

The Edinburgh Tram Inquiry
Witness Statement of Daniel Donaldson

Statement taken by Farrukh Iqbal on 26 September 2016.

My full name is Daniel Donaldson. I am 36 years of age and my contact details are known to the Inquiry.

Statement:

1. I lived in Edinburgh to study and work from October 2003 until October 2014. Between 2003 and 2007 I studied Law at Napier University and then completed my post-graduate diploma in Legal Practice at Edinburgh University before qualifying as a solicitor in 2010. I then worked in a variety of jobs within the city. During this period I stayed in Corstorphine and later in [REDACTED] Edinburgh.
2. In 2005 CEC held a referendum on a proposed congestion charging scheme on the City Bypass boundary which failed. The next proposal that came from City Council was the Trams Project. That was proposed by the then Labour party who were the party in government in Edinburgh at that time. I was a member of the Edinburgh Labour Party at that time for a total period of approximately 8 years. At that time the residents of Edinburgh were told by CEC and Labour politicians that there was still a need to address the future transport needs of the city from 2010 onwards. It was CEC's proposal to re-establish a network of trams to deal with their hypothetical traffic issues. That was all based on CEC projected population growth. The initial plans for the trams were to come to Easter Drylaw Drive. The trams would link Ocean Terminal, Leith, Granton, Waterfront, Drylaw, the west of the city, Balgreen, The Gyle and Edinburgh Airport. It was linking 3 main shopping areas being

Asda in Granton, Sainsburys in Craighleith and Morrisons at South Gyle. This would have provided a link from Drylaw to the Airport.

3. In 2005 or 2006, I attended a public meeting where a council official was providing information on the proposed Tram Project. As far as I can recall there was a big push for trams from CEC at this time. Initially I did not give it much thought as we had not been given a concrete proposal. A few months later the Edinburgh Evening News broke the story that the proposed Tram Project was definitely going to go ahead. After 2006 but before the works on Princes Street, CEC started putting up posters and billboards across the city with tram routes, costs and facts with a web link to a site for more information. Shortly after that I remember the tram works commencing in Edinburgh and this was also broadcast on BBC News.
4. All the information that CEC had put out advertised a completion time of 2011 and the budget for the entirety of the Tram Project was to be £500 million approved by the Scottish Parliament through the bill's process. When they started works on Princes Street it became clear that there were considerable difficulties with the project as a whole. A lot of my friends in Leith were lamenting the level of disruption at this time. There were problems with getting your car parked and shopping locally. I also could not meet people in the area of the works as it was too disruptive and too noisy. It was very disruptive to my personal life. During this time from the west end of Princes Street to John Lewis at the east end and down Leith Walk there was a long series of contraflows for traffic, removal of street signage and furniture including bus stops. Heras fencing had been erected with plastic sheeting and on windy days this would catch all the rubbish and the city looked like a dump.
5. There were problems for shopkeepers across town during the Tram Project. I know of a pet shop and aquarium, which was a specialist store, which was forced to close on Leith Walk during the works. They were not the only business forced to close up in Leith. It was difficult to drive your car down Leith Walk and many people avoided the area. Anyone going to Ocean Terminal would have to try and come through the back roads. In my view the

fact that businesses were closing showed that there was a discernible economic impact.

6. I used to organise LGBT pride events in Edinburgh and because of the length of disruption due to tram works we could not get access to Princes Street and we had to re-route through the back of the city and that had a discernible negative impact on the numbers that were attending. It also affected where we could hold a festival after our parade. If Princes Street was closed it affected where to have speeches at the start and a festival at the end of the march. It was not good publicity for the city. We could have made more sponsorship money by not going through the back roads. The disruption to LGBT pride events was caused by the entire city looking like a building site for longer than it needed to be.
7. In various Labour meetings, where I had access to Labour politicians behind the Tram Project, I started to ask difficult questions about what was going on. There was clearly a sense from the public perspective that we had been lied to and I found that the majority of Labour politicians were in denial as if nothing was wrong. Clearly there were substantial issues of which only some made it into the media. Labour politicians were in favour of the trams throughout the duration of the project. There was an unwritten Labour policy not to talk about the Tram Project. After Labour left local government, Audit Scotland released a report in 2007 which concluded that the Tram Project was viable, on time and on budget. As members of the Labour party we were instructed by Labour politicians to remind people of this anytime we were questioned on trams so that blame would be deflected onto the Liberal Democrats, SNP and the Scottish Government. In other words Labour had done no wrong and the Tram Project was someone else's problem now.
8. As a lawyer I am naturally enquiring and I began to make my own enquiries. There were political issues, not all political parties behaved to the standard that the public would expect of them. For Labour they saw it as an opportunity to score points off the SNP and Liberal Democrats in order to get back into local government. From the SNP point of view they were in a Scottish

Government minority administration and had already declared their opposition to the Tram Project but could not do anything because the money had already been committed. What Alex Salmond did do was that he instructed the civil service to withdraw Transport Scotland from the Tram Project leaving CEC alone to manage a substantial public infrastructure project without the necessary backup. This meant you effectively had a group of councillors with no relevant qualifications or experience playing politics with half a billion pounds. This was when the problems started to arise in the Tram Project and this was the biggest turning point for the project. CEC did not know what they were doing and as a result of inexperience all the disputes that followed led to years of frustration for local residents and me.

9. As a result of my enquiries I discovered that there appeared to be a lacuna in the contractual framework between the public sector, CEC and TIE, and the principal contractors, Bilfinger Berger. This concerned the infrastructure removal and replacement. This was the MUDFA works. This I believe was the core problem that led to substantial delays with the Tram Project but does not account for where all the money went. I am still waiting to receive a breakdown from CEC of where all the money went. I have not seen the content of the contracts because any attempts to get any information were always met with a refusal by CEC.
10. In 2010 during the Christmas period I was shopping on Princes Street and there was a group of sub-contractors who were wearing high visibility vests but no other identifiable marks as to which company they were with. One of these persons was on his mobile phone effectively boasting about him and his team being up in Edinburgh for the Tram Project, getting paid for it but not being able to actually do any work because the site was locked down and closed on Princes Street. This appeared to me to be an example of black hole spending. Why would you pay for contractors to come up and to do work when clearly there was no work to do.
11. There was not enough information on the Tram Project website other than a map and basic information about destinations and routes for the full scale

route and it was not updated during the time I was checking. This was during the dispute resolution process for Princes Street in 2009. The council was not giving anything away. I and other lawyer friends were very suspicious about what was going on. The whole debacle was Soviet era secrecy and a blanket ban by CEC on releasing information to the public. It did not just affect the Tram Project but all levels of government. I wrote an email to the Scottish Public Services Ombudsman in order to make a complaint but was informed that TIE was not under their auspices as they were a private company. Shortly after this the SPSO had a blanket refusal to take any tram related complaint. The SPSO then had a statement posted on their website to state the same because people were directing their complaints to them.

12. Politically the blame for the Tram Project's failings was being passed between the Scottish Government and CEC councillors. That culminated in a TV documentary where one of the Liberal Democrat councillors admitted publically for the first time that the committee of the council set up to supervise TIE and the Tram Project did not know what they were doing. The blame was then passed back to the Labour party and other officials in the council for having negotiated and signed up to legally binding contracts that were not fit for purpose. As to the content of those contracts it is unknown as they have never been released including the minutes to that CEC Tram Project committee.
13. Following an election in 2011, Labour were back in government and the lacuna in the contracts had to be cured through a process of contractual renegotiation. TIE was wound up shortly after and the council built 1 line and not 3 for a billion pounds. Money was also transferred from council tax revenue to pay interest rate payments. Council services were also being cut across Edinburgh simultaneously. This was the period I started an online campaign for a trams inquiry to find out why it cost so much and where the money went. I called the group "tramsinquiry". After tram line 1 was completed I became dubious about where all the money had gone and all the problems I had to live through for several years. I started campaigning for a public inquiry. At this time it was known that just short of a billion pounds of public

money had been put into the Tram Project. No one knew where the money had gone and no one could seek blame or fault.

14. I set up a petition online asking people to sign for a trams inquiry and this received over 800 signatures in the end. This demonstrated the level of interest in wanting to know where the money went. I never got a single response from the Scottish Government. For everyone signing the petition an email was sent to the Scottish Government regarding a tram inquiry. As part of the petition lots of people commented on disruption to parts of the city, effect on their businesses and I received tweets regarding disruption and complaints about traffic congestion in relation to the Tram Project. Edinburgh constituents also began to send letters to their MSP's asking for a tram inquiry.
15. Through one of my MSP's I received a letter, document reference (), from the then Transport Minister, which said that the Scottish Government had a policy of not responding to petitions but they do have to respond to the Scottish Parliaments Petitions Committee.
16. On the launch day for the trams, 31 May 2014, I wanted to draw attention to the costs involved and the need for a public inquiry and so prepared a series of posters and went into the city centre and placed them close to tram stops. That upset a lot of politicians who had allegedly instructed Transport for Edinburgh staff to remove the posters even though they were not on tram stops or causing any obstruction. During the day of the launch I had an altercation with Transport for Edinburgh staff where I witnessed them removing my posters and I had asked for them to return them to me as my property.
17. A formal inquiry into the Edinburgh Tram Project was announced soon after the launch of the trams by the Scottish Government. During my campaign I had contact with business owners in Edinburgh who complained about their dissatisfaction with the Business Compensation Package offered as it did not make up for the losses from their businesses.

I confirm that the facts to which I attest in this witness statement, consisting of this and the preceding six pages are within my direct knowledge and are true. Where they are based on information provided to me by others, I confirm that they are true to the best of my knowledge, information and belief.

Witness signature.....

Date of signing.....