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NICK HARVEY MP
MINISTER OF STATE FOR THE ARMED FORCES

MSU/4/6/4/3/cc

6 September 2010

Dear Mr O'Harney,

Thank you for your letter of 5 August providing me with your concerns about the future of the Defence Training Review (DTR) project.

As you would expect, this project has undergone and continues to undergo extensive scrutiny by both the Ministry of Defence and the Treasury. The potential impact of the SDSR has been assessed in the design of the Defence Technical College but will be reassessed when the outcome is known. Clearly, affordability and value for money are two of the key determinants on whether the project should continue and any reassessment of the project will take them into account. As with all aspects of defence the project is being looked at within the framework of the SDSR.

The issue of Fallback planning has been the subject of a number of letters and questions and please let me assure you that the Commercially Sensitive classification is not one being used to prevent scrutiny. The simple fact is that during commercial negotiations with the Preferred Bidder, Metrix, their knowledge of our Fallback Plan might undermine our negotiating position, which could lead to increased costs. As you will be aware, under Freedom of Information legislation, no distinction can be made of the enquirer's personal views or what they may do with the information once released.

On the question of DTR costs, please note that the current estimate of £14 billion represents the cost for the provision of the construction of new facilities at St Athan and the whole operating costs for the entire 30 year life of the project. These operating costs include staff, catering and maintenance costs, the majority of which we already carry today. They also include the costs of indexation and inflation and the current figure, unlike those previously quoted, includes a margin for risk hence the higher value.

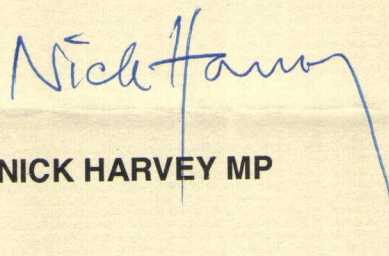
Mr R M O'Harney
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The position that faces staff at Cosford, as well as at all Defence Training Establishments involved in DTR, is very well appreciated. That is why a conscious decision has been made to keep them informed of progress, including delays where they occur. I feel sure that staff would wish to be aware of the situation as it develops so they can plan accordingly, and I know the Project Team have given this a high priority in their newsletters, briefings, and contact with the Trade Unions.

Unfortunately, as I am sure you will understand, my diary is currently extremely busy with the ongoing SDSR and I am not able to meet with you at the present time. However, I am assured that the Project Team Leader, Brigadier Harking, is very open to answering your questions and I would direct you to him as the best point of contact on DTR.

I hope that this response is helpful.

Yours sincerely

A handwritten signature in blue ink that reads "Nick Harvey". The signature is written in a cursive style with a long, sweeping tail that extends downwards and to the right.

NICK HARVEY MP