



DEBATE PACK

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Reintroduction of the Royal Yacht Britannia for the purpose of international trade

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This pack has been prepared ahead of the Westminster Hall debate on **the reintroduction of the Royal Yacht Britannia for the purpose of international trade** on Tuesday 11 October 2016. The debate will be opened by Jake Berry MP.

Summary

In January 1997, the then Defence Secretary Michael Portillo announced the Government would build a new royal yacht to replace Britannia, procured by the Ministry of Defence, costing £60 million.

Following the 1997 general election, the incoming Labour Government ruled out refurbishing or replacing Britannia using public funds and a building a new royal yacht using private funding. The Royal Yacht Britannia was decommissioned in December 1997.

Calls for a new royal yacht to mark the Queen's Diamond Jubilee were mooted in 2012.

In September 2016, seventy-five backbench MPs signed a letter to the Prime Minister advocating the "recommissioning or rebuilding a new yacht" using private funding.

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1. Background

The Royal Yacht Britannia was the 83rd royal yacht, replacing the Victoria and Albert III, which was launched in 1899 and broken up in 1954.

Construction of Britannia began in June 1952 at the John Brown Shipyard, Clydebank. It was launched by the Queen on 16 April 1953 and was commissioned into the Royal Navy on 11 January 1954.¹

1.1 Replacing Britannia

In June 1994, the then Defence Secretary Malcolm Rifkind announced that Britannia would be taken out of service in 1997. At the time, the Conservative Government did not commit to replacing Britannia, but alluded to the possibility of a new royal yacht.

In response to a written question, junior Defence Minister Viscount Cranborne stated:

The Queen has made it known that in the light of changes in the pattern of Royal visits since the yacht was built, she does not consider a Royal Yacht to be necessary in future solely for the purposes of Royal travel. Nonetheless, in view of the success of "Britannia" in her representational role during state visits, and on other state occasions, and of the part played by the Royal Yacht in trade promotion, the Government believe it right to consider, without commitment, whether there should be a replacement at some future point.²

Government estimates found that keeping Britannia in service beyond 1997 would have necessitated a £17 million refit, which would kept the yacht in service for another five years.³

Between 1989 and January 1997, Britannia had been used for 63 days to "promote British exports and attract inward investment to the United Kingdom"; a list of these engagements is available in a subsequent [written question](#).⁴ Nicholas Soames, in his capacity as Minister of State for the Armed Forces described the commercial role of Britannia thus:

The primary purpose of her export promotion activities is in initiating and fostering commercial contracts rather than providing a venue for the formal signature of contracts.⁵

Britannia's annual running costs in its last seven years of full service are shown in the table below:

¹ Royal Yacht Britannia, [History of Royal Yachts](#)

² [HL Deb 23 June 1994 cc26-7WA](#)

³ Bruce Clark, *Queen to give up royal yacht Britannia*, Financial Times, 24 June 1994

⁴ [HC Deb 31 Jan 1997 c432 – 434W](#) and [HC Deb 10 Feb 1997 cc1-4W](#)

⁵ [HC Deb 31 Jan 1997 289 cc434W](#)

Total running costs of the Royal Yacht Britannia, 1990-97

	£ million
1990-91	9.3
1991-92	12.5
1992-93	8.4
1993-94	8.4
1994-95	11.4
1995-96	8.4
1996-97	7.6
Total	66.0

Source: HC Deb 28 Jan 1997 c 200

In December 1996 the All-Party Royal Yacht Parliamentary Group recommended the building of a new royal yacht for the “dual roles of export promotion and royal duties... ideally funded by public money”, estimating the cost of building a new royal yacht at £80 million.⁶ In a debate on the subject, it was stated that “£500 million-worth of export deals are clinched every year” on the royal yacht.⁷

In January 1997, Malcolm Rifkind’s successor as Defence Secretary, Michael Portillo announced the Government would build a new royal yacht at a cost of £60 million, procured by the Ministry of Defence, which would enter service in 2002 to mark the Queen’s Golden Jubilee. Portillo alluded to the commercial and trade advantages of a royal yacht, stating:

Britannia has also lent her prestige to the promotion of British exports worldwide and the attraction of inward investment to Britain, and she has hosted numerous commercial events. The benefits that Britannia has brought to the British economy are invaluable.⁸

In the debate following Portillo’s announcement, Michael Colvin, then chair of the Defence Select Committee and member of the All-Party Royal Yacht Parliamentary Group stated Britannia had helped secure “£2 billion of trade” during its lifetime.⁹

1.2 Decommissioning

Following the May 1997 election, the incoming Labour Government quashed the possibility of a new publically funded royal yacht, with the Chancellor Gordon Brown stating:

It is in my view very difficult to justify between £6 million and £12 million of running costs coming from the public funds, and therefore, I don't think it's possible for a new or refurbished royal yacht to go ahead.¹⁰

In October 1997, it was confirmed by Defence Secretary George Robertson that Britannia would not be replaced, stating, “We

⁶ [HL Deb 10 December 1996 c1056](#)

⁷ [HL Deb 10 December 1996, c1066](#)

⁸ [HC Deb 22 January 1997 c959 - 972](#)

⁹ [HC Deb 22 January 1997 c967](#)

¹⁰ Anthony Bevins, [Brown confirms end for royal yacht](#), Independent, 29 September 2016

considered in detail all private finance options, but these would only have been viable with a substantial annual subsidy from public funds.”¹¹

Proposals for a new yacht, with construction wholly funded by the private sector were also ruled out, with the running costs of a new vessel ruled as prohibitive, even in the event of businesses hiring the yacht for trade promotion sharing the costs.¹²

Britannia was decommissioned on 11 December 1997 at Portsmouth Naval Yard. It was sold to Forth Ports Ltd in April 1998, and has been operated by the Royal Yacht Britannia Trust as a tourist attraction in the Port of Leith ever since.

Between 1954 and 1997, Britannia sailed 1,087,623 nautical miles, conducting 696 Royal overseas visits.¹³

1.3 Calls for reintroduction

Calls for a new royal yacht were mooted in 2012 following the formation of the Future Ship Project for the 21st Century (FSP21), intended to seek donations from individuals and corporations to fund the construction of a new royal yacht. A spokesman for the then Prime Minister David Cameron stated that while the Government would “react favourably” to the proposal, it did not “think it would be appropriate to use public money at this time.”¹⁴

In January 2012, 21 MPs signed an [Early Day Motion](#) calling for a replacement royal yacht, to be funded through “sponsorship and donation” to mark the Queen’s Diamond Jubilee, which would act as “an asset for our overseas influence, an engine for exports and an opportunity for young people.”¹⁵

In September 2016, seventy-five backbench MPs signed a letter to the Prime Minister endorsing the idea of “recommissioning or rebuilding a new yacht” using private funding, calling for the Government to “set up a commission examining the contribution the return of a royal yacht can make” and the role it could play in “our future as an optimistic global trading nation.”¹⁶

In a lobby briefing on 19 September 2016, a spokesman for the Prime Minister was quoted as saying the Government was looking at “a number of ways” in which the Government could help the UK become “a global leader for free trade”, going on to say “as far as I’m aware, the recommissioning of Britannia is not on the agenda for that.”¹⁷

¹¹ Alexander Nicoll, [Royal vessel no longer 'holds water'](#), Financial Times, 11 October 1997

¹² Robert Peston, [Britannia founders on rocks of fiscal prudence and Queen in favour of scrapping royal yacht](#), Financial Times, 27 September 1997

¹³ Royal Yacht Britannia, [History of Royal Yachts](#)

¹⁴ [Royal yacht idea considered by Cameron](#), BBC, 16 January 2012

¹⁵ Early day motion 2612, [Royal Yacht for the Diamond Jubilee](#)

¹⁶ Christopher Hope, [Michael Gove leads group of 75 Conservative MPs calling on Theresa May to examine case for a new £100million Royal Yacht Britannia](#), Daily Telegraph, 23 September 2016

¹⁷ [Number 10 lobby briefing - Summary](#), Guardian 19 September 2016

2. Press Articles

The following is a small selection of recent press and media articles which may be relevant to this debate. Please note: the Library is not responsible for either the views or accuracy of external content.

[Could Brexit bring back the royal yacht?](#)

BBC Online

Esther Webber, 27 September 2016

[Britannia could be recommissioned to boost role as world leader on free trade, 10 Downing Street says](#)

Daily Telegraph

Christopher Hope, 27 September 2016

[Clicking fingers will not be enough for Brexit to work](#)

Financial Times

David Allen Green, 26 September 2016

[No, the royal yacht Britannia should not rise again. Let's sink that idea completely](#)

The Guardian

Tanya Gold, 21 September 2016

[Shipping minister expresses interest in plans to recommission Royal Yacht Britannia](#)

Daily Telegraph

Ben Riley-Smith and Christopher Hope, 20 September 2016

[Scrapping the Royal Yacht Britannia was self-defeating, short-sighted Blairite point-scoring. Bring it back](#)

Daily Telegraph

William Hague, 19 September 2016

[Downing Street looks to have snubbed a Boris Johnson-backed campaign to recommission the royal yacht for Brexit trade talks](#)

City AM

Mark Sands, 19 September 2016

[Theresa May fails to rule out re-launching 'floating embassy' Britannia to boost trade](#)

Daily Express

Macer Hall, 19 September 2016

[The royal yacht should sail again](#)

Daily Telegraph

17 September 2016

[Bring back Britannia to rule the waves after Brexit](#)

Daily Telegraph

Ben Riley-Smith and Christopher Hope, 16 September 2016

[Boris calls for return of Royal Yacht Britannia as floating embassy to drum up billions of pounds of post-Brexit global trade deals](#)

Daily Mail

Joseph Curtis, 16 September 2016

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