From: Willie Gallagher

Sent: 27 September 2007 17:09

To: Renilson, Neil

Subject: FW: TRAMS: CLAIM SETTLEMENT

Importance: High

Would love to be a fly on the wall when David reads McKenzie response! What a tosser.

From: Susan Clark

Sent: 27 September 2007 16:54

To: david_mackay@diseadir. Willie Gallagher; Neil Renilson (TEL)

Subject: FW: TRAMS: CLAIM SETTLEMENT

Importance: High

David/Willie/Neil

FYI and further to previous e.mails today.

Susan

Susan Clark

Deputy Project Director - Tram

.....

tie limited

CityPoint

65 Haymarket Terr

Edinburgh EH12 5HD



Email: susan.clark@tie.ltd.uk

From: Colin MacKenzie [mailto:Colin.MacKenzie@edinburgh.gov.uk]

Sent: 27 September 2007 15:56

To: Susan Clark

Cc: Gill Lindsay; Alan Squair; Nick Smith; Duncan Fraser - CEC; Alan Coyle

Subject: RE: TRAMS: CLAIM SETTLEMENT

Importance: High

Susan,

Thank you for communicating the response from David Mackay.

As far as I am concerned the Council, as in the body of elected members, was not aware of what is described as the "saga". It may be the case as suggested by David Mackay that there was some awareness by CEC at officer level. Full Council agreed with the addendum referred to in my earlier e-mail. In fact that addendum was moved by Councillor Wheeler. The Council clearly wishes to keep a close eye on overall expenditure for obvious reasons, particularly when that is additional expenditure. I can see no exception to the clear decision by Council. I would see it as the duty of Council officers to comply with the instruction of Council on 20th September and bring forward a report to elected members in early course. That responsibility I suspect will lie with either City Development or Finance.

Regards.

Colin MacKenzie for Council Solicitor

From: Susan Clark [mailto:Susan.Clark@tie.ltd.uk]

Sent: 27 September 2007 11:39

To: Rebecca Andrew; Willie Gallagher; Neil Renilson (TEL); Matthew Crosse; Geoff Gilbert; Colin MacKenzie

Cc: david mackay

Subject: RE: TRAMS: CLAIM SETTLEMENT

Dear all

David is having problems with his e.mail and has asked me to pass on his response to this issue as follows:

Susan and All,

Firstly the SDS settlement was approved by the Boards before this "addition" appeared and CEC were well aware of the saga. (note no comments yesterday by either Andrew or Donald when the topic arose). Secondly they have undertaken to agree the remit of this group with us as it develops. Having said that I can understand the "politics" and perhaps therefore their perceived need for some additional controls/comfort but they have to recognise the dangers of negotiating in public.

In short I am sure we can resolve this sensibly and perhaps in my absence Neil and Willie could kick off with Phil and Donald?

David

Regards

Susan Clark

Deputy Project Director - Tram

tie limited

65 Haymarket Terr

CityPoint



Email: susan.clark@tie.ltd.uk

From: Rebecca Andrew [mailto:Rebecca.Andrew@edinburgh.gov.uk]

Sent: 27 September 2007 09:43

To: Susan Clark

Cc: Graeme Bissett (external contact) **Subject:** FW: TRAMS: CLAIM SETTLEMENT

Importance: High

Susan,

Please see attached email from Colin. Can you liaise with the appropriate people within tie over how best to handle this issue? There will clearly be comms issues as well as potential delay to the settlement of the claim and the effect that would have on SDS performance.

Call me if you need to discuss.

Rebecca

Rebecca Andrew | (Acting) Principal Finance Manager | Financial Services | The City of Edinburgh Council | Waverley Court, Level 2:5, 4 East Market Street, Edinburgh, EH8 8BG | Tel rebecca.andrew@edinburgh.gov.uk | www.edinburgh.gov.uk

From: Colin MacKenzie

Sent: 27 September 2007 08:17 **To:** Rebecca Andrew; Duncan Fraser

Cc: Alan Squair; Alan Coyle

Subject: TRAMS: CLAIM SETTLEMENT

Importance: High

Rebecca and Duncan,

I was idly reading some of the other papers which went to the TPB yesterday and came across a reference buried deep in the agenda to settlement of a claim by SDS. As I read it there is an intention to settle a claim by SDS against tie for a sum in the region of £1 million. I have to draw to your attention the recent Council decision on 20 September, including the addendum on the remit of the Tram Sub-Committee

..." with the proviso that the Sub-Committee is empowered to take the final decision with respect to the settlement of any financial claims that may arise against **tie**/the Council, subject to ratification by the full Council for amounts in excess of £500,000."

On the face of it **tie**, never mind the TPB, has no authority to settle this claim, and a report will require to be made to the Tram Sub-Committee, and thereafter to full Council for ratification on the assumption that this claim is indeed in excess of £500,000.

Can you ensure that the appropriate person (s) within tie are made aware of this issue.

Kind regards,
Colin MacKenzie for Council Solicitor

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