

Defence Committee

Oral evidence: Defending Global Britain in a Competitive Age, HC 166

[Wednesday 23 June 2021](#)

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Watch the meeting

Members present: Mr Tobias Ellwood (Chair); Martin Docherty-Hughes; Mr Mark Francois; Mrs Emma Lewell-Buck; Gavin Robinson; John Spellar; Derek Twigg.

Questions 196-279

Witnesses

I: Rt Hon Ben Wallace, Secretary of State for Defence, and Air Marshal Richard Knighton CB, Deputy Chief of the Defence Staff.

Examination of Witnesses

Witnesses: Ben Wallace and Air Marshal Richard Knighton.

Q196 **Chair:** This hearing comes at a busy time, with lots going on, so thank you very much indeed, Secretary of State and Air Marshal Richard Knighton, for your time. I have three very topical questions which I would like to address. The first is the concern of reports of hostile activities in the Black Sea involving a Type 45 destroyer. There are very mixed reports on what is happening. Can I give you the floor just to clarify what is going on there?

Mr Wallace: This morning, HMS Defender left Odessa to transit to Georgia on the normal route, which has been taken before by other vessels and, indeed, continues to be taken by merchant vessels. This route uses a traffic separation route as it goes past Crimea, an internationally recognised route. In accordance with the international law of the sea, HMS Defender continued on her path.

As is routine, she was shadowed by Russian vessels, and she had been before when she went to Odessa as well. That is perfectly routine; we do the same to Russian vessels in or close to our waters. As she entered the traffic separation zone, she was hailed by Russian authorities—I don't know the exact wording yet, so I will clarify that in a written statement for tomorrow morning.

She continued on her path; the Russians did a bit more shadowing; and as she left at 0945, she continued on her way. She only varied course within the traffic separation scheme when at a slower-moving Russian vessel was in front. She varied her course away from Crimea to go around that vessel then continued into the scheme as she should have done.

She was, however, informed that there were training exercises in her vicinity—I think the word was “exercises”—and initial reports say that they did hear or observe what were probably training noises somewhere to the rear of her, but beyond visual range.

Q197 **Chair:** Thank you very much for that. It is a reflection that there is nothing ordinary about what our taskforce is doing, but I know that the families and friends of those on board and participating in this exercise will be reassured by what the Secretary of State says.

Can you also confirm that our ambassador was not summoned, and this is actually more of a war of words, of disinformation? No doubt if we switched on to Russia Today we would hear a very different story from yours, but from your perspective our vessels were very much surface fleet, very much in international waters and remain safe?

Mr Wallace: As I speak now, our ambassador has not been summoned. Obviously, this is a few minutes afterwards, but as I speak, no. What I can say is that the Russians recently made a claim about HMS Dragon and her use of the route a few months ago, claiming that she had been chased



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out, which was factually untrue as well. These are the things that come and go with Russia.

Disinformation, misinformation, is something that we have seen regularly. We are not surprised by it; we plan for it; and we take all steps to make sure that we are not escalatory or provocative. However, we will not shy away from upholding international law and our rights on the sea.

Q198 Chair: I am grateful for that clarification. You will also be aware that we have just had an urgent question on vaccinations for Armed Forces deployed overseas.

It seems that the Government's strategy is not to give bespoke preferential treatment to our Armed Forces. This is making the judgment that if you are deployed to Mali, you are in no more danger than if you were here in the UK. It is the view of the Committee that this is not correct and that we should have a bespoke programme for those who are deployed overseas, fitting in with what NATO allies are doing: the United States, Germany, France, Holland and so forth.

I don't want to revisit the urgent question—the Armed Forces Minister spoke in the Chamber—but I simply ask you to take that away. I certainly believe that the majority of British people would expect a programme to be in place if we are sending our Armed Forces personnel to different parts of the world where there are not the support mechanisms that we have with our NHS, and that they would have received both jabs. I simply ask you to take that away.

Mr Wallace: I take your point on board and am happy to look at it again.

I can reassure you on two things. Where I felt it appropriate and there was a lack of support I specifically took steps to ensure that our Armed Forces were doubly vaccinated. They got that. We were well supported by wider government in delivering it.

I shall not talk about some of those areas as it will show where some of our vulnerabilities are, but we do look at it case by case in many areas. Although it is almost academic because the age group of the double vaccinated has dropped down the cohort, I think it would have been quite wrong last year for a 22 or 25-year-old member of the Armed Forces who was not in a vulnerable location around the world but where there is plenty of healthcare to be double-jabbed before a 55 or 60-year-old.

No one stood in my way when I requested that specific cohorts got it for specific operational reasons, and we managed to deliver what was important at the time.

I took a balanced view on where they did or didn't have support and the effect on different people. I took medical advice from the Surgeon-General and Defence Medical Services, which is really important.

Q199 Chair: The 2nd Royal Anglian is now deploying there. Only half of them have had only one jab. I leave that with you. It does need to be revisited.



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Before turning to the Integrated Review, I ask you to share a few words about the importance of Armed Forces Week. This is a relatively new concept, compared with Armistice Day, where we look back in reverence at those who fought for their country. This is more about celebrating what our Armed Forces do today.

I give you the floor to express how important this week is.

Mr Wallace: It is incredibly important because it is about the people of the Armed Forces. In all the debates we will no doubt have about equipment programmes and balance of forces, fundamentally it is about our people and looking after them. Over the decades since you, Chair, and I left the forces I have seen a transformation in being a veteran or serving person. It is absolutely right that we celebrate that and mark it, and buy in wider society. Our forces should always reflect the society of today; they should not be alien to them. We have a job always to sell the excellent virtues of the Armed Forces to society and to give society the chance to honour and recognise their efforts.

Right now, not just on HMS Defender, men and women of our Armed Forces are upholding our values, helping people around the world who can't help themselves and preparing for other operations. They are helping with covid injections, and this week of all weeks is important.

I am sad that yet again we had to delay the big event scheduled for Scarborough, but we will do it again next year. I know that events are taking place in many colleagues' constituencies. Some are small, but nevertheless the thought is there if not the big event.

Q200 **Chair:** Will Scarborough host the event next year? Is it being carried over, or is that yet to be decided?

Mr Wallace: It is yet to be decided, but I can write to clarify that for the Committee.

While I have been speaking, HMA Moscow has been summoned to the Ministry of Foreign Affairs in Moscow.

Q201 **Chair:** I am glad to hear that it is here in the Defence Committee where news is breaking—that is fantastic to learn. Perhaps we can affect the agenda by encouraging the Defence Secretary to ask for the Russian ambassador here to be summoned to the Foreign Office.

Mr Wallace: You can extend him an invite, if you like.

Q202 **Chair:** He is more than welcome. We would be happy to have him here.

Turning to the Integrated Review, all defence studies begin by articulating the scale of threat that we face and the design of the defence architecture. You have spoken quite strongly about the acute threat of Russia and the wider strategic competition that we face in China.

Will you add a little detail? The dust has settled on the G7 and you have been participating in the NATO summit. How do you view these two huge competitors?



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Mr Wallace: At the moment, Russia's activity is a threat to stability, and we all need stability to have security. The welcome efforts being made by President Biden are a step in trying to improve the relationship with Russia.

It is important that Russia recognises that it is actions, not words, that matter. The UK was at the forefront of that activity, with Salisbury, and I never forget that a British citizen was murdered by GRU officers, which was deeply damaging. We also see our friends and allies being subjected to that activity.

I see that threat at the moment as not declining, but we are willing and hope to improve those relationships and to encourage Russia to return to normality.

In China I see growing competition—that is pretty well established. We see a growing assertive China. We see a growing friction between China and the United States and other countries, including ourselves, that we need to work on to ensure it doesn't increase but decreases. That is very important.

Where we have felt China's behaviour to be unacceptable we have spoken out—the persecution of the Uyghur, the trampling on rights in Hong Kong or the disputes in the South China Sea. We have made it very clear that we will stand by our friends and allies and international rules.

The challenge for China is for us to communicate to China what we think is the direction we should all take to ensure we are in a better position. We cannot just shout at China. We have to work together to see what type of China we want in the world. It is a fact. Its scale, its success and its economic size are a fact. It will have very large Armed Forces—it has them now—and it is in all our interests to ensure that these things do not go beyond people's control.

Terrorism has not gone away at all. It has changed. We are seeing growing radicalisation in Africa, with Boko Haram in west Africa and a more confident al-Shabaab. We recently saw ISIS in Mozambique. That type of radicalisation can come out of nowhere very fast unless we are prepared for it. Even if our leadership is only policy leadership, CONTEST, as applied around the world, really does make a difference. Unless we are proactive and out there capacity building for our friends or helping with their resilience, we will see terrorism not weaken at all.

On other state actors, Iran has a new president. Its activities, using proxies around the region, is destabilising, and that brings me back to my first point about stability. Instability is greater in the world than it has been for a long time, which makes us more anxious. When people are anxious they feel insecure. I have used the word often in this Command Paper when saying that the world is a more anxious place than it used to be.

Q203 **Chair:** Looking ahead five years, do you think the world will be a more



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anxious, more unstable place?

Mr Wallace: I think it will be, and that is why we have to prepare for it and invest in it. People have greater ambitions for greater funding—I know that you do, Chair—but the Prime Minister moved absolutely in the right direction with the record settlement. Many countries in the world are going in the opposite direction. Some countries have joined us on that path, and some are ahead of us. It is absolutely the right thing to do to take some of that investment and ensure we are prepared for what could happen in four or five years.

Q204 **Chair:** You will be pleased to know that your response was exactly what the Prime Minister said when I asked him the same question. He agreed that authoritarianism is on the rise, as is extremism, particularly in places such as Africa, as you articulated, with weakened international institutions and perhaps a lack of western resolve. Put together, they mean that the threats we face are more complex than during the cold war.

That leads on—there is no point in your replying as you have replied to this—to suggest that Defence spending might need to increase if those threats are cumulatively greater.

On China itself, do you agree that the G7 did much to point countries in the right direction and that we are recalibrating our views? If I can just quote you—the 14,000-word communique contained just one paragraph on China—“With regard to China, and competition in the global economy, we will continue to consult on collective approaches to challenging non-market policies and practices which undermine the fair and transparent operation of the global economy.” Do you not think that we and the United States, in the spirit of this new Atlantic charter, need to do more to persuade Western allies that there is a long-term geopolitical threat that we have yet to address? The penny hasn’t really dropped.

Mr Wallace: First, on the G7, I wasn’t at the G7. It is an economic and foreign policy grouping at its core, while it does cover broader areas such as climate change, and therefore I think some of that language reflects the economic battle. I certainly think you are right that we need to bring people along with us. You are getting seven nations around the table, so the messaging is a consensus. Of course, the United States would be on one wing of that; they would be much more adversarial with the Chinese and others would be less so.

I think what is really important is that we demonstrate to countries we want to bring along with us on this journey when we think there is malign activity. We think we have done that with Hong Kong. We have done that with the Uyghur. We have done our best to protect media. Indeed, we have called out Chinese cyber actors when they have threatened or carried out attacks in this country. In the end, you cannot ignore the facts on the ground, and the first thing to do is to start showing that, sharing it when we can and continuing to work towards it.



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At the same time, however, we should say to China, "It doesn't have to be this way." I think it is really important that you can say to China, "Look, you have enjoyed great economic success, and there is an international rules-based system that is really important, including the upholding of human rights. It is not one or the other; you can actually do both." We need to signal that; it is very important.

Chair: Thank you for that, Secretary of State. We will now go into some of the details of dealing with the threats from China and Russia.

Q205 **Derek Twigg:** Secretary of State, how confident are you that we can develop autonomous machines for the future battlefield that are able to match those of the Russians and the Chinese? Perhaps you could give us some evidence to underpin the confidence that I assume you have.

Mr Wallace: I have the confidence that we have the skills base to develop autonomy. We have obviously some leading capabilities in sensors, for example, and sensors feed that type of machine activity. But there is a difference. Many Members are concerned about fully autonomous systems, where there is no man or woman in the middle and what that means for the moral component of a war. One way or the other, we are never going to go down that route of surrendering the human in the middle. We need to be quicker in our decision making and in our analysis, but it is right and proper that we have a human at some stage in that process.

Will I be able to have the same disregard for human life as some of our adversaries, who don't seem to be so fussed? No, I will never be able to compete on that, because that is not our values. We think every life is precious, so we will not throw it away based on a pure algorithm.

The key for us—a bit like the Integrated Review—is one of the ways to quicken that decision-making process and keep a man or woman in the middle of the process is better integration, better intelligence analysis and better speed of data processing, so that the human interaction is not delaying but enhancing. That is the challenge. I definitely think we can do that, but we cannot do it in an uncontrolled manner in which the human consideration and the victim or target is the bottom of the pile. That has to be part of our process.

Q206 **Derek Twigg:** So, basically, the moral line for you is removing the human element of it.

Mr Wallace: You could argue that a heat-seeking missile, once it is locked on, is predominately autonomous. For a ballistic missile, there is only a certain period in which you can stop these things. There is always an element of autonomy, but the actual decision to fire or the decision to kill or the decision to escalate has to be in the hands of a human being.

Q207 **Derek Twigg:** If the Russians and Chinese develop autonomous machines that do not have that human element, and their utility is much greater than any autonomous machines that we have, we would just say, "Sorry, we'll just have to deal with that." Is that what you are saying?



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Mr Wallace: We fought the Second World War with a regard for life that the Nazis did not have, and still won. That does not mean to say you surrender your capabilities; you have to be different in how you defend against certain capabilities, or you have to be cleverer in how you apply things. The path that you suggest would have machine fighting machine without us having a say-so in it, and that could be very dangerous and escalatory. Maybe I am old-fashioned, but I am not prepared to surrender that to a place where, by its very nature, “fully integrated” and “autonomous” often means magnifying capability and could lead to an escalation beyond our control. I don’t think that means we will be less effective.

Because we stand for better values, I believe that we have access to better brainpower, because we have alliances and coalitions. Russia and Belarus have basically themselves. We have the ability to draw on some of the finest brains in the United Kingdom, but if needs be, as part of the NATO alliance or whatever, across people who share our values, too. I put my faith in that.

Q208 **Derek Twigg:** Just so we are clear, you still believe that, in the future battlefield, with those values, we will be able to match the Russians and Chinese on autonomous machines.

Mr Wallace: I think we will be able to match the Russians and Chinese, as alliances, on strategic advantage. Whether it is on one type of capability or another, I am not going to get into those types of predictions, because I would probably be wrong. Overall, I think we will still be able to continue a strategic advantage as long as our alliances continue to invest in defence capability, intelligence gathering, and training and exercising. There is no such thing as a free lunch. If people stop doing that, then I fear that, obviously, that strategic advantage will ebb away.

Q209 **Derek Twigg:** Given the move to more automatised and artificial intelligence, does Defence need to sell itself better to the UK public in order to implement the objectives of the Integrated Review?

Mr Wallace: It always need to sell itself. Explaining change and threat is an enduring job. All of you on this Committee will be far more in tune to the threats around the world than probably 90% of the public, if not more. It is your day job—your bread and butter. I know this Committee takes it really seriously, but we all have constituents or colleagues who think we are always talking it up and that we see shadows in every corner. We also have other nations who do not always take it as seriously as I think they should. When I made my case across Government for this increase in spending in the defence review, I did it based on, “Here’s the threat,” not, “Here’s my hobbyhorse.” I said, “You tell me how else we can meet that threat, and if you can’t, please can I have some money or investment?”

Q210 **Chair:** You have articulated a very important point. If we are able to take the nation with us, and if they were fully aware of the exact capability of our Armed Forces—professional and well-equipped though they may be, but with the sheer size of the threats we face—I suspect that they would



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be more likely to want us to spend more taxpayers' money on this. It is therefore beholden on both sides of the equation represented in this Committee Room to make that case to the general public. Do you agree?

Mr Wallace: That is where I come from. I would agree. There are colleagues—let us be honest—who would say no or, “Why can’t we just be like Switzerland?” We have all heard that from some quarters. For what it’s worth, I think if you stand up for your values around the world, you attract people who don’t like those values. You could argue that we have seen that in the Black sea, where HMS Defender is on a perfectly legitimate transit route from Odessa to Georgia. That threatens people who choose to break those rules and laws, and they come at you for it.

Q211 **Chair:** But this tilt to autonomy—to drones and so forth—does have its drawbacks. The boots on the ground or the force presence at sea, and the ability to hold and seize ground, separate warring factions, deliver humanitarian aid, assist civil authorities, like with covid-19, win hearts and minds or, indeed, restore law and order, or deal with natural disasters—these things cannot be done with automated machines: they must be done by human beings. There is a balance—a threshold that we should not step across.

Mr Wallace: There is always the question of how you generate mass or dominate ground. I went to see the trench system in the Donbas region in Ukraine a couple of years ago. That was something that was different, with fewer people, funnily enough: they used portable cameras. In my day—and your day—it was a pair of eyeballs. You dug a trench and there had to be eyeballs every few metres. Now, yes they dig trenches, but they manage to cover far more ground, eyes on, with technology. You can at some level have less on the ground, and you have weapons systems that can cover greater ranges. You can still achieve some of the same with a few less people. You still need people, don’t get me wrong.

Secondly, our own system has been poor at maximising use of Reserves. We have, or are aiming to have, nearly 30,000 Reserves, a significant number. As you will remember from your time in the Department, the start point for Regulars was always that it was expensive to use Reserves. It was a self-inflicted wound, in that we put our own barriers in the Department to using Reserves. I have changed some of that already, and I have driven them to use Reserves, so we have seen much more use of Reserves in covid, for example. We would have a MACA request—we had one for Manchester—and I remember saying, “Okay, you can have 90 soldiers”, or 200 or whatever it was, “but after three weeks they will change to Reserves.”

We can achieve resilience in that way, but we are not abandoning people. We are going down from 82 to 72—we are currently on 76—but we also have to see whether we can use our integration to increase the impact on the ground.

Chair: We will come back to Reserves. For now, we turn to procurement and John Spellar.



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Q212 John Spellar: The DSIS sets out the importance of the role that defence procurement can play in the prosperity and levelling-up agenda. Is that the policy of the Department?

Mr Wallace: Yes, it is.

Q213 John Spellar: In that case, for example, when you announced the fleet solid support ship competition, you stated that only integration was required in the United Kingdom. When will we see the Department working much more energetically to retain, and indeed increase, onshore capabilities?

Mr Wallace: What I said on FSS is that we welcome international bidders, but integration and considerable amounts of manufacturing is to happen in the United Kingdom. I want us to increase our shipbuilding in the United Kingdom. We have taken lots of steps across the whole of Government to increase that. Of course, we took account of the different factors that the DSIS brings in. Whatever happens with the FSS, you will see considerable amounts not only integrated, but built in the United Kingdom.

Q214 John Spellar: Why not build the component parts in the United Kingdom? We know we can do that in separate yards and then integrate from British yards. We have done that with the aircraft carriers. Why leave the door open for it to be built in a Spanish, Italian or French yard?

Mr Wallace: You are not going to see the FSS ship built in a yard abroad. It will be built—either the components produced together, integrated, in a UK yard, and at the same time, what I have made sure, because I think this is important, is that, effectively, the designer and the prime and the yards are split, separated. What we have had in the past is the yards and the prime line up and say, “It’s us or no one,” and that does not help other yards in the United Kingdom, it does not help value for money, and it does not help innovation. I want to see innovation, improved productivity and investment in skill bases. If the primes have to work for it, when I say to them in exchange for billions of pounds, “What are you going to do to invest in young people’s careers and futures?” they will have to come up with those ideas. If they know they have got it locked up, and it is all one on top of the other, you find that they don’t really.

Q215 John Spellar: No, that’s not true. You can write it into the specification that there will be a ratio of trainees. You can put that into the spec. You could even have done that under European rules.

Mr Wallace: We could do, but I would like to have more levers to do that.

Q216 John Spellar: But you have got them. You are the client. You can put in any of those things.

Mr Wallace: I am confident that there will be plenty of work, if not too much work, in our British yards for a whole range of ships, plus there is the shipbuilding pipeline of nearly £13 billion or £14 billion that we are going to spend over the next 10 years. I am also confident that the future of the FSS will be predominantly in the United Kingdom, will be integrated



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in the United Kingdom, and will also hopefully bring some improvements to our productivity. That is really important because I am trying to prepare the industry to be competitive when Navy contracts finish.

It is deeply regrettable to me, as the shipbuilding tsar, that other countries in Europe have higher wages, better productivity and sometimes better timescales than our yards. I desperately want our yards to be able to stand on their own two feet when a Navy contract finishes and to use that time to invest in skills and modernising, so that if, for example, we choose to give a contract not to a yard in the north of England but to a yard in the south-west, the other yard can manage to stand on its own two feet and win other business. I think that is really important. If I kid them along and let one yard and one prime stitch it all up, what happens to all the other yards?

Q217 John Spellar: Can I just ask, therefore, before we move off that, whether you have actually put requirements on training levels into the contracts for the warship orders that we have placed more recently?

Mr Wallace: I can find out and write to the Committee with the exact details of what we have done. It is really important that we all remember that there is more than one yard. It is important that we make sure that, when we are building our ships, we fully utilise yards and keep the skills base going. We all learned the lessons in the past from not doing that—the feast or famine. I am trying to make sure we have a pipeline to encourage people to build ships in this country, from abroad as well. I was in Greece two weeks ago, encouraging ship owners and shippers to build British ships.

Q218 John Spellar: Could I move on to a related area, which in a sense introduces some complexity into this? That is the issue of integration with allies and demands for common systems, as shown by the recently announced NATO Defence Innovation Accelerator. Indeed, there is a debate going on in the United States about how they manage to reconcile a “buy American” policy with joint procurement for allies in order to allow common platforms and integration. It is a difficult area, and they are wrestling with it as well. How are you looking at handling that, particularly in terms of making sure we get our fair share as well?

Mr Wallace: The message needs to come out loud and clear from the customer—the Ministries of Defence around Europe, the United States and ourselves—that open architecture is king. No Government or customer is served either by your forces seeking exquisite all the time, because in 20 years’ time you are on the hook and we can’t suddenly switch into another capability as easily.

At the same time, going back to international collaboration, we need to look at that early on in the development of a capability. For example, the next generation of, let’s say, early-warning radar will be in 15 or 20 years’ time. Do we as a country join people and partners and other customers? Do we join the Americans in developing the next generation, so we make sure we have prosperity and workshare with it? If we come late to the



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party, we get no choice—we haven't been in at the beginning. The Typhoon is an example of being in at the beginning. We are making it with the Spanish, the Italians and the Germans.

I think there are two ways to do it: make sure that our specification focuses on open architecture and is, as much as possible, generic, so we have choice; and, at the same time, spot over-the-horizon developments. We are doing FCAS now. We join consortia where we know that, single-handedly, we are not going to make it, but internationally, as a collaboration, we will get some work shared, and so will they, and that will lay the foundation.

Air Marshal Knighton: I have two points to add. Part of the advantage of being in a coalition like NATO is that we can work together to set standards. We set common standards across the alliance, and that is part of the work of that NATO integration centre that you described.

As an example of how we are working with our allies, Defence's chief data officer now sits on the US Defence data council to help make sure that our equities are represented and to ensure that we have common standards across the nations, so the two allies can think about developing capability in a way that will make them interoperable and integrated into the future.

Mr Wallace: The most frustrating thing for me on the equipment programme is where someone comes to me and says, "Here's your choice, and there is no UK prosperity in it at all." You think, "Why weren't we in at the beginning?" We knew 20 years ago that we would need an air-to-air missile or ground-based radar or something. Why didn't we look around early enough and get in on that programme?

I really don't like it when you suddenly find yourself sandwiched between a US prime and a European prime, and we have no prosperity in it. I think that is something to regret. It is a bit late to ring them up. You can get some prosperity at the last minute, but it is usually skin-deep.

Q219 **John Spellar:** Is that what happened with the contracts for the E-7 Wedgetail, P-8 Poseidon and Chinook?

Mr Wallace: The E-7 Wedgetail is an example of exactly that at one level, which is that you have got some prosperity in servicing the aeroplane, but the radar is made in the United States, the aircraft is made in the United States, the integration of it is made in the United States. There was one other aircraft and that is basically the game in town. I wasn't the Secretary of State when we had the initial decision for the E-7. There are some areas that, over the last 40 or 50 years, we have maybe surrendered. One of the ways through that is better collaboration earlier on.

I will be pushing the Department in a whole range of capability areas. The United States and the Australians are saying that the E-7 will finish in 2035, or the updates will stop around the mid-2030s. It seems a long way away for us, but we need to think about what is going to happen in 15



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years' time in early warning. How is it going to be delivered and can we be part of that discussion?

Q220 John Spellar: Haven't we at times ruled out other possible bids from very credible competitors in favour of the American aviation giants?

Mr Wallace: I certainly think—this is my impression—that we have been too quick to be seduced by the very nice man from across the Atlantic who comes with perfect timing with an amazing, exquisite bit of American kit. Sometimes we do it because we have to, because it is a very good piece of equipment and we don't have an alternative, and it is very key to my personnel. At the end of the day, the game here is to actually deliver the best for our people. If we don't have a capability because we didn't have it for 25 or 30 years, I can't rustle that up overnight, but sometimes we just need to think a bit further ahead.

If I may say so, it is a symptom, or consequence, of black holes. You are playing catch-up, not long-term planning. You are playing plug the hole in the short term. I remember that the Gray report talked about a Defence budget of 10 years or something. We would all have loved to have persuaded our Treasury to give us 10-year or 20-year Defence budgets. I am extremely lucky in this environment to have been given a four-year budget. As you and I know, if you are on a one-year budget in a Department, they just hold their breath and nothing happens. They don't move. The longer we can get budgets for our defence, the more likely it is that we can profit from that type of thinking, because we will be confident in our funded programme way out. That is how you really sustainably develop skills bases and retain sovereign capability.

Q221 John Spellar: But even when we have a credible alternative— You will know that, actually, the United States Air Force were very interested in Brimstone but were prevented from buying that by political forces and industry forces. But now, we have rejected Brimstone for the Apache in favour of the inferior US-made Hellfire and JAGM. Why did we do that?

Mr Wallace: First, we are still using and buying Brimstone. The United Kingdom RAF are buying it for our Protector drones, which are our next generation of drones. We are not abandoning buying our Brimstone. Also, at that moment in time, the cost issue meant that fixing our black hole, which I am pretty determined to do, meant that we had to take some tough decisions. But I am still buying Brimstones; I am just buying them for Protector—our drones—but not currently for our Apache.

Q222 John Spellar: I still find it extraordinary, given that we have the better-quality product, that we are actually supporting another industry—one that deliberately undermined our ability to sell that better product to the United States.

Finally, looking at the Chinooks deal, the Minister for defence procurement announced that, from 1 June onwards, the social value of defence contracts would have to be 10%. Could we query why the deal for 14 Chinooks, which are not due to be delivered until 2026, was announced on 13 May 2021? Was that just to avoid the deadline?



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Mr Wallace: No, the decision I made on those Chinooks was way before that. The announcement probably came a few weeks or months after it was approved. It is a heavy-lift capability. We don't make heavy-lift helicopters in this country, so either I buy them from Europe or I buy them from the United States. We already have Chinooks in our inventory, so I am not reinventing the wheel. I am not having to train a whole load of new pilots to fly heavy lifts that they have never flown before. I am not having to invest in a whole new load of training, engineering and everything else. I am effectively taking the next generation of the same helicopter.

Q223 **Chair:** What do you classify the Merlin as?

Mr Wallace: The Merlin is medium lift.

Q224 **Chair:** You would call it non-heavy lift.

Mr Wallace: It can carry the numbers of people. If we made heavy lift, it might be a different discussion, but we do not. Either we do without heavy lift or we buy what is on the market.

John Spellar: It is a bit circuitous. Maybe if we bought heavy lift, we might have it made in this country, but that sometimes seems to escape the MoD.

Q225 **Gavin Robinson:** Thank you, Secretary of State, and I appreciate the comments you made about the recognition that there are more than one or two shipyards in the United Kingdom. I have heard what you have said. I just wish to impress upon you that when Sir John Parker's national shipbuilding strategy and, subsequently, the Philip Dunne review, which successfully highlighted the disparity of defence investment across the United Kingdom, were published, those documents instilled a great deal of confidence and positive anticipation within the shipbuilding sector. What you have outlined, I guess, is that you wish not only to encourage sustainability in shipbuilding, but to ensure that the industry is fit for purpose, productive, efficient and value for money. But rather than dash hopes or impact on the positive anticipation that our shipbuilding sector has right throughout the United Kingdom, are you having those honest conversations with the industry, so that they know that your primary objective is to build the industry across the United Kingdom, including in my constituency in Belfast, and that opportunities are there but you just wish they would work with you?

Mr Wallace: I have had quite a few conversations. I have been trying to meet the chief executive of the new Harland & Wolff purchaser from last year. I am pleased that he has also bought Appledore, because that is important for the future of the skills base, which is important. Yes, I have regular conversations with most of them, all of them. I also have conversations with potential customers, trying to get them to build here.

It is important that we have some honest discussions about how much business will put in, if we put in. Your taxpayers, your constituents, expect business, which makes profit, to invest in the skills base and the



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productivity of their yards. That is really important. On their behalf, as Secretary of State, I am very happy to have those tough conversations with them, because at the end of the day I do not want ships to be delivered late, I want them to be of good quality and I do not want—my point—divestiture of yards. I want many yards available; that is the best way that we will get productivity improvement and competition. I believe in competition. I do not believe in unfair competition, but I believe that we need to get a competitive atmosphere in our shipbuilding.

I think we are on the right track. Yesterday, we signed a contract with Ukraine for £1.4 billion of shipping and equipment for the Ukrainians. That is good news. That will be good news for British shipbuilding, for British components and for Ukrainian shipbuilding as well. That is a really good sign. We hope to make more progress in other foreign competitions. We should not forget the Type 26 programme, in which we are building for the Australians and Canadians together one of the most advanced ships in the world.

Air Marshal Knighton: If I may, Mr Robinson, to answer your specific question, I and my team leading the work for shipbuilding are on the national shipbuilding strategy refresh. Earlier this month, I took the industry community through the key elements of the shipbuilding refresh. I made the point clearly to them about the opportunity in front of us—the ambition that the Prime Minister and the shipbuilding tsar have set out for the development and almost renaissance of the shipbuilding industry right across the UK.

I also made it clear that the Prime Minister and the Defence Secretary, as the shipbuilding tsar, want to ensure value for money for the taxpayer. That requires us to make sure that we attract in private investment to ensure that we can improve productivity of the yards and win competitions. Without that, as the Defence Secretary set out, we will not be able to secure the long-term volumes of work that are required to sustain all those shipyards across the UK.

I have to say, the response I got from the industry representatives was extremely positive. They are really excited about the opportunity over the next few years.

Q226 Martin Docherty-Hughes: May we briefly go back to the issue of loopholes allowing for non-warship naval vessels to be procured at least partially abroad? I also wonder what the Secretary of State will say about a royal yacht. Where does that come in?

Mr Wallace: You talk about loopholes, but there are not any loopholes; there are WTO rules that allow you to purchase ships or any capital programme. As long as you do so in line with those rules, you can do so. The national flagship is designed to secure Britain's economic security and, indeed, to promote its interests around the world. We believe that, in accordance with WTO rules, it is possible to procure that ship and build her in the United Kingdom.



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Q227 Martin Docherty-Hughes: Let me take that a little further. Why, according to this week's *Private Eye*, were the press briefed on the plans for this ship before the monarch? Has the Secretary of State been able to ascertain whether this is something that the monarch wants?

Mr Wallace: You call it a royal yacht, but we call it the national flagship.

Q228 Martin Docherty-Hughes: So it is not a royal yacht. I thought the flagship was HMS Queen Elizabeth. Perhaps the Secretary of State will answer the question.

Mr Wallace: It is a ship to promote British trade, to be the bridge between soft and hard power, to showcase British capability, and to secure Britain's economic interests. That is what the boat—the ship—is. I am not going to reveal whether I have had conversations with the monarch or anyone else has had conversations with the monarch. Obviously, no one talks about those conversations. All I can say is that this is a ship—not a royal yacht; it is a ship—called the national flagship, and it will be available to many people to use. I think it is incredibly important that we showcase what we can do around the world. It was no coincidence that the £1.4 billion deal that we signed with the Ukrainians was done on the back of a ship only yesterday.

Q229 Martin Docherty-Hughes: Let's take it, briefly, a wee bit further forward. Can the Secretary of State tell us why it is their Department that is having to stump up the cash? For instance, the Secretary of State also spoke last month about the need for a platform that bridges the gap between soft power and hard power, which they have just alluded to. Can they advise the Committee what hard power elements this royal yacht/national flagship is going to have if it is to be that bridge?

Mr Wallace: I think the point is that we have lots of hard power ships. We have aircraft carriers and things like that, and I think what we want to do is demonstrate—

Q230 Martin Docherty-Hughes: So what is the national flagship? Is it the national ship or is that HMS Queen Elizabeth?

Mr Wallace: If you want to talk about the Navy's flagship, the flagship of the British fleet is HMS Queen Elizabeth. That is the flagship of the British fleet. A national flagship is what we are going to call this ship, and it will have a name in the end. When the name is revealed, we will tell you its name and we will call it that. The fundamentals about it are that it is going to be the bridge that shows that Britain can do hard but it can also do defence diplomacy, national security and securing economic security, and it can showcase the United Kingdom around the world.

The Scottish Government have Scotland House in Brussels—I remember it very well from my time in the Scottish Parliament—where it showcases Scottish produce and Scottish industry in Brussels. No one quibbles about that. I think it is perfectly legitimate that we showcase around the world Britain's capabilities and skills, as well as securing our national security priorities. In addition to that, why are the MoD leading on it? Because we build ships. We build lots of ships. As much as I am very fond of the



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Cabinet Office, for example, I am not sure that it has ever built a ship. We build lots of ships. It is perfectly legitimate that we put it in this Department and that we can use our knowledge, and indeed our relationship with industry, to make sure that we get value for money and it produces what we want. I think that is the best way to go about it.

A good example of soft power and how interesting it can be is that in Scotland you obviously have HMS Britannia in Edinburgh. It is a tourist attraction. I remember Edinburgh Council bidding for it at the time when I was living in Scotland, so it did not seem to do much harm to Scotland when—

Q231 Martin Docherty-Hughes: Let's get back to the questions at hand. I will take no lectures from the Secretary of State on the royal yacht Britannia, given the fact that my father helped to build it in Clydebank. In terms of the feast and famine that he mentioned earlier, those shipyards are now gone. Finally, with forecast day-to-day spending to remain static, therefore opening the possibility of another decade of pay restraint for our personnel, I wonder whether the Secretary of State can advise whether that is really the best use of a stretched budget.

Mr Wallace: What, the national flagship?

Martin Docherty-Hughes: Yes.

Mr Wallace: The estimated costs are less than 0.1% of the defence budget. Of the £13 billion we are going to spend over the next 10 years on the shipbuilding pipeline, we think it is affordable. It will be a good training vessel for the Royal Navy. Most navies have training vessels. The Germans use tall ships, understanding the sea, but it will definitely be a good training vessel. We are trying to fix that feast and famine, if you have noticed, with a considerable number of ships in a properly planned pipeline. We will help to secure Rosyth, Govan and Scotstoun ships, and there is a healthy pipeline of ships for those locations, which has to be good news for Scotland. Hopefully we will manage it better than the Scottish Government have managed the Ferguson shipyard and the ferry disaster. If that is the record of the Scottish Government, I think we had better stick to something else.

Martin Docherty-Hughes: Sorry, Chair, but may I remind the Secretary of State that I am a Member of Parliament, and there is a duty to answer the questions of Members of Parliament? I am not a member of the Scottish Government, whether he likes it or not. Anyway, thank you.

Q232 John Spellar: So to be clear, it is on your Department's budget.

Mr Wallace: Yes.

Q233 Chair: Would the Secretary of State be upset if this Committee were to encourage other Whitehall Departments, given its soft power expectations, to also cough up and pay for this £200 million ship?

Mr Wallace: If other Government Departments wish to use it, which no doubt they will—they all seem very keen and supportive of it—then of



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course, there are ways in which we can—*[Interruption.]* No, we can use the MACA system if they wish to use it. We can obviously ask them to contribute to the operation or, indeed, the use of it when they use it.

Q234 **Chair:** I will take that as a big yes—not the royal yacht, as it seems to be called at the moment. On a serious note, there are concerns that the surface fleet is not big enough for the very threats that we have spoken about before. Would the Secretary of State perhaps be minded to look at the Type 32, and have one of those with the flexibility to be utilised in this way, in the same way that one of the Voyagers has been transferred to be able to be used for diplomacy and soft power purposes? Ultimately, if you build this ship, you will require another ship to guard it, which is depleting even more of the resources of an overstretched Royal Navy.

Mr Wallace: On the latter, I saw your comments earlier about the guarding of the ship. HMS Britannia was only guarded by another ship when a royal was on her. She was often deployed without an escort ship, so I do not think it—

Q235 **Chair:** But the world is a different place.

Mr Wallace: I am not sure we would always need to. I am absolutely happy to look at your suggestion about whether we have a different design Type 32 that can do two tasks. You are on the right track, in so far as all of these ships are platforms that should be flexible. We should be designing in the flexibility—you have talked about it before—where you can plug and play in a different fit, whether it is an amphibious support guard ship, an anti-air ship, an escort ship or whatever it is. All of that is important.

The smartness of our modern weapons systems makes the platforms, in a sense, potentially more generic unless they have a specific task, like an anti-submarine ship that has to be very silent or something. There is lots and lots of scope, and one of the challenges that me and Air Marshal Knighton have is to encourage the leaders of our Navy, Army and Air Force to be innovative: to think out of tradition and come up with something that not only puts our adversary into a guessing game, but maximises that flexibility. I think that is really important, and I know you agree with that as well, Air Marshal.

Air Marshal Knighton: I absolutely agree with the Defence Secretary.

Chair: Thank you for taking those ideas forward. I think it will be very interesting to see how this develops. Mark Francois, staying on procurement, over to you.

Mr Francois: Sorry, Chairman, I actually had a question about lawfare. I was hoping I could ask that, but if necessary, I will hang on a little bit. How do you want to play it?

Chair: No, over to you, sir.

Q236 **Mr Francois:** Thank you very much; I will try and be brief. Secretary of



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State, the Integrated Review makes much of our willingness to deploy forces overseas if necessary to make the lives of our competitors more difficult, but the personnel who go on those missions will be worried about the lawfare consequences of their doing so. To be fair to the Department, you have legislated in this area with the overseas operations Bill, which hopefully will end the endless cycle of investigation and reinvestigation of personnel who, for instance, served in Iraq and Afghanistan, and I think the Committee would like to commend you and your Department on doing so.

However, that still leaves the important issue of Northern Ireland veterans. The Northern Ireland Secretary, Brandon Lewis, who leads on this—not you—has been telling many of us in private for some time that we would have the Second Reading of that Bill by the summer recess. We have less than a month to go, and we have not even had the First Reading—the publication of that legislation—yet, so can you confirm to the Committee this afternoon that we will indeed have the Second Reading of that Bill to stop Northern Ireland veterans being endlessly investigated and reinvestigated by the time the House rises on 22 July, please, sir?

Mr Wallace: I can tell you that the Second Reading of that Bill, or the publication of that Bill, will be in the autumn now.

Q237 **Mr Francois:** Well, Secretary of State, full marks for a clearer answer, but that is extremely disappointing because Brandon Lewis—not you, sir—has been assuring Back Benchers who have an interest in these matters in private, for quite a long while, that Second Reading would be by July. To recap, we promised to address this in our 2017 general election manifesto and our 2019 general election manifesto. The Prime Minister is on the record as saying on a number of occasions that we are going to do this. So are other senior Ministers and so is the Northern Ireland Secretary.

In fairness, you have done your bit with the Overseas Operations (Service Personnel and Veterans) Act 2021, but we have had four years of promises to these men, some of whom are in the autumn of their lives and many of whom are unfortunately quite ill. When are we going to stop these promises of jam tomorrow and actually keep our word? If we have had four years, why can't we just get on with it, sir?

Mr Wallace: If I can give you some reassurance—First, I myself am an Op Banner veteran and I am very, very keen to see this legislation in place. I went on my first march for Northern Ireland veterans in 1998, so I have been at this for a long time. I did that in Aberdeen for guardsmen Fisher and Wright, if you remember, who were convicted. So I am very keen for it to happen.

I have now seen drafts of it. If I can give you some reassurance, the words have solidified. I know from the Northern Ireland Office—I have a meeting next week with the Secretary of State for Northern Ireland—that they are in the process of discussions with other stakeholders, both



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domestically and internationally. It is important that they have those discussions. So it is moving apace.

My understanding is that the overall policy, as pencilled, has been supported and approved by No. 10. I have seen it as well. In fact, it was presented to me in March in a vocal briefing, but now I have seen more in writing. I can give you some reassurance that I think we are much further on than we were last year or the year before. Like you, I will be very keen to see it, hopefully in September or October, when we come back.

Q238 Mr Francois: Secretary of State, this Committee has sometimes had differences of opinion with you, but on this we don't. You are the good guy here. It is an open secret in Westminster that the Northern Ireland Office have been foot-dragging on this for ages because they simply don't want to do this. Their culture is that they are more worried about appeasing Sinn Féin than they are about the fate of Corporal Tommy Atkins.

In fact, a couple of years ago one Northern Ireland civil servant was paid £10,000 of British taxpayers' money in compensation because he was offended by having to walk past a portrait of Her Majesty the Queen on the way to his desk in the morning. That vignette tells you everything you need to know about the Northern Ireland Office.

This is Armed Forces Week. On Armed Forces Day, quite rightly, we will all pay tribute, as you already have, sir, and as has the Chairman on behalf of the Committee, to our Armed Forces and our veterans and everything they do to keep us safe. These people deserve better. So now, Secretary of State, because it is the Northern Ireland Office that leads on the Bill, when you next see Brandon Lewis in Cabinet, could you please ask him to try harder and quicker? He is in danger of becoming like the boy in the fable who cried wolf. If he carries on like this much longer, no one in Westminster is going to believe a single word he says. Could you please pass that message on?

Mr Wallace: Yes, I will.

Mr Francois: Thank you, Secretary of State.

Q239 Derek Twigg: Secretary of State, the internal assessment by the Infrastructure and Projects Authority on the Ajax programme, which concluded that it was being delivered to time and budget, appears to be unachievable and has raised significant concerns. Given that Ajax is intended to act as a mobile foreign integration and real-time communications system, providing remote headquarters with a comprehensive view of the battlefield, how has this gone so wrong?

Mr Wallace: On the cost point, it is a fixed-cost contract, so it will not go over our costs. If it is more expensive to deliver than it should have been, we will not pay that; that belongs to the contractor. On the taxpayer level and whether this will spiral into huge amounts, I can give you some confidence in that sense.



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On the overall issue, almost the first thing I did—within a few weeks of coming into office—was ask to see the Ajax contract in full. I had an interesting Sunday afternoon reading not only the contract but the 22 annexes attached to it to make sure that, first, we had the right tools and levers to do something about it, and secondly, to see what we could do to improve the output of the effective partnership, which was not producing the vehicle in the way we wanted it to be delivered and as I had hoped.

There is no secret that there have been significant issues with it. The programme was maingated in, I think, 2009; the initial contract was in March 2010; and the second contract was in 2014. It is a long-running programme, and it has clearly had some problems. We have taken corrective measures. We have withheld money from the contractor until that is corrected. It is not the case that we have handed over all this money and got nothing back. While 14 have actually been delivered to us, there are in fact another 26, I think, complete. On 16 June—

Q240 Derek Twigg: You have given the numbers of how many have been delivered. What was the original intention, in terms of the numbers to be delivered by this time?

Mr Wallace: By this time—

Air Marshal Knighton: We were expecting to declare initial operating capability by the end of this month.

Q241 Derek Twigg: For how many?

Air Marshal Knighton: I will have to check. I think it was 24, but I will need to check the original definition to avoid misspeaking. We can write to you.

Q242 Derek Twigg: It would be helpful to the Committee to be clear about what you have now and what you expected to have. I think that is very important.

Mr Wallace: The initial operating capability was not for the whole 580-vehicle fleet to be delivered.

Q243 Derek Twigg: No, we are asking how many should have been delivered.

Mr Wallace: We are perfectly happy to write to the Committee on that. There have been problems, as has been well reported—some of them accurately, some of them inaccurately. Some of the problems relate to the coming into service. I was one of the earliest platoon commanders to have a Warrior platoon. That did not all go off to plan in its initial coming into service.

For example, the reversing at a certain limit has been fixed. That was about whether it could reverse at speed or over certain obstacles. The vehicle is capable of reversing over an obstacle of 0.75 metres—NATO standard step. Following some initial issues, this was restricted, but it is expected that, for the demonstration phase, the design has been adapted



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and it will be lifted in July. Those type of things have been lifted. My main concern is vibration.

Q244 Derek Twigg: Secretary of State, I was going to come to that. Can you tell us when the vibration problems will be fixed? Will Ajax be able to fire while moving?

Mr Wallace: First of all, on the vibrations, we have asked for an independent assessment of the vibrations—by independent people, not by the contractor or ourselves. That is taking place at Millbrook test centre. They will report by September. I have been very clear that I want to have a view of that and see what we can do to rectify it, because that is what we will use when discussing with the contractor what they will do to rectify the vibration.

On the issue of hearing, which is sort of aligned with that, I have asked the permanent secretary to commission a health and safety view of the whole process, asking ourselves and the Department what we have done as these things have been brought to attention when it applies to the welfare of the people involved. That should report soon, and hopefully before the recess, because it is really important to get to the bottom of that. In terms of firing on the move, I do not know whether Air Marshal Knighton knows.

Air Marshal Knighton: To get to the declared and required operating capability, we need to have resolved all the issues associated with the platform. I am afraid that until we have resolved the vibration issues, we will not be able to complete all the trials and therefore we will not be able to give you a firm date. The Minister for Defence Procurement is coming before the Committee on 20 July, and at that stage we will know more about the position and we will hopefully be able to give you a better indication.

The challenge is that it is a technical problem that has emerged near the end of a complex development programme. Vibration problems, because of the nature of the system, are always difficult to address. We are confident that we will be able to address them, but it would be foolish of me to opt to give a date today, Mr Twigg, until we have worked through this problem.

Mr Wallace: What I can say is that it can fire on the move. It is due to be certified by the MoD—as opposed to by the contractor—that it can fire on the move under capability drop 3 later in the programme. In anticipation of your question—

Q245 Derek Twigg: What date is that in the programme?

Mr Wallace: I don't know when capability drop 3 is, but capability drop 1 was this month.

Derek Twigg: We could do with knowing that, I think. My colleague Mark Francois, who has been following this, might want to say something.



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Chair: I just want to congratulate the Secretary of State on being able to procure a vehicle that can fire on the move. I think that is absolutely fantastic.

Q246 **Mr Francois:** Secretary of State, if it can fire on the move, presumably that means that it is a gyro-stabilised system, because otherwise even if it were able to fire on the move it would not hit anything.

Mr Wallace: You have lost me—I will write you a letter. My worry is that it could not fire on the move, so I will find out about the gyro system.

Air Marshal Knighton: It is a stabilised turret.

Chair: We should add the word “accurately”—firing accurately on the move. Any vehicle can fire on the move.

Mr Wallace: I think the system is a stabilised gun.

Q247 **Mr Francois:** Okay. One of the reasons I think this is pertinent is that this was the same turret, in effect, and the same weapon that were going to be retrofitted into Warrior in the Warrior capability upgrade programme that was cancelled as part of the review, so unfortunately that turret and that cannon do not have a happy provenance, as it were.

As I understand it, it uses caseless ammunition, which is different from the standard. What we have been told is that it does work, but one of the drawbacks of this ammunition is that it is very expensive. As one soldier put it privately, “The gun works, but once you pull the trigger you start to bankrupt the Treasury.” I don’t know whether that is an exaggeration or not, so can you clarify what the ammunition costs? If you cannot tell us today, perhaps Richard could tell us, or perhaps Min DP could tell us by 20 July. Can you make any comment about the rumours that the ammunition is phenomenally expensive?

Air Marshal Knighton: If you are happy, Chair, I will take this one. You are right, Mr Francois: it is cased telescopic ammunition. The purpose of that is to increase the lethality of it against the thicker armour that we expect to see or are already seeing emerge on the battlefield. It is more expensive than the 30 mm cannon that was used on Warrior CSP. We have a plan to purchase appropriate levels of stockpile, and the funding is in place for that. I do not have the figure in front of me, but we will make sure that Min DP has it before he comes to the Committee on the 20th.

Mr Wallace: I think the point is, Mark, that it is not expensive because of the telescopic nature; it is expensive because the warhead, or the round, has to be of better quality and penetrative capability to defeat the higher levels of ambition we have for it.

Q248 **Mr Francois:** Thank you, Secretary of State; that is very helpful. Is it designed to defeat the armour of a main battle tank, or just that of other armoured fighters? Is this going to be able to penetrate a T-14, or not?

Mr Wallace: No, it is not a heavy-calibre weapon at 40 mm. I think that we think it can defeat a T-72 without reactive armour, or an older main



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battle tank, at best. It is really designed to take on other infantry fighting vehicles and those capabilities. There has been a main battle tank—not the latest generation, but then it is not designed for that—as a challenge for it.

What could complement it and go a long way with it—the same for the Boxer—is Javelin and capabilities like that, to go alongside and make it more spiky. I have asked the Army to look at improving the lethality of both Boxer and other vehicles, as well as defensive suites on it.

On the gun and the turret, that gun and that type of telescopic ammunition is used by the French, and that hasn't had a problem of integration and being used. So I don't think it is the gun that is the problem in itself, because there is a successful track record of it being used elsewhere. I think it could be—I mean, it was before my time, but the construct of how we put together the whole contract and different contractors doing different parts of it adds, I suspect, an extra layer of complexity that, in retrospect, probably made it more complex than it should have been.

Q249 Mr Francois: Secretary of State, that is all extremely helpful. I have one last question and I will then hand back—I don't want to delay the Committee inordinately. You are trying to sort out the myriad problems with this vehicle. Are you able to give the Committee today an estimate of its initial operating capability once—hopefully—these problems have been solved, bearing in mind that it was originally intended to achieve IOC in 2017 and the strike brigades, which are fundamental to the Integrated Review, rely very heavily on Ajax? So can you at least give us an estimate of when you think these problems will be solved and we will achieve IOC?

Mr Wallace: I will get you the very latest date on the IOC. I will be completely honest about that: this vibration test that we are doing now will obviously affect the IOC date. That test is on at the moment; it will report in September. I am happy to share the conclusions of both that test and the health and safety report that I have commissioned with the Committee. Certainly the summary of it I am happy to share, because I think that it is important, with this programme being so important, that we share with the Committee our findings.

This is me trying to fix this programme. This is a programme that I have put extra people on. I have asked Min DP—the Defence Procurement Minister—to absolutely put most of his effort into getting this resolved. I think it is a really important programme. I will be meeting with the seniors of General Dynamics soon. And it is a programme that I do not like reading about in the newspapers every five minutes, on either perceived problems or real problems with it. We have to deliver this for the Army.

There are lessons in it, and for it, and I think it goes to the heart of the challenges in defence procurement that I know you are interested in, regarding things like SROs. I don't know why we have SROs doing so many projects and constantly changing. We should look at some of our



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biggest projects and put a single SRO on it for the time, and they are people who are experts and knowledgeable in both industry and the capability, and I don't care whether they are in uniform or not. I think they should belong to the Government, or the Department, and their job is to see these programmes through from the beginning.

I mean, I would hate to guess how many SROs have been on Ajax in its life. But that doesn't help anyone in a complex programme.

Q250 Mr Francois: Can I suggest, Secretary of State, that you put them all in the back of the vehicle and take them for a ride?

Mr Wallace: I don't think we have a vehicle big enough.

Mr Francois: Seriously, Secretary of State, I think you have been as frank with us today as you can be; that is a very positive contribution, if I might say so. So, on that point, I will hand back to the Chair. Thank you, Chairman.

Q251 Chair: Thank you, Mark. Secretary of State, thank you for being frank with us, but this has been a ridiculously expensive project. There have been huge delays, a number of redesigns and poor oversight. So you say there are lessons to be learned, but has this not become too big to fail now?

Mr Wallace: It is certainly the case that if I were to rip up the contract tomorrow morning and cancel it, that would not produce for me all the money that we have spent on it, which I can then go and spend on another armoured vehicle. That is the simple problem of the programme. Maybe if I was doing this job in 2012 or 20—whenever, we might have been able to have different conversations, but the fundamental is that the Army needs its capabilities. Its capabilities, as planned, are the incredibly capable 40 mm gun, the digital architecture—the capabilities that they can deliver are really important and needed by an armoured fleet of the Army that is well out of date and overmatched by not only our friends and allies, but our adversaries. We definitely need to deliver.

Just ripping it up wouldn't magic a solution. I have to make sure we fix this. I will personally take the lessons from what I have seen over the last decade about putting it right. If I binned it tomorrow, would I get 3 billion quid in my back pocket to go and buy a new armoured vehicle? Tragically, I would not. Let's deliver this excellent piece of kit. Remember, there are thousands of jobs involved in it right now. I could give the Committee an update of how much has already been made.

Q252 Chair: We are pressed for time. Could I invite your Defence Procurement Minister to do that? We have that coming down the line and it would be very helpful to learn that later.

The Committee has expressed concern about something that has gone from 8 tonnes, the Scimitar, which you and I know well, up to 43 tonnes—heavier than any World War Two battle tank. You and I have both used Warrior. It had a suite of ammunition it could use—HESH, kinetic, armour piercing and so forth. I presume Ajax has a similar suite.



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We were talking about one expensive round, which Mark Francois mentioned. I presume it can use cheaper types of 40 mm round as well.

Air Marshal Knighton: The case telescopic ammunition will have a number of different variants, but the design of it requires—

Chair: It is more expensive as a whole.

Air Marshal Knighton: And it is a better weapon. As the Secretary of State pointed out, better performance requires more investment and it is more expensive.

Chair: Okay. Let's move to submarines. Over to you, Emma.

Q253 **Mrs Lewell-Buck:** Afternoon, Secretary of State and Air Marshal Knighton. I have a few questions about the Dreadnought and Astute programmes. I appreciate the Secretary of State will not be able to say much about Dreadnought, but is he able to tell us whether rumours of the MoD ordering a review of the programme regarding delays and being over budget are true or not? Has he ordered a review into the Astute programme, because we know that is delayed?

Mr Wallace: I haven't ordered a review in either of them. We monitor the delivery profile of the missiles for the Dreadnought programme, the missile compartments that they go into and the components of it. I can report that the first Dreadnought—the components of it; all the segments—are all made and, in fact, we are well into a considerable number of segments of the second Dreadnought. Forgive me, I don't know that submarine's name.

On the Astute, you will be pleased to know that HMS Audacious's sea trials are going very well. We managed to fix the delay in one area by bringing forward capacity in Audacious. But you are right; the Astute programme is another example of a programme that is far too long in coming into service.

The tragedy of Astute is that as we get to the end of the cycle of the boats, the way the design is means that every one of the boats is so unique from each other that there is very little cost benefit for building them on. I hope that when we get to the end of the Type 26s, the last Type 26 is much cheaper than the first in class. Bizarrely, the way the Astute was designed, if I said tomorrow morning, "We made seven or eight, or six or seven, can we have some more?", I wouldn't save any money because it was the seventh or eighth boat.

So there are issues in that, but it is on track. The other one went into water two or three weeks ago. Is it Ambush?

Air Marshal Knighton: Artful, I think.

Mr Wallace: Artful went into the water the other day. It is on track, but it started late. We are getting there. I haven't ordered an inquiry into the delay. We know what the delays were. Some of them are fixable and we have fixed those.



Q254 **Mrs Lewell-Buck:** And the ones that aren't fixable?

Mr Wallace: The ones that aren't fixable are, for example, my point about the design of it. It is an incredibly bespoke boat. Each boat is very tricky and difficult to make and that is just fundamentally in the structure.

Q255 **Mrs Lewell-Buck:** In terms of the delays to Astute, will that have any knock-on effect to the Dreadnought programme?

Mr Wallace: No.

Q256 **Mrs Lewell-Buck:** That is good.

I have a more general question on the Royal Navy. By 2030, the plan is to increase frigates and destroyers from 19 to 24, but we already know that the numbers are going to dip to 17 as HMS Monmouth and HMS Montrose are retired earlier. HMS Daring and HMS Duncan are currently stuck at port. Four of the Navy's operational destroyers are joining carrier strike, leaving just two of the Navy's operational destroyers not deployed to the other side of the world. The Secretary of State has already said that Russian ships are regularly entering the UK. Does he worry that the gap between sunset and sunrise capabilities and the thin spread of existing capabilities may leave us vulnerable? If he does, how does he plan to get around it?

Mr Wallace: The way we plan to get around it during that dip is to increase the availability of a ship. While I recognise that you cannot have one ship in two places, if I slice the year a different way, I can have more days at sea for a ship. It is not a perfect solution, where I can have lots of ships all over the world, but at that particular moment, that time and dip, I can certainly have—we are already on track to deliver—more days at sea for ships. The ships that will be in service will be more deployable and more able to be on the sea, rather than tied alongside.

On the Type 45s, we are well ahead in the PIP programme—not well ahead, well advanced in delivering it. PIP is the propulsion improvement programme, I think. The first one, Dauntless, has left or is alongside, in the water, from Cammell Laird, which has been fixing that. I am absolutely determined that the six Type 45s rotate through, because they are fantastic ships. Until we improve that PIP, I cannot have them with their availability. Dauntless is first. It is one of the most important things for me on the surface fleet and often one of those conversations I have with the Navy leadership: "Before we talk about new ships, let's get what we have working." It breaks my heart, as no doubt it does when the Committee goes to Portsmouth, to see those Type 45s tied up alongside, sometimes wrapped in bubble wrap. It is absolutely heart-breaking. Getting that sorted, before we all get seduced by ships over the horizon that we have not yet got, like Type 32s, we have to focus on the maintenance.

That will produce better availability and yes, there is a dip, but hopefully towards the end of the decade with the Type 31s and 26s, and the Type 45s being out, and the last two Type 23s exiting service in 2027 or something like that—

Air Marshal Knighton: It is actually into the 2030s when the Type 26s come out of service.

Mr Wallace: So we will be dealing with that.

Also, the batch 2 OPVs give us an extra bit of flex in our system to have a presence. They are not the same as destroyers and frigates, but if we chose to and if we had some financial headroom, they certainly could become more spikey. Over time, people have looked at whether we can make those ships even more capable. They certainly could be made more capable, but at the moment they give us great capability with their presence. For example, one is in Gibraltar, I think, or sailing out of Gibraltar, and one or two will be based in the Pacific on a permanent basis in the future.

Q257 **Mrs Lewell-Buck:** Thank for that, Secretary of State. On the Government's ambition to have more ships overseas, more often and for longer periods, there has been no mention anywhere of any plans to increase personnel. Do we have enough people to man those ships for longer and more often?

Mr Wallace: Yes. The First Sea Lord has done an amazing job in basically taking people off land and putting them on ships. I cannot remember the exact statistic, but I am happy to provide the Committee with the change in that. He said to me, "I had x per cent. of my workforce on land and not enough on ships." He has done a lot of work in improving that, and in making sure that more crews are available, rather than more people sitting at headquarters. That is definitely one of the ways of improving it.

The other way he did it was to forward-base the ship—for example, Montrose has been based in the Gulf. Instead of lots of time with her coming all the way back to change the crew and to go all the way out, we have been forward-basing the ship and having her maintained recently in Oman—she went through her maintenance there—while a crew is flown to swap over. Immediately, we are saving, say—I am not a sailor, so I don't know—20 or 30 days of just handover time, when they are not as useful. He has done a lot to make things more productive.

We shouldn't forget that the work in modern design to limit pressure on crews, and potentially require less crew, is another way of managing a fleet much more sustainably. I will give you an example. On the carrier, I think we use 43 people to maintain the ammunition depot. On a US carrier, it is 273, and they are lifting pretty much the same ammunition. That is because we put in automation and a modern design. That is the sustainable way to be more productive—not half-heartedly hollowing out, but designing it in and building it.

Q258 **Mrs Lewell-Buck:** Thank you very much, Secretary of State. Chair, can I ask one more quick question, because I do not know whether I will get a chance to come in again? If you will permit me, I will be very brief. The Integrated Review and the Defence Command Paper felt quite thin on detail when it came to the space domain. I am just wondering when our



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space strategy is going to be published. Can the Secretary of State explain to us—perhaps in writing, because I know we are short of time—what the challenges and threats are for us in that domain, because it was not very clear in the Integrated Review documents?

Mr Wallace: Two things. I am on the National Space Council, and I think it is supposed to be published some time around the summer or autumn. We were due a meeting no so long ago, but it got postponed.

Secondly, I am very happy to arrange for this Committee to have a sensitive threat brief about what is happening in space and why we need to be aware of it. It is something that I would prefer not to broadcast, other than to say that we are very dependent on space assets in civilian life and military life, and therefore we are very vulnerable to that. We need to think about how we build in resilience to our space-critical national infrastructure and how we need to invest in our capabilities.

Britain has some really world-leading capabilities, especially in low earth orbit satellites and monitoring space—it is not all about being in space. We need to work out how we play to our strengths internationally and what we invest in to strengthen our space industry, as opposed to duplicating things that other people are already doing. There is some really exciting work. We don't celebrate our space industry enough, but we have some really fantastic skills. They are not all where people think. It is not always about what you see on the telly; it is the things that are going inside. I would be happy to let you know the threat. Just like the rest, it is right to start with the threat, and then we can have another discussion.

Mrs Lewell-Buck: Thank you very much, Secretary of State.

Air Marshal Knighton: We have had a call for evidence on space from the Clerks, and that is due back to the Committee in the next few days. I think that will answer some more of the questions that the Member asked.

Q259 **Chair:** Secretary of State, we are very grateful for that offer. We will gladly take it up with you. As you are aware, we are already touching on this. Your own Integrated Review and Command Paper absolutely reflect this tilt towards improved resilience, of which space is an important domain.

Before we leave submarines, Air Marshal can you clarify whether, on the Trafalgar class, the Talent and Triumph are still kicking about?

Air Marshal Knighton: Yes, they are.

Mr Wallace: I think it is those two—two T boats are.

Q260 **Chair:** Fine. And on the Astute class, we have as active the Astute, Ambush and Artful. Are they in service now?

Air Marshal Knighton: Yes.

Mr Wallace: Yes.

Q261 **Chair:** And sea trials is Audacious.

Mr Wallace: Audacious, yes.

Q262 **Chair:** Testing is Anson and—

Mr Wallace: Agincourt.

Air Marshal Knighton: Agincourt would be the other one.

Q263 **Chair:** Agincourt and Agamemnon are still figments of our imagination.

Air Marshal Knighton: They are in build. You can go and touch them.

Q264 **Chair:** You can touch them. Okay. They can't go anywhere—fine. On the Type 45s, you mentioned that Dauntless has got its new—

Mr Wallace: Dauntless has had its PIP. She has come out at Cammell Laird, and they have floated her, so she is in the water going through the test, starting up the turbines. Then Daring, I think, is the next one in. She will be taken up to be delivered—

Q265 **Chair:** So only Dauntless has gone through for its upgrade.

Mr Wallace: Yes. It was the very first one, so we need to make sure we get it right. It is a very complex procedure—*[Interruption.]* Hopefully. That is what this PIP is about as much as anything else.

Q266 **Chair:** In the final few minutes, I just want to turn to some integration, because of our platforms and capabilities. We mentioned Brimstone before. It is something that we have asked about on a number of occasions. It is a very successful missile system, used by rotary and by fixed-wing. But there is a request by the Army to stick these on top of Challengers and also to use them with Wildcats and Merlins, as a mainstay capability, and for Ajax, for example, and indeed any other vehicles that we could use. Is this something that the Secretary of State could take away with him to say, "If we have something that works so well, why not advance it so that it's used across all three services?"

Mr Wallace: We are looking at the FSGW, which is the future surface—I don't know what the G is.

Air Marshal Knighton: Guided weapon.

Mr Wallace: Guided weapon. And one of the key tenets of that is that actually it should be anti-ship, it should be ground-attack—it should be as generic as possible. Brimstone has that capability in some areas. It has been tested and is very good. I don't disagree; we need to be much more imaginative about how we improve our lethality—we really do. We have got used to exquisite, bespoke, for each type of programme, which ultimately just leads to cost increase. I think it is very important. Obviously, one of the Members, one of our colleagues, raised Apache and Brimstone versus Hellfire—was it Hellfire?

Air Marshal Knighton: JAGM was the weapon for the Apache E—

Q267 **Chair:** Well, Hellfire is used by Apache at the moment, but the question, moving forward—whether it is FSGW or Brimstone, the replacement—is



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the concept of having a single air or land ground-attack, missile that can be used in a variety of environments.

Mr Wallace: We need to work more towards that. The limiting factor is range. If you want a long-range deep-strike missile, it will look like a Tomahawk; it will be bigger because it has to carry the fuel. If you want air-launched, it's going to be smaller. But it is definitely, "Where can we draw across the generic seeker or the other parts of that missile?", which I think is really important. I had a meeting only yesterday on the complex weapons. In terms of one of the things we have to watch for—it's not just us; we're in an international consortium with MBDA and we see this in other manufacturers—complex weapons can get very expensive very quickly, and we have to keep an eye on cost acceleration. Also, they get countered very quickly. If our adversaries work out what is behind them or use electronic warfare, we have to, obviously, always adapt. But I think the use and blending of different types of weapons systems on a whole range of platforms, which I think you and I had frustrations about at the time, needs to improve. We get too much making the perfect the enemy of the good.

Q268 **Chair:** Going back to Ajax and Boxer, I think Boxer is a very interesting programme. It is slightly curious that, before your time, we opted out of it—in, I think, 2006—and now have decided to pluck it off the shelf. But you have chosen to purchase the variant that does not have a turret. And this, arguably, is why you are forced to continue with Ajax. I don't think we are seeing anywhere else in the world an armoured fighting vehicle, the Warrior, being replaced by a wheeled vehicle that does not have a turret. Therefore, could I invite you to look at whether the next batch of Boxers that we purchase include the turret? It's a bit like sending your Lancasters out without Spitfires and Hurricanes. If you are going to send out Challengers, which we are keeping, they need to have the armoured personnel vehicles that can actually support themselves with a decent RARDEN attack cannon.

Mr Wallace: If you ask yourself what a turret is for, it is for improved optics and situational awareness, sensors, and to mount a weapon. That is basically it. I remember that, before the Warrior, we had the 432s that had no turrets at all. It was just a metal box a little bit around—

Q269 **Chair:** But what would you prefer to be in?

Mr Wallace: No, no: the Boxer does have the situational awareness, because of the way it's mounted; it doesn't need a turret to deliver some of its sensors. So you will have equivalent, if not better, sensors than when I was sitting in a Warrior. Secondly, it does have a munition; I think it's a .50 calibre remote mount it will have. They call it a fire station, or whatever it is. It's not a turret; I get that. Some of the Boxers will also have fitted an integrated Javelin on them, so it will have a Javelin, which is pretty deadly and lethal to tanks, as well as infantry fighting vehicles. Of course, the difference between Ajax and Boxer is that Boxer is a personnel carrier; Ajax is not.

Q270 **Chair:** But you are replacing Warrior with Boxer.



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Mr Wallace: Their core mission is to carry personnel on the battlefield. That is their fundamental core mission. You could argue that if you are using the 30mm or even a 40mm gun against a tank, you are in the wrong place. Warrior's job was to move on to the position, having been cleared by, they call it, "the ring of steel". The heavy tanks would go in front—ring of steel—you then came on to the position and you used your .30 calibre to suppress the bunker in front of you. That was what it was; it was not an anti-tank gun, the 30mm; it was predominantly an anti-fighting vehicle or other—the BMP—or it was an anti-bunker gun, which is why the Army, in the mid-90s, abandoned the FSPDS 30mm shell, which was the fin-stabilised armour-piercing discarding round, or whatever it is called. I remember trialling it in Lulworth, and it never went into production.

There is the question of how we fight, our IFVs. I think there is a legitimate question about track versus wheel. Wheels have the advantage of speed. Our target to get to the Eastern front, or whatever you want to call it—the Eastern border—is something like 60 days with tracked vehicles. With wheels, you're off and you're driving—there is a plus there. You can drive all the way to Estonia tomorrow morning in a Boxer if you want to. With low load on your tracked vehicles, it will take you a long time.

Q271 **Chair:** But you'd be facing the Russians, and they do have things on top of their armoured fighters.

Mr Wallace: Yes, that is absolutely right, but that is why we need to make sure that brigades are better integrated. We have deeper fires. My main concern is not actually Warrior versus Boxer, because Boxer has level 5 and 6 armour as well, depending on where you plate it. Boxer has a stronger under-armour level. My main concern is actually our lack of deep fire. We are pretty much over-ranged in our heavy artillery by everyone. Our AS-90 range is about 23 or 24 km. France and everyone else are in 55 km ranges.

One of the attractions of Boxer is its modularity. It is very easy, as you say, to say to Boxer tomorrow morning, "Can we have one with a turret on it?" It is a module. When we are looking at the next generation of deep fires, do we upgrade AS-90? Do we replace it with a wheeled Boxer variant of the 155 mm that they are now looking at in Germany? Or do we put it on a truck and drive it? If you have extra range, you do not need to be so close to the enemy—all those sorts of things. To me, deep fires are the real challenge between land, air and everything, and how we are going to achieve that at an affordable effect.

Q272 **Chair:** Talking of affordability brings me to the F-35. Congratulations on its first engagements, over Iraq and Syria. I think that is very good to see. It raises a question, which is a little beyond the scope of our studies today, as to what we are actually hitting on the ground and the conclusion of our campaign against Daesh. We will leave that. More important are the numbers. We have 42 in the bag, if you could confirm that Secretary of State?



Mr Wallace: Forty-eight.

Q273 **Chair:** What are the plans now? Originally I think it was 138. Where are we today? Do you have money already allocated, and are there expectations that further funding will come forward?

Mr Wallace: We have a budget line to go beyond 48. I think the wording was that we will procure beyond 48 F-35s. I am very keen, at this stage of the F-35 buy, that the contractors recognise the through-life support costs and the service support costs, and I am not sure whether you or the Member of Parliament for Durham North raised it at questions the other day, but the recent report by the US version of the National Audit Office showed a very real concern about through-life increased support in hundreds of millions of dollars, if not more.

I think it is very important for me to have the levers to say to BAE, Lockheed Martin and all the others, "It is in your interest to keep the through-life support service costs down because, quite simply, I don't want to be held with a massive bill that we can't get out of. It's also important that we continue the planned upgrade or integration of Meteor, for example, on to the F-35. I don't want to be put to the back of the queue for that. It's in all your interests, if you want me to carry on buying more F-35s, that we keep a lid on those costs and we are treated fairly with integrating a European-made missile."

Q274 **Chair:** The important message is, though, as we have been articulating, that the world is getting more dangerous, not less. We put in 138. Back in a previous defence review, that number has been cut. It then begs the question when you move to FCAS, which is moving to another generation of capability, whether we are aspiring to have a set of numbers that eventually, when it comes to the day, we will end up seeing shrunk to a nominal size.

Mr Wallace: We need more than 48, and we will invest in more than 48, but I am not in the business of giving a blank cheque to contractors if they do not play their part in cost control, service support and, indeed, making sure that Britain's developed capabilities are put on them.

Q275 **Chair:** I want to move to Reserves finally, so two very quick questions on FCAS. Is there any chance of closer collaboration with the French and other nations that are going through their own design—NATO allies are procuring something very similar indeed—or have we confirmed the fact that two NATO groupings are competing against each other?

Mr Wallace: We are interested in a consortium. The Germans and the French have been quite clear on SCAF, I think they call it. We have a burgeoning relationship with the Italians and the Swedish, and we are looking further afield as well for consortium partners. I think it is in everyone's interests that we have a viable aerospace industry of our own. No one can do it unilaterally. The US found that with the F-22. Despite all their vast capabilities, they cut their order. I am not sure whether it is true that they were actually going to retire it. I read in the media that it is



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going to come out of service. It is one of the most beautiful planes that you can find, but they cannot do it unilaterally.

We need international collaboration, to get the best, to get the volume and to get the exports as well. I am open to business, but I am also recognising that this country has put another £2 billion into it. It is your money—taxpayers' money. We are putting our money where our mouth is, and that is a lot of the battle.

Q276 Chair: And there is no intention for FCAS to be marinised, so that it can land on the aircraft carriers.

Mr Wallace: I think we are at the next phase. Richard will be able to tell you exactly where we are in the phases, but remember that we are at the stage where we are looking at unmanned and manned, and how we bring those two together so that we have as many options as possible. Put it this way: a versatile option would be very welcome wherever that is, whether that is on the carrier or not. Our F-35 programme is due to last for the life of the carrier, so in a sense we do not need another plane for the carrier because that is due out in 2050 and so is the F-35. But, being as versatile as possible, all should be in the mix.

Q277 Chair: Thank you for that. Finally, let's turn to Reserves, which perhaps is appropriate given that today is Reserves Day. We express our gratitude to all those in uniform, and all those who support those in uniform as well in the Reserves. I should declare an interest here, being in the Reserves myself.

Traditionally, the role of the Reserves has been to bolster the Regulars when they are required. That, of course, is changing hugely because of the constant competition that we are facing and the fact that defence requires many skillsets that we find in civilian life that are now required to protect ourselves. I know you have probably read Lord Mark Lancaster's report on the Reserves, which we found very interesting indeed. You have yet to formally respond to this, but may I give you the platform to express a couple of thoughts on the importance of the Reserves, and where you see the Reserves fitting into the Integrated Review?

Mr Wallace: First of all, I think we need to recognise the step change over the past 20 years of the Reserves. The time of the Reserves is now more than ever, because we have got to a position where the Regulars have recognised, once and for all and finally, the capability and professionalism of Reserves. There was always a two-tier attitude towards the Territorial Army. It is incredibly impressive now when you go and visit Regular units. In fact, you don't know the difference—they are all inter-matched, certainly in the Army. They are used really well in the RAF, almost as auxiliaries. There is a straightforward swap-over, and we have to take advantage of that.

First, I would like to thank them for what they do. We want to use them all, and we have to remove our own barriers. Secondly, we need to start recognising that our Army is one. Our Armed Forces are one. Lord



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Lancaster's work is really very good. It is really heartening when you go and visit any Reserve unit. What is amazing in a modern Reserve unit is that you are struck by how many ex-Regular Reserves there are, which shows that the cultural difference that the Regulars had for the Reserves has been shed. I was in a special forces Reserve recently, and it was full of ex-Regular special forces. Not that long ago, they would have rarely crossed over.

People are choosing lifestyle changes. Their wife or husband might have a better job and they do not want to do the full time any more, or they will sacrifice a promotional slot so that they can spend more time at home. We have to get to a position where that is a perfectly acceptable and normal function, and we are well on the way. There is a challenge for our Armed Forces leadership—they are of a different generation—to get them in place and to embrace them. Some services are ahead of the others. The RAF are absolutely head and shoulders above the others at the moment—they are in the gold star book. We have to do more in the Army, but we are getting there. Hopefully, when the detailed plans of the Army are announced, you will see quite how integrated the Reserves are into the Regulars, and we need to make sure we support them.

Q278 Mr Francois: Secretary of State, there have been rumours about reductions in Reserve numbers. Almost in one sentence, can you put those rumours to bed and say that we are not, as a result of the Integrated Review, planning to cut the numbers of Reserves, not least in light of everything that you have just been saying for the last five minutes? I am sure the Committee agreed with every word.

Mr Wallace: I can do better than that: they are going up.

Mr Francois: That is definitive, Secretary of State. Thank you.

Q279 Chair: Thank you for that. You have been very generous with your time, Secretary of State. I will give you the opportunity, before we close, to update the Committee and everybody else concerned about what has been happening in Ukraine. Are there any immediate updates? I am guessing there may not be.

Mr Wallace: If you will forgive me, I will just have a quick look. No one has flashed red on my Batphone.

Could I say one thing, Chair? I know this Committee has done it, but if you want a comprehensive understanding of the disposition of Defence and its relation to the Integrated Review, you should look at the Integrated Review, the "Defence in a Competitive Age" paper and the "Integrated Operating Concept". If you read all three—I know the Committee has done so—you get a really good understanding. It is not only the why and what; it is also the how. That is the compendium to read for your summer reading.

Chair: Thank you. Your document—the Command Paper—is very clear about the scale of the complex threats we face, but also about how complicated our response is in requiring a cross-Government operation.



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These are the questions that we have not had time to explore. If I may, we will write to you to seek clarification on how we are co-ordinating our response through the national security adviser and so forth.

I will use this opportunity to re-emphasise the mood of the Chamber earlier during the urgent question about supporting our Armed Forces who are deployed overseas by ensuring that they receive two vaccines prior to deployment. I hope you understand why I am mentioning this again. I think it is important for us to do, and it is part of our Armed Forces commitment—a sense of duty—but also the Armed Forces Covenant. I hope you would agree with that. I appreciate that, privately, you have probably batted for this anyway, and that this is just the politics that we have to deal with.

Thank you, both, for your time this afternoon. We have explored a variety of issues. We are very grateful indeed, and I know we have overrun by 15 minutes as well. Thank you very much indeed.