

Council to move towards tram extension

✘ The council has announced that councillors are set to agree to expand the first stages of project development for a tram extension, should it go ahead.

A £3.25m package of work will be put to elected members, building on the first stage of project development included in the Outline Business Case. A further £1.75m has also been set aside to secure land along line 1b for future development.

This follows the [decision in principle last month](#) that any tram extension should continue to Newhaven.

At the Council meeting, elected members agreed to continue consideration of the Outline Business Case until [their next meeting](#) in December, when [a further report](#) will be heard.

It was also recommended that the Council wrote formally to Lothian Buses to request details of any impacts an extraordinary dividend would make on the company. Lothian Buses have since responded, confirming that the additional dividend request will be factored into financial modelling.

It is now proposed that the first stage of project development is extended to 18 months, bringing forward elements originally included in the second phase of development.

Council Leader, Councillor Andrew Burns, said: “I am satisfied that the latest recommendations offer a viable way forward for the project, which we are confident is set to offer a range of benefits for the city.

“Obviously we want to provide best value to the citizens of Edinburgh, and by rephrasing the first stages of project development we will be able to deliver this within financial

constraints.”

Depute Council Leader, Councillor Sandy Howat, said: “We are satisfied that further development of the Outline Business Case will provide sufficient information to make a fair and informed decision on when to extend the tram line.

“It is essential that we bear the best interests of Edinburgh’s residents in mind and by taking extra time, greater analysis and detailed consideration, we hope to come to a conclusion that will benefit everyone.”

The first stage, which runs until summer 2017, would involve the establishment of a project team, the development of a financing solution and stakeholder engagement, amongst other activities. It would also bring forward work initially covered in the second phase, including initial work on invitation to tender and the start of a prequalification process for bidders.

At the conclusion of stage one, project financials would be further refined to take into account any revision in assumptions in areas such as patronage and capital costs, as well as Government guidance on borrowing. At this point, a report will be brought back to Council recommending a way forward.

As part of the process, it has been proposed to merge leadership of the tram project and the Leith Programme in order to incorporate the requirements of a tram extension into ongoing works.

Read the full report, [Edinburgh Tram Extension – Next Steps](#), which will be discussed at the [next Council meeting](#) on Thursday, 10 December.