



Sue Bruce
Chief Executive
City of Edinburgh Council
Waverley Court
4 East Market Street
EDINBURGH
EH8 8BG



12 May 2011

Dear Sue

TIE LTD AND TEL LTD NON EXECUTIVE DIRECTORSHIPS

I am writing to tender my resignation, with immediate effect, as a Non-Executive Director of TIE Ltd and TEL Ltd.

Following the Tram Project Board on Wednesday 11th May 2011 I was briefed on contractual and other decisions made arising from the Heads of Terms agreement reached earlier this year.

As I have not been given the opportunity to exercise the independent judgement and scrutiny required of a Non-Executive Director before those decisions were made, and which I understand will be recommended for approval by the Council at a meeting on Monday 16th May 2011, I believe it is now essential that the governance arrangements applied to the Edinburgh trams project, and particularly to any proposed contractual variations, are realigned with the current decision making arrangements.

The Non-Executive Directorships, with their associated legal duties, are no longer compatible with these decision making arrangements. I was appointed as a Non-Executive Director in 2006. I believe now is the right time to make the necessary changes in project governance.

I fully support CEC's proposal to review the governance arrangements, and believe new arrangements should be introduced immediately. Removing the current Non Executive Directorships would also provide an immediate opportunity to streamline governance and remove unnecessary overhead costs.

I intend to make no public statements or comment about my resignation. I would be grateful if CEC would let me know in advance if CEC makes a public statement at any point in relation to this matter.

I am copying this letter to Vic Emery.

Yours sincerely



Neil Scales OBE



12 May 2011

Sue Bruce,
Chief Executive,
City of Edinburgh Council,
Waverley Court,
4 East Market St.,
Edinburgh EH8 8BG

(by e-mail to sue.bruce@edinburgh.gov.uk)

Dear Sue

Non Executive Directorships TIE and TEL

I would advise that I am tendering my resignation from the Boards of TIE Ltd and TEL Ltd with immediate effect. Along with other Directors and members of the Tram Project Board I was briefed at this week's meeting (11 May) on the outcome of the mediation discussions held with the Consortium. Given the sequence of events I have been unable to exercise the scrutiny of the proposed arrangements consistent with performing the role of a non- executive director.

In addition I believe the time is now right to urgently review the governance arrangements for the project and put in place a structure which is appropriate for the new approach to working with the contractor.

Delivering the Edinburgh Tram project must remain a priority for the City. I sincerely hope that the revised arrangements will bring success and wish you well in bringing the project to fruition.

Yours sincerely,

Peter Strachan

Copy Vic Emery, Chair TIE, TEL

Sue Bruce
Chief Executive
City of Edinburgh Council
Waverley Court
4 East Market Street
EDINBURGH
EH8 8BG



12 May 2011

Dear Sue

TIE LTD AND TEL LTD NON EXECUTIVE DIRECTORSHIPS

I am writing to tender my resignation, with immediate effect, as a Non Executive Director of TIE Ltd and TEL Ltd.

At the Tram Project Board on Wednesday 11 May 2011 I was briefed on contractual and other decisions made arising from the Heads of Terms agreement reached earlier this year. As I indicated at the meeting I had not been given the opportunity to exercise the independent judgement and scrutiny required of a Non Executive Director before those decisions were made, and which I understand will be recommended for approval by the Council at a meeting on Monday 16 May. It is now essential that the governance arrangements applied to the Edinburgh trams project, and particularly to any proposed contractual variations, are realigned with the current decision making arrangements. The Non Executive Directorships, with their associated legal duties, are no longer compatible with these decision making arrangements. I was appointed as a Non Executive Director in 2006. I believe now is the right time to make the necessary changes in project governance.

I fully support CEC's proposal to review the governance arrangements, and believe new arrangements should be introduced immediately. Removing the current Non Executive Directorships would also provide an immediate opportunity to streamline governance and remove unnecessary overhead costs.

I intend to make no public statements or comment about my resignation. I would be grateful if CEC would let me know in advance if CEC makes a public statement at any point in relation to this matter.

I am copying this letter to Vic Emery.

Yours sincerely

Kenneth Hogg

from **Brian Cox**

[REDACTED]
Scotland

T [REDACTED]
E [briancox@\[REDACTED\]](mailto:briancox@[REDACTED])

Sue Bruce,
Chief Executive,
City of Edinburgh Council,
Waverley Court,
4 East Market St.,
Edinburgh EH8 8BG

(by e-mail to sue.bruce@edinburgh.gov.uk)

5-Jul-11

Dear Sue

NON-EXECUTIVE DIRECTORSHIPS: TIE, TEL, ETL

I am writing to tender my resignation as a Non-Executive Director of TIE, TEL and ETL (Edinburgh Trams Ltd) with immediate effect.

Along with other Directors, I was briefed on the latest developments at the Tram Project Board yesterday (11 May), following the agreements reached with the contracting consortium through mediation. I believe it is now essential that project governance is brought into line with current decision-making arrangements. I do not consider that the current Non-Executive Directorships, with their associated legal duties, are compatible with these arrangements, which have left me unable to exercise the independent scrutiny function required of a Non-Executive Director in relation to the package of measures about to be presented to the Council.

I fully support the need to review governance structure, and urge you to introduce the new arrangements without delay.

I very much hope that the project can be brought to a successful conclusion and wish you and Vic good fortune in your efforts to bring it about.

Yours sincerely,

BRIAN COX

Copy to: Vic Emery, Chairman TIE/TEL/ETL

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