

DEFENCE SUPPLIERS FORUM

RECORD OF MEETING – 31 OCTOBER 2012

Government

Rt Hon Philip Hammond MP	Secretary of State for Defence
Philip Dunne MP	Minister(DEST)
Rt Hon Michael Fallon MP	Minister of State for Business and Enterprise, BIS
Bernard Gray	CDM
Richard Paniguan	Head of UKTI DSO
AM Stephen Hillier	DCDS(MilCap)
AVM Graham Howard	ACDS(Log Ops)
Susanna Mason	DECS-D
Huw Walters	BIS
Natalie Groom	MOD Industrial Policy
Alison Foreman	MOD Industrial Policy (Secretary)

Industry

Ian King	CE, BAE Systems PLC
Peter Rogers	CE, Babcock International Group PLC
Alberto de Benedictis	CE, Finmeccanica UK
Robin Southwell	CE, EADS UK
Stephen Ball	CE, Lockheed Martin UK
Andrew White	CE, Defence and Aerospace, SERCO
Victor Chavez	CEO, Thales UK
Sandy Wilson	Managing Director, GDUK
Leo Quinn	CEO, QinetiQ
Nick Durham	President of Customer Business UK and International, Rolls-Royce (representing John Rishton)
Nigel Shaw	Hd Hewlett-Packard Defence
Peter Smart	MD Aspire Defence
Gordon Morrison	Director of Defence and Security, Intellect
Trevor Filtness	Non-Executive Director, RJD Technology Ltd.

INTRODUCTION, DEFENCE UPDATE

1. The Defence Secretary emphasised that his priority remains the success of the operation in Afghanistan. Good progress had been made in building the capabilities of Afghan National Security Forces and in displacing the enemy in Helmand. The UK was committed to the ISAF timetable for the withdrawal of combat troops by the end of 2014 and the Department was looking ahead to the contingent posture for our Armed Forces once the operation is complete.
2. The Defence Secretary also provided an update on the Defence Transformation programme and work on smaller, more flexible Armed Forces and a leaner less bureaucratic civil service. He also highlighted the fact that the Department now had an affordable and sustainable equipment plan.
3. Min(DEST) noted the priority which will be given to Defence exports and emphasised his Ministerial responsibility for exports.

THROUGH LIFE SUPPORT TO EXPORTS

4. The Defence Secretary led a discussion about how Through Life Support to Exports could be improved.

DEFENCE GROWTH PARTNERSHIP

5. Michael Fallon explained the objectives of the Defence Growth Partnership which was led by BIS, with support from MOD. BIS' focus was on identifying ways to increase the competitiveness of the defence sector by removing barriers to growth. The Minister noted that BIS would draw from the good example of work done on the Aerospace Growth Partnership.

HESELTINE REVIEW

6. Min(DEST) noted that the Heseltine Review had been published that morning; there were 89 recommendations in the report, to which the Government would respond, probably in the Chancellor's Autumn Statement.

AN UPDATE ON TOTAL SUPPORT FORCE

7. AVM Howard provided an update on the Total Support Force (TSF) Concept. He highlighted that TSF is a way of delivering a sustainable, balanced, resilient and fully integrated force structure, comprising Regular and Reserve Service Personnel, contractors and civilians. TSF builds on the successes achieved thus far with Contractor Support to Operations – noting that there are in excess of 6,000 contractors directly supporting UK Armed Forces in Afghanistan.

UPDATE ON YELLOW BOOK AND CURRIE REVIEW

8. Min(DEST) provided an update on the Yellow Book review and the intent to move ahead with replacing the current Review Board with the Single Source Regulations Office (SSRO).

AN UPDATE ON DEFENCE REFORM: FINANCE AND MILITARY CAPABILITY TRANSFORMATION

9. AM Stephen Hillier presented slides on the Department's Finance and Military Capability Programme, highlighting that the Defence Programme is now affordable and the Department has a funded core programme. Financial Delegation to Front Line Commands (FLCs) is key and will be in place formally by April 2013. A newly merged FinMilCap organisation will provide a Head Office oversight and coordination function.

AOB

10. Included discussion on SMEs, the importance of Industry engagement and future meetings.
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