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DEFENCE PROCUREMENT

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Telephone: (Switchboard)

FROM: LORD DRAYSON

2643

D/MSU/4/5/2/is

20 July 2006

AC  
NS  
J/P  
VP

*Dear Stephen*

**IRAQ & AFGHANISTAN – REQUEST FOR ADDITIONAL FUNDING FOR FV430  
UPARMOURING AND MEDIUM PROTECTED PATROL VEHICLE URGENT  
OPERATIONAL REQUIREMENTS**

You will be aware that, on 26 June, Des announced a review of the protected vehicles available for operations in Iraq and Afghanistan in the light of the serious threat from improvised explosive devices (IEDs) in both theatres. At that time, he discussed with the Chancellor the possibility of a requirement for additional funds to deliver the recommendations of the review.

That review has now reported. It has confirmed that, in the light of the rapidly evolving threats in both theatres, there is a gap in the capability of our protected vehicles and recommends that we pursue three strands of action to address it, two of which draw on work already underway within the Department: uparmouring an additional 72 FV430 Mk3<sup>1</sup> armoured vehicles; procuring an additional 106 VECTOR protected patrol vehicles (PPV) and purchasing a quantity of new, medium PPVs, based on the Cougar vehicle manufactured by Force Protection Incorporated.

Clearly, the safety of our Service men and women is of the highest priority to us all. Events in Afghanistan and Iraq have demonstrated that the security situation remains dangerous and demanding. The key threat in Iraq is now explosively formed projectile<sup>2</sup> (EFP) IEDs which are very demanding to defeat. Preventing penetration of a

Stephen Timms MP  
Chief Secretary to HM Treasury

<sup>1</sup> The FV430 Mk3 has an improved drivetrain (engine, gearbox, suspension and tracks) providing better mobility and reliability than the current Mk2. Conversion of Mk2s to Mk3 is currently underway.

<sup>2</sup> Explosively formed projectiles are slugs or jets of metal formed by the force from the detonation of a shaped explosive behind a metal cone. The projectile moves at speeds of 1-15 km/s and can penetrate significant thicknesses of armour.

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vehicle can only be achieved with a significant weight of armour. In Afghanistan, the main threats remain small arms, blast mines and blast IEDs but rocket propelled grenades (RPG) are widely available and there is a risk of proliferation of EFP IEDs. Preventing penetration of a vehicle by an RPG is similarly demanding to defeating EFP IEDs.

We need to provide commanders in theatre with the right vehicles to match these threats while also moving towards our goal of a secure Iraq and Afghanistan. Currently commanders have two main options for patrol vehicles in Iraq: Warrior Infantry Fighting Vehicles and SNATCH Land Rover based PPVs, with a limited number of Saxon wheeled armoured personnel carriers. In Afghanistan commanders have SNATCH and a limited number of Saxon.

Heavy armoured vehicles such as Warrior Infantry Fighting Vehicles are able to meet the threats<sup>3</sup> but they present an aggressive and intimidating profile, make it hard for troops to engage with local people and, in Afghanistan, would be too heavy for much of the infrastructure such as bridges and many roads. There are no Warrior in Afghanistan but some 135 are currently in Iraq to equip those units operating in the most high risk areas, with a further 12 being deployed for use as interim protected transport. Due to the fact that Warrior alone among our fleet of vehicles offers protection against the [redacted] the Warriors in Iraq are currently completing their usual annual mileage every month which is taking a heavy toll on the vehicles and potentially putting at risk our long-term armoured warfighting capability. In addition the threat has also required an over-reliance on Warrior based Armoured Infantry brigades. With only 6 Warrior units in the Army, personnel in those units are significantly exceeding our guidelines for operational tour intervals which is likely to have an effect on recruitment and retention.

SNATCH PPVs provide commanders with a low profile, highly mobile but only lightly protected vehicle. It is not intimidating, does not impede traffic, allows troops to interact with locals easily and its presence, in contrast to Warrior, promotes a sense of normality. However, it only provides some protection against small arms, blast and fragmentation and cannot be armoured sufficiently to defeat the [redacted] threats. As the media and a number of politicians have highlighted recently there have been a significant number of deaths in Iraq from [redacted] attacks on SNATCH. There are currently some 370 SNATCH in Iraq and 166 in Afghanistan.

Saxon provides a similar level of protection to SNATCH against small arms, blast and fragmentation plus limited protection against RPG, but not EFP IEDs. It is larger

<sup>3</sup> But to be certain of defeating EFP IEDs and RPGs we have already uparmoured the Warriors in Iraq.





and heavier than SNATCH with poor mobility, preventing it from operating in the PPV role, but still provides a low profile, less aggressive posture. There are 25 in Iraq used for ambulance, crowd control, convoy escorts and protected transport (administrative movement of personnel) and a further 16 in Afghanistan.

These current vehicles leave commanders with a gap between the well protected but overly aggressive Warrior and the low profile but less protected SNATCH. The review we have recently completed identified the following critical characteristics of a vehicle to fill the gap: significantly improved protection against the EFP IED and RPG threats; as non-aggressive a visual profile as possible; and likely to have minimal impact on infrastructure in theatre. No one vehicle provides the ideal balance between these requirements – protection requires extra weight which tends to increase the size, profile and impact of the vehicle. Our review, therefore, recommended a combination of three vehicles to fill this gap two of which are currently in service but will require augmentation or enhancement.

We are already purchasing 62 VECTOR PPVs using £18.8m of the Department's funds with the first vehicles available from January 2007. VECTOR provides improved protection against small arms, blast and fragmentation compared to SNATCH and improved mitigation of, but not full protection against, It also provides increased mobility and capacity which makes it more suitable for the more rugged terrain and longer patrol distances in Afghanistan. We have decided to increase the number of VECTOR to 166 and have found the necessary £29m from within the Department. This will allow us to equip all units in Afghanistan required to conduct patrolling with VECTOR by August 2007.

The second strand of work recommended by the review is to increase the number of uparmoured FV430 in Iraq. 54 uparmoured FV430 Mk3 have already been approved under UOR for Iraq with delivery expected to start in October 2006 and be complete by November. Replacing the FV430 Mk2 currently in theatre, the uparmoured Mk3 vehicles will be able to be used more widely alongside other vehicles already deployed. From May 2007 (the start of Op TELIC 10) we plan to deploy a full infantry battlegroup equipped with uparmoured FV430 Mk3 with additional modifications to operate in the infantry role rather than Warrior thus increasing the number required to 126. Significantly smaller and lighter than Warrior, the uparmoured FV430 will provide a similar level of protection while being less intimidating and having less impact on local infrastructure. An FV430 equipped battlegroup also relieves pressure on the Warrior fleet and on Warrior equipped armoured infantry battlegroups.

In May 2006 you allocated us an additional £20m of UOR funding to cover the cost of the 54 uparmoured FV430 currently approved. Careful management of that





programme has resulted in an unused £9.5m. Work is on-going to refine the requirement and clarify the exact cost of the additional 72 uparmoured and modified vehicles but we currently envisage a maximum cost of £31.4M of which we intend to charge £25.7m to UOR funds with the remainder charged to the cost of the operation. Less the balance from the first UOR the maximum net additional UOR funding we are seeking to uparmour FV430 is £16.2m. If this funding is made available we expect the additional vehicles to have been delivered by May 2007.

The third strand of work is to deliver a new medium PPV for both Iraq and Afghanistan to meet the requirement for a PPV with significantly improved protection against EFP IED and RPG but with a lower profile and less impact on local infrastructure than a tracked armoured vehicle, such as Warrior or FV430. Following a very rapid evaluation of the possible vehicles available worldwide, including consideration of 14 types of vehicle, we have selected the Cougar. This is the only vehicle which is likely to meet both the time and performance criteria and, with UK appliqué armour, will provide us with the best protected wheeled patrol vehicle in Iraq. The facts that an early version is already in UK service with Explosive Ordnance Disposal troops and it is also in service with both the US Army and Marine Corps gives us considerable confidence in it. We will be relying on the assistance of the US government and military to deliver it as rapidly as possible and this is an excellent example of where the Special Relationship will have a direct impact on our capability on operations.

We need a total 108 vehicles to equip four companies of 18 for Iraq, a further company for Afghanistan and 18 for training in UK. Including allowance for the risk and uncertainty remaining in the programme, much of which cannot be addressed until we have completed contract negotiations, we estimate that we will require up to an additional £53m UOR funding to deliver the base vehicles equipped with Bowman and electronic counter-measures. A further £20m will be required to equip these vehicles with appliqué armour which would enable them to meet the threat from EFP IEDs and RPG.

Following these three programmes, which we aim to be complete by summer 2007, commanders in Iraq will have a range of vehicles from Warrior and FV430, through Medium PPV to SNATCH. In Afghanistan options will range from Medium PPV to VECTOR and VIKING (a vehicle with broadly similar protection to VECTOR but specific to the Royal Marines). The total cost of providing commanders with a significant increase in protected vehicles is £47.8 found within the Department for VECTOR and an additional total £89.2m in UOR funding for FV430 and Medium PPV with appliqué armour to which I am seeking your agreement. Our officials will continue to work to agree the details of all these proposals and we will only draw down the funds as they are required.



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This requirement is as a result of rapidly developing situations in both Afghanistan and Iraq as the threat to our forces has evolved and increased. The Ministry of Defence has responded with almost unprecedented speed to meet this challenge and I know you will support us to continue to do so. I look forward to continuing the excellent and productive relationship between our two Departments in this area which has provided the means to deliver critical capabilities to our forces on operations around the world.

Given our commitment to report back to Parliament on this as soon as possible and the start of the recess on 26 July, we intend to make an announcement on Monday 24 July. Clearly to do this we must have secured all the necessary funding so I would be grateful for a rapid turnaround of this request and confirmation of the additional UOR funding by close of play on Friday 21 July.

I am copying this letter to the Prime Minister, Gordon Brown, Margaret Beckett and Hilary Benn, and to Sir Gus O'Donnell.

*Yours ever*

A handwritten signature in black ink, appearing to read 'Paul Jones'. The signature is fluid and cursive, with a long horizontal stroke at the end.

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