

# Information

**NFLA media release, for immediate release, 14<sup>th</sup> May 2018**

## **NFLA ask why is the Ministry of Defence announcing more money for new Trident submarines when its procurement budget is in such a state of confusion**

The Nuclear Free Local Authorities (NFLA) are concerned by today's announcement in Barrow by the Defence Minister Gavin Williamson of £2.5bn for new submarines, including nuclear armed Trident submarines, at a time when the wider budget of the Ministry of Defence is in such a state of confusion.

The Defence Minister will announce today at the BAE Dockyard in Barrow that he has signed a £1.5bn contract to build a seventh 'Astute' 'hunter-killer' submarine for the Royal Navy. £960m worth of contracts have also been signed to boost the second phase of construction for the UK's four nuclear-armed Trident 'Dreadnought' submarines. (1)

NFLA opposes the development of new Trident submarines as it is going against the 'good faith' commitments for nuclear disarmament enshrined in the Nuclear Non-Proliferation Treaty. It is therefore alarming to NFLA that the UK, like the US, France, Russia and China are all seeking to modernise their nuclear weapons programmes at a time when the large majority of states in the world are in the process of ratifying the Treaty for the Prohibition of Nuclear Weapons.

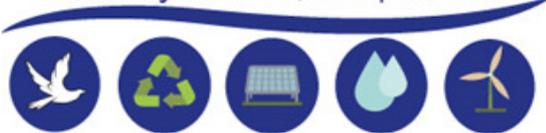
This decision from the Defence Minister comes at a time when independent scrutiny of the Ministry of Defence's budget by the National Audit Office (NAO) has suggested real medium to long term stress on the department's capability to fund all its planned procurement projects, particularly Trident. (2)

Amongst its core findings, the NAO report noted:

- The Ministry of Defence cannot afford to buy and maintain the weapons and ships it needs, with its spending plans labelled "unrealistic" by the NAO.
- NAO warns that that the Ministry of Defence's 10-year equipment plan has a funding black hole of **£4.9bn**. It also notes this could rise to as much as **£20.8bn** if forecast price rises occur and what the NAO labelled "ambitious" cost savings are not achieved. If the MOD is not able to afford equipment purchases and support it could have a serious impact on companies such as BAE Systems and Rolls-Royce.
- The MOD plans to spend £179.7bn over the next decade on equipment and support. However, the examination by the NAO revealed a series of huge holes, such as costs not factored in to the plans. These include £9.6bn in higher costs from the increasingly expensive replacement of the Trident submarine programme, as well as the £1.3bn price of buying five Type 31e navy frigates. If a £6bn contingency fund the MOD has to be used, the funding gap still remains at £4.9bn.
- The NAO also noted other senior risks, including what it described as a £3.2bn "potential understatement of costs" by the MOD and a £4.6bn price increase because of the weaker pound, which pushes up prices when buying foreign equipment, an increasingly core part of defence expenditure.
- The NAO is also sceptical whether the MOD can actually make the £8.1bn of savings it plans over the coming decade. The MOD says it has achieved half of a planned £16bn in savings, but the NAO warned there is "a lack of transparency on the full amount of savings included in the plan and the MOD does not have evidence to support all the savings it has claimed to date". The head of the NAO suggested the MOD's plans are simply not affordable.

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- In terms of the Trident programme, the NAO report notes that construction and maintenance of the Astute-class attack submarines over the life of the plan has already risen by £365.3m, while the price-tag of the Dreadnought Trident nuclear missile submarines has gone up by £575.5m.

In the NFLA's view, Mr Williamson should not be making new spending commitments on Trident without responding in detail to the deep concerns outlined in the National Audit Office report. With deep cuts continuing in all public services, and particularly in local government, NFLA is alarmed that Ministry of Defence spending is not fully under control, and it should be carefully scrutinised before any new spending is agreed upon.

Conservative MP Crispin Blunt has calculated total costs on Trident could be as high as £205 billion in the lifetime of the project, a figure that is completely unsustainable for the defence budget over the next few decades. (3) The UK should be looking rather at moving away from the development of Trident replacement into dealing with the new forms of serious challenges that will affect the UK in the future – such as cyber warfare, the endemic problems that could come out of climate change, public health emergencies (like global flu pandemics) and largescale terrorist attacks.

NFLA Vice-Chair, Councillor David Blackburn said:

"We all know politicians like good photo opportunities and the new Defence Minister will want to show the workforce in Barrow and other defence nuclear facilities that they will benefit from the huge resources being planned to build new Trident submarines. Yet the findings from the National Audit Office could not be starker in saying that the Ministry of Defence is not in full control of its budget, and huge cost overruns are a distinct possibility. With many other critical local services under real threat the Government should not be making such promises until it has got the defence budget fully under control. Trident is not the answer to our defence responsibilities or the threats to this country. It is time for a more enlightened defence policy and the creation of a Defence Diversification Agency to assist and provide advice on the way forward."

Ends - for more information please contact Sean Morris, NFLA Secretary on 0161 234 3244.

Notes for editors:

- (1) Whitehaven News 14<sup>th</sup> May 2018  
<http://www.whitehavennews.co.uk/news/Defence-secretary-to-announce-25bn-nuclear-submarine-projects-today-in-Cumbria-c567806a-38e9-4bb6-a63a-0a6c2633c424-ds>
- (2) National Audit Office report on the Ministry of Defence Equipment Plan 2017 – 2017, 31<sup>st</sup> January 2018  
<https://www.nao.org.uk/report/ministry-of-defence-the-equipment-plan-2017-to-2027/>
- (3) Independent, 12<sup>th</sup> May 2016  
<https://www.independent.co.uk/news/uk/politics/trident-replacement-cost-nuclear-submarines-205-billion-independent-trident-commission-cnd-caroline-a7025956.html>

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