

The Edinburgh Tram Inquiry report – at long last

In light of the reports on the ever-rising cost of the Edinburgh Tram inquiry, we did wonder whether the report would ever be produced by Lord Hardie, KC.

Even now that it has been produced, its worth and relevance must be debatable.

The Edinburgh Tram Inquiry was commissioned by Scottish Ministers and announced by Alex Salmond when he was First Minister in June 2014. Now some nine years later, [it is only today that the final report](#) and its [recommendations](#) have been sent to ministers.

It is one of several which were commissioned by the government, and which are at different stages of evidence gathering or reporting. Others include the Scottish Child Abuse Inquiry, the Sheku Bayoh Inquiry, the Scottish Hospitals Inquiry and the Covid Inquiry.

During the evidence gathering sessions of the Edinburgh Tram Inquiry around six million electronic documents were collected by the inquiry for the inquiry team to consider. A public hearing was held beginning in September 2017.

The Edinburgh Tram Inquiry under the chairmanship of the Rt Honourable Lord Hardie KC, a former Lord Advocate, worked to these Terms of Reference:

- *Inquire into the delivery of the Edinburgh Trams project ('the project'), from proposals for the project emerging to its completion, including the procurement and contract preparation, its governance, project management and delivery structures, and oversight of the relevant contracts, in order to establish why the project incurred delays, cost considerably more than originally budgeted for and delivered significantly less than was projected through reductions in scope.*
- *Examine the consequences of the failure to deliver the project in the time, within the budget and to the extent projected.*
- *Review the circumstances surrounding the project as necessary, in order to report to the Scottish Ministers making recommendations as to how major tram and light rail infrastructure projects of a similar nature might avoid such failures in future.*

It is difficult to understand why the inquiry did take so long, and also it is difficult to understand what its effect will be given that the line to Newhaven already opened in June 2023. [One councillor has branded it a disgrace.](#)

What questions now remain to be answered? Was the long hard slog of wading through the millions of documents just a bit too much and too complex?

Lord Hardie was a judge when the Harris Superquarry Inquiry

Report came to court in 2000. This is what he said then:

“In all the circumstances I am of the opinion that the petitioners had a legitimate expectation that the respondents would determine the application within a reasonable time. What amounts to a reasonable time in any case depends upon the particular circumstances of the case, including its complexity, the length of the public inquiry at which evidence was led, and a variety of other factors including, in this case, illness of the Reporter and the change of administration following upon Devolution. Nevertheless, even allowing for these special factors, the delay in this case was of scandalous proportions and the respondents have failed to determine the application within a reasonable time.”

Andrew Hardie KC

A spokesperson for the Edinburgh Tram Inquiry told The Edinburgh Reporter in November 2020: “The findings of the Inquiry into why the Edinburgh Trams project incurred delays, cost more than originally budgeted and delivered significantly less than planned will be made available at the earliest opportunity.

“Lord Hardie’s remit is to conduct a robust inquiry and it will take as long as is necessary to get the answers required to fulfil the terms of reference.

“We continue to make good progress, including managing more than three million documents on the Inquiry’s evidence database for handover to National Records of Scotland.

“A relevant set is also being prepared to be made available on the Inquiry’s website to accompany the published Report at the appropriate time.”

[The report was published today and runs to 957 pages.](#)

COSTS and Bonuses

The cost of the report reached more than £13 million – which is the same as the Iraq inquiry under Chilcott.

But the cost has been justified by Lord Hardie. He said: “The cost of the Inquiry to the end of July was £13,126,725 but the net cost to the public purse was reduced to £8,719,127 by using existing public resources that were not replaced and discounting the public expenditure already incurred relating to these resources. The final accounts will be published when the Inquiry has concluded and the records lodged with National Records of Scotland.”

A figure released in November 2021 confirmed that the cost then had risen to £12.111 million, with staff costs of around £137,000 incurred between 2020 and 2021 alone as well as legal fees payable by Transport Scotland of £20,000, and professional fees of £40,000.

Although evidence was heard at Waverley Gate, the Edinburgh Tram Inquiry office was situated at The Scottish Government’s Victoria Quay building. The government confirmed that the annual cost of retaining the office was £12,000 and this was covered by the additional £500,000 announced in 2022 to fund the inquiry.

As at September 2020 the cost of the inquiry had risen to £11.3 million. At that point the inquiry had concluded taking evidence 28 months previously.

The line built to York Place extended to 14 km and cost £776 million – roughly half the line, twice the cost and twice as long to build and about £231 million more than it should have done.

The real completion of the line which was first planned took place in Spring 2023 when the Trams to Newhaven project

invited passengers aboard.

When the decision was taken to proceed with the Trams to Newhaven the then council leader said they would learn from past mistakes, but without the result of the inquiry any future tram or huge infrastructure projects would simply have to do the best they can. Many of the elected members who were involved at the time of the building of the first tram line have now retired from the council.

GOVERNANCE

His Lordship said that he found the post Mar Hall set up to be easier to follow – but that time the arms length company had been removed from the equation and lines of responsibility were clearer.

The report states:

The governance structure for the project was unduly complex. There was a lack of clarity regarding the respective roles of the various bodies and persons. In general, there was no clear analysis of the concepts of responsibility, accountability, authority, powers, reporting, oversight and undertaking. Often the various matters were fudged and the result was a lack of clarity as to what would happen or who was to perform particular tasks.

Edinburgh Tram Inquiry Report 2023

tie limited

This was the arms length wholly council-owned company set up to run the project. It still exists as a legal entity ([CEC Recovery Limited](#)) but it was removed from the contract and management was taken in house after mediation at Mar Hall when

Sue Bruce took over as Chief Executive of the council. In October 2006 a paper produced by the company's remuneration committee proposed bonuses of 50 per cent of salary for certain executive directors and senior managers, and **all** employees were to receive a bonus of around 25 per cent. The Edinburgh Tram Inquiry Report states:

*Although the paper approved by the Remuneration Committee in October 2006 only dealt with bonuses for **tie** staff, in the event, significant bonuses were also paid to contractors who were not directly employed by **tie**, but provided services to it on a full-time, or largely full-time, basis*

Edinburgh Tram Inquiry Report 2023

RECOMMENDATIONS

[Lord Hardie made 24 recommendations which you can read in full here.](#)



18/09/2023 Picture Alan Simpson 3 Nine years after the Edinburgh Tram Inquiry was ordered by First Minister Alex Salmond Lord Hardie has issued his report which has cost £13.1 million. The four volume report contains criticisms of several organisations whose acts or omissions were principally responsible for the failure to deliver the Edinburgh Trams Project on time, within budget and to the extent projected.