

[REDACTED]

Telephone: [REDACTED]

22nd July 2015

Secretary to the Inquiry
The Edinburgh Tram Inquiry
1st Floor
Waverley Gate
2-4 Waterloo Place
Edinburgh EH1 3EG

Dear Sir

I am responding to your call for issues and evidence because I believe it is important that the inquiry should review the process by which projects such as the tram are appraised. The cost benefit analysis and STAG process, and the spurious 'risk assessment' is an integral part of the project mismanagement which repeatedly leads to gross overruns in major infrastructure projects. I hope the inquiry will be contacting Professor Bengt Flyvbjerg of Oxford University whose extensive studies of major project failures give considerable insight into these matters.

The attached paper is a transcript of a lecture I have given on a number of occasions, including in the Department of Communities and Local Government in London, an event which generated considerable hostility from the Department for Transport. I believe it provides some pointers to the issues the inquiry will need to raise. The inquiry is a unique opportunity to investigate what has become a self referential world of transport appraisal which is imposing costs on the community far wider than those imposed by the tram project.

Yours faithfully,

[REDACTED]

Professor John Kay CBE FBA FRSE