

Further written evidence submitted by the Ministry of Defence (DIS0032)

Dear Pete,

Thank you for your time and your warm welcome on 21 March 2022 during the 'Defence In Scotland' oral evidence session as part of your 'Military Personnel and Estate' Inquiry. I promised to write to you and your fellow Committee members on a number of issues.

I hope you find the below helpful, and I wish you well on the conclusion of your report.

I am placing a copy of this letter in the Library of the House.

BARONESS GOLDIE DL

REGULAR ARMED FORCES NUMBERS IN SCOTLAND Q216; Pete Wishart MP; Committee Chair

The past commitment of 12,500 by 2020 had its origins in the 2010 Strategic Defence and Security Review when both the nature of the threats facing the UK and the size of our Armed Forces were rather different. Events have moved on and the Defence of today is about military output and effect, not masse. A continued over-emphasis on Regular numbers without regard to such changes fails to understand the realities of capability development. Neither does it truly recognise the broader place of Defence in Scotland with the contribution of over 5,000 Reserves, defence civilians and defence contractors and industry employees who live and work in Scotland and are all critical parts of the Defence family and thus our number overall. The MOD makes a significant contribution to Scotland as Scotland does to the MOD in support of the UK defence capability.

The 2021 Integrated Review and Defence Command Paper made clear that we must focus on Defence capability rather than troop numbers in response to changing threats and priorities: maintaining technological advantage is a defining feature of our national strategy and prosperity agenda.

As platforms and equipment increase in sophistication and effect, we require different types of suitably qualified military, civilian, and industrial workforce to operate and service them, which presents opportunities for new skills, investment, and training. Considerable investment in Defence tech is planned and/or already underway in Scotland, which makes a significant contribution to maintaining the UK's ability to respond and outpace the deepening threats and challenges we face.

Since the original written evidence was prepared last year, the six-monthly update on personnel numbers (Regulars,¹ Gurkhas,² Reserves³ and Civilians⁴ in Scotland as at 1 Oct 2021⁵) is now available:

¹ UK Regulars comprise Full time Service personnel, including Nursing Services, but excluding Full Time Reserve Service (FTRS) personnel, Gurkhas, mobilised Reservists, Military Provost Guard Service (MPGS), Locally Engaged Personnel (LEP), Non Regular Permanent Staff (NRPS), High Readiness Reserve (HRR) and Expeditionary Forces Institute (EFI) personnel. Includes trained and untrained personnel.

² Trained and Untrained Gurkha population only. This excludes those personnel that have transferred from GURTAM to UKTAP. Gurkhas are recruited and employed in the British and Indian Armies under the terms of the 1947 Tri-Partite Agreement (TPA). Prior to April 2007 this was on a broadly comparable basis but since then British Gurkhas have served on the same terms and conditions as the wider Army. They remain Nepalese citizens but in all other respects are full members of HM Forces. Since 2007, Gurkhas are entitled transfer to the wider Army after completion of 5 years' service in the Brigade of Gurkhas and apply for British citizenship.

³ Future Reserves 2020 includes volunteer reserves who are mobilised, High Readiness Reserve and volunteer reserve personnel serving on Additional Duties Commitment (ADC) or FTRS contracts. Sponsored Reserves who provide a more cost effective solution than volunteer reserve are also included in the Army Reserve FR20. Non Regular Permanent Staff (NRPS), Expeditionary Forces Institute (EFI) and University Officer Cadets and Regular Reservists are excluded. Unless otherwise specified includes both Trained and Untrained Personnel.

⁴ Civilian figures are reported as Full Time Equivalent (FTE). FTE is a measure of the size of the workforce taking into account that some people work part-time. Part-time staff are counted according to the number of hours they work per week as a proportion of normal hours for their grade and location.

⁵ Country as recorded in Joint Personnel Administration (JPA). The figures are based on Service personnel's stationed location and not their location of residence – where personnel work isn't necessarily where they live. Personnel deployed on operations to an area away from their stationed location are shown against their most recent stationed location. The Royal Navy/Royal Marines personnel on sea service are included against the local authority containing the home port of their ship.

Table 1 as at 1 October 2021		
Assignment Type	Service	Total
Regulars	Royal Navy/Royal Marines	4400
	Army	3920
	RAF	2110
	Regulars Total	10430
Gurkhas	Gurkhas Total	10
Reserves (FR20)	Royal Navy Reserve/Royal Marine Reserve	400
	Army FR20 Reserve	4490
	Royal Auxiliary Air Force	430
	Reserves (FR20) Total	5320
Civilian	Civilian Total	4030
GRAND TOTAL		19790
<i>Notes and Caveats:</i>		
<ol style="list-style-type: none"> 1. <i>The figures are estimates for Reserves because the stationed location data has not been verified for the Reserve population.</i> 2. <i>Figures in this table have been rounded to the nearest 10, though numbers ending in a "5" have been rounded to the nearest multiple of 20 to prevent the systematic bias caused by always rounding numbers upwards.</i> 3. <i>The sub-totals and Grand Total have been rounded separately from their constituent parts, and therefore the rounded constituent parts may not sum up to their rounded sub-totals and Grand Total.</i> 		

ALLOCATION OF SHIPBUILDING SPEND
Q228; Deidre Brock MP; Committee Member

As set out in the Defence & Security Industrial Strategy 2021, the procurement approach for each class of ship will be determined on a case-by-case basis. As well as considering the specific capability requirements, the MOD will consider the long-term industrial impact of different options, including delivering value for money for our overall programme and maintaining the key industrial capabilities required for operational independence.

For example, the final contract for the manufacture of the Fleet Solid Support ships, which was mentioned in the oral evidence session, will be awarded to a UK business, either solely or as part of a consortium. The programme is still in the Competitive Procurement Phase and it's too early to speculate at this stage where the Support ships might be built; however, we can confirm that the ships will all be integrated in UK shipyards and that the competition requires a significant proportion of the build and assembly work to be carried out in the UK.

**MEADOWFORTH & FORTHSIDE SITE DISPOSAL
Q236; Andrew Bowie; Committee Member**

In 2016 the Ministry of Defence announced the disposal of land at Forthside, Stirling, comprising three adjoining land parcels, one of which was Meadowforth Barracks. Following assessment as part of the Defence Estate Optimisation Portfolio it was identified that an exchange of part of the Meadowforth Barracks parcel with a fourth and previously unannounced adjacent parcel would better configure the overall site for sale and thus enhance the City Deal proposition. As a result, the MOD will now retain the western side of Meadowforth Barracks, while the eastern side of the barracks will be sold alongside the newly identified parcel and the other two land parcels as one disposal package.

Under the terms of the Stirling and Clackmannanshire City Deal, the site will be transferred for £5 million, to which the Scottish Government have agreed. Neither the UK Government nor the MOD have agreed to transfer the Stirling site at no fee.

The MOD will continue to work with local authorities over the transfer and potential decontamination options for Stirling, but this must be done in accordance with MOD policy and follow Treasury guidelines. As part of this it is normal practice for Land Quality Assessments to be undertaken and for market value to reflect the outcome of such an assessment.

**MOD CALEDONIA CAREER TRANSITION PARTNERSHIP
Q243; Wendy Chamberlain; Committee Member**

There are no plans to reduce the Careers Transition Partnership (CTP) provision in Scotland as part of the closure of MOD Caledonia.

The intent remains to dispose of the site, noting that we are currently assessing a revised timeline that will see the disposal delayed beyond 2022 as we determine the future locations for defence users currently operating from the site. It is too early to confirm revised details, but more information will be shared as soon as it is known. It is unfortunate that the disposal will need to be delayed, but these decisions have long-term impacts for Defence and our people which need to be considered carefully.

MOD SURPLUS LAND RELEASE
Q244; Wendy Chamberlain; Committee Member

The department has released 85 areas of surplus land in the last 10 years. Of these, two parcels of land were released at nil value. These comprised:

- 7 hectares of foreshore and seabed at Port Edgar South Queensferry disposed of in 2020. The MOD had no interest in asset following an inter-department transfer of the wider site in 1979;
- 25 square metres of land at Kirkudbright in Mar 2019 - reason not clear.

A further seven parcels were disposed of directly to local authorities:

- As above, the 7 hectares of foreshore and seabed at Port Edgar South Queensferry;
- Playing fields at MOD Caledonia to Fife Council in 2014, for continued use as playing field; and,
- 5 former Service Family Accommodation houses (5 separate releases) in Ayr to South Ayrshire Council.

Of the 85 areas, one site (Eastriggs) required decontamination prior to sale.

**MOD SPEND WITH SCOTTISH SMEs FY20/21
Q256; Pete Wishart; Committee Chair**

From the 'Opportunity and Innovation: The Defence Small and Medium-sized Enterprise (SME) Action Plan' published in January 2022, in FY19/20 the MOD spent across the UK, some £1.1 billion directly with SMEs, up from £775 million in the previous year. For indirect spend, which makes up most of our engagement with SMEs, the figures were £3.4 billion up from £3.2 billion.

We don't currently have stats available for indirect spend in 20/21, however from the official statistics stated in the 'MOD regional expenditure with UK industry and commerce and supported employment 2020/21' also published in January of this year, MOD Expenditure with Small and Medium-sized Enterprises (SMEs) in the UK was just under £1 billion in 2020/21.

Scotland and the North West account for a small proportion of the MOD's direct SME spend, ranking ninth and tenth, respectively, with Scottish SMEs receiving just over £25 million. This is not in line with total MOD expenditure in the regions and devolved nations, where Scotland receives the fourth highest and the North West receives the third highest proportion of the total UK MOD expenditure (see figure 6 in the regional expenditure publication). Both areas are a base for the Shipbuilding and Repairing industry, which would account for the high level of overall spending and a lower level of SME spending.

May 2022