

force to maintain continuous deterrent patrols.¹ The last Resolution class submarine to be retired will probably be over 30 years old. **There is a degree of urgency in ensuring that VIGILANT comes into service as promptly as possible.**

Strategic Weapon Systems

92/93

26. The UK purchases its Trident D5 missiles from the US, through the US Strategic Systems Programme. Although specific missiles in the pool of such missiles held at King's Bay, Georgia, will not be identifiably British, the UK Government will take title to the missiles it purchases. The latest estimated cost of the missiles to the UK is £965 million, with an increase of £26 million in real costs over the past year. The Strategic Weapon System equipment, primarily purchased in the US, is to cost £1,140 million, with a small increase of £13 million in the estimated US spend.² Reductions in the total US purchase of missiles, or limits imposed by Congress on annual purchases, could drive up the cost to the UK of purchasing missiles. The proposed retrofit of the eight West Coast-based US Trident submarines to take D5 missiles has been postponed, and now looks increasingly unlikely ever to happen. MoD told our predecessors that this had resulted in additional costs to the UK of around £66 million, met by savings elsewhere and the use of contingency funds.³ Recent strategic arms agreements between the US and Russia have already led to some calls in Congress for reducing the projected annual production rate of missiles.

27. The total UK missile requirement remains classified, for reasons which remain unclear to us.⁴ In any event, **the 44 missiles which the UK has already purchased are enough for its immediate needs**—3 in FY 1990, 23 in FY 1991 and 18 in FY 1992.⁵ Future purchases will be geared "almost entirely to the best commercial market": in other words, the UK will buy when they are cheapest.⁶ MoD do not anticipate any "significant" increase in estimated expenditure as a result of abandonment of the backfit programme, having covered eventualities in the estimate.⁷ Nonetheless, we note that there has been a further fall in the allocated contingency fund for the missiles⁸ and net additional costs of £26 million, beyond the £24 million added in 1992.⁹ The estimated missile production costs have in fact risen by £46.4 million, and missile assembly quantities have risen by £10.3 million, offset by a reduction in missile guidance quantities and costs and the use of contingency funds.¹⁰ MoD made it clear that, if there were to be more fundamental changes in the US than are at present contemplated, there might indeed be substantial additional costs.¹¹ **We note that there have already been substantial increases in the estimated costs of purchasing missiles; we suspect that these may prove not to be the last such increases.**

Tactical Weapon System

28. In 1992 the Committee concluded that the tactical weapon system programme remained "a principal area of concern both technically and financially".¹² Those concerns are principally the sonar suite and the submarine command system (SMCS), and the integration of all the systems, as set out in previous Reports.¹³ The past year has seen an increase in the costs of the programme of £21 million, and the exhaustion of all the contingency funds originally allocated to it.¹⁴ The Secretary of State's Report stated that the development of the Tactical Weapon System continued to make "steady

¹ 1992 Reply, para 8.

² Evidence, p 24, A3a.

³ 1992 Report, para 37.

⁴ 1992 Report, para 38: 1992 Reply, para 14: Qq 1464ff.

⁵ Evidence, p 27, A7a: 1992 Report, para 38:.

⁶ Q1473.

⁷ Q 1460.

⁸ Evidence, p 25, A3e.

⁹ 1992 Report, para 37.

¹⁰ Evidence, p 34, A14.

¹¹ Q1472.

¹² 1992 Report, para 44.

¹³ *ibid*, paras 40–44: 1991 Report, paras 39–41: 1990 Report, paras 30–33 &c.

¹⁴ Evidence, p 24–5, A3a and A3e.