

Five things you need to know today

✘ The Council meets this morning at the behest of the Lord Provost who has called a special meeting today only to discuss trams, so you will forgive us if our article today also simply concentrates on trams.

The agenda for the meeting is short, with only the funding arrangements for the tram project up for discussion, but the report which accompanies it is over 100 pages long. The meeting is widely expected to result in the council agreeing to progress the tram project to St Andrew Square, following widespread condemnation of the council decision to stop the tram at Haymarket.

✘

There is a new deadline of today at 5pm for the council executives to agree the terms of a new contract with Infraco, the consortium made up of Bilfinger Berger, Siemens and the Edinburgh council trams company, **tie**, or agree the terms, and the cost, of termination.

✘

The Infraco contract is the part which delivers the infrastructure including the tram tracks, the tram stops the electrical installations and the commissioning of the trams.

✘ Since deciding, almost by mistake it appears, to stop the tram at Haymarket last week, the council has had [a letter from Transport Scotland](#) who advised that the project had so radically altered from the original idea, that the final £72m which is still to be paid by the Scottish Government would no longer be paid. The council report claims that the shortfall would mean that an additional sum of almost £5m would have to be found by the council out of their revenue budget to make up the difference. The council had reported last week that the additional £231m which is needed to finish the project to St Andrew Square is estimated to require interest payments of about £15m per annum over a 30 year period.

✘

The fund available to compensate businesses in the city has been increased from £210,000 to £445,000 for each of the next two years.

There will now be an All Parties group overseeing the delivery of the tram project, as well as the council Audit committee.

There will be more discussion with Lothian Buses to prepare for the handover of the tram network to them as the proposed operator.

The chief executive of the council who has drafted the report has concluded by proposing the following recommendation to the council:-

(i) agrees that the option to build from the Airport to St Andrew Square/York Place as set out in the 30 June 2011 Council report be pursued;

(ii) agrees to fund the borrowing required out of current and future resources as set out in the funding proposals in the 25 August 2011 Council report, but to allow the Council flexibility to adopt alternative sources if considered appropriate by the Chief Executive after consultation with Group Leaders;

(iii) agrees that the Council's prudential funding limits be increased to take account of the funding proposals;

(iv) authorises the Chief Executive to enter into a Settlement Agreement on an unconditional basis as to funding, but otherwise substantially on the terms of the settlement summary in the confidential appendix to the 30 June 2011 Council report, with such amendments as may be considered appropriate;

(v) notes the risks referred to in the 25 August 2011 Council report;

(vi) continues and accelerates preparations for tram operations in consultation with Lothian Buses;

(vii) notes the appointment of Turner & Townsend as set out in the 25 August 2011 Council report;

(viii) notes that the Council will continue dialogue with the Scottish Government on a further contribution to the tram project and policy changes which could provide additional revenue resources to the Council;

(ix) notes the works to be undertaken as part of a refreshed 'Open for Business' programme and agrees to additional revenue funds being made available, equivalent to £445,000 per annum for 2011/12 and 2012/13 to support this programme

(x) agrees the augmented governance arrangements set out in paragraph 9; and

(xi) notes the traffic management and related logistical works that will be associated with the Princes Street Works.

We will report from the meeting by using a Liveblog article to update you with events as they happen. Our photographs today show you the councillors who lead each party responsible for making the decision today.