

# **Opposition councillors ask for investigation into collapse of Christmas contract**

**Opposition councillors lodged an emergency motion on Tuesday asking that a full investigation is carried out of the circumstances which led to the collapse of a major council contract.**

As reported on Monday the council had entered into a deal in June 2022 with Angels Event Experience (AEE) Limited to deliver Edinburgh's Christmas – the rides, the markets and all that it entails – in exchange for the company paying the council £1 million per year for five years. That arrangement fell apart a couple of weeks ago when AEE withdrew from the deal.

Now opposition councillors want to get full details of what went wrong and whether there was any inaccuracy in the information given to the Finance & Resources Committee which agreed to grant the contract.

The SNP, Green and Liberal Democrat councillors also demand that council officers look at whether the council complied with The Scottish Government's procurement guidelines. Much of the public discussion at the Finance and Resources Committee on Monday appeared to suggest that the failure came down to

the procurement process used.

Other discussion on Monday lasting several hours was then held in private as it referred to commercially sensitive details.

But pointing the finger of blame at the council leader, Labour's Cllr Cammy Day, Cllr McVey asked at the F&R meeting whether the Council Leader had discussed any of this at the weekly meeting he has with the Chief Executive of the council, Andrew Kerr.

Cllr McVey said on Monday: "When the last committee in June agreed the contract, briefing of councillors was key. There was a need to keep a watching brief on this – and opposition councillors were not briefed on any ongoing issues with this contract."

In proposing the motion today he said it would be useful to further investigate the matter both for the council and the public. Cllr McVey said: "I hope it gets us to a next step in the conversation in trying to flesh out some of why it went so badly wrong.

"Yesterday's F&R meeting agreed to refer their report to this committee and I think the report that this emergency motion is asking for works very well in tandem with reading the source report. Hopefully by taking them both together this committee is in a very good position to try and scrutinise what went so badly wrong in this instance. I hope it also finds answers to some of the questions that are in the public interest, and essential for making sure that we, as an organisation, minimise the chance of anything like this happening again."

Cllr Lewis Younie (LibDem) seconded the motion saying: "It is embarrassing, deeply embarrassing, that we are in a position where a cultural and social staple of Edinburgh wasn't certain to occur. It is scarcely conceivable what the scale of the reputational damage would have been if it had actually fallen through. Mistakes can happen and things can go wrong, and

those we contract may not be able to meet their obligations. In short disasters can be unforeseen. However what is intolerable about this situation is that most councillors were only informed of the oncoming disaster at practically the last moment. I know officers have acknowledged their error over this which is very welcome. What will be even more welcome is if it does not happen again.

“What worries me is that delivering the Christmas Market has been challenging before with the last administration struggling with similar issues. This begs the question of why the lessons were not learned then, and fills me with doubt that they will be learned this time.”

Today the Governance, Risk and Best Value Committee under the Convener Cllr Kate Campbell agreed to obtain an in depth report by their next meeting.

After the meeting Cllr McVey said: “It’s heartening that we now have a way forward for Christmas this year, after the Finance committee backed SNP plans to try and make the process as robust as possible.

“However there are a number of questions outstanding. These focus on the opportunities Labour had to deal with issues or alert other councillors to problems and yet failed to act. Labour’s refusal to adhere to decisions have already resulted in the Finance Committee declaring them in contempt of council. Now we also need to know exactly what they knew and when.

“What’s certain is that the failures that led us to this position have cost the Council significantly and we will continue to push to make sure lessons which should have learned already are learned. We hope Labour – asleep at the wheel yet again – have not cost the city our Christmas celebrations as well as the significant public resources their incompetence has already cost.”

This is the emergency motion below. The Conservatives added a

small amendment to it asking that this is added to the 2023/24 audit plan. Cllr Joanna Mowat said: "I think there has been a theme coming through that procurement is important.

"This is about a failure of procurement."



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