

Chief Executive's Office

Mr Malcolm Reed **Chief Executive** Transport Scotland **Buchanan House** 58 Port Dundas Road **GLASGOW** G4 0HF

Our Ref:

tramsproject\reed01

Your Ref:

Date:

16 August 2007

TRANSPORT SCUTLAND CHIEF EXECUTIVES OF

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EDINBURGH TRAM PROJECT

Thank you for your letter of 2 August 2007, in which you summarised they key aspects of the Edinburgh Tram project's relationship with Transport Scotland.

I can confirm the Council's general agreement with the proposals set out in your letter and that the Council is prepared to accept the revenue risk on the project. There are concerns, as I am sure you will understand, in relation to your statements on the National Concessionary Travel Scheme and that there will be no further award of grant prior to financial close but I am advised that these aspects are under active discussion between Transport Scotland, tie and the Council.

Andrew Holmes, Director of City Development, will continue to act as the main point of contact for the Tram project within the Council, with the assistance of Donald McGougan, Director of Finance. Naturally, I too am closely monitoring progress and looking forward to the completion of Phase 1a during the first guarter of 2011.

I look forward to hearing further from you on the Tram project but would also appreciate confirmation from Transport Scotland that the Council does not have to provide future proofing in respect of the Edinburgh Airport Rail Link.

Yours sincerely

TOM AITCHISON Chief Executive

Andrew Holmes, Director of City Development CC Donald McGougan, Director of Finance

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