



SHIPBUILDING ENTERPRISE FOR GROWTH (SEG) #12 - MINUTES

13:00 – 15:45, 17 September 2025

BMT Group, 70 Victoria Street, London, SW1E 6SQ

Opening remarks

1. Sarah Kenny welcomed Shipbuilding Enterprise for Growth (SEG) members and SEG Shadow Board representatives to the 12th SEG at the BMT offices. She expressed gratitude to all attendees for making the time during London International Shipping Week (LISW). Sarah also referenced the Defence and Security Equipment International (DSEI) 2025 and significant changes which had taken place since the last SEG, which include:

- Appointment of a new Minister of State of Defence Readiness and Industry (Luke Pollard MP) and a new Maritime Minister at the Department for Transport (Keir Mather MP).
- The publication of the Defence Industrial Strategy.
- Confirmation of UK SHORE programme funding with £1.1B investment to boost growth, jobs and skills in the UK coastal towns and cities.
- Greater understanding of the new First Sea Lord's (General Sir Gwyn Jenkins KCB OBE RM) priorities.
- The Type 26 sale to Norway, which is a £10Bn deal to sell 5 Type 26 frigates.

2. Sarah said these developments present some exciting opportunities for the sector and the developing Shipbuilding Action Plan. She added that the focus of this 'extraordinary SEG' meeting is to seize on those opportunities and to identify actions for the SEG to take forward through identified priorities.

3. Rod Paterson informed the meeting that James Whitehouse Hebbourn would provide details on the Defence Industrial Strategy (DIS) and its impact on the Shipbuilding and Maritime Technology Action Plan. He emphasised that the DIS highlighted shipbuilding's central role in Defence industrial ambitions.

4. Rod Paterson emphasised that the Defence Industrial Strategy (DIS) highlighted shipbuilding's central role in Defence industrial ambitions, adding this was reinforced at the Defence and Security Equipment International (DSEI), where both the First Sea Lord and the Minister of State spoke about their ambitions for the sector. He also noted that this focus was also evident at the LISW's Ministerial Maritime Regional Growth Roundtable chaired by the new Minister for Aviation Maritime and Decarbonisation (Keir Mather MP) in Liverpool that he attended on Monday (15 Sep 25).

5. Rod stated that the National Shipbuilding Office (NSO) team has been working hard to develop measures to advance UK shipbuilding as part of the development of the new Shipbuilding and Maritime Technology Action Plan. This work is ongoing, and the team is engaging with the new Minister for Defence Readiness and Industry (MinDRI) to update him on progress.

6. Rod announced that over the coming months, the NSO will hold drop-in sessions for SEG members to discuss the measures being developed. He encouraged a wide-ranging discussion on the SEG's role in driving the ambition for the sector through the development of the Plan and being clear about its role in delivery. The intention would be to finalise and launch the Plan around the end of the first quarter 2025 depending on various dependencies and particularly the finalisation of the Defence Innovation Plan (DIP).

Procurement Strategy Task and Finish Group Updated

7. Gemma Foster provided an update on the development of a procurement strategy paper. She acknowledged that it was taking some time to finalise, but the T&F Group were focused on generating a high-quality product. She highlighted the importance of prioritising the Value for Money question, identifying pre-requisites, ensuring shareholder value and applying practical methodologies for innovation.

8. Gemma explained that the paper would include practical collaboration methodologies, which should be particularly useful. She outlined the approach to defining and managing risk, including ownership and cost considerations. She also stressed the importance of an export mindset, supply chain focus and the inclusion of Subject Matter Experts (SMEs) as required by the SEG agenda. She noted that different players would contribute to driving innovation. Gemma concluded by stating that the paper would be shared with the SEG members ahead of the next meeting.

Update and Discussion of Defence Industrial Strategy and Shipbuilding Action Plan Development.

9. Rod Paterson welcomed James Whitehouse Hebbourn to give an update on the Defence Industrial Strategy (DIS) and the development of the Shipbuilding Action Plan.

10. James introduced the DIS explaining that it is structured around six priority headings:

- Making Defence an Engine for Growth.
- Backing UK-Based Businesses.
- Positioning the UK at the Leading Edge of Defence Innovation.
- Developing a Resilient UK Industrial Base.
- Transforming Procurement and Acquisition Systems.
- Forging New and Enduring Partnerships.

11. James discussed these priorities, highlighting that they focus on business growth as aligning well with the NSO's missions. He also informed the SEG that Defence Innovation (along with NSO) has been integrated into the National Armaments Director (NAD) Group.

12. He stated that the Shipbuilding Action Plan will be an ambitious roadmap of government and industry actions. It's overarching ambition will be to transform the UK shipbuilding and maritime technology sector into a high-growth, high-tech and globally competitive industry, in line with the objectives of the Government's Industrial Strategy.

13. He noted that resilience and readiness will be a key focus, alongside opportunities in the civil/commercial sector. He assured the group that NSO planned to engage with the new Minister for Defence Readiness and Industry (MinDRI) to discuss maritime technology and procurement reform.

14. James outlined next steps, which includes engaging with the new MinDRI, finalising the Action Plan's name and holding SEG drop-in sessions. He also mentioned the upcoming Small Ministerial Group on Shipbuilding in October and the work underway in MOD to develop the Defence Investment Plan (DIP), which will inform the Action Plan when finalised.

15. A follow-on discussion focused on ensuring marine technology is fully addressed and whether NSO requires a new title and acronym. It was agreed that including 'maritime' in the titles would ensure coverage of maritime technology, but that 'shipbuilding' must also remain part of the name.

16. Rod added that the Industry Action Plan must align with the DIS and secure ministerial agreement, ensuring it complements the DIP.

SEG Discussions

17. Sarah Kenny thanked people for their updates and stated that the SEG would now move onto the main focus of today, a workshop to identify actions the SEG can take to support the development and delivery of the Shipbuilding Action Plan. She explained that the workshop would be an exercise in identifying actions in the SEG priority areas of Competitiveness, Promotion and Finance, adding that the other priority area of People is primarily covered by the work of the Shipbuilding Skills Delivery Group (SSDG), so wouldn't be discussed as a separate element today. The NSO would ensure that members would have an opportunity to feed in any ideas that emerged regarding this priority area.

18. James Whitehouse Hebbourn explained that the NSO is progressing work on potential government interventions across a range of areas. However, he emphasised that the Shipbuilding Action Plan is not solely intended to capture government commitments but also to include commitments to action from industry as well as collective actions.

19. James stated that a workshop would follow, with sessions structured around the SEG priorities of Competitiveness, Promotion and Finance. He said the focus would be on identifying actions that the SEG can take to contribute to the delivery of the Action Plan, address national or regional needs, benefit the entire shipbuilding enterprise and deliver either short-or long-term benefits.

Feedback from Discussions

20. Sarah Kenny thanked everyone for their significant contributions during the workshops and asked the NSO coordinators to provide an overview of the key discussion points for each of the three priorities.

21. Capt Tush Chatterjee RN provided an overview of the discussion points from the Promotion priority. He highlighted the need for stakeholder mapping, the role of industry and people (including, but not limited to, school leavers), the influence of press and TV, and the importance of linking key events to advertising and promotional efforts.

22. James Whitehouse Hebbourn shared key discussion points from the Finance priority. He highlighted discussion on investment opportunities, with a focus on stakeholders and SMEs. He mentioned ideas around showcasing opportunities to financiers and investors. Innovation was also discussed, particularly in relation to investments in research and development, as well as mechanisms for funding schemes, including support for small companies and overseas opportunities.

23. Colette Munroe summarised the discussion points from the Competitiveness priority. She noted that discussion focused on through-life cost, with an emphasis on understanding and addressing different sectors, quality, cost, delivery and performance. Other ideas included enhancing brand identity, improving productivity and fostering a diverse supply chain.

24. Sarah thanked the coordinators for their brief outlines from the discussions and said that the NSO team would write up the notes from today and circulate a summary of discussions and next steps (Annex A-D included).

Closing Remarks

25. Rod Paterson thanked the meeting attendees for their contributions and emphasised that there is much to consider and reflect upon in the development of the Shipbuilding Action Plan. He added that the SEG has a real opportunity to drive meaningful change and thanked BMT for hosting the event.

Rod Paterson
Government Co-Chair
Chief Executive Officer
National Shipbuilding Office

Sarah Kenny OBE
Industry Co-Chair
Chief Executive
BMT