

Forth Replacement Crossing
Major Transport Infrastructure Projects

Buchanan House, 58 Port Dundas Road, Glasgow G4
0HF
Direct Line: 0141 272 7578
frcenquiries@transportscotland.gsi.gov.uk



Mr Steve Farrell
Clerk to the Transport, Infrastructure and
Climate Change Committee
The Scottish Parliament

Our ref: C2245820

Date: 18 March 2011

Dear Mr Farrell

Forth Replacement Crossing

I refer to the evidence given by officials of the Forth Replacement Crossing team to the Transport, Infrastructure and Climate Change Committee on 15 March 2011.

At the Committee session officials agreed to provide clarification in respect of the financial penalty that would be incurred, should the incoming Government decide not to proceed with the Forth Replacement Crossing project.

Scottish Ministers are entitled to terminate the Contractor's employment under the contract at any time, giving notice of 28 days.

In the event of such an occurrence Scottish Ministers would be liable for amounts payable in accordance with the Contract for any works carried out by the Contractor. This would include those works which are part completed, cost of Plant and Materials that have been delivered to the Contractor or of which the Contractor is liable to accept delivery, costs and profit thereon associated with any binding commitment that the Contractor has entered into related to the Principal Contract Works and any other cost or liability which has been incurred by the contractor which has reasonably, properly and directly been incurred by the Contractor in the expectation of completing the works. They would also be entitled to claim for costs incurred in the removal of any Temporary Works and Contractor's Equipment from the site.

It is not possible to provide a range of indicative costs as this is entirely dependent on the timing of the Contract termination event.

I hope the above provides you with the additional information you required. Should you require any further clarification please do not hesitate to make contact.

Yours sincerely

A handwritten signature in black ink, appearing to read 'DCL', is written over a horizontal line.

David Climie CEng FICE
FRC Project Director