



# Ministry of Defence

MINISTRY OF DEFENCE  
FLOOR 5, ZONE B, MAIN BUILDING  
WHITEHALL LONDON SW1A 2HB

Telephone 020 7218 9000 (Switchboard)

**HARRIETT BALDWIN MP**  
PARLIAMENTARY UNDER-SECRETARY OF STATE AND MINISTER  
FOR DEFENCE PROCUREMENT

MSU/4/5/2/12/ap

2 January 2018

Dear Julian,

Thank you for your letter of 28 November 2017 expressing your concerns over the Mechanised Infantry Vehicle (MIV) programme.

Further to the answers given to your Parliamentary Questions, it might be helpful if I expand on where we are in the procurement process. The MIV programme has only recently passed its Initial Gate and entered the Assessment Phase (AP). The AP will focus on confirming the optimum fleet mix and delivery sequence for the Army's new Strike Brigades; completion of the Systems Requirements Documentation; and finalisation of the Acquisition Strategy choice(s).

With the MIV programme in the early stages of the AP there is still a substantial body of work ahead, but I will address the first two questions you pose on competition and value for money, as far as I can at this stage. Due to MIV not yet having a finalised acquisition strategy for Main Gate, you will understand that I am unable to speculate on this. However, what I can say, further to the response to your written question 109205 on Foreign Military Sales, is that our approach to demonstrating value for money follows clear guidance laid out in the MOD Joint Service Publication 507 (which takes its principles from the HM Treasury (HMT) Green Book). The evidential case is always subject to full independent scrutiny with the Department, HMT and the Cabinet Office.

In response to your third question on the impact on the UK defence industry, a key consideration when acquiring the MIV platform is demonstrating value for money and this will inform the final acquisition strategy. Additional benefits will be considered in relation to the UK Prosperity Agenda which is looking at the Armoured Fleet Vehicle supply chain and the choices within MIV will be used to inform this. We do believe there is industrial capability across the whole of the UK to undertake a substantive amount of production of the MIV programme.

In relation to your question regarding bids for the prime contract, until the acquisition strategy for MIV is finalised, you will appreciate that I cannot speculate further.

The Rt Hon Dr Julian Lewis MP  
House of Commons  
London  
SW1A 0AA

Finally, you ask for confirmation that the Boxer vehicle has previously been rejected by the British Army on two occasions in 2003 and 2008. What I can confirm is that Boxer won in open competition in the previous UK Multi Role Armoured Vehicle (MRAV) programme and was intended to fulfil a MIV-like role. However in 2003, in common with other nations including the USA, the UK changed its performance requirements to enable C130 air transportability at the expense of protection and as a result of this the UK withdrew from the programme. This C130 air transportability requirement subsequently proved too difficult to achieve without unacceptable levels of risk in survivability (loss of armour protection to meet air transportability weights) and the requirement was changed to A400M/C17 transportability. Boxer met this, however, the UK had withdrawn from the programme by this stage and had introduced a new requirements set known as the Future Rapid Effects System (FRES) which was a much wider programme than MRAV. FRES was cancelled in 2008 and as a result no platforms were taken forward. The history of both MRAV and FRES are the subject of well documented lessons learned set out in various National Audit Office reports and I will not repeat them here.

Finally, regarding the Single Sourcing Regulations Office (SSRO), the OCCAR treaty, to which the UK is a founding signatory, includes similar arrangements for collaborative programmes for participating states. These arrangements afford the UK similar rights for transparency, cost assurance audits and progress reporting mechanisms as those required by the SSRO.



**HARRIETT BALDWIN MP**

## **Armoured Fighting Vehicles**

Ministry of Defence written questions – answered on 31st October 2017

*Julian Lewis Chair, Defence Committee*

**To ask the Secretary of State for Defence, whether British companies will be permitted to enter a competition to supply the future Mechanised Infantry Vehicle.**

*Harriett Baldwin The Parliamentary Under-Secretary of State for Defence*

No decision has been taken on the acquisition strategy for the Mechanised Infantry Vehicle and at this stage our approach remains competitive procurement within the supply chain wherever possible.

*Julian Lewis Chair, Defence Committee*

**To ask the Secretary of State for Defence, what recent assessment his Department has made of the effect on (a) long-term investment in the UK Armoured Fighting Vehicle industry and (b) value for money for UK taxpayers of decisions to acquire such vehicles, without competition, under the Foreign Military Sales procedure; and if he will make a statement.**

*Harriett Baldwin The Parliamentary Under-Secretary of State for Defence*

The Ministry of Defence has committed to spending over £178 billion on equipment and equipment support for the Armed Forces between 2016 and 2026, which will provide our Armed Forces with the equipment they need to deliver the levels of military capability set out in the Strategic Defence and Security Review 2015. This includes military vehicles, and as our approach remains competitive procurement within the supply chain where possible, UK companies can secure business at the prime and sub-contractor level, unless the value for money case proves that other routes such as Foreign Military Sales provide a better deal for UK taxpayers.

*Julian Lewis Chair, Defence Committee*

**To ask the Secretary of State for Defence, what the (a) advantages and (b) disadvantages are of allowing UK industry to bid for Armoured Fighting Vehicle acquisition projects.**

*Harriett Baldwin The Parliamentary Under-Secretary of State for Defence*

The Ministry of Defence advocates the use of competition wherever appropriate both in our direct contracts and throughout the supply chain, and welcomes bids from UK industry.

