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**From:** Alan Coyle [Alan.Coyle@tie.ltd.uk]  
**Sent:** 04 November 2010 16:08  
**To:** Nick Smith; Carol Campbell  
**Subject:** FW: Litigation Costs

fyi

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**From:** Stewart McGarrity  
**Sent:** 04 November 2010 13:45  
**To:** Susan Clark; Alan Coyle; Gregor Roberts  
**Subject:** FW: Litigation Costs

See below my latest request of DLA and now McGrigors for more help on the litigation costs estimate.

S

**Stewart McGarrity**  
*Finance Director*  
**Edinburgh Trams**  
**Mobile:** [REDACTED]

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**From:** Stewart McGarrity  
**Sent:** 04 November 2010 13:44  
**To:** 'Glover, Joanne'; Brandon Nolan (Brandon.Nolan@mcgrigors.com)  
**Subject:** RE: Litigation Costs

Jo/Brandon,

Thanks for this Jo. What this is about is a reasoned estimate of the legal cost associated with litigation following a termination – I need to produce one for CEC and they want a corroborated opinion.

Below I've pasted a previous email from Andrew (and follow up comments from Tony) - we've been telling the Council £50m to include for expert witness fees is as good an estimate as any just now but that feels very heavy to me?

If there is anything you could add to this from experience or even the metrics (ie numbers of people x rate x days or months = fees) under a best and worst case outcome. Estimates of QC fees to be included.

Regards,  
Stewart

**Stewart McGarrity**  
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**From:** Anthony Rush [mailto:rush\_aj@cqm.co.uk]  
**Sent:** 02 September 2010 20:43  
**To:** 'Fitchie, Andrew'; Richard Jeffrey  
**Cc:** Stewart McGarrity  
**Subject:** RE: Cost of termination

I doubt whether it would be worth pursuing them. I agree that the norm for taxing the costs is 40%.

I would add a year's delay costs to my liability earlier plus £30- 50 million for legal costs

Tony

**From:** Fitchie, Andrew [mailto:Andrew.Fitchie@dlapiper.com]  
**Sent:** 02 September 2010 20:19  
**To:** Richard Jeffrey; Anthony Rush  
**Cc:** Stewart McGarrity  
**Subject:** RE: Cost of termination

**Legally privileged and FOISA Exempt**

Richard

On the litigation cost, one's costs at £50 million would be top end. Litigation commences predictably enough and most firms can give budgets and some measure of capping. it is often the other parties' conduct and Court timetable which increases cost

My own estimate for a case coming to a full hearing over a two year period with a hearing lasting, say, three months, would in the £15-20 million range, with some cost recovery in the case of a win ( calc. based deploying (full on) a five man team and Counsel) but I will check with colleagues.

If there were appeals, then costs would reflect this but not in multiples, since appeals do not involve the groundwork of evidence preparation and preliminaries. Add another 5 million, perhaps.

So that a winning case through to highest authority: £25/27 million, with prospect of perhaps 60% recovery on costs.

kind regards

**Andrew S. Fitchie**  
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**From:** Glover, Joanne [mailto:Joanne.Glover@dlapiper.com]  
**Sent:** 03 November 2010 20:04  
**To:** Stewart McGarrity  
**Subject:** Litigation Costs

**Legally privileged and FOISA exempt**

Stewart,

Andrew had mentioned (last week) that you may be looking for some further information from us in respect of litigation costs. Did you get everything which you needed from us? Brandon is now probably the right person to help with the detail of this question, but if you do need anything else from us, let me know.

Kind regards,  
Jo

Joanne Glover  
Solicitor

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