



## SHIPBUILDING ENTERPRISE FOR GROWTH (SEG) #13 - MINUTES

12:15 – 16:30, 11 February 2026

Society of Maritime Industries, Threadneedle Street, London, EC2R 8AY

### Opening remarks

1. Rod Paterson welcomed Shipbuilding Enterprise for Growth (SEG) members and SEG Shadow Board representatives to the 13th SEG at the SMI offices. And expressed his thanks to Tom Chant for hosting the meeting. Sarah Kenny was unable to travel, so was co-chairing via Teams.

2. Sarah Kenny extended her gratitude for the good attendance. Sarah stated some good work that had taken place since the last SEG and the focus for this one:

- There was more clarity on the development of the Shipbuilding and Maritime Technology Action Plan. That the Chancellor in November's Budget speech and the Secretary of State for Defence last week had both delivered positive news on driving this forward.
- The last SEG seized the opportunity to gain support for the Action Plan and identified actions for the SEG to take forward. There has been collaboration and progress since last September.
- The focus today will be how all attendees can contribute towards the successful delivery of the Action Plan and how the SEG can evolve to become most effective in championing and maximising its benefits to the sector and all its stakeholders.

3. Rod Paterson referred to some exciting developments in the last few months:

- The NSO has led lots of Ministerial engagement with high political ambitions. NSO are in a positive place with Ministers, with Luke Pollard (the Minister for Defence Readiness and Industry) being increasingly engaged along with the other Ministers across the sector being involved, invested and interested. We need to capitalise on minister engagements and have confidence in the Action Plan.

The NSO held their first Small Ministerial Group on Shipbuilding last October 2025 and have another scheduled for March 2026.

- Rod reflected on the action plan drop-in sessions that were arranged and attended by SEG and Shadow Board members. Rod emphasised that the SEG is the main way of discussing ambitions as a sector. However key interdependencies are recognised e.g. publishing of the Defence Investment Plan. Rod stated that the known unknown was still the DIP and that the challenge is how to position the Action Plan and whether a spring/early summer 2026 publication was achievable.

4. Colette Munroe gave an overview of the UK Maritime Research and Technology Roadmap that was being developed with its objectives of demonstrating evidence-based needs, indicating national research priorities, guiding longer term investment and innovation along with enabling growth through innovation, export competitiveness, investment confidence and sector-wide productivity.

5. Colette then led an overview of the Centres of Excellence Digital Directory Launch accompanied by Tom Chant. She explained that the Directory would provide visibility, connect industry with CoE and enable the strong community of practice to help solve problems within the UK Shipbuilding Enterprise. SMI and NSO would work together to build the communities of practice and collaborate with industry and government and to advertise the work to ensure success following the official launch of the CoE Directory at the SMI Conference in Glasgow on 17 Feb 26.

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

6. James shared the draft vision and proposed commitments, reminding attendees of the drop-in sessions where there was good engagement and added that there were three areas of wider context being the DIP, Pre-Election Period (between March and May 2026) and gaining Ministerial feedback. James emphasised that SEG

members should be aware of these, but not to let them get in the way of ongoing discussions were needed to progress the work on delivering the action plan.

### **Action Plan: Finance and Support Incentives**

7. John Hutchinson introduced the Shipbuilding Credit Guarantee Scheme 2.0 work being led by DBT and concentrated on incentives, initiatives and interventions. Sara Nesbitt added that NSO engagement between the public and private sectors would address wider access to finance issues for UK shipbuilders.

8. John then gave an update on the SCGS recognising that upgrading terms for credit group element was long and arduous through to Treasury, but the modelling to support those conversations is unlikely to be available before Sep 26. John is also in discussions with the National Wealth Fund (NWF) to explore whether they could bring their project finance approach to shipbuilding, opening up a broader range of products for the sector, albeit at a minimum deal ticket size (e.g. £25M) which might present a challenge to smaller industry members.

9. Rod emphasised that the Sector wants a better scheme, and being able to announce it as part of the Action Plan is on the critical path.

### **Maritime Autonomy**

10. George Cleary gave a general update on Autonomy, highlighting that it is the biggest dual-use technology opportunity for the maritime sector. He said that NSO is working on maritime autonomy for not just defence, but also the commercial sector. The NSO understands the opportunity and the challenges and is cohering activity across government to try and remove barriers which are: lack of test-facilities, technology assurance, slow and costly regulatory process, and research and development support

11. George outlined the maritime autonomy opportunities report and the efforts NSO is progressing to address the barriers, including the maritime regulation innovation framework (MRIF) and maritime autonomy assurance testbed (MAAT) programme.

### **Procurement Powers and Future Organisation**

12. Jon Carrigan reflected on the Chancellor's statement encouraging a 'buy British' approach to public procurement. The NSO is looking at the regulatory and legal procurement powers as well as how the NSO is empowered to ensure that they are used appropriately to deliver political intent. The NSO is working with Cabinet Office to explore different models for how the NSO should be resourced and empowered.

13. Discussions focussed on the Government's ambition, the importance of ensuring new regulation was reflected in Treasury guidance (the Green book) and the constraints of the Procurement Act (2023) and the fiscal environment.

### **Industry Commitment – Key to Delivering the Action Plan**

14. James Whitehouse introduced the SMTAP and recognised that to be successful industry and government needed to work closely together. He reflected on the good feedback from the drop-in sessions that had taken place (Dec 25 and Jan 26) and from those discussions the Industry Action Table spreadsheet that had been developed to prompt debate. After some discussion around the level and wording of some actions, it was agreed that a smaller group would consider the list of actions from an industry perspective, and to propose specific commitments industry could make. The role of existing structures and trade associations, such as SMI's maritime defence and security group (MDSG), was explored to ensure parallel or duplicative structures are not established. The meeting agreed that commitments would likely comprise a mixture of: existing commitments and investments that industry is making; some general commitments to work with Government on specific objectives; and some more specific commitments to progress individual actions.

15. Rod moved the meeting onto the last session regarding SEG evolution and handed over to Colette Munroe to lead.

### **Shipbuilding Enterprise for Growth (SEG) Evolution Model**

16. Colette introduced the concept of evolving the SEG by reference to the history of the group, the current strategic context and reference to how other industry and government bodies worked. Various presenters set out lessons from different governance models: the Defence Solutions Centre (DSC) from Richard Barton, the Home Office Security and Resilience Growth Partnership (SRGP) from James Hogg, the Defence Industry Joint Council (DIJC), and the Aerospace Growth Partnership (AGP) from Balaji.

17. Key success criteria emerged as:

- Good representation across the Shipbuilding Enterprise recognising the breadth of the sector;
- Enabling constructive conversations between industry, government, academia, and trade associations to enable a shared understanding of challenges and ambitions to inform policy making and elicit financial support. There is a tension between keeping the Ministerially-chaired engagements small, focussed and effective, and needing to engage a broader group to gather insights and drive action.
- A focus on delivery of change, rather than more talking, enabled by a dedicated project management function.

18. Colette said that the SEG Shadow Board had agreed to be part of the SEG Evolution Sprint Group; both Richard Powell and Richard Barton offered to help with the group.

**SEG Discussions**

19. Colette Munroe (virtually/online) and James Whitehouse Hebborn (in meeting room) started discussions using the prompts James informed the meeting of earlier.

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. Rod encouraged SEG members to feed in. Rod also thanked the NSO Team for their efforts in delivering the SEG Meeting alongside their own priorities, adding that when thinking about delivery structures, think about the NSO set up and also the buy-in that is needed from industry. Sarah agreed that the online discussions covered the how and why, suggesting there may be too many actions in the Plan. Sarah also reflected the need to garner the views and capabilities of industry, ideally within the next month.

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