

News story: Export and SME support leads policy refresh which will keep our industry and military as 'the envy of the world', Defence Secretary announces

The update is primarily focused on: considering the wider economic, international and security implications of defence programmes at an earlier stage, creating the conditions for the industry to be internationally competitive, innovative and secure, as well as continuing to make it easier to do business with defence, especially for small and medium-sized enterprises (SMEs).

As UK industry's single largest customer, spending £18.7bn of the rising defence budget with British companies last year and directly supporting over 121,000 jobs right across the country, the Defence Secretary outlined the importance of the partnership to both the industry and the security of the country in light of the refresh.

Defence Secretary Gavin Williamson said:

As Britain faces intensifying threats, it is crucial that our brave Armed Forces personnel have the warships, jets and missiles they need to defend the country.

British businesses play a vital role in equipping our troops with the tools they need to keep us safe.

We are British industry's biggest customer and we are committed to exporters and small and medium sized businesses to ensure they and our military remains the envy of the world.

The Policy is based on three key-strands. The first focuses on improving the way defence delivers wider economic and international value, as well as national security objectives. To kick-start this, the department will pilot a new approach to analyse potential ways of delivering these benefits, setting evidence-based objectives for higher-value business cases.

The second strand aims to help UK industry to be internationally competitive, innovative and secure. The MOD continually bangs the drum for Britain's world-leading industry around the world, with [the Defence Secretary in Qatar](#) earlier this month to agree the biggest export deal for the Typhoon aircraft of the decade, worth around £6bn. Prior to that deal, the UK won defence orders worth £5.9bn last year, equating to a 9% share of the global export market.

The [National Shipbuilding Strategy launched earlier this year](#) also focused heavily on export potential, with the new Type 31e class of frigate set to be designed to not only meet the needs of the Royal Navy, but also for the export market in mind right from the beginning. As part of those plans, the Government committed to working closely with industry to provide the certainty and support the need to become internationally competitive, and that early focus on exports will trail blaze the way for other big defence projects following the refresh.

For the first time the department is introducing a framework for standardised intellectual property arrangements for contracts co-funded by the MOD and industry, which were previously dealt with on a case-by-case basis. The department has been consulting with industry on new contract conditions allowing for more open support contracts to competition.

And that also relates to the third stand of the policy: making it easier for companies to do business with defence. This is particularly aimed at innovators, small and medium-sized enterprises (SMEs) and non-traditional defence suppliers.

The MOD has already made strides in this area, which has seen the department's direct spend with smaller businesses increase by over 10%. The MOD has launched a Supplier Portal, bringing together for the first time a range of useful information for new and prospective suppliers in one place.

A new Twitter channel, @defenceproc, is also being used to provide regular updates to suppliers on opportunities and events that the MOD is supporting, whilst the department also launched two simplified, plain English short-form contracts for use in lower value less complex procurements last year, reducing the existing baseline terms and conditions from 18 pages to three.

An appropriate venue for the launch, the UK Defence Solutions Centre is making it easier for British firms of all sizes to do international business, boosting their exports, the national prosperity and global security. An innovation showcase at the event saw various businesses exhibit their defence solutions, including:

- Social Network Analysis, Counting Labs: Real time, rapid response software system to inform automatically about emergency events from social media by automatically assessing the veracity of associated rumours.
- Ultra-lightweight optics, Glyndwr: Low size, weight and power optics for high altitude pseudo satellite and small satellite applications.
- Infrared Solutions, Amethyst: High performance infrared detectors for the stand-off detection of explosives and chemical agents.
- Oxbotica: Autonomous vehicle technology for last mile resupply.



A three-pronged refresh to defence's Industrial Policy has been unveiled by Defence Secretary Gavin Williamson at the UK Defence Solutions Centre in Farnborough today. Crown copyright.

The Industrial Policy refresh follows a commitment made in the Strategic Defence and Security Review of 2015 and is closely allied with the Government's wider Industrial Strategy which was launched last month. That strategy sets out a long term plan to boost the productivity and earning power of people throughout the UK.

ADS Chief Executive Paul Everitt said:

The UK's defence industry makes a vital contribution to both our national security and our economic prosperity. The industrial policy refresh set out by the Defence Secretary today makes positive steps that can develop and strengthen the important partnership between government and the industry.

Defence companies across the UK will welcome the Government's commitment to earlier consideration of the economic impact of defence programmes, support for UK defence exports and innovation, and measures to make it easier for small companies to access defence contracts.

Defence Growth Partnership Co-Chair Allan Cook said:

I am delighted the Secretary of State for Defence has chosen to launch the Government's defence industrial policy refresh at the UK Defence Solutions Centre (DSC). He has seen how the DSC is helping to facilitate innovation and develop new capabilities for the defence industry in the UK, and for our international partners.

The Defence Growth Partnership (DGP) has made tremendous progress since its launch and we are looking forward to continuing to work more closely with our colleagues at the Ministry of Defence, the Department for Business, Energy and Industrial Strategy, and the Department for International Trade to support UK prosperity and our national security.

[News story: Defence Secretary praises personnel keeping Britain safe over Christmas](#)

Gavin Williamson met members of the Household Cavalry at Horse Guards in central London, as they make preparations for their ceremonial duties across the festive period.

As well as providing the Queen's Life Guard for the official entrance to the Royal Palaces, and at Horse Guards, the same regiment was mobilised on London's streets after this summer's Westminster Bridge terror attack in support of the Metropolitan Police.

The Defence Secretary toured their historic Whitehall home with Colonel Crispin Lockhart, Chief of Staff for London District, after witnessing troops preparing their horses for guard duty.

While duty continues at home, more than 5,000 Armed Forces personnel will be working around the globe to help keep Britain safe. UK troops are involved in 25 operations in 30 countries. Around 1,000 people are working to fight Daesh and train the local security forces from locations in Iraq and the wider Middle East, as well as from RAF Akrotiri, Cyprus. In the Caribbean, RFA Mounts Bay joins other Royal Navy warships deployed elsewhere over the festive period.

The Defence Secretary himself is due to travel to Poland shortly, where he will meet personnel on operations with NATO partners including the US. He said:

We live in a world where threats are constant and increasing, and

that means we have to be professional, be dutiful and be committed. Our enemies do not go on holiday at Christmas so our Armed Forces remain vigilant.

I am so grateful to the brave men and women of our Armed Forces for providing that commitment, working to keep us safe while so many of us relax over Christmas. From here in central London to the seas of the South Atlantic, thousands of our people are making a sacrifice which should be warmly recognised by all of us.

In addition to operations in the Middle East and in the Caribbean, soldiers, sailors and airmen are working in locations ranging from Estonia to east Africa, and since 1969 the UK has had submariners on patrol for every minute of every day, providing the UK's nuclear deterrent.

In the South Atlantic, over 1,000 personnel are stationed in the Falkland Islands, while in Afghanistan, troops from the Army and other services are training the Afghan National Security Forces.

[News story: Defence Secretary and O2 team up for 2000th signing of Armed Forces Covenant](#)

Updated: quote added

The news comes after a record breaking year for the Armed Forces Covenant with more employers signing up in a single year than ever before.

O2 is the latest employer to sign the Armed Forces Covenant, bringing the total number of signatories up to 2,000. Today, Defence Secretary Gavin Williamson and O2's CEO Mark Evans co-signed the Covenant at a ceremony in London. The Armed Forces Covenant Annual Report 2017 by the Ministry of Defence was also published today, looking back at the achievements of this year.

The Armed Forces Covenant is a promise from the nation to those who serve or who have served, and their families, which says we will do all we can to ensure they are treated fairly and are not disadvantaged in their day-to-day lives.

Among O2's pledges of support for members of the Armed Forces and their families, O2 is offering paid leave for Reservists to complete their annual training as well as suspension of their mobile phone contracts in the event of deployment.

As part of their pledge to support Veterans and Cadets, O2 are offering them access to their WAYRA initiative. WAYRA is a world-leading start-up accelerator programme which takes between nine and 12 entrepreneurs for a nine month period in London, Oldham, and Birmingham to develop their business ideas.

By signing the Armed Forces Covenant, O2 joins large and small organisations across the country who are helping to ensure that current and ex-Forces personnel and their families get a fair deal when accessing goods and services as well as equal opportunity when transitioning to civilian jobs.

Minister for Defence People and Veterans Tobias Ellwood:

Britain prides itself on the professionalism of our Armed Forces, who are the best in the world. The transferrable skills they take into civilian life are phenomenal. They are natural leaders, can work in a team, are disciplined, reliable, committed, brave and extremely well trained. These attributes are not lost when veterans hand in their uniform for the last time, and I would encourage any organisation to reflect on the value veterans can bring to their business.

Annual Report

Since 2013, the number of employers turning their pledges into positive initiatives for the Forces through the Armed Forces Covenant has doubled every year. The Covenant has leveraged growing support from companies in many sectors such as education, manufacturing, construction, arts, entertainment, and recreation, to name but a few. From supermarkets to banks to football clubs and charities, the Covenant is also attracting wide support from companies of all sizes.

The achievements of the Armed Forces Covenant over the last twelve months are set out in the 2017 annual report and include:

- Fairer mobile phone contracts, freezing the accounts of Armed Forces personnel and their families posted overseas and removing cancellation fees
- Better deals in motor insurance, allowing personnel to keep their no claims bonuses and avoid cancellation fees when posted overseas at short notice
- Better access to banking, such as savings accounts to Service families posted overseas
- Tackling commercial disadvantage previously experienced by the Armed Forces community in relation to credit rating and access to mortgages on

offer, allowing Service personnel posted overseas or in the UK to rent out their homes without having to switch to a 'buy to let' mortgage and incurring additional fees.

- Over 12,800 payments and £193 million advanced to Service Personnel through the Forces Help To Buy scheme, helping the Armed Forces community get on the property ladder
- Committing over £22.5 million of Service Pupil Premium funding to benefit over 75,000 eligible pupils from Armed Forces families in primary and secondary schools.
- Employer networks in a wide range of sectors to support Service leavers through their transition to new careers.
- Better access to mentoring, work placements and employment opportunities for personnel leaving the Services
- Increased funding and sponsorship of military charities and sports events such as the Invictus Games
- Flexible paid or unpaid leave for mobilised Reservists
- Employment support for Veterans, Reservists, Service spouses and partners, as well as support for Cadets
- Discounts and special deals for individuals and their families

The Armed Forces Covenant delivery partners include businesses and trade bodies, charities and community organisations, local authorities and government departments. Signatories tailor their own pledges to support the Armed Forces community and implement these promises through their choice of policies, services, and projects.

[News story: UK takes delivery of final F-35B Lightning this year](#)

Operated jointly by the Royal Navy and Royal Air Force, the F-35 Lightning jets will be able to operate on land or embarked on the UK's new aircraft

carriers. This delivery is a significant milestone for the Lightning Programme and in particular, alongside the formal commissioning of the HMS Queen Elizabeth Carrier into the Royal Navy earlier this month, demonstrates the advancement towards the establishment of the UK's Carrier Enabled Power Projection capability.

Defence Secretary Gavin Williamson said:

This Christmas delivery is the 14th jet to join our fleet of fifth-generation F-35 fighters over in the US. The Carriers have taken centre-stage this year, and next year we look towards these aircraft joining us in Britain and taking off from HMS Queen Elizabeth's enormous deck to undertake First of Class Flight Trials. With our famous Royal Air Force coming into its 100th anniversary, the F-35 keeps us right at the cutting-edge of combat air power.

Peter Ruddock, Chief Executive of Lockheed Martin UK said:

There are more than 500 UK companies in our supply chain who play a vital role in producing every F-35 and we are proud to have delivered the UK's 14th aircraft on schedule. More than 260 F-35s are now flying from 14 bases around the world and we look forward to supporting the UK's Lightning Force, as they prepare to bring their F-35s to the UK and achieve initial operational capability next year.

There are currently some 200 British personnel based at Beaufort testing the aircraft and getting them ready to arrive in the UK next summer as 617 Squadron. Preparations are also being made for First of Class Flight Trials, due to take place on HMS Queen Elizabeth later next year. The programme is on schedule to achieve Initial Operating Capability from land next year with Initial Operating Capability Carrier Strike in 2020. In addition to its short take-off and vertical landing capability, the F-35B's unique combination of stealth, cutting-edge radar, sensor technology, and electronic warfare systems brings all of the access and lethality capabilities of a fifth-generation fighter.



The UK has taken delivery of its 14th F-35B Lightning II which flew into Beaufort, South Carolina last week. Crown copyright.

In 2018, the aircraft – along with the Navy and RAF pilots and ground crew – will arrive in the UK to officially stand up at RAF Marham in Norfolk. RAF Marham will be the Main Operating Base for the Lightning Force in the UK and from here, they will deploy forward to either embark on-board our Queen Elizabeth Class aircraft carriers, or operate from Deployed Operating Bases.

Following successful trials on the land based ski-ramp design which is featured on the UK flagship, and with the RAF Marham runway infrastructure completed as part of a £250m major investment programme in preparation for the F-35 arrival, Defence Minister Harriett Baldwin earlier this year announced that the F-35 was cleared for take-off.

As the only level one partner on the F-35 programme, the UK has been working closely with the US from the outset. UK industry will provide approximately 15% by value of each F-35 to be built, which are due to total more than 3000 in number. The programme has already generated \$12.9Bn worth of orders for the UK and at peak production the programme will support over 24,000 jobs in the UK.

Some milestones reached on the F-35 programme this year include:

- 10% production milestone reached
- Runway resurfacing at RAF Marham complete
- F-35 is cleared for take-off from HMS Queen Elizabeth following successful land trials using the ski-ramp design

- Commanding Officer of 617 Sqn, Wing Commander John Butcher takes his first flight in an F-35B
 - Delivery of 14th F-35
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[News story: New homes for veterans in time for Christmas](#)

The pioneering Parry Court housing development, funded by £8.6 million in Government Libor fines, will provide housing for veterans as they embark on a new future outside of the military.

At a ceremony in Morden, South London, the Ministry of Defence's Chief of Defence People Lt Gen Richard Nugee handed over the keys of the first completed property to Private Jordan Collins, who received his new home in time for Christmas.

Minister for Defence, People and Veterans Tobias Ellwood said:

The Parry Court opening exemplifies our commitment to the wellbeing of our veterans. This new development will be an important stepping stone for veterans, providing affordability and stability as they start their new life in the Capital.

The housing development is a collaboration between the MOD and the Haig Housing Trust, and will provide eight one bedroom houses at a much cheaper rental rate than the private sector.

The Parry Court development will help individuals or couples start a new life in London who could otherwise not afford the high cost of the commercial market.

Rents at these properties will be set at less than 60% of the normal open market price in the area. This will offer affordability and stability for the individuals as they establish themselves firmly in a new job. The properties will be leased on a six monthly basis, extending up to two years.

The funding for this project was provided through the Libor fines scheme set up by the Government in 2012. Over £200 million has been channelled directly to military related good causes, with a further £200 million given to the Armed Forces Covenant Fund.

At this year's Budget in November, the Government announced a further £36 million of Libor fines to support Armed Forces and emergency service charities.