

PQ No

5630E

MP's Name

MADDEN, Max

Party

Labour

Constituency

Bradford West

Hansard - Column

13 Jun 89 - 401

Question

To ask the Secretary of State for Defence, if he will make a further statement about penalty costs associated with the Trident programme?

Answer

The Trident programme includes a wide range of contracts. In accordance with MOD policy, all provide where applicable for payment of liquidated damages by the contractor to compensate MOD for the consequences of late delivery of equipment. Equally, provision is made for the prime contractor to recover incurred expenditure and additional costs arising if the MOD cancels a contract. The level of recovery possible will vary, and will depend on a number of factors, including the timing and circumstances of the cancellation.

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