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**From:** Rebecca Andrew [rebecca.andrew@edinburgh.gov.uk]  
**Sent:** 04 January 2007 10:45  
**To:** Donald McGougan  
**Cc:** Andrew Holmes; Duncan Fraser; Stephen Sladdin  
**Subject:** Re: Tram - additional grant in 2006-07

Donald,

Thanks for forwarding me the latest grant award from Transport Scotland.

I am concerned that **tie** have again failed to make the distinction between cash (as claimed from transport scotland) and accruals (as reported to the TPB) and have requested grant which will not be claimed in the current financial year.

Furthermore, I have been informed by colleagues in Corporate Property that significant expenditure in respect of land acquisition compensation is unlikely before the end of March.

It is therefore likely that we will need to request grant slippage of **at least** £10m, which could cause problems for Transport Scotland and reflects badly on TIE/CEC's financial management. I have contacted TransportScotland informally regarding the slippage of grant, but will need to work with **tie** before any formal request can be made.

It might be useful requesting **tie**/TransportScotland to ensure that all future funding requests are approved by CEC.

Kind regards,

Rebecca

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

**From:** Donald McGougan  
**To:** Rebecca Andrew  
**Sent:** Thursday, January 04, 2007 10:17 AM  
**Subject:** FW: Tram - additional grant in 2006-07

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**From:** [Damian.Sharp@transportscotland.gsi.gov.uk](mailto:Damian.Sharp@transportscotland.gsi.gov.uk) [mailto:[Damian.Sharp@transportscotland.gsi.gov.uk](mailto:Damian.Sharp@transportscotland.gsi.gov.uk)]  
**Sent:** 29 December 2006 15:28  
**To:** Andrew Holmes  
**Cc:** [willie.gallagher@tie.ltd.uk](mailto:willie.gallagher@tie.ltd.uk); [trudi.craggs@tie.ltd.uk](mailto:trudi.craggs@tie.ltd.uk); [stewart.mcgarrity@tie.ltd.uk](mailto:stewart.mcgarrity@tie.ltd.uk); Donald McGougan; [Matthew.Spence@transportscotland.gsi.gov.uk](mailto:Matthew.Spence@transportscotland.gsi.gov.uk); [John.Ramsay@transportscotland.gsi.gov.uk](mailto:John.Ramsay@transportscotland.gsi.gov.uk); [Lorna.Davis@transportscotland.gsi.gov.uk](mailto:Lorna.Davis@transportscotland.gsi.gov.uk)  
**Subject:** FW: Tram - additional grant in 2006-07

Andrew

Sorry that 2 versions got attached to the earlier e-mail. For the avoidance of doubt I am resending with the correct version.

Damian

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

**From:** Sharp DP (Damian)  
**Sent:** 29 December 2006 15:25  
**To:** 'andrew.holmes@edinburgh.gov.uk'  
**Cc:** 'willie.gallagher@tie.ltd.uk'; 'trudi.craggs@tie.ltd.uk'; 'stewart.mcgarrity@tie.ltd.uk';

'Donald.mcgougan@edinburgh.gov.uk'; Spence M (Matthew); Ramsay J (John); Davis L (Lorna)

**Subject:** Tram - additional grant in 2006-07

Andrew

I attach an electronic copy of a letter extending the period of grant for the tram to end March 2007 – previously the grant had been due to run out at end January 2007. The letter also confirms the ability to draw down the underspend from 2005-06 – this has been agreed for some time but until we were sure that it was likely to be needed Transport Scotland had not confirmed this in writing.

Finally, the letter confirms that an additional £3.9m is available, if needed, to provide sufficient funding to complete the land purchase for the tram in 2006-07.

This is all in line with discussions that I have had with Stewart McGarrity at tie and with reports from tie and Transport Scotland to the Tram Project Board.

Hard copy will come to you early in the New Year

Have a good new year and an excellent Hogmanay celebration

Damian

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