

# Transport and Environment Committee

10.00am, Thursday, 6 October 2022

## Response to Motion by Councillor McVey - Trams to Newhaven Progress Update Autumn 2022

Executive/routine Wards Council Commitments	Routine 11 – City Centre, 12 – Leith Walk, 13 – Leith
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### 1. Recommendations

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- 1.1 Transport and Environment Committee is asked to note this update on the Trams to Newhaven project.

**Paul Lawrence**

Executive Director of Place

Contact: Hannah Ross, Senior Responsible Officer, Trams to Newhaven project

E-mail: [hannah.ross@edinburgh.gov.uk](mailto:hannah.ross@edinburgh.gov.uk)

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### 2. Executive Summary

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- 2.1 Despite significant challenges in relation to COVID-19, Brexit and more recently the war in Ukraine the Trams to Newhaven project remains on budget and on time.
- 2.2 This paper provides an update on progress to date and a summary of future activities.

### 3. Background

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- 3.1 The Trams to Newhaven project is one of the Council's key infrastructure investments, linking Leith and Newhaven with the city centre and west Edinburgh, helping to deliver the city's economic social and environmental aspirations.
- 3.2 Construction work began in November 2019 and the project remains on target to commence operational service in Spring 2023 and to be delivered within the £207.3m budget agreed by Council in [March 2019](#), as outlined in the Final Business Case.
- 3.3 Ongoing close collaborative working within the project team and with colleagues from across the Council is a crucial part of the project.
- 3.4 The project is following all the necessary guidelines to ensure the required quality of construction and finishing is achieved. Given its scale and complexity, there are robust governance, change management, and risk management processes in place that draw on the lessons learned from the first phase of tram delivery and similar construction projects across the UK.
- 3.5 On [25 August 2022](#), in response to a motion by Councillor McVey titled Tram Extension, the Council requested that a full update report on the Trams to Newhaven project be brought to Transport and Environment Committee in October 2022, setting out the projected timeline, costs and other relevant issues for Councillors and residents.

## 4. Main report

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### Progress Update

- 4.1 The Trams to Newhaven project remains on schedule to be operational by Spring 2023. Good progress continues to be made with:
- Almost 4,500m (96%) of tram track laid. Tram track now runs continuously from Picardy Place to Tower Place;
  - 4,300m (93%) of communication ducting installed;
  - 4,250m of power ducting installed;
  - 136 overhead line poles installed (64% of the total);
  - Major civil works on five out of the eight new tram stops completed;
  - Major civil works completed on both power substations (on Leith Walk and Melrose Drive); and
  - 100% of all utility diversions completed.
- 4.2 COVID-19 led to a 13-week shutdown of the site in Spring 2020 and a complete cessation of all construction activity. The impact of the continued to impact on operations once the site reopened due to the on-going need to maintain physical distancing and safe working practices.
- 4.3 Further, the impacts of Brexit and the war in Ukraine have been far reaching for the industry with inefficiencies in supply chains (leading to a shortage of materials, including concrete and bituminous road material) coupled with severe shortages of skilled labour due to significant demand in the UK and overseas.
- 4.4 The Trams to Newhaven project team has worked closely and collaboratively through this period of unprecedented challenge for the construction industry. The Council team, colleagues from the Managed Delivery Unit, and project teams from Sacyr Farrans Neopul (the Infrastructure and Systems contractor), Morrisons Utility Services (the Swept Path Contractor) and Siemens Mobility (the Systems sub-contractor) are co-located in the project office. This ensures that the teams work together to solve issues as they arise and allows for excellent communication across the project.
- 4.5 The Internal Audit Annual Opinion for 2021/22, as reported to Governance Risk and Best Value Committee on [23 August 2022](#) assessed the project as effective.

### Upcoming Milestones

- 4.6 The next key milestone for the project is the energisation of the newly installed overhead lines from St Andrew Square to Elm Row at the end of November 2022, followed by the whole route from St Andrew Square to Newhaven tram stop in December 2022. This is to enable a testing and commissioning period to begin at the start of 2023, which will see trams running along the route.

- 4.7 In order for this to take place, power to a section of the existing line will need to be isolated, resulting in a four day period where Edinburgh Trams will stop at the West End. A communications package, including operational and health and safety messaging, will be implemented. The project team and Edinburgh Trams are working closely on this to ensure that customers are fully informed of the service impact.

### **Overall Programme**

- 4.8 All of the main construction works are scheduled to be completed in 2022. In light of the impact on the project of labour and materials shortages, there are small pockets public realm works that will be completed in early 2023. Details of the full programme can be seen in Appendix 1.
- 4.9 It should be noted that since the original programme was established in 2019, there have been a number of events that have impacted significantly on construction projects across the UK. Several programme updates have been released through the project's normal communication channels which have taken account of this. Despite these challenges, the project has been able to successfully mitigate much of the programme delay through careful planning, reprogramming and collaborative working across the project team.
- 4.10 The project remains within the budget set by Council in March 2019 (including the forecast costs to the end of the project). In a report dated [12 November 2020](#), the costs associated with COVID-19 were reported to be £5 million. These costs have now risen to around £6 million, taking account of additional safety measures and inefficient working associated with COVID-19 measures. These are included in the forecast cost to completion.
- 4.11 The risk allocation for the project remains robust, with transfers from the risk allocation as necessary when risks crystallise. This is managed through established change management processes and governance. Where risk crystallises, it is managed through the Infrastructure and Systems contract or Swept Path contract, as appropriate.
- 4.12 The Swept Path Contract is now largely complete and only a small contractor team remain engaged. The focus of the project is now on completion of construction through the Infrastructure and Systems Contract, along with readiness for operations and project handover.
- 4.13 In order to bring additional scrutiny to project close out and handover, a Ready for Operations sub-group to the Project Board was established in March 2020. This is chaired by the independent expert and is attended by representatives from Edinburgh Trams and the Council.

### **Quality Assurance**

- 4.14 As with any construction project, there will be snagging and defects that will need to be rectified and there is adequate provision in the construction contracts to deal with this. Robust quality management processes are in place, which include regular

site walks with Council colleagues (the Council will ultimately be responsible for the maintenance of the asset) so that they can raise issues, a Quality Control Inspector employed directly by the Council to walk the route and spot issues, and engagement of Turner & Townsend as part of the scope of their works to ensure that the standard of work delivered accords with the contract. In addition, the Infrastructure and Systems contractor self-assesses quality and raises defects as they find them strictly in accordance with the provisions of the contract.

- 4.15 For all defects identified, a programme is being developed with the contractor to resolve these. There are robust and comprehensive processes in place to inspect and sign off all aspects of the construction works.

### **Lessons learned**

- 4.16 A number of lessons learned were identified from the first phase of tram, although the project is awaiting the publication of the Hardie report for any further learning that may be identified.
- 4.17 These lessons learned continue to underpin the management of the project.
- 4.18 Lessons on how to protect cyclists interacting with the tram line were included at the outset of the Trams to Newhaven project. As measures on the existing line have been developed, these have been incorporated into the design for the line to Newhaven (for example: including a segregated cycle way and developing junction design to include early release and separate crossing phases to maximise cyclist safety). Where a segregated cycle way cannot be installed due to the width of the street, alternative cycle infrastructure is being delivered through the Leith Connections project.

### **Training for Drivers**

- 4.19 Images from the Tram Simulator, a training tool that will help Edinburgh Tram drivers become familiar with the route, have been made public. The stills and videos give an artist's impression on how the streets will look once trams are running.
- 4.20 The Simulator will play a key role in training drivers on the new route ahead of the service opening for revenue service.

### **Support for Business**

- 4.21 A key element of the approved project was implementation of a scheme to support businesses impacted by construction.
- 4.22 The project continues to administer the £2.4m fund (within the £207.3m budget approved by Council as part of the Final Business Case) and to monitor the impact of the Support for Business scheme through communication with local businesses, including a Leith Walk Business Collective and Constitution Street Business Collective, and by monitoring analysis provided by the Local Data Company, a leading data analysis company.
- 4.23 Within the Support for Business scheme, the Business Continuity fund has provided direct support to businesses who have demonstrated hardship as a result of the

works by issuing grants with a total value of £454,427 since the commencement of construction.

## **5. Next Steps**

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- 5.1 As set out above, the project remains on schedule to be operational in Spring 2023. The upcoming activities are summarised above, and the updated programme is attached in Appendix 1.

## **6. Financial impact**

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- 6.1 The project remains within the budget approved in March 2019. There are no additional financial impacts associated with this update report.

## **7. Stakeholder/Community Impact**

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- 7.1 There are no additional stakeholder impacts associated with this update report. A newsletter is issued regularly to stakeholders and the local community updating them on project progress. In addition, the project team has a regular meeting with members of Community Councils Together on Tram.

## **8. Background reading/external references**

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- 8.1 None.

## **9. Appendices**

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- 9.1 Appendix 1 – Trams to Newhaven Programme Update



## Appendix 1 - Programme Update (October 2022)

Detailed below is an update to the main construction programme by section.

Section	Previous estimated completion date	October 2022 completion date	Notes
Newhaven – Melrose Drive	October 2022	November 2022	Public realm at the tram stop and Hawthornvale cycleway works will be completed early 2023.
Melrose Drive	November 2022	December 2022	
Ocean Terminal to Melrose Drive	November 2022	December 2022	
Ocean Terminal	October 2022	October 2022	Final landscaping to take place early 2023
Ocean Terminal – Rennie’s Isle		Completed	
Rennie’s Isle – Tower Place	November 2022	December 2022	
Stevedore Place	August 2022	October 2022	
Casino Access Road	November 2022	January 2023	
Constitution Place to Tower Street		Completed	Landscaping works to take place early 2023
Tower Street – Baltic Street	September 2022	November 2022	
Baltic Street – Queen Charlotte Street		Completed	Traffic back in this section by October 2022 Landscaping works at Bernard / Baltic Street to take place early 2023.
Queen Charlotte Street – Coatfield Lane	November 2022	October 2022	
Coatfield Lane – Foot of the Walk	September 2022	October / November 2022	
Foot of the Walk – Crown Street	November 2022	December 2022	
Crown Street – London Road: - Crown Street – Balfour Street - Balfour Street – Pilrig Street	October 2022 August 2022	October 2022 September 2022	
Elm Row	November 2022	January 2023	
London Road – York Place	November 2022	November 2022	