

APPENDIX A – AMOUNTS CLAIMED FROM THIRD PARTIES

1. This Appendix sets out the principles to be followed when calculating the maximum amount to be claimed for damage to Crown Property when the *Provider* is pursuing a claim against any third party to recover the costs involved in the name of the *Employer*.
2. The Table below lists those heads of cost that can be considered for recovery as part of the cost of the damage.

Item		Method of assessing cost	Credit to be allocated to
(a)	Repair of damage including supervision and management	Defined Cost	Item A.406
(b)	Traffic management during repair	Defined Cost	Item A.420
(c)	Initial response to incident, clear up and make safe	Defined Cost	Item A.405
(d)	Planning repair of damage	Third Party Claims Overhead	Item A.406
(e)	Additional costs of depot space required for storage of any material over and above normal routine maintenance requirements		
(f)	Additional finance charges not recovered under fixed overheads, for delay in recovery from third party/insurers		
(g)	An allowance for fixed overheads		

3. The Third Party Claims Overhead is the amount calculated by applying the *third party claims overhead percentage* to the total Defined Cost for items (a), (b) and (c).
4. The *third party claims overhead percentage* is the forecast cost for the contract period of items (d) to (g) divided by the forecast cost for the contract period of items (a) to (c) expressed as a percentage.
5. The allowance for fixed overheads is calculated by applying a percentage to the total for items (a), (b) and (c) which is the same percentage that the tendered lump sum fixed overheads for the contract period (items A.101 to A.102 in Appendix A to the Pricing Schedule); bear to the tendered total of the payments for the contract period for Lump Sum Duties in Section A of the pricing Schedule (excluding the lump sum fixed overheads and any tendered credit for third party claim recovery).
6. The costs for item (e) shall not include any costs associated with Employer's Premises.
7. The claim must include the cost of any Employer's Stocks used in the repair.

8. The amount to be claimed is no more than:
Total Defined Cost for Items (a), (b) and (c) + Third Party Claims Overhead.