



The Rt Hon Dame Margaret Beckett, MP DBE
Chair of the Joint Committee on the National Security Strategy
House of Commons
London SW1A 0AA

6 April 2017

Dear Margaret,

Joint Committee on the National Security Strategy

I was pleased to give evidence to the Joint Committee on 6 March, as part of your Inquiry into the National Security Strategy. I hope that your members found the session useful.

In the evidence session, we discussed the Conflict Stability and Security Fund (CSSF), on which the Joint Committee had recently published the report of their Inquiry. I can confirm that we are carefully considering the points raised in that report and in our evidence session, and we will be responding in due course.

I also undertook to provide you with information about the Prosperity Fund. The Government will be updating Parliament fully on progress with the Prosperity Fund through a Written Ministerial Statement in the coming weeks, which will give you the most up to date information available.

We discussed the impact of currency movements on Defence expenditure, and I informed the Committee of the currency hedge in place, which will defer the impact of foreign exchange movements for two years. I would like to clarify that the Ministry of Defence operates a three-year rolling hedge, which is the basis for saying defence expenditure is hedged against recent movements for the next two financial years.

I am enclosing for the Committee's attention the current full list of members of the NSC sub-Committee on SDSR implementation.

I would like to thank the Committee for their time and interest, and look forward to our further exchanges on SDSR implementation.

A handwritten signature in black ink, appearing to read "Amber Rudd". The signature is written in a cursive style with a large initial 'A'.

The Rt Hon Amber Rudd MP

Annex:

Members of the National Security Council (Strategic Defence and Security Review Implementation) sub-Committee

- Secretary of State for the Home Department (Chair) (The Rt Hon Amber Rudd MP)
- Secretary of State for Foreign and Commonwealth Affairs (The Rt Hon Boris Johnson MP)
- Secretary of State for Defence (The Rt Hon Sir Michael Fallon MP)
- Secretary of State for Business, Energy and Industrial Strategy (The Rt Hon Greg Clark MP)
- Secretary of State for International Development (The Rt Hon Priti Patel MP)
- Chief Secretary to the Treasury (The Rt Hon David Gauke MP)
- Other ministers will be invited to attend as required.