

Debate Pack

CDP-0047 (2022)

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Estimates Day debate: Defence

1	Background	2
2	Equipment plan: £238 billion over the next decade	5
3	International comparisons	10
4	Press and media articles	14
5	PQs	17
6	Debates	31
7	Statements	32
8	UK Government publications	43

1

Background

The MOD's [Defence Departmental Resources](#) publication contains details of UK defence expenditure. In 2020/21 defence spending amounted to £42.4 billion. This was a nominal increase of £2.5 billion from 2019/20 but a real increase of £1.5 billion after inflation measured by HMT's [GDP deflator](#).

Current defence expenditure

Reported outturn and planned defence total departmental expenditure limits, £ billions

	Amount		Real terms change	
	Cash	2021/22 prices ^a	Amount	%
2015/16	35.1	40.1		
2016/17	35.3	39.4	-0.7	-1.7%
2017/18	36.6	40.2	+0.8	+2.0%
2018/19	38.0	41.0	+0.8	+1.9%
2019/20	39.8	41.9	+1.0	+2.4%
2020/21	42.4	43.5	+1.5	+3.7%
Planned				
2021/22 ^b	46.0	46.0	+2.5	+5.8%
2022/23 ^b	47.9	46.6	+0.6	+1.4%
2023/24 ^b	48.0	45.7	-0.9	-1.9%
2024/25 ^b	48.6	45.4	-0.3	-0.6%

Note:

a) The GDP deflator growth forecast for 2020-21 and 2021-22 have been averaged across these two years to smooth the distortions caused by pandemic-related factors. Real price figures provided in the recent Ministry of Defence, departmental resources 2021 bulletin for this expenditure will differ for the years up to 2020/21, as this method has not been used.

b) Cash value taken from HMT Autumn Budget and Spending Review 2021

Sources: Ministry of Defence, Defence departmental resources 2021, table 1; HM Treasury, Autumn Budget and Spending Review 2021, Table E.2, p182; HM Treasury GDP deflators at market prices, and money GDP December 2021

Supplementary Estimates 2021/22

The MOD proposed a reduction in its Resource DEL budget by £2.1 billion (-5%), a reduction in its Capital DEL budget by £68 million (-0.5%) and an increase in its Resource AME budget of £9.3 billion (612%). These changes mean that planned expenditure for 2021/22 is now: Resource DEL: £39.821 billion (this includes depreciation charges), Capital DEL: £14.265 billion and AME: £10,809 billion.

The **reduction in Resource DEL** is predominantly driven by:

- a £2.3 billion reduction in depreciation charges due to an over allocation in the Main Estimate. Depreciation and impairment costs are non-cash items and make up roughly 21% of Defence's total Resource DEL budget. The depreciation and impairment budget is however ring fenced and cannot be used to fund pressures on other elements within Resource DEL.
- an additional £0.2 billion required for 'Operations and Peacekeeping' driven by: ongoing Counter-Daesh operations, operational activities in the Gulf and 'Operation Pitting' - the operation to evacuate British nationals and eligible Afghans from Afghanistan following the Taliban offensive in 2021.

The **reduction in the Capital DEL** budget is driven by:

- a £488 million reduction following a Budget Exchange into future periods, there are no specific details on the areas that this relates to,
- a £423 million increase to reflect the draw down on the 'Dreadnought' contingency fund; ¹ around £1.3 billion of the £10 billion contingency fund has been made available for drawdown from 2021 – 2025 from the central reserve should it be required.
- a £21 million increase required for 'Operations and Peacekeeping' (as mentioned above), and
- a £24 million reduction as a result of smaller inter departmental transfers from the Home Office and to the Security and Intelligence Agencies.

The **increase in Resource AME** of £9.3 billion is driven by changes in discount rates on provisions primarily relating to nuclear decommissioning.

Provisions are used to set expenditure aside for known future costs. This future cost is discounted back to a present value in the accounts. The 'discount rates' have changed since the Main Estimates were set last year and as such all current provisions have to be adjusted to reflect the latest rates. These changes are beyond the control of the department.

¹ [Replacing the UK's strategic nuclear deterrent: progress of the Dreadnought class \(parliament.uk\)](https://www.parliament.uk/business/committees/committees-a-z/commons-select/defence-and-armaments/committee-publications/2021-replacing-the-uk-s-strategic-nuclear-deterrent-progress-of-the-dreadnought-class)

Spending Review 2021

In October 2021, the Chancellor reaffirmed commitments made during the Spending Review in 2020 with the following spending profile:

Current and planned defence expenditure 2019/20 to 2024/25			
£ billions			
	RDEL (excluding depreciation)	CDEL	TDEL
2019/20	29.5	10.3	39.8
2020/21	30.6	11.7	42.4
2021/22	31.5	14.4	46.0
2022/23	32.4	15.6	47.9
2023/24	32.2	15.8	48.0
2024/25	32.4	16.2	48.6
Average Annual Real Terms Growth 2021/22 to 2024/25	-1.4%	1.8%	-0.4%
Average Annual Real Terms Growth 2019/20 to 2024/25	-0.6%	6.8%	1.5%

Source: [BUDGET 2021: Protecting the jobs and livelihoods of the British people](#)

Resource DEL (day to day spend) was forecast to decline in real terms over the next three years by 1.4% vs 2021/22. Capital DEL (investment spend) was forecast to increase in real terms by 1.8%. The overall expenditure was forecast to reduce by 0.4% vs 2021/22.

NB: these 'real term' percentages were calculated in October 2021 and since then inflation has been higher than forecast and is likely to be higher in 2022/23 as well. The result is that real-terms growth figures shown here, based on these older OBR forecasts, are likely to be overestimates (assuming cash figures remain unchanged). The OBR will next [update their forecasts](#) on 23 March.

2 Equipment plan: £238 billion over the next decade

The MOD plans on spending £238 billion on equipment and support over the next ten years from 2021/22.

2.1 What is the equipment plan?

The MoD has published an [annual Defence Equipment Plan](#) every year since 2012.

Alongside the budget, it includes forecasted expenditure over a rolling ten-year period. It includes spending on both new equipment and support costs for equipment already in use.

2.2 How much is the MOD planning to spend?

The MOD is planning to spend £238 billion on equipment procurement and spend over the next ten years from 2021/22.

There is a [£48 billion increase in the equipment plan](#) between the previous plan (for the period 2020-2030) and the current plan (for the period 2021-2031).

The nuclear enterprise is the single largest area of planned spend, reflecting the new Dreadnought submarine and associated costs related to the UK's strategic nuclear deterrent (see below for sector-by-sector analysis).

The 2021/22 plan reflects the decisions made in the [Integrated Review of Security, Defence, Development and Foreign Policy](#), published in March 2021, and the [2020 Spending Review](#). The NAO says there is £15.8 billion in new investments and £4.1 billion disinvestments announced through the Integrated Review reflected in the 2021-31 plan.

2.3

Is it affordable?

The MOD acknowledges previous equipment plans have been unaffordable over the ten-years of the plan.²

The MOD estimates the cost of its plans to be £234 billion over the next decade, with £4.3 billion headroom. This, the MOD says, compares to a shortfall of £7.3 billion in [last year's report](#).

“The MOD has consistently found it difficult to strike the right balance between increasing equipment capability and living within its means.”
The NAO, February 2022

The MOD adds that, while the programme is affordable over the ten-year period, the contingency holdings are currently inadequate in years five and six of the plan (25/26 and 26/27).

National Audit Office assessment

The National Audit Office (NAO) scrutinises the plan and publishes its own report alongside the MOD's.

In recent years the NAO has assessed [successive plans to be unaffordable](#). The NAO is more hopeful about the new plan, saying:

The new multi-year spending settlement gives the Department a rare opportunity to break old habits and set the Plan on course to be affordable.

The NAO also notes the MOD has taken difficult decisions to reduce spending in some areas to allow it to spend more on its highest priorities. However, the NAO says the MOD continues some of these habits, including taking short-term decisions to balance the books, restricting the delivery of equipment and reducing value for money. The NAO concludes:

Risks remain of over-optimistic assumptions about future budgets, costs and the likely achievement of savings targets. There is a real risk that, despite the additional funding it has received, the Department's ambition outstrips the resources available to it.³

2.4

Sector-by-sector and major programmes

The equipment plan explains how £230.2 billion is allocated to the six Top Level Budget within Defence.

² MOD, [Defence Equipment Plan 2021](#), 21 February 2022 p10

³ National Audit Office, [The Equipment Plan 2021 to 2031](#), HC 1105 2021-22, 21 February 2022, para 22-24

This is provided in table 1.

Table 1 Equipment plan by sector	
Defence Nuclear Organisation	£58.1 bn
Army	£41.3 bn
Navy	£38.1 bn
Air	£36.2 bn
UK Strategic Command	£35 bn
Strategic Programmes	£21.5 bn

Source: Defence Equipment Plan 2021, figure 10

Defence Nuclear Organisation

The Defence Nuclear Organisation receives the largest share of spending, planning an estimated £58.1 billion over the next decade. This reflects spending on the Dreadnought-class submarines and the modernisation of the UK's nuclear warheads, two of the three elements that form the UK's strategic nuclear deterrent (the third being the Trident missile).

DNO is also responsible for the remaining four Astute-class submarines, which fall into DNO's responsibility as nuclear-powered boats.

Both Dreadnought and Astute builds have been affected by Covid-19, and the MOD says recruitment and retention of staff with skills and experience for nuclear programmes "continues to be challenging."

Army

The Army will spend £41.3 billion over the next ten years. Following the decision in the Integrated Review to retire Warrior infantry fighting vehicles, rather than upgrade them, the equipment plan says the army has expanded the Boxer armoured fighting vehicle.

However, the MOD acknowledges the Ajax programme "remains challenging". This is because of significant noise and vibration issues identified in the demonstration phase.

The MOD also says the Morpheus Evolve to Open project has fallen behind schedule and is subject to contract re-negotiation. This is to develop the next generation of digital communications for the army.

Navy

Shipbuilding dominates Navy spending, including on new fleet solid support ships, the Type 31 and 32 frigates, a multi-role ocean surveillance capability and multi-role support ships. Other new investment is in air defence, a replacement for the harpoon ship-to-ship missile, the extension of life to Merlin helicopters and autonomous mine-hunting capabilities. Support costs have increased for the Queen Elizabeth carriers.

Air

The £36.2 billion Air budget includes spending on F-35 combat aircraft but not the Future Combat Air System, which will replace Typhoon aircraft, which currently sits within the Strategic Programmes budget. The budget includes additional F-35 Lightning II aircraft, beyond the 48 the MOD has already committed to.

Several aircraft are to be retired, including Typhoon tranche 1, Hawk T1, Bae146 and C130 Hercules. E-3D Sentry has already retired and will be [replaced in late 2023](#) by three E7 Wedgetail aircraft.

Strategic Command

Strategic Command has a £35.0 billion budget, although relatively little detail about its spending plans are included in the equipment plan. Strategic command is responsible for cyber, intelligence, surveillance and reconnaissance systems, among others, and also procurement for UK Special Forces.

Strategic Programmes

These are a set of equipment programmes led by a team within the MOD's head office. They include:

- the complex weapons portfolio
- test and evaluation
- training services
- the Future Combat Air System

Information on selected major programmes

The equipment plan provides an overview of the 21 largest equipment procurement projects. These change year-on-year as programmes are added (such as the Challenger Life Extension Programme for the army's main battle tank) completed (the Queen Elizabeth carrier), or cancelled (such as Warrior capability sustainment programme).

During 2020/21, the MOD said the aggregate forecast costs of the 21 projects decreased by £219 million. The most significant increases were with Astute

+£85 million), Type 26 frigates (+£48 million) and Marshall, the air traffic system (+ £98 million).

The Defence Committee published a [report on the Royal Navy](#) in December 2021. The Committee found the next decade to be one of “significant risk” for the Royal Navy’s fleet, because of: delays to new programmes, meaning older ships are becoming increasingly challenging to maintain; length of maintenance projects; concern about the impending retirement of the Harpoon anti-ship missile without a planned replacement; the retirement of vessels without replacement; and increasing reliance on allies. The Government [agreed with much of the Committee’s assessment](#) in its response, published in February 2022.

The Defence Committee described as “deplorable” the army’s [history of procuring armoured vehicles](#) in a report published in March 2021, followed by an [evidence session with Jeremy Quin](#), the Minister for Defence Procurement, in July 2021.

Further information on the individual programmes can be found in [annex B of the Equipment Plan 2021-22](#) and also in the NAO’s [report on the equipment plan](#).

2.5

A departmental overview

The National Audit Office published a [Departmental Overview of the Ministry of Defence](#) in February 2022. This includes:

- Information about the Department
- The department’s Covid-19 response
- Major programmes, defence contracts and the affordability of the equipment programme
- Management of the Department’s estate, including accommodation
- The department’s future plans

3

International comparisons

There are several problems when making international comparisons of defence expenditure. One of the most important of these is the suitability of the exchange rates used when expenditures in national currencies are converted to a common basis. The use of current exchange rates can lead to substantial distortions when comparing defence expenditures. Market exchange rates are not necessarily an accurate reflection of the purchasing power of the respective currencies – rates of exchange may be fixed by administrative decree, or in the case of a floating rate, by forces reflecting many factors, such as the movement of capital or expectations about the future.

In addition, there may be different definitions among countries on what is counted as defence spending. For example, some countries may consider that spending on a nationally armed police force could contribute to overall defence expenditure, while others may not.

These issues mean that international comparisons of defence expenditure should be treated with a substantial amount of caution. Differences of a fraction of a percentage point shouldn't be used as a basis for argument.

Furthermore, the basis of payment through which the military sector acquires resources can also differ between countries. If, for example, conscription takes place in a country, the total cost of the armed forces in that country may be lower than in a country with a similar size force which is fully professional.

The following sub-sections discuss NATO defence expenditure targets and shows international comparisons of defence expenditure based on the NATO definition for NATO member states.

NATO defence expenditure definition

Within the annual NATO [defence expenditure](#) publication, NATO's definition of defence expenditure is established 'as payments made by a national government specifically to meet the needs of its armed forces or those of allies'.

Expenditure is counted as being 'defence expenditure' if it falls within one (or more) of seven areas:

- Expenditure on the Armed Forces and "Other Forces" (e.g. national police, border guards, coast guards etc). Expenditure on "Other Forces" should only be included in proportion to the forces that are trained in military tactics, are equipped as a military force, can operate under direct military authority in deployed operations, and can, realistically, be deployed outside national territory in support of a military force

- Pensions to military and civilian personnel of military departments
- Peacekeeping, humanitarian, and weapon control (e.g. the destruction of weapons, equipment and ammunition, and the costs associated with inspection and control of equipment destruction)
- Research and development (both for successful and unsuccessful equipment)
- Expenditure for the military component of mixed civilian-military activities is included, but only when this military component can be specifically accounted for or estimated
- Financial assistance to support the defence of an ally
- Expenditure towards NATO common infrastructure

How the UK defines NATO defence expenditure

In recent years when reporting defence expenditure to NATO the UK has included several items of expenditure which had not been included previously: in 2015/16 there was the addition of war pensions (£820m), contributions to UN Peacekeeping Missions (£400m), pensions for retired civilian MOD personnel (£200m) and MOD income (£1,400m)⁴.

NATO accepted that the items conformed with its definition of defence expenditure, though RUSI argued that more information was needed before the legitimacy of the decision could be decided.^{2F2F2F5}

In 2016 the Defence Committee of the House of Commons published its enquiry into UK defence expenditure and the 2% pledge.⁸ Their full report [Shifting the goalposts? Defence expenditure and the 2% pledge](#) is available online.

The NATO 2% target

In 2006, NATO allies set a target to spend 2% of GDP on defence. As described on the NATO website:

This guideline principally served as an indicator of a country's political will to contribute to the Alliance's common defence efforts. Additionally, the defence capacity of each member country has an important impact on the overall perception of the Alliance's credibility as a politico-military organisation.

[...]

While the 2% of GDP guideline alone is no guarantee that money will be spent in the most effective and efficient way to acquire and deploy modern capabilities, it remains, nonetheless, an important indicator of the political resolve of individual Allies to devote to defence a relatively small, but still

⁴ [RUSI, M Chalmers, Osbourne's Summer Surprise for Defence, 11 August 2015](#)

⁵ Ibid

significant, level of resources at a time of considerable international uncertainty and economic adversity.⁶

A second target, agreed at the same time, was to devote 20% of defence expenditure to the research, development, and acquisition of major defence equipment.

The introduction of the 2% target was perceived as an attempt to address the imbalance between the contribution of the USA and NATO's European members: the USA has historically spent a far greater percentage of its GDP on defence than have any of the European members.

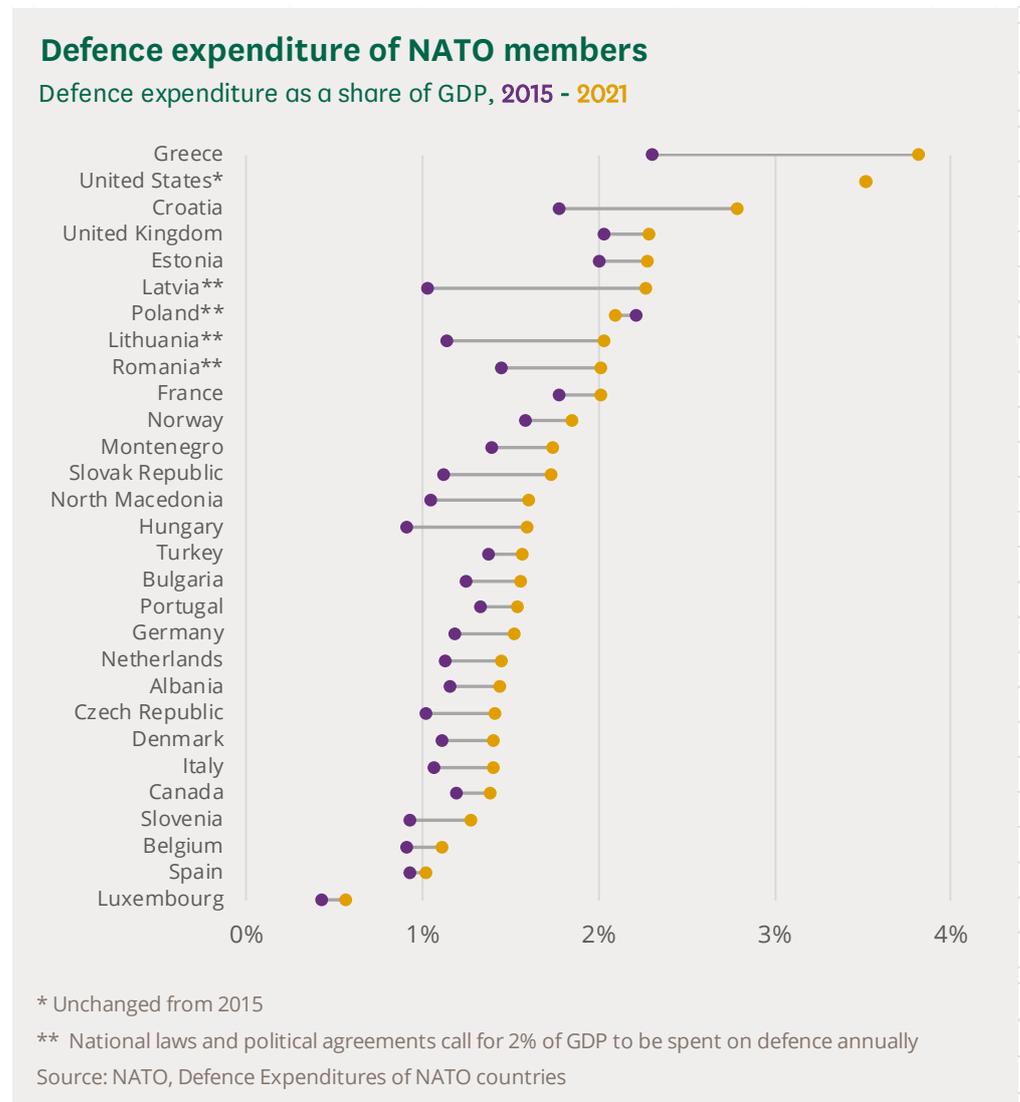
NATO imposes no sanctions or penalties on countries who do not meet the 2% target.

There is no intrinsic significance to the level of 2% of GDP for defence spending – the figure does not represent any type of critical threshold or “tipping point” in terms of defence capabilities. As implicitly acknowledged in the NATO statement above, spending 2% of GDP on outdated or inefficient systems and capabilities is unlikely to significantly change the overall capacity of the Alliance to take or sustain action. Equally, the difference between a country spending (for example) 2.02% and 1.98% of GDP is somewhat marginal and shouldn't be used as a basis for argument.

However, the target is both symbolically and politically important. The United States has repeatedly called on European allies to contribute more. At the NATO Summit in Wales in September 2014, Allies agreed to reverse the trend of declining defence budgets and aim towards the NATO guideline of spending 2% of GDP on defence expenditure within a decade. Allies agreed in the Summit Declaration that those who already spend a minimum of 2% will “aim to continue to do so” while those who don't will halt any decline in

⁶ [NATO, Funding NATO, 2 June 2017](#)

defence expenditure and to aim to move towards the 2% guidelines within a decade.



The latest 2021 NATO estimates on defence expenditure for member states indicates that only 10 members are currently at or above the 2% target. Some of the largest increases on defence expenditure as a percentage of GDP, compared to 2015, include Greece, Croatia, Latvia, Lithuania, Romania, Slovak Republic (Slovakia), North Macedonia and Hungary. All states in this period have increased defence expenditure as a share of GDP with the exception of the US remaining unchanged at 3.5% and Poland which decreased slightly in terms of percentage points from 2.2% to 2.1%.

4

Press and media articles

The following is a selection of press and media articles relevant to this debate.

Please note: the Library is not responsible for either the views or accuracy of external content.

[Britain should spend more on defence](#)

The Spectator
James Forsyth
4 March 2022

[Delivery of many critical Royal Navy capabilities still years away](#)

Navy Lookout
28 February 2022

[UK publishes defence equipment plan for 2021-2031](#)

Army Technology
22 February 2022

[UK touts 'affordable' defense-spending plan, but auditors are wary](#)

Defense News
Andrew Chuter
22 February 2022

[UK increases Royal Navy spending by £7.5 billion over next decade](#)

Naval News
Tayfun Ozberk
21 February 2022

[MoD has wasted £13bn since Tories came to power, Labour claims](#)

The Guardian
Dan Sabbagh
5 January 2022

[Royal Navy in danger of not being able to cope with 'hostile and unpredictable world', report warns](#)

Sky News
14 December 2021

[Poor UK military procurement repeatedly wastes billions, MPs say](#)

Financial Times

Laura Hughes and Sylvia Pfeifer

3 November 2021

[UK begins design work on new nuclear-powered attack submarines](#)

Financial Times

Sylvia Pfeifer

17 September 2021

[UK defence procurement hampered by desire for '110% perfection', says minister](#)

Financial Times

Sylvia Pfeifer

15 September 2021

[UK defence budget: Still a balancing act](#)

Janes

Ana Popescu

13 September 2021

[Defence projects worth £166bn all set to be late and over budget](#)

Daily Telegraph

Alan Tovey

30 August 2021

[MoD's poor practices blamed for project cost overruns and delays](#)

Financial Times

Sylvia Pfeifer and Helen Warrell

24 June 2021

[British army's troubled new armoured vehicle may not be fixable, minister warns](#)

Financial Times

Helen Warrell

20 July 2021

[New national flagship replacing the Royal Yacht Britannia 'to be funded through the Ministry of Defence', says Number 10](#)

Sky News

Sophie Morris

21 June 2021

[Defence expenditure of NATO countries \(2014-2021\)](#)

NATO

11 June 2021

UK places £1.4bn order for 14 Chinooks

Army Technology

Harry Lye

14 May 2021

UK 'absolutely' will buy more F-35s, procurement minister says

Defense One

Marcus Weisgerber

31 March 2021

UK military makes sweeping cuts as focus moves to technological warfare

Financial Times

Helen Warrell and Sylvia Pfeifer

22 March 2021

UK defence equipment plan 'remains unaffordable'

UK Defence Journal

George Allison

12 January 2021

5

PQs

Guided Weapons: Procurement

07 Mar 2022 | 129756

Asked by: Kevan Jones

To ask the Secretary of State for Defence, what the basis is for the £120 million savings declared for Brimstone integration in the Defence and Equipment Plan.

Answering member: Jeremy Quin | Ministry of Defence

The bulk of the savings relate to the fact that notwithstanding the Department's significant confidence in Brimstone and its ongoing development, the decision was taken to field the Joint Air-to-Ground Missile onto Apache. This decision expedited a solution for a capability gap faster than could be achieved through the Brimstone 3 option.

Defence Equipment

04 Mar 2022 | 131093

Asked by: Kevan Jones

To ask the Secretary of State for Defence, for what reason his Department decided not to undertake a Defence Capability Assessment Register assessment in 2022 as part of its Equipment Plan.

Answering member: Jeremy Quin | Ministry of Defence

The Defence Capability Assessment Register (DCAR) provides a long term view of relative capability risks (and strengths) against delivery of the full range of Defence tasks. The policy, priorities and outcomes for Defence changed as a result of the Integrated Review and we had to update the DCAR last year to reflect the new policy which was set out in more detail in the Defence Command Paper.

The DCAR process is being conducted this year against the new policy priorities.

ISTAR

04 Mar 2022 | 129745

Asked by: Kevan Jones

To ask the Secretary of State for Defence, if he will provide details of the reprofiling of spending on ISTAR, as outlined in the Defence and Equipment Plan.

Answering member: Jeremy Quin | Ministry of Defence

Defence is currently renewing its ISR Strategy. One output of this work will be to ensure that the balance of planned investments across the Defence ISR enterprise will deliver a capable, resilient, and adaptive ISR system.

Future Combat Air System

03 Mar 2022 | 131091

Asked by: Kevan Jones

To ask the Secretary of State for Defence, with reference to page 18 of the National Audit Office's report, The Equipment Plan 2021 to 2031, published on 21 February 2022, for what reason the decision was taken to exclude costs associated with the Future Combat Air System in the previous report.

Answering member: Jeremy Quin | Ministry of Defence

Last year we reported that the department faced a £7.3 billion shortfall. The shortfall meant that a number of important capabilities were not affordable within the Defence programme. Future Combat Air System (FCAS) is an early stage programme and in the previous 2020 report only the initial technology initiative was funded. The Integrated Review and the £16.5 billion increase in funding from the 2020 Spending Review have allowed the department to address the shortfall and add equipment to the programme, including the next phase of the FCAS programme. This addresses one of the key capability risks the NAO discussed in their previous 2020 report and the MOD's 2021 equipment plan shows a breakdown of these measures.

National Flagship

03 Mar 2022 | 127320

Asked by: Kevan Jones

To ask the Secretary of State for Defence, for what reasons the costs of the National Flagship were excluded from the Defence and Equipment Plan 2021-31.

Answering member: Ben Wallace | Ministry of Defence

The Prime Minister announced the construction of the new National Flagship on 30 May 2021. This was not included in our costings in April 2021; therefore, it does not appear in the Defence and Equipment Plan 2021-31.

Special Forces: Defence Equipment

02 Mar 2022 | 129747

Asked by: Kevan Jones

To ask the Secretary of State for Defence, if he will provide further details of how the £1.1 billion allocated to new Special Forces equipment is planned to be spent.

Answering member: Jeremy Quin | Ministry of Defence

It has been the longstanding position of successive Governments not to comment on the capabilities of the UK special forces, as to do so would put personnel and operations at risk.

AWACS: Costs

02 Mar 2022 | 129744

Asked by: Kevan Jones

To ask the Secretary of State for Defence, for what reason the CDEL costs on the purchase of the E-7 Wedgetail has not changed despite the programme reprofiling.

Answering member: Jeremy Quin | Ministry of Defence

The data tables in the Project Performance Summary Table (PPST) that accompanies the Defence Equipment Plan are a snapshot as at 31 March 2021, and the decision announced in the Integrated Review to reduce the fleet size from five aircraft to three had not been formally enacted in the MOD's cost forecasting system at that point. The new forecast is currently being finalised ahead of the PPST22 data capture and the Defence Equipment Plan for 2022 will show the new reduced figure.

Defence: Research

02 Mar 2022 | 127376

Asked by: Chris Evans

To ask the Secretary of State for Defence, how many projects so far have been funded by £6.6 billion committed to research, development and experimentation over the next four years in the defence command paper.

Answering member: Jeremy Quin | Ministry of Defence

The £6.6 billion research and development (R&D) ringfence announced as part of Spending Round (SR)20 and includes existing R&D spend across the defence programme in addition to the new investment totalling £1.1 billion over the SR period. This aims to implement a set of R&D pipelines which will address critical and enduring military capability challenges to deliver a decisive strategic edge for our armed forces now and in the future. This new investment consists of around seven programmes and 16 projects, including the following capabilities:

- Enhanced command and control
- Anti Submarine Warfare
- Multi Domain Integrated Swarms
- Directed Energy Weapons
- Intelligence, Surveillance and Reconnaissance
- Integrated Space
- Cyber Defence and Artificial Intelligence

Other defence-wide investment in R&D includes the Defence Innovation Fund which has funded over 60 projects this financial year, and R&D in support of the equipment programme such as Future Combat Air System.

Military Bases

23 Feb 2022 | 125111

Asked by: Chris Evans

To ask the Secretary of State for Defence, with reference to the Defence Command Paper, published March 2021, how much of the £4.3 billion in funding for the Defence Estates Optimisation plan has been spent in the last year.

Answering member: Jeremy Quin | Ministry of Defence

The Defence Estate Optimisation Portfolio (DEOP) remains on target to invest £4.3 billion over the next decade, having invested over £50 million in new homes, working and training facilities for our Armed Forces over the last year.

In addition to DEOP, the Ministry of Defence has invested more than £750 million in SFA improvements over the last six years. During financial year 2020/2021, c£190 million (including £68 million of Government Fiscal Stimulus funding) was invested to improve the quality of SFA.

Future Combat Air System

23 Feb 2022 | 125110

Asked by: Chris Evans

To ask the Secretary of State for Defence, with reference to the Defence Command Paper, published March 2021, how much of the £2 billion in funding for strategic investment in the Future Combat Air System has been spent in the last year.

Answering member: Jeremy Quin | Ministry of Defence

The March 2021 Defence Command Paper highlighted that the Ministry of Defence (MOD) would make a strategic investment of £2 billion in the Future Combat Air System (FCAS) over the following four years. Since March 2021, the MOD has spent approximately £296.4 million on FCAS.

Topical Questions

21 Feb 2022 | 709 cc17-8

Asked by: Dr Julian Lewis

We now know that the cold war is back with a vengeance. We regularly spent between 4.5% and 5% of GDP on defence in the closing stages of the cold war. Has the time come to set a higher target than a bare 2%? Surely 3% should be a minimum.

Answering member: Mr Ben Wallace | Ministry of Defence

I think I win the bet for predicting my right hon. Friend's question. It is absolutely clear, as I have always said, that our defence budget and our defence disposition should be based on the threat. If the threat changes, we should be perfectly open to considering changes, and we will. I will certainly pray him in aid if I make the case.

We should also recognise that the NATO alliance, collectively, well outspends Russia. All 30 nations together spend hundreds of billions of pounds on defence, way above what Russia spends. That is the strength of the alliance, and it is why we need 30 members. That is why we can make a difference to Russia.

Defence: Finance

17 Feb 2022 | 120668

Asked by: Andrew Rosindell

To ask the Secretary of State for Defence, whether his Department has made an assessment of the potential merits of increasing military expenditure following recent aggression from Russia and China.

Answering member: James Heappey | Ministry of Defence

The 2021 Integrated Review recognised the unprecedented challenges posed by geopolitical shifts, including intensifying competition between states, a widening range of security threats, and rapid technological change.

To that end, the Government is increasing defence spending by over £24 billion over the next four years: the biggest investment in the UK's Armed Forces since the end of the Cold War. This increase takes the annual Defence budget to £47.9 billion in 2022-23, clearly exceeding the 2% of GDP NATO target.

This commitment reinforces the UK's position as the leading European NATO Ally and underlines our enduring commitment to the defence and security of Europe.

Ministry of Defence: Assets

03 Feb 2022 | 114659

Asked by: Kevan Jones

To ask the Secretary of State for Defence, with reference to page 193 of the MOD's Annual Accounts 2020-21, published January 2022, which assets were retired early; what the costs were of early retirement, broken down by programme; which programmes were cancelled early; and what the costs were of early retirement of those programmes, broken down by programme.

Answering member: Jeremy Quin | Ministry of Defence

Within the Ministry of Defence's Annual Accounts 2020-21, an entry was listed as an advanced notification valued at £1.4 billion. Advanced Notifications are cases where formal sign-off cannot take place until all the work necessary to establish the validity and the exact amount of the loss has been concluded. The value of an advance notification is the best estimate and may change when the case is finally closed.

A full breakdown of the entry referred to above is shown below and this reflects the estimate of asset impairment in the Department's balance sheet associated with decisions to retire some in-service programme assets earlier from service over the next few years. The values reflect accounting adjustments and do not represent cash losses. These values will be further refined as part of loss case closure procedures.

Programme	£ million
Typhoon Tranche 1	587.551
C130J Hercules	281.798
Warrior Armoured Fighting Vehicles (reflects in-service assets – write off of capability upgrade sustainment programme shown in cancellation item)	189.762
Medium and Light Helicopter Rationalisation	99.773
Mine Hunting Capability Vessels	96.609
Sentry Aircraft – retirement of remaining aircraft	83.336
Royal Fleet Auxiliary (RFA) Fort Austin and Rosalie	44.250
Type 23 Frigates - 2 oldest vessels	36.180
Chinook Mk4	20.040
Hawk Tranche 1	0.482
Total:	£1,439.781

The decisions taken as a result of the Integrated Review reflect the Department's seriousness in investing in Defence modernisation to ensure the UK Armed Forces have the relevant capabilities to face today's threats. That means taking tough decisions to replace old equipment and halt programmes that no longer fit requirements.

Electronic Warfare

26 Jan 2022 | 106657

Asked by: Andrew Rosindell

To ask the Secretary of State for Defence, what steps his Department is taking to fund (a) training and (b) infrastructure in cyber technology for national defence purposes.

Answering member: James Heappey | Ministry of Defence

The Ministry of Defence (MOD) works closely with the National Cyber Security Centre and other government departments in support of national defence purposes. The Department is funding the delivery of transformative defensive cyber capabilities through a range of transformation programmes - both cyber defence specific and those delivering the wider digital transformation of the MOD.

The Defence Cyber School is upskilling MOD and government personnel with the tech capabilities needed for cyber professional roles, and our Cyber Confident initiative is delivering improved training and awareness for all, so that our people are an effective frontline of defence.

We have put in place a comprehensive program of activity to modernise and stay current in the face of a dynamic risk profile. These measures, co-ordinated across the whole Department and in partnership with other government experts, focus on enhancing skills, processes and technology to strengthen the ability of the MOD to prevent, detect, respond and recover from cyber-attack.

European Fighter Aircraft: Radar

25 Jan 2022 | 105378

Asked by: Kevan Jones

To ask the Secretary of State for Defence, if he will publish the TDEL costs of the AESA radar upgrade.

Answering member: Jeremy Quin | Ministry of Defence

The total financial approval for the AESA radar is £818.9 million and this is intended to deliver a prototype European Common Radar System (ECRS) Mk2 radar ready for flight trials and critical design review for the ECRS Mk2 production radar.

The strategic intent to continue ECRS Mk2 development and integrate the radar onto Typhoon was confirmed in the Defence Command Paper. However, the investment required to do so is subject to final approval.

Type 26 Frigates and Type 31 Frigates: Procurement

24 Jan 2022 | 105381

Asked by: Kevan Jones

To ask the Secretary of State for Defence, if he will publish the TDEL costs for the (a) Type 26 and (b) Type 31 frigate programme.

Answering member: Jeremy Quin | Ministry of Defence

I am withholding the TDEL costs for the Type 26 and Type 31 frigate programmes as their disclosure at the present time would, or would be likely to, prejudice the commercial interests of the Ministry of Defence.

Ministry of Defence: Expenditure

24 Jan 2022 | 105379

Asked by: Kevan Jones

To ask the Secretary of State for Defence, what his Department's definition is of TDEL costs.

Answering member: Jeremy Quin | Ministry of Defence

HM Treasury sets the budgeting system for central government and publishes details in the Consolidated Budgeting Guidance on gov.uk. Total Departmental Expenditure Limit (TDEL) is Resource DEL, excluding depreciation, plus Capital DEL.

C17 Aircraft: Procurement

21 Jan 2022 | 106656

Asked by: Kevan Jones

To ask the Secretary of State for Defence, if he will publish the TDEL costs of the UK's lease agreement with Boeing for four C-17 Globemasters.

Answering member: Jeremy Quin | Ministry of Defence

The RAF leased four C-17 from 2001 to 2007. The MOD bought out the lease in 2008 to bring those four aircraft into the Departmental fleet. The lease was announced in 2000. Forecast costs were also published through Major Projects Reports during that period which forecast the cost of the initial lease at £769 million against an approved cost at Main Gate of £785 million.

However, the lease deal pre-dates the creation of DE&S and the full introduction of Resource Based Accounting, therefore the actual cost data and TDel is no longer held centrally.

Ministry of Defence: Cost Effectiveness

17 Jan 2022 | 100724

Asked by: Navendu Mishra

To ask the Secretary of State for Defence, what steps his Department is taking to ensure (a) value for money from his Department's projects and (b) that those projects are completed (i) on time and (ii) within budget.

Answering member: Jeremy Quin | Ministry of Defence

In line with Treasury Green Book guidance the Department considers a range of options for projects to determine which is the most effective at meeting the Armed Forces' needs whilst offering best value for money.

To ensure value for money is delivered through the life of a project, the Department has invested additional resource to monitor and evaluate cost, time and performance through life and embed a culture of evaluation.

As set out in our Annual Report, we continue to transform the way we do business, driving improvements in the processes and skills required to delivery programmes successfully.

We are setting projects up for success through early consideration of strategic factors, focusing expertise on areas of highest risk and complexity to support robust, evidence-based investment decisions and improve overall project outcomes. We are also improving the resourcing of projects with suitably qualified and experienced people through measures set out in the Department's [Project Delivery Functional Strategy](#) on gov.uk.

Maritime Patrol Aircraft: Procurement

17 Jan 2022 | 100455

Asked by: Kevan Jones

To ask the Secretary of State for Defence, what the budget is for the TDEL assigned to the P-8A; and what the current forecast cost is for completion.

Answering member: Jeremy Quin | Ministry of Defence

The estimated TDEL for Poseidon is currently set at £5.170 billion. However, the Ministry of Defence does not set budgets beyond year 10 of the planning round and the planned 2045 Out of Service Date is well beyond that budgeting period.

Germany: Army

05 Jan 2022 | 92811

Asked by: John Healey

To ask the Secretary of State for Defence, pursuant to the Answer of 10 December 2021 to Question 88654, what specific costs were entailed in the £2.1 billion spent removing the British Army's footprint from Germany.

Answering member: James Heappey | Ministry of Defence

The drawdown of troops permanently based in Germany since 2010 has cost £2.1 billion and has returned 20,000 service personnel and their families as well as civil servants, contractors and support teams to the UK. The Ministry of Defence considers that this drawdown continues to support the most advantageous basing laydown of our personnel.

The rebasing of personnel from Germany should not be confused with the decision in the Integrated Review to maintain a stock of equipment in Germany to allow more rapid deployment of land forces into the European theatre if necessary. This forward basing of equipment was largely already in place to support the training facility in Sennelager that was retained during the drawdown of the garrison. Support to this facility will require, on current plans, an additional 19 troops to be based in Germany from April 2022.

The breakdown of the £2.1 billion is as follows:

- £1.8 billion under the Army Basing Programme (ABP). This represents the cost of providing new or refurbished living and technical accommodation for units that returned from Germany, along with the associated moving costs. This included the provision of c.1,400 new family homes and thousands of new single living bed spaces as well as investment in local infrastructure.
- £293 million under the BORONA Programme. This represents the cost of initial unit moves which took place between 2010-2015, including the move of HQ ARRC from Rhine Garrison to the UK.

Armed Forces: Public Expenditure

08 Dec 2021 | 904142

Asked by: Wendy Chamberlain

What assessment he has made of the impact on armed forces personnel and their families of the decrease in average annual real-term growth from 2021 to 2025 in day-to-day spending of his Department, as a result of the Autumn Budget and Spending Review 2021.

Answering member: Ben Wallace | Ministry of Defence

Defence's budget is growing year on year over the spending review period. We received a record settlement for Defence in 2020 of £16.5 billion. From 2019-20, the total Defence budget's annual growth is 1.5% in real terms, with CDEL increasing from £10.3 billion in 2019-20 to £16.2 billion in 2024-25, and RDEL increasing from £30.6 billion to £32.4 billion.

This year Defence also received over £2 billion additional funding for running costs to counteract costs arising from the Health and Social Care Levy and expected increases in inflation in the wider economy.

Type 45 Destroyers: Repairs and Maintenance

30 Nov 2021 | 79279

Asked by: John Healey

To ask the Secretary of State for Defence, how many Type 45 Destroyers have undergone work to upgrade their propulsion system through the Power Improvement Project; and when does he expect all Type 45s to have received that upgrade.

Answering member: Jeremy Quin | Ministry of Defence

One Type 45 Destroyer, HMS DAUNTLESS, has undergone work under the Power Improvement Project (PIP). HMS DAUNTLESS is currently at the Cammell Laird shipyard in Birkenhead where equipment is being set to work following installation. The next phase of the programme will see HMS

DAUNTLESS undertake a rigorous trials programme in harbour and subsequently at sea. It is expected that all six Type 45 Destroyers will have completed their PIP conversions by 2028.

The programme is dependent on the availability of ships to undertake the upgrade, balanced against the Royal Navy's current and future operational commitments. For these reasons we do not comment in detail on the future PIP timelines. PIP conversions are planned to take into account the regular Upkeep cycle to maximise overall class availability and meet the readiness profile required to meet Defence outputs.

Trident Submarines: Repairs and Maintenance

29 Nov 2021 | 80908

Asked by: John Healey

To ask the Secretary of State for Defence, what the forecast total cost is of the Vanguard class submarine Life Extension Programme.

Answering member: Jeremy Quin | Ministry of Defence

As the Dreadnought Class submarine programme progresses, we continue to review life extension options to ensure the Vanguard Class submarines continue to operate safely during the phased transition from the Vanguard Class to the Dreadnought Class. The associated costs will be linked to the operational programme, information on which is withheld as disclosure would, or would be likely to, prejudice the capability, effectiveness or security of the Armed Forces.

National Flagship: Procurement

09 Nov 2021 | 69018

Asked by: Kevan Jones

To ask the Secretary of State for Defence, whether the construction of the National Flagship will (a) be funded from the defence budget and (b) affect other defence capabilities.

Answering member: Ben Wallace | Ministry of Defence

The capital cost of building the National Flagship will fall to the defence budget as part of the Government's wider commitment to the UK shipbuilding industry. The through-life costs will be addressed at the next Spending Review. The build cost is expected to be about 0.1% of the defence budget over the next four years and will be brought into our spending plans in the 2022 annual budget cycle.

Military Aircraft

25 Oct 2021 | HL2982

Asked by: Lord West of Spithead

To ask Her Majesty's Government whether the 'Crowsnest' Airborne Early Warning helicopter programme is on schedule to meet its intended operational date; and what assessment they have made of challenges associated with the F-35B fighter jet programme, in particular regarding personnel.

Answering member: Baroness Goldie | Ministry of Defence

The CROWSNEST programme has successfully delivered a baseline capability to support the Carrier Strike Group deployment in 2021.

The F-35B is a developing capability across Defence and, as such, challenges surrounding Suitable Qualified and Experienced Personnel are constantly monitored to ensure delivery of Strategic effect.

Challenger Tanks: Ammunition

15 Sep 2021 | 44222

Asked by: Mark Francois

To ask the Secretary of State for Defence, what is the cost of a Charm 3 round of 120mm armoured piercing ammunition used by the Challenger 2 Main battle Tank.

Answering member: Jeremy Quin | Ministry of Defence

The Charm 3 120mm armoured piercing ammunition used by the Challenger 2 Main battle Tank has not been manufactured since 2001. An estimated cost per round (Armour Piercing shot with necessary Propelling Charge and initiating TVE charge), based on latest prices, is approximately £2,762.

A400M Aircraft

13 Sep 2021 | 41716

Asked by: Mark Francois

To ask the Secretary of State for Defence, what the current acquisition cost is of the A400M aircraft.

Answering member: Jeremy Quin | Ministry of Defence

The current total provision for acquisition of the A400M fleet is £2.6 billion.

Type 45 Destroyers

07 Sep 2021 | 40718

Asked by: Mark Francois

To ask the Secretary of State for Defence, who is paying for the Power Improvement Project programme for each of the Type 45 destroyers; and what the total estimated cost is of that programme.

Answering member: Jeremy Quin | Ministry of Defence

The Ministry of Defence is funding the Type 45 Power Improvement Programme. The current contract value is approximately £189 million.

6

Debates

Strength of the UK's Armed Forces

14 Apr 2021 | House of Commons | 692 cc378-427

Nineteenth opposition day debate (part two). Motion that this House notes the Prime Minister's 2019 election pledge that his Government would not cut the Armed Services in any form; further notes with concern the threat assessment in the Integrated Review of Security, Defence, Development and Foreign Policy, that threats from other states to the UK and its allies are growing and diversifying; calls on the Government to rethink its plan set out in the Defence Command Paper, published in March 2021, CP 411, to reduce key defence capabilities and reduce the strength of the Armed Forces, including a further reduction in the size of the Army by 2025; and calls on the Prime Minister to make an oral statement to Parliament by June 30 2021 on the Government's plans to reduce the capability and strength of the Armed Forces. Negatived on division (256 to 357).

Integrated Review of Security, Defence, Development and Foreign Policy

09 Feb 2021 | House of Commons | 689 cc249-281

Motion that this House has considered the publication of the Integrated Review of Security, Defence, Development and Foreign Policy. Agreed to on question.

7

Statements

Defence Equipment Plan

21 Feb 2022 | HCWS611

Jeremy Quin (Minister of State for Defence Procurement): I am pleased to place in the Library of the House a copy of the 2021 Defence Equipment Plan Report, which sets out our plans to deliver the equipment needed by our Armed Forces to defend the country and protect our national interest.

This year's equipment plan report is one of the most important in recent years as it implements the strategy and financial reset provided by the Integrated Review, the Defence Command Paper and Spending Review. The Integrated Review outlined the evolving nature of the threats we face. This Equipment Plan sets out how our military capability will evolve to meet these threats within an affordable financial envelope.

This Equipment Plan sets out how we are funding the capabilities we need, including more ships for the Royal Navy, a new batch of F-35s, a new medium helicopter and a major upgrade to our Land equipment. This represents a significant enhancement on last year's capability plans while, through additional investment and tough prioritisation, we have reversed the £7.3 billion pressure on the plan outlined last year to a surplus.

This year is the first since 2018 when we have entered a new financial year with a funded contingency for the equipment plan. We have funding set aside to deal with urgent operational requirements and funding set aside for future research and development and its exploitation. We have made good progress in the first year of delivery and for the first time in many years, we expect to live within budget without Ministers having to take decisions on savings measures in year or running central savings exercises.

This has been possible by setting a clear vision for the Armed Forces through last year's Integrated Review and Defence Command Paper, which has allowed us to retire less relevant equipment and refocus our programme on the kit we need for the future. We are making progress on delivering this change, including cancelling the Warrior sustainment programme and setting out plans for a more high-tech and agile Army as set out in our recent Future Soldier publication. This Equipment Plan relies on fewer low confidence efficiency measures than in previous years and our plans to reduce costs are supported by significant investments in acquisition, support and digital programmes to improve the way the department operates.

We have, alongside capability investments, reversed the decline in Defence R&D spend with a £6.6bn ring fenced commitment. This will help reduce the risks associated with identifying and bringing into development the game-changing future capabilities we will need to meet the future threat.

However, delivering state of the art Defence capabilities carries inherent risk. On a plan of this scale and over this timeline there will always be risks to affordability. We are clear-eyed on those risks and set them out in our report. As the National Audit Office have said, the MOD is responsible for some of the most technically complex, risky and costly procurement programmes in Government. New, large and complex programmes like the Future Combat Air System, which will deliver the next generation of combat air capability, and the replacement warhead, which will allow us to renew the UK's nuclear deterrent, are extraordinarily complex endeavours. We continue to carry out and publish our own independent challenge of costings to help us understand and mitigate financial risk. Excluding Dreadnought, which has its own contingency funding, the risk identified in programmes which were reviewed both last year and this reduced by £0.3bn, showing an improvement in the department's costing and management of risk. However, additional risk inevitably arises from new programmes entering the Plan, including the warhead programme.

Planning over ten years is inherently uncertain and we must be able to respond to changing threats and project-specific circumstances. As challenges emerge on programmes which delay expenditure, we will be flexible in accelerating other programmes to maintain momentum and where possible reduce cost. The HM Treasury £10 billion contingency for Dreadnought shields the rest of the Equipment Plan from changes in annual spend on our largest and most complex programme. We continue to reduce risk through the forward purchase of foreign currency.

New funding has enabled key decisions to be taken and priorities set but this alone is not enough to deliver on time and to budget. Having the right skills, tools, data and processes are critical. The department has made real progress, which we set out in our report, but we recognise there is more to do. To deliver value for money for the taxpayer we have invested in our acquisition reform programme which aims to improve the speed and agility of our procurement processes and we are working to improve the capability and availability of senior responsible owners for programmes.

The nature of Defence means that the plan is not without risks to which we will be agile in responding, however, new funding, a clear vision and a balanced plan mean that this is a very different programme to those of recent years.

Ministry of Defence Votes A Supplementary Votes 2021-22

10 Feb 2022 | HCWS605

Ben Wallace (Secretary of State for Defence): The Ministry of Defence Votes A Supplementary Votes 2021-22, will be laid before the House on 10 February 2022 as HC 981. This outlines the increased maximum numbers of personnel to be maintained for Service in the Royal Naval Reserve Officers subject to Additional Duties Commitment (ADC) from 40 to 80 during Financial Year 2021-22.

These numbers do not constitute the Strength of the Armed Forces, which is published separately in the UK Armed Forces Quarterly Service Personnel Statistics.

Ministry of Defence Votes A Annual Estimate 2022-23

10 Feb 2022 | HCWS604

Ben Wallace (Secretary of State for Defence): The Ministry of Defence Votes A Estimate 2022-23, will be laid before the House on 10 February 2022 as HC 980. This outlines the maximum numbers of personnel to be maintained for each Service in the Armed Forces during Financial Year 2022-23, including an increase for Royal Navy and Army Regulars and decreases for the Army Regular Reserve and Army Reserve. Full details can be found in the publication.

These numbers do not constitute the Strength of the Armed Forces, which is published separately in the UK Armed Forces Quarterly Service Personnel Statistics.

Defence Space Strategy

01 Feb 2022 | HCWS576

Jeremy Quin (Minister of State for Defence Procurement): Today I am pleased to publish the Defence Space Strategy (DSS). This strategy sets out a vision for the Ministry of Defence (MOD) as a global actor in the space domain. It articulates how the MOD will deliver the National Space Strategy's 'protect and defend' goal through capabilities, operations and the growth of a space workforce. It also emphasises the value of alliances and partnerships in pursuit of a safe and secure space domain. I am placing a copy of the DSS in the Library of the House.

The DSS explains how the MOD has apportioned its Spending Review 2020 allocation for space capabilities and activity: £1.4 billion over 10 years, in addition to the £5 billion over 10 years already allocated to our future Skynet satellite communications capability.

The DSS also reinforces all four of the 2021 Integrated Review's objectives to: strengthen security and defence at home and overseas; build resilience; sustain strategic advantage through science and technology; and shape the international order of the future.

National Cyber Strategy 2022

15 Dec 2021 | HCWS484

Steve Barclay (Chancellor of the Duchy of Lancaster): I am pleased to announce the publication of the new National Cyber Strategy.

This strategy builds on the significant progress made through the National Cyber Security Strategy 2016-2021 and delivers on a commitment made in the Government's Integrated Review of Security, Defence, Development and Foreign Policy which was published earlier this year.

Exponential advances in technology combined with decreasing costs have made the world more connected than ever before. The pandemic has accelerated this trend, but we are likely still in the early stages of a long-term structural shift. The global expansion of cyberspace is changing the way we live, work and communicate, and transforming the critical systems we rely on in areas such as finance, energy, food distribution, healthcare and transport. In short, cyberspace is now integral to our future security and prosperity. This offers extraordinary opportunities for technologically advanced countries like the UK to pursue their national goals in new ways.

As such, this strategy reflects our ambition to cement the UK's position as a leading cyber power. While cyber security remains at the heart of this strategy, it now draws together the full range of the UK's capabilities inside and outside government, with a particular emphasis on taking the lead in technologies relevant to cyber. It calls for a truly joined up, national strategic approach that is shaped by and helps guide decision-making in organisations across the country, and provides the basis for stronger collaboration with our partners in the UK and around the world.

Our vision is that the UK in 2030 will continue to be a leading responsible and democratic cyber power, able to protect and promote our interests in and through cyberspace in support of national goals:

- a more secure and resilient nation, better prepared for evolving threats and risks and using our cyber capabilities to protect citizens against crime, fraud and state threats;
- an innovative, prosperous digital economy, with opportunity more evenly spread across the country and our diverse population;
- a Science and Tech Superpower, securely harnessing transformative technologies in support of a greener, healthier society; and,

- a more influential and valued partner on the global stage, shaping the future frontiers of an open and stable international order while maintaining our freedom of action in cyberspace.

The strategy is built around five core pillars which focus on: investing in our people and skills; increasing cyber resilience; taking the lead in the technologies vital to cyber power; advancing UK global leadership in cyber; and detecting, disrupting and deterring our adversaries.

As announced in the Spending Review, the government will be investing £2.6 billion in cyber and legacy IT over the next three years to support the strategy. This is in addition to significant investment in the National Cyber Force announced in the Spending Review 2020.

We will invest more than ever before in a rapid and radical overhaul of government cyber security, setting clear standards for departments and addressing legacy IT infrastructure. Government's critical functions will be significantly hardened to cyber attack by 2025 and we will ensure that all government organisations - across the whole public sector - are resilient to known vulnerabilities and attack methods by 2030.

A copy of the National Cyber Strategy has been deposited in the Libraries of both Houses.

Armed Forces Update

19 Oct 2021 | HCWS329

Ben Wallace (Secretary of State for Defence): I am today announcing the Government's decision on pay for the Armed Forces for 2021-22.

The Government recognises that public sector workers play a vital role in the running of our public services, including in their remarkable commitment to keeping the public safe in the continuing fight against Covid-19.

The Government received the Armed Forces' Pay Review Body (AFPRB) report on 2021 pay for Service Personnel up to and including 1-star rank on 21 July 2021. This has been laid before the House today and published on GOV.UK.

The Government values the independent expertise and insight of AFPRB and takes on board the useful advice and principles set out in response to the Government's recommendations outlined in the report.

As set out at the Spending Review (2020), there will be a pause to headline pay rises for the majority of public sector workforces in 2021-22. This is in order to ensure fairness between public and private sector wage growth, as the private sector was significantly impacted by the Covid-19 pandemic in the

form of reduced hours, suppressed earnings growth and increased redundancies, whilst the public sector was largely shielded from these effects. This approach will protect public sector jobs and investment in public services, prioritising the lowest paid, with those earning less than £24,000 (Full Time Equivalent) receiving a minimum £250 increase. The pause ensures we can get the public finances back onto a sustainable path after unprecedented government spending on the response to Covid-19.

The AFPRB have recommended the following:

- a £250 uplift for all members of the Armed Forces earning less than £24,000, where X-Factor is excluded from this salary calculation;
- an increase in accommodation charges of 1.7% in line with the increase in the actual rents for housing component of CPI, not to be backdated; and
- other targeted eligibility changes to some categories of recruitment and retention payment.

The Government accepts the AFPRB's recommendations on accommodation charges and recruitment and retention payments in full.

However, the Government does not accept the AFPRB's recommendation to exclude X-Factor from the low earner salary calculation as X-Factor is a component of the overall military salary. Instead the Government will implement a £250 pay uplift for all regular and reserve Service Personnel earning less than the equivalent of £24,000 per year inclusive of X-Factor. This rise will be implemented in November 2021 salaries, and be backdated to 1 April 2021. Service Personnel have also continued to have access to annual incremental progression where appropriate.

The Government recognises that there is a further discussion to be had over the use of the X-Factor for pay and salary comparability work. The Armed Forces Reward and Incentivisation Review, recently announced in the Integrated Review's [Defence in a competitive age command paper](#), along with the AFPRB's planned review of X-Factor in the 2023 Pay Round will provide the opportunities to explore this topic in much greater depth.

The year 2021-22 has seen no waning in the important outputs our Armed Forces. From continuing to support the national response to Coronavirus, to the exceptional work of all those involved in the Afghanistan evacuations, all whilst maintaining our critical national Defence outputs. It is for this reason I am pleased that, despite the unprecedented impact the pandemic has had on the nation's finances, the Government has been able to act in the spirit of the AFPRB's recommendations and demonstrate its commitment to looking after those who look after us.

Armoured Cavalry Programme: AJAX Update

18 Oct 2021 | HCWS322

Jeremy Quin (Minister of State for Defence Procurement): I wish to provide a further update to Parliament on the Ajax equipment project being delivered as part of the Armoured Cavalry Programme.

1. Health and Safety

The review by the MOD's Director of Health, Safety and Environmental Protection on the Health and Safety aspects of the Noise and Vibration concerns raised on Ajax is now in its final stages. The Report runs through the chronology of the Ajax programme and key decisions made regarding safety in order to ensure a clear understanding of the current background and is being subjected to a formal Maxwellisation process. I look forward to the Report being finalised. I will publish it in full.

2. Update on Personnel

The health of our service personnel is our top priority. At 30 September 2021, the total number of people exposed to noise and vibration from Ajax was 310, of whom 11 are civilians and 10 are now Veterans. All 310 individuals have now been contacted and offered assessments for noise and vibration.

On noise, at 30 September 2021, 270 people have been assessed and 40 people have declined assessment or have so far been unavailable to attend. Of the 270 individuals who have been assessed, 231 have returned to duty having maintained or returned to pre-exposure levels of hearing. Of the 231, as an extra precaution, 166 people are receiving enhanced hearing surveillance. Of the remaining 39 people who have been assessed, 34 remain under specialist outpatient care at the Queen Elizabeth Hospital, Birmingham/Royal Centre for Defence Medicine; most of these are undergoing a period of hearing rest prior to reassessment, at which point we expect a significant number to return to full duties. There are a remaining 5 individuals who have been medically downgraded (potentially requiring a change of duties within the Armed Forces) or discharged, either for reasons unrelated to hearing or with hearing loss as a major or minor cause. In the case of hearing loss being identified Ajax may or may not be confirmed as a contributory factor. I am withholding a more precise breakdown of those downgraded or discharged because individuals could be identified resulting in a potential breach in medical confidentiality.

Vibration injuries is a highly specialised area, requiring a graduated assessment process. All 310 individuals exposed have been offered a vibration assessment, with around 125 having so far declined assessment. The process is ongoing but, at 30 September, 45 individuals have been referred for specialist assessment of symptoms which could be associated hand-

transmitted vibration, 9 individuals have been referred for specialist assessment of symptoms which could be associated with whole body vibration and 9 individuals have been referred for both. None of the individuals exposed to Ajax have had a change in medical grading or been medically discharged due to vibration.

I will continue to update the House on the number of personnel affected by noise and vibration, including if any trends become apparent once the data has been further analysed.

3. Programmatic Issues

I have made clear that Ajax requires a full time, dedicated Senior Responsible Owner. I am pleased to report that we have now appointed David Marsh to the position, who took up the role on 1 October with the endorsement of the Infrastructure & Projects Authority. As the new SRO, he is now in the process of reviewing the Armoured Cavalry Programme to determine what actions need to be taken to put the programme back on a sound footing.

On 6 September, following authorisation by the Ajax Safety Panel, the independent Millbrook trials recommenced. As planned, and following a further meeting of the Safety Panel, these trials continued at Bovington to provide a wider range of surfaces on which to test the vehicle. These trials involved General Dynamics crew and real-time monitoring of noise and vibration. Trials have been conducted on the turreted AJAX variant and on the ARES variant, both of which were Capability Drop 1 vehicles. The trials were run at the Millbrook Proving Ground and at Bovington. This has generated hundreds of Gigabytes of data which is currently being processed. Subject to Safety Panel authorisation, trials of a second ARES Capability Drop 1 vehicle will commence shortly at the Millbrook Proving Ground. On 7 October the Safety Panel also authorised military personnel to conduct essential maintenance on the vehicle and marshalled movement.

Since my last statement data has continued to be gathered and analysed to determine the root cause of vibration in the vehicles. In parallel design modifications have been developed to reduce the vibration experienced by the crew. Testing continues to determine the effectiveness of the modifications and whether they would help ensure the vehicle meets the Army's requirement.

Investigations into excess noise also continue. An in-line attenuator has been designed and we are now validating its effectiveness to address the noise transmitted through the communications headsets.

The focus for the MOD and General Dynamics remains on delivering long-term solutions for noise and vibration to ensure Ajax meets the Army's need. Until then, it is not possible to determine a realistic timescale for declaration of

Initial Operating Capability or the later introduction of Ajax vehicles into operational service with the Army. We will not accept a vehicle that is not fit for purpose.

Ajax is an important capability for the Army and we are committed to working with General Dynamics for its delivery. We have a robust, firm price contract with General Dynamics under which they are required to provide the vehicles as set out in the contract for the agreed price of £5.5bn.

UK Carrier Strike Group – Phase One Update

15 Jul 2021 | HCWS188

Ben Wallace (Secretary of State for Defence): On 23 May the UK Carrier Strike Group (CSG21) set sail on her maiden operational deployment and has now completed the first phase. The Strike Group's route has taken them through the eastern Atlantic, the Mediterranean and in the final weeks of June, they were operating in the Black Sea and delivering combat missions from the eastern Mediterranean concurrently.

During the first phase CSG21 has undertaken an impressive array of exercises working with NATO allies and key international partners. Exercise Steadfast Defender was the principal NATO exercise during this period, but we also participated in dual-carrier operations with our French allies, with HMS Queen Elizabeth sailing in company with the FS Charles de Gaulle.

The carrier air wing has undertaken a range of air exercises including Atlantic Trident and Gallic Strike with the US and France; Falcon Strike with Italy, the US and Israel; and Tri-Lightning with the US and Israel.

This was also a period of concentrated operational activity and development of the carrier strike capability. We provided support to ongoing NATO operations in the Black Sea and NATO's maritime security operation (Sea Guardian) in the Mediterranean. For around two weeks, CSG21 provided support to Operation SHADER, the UK contribution to the Coalition effort to defeat Daesh in Iraq and Syria. While in the Black Sea and Eastern Mediterranean we had to deal with persistent and often irresponsible harassment by Russian forces. This unfortunate continuation of Russian aggression was dealt with exceptionally by our forces, demonstrating not only the capabilities of the CSG, but also the professionalism and restraint of our Service personnel.

Ships from the Strike Group have conducted port visits to Cyprus, Egypt, Greece, Georgia, Israel, Italy, Montenegro, Romania, Spain, Turkey and Ukraine. The programmes and ministerial attendance around those visits helped enhance security, diplomatic and trade relationships that will make the world safer, and will protect and promote prosperity and the rule of law.

We extend our enormous thanks and our great respect to all those nations and armed forces with whom we have engaged and worked alongside. This deployment is the Integrated Review in action and demonstrates the friendships and alliances that we have in place across the globe. Together with our allies we are developing a joint capability that is cutting-edge.

Phase two of the of the deployment, began on 7 July, and will involve transiting the Suez Canal into the Red Sea ahead of the group crossing the Indian Ocean and on to the Indo-Pacific.

Whilst operating in the eastern Mediterranean HMS Diamond experienced some technical issues and has detached from the Task Group for maintenance, inspection and defect rectification. She is expected to re-join the Task Group during the Indo-Pacific phase of the deployment.

During phase one, as part of routine testing, Covid 19 cases were detected on four vessels within the Strike Group. All deployed personnel on CSG21 are fully vaccinated, tested regularly and appropriate protocols were put in place to isolate the cases where possible.

All personnel who are symptomatic are experiencing mild symptoms only and to date there has not been a single COVID-19 admission to sickbay. The Strike Group is currently at sea, has only contactless activity planned for the coming weeks, and will have had at least two weeks at sea before its next planned visits. We take nothing for granted in that regard and are working closely with partners to understand how we can balance engagement and interaction with safety for all concerned.

It is also with deep regret that the Ministry of Defence can confirm that a Royal Navy sailor from HMS Kent died on 10 July 2021. The individual's next of kin have been informed and have requested privacy at this difficult time. The Ministry of Defence offers its profound condolences to the individual's family and friends. The Ship's Company of HMS Kent are in our thoughts during this difficult time.

Equipment Plan

12 Jan 2021 | HCWS700

Ben Wallace (Secretary of State for Defence): I wish to inform Parliament that the Permanent Secretary for the Ministry of Defence has written to the Chair of the Public Accounts Committee with our 2020 update on the affordability of the Defence Equipment Plan, covering the period 2020/21-2029/30. His letter and the supplementary tables have been placed in the Library of the House and published online. This more concise update takes the place of the usual Equipment Plan financial summary report and maintains continuity of financial reporting ahead of implementing the

outcomes of the Spending Review and Integrated Review. I welcome the continued engagement of the National Audit Office (NAO) who have today published their independent assessment of our plans.

Last month, the Prime Minister announced a once in a generation modernisation of the Armed Forces including £16.5 billion additional spending on Defence over the next four years. I am determined that we seize this opportunity to modernise the Armed Forces to meet today's threat whilst taking hard decisions to put defence on a sustainable footing. To do so will require a transparent approach to taking these decisions, inviting robust scrutiny of our plans and recognising where we could be doing more to deliver better value for our spending.

In this context, today's update on the affordability of our plans as they were in April 2020, are a reminder of the challenge ahead and the need for decisive action now to ensure that we match our ambition and resources.

Over the year to April 2020, our central estimate of the shortfall in funding for equipment spending increased from £3 billion to £7 billion over 10-years, with potential for this to be greater if risks materialise and we take no action to intervene. This increase was largely the result of three sources of increased costs:

- Deferral of spending on some projects to save money in the short-term while allowing decisions about their future to be taken in the context of the Integrated Review;
- There were more limited opportunities to reduce the cost of established projects than in previous years and projects were more confident in delivering milestones and achieving their spending forecasts; and
- Risks materialising including less favourable foreign exchange rate forecasts and additional non-discretionary spending in high-priority areas including the nuclear enterprise that we were not able to fully offset through savings.

The settlement we have received in the recent Spending Review means we are now in a position to tackle the root causes of these issues. We are already using the findings of the NAO's assessment of the Equipment Plan alongside our work on these issues to improve our approach to implementing the outcomes of the Spending Review and ensure that our plans are affordable and deliverable.

I am pleased to see that the NAO has recognised the progress we are making in some areas, including management of efficiencies. Our ambitious transformation programme will build on this progress.

I expect our 2021 edition of the Equipment Plan financial summary to present the implications of the Spending Review and Integrated review for equipment spending and on progress in improving the management of our plans.

8

UK Government publications

[The defence equipment plan 2021](#)

Ministry of Defence

21 February 2022

This is the tenth annual published summary of the defence equipment plan. Building on the 2020 summary, it sets out the UK Government's plans for the next 10 years to deliver and support the equipment the UK armed forces need to do the jobs asked of them.

[Ministry of Defence Votes A 2022 to 2023](#)

Ministry of Defence

10 February 2022

These Votes A seek Parliamentary authority for the maximum numbers of personnel to be maintained for service with the armed forces during the year ending 31 March 2023.

This paper was laid before Parliament in response to a legislative requirement or as a Return to an Address and was ordered to be printed by the House of Commons.

[Ministry of Defence Outcome Delivery Plan](#)

Ministry of Defence

15 July 2021

The UK Government's outcome delivery plan sets out the priority outcomes and strategic enablers and how they will be achieved. This plan supersedes the Ministry of Defence single departmental plan published in 2019.

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