SCOTTISH EXECUTIVE DEVELOPMENT DEPARTMENT TRANSPORT AND PLANNING GROUP – TRUNK ROAD DIVISIONS MANUAL OF CONTRACT DOCUMENTS FOR HIGHWAY WORKS (MCHW) VOLUME 0: SECTION 1: MODEL CONTRACT DOCUMENT FOR HIGHWAY WORKS PART 3: MODEL CONTRACT DOCUMENT FOR HIGHWAY WORKS (For use in Scotland) - August 1994 SEDD INTERIM AMENDMENT NO 14

INTRODUCTION

Section 16 of the Finance Act 2001 introduces an Aggregates Levy in respect of aggregates used for commercial exploitation, such as for construction purposes. The aggregates covered are rock, gravel, sand and the like. The implementation date for payment of the levy is 1st April 2002. As quarry owners are responsible for registering their sites and for paying the levy as administered by Customs and Excise, tenderers are in the position of being able to contact their customary suppliers of products affected by the levy to ascertain its full effects on projected pricing and, as a result, to take account of such factors in pricing of their tenders. The Aggregates Levy will not be considered as a valid basis for claims for additional payment on trunk road contracts.

AMENDMENT

1. On page ii of 'Instructions for Tendering', paragraph 2 should be deleted and replaced by the following:-

2. (i) Tenderers should note that the Contract will not include a Contract Price Fluctuations Clause.

(ii) Tenderers are required to take account within their tenders of the Aggregates Levy (as introduced by section 16 of the Finance Act 2001) and all associated expenses and liabilities, and the effects of such matters shall be deemed to have been included within their tender rates and prices.

ENQUIRIES/

ENQUIRIES

These should be addressed to:-

Contracts Policy and Finance Branch Transport and Planning Group: TR: DCD Scottish Executive Development Department Area 2E Victoria Quay EDINBURGH EH6 6QQ

JOHN HOWISON Chief Road Engineer

March 2002