

Defence Committee

Oral evidence: AUKUS, HC 841

Wednesday 19 November 2025

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Members present: Mr Tanmanjeet Singh Dhesi (Chair); Mr Calvin Bailey; Alex Baker; Lincoln Jopp; Jesse Norman; Ian Roome; Michelle Scroggum.

Questions 115-172

Witness

I: Sir Stephen Lovegrove, the Prime Minister's Special Representative on AUKUS.

Examination of witness

Witness: Sir Stephen Lovegrove.

Chair: Welcome to the House of Commons Defence Committee evidence session for our AUKUS inquiry. It is a pleasure to welcome Sir Stephen Lovegrove, the Prime Minister's Special Representative on AUKUS. Thank you very much for appearing before the Committee. I also want to thank you for previously appearing in a private session. Given that that was classed as "official-sensitive", the Committee could not disclose many of those themes. That is why we wanted to have this public evidence session to allow you the maximum opportunity to put as many things on the public record as possible. A warm welcome to you. Without further ado, I ask my colleague Lincoln to kick-start the questions.

Q115 **Lincoln Jopp:** Thank you very much indeed for coming in. Could you set the scene as to the circumstances in which your review took place? To what extent were you happy with the terms of reference? Was there anything that you could or could not put into it? Subject to the Government having not yet published the review—and within the realms of what you can say—we would be fascinated to hear the headlines.

Sir Stephen Lovegrove: Thanks to the Chair and the Committee for having me today. The Prime Minister, when he was Leader of the Opposition, and the now Secretary of State for Defence and the then shadow Foreign Secretary were always interested in AUKUS. I briefed them on it when I was National Security Adviser, and they were full-throated in their support when they were in opposition. It had been going for about two years or so while they were in opposition, and I left the Government in 2022.

To a certain extent, I had been watching AUKUS from afar and speaking to old colleagues as a matter of interest. When they took office the Prime Minister and the Secretary of State asked me to review AUKUS, not because they felt its basic tenets needed to be questioned in any way, but merely because they wanted to make sure that an enterprise of this magnitude was on track; it is colossal—the biggest defence and security capability collaboration in the last nearly 70 years.

That was partly to look at AUKUS in its own right, but partly because it has so many knock-on effects on the rest of the submarine building enterprise and submarine maintenance and operations along with naval and defence as well. I said that I was happy to do that. I kicked off the review last September and handed it in just before Christmas. The review was—by and large—accepted in all its main findings in the early part of this year. Although this was not the original aim, one of the consequences of that was that the Prime Minister appointed me as his Special Representative.

In terms of what I looked at, I should say that I had absolute carte blanche to look at everything that caught my eye or that I wanted to look at or was available. There were no problems on that front. In terms of the structure of the review, it is probably easiest to think of it in terms of the



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pillar 1 exercise, which is about the submarine build, and pillar 2, which is about other advanced capabilities. Then I looked at the governance of the project within Government, and I then looked finally at how we were communicating what AUKUS was there to do to both our allies and our adversaries, as it has an important strategic deterrent effect in its own right in signalling terms.

I also looked at whether we were communicating it to our various publics, because a project of this scale clearly relies on public and political support. I am conscious that I am rabbiting on a bit. Would you like me to carry on and tell you roughly what I found in those four pillars?

Q116 **Lincoln Jopp:** Please do.

Sir Stephen Lovegrove: On pillar 1, when I left Government, there was a very ambitious building plan for Barrow, Derby and Sheffield Forgemasters, which supplies important steel for the programme. I found there that good progress had been made, but that it needed to be quite seriously accelerated if we were to hit the timetables that we wanted to hit for the production of the first boats. I will use point estimates, but they are within a range, broadly, of 2039—the late 2030s—for the first UK boat, and very early 2040s for the first Australian boat.

At the real heart of this is that we need to have the ability in Barrow to effectively run two submarine building lines at the same time. It is not quite as simple as actually having two sheds up there, because it is a constrained site, but the functional effect is that we need to be able to run two lines. That is made more complicated for us, of course, because we build our deterrent boats up in Barrow as well, whereas obviously, the Americans have considerably more capability and footprint to be able to build their much larger fleet.

Were we making progress on that as quickly as I think we needed to? Candidly, the answer was, “Not quite.” We needed to accelerate. There is no reason to be despondent about that, and indeed, there has been a great deal of progress in the last year, both in terms of money going into the programme and in productivity up in Barrow. Everybody is working hard on that, but it did shine a light for me on how we needed to keep pushing on it.

I did not spend a lot of time looking at the Australian facilities, but I did go and talk to colleagues down there. It is certainly the case that the Australians also have a colossal job to be able to build the facilities they need to manufacture and maintain the AUKUS boats when they do that, but ahead of that, they need to be in a position to maintain and operate the three Virginia-class boats they are going to be buying from the United States. One of the findings that I also came up with was that there needed to be greater integration between the Australian and UK systems. One of the reasons that we did AUKUS in the first place—that the then Prime Minister decided to push AUKUS through—was because the resilience that would be afforded to the UK’s submarine industrial base by having an equivalent in Australia was going to be a very significant prize.



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Pillar 2 was about the other advanced capabilities. When we announced AUKUS in 2021, the capabilities that were mentioned were things like hypersonics, AI, quantum, cyber and so on. To be honest, they were relatively immature ideas at the time. An extremely important part of AUKUS was about allowing for trilateral collaboration in these new and important areas of warfare and deterrence, but we needed to be able to identify exactly where the best ones were going to be.

There were too many ideas in pillar 2 for my comfort a year ago. My recommendation was to concentrate on a much reduced number of ideas so that we could put proper resources, in terms of both personnel and money, behind them at the level of three—trilaterally. That was a view shared pretty broadly in Australia and the US. We have necked down to, I think, four proposed areas. I'm afraid I am not in a position to tell you what those areas are because I think that is classified. The proposals were agreed with Australian colleagues; they are with American colleagues at the moment and I am hopeful that when the American review concludes, we will be able to take them forward. That is a very promising area, but we need to make more progress on it.

Regarding governance, this Committee will know that AUKUS is such an enormous project that it cannot realistically be led only from Defence. If it becomes a very large Defence business-as-usual procurement programme, we will all be in trouble. That goes as much for Australia and the US as it does for the UK. It was initiated through very active leader-level collaboration, and that needs to continue to maintain its momentum and fulfil its potential.

I thought that there had probably been a bit of a loss of central leadership and knowledge of the programme in all three countries—all three have had changes of Administration and a number of key officials leaving. I said that I thought that we needed to refocus the centre of Government on prosecuting AUKUS as actively as we possibly could, and I made a few suggestions as to how that might happen. One of them ended up with me being appointed as the Special Representative but that was not the aim of that chapter. The Prime Minister is very active in supporting that.

The last chapter is on strategic communications. As I said, we need to maintain support for this multi-decadal, epochal, initiative in our countries. That relies on sustained political will, and that sustained political will relies, frankly, on a degree of public understanding. I thought that we could do more of that in the UK. I thought that Australia—where AUKUS is a bigger part of the national conversation, to be candid, than it is over here—was probably ahead of us in that regard, and I thought that some of the things that our American colleagues did, particularly on workforce and trying to engage Americans to join this industry, were imaginative and things that we could emulate.

We also need to ensure that our allies and the countries with which we seek to be friendly understand what we are trying to do with AUKUS. There is no getting away from the fact that a considerable amount of hostile propaganda about AUKUS is put out by countries that do not wish

the programme well. We need to be able to counter that because, if we do not, people will misunderstand what it is there for.

The other thing I would say is that AUKUS in its own right, because it is such a very significant set of initiatives, has its own deterrent effect. Countries who wish us ill do not like AUKUS. They would like it either to go slowly, to stop or to fail in some way. We need to keep reminding people that it is going well, that it is important and that it is the right thing for both the UK and its allies and for broader security, not merely in the Indo-Pacific but in the Euro-Atlantic area, which is a subject I think we need to talk about a bit more. There is, when people talk about AUKUS, a sense that this is all about the UK playing in the Indo-Pacific and dealing with allies who are concentrating on the Indo-Pacific. Well, yes, but much more importantly, it radically improves and enlarges our deterrent capability in our own backyard, which is the Euro-Atlantic. Those are the kinds of areas that I covered.

Q117 Lincoln Jopp: Thank you very much indeed. That was very helpful. A lot of the things that you were talking about chime with what the Committee saw during our visits to Washington, Norfolk, Adelaide, Perth and Canberra earlier in the year. Do you have any sense of when the Government are going to publish a redacted, declassified version, or do you think that that does not matter?

Sir Stephen Lovegrove: I am afraid I do not have any idea as to when the Government are proposing to publish it or indeed whether they will do so at all. It will certainly have to be a redacted version, if it happens. We have actually sent a redacted version to Australian and American colleagues, and I have done a number of think-tank events here, in Canberra and in DC to talk about some of the themes that we are talking about today. I would be very happy if a version of it were made public. I would hope that we will be talking about today much of what would be in such a document. It is not as if the kind of thing that would be in that document would not be public, but nevertheless, I think it is probably helpful if there is one and maybe there is an opportunity—I am nearly a year into my appointment—to do a stocktake that could combine the two. We have not quite got to a decision on that at the moment, but it is ultimately the Prime Minister's document, and it is No. 10's decision to publish it.

Q118 Chair: Perhaps you can take a message that House of Commons Defence Committee members, who are intricately involved in this on a weekly basis and are conducting a comprehensive inquiry no less, should surely have access to your review.

Sir Stephen Lovegrove: I will certainly take that message back, Chair, and I will commit to ensuring that you get a reply to that as well.

Chair: Thank you very much. On leadership and governance issues, I call Ian Roome.

Q119 Ian Roome: For the record, Sir Stephen, when is your appointment due to finish?

Sir Stephen Lovegrove: April next year.

Q120 **Ian Roome:** Right. Given the importance of what AUKUS aims to deliver, one of the messages we picked up, particularly from people in Australia, was that we should have your post extended due to your knowledge and because it is good to have someone with that drive within the United Kingdom. They were impressed by your appointment, and they were saying that the same post should exist in Australia. I know it is hard for you to say because it is your role, but would you agree that someone like you should be in post to continue to drive this forward?

Sir Stephen Lovegrove: I think that there is a definite benefit in having a figure. It could be a dedicated Minister, it could be a very senior official who is devoted to it in the national security architecture, or it could be somebody like me who has a particular domain knowledge and experience. There are a variety of ways in which you could do it, but I think it is a good idea to have someone who can cohere parts of Whitehall and Westminster and provide a clearly identified public face for the enterprise. If the Australians and indeed the Americans were to choose to appoint a peer to my role as it is at the moment, I would welcome that.

Q121 **Ian Roome:** To go back to the main governance structure, the FCDO, DESNZ and MoD are involved. The MoD tells us that it put in place more robust and centralised governance arrangements for AUKUS following your review. Is there now an understanding across Whitehall that AUKUS should be seen as a national endeavour, rather than as a defence programme?

Sir Stephen Lovegrove: Yes, I think there is. As a result of the review, we have: a very senior ministerial group dedicated to AUKUS, which brings together senior Secretaries of State from the Departments you mentioned; a very senior officials group, which brings together officials from the Departments as well; and initiatives such as Team Barrow, which members of the Committee will be aware of, because some of them sit on it, which seeks to bring together different aspects of departmental equities in order to be able to make a difference to the town. It is not, however, an area where I would ever want to be complacent. Big defence projects have a tendency to gravitate always back into defence, because of the nature of them—partly because of security and partly because of specialised, expertise knowledge that exists in the Ministry of Defence more than anywhere else—so it is a constant effort to make sure that it continues to be a national endeavour.

Q122 **Ian Roome:** Sophie Gaston, in her written evidence to the Committee, was concerned about the Defence Secretary standing in for the Prime Minister, and saying basically that the Prime Minister should be involved all the time, because of the particular leadership that AUKUS needs to bring everyone together. What is your experience of the Prime Minister's involvement and of the Defence Secretary standing in for him at meetings?

Sir Stephen Lovegrove: If the Prime Minister cannot make an AUKUS meeting, the obvious person to stand in for him is the Defence Secretary.



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It is a national project, but it is being operationalised through parts of the Ministry of Defence, and the Secretary of State has budgetary responsibility for it. I think, in the main, that is perfectly acceptable.

The Prime Minister is definitely engaged in AUKUS. I have had a couple of conversations with him since my appointment, and as I say, I will put in a year's stocktake to him fairly soon. He is self-evidently an extremely busy man, so there may be moments when he is not able to attend sessions that he might like to, but I have no doubt whatever about the Prime Minister's engagement in AUKUS.

Q123 Ian Roome: Are you confident of sufficient drive and determination at the highest levels of Government to deliver both pillars 1 and 2 of AUKUS?

Sir Stephen Lovegrove: Yes, I am actually. We should not run away with the idea that these are easy things to do. They would not be easy to do even as a solo British project; doing it with two other sovereign nations, one of which is the richest nation with the most capable military in the world at the moment, makes it very difficult. There are going to be bumps along the way, but I believe that we are sufficiently gripped to be able to make a success of it, yes.

Q124 Ian Roome: Have you any concerns about trilateral governance?

Sir Stephen Lovegrove: I would like to see trilateral governance upgunned, actually. You mentioned earlier that, at the moment, the UK has a Special Representative while the other two nations do not. That is something they are thinking about, but they have not made a decision yet. I think that the Defence Ministers trilaterals are effective, but sometimes we need to make sure that the official level groupings are a bit more effective than they have been over the last year or so; people are working on that, but there is work yet to be done. I am not sure whether the three leaders have spoken about it together recently, and perhaps that should be done before too long, because it is very important for all three nations.

Q125 Ian Roome: What effect do you think governance has in defence industry manufacturing regarding the lack of agreement, particularly on pillar 2 and what those areas should be?

Sir Stephen Lovegrove: There is a degree of frustration—there is no question about that—in industry about not yet identifying a suite of programmes for pillar 2. There is a desire for a limited number of specific projects to emerge, and I can understand why defence is champing at the bit to be able to get that. It is in the nature of a trilateral arrangement that we need to wait until all three countries are settled on what those projects ought to be. We have not quite got there yet, apart from a couple of areas where we have made progress—most notably, in sonobuoys. There is very significant progress in some of the frameworks around industrial collaboration. The changes to the ITAR framework are very significant and do make a difference to pretty much the whole of industry, but I can understand why industry would like to see specific pillar 2 projects emerging sooner rather than later.



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Q126 Chair: Sir Stephen, when you were appointed as the Prime Minister's Special Representative on AUKUS, that was done with a great deal of enthusiasm—indeed, many of us were enthusiastic; I welcomed it. Neither of the other partners has that point person. I just want to get to the bottom of the amount of resource there is at your disposal. Can you confirm how many people are in your office?

Sir Stephen Lovegrove: Principally, I have a team of about three in the Cabinet Office, and I draw heavily on the capability in the Defence Nuclear Organisation in the MoD, where much of the technical knowledge and capability reside.

Q127 Chair: Is that three permanent people in the Cabinet Office, or are they part time? What is the full-time resource that you have?

Sir Stephen Lovegrove: I do not think any of them is completely full time on AUKUS or supporting me. They are in the defence and nuclear section of the National Security Secretariat. At least two of them spend probably the bulk of their time supporting me. As I say, I have an ability to draw on resources in the Defence Nuclear Organisation pretty freely, so I do not have a particular problem with that. If you are saying, "Could we have more?" I am sure I would be able to find use for more resource.

Q128 Chair: Right, but you are happy with that level of resource, and you think you are able to do your job effectively?

Sir Stephen Lovegrove: At the moment, I am comfortable with that level of resource. That may not be the case were we to reshape the role, but at the moment it is adequate.

Q129 Chair: There is also a lot of concern among us that your role seems to be unclear—as in, the nature and extent of the role, and just how much authority you wield. Those of us who have been around here for a few years know that the influence of the Prime Minister's Special Representatives can vary, to put it mildly, especially when it comes to the Foreign, Commonwealth and Development Office. How much authority do you have, and how often are you meeting up with the Prime Minister? You mentioned that you have met up with him a couple of times. Are there any structured meetings? Is that in place?

Sir Stephen Lovegrove: They have been structured to the extent that they have been put in the diary, and we have then talked about AUKUS. They have not necessarily been structured on the basis that, "Once every six months, and it's going to be on this particular date."

Q130 Chair: Do you not think that for a multibillion-pound project like AUKUS, which is the first time that we have embarked on such a groundbreaking partnership, there should be structured meetings, whether quarterly or otherwise, for the Prime Minister and you to look at progress and see what has been achieved? If there is insufficient progress, or if there are programme or cost overruns, that could have severe implications for our defence enterprise.



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Sir Stephen Lovegrove: That is certainly true, and the more time I can spend with the Prime Minister, the better, as far as I am concerned. But I am equally conscious that he has many calls on his time. I do see the Defence Secretary and the Foreign Secretary very regularly indeed.

In terms of the status of Special Representative, I have not seen a particular problem with that. I understand the point you are making, but I have not been in a position where I have either asked for information or asked for something to be done when it has not been done. I think in the main that is because, I hope, people recognise that I speak with the authority and sanction of the Prime Minister and the Defence Secretary.

Q131 **Chair:** Is your role merely advisory?

Sir Stephen Lovegrove: It is advisory.

Q132 **Chair:** There is no Executive authority?

Sir Stephen Lovegrove: I do not have Executive authority in the way that a senior official would have Executive authority. But having said that, many of the people with whom I am dealing are former colleagues, and I know how the system works. I know how to get things done if there is a problem, and as yet, I have not had any problems with that particular aspect of the job; nor have I had any difficulty seeing foreign counterparts, either. There has been no question of having restricted access to senior decision makers in other systems.

Chair: I can definitely corroborate that fact, because when we were out in the US and in Australia, the level of access that you had had became abundantly clear to us. All the people we met had met you, which was good to hear.

Let us go on to the strategic narrative around AUKUS, with my colleague Alex Baker.

Q133 **Alex Baker:** Sir Stephen, imagine you are one of my constituents living in Aldershot or Farnborough, the home of the British Army, and you are relatively au fait with defence. What should that person know about AUKUS?

Sir Stephen Lovegrove: That person should know—well, I would like them to know—that the conventionally armed nuclear-powered submarine is the most potent offensive and deterrent platform that we have, short of the nuclear deterrent itself. It has, because of its firepower and its range, but mainly because of its stealth in what are still invisible oceans, the ability to hold enemies' assets at risk at great distances in a way that the adversary does not and cannot know anything about; they simply will not know where the boats are. As a result, it is capable of confusing and complicating the adversary's ability to put our assets at risk, or to take hostile action against either us or any of our allies.

Defence is a very complicated system. It relies on multiple components of national power working together, not all of which are hard power—some are soft power—and it relies on our allied system too, but crucially it relies

on the ability of our nuclear boats to operate freely and in sufficient numbers in the waters where we require them to do so.

Q134 **Alex Baker:** How much do you think the public actually know about AUKUS?

Sir Stephen Lovegrove: Not enough, if I am honest. The level of debate about defence and security in the country in general could be enhanced and I welcome opportunities such as this to make a tiny contribution to that. It is a dangerous world. That is a truism, but it is true for all that. The threats that we face, but also the capabilities we have to be able to overface those threats, the need to invest in them, which ones are the important ones for the future and which ones are the ones we have to roll off—those are all important topics of national debate.

Q135 **Alex Baker:** It has been part of your work to look at communications. What is your analysis of how the Government are communicating the narrative? What should the narrative look like and why is it important that they do that?

Sir Stephen Lovegrove: The strategic defence review was a very good piece of work; obviously, it built on the integrated review of a few years ago—this is by and large cross-party stuff. I do not think anyone has denied the base of analysis that goes into all that. To be honest, I would like to see a more consistent debate on these matters. When I was permanent secretary at the MoD and indeed after that as National Security Adviser, I was always keen on the idea of having a rolling series of slightly narrower reviews, rather than the big set piece that happened every three years, which everyone would concentrate on for a while, but then they would put it on a shelf and get on with their lives. I do not think we live in that kind of world any more.

We started doing that. I would like to see more of it. It would be good if people had a better understanding of issues to do with proliferation, of the ways in which cyber and AI are likely to complicate battlefield decisions, and the way in which hostile states are attempting to infiltrate the national debate in a host of different ways, some of which we read about in the newspapers, so it is an area that we could do more on.

Q136 **Alex Baker:** One of the big challenges for AUKUS is that, even among MPs, there is not enough awareness. I come to this as someone who is in very much a defence seat, but I do not represent Barrow. Barrow's role in AUKUS is clear, but I find it difficult to understand the contribution of my constituency when it comes to AUKUS. How can we make it easier for MPs to understand AUKUS's role in their patch?

Sir Stephen Lovegrove: That is a good question. I would be perfectly happy to spend some time doing a rolling series of briefings to parliamentarians on the importance of AUKUS and of our submarine fleet, if that would be helpful. I think the MoD could probably spend a little bit more time getting out on the road and talking about some of its capabilities as well. One of the difficulties—you will know this from your constituency—is that when the ordinary citizen thinks about our Armed



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Forces, typically they think about things like the size of the Army or soldiers with guns and so on. In fact, the vast amount of money goes on very expensive bits of kit, of which the submarines are the biggest and most expensive. A better understanding of that kind of thing would be helpful.

I am not suggesting that we go this far, but in America, they are so concerned about the number of people going into the workforce in submarines that they have taken out adverts during the Super Bowl and the Oscars. They have an AUKUS-sponsored NASCAR race car driving around at high speeds in American racetracks. We could take a few leaves out of that book, to be honest.

Q137 Alex Baker: One of the challenges is that, ultimately, AUKUS is not just about Barrow or Derby. It is vital that those places feel the benefit, but pillar 2 is all about benefits beyond just building the submarines. How do we as MPs find out what is in our patch?

Sir Stephen Lovegrove: First, I take the point. Even if you were thinking about pillar 1, the supply chain associated with the building of a submarine is nationwide. It is not just about Barrow, Derby or Sheffield; it is all over. Only this morning, I was talking to a semiconductor manufacturer of very specialised types of kit, which goes into defence equipment. They would like to get into the AUKUS programme, and they are based just outside Newcastle. There is industry all over the country—there is no doubt about that. We probably need to do a bit more mapping of where the dependencies actually are, because it becomes much easier to talk about it when there are local interests.

If we are talking about missiles in the UK, they are, by and large, developed and built in the south-east of England. If we are talking about the computational capabilities that modern warfare requires, they are, by and large, created in labs around our university towns. There is a huge amount to talk about; I do not think we talk about it enough. That is something that I will take away from this hearing and go back to colleagues in the MoD with, because that is really where the responsibility lies. I worked at the MoD for a long time and love it dearly, but it occasionally has a tendency to try to keep itself to itself, and I do not think that is a very helpful thing to do.

Alex Baker: I appreciate that. All I would say is that MPs are your best storytellers on this. Ultimately, if you can give us the stories to tell, we will go and talk to our people about why this is important.

Chair: To build further on the strategic narrative, some other colleagues wanted to come in, starting off with Lincoln Jopp.

Q138 Lincoln Jopp: I think you said, in your answer to the first question, that you did not think that the two new Prime Ministers and President had had a conversation about AUKUS—a three-way conversation.

Sir Stephen Lovegrove: Yes; I do not think they have had a three-way conversation.



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Lincoln Jopp: If there is not even a triologue, it is hard to build a narrative. When I think of AUKUS, I am like one of Alex's voters—I think of that picture in San Diego with Albanese, Sunak and Biden. In order to reinforce all the messages about AUKUS being epoch-changing, multi-generational and politics-proof, would it not be a great idea to get the three new ones together to reproduce a similar striking image to focus on AUKUS?

Sir Stephen Lovegrove: I think that would be great.

Q139 **Lincoln Jopp:** Similarly, when we were in Australia, someone floated the idea—no pun intended—that, when we have a fully Australian-crewed Virginia-class boat, a British boat and an American boat alongside one another, surfaced in the Indian ocean, that too would be another drumbeat in building that strategic narrative.

Sir Stephen Lovegrove: That would also be absolutely terrific. One of the strange problems that one has with submarines is that, by and large, they are not so photogenic—I think that they are fantastic machines, actually, whether they are above the water or below it, but they are not as obviously photogenic as an aircraft carrier, for example. They are designed to be hidden.

Q140 **Michelle Scrogg:** I want to pick up on the comments that Alex Baker made about the supply chain and how we as MPs can communicate. I chair the AUKUS APPG, and this is something we have been working on for a year. It has proved incredibly challenging to get that information from the MoD or from the primes, because of the sensitivity of the data. We need to tell our colleagues that it is not just Barrow-in-Furness. While we package up this incredible piece of engineering, given the numbers from Dreadnought and previous submarine programmes, about 80% of my colleagues will have something in the supply chain within their patch. It would be useful if we could open a few doors and make them understand how important it is that we can share that with our colleagues.

Sir Stephen Lovegrove: I have made a note of that and will take it back. In the next two weeks, in fact, we are having a meeting on the very subject of strategic communications nationally and internationally. That sounds like an extremely good thing to have at the top of the agenda.

Q141 **Chair:** To build on that, have you proposed to the Prime Minister that all three leaders should get together for a group shot?

Sir Stephen Lovegrove: There is a common awareness that the kinds of event that Mr Jopp talked about is very powerful. Thought is going into how such events might unfold in the future. I do not want to go into too much further detail on that, if that is okay.

Chair: But that proposal is on the table. Is it being contemplated?

Sir Stephen Lovegrove: It is certainly in contemplation, yes.

Q142 **Mr Bailey:** To come back on the strategic narrative, how coherent are AUKUS policy and approach with the Government's approach and policies

towards China?

Sir Stephen Lovegrove: I think that AUKUS is completely consistent with the Government's policies towards China. Clearly, China poses a number of challenges to national and international security, and we read in the newspapers relatively often about how it poses a number of discrete threats to us on occasion. Equally, China is an absolutely critical trading partner and vital to addressing some of the problems that the world faces at the moment, so the idea that we could somehow or other cut ourselves off from China is obviously for the birds. I do not think, however, that the idea of broadly based security against any number of threats in the Indo-Pacific and the North Atlantic is something that is remotely contradictory to the Government's position with respect to China.

Q143 **Mr Bailey:** You will represent the need to separate our strategic dependencies from China as part of the AUKUS narrative internal to the Government, and you will speak about the challenges in places like our universities, which you just spoke about, and which are critical to sharing and growing the knowledge necessary to develop an independent nuclear deterrent.

Sir Stephen Lovegrove: While the SSNs—the nuclear-powered attack boats—are absolutely critical components of our deterrence posture, I do not think I would necessarily try to draw a direct link between subversion at our universities and the boats. They are all part of an interlinked deterrence picture, really, against any number of current or emerging threats.

Q144 **Mr Bailey:** So you do not see the challenges at our universities as an issue?

Sir Stephen Lovegrove: I certainly believe that we need to maintain the security and integrity of our universities and the kind of sensitive research that goes on in them; that is certainly true. It is certainly not, however, part of my remit in AUKUS. It was something I thought about quite a lot when I was National Security Adviser, but it does not fall into the job description of what I am doing at the moment.

Q145 **Mr Bailey:** Some of the grit in the wheels of the machinery of all this comes about through very low level things such as the ability to move people and share information. We heard in our evidence and we have heard consistently that the barriers to security sharing are a key issue, particularly for some of the less well-established company relationships—not so much between the UK and the US, but quite often between the UK and Australia.

There is also an issue with understanding the need to manage and control the movement of people because, once they have these key skills, we need to have sight of that as a tri-nation enterprise. What are your views on information sharing? Could you give us your views on an AUKUS visa and similar schemes?

Sir Stephen Lovegrove: This is a really important subject. Information sharing is improving all the time, but it will be absolutely clear to



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Committee members that in this particular area it has to be done with absolutely maximum security. If you lose the acoustic signature of your submarines to an adversary, that is a very dangerous place to be because suddenly those submarines' ability to evade capture and destruction becomes heavily compromised.

I would not in any case suggest that the rigour with which information is shared in some of these very sensitive areas is relaxed at all. It is certainly the case that it is easier for big prime contractors in both the US and the UK to adhere to those kinds of standards; they have been doing that for a very long time and have invested in the systems that allow the transmission of that kind of information.

Australia does not have quite such big companies and has not had to engage in its deterrence posture in quite the way that we have, both here and in America. It is improving much of its security environment as a result—and having to improve it; it is very well aware of that. It will have to improve fast so that we can collaborate as much as we need to because we simply cannot afford to take any risks on it, but I am sure that we will be capable of getting round that.

I continue to be a bit worried about some of the smaller companies, principally in the UK, but to a certain extent in Australia as well. Some of the ways we require companies to engage with the defence establishment are very difficult for them to do. They have to have clear personnel and secure communications, but all those things are not necessarily easy to achieve or very cost-effective for them to achieve. We need to work hard on that. People are thinking about it—I think the defence innovation fund has a strand on that particular subject. It is a developing area that needs to be invested in; if we get it right, we will have a much more seamless set of capabilities across the globe that we can draw on in times of need—if we do not, we will have a lot of sand in the gears.

I am very pro the idea of an AUKUS visa. We need to make sure that we do not lose a lot of precious skills and capability from the UK to Australia, but, by the same token, there are plenty of Australians and Americans who can help us to build our capabilities. Part of the original rationale for AUKUS was to be able to have an internationally more resilient and global workforce, set of suppliers and supply chain, and people are a crucial part of that. I am a big fan of the AUKUS visa. People have talked about it, and I think most people are quite keen on it, but I confess that I am not quite sure where it is up to at the moment.

Q146 Mr Bailey: If I situate myself in east London as a young person going to develop a trade and a skill, the opportunity of obtaining an AUKUS visa would be a very powerful method to perhaps address some of the lack of human resource in parts of the AUKUS enterprise. It would also be a really good way to stimulate people to enter the whole AUKUS endeavour and ensure that we control the movement of those people so that we do not lose them. We should be able to look at schemes such as the NATO-2 visa scheme. You said work is under way, but should it be a central part of pillar 2?

Sir Stephen Lovegrove: That is a very fair point. I have not been concentrating on it so far in my first nine months or so of doing the role, but I am happy to spend more time on it. It goes to strat communications and the issue of people learning about what this is all about. It also goes to civil nuclear and nuclear on our deterrent boats. There are many benefits to the idea.

Mr Bailey: You get a trade, get a visa and you are globally employable. What a brilliant narrative that would be.

Sir Stephen Lovegrove: I agree.

Q147 **Chair:** How concerned are you that people might be going off to Australia? We were out there; Australia is very sunny and a lovely place to settle down—as is the US, perhaps. How worried are you that we might be losing talent? What can be done to ensure that our needs here are met?

Sir Stephen Lovegrove: I suppose the caricature of, “Would you like to spend a few years in Adelaide or Perth?”—where, as you say, the sun shines considerably more than in the UK—is real. I have not seen a huge amount of evidence of that happening yet. Probably more important in people’s choices are the kinds of career paths that their employers can offer them in the UK. If those are attractive and interesting, people will by and large stay in the UK, so the employers have a lot to do here. Also, there are family ties—it is not that easy to uproot people. It has not been quite the problem that we originally thought it might be but, as the whole programme matures and develops, the freedom of people to move between very similar types of installation in different countries is something to keep an eye on.

Q148 **Chair:** It is good that you and the Government are definitely alert to that.

Sir Stephen Lovegrove: I am certainly alert to it, but as I say, it has not happened yet.

Chair: Let us go on to discussions around pillar 1, with my colleague Michelle Scrogham.

Q149 **Michelle Scrogham:** You mentioned earlier the immense scale of what we will be delivering with AUKUS pillar 1 and the lengthy timeframes that it will take to deliver it. The mantra at BAE in Barrow now is: “Every day counts”. For AUKUS pillar 1 to succeed, we know that that is true. Do you think that political decisions within Government are being taken in a timely manner to make sure that that does succeed?

Sir Stephen Lovegrove: I think they are being taken in a timely manner. Whether or not they always have been, I am not 100% sure. When I did my review, I thought that certain types of investment should have been made more quickly than they were. The pace of investment is definitely picking up very markedly at the moment, but that will need to be maintained for the next 20 years at a minimum to get the facilities that we need.

Q150 **Michelle Scrogham:** What do you see as the current biggest risk to that

both here in the UK and with our partners?

Sir Stephen Lovegrove: Making sure that the investments, particularly in Barrow, are sufficiently well-scoped, understood and designed to allow the timely release of funds into Barrow. There are lots of reasons why things do not happen as quickly as you might like them to in big infrastructure projects in Government. We need to make absolutely certain that there is no excuse for delay.

Q151 **Michelle Scrogam:** On the SDR commitment, they have said that they want to acquire up to 12 AUKUS submarines. Do you think that the “up to” gives enough to industry to be able to do their job, or are we giving them the wrong signals?

Sir Stephen Lovegrove: It should do. The reason for that is not, in a sense, the number 12. A decision as to the exact size of the fleet will be made ultimately some years down the line, because clearly, they take a long time to build these things. The ambition to say “up to 12” in its own right is incredibly important, because if you do not have what I described earlier as a functional second line up in Barrow, you will not be able, under any circumstances, to build sufficient numbers of boats to field a class of 12. It would become a deeply hollow claim. Saying “up to 12” necessitates very significant investment in Barrow, because otherwise, it becomes nonsense. That is what BAE and others need to be able to bank on at the moment. I think it was a very important statement, but in a slightly referred way.

Q152 **Michelle Scrogam:** I would like to move on now to Team Barrow. Obviously, the town of Barrow-in-Furness is central to delivering what we are going to be doing with AUKUS. The local infrastructure, whether it is the roads, health, education or housing, needs a substantial uplift to attract the workforce that we need to build those submarines. Do you think that levels of investment in Team Barrow are sufficient to deliver that?

Sir Stephen Lovegrove: I think they are a start. I completely agree with you that the social infrastructure, as it were, as opposed to the military or defence infrastructure, around Barrow needs a radical improvement to be able to sustain the kind of workforce that the submarine enterprise will require.

I would also say—and you will know this many thousands of times better than I do—that Barrow as a town is unusual, in that it has this tremendous and immensely admirable defence capability in factories and dockyards, and quite high levels of deprivation. The disparity between those two things in the town is quite noticeable as soon as you go anywhere near it. If Team Barrow can begin to address some of those issues, that would be very good.

Q153 **Michelle Scrogam:** I absolutely agree. It is an incredible town, and the people delivering what they deliver there have been doing that for generations, building the nuclear deterrent to protect the nation. I would suggest that the infrastructure around them has not been delivered to the



level they deserve.

One example of that is the one road in and one road out. We visited Adelaide last month, and one of the most impressive things I saw was when we took the tour of the site where they will build the shipyard, and they said, "Obviously you can see it's one road in and one road out, so we will be addressing that by building more roads to accommodate the workforce we will need here." When I looked at their one road in and one road out, it was a dual carriageway the whole way through, and it put to shame what we have in Furness, where the A590 is mostly single-track.

Sir Stephen Lovegrove: The roads around Barrow are very narrow—I agree with you.

Q154 **Michelle Scrogam:** In terms of the level of investment needed, you do not get an awful lot for £200 million when it comes to roads. My concern is whether we will actually be able to deliver what we need in that area with £220 million over 10 years. We are using it at the moment on Team Barrow as leverage and seed funding, but in terms of the timescales, do you think we have the commitment early enough to signal to private investors and Departments of Government that we are going in the right direction?

Sir Stephen Lovegrove: As I say, I think it is a start. I take the point that there is a very big need in Barrow to lift up the surrounding fabric of the town to the excellent work that is going on in the boatyards—that will have to improve. I take the point very clearly.

Chair: To finish up on pillar 1 and neatly take us on to pillar 2, Jesse Norman.

Q155 **Jesse Norman:** Thank you very much for coming in, Sir Stephen. To pick up on the point that Michelle raised, you will be familiar with the fact that the UK has a slightly inglorious history of doing stuff and then moving on. The nuclear sector is a classic example. If you talk to people in Sizewell, they will say that Sizewell A has almost no local pick-up of any enduring value. It is the same for Sizewell B, and I think the Sizewell C team were determined to avoid that. In a way, it is a challenge for Team Barrow to try to reach out in the same way and make sure that a secure pipeline of skills, talent and capability is put in there. Is that something you broadly agree with?

Sir Stephen Lovegrove: Yes, I do. Nuclear is a very extreme example of this, on both the civil and defence side, where we have built extraordinary capabilities over the years and have found ourselves, for one reason or another, not maintaining the skills, the people and the capabilities around them, with the result that when we realise we need them again, or we continue to need them even more, we find it difficult to up the pace. I think it is a bit of a problem.

I do not think we are alone in this, by the way. The American submarine base has been chronically under-invested in for many years since the end of the cold war, with the result that they are not building Virginias at the speed they need to. That is one of the main focuses of the review that is



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being finalised at the moment by Elbridge Colby in the States. Likewise, they have not built nuclear power stations over there for a very long time, and they are now investing in doing so—restarting old ones such as Three Mile Island. However, it is difficult, and those significant, technologically complicated, enormous mega-enterprises need continual attention, investment and oxygen to keep them in the state that we require them to be in. We need to take a longer and more consistent view of that.

Q156 Jesse Norman: Yes, and of course civil nuclear is quite an interesting example, because we had 30 or 40 years in which we basically bought one of each of a different kind—in other words, we did not avail ourselves of any of the benefits of batch production or the fact that your first one is going to cost a fortune, but your average cost rapidly falls over a batch. I take it that that is what is sitting behind the 12 boats aspiration.

Sir Stephen Lovegrove: It is certainly sitting behind the 12 boats aspiration. I am involved in civil nuclear as well, and the cost of a first of a kind—whether a nuclear power station, submarine or warship—is always higher than the *n*th of a kind: the second, third, fourth. Oddly, they become more expensive again on the last of a kind, because the supply chain that has been servicing the batch starts to wind down and everything becomes a little more expensive. They call that the “U”—a sort of bath-shaped curve. So yes, you are absolutely right. The greater the degree of commonality and uniformity that we can inject into those kinds of projects, the better it is.

Q157 Jesse Norman: Obviously, it is a difficult question, because you want to hit the ground running. We have had testimony here about the importance of getting moving quickly—every day counts—but you are also talking about a 20, 30 or 40-year commitment overall. Is there any budgetary mechanism we can put in place with the Treasury to get that kind of pre-commitment institutionally, alongside what one would hope to secure through prime ministerial support, strategic narrative and the rest of it?

Sir Stephen Lovegrove: There are mechanisms to improve what would normally be Government—

Jesse Norman: Consistency of funding.

Sir Stephen Lovegrove: Exactly. The most important one is removing annuality, whereby annual budgets are released by the Treasury and the Department, which does now happen in the Defence Nuclear Organisation. So there is an ability to move money across calendar boundaries in a way that did not used to be the case and was a real problem.

Ultimately, there is probably a limit to how far you can go on that, because they are going to be susceptible to political change—and understandably so in a democracy.

Q158 Jesse Norman: Yes, thanks. Turning to pillar 2, we have heard a lot of concern that progress has been very slow. Why do you think that is?

Sir Stephen Lovegrove: Because there has not been a sufficient degree of concentration on a sufficiently small number of projects being properly funded.

Q159 **Jesse Norman:** So if you had the Alex Baker problem—having to explain what pillar 2 was—it is not only that it was a farmers’ market of different things, potentially, but that people do not have a sense of even the one or two flagship technologies or projects that might characterise it.

Sir Stephen Lovegrove: A pillar 2 project should ideally have a number of characteristics. It should be advanced, it should be useful to all three nations—so, by and large, theatre-agnostic—it should be something that all three nations can contribute to in terms of know-how, and it should be a project that all three nations are prepared to put serious resource behind. In a perfect world, it should also be something that warfighters are capable of using on the battlefield as soon as possible.

It is quite difficult to identify programmes that fall into all those three categories. Thus far, what I think has happened is that there has been—to use your phrase—a bit of a farmers’ market, and that is fine. All these technologies are very important and should be pursued, but some are not necessarily susceptible to being good AUKUS projects. If we get three, four, five or six of those, we should identify them, talk about them and aggressively go after them.

Q160 **Jesse Norman:** The US hasn’t had an international track record of buying other people’s kit in the area of defence. Do you think it might start to do that in relation to Australian and British kit with AUKUS?

Sir Stephen Lovegrove: The most important development in that space has been the relaxation of ITAR—the regulations that govern how American firms can use and transfer technology, and thereby how foreign firms can get into the American industrial base. AUKUS is not designed to be a programme that encourages the American defence establishment to buy either UK or Australian gear. It is meant to be a programme whereby unique sovereign capabilities can be combined in order to be able to develop capabilities that are better than any one of the nations could have developed by itself.

Q161 **Jesse Norman:** Therefore, the Pentagon would have an interest. ITAR would be permissive—the ITAR changes would allow this—but it would have a positive desire to buy a collaboratively created piece of best-in-class technology.

Sir Stephen Lovegrove: Yes, that is correct, but I don’t think you are likely to see a wholly created bit of British kit. That is not what pillar 2 is about. Pillar 2 is about the joint development and manufacture of kit that all three nations use.

Q162 **Jesse Norman:** Okay. Do you spend a lot of time on pillar 2? What can be done to improve its credibility and pace of change?

Sir Stephen Lovegrove: We really need to wait to see the results of the American review into AUKUS.

Q163 **Jesse Norman:** When do you expect that? The end of the year?

Sir Stephen Lovegrove: Soon is what I hear, although I am not privy to specific dates. The work on pillar 1 continues apace all the time, because it is a pre-existing set of initiatives.

Q164 **Jesse Norman:** So you don't think pillar 1 is going to be thrown into some doubt by the Elbridge Colby review?

Sir Stephen Lovegrove: I don't believe that is the case, no. I see no signs of that.

Q165 **Jesse Norman:** So we have to wait and see where Colby comes out on pillar 2.

Sir Stephen Lovegrove: We need to identify, at three, a limited number of programmes where we are going to work together. As I say, we have done a couple. The two that spring to mind are very important, and there is some work on artificial intelligence and data sharing between sonar buoys, but we need to take it further than that. We don't need to turn it into a programme of putting together 100 different initiatives. That is not feasible or handleable. We need to find—there is no reason why we can't—a few initiatives that we really aggressively prosecute and pursue quite soon.

Q166 **Jesse Norman:** So the maxim with new technology is to make them happen, get more excited about it, and then replicate.

Sir Stephen Lovegrove: Correct.

Q167 **Jesse Norman:** Okay. This is my final question. Obviously, there has been some talk about new partners coming into pillar 2. What is your view on that?

Sir Stephen Lovegrove: I am agnostic on that. On one hand, I am keenly aware that the UK, Australia and America do not have a monopoly on brilliant technologists, scientists and programmes. It may well be that the Japanese, French or South Koreans have something very special to bring to bear that we could all benefit from. We all broadly share the same security concerns, so why wouldn't you?

On the other hand, I am also keenly aware of just how difficult it is to develop capability even on a bilateral basis. Sometimes, it is quite difficult just doing it by yourself. A bilateral basis is difficult. A trilateral basis is difficult.

Q168 **Jesse Norman:** If everyone has to communicate and contribute to every piece of technology that comes out across a four or five-partner institution, it is hard to imagine that ever succeeding.

Sir Stephen Lovegrove: I think that is probably right. Compromises need to be made, things become complicated. At the moment, we do not have all the time in the world. It is important to recognise that, and the Committee does recognise it. The quicker we can get these important capabilities into the hands of serving men and women, the better.



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Q169 **Jesse Norman:** Again, it should be technology led—we should not accept partners into pillar 2 just because they have money and interest. It should be led by their ability to make profound technological contributions that add to the collective capability of the whole.

Sir Stephen Lovegrove: In my view, yes.

Q170 **Jesse Norman:** Do you think that view is widely shared across the other partners?

Sir Stephen Lovegrove: Yes, I do.

Q171 **Chair:** When our Committee was in the US, we heard that there was growing concern about the credibility of pillar 2, with many interlocutors highlighting a perceived failure to make meaningful progress. Are you alert to that danger? What are we doing to ensure that tangible results are seen in the near term?

Sir Stephen Lovegrove: I am aware of that kind of commentary. As I said earlier, I have heard industrial colleagues express a good deal of frustration about the pace of progress in pillar 2. I would like to move it much faster, if I could. It is a tripartite, trilateral arrangement. We need to make sure that our partners are on the same page as us, and we will probably have to wait until the American review is completed to make tangible, or at least visible, progress on it.

Q172 **Chair:** It would be fair to highlight that similar concerns were voiced in Australia. I hope that pillar 2 is not being treated as an afterthought and that it is being seen as a historic landmark moment to embed those capabilities and that partnership further. I hope that everybody is alert to that danger.

Sir Stephen Lovegrove: I have seen no indication that they are not in the UK, but I understand and have noticed in the past—and, to a certain degree, share—some of the frustration with the progress that has been made so far. I would have liked to have made more progress.

Chair: Thank you. I am very grateful for your time. Thank you for agreeing to do two sessions, both private and public. I think everybody involved gained a great deal, especially those on the Defence Committee. When we were over in Australia, many individuals said that they were viewing the deliberations of the Defence Committee because they felt that there was not sufficient progress on AUKUS and that this inquiry would help to catalyse some of those discussions. Things that you have said on the record will be gratefully received by them.