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**From:** Nick Smith  
**Sent:** 28 August 2007 13:30  
**To:** Colin MacKenzie  
**Cc:** Alan Squair  
**Subject:** Tram contracts

Colin

Given the nature of our recent discussions and the content of your recent emails to Gill, I was somewhat surprised to receive your email this morning.

The tram team have discussed the implications of the review of such contracts at length over the past few weeks. My understanding from you is that City Development and Finance have urgently requested an external legal review (I also note that the recent paper to Councillor Mackenzie mentioned this). You have now forwarded nearly 1000 pages of agreements to me and requested comments in less than 36 hours. Even ignoring the issues which have been identified by you to Gill over the past two weeks, this would be an impossible task.

I refer you to your email to Gill dated 15 August which you copied me into and in which you highlighted a number of issues surrounding such a review. You noted that "Legal Services has neither the experience nor manpower to undertake such a comprehensive task, even if time were available". I agree with this and am therefore surprised at the email received today. As discussed with you at length, anything less than a comprehensive review of risks and obligations would not in my view be in the Council's best interests and I would be failing in my professional obligations if I did not raise this issue with you. Unfortunately, given the circumstances, it will not be possible for me to respond as requested.

As discussed, I look forward to being able to assist yourself and Alan with other more appropriate matters in relation to the Tram project.

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