

Donald McGougan  
Treasurer  
Forth Estuary Transport Authority  
10 Waterloo Place  
Edinburgh  
EH1 3EG

Your ref: JC212/AG  
Our ref:  
20 March 2008

Dear Donald

## **GRANT-IN-AID FOR FORTH ESTUARY TRANSPORT AUTHORITY FOR REVENUE AND CAPITAL EXPENDITURE IN 2007-08**

I refer to your letter of 7 March about the agreed Revenue and Capital Resource Grants for 2007-08. I am writing to confirm that the Scottish Government will provide to the Forth Estuary Transport Authority (FETA) ("the Grantee") Revenue Grant-in-aid of £3,500,000 STERLING, to be paid on 26 March 2008. In addition, the Scottish Government will provide to the Forth Estuary Transport Authority (FETA) ("the Grantee") Capital Grant-in-aid of £4,500,000 STERLING, again to be paid on 26 March 2008.

The Grants-in-aid shall be used to fund and support the Grantee's one-off costs arising from the abolition of bridge tolls, and to fund capital expenditure in 2007-08, in line with the commitment given by the Scottish Ministers during the passage of the Abolition of Bridge Tolls (Scotland) Bill, and agreed in recent meetings of the Tay Road Bridge Joint Board Reference Group.

This offer is subject to the general terms and conditions which were set out in Keith Main's Offer of Grant letter to you dated 30 August 2007. The statement of compliance referred to in paragraph 3.2 and Schedule 3 of that letter shall be taken to cover both the capital grant referred to therein, and the revenue grant and additional capital grant offered in this letter.

I would be grateful if you could acknowledge receipt of this offer of Grant-in-aid by return, so as to allow payment to be made on 26 March.

Yours sincerely

**CHRIS ROGERS**