
From: Rebecca Andrew [rebecca.andrew@edinburgh.gov.uk]
Sent: 04 December 2006 10:41
To: Lex Harrison
Subject: Re: EDINBURGH TRAM DRAFT FINAL BUSINESS CASE

Lex,

Nothing is needed in respect of MUDFA guarantee, as the contractor was content with a non-binding letter of comfort.

As far as the funding of legal staff is concerned, you'll need to see what Duncan has agreed with tie.

R

----- Original Message -----

From: Lex Harrison
To: Stewart McGarrity
Cc: Max Thomson ; Rebecca Andrew
Sent: Monday, December 04, 2006 9:54 AM
Subject: Fw: EDINBURGH TRAM DRAFT FINAL BUSINESS CASE

Stewart

Please see e-mail from Council Solicitor

Can you help me on the 4th and 5th bullet points?

I have been told that tie produced the proposed compensation scheme. Is that correct?

With regard to MUDFA is Council required to provide some guarantee or was there a letter of comfort issued to Contractors?

Lex

----- Original Message -----

From: Gill Lindsay
To: Lex Harrison
Sent: Friday, December 01, 2006 1:39 PM
Subject: EDINBURGH TRAM DRAFT FINAL BUSINESS CASE

EDINBURGH TRAM DRAFT FINAL BUSINESS CASE

REPORT TO COUNCIL 21 DECEMBER

Lex,

I have received a copy of the revised Draft Report to Council in respect of the above which was considered in some detail at yesterday's TRAM Internal Planning Group. As you know, Colin MacKenzie, who is leading for this division on the Project, is considering the Report with Alan Squair and will forward additional comments to you shortly and assist in any wording changes. At present, I am pleased to note some comments for inclusion as follows: -

- The Report does not yet contain a link with the previous October Report to Council to contain the resolution in respect of internal costs. My advice is that the Report clearly indicates the extent of internal Council resources with current resolutions.
- You may know that Jenny Drummond of this division has provided a very full note in relation to TEL and governance issues and required powers to be delegated to both TEL and the TRAM Project Board, in a recent memo to Keith Rimmer. My advice is that all required governance issues be dealt with in terms of this Report. Colin will provide further information and assistance to you in this.
- My advice is that we provide a further link to the previous October Report and advise on the progress of the GVD and notices sent to date.

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- There was some discussion at the TRAM Internal Planning Group on references to the business community. I understand that paragraph 4.8 will now be reworked to include the feedback from the business community: the benefits, the interim disruption and the compensation scheme.
- If the Council are required to provide a guarantee in respect of the MUDFA Contract, my advice is that approval is sought in terms of this report.
- With respect to bullet point 1 above and Council internal resources, my understanding is that a very considerable amount of internal resources will be required to service the work required from this division to assist in securing the Council contribution referred to at point 4.12 in respect of Section 75 Agreements and sales/capital receipts of properties. There is a current agreement for two FTE's in Legal to be funded, though required codes are awaited to allow the drawing down of this sum. This issue is being progressed with the Director's office.

Kind regards

Gill
