

DEFENCE SUPPLIERS FORUM

30 October 2019
Pepys Suite MOD Main Building

Attendees:

Government

Ben Wallace MP	Secretary of State for Defence
Anne-Marie Trevelyan MP	Minister for Defence Procurement
Sir Simon Bollom	DE&S CEO
Andrew Forzani	Chief Commercial Officer
Nick Elliott	Deputy CEO & DG Commercial, DE&S
Huw Walters	Dir Economic Security & Prosperity
Jim Carter	Comrcl Director Supply Chain
Clare Cameron	Dir Def Innovation
Helen Sawford	SSM Hd
Dan Anstey	Min (DP) PS
David Morgan	SofS PS
Kirsty Dermody	DSF Secretariat

Industry

Dr Charles Woodburn	CEO, BAE Systems (Co-Chair)
Nigel Whitehead	Chief Technology Officer BAE Systems
John Howie	CEO, Marine, Babcock International Group
Kevin Craven	CEO, UK Central Government, SERCO
Steve Rowbotham	COO, General Dynamics UK
Helen Birchall	Client Sales UK MOD DXC Technology
Richard Daniel	UK CEO Raytheon
Andrew Barrie	CEO KBR
Alex Zino	Head of Government Relations Rolls-Royce
Chris Allam	MD, MBDA
Mike Mansergh	Hd of Strat Eng, Maritime, Lockheed Martin
Colin Paynter	VP Communications, Airbus
Fred Sugden	Head of Programme, Defence, TechUK
David Starling	Director, Actica Starling(SME)
Gary Thomas	COO, Becrypt (SME)
Norman Bone	Chairman and MD, UK Leonardo
Victor Chavez	CEO, Thales
Chris Binsley	CMD, Ultra Electronics

1. WELCOME AND INTRODUCTION

The Secretary of State for Defence, Ben Wallace MP, welcomed representatives from across MOD and Industry. The Minister discussed the importance of the relationship with the Defence Industry and outlined the challenges faced, including security and the speed of technological change. The Minister emphasized the importance of manufacture and achieving the right balance with development and innovation to improve competition and exports. Charles Woodburn, Chief Executive Officer BAE Systems, responded by discussing the UK environment for Research

and Development investment and affirming the importance of the Defence Suppliers Forum for raising important issues such as Terms of Trade, welcoming the Acquisition Review.

2. DEFENCE SUPPLIERS FORUM WORKING GROUP OBJECTIVES AND GAINS

The last 12 months has seen considerable progress in the Defence Suppliers Forum following agreement of the Joint Vision and the Working Groups have been central to driving activity forward.

- The Capability Management, Innovation and International group has achieved significant rates of progress, linking with Defence Innovation, the Defence Technology Framework and through collaboration with industry and the MOD in three areas:
 - How to improve the success of end to end innovation. Supported by the UK Defence Solutions Centre and the Research, Technology and Innovation Group (RTIG).
 - New areas of technology and how to align with future needs and anticipated global markets. Supported by FinMilCap and UKDSC.
 - Opportunities and risks of new technologies, including autonomous developments, and how to bring into service. Supported by Defence Equipment and Support (DE&S), and the RTIG.

Both industry and MOD see benefit in this area, with the focus on targeting innovation through to programme delivery.

- The Commercial Enterprise and Acquisition group is well supported by a range of Primes, Mid-Tiers and Small and Medium Enterprises focusing on Terms of Trade and outcomes of the Acquisition Review:
 - Improving Cyber Security through a joint Industry and Defence Cyber Protection Partnership monitoring assurance and compliance of Cyber Essentials.
 - The Supply Chain Fragility workstream is focusing on critical programmes to understand where issues lie. EU Exit preparations have accelerated supply chain visibility assisting this agenda.
 - The Commercial Working Group is addressing a range of issues and terms of trade including 'Single Source' pricing model testing for Cost Risk Adjustment and developing a 'decision Tree' and new DEFCON for Intellectual Property Rights. Thank was noted to ADS for their support collating industry evidence for the MOD Policy Team regarding Limit of Contractor Liability and looking forward to reaching a solution.
- The People and Skills Group:
 - Anne-Marie Trevelyan MP was thanked for supporting the launch of The Women in Defence Charter at DSEI. 36 signatories to date with a further 6 pending with the intention to flow down the supply chain and to share best

- practice with industry. Working together with Women in Defence to attract more females into engineering at degree level.
- Tertiary education programme based on 2017 skills survey. Engaging with 45 institutions directly to improve understanding and develop interventions to achieve definition of standards and governance although greater National cohesion is desirable.
- Second bi-annual Skills Survey to clarify view of engineering landscape and establish specific areas for delivery.

The next five-years will focus on:

- Building on knowledge of the skills landscape from information capture and concentrating on specific interventions.
- Growing academic interface and curricular influence through guest lectureships to promote careers in defence.
- Addressing the 'Neglected' Middle (mid-careers engineers), to improve analytical and digital skills.
- Targeting support to graduate entry.
- Achieving effective values and identify how to publish these measures under the Women in Defence Charter.

The challenge is to grow skills particularly at the further education level and promote loyalty through degree level apprenticeships. The BAE Centre is an example of industry addressing this area.

To support Women in Defence, there needs to be a shift in thinking to attract more women into the industry. Women bring a different skill set to the defence environment and this should be supported. Challenging unconscious bias and addressing the dynamics at the executive level will change the landscape.

Engineering families are a strong influence in other industries in certain regions with STEM offerings, but not in the defence sector. The People and Skills group will look at this pipeline as part of their ongoing agenda.

3. BREXIT

Industry was thanked for supporting MOD and BEIS preparations with the Defence Sector Panel. Future relationships with the EU important for developing capability and maintaining stability for UK businesses.

4. DEFENCE AND SECURITY INDUSTRY

Ongoing work was briefed at the DSF Executive Group on 16 Oct. This work seeks to look at a range of capability areas MOD needs and how the department could take a more strategic approach to the Defence and Security industry in light of the opportunities and challenges posed by the a rapidly changing strategic context. This work will make recommendations for government and industry action and inform future investment decisions in those areas of importance for national security. The DSF will support this ongoing work, and industry noted the opportunity to shape both the topics and format of further engagement.

5. CLOSE

The Secretary of State for Defence noted the positive investment and efforts of the DSF Working Groups. Support to the defence industry would continue with the challenges ahead.