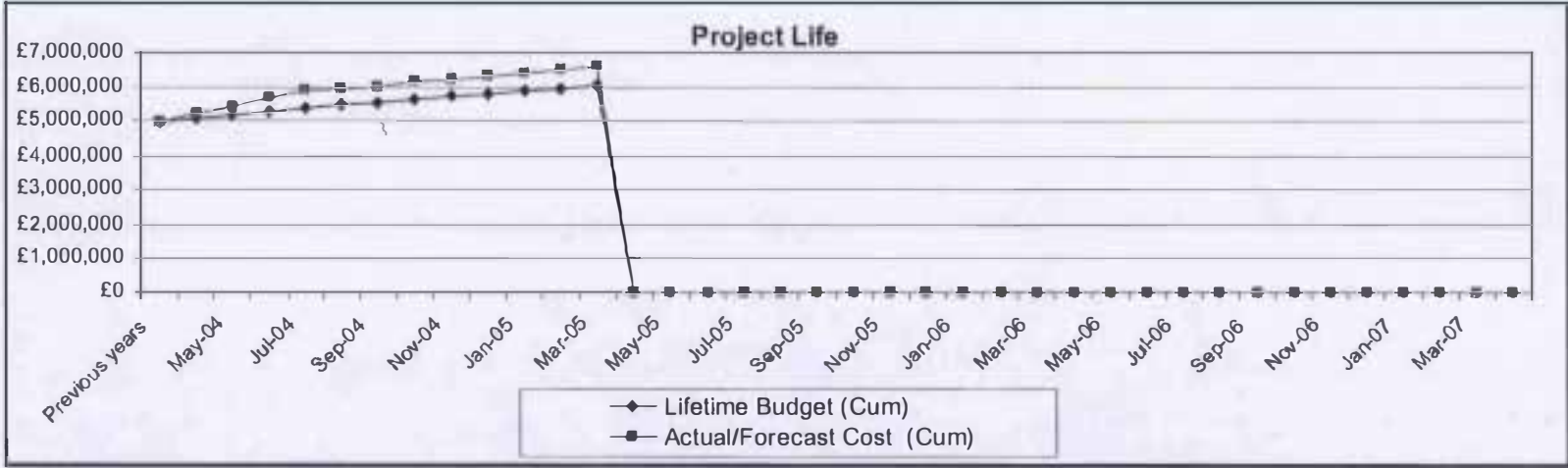
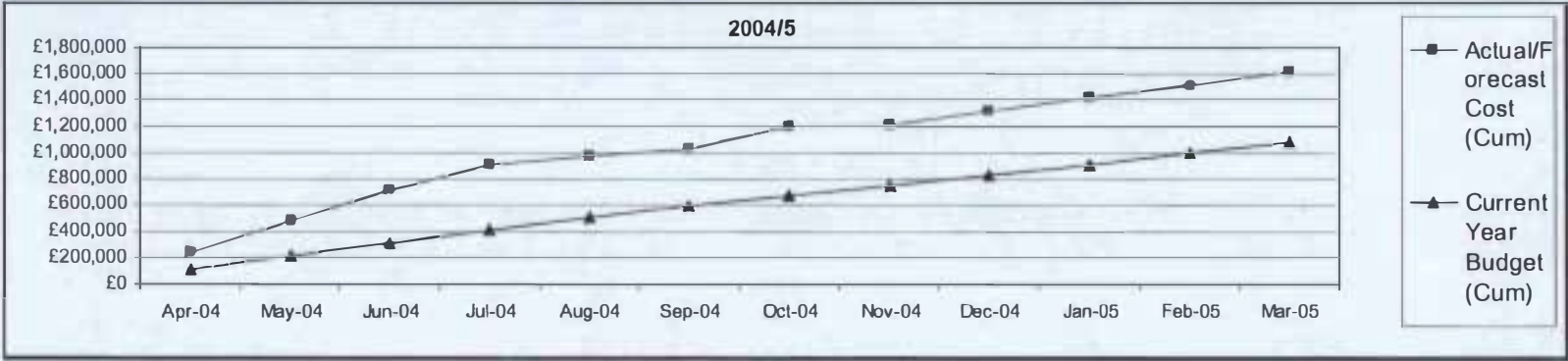
The parliamentary process will last longer and looks like requiring more detailed information than anticipated. In order to satisfy the parliament, further resources are required in the development of procurement and operator involvement.

Tram Line One costing for 2004/5 includes an element of cross funding from Tram Line Two, which reflects work carried out on the common section and the significant issues requiring resolution in the city centre.

**Line Two**

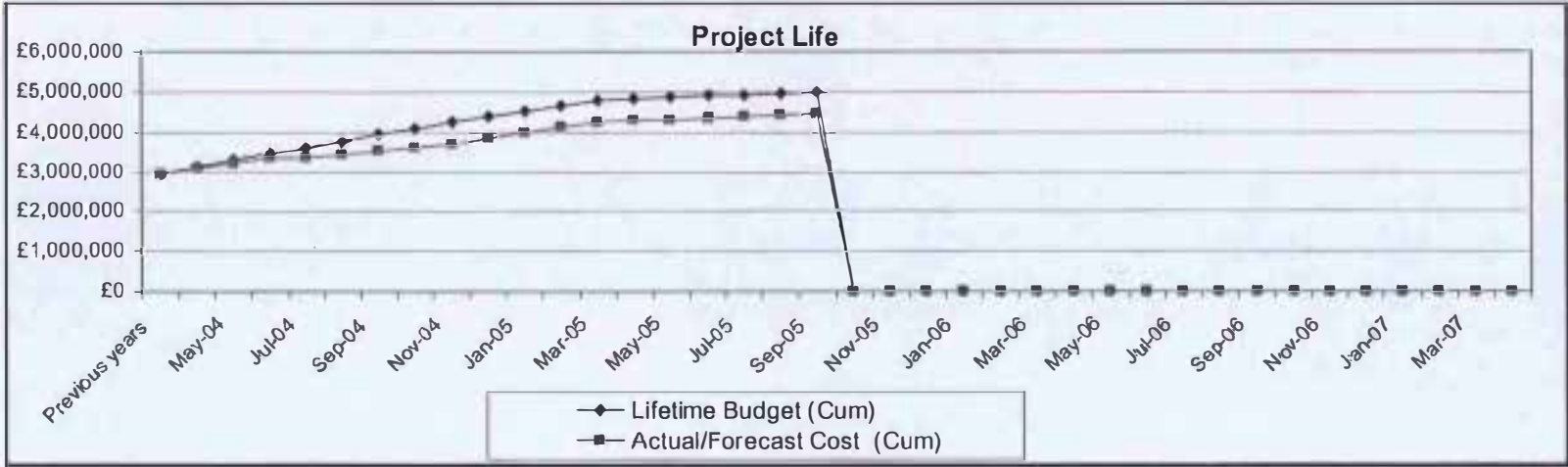
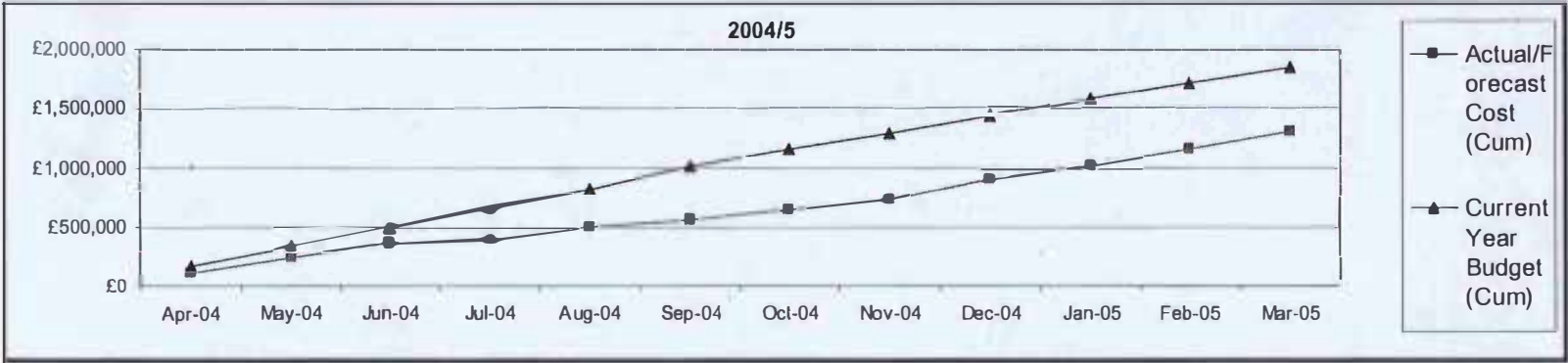
FM have submitted a claim for £175k for additional work incurred in meeting the programme for Bill submission in 2003. **tie** has not accepted this and are resisting FM's claim.

Tram Line 1





Tram Line 2



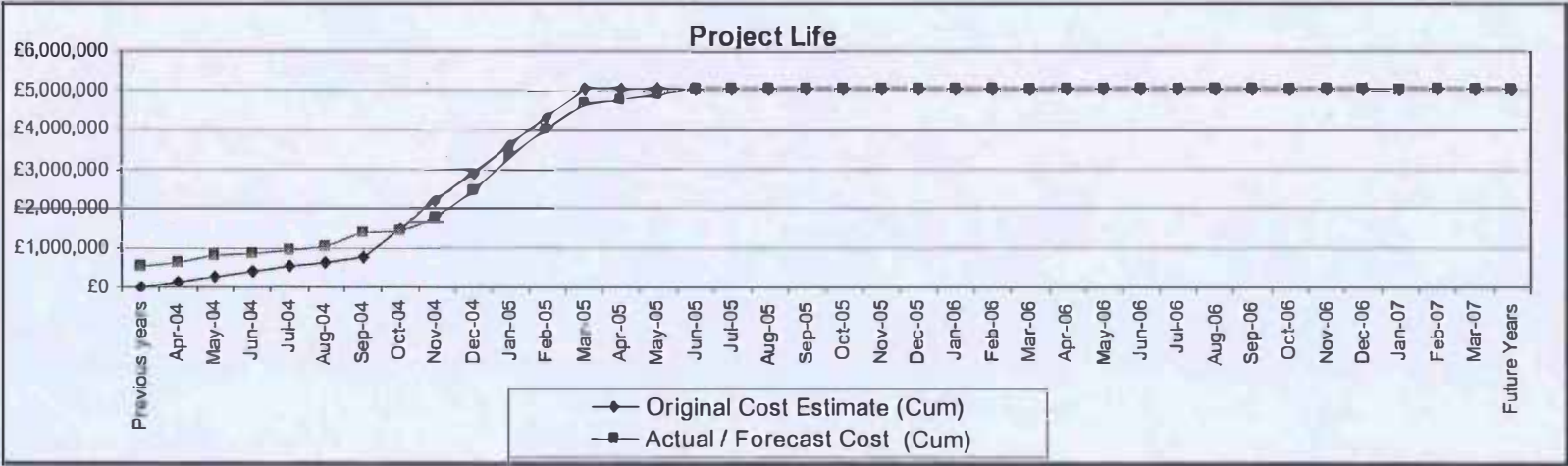
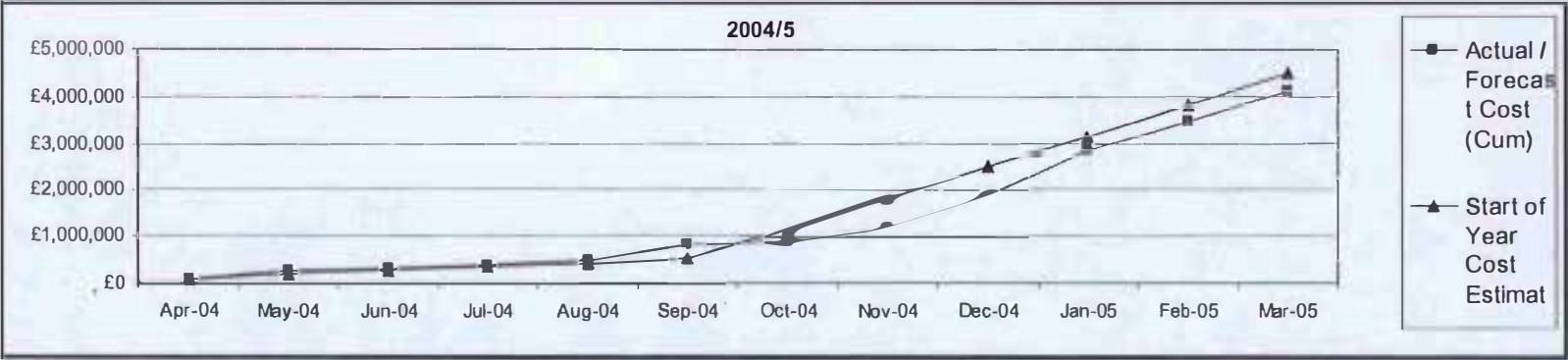
Operator planning (DPOFA process)

*Important financial issues being addressed. Current year budget now approved.*

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Project Costs (Total Incl. OH)</b>									
Trams - DPOF	282,681	108,945	173,736	1,188,280	878,365	309,915	4,122,333	5,008,000	-885,667
Trams - INFRACO	0	0	0	0	0	0	0	0	0

Work is underway on a range of issues as set out in DPOFA but, where necessary, priority is being given to the preparation of parliamentary answers regarding line alignment, integration plans, interchanges and passenger transport growth through service integration. The Transdev team is now directly interfacing at several levels with the **tie** team. Service integration dialogue has commenced.

The delayed commencement to this workstream is likely to have caused an undershoot against budget for the current year, which will be caught up next year.





INFRACO Procurement & Funding

*Important financial issues being addressed. Current year budget now approved.*

Expenditure profile currently being reviewed (see DPOF note above).

Tram Line Three

*No material change to financial prospects compared to October report.*

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Project Costs (Total incl. OH)</b>									
Tram 3	55,664	112,571	-56,908	1,184,599	1,609,343	-424,744	1,867,858	1,983,962	-116,104

**Operational Issues**

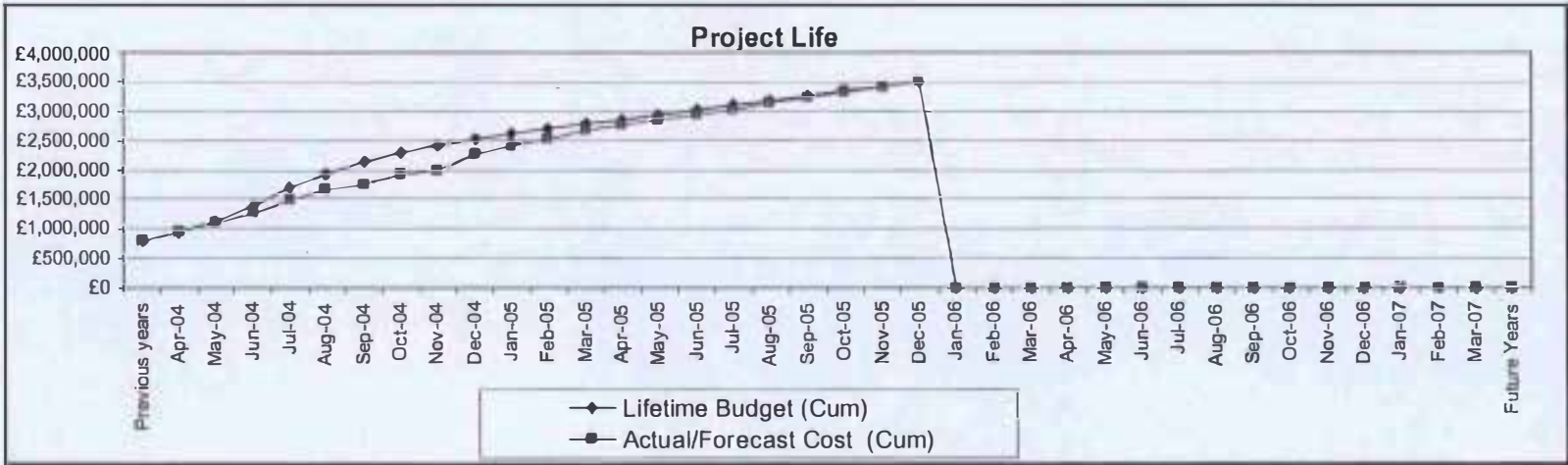
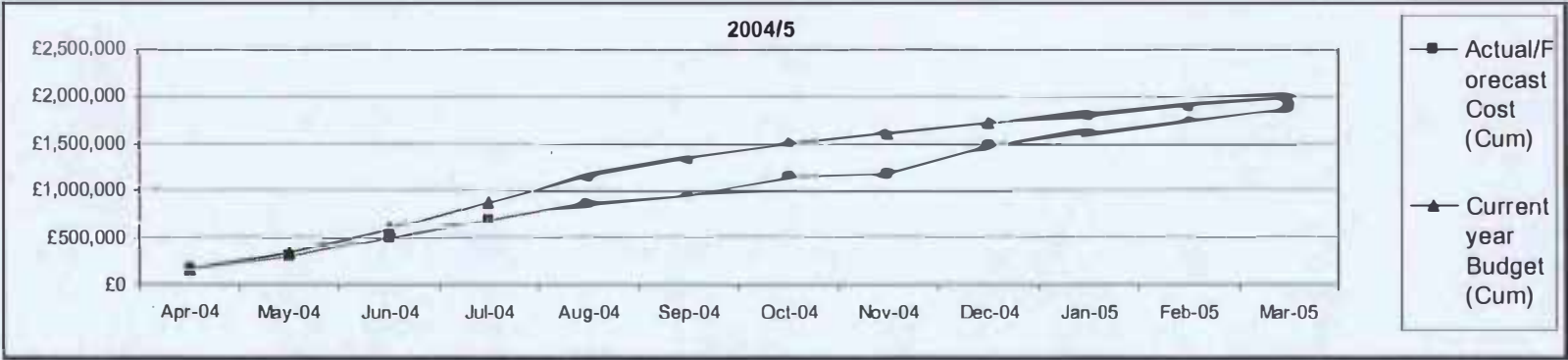
The Final Route Alignment (FRA) was approved by the tie board in September, the CEC Executive on 19/10, CEC Planning Committee on 03/11 and the Full Council on 11/11.

At a meeting on 24/11, the Scottish Executive and CEC agreed not to submit the TL3 Bill to Parliament, as planned, prior to Christmas. An alternative date was not set, instead the Scottish Executive and CEC will reconsider this issue in March/April 2005. This represents a 3-4 month delay in the original project programme. The final three months of the financial year will now be used to work with potential objectors to the line three bill. In addition, further revenue modelling work will be carried out and this will include in due course (and subject to Council decision on the scheme) analysis of the impact of congestion charging. Work with community groups will continue.

## Financial Issues

1. TL3 is currently projecting a £116k under-spend against this years budget, this will be rolled over in 2005-06, where the available spend is anticipated to be c£840k. The required level of spend for 2005-06 onwards will be based on the actual spend on TL1 & 2, as TL3 will follow the same process. Benchmarking indicates that the level of spend for the Parliamentary stage is significantly greater than allowed for in the budget. This will be presented in the tie business plan for 2005/06.
2. The Scottish Executive/CEC's decision to delay the submission of the TL3 bill has extended the programme. This has not significantly affected the 2004/2005 budget as resources will be concentrated on 'Objector Management', however the extension will result in an increase in Anticipated Final Cost (AFC) for the development phase of the project. The current programme is based on the next available date for submission (April 2005) being achieved. If the date is put back further, the AFC for the development stage of TL3 will increase again.





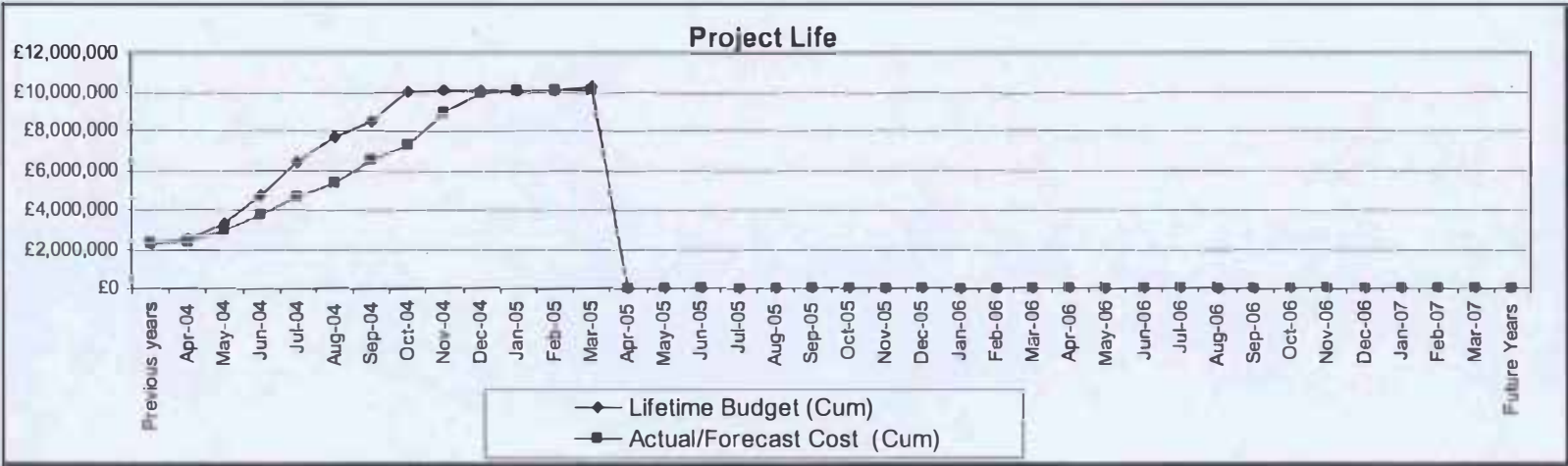
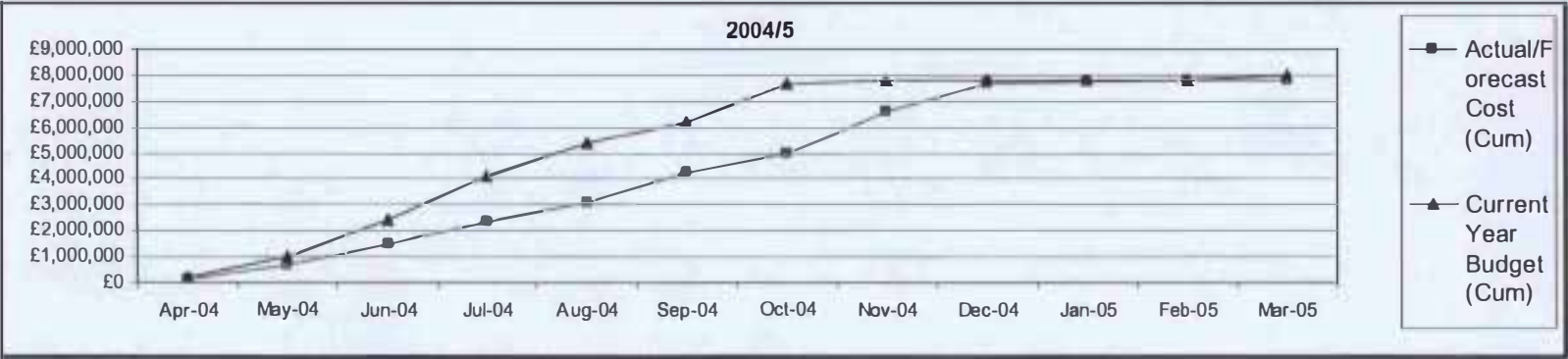
WEBS development

*No material change to financial prospects compared to October report.*

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
Project Costs (Total incl. OH)									
WEBS	1,608,363	112,284	1,496,079	6,605,722	7,599,220	-993,498	7,771,577	7,959,694	-188,117

Construction of the Guideway is complete. The ribbon Cutting Ceremony was held on 2<sup>nd</sup> December. Following additional works by the contractor to improve ride quality and further testing by Lothian Buses, services commenced on 9<sup>th</sup> December. The Final Inspection by HMRI was carried out on 9<sup>th</sup> November and permission was received on 30<sup>th</sup> November. Other footway and signal works in the area are continuing and will be completed in the next two weeks. CCTV and Real time signs will be connected early in the New Year.

ERDC have completed the widening of Stevenson Drive to accommodate a new bus lane and are continuing with the residual works which formed part of the on street bus priority measures contract. TRO's were approved by the Council Executive on the 27<sup>th</sup> July, reviewed at scrutiny on 1<sup>st</sup> September then referred to full Council on the 16<sup>th</sup> September. Orders were in place for 1<sup>st</sup> November. There will be an increased police presence over the first few days of operation.





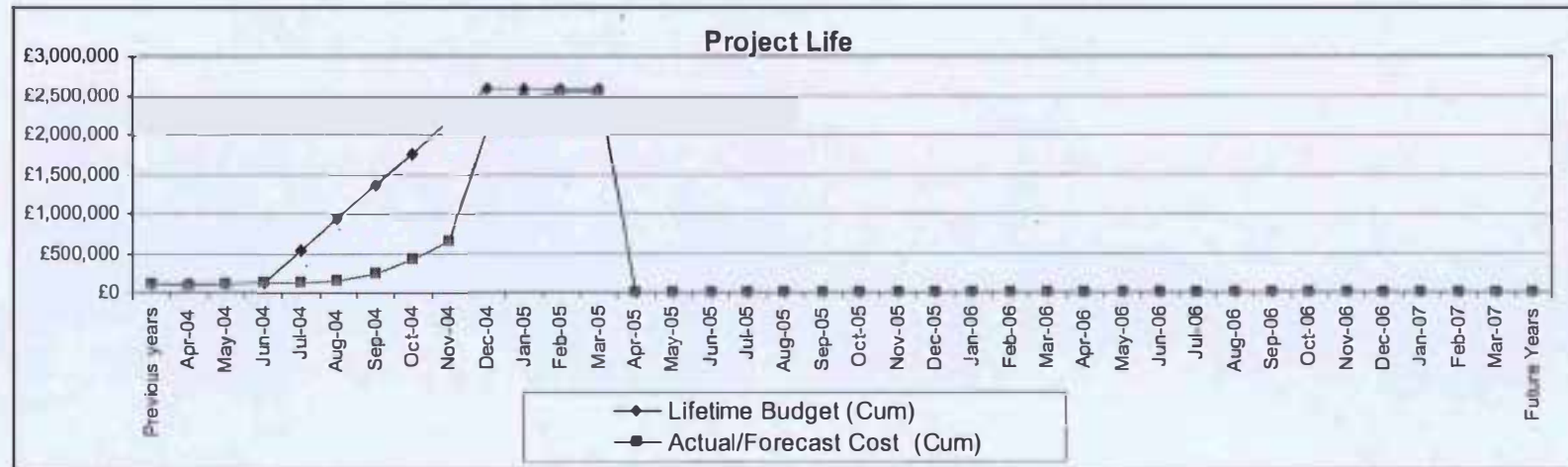
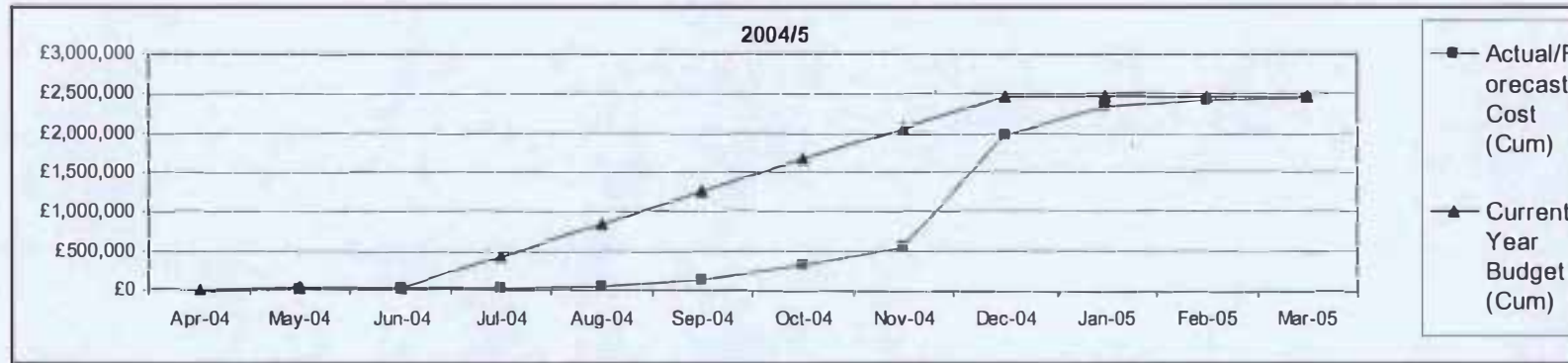
Ingliston Park & Ride

*No material change to financial prospects compared to October report.*

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Project Costs (Total incl. OH)</b>									
Ingliston Park & Ride	220,511	407,262	-186,750	543,020	2,059,812	-1,516,792	2,433,371	2,469,539	-36,168

Construction is underway. Demolition of farm buildings is complete, Earthworks are well advanced with soil stabilisation for car parking areas underway. Capping layer placed on access roads. Drainage cut off ditches and gravel drains have been installed. Stage 2 Road Safety Audit has been completed. Foundation works are underway on the Terminal building. Early warnings have been raised regarding Programme due to Building control and slow responses from utilities.

Consultation documents are being produced for TROs for the enforcement of the bus lanes proposed for Eastfield Road as part of the further detailed design.



'One-Ticket'

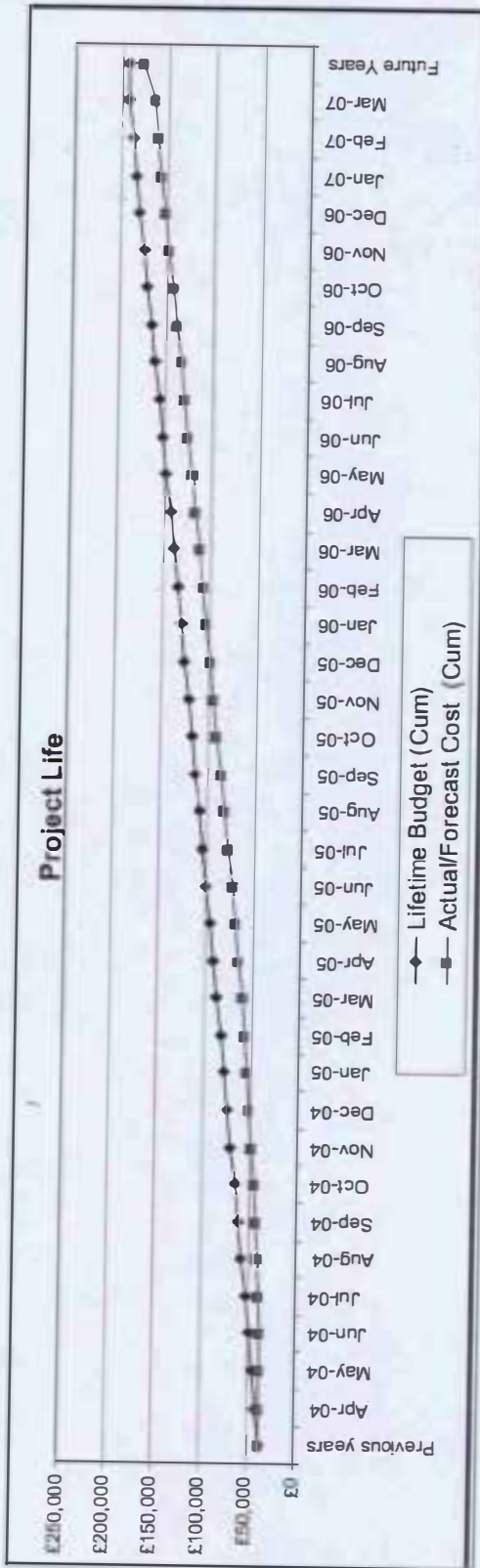
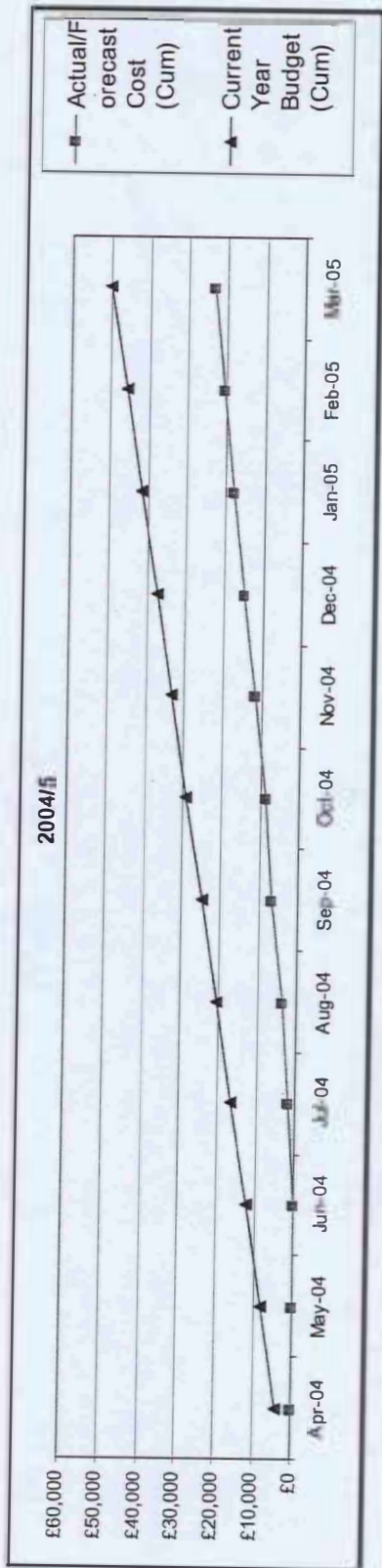
*No material change to financial prospects compared to October report.*

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Project Costs (Total Incl. OH)</b>									
One Ticket	2,769	4,216	-1,447	11,422	33,118	-21,696	23,303	49,982	-26,679

The only costs incurred by **tie** are those relating to the employment of a Marketing Assistant/Administrator. The current incumbent, Ian Carter became a member of ties staff on 1<sup>st</sup> July 2004.

The TAS Partnership carried out a fully funded business review and their final report is now available.





EARL

*Important financial issues being addressed.*

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
Project Costs (Total incl. OH)									
EARL	364,186	448,978	-84,792	1,897,305	2,444,208	-546,903	3,355,797	4,255,797	-900,000

Initial results from Public consultation encouraging with >90% of responses so far in favour. Public Meeting went well. Positive support being provided by bodies such as Scottish Enterprise, CBI and Scottish Council for Development & Industry.

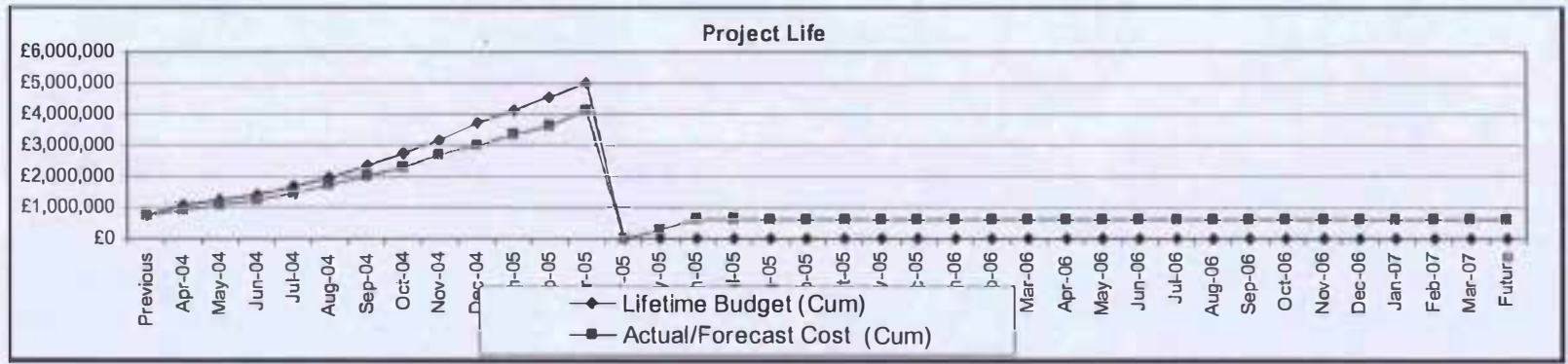
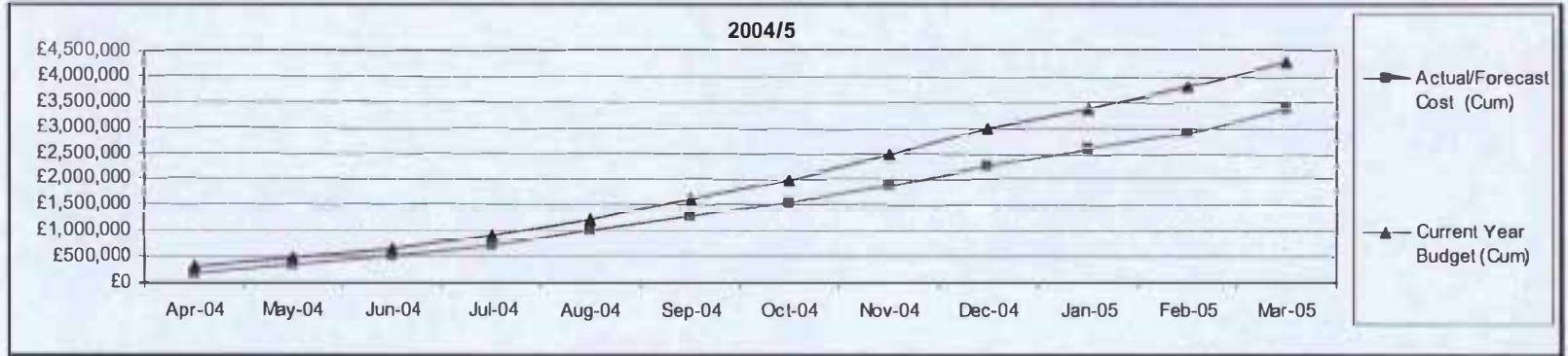
**SE discussions on hybrid bills may present a risk to being able to submit the private bill. SE aim to have a response on the way forward with this by Christmas.** Full programme review complete and we still plan introduction of Bill before summer recess next year.

Operational

Progress is being made with design. Concourse design lags slightly but a meeting involving all stakeholders held on 24<sup>th</sup> Nov agreed that integration of rail, tram, bus was something we should aim to achieve etc. Further design meeting being held to review options. Overall work package 2 is 61% complete against a target of 65%. Main areas of slippage relate to construction strategy and finalisation of drawings – not expected that these will impact the programme. Environmental (Work Package 3) is 60% complete against a target of 60%. Work on the Environmental impact assessment (EIA) has started.

Legal/Financial

Work progresses with Network Rail and BAA to agree issues surrounding land and station ownership and operation and Heads of Terms. PWC working on funding and BAA contribution for Scottish Executive. Undershoot on budget for the year is due to a combination of probable real savings and delay due to consultation commencement.





Stirling Alloa Rail Link

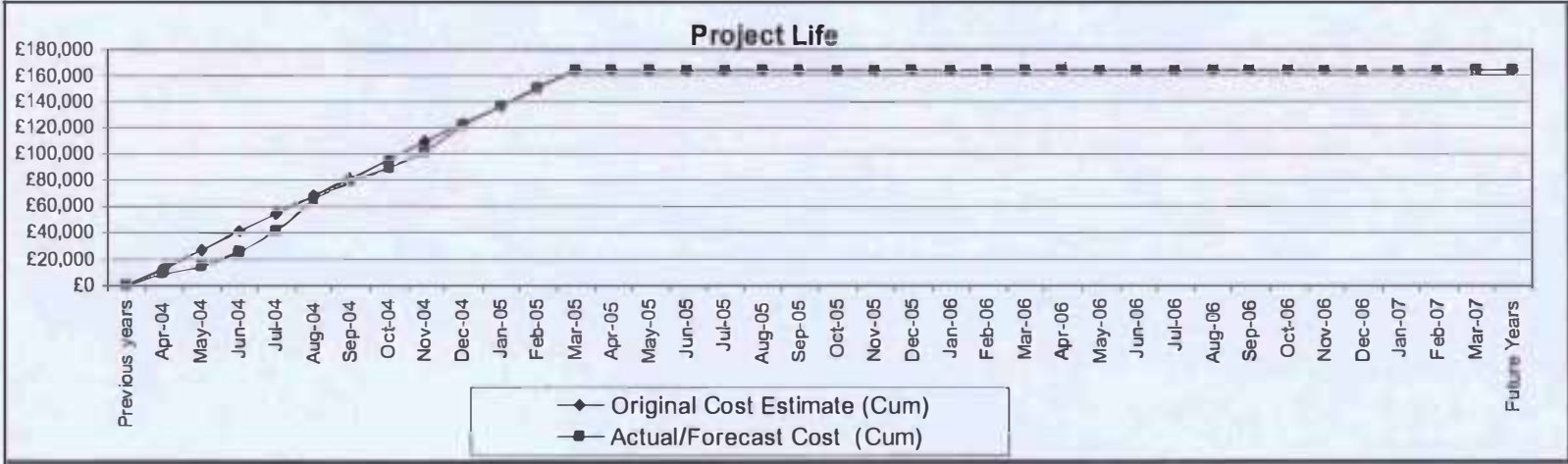
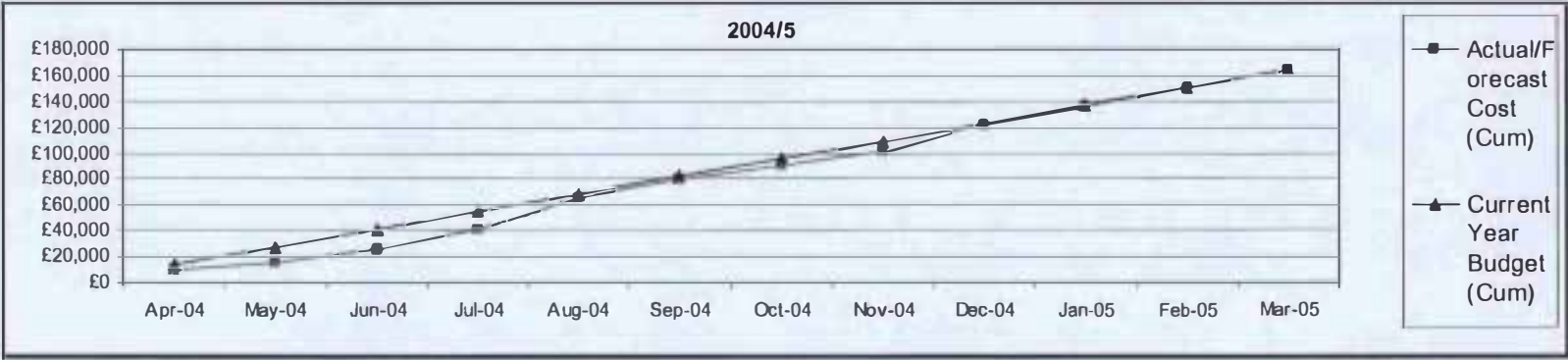
*Important financial issues being addressed.*

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Project Costs (Total incl. OH)</b>									
SAK	11,365	0	11,365	100,876	0	100,876	165,753	165,753	0

This project is currently under review. **tie** received a letter of comfort, dated 9<sup>th</sup> August, from the Executive.

The most important short-term challenge is to get the contractual framework satisfactorily concluded to ensure the risks and responsibilities of all parties are properly defined.

Clackmannan Council are several weeks in arrears in paying tie invoices, despite repeated requests. The matter has been raised with the Executive.



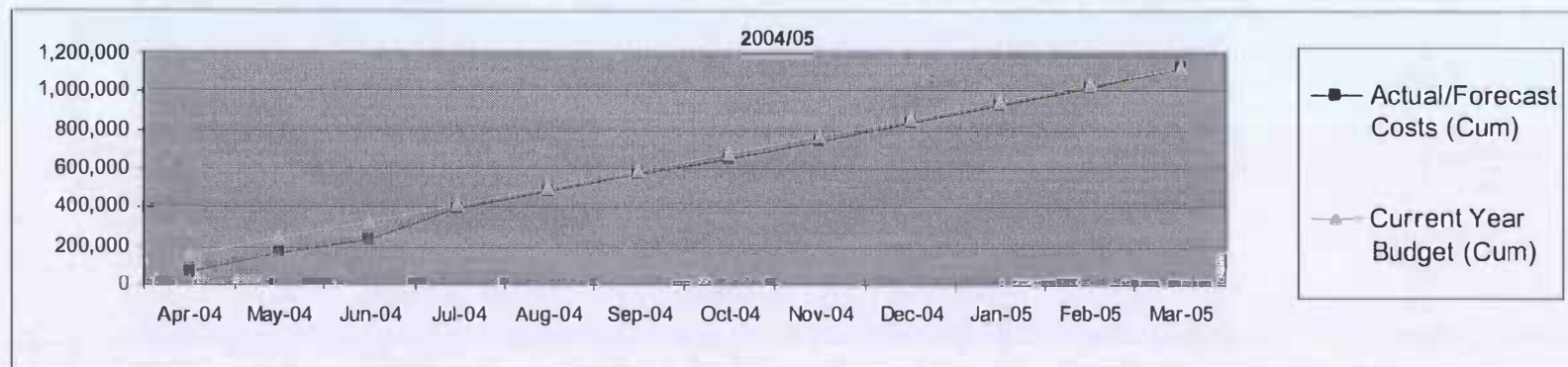
#### 4 Overheads Commentary and Graph

*No material change to financial prospects compared to October report.*

Overheads are allocated, and charged to CEC on a monthly basis, to each project pro rata as per business plan budget.

The main reasons for the variances on budget are primarily as the budget anticipated major spend being incurred in April due to office re-location. The actual spend was incurred in July.

The office re-location was executed efficiently and within the cost budget in the **tie** Business Plan.



#### Bank

CEC have been issued with five invoices for November. CC – Information Campaign, WEBS, EARL and Ingliston Park & Ride are now being invoiced separately. These are due for payment by 28<sup>th</sup> December. The five October invoices were paid on 6<sup>th</sup> December. The “book” bank balance (overdrawn) as at 30<sup>th</sup> November totalled £3.082m. This delay in payment by CEC impacted on **tie**’s overdraft limit and its ability to pay suppliers within agreed credit terms. A revised overdraft limit of £4m is currently being negotiated with RBS.



### Relationship with CEC

tie has issued invoices to CEC to 30<sup>th</sup> November. Accrued costs and depreciation are not included in these re-charges to CEC. A monthly CEC/tie liaison meeting is held which involves representatives from CEC City Development, Finance and the Scottish Executive. Invoices are also issued to Clackmannanshire Council and to One-Ticket Limited.

5 Detailed Expenditure Report for Period Ended 30<sup>th</sup> November 2004

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Project Costs (Staff)</b>									
Congestion Charging - Development	15,006	14,720	286	125,930	115,611	10,319	184,475	174,491	9,984
Congestion Charging - Procurement	17,689	21,910	-4,241	121,313	160,209	-38,896	191,990	247,849	-55,859
Congestion Charging - Information Campaign	5,335	0	5,335	31,908	0	31,908	42,577	0	42,577
WEBS	3,593	3,750	-153	27,502	29,496	-1,896	34,790	44,522	-9,732
One Ticket	2,769	4,216	-1,447	11,422	33,118	-21,696	23,303	49,982	-26,679
EARL	17,558	27,243	-9,685	147,064	213,976	-66,912	227,197	322,948	-95,751
SAK	9,445	0	9,445	93,733	0	93,733	148,611	148,611	0
Ingliston Park & Ride	2,021	899	1,325	15,449	5,465	9,984	23,532	8,249	15,283
Trams - DPOF	18,908	28,185	-9,276	11,159	221,371	-210,212	334,111	334,111	0
Trams - INFRACO	0	0	0	0	0	0	0	0	0
Tram 1	10,438	17,860	-7,422	84,735	140,264	-55,549	126,488	211,724	-85,236
Tram 2	10,774	17,852	-7,178	86,733	141,004	-54,271	129,830	212,812	-82,982
Tram 3	10,696	17,860	-7,261	85	0	-55,029	127,653	211,724	-84,071
Sub-Total	124,118	154,398	-30,282	932,305	1,200,520	-268,515	1,594,557	1,967,023	-372,466
<b>Project Costs (External Costs)</b>									
Congestion Charging - Development	18,807	108,920	-91,113	708,956	721,768	-12,812	862,064	847,048	15,016
Congestion Charging - Procurement	20,100	281,010	-259,910	908,013	1,126,556	-218,543	1,668,449	1,837,600	-30,849
Congestion Charging - Information Campaign	14,311	70,000	-55,689	187,011	580,000	-392,989	557,423	600,000	-42,577
WEBS	1,602,555	106,318	1,496,237	6,559,529	7,550,088	-990,959	7,708,812	7,887,197	-178,385
One Ticket	0	0	0	0	0	0	0	0	0
EARL	330,555	405,699	-75,144	1,616,071	2,091,393	-475,322	2,925,613	3,729,863	-804,250
SAK	1,920	0	1,920	17,142	0	17,142	17,142	17,142	0
Ingliston Park & Ride	218,074	406,150	-188,076	524,085	2,050,750	-1,526,665	2,404,580	2,456,031	-51,451
Trams - DPOF	247,141	54,157	182,974	935,252	513,333	424,958	3,014,373	4,463,853	-1,449,480
Trams - INFRACO	0	0	0	0	0	0	0	0	0
Tram 1	-3,623	52,164	-55,787	1,044,338	519,309	525,030	1,356,920	727,963	628,957
Tram 2	57,916	112,155	-54,239	547,847	1,058,667	-508,820	1,031,049	1,491,788	-460,739
Tram 3	34,530	84,200	-49,670	1,011,402	1,319,058	-366,654	1,607,156	1,639,189	-32,033
Sub-Total	2,561,287	1,691,783	869,504	14,072,797	17,588,420	-3,515,623	23,153,581	25,497,674	-2,344,093
<b>Project Costs (Total)</b>									
Congestion Charging - Development	33,814	124,640	-90,826	834,886	837,379	-2,493	1,046,539	1,021,539	25,000
Congestion Charging - Procurement	56,770	302,920	-246,151	1,029,326	1,286,765	-257,439	1,860,439	1,885,449	-25,010
Congestion Charging - Information Campaign	19,646	70,000	-50,354	228,919	580,000	-351,081	600,000	600,000	0
WEBS	1,606,148	110,074	1,496,074	6,587,231	7,580,086	-992,855	7,743,602	7,931,719	-188,117
One Ticket	2,769	4,216	-1,447	11,422	33,118	-21,696	23,303	49,982	-26,679
EARL	348,113	432,942	-84,829	1,763,135	2,305,369	-542,234	3,897,014	4,052,811	-155,797
SAK	11,365	0	11,365	100,876	0	100,876	165,753	165,753	0
Ingliston Park & Ride	220,095	406,846	-186,751	539,544	2,056,215	-1,516,671	2,428,112	2,464,280	-36,168
Trams - DPOF	266,050	92,352	173,699	1,049,451	734,704	314,747	897,924	4,797,964	-3,900,040
Trams - INFRACO	0	0	0	0	0	0	0	0	0
Tram 1	6,814	70,024	-63,209	1,129,074	659,593	469,481	1,483,435	939,687	543,748
Tram 2	68,690	130,107	-61,417	634,581	1,197,671	-563,091	1,160,920	1,704,600	-543,680
Tram 3	45,129	102,060	-56,931	1,096,657	1,518,340	-421,683	1,734,809	1,850,913	-116,104
Sub-Total	2,685,403	1,846,181	839,222	15,005,101	18,789,240	-3,784,139	23,041,850	27,464,697	-4,422,847



Board Meeting - 20<sup>th</sup> December 2004

	Current Month (Nov'04)			Year to Date (8 mths to 30/11/04)			Year End (12 mths ending 31/3/05)		
	Actual	Budget	Variance	Actual	Budget	Variance	Forecast	Budget	Variance
<b>Overheads</b>									
IT	2,693	2,800	-7	58,133	40,800	17,333	31,200	51,200	-20,000
Administration	63,634	73,839	-10,205	490,549	577,842	-87,293	836,198	873,198	-37,000
Sales & Marketing	0	0	0	2,285	0	2,285	0	0	0
Legal & financial	3,900	7,533	-3,634	47,179	60,267	-13,088	20,400	90,400	-70,000
Overheads	7,568	3,083	4,485	48,514	78,667	-29,153	145,200	68,000	67,200
Interest on Overdraft	10,909	1,350	9,559	21,931	10,800	11,131	15,000	18,200	-1,200
Tax & Dividends	0	0	0	0	0	0	0	0	0
<b>Capital Expenditure:</b>									
Computer Equipment	0	0	0	18,438	0	18,438	20,000	0	20,000
Furniture, Equipment etc.	0	0	0	54,604	0	54,604	51,000	0	51,000
<b>Sub-Total</b>	<b>88,604</b>	<b>88,408</b>	<b>196</b>	<b>739,634</b>	<b>765,375</b>	<b>-25,742</b>	<b>1,116,998</b>	<b>1,118,998</b>	<b>0</b>
<b>Overheads (Allocated by Project)</b>									
Congestion Charging - Development (9.80%)	8,683	8,684	19	72,484	75,007	-2,523	109,662	109,662	0
Congestion Charging - Procurement (14.69%)	12,927	12,898	29	107,913	111,668	-3,755	163,262	163,262	0
Congestion Charging - Information Campaign (0.00%)	0	0	0	0	0	0	0	0	0
WEBS (2.50%)	2,215	2,210	5	18,491	19,134	-644	27,975	27,975	0
One Ticket (0.00%)	0	0	0	0	0	0	0	0	0
EARL (18.14%)	16,073	16,037	36	134,170	138,839	-4,670	202,986	202,986	0
SAK (0.00%)	0	0	0	0	0	0	0	0	0
Inglston Park & Ride (0.46%)	416	416	1	3,478	3,597	-121	5,259	5,259	0
Trams - DPOF (18.77%)	16,631	16,594	37	138,829	143,661	-4,832	210,036	210,036	0
Trams - INFRACO (0.00%)	0	0	0	0	0	0	0	0	0
Tram 1 (11.89%)	10,535	10,511	24	87,942	91,003	-3,061	133,049	133,049	0
Tram 2 (11.95%)	10,588	10,564	24	88,366	91,462	-3,076	133,720	133,720	0
Tram 3 (11.89%)	10,535	10,511	24	87,942	91,003	-3,061	133,049	133,049	0
<b>Sub-Total</b>	<b>88,604</b>	<b>88,408</b>	<b>196</b>	<b>739,634</b>	<b>765,375</b>	<b>-25,742</b>	<b>1,116,998</b>	<b>1,118,998</b>	<b>0</b>
<b>Project Costs (Total Incl. OH)</b>									
Congestion Charging - Development	42,497	133,304	-90,807	907,370	912,388	-5,018	1,155,201	1,131,201	25,000
Congestion Charging - Procurement	69,697	315,819	-246,122	1,137,238	1,398,433	-261,195	2,023,701	2,048,711	-25,010
Congestion Charging - Information Campaign	19,646	70,000	-50,354	228,919	580,000	-351,081	600,000	600,000	0
WEBS	1,608,363	112,284	1,496,079	6,605,722	7,599,220	-993,498	7,771,577	7,959,694	-188,117
One Ticket	2,769	4,216	-1,447	11,422	33,118	-21,696	23,303	49,982	-26,679
EARL	364,186	446,978	-84,792	1,897,305	2,444,208	-546,903	3,355,797	4,255,797	-900,000
SAK	11,365	0	11,365	100,876	0	100,876	165,753	165,753	0
Inglston Park & Ride	220,511	407,262	-186,750	543,020	2,059,812	-1,516,792	2,433,371	2,469,539	-36,168
Trams - DPOF	282,681	108,945	173,736	1,188,280	878,365	309,915	4,122,333	5,008,000	-885,667
Trams - INFRACO	0	0	0	0	0	0	0	0	0
Tram 1	17,349	80,535	-63,186	1,217,016	750,599	466,420	1,816,457	1,072,736	543,721
Tram 2	79,278	140,872	-61,594	722,967	1,289,134	-566,167	1,294,599	1,836,320	-543,721
Tram 3	55,664	112,571	-56,906	1,184,599	1,609,343	-424,744	1,867,858	1,983,962	-116,104
<b>Sub-Total</b>	<b>2,774,007</b>	<b>1,934,589</b>	<b>839,421</b>	<b>15,744,735</b>	<b>19,554,615</b>	<b>-3,809,880</b>	<b>26,430,950</b>	<b>28,583,695</b>	<b>-2,152,745</b>
							<b>Spending Profile (incl O/Hs)</b>	<b>Secured Funding Profile</b>	<b>Variance</b>
<b>Forecast Project Out-turns</b>									
Congestion Charging - Development							4,007,784	3,982,784	25,000
Congestion Charging - Procurement							2,717,860	2,742,860	-25,000
Congestion Charging - Information Campaign							600,000	600,000	0
WEBS							10,044,600	10,232,716	-188,116
One Ticket							177,993	177,993	0
EARL							5,000,000	5,000,000	0
SAK							163,833	163,833	0
Inglston Park & Ride							2,539,788	2,575,882	-36,094
Trams - DPOF							5,008,000	5,008,000	0
Trams - INFRACO							0	0	0
Tram 1 *							8,668,721	8,025,000	543,721
Tram 2 *							4,456,279	5,000,000	-543,721
Tram 3							3,500,000	3,500,000	0
<b>Sub-Total</b>							<b>44,784,858</b>	<b>45,009,088</b>	<b>-224,230</b>



## 6 Balance Sheet – Month End and Year to Date Progress

	Year Ended	1 Month Ended	2 Months Ended	3 Months Ended	4 Months Ended	5 Months Ended	6 Months Ended	7 Months Ended	8 Months Ended
	31/03/2004	30/04/2004	31/05/2004	30/06/2004	31/07/2004	31/08/2004	30/09/2004	31/10/2004	30/11/2004
<b>FIXED ASSETS</b>	34,090	35,800	36,252	39,774	98,473	97,122	94,634	93,863	91,375
	34,090	35,800	36,252	39,774	98,473	97,122	94,634	93,863	91,375
<b>CURRENT ASSETS</b>									
Trade Debtors	2,003,455	3,221,220	3,404,964	3,083,030	3,082,234	5,188,900	5,357,348	5,385,325	7,553,865
Other Debtors	5,774	4,282	4,282	4,425	4,425	4,425	4,425	-1,575	-1,575
Prepayments & Accrued Income	20,788	20,304	20,009	1,178	883	0	0	0	0
CEC Loan	0	0	0	0	0	0	0	0	0
Petty Cash	424	62	112	69	319	25	18	48	48
	2,030,441	3,245,868	3,429,367	3,088,702	3,087,860	5,193,350	5,361,791	5,383,798	7,552,338
<b>CURRENT LIABILITIES</b>									
Trade Creditors	1,925,102	1,251,205	1,388,699	1,862,376	2,460,584	2,195,592	1,712,746	2,514,223	1,894,281
Employee Creditor	-209	577	523	53	721	169	32	40	1,437
Bank Account	-229,479	1,218,285	1,102,852	405,612	-46,864	2,326,045	1,895,795	1,637,198	3,081,926
Pension Creditor	11,985	12,615	13,245	10,546	10,598	9,973	10,540	11,157	11,726
Lease Liabilities	0	0	0	0	0	0	0	0	0
Accruals	273,948	749,828	888,194	784,784	704,732	688,960	1,741,287	1,216,799	2,531,137
VAT Payable/(Refundable)	56,514	19,485	38,960	29,879	18,870	32,401	56,843	59,754	82,307
PAYE/NIC	25,670	28,667	32,095	34,227	36,692	35,178	37,236	37,191	38,773
Corporation Tax	0	0	0	0	0	0	0	0	0
Other Creditors	0	26	52	0	0	1,156	1,146	299	1,146
	2,063,531	3,280,668	3,464,619	3,127,475	3,185,333	5,289,472	5,455,425	5,476,660	7,642,713
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	-33,090	-34,800	-35,252	-38,774	-97,473	-96,122	-93,634	-92,862	-90,375
Liabilities > 1 Year	0	0	0	0	0	0	0	0	0
<b>NET ASSETS</b>	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>Represented by:</b>									
Share Capital	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Reserves	0	0	0	0	0	0	0	0	0
Profit & Loss Account	0	0	0	0	0	0	0	0	0
<b>Balance as at Period End</b>	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

7 Cash Flow - Year to Date and Forecast													
Nov-04													
	ACTUAL								FORECAST				
	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Total
Balance b/f forward	229,478.91	-1,218,284.50	-1,102,852.00	-405,611.82	46,864.12	-2,326,044.50	-1,895,794.49	-1,637,197.41	-3,081,925.71	-724,283.10	-724,283.10	-724,283.10	229,478.91
Income													
Sales Ledger	117.50	1,763,363.24	2,551,629.01	3,137,185.87	1,928.89	2,447,497.79	2,784,117.22	862,808.81	5,254,623.61	0.00	0.00	0.00	17,802,167.77
Miscellaneous	10.00	3.00	1,793.38	9,810.54	943.74	2,163.20	6,200.00	0.00	0.00	0.00	0.00	0.00	22,925.97
	127.50	1,763,366.24	2,553,422.39	3,146,996.41	2,872.43	2,449,660.99	2,790,317.22	862,808.81	5,254,623.61	0.00	0.00	0.00	17,825,113.74
Expenditure													
Purchase Ledger	1,297,114.74	1,637,366.70	1,750,686.04	1,520,652.47	2,266,112.03	1,889,962.36	2,361,234.29	2,191,660.37	2,895,961.00	0.00	0.00	0.00	17,710,754.00
Expenses Ledger	7,000.00	123.10	0.00	0.00	1,144.36	652.69	216.64	1,174.46	1,000.00	0.00	0.00	0.00	11,211.25
Miscellaneous	143,776.17	109,440.98	107,492.97	173,788.30	108,524.66	128,895.93	170,269.21	114,702.28	0.00	0.00	0.00	0.00	1,058,890.50
	1,447,890.91	1,646,932.78	1,858,181.01	1,694,440.77	2,375,781.05	2,019,410.98	2,531,720.14	2,307,537.11	2,896,961.00	0.00	0.00	0.00	18,778,855.75
Net Movement in Month	-1,447,763.41	-116,432.60	-697,240.38	-452,475.74	-2,372,908.62	-430,250.01	-258,597.08	-1,444,728.30	2,357,662.61	0.00	0.00	0.00	-953,742.01
Balance c/forward	-1,218,284.50	-1,102,852.00	-405,611.82	46,864.12	-2,326,044.50	-1,895,794.49	-1,637,197.41	-3,081,925.71	-724,283.10	-724,283.10	-724,283.10	-724,283.10	-724,283.10
NEXT MONTH FORECAST: Assumptions													
Income													
Sales Ledger													
Invoices issued to CEC	No. 52 Due 28/11/04	Paid 6/12/04							1,964,755.13				
Invoices issued to CEC	No. 53 Due 28/11/04	Paid 6/12/04							464,643.01				
Invoices issued to CEC	No. 54 Due 28/11/04	Paid 6/12/04							305,687.00				
Invoices issued to CEC	No. 55 Due 28/11/04	Paid 6/12/04							6,269.40				
Invoices issued to CEC	No. 56 Due 28/11/04	Paid 6/12/04 - withheld £61,954.07 re TL1							699,261.76				
Invoices issued to CEC	No. 57 Due 28/12/04								477,629.55				
Invoices issued to CEC	No. 58 Due 28/12/04								228,359.49				
Invoices issued to CEC	No. 59 Due 28/12/04								259,042.35				
Invoices issued to CEC	No. 60 Due 28/12/04								23,084.44				
Invoices issued to CEC	No. 61 Due 28/12/04								709,115.94				
Invoices issued to Clacks	No. 1 Due 28/11/04								63,317.65				
Invoices issued to Clacks	No. 2 Due 28/11/04								15,962.94				
Invoices issued to Clacks	No. 3 Due 28/12/04								11,097.29				
Invoices issued to SMI	No. 1 Due 28/11/04								344.72				
Invoices issued to One-Ticket	No. 17 Due 28/12/04	Paid 10/12/04							3,254.09				
Invoices issued to One-Ticket	No. 18 Due 28/12/04	Paid 10/12/04							2,658.05				
Accrued Income etc.									5,254,623.61				
									2,490,288.11				
									7,744,911.72				
Trade Debtors per Balance Sheet													
Expenditure													
Purchase Ledger													
Aged Creditors List @ 30/11/04									1,895,961.00				
Contingencies									1,000,000.00				
									2,895,961.00				
Trade Creditors per Balance Sheet													
Expenses Ledger													
Contingencies									1,000.00				
Miscellaneous													
HM C&E - VAT Return to 31/12/04 (Due for payment 31/1/05)									0.00				
PAYE/NI - Due on 19/12/04									38,772.53				
December Payroll - 28 members of staff									64,000.00				
Pension Fund(s) - Contributions Due on 19/12/04									12,037.92				
Bank Interest - Quarter ending 16/12/04									16,000.00				
Bank Charges for month									100.00				
Petty Cash for month									25.00				
									132,935.45				
Accrued Expenditure, Capital Grant/Fixed Asset Purchase etc.													
									2,490,288.11				
Actuals per Balance Sheet													







Agenda Item 6b

## **Governance & Financial Matters**

### **b) tie Business Plan \***

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)



## **Communications**

- a) **ITI Communications – Information Programme \***
- b) **Stakeholder Report \***

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)



## **Communications**

### **a) ITI Communications – Information Programme \***

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)



**Transport Edinburgh Communications Strategy in November 2004**

This note seeks to update the tie board of our recent progress

**CEC Activities**

- Outlook is being distributed around the city. The final date of distribution is 10 December.
- The general Transport Edinburgh leaflet with details of 'Use your vote' is being distributed around the city via Lothian Buses, other bus operators in the city, Council offices, public libraries, sports and community councils, community councils, universities and voluntary groups.
- Bus rear advertising is progressing. The fourth advert encouraging readers to 'Use your vote' is now on Lothian Buses and will run until 25 January and the start of the 28 day 'purdah' period for the referendum.
- The Public Transport Map is progressing. Mapping consultants FWT and Transport Edinburgh are producing the map. This is to be distributed in the city via CEC/BT Syntegra and Royal Mail to 250,000 households. The mail out is to be completed by 25 January 2005.
- The Referendum information programme is underway with publicity including radio advertising, adverts in local, community newspapers and on buses, and editorial and advice via the Electoral Office helpline on 0131 529 4877.
- A draft referendum information leaflet to accompany the forthcoming ballot papers was approved by the Council on 9 December.
- An Adshel campaign also encouraging Edinburgh voters to vote in the referendum will run until 17 January.
- The Transport Edinburgh public enquiries service is handling about 15 enquiries a day (by email and phone) on congestion charging and the referendum following distribution of the leaflet.
- Transport Edinburgh launched BusTracker on 26 November.

**CEC/tie Activities**

- Transport Edinburgh/Corporate Communications/tie were involved in the Edinburgh Fastlink (2 December) and the Retail Report (3 December). Communications are coordinating media opportunities to highlight the benefits of congestion charging in the run up to the referendum.
- A working group made up of CEC and tie has been set up to organise the public transport debate on Tuesday, 25 January 2005. A plan, invitation and invitation list are in progress.

Sue Campbell

14<sup>th</sup> December 2004

CEC, Dec 04





Agenda Item 7b

## **Communications**

### **b) Stakeholder Report \***

\* = paper enclosed (available under FOISA but subject to review under Section 5b of tie's publication scheme and exceptions in The Act)



**Board Update  
Stakeholder & Communication Management  
13 December 2004**

Stakeholder management continues to progress on five fronts:

- **Existing stakeholders**
- **New stakeholders**
- **High profile Champion stakeholders**
- **Newsletter**
- **Websites.**

Communication management is increasing rapidly. Work is progressing on the following fronts:

- **Media enquiries**
- **Communication strategy and partners**
- **Events.**

**Existing stakeholders**

The following presentations have been held in the last month:

RIAS	26 November
ICAS	8 December

Both presentations went well and new contacts are being followed up.

Ongoing work with stakeholders has increased future dates for meetings and presentations.

Grapevine	Letter to members with Transport Edinburgh newsletter and 'Use your vote' leaflets being issued 5 January. Possible presentation mid January dependant on demand.
Royal Bank Of Scotland	Presentation to employees 11 January. Manned information stand in staff restaurant 12 January
Scottish Widows	Meeting held on 22 November. Await date for presentation to staff association mid January.
Standard Life	Meeting set for 15 December. Possible presentation to staff association, date tbc. Link to Transport Edinburgh web site set up via SLAC intranet.
Scottish & Newcastle	Meeting held 6 December, await further meeting date in January.
Fettes College	Presentation booked for 13 January.
Merchiston School	Presentation booked for 20 January.
Cramond Community	Presentation for mid January, date tbc.

Council

St Georges School

Presentation for start – mid January, date tbc.

### **New Stakeholders**

Work to initiate contact and meet with new groups has started well with lots of interest shown by the secondary schools.

The attached document shows work progressing and outcome.

### **High profile Champion Stakeholders**

The list of high profile champion stakeholders was approved at the Transport Edinburgh Communications Group meeting on 22 November.

Champions have been divided up and key members of the Transport Edinburgh group are approaching these contacts. Progress is being made, the attached document details who have taken ownership and any progress to date.

Gordon MacIntyre-Kemp, Pathfinder for Now-Business is in full support of the transport plans. Now-Business has membership of 14,000 small to medium businesses, with 3-4,000 in or around Edinburgh. An article profiling **tie** will appear in their December newsletter followed by a lead article in their January newsletter, written by Gordon, supporting the plans. Gordon will issue a press release announcing the Now Business community's support for the transport plans and is also available for interview and, or, comment.

### **Newsletter**

The next newsletter will be issued before Christmas with an article promoting the distribution of the newsletter deeper into organisations along with a suggestion of linking to the Transport Edinburgh website.

These suggestions will be followed up by a call to our contact the first week in January.

### **Website**

The **tie** limited website has been updated. The Transport Edinburgh site, specifically Edinburgh Fastlink pages, has also been updated.

### **Media enquiries**

Work to forge open, helpful, working relationships with the press started following the presentation and thoughts of Jim Morrison at the **tie** away day. Media interest is increasing at pace.

A process is in place to ensure I am aware of all media enquiries, irrelevant of topic or project. Close working relationships with CEC and Weber Shandwick have ensured that all enquiries are dealt with in a timely and helpful manner.

Brian Ferguson of the Evening News was invited to meet interview Michael Howell. A further interview is planned for January 6<sup>th</sup>.

### **Communication strategy and partners**

Work with Weber Shandwick for Trams and CC are now more proactive, with a planning and reporting process in place.

A process is being developed to ensure that all events, new developments and presentation dates for all **tie** projects are co-ordinated on a weekly basis.

Close working relationships with CEC are ensuring the communication work is progressing with **tie** input.

#### **Events**

The Retail Impact Study press briefing was held on 29 November with input from **tie**.

The Edinburgh Fastlink launch event was held on 3 December. The event was on time and within budget.

Work has started on the planning for the TransportEdinburgh public debate which will be held in the EICC in the evening of 25<sup>th</sup> January 2005.

#### **Resource**

**tie** limited has recruited additional resource for a fixed term period to support the stakeholder and communications work in the lead up to the referendum. Lindsay Hetherington started work with us on 7 December.

The Board is asked to note the position.

Suzanne Waugh  
13<sup>th</sup> December 2004





## **Champion Stakeholders**

### **Key messages:**

21<sup>st</sup> century thinking - boost our economy  
Ensuring integration – making connections  
Quality of life – protecting it  
Achievements – investing now for all our futures  
Regional message – gateway to national links  
Social inclusion – making it possible

Supporting the Council's transport programme which aims to:

Reduce congestion  
Bolster public transport  
Improve road safety  
Encourage walking and cycling  
Improve conditions for those who continue driving.

### **Champions role:**

Be vocal  
Be visible  
Be proactive  
Speak with the press, if appropriate  
Speak to organisations, network and family  
Spread the factual information  
Make links and introduce others to **tie**/CEC if information needed  
Attend debate on 25 January if possible  
Promote the 'Use your vote'.

### **Information to be sent on to champions**

Information can be sent to all champions following initial contact by asking Suzanne Waugh at [Suzanne.Waugh@tie.ltd.uk](mailto:Suzanne.Waugh@tie.ltd.uk).

Information either be bespoke or can cover:

Issues of the transport supplement from Outlook  
Information on the planned improvements up to 2006 and beyond  
Use your vote leaflets  
Edinburgh Fastlink information leaflet

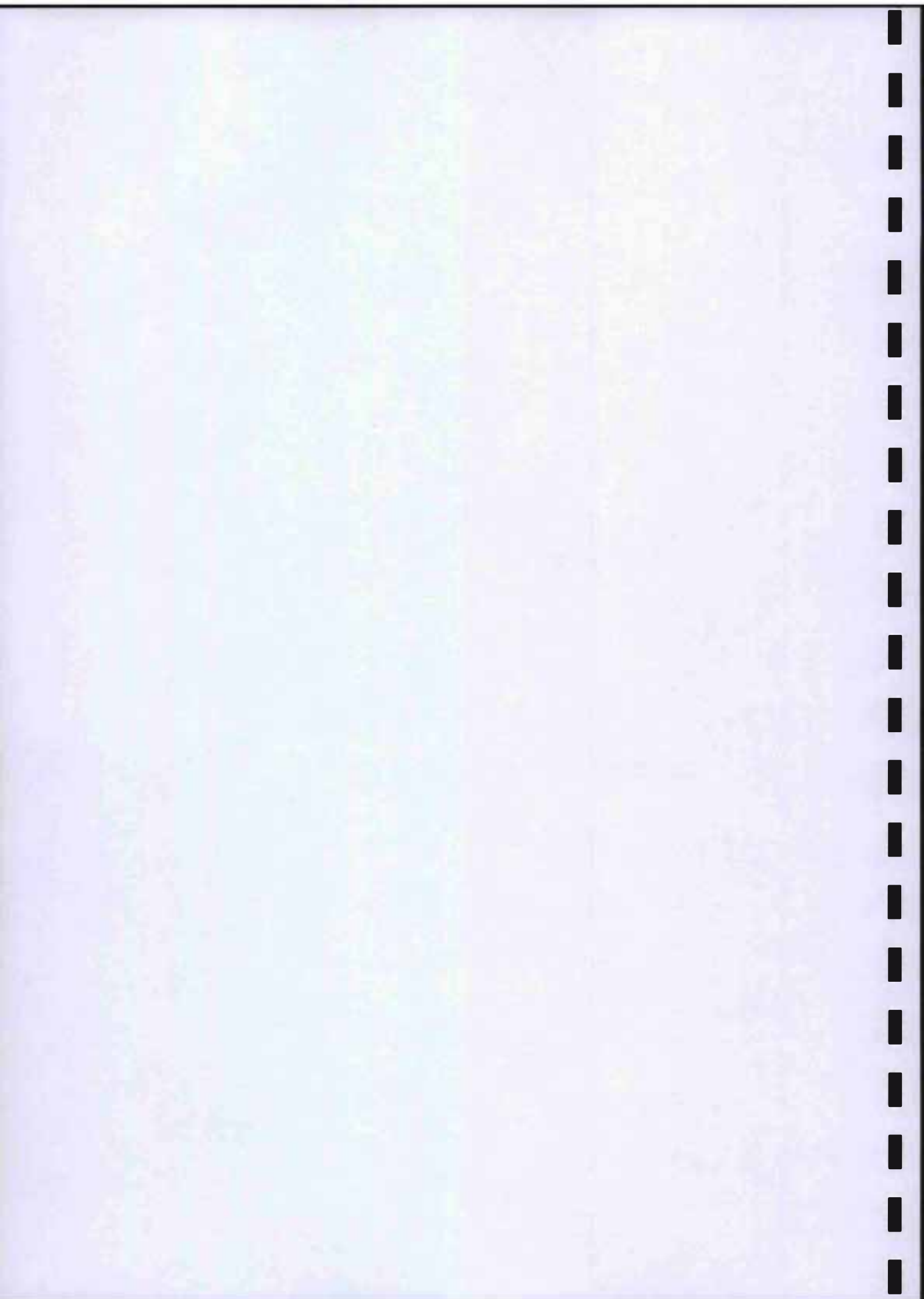
Suzanne Waugh  
Stakeholder Document  
w/b 13 December 2004

Stakeholder	Contact name	Who's responsible	Communication Medium	Next steps	Newsletter
Grapevine	Andy Groves	SW	Letter & TE handout Use your vote leaflet Possible presentation in Jan dependant on demand	Letter to be finalised 17 December To be issued 5 January Gauge response for presentation 10 January	Yes
Now Business	Gordon	SW	On board.	Articles in December and January newsletter showing background and support. Available for interviews & will issue press release.	Yes
Forum of Private Businesses & CIPD	Bill Anderson	SW	Offered opportunity for presentation to members	Chased for reply 22 November 3 December No progress, no further action	No
Federation of small business	Dorothy (secretary)	SW	Paragraph on web page to advertise opportunity to present/speak with members	Chased 29 November Diarised again 10 December	Yes
Royal Bank of Scotland	Douglas Bell	SW MH presenting	Presentation agreed to @70 employees 11 January  Stand in staff restaurant agreed for 12 January	Visit site w/b 3 January	Yes

Stakeholder	Contact name	Who's responsible	Communication Medium	Next steps	Newsletter
Scottish Widows (incl. Lloyds TSB)	Rom Whatford	SW	Meeting held. Sent information. Over 500 free parking spaces for staff so hard audience	Offered presentation and sent follow up meeting. Will chase 10 December	Yes
Age Concern	William Kay	SW	Asked to speak at their next meeting	No further action at moment.  Possible chaser in March 2005	Yes
Scottish & Newcastle	Therese Fraser	SW	Meeting 6 December with Tony Graham and Elinor Cannon	Further meeting needed. Chasing for date.	Offer
Heriot Watt	Rachel MacSween	SW	Ask for another presentation date for students/staff	Chased 10 December 23 November	Yes
Queen Margaret College	Rosaline Marshall	SW	Set up date for presentation	Chased 22 November 10 December	Yes
British Heart Foundation	Claire Shaw	SW	Presentation offered to members	Chase 23 November No presentations or info wanted other than newsletter. No further action.	Yes
Wee Entrepreneurs	Richard	SW	Presentation offered to members	Chased 23 November Chased 10 December	Yes
Institute of chartered accountants	Michael Hunter	SW AM presenting	Lunchtime presentation 8 December	Follow up attendees contact details to offer further information	Yes
Edinburgh University Transport Advisory Group	Angela Lewthwaite	SW	Presentation for campus offered, await dates	Chased for reply 22 November Diarised for chasing 14 December	Yes



Stakeholder	Contact name	Who's responsible	Communication Medium	Next steps	Newsletter
Public sector schools		SW	Presentations offered to 5/6 year students and all staff and parents: Portobello Currie Leith Castlebrae Balerno. Broughton Boroughmuir Firrhill	Chased for reply 10 December:  Portobello Currie Leith Castlebrae Balerno  Diarised for chaser 17 December: Broughton Boroughmuir Firrhill	Offered
Independent schools		SW	Loretto Watsons Mary Erskines all held.  Fettes 13 January presentation Merchiston 20 January presentation St Georges Mid January presentation	Presentations offered to 5/6 year students and all staff and parents:  Chased 9 December: St Margarets St Serfs St Marys Heriots Rulfolph Steiner Edinburgh Academy James Gillespies	Offered
Napier University	Joan Stringer	SW	Offered presentation options	Wait for reply Chased 23 November	Yes
Edinburgh University	Fiona Simon	SW	Offered presentation options	Wait for reply Chase 14 December	Yes



Stakeholder	Contact name	Who's responsible	Communication Medium	Next steps	Newsletter
Edinburgh Park Transport Advisory Group	Deborah	SW	Offered presentation or attendance at next meeting	Chased 24 November Date for January presentation tbc	Yes
Social Inclusion Partnerships		SW	All partnerships offered presentation or material	Wait for reply:  Near.org Wecpp.org South Edinburgh Partnership Craigmillar  South Edinburgh and Craigmillar responded and speaking to partners before setting date.	Offered
Young peoples social inclusion partnerships		SW	All offered presentation	Chase 17 December	Offered
Nursery & primary schools by area		SW	All Edinburgh nursery and primary schools being offered material and, or, presentation for staff and parents.	Made contact w/b 6 and 13 December.  Planned to chase w/b 3/1	Offered
Tourism		SW via Champions		progressing	Offered
Solicitors/Estate agents		SW via Champions		Progressing	Offered
Retired residents		SW	Contacted CEC	Difficulty getting information. Will progress w/b 13/12	



Work to be progressed w/c 13 December

Stakeholder	Contact name	Who's responsible	Communication Medium	Next steps	Newsletter
Law Society of Scotland					
Communities					
CLG's					
Scottish Financial Enterprise	Amanda Harvie				
Connect Scotland	Stephen Norris				

## Transport Edinburgh Champions

### Legal

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Mike Marwick	Marwicks Solicitors	Good news stories. Property price increases based on tram route/transport solution in city or on doorstep.	Andrew Burns	Very positive about passing on positive news clippings	Invite to public debate  Sponsor a 'compulsory professional development seminar' on the topic, Mike/MH speak, invite lawyers/estate agents along.	Dublin press being used for positive press coverage
Malcolm McPherson	Henderson Boyd Jackson Chairman	Good news stories. Property price increases based on tram route/transport solution in city or on doorstep.	tbc	Wants radical change. Thinks London CC seems to have helped	Invite to public debate	

### University/College

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Joan Stringer	Napier University	Clear support from staff and students	MH/SW approached already, chasing for reply		Staff & student intranet links, to TE site. Presentations to students. Articles to student press. Invite to public debate  Leaflet drop  Use your vote	
John Archer	Heriot Watt	Clear support from staff and students	MH/SW already presented to. Chasing for other opportunities		Informal lunch? Invite to public debate with SU leader  Leaflet drop  Use your vote	



Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
T O'Shea	Edinburgh Uni	Clear support from staff and students	Donald Anderson	Tram line 3	<p>Debate</p> <p>Invite to public debate with SU leader</p> <p>Leaflet drop</p> <p>Use your vote</p>	Personally very supportive. Will discuss with the University Court before adopting a formal position.
David Somervill	Edinburgh Uni		Donald Anderson			Personally supportive. Will look to Edin Unis formal stance.
Rosaline Marshall	Queen Margaret College		<p>SW approached, chasing date for presentation</p> <p>SC to speak to QMC's PR</p>	Tram line 3 benefits and their move to Craighall	<p>Invite to public debate with SU leader</p> <p>Leaflet drop</p> <p>Use your vote</p>	

## Hotels/Tourism

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Peter Taylor	Town House Company	Increase interest by hoteliers, reduce fear	Andrew Burns	Stress benefits of customers dining with out car restrictions	Informal lunch Invite to public debate	On board Willing to speak up
Peter Murphy	Sheraton Grand 0131 2299131 via his secretary Alison Stowell	Increase interest by hoteliers, reduce fear	Michael Howell	As above	Informal lunch Invite to public debate	
Douglas Logan Managing Director of Speciality Scotland Travel Ltd	Edinburgh Tourism Action Group  0131 3433770	Increase interest by hoteliers etc reduce fear	Michael Howell		Informal lunch Invite to public debate	
Colin Howden	Transform Scotland	Are on board  Held a successful conference	Alex Macaulay		Invite to public debate  Leaflet  Link to website	On board and speaking up.

### Scottish Council of Development & Industry

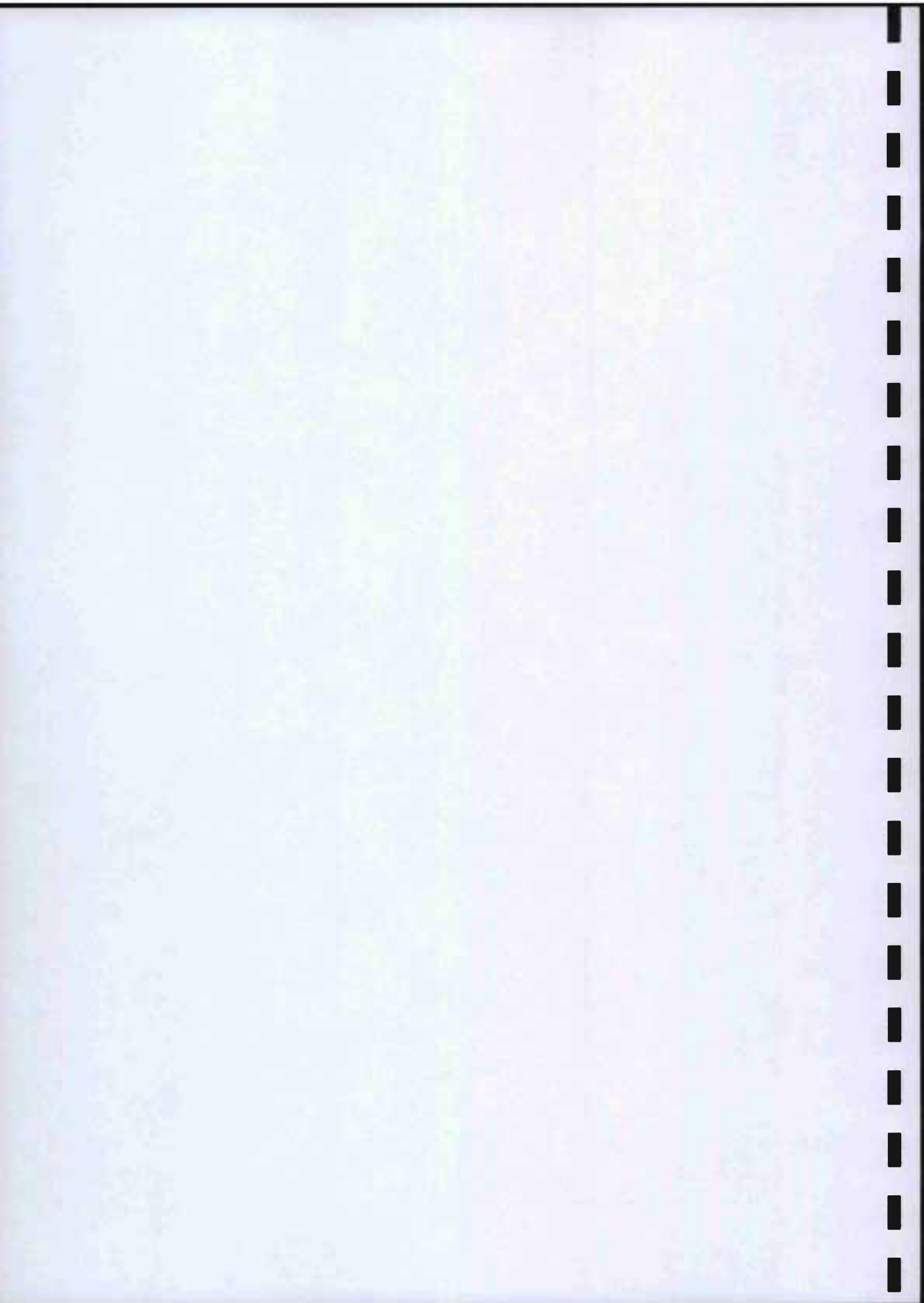
Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Alan Wilson		Vehicle to their members' database	Donald Anderson	Supporters/ Cynics	Leaflet drop Link to website Database Presentation to members	On side but having further conversations with DA.

### Sport

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Phil Anderton CEO  Executive Board	SRU 0131 3465000, option 0. (Via his PA Fiona)	Change their objections to the trams  Own support and link to supporters	Michael Howell	Have objected?  Arguments for benefits to a large stadium directing supporters to venue – Stade de France, Paris  Potential to move stadium to another location	One to one meeting Presentation to board	



Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Scottish Rugby Union	Phil Anderton	Are they objecting to trams?  Gain support	tbc		One to One meeting Presentation to board	
Past and current rugby players	E.g. Gavin Hastings	Give Public support	Graeme Bissett	Gavin Hastings is a retailer Chris Paterson lives in the Borders, etc	Direct contact or via SRU/ Edinburgh Rugby	
Hearts	Board of Directors/CEO  Mr O'Neil (labour)	Own support and links to supporters?	tbc	What is their current position on tram? Shared stadium status with Murrayfield	Direct contact with GB Presentation	
Hibs	Board of Directors/CEO  Mr Foulkes (labour)	Own support And links to supporters	tbc	What is their current position on tram?	Direct contact with GB presentations	



### Health

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Andy Elliott Manager 554 5000	Next Generation Health Club at Newhaven	Vehicle to their members	Suzanne Waugh	Their PR agents are also John Lewis's - Citigate.	Leafleting at the club	
Sally Clark Manager 657 6800	Living Well Health Club (Newcraighall)	Vehicle to their members	Suzanne Waugh		Leafleting at the club	
Manager 316 2300	David Lloyd Health Club	Vehicle to members	Suzanne Waugh		Leafleting the club	
Andrew & Helen Zeally			Marjory Kenny			

### Shopping Centres/Retailers

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Ian Ferguson Manager	Gyle 0131 5399000 (switchboard) ian.ferguson@ gyle-ltd.co.uk		Michael Howell			Will raise with asset committee.  Not willing to speak out yet.



Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Alan Logie Manager	Sainsburys (Blackhall) 0131 3320704 (switchboard)		Michael Howell			
Liam Smith Commercial Manager	Kinnaird Park (Newcraighall) 0131 6699090		Michael Howell			Not his role, have sent e-mail to speak with person whose role it is.
Karen Stewart Manager	Cameron Toll 0131 6662777 (switchboard) karen@camero ntoll.co.uk		Michael Howell			Spoken with Willie. To be contacted for her thoughts following letter 10/12
Lesley Knox [REDACTED]	Non Exec Director HMV, Hays Group, MFI, Alliance Trusts, British Linen Advisers Contact at BLA on 020 7710 8820 or Lesley.knox@b ritishlinen.co.uk		Michael Howell			

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Gordon Drummond General Manager	Harvey Nichols 0131 5248302 (his PA) gordon.drumm ond@ harveynichols.c om		Michael Howell			
Belinda Robertson *	Cashmere Designer and Retailer	Already mentioned in Business leaders survey	tbc	Need to concentrate to benefits for retail and ease of paying cc.		
Philip Contini * (via John Mark di Ciacca EDI group) 220 4424	Chairman & MD Valvona & Crolla		Cllr Perry or Ian Wall?			
Brian Smellie/Fiona Moriarty	Scottish Retail Consortium		Andrew Burns			
Dorothy Fenwick	Network Rail		tbc			
Alan Malloy	M&S		Suzanne Waugh			
David McDonald	Cockburn Association		Bill Cartley?			

### Restaurants

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Dave Ramsden *	Rouge		Suzanne Waugh	Bicycle used if CC comes in		
Manager	Guliannos		Suzanne Waugh	Very positive about trams in Leith		
Manager	Est Est Est		Suzanne Waugh			

### Business

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Alec Rose/Louise Baker	Royal Bank of Scotland		MH/SW approached already	Presentation on 11/1 and in staff canteen 12/1		
	HBoS		tbc			
Marcia Campbell Jim Hunter Robin Hastie Smith	Standard Life		SW following meeting 15/12	Shuttle bus requirements a challenge		



Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Susan Rice *	Chief Exec Lloyds TSB		Ewan Brown	Need to lean on more public transport that's regular and convenient		
Tom Farmer *	Farmer Autocare		Ewan Brown			
Keith Miller *	Miller Group		Ewan Brown	Need to discuss trams and the benefits		
Hans Rissman Chief Executive	EICC 0131 5194078 (his PA Liz) hans@eicc.co.uk		Michael Howell	Visitors to the city main edge of business		
Mike Rutherford *	Entrepreneur		Michael Howell			
John Denholm *	Leith Agency		tbc			
Lorraine Bennett *	Partner (audit) Price Waterhouse Coopers		tbc	Improving the options available to people.		

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Brendan Dick *	BT Scotland		tbc	Doing nothing is not an option		
Mark Hamilton *	Rock Steady Security		tbc			
Gordon Cairns *	Cairns Bond Headhunters		tbc			
Willie Watt Chief Executive	Martin Currie Fund Managers 0131 4794681 (his secretary Carolyn Mackay) w.watt@martincurrie.com		Michael Howell			Calling back
Grenville Turner *	Chief Exec Intelligent Finance 0845 8507505		tbc			
William Furness	Edinburgh Chamber of Commerce & Enterprise		MH already presented			

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Jim Mcfarlane	SEEL		Graeme Bissett			On board. prepared to play part, keep them informed for marketing campaign.

### Transport

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Jim McDonald *	Chairman Central Taxis & all other taxi assoc		SW following 9/12 council decision	How will the £2 achieve a reduction in congestion if people choose to pay it anyway? Forth road bridge example.		
Charles Hammond/Terry Smith *	Forth Ports		Andrew Burns			
Neil Renilson	Lothian Buses		Andrew Burns			On board



Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Gavin Scott and Joan Williams Policy Managers	Freight Transport Association Gavin: [REDACTED] Joan: [REDACTED] or [REDACTED]		Michael Howell			Won't campaign for no. Comments include will sit on the fence, fleet operators need a special deal.  * action CEC?
Richard Jeffrey	BAA		Andrew Burns			

#### Celebrities/Personalities

Champion Name	Contact information	How they can help	Person for approach	Issues to be aware of	Method	Result?
Shonaig Macpherson	mail@shonaigmacpherson.com		Michael Howell	Already produced article for SoS		



Agenda Item 8

**AOB**