



Scottish Affairs Committee

Rt Hon. Ben Wallace MP
Ministry of Defence
Whitehall
London
SW1A 2HB

5 April 2023

Dear Secretary of State,

On behalf of the Committee I would like to thank you and your team for the Ministry of Defence's timely response to our report, *Defence in Scotland: military shipbuilding*. The response will be published tomorrow (6 April). We are grateful for the information the Ministry has provided about its efforts to engage with Small and Medium-sized Enterprises in Scotland, and are encouraged to learn that the proportion of MoD's spend with Scottish SMEs has risen since we raised this as an area of concern. We are also encouraged that the Chair of the UK Shipbuilding Skills Taskforce has agreed to meet with the Committee when the UKSST publishes its report later this year. We hope that the MOD will provide annual updates on the construction of the Type 26 Global Combat Ship as suggested.

We are disappointed that the Ministry declined to provide further information explaining why Team UK's bid for the Fleet Solid Support ships contract was deemed non-compliant with the terms of the competition. This makes it very difficult for us to understand the Government's decision to select Team Resolute as the preferred bidder, and to evaluate its claim that the outcome of the competition support the objectives of the National Shipbuilding Strategy. We recognise that it will not be possible for the UK Government to disclose specifics of a particular bid; however, we believe it should be able to indicate which aspect(s) of Team UK's bid were disqualifying. We therefore repeat our recommendation for any further information the UK Government can disclose that will help us understand its reasoning. We also repeat our recommendation that the UK Government confirm the date on which it determined that Team UK's bid was not compliant with the terms of the competition, and what work if any was done to resolve the compliance issues identified. We ask that you address these recommendation in your reply.

We would be grateful for a response by 27 April.

Yours sincerely

A handwritten signature in blue ink, reading "Pete Wishart". The signature is written in a cursive style with a large initial "P" and "W".

Pete Wishart MP
Chair, Scottish Affairs Committee