

MINISTRY OF DEFENCE
CHIEFS OF STAFF COMMITTEE

MINUTES of a Meeting held in Room 5301, Ministry
of Defence, Main Building, Whitehall,
on THURSDAY 3 JUNE 1982 at 3.30 pm

PRESENT

Admiral of the Fleet Sir Terence Lewin,
Chief of the Defence Staff

Admiral Sir Henry Leach,
Chief of the Naval Staff

General Sir Edwin Bramall,
Chief of the General Staff

Air Chief Marshal Sir Michael Beetham,
Chief of the Air Staff

ALSO PRESENT

Lieutenant General Sir Maurice Johnston,
Deputy Chief of the Defence Staff
(Operational Requirements)

Air Vice-Marshal J A Gilbert,
Assistant Chief of the Defence Staff
(Policy)

Sir Frank Cooper,
Permanent Under Secretary

Mr R M Hastie-Smith,
Deputy Under Secretary
(Policy and Programmes)

SECRETARIAT

Captain J E S Raymond RN
Lieutenant Colonel J B R Peacock
Wing Commander A M Wills

RESTRICTED

COS 67th Meeting/82
3 June 1982

C O N T E N T S

PART I - ITEMS DISCUSSED AT THE MEETING

1 - 2 (1) OPERATION CORPORATE

PART II - ITEMS DEALT WITH PRIOR TO THE MEETING

NIL

Note:

1. Recorded as a Confidential Annex.

MINISTRY OF DEFENCE
CHIEFS OF STAFF COMMITTEECONFIDENTIAL ANNEX
TO
COS 67TH MEETING/82 HELD ON
THURSDAY 3 JUNE 1982 AT 3.30 pmOPERATION CORPORATEITEM 1. REPLACEMENT OF STORES AND EQUIPMENT

1. SIR TERENCE LEWIN said they had already had a preliminary discussion (1) on a request (2) by the Chief of the Naval Staff for approval to set in hand action to replace ships lost on Operation CORPORATE. He considered they should now address the wider issues involved rather than that specific request. It was essential that the running costs of Operation CORPORATE and the costs of replacing stocks used and capital equipment lost during the Operation should be met by funds additional to the normal Defence Budget. The Operation ought not to result in the Services being in a worse position to carry out their Priority One tasks in support of NATO. While it would be easy to identify running costs and the costs of replacing reserve stocks, both of which would continue to be incurred as long as the Operation lasted, it would be more difficult to identify in all cases the cost of replacing capital equipments. Some could be replaced one for one, for example Sea Harriers and Chinooks which were still in production. Others, such as Harrier GR3 and Wessex 5, would raise more difficult problems; the Navy Department proposal (2) to replace the lost Type 21 and Type 42 ships with Type 22s was an example of the kind of decision which might be required in such cases. Nevertheless he considered they should obtain a political commitment to making good such losses and expenditure with extra defence funding as soon as possible.

2. SIR FRANK COOPER (Permanent Under Secretary) said it would be important to distinguish clearly measures necessary to make good expenditure and losses on Operation CORPORATE

Notes:

1. COS 62nd Meeting/82, Item 6.
2. CNS 6000/41(7331/5) dated 26 May 1982.

from measures they had already proposed as part of the Long Term Costings in such areas as raising the general level of stocks. He considered they should continue to press for the latter as an entirely separate exercise. He believed it would be easy to present a convincing case to replace consumable items, which could easily be identified and costed. It would be more difficult to do this for capital assets, but nevertheless he considered an interim bid should be made as soon as possible for all losses. They should aim to have this approved by Ministers in time for an announcement to be made before the Parliamentary Summer Recess, rather than wait until the Operation was complete.

3. In discussion the following points were made:

a. It would be difficult to identify separately in Long Term Costings those equipments such as ships which took a long time to construct and which had many components. Furthermore there could be no guarantee that such costs, spread over a number of years, would continue to be met by additional funds should circumstances change.

b. Difficult decisions might be called for in those cases where equipment was out of production or obsolescent. Such decisions would be influenced by long term replacement plans; lessons learnt from the Operation as regards the requirement for, and suitability of, equipments in service; and the time by which any new equipments could be in service, which could lead to a need for temporary expedients in the interim.

c. While the Secretary of State would probably wish first to discuss the subject with the Prime Minister and Chancellor of the Exchequer, it would probably need to be considered formally by the Defence and Overseas Policy Committee (DOPC) in view of the PESC implications. It would also be helpful if the Permanent Under Secretary had preliminary discussions with Treasury Officials.

d. Notwithstanding any immediate action they might recommend, there would still be a requirement to study the Operation in depth and to determine the adjustments they might wish to make to the Defence Programme in the light of the lessons learnt.

4. Summing up, SIR TERENCE LEWIN said they would wish to invite the Deputy Under Secretary (Policy and Programmes) and the Deputy Chief of the Defence Staff (Operational Requirements) jointly to prepare for their consideration a draft OD paper seeking Ministerial agreement to the full costs of Operation CORPORATE being met by funds additional to normal Defence Votes. The paper should set out the running costs already incurred, and make interim proposals for replacing stocks used and equipment lost thus far. Wherever possible the equipment to be purchased and the spread of costs should be identified. Where specific proposals could not yet be made, the paper should indicate the factors which would have to be considered. In conclusion, he said their recommendations would need to be presented to the DOPC in early July.

ITEM 2. LONG TERM MEASURES

5. SIR TERENCE LEWIN said that, as they had previously discussed (3), the Deputy Chief of the Defence Staff (Operational Requirements) had recommended (4) an extension by three months of the original planning assumption that the Operation would last for six months. This extension was necessary to ensure, for example, that ships could be prepared for roulement.

6. Summing up a short discussion, SIR TERENCE LEWIN said they would wish to agree that for planning purposes it should be assumed that the Operation would continue until 31 December 1982.

Annex:

A. Operation CORPORATE - Actions in Hand (1 page).

Notes:

- 3. COS 63rd Meeting/82, Item 6.
- 4. D/DORS/58/1 dated 27 May 1982