

Bus board appointment rejected amid tram fiasco involvement concerns

Plans to make someone involved in Edinburgh's disastrous initial tram project the director of a council-owned transport company have been scrapped over concerns about further reputational damage to the local authority.

Officials had proposed appointing Peter Strachan to Lothian Buses' board – but councillors rejected the move at a meeting this week.

A report recommending three new non-executive directors for the publicly-owned bus firm went before last month's transport committee. Members deferred the decision and called for more information after only the names of the proposed appointees appeared in the report, with no additional background on their professional experience.

And eyebrows were raised after it emerged Mr Strachan was a non-executive director of the council's former arms-length companies Transport Initiatives Edinburgh, known as Tie, and Transport for Edinburgh Limited (TEL), which were held principally responsible for the Capital's £400m over-budget, five-years-late tram project which delivered a line half as long as originally intended.

He quit Tie after a deal was reached with the tram contractors in 2011 to resolve differences and complete the construction, and claimed the non-executive directors had been bypassed and not allowed to carry out their role of scrutiny.

A public inquiry saw Lord Hardie pin most of the blame on Tie. He wrote: "Tie's failures were the principal cause of the failure to deliver the project on time and within budget".

Mr Strachan, who has worked on infrastructure projects for British Rail, Railtrack, Network Rail and National Express Australia, then went on to become the UK Government's director general of major projects and London.

Councillors debated whether to approve his appointment to Lothian Buses' board at a meeting on Thursday, November 7. While acknowledging "considerable" transport experience, his links to the tram fiasco raised concerns.

Conservative group leader Iain Whyte said: "One of the suggestions was a person who had previously been on the board of Tie and TEL at the point the tram project effectively ground to a halt financially; where we were in serious dispute with the contractor and unable to resolve it.

"I've done some diligence on that and read the person's statement to the tram inquiry, which seems very short to me for someone that's in such a position, and is pretty much along the lines of 'it all seemed fine while I was there'.

"I don't want to impugn that individual and I'm sure they would make a very good non-executive director, they do have considerable experience in the transport field, but what I do know is that the tram project was a major scandal in this city. And this council is only just attempting to recover its reputation from that period.

"I don't think it's appropriate for us reputationally to go back to that position when what we're doing is appointing

someone to the board of Transport for Edinburgh and Lothian Buses, and when the administration's stated aim is to build more tram lines through those companies and projects and through Edinburgh Trams."

Council leader Cammy Day said: "These are three of the best people that interview panel interviewed.

He said the necessary due diligence had been done and added: "We should support the nominations before the council today."

Senior council officer Gareth Barwell said at a previous meeting Lothian Buses' board and nominations committee 'came to the conclusion the benefits of bringing [Mr Strachan] onto their board outweigh any concerns that others may have'.

While Mr Strachan's appointment was rejected, with SNP, Conservatives and the Greens voting against, the recommendation to put Loraine Strachan and Stephanie Rivet on the board was approved.

SNP councillor Danny Aston said: "We have not been given sufficient information throughout this process."

Conservative councillor Marie-Clair Munro said: "Members were not advised of information naturally held by the City of Edinburgh Council, including the prior involvement of candidates with the council or its ALEOs and their performance in such roles.

"Lord Hardie criticised the failure of relationships between ALEOs, council officials and elected members, holding those responsible for many of the individual misjudgements and mistakes which came together so ruinously.

"In particular he criticised the failure to provide elected members with the information necessary to make judgements for which we are responsible.

"It is disheartening then to note the report to committee had

the same absence of information and idle assumption of a right of uncritical approval by elected members that Lord Hardie so robustly rebuffed.”

By Donald Turvill Local Democracy Reporter