



Ministry
of Defence

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

Telephone 020 7218 9000 (Switchboard)

THE RT HON THE EARL HOWE PC
MINISTER OF STATE IN THE HOUSE OF LORDS

MSU 4-1-2-3

31 July 2018

DEFENCE FIRE AND RESCUE PROJECT

I am publishing this letter in response to a campaign about outsourcing elements of the Ministry of Defence's Fire and Rescue capability. I would like to apologise for the delay in responding, but as correspondents will appreciate matters associated with this project have been fast moving. The Ministry of Defence announced its intention to award a contract for the provision of Fire and Rescue Services to Capita PLC on 18 June. Since this announcement there has been a legal challenge to the procurement of the Defence Fire and Rescue Project. Procurement regulations mean that the award of the contract is suspended until this challenge is resolved.

This is an important project for Defence. There are a range of reasons why we are confident that this contract can deliver a positive impact on the Defence Fire and Rescue landscape. These include improved safety for firefighter personnel and fire risk management for the Department. We expect this to be achieved through investment in new equipment, technology and training which the contract will enable to happen faster than it otherwise would. In addition, we expect the contract to deliver significant financial savings over the course of its 12-year lifespan; money which can be reinvested into other areas of the Defence budget.

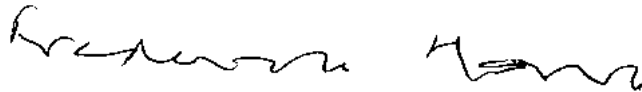
After contract award, these services will continue to be managed by the Ministry of Defence's expert in house fire and risk management organisation. This is not the first time that Defence will have worked with industry to deliver fire and rescue services. Similar arrangements are already successfully operating at a range of sites including nine airfields, the Atomic Weapons Establishment and at some DSTL and QinetiQ locations.

The Department understands the concerns expressed by some about the outsourcing of these services and about outsourcing more widely. However, the Government remains satisfied that sensible and well managed outsourcing has an important role to play in the delivery of world class public services. For this project the bids for the contract were subject to thorough scrutiny and due diligence processes conducted across Government, including in the Ministry of Defence, Cabinet Office and HM Treasury. These assurance processes included the financial sustainability of companies who had bid for the contract and their technical expertise to deliver it. The process of assuring any company's financial sustainability and performance against any contract continues whilst the contract is in operation. This is an area which the Government has taken significant steps to improve

in recent years through the development of a more capable Commercial function working at the heart of Government.

I hope the legal challenge is resolved as soon as possible. At this time I remain confident that the Department's approach to the Defence Fire and Rescue Project remains the best way of delivering improved safety for firefighters and the Ministry of Defence, whilst sustaining a global Fire and Rescue capability and delivering value for money for the tax payer.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'The Rt Hon The Earl Howe PC', written in a cursive style.

THE RT HON THE EARL HOWE PC