

Written evidence submitted by ADS

DEFENCE'S CONTRIBUTION TO THE UK'S PANDEMIC RESPONSE

1. ABOUT ADS

1.1. ADS is the trade association advancing the UK's aerospace, defence, security, and space industries. ADS has more than 1,100 member companies across all four sectors, with over 95% of these companies identified as Small and Medium Size Enterprises (SMEs).

1.2. The UK is a world leader in the supply of aerospace, defence, security and space products and services. From technology and exports, to apprenticeships and investment, our sectors are vital to the UK's growth – generating £78bn turnover a year for the UK, including £44bn in exports, and supporting over 1,000,000 jobs.

2. EXECUTIVE SUMMARY

2.1. ADS believes that the UK Defence industry is a vital partner in delivering the work of the UK Armed Forces. This written response aims to address the themes raised in the [Committee's questions](#) from a UK industrial perspective by demonstrating the importance of industry's contribution to Defence's response to COVID-19.

2.2 Increasingly private and public sector workers operate side-by-side to ensure Defence Priorities are being met. ADS believes that the strength of this joint industry-Government response is a testament to the Whole Force Approach to Defence that continues to develop in the UK.

2.3 UK Defence's response to the pandemic has highlighted areas of strength and resilience, as well as risks and challenges that affect the UK supply chain and wider manufacturing.

2.4 The UK Defence Industry has been a core part of providing UK Defence and the Armed Forces response to the COVID-19 crisis. By working in collaboration UK industry has delivered key capabilities that have allowed the Armed Forces to respond quickly and effectively.

2.5 Swift work by the Ministry of Defence (MOD) and industry enabled many UK businesses to contribute to national challenges and protect their workforces. This was enabled by quick assignment of Defence Priorities and a pragmatic approach to the practicalities of continuing to work throughout the crisis

2.6 There are a number of lessons that UK Defence can learn from the COVID-19 crisis and that can be brought through the 'business as usual' operations as the UK looks to recovery and renewal.

2.7 Adjacent sectors and other interdependent areas of the UK economy have been hard hit by the pandemic. The UK Defence industry is in a position to act as a catalyst for economic recovery and renewal and support sectors such as civil aerospace and commercial manufacturing.

3. PREPARATION

3.1. The Defence Suppliers Forum (DSF) provides a key industrial engagement mechanism through which industry and the MOD can discuss topics of importance to the Defence industry. The DSF proved an ideal mechanism for raising issues and providing clear communication routes to the Prime suppliers and supply chain.

3.2. In addition to this the DSF reacted well to establish a number of working groups to tackle specific challenges as and when they arose. These include use of the Government's furlough scheme, human resources issues, and risk management in the workplace.

3.3. The crisis highlighted the importance of a collaborative approach to industry engagement and preparedness. The existence of the DSF prior to the impact of the crisis and the agility that was demonstrated greatly contributed to UK Defence's resilience in the initial weeks of the pandemic.

3.4 ADS has regularly submitted feedback and the experiences of our members to the Department for Business, Energy & Industrial Strategy (BEIS), MOD and Cabinet Office. This information has helped Government stakeholders gain a better sense of how business relief measures are being received in the supply chain.

4. CAPABILITIES AND CONTRIBUTIONS

4.1. In support of the Armed Forces' response to the COVID-19 crisis UK industry deployed a number of industrial and military capabilities. Aside from this direct support of our Armed Forces industry also demonstrated agility and a proactive approach to problem-solving.

4.2. The following are broad themes of the primary contributions:

4.2.1. UK defence companies have assisted in the production of important medical equipment. Several ADS members were involved in meeting the national ventilator challenge in support of the NHS Working in collaboration with civil commercial colleagues and military personnel ADS members have also been producing personal protective equipment (PPE), in particular face shields.

4.2.2. Taking into account the Government's social distancing rules, businesses have had to adapt to new ways of working, particularly in confined spaces. These challenges have forced industry and military colleagues to innovate on extremely short timescales. Examples of success include individual air filtration in helicopter cockpits and modifying working practices in extremely small spaces, such as on submarine production. In addition, industry has tried new and innovative ways to deliver services remotely, for instance through virtual training platforms.

4.2.3. Sharing of best practice and experiences between subject matter experts has been particularly useful in the formation of risk assessments and health and safety guidance.

4.3. All of this has been achieved through a collaborative and proactive approach to working together with Armed Forces personnel.

5. COORDINATION AND INTERACTION

5.1. Overall, coordination between MOD and other Government departments has been good. ADS is aware that there remains a number of national challenges on issues such as provision of PPE to UK manufacturing sectors and guidance of social distancing in the workplace. These are challenges that businesses will address by following Government guidance and interpreting it into risk assessments where appropriate.

5.2. The UK Defence industry has experienced issues when guidance, or the interpretation of this guidance, has differed between the devolved administrations. This has presented challenges to businesses based around the nations of the UK and caused issues of confidence and trust within the workforce. ADS strongly encourages Government, and the devolved administrations, to work in a more coordinated way to deliver aligned guidance to industry.

6. MILITARY READINESS

6.1. The continued support of industry to deliver on Defence Priorities has been a key part of ensuring military readiness throughout the pandemic. ADS believes that this is a demonstration of the importance of a whole force approach to delivering military capability. Industry are increasingly vital to the delivery, maintenance and support of military capabilities. There are roles that have traditionally been undertaken

by military personnel that could be tasked to industry contractors, freeing military resources for other tasks.

6.2. As part of the lessons learned from the COVID-19 pandemic industry would welcome further conversations with the MOD and wider Government about the delivery of military capability in a way that maximises the Whole Force Approach.

7. RECOVERY AND RENEWAL

7.1. As with all UK engineering and manufacturing sectors, the UK Defence industry has experienced large challenges and negative impacts from the pandemic. There are significant interdependencies between Defence and other sectors (e.g. civil aerospace) in the supply chain. Many businesses operating in the defence supply chain have been forced to make use of the furlough scheme as well as make redundancies.

7.2 However, the UK Defence industry has remained active, productive and, overall, highly resilient during the initial months of the COVID-19 crisis. As a result of many businesses maintaining production, to varying degrees, our industry is in a strong position to play a leading role in the UK's restart and recovery activities.

7.3. The relative strength of the UK Defence industry at this difficult time for the UK presents an opportunity for the MOD to increase its traditional strategic pace of procurement. Maintaining the pace and trajectory that existed within the Department prior to March 2020 will not catalyse the forward momentum that is needed to boost productivity. ADS believes Defence should seize this opportunity to become a leader for public sector investment and look to increase defence industrial activity.

7.4. Government should take a more flexible approach to major capital projects and identify areas of planned Government procurement that could be brought forward to support the UK supply chain. These projects should include high-levels of UK content and be able to demonstrate spill-over benefits to adjacent sectors.

7.5 To maintain coherence ADS believes this approach should be incorporated into the underway on the Defence & Security Industrial Strategy (DSIS) and Integrated Review (IR)

7.6. In support of this ambitious vision, Defence should look to engage with the national science, technology and research agendas and leverage the relevant funds, initiatives and activities. These areas of crossover can act as investment multipliers and significantly boost the investment made by both Government and Industry.

7.7 Continued investment in UK Defence is critical for ensuring industry and the Armed Forces can continue to deliver on the UK's National Security Objectives. The pandemic has highlighted areas of cross-sectoral interdependence and the vital need to support industry and invest in the UK's industrial base to maintain future resilience.

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