From: Gill Lindsay

**Sent:** 23 November 2007 17:13

To: Colin MacKenzie
Cc: Alan Squair; Nick Smith
Subject: RE: TRAM: DLA INPUT

Colin

Please write to Sharon F as agreed and meet as agreed. She can advise us directly of DLA's position and we will update LAG Monday.

Gill.

From: Colin MacKenzie

**Sent:** 23 November 2007 17:10

To: Gill Lindsay

**Cc:** Alan Squair; Nick Smith **Subject:** TRAM: DLA INPUT

Importance: High

Gill,

Further to our meeting with you this morning Alan and I have given consideration to the matter and had a useful discussion with Duncan Fraser.

It appears clear to us that following Andrew Fitchie's move to **tie**, there has been little or nothing in the way of discussions between Sharon Fitzgerald and Council officials as to ongoing contractual negotiations with BBS. On the face of it no instructions have been sought from the Council in respect of the Council's interests in the outcome of the negotiations. Since Andrew's appointment as a Director of **tie** it is fair to say that he can only act in that company's best interests.

Against that background we take the view that any letter from DLA to yourself, in the terms we discussed this morning, could not provide the necessary re-assurance for the Council. You will recall Andrew Fitchie's suggestion at last Monday's LAC that he might provide a form of words for DLA to issue on their headed notepaper. It is our view that such a solution does not satisfactorily protect the Council's interests. It is founded upon a commonality of interests between **tie** and the Council which cannot always be assumed.

Can we please have your guidance on this matter?

Regards,

Colin MacKenzie and Alan Squair for Council Solicitor