



## KEEPING THE LIGHTS ON

**AT** a speech to the UN last month, David Cameron waxed lyrical on plans to keep the lights on with shale gas and nuclear power. But whereas billions of bill-payers' money (*Eyes passim*) will ensure no expense is spared on nukes – particularly on their safety aspects – the government persists in trying to develop shale gas on the cheap.

Despite much hysteria on fracking, only one shale well has been fracked in Britain – Cuadrilla's PH1 at Preese Hall in Lancashire, which was suspended in 2011 when it caused minor earth tremors. Strongly encouraged by government, Cuadrilla is now applying for permission to sink eight further wells in Lancashire before the next general election.

The county council, which is taking its time, will wish to consider the history of PH1, which continues to provide perfect illustrations of the uselessness of fracking regulation and the regulators involved. Last year we highlighted how the Environment Agency and Health & Safety Executive visited drilling operations only once in a blue moon, relying on the drillers' own weekly reports and letting them mark their own homework (*Eyes* 1342, 1347).

On 28 March 2014, three years after work at PH1 ceased and two years after an expert report assured us nothing was amiss apart from some tremor-induced distortion to well piping deep below the surface, Cuadrilla suddenly reported to the HSE that it was measuring a build-up of annular pressure (AP) in the well near ground level. AP is caused by seepage of either gas or fluids coming up from the well. This raises the possibility of something more problematic than deep-level distortion at PH1.

AP should be prevented by cement that drillers pump down into cavities between the pipes and side-walls in a well. The HSE sprang into action, demanding to see the cement bond log (CBL), only to be reminded that it had earlier told Cuadrilla it didn't need to make a CBL – so there isn't one!

Neither penny-pinching Cuadrilla nor the HSE knows whether the well has leaked below the surface. But Cuadrilla is now seeking permission to abandon PH1 anyway: it plans to grass it over and leave the site. So that's all right, then.

Given the national importance of shale gas and the vast shale resources we are told exist, a high-quality regulatory regime is clearly justified. We don't have one. It seems, however, that serious funding is reserved for nukes.

*'Old Sparky'*

## NUMBER CRUNCHING

**5** Number of stones Lord Falconer has shed since leaving government thanks to rejecting breakfast and lunch in favour of apples and Diet Coke

**5** Ministerial jobs Lord Falconer had in government thanks to rejecting actually being elected in favour of being Tony Blair's friend

## FALLON KINGDOM

**FRESH** from overseeing the botched sale of Royal Mail when he was a business minister, new defence secretary Michael Fallon – fast becoming the coalition's Del Boy – is to flog off a crucial and successful unit that supports Britain's armed forces.

The Defence Support Group (DSG) repairs and maintains all military equipment in the UK and "in theatre" and is highly valued by the forces personnel who use it.

As its chairman Alex Jablonowski put it in an annual report that boasted of operational targets exceeded and a healthy financial surplus of £15m: "DSG's excellent reputation in both the home and operational environments is one that is richly deserved..." Chief executive Archie Hughes once pointed to the unit's not having "to go through some of the same time consuming commercial activities that industry does" as its major advantage (see *Eye* 1341). He could also have pointed to the importance of the military and public service ethos within the unit, which operates closely with troops on the ground.

Yet in the next few weeks the operation is to be sold off for an expected £200m – £300m – a pittance in the scheme of government and even defence finances – with three American companies lined up as buyers. In future, British tanks, helicopters and much else will be looked after by Kellogg Brown Root, General Dynamics or Babcock, giving foreign firms access to large amounts of defence technology. All benefit already from the expertise of senior defence officials who have stepped through the revolving door into their offices: former head of the Military Aviation Authority Sir Timothy Anderson at KBR; the ex-boss of the government's trade promotion (including defence export) arm, Sir Andrew Cahn at General Dynamics; and the army's former head of training, Paul Newton, at Babcock.

On the government's side of the deal, Fallon will be familiar with DSG's "lead adviser": none

other than Lazard – the same investment bank that told him Royal Mail shares were priced correctly.

**BEFORE** last month's Nato summit in Wales, David Cameron proudly announced the government's commitment to buy 509 "Future Rapid Effects System" vehicles – milspeak for a new family of armoured vehicles to be used for reconnaissance, command, medical and personnel transport, among other things.

Besides committing £3.5bn for the vehicles, Cameron said the government would extend its order to brigade strength by 2020 at a cost of £13bn, telling the BBC that "they will be crucial in helping to keep Britain safe".

Fair enough. But would these FRES vehicles by any chance be related to those announced in the 1998 Strategic Defence Review with an order from the Ministry of Defence for 4,000, classed as a "core project"? Or indeed those subsequently cancelled – after £132m of taxpayers' money had already been spent – in 2008 by then defence minister Quentin Davies as alarm bells rang over the vehicles' design and spiralling costs amid Gordon Brown's defence budget crunch?

They certainly are. Thus it is that years of dithering and incompetence that led to what Davies called "a perfect disaster" (or as former defence secretary John Hutton told the Iraq inquiry in 2010: "It is hard to imagine a worse procurement shambles") appear to have been forgotten.

Despite the historic dither, waste and spiralling costs, one figure at least is now spiralling downwards. After a u-turn of sorts in 2010, the bid from US firm General Dynamics to build the vehicles included the helpful news that its plan would secure or create "over 10,600 jobs for British workers". When Dave announced the resurrected General Dynamics deal last month, he said it would merely "underpin nearly 1,300 jobs across the UK".

*'Squarebasher'*

## COURT CIRCULAR

**GIVEN** the lurid headlines – from illegally stored ammo in a Buck House locker to Grindr and Tindr "guests" wandering the corridors after dark – no wonder Mark Rowley, the Met assistant commissioner responsible for "specialist operations", has vowed to shake up royal security.

While policing the royals is easy, policing their residences is not; and recent reports that the Queen is worried that her staff are meeting people online and bringing them back, unvetted, is nothing new: there are always unaccounted-for bodies knocking around the corridors.

Formally, staff guests enter via the Ambassadors' Entrance on the south side of the palace and should be signed in by a staff member. But the signing is a formality; there is no vetting and rarely an identity check; and the use of false

names is common. For those who want to avoid being seen, access via flats in the Royal Mews or one of the gates in the wall can be arranged by staff. Some staff high up the pecking order have also shown off by taking friends or family, or those willing to part with a few pounds, on an exclusive tour that covers some of the more off-limits areas of the palace.

The public can be slippery, too. When Buck House is open to the public, finding visitors wandering unauthorised corridors is not uncommon. And getting into a garden party has never been easier, as the starstruck readily post photos of invitations and passes online. The half-dozen harassed bobbies on the gates with 8,000 passes and passports to check soon get bleary-eyed. All you need is a decent printer to make a copy, a passport and a top hat and you're in.

*'Flunkey'*

## IT'S GRIM UP NORTH LONDON

## KNIFE & PACKER

IT'S A TRULY POWERFUL THING TO BE HERE FOR THE 25th ANNIVERSARY OF THE BERLIN WALL COMING DOWN...

WHO WOULD HAVE THOUGHT THAT A SINGLE HUMBLING POLITICAL ACT WOULD LEAD TO SO MANY WONDERFUL THINGS: DEMOCRACY, UNITY...

THE BEST TECHNO CLUB SCENE THIS SIDE OF IBIZA...

AND A DENSITY OF CREATIVES AND ARTISTS THAT IS THE ENVY OF THE WORLD!

