

There are substantial shortcomings in the costs presented in the White Paper on the Future of the United Kingdom Nuclear Deterrent. MPs from several parties have submitted questions, both before and after the publication of the White Paper, seeking to clarify the cost of key items. Many of these questions have not been answered in full.

1. Major items omitted from the White Paper

There are three major nuclear weapons' costs that are not included in the figures published in the White Paper:

(a) The Site Development Plan for the Atomic Weapons Establishment (AWE). The Defence Committee has expressed concern at the MoD's failure to disclose the full cost of investments at AWE.¹ The plan includes at least seven major projects.² It is likely to take over 10 years to complete. The £1 billion allocated in 2005 was only for the first phase. The figures published in the White Paper do not include the costs of the Development Plan. The Paper does say that £2-3 billion would be required for warhead refurbishment or replacement. However this £2-3 billion is additional to the AWE investment plan and is not part of it.³

(b) The cost of conventional forces protecting Trident. In November 1998 a Parliamentary answer revealed that the annual operating cost of conventional forces which have a role in protecting Trident was £125 million. The annual cost of additional forces which had a contingent role was £176 million. Des Browne did not mention these protecting forces when he listed the elements included in the projected in-service costs of a Trident replacement.⁴ These costs should include a proper allocation of the security costs of defence nuclear sites and of the transportation of defence nuclear material.

(c) The costs of nuclear decommissioning and waste storage. The current estimate of defence nuclear liabilities is £9.8 billion. Much of the work required will be carried out over the next 50 years.⁵ There will be additional decommissioning and waste storage liabilities arising from the construction and operation of new submarines, replacement facilities at Faslane and Devonport, a new fuel fabrication plant and the new facilities at AWE. The White Paper does not include a breakdown of long-term liabilities, and is likely to include only some of these items in the cost projections.

2. Cumulative costs omitted from the White Paper

The White Paper does not publish the total through-life costs of the new system, nor does it calculate the combined procurement and operating cost. However it does

¹ Defence Committee Press Release 8 February 2007 on publication of the MoD's Response to the Committee's Report on the Strategic Deterrent: the Industrial and Skills Base.

² The new facilities planned for AWE are Orion Laser, Uranium Processing Facility, Warhead Assembly and Disassembly Facility, Explosives Handling Facility, Core Punch Facility, Material Science Facilities, Tritium Facility and High Powered Computing. Other buildings, including A90, would be refurbished. Public Information Leaflets on the AWE Site Development Plan 2003 and 2005.

³ Memorandum from MoD to Defence Committee January 2007.

⁴ Written Answer 10 January 2007 reply by Des Browne to question from Vincent Cable.

⁵ A breakdown of defence nuclear liabilities was given in reply by Des Browne to a question from Paul Flynn on 24 July 2006

provide a basis for calculating that the in-service costs from 2024 to 2054 will be between £49 billion and £59 billion, and the combined procurement and in-service cost will be between \$64 billion and £79 billion.⁶ A recent study by Greenpeace discovered that the cost for procurement and operation would be £75.5 billion. This study was peer reviewed by Prof Keith Hartley who does a lot of work for the MoD. The estimate is close to the earlier Liberal Democrat projection. Greenpeace also estimate that procurement costs will be £26.25 billion. They regard this as a “lower range” estimate, but it is well above the Government’s figure.

3. Historical nuclear weapons costs underestimated

The White Paper says that current and future in-service costs will be 5-6 % of the Defence Budget. This is significantly higher than estimates of annual costs of the British nuclear weapons’ programme that have been published in previous years. On 6 February Des Browne explained why the new figures were significantly higher, “we went through an exercise recently to make sure that we were identifying as accurately as we could the costs that were associated with our nuclear weapons system and that caused us to revise information that previous governments may have put into the public domain.”⁷ This implies that a number of items were not previously allocated to the nuclear weapons’ programme when they should have been.

4. Relationship between the nuclear-propulsion and nuclear weapon programmes

The White Paper recommends the continued use of nuclear-powered submarines as the platform for nuclear weapons. It is not clear how the costs of the nuclear propulsion programme are allocated between Trident and other submarines. The MoD has estimated that the annual cost of supporting Trident and other nuclear submarines is around £600 million per year.⁸ When asked by the Defence Committee the MoD did not clarify what proportion of this could be attributed to Trident.⁹

⁶ In-service costs based on 30 years at 5-6% of a Defence Budget of £32,643 million (2006/07 DEL)

⁷ Defence Committee, uncorrected minute, 6 February 2007

⁸ The Future of the UK’s Strategic Nuclear Deterrent: the Manufacturing & Skills Base: Government response, 6 February 2007.

⁹ Defence Committee, uncorrected minute, 6 February 2007