

TIE CHAIRMAN DAVID MACKAY TAKES EARLY RETIREMENT

RUSH

FOR: TIE LIMITED

GAVIN HENDERSON

PROG: GOOD MORNING SCOTLAND SERVICE: RADIO SCOTLAND

DATE: 3.11.11 TIME: 0709 DURATION: 5 MINS 20 SECS SERIAL: 111581

DAVID HENDERSON

Now, the chief of Edinburgh's Trams and Lothian Buses David Mackay is resigning with immediate effect. Mr Mackay, who is taking early retirement, is quoted in today's "Scotsman" making an outspoken attack on the controversial Trams Project, describing it as "Hell on wheels". With us now is Gordon Mackenzie, the Transport Convener for Edinburgh Council. Good morning to you.

CLLR GORDON MACKENZIE, Edinburgh City Council

Good morning.

DAVID HENDERSON

These comments really are about as bad as they can get - "Hell on wheel", Bilfinger Berger, the contractor, "a delinquent contractor" - what's your impression?

CLLR GORDON MACKENZIE

I've read David's comments online and he has been very scathing about the contractor, there's no doubt about that at all. His

reference to "Hell on wheels" I took to be a reference to particular difficulties we had in Princes Street and I can very much appreciate where he's coming from on that, there was a massively increased amount of utilities there, a lot of stuff that hadn't actually been anticipated or wasn't properly mapped and on top of that we had the outbreak of the dispute with the contractor, so that was a very difficult period. David has been firmly committed to the project throughout, has shown a great deal of enthusiasm upon it so...you know, it has been a difficult project but I'm very positive about the way forward, we've got a strong management team, well motivated staff and a clear sense of direction.

DAVID HENDERSON

Well, can you do a deal with Bilfinger Berger who Mr Mackay is referring to here as a "delinquent contractor, who scented a victim, who probably greatly under-bid and who would use the contract to make life extremely difficult for the city and they have done exactly that" - that's his quote in "The Scotsman" today. How can you get the project back on track bearing in mind that degree of ill feeling, he's coming out with it, there must be others close to him who take exactly the same view as well?

CLLR GORDON MACKENZIE

I think those comments underline the difficulties that we've had and a lot of people who have looked at the dispute saying "what's going on here, why aren't you two getting round the table and sorting this out?" - so clearly...you know, and I'm not hiding it and we never have, there have been difficulties with the contractor. We have a clear strategy which is to rigorously enforce the contract and hopefully through that bring the contractor back to the table to a sensible position where we can do a deal. If we can't do that then the option of termination is there - that's our approach and that's an approach that David backed and has been endorsed by the Council and he's confident

that we will see that through one way or another...

DAVID HENDERSON (interrupts)

How could you offer...

CLLR GORDON MACKENZIE (continues)

Termination of the contact...

DAVID HENDERSON

Carry on, yes indeed.

CLLR GORDON MACKENZIE

Sorry, you're asking about contract termination and termination of the contract is the contractual mechanism, we can terminate the contract if we have sufficient grounds to do so and there will be a report on both that option and the alternative coming to the Council in early December.

DAVID HENDERSON

Now, how can you offer reassurance to people in Edinburgh who are utterly exasperated with this project, who probably suspected that this was the situation, now these quotes in "The Scotsman" this morning seem to suggest that people right at top level believe there's a serious problem with it, how can you offer reassurance that this project is going to be back on track?

CLLR GORDON MACKENZIE

We've said for some time that there has been difficulty with the contractor, so I don't think the people of Edinburgh or anybody else will find that as a surprise. What we've got in place is a first class management team led by Richard Jeffrey who are seeing through a strategy to get the best deal for the City of Edinburgh, that's why we've been taking a lot of these disputes through a dispute procedure, that's helped to contain costs that the contractor has been pushing for and we will continue to

rigorously enforce the contract to get the best deal for the people of Edinburgh and the taxpayer.

DAVID HENDERSON

There's a lot of people this morning will be wondering whether this project will ever be concluded, can you assure them that it will?

CLLR GORDON MACKENZIE

Yes, absolutely, I mean you mustn't confuse the project with the contractual difficulties, the project is to build a tram line from the airport to Newhaven which will help to provide an integrated transport network for Edinburgh which will help to regenerate parts of Edinburgh and help cope with increased travelling that that will involve, so the long term project in this is 30 to 60 years and is undoubtedly the right project for Edinburgh. This is a short term problem, albeit a very frustrating problem, and I fully appreciate that, but it's a short term problem which we will work our way through.

DAVID HENDERSON

Just in a word, from what Mr Mackay, David Mackay is saying there, he would like to see...well, he's referring to the contractors as "delinquents who have scented a victim", would you like to see them now being sacked, been got rid of and a new contractor brought in, would you like to see that happen now?

CLLR GORDON MACKENZIE

No, I want to see the best deal for the people of Edinburgh, if the contractor can deliver that then, you know, we look forward to see that. The behaviour of late has not reflected that but we must get the best deal for Edinburgh.

DAVID HENDERSON

Okay, Gordon Mackenzie, Transport Convener for Edinburgh Council,

thanks very much indeed.
