

CONFIDENTIAL



LCPC

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref:

11 April 1984

Dear Michael,

N.B.P.N.

A.S.C. 1/4

FALKLAND ISLANDS - FURTHER CAPITAL COSTS

Thank you for sending me a copy of your minute of 6 April to the Prime Minister. I have no comment on your proposals, about which our staffs have been in close touch, and I look forward to hearing that the way is clear to open discussions with potential contractors for Phase II of the work. Negotiating some of the items with the Laing-Mowlem-Amey Roadstone consortium makes good sense for, in addition to the reasons you mention, I was becoming concerned that the timetable of February 1986 for the critical items at Serials 1-4 might slip.

For the rest of the work PSA will continue to aim for completion by December 1986 as originally envisaged, but as time has been lost I may need to return to the point when discussions with contractors have taken place.

The public handling of the matter will also, as you say, need careful attention and my officials will be in touch with yours. From PSA's point of view there will need to be a general statement when tenders are invited followed by a more detailed statement, to include costs, when the contract is let.

I am copying this to the Prime Minister and to the other members of OD(FAF).

*Yours ever
Patrick*

PATRICK JENKIN

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Argentina Defence Pt 14

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