

# **EDINBURGH TRAM (LINE TWO) BILL COMMITTEE**

Wednesday 22 September 2004

Session 2

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## CONTENTS

**Wednesday 22 September 2004**

**Col.**

<b>EDINBURGH TRAM (LINE TWO) BILL: PRELIMINARY STAGE (OBJECTIONS).....</b>	<b>13</b>
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### **EDINBURGH TRAM (LINE TWO) BILL COMMITTEE 3<sup>rd</sup> Meeting 2004, Session 2**

#### **CONVENER**

\*Bill Aitken (Glasgow) (Con)

#### **DEPUTY CONVENER**

\*Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD)

#### **COMMITTEE MEMBERS**

\*Marilyn Livingstone (Kirkcaldy) (Lab)

\*Kate Maclean (Dundee West) (Lab)

\*Stewart Stevenson (Banff and Buchan) (SNP)

\*attended

#### **CLERK TO THE COMMITTEE**

Graeme Elliott

#### **LOCATION**

Committee Room 3



## Scottish Parliament

### Edinburgh Tram (Line Two) Bill Committee

*Wednesday 22 September 2004*

[THE CONVENER *opened the meeting at 09:54*]

### Edinburgh Tram (Line Two) Bill: Preliminary Stage (Objections)

**The Convener (Bill Aitken):** Good morning, ladies and gentlemen. I welcome everyone to the third meeting of the Edinburgh Tram (Line Two) Bill Committee and remind members to switch off mobile phones and pagers. I also point out that we are having a slight problem with the work that is being carried on outside. I am afraid that we are going to have to live with this problem for a few weeks yet, so I will try to speak as clearly as possible.

The first item on the agenda is preliminary consideration of objections. In that respect, I refer members to paper ED1/S2/04/3/1. Under standing orders rule 9A.8.2 the committee is required to give preliminary consideration to all admissible objections to the bill. In effect, we are seeking to satisfy ourselves that each objection is based on a reasonable claim that the objectors' interests would be clearly adversely affected by the bill. If the committee is not satisfied on that point, it is required under rule 9A.8.2 to reject the objection. If the committee feels that an objection contains insufficient detail and cannot decide whether an objection demonstrates a clear adverse effect, it may also offer the objector the opportunity to provide further written information or to be heard at a future meeting.

Are members quite clear about all that?

**Stewart Stevenson (Banff and Buchan) (SNP):** I just want to confirm that the number on the paper that you are using is ED2/S2/04/3/1.

**The Convener:** Oh. Thank you very much indeed.

**Stewart Stevenson:** I believe that there is a paper ED1/S2/04/3/1 cast in identical terms.

**The Convener:** I am obliged for that clarification.

In many cases, the question of whether there will be a clear adverse effect is the crux of the matter. Are members quite clear about the meaning and operation of that term?

*Members indicated agreement.*

**The Convener:** That is fine.

Members were issued in June with copies of the fairly formidable pile of admissible objections, and last week with copies of three late objections, which the committee accepted. I know that members will have used the intervening time to review all the objections in preparation for the decisions that they must make today.

It is clear that the easiest approach would be to categorise the objections. By way of summary, I point out that there are 12 objections to the whole bill—four to the whole bill and its specified provisions and eight to the whole bill only—and that 73 objections have been lodged to the bill's specified provisions only.

As far as objections to the specified provisions are concerned, the committee might find it helpful to consider objections that relate only to the detail of the bill, by which I mean the bill's specified provisions. Members might wish to structure the discussion by first giving their views on whether objections to the bill's detail demonstrate a clear adverse effect. As I said, I know that members have closely examined the admissible objections to the bill. After having reviewed them, I am satisfied that the objections demonstrate clear adverse effects—after all, it is reasonable to claim that after the bill is passed properties along the tram route might experience, for example, noise and vibration and other inevitable impacts such as reduction in their value. Are members agreed?

*Members indicated agreement.*

**The Convener:** On that basis, are members agreed that objections to the bill's specified provisions are based on objectors' reasonable claims that their interests would be clearly adversely affected, and that the objections should proceed to consideration stage, when they will be given substantive consideration? Of course, that will happen subject to Parliament's agreement to the bill's general principles and its agreement that the bill should proceed as a private bill.

*Members indicated agreement.*

**The Convener:** In paragraph 27 of the paper, the clerks have identified the admissible objections to the whole bill and point out that each of the 12 objections refers to project costs. Members will be aware that admissibility of objections is solely a matter for the clerks. Our role is to determine whether each objection is based on a reasonable claim that the objectors' interest would once again be clearly adversely affected.

I propose that first we have a general discussion on project costs before we turn to the objections in detail. Are members happy with that general approach?

*Members indicated agreement.*

10:00

**The Convener:** The first issue regarding the project costs relates to taxation. All 12 objections to the bill as a whole have identified that issue, and members should be reminded that, although the objectors themselves may have referred to other issues in their objections, that is the only issue that has been considered to be admissible.

The objectors assert that the financial case is flawed in its calculation both of the construction costs and of the operating costs of the tram, and that they—as Edinburgh council tax payers—will have to pay increased council taxes to ensure that the costs of constructing and operating the tram are met.

Do members have comments as to whether the argument that council tax will rise as a result of funding shortfalls for the trams is based on a reasonable claim and that the objectors' interests would thereby be adversely affected?

**Stewart Stevenson:** I have read the 12 objections carefully and I am not at all sure that the objections make a link between the costs of the project and a necessary rise in council tax. The council has considerable discretion over how it chooses to spend its money. If we were to accept that there was a link—in the general sense that is expressed in the objections—we would simply be starting to do the local council's job, both in relation to its tax-raising powers and in relation to its discretion in spending its money. I am also mindful of the Local Government in Scotland Act 2003, which was passed recently by Parliament and which provides a power of well-being that gives councils specific powers to do what is in the best interests of its taxpayers and residents.

That said, I am not saying that I am satisfied with the financial case—at this moment, I am highly sceptical of it. I am saying merely that I do not see that a link has been made, in the terms that we have to consider its being made, between the financial case as set out and council tax. On that basis, I believe that we are unlikely to be able to support those objections as general objections to the whole bill.

**The Convener:** That is a clear expression of opinion with an important caveat.

**Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD):** I support Stewart Stevenson's position. I am not convinced that there is a clear adverse effect. One of the objectors said that there would be an unknown impact on council tax, so I do not think that that can be a formal objection. However, I reiterate what Stewart Stevenson said; we will examine taxation in our consideration of the general principles of the bill. Although we will probably not accept such objections as objections

to the whole bill, the points that the objectors have made will be considered. That is probably fair, and the objectors will see that in the *Official Report* of this meeting.

**Marilyn Livingstone (Kirkcaldy) (Lab):** I agree with what Jeremy Purvis has said. That is a fair way to continue.

**Kate Maclean (Dundee West) (Lab):** Did you say that the objections would be admissible only under the general heading of taxation? Some of them also make more specific objections.

**The Convener:** The matter of objections' admissibility has already been determined by the clerks—it is a matter for them.

I concur with the views that have been expressed by Stewart Stevenson, Jeremy Purvis and Marilyn Livingstone—again, as I have stressed, with the appropriate caveat.

Do members agree that objections admissible on the issue of project cost do not demonstrate clear adverse effect?

**Members indicated agreement.**

**The Convener:** It is important at this stage to stress the points that have already been made. I appreciate that decisions that are made today may, in some respects, be disappointing to some of the objectors. However, it is important that we reassure objectors that many of the issues that are raised by their objections will be relevant to the committee's scrutiny of the general principles of the bill. The committee will take evidence on the general principles of the bill later in the preliminary stage.

Before we close, do members have any specific questions about individual objections?

**Members indicated disagreement.**

**The Convener:** I thank members of the public for attending. I remind members that there will be a joint meeting with the Edinburgh Tram (Line One) Bill Committee at 12.45 pm tomorrow. The next meeting of this committee in isolation will be at 9.45 am on Wednesday 29 September.

*Meeting closed at 10:06.*

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