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**Ministry
of Defence**

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26th April 2016

Dear Emily

I write in response to your letter of 22 April regarding press coverage on the Type 26 Global Combat Ship project. As stated in the Strategic Defence and Security Review and made clear by the Prime Minister in the House of Commons, this Government is fully committed to the Type 26 programme and shipbuilding on the Clyde.

Nothing has changed since the SDSR was announced last November. We stated clearly in the SDSR that these ships are critical for the Royal Navy and that we are going ahead with eight Type 26 Anti-Submarine Warfare frigates. There is no question of that changing. My department is working with BAES to reflect the outcome of the SDSR on the Type 26 programme and this work is ongoing. Our most recent investment of £472M this March, extending the Demonstration Phase and committing to almost all the equipment for the first 3 ships, now brings our total investment in Type 26 to over £1.6Bn. That is hard evidence of our commitment and of real progress. For the avoidance of doubt, I re-state our position once again that all eight Type 26 ships will be built on the Clyde.

You raised the issue of shipbuilding facilities. You may recall from statements made by BAES in 2015 that the MOD and BAES had been working jointly to evaluate the appropriate and best value for money approach to Type 26 build. That work, already announced by BAES, concluded that the earlier concept of a Modern Dock Hall, referred to colloquially as a Frigate Factory, did not represent best value, adding significant risk to the ship build. MOD is therefore investing around £60M in infrastructure improvements across the Govan and Scotstoun sites and continues to invest with BAES in productivity improvements such as design and planning tools.
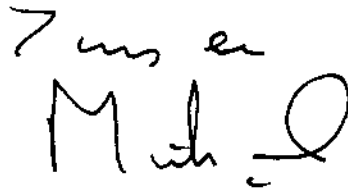
You will recall that we ordered three Offshore Patrol Vessels to sustain capability and skills on the Clyde, ensuring the yards are ready to meet the complex challenge of Type 26. I am very encouraged by progress across the first three ships and look forward to the roll out of HMS Forth in August 2016. The addition of OPVs four and five in the SDSR builds on this approach and will ensure continuous production on the Clyde through to Type 26.

Emily Thornberry MP
Shadow Secretary of State for Defence
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Overall, SDSR achieved a positive and balanced outcome, good for Scotland and for the UK as a whole. We are growing the Defence budget in real terms for the first time in 6 years, delivering on our commitment to spend at least 2% of GDP on Defence and, in the maritime sector, setting the trajectory for expansion of the Royal Navy's frigate fleet. That growth in numbers will now be achieved through the introduction of a more affordable light General Purpose Frigate (GPFF). Our unique high end warships - six Type 45 destroyers, and eight Type 26 frigates - supported by the new Maritime Patrol Aircraft based at RAF Lossiemouth will focus on supporting Continuous at Sea Deterrence and Continuous Carrier Capability, while a large range of other Naval tasks will be undertaken by the GPFF.

To deliver our, more ambitious, SDSR, we must improve and develop our national shipbuilding capability to become more efficient, sustainable and competitive internationally. This is the aim of our National Shipbuilding Strategy and I am delighted that Sir John Parker, a highly respected expert in this sector, has started work as the independent chair. I look forward to receiving his recommendations which will address, amongst other things, the best approach to GPFF build.

Our commitment to delivering the SDSR shipbuilding outcomes is a commitment to the people of Scotland as well as to the other nations of the UK. It shows that just as Defence is important for Scotland, Scotland also helps deliver Defence for all of the United Kingdom.

THE RT HON MICHAEL FALLON MP