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The Constitution Committee at its last meeting considered the Defence Reform Bill. I write on behalf of the committee about two issues regarding Part 1 of the bill.

Part 1 enables the Secretary of State to contract out defence procurement services. The white paper which preceded the bill, Better Defence Acquisition: Improving how we procure and support Defence equipment, stated that departmental or Government roles that are “inherently governmental ... are currently not expected” to be transferred to a contractor.\(^1\) Clause 1(7) of the bill provides that “Arrangements ... may provide for a contractor to exercise to any extent a discretion of the Secretary of State in connection with the exercise by the Secretary of State of a function involving defence procurement.” This wording seems very broad. Is the bill drafted so that functions which are inherently governmental could be contracted out, should that be desired in future? Or do the Government believe that inherently governmental functions may not be contracted out under the bill?

Our second point concerns the oversight and accountability of a contractor. The bill does not contain detailed governance and control arrangements for a contractor. Rather, the Government have said, “The accountabilities, limits of responsibility and associated governance of the GoCo [i.e. contractor] would be defined in the contract”.\(^2\) The principle of ministerial responsibility to Parliament requires a clear line of accountability for expenditure of public money. What arrangements will the Government put in place to ensure that Parliament is satisfied with the proposed means of accountability of a contractor?

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1. Cm 8626, paragraph 38.