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NOTE FOR FILE

Declassified by ASD - 21/02/2022

The MARSIK submission and DSD's FYDP bids were discussed with FASPB again on 2 Feb 84. I had earlier called FASPB to remind him that if we did not soon make a commitment to H & C we would lose our place in the works queue. FASPB said that he had contacted FASDF in an attempt to retain the MARSIK works in H & C's programme pending Defence approval (and Cabinet's) for the project to proceed. FASDF had agreed to a proposal that H & C be asked to progress the documentation of our works requirements (e.g. writing of tender documents) in advance of formal Cabinet approval. It was necessary, however, to obtain both the Minister for Defence and the Minister for H & C's approval of this approach and DF Division is now preparing a submission. FASPB emphasised that it would be made clear that there is no implied Defence commitment to MARSIK at this time.

FASPB had earlier discussed the project with Dep Sec B whose view was described as 'somewhat jaundiced'. Dep Sec B said that he understood from previous discussions with Dir DSD that the timing of MARSIK acquisition was a subjective judgement ... a delay of some months did not necessarily mean that DSD's capability would be seriously eroded.

With regard to the problem of above-guidance FYDP proposals, FASPB earlier had asked if it would be feasible to spread expenditure over two or more years so as to more closely adhere to guidance in individual years. I outlined the three options described in SM's paper, said that the first two were not practicable but that the third (spreading payment over 2 years) could be explored with the Company later this month. FASPB urged that we do so.

3/2/84

KLB  
- Asc