



Ministry
of Defence

MINISTRY OF DEFENCE
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JEREMY QUIN MP
MINISTER OF STATE FOR DEFENCE PROCUREMENT

MSU/4/8/1/2/ap

22 June 2020

Dear Tobias,

MARS TANKER LEARNING FROM EXPERIENCE REPORT

Thank you for your letter of 18 May 2020 to the Secretary of State for Defence requesting a copy of the report into lessons learned from the procurement of the four Military Afloat Reach and Sustainability (MARS) Tide Class tankers.

It may be helpful if I begin by clarifying the purpose of the report. The report was commissioned to determine what could be learned from the procurement of the MARS tankers, what was done to maximise the opportunities for the supply chain across the UK and how this could be read-across to the procurement of the Fleet Solid Support ships and to inform the wider National Shipbuilding Strategy. As you are aware, UK maritime industries were encouraged to bid for equipment for the MARS tankers and did so with such success that, together with the cost of UK-based customisation work, around £150 million was spent with UK companies.

In order to provide the Secretary of State with the clearest and most comprehensive picture, the report takes an open and frank assessment of the procurement process and UK shipbuilding industry. It also contains detailed and commercially sensitive information about the MARS tanker procurement.

Careful consideration has been given as to whether the report can be made public at this time. It has been concluded that it cannot. Most importantly, the report touches upon matters of policy that remain under close consideration. In addition, the disclosure of commercially sensitive information would prejudice not only the commercial interests of the bidders in the MARS tanker competition, but also the future ability of the Ministry of Defence to conduct a fair and value for money competition for any similar ships, regardless of the chosen procurement strategy.

For these reasons I regret that I am unable to provide a copy of the report at this time.

Yours sincerely,

JEREMY QUIN MP

The Rt Hon Tobias Ellwood MP
Chair, House of Commons Defence Committee
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Defence Committee

Chair, Rt Hon Tobias Ellwood MP

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18 May 2020

Dear Defence Secretary

You will be aware of recent media reports about the MoD's refusal of a Freedom of Information request by the GMB Union regarding a study into the 2012 contract for four Tide-class tankers.

It is our understanding that this report, commissioned in 2019 by your predecessor Penny Mordaunt, was intended to draw out the lessons from the MARS tanker procurement for the UK supply chain so as to inform future procurement decisions, including the Fleet Solid Support Ships.

The Department is reported to have admitted that this information would "undoubtedly be of wider public interest". We agree with this assessment since we understand that the report assesses the economic impact on the UK of handing a contract to a foreign firm, including the loss of UK shipbuilding jobs that are critical to UK national security.

The reason given for rejecting the FOI request was that "The ongoing public debate around shipbuilding in the UK versus abroad is politically contentious and to place the report, which contains very frank assessments, into the public domain would likely serve to constrain the government's future policy options".

However, you will be aware of both the Committee's longstanding interest in the procurement of the Fleet Solid Support Ships and our current inquiry into Defence's contribution to UK prosperity. The issues covered in the report may well be central to our work and we therefore request a copy of the report so any resultant decisions on this programme and the department's procurement policies can be properly scrutinised.

We would be grateful for a response by **Monday 1 June**.

pp Yours sincerely
Mark Ellis