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REPORTER: Gerry Northam

PRODUCER: Andy Denwood

EDITOR: David Ross

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MOD CLIP – AFGHANISTAN WAR – SOUNDS OF GUNFIRE AND SHOUTING

NORTHAM: Thousands of British troops have been wounded and well over two hundred killed in Afghanistan. In the past eight years, repeated complaints about equipment have come back from the front line, with reports of ill-protected vehicles, shortages of body armour and night goggles, and most recently a dangerous lack of usable helicopters. The Government insists things are going to plan.

DAVIES: There is a continuous pipeline of improvement in defence procurement. That is the motto by which I live and all those who work for me live.

NORTHAM: But that’s not how it looks to the families involved.

LISA: I feel, like, sick to the stomach because I think these lads, they’re going over some of them at eighteen, and they know the dangers, and the least they could do is give them the right equipment.

NORTHAM: Former military officers complain of a procurement system which is sluggish, incompetent and strapped for cash. A blistering official report, not yet released by Downing Street has already been partially leaked. It catalogues massive cost overruns, systematic delays and a funding gap of £35 billion in the MOD equipment budget. So why does it seem so hard to buy the right equipment for our armed forces?

SIGNATURE TUNE

PAULINE: The phone rang and I expected a normal phone call, and he started talking, he was extremely distressed, he'd just heard about three other soldiers that had been killed in the next compound.

NORTHAM: It was early July this year when Pauline heard from her son Terry, who's a sniper serving in Afghanistan. And she soon realised that it wasn't only the loss of comrades that was troubling him. It was the procurement system which had failed to supply him with the proper kit, including a helmet that would fit with his body armour.

PAULINE: He started telling me things that he'd never told me before, that they hadn't got the correct sights for their guns, the correct armour, the correct helmets. The problem was when they had to lie down flat on the ground, the helmet at the back hit his body armour and so went forward and actually went in front of the eyes.

NORTHAM: So he couldn't see properly?

PAULINE: He couldn't see, no. So the few seconds it took them to lift the helmet up, somebody might have shot them.

NORTHAM: So he is a sniper, he had a helmet which obscured his vision when he lay flat and he hadn't got the correct sights for his rifle?

PAULINE: That's right, yes.

NORTHAM: When Pauline told her husband, Ian, what she'd just learned, they recalled earlier problems Terry had reported with equipment on a previous tour in Afghanistan.

PAULINE: The first time he went out, he rang me up and said could I send him the jungle camouflage, because they had only got the desert camouflage and they were actually fighting in what they called the green zone, so they needed the green camouflage and they'd only got desert camouflage.

IAN: And would you believe, would you believe, while he's out there doing this and he's out there fighting, I'm actually in Halfords in Derby looking for sand-coloured spray paint to send to him so that he could camouflage his rifle, and I went to Halfords looking for the best-coloured match I could imagine the sand in Afghanistan might look like, and we posted it off to him and of course that was confiscated, he never got the aerosol.

NORTHAM: But you felt you had to do that?

IAN: Yes, he asked us to. He asked us to.

NORTHAM: Pauline and Ian say their son has now, almost at the end of his tour, received the proper helmet, sights and armour he needs. But their anxiety over his earlier safety reflects a widely-reported view that soldiers at the front line are being let down by the combination of ministers, civil servants and officers in Whitehall whose job is to purchase and supply equipment on time.

IAN: These boys are all professionals, they enjoy their job. They are brave young men who stick together and do their absolute best for their country. They're sent out there in the belief that what they're doing is valued, and it's very distressing to think that the very people that send them out there, they're depriving them of the equipment that they should have. And there's absolutely no way that we're not right, because our son's out there on the front line. If all the deaths of our soldiers were analysed, how many, how many are going to be found to have been preventable had they had the correct body armour, had they not been in that particular vehicle at that particular time? There isn't a night goes by hardly it seems, watching the TV in this house, that there's not some tears shed at some point when the news is on. It's awful for the families, it really is awful, and it's not made any easier by the anger and resentment that you build up towards the Government.

NORTHAM: For the Government, the Defence Minister Quentin Davies sees criticism of the procurement system as misplaced.

We have spoken to the family of a sniper who was sent to Afghanistan this year. He had a helmet that, when you lay flat, came down over his eyes so he couldn't see. He had the wrong sight for his rifle and he had inadequate body armour.

DAVIES: Well, what he certainly would have had is the best body armour that we had available or that we could buy or that money could buy in the world at the time when he went there.

NORTHAM: Well he's now had it improved, but when he was sent to Afghanistan it was clearly not fit for purpose, was it?

DAVIES: Well it was the best which was available at that time. What we do in defence procurement - and you can't do more than that if you think about it - is to make sure that we provide the best equipment that money and technology can provide at that particular time. There is a continuous pipeline of improvement in defence procurement. That is the motto by which I live and all those who work for me live.

NORTHAM: How can it be then that the father of that sniper told me that he had himself to go to a shop to try to buy a spray paint that was roughly the colour of what he thought the Afghan sand might be in order to have his son's rifle sprayed so that it wouldn't be so visible.

DAVIES: That simply can't be right and I have to tell you that ...

NORTHAM: Well, that's exactly what the father told me.

DAVIES: Well, I'm afraid there's some clear misunderstanding then. Nobody goes and buys paint in order to spray their own rifles in Afghanistan. All the weapons we issue are issued of the best possible specification and indeed we wouldn't allow people to use weapons or to use any other personal kit which wasn't the particular kit that was specified.

NORTHAM: But the point is, why did that soldier not have his rifle coloured the right way in the first place?

DAVIES: He would have had his rifle coloured the way in which the army felt it was going to be most effective and safest for him.

NORTHAM: Tragedies involving vehicles have dogged the Ministry of Defence in recent years.

EXTRACT FROM NEWS REPORT

NEWSREADER: Two British soldiers serving with NATO forces in Afghanistan have been killed while on patrol in the south of the country. A third soldier ...

NORTHAM: Soldier after soldier has died driving over roadside bombs in lightly armoured vehicles, which proved poorly protected against blasts. Defence experts trace the origin of these equipment failures back to the broader failure of a comprehensive procurement plan for armoured vehicles known as FRES, the Future Rapid Effects System. It was supposed to provide more than three thousand trucks, troop carriers and reconnaissance vehicles in a co-ordinated fleet which could be put to use in a range of conflicts. The specialist press gave it a big build-up:

READER IN STUDIO: The £13 billion FRES programme is the highest priority equipment programme within the British Army.

NORTHAM: Which makes you wonder what could possibly happen to lower priority equipment programmes, because the FRES system has yet to produce a single vehicle after more than a decade and at the cost of millions of pounds. The Defence Select Committee, under its Chairman James Arbuthnot MP, looked into the procurement programme and found it sadly wanting.

ARBUTHNOT: We described the entire process as a fiasco. It had gone on for many many years and had produced absolutely nothing to show for it at a cost of well over £100 million, with industry wasting its own money often to produce blueprints of

TUSA: We have ended up buying a lot of batches of different vehicles – two hundred here, three hundred there. A lot of vehicles with different engines, different transmissions. In theory there is a plan to harmonise all of these, but from what I see it's not exactly top of the list. It is a very low priority programme and it can end up costing appalling sums of money.

NORTHAM: Costing extra money because?

TUSA: It is inherently more expensive to have to maintain five different fleets of different vehicles than if, for the sake of argument, you have one coherent fleet with common engines and common transmissions, common parts – you name it. Training has to be different for different vehicles. Maintainer training has got to be different, you've got to hold different stocks of spare parts. It is all cost. It's the type of thing which, time and time again, hits the MoD when it least expects it, and why it's not expected nowadays I don't know.

NORTHAM: Worse still, some of the urgently acquired vehicles have themselves proved hopelessly unsuited to the war Britain is actually fighting. In 2007, the Government used an Urgent Operational Requirement purchase to bring in the Vector armoured truck. Almost immediately it ran into problems. An investigation team from the National Audit Office, led by Mark Andrews, visited troops on the ground to discover what was going wrong.

ANDREWS: Vector, when it was brought in, suffered from poor reliability, and the analysis in our report shows that the availability of the vehicle over the period we looked at dipped to 60%.

NORTHAM: You mean they could only use 60% of the vehicles they'd got?

ANDREWS: It means that of the vehicles that were in theatre, they were available for 60% of the time. That's an average.

NORTHAM: And why was that?

ANDREWS: That's, by and large, down to particular problems around the wheel hubs, which essentially broke and suffered with problems because of the weight-carrying capacity.

NORTHAM: And what was wrong with the wheel hubs?

ANDREWS: I'm not an engineer as you appreciate, but essentially they were not strong enough to carry the weight of the vehicle when it was fully loaded.

NORTHAM: And no one had spotted that?

ANDREWS: That had not been spotted, no. I think it is difficult to say why that is. Of course, when you are going through a UOR process, your focus is on getting vehicles into the operational theatre. I'm sure the Ministry of Defence did a certain amount of testing, but the bottom line, we would say, is that you need to be absolutely sure that you have done sufficient testing that you know a vehicle is going to be reliable.

NORTHAM: And they didn't in this case?

ANDREWS: The proof of the pudding is in the eating and the vehicle was insufficiently reliable when it was in theatre,

NORTHAM: After only two years, the Vector armoured truck is being withdrawn from front line use in Afghanistan, leaving red faces among military and civilian staff when they've been asked to explain to Parliament why it was ever sent there. The misuse of the Vector vehicle in Afghanistan didn't only waste money and cause frustration - it cost lives.

ACTUALITY WITH LISA AND LILLY

LISA: What've you done today?

LILLY: I've been playing at school

LISA: Have you? Have you had anything nice for dinner?

LILLY: Yes.

LISA: What have you had?

LILLY: I've had potatoes...with...

In a large, smartly-decorated house in Stockton-on-Tees, Lisa McIntosh welcomes her daughter Lilly home from school.

LILLY: For my dessert I had chocolate cake and ...

LISA: That's good.

NORTHAM: Lilly's father, Sergeant Lee Johnson, joined the army at the age of 16, and in late 2007 was serving in Afghanistan, near Musa Qala. He was sitting in the front passenger seat of a Vector truck, battling to retake a Taliban stronghold, when he was blown in two by a mine at the age of 33.

LISA: This is the last email I got from Lee, which was on the 5th December, on the Wednesday. He passed away on the Saturday. "Well angel, going at 2 in the morning. This is the biggest thing since D-day and I am not lying, I am worried, but got to make it home for my family. You must understand this could be my last message to you so I am going to say a few things. You know I love you with all my heart and always will. The thought of not holding you in my arms'

NORTHAM: Sergeant Johnson's final message went on to give details of what he wanted done with his pension if he didn't come back, and even what music should be played at his wake. His fiancée Lisa knew he had little faith in the Vector they'd been supplied with that year as an Urgent Operational Requirement. She had grown used to receiving messages from him, detailing what he saw as the inadequacy of military supplies.

LISA: He was worried they didn't have the right equipment. The equipment they had wasn't very up to much and the lads weren't ready. The problem was, the vehicle he was in, on the seat he was sat, which was the passenger side, it didn't have, like, metal plating so that if there was a blast under the vehicle, he would take all the blast. So after Lee passed away I was talking to his friends, and Lee had spent the whole morning trying to put metal plating under the seat so that if there was a blast, that the plating would take the blast.

NORTHAM: He tried adapting the Vector himself, did he?

LISA: He did, yes, by putting metal armour under it, or bits of metal. But the problem he had was, when he did that and tried to get into the vehicle, he couldn't get into the vehicle with his helmet on, because it wouldn't fit in, so he had to take it all off. And sometimes I think maybe, well, if he had left it on, would he still be here today or, better still, if he'd have been in a different vehicle.

NORTHAM: The Ministry of Defence is acutely sensitive to the charge that it fails to supply the right equipment. The use of Vector trucks may seem from the outside to have been a costly, literally fatal, error. But the Defence Minister, Quentin Davies, sees it as part of a careful strategy to do the best for British forces.

DAVIES: What happened was we had a vehicle which originally was used in Northern Ireland, it was very effective there, called Snatch, which is a reinforced Land Rover, if you like. Not adequate for the kind of challenges that we now face in Afghanistan, and we have improved that by going to something called Snatch Vixen, and we're now improving that to go to something called Snatch Vixen Plus. And we also procured Vector, because that was a greatly improved vehicle and it was going to be better than Snatch, it certainly was better than Snatch and we were glad to have it at the time.

NORTHAM: It wasn't that much better, the problem was the wheel hubs kept breaking.

DAVIES: Well, yes, we did have problems like that, partially because the terrain in Afghanistan was, of course, extremely difficult, extremely rocky, extremely rough and you've got to go very fast over it.

NORTHAM: And no one had noticed that before they were sent?

DAVIES: Well they was the best that was available at the time. I repeat. We are now doing far better. We are withdrawing Vector, we are replacing with other vehicles which are far better than Vector.

NORTHAM: Was Vector not a foreseeable disaster in Afghanistan? I mean, according to the National Audit Office only 60% of them were available because they kept having the wheel hubs break, and also because they weren't properly armoured underneath, soldiers died in explosions.

DAVIES: Well, you know, tragically in wars people will always die. That is a horrible thought, I'm afraid it is a fact.

NORTHAM: But it's your job to see that they are as well protected as they can be against what is going to hit them.

DAVIES: It absolutely is. Which is precisely why we replaced the original Snatch by Vector and by Snatch Vixen, both of which are a good deal better than Snatch.

NORTHAM: This is not much comfort to families who have lost a soldier.

DAVIES: But you know, but please, do understand that if you have a continuous pipeline of improvement, what does that mean? That means what we have got today is better than what we had yesterday. It was the best we could do at the time.

NORTHAM: The Army now has the latest, fully mine-proofed vehicle at its disposal.

EXTRACT FROM FORCE PROTECTION PROMOTION

MAN: Our vehicles are kept These vehicles save lives.

NORTHAM: The American-made Mastiff was bought as an Urgent Operational Requirement and was welcomed by troops in Iraq. But even it suffered from breakdowns when it was transferred to the punishing landscape of Afghanistan. A fleet of 87 Mastiffs went through 176 wheel axles and suspensions in short order. But, as the defence analyst Francis Tusa was surprised to learn, getting spare parts proved a nightmare.

TUSA: When we bought the Mastiffs, no one particularly bothered looking at things like support, maintenance, spare parts, all those deeply un-sexy topics. Yes the requirement was to get a protected vehicle into theatre - great, but ultimately a superb vehicle with no support and no spare parts is a rather large paperweight. And this is the problem and we got caught short about six to eight months later when, because we were using Mastiffs so intensively, we were going through the spare parts like there was no tomorrow and the problem was the supply chain was not set up to supply the spare parts to the UK.

NORTHAM: Well we should surely have been able to go back to the manufacturer and say, 'We need some more spare parts, can we buy them?'

TUSA: At that time their answer was by law and contract, their responsibility was to supply the US customer first, and that as soon as they had done that, then they would be in a position to supply spare parts to the UK. Also, because of the nature of the contract, an American contract, we couldn't say, 'Ah well, we'll just go and source our spare parts ourselves.' The answer is no, the contract says you can't do that.

NORTHAM: At one stage last year, only 20% of the fleet of Mastiffs were fully fit for service - a position which has now eased, thanks to a late change eventually negotiated in the contract. The current most significant focus of troops' complaints in Afghanistan concerns helicopters. The Government insists there are enough of them. But it was mightily embarrassed in July when the then head of the Army,

NORTHAM cont: General Sir Richard Dannatt, had to fly in an American helicopter because there wasn't a British one available. Some £350 million are now being spent to bring some old helicopters up to scratch.

ACTUALITY OF PUMA HELICOPTER, RAF BENSON

NORTHAM: At RAF Benson in Oxfordshire, a fleet of Puma helicopters is being shipped off one by one to a factory in Romania for an upgrade. Each can carry sixteen fully-armed soldiers. And to Squadron Leader Chris Mullen, the enhanced Pumas will be just what our forces in Afghanistan need.

ACTUALITY OF PUMA HELICOPTER

MULLEN: We're getting new engines. These are more powerful, they're more efficient and therefore they increase our ability to lift by up to about 35% and they increase our range by about 25%, and it also means that we'll be able to take it to Afghanistan and operate in a very austere environment there. I think it's fantastic for the force, everybody likes to know that their job is secure, and when your aircraft is coming to its end of service life, you're always wondering whether you're going to have to move. At least this way the people flying the Puma can look forward to at least another ten to fifteen years of Puma flying.

NORTHAM: The Government's decision to rely on upgrading an existing helicopter fleet, rather than buying a new purpose-built one, is widely criticised. The Pumas are already 38 years old and it is argued that having to keep using them reveals a failure in long-term procurement planning. The defence expert, Paul Beaver, argues that Britain's requirement for military helicopters was recognised almost a decade ago and, if only things had happened as intended then, British forces would by now have enough, with no need to keep the Pumas in service.

BEAVER: It was very straightforward in the beginning of this decade in 2000/2001, there was a major upgrade program, so the future medium helicopter program was initiated. Then along came an urgent requirement for money to be found for service accommodation for basically bringing up to normal standards what was out there in terms of service housing. It was going to take about £1.4 billion. Well, where could that be

BEAVER cont: found from? Ah, let's find it from the helicopters - and that's where it went. Mr Hoon took £1.4 billion out of the helicopter budget.

NORTHAM: Geoff Hoon, the then Defence Secretary?

BEAVER: Geoff Hoon, then the Defence Secretary took £1.4 billion out of the program, and that money was then invested in housing. Fine, that was needed as well, but not when you take it out of the helicopter budget, and now we're going to be 2017 to 2022 before we get the new helicopters.

NORTHAM: Not much use to the forces who are out there now?

BEAVER: No, we need helicopters this year rather than in 2017.

NORTHAM: So, while waiting for them, the elderly Pumas are to be kept in service. But, as a number of families have found to their great cost, there are aspects of the Puma's design which raise questions over its safety.

MCLAREN: My son joined the Air Force and enjoyed what he was doing. He was quite happy to serve in the Air Force, knowing full well that should a war situation come, he would have to do his job. He went to the Gulf War and came back in one piece.

NORTHAM: After six years in the forces, Sergeant Mark McLaren was back in Iraq in April 2007 and was on a mission with special forces north of Baghdad when he fell from a Puma helicopter during a botched landing and died. His father, Stuart McLaren, himself a former RAF serviceman, knows the full classified details of what went wrong. And he's able to disclose some of them.

MCLAREN: He was on his fourth tour. The day his body was repatriated back to the UK was the day he was due back from Iraq, on the 1st May. The night of his death, he was involved in an accident, which I can't divulge too much information. The accident resulted in him falling out of the aircraft and being crushed under the aircraft. The piece of equipment that he was using had been in the process of being modified to

MCLAREN cont: enable him or his colleagues not to fall out of the aircraft. And had it been modified before prior to the flight, he'd have suffered the accident maybe but he might not have fallen out of the aircraft and may not have died.

NORTHAM: Stuart McLaren's concern over the continued use of the Puma helicopter goes far beyond the particular failings which led to his son's death. It is, he believes, a piece of equipment whose time has already passed.

MCLAREN: 1971 it came into service. It is an old aircraft that's been modified and modified to the point where it's going to be eventually a pile of scrap. They're a slow helicopter, they're a top-heavy helicopter and these aircraft shouldn't be used in theatre and I think they should have been withdrawn, and hopefully then you won't see any more serious accidents in theatre.

NORTHAM: What do you then make of the decision by the Ministry of Defence that these helicopters are to be upgraded and given eight or ten years more life?

MCLAREN: Another ten years on this aircraft would make it approximately fifty years old. You certainly wouldn't be using a car after fifty years, and I believe a helicopter that's fifty years old should not be used.

NORTHAM: Mark McLaren's death, alongside one of his crewmates, was followed by two further Puma crashes in 2007, costing a total of seven lives. A strategic review was ordered by the top brass, which reported last year. It declared the Puma airworthy, but with some important caveats about its safety. One in particular triggered further concern that it is dangerously top-heavy. The MOD report said:

READER IN STUDIO: A high centre of gravity makes the aircraft prone to roll over during a forced landing.

NORTHAM: Which troubles not only the relatives of Puma crash victims, but also the Chairman of the House of Commons Defence Select Committee. James Arbuthnot MP is widely respected for his analysis of military issues. His Committee questioned the manufacturer, Eurocopter, and concluded that the helicopter should not be upgraded and kept in service. They remain unconvinced over its safety.

ARBUTHNOT: There are real concerns about whether it is crashworthy. Those concerns were not addressed to the satisfaction of the Defence Committee when Eurocopter came in front of us and said they were really perfectly satisfied with its crashworthiness. We were not satisfied with that. And so the age and the crashworthiness, made us feel that the life extension was the wrong decision.

NORTHAM: Crashworthiness is an exceptionally important consideration, isn't it?

ARBUTHNOT: Yes, of course it is. Extremely important, and therefore when the Minister says that he is happy with the crashworthiness of the Puma, that is something we have got to take extremely seriously indeed. But we have also got to form our own judgment on it and we were not happy that the Puma was as crashworthy as it needed to be.

NORTHAM: I mean, we are talking about soldiers' lives.

ARBUTHNOT: Yes. We are always talking about soldiers' lives in issues such as this. And sadly there are always trade-offs that you have to make in terms of money and equipment and often the price is in terms of soldiers' lives.

NORTHAM: The Minister responsible for Defence Equipment and Supplies, Quentin Davies, recently announced the decision to upgrade the Puma fleet, saying it shows the Government's determination to give our forces the equipment they need. He doesn't share Mr Arbuthnot's fears about safety.

DAVIES: He's certainly wrong about that. We have to get airworthiness certificates for all our helicopters. The Pumas actually have a very good record over the years so I don't know what the basis is for that particular anxiety.

NORTHAM: Well, the Strategic Review that the Ministry of Defence conducted last year said they were top-heavy, it said actually that a high centre of gravity makes the aircraft prone to roll over during a forced landing.

DAVIES: Well, I'm sure that these matters have been taken into account and we wouldn't have got airworthiness certificates for these helicopters if in fact they weren't airworthy.

NORTHAM: But it can't be right, can it, to keep a 38 year old helicopter going if it's top-heavy?

DAVIES: Well, no, it isn't top-heavy ...

NORTHAM: Well that's exactly what a high centre of gravity means.

DAVIES: Well, it doesn't mean it's over heavy at the top, of course it doesn't, otherwise it wouldn't have been a successful helicopter for thirty years, which it has been.

NORTHAM: James Arbuthnot, the chairman of the Defence Select Committee, also said to us he thought this decision reflected a trade-off between money and soldiers' lives. Is he right about that?

DAVIES: No, we don't in any circumstances compromise on people's lives. That, as I'm very sorry to say, is a tragically mistaken assumption on his part and I'm very sorry that he should stoop to saying such a thing.

NORTHAM: In chairing the Defence Select Committee, James Arbuthnot has investigated what he sees as the systematic failings of the Ministry when it comes to buying vehicles, helicopters and personal kit for British troops.

ARBUTHNOT: They are items of equipment which are largely late; they are largely more expensive, a lot more expensive than was originally envisaged; they are bought in smaller numbers at the end than was originally envisaged, and they end up with less capability. So that is four different areas where there is a serious problem with defence procurement.

NORTHAM: Is that just because the people up the road in the Ministry of Defence aren't good at doing the job or is there some peculiar difficulty of purchasing for the military?

ARBUTHNOT: It's not a problem of the people nearly so much as a problem of the incentives within the Ministry of Defence. At the moment, all the in-built structural incentives in the Ministry of Defence go to producing this bad result. They go towards delay because of the complications of the procurement system; they go towards expense, partly because there is an incentive to try and get the most complicated equipment you can possibly get rather than going for an 80% solution, which would probably be better in the long run. But all the incentives are wrong within the Ministry of Defence. It's not a question of people, it's a question of the structure.

NORTHAM: We've discussed the incentives within the procurement process with a number of serving and former MoD sources, who have told us that there is a strong tendency to over-estimate what is needed - as the Army, Navy and Air Force compete with each other for scarce resources, each unwilling to ask for less than the others. There are also incentives to under-estimate the cost of projects - firstly in order to get the bid accepted, and secondly because part of any cost overrun may be shared by all three services. So if your project ends up costing hundreds of millions more than predicted, your service may pick up only a third of part of the bill while getting 100% of the benefit. One current insider told us this is an example of game theory in operation.

READER IN STUDIO: The three armed services have an incentive to game the system by systematically overstating their requirements so as not to lose out to the other two, and systematically underestimating their costs.

NORTHAM: Government ministers are currently bracing themselves for the impact of an MoD report commissioned by the last Secretary of State, John Hutton, and written by a former senior Ministry adviser, Bernard Gray. It was supposed to be published in July, but Number 10 delayed it and parts have now been leaked. It studies in detail the progress of forty procurement projects and reaches a devastating conclusion, which File On 4 has seen. It is that projects run hugely over schedule - meaning equipment

NORTHAM cont: arrives years late at the front line - and costs are routinely exceeded, leading to a combined overspend of staggering proportions. This is exactly what the unpublished report says:

READER IN STUDIO: On average these programmes cost 40% more than they were originally expected to, and are delivered 80% later than first estimates predicted. In sum, this could be expected to add up to a cost overrun of approximately £35 billion and an average overrun of nearly five years.

NORTHAM: This indictment of the MoD's standard procurement system is already making very uncomfortable reading in Whitehall, where we understand that sterling efforts have been made to disprove it. But to no avail. Its statistical analysis is stark. The current total equipment budget of £6 billion a year is already over-committed by £2-3 billion each year, meaning that cuts of between a quarter and a third will be needed to bring it back on track. And that's before any general spending cuts after the next election. At the MoD, these calculations are given short shrift. The Defence Minister, Quentin Davies, rejects talk of a substantial shortfall in the equipment budget.

DAVIES: There is no catastrophic or disastrous funding gap of this sensational kind at the present time and we are continuing not only to support current operations, but we are also investing in core long term capabilities. Really I would have thought any fair-minded person would say we are doing pretty well on all these fronts.

NORTHAM: Are you over committed on the equipment budget for the next five years by two to three billion pounds a year?

DAVIES: I don't recognise that figure at all.

NORTHAM: Is there a total, as Bernard Gray's report says there is, of £35 billion over-commitment already in the equipment budget?

DAVIES: No, you know, I could easily put together a list of things that I would like to buy tomorrow

NORTHAM: That's not what I'm asking. Is there already an over-commitment of £35 billion in what's already ordered?

DAVIES: I don't recognise that figure, I don't recognise the figure at all.

NORTHAM: Well, it comes from Bernard Gray's report.

DAVIES: Well, it may do. I saw a version of Bernard Gray's report, I have no idea whether that figure was in there or not, I can't recall - it was back in June, I think.

NORTHAM: It's in the final draft of his report.

DAVIES: Well, if you've seen the final draft of his report, you have seen more than I have seen. But I can assure you that we are prioritising and I believe that we are covering very adequately all the essential priorities, both for the core equipment programme and of course, it goes without saying, for all our current operations in Afghanistan.

NORTHAM: But you are not telling me whether you are already over-committed, as Bernard Gray says you are.

DAVIES: No, I'm telling you now that we will always meet our commitments, therefore we can't be over-committed.

NORTHAM: The Minister will presumably refresh his memory of the highly-critical report by Bernard Gray before it is finally published in all its 296 pages of excruciating detail. That's now expected to happen in the next couple of months. And for the warriors of Whitehall, there'll be further shockwaves when the Parliamentary Public Accounts Committee publishes its findings on the procurement system's performance in armoured vehicle purchases. That's expected early next week.

SIGNATURE TUNE