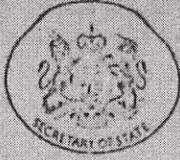


SECRET



however, the Prime Minister would like further advice my Secretary of State suggests that this is offered verbally in the context of any Washington briefing meetings you may be arranging.

My Secretary of State will continue to watch the position closely and I will keep you informed.

I am sending copies of this letter to George Walden (FCO) and David Wright (Cabinet Office).

*Yours and
Barn*

(B M NORBURY)

B1389



File No.
2

No. 2900/25/3

To CDS

PS/S of S

Copy to: PSO/CDS
PS/PUS
PS/CDP
PS/CSA
DUS(P)
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CHIEF OF DEFENCE STAFF	
DATE	COPIES
4 Feb 81	
1 CDS	CNS
	CGS
Hd SCDS(A)	CA S
SCDS A 1	SECCOS
SCDS A 2	VCDS (P&L)
Hd SCDS(B)	DCDS (I)
SCDS B 1	DCDS (DR)
SPC	ACDS (OPS)
ADC	ACDS (POL)
SO/CDS	ACDS (P&L)
PA/CDS	ACDS (S)
FILE: 1141/5	

CHEVALINE FLIGHT TRIALS

References:

- A. SecCNS 2900/25/3 of 30 January 1981 -- B1203 (att)
- B. MO 18/1/1 of 30 January 1981 -- B1217 (att)

I understand that No. 10 have queried the cost implications of resolving the problems resulting from the recent Chevaline flight trials failures. I attach a draft note for this purpose. I have not had the opportunity to show it to CNS but CDP has agreed its factual content.

B.T. Jones

Secretary/CNS
4 February 1981

SECRET



DRAFT

C.A. Whitmore, Esq
No. 10 Downing Street

CHEVALINE FLIGHT TRIALS

You asked for a note on the cost implications of resolving the problems which I outlined in my letter of 30 January.

2. Since the flight trials (designated PS) in November we have reviewed the areas concerned with remedial action and obtained broad estimates from those contractors primarily involved in the UK and the US, and also guidance on the extra cost of mounting and supporting the additional series of PS trials at Cape Canaveral. These estimates are necessarily broadly based but it is expected that the costs will be in the order of £15M. This will not increase the overall Chevaline cost, as funding is available within the project contingency.

The costs arise from the continued funding of industrial effort and from the changed trials programme. It is estimated that some £5M will fall in 1980/81 and the balance in the Estimates Year 1981/2. Chevaline tasks as a whole in 1981/2 are currently being reviewed so that the extra work arising from the PS trials may be contained as far as possible within our 1981/2 Estimate. It is too early to be sure how far this can be achieved.

SECRET

SECRET

31511
(B1469)



7/18/81
3

MO 18/1/1

Copy to:
PSO/CDS
PS/PUS
IS/GDP
PS/CSA
DUS(P)
DUS(FB)

Sec/CNS

CHEVALINE FLIGHT TRIALS

/ Please see Mr Whitmore's letter of 5th February, attached, which raises questions about the Chevaline flight trials rather wider than we were expecting (and in connection with which you earlier gave us some helpful information).

- B1469 FLAGM

2. I shall have to consult the Secretary of State about the terms in which a reply should go to No 10 and for the present I should be grateful if you could, in consultation with the staffs of PUS, GDP and CSA, provide a series of notes dealing with the queries in Mr Whitmore's letter on a paragraph by paragraph basis. I fear that I must ask for the submission of these notes by not later than noon on 12th February.

CHIEF OF DEFENCE STAFF

DATE 7.81	COPIES
CDS	CNS
	CBS
Hd SCDS(A)	CAS
SCDS A 1	SCCOS
SCDS A 2	VCDS (P&I)
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SCDS B 1	DCDS (OR)
SPC	ACDS (OPS)
ADC	ACDS (POL)
SO/CDS	ACDS (P&I)
PA/CDS	ACDS (S)
FILE: 1164/S	

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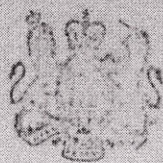
6th February 1981

(B M NORBURY)
PS/S of S

SECRET

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B.1469
(B.1511)



10 DOWNING STREET

From the Principal Private Secretary

18/1/1

5 February 1981

Dear Baron

CHEVALINE Flight Trials

I have shown the Prime Minister your letter of 30 January 1981 about last November's CHEVALINE flight trials. - B1217 FLAG N

The Prime Minister was concerned to learn of the failure of two of the trials and she has asked a number of questions about them. Jonathan Dawson is already letting me know the financial implications of what has happened: the Prime Minister would like to know what will be the effect of the failures on the total cost of the system and whether the additional expenditure which will no doubt arise can be contained within the present project contingency. If the answer to the second question is "no", she would like to know what offsetting savings in other programmes will need to be made.

Second, the Prime Minister has asked how likely it is that the causes of the failures will be found in time to put right the faults before the trials planned for next July.

Third, she would like to know that contingency plans have been made to deal with a delay to the later trials or the occurrence of further failures.

Finally, she would like to know whether we can meet our national and NATO commitments both in the circumstances of the present delay to the deployment of the first outload of CHEVALINE missiles and in the event of further delays.

I am sending copies of this letter to George Walden (Foreign and Commonwealth Office) and David Wright (Cabinet Office).

Yours sincerely,

Alvin K. Whinn.

B.M. Norbury, Esq.,
Ministry of Defence.

SECRET

151741



File No.
4

No. 29000/25/3

PS/S of S

Copies to: ~~PCO/CDS~~
PS/PUS
PS/GDP
PS/OSA
DUS(P)
DUS(FB)

CHEVALINE FLIGHT TRIALS

Reference:

A. MO 18/1/1 of 6 February 1981 - CISU FLAG 4

I attach a draft, in the form of a draft letter to No 10 but including further background notes for Secretary of State. It has been agreed by the Chevaline Steering Committee.

B.T. Brown

Secretary/CNS
12 February 1981

CHIEF OF DEFENCE STAFF

DATE 17/2/81	
<input checked="" type="checkbox"/> COS	CNS
	CGS
Hd SCOS(A)	CA S
SCDS A 1	<input checked="" type="checkbox"/> SECCDS
SCDS A 2	VCDS (P&I)
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PA/CDS	ACDS (S)
FILE: 174/15	

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DRAFT LETTER FROM PS/S OF S TO PPS/PRIME MINISTER

Thank you for your letter of 5 February about Chevaline.

2. As regards the financial implications, the present estimate is that the cost of the continued development effort, and of the changes to the trials programme, will be of the order of £15M. This is well within the present project contingency.

Note: The project contingency, stands at £59M at October 1979 prices, although in addition to the PS continuation programme some £6M of work has already been identified, but not yet approved, which would need to be funded out of contingency. Of the £15M estimated cost of the PS continuation programme, it is estimated that some £5M will fall in 1980-1 and the balance in 1981-2. Chevaline tasks as a whole in 1981-2 are currently being reviewed so that the extra work arising from the PS trials may be contained as far as possible within our 1981-2 Estimate. It is not yet known whether this can be achieved.⁷

3. As I explained in my letter of 30 January, investigations since the failures have shown a number of areas of potential weakness in the ordnance circuit. Modifications are being incorporated to remedy these before the trials in July. We cannot be totally confident about the outcome of the trials because the limited diagnostic information obtained from the two previous unsuccessful trials prevents precise identification of the source of the failures, although it is clear that they cannot be attributed to a single cause; the pattern of failure of the ordnance circuit differed in each case.

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- 2 -

The setback occurred, however, after a series of pad firings which was highly successful overall. No purpose would be served by a postponement of the trials planned for July, since we will in any case need the further diagnostic information, for which additional instrumentation is being fitted, if further work proves in the event to be necessary.

4. I confirm that contingency planning is in hand to deal with a further setback, should this occur. Our plans have as their starting point the need to maintain a continuous deterrent capability.

Note: HMS RENOWN will be available for a short extension of the trials programme if necessary. If a long extension is needed, HMS RENOWN could deploy in mid 1982 with Polaris A3T rather than Chevaline modified missiles, and further Chevaline trials could be conducted in HMS REVENGE when she becomes available in the later half of 1982 after her present refit. The diversion of submarines from operational tasks for trials would mean that for periods when there would otherwise have been three boats in the operational cycle, giving added flexibility, there would be only two, with at times / ^{a much reduced} margin for accident or major breakdown. But we can and frequently do fulfil our national and NATO tasks with only two in the operational cycle.

5. Our declared commitment to NATO is being and will continue to be met by the existing force until Chevaline enters service.

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- 3 -

It has not as yet been formally declared to NATO, although NATO military staff will be aware informally that the planned deployment date has slipped. As regards our national tasks, our capability will not be improved until Chevaline enters service; but there will be no gap in the continuous deployment of Polaris which has been maintained since it entered service.

Note: However, the total number of missiles available both for NATO and national tasks will be reduced when a submarine which would otherwise have been in the operational cycle is conducting trials.7

SECRET

02177



MO 18/1/1

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-230-2027x 218 2111/3

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CHIEF OF DEFENCE STAFF
23rd February 1981

CBS	CNS
	CGS
Hd SCDS(A)	CAS
SCDS A 1	SCCCS
	VCDS (P&I)
Hd SCDS(B)	DCDS (II)
SCDS B 20K	DCDS (OR)
SPC	ACDS (OPS)
ADC	ACDS (POL)
SO/CDS	ACDS (PL)
PA/CDS	ACDS (SI)

01469 FLAGM FILE: 11.61/5

Dear Clive,

CHEVALINE FLIGHT TRIALS

Thank you for your letter of 5th February regarding the Prime Minister's queries on Chevaline. My Secretary of State has asked me to let you have the following information.

As regards the financial implications, the present estimate is that the cost of the continued development effort, and of the changes to the trials programme, will be of the order of £15 million. Of this total, it is estimated that some £5 million will fall in 1980/81 and £10 million in 1981/82. The total sum is well within the overall project contingency, but in phasing terms any extra expenditure in 1981/82 will be difficult to accommodate. The problem should, however, be at least partially offset by the postponement, as a result of the delay to the completion of the trials programme, of certain other Chevaline-related work which was planned for 1981/82, for example, in the field of Post Design Services. Chevaline tasks as a whole in 1981/82 are currently being reviewed and it is too early to predict with confidence what the net effect of the reprogramming will be.

02177 FLAG N
As regards the causes of the failures, I explained in my letter of 30th January that investigations have shown a number of areas of potential weakness in the ordnance circuit but the pattern of failure differed in each case. The set-back occurred, however, after a series of pad firings which was highly successful overall and no purpose would be served by a postponement of the trials planned for July since, if further work proves in the event to be necessary, we will in any case need the further diagnostic information, for which additional instrumentation is being fitted.

C A Whitmore Esq

SECRET

SECRET

2

(B M NORBURY)

PSO/CDS -
PS/PUS
SEC/CMS
PS/CSA
DUS(D)
DUS(SE)
DFA(SS)
Hidden copies

*John
Brown*

On your 4th paragraph, I can confirm that there is contingency planning to deal with a further set-back; our plans have as their starting point the need to maintain a continuous deterrent capability.

Finally, our declared commitment to NATO is being, and will continue to be met by the existing force until Chevaline enters service. It has not yet been formally declared to NATO although NATO military staff will be aware that the planned deployment date has slipped. Our capability on national tasks will not be improved until Chevaline enters service but there will be no gap in Polaris continuous deployment.

I am sending copies of this letter to George Walden (FCO) and David Wright (Cabinet Office).



SECRET

