

Defence Committee

Oral evidence: AUKUS, HC 841

Wednesday 26 November 2025

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Members present: Mr Tanmanjeet Singh Dhesi (Chair); Alex Baker; Emma Lewell; Jesse Norman; Ian Roome; Michelle Scrogham; Fred Thomas.

Questions 173-210

Witnesses

I: The Rt Hon the Lord Case, Chair, Team Barrow; Peter Anstiss, CEO, Team Barrow; Nona Buckley-Irvine, Head of Team Barrow, Ministry of Housing, Communities and Local Government; and Angela Jones, Director of Thriving Places, Westmorland and Furness Council.

Examination of Witnesses

Witnesses: Lord Case, Peter Anstiss, Nona Buckley-Irvine and Angela Jones.

Q173 Chair: Welcome to today's House of Commons Defence Committee evidence session in our inquiry into AUKUS. It is a pleasure to welcome our four witnesses today. A very warm welcome to the right hon. Lord Case, who is the chair of Team Barrow, to Peter Anstiss, CEO of Team Barrow, and Ms Nona Buckley-Irvine, head of Team Barrow at the Ministry of Housing, Communities and Local Government; and it is very nice to welcome Ms Angela Jones, director of Thriving Places at Westmorland and Furness Council.

We have an hour with Team Barrow, so without further ado, let us get into the questioning. Lord Case, could you set the scene for us with some background on the town of Barrow-in-Furness and the role that it plays in the UK's defence and security?

Lord Case: Thank you very much for having us, Chair. Good morning, Committee members. I suspect most people in the UK do not understand the debt of gratitude they owe to the town of Barrow and Barrovians today and their forefathers. For well over 100 years, the yard in Barrow has been turning out the ships and boats for the Royal Navy that have been a crucial part of defending our national security. Today, Barrow is the home of our nuclear submarine manufacturing business, so it is a vital town for the nation, even though many people have never heard of it.

Q174 Chair: I invite the other panellists to talk about how closely the town's prosperity is linked to the BAE shipyard. I know, Mr Anstiss, that you previously worked with BAE. Just how closely is the town's prosperity linked to the BAE shipyard, and how has that played out over the last 30 years?

Peter Anstiss: The fortunes of Barrovians and the economy of Barrow are totally dependent on the shipyard. Approximately 60% of people employed in the town work directly for the shipyard or for the supply chain, or in retail that in turn is dependent on the shipyard. There is total dependence, so the fortunes of the town have waxed and waned in accordance with the prosperity of the yard.

After the decision was taken 40-plus years ago, or even 50 years ago, to concentrate on submarine production, cyclic defence procurement batches—or small batches of submarines being bought periodically—caused great cycles of prosperity and lots of inequalities during the periods of feast and famine, if you will. So town and shipyard are very closely coupled.

Another statistic I think is relevant is that 80% of the approximately 15,000 people employed in the yard come from the local area, with the travel-to-work area having a radius of circa an hour to an hour and a half.

Q175 **Chair:** Ms Jones, as a director at the local council, would you give the council's perspective on all this?

Angela Jones: Yes. We are very proud that we are part of this national endeavour for Barrow. The council plays a key role in place-shaping and ensuring that we realise the full benefits and opportunities from Defence Nuclear Enterprise and Team Barrow more broadly.

Our role as the local authority is quite far-reaching. We work with our communities and with our partners, delivering transport, education, skills and economic development regeneration. All these things have to happen together in a holistic way, not in silos. That is why we are delighted to be one of the key partners, very much driving and influencing the future for Barrow.

Q176 **Chair:** Ms Buckley-Irvine, on behalf of MHCLG, can you set the scene for us regarding your work and how you see it from that Government perspective?

Nona Buckley-Irvine: Sure. From the perspective of MHCLG and indeed all of Government, Barrow is a really important place. We have put in place a lot of infrastructure internally that does not exist for any other place in the country, because we recognise the importance of Barrow to the national endeavour. We also recognise that, over time, Barrow has experienced deprivation, so we are working really hard, hand in hand with other Government Departments, to leverage opportunities, day in and day out.

Q177 **Jesse Norman:** Lord Case, thank you very much for coming in today. How do you build a town up again? How do you make Barrow a rich, thriving, successful and inclusive place? A lot of people would say that it is about infrastructure and investment, but as you may know, I have a great interest in technical education, and it is also about skills, culture and aspiration. Can you talk a bit about that aspect?

Lord Case: Great question. It is what we spend all our time on: how to make Barrow one of the very best places to live and work in the country, because that is what it needs to be. Team Barrow has two main objectives. The first major objective is to sustain and enable Defence Nuclear Enterprise and the second is to diversify the economy.

Sitting below those two things, is a range of activities that we are really focused on, too. Some of it is about building and some of it is about creating the place, so housing is a major objective for us. We do not have the houses we need for the workforce of today, or the workforce of tomorrow; nor do we have the public services that we need to make Barrow a great place to live and work. A lot of our time is spent on health and education.

As Peter said, one of the particular challenges in Barrow is that the town's fortunes have waxed and waned in relation to the yard. This Committee will understand better than most the impact that that has had on our defence communities. When the threat arises and we need our defence



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communities, we come knocking on their door and say, "Please, turn out submarines faster. Turn out recruits for our Armed Forces." But then there come those times when the rest of the world is celebrating peace and we say, "Thank you very much, but we are going to drop you now. Sorry, you're on your own."

Making Barrow a successful place is unusual, though, compared with many other towns in this country. Because we have some amazingly high-wage, high-skilled jobs in the yard, the core of the economy is there in Barrow, as it is not in many of our post-industrial towns. The challenge in Barrow is unusual because we are not building the core, central point of the economy; we are trying to build the place around that, to sustain and enable that effective economy. In the end, one of the big objectives is making sure we produce these submarines on time, not only for our national use—for the Royal Navy—but, under AUKUS, for the Australians.

Q178 Jesse Norman: I am sure that is right. I do not need to tell any of you that, over the last 30 to 50 years, different elements of the British nuclear enterprise have had a pretty inglorious career of building things up and then not leaving much impact. The same would be true in Sizewell A and Sizewell B, and people think, "Hold on a second; that was a thing, it came in and those people are there."

I think there are people in Barrow who would say, "The centre of town is one thing, but an awful lot of the people who are operational in developing this place and turning it into the future, or who ought to be, do not live anywhere near Barrow; they live on farms and so on outside." How do you knit all that together? It cannot just be a state or para-statal thing; there has to be lots of local private sector leadership as well.

Lord Case: It involves everyone, and this is the first time we have done it. That is why Team Barrow is a partnership between national Government, local government and BAE Systems as the major employer. Through Team Barrow, we are trying to bring in everybody. Peter talked about the supply chain. At the same time, we are also trying to make sure that Barrow has an economic core that is not dependent on the yard. One of the things we are trying to do through Team Barrow is insulate Barrow for the future. I hope that we will never drop nuclear submarine building as we have in the past. The way that we have treated the nuclear submarine building enterprise in this country is a source of national shame, and I hope we will never do that again.

Jesse Norman: It is important to say that—thank you.

Lord Case: I am not sure whether I am allowed to do this, Chair, but I actually wrote an article on this in one of the national newspapers on Friday. I said that, across both civil and defence nuclear enterprise, we were there as a nation—we are one of the founding nations of the global nuclear enterprise—but that in recent decades, in both civil and defence, we have perhaps become embarrassed. I am not sure why, but somehow we became the world's most embarrassed nuclear nation. This is a slightly odd thing to say, but thanks to Mr Putin and Mr Xi, we have come



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knocking on the door of Barrow once again, saying, "Please, how quickly can you build our nuclear submarines for us?" We are having to make up for decades of neglect. That is the task for us.

Q179 Jesse Norman: Thank you. My final question is as much for Ms Buckley-Irvine as it is for you, Lord Case. In a wider context, higher education policy in this country has, without deliberate intention particularly, sucked talent out of the periphery and pulled it into the major cities. The higher education participation rate in Barrow is probably in the order of 15% or 20%, if that, as opposed to 50% nationally. "Skills" is a word that has dropped out of the political vocabulary over the last 30 years. Does any of this resonate with you? What would be Team Barrow's approach to setting a national example of how to address that issue? What is the Government's position?

Lord Case: I want to be very careful here. Nona is here as a member of Team Barrow, and there are some pretty sharp things to say about past Government policy on this, so it probably better if a former civil servant answers that question, rather than a currently serving one.

Skills has been a missing word—a missing focus—in our politics and our major work in Government for a very long time, and we are seeing that across many industries, not just nuclear. We see that in the partners we spend our time talking to—we may come to construction later. There are huge skills shortages in construction because we have not been thinking long term as a nation about the core skills we need. That is on all of us—politicians, ex-civil servants and those who have been around. Skills is very much at the heart of what Team Barrow is about—delivering the skilled workforce that the yard needs to deliver the submarines on time. We are very lucky, because some fantastic leadership in the University of Cumbria means that Barrow is now a university town, as of September. Angela, you were a key part of this, so I will let you talk about it.

Angela Jones: Education and skills are critical to the success of Team Barrow, and certainly for the defence endeavour too. They are also really important for the diversification of the economy, for the reasons we have just outlined. We absolutely want to drive skills in defence, advanced manufacturing and digital, but we also want to ensure we have a balance of skills right across other sectors as well—particularly in health. Barrow can succeed only if we have all those sectors and economies thriving. It is as much about supporting our businesses as giving young people the best chance in life. Education and skills start at pre-school and early years. Through Team Barrow, we are very much focusing on all the pathways—primary, secondary, further education and university. It is a really strong theme. It is also linked to regeneration, because we want young people to stay.

Q180 Jesse Norman: It is not just about sand and cement.

Angela Jones: Correct. We have really worked hard. We have a Brilliant Futures fund, and £5 million has been committed through Team Barrow. That is about strengthening primary school attainment—it has to start very



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early—but it must go through to apprenticeships and how we drive the skills agenda in the right way. We are really fortunate that we have lots of fantastic education providers working together through Team Barrow. We just really need to push and drive that forward.

Chair: I know that a couple of colleagues want to come in with supplementaries on scene setting.

Q181 **Alex Baker:** I am interested in how you measure Team Barrow's impact. Do you do sentiment mapping? What are you hearing on the doorsteps of Barrow about where you are at on your journey?

Peter Anstiss: That is a very important point. We have a very well researched plan, which is public. It defines what our priorities are and the sequence of implementation, and it is underpinned by a spending plan consistent with the transformation fund. We have to be measured against that, and we get real-time feedback from the local community, whether informally—we have drop-in sessions for residents and so on—or more formally through structures such as locality boards, the cabinet of the local authority and so on.

Although we are in the early stages of implementing the plan—the vast majority of this year has been spent developing it, researching and analysing, but we are now making the transition to implementation—we have to have clear metrics by which our performance can be measured. Those of us within the Team Barrow leadership team are looking at every opportunity to speed up the decision making, make more efficient implementation programmes, and concentrate on outcomes and benefits rather than process, procedures and compliance—although we recognise that they are an important enabler of the former. So metrics are very important to us.

The second part of your question was on how we are perceived currently. To be honest, I think it is with some degree of scepticism. I think the local population would argue that they have seen some of this before—not to the same extent, not with the same commitment and not with the same budget, planning and so on, but there have been cycles of investment and change, and they have not seen the benefits that they deserve. We feel that; individually and collectively, we very much feel that drive to make a difference.

Q182 **Alex Baker:** I am interested in the sense of pride and how you can measure pride. I am also interested in what you have done in taking a place-based approach to talking about defence. Much of our defence sector does not talk about place. They talk about systems and things they deliver. How can you provide the hook that acts through a place-based approach that connects with people, and people can feel the benefit?

Peter Anstiss: If I may continue on that point, the first thing we recognised is that we spoke about skills. On science and technology, the STEM activities are vital for resourcing the defence nuclear endeavour at the yard and so on. But we recognise that aspirational families want careers for their children in other areas—hospitality, leisure, culture, the



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arts. If we are to attract and retain people and, thinking about the AUKUS programme, create somewhere that is also attractive for people being seconded from Australia and the US military and civilian personnel, we have to make sure that the investments we make reflect the fact that people do not just want science and technology. We have to make that placemaking intervention to make sure that the needs of everyone across the spectrum are satisfied. So we will be measuring that, and we do get direct feedback.

Lord Case: May I add something? I think belief and culture is the hardest thing that we are trying to tackle in Barrow. There are many other places around the country with similar communities where defence is at the heart. As Peter said, there have been a number of smaller interventions in Barrow going back over years. We get asked, "Why is it going to be different this time?" Some of that is due to the fact that this is a 10-year programme supported in a cross-party way. We are here to stay—we will come on to this, I am sure. We have a lot to do in terms of the houses that we need to build in the town. We need to build the public services.

We talk a lot about the belief. The culture change in the town is probably the hardest thing that we have in front of us. As you say, that is not just about bricks and mortar; it is about generations. You have families in the town where many generations have worked in the yard. Maybe there is a missing generation because that was the generation where maybe somebody worked at the yard and they got laid off because of the downturn in defence spending. We need to bring confidence to those families that we really do mean to pick up those individuals and also their children and make sure that there are schools in Barrow. Barrovians ought to be treated like kings. These are people on whom this nation's security depends, and yet they just get dropped when we do not need them any more. And then, when we do, we come and say, "Go faster." It is unacceptable and we are trying to change this, but that is why it will be so difficult for us to change the belief.

Q183 **Emma Lewell:** Good morning, everyone. Just a quick one from me. You will be aware that in the SDR the UK is ordering a fleet of up to 12 SSN-AUKUS. They are going to increase the capacity at Barrow so that a boat can be delivered every 18 months. How are you going to increase that capacity? What are your timescales and plans, and when will you be in a position to enable a boat to be delivered every 18 months?

Lord Case: We have already heard from BAE Systems, so we are going to leave the questions about the programmatic building of boats every 18 months to BAE Systems.

Q184 **Emma Lewell:** Are you confident that that is on target?

Lord Case: That is a very demanding target—let me put it like that. That will be a real challenge to deliver. It is for BAE Systems to talk about what is going on inside the yard. The thing that we are under pressure to do is deliver housing, schools and hospitals to make sure that the workforce is there to produce the boats on time. We are behind where we need to be.



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We do not have the housing that we need for workforce growth. We spent a lot of time together last month talking about how we can accelerate the house building. As for the details of what is going on in the yard, that is for BAE Systems and the MoD rather than us.

Q185 Ian Roome: Taking it back a level, can you describe to the Committee what Team Barrow is and who forms that partnership? Also, what are your eye-level aims and objectives for Team Barrow?

Lord Case: Team Barrow was a working title that we gave ourselves back in 2023 when we were first formed. It came out of a series of meetings we held in Barrow, which I took as Cabinet Secretary, and I took representatives from all other Government Departments. We met with the council and with BAE Systems. We decided to form this unique partnership between central Government, local Government—in the shape of Westmorland and Furness Council—and BAE Systems as the private enterprise and major employer to tackle the sorts of problems that we have been talking about so far.

We started the work by doing a six-month deep dive, which was led out of MHCLG—or whatever it was called back then; I cannot remember what it was, some other acronym. That brought to light the extraordinary dichotomy that goes on in Barrow. We produce some of the most expensive and complicated machines on the planet in the yard, yet sitting outside, literally a stone's throw away, we have some of the most deprived wards in the country. For a whole bunch of reasons, but perhaps mainly moral reasons, that is totally unacceptable. We have to transform the lives and livelihoods of everyone.

We formed this partnership. We knew it would take a long time, which is why we said it would be a 10-year partnership and why I, as Cabinet Secretary, worked with several Ministers to ensure that we had the long-term commitment to funding that we needed to turn that round. We set ourselves two major objectives: sustain and enable the defence nuclear enterprise, do our bit to try and get boats out every 18 months through the housing, schools and hospitals, and try to insulate Barrow in the future. That second objective was to diversify the economy.

Q186 Ian Roome: As a former council leader, I know the excitement that comes from the Government saying that they are going to invest in a town you are presiding over and thinking that you are going to get all this money, and it is going to create great opportunities. How did you determine as a board what your first priorities were going to be?

Lord Case: It all came from that deep-dive study about what was going on in the town and set against BAE's future requirements for the workforce, which brought out housing as a major priority. Then it was all the things that go into making of place. As the Committee will see when it comes up, the town centre does not look and feel like we would like it to. We do not have the public services that we would like. Until last year, the population in Barrow was declining. Now we know that, from BAE alone, we will be injecting over 5,000 new jobs into the town. That is just the

direct injection of BAE jobs and leaving aside the indirect consequences for the economy. Housing, place and public services became a very important part of that. That is where those priorities came from.

Q187 Ian Roome: Would you explain a bit more about how you manage those demands for funding? Have you found that the funding has been there when you want it?

Lord Case: Let me start by saying that £200 million is nowhere near enough to do the level of transformation that we want. Many towns around this country would bend over backwards for £200 million. We recognise how lucky we are, and we are grateful that the last Government and this Government have supported us, but it is not enough for what we need to do. We are using our £200 million. We are focused on it being a transformation fund. Although there are holes in funding for public services that we could easily have used our £20 million a year to fill, we have held back from doing that. Those are other fights that we need to have.

Q188 Chair: We will delve further into investment and funding, in a major way, later in the session.

Lord Case: It has been very difficult to work out what we should prioritise. There are many things that we would like to do that, at the moment, we do not have the funding to do. Actually, housing and sorting out public services have fallen out as the key priorities for us. That includes housing for Barrovians who live in the town today: it is not just about building new houses but about the housing stock in the town—a lot of it is very low quality so we need to improve it.

Q189 Ian Roome: How many transient people with those skills do you think will come into Barrow, in addition to the existing population?

Lord Case: We cannot do precise numbers. It will probably be in the thousands, but our job, oddly enough, is to try to minimise the amount of transient labour as much as possible. We need to be giving the people of Barrow, especially the young people, the education that they deserve so that they can take advantage of the amazing jobs in the yard. The reality is that it will take us some years to get them up to where they need to be. Great work has been done. BAE Systems—as you will see—has invested in its own skills academy, and it works closely with local schools and the college, but it will take us some time to deliver the fully skilled workforce that we need, so probably in the shorter term we will be reliant on more transient workforce than we would like.

Q190 Ian Roome: I notice that you identified better healthcare provision as one of your high-level aims, at a time when services are being reduced at Furness general hospital. How do you prioritise to get cross-Government liaison working so that you work as one team within central Government, as well as within local government?

Peter Anstiss: There are two components to my answer. The first is that we have a very specific plan for improving healthcare. We have a blueprint for Barrow. This time last week, we had the opportunity to present that to



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the Secretary of State for Health. We were supported by our local MP, Michelle, and we had a constructive and positive meeting. The plan recognises that circa £100 million is required to redress the imbalance between the demand, the current capacity and the projected capacity as we move forward with the AUKUS programme. We have identified specific interventions; we have a campaign to explain that and seek the additional funding through various routes.

My second point is to reinforce the observation that these things are all interlinked. Healthcare is related, in many cases, to housing, and education is obviously linked to skills and employment, so it is not possible to put them all into individual areas. We must have the opportunity to present a holistic picture of the challenge. In February we have an opportunity to brief the permanent secretaries of each of the affected Departments and we are determined to get that message across to that wider group.

If I may mention one statistic on healthcare, to Simon's point about the inequalities in the town, 18.3%, or thereabouts, of working age people are unemployed because of their health circumstances. That is the worst in the country. It is 6 percentage points higher than the next worst in the country and much worse, obviously, than the national average. To find ourselves in that position, while being responsible as a town for the delivery of the nuclear deterrent, the relationship with the US and allies such as Australia, and so on, is an extraordinary contrast. We are determined to address that.

Q191 Ian Roome: Angela, one thing about the local authority: it is closest to the people, with councillors being the first level of local government, dealing with their communities, and the portfolio holders. I do not know whether you use the executive or the committee model, but whatever model you use, those portfolio holders for each of those areas must be very busy at the moment. They must put a lot of stress and time into making sure that the portfolios are working in respect to Team Barrow. You must be the link between the two. What have been some of the opportunities or challenges that you have had to face as a local council?

Angela Jones: That is absolutely true. We are all behind Team Barrow, but we have a much bigger geography in Westmorland and Furness as well, and lots of pressures on our budgets, with more pressures to come in financial challenges for us, so we are spread very thinly. Where we have come together through Team Barrow is in that commitment of our executive—we have an executive model—our leader, our cabinet members and our locality board, which is our local members. We are all very passionate and excited about the opportunity, but we are also acutely aware of the challenges that we face.

We have talked about how these things do not happen overnight. Change and regeneration will happen, but they take time. Along the way, we need to take our communities with us, not to them, ensuring that we have that element of hope and that our communities feel like they are part of the future that we are building. That is really important, and that is where our

local members really have a key role as community champions and as advocates for Barrow and Barrovians.

It is a stretch for the local authority. We are certainly going to feel that even more, I think, due to fair funding and other financial challenges. We should not underestimate that, but the commitment at senior officer and cabinet level is to ensure that we make this a success, because it is a success not just for Barrow, but for the area and the region as a whole.

Q192 Alex Baker: You have given us a good overview of the issues you are facing, but we are also interested in the challenges. What challenges have you been through on this journey, probably from 2023 to now? What challenges do you foresee in the future?

Lord Case: Shall we pick up money in this one, as well as structural, or do you mean—

Chair: We shall come on to the funding shortly, with my colleague Michelle Scrogam, so the challenges apart from funding.

Lord Case: Well, no one has ever done this before. This is the first time, I think. The Prime Minister piled loads of pressure on us by calling Barrow the “blueprint” for the nation on how to do this and that. That crown weighs rather heavily on our heads at the moment, because no one has done this before, and we are not getting it all right. We talked about some of the challenges and deciding where to put the money. Creating a partnership and having to make tough choices about what we spend our money on is not an easy thing to do. It has taken us a long time to get to that point of prioritising what we are about, longer than I think we would have wanted.

It is funny, the situation has moved. Obviously, the council and BAE Systems worked closely together over many years, because of the company’s dominant position in the town. National Government worked closely with BAE Systems as its customer, which they have been for many years. You then put those together in a partnership with a pot of money and some objectives, and suddenly you realise that going into a formal mechanism is much harder than just working together informally, so it has taken us a long time to work out our priorities and how we should do it.

Capacity has been a big issue as well. Given the earlier questions, as far as the council is concerned, I suspect that sometimes there is, “Be careful what you wish for,” when the man from the Ministry turns up with a very large cheque and half a dozen Prime Ministers say, “You are now the most important thing in the country.” There is capacity inside Peter’s team and inside the council that is not there. One of the glorious things about Barrow is its location, but it is also pretty difficult to recruit people to go and work there. Capacity to deliver our programme has been one of the next challenges.

Getting our decision making quick and accurate enough is hard. We have been through a year of planning. One particularly brilliant member of the locality board keeps reminding us that we are now a nine-year



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programme; we have had year one and we have not delivered 10% of what we need to. One of the things we are focusing on is getting the pace of decision making right, so that when we decide, "On this housing priority, we need thousands of homes built that weren't otherwise going to be built," we can decide that quickly, assign the money to it very quickly and then get the enabling people in place, including the planning officers and what have you, who will work for Angela. Pace is the other problem we have.

Q193 Alex Baker: As the Member for another great defence area, Aldershot and Farnborough, I am slightly sceptical about how much progress we are making on this total society approach to defence—I would like us to start with a total Government approach to defence—but maybe you guys are bucking that trend. Tell us a bit about the journey you have been on in getting Departments beyond the MoD engaged and part of this conversation.

Lord Case: Nona sits at the heart of the spider's web of central Government, so I will let her pick up this one.

Nona Buckley-Irvine: To be fair, the work started with Simon, who got perm secs around a table to identify this as a priority project.

Lord Case: Forcing them into the room helped.

Nona Buckley-Irvine: Since then, we have been able to keep it up. The great thing that Barrow has is recognition as this place that is so critically important for Government to get behind, and that is the thing that we are able to leverage. The Prime Minister wrote to Cabinet Ministers telling them that they needed to get behind and unlock things. Our director general, Will Garton, chairs a group of senior civil servants who are appointed as SROs for each Department and holds them to account on progress every two months. That is a space where we discuss the shared opportunities—public sector reform is one of them—and how we can work better together as a Government, because we are also siloed, to unlock opportunities on the ground. We are really proud of what we are doing. The challenge is how you keep up that momentum.

Q194 Alex Baker: Is that every Government Department?

Nona Buckley-Irvine: It is every Government Department that we feel has a stake in delivery.

Q195 Alex Baker: Which are those Departments? Sorry to put you on the spot.

Nona Buckley-Irvine: We have DfE, DfT, Ministry of Defence and DWP. We are bringing in the Office for the Impact Economy to leverage investment. There are others too, but you have put me directly on the spot, so I can follow up.

Alex Baker: It would be useful to have the list, if we could, of Departments that are around the table.

Nona Buckley-Irvine: Yes, we can share that.

Q196 **Alex Baker:** Obviously, MHCLG is very engaged, but let us take the Department of Health. How engaged are the Department of Health in this conversation?

Nona Buckley-Irvine: Really engaged. A key example is that we have been working with them on the neighbourhood health programme and making sure that Barrow has a place in that, and £7 million was announced yesterday to invest in the local health centre. The really impressive thing is that we have this national architecture—let us call it Whitehall—but each Department also has a policy lead embedded in the local workstreams. There is a lot of hands-on work that goes on helping local Team Barrow develop strategic cases for investment, working with the ICB and the NHS. We have a really rich integrated infrastructure.

Q197 **Alex Baker:** I am interested in MHCLG's lead in this. You usually think about the Cabinet Office being a place where cross-Government stuff is co-ordinated. What do you think MHCLG has been able to bring to this as the lead?

Nona Buckley-Irvine: The Department has run a number of programmes over the past few years; we have moved from competitive funding pots to allocative programmes and then place-based programmes. One of the programmes that I used to lead was the community regeneration partnership programme, which is where the idea of partnership working and place-based partnership came from, and the model in Barrow was predicated on that. We understand how to do place-based partnerships, and that is the important thing that MHCLG has as an edge. There are other things that we bring to the table in terms of housing and regeneration, but we are the Department that focuses on place, and we are really proud of that.

Q198 **Chair:** Thank you very much. *[Interruption.]* People outside are very helpfully alerting everybody that there is a Defence Committee evidence session going on—although I have a feeling it might actually be the farmers' protest in the run-up to the Budget.

Lord Case: We have some farmers behind Team Barrow, so hopefully they are supportive.

Chair: The farmers are supportive of our evidence session, but we shall see whether they like the Budget later.

Lord Case, in addition to your oral evidence, it would be good to get Team Barrow's wider case presented to us in a written submission before we publish our inquiry report in the early part of next year. Is that something that you could do?

Lord Case: I am very happy to do that.

Chair: Thank you for facilitating that.

Q199 **Jesse Norman:** Picking up the point you made about MHCLG, Nona, it has been interesting to look at the stronger towns fund and at which areas have been successful in place making and which have not. I say this with a



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naked personal self-interest because Hereford is an outlier in terms of success. What has driven that is the bottom-up private sector running of the stronger towns fund, which has acted as a counterweight to the council and other activities. It is quite noticeable on the Team Barrow structure that you do not have that many other private sector players apart from BAE. Is that something that you are folding into the picture as you go forward?

Lord Case: Part of that is a reflection of the fact that there are not that many other private sector entities in and around Barrow. Barrow is not quite a one-horse town, but it is not a million miles away from it. There are a few other significant employers in manufacturing, and Barrow and the Royal Port of Barrow are also increasingly home to offshore wind infrastructure support out in the Irish sea. Bringing more private sector partners to the table, both into the core Defence Nuclear Enterprise goal and in diversifying the economy, is what Peter spends a lot of his time doing.

Peter Anstiss: One of the observations I am able to make having been on the team for eight months or so is that we have become an attractor—I think that is the term. We have gained a lot of momentum. There is a big spotlight on us—no pun intended. Whether that is the media spotlight or events such as this, we now have a number of companies coming to us recognising that there is a focus on Barrow, that there is a real defence need, and that there is a moral need, as well, to redress some of the inequalities of the past. I do not want to be drawn into too many details, but I can say that in the construction sector and the digital innovation sector, global players—well-known, highly respected plcs—are coming to us with investment proposals, which will help our second outcome of diversifying the economy and to an extent buffering it in the longer term from the cycles of boom and bust that we have referred to.

Chair: Aptly, I shall now hand over to the Member of Parliament for Barrow and Furness, Michelle Scrogam.

Q200 **Michelle Scrogam:** Thank you, Chair. I will declare some interests at the outset: I am a proud member of Team Barrow, and I am born and bred in the area. Listening to it laid bare exactly what has happened to Barrow in the last 50-plus years that I have been there has been quite difficult. The whole boom and bust, feast and famine is possibly one of the biggest factors in what is happening in Barrow, whether it is the inequalities or the health situation. Lord Case, you are quite right that Government should be ashamed of what has happened to Barrow over the years. They come knocking when they need the help, and then everybody demands that we build these boats faster and asks, “Why can’t you do that?”

As someone who has family members who lost jobs there in the ‘90s and no longer live in the area, it is clear to me that a transient workforce does not suit the area. People disappear and do not come back again. Building up the skills is tough, especially with poverty and the kids coming through the schools finding it much harder than they would if they had an equal



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footing across the board. Where do we begin with Team Barrow to start the redress and the shift back to a workforce that is local, to address what is going on in the schools, when we know that funding has not been there for decades? We are starting on a much lower rung than much of the country, so how do we get a grip on that? What is your priority?

Lord Case: It is incredibly difficult. As Peter said, all these things—housing, schools, health—are interconnected. Perhaps betraying more about my own background than anything else, I think that education is such an important silver bullet in so many of our communities and societies: focusing on school-age children, the early years and those first 1,000 days that we know are so important in a child's life, getting them ready for school, and giving them schools that can not only educate them but grow their aspirations as well as their skills. As we talked about earlier, it is fantastic that Barrow is now a university town, so young people growing up in Barrow can see their way through, all the way through to university.

For me, education is at the heart of the transformation that we have to make, but there is a lot that goes with that. It does not matter how good the education is if people are not living in decent-quality housing and if they cannot get access to the hospital or GPs when they are sick—if the infrastructure around them is not right. As you know, that is why we have come up with housing and public services as being at the heart of what we have to do. Lots of transformation goes on inside the yard on quicker production of the boats, but for us, giving people good homes to live in and the skills that they need to let them access the great jobs in the yard is vital.

Q201 **Michelle Scrogg:** Does the local authority have in place what is needed, when it comes to planning and the structure, to deliver those homes? We know that wherever you stick a spade in Barrow, something underneath will need removing; it costs an awful lot more to build a house there than it does in a lot of other places. Do we have things in place to deal with that?

Lord Case: There is no doubt that it is very difficult to build houses in Barrow, and you have a town that has had a declining population, as you say. One of the main areas for building at the moment is a brownfield site, so remediation is likely to be difficult. It is incredibly challenging, and getting the construction workforce in that part of Cumbria is also very difficult for us. Angela, do you want to say something about the capacity?

Angela Jones: I will start with three different elements. One is population demand. We are expecting population growth in Barrow of about 5,000 in the next 10 years. We need those homes. We need good-quality family homes and we need to improve the standard of the homes that are already there in Barrow, so housing renewal.

I have a couple of things to say about challenges locally. There are challenges nationally for house building. We all know that it is a national priority to build more homes, but there are challenges with labour supply,



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land assembly, construction costs—there is a whole number of reasons why houses are not being built at the pace and scale that we would all hope and expect. In Barrow, that is exacerbated by the labour supply. We have that low working-age population, and it is a vicious circle: we need more people, clearly, not only to serve BAE and the nuclear defence endeavour, but to build the homes. We have constraints around sites—brownfield sites—and not having enabling infrastructure in place.

There are a few glimmers of hope. We recently went to developers to call for sites, and over 500 hectares of land has come forward. We have had £25 million from Homes England to remediate the brownfield site Marina Village, which is a flagship housing development that will deliver over 800 homes. We also have really positive conversations with developers, because we have certainty; we are very fortunate that we now have confidence that those houses are required. That helps build up confidence in the market.

As for what we have in the pipeline, we have 1,200 houses, but does that go far enough? No—

Q202 Michelle Scrogam: How many do we actually need?

Angela Jones: We need another 3,000 in the next 10 years—

Michelle Scrogam: And we have 1,200 in the pipeline.

Angela Jones: Yes, so we have a gap there, and we know that delivery is constrained. Is it enough? No. Is it fast enough? No. Do we have enough capacity in the system—planning, ecologists, drainage experts, construction? No. What we are doing now, however, is pivoting what investment we do have to housing. We have established a housing taskforce; there is a focus on a delivery plan, which has to be credible, and we are absolutely putting everything behind housing delivery. When I say housing, that is new housing, existing housing stock and construction workforce accommodation, as well as student accommodation of course. We have a long way to go, but I think what we have mobilised now shows the commitment that housing is one of our key priorities.

Q203 Michelle Scrogam: Do you think that Whitehall understands the challenges we face? Does everyone there realise what their role is? Obviously, the whole country is asking for more funding for every service. All services are on their knees. Most councils have been underfunded for at least a decade and a half. They all need the extra cash. What difference can we make in Barrow to say, “This is a point of difference. We need more funding and help than all those other people who are shouting into the same corridors”?

Lord Case: Let me have a go at this. If someone works in Whitehall and does not understand how important Barrow is, they have not been paying attention, because we have now had the current and the previous Prime Minister tell all of Government how important Barrow and the Defence Nuclear Enterprise is. If someone works in Whitehall and can contribute to Barrow, but neither myself nor someone sitting on this panel has come to



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knock on their door, we will be coming soon. We are not afraid to make ourselves an absolute menace around Whitehall, demanding more time, more money and more attention.

You are right, it is horrendous that we are competing for scarce funding against many parts of the country that need it too, but if Barrow does not get it, we do not get our nuclear submarines, which are the cornerstone of this nation's security. It is that simple really. That is our message. The team in MHCLG does a really good job of helping us, but we need more. For example, Peter has already mentioned that we cannot fund the health transformation out of our £200 million, so we need more from DHSC. Thank you for being part of the campaign and for making sure with Peter last week that the Secretary of State for Health understands that. We cannot fund the transport infrastructure we need out of the £200 million either; that is way beyond our means, so we need more support from the DfT.

Q204 Michelle Scrogam: Where are we with transport? Again, we are talking about a transient workforce and getting people to travel to, or to come to work and live in Barrow-in-Furness. The A590 has been the bane of our life for many years—it is one road in, one road out. I was really interested when we travelled to Australia, to Adelaide, and looked at what they were building there. They are building their version of Barrow and, on the tour, they said, "We have this one road in and one road out, so obviously we will be building more to cover the increased workforce and what we need to do." When I looked, however, it was a dual carriageway—that is worlds apart from what we are dealing with in Barrow. Where do we stand?

Lord Case: With DfT, I would describe it as us having engagement, but not yet the commitments we are looking for. For example, Lord Hendy, who oversees a lot of this, is looking at this, and I hope we will be getting some more good news from DfT soon.

Chair: I know we are going to slightly overrun, but there are two key areas that I do want to delve into, namely SSN-AUKUS and the defence growth deal, so I request your forbearance just for a few minutes more.

Q205 Emma Lewell: This might be quite a simplistic question, but you have said that the £200 million is not enough; how much do you need? Have you got a figure in mind?

Lord Case: My working assumption is about £1 billion. When we founded Team Barrow and secured the £200 million, we set ourselves a target of raising three to four times that amount from other public and private sources.

Q206 Emma Lewell: That is helpful to know. In case my accent hasn't given the game away, I am a massive fan of the north, but I have family members who were lured away to Australia way back historically. I am just wondering, do you have concerns that the skilled workforce may leave and go over to Australia? If you do, what plans do you have in place to mitigate that?



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Peter Anstiss: If I can address that one, I have personal experience of collaborating with Australia in the defence sector, on the joint development, production and in-service support of the Hawk jet trainer. That was designed and built initially in the UK, but we transferred production of the Australian aircraft to Newcastle, New South Wales.

I see only positive results from that partnership. Of course, there is the transfer of specialist skills, but there is also the shared in-service support from having interoperable, similar products built in higher numbers. The order quantities mean lower unit costs, for example. I therefore see the collaboration as only positive. However, at the front end, it has to be set up: you have to put in place the procedures; you have to have the technology sharing; you have to have all the agreements, and so on. There is therefore an overhead at the front end, which I think you more than recover later on.

In terms of skills, it is a reciprocal arrangement; we will be benefiting from Australian specialists, who have a very good pedigree in the naval sector, being seconded to Barrow. That presents a different set of issues: their expectations on healthcare, education, accommodation, leisure, hospitality and so on will be high, and we have to deliver against that, both for Australian and US visitors. But what we need for that is also what we need for the people of Barrow, to attract people locally and retain those who already live there, so raising the standards will hopefully be a by-product of that partnership, and I see it therefore as only positive. I am not unduly concerned about the transfer of skills and expertise. I think it is a significant net benefit to the UK.

Emma Lewell: That is helpful; thank you.

Chair: The final chapter of our hearing today is on defence growth deals, with Fred Thomas.

Q207 **Fred Thomas:** I am a Plymouth MP, and was very proud to host the launch of Team Plymouth a couple of weeks ago here in Parliament. It is not a new concept, clearly; we had the Growth Alliance Plymouth before. Work has been going on for years to get the city ready for the increased workforce demands that are coming, and we have been following Team Barrow closely. Can you give us a few high-level points on learnings so far from Team Barrow that we can apply to Team Plymouth?

Lord Case: We have all had the chance to talk to lots of colleagues across Team Plymouth; we have been sharing the things we think we have got right and the things we have got wrong. Perhaps Angela might want to go first; there are a couple of things that I think are not right, which I will happily speak to, but let's do the positives first.

Angela Jones: There is a lot of commonality. There are clearly some differences between Team Plymouth and Team Barrow. I think I would share our learning of building those partnerships and relationships very early; coming together with shared objectives and shared values has worked. When we say "partnerships", that is not just the trilateral



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partnership, but the extended partnerships that we have talked about today, with the university, third sector, community and business partners. That is something that we have shared, in terms of that early bringing together of central Government, local government and BAE.

On roles and responsibilities, it is about being really clear on that. We all bring something different to the partnership and we need to add value. That is something we are still working through: where do all these parts fit, and how can we be better than the sum of the parts? O

In governance, get that agreed early but do not spend too long on it. Once you agree your pathways to deliver and have ensured that the money can get out the door quickly, fulfil that so that it does not become a barrier. Think early about your transition from plan to delivery, whether on housing, town centre regeneration, education or skills. We are in that phase now: we are moving into delivery. That is a very different phase—it feels different because it is. It is positive but it creates some new challenges that we have not come across before. Those are the learnings from our side.

Peter Anstiss: I will add a couple of additional points that relate to our discussions with Team Plymouth to date. We enjoy a strong partnership that has, at its core, central Government, BAE Systems and the local authority, but it is much broader than that. It includes the NHS, Homes England, Associated British Ports and a raft of smaller organisations. I am flattered that Michelle, as a local MP, feels like an integral part of the team.

On learning, harnessing the horsepower of all those interested parties is absolutely pivotal to success. We all come from different backgrounds and have different levels of empowerment and public scrutiny. We are used to different levels of exercising judgment, and delegated authorities. Finding out what fits the particular project and optimising the organisation, the culture and the ways that we behave is absolutely key to the start-up success. We have had those conversations already. It is not just about budgets, resources, objectives and plans; some of those more subtle management techniques are important.

Lord Case: I have already shared with the team two things that I think are problems across the defence growth zone concept. First, the zones are not backed with transformation fund money. We have £200 million over 10 years; there are not clearly delineated amounts of money assigned to the other areas. Given that transformation activity has to be done, that is a problem. Secondly, each of the defence growth zones is being led from outside—from the MoD. I think that again misses the point. We are very lucky that for us MHCLG co-ordinates inside Government. It is a much better, more capable Department for co-ordinating activity based on place than the Ministry of Defence. The Ministry of Defence is brilliant at many things but local regeneration and growth has never really been in the core MoD programme.

Q208 **Fred Thomas:** Team Plymouth is now jointly led by Defence Minister Lord



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Coaker and MHCLG Minister Miatta Fahnbulleh MP—we were able to announce that a couple of weeks ago—so we have joint sponsorship from both those Government Departments.

Lord Case: I think at the official level it is still in MoD, though, is it not?

Fred Thomas: The SRO is in the MoD, yes.

Lord Case: Yes, and that's the thing: to get the Whitehall machinery going, you need that outside the MoD.

Q209 **Fred Thomas:** Yes. Speaking frankly, I think that a lot of people around Team Plymouth wanted that to happen, and it has not happened. You mentioned governance and roles, and Peter alluded to bringing people into the tent, such as local MPs and the NHS—we have a massive hospital in Plymouth. But we do not have a CEO of Team Plymouth; we do not have someone whose full-time job is Team Plymouth—there is no one. Can you comment quickly on whether you think that is a good idea?

Lord Case: You definitely should have that. You need a core team driving this.

Q210 **Fred Thomas:** Whose whole job is Team Plymouth.

Lord Case: Yes, absolutely. I have said it before: transformational activity takes capacity. If you just have it done off the side of everybody's desks, it will not happen.

Fred Thomas: Working groups—yes.

Lord Case: There have to be people who wake up in the morning and think about nothing but Team Plymouth, and go to bed thinking the same, and dream of it during the night.

Fred Thomas: Thank you.

Chair: Thank you very much. This was an important session to get on the record all things pertaining to Team Barrow. If anything has been missed out, please send it across in your written submission. Lord Case, Mr Anstiss, Ms Buckley-Irvine and Ms Jones, thank you for your valuable time with the Defence Committee.