



Ministry of Defence

CIO, Level 2, Zone N, Desk 38, Main Building, Whitehall, London SW1A 2HB
Telephone (Direct dialling) 020-7218-1522 or 7974(PA) (Fax) 020-7218-7474
E-mail (External) CIO-FOI-IR@mod.uk
Katie de Bourcier
Head of Corporate Information

CIO/3/18/1/374
(17-10-2008-163045-002)

Mr P Burt
(Via e-mail: peterburt@phonecoop.coop)

4 August 2011

Dear Mr Burt,

ICO CASE REFERENCE FS50323740

As you are aware, the Information Commissioner issued his Decision Notice on your complaint, case reference FS50323740, on 14 July 2011.

Further to this Decision Notice, MOD has reviewed the information in scope and has decided that on the basis that the project is expected to pass Main Gate in the near future, the department can now disclose the summary cost information in the table at paragraph 60 of the Investment Appraisal document. This information is highlighted in yellow at the Annex to this letter.

A copy of this letter goes to the Information Commissioner.

Yours sincerely,
Katie de Bourcier

SUMMARY OF COSTS

60. Below is a summary of the costs associated with each option at 2006 prices and expressed as Net Present Value (NPV). A fuller breakdown of these costs is shown at Annex A. Assumptions implicit in the compilation of these costs are detailed in the Master Data Assumptions List (MDAL) at Annex E.

	£ REAL @ 2006 PRICES	£ NPV @ 3.5%
OPTION A1 – DO NOTHING	£274,058,989	£196,688,007
OPTION A2 – DO NOTHING EXTRA	£274,058,989	£196,688,007
OPTION A3 – STRETCH CAPABILITY	£274,058,989	£196,688,007
OPTION B – FULL REFURBISHMENT	£827,142,376	£400,380,627
OPTION C – NEW BUILD FACILITY	£746,765,140	£493,480,555
OPTION D – PROCURE EU PRODUCTS	£732,829,000+ [~£150,000,000]	See para 21
OPTION E – COMBINE CAPABILITY	Not costed	Not costed
OPTION F – RATIONALISE UK EU CAPABILITY	Not costed	Not costed