From: Nick Smith [Nick.Smith@edinburgh.gov.uk]

Sent: 21 April 2009 09:18

To: Fitchie, Andrew

Cc: Colin MacKenzie

Subject: RE: Strategic Options

## Andrew

An initial high level analysis (even bullets) will be sufficient. We can get more detailed in the near future if required. In short, we want to know what the contract(s) provide should tie, on the instructions of CEC, unilaterally decide to either shorten the route or cancel the project early in its entirely (eg for affordability reasons). The analysis should assume that the consortium has been behaving as it should as per the contract(s).

I guess what we are trying to establish is what the contractual costs/obstacles of shortening or cancelling would be in order to have the full range of information for Council officers to consider when looking at the strategic options. As I noted previously, cancellation is not actively being considered but needs to be included for completeness.

Kind regards

Nick

Nick Smith Senior Solicitor Legal Services Division City of Edinburgh Council City Chambers Business Centre L1 High Street Edinburgh EH1 1YJ



Please note that I am not in the office on a Monday

**From:** Fitchie, Andrew [mailto:Andrew.Fitchie@dlapiper.com]

**Sent:** 20 April 2009 10:50

To: Nick Smith

Subject: RE: Strategic Options

Nick

Can you give me a call today to discuss the paper we are preparing. I have worked this up over the week-end but I think it would be good to go over exactly what you want - in terms of level of analysis and focus.

I am in Frankfurt tomorrow/Wednesday so that other will be refining my first cut to get you a finished report by cob Tuesday/am Wednesday and I am keen to give them best guidance so that I can review the end product tomorrow before dispatch to you.

kind regards

Andrew Fitchie
Partner, Finance & Projects
DLA Piper Scotland LLP
T: +44



**From:** Nick Smith [mailto:Nick.Smith@edinburgh.gov.uk]

**Sent:** 17 April 2009 14:57 **To:** Fitchie, Andrew

Subject: Strategic Options

## **Andrew**

Colin and I have been asked by Marshall to ascertain what the legal implications would be for tie of (i) curtailment of the ETN (ie a shortened route); and (ii) early cancellation of the project as a whole.

I should stress that neither of these options is being actively or seriously considered by CEC, but given they form part of the strategic options paper it would be useful to have your views on what this might mean from a practical and financial perspective in terms of the contracts as they stand.

We are particularly thinking of fees/damages which tie would be liable for etc as opposed to any requirement to repay TS etc. ie it is the specific fallout from the contracts which we are interested in at the moment as opposed to the political and/or wider financial implications for the Council.

Apologies for the Friday afternoon request, but would it be possible to get something by next Tues/Wed?

Happy to discuss further if you wish. I'm on



Kind regards

Nick

Nick Smith Senior Solicitor Legal Services Division City of Edinburgh Council City Chambers Business Centre L1 High Street Edinburgh EH1 1YJ



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