From: Colin MacKenzie

Sent: 04 December 2007 16:40

To: Alan Coyle

Cc: Alan Squair; Nick Smith; Rebecca Andrew; Duncan Fraser

Subject: TRAMS: COUNCIL REPORT: DLA LETTER

Importance: High

Alan,

We spoke about this matter at today's PLIG meeting. You asked me for some text for the Briefing Paper to the Directors.

A letter has been received from DLA in response to a request which I sent on behalf of the Council Solicitor. I am not satisfied that it provides the Council with the comfort which was anticipated by the Council Solicitor. Gill is on leave and I am not sure of her return date for the purpose of expanding upon the position for the Council report.

DLA are absolutely clear in advising that they have been working intensively under **tie's** instructions with BBS since the announcement of Preferred Bidder in October. What concerns me in the arrangement is that we can take no comfort that there has been Council input to that dialogue. That is perhaps no surprise. Duncan has also confirmed that he understands there to have been no CEC input. We have raised the question before as to whether Andrew Holmes can be said to be satisfied that **tie's** instructions to DLA would always reflect CEC's best interests. Experience would tend to suggest that the presumed commonality between **tie** and the Council cannot be taken for granted. It is now too late to do anything about this matter in terms of independent advice.

Kind regards,

Colin MacKenzie for Council Solicitor