



Ministry  
of Defence

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JEREMY QUIN MP  
MINISTER OF STATE FOR DEFENCE PROCUREMENT

MSU/4/5/1/14/is

29<sup>th</sup> March 2022

*Dear Tobias,*

**AJAX FOLLOW-ON REVIEW: TERMS OF REFERENCE**

As you know, the Defence Secretary and I have been clear that a follow-on review into Ajax is needed to ensure that the Department learns all the lessons, not just those related to Health and Safety.

I am pleased to say that Clive Sheldon QC has agreed to lead the review, the terms of reference for which are attached. I attach a Written Ministerial Statement issued today which will include further details. As it gives rise to a Contingent Liability, I am also laying a second Written Ministerial Statement putting before Parliament the usual Departmental Minute associated with such liabilities.

The Terms of Reference focus on the leadership, culture and governance within future major programmes, with a focus on the systemic and process issues. In drafting the Terms of Reference, we have been guided by the principles set out by the Haddon-Cave review into the issues surrounding the loss of the RAF Nimrod XV230 aircraft in Afghanistan in 2006. These principles, covering leadership, independence, people and safety have stood the test of time and we feel can help support this important review in making recommendations to further strengthen our future major programme delivery.

It is crucial that the conduct of the review also fosters the right culture across Defence. We need a culture where people report problems, one which strikes a sensible balance between holding people to account for their acts or omissions and ensuring the right lessons are learned for the future. It is essential that we have a culture in which people ask questions rather than just accept assumptions. The review will address "actions and inactions" in this programme and reporting procedures, including to Ministers. It is vital that we learn wider lessons.

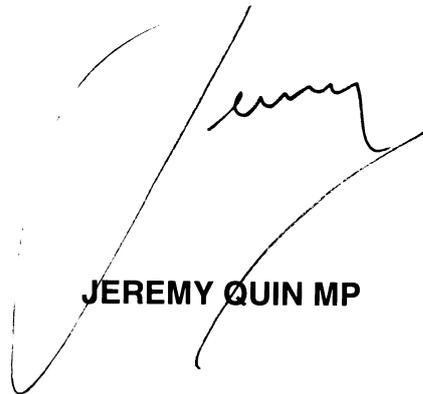
The Rt Hon Tobias Ellwood MP  
Chair  
House of Commons Defence Committee  
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Until Clive Sheldon has been appointed formally and has had the chance to read-in to the issue, he is not able to advise on a date by when the review will complete. This is an independent review but I know that Clive Sheldon is keen that the review proceeds as quickly as it is able so that we can learn the lessons and implement any recommendations.

A critical factor is that the review does not detract from the fact that General Dynamics are responsible for delivering the programme against their contractual obligations to provide vehicles that are fit for purpose and provide the Army with equipment they need to face future threats.

We have had to be very conscious in setting the terms of reference to ensure that they respect boundaries inherent in the contract between the MOD and General Dynamics. We are continuing to work productively and well with General Dynamics but, were the programme to fail, there are matters that could only be resolved through contractual arbitration or the Courts. This has had to be respected in the terms of reference set out.

Throughout on Ajax I have been keen to be as open as possible. We not only need to "learn lessons" but be willing to be open about them and encourage a culture in which they are not repeated. The nature of disclosure at the conclusion of this independent report will be determined in consultation with Clive Sheldon but we will be working to the principle of being open and transparent.



**JEREMY QUIN MP**

**AJAX: LESSONS LEARNED REVIEW**  
**TERMS OF REFERENCE**

**TO: Clive Sheldon QC**

**Aim**

1. In light of the delay to date in delivering the Armoured Cavalry programme (Ajax), you are to conduct an independent focused review into the programme. You should identify lessons and make recommendations to help MOD deliver major programmes more effectively in future, with a particular focus on how MOD shares and elevates issues across the Department and the commands.

2. In order to encourage openness, evidence given during the course of the review will not be used in disciplinary proceedings unless there is evidence of gross misconduct, in which case, individuals will be subject to appropriate sanction.

**Scope**

3. The review should examine the following areas in light of the experience with the Ajax programme, identifying any lessons that can be applied more broadly across Defence:

- How should the leadership, culture and governance in MOD (including in the armed forces and relevant arms-length bodies) relating to the delivery of future major programmes be improved to ensure timely and appropriate elevation of problems to the right levels within the Department (including to Ministers) and the commands.
- You should focus on systemic and process issues as well as individual action and inaction. This should include looking at whether individuals are aware of how to elevate problems – informally and formally – and whether senior personnel are given appropriate training on acting upon the information received.

4. The review should not examine or make findings on the accuracy of any complaints regarding:

- the existence of noise and vibration problems on armoured fighting vehicles
- military communication systems used in armoured fighting vehicles.

5. The review should not consider the ongoing delivery of the Ajax programme. It is the responsibility of General Dynamics Land Systems-UK to deliver a vehicle that is fit for purpose and meets the contractual specification.

6. The review should seek to avoid making findings on issues which in due course may fall to be determined by other bodies, e.g. contractual disputes and personal injury claims.

**Resources**

7. Dedicated secretariat support will be provided for the review. You should familiarise yourself with key documents setting out the MOD's operating model and acquisition processes and evidence that informed major decision points on the programme.

**Schedule/Reporting**

8. You will report to MOD Ministers through the MOD 2<sup>nd</sup> Permanent Secretary and provide regular updates on progress. You should advise Ministers of the likely duration of your review within 1 month of starting.