

There will be another bit of the tram line along in a minute

While the Edinburgh Tram Inquiry is getting ready to begin hearing oral evidence next month, The City of Edinburgh Council is 'cautiously and conservatively' moving on with the process of completing the original line.

On 4 September 2017 the Transport and Environment Committee will have a report laid before it which deals with the possibility of completing line 1A from York Place to Newhaven.

The councillors will be expected to have scrutinised the Outline Business Case in a data room setting before that meeting and come to the TEC meeting armed with questions if they consider these need to be answered in public. They will also have the opportunity of asking officers any question ahead of 4 September.

If that decision to proceed is approved, then the tram extension will be referred to the full council for approval on 21 September 2017.

Phase 2 will be the procurement process when companies will be invited to come and bid for the contract. If the contractors bid in line with the business case then the council will proceed to build the tram line to Newhaven.

Council Leader Adam McVey said : "We are setting a high barrier here. This decision of the Transport and Environment Committee in September, followed by the decision of the full council later that month is only to progress with the business case that we have done a lot of work on since 2015. This allows us to go out to the procurement stage."

The procurement stage will be a lengthy one and that is a deliberate move in light of the history of the Edinburgh tram project.



THE COST

The likely cost is now £165.2 million including construction costs, risks and inflation and the council estimates that the line will be completed in early 2022.

The council reckons that there will be 13 million passengers journeys on such an extended route and is basing its financial assumptions on that.

But the significant difference is that the greater part of the project will be devoted to planning the construction rather than the construction itself. They already know for example that there are four monuments which are likely to require relocation, and as well as that some of the infrastructure work has already been done.

There is no need to buy any new trams as there are already 27 in the city, bought when the line was planned as a network.

The case for the tram extension or completion, (depending on how you look at it), was first considered in December 2014 and then again in [December 2015](#) when the council got the go ahead to spend a total of £5 million to carry out further work developing the business case for the extension to the line.

It is now to consider the business case which is ready for scrutiny.

The council also agreed to investigate all funding options as part of this work. In 2015 it was hoped that there would be money available from The Scottish Government by way of the

City Deal but that has not happened, although prudent borrowing or other forms of financing such as developer contribution may still be on the table.



THE ROUTE

Part of the process was to complete a design compatibility exercise for the Edinburgh St James development and the Leith Programme. to balance the needs of all road users.

The route as originally designed would go from York Place through a modified Picardy Place Junction, north down Leith Walk, Constitution Street, Ocean Drive and ending at Newhaven near Lindsay Road. There would be twin tracks on Leith Walk near McDonald Road and Balfour Street where the stops will be island platforms similar to Princes Street with trams passing either side.

There would then be a shared traffic route on Constitution Street with tram only envisaged for the remainder of the route.



NEXT STEPS

The wheels of the inquiry and those of the council have moved slowly, but it does appear that the new administration is ready to move on with the next phase.

This will be to set out the case for completing the line from York Place to Newhaven and then by October 2018 to appoint a contractor following a procurement process.

At that point the construction will likely commence by October 2019 with the first trams running on the line in early 2022.



The Council Leader, Adam McVey, said that it is crucial to him that the new part of the line is begun and completed within the administration which he leads. He feels strongly that the accountability must lie with the councillors who begin the project, and so timing is key.

The process and the background are that in 2015 the previous administration agreed to a tram extension in principle.

Councillor McVey said : “We did not want to do what some accused people in the past of doing which was jumping in too deep first, grabbing the tram with both hands before sorting out everything that we need to and getting full confidence in what we are doing.

“Phase One was to develop the business case. That process has now completed in terms of the business case which has been produced.

“The process that we’re engaging in now is essentially to check that and make sure it is as robust as it can possibly be. Our members in the SNP Group and the Labour Group and all other parties are now invited to throw any question they can possibly think of at that process, at the detail, at the figures. They will be going through it with a fine tooth comb.

“We have set up a data room so that every councillor can go through the raw data. I went through the preliminary business case before and it was hundreds of pages and I accumulated a vast number of questions. I then sat down with finance officers and transport officials and threw questions at them until I was satisfied with the answers. That is exactly how this process is going to run this time.

“We now have much more detailed plans and figures, it will be a matter of understanding the impact on the tram network and the transport network as well as on Lothian Buses.

“Now is the time for deep scrutiny by elected members.

“At the time of the council elections the SNP Group and the Labour Group undertook in their manifestoes to continue with tram extensions if the business case was robust.

“So the tests are any impact on council finances, making sure that it will not put the city under any additional financial strain, protection of businesses such as those on Leith Walk and in Leith who will be asked to endure more pain to ensure they are not unduly impacted. So we want to minimise disruption for finances and businesses and that is how we are examining the business case.

“If these are met then we will be able to proceed with the tram extension.”

Transport Convener, Cllr Lesley Macinnes, added: “Only yesterday, we were named the UK’s best city for transport links, demonstrating the success of our continued work to deliver a truly integrated public transport system for the Capital.

“We cannot be complacent, though. We must ensure we keep investing in public transport and sustainable travel, both to cater to ever greater numbers of residents and visitors and to improve our environment.

“The Outline Business Case demonstrates good early performance for the tram, with patronage expected to double in the first year. Crucially, however, it also shows Lothian Buses continuing to operate at the high standard of service we’ve come to depend on.

“We have the opportunity now to study the numbers in more depth before deciding on whether to progress, taking into account the needs of the city’s tax payers, and ensuring we learn lessons from the past.”

LEITH AND LEITH WALK

The route for line 1A goes down Leith Walk and will clearly impact on traders there. Given the history of the tram project, the council is adamant that they will be engaging with all stakeholders in Leith and Leith Walk first of all, in a letter which will be sent out today or tomorrow.

The Leith Programme designed for Leith Walk, and begun before the original tram project started, is a package of £9 million for road, footway and cycle improvements on Constitution Street and Leith Walk, only some of which has been completed to date.

It has not been possible to complete the top half of Leith Walk around Picardy Place in view of the development at Edinburgh St James, but the overarching design principle was stated to be that traffic dominance should be reduced.

2015 COSTINGS

In 2015 the cost was estimated at £78 million to the foot of McDonald Road or £144 million to Newhaven. The council decided that it was better economic sense to take the tram all the way to Newhaven as it reduced the cost per kilometre.

In the interim the costs have risen by around £3 million only. Although the price today is quoted as £165.2million that includes a £20 million contingency which was not included in the figures stated before.

Former Transport Conveners Lesley Hinds confirmed in June 2015 that it might cost around £144 million to extend the line to Newhaven. She told The Edinburgh Reporter that the funding was uppermost in the council's priorities: "This is one of the key challenges for us as a council. In order to find the capital funding we need to be a bit more imaginative, a bit more challenging in terms of whether that would be European funding, prudential borrowing and also approaching The Scottish Government.

We reminded the then Transport Convener that The Scottish Government had already said that there would be no more money for the tram project, but she was keen to exhaust that avenue.

She continued : “We have figures to show that the business case stacks up. It will be done within the finances set out in 2014 for three pieces of work, the capital funding, scrutiny of the figures we have and independent verification and market testing with companies who might want to tender for the work. This is a normal process throughout Europe.”

PROCESS

It certainly seems that the council is on the same track as before. The Transport and Environment Committee will consider the matter first on 4 September and then refer the decision to the full council on 21 September.

If, as is expected, the council agrees to proceed then the next 12 months will be given up to a robust scrutiny and procurement process ahead of appointing a contractor in autumn 2018.