
From: Carla Simpson [Carla@newsdirect-uk.com]
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Subject: newsdirect: Biagi comment on CEC leader

Hi

Marco Biagi has commented on Jenny Dawe's appearance on the Politics Show yesterday - below is the Mediapoint story.

Kind regards,

Carla

The leader of Edinburgh City Council has come under fire for describing the problems surrounding the city's troubled trams project as a "small glitch".

The SNP said Jenny Dawe's comment was an "insult" to the city's residents.

The Scottish capital's tram works, budgeted at GBP545 million, have been plagued by delays, overspend and an earlier dispute between contractors Bilfinger Berger and tram company Tie.

Recently-revealed figures have suggested it would now cost at least GBP700 million to complete the line from Edinburgh Airport to Haymarket station, on the edge of the city centre and two-thirds of its original projected length.

The cost of cancellation is thought to be up to GBP750 million.

A full meeting of councillors will be asked to decide the future of the project this Thursday.

Former Labour lord provost Leslie Hinds last week said she was "ashamed" to be a member of a council which was a "laughing stock".

Asked about those comments, Ms Dawe told the BBC's Politics Show Scotland today: "I don't think Edinburgh is a laughing stock. I think we will get through this and we'll get a tram and in the run of things I think that this will just be a small glitch on the way there.

"Clearly nobody wants to see the city having reputational damage done to it, but I'm hopeful that we will get a way ahead.

"We now have a much, much better relationship with the consortium and that has made a great difference to our capacity to take a good decision on Thursday."

Ms Dawe set the overspend against the rising costs of other infrastructure projects, such as the Luas tram project in Dublin, the Skye Bridge and the Scottish Parliament building.

She said she believed the sensible option was for the tram to run to St Andrew Square in the city centre.

But she acknowledged that would leave the council with a funding gap.

She told the programme: "What we now have to do if that decision is taken next Thursday is to continue investigating how we can bridge a gap of over GBP100 million probably.

"There is variety of ways we can do that. We can do it by prudential borrowing, we can look at other ways of doing it commercially, we can discuss, as we have been doing and will continue to do, with Transport Scotland and we will be discussing with the Scottish Futures Trust.

"If we do it through borrowing it will have an impact on our revenue, because clearly you have to pay back if you borrow.

"But what we will want to ensure is whatever option we choose to use we will not impact on the essential services that our city needs and deserves."

Ms Dawe, who insisted she has not considered resigning, confirmed that the Government has told the council it will receive no more funding.

However, she added: "We will be discussing with the Government other ways in which they can help us with funding."

She said that more borrowing powers was one example of the help the Government could offer.

The council leader's comments on the project's troubles were later attacked by the SNP's MSP for Edinburgh Central, Marco Biagi, who said:

"This is an insult to the people of Edinburgh who have put up with years of disruption and to the taxpayers Ms Dawe expects to foot the bill.

"Once again Jenny Dawe has completely missed the point. If the Lib Dems think a massive cost overrun, major delay and cancellation of at least half the project is a 'small glitch' they are even more out of touch with the people of this city than I thought."

end