- Subject a Ops master



Rice

10 DOWNING STREET

THE PRIME MINISTER

No. 94

SECRETARY OF STATE FOR DEFENCE

NIMROD

We need a thorough investigation of what has gone wrong over Nimrod during this Government's term of office.

I should be grateful if you would let me have before Easter a full report prepared in conjunction with the Treasury, the Department of Trade and Industry and the Law Officers.

Among other points, the report should consider:

- the nature of the original contract and why it was apparently constructed so as to leave the Government no remedy when things went wrong;
- how the project was managed within the Ministry of Defence, including the arrangements for co-ordinating the work of the Ministry of Defence, GEC and BAe;
- what provision there was within the Ministry of
 Defence for monitoring progress with the contract;

- at what stages this monitoring revealed the existence of major problems;
- at what stages Ministers were informed of the problems and what action was taken to deal with them;
- what changes if any were made in the original specifications and when;
- what changes were negotiated in the original contract and when.

It would be helpful to have annexed to the report a full chronological account of the history of the contract so far.

I am sending copies of this minute to the Chancellor of the Exchequer, the Secretary of State for Trade and Industry, the Attorney General and Sir Robert Armstrong.

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28 February 1986