

Lesley Hinds' tram route dispute leaves city footing £1.4m bill

Lesley Hinds forced through a vote to halt the route at Haymarket

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Published 06/08/2012 12:00

A STAND-OFF between city leaders which led to work on the tram project being suspended for eight days cost taxpayers more than £1 million, the Evening News can reveal.

New transport leader Lesley Hinds has been left red-faced after her call to halt the tram route at Haymarket – made last year when in opposition – led to soaring costs that the department she heads up now has to deal with.

The Labour politician – backed by the Conservatives – forced through a vote to cut the entire city centre section of the route in a move many believed was designed to embarrass their rivals.

The move was reversed just days later, however, after public outrage and threats by the Scottish Government to withhold funding. The city also faced paying contractors Bilfinger Berger a £161m cancellation charge.

Today it emerged that the city's transport department was landed with a bill for nearly £1.4m as contractors downed tools last September.

Last autumn, the council suggested such a delay would have cost £300,000, but the actual figure has emerged for the first time in the council's annual report on over-expenditure.

Critics today blasted the move as an act of "blatant politicking" after the overspend emerged at the finance committee last week.

Robert Aldridge, Liberal Democrat councillor and deputy transport leader prior to the local government elections in May, said: "That piece of blatant politicking by Lesley Hinds has left taxpayers having to foot this bill. At the time we did say any delay would cost the taxpayer heavily and the extent of this is now clear."

Margo MacDonald, independent MSP for the Lothians, said Cllr Hinds may not have known the financial implications of the move, but said politicians had lost sight of the real issue.

She said: "Sometimes the politicians are only as good as the official's advice and it's possible Lesley Hinds was not well advised as to the implications of the vote. Having

said that, I recall this was fraught with politics, and became entangled with electioneering rather than the best compromise for the tram's eventual terminus."

Colin Keir, the Nationalist MSP for Edinburgh West, said: "Labour and the Conservatives were playing stupid politics here and frankly there was no business case for Haymarket. It's enough having half a tram line for £800m, let alone for one that leaves you having to get a bus from Haymarket to the city centre."

"It's all very well having an occasional political bun fight but it has to be kept in mind that it is the Edinburgh taxpayers who are paying for this."

Lesley Hinds, a former Lord Provost, issued a strong denial to the claims. She said: "We [Labour] spent hours agonising over whether to vote for Haymarket or back the Liberal Democrats and borrow millions of pounds to take it to St Andrew Square.

"Frankly what the Liberal Democrats were proposing was unacceptable and the project was spiralling out of control, so we voted for Haymarket. It was nothing to do with politics.

"After the decision, John Swinney, who had said nothing about the matter for four years, suddenly announced they were going to pull the funding and we had no choice but to then vote for St Andrew Square.

"I'm trying to sort out the mess the previous administration has left."

Tactical voting

Labour and the Tories forced through the vote to scrap the city centre section of the route on the back of a special motion lodged by Lesley Hinds before the full council in late August.

The move went against advice from transport officials and was regarded as a ploy to make their SNP rivals – who had always opposed the tram scheme and abstained on votes – vote for it.

When the SNP abstained on the day of the vote – and the entire city centre section was therefore set to be axed – the two parties were left shocked at the result. However, Labour and the Tories have always denied the move was to do with politics, saying they voted to cut the route at Haymarket to prevent heavy borrowing which would be needed to finance the scheme over 30 years. It was feared that could take the total cost to more than £1 billion.

The business case for the trams would have collapsed had it ended at Haymarket, but the parties said it could be reworked and may be preferable to having to borrow more.

According to the finance report, the £1.4 million costs stemmed from delays in making the decision to press ahead with the line to St Andrew Square. One week later, Labour, who had voted for Haymarket, and the SNP, who

had abstained, both voted for St Andrew Square.

KEEP TRACK

August 25: Labour veteran Lesley Hinds – backed by the Conservatives – lodges a special motion calling for the Lib Dem/SNP-run council administration to limit the tram route to Haymarket instead of St Andrew Square. The Nationalists continued their tradition of abstaining from tram votes and the administration is defeated, throwing the project into chaos.

August 26: City leader Jenny Dawe threatens to quit after the Haymarket-only route is costed at £704m, as the business case collapses overnight.

August 28: Tram chiefs face having to repay millions of pounds in contributions from businesses who would lose out from the line failing to reach the city centre as promised.

August 29: Council chief executive Sue Bruce flies to Germany to negotiate with contractors Bilfinger Berger, as the city faces a £161m cancellation fee. Emergency council meeting called to reverse the decision, even though Labour refuse to back down.

August 30: SNP decide to abort abstaining in favour of backing St Andrew Square terminus.

September 2: Labour turn up to full council meeting intending to again vote against, but have change of heart with 15 minutes to go. St Andrew Square extension is approved.

