Ministry of Defence

The Defence Investment Plan

Equipping our forces, defending our future

2026

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Foreword from the Secretary of State

Our Armed Forces represent the very best of Britain and remain our most important asset. The central purpose of the Defence Investment Plan is to ensure they have what they need, to do the difficult job we ask of them.

They serve at an increasingly dangerous moment: conflicts raging across several continents, growing Russian aggression, all while technology is changing the character of warfare at the fastest rate in history.

The hard truth is that this government inherited a defence programme that was underfunded, overcommitted, and insufficiently attuned to the threats we now face. 47 out of 49 major projects were delayed or over budget. Many projects had been announced with insufficient funding or no funding at all. The consequences were profound: limited availability of warships and aircraft, an Army facing a recruitment crisis, morale weakened and renewal of our nuclear deterrent delayed.

Despite major increases in defence spending in 2024 and 2025, we are still working through these problems today. Improvements to pay and housing have lifted morale and driven up recruitment; trained strength is increasing across all three services this year. The UK signed a series of major defence export deals in 2025, including an £8bn Typhoon aircraft deal with Türkiye and a £10bn frigate deal with Norway, putting our defence industrial base on a solid footing.

But there is much more to do. This Defence Investment Plan, which implements the vision set out in last year's Strategic Defence Review, represents the next stage in this government's commitment to the Armed Forces and to the nation's security.

The DIP is backed by a £15bn increase in the Ministry of Defence's spending power over the next four years above what was agreed at last year's Spending Review. The £74bn allocated to the Ministry of Defence next year, 2027-28, is £20bn more for our Armed Forces than the last year of the previous Government, and the budget will continue to grow in real terms for the rest of this Parliament. By 2029/30 it will be 27% higher in real terms than in 2023/24. In total we will invest £298bn in Defence over the next four years.

Measured as a proportion of GDP, in line with our NATO allies, the money spent on defence by the end of the decade will be 2.7% of GDP, up from 2.3% when this government took office, and higher than at any time during the last thirty years. The UK made a commitment to its allies to reach 3.5% of GDP on defence spending by 2035, and that promise will be met.

But increased spending is only half the story. We have made tough choices, to stop doing things which were designed for another age, and invest in capabilities fit for the next war, not the last one. The DIP will energise the transformation of our Armed Forces to rebuild warfighting readiness and target our resources to reflect the way war is waged today. Artificial intelligence, autonomy and uncrewed systems are no longer capabilities of the

future and these technologies will now receive the investment they need in the coming years to reflect their growing maturity and their strategic importance.

We will be providing over £5bn for advanced uncrewed systems over the rest of this parliament, learning the lessons of Ukraine and harnessing the experience we have gained in the close support we are giving to Ukrainian forces. This includes £1.5bn on our Hybrid Navy, as the Royal Navy transitions to a hybrid force, of state-of-the-art crewed ships networked with uncrewed surface and undersea craft; and £1.6bn of new investment in drones, and the AI-enabled digital targeting Project ASGARD to increase the lethality of the British Army. The RAF's next generation GCAP aircraft system includes significant early investment going into Collaborative Combat Aircraft: autonomous fighter jets networked around our existing fighters to improve their effectiveness and survivability.

In response to the evolving nature of the threats we face, we will invest £790m in new homeland Integrated Air and Missile Defence systems, £3.2bn for space capabilities, £2.5bn for Cyber and the electromagnetic domain, and £330m on the protection of critical underwater infrastructure.

We are matching the dedication and professionalism of our service personnel with better pay – three successive increases well above inflation – decent homes, and improved childcare.

NATO has been the foundation of our security for 77 years. In a more dangerous world, our commitment to the Alliance is absolute. The US has called on European members to take greater responsibility for Europe's security. The UK will support this objective by bolstering NATO's deterrence and defence to counter Russia's growing aggression. This Plan provides significant funding to renew our nuclear deterrent – the ultimate guarantor of UK security – and to purchase F-35As and join NATO's Dual Capable Aircraft nuclear mission.

If we fight together then we should build together. We will accelerate deep precision strike weapons and close support artillery with Germany, and we will seek to create a new amphibious combined fleet with the Netherlands. We are also inviting more Joint Expeditionary Force nations to join our "Northern Navies" initiative, to build our hybrid capabilities together.

Our Defence Investment Plan will back British workers, businesses and innovation. It will secure the sovereign technologies the UK needs for the future: AI, autonomy, and quantum – all built by the finest minds from Britain's research and development base. These capabilities will strengthen our Armed Forces and develop dual-use technology for the benefit of all in our society. By implementing the DIP, we will help generate economic growth, create thousands of good, skilled jobs and apprenticeships, and increase Defence exports.

I am relying on the full spectrum of our industrial base to make the DIP a success. We need our innovators to bring the ideas, industry to develop the capabilities, and investors to back them at the scale we require. Most importantly, to every member of our Armed Forces: the implementation of this Defence Investment Plan will now begin immediately, to ensure you have what you need to defend our nation and keep its people secure.

The Rt Hon Dan Jarvis MBE MP

Executive Summary

The Defence Investment Plan is backed by £298bn of investment over the next four years. The Plan will transform our Armed Forces, delivering on the vision of the 2025 Strategic Defence Review, as we move to warfighting readiness, back British jobs and businesses, and show UK leadership as we step up European security.

The Plan is a summary of the major investment choices the Government has made for UK Defence. This is not the entirety of UK Defence's budget or capabilities, but it is intended to demonstrate to Parliament and the public, as well as industry, how the increasing investment in Defence is being spent.

The world has changed in the last 12 months. Demands on Defence are rising.

President Putin's aggression is growing around our shores, in the High North, across Europe, and in Ukraine. NATO is now warning that Russia could be ready to use military force against the Alliance by the end of this decade.

The Iran war has fundamentally changed the Middle East and reinforced the priority on Integrated Air and Missile Defence.

The US is rightly demanding that Europe steps up, and does so more quickly, on European security. This year, the UK also confirmed that we would deploy our Armed Forces to Ukraine after any ceasefire agreement and the UK is leading new NATO missions in the Arctic and High North, as well as a multinational military mission for the Strait of Hormuz.

In this new era of rising threats and rising demands on Defence, we need a new era for Defence investment, and this is what this Plan delivers. This is the first duty of this Government – to provide our Armed Forces with what they need to keep our country and our citizens safe.

Transforming our Armed Forces

We are ending the hollowing out of the past and investing in the technology of the future – learning the lessons from the Ukraine war and conflict in the Middle East to equip our forces to confront and deter the latest threats. Our investment will improve our military readiness and renew the nation's commitment to those who serve as we turn around the morale, recruitment, and retention of our Armed forces.

Restoring morale and fixing recruitment: With three above-inflation pay rises and a generational renewal of military housing, backed by £9bn over the next ten years on our Defence Housing Strategy, with nine in ten military homes upgraded or modernised[1], a new Defence Housing Service which will put forces families first, new property standards, and accelerated delivery of new homes on surplus Defence land. Defence is supporting its people, who are central to delivering the transformation of the Armed Forces.

Autonomy: Over £5bn into autonomous systems over the next four years. We will build a Hybrid Navy with new autonomous vessels and uncrewed sub-surface vessels, an Army transformed by AI, armed autonomous vehicles and drones, and a Next Generation Royal Air Force with new autonomous fighter jets capable of operating from land bases or aircraft

[1] Modernised homes for military families in Woolwich returning from Cyprus deployment - GOV.UK

carriers. We have established a new Defence Uncrewed Systems Centre in Swindon, and an Uncrewed Systems Taskforce to embed these capabilities across our Armed Forces.

Land Lethality: Over £20bn to rapidly multiply the Army's lethality by ten times through autonomous systems, long range missiles, AI, and armoured vehicles, underpinned by a new doctrine of fighting by recce-strike at all levels. This investment will contribute to our longer-term commitment of a transformed Strategic Reserve Corps for NATO.

Cyber and Electromagnetic: £2.5bn into the cyber and electromagnetic domain to grow the new Defence Cyber and Electromagnetic Force, enable freedom of action and defend the UK against daily cyber attacks.

Space: We are investing in UK Space Command to enhance space control, including developing capabilities to increase our awareness of space activities and protect critical national assets in orbit.

Backing British

This Government is building up the British defence industrial base and skills base and making defence an engine for growth. We will deliver genuine British benefits from every UK defence contract – British investment, jobs, factories, skills, and apprenticeships.

Boosting British industry and British skills: Creating nearly 60,000 new jobs by 2029/30 compared to 2023/24 levels, and investing in British skills, with new Defence Technical Excellence Colleges and funding defence degrees. We will implement the Defence Industrial Strategy, reforming defence procurement, expanding UK exports and introducing a new offsets regime, subject to consultation, to ensure if we buy from abroad, there must be British jobs and benefits created.

Securing the UK Nuclear Deterrent: Investing over £20bn more in the Defence Nuclear Enterprise (DNE) over the next four years than the previous four years to modernise and sustain our nuclear deterrent, the cornerstone of our national security. This will fund our new deterrent submarines and warheads, establish a nuclear fuels programme, start defining the Dreadnought successor, and upgrade our infrastructure across the defence nuclear estate. In addition to the DNE's investments, we will also purchase F-35As and join NATO's Dual Capable Aircraft nuclear mission.

Supporting Veterans: Invest £70m in support for Veterans, through the Office for Veterans Affairs. We will deliver the VALOUR programme, including new veterans' hubs across the UK, and back Op RESTORE, ASCENT, COURAGE, and FORTITUDE to ensure that those who have served are supported by Defence beyond their time in uniform.

Innovation, AI and quantum: £1.6bn investment in UK Defence Innovation (UKDI) over the next four years will accelerate the development, scaling, and adoption of advanced and dual-use technologies across Defence. This includes embedding and expanding AI and quantum across the Armed Forces – from GCAP, Collaborative Combat Aircraft (CCAs – autonomous fighter jets), and Project ASGARD to the Hybrid Navy – supported by a new £200m investment in Taskforce RAID (AI investment fund) and Project FRONTIER.

Shipbuilding: We will invest in new autonomous surface vessels, autonomous sub-surface vessels, an amphibious fleet, potentially with the Netherlands, and a future Common Combat

Vessel, while also delivering a combined force of 13 Type 26 frigates with Norway, five Type 31 frigates and Fleet Solid Support ships.

Land Industrial Capacity: The government has re-established onshore manufacturing of heavy gun barrels with a new factory in Telford and using UK steel from Sheffield Forgemasters. These revived facilities are already delivering artillery to Ukraine and will provide the barrels for the Army's new RCH155 artillery howitzers. In addition, we have substantially increased munitions production with BAE Systems Glascoed establishing a second meltcast. We intend to further build back British manufacturing this Parliament with plans to onshore production of the Army's future rifle, alongside substantial continued investment in Challenger 3, Ajax, and Boxer combat vehicles.

Aerospace Sector: Over £1.1bn of new investment to upgrade and sustain the Typhoon force into the 2040s, of major benefit to the UK's world leading aerospace sector, supporting UK jobs and providing significant investment to the UK economy, with significant export opportunities. We will buy additional F-35s, benefitting from the substantial UK workshare they bring, and we will grow our combat air industry through development of Collaborative Combat Aircraft (CCAs) to fly alongside our 4th and 5th generation fighters, backed by £300m of investment. In combination, this establishes our pathway to GCAP as we make significant steps towards the RAF becoming Europe's first 6th Generation Air Force.

New Fast Jet Training System and Red Arrows: We will have new jets for a modernised fast-jet training system which will also allow the Red Arrows to replace the ageing Hawk aircraft, inspiring young generations for decades to come, part of a new Jet Training System, with a significant UK workshare.

Stepping Up UK Leadership

We will lead by example, by stepping up UK leadership in an uncertain world to strengthen both the UK's and NATO's ability to deter and counter Russia's growing aggression.

Meeting our NATO commitment: The Government has committed to increasing defence spending to 3% of GDP in the next Parliament, with funding and plans to be set out at the next spending review where defence will be the number one priority. Alongside NATO allies, the UK has committed to reach 3.5% of GDP on defence spending by 2035. The UK remains committed to meeting its obligations to the Defence Investment Pledge. All Allies will review the trajectory and spend in 2029, when NATO next reviews its capability plans.

Replenishing munitions: £11.1bn on munitions and weapons to increase UK stockpiles and ensure our Armed Forces has the right 'high-low' mix of capabilities to defeat the full range of targets in the most efficient way, including Deep Precision Strike, low-cost cruise missiles and one-way effectors. By 2030, we will have built at least six new energetics factories and increased our national munitions production capacity.

Integrated Air and Missile Defence: £790m to enhance protection of the UK homeland and overseas bases from air, drone and missile threats over the next four years. This will revolutionise command and control and buy new radars and sensors as well as additional short range counter-drone systems. We will continue to invest in Directed Energy Weapons, upgrade Sea Viper for our Type 45 destroyers, and build a new Integrated Air, Space and Missile Defence Operations Centre.

Critical underwater infrastructure: £330m new investment into critical underwater infrastructure protection to tackle hostile activity in and around UK waters.

Digital Targeting Web: £1.8bn investment to integrate our Armed Forces through a new Digital Targeting Web. This will connect sensors, deciders, and effectors across the Integrated Force, and drive speed in deciding how to degrade or destroy an identified target across domains, underpinned by world leading AI and software.

DSTL: As part of a programme of investment at DSTL, build a new laboratory in Porton Down – to be named after Ernest Bevin, one of the major figures behind the founding of NATO – to enable new research into protection against biological threats to the UK and our allies.

1. Investing in the SDR's vision

1. This Defence Investment Plan delivers the vision set out in the 2025 Strategic Defence Review (SDR), with an emphasis on warfighting readiness alongside transformation. It also implements the Defence Industrial Strategy, which sets out how defence investment will strengthen the UK's industrial base, grow exports, and support the Government's wider Industrial Strategy. This plan is a summary of the major investment choices the Government has made for UK Defence. This is not the entirety of UK Defence's budget or capabilities, but it is intended to demonstrate to Parliament and the public how increasing defence investment is being spent.

2. The DIP provides a unique opportunity to reset the entire defence programme to deliver the recommendations within the SDR. This Defence Investment Plan looks across every budget line across the whole of the Department.

3. The SDR is a 10-year blueprint for national security and the DIP will put that into effect. The Government is increasing defence spending to 3% of GDP in the next Parliament, with funding and plans set out at the next spending review, where defence will be the number one priority. Alongside NATO allies, the UK has committed to reach 3.5% of GDP on defence spending by 2035[2].

4. For the next four financial years (FY) up to FY29/30, this plan will outline the key programmes and capabilities that this Government is investing in for Defence. Unlike previous plans, between 2030 and 2035, we are leaving unallocated spending to allow us to respond to the evolving threat and seize new opportunities as technology advances.

5. This Government is committed to a fundamental reset in financial management in MOD, building on the wide-ranging reform of how Defence operates that was set out in the SDR and is already being implemented. This includes simplified and more streamlined financial accountability within the four Areas of defence, underpinned by clear responsibilities and budgets. The Area budget holders are accountable to the Permanent Secretary as Principal Accounting Officer on financial matters. The ring-fence for nuclear spending established in 2023 remains in place with the Chief of Defence Nuclear as additional accounting officer for this budget line. MOD will be required to provide an annual delivery update against this plan - reporting on progress and changes in financial investment plans – which will be reported to Parliament annually before summer recess. The first of these will be published by July 2027.

6. This reset includes a new approach to how new capabilities will be brought into the programme to avoid entryism and the unaffordable and overheated programme of recent years. MOD will only start new capability work on a specified and prioritised list of investments at the point each capability is demonstrably affordable and deliverable within its overall budget as assessed by the Principal Accounting Officer. That will include major upcoming commitments, like the Future Cruise/Anti-Ship Weapon. This will prevent past behaviours of starting work and procurements and then finding the programme of record overall is unaffordable. Furthermore, the DIP includes a contingency in both DELs[3] that

[2] All Allies will review the trajectory and the balance of spend between defence and wider national resilience in 2029, when NATO next reviews its capability plans.
[3] RDEL – Resource Departmental Expenditure Limit and CDEL – Capital Departmental Expenditure Limit

grows to 2% by the end of the period, which will help the department to deal with inflation and over-runs.

7. MOD and HMT have also created a one-off £500m modernisation fund, which will be ringfenced in the MOD's budget, to fund up-front investments which will genuinely unlock efficiencies and cost-savings downstream – such as civil service exit costs, process streamlining, contract breakage costs and modernising systems. This will address the historic trend of MOD de-prioritising these investments in favour of more immediate – but less transformational – priorities and provide the means to ensure the longer-term programme remains in balance and efficient.

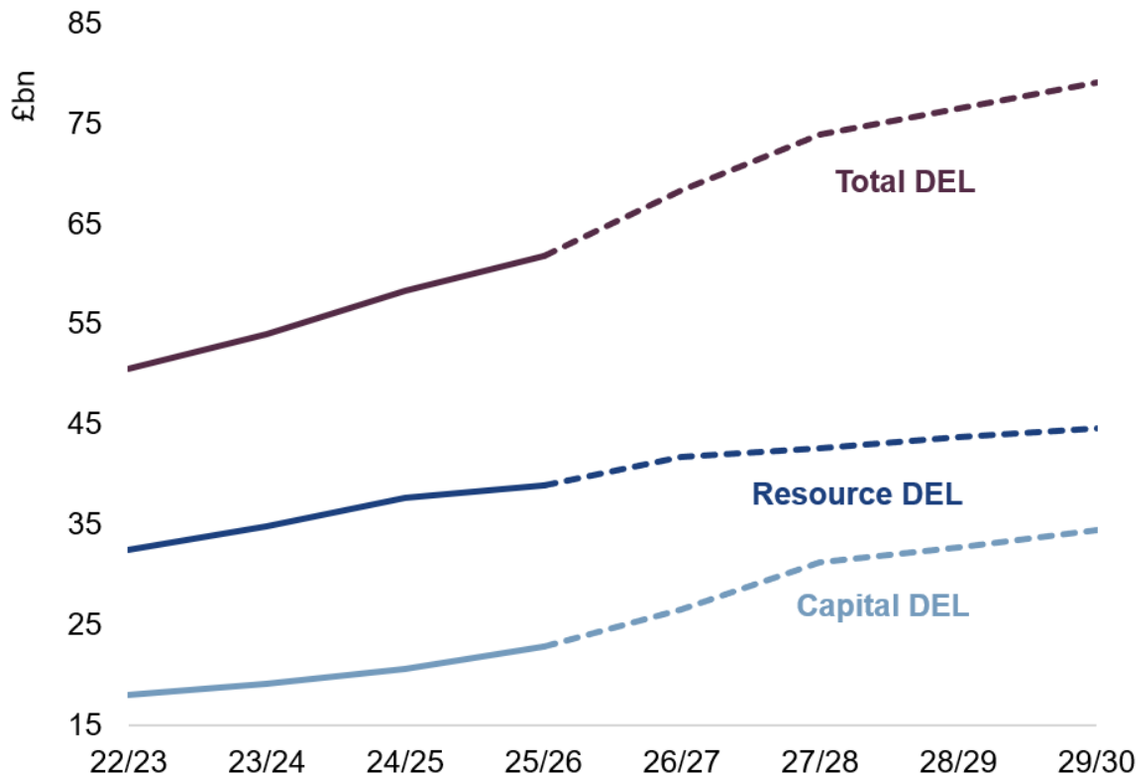
1.1 Spending Profile

8. The MOD's budget has already increased by over £14.4bn in cash terms this year (£68.3bn), in comparison to the last year of the previous Government (£53.9bn). Next year it will increase by a further £5.6bn, and it will continue to increase in real terms for the rest of the parliament, with an overall real terms increase of 27% between 2023/24 and 2029/30. That will leave defence spending higher than it's been for decades - certainly since the end of the Cold War - and the proportion of GDP spent on defence will be higher than at any time during the last thirty years by the end of the decade. Table 1 shows future Defence spending over the next four financial years (FY26/27 to FY29/30). Chart 1 shows the same expenditure over the same time period but also includes the previous four financial years (FY22/23 to FY25/26).

Table 1: Defence Spending Profile Over the Next Four Years

£bn	FY26/27	FY27/28	FY28/29	FY29/30	Total
RDEL	£41.7bn	£42.6bn	£43.7bn	£44.6bn	£172.7bn
CDEL	£26.6bn	£31.2bn	£32.7bn	£34.5bn	£125.0bn
TDEL	£68.3bn	£73.8bn	£76.5bn	£79.1bn	£297.7bn

Chart 1: Defence Spending Profile Over the Next Four and Previous Four Years [4]



9. Based on latest projections, NATO-qualifying defence spending as a proportion of GDP will increase to 2.7% in 2027/28.

10. MOD will hold increasing levels of central contingency, rising from 1.2% of the Department's budget in 2026/27 to 2% by 2030 and increasing to at least 5% by 2035. This will enable the Department to manage more effectively the uncertainty that arises from its large and complex portfolio.

11. Defence will continue to support military operations directed by the National Security Council, which are funded by the HM Treasury Special Reserve.

1.2 Making the UK the Leading Destination for Defence Investment

12. Our ambition is clear: to make the UK the most attractive place in the world to invest in defence, security and resilience. Public investment will remain the foundation of UK defence capability, but delivering the scale, speed and resilience needed in an increasingly dangerous world will require government to use its spending, procurement and financial institutions to attract domestic and international private capital. To achieve this, we will publish a Defence Finance and Investment Strategy (DFIS), which will set out how Government will work with private capital to help deliver its ambitions, strengthen sovereign capability, grow UK-based defence and dual-use businesses, create jobs, increase readiness and support growth across the nation.

[4] Adjusted to exclude exceptional non-cash IFRS impacts for accommodation.

1.3 Strengthening the Defence Investment Ecosystem

13. The Government is working with public financial institutions to unlock greater private investment into defence. This includes the National Wealth Fund's first defence-sector investment[5] and work with the British Business Bank to improve access to capital for innovative defence and dual-use SMEs through the investment of hundreds of millions.

14. We are engaging allies and strategic partners on opportunities to co-invest alongside the UK in future capability areas, including the Hybrid Navy, autonomous systems, deep precision strike, digital targeting, energetics and defence infrastructure. Alongside this, the Government is implementing five Defence Growth Deals, backed by £250m of investment over the next five years, to strengthen strategically important regional defence clusters in Plymouth, South Yorkshire, Wales, Scotland and Northern Ireland. Together, these initiatives will support industrial collaboration, improve long-term demand certainty and create new opportunities for private investment into UK defence and dual-use capabilities.

15. The Government has also established the Defence Investors' Advisory Group (DIAG) following the SDR, bringing together senior expertise from venture, growth capital, private capital, lending and banking to provide independent advice on investment priorities, private capital mobilisation and the conditions needed to make defence more investable.

1.4 Mobilising Public and Private Capital: A Partnership Approach

16. The UK is already seeing strong market interest. MOD, supported by HM Treasury, the Office for Investment, UK Government Investments, public financial institutions and private investors, has led work to identify investable opportunities where private capital could accelerate priority capabilities. Working with the DIAG and wider stakeholders, we will ensure that investment opportunities are presented in a detailed form and are suitable for risk, investment and compliance committees for each type of private capital with individual opportunities being taken forward where there is clear value for money for the taxpayer, operational need, and deliverability.

17. We are also working closely with HM Treasury and with Finland, Netherlands and other like-minded NATO allies on the establishment of a Multilateral Defence Mechanism. This independent international financial institution will address our collective challenges in defence procurement by aggregating demand through procurement to achieve better value for money. It will lend to members for joint procurement, stockpiling on members' behalf, and supply chain finance. This mechanism will help member countries improve capability, interoperability and value for money, while giving industry greater demand certainty.

18. Building on the clarity provided by this Plan, MOD will continue working with investors, lenders, industry, allies and public financial institutions to develop investment propositions, translate procurement intentions into clearer demand signals, identify where private capital can accelerate delivery, and address practical barriers to finance for defence SMEs and scale-ups.

19. We will convene a Defence Investment Summit to showcase emerging opportunities and set out the next phase of delivery. This will be complemented by the development of a Defence Investment Roadmap to give investors earlier visibility of opportunities across priority

[5] National Wealth Fund invests £25 million in UK engineering business Rowden to create 500 jobs and scale sovereign technology for national security and resilience.

industrial, technological and enabling capabilities, while protecting national security and commercially sensitive information.

20. A Defence Investment Unit (DIU) – within the National Armaments Director Group (NAD Group) – will be the MOD's centre of expertise for finance and investment, working across all asset classes from infrastructure to innovation. The DIU will draw on expertise across Government, and private sector secondees, to translate priorities into market-facing propositions.

1.5 Defence as an Engine for Growth

21. Rising defence investment under this Government comes with a fundamentally new approach: a defence dividend that boosts British industry; and a "back British" pledge to boost skills, innovation and productivity. This is a shift from the past.

22. Since July 2024 we have signed over 1,400 major defence contracts, with 94% of the total value of those contracts going to UK-based firms, supporting British jobs and British SMEs. So, between sites in South Yorkshire and the West Midlands, we have brought artillery manufacturing back to Britain for the first time in a generation.[6] In Barrow, we have created significant numbers of jobs since the last election in submarine building.[7] And Scotland's shipyards on the Clyde will be full for years to come, thanks to our historic frigate deal with Norway. A refreshed Combat Air Strategy will demonstrate the UK's commitment to a world-leading aerospace sector for at least another 50 years, helping protect the nation and enhancing national prosperity through aerospace partnerships and exports.

23. This does not just happen. We want defence to be a byword for opportunity in every part of the UK. Defence will be winning defence exports for Britain. We want this to be the story in every part of the UK, with Defence as an engine for growth.

24. A major lesson from Ukraine is that when a country is under threat or forced to fight, its Armed Forces are only as strong as the industry, innovators, and workers that stand behind it. This is part of the strength of our national and our NATO deterrence.

25. The Government is pursuing a new partnership with industry, as outlined in the SDR. We expect this new investment plan will boost productivity and investment, by 2029/30 support nearly 60,000 additional UK direct and indirect jobs compared to 2023/24, and boost the UK's defence exports.[8] The UK must become the best place to export from and the most attractive country in the world to grow a defence business, with a defence sector that is more competitive, more integrated, more innovative and more resilient. This is fully in line with our Defence Industrial Strategy (DIS) – published by this Government in September 2025.

26. To ensure that investments within the DIP not only deliver world leading capability that enables us to fight and win, but also provide economic benefit, we used a new growth lens to analyse investments. This approach reflects the Industrial Strategy's objective of aligning public investment with supply-side productivity and ensures that defence spending contributes to the Government's growth mission. We have applied five core criteria, agreed

[6] New artillery factory opens in Sheffield creating 200 skilled jobs - GOV.UK; £53m contract awarded on behalf of the British Army for cutting-edge artillery weapon systems - Defence Equipment & Support
[7] A National Endeavour: Nuclear as part of the Defence engine for growth - GOV.UK
[8] A separate note on the methodology used to produce the jobs estimates will follow shortly.

with HM Treasury, to each investment choice to consider its growth potential. These are aimed at boosting supply side productivity and competition as the key to long term economic growth. Those criteria are:

- **Research and Development (R&D):** Investing in research and development sparks innovation and creates technologies that can benefit both defence and the wider economy. It also opens commercial opportunities through dual-use and spillover effects.
    - **Frontier Industries:** Backing cutting-edge sectors and novel technologies like AI, cyber, quantum, and space keeps the UK at the forefront of technology and boosts export potential. These industries are key to future competitiveness.
    - **Market Competitiveness:** A competitive market drives lowers costs, encourages innovation, and gives SMEs and new suppliers a chance to thrive.
    - **Skills:** Activities that require high-value, transferable skills build a stronger, more productive workforce. Skilled people drive innovation and long-term economic growth.
    - **Place:** Defence spending can lift regional economies by creating wage premiums and supporting industrial clusters. This spreads growth beyond London and strengthens local innovation, wages, and living standards.

27. Our Government's five **Defence Growth Deals** are now live across the UK (South Yorkshire, Plymouth, Scotland, Wales, and Northern Ireland), anchoring long-term partnerships between Defence, local leaders, industry, and universities, and turning defence investment into jobs, skills, and regional opportunity, backed by £250m over the next five years of investment. Industrial governance is firmly in delivery mode, with the **Defence Industrial Joint Council (DIJC)** driving coordinated public-private delivery and cutting bureaucracy. Defence is also working closely with the **Office for Investment (OFI)** to crowd-in capital into priority defence opportunities, and across Government to attract international capital investment while protecting national security and Intellectual Property.

Defence as an Engine for Growth

Defence is driving jobs and prosperity through a new partnership with industry, radical procurement reforms, and backing UK based businesses. Defence supports more than **272,000 jobs directly and indirectly with industry, and over 25,000 MOD apprenticeships**[9] nationwide, with world-leading programmes like submarines and fast jets sustaining tens of thousands of skilled roles. By 2029/30, Defence investments may potentially support nearly 60,000[10] additional direct and indirect jobs in the UK.

A £182m skills package over the next five years is strengthening pipelines into engineering and advanced manufacturing, including five new **Defence Technical Excellence Colleges** (in Plymouth, Yeovil, Lincoln, Blackpool and Rotherham). We are also investing £290m in nuclear skills. We moved Defence and Security Exports from Department of Business and Trade to MOD last year and combined with existing international collaboration and export teams to create the **National Armaments International.** Recent landmark deals **include those with Norway, worth £10bn (A strategic partnership under the Lunna House agreement, including Type 26 frigates and wider capabilities) and Türkiye, worth £8bn (Typhoons)**. Alongside this, the **Defence Office for Small Business Growth** has been established to help small and medium sized firms win more Defence work, reverse the decline in SME spend, and deliver the Government's commitment to increase Defence spending with SMEs by 50% by 2028 - ensuring growth is broad-based, resilient and future facing.

As the Government increases UK Defence investment, we must ensure the public see and feel the benefit of that spending in our towns, cities and regions. Whilst remaining consistent with our legal obligations, we will bring forward a package of **"backing British" measures** to ensure that Defence spending is driving value back into local communities, while strengthening our long-term national security and driving sustainable economic growth across the UK. We will weight procurement decisions towards British companies that can demonstrate a genuine, substantive presence and long-term commitment to British communities and British supply chains. To do this, we will publish a clear definition of a British company and use this to apply a 'buy British by default' approach in priority sub-sectors that matter most, building UK capability and comparative advantage, strengthening national security, and supporting high-value jobs and growth. Going further, we will also ensure the benefits of this flow through the whole UK supply chain, creating more opportunities for UK suppliers and maintaining strong, fair competition.

[9] UK defence footprint - Making Defence an engine for growth; MOD – Annual Report and Accounts 2024–25

[10] Compared to 2023/24. The estimated additional jobs total is comprised of 33,000 direct jobs, and 26,000 indirect jobs.

1.6 Defence Investment Priorities and Balance

28. Over the next decade, Defence will prioritise investment in the following key areas:

- **Nuclear**: We will prioritise delivery of our nuclear deterrent for the UK and our NATO allies, including investment in both our current and future warhead and submarine programmes, as well as critical infrastructure upgrades and new fuels programme. In addition, we will purchase more F-35 fighter jets (F-35As) and join NATO's Dual Capable Aircraft nuclear mission.
- **Homeland Defence:** We will support homeland defence, cyber, and resilience as critical elements of deterrence and delivery of NATO Article III commitments.
- **Deterrence through Warfighting Readiness:** We will sequence delivery of a NATO First, transformed Integrated Force able to deter and fight in the Euro-Atlantic, deliver global crisis response options, and provide greater options for deterrence and retaliation to aggression. Early investment will focus on increasing the readiness and lethality of our Armed Forces.
- **Support to Ukraine:** We will stand with Ukraine for as long as it takes. We continue to spend £3bn on military support for Ukraine every year and will continue securing new industrial partnerships with Ukrainian firms. We will also continue to prepare our Armed Forces for a possible deployment into Ukraine to help secure peace once a deal is agreed.
- **Shape the Global Security Environment:** We will lead in Europe to deepen integration, capability, and capacity through NATO and supporting partnerships, including bilaterally, through the Joint Expeditionary Force, and with the EU. We will also continue to support our allies and partners across the world, including in the Middle East, Indo-Pacific, South America, and Africa.

29. These investment priorities will be supported by the following delivery principles:

- **Engine for Growth:** As well as securing peace, beginning to improve warfighting readiness and long-term resilience, defence investment will further drive sustainable economic growth by boosting productivity and competitiveness. Investment should be targeted across R&D, frontier industries, market competition, skills and places, bringing in dual use opportunities, strengthening the UK's defence industrial base, and driving defence exports.
- **Innovation and Integration:** We will accelerate integration and adoption of innovative technologies and stimulate and support UK businesses to help our Armed Forces to transform and ready to adapt at wartime pace, including through UK Defence Innovation. This will be driven by lessons from Ukraine.
- **Reform and Efficiency:** We are driving the deepest reforms in 50 years to ensure we can operate effectively and within available funding envelopes to deliver SDR outcomes.

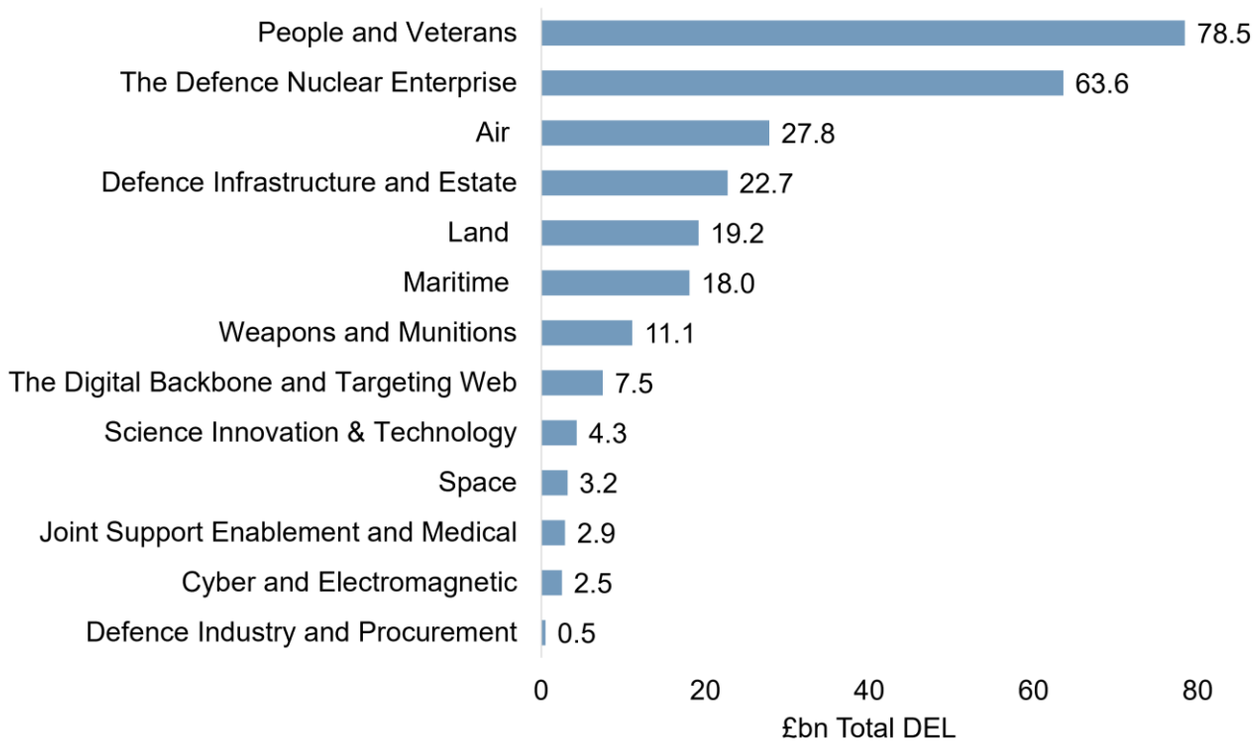
30. Defence investment will be directed across all domains to deliver an Integrated Force which is beginning to increase its warfighting readiness and to build future advantage, whilst supporting our people and funding essential enablers like science, technology and infrastructure. This ensures we can deter, fight and win.

31. Chart 2 shows the planned spend by sub-section of this plan, from FY26/27 to FY29/30.

32. Principally, the delivery of these investments will be through the newly formed NAD Group, which brings together previously separate areas of Defence to create a single, integrated delivery entity that will drive UK growth. Rupert Pearce was appointed NAD in October 2025, bringing the experience and leadership required to help drive the biggest reforms to defence for more than 50 years.

33. This is a deliberately scalable plan which can be adapted to the needs that Defence has and the funding available.

Chart 2: Planned Spend by Chapter Over Next Four Years[11]



[11] Categories are mutually exclusive; for example, Defence Nuclear Enterprise does not include People costs outside the skills programme. The department's financial plan includes cost assumptions for delivering efficiencies and judgements about realistic delivery schedules and industrial capacity, including those plans from the Defence Reform and Efficiency Plan. Some of these assumptions have not been attributed to individual programmes and platforms, for example as the National Armaments Director Group transitions to a portfolio delivery model.

International Partnerships

The SDR outlined the importance of international collaboration to help bolster our collective deterrence posture and economic position. The US remains the UK's closest defence and security ally, and we will continue to strengthen our collaboration with European allies. We will further develop capability co-operation with our closest allies and partners as we believe like-minded nations should work together to generate strategic advantage and harness emerging technologies to deter common threats. Collaborating with our allies and partners supports innovation diffusion, advanced manufacturing, and the growth of strategic technologies across both civilian and defence sectors.

We will prioritise closer capability collaboration with key allies and partners, implementing strategic agreements with cutting-edge military capabilities at their heart. International partnerships will be considered from the start of capability development, using the department's international prioritisation to determine who we may wish to work with.

Though we are focusing on the Euro-Atlantic and prioritising "NATO first" as a policy, we are not NATO only. Therefore, Defence must work bilaterally and through NATO to bolster the capabilities of its allies and partners in other theatres of importance to the UK, notably the Middle East and the Indo-Pacific. This involves a combination of security assistance, capability partnerships, and trade.

- In the Euro-Atlantic, we will step up on European security by progressing the commitments made at The Hague Summit, with the historic agreement from 32 NATO Allies to increase spending on security and defence by 2035. We are the only European ally to declare its nuclear deterrent to NATO, demonstrating our cast iron commitment to the Alliance.
- In the Middle East, we will maintain and build key relationships through our persistent military footprint in the region, supported by temporary deployments, security assurances, increased joint capability development, and export opportunities, while also advocating for increased burden sharing and intelligence exchanges with regional partners.
- In the Indo-Pacific, we will focus on capability and technology collaboration, exports, military training and exercises, and intelligence sharing with key partners, including making the most of our membership of the Five Power Defence Arrangements, while seeking to maintain a persistent military presence.
- In Africa, we will support our strategic partners to promote peace and stability and address upstream threats to UK and our allies' interests, securing NATO's southern flank, and exploiting export opportunities.
- In Latin America and the Caribbean, we will maintain key relationships with regional partners and allies through military co-operation, a persistent military forward presence, and seizing export opportunities. This activity contributes to our ability to protect our Overseas Territories in the region.
- The South Caucasus, Moldova and Central Asia are strategically important to the UK as a contested region with Russia and a key East–West corridor, where targeted UK engagement can counter Russian influence, bolster partner sovereignty, and impose disproportionate strategic costs in support of wider security objectives, including Ukraine.

The DIP will implement this approach generally and the following are some examples of our international approach. We will be:

- Committing to the **Global Combat Air Programme (GCAP)** with Italy and Japan. We will invest £8.6bn in the programme with Japan and Italy to develop the next 6th generation combat aircraft.
- Under **AUKUS**:
    - Building up to 12 next-generation SSN-AUKUS (SSN-A) nuclear powered, conventionally armed attack submarines. These will be the submarines that Australia will also build, and we will cut steel on the first boat next year.
    - Investing in weapons systems and sensors for underwater drones, as the signature project under AUKUS Pillar 2
- Building a new combined 13 strong fleet of submarine hunting frigates as part of our Strategic Partnership with **Norway** under the Lunna House agreement.
- Assisting **Türkiye** in generating its own Typhoon Force, placing this battle-proven combat air capability on NATO's western and eastern flanks - with an £8bn export arrangement agreed in 2025.
- Accelerating deep precision strike weapons and close support artillery with **Germany,** as part of our commitments under the Trinity House agreement.
- Exploring a new amphibious combined fleet with the **Netherlands**.
- Inviting **JEF nations** to join our "Northern Navies" initiative, to build our hybrid capabilities together.
- Maintaining overseas bases and our presence in Overseas Territories (OTs). Our support for our OTs will be reinforced by replacing our Ice Patrol Ship HMS Protector.
- Investing more in the global Defence Diplomacy Network of Defence Attachés and military staff around the world to support our military, exports, and diplomatic missions as a government.
- Founding the Military Intelligence Service, strengthening our ability to work with our important 5EYES partners.

2. Investing in the Integrated Force

1. To increase lethality and support a move to warfighting readiness, the SDR outlined how our Armed Forces will move from 'joint' to fully integrated – creating an 'Integrated Force' in a period of all-domain warfare. Through the process of Defence Reform, for the first time the Chief of the Defence Staff (CDS) holds authority for force design across the Integrated Force. This means integrating all commands across planning, readiness, deployment, and procurement, and underpinning the force with a shared digital and data foundation for software-defined warfare.

2. The development of the Integrated Force has been driven by the new structures within the MSHQ, in conjunction with the Department of State, the Defence Nuclear Enterprise, and the NAD Group. This has allowed the Defence Investment Plan to look across every line of Defence's budget, ensuring the transformation of Defence.

3. The significant investments in the Integrated Force are backed up by this Government's commitment to rapidly increase defence spending, which is due to rise by 27% in real terms between financial years (FY) 2023/24 and 2029/30. This will leave the proportion of GDP spent on defence higher than it's been for decades. This will build out our Armed Forces for the future.

4. Lessons from Ukraine and the conflict in the Middle East have reminded us that modern military success is not about individual platforms (like tanks or jets) but about how seamlessly those systems connect across every domain, maximising the benefits of autonomy and data.

5. The Integrated Force investments were chosen to ensure a coherent force across all domains. This means that the UK Armed Forces will improve their readiness for warfighting and operations at scale, with the supporting and enabling capabilities in place. This will increase our Forces' readiness and the acceleration of technology through this decade to 2030, ensuring they are ready to meet the threats facing the UK and its allies.

6. Table 2 shows investments in the Integrated Force by domain, including nuclear, the digital backbone and targeting web, maritime, land, air, space, cyber and electromagnetic (CyberEM), weapons and munitions, and joint support enablement, and Defence Medical Services. Priority investments will align the SDR's vision and recommendations. Overall investments have been framed within the Defence Investment Plan based on two time periods:

- FY26/27 – FY29/30 – The near-term investment position
- FY30/31 – FY34/35 – The long-term investment position

7. Subsequent tables will focus out to FY29/30 of the Defence Investment Plan (the near-term investment position) to provide a greater level of granularity on how our Armed Forces will begin to increase warfighting readiness. Technology is changing the battlefield at an ever-increasing pace, and it is critical that Defence retains the flexibility to respond and embrace these changes. It is critical that we retain flexibility to embrace opportunities as they emerge, bringing innovative capabilities into the plan and iteratively developing our technology. Therefore, this investment plan does not provide a restrictive forecast for investments after 2030 – instead, for the first time Defence is making an allocation for future development of capabilities, which will be drawn down as funding is allocated and contracts

placed. Due to the pace of change in new technology, we have not included every item in later years as we expect to buy technology that has not yet been developed or invented.

8. To achieve this transformation, Defence must also ruthlessly prioritise and make tough short-term choices, disinvesting in capabilities that no longer align with the evolving strategic context, learning lessons from Ukraine, and reflecting the changing nature of technology. This Government must ensure our Armed Forces are not left with old, outdated kit, but that we invest in the technologies and capabilities the Integrated Force needs to fulfil our NATO commitments and begin to move to warfighting readiness. Where we have made the tough choice to disinvest in specific capabilities, we have ensured that there is a capability investment within this plan which mitigates these decisions.

9. Table 2 summarises the total investment in each of the subsequent sections within this chapter of the plan. The Defence Nuclear Enterprise (DNE) figure includes all investment within the DNE ringfence, including submarines, warheads and infrastructure. Therefore, some aspects are not included in the maritime total to avoid double-counting.

Table 2: Spending on the Integrated Force[12]

Domain and Sub-section	FY26/27 – FY29/30
Defence Nuclear Enterprise (excluding workforce)	£63.6bn
The Digital Backbone and the Targeting Web	£7.5bn
Maritime	£18.0bn
Land	£19.2bn
Air	£27.8bn
Weapons and Munitions	£11.1bn
Space	£3.2bn
Cyber and EM	£2.5bn
Joint Support Enablement and Defence Medical Services	£2.9bn

10. These investments do not constitute the entirety of Defence's spend on the Integrated Force by 2030, as some capabilities are highly sensitive, and it would not be appropriate or responsible to include them in this document. Details are held at a higher classification, and we will not comment on them. The appropriate bodies, such as the NAO, will be briefed on these in the usual way.

[12] The figures in this table are mutually exclusive between rows but are not comprehensive of all spending on the Integrated Force. Most workforce costs are included under the People and Veterans section of the One Defence chapter, and some readiness and support costs are excluded. The MOD also has assumptions built into its plans about delivering efficiencies and judgements about realistic delivery schedules and industrial capacity. These have not been fully attributed to sub-sections.

Autonomy

An immediate priority for the Integrated Force is the transformation towards a greater use of autonomy and drones – as outlined in the SDR. This shift supports an increase in warfighting readiness and lethality, significantly increasing mass, and allowing UK Defence to outpace threats, as well as driving innovation, growth and world leading export opportunities.

Ukraine shows that we must rethink warfare: cheap, massed, precise systems now dominate. Speed is decisive. Learning the lessons from Ukraine, this transformation will provide Defence with a cheaper, more lethal capability that provides the Integrated Force with greater mass. For autonomous capabilities to be most effective, the Integrated Force must have a blend of cheaper autonomous systems that deliver mass alongside more complex, conventional capabilities.

Defence is spending over £5bn on autonomous systems to enable this transformation by 2030. We are making the largest ever drone investment in Defence. This includes:

- **Hybrid Navy Fleet:** At least £1.3bn in a hybrid fleet, ultimately comprising uncrewed missile platforms (Type 91), uncrewed underwater sense platforms (Type 92), extra-large uncrewed underwater vessels (XLUUV) (Type 93), uncrewed radar platforms (Type 94) and a future class of Common Combat Vessels (CCV).
- **Hybrid Navy Carrier Air Wing:** Almost £250m in Project PANTHEON, the development of autonomous systems to start building a Hybrid Carrier Air Wing, and trials of jet-powered drones to work alongside the F-35B force under Project VANQUISH.
- **Seabed Warfare**: £230m for autonomous seabed warfare systems to protect critical national infrastructure.
- **Autonomous mine hunting capabilities:** £1.1bn on the next phase of the autonomous Mine Hunting Capability programme, jointly procured with France.
- **Uncrewed Systems Centre**: £310m in the new Uncrewed Systems Centre, including the recently opened DroneTEX facility, to coordinate all output with industry, partners, and allies.
- **Uncrewed Systems Taskforce:** Investment to bring together people, data, and machines to solve real operational problems quickly, at scale, and at lower cost.
- **AUKUS Pillar 2:** Investment in weapons and sensor payloads for underwater drones, as the signature project under AUKUS Pillar 2.
- **Project CORVUS:** £310m of new investment in the Army's long-range surveillance and reconnaissance capabilities, including the next generation of uncrewed aerial systems to replace legacy Watchkeeper drones.
- **Project NYX**: £220m for armed autonomous drones to operate alongside existing capabilities including upgraded AH-64E Apache. This will deliver up to 24 armed autonomous drones by 2030.
- **Uncrewed Ground Vehicles (UGVs):** £150m to commence the rapid development and production of uncrewed ground vehicles, building on pioneering UK industrial research and development.
- **One-Way Attack Drones:** At least £210m on low-cost, long-range one-way munitions and attack drones.
- **Land Lethality Pipeline:** £400m to deliver a suite of inexpensive expendable autonomous systems and weapons to rapidly enhance the lethality of the Army, Commando Force, and

Special Forces. This includes a £50m boost to the Army's RAPSTONE rapid lethality programme over the next twelve months.

- **British Army Training Unit Suffield:** Investment to exploit the size, scale and freedom of our site in Canada for testing and evaluation and to accelerate delivery of capability. This will enable uncrewed systems activity across 2,700km^2 of training area.
- **Air Launched Effects:** £50m on a variety of novel payloads, such as swarms of small drones, able to be launched from a wide range of crewed and uncrewed aircraft.
- **Collaborative Combat Aircraft (CCA):** £300m to commence a UK autonomous jets programme, with a demonstrator flying by at least 2030, seeking to accelerate an operational capability as soon as possible.

The Uncrewed Systems Centre (USC), announced in the SDR, will be Defence's central authority for enabling and cohering the Uncrewed Systems (UxS) ecosystem, through the establishment and management of common standards, open architectures, data frameworks, and assurance models. It will be Defence's centre of excellence for uncrewed systems of systems and the digital exploitation of that capability, supporting the Digital Targeting Web. It will bring together the strands of uncrewed capability across the UK into a coherent ecosystem, learning the lessons from Ukraine, and ensuring that the UK drives forward as a leader in NATO. The USC is taking a lead role in addressing regulation in the autonomy space, with the aim to establish a regulatory pathway for defence innovation in this area.

The UK Uncrewed Systems Taskforce will bring together people, technology, and industry around some of our most pressing operational problems. Ukraine has shown what battlefield adaptation can be like: fast, lethal and relentless. We must now translate these lessons into how UK forces will fight. We will build the taskforce around a combination of people, data and machines, anchored on real world problems, and working with industry to field capabilities in weeks not years. It is designed to think differently and prototype an approach that others in the UK and NATO can follow. Over time this could build towards a new kind of combat team that competitively fights with and against drones, creating the doctrine and capabilities required for a new kind of battlefield.

Integrated Air and Missile Defence

The conflicts in Ukraine and the Middle East have demonstrated the critical importance of Integrated Air and Missile Defence (IAMD), which has remained a priority capability area to address during the development of the Defence Investment Plan. This is vital for the defence of the UK homeland (including our NATO Article III commitments), overseas bases, and our overseas territories – as well as our allies.

Capable and effective IAMD for the UK can only be accomplished as part of a NATO endeavour – as we work with our allies to provide layered air and missile defence for the Alliance. As lead UK Command for IAMD, the RAF is responsible for delivering the timely, resilient, and integrated command and control (C2) that is critical to success. The areas we are investing in C2 include the UK Air Battle Management system fully integrated into the NATO IAMD C2 network; and NEXUS, a cloud-based C2 decision-making solution employing AI.

The RAF combat air force provides the core of UK IAMD capability, with Typhoon and F-35 defending UK and NATO skies against air and cruise missile attack, supported by Voyager tankers and Wedgetail early warning aircraft. Through the 2030s, we expect CCAs to also play a key role in IAMD.

The Royal Navy also contributes to UK IAMD primarily through Type 45 destroyers, with upgraded missiles, and we are strengthening the Army's air defence capabilities through investments, such as the expansion of Sky Sabre.

Priority investment areas for IAMD, to deliver the SDR's ambition over the next four years, include:

- **UK IAMD Tactical command, control, and sense:** £400m to replace obsolete and dated C2 and sensors. This includes a new Integrated Air, Space and Missile Defence Operations Centre – a major upgrade to our national air and missile defence operations centre.
- **Ballistic Missile Defence:** Deliver upgrades to the Royal Navy's Type 45 Destroyers to deliver initial Ballistic Missile Defence Capability by 2028.
- **Counter drone capabilities**: Over £750m to provide short range drone protection for homeland and deployed forces. This includes Project PRESAGIUM, which builds on the recent success of Rapid Sentry, and a suite of low-cost ground-based effectors such as Skyhammer.
- **Typhoon**: £1.1bn to upgrade and sustain Typhoon into the 2040s.
- **Directed Energy Weapons**: £490m investment to develop Directed Energy Weapons, including to deliver the DragonFire system on Royal Navy Type 45 destroyers from 2027.
- **Sky Sabre:** Over £350m to double the number of the Sky Sabre air defence missile systems operated by the Army.

2.1 The Defence Nuclear Enterprise

11. This Government is transforming the Defence Nuclear Enterprise's (DNE) capabilities and facilities at an unprecedented rate and scale. The **SDR made clear that a modernised nuclear deterrent is essential for the defence of the UK**. It underpins our security in a new nuclear age and worsening security environment, characterised by Russia's aggression, China's nuclear expansion, and North Korea's destabilising weapons programme. As one of only three nuclear powers in NATO, the UK provides the ultimate guarantee of security for itself and its NATO allies. We are the only European nation which declares our nuclear deterrent to NATO.

12. The DNE is a major engine of economic growth, driving national prosperity through substantial UK R&D, industrial investment, a competitive supply chain of over 6,000 UK-based companies, and highly skilled, well-paid jobs spread around the UK, expected to reach 65,000 by 2030.[13] These investments are supporting communities (including through the work of Team Barrow and Team Plymouth), sustaining high-quality jobs nationwide, and positioning the UK as a global leader in innovation and security. The DNE's contribution to the Industrial Strategy's growth objectives is substantial: it anchors regional industrial clusters, sustains long-term demand for advanced manufacturing skills, and drives R&D investment that benefits the wider economy.

13. The proportion of Defence's budget spent on the Defence Nuclear Enterprise has been increasing and will continue to increase over the next period to between about 20% and 25% of the MOD's overall budget. We will be investing in excess of £20bn more in the Defence Nuclear Enterprise between FY26/27 and FY29/30, when compared to the previous four years of DNE spend. This is due to the extraordinary efforts to modernise our nuclear capabilities and the facilities that deliver them – where, for the first time, we are building new attack submarines, new ballistic missile submarines, new warheads, and new infrastructure, as well as establishing a new nuclear fuels programme, all at the same time. This work is a National Endeavour, with central and local government, industry, and academia working together to deliver these vital programmes.

Table 3: Spending on the Defence Nuclear Enterprise[14]

Capability Element	FY26/27 – FY29/30
Submarines (inc. maintenance and infrastructure)	£47bn
Warhead	£13bn
Nuclear Fuels	£1.7bn
Skills	£290m

14. This Government will fund the nuclear "triple lock", as promised: building four Dreadnought submarines in Barrow, sustaining the continuous at sea deterrent (CASD), and delivering future upgrades. This includes £15bn announced in the SDR for the nuclear

[13] A National Endeavour: Nuclear as part of the Defence engine for growth
[14] These sub-categories are not comprehensive of all nuclear spend and are exclusive of workforce costs outside the skills programme.

warhead programme and £6bn to expand and transform submarine manufacturing between 2025/26 and 2029/30.

15. To meet the demands of this new nuclear age, Defence will invest in the following capability areas through the Defence Investment Plan:

- **Vanguard Class:** Maintaining our Vanguard Class submarines at Clyde and Devonport, which carry our nuclear deterrent.
- **Astute Class**: Completing the build of the final Astute Class submarine**.**
- **Dreadnought Class:** Continue building the four-boat Dreadnought Class that is set to enter service from the early 2030s in Barrow.
- **SSN-A:** Building up to 12 next-generation SSN-A nuclear powered, conventionally armed attack submarines, and we will cut steel on the first boat next year. These will be the same class of submarines that Australia will also build under AUKUS.
- **Dreadnought successor**: Starting to define the requirement for the post-Dreadnought strategic deterrent within this Parliament.
- **Warhead:** Maintaining the **Mk4A warhead** and designing its replacement, Astraea, including strategic investment at AWE Aldermaston, Burghfield, and RNAD Coulport, including completing MENSA for warhead assembly/disassembly and constructing the Future Materials Campus to transform nuclear material manufacturing, storage, and recovery processes. This is supported by £15bn announced in the SDR for the nuclear warhead programme between 2025/26 and 2029/30.
- **Nuclear Fuels**: Establishing a **Nuclear Fuels Programme** to explore options for re-establishing a nuclear fuel cycle for defence reactor fuel. This is backed by £1.7bn of investment**.**
- **Clyde infrastructure**: A multi-decade, multi-billion pound infrastructure programme to transform HM Naval Base Clyde, improving working conditions and ensuring readiness for Dreadnought and SSN-A submarines.
- **Floating docks**: Acquiring three floating docks and infrastructure at Faslane, enabling resilient out-of-water engineering for all submarine classes.
- **Devonport Infrastructure Programme**: Upgrading docks for submarine maintenance, investing in submarine recycling, and securing long-term support for Royal Navy operations.
- **Submarine Build Modernisation:** Expanding and transforming submarine manufacturing capacity through new capabilities, technology, and industrial investment, accelerating production, improving productivity, and supporting the AUKUS partnership.
- **Reactor core**: Expanding nuclear reactor core manufacturing capabilities at Raynesway in Derby for next-generation attack submarines for UK and Australian navies with AUKUS.
- **Nuclear skills:** The DNE will invest over £290m in defence nuclear skills to ensure the workforce has the people and the skills it needs to deliver its programmes, today and in the future.

16. Alongside these programmes, Defence continues its historic and longstanding nuclear partnership with the United States of America – the UK's most important defence and security partner – through the 1958 Mutual Defense Agreement and 1963 Polaris Sales Agreement. The UK is strengthening its relationship with France on nuclear policy, capabilities and operations under the 2025 Northwood Declaration.

17. To ensure **value for money and accountability,** the DNE is driving increased productivity and further strengthening oversight across our industrial base.

18. The DNE is transforming its relationship with industry by fostering closer partnerships, streamlining decision-making, and incentivising efficiency – as exemplified by Defence's £9bn Unity contract with Rolls Royce, awarded by this Government in January 2025.[15] This includes establishing new ways of working with industry, for example the expanded Submarine Production Alliance which brings together MOD, BAE, Rolls Royce and Babcock, focussing on Dreadnought and SSN-A delivery, alongside the Submarine Maintenance Recovery Programme. The DNE is also leading wider initiatives such as investment in Barrow and in Plymouth. We are collectively driving infrastructure investment and improvement through the Devonport Infrastructure Sponsor Board for delivery of dock infrastructure to schedule and budget.

19. Urgent action is also being taken to remove barriers to productivity, including expediting planning for critical infrastructure projects and implementing ambitious reforms to our regulatory system, following the Fingleton Review. To avoid the considerable cost of programmatic delays, we have introduced new measures covering single source contract regulations (SSCRs), such as those used to buy nuclear submarines, to incentivise on-time delivery, and productivity improvements.

20. To enable synergies and efficiencies with the civil nuclear sector, the DNE is working hard to deliver the vision of a Nuclear Nation, outlined in the Industrial Strategy, that leverages shared civil and defence enablers such as skills and R&D, and support to advanced nuclear technologies.

2.2 The Digital Backbone and Targeting Web

21. The SDR highlighted how digital integration is essential if our UK Armed Forces are to significantly increase their lethality in a contested cyber and electromagnetic domain and recommended the establishment of a new **Digital Targeting Web**.

22. The importance of a targeting web, and the **Digital Backbone** that supports it, has been demonstrated by the war in Ukraine. It has proven that to gain superiority in modern warfare, you need increased connectivity and data processing at speed. An effective Digital Targeting Web will ensure the UK can strike faster and with greater effect than its adversaries, connecting 'sensors', 'deciders', and 'effectors', and creating choice and speed in deciding how to degrade or destroy an identified target. Both the Digital Backbone and Digital Targeting Web will be enabled by the most sophisticated technology, including Artificial Intelligence (AI) and quantum.

23. Informed by AI, and supported by a common synthetic environment, the Digital Targeting Web epitomises how the Integrated Force must adapt and win. Digital integration is essential to achieving a step-change in lethality.

24. Work is also already underway on the establishment of a Digital Warfighter group, which will allow the UK to deploy digital and conventional warfighters on operations side-by-side, maximising opportunity for rapid learning and adaptation. Digital warfighters will exploit technology such as sensors, space-based capabilities, AI-powered systems, and drones to

[15] Landmark £9 billion contract for British business to boost jobs, growth and nuclear deterrent - GOV.UK

achieve a decisive advantage: analysing battlespace data in real time, predicting threats, optimising operational strategy, speeding up decision-making, and improving communication and integration across domains.

Table 4: Spending on the Digital Backbone and Targeting Web

Capability Element	FY26/27 – FY29/30
Digital Targeting Web	£1.8bn
Digital Backbone	£5.5bn

25. The most transformative investments in the first four years of this Defence Investment Plan for Digital Targeting Web include:

- **Digital Backbone:** £420m to improve the underpinning connectivity and infrastructure that supports a UK sovereign Digital Targeting Web. We will replace fragmented services and networks, with an enterprise platform that accelerates decision-making, enables integration across domains, and supports operational advantage in a data-driven battlespace.
- **Digital Targeting Web:** £740m in connecting sensors, deciders, and effectors. This creates choice and speed in deciding how to degrade or destroy an identified target across domains and in a contested cyber and electromagnetic domain. It includes:
    - **Targeting:** Delivers integrated full-spectrum effects across all domains, at pace and scale, either on a national basis or collaboratively with allies and partners.
    - **Imagery exploitation:** Capabilities to exploit UK and partners information feeds at higher classifications, across fixed and deployable locations.
    - **Geospatial Analysis:** To enable field-deployable geographic support and geospatial analysis that underpins planning and decision-making.
    - **Defence-wide Secret Cloud:** The Defence-wide Secret Cloud will be the foundation of a Digital Targeting Web. A minimum viable product will be available later in 2026.
    - **Position, Navigation and Timing.** We will deliver enhanced resilience to the provision of Position, Navigation and Timing data. This is critical to the UK's life, trade, industry, and Defence.

26. Between 2030 and 2035, we plan to invest at least £17bn in the Digital Backbone and Targeting Web to meet the vision set out in the SDR, stretching across all domains and integrating all elements of the Integrated Force, including autonomous systems. This will enable the full breadth of our intelligence, surveillance and reconnaissance capabilities to deliver greater operational awareness to both UK forces and NATO allies.
Although optimised for military requirements, future digital enhancements will be sufficiently versatile to support other government departments in roles such as humanitarian operations.

27. Major investments through 2030-35 will include:

- Raising the Digital Targeting Web to its full operating capability.
- Enhancing cyber defences to keep pace with growing threats by deploying new AI and quantum technologies.

- Continuous improvement of Defence digital services to build efficiency, supporting the replacement of legacy systems with the latest cross-Defence platforms.

2.3 Artificial Intelligence

28. The SDR stated that technology is changing how war is fought, and whoever gets new technology into warfighters' hands most quickly will win. AI is the most important of those technologies – a core enabler of military power and institutional effectiveness. As demonstrated in Ukraine, AI provides greater accuracy, lethality, and cheaper capabilities. It is accelerating decision-making, expanding the scale and persistence of sensing and effect, and changing how advantage is generated and sustained.

29. An immediate priority for the transformation of our Armed Forces is therefore the shift towards greater use of AI, autonomy, and data. AI investment is a strategic necessity to outpace adversaries in a faster, more transparent, and software-defined era of warfare. The shift towards AI exploits the parallel development of a common digital foundation, a protected AI Investment Fund, and backing from UKDI. To secure and sustain advantage, we must move quickly to exploit AI for operational advantage now while investing in parallel to deliver AI at scale for the long term.

30. Taskforce RAID (Rapid AI Delivery) was announced in June 2026 to accelerate capability into the hands of our warfighters. Launched by this Government, the Taskforce's sole focus is to deliver AI operational advantage to the Integrated Force. It brings together technicians, tacticians and scientists, working with industry to solve real military problems. Reporting direct to the Chief of the Defence Staff, it has permissions and operating freedoms which will allow delivery to match the speed of development.

31. The Taskforce will have a ringfenced budget, which has been expanded to £100m over the next four years, focusing on four core areas or 'challenge sets' prioritised by the Military Commands. It will accelerate existing projects and kickstart new ones to:

- **Improve planning through automation:** Integrating AI into the planning process to help us better deliver high-quality, adaptable plans at the speed required in modern operations.
- **Deliver operational impact through AI-enabled swarms:** Using 'swarms' of AI-enabled uncrewed systems to drive a step-change in how we use autonomous systems to generate the scale and agility required in contested operational environments.
- **Enhance understanding through machine-augmented intelligence fusion**: Establishing AI systems capable of processing intelligence data quickly, with a high degree of assurance, to support operational decision-making and predictive analysis.
- **Inform operational effect by delivering advantage in denied and degraded environments**: Supporting a real-time understanding of the electromagnetic environment, drawing on information from multiple sources to deliver operational effect.

32. Tangible operational impact will be delivered through a series of sprints, each lasting between six and nine months. This will provide the basis for further growth in Defence's AI capabilities, as we rapidly develop and scale up teams and technology.

33. In parallel, we will invest in the **foundational digital and data infrastructure** without which Defence will be unable to move beyond these initiatives to integrate and exploit AI at scale. Compute has emerged as a critical limiting factor for modern capability. Investment

now is essential to provide headroom for future operations in increasingly data- and compute-intensive environments. We will therefore scale up funding for Project FRONTIER – our established programme for harnessing cutting-edge AI – aligning our approach with the Government's UK AI Hardware Plan.

34. As well as drawing on external expertise through our new **AI Expert Advisory Group**, we will invest in our own **specialist AI talent**, developing the Defence AI Centre (DAIC) as Defence's enduring centre for AI delivery, and working with Government, industry and education partners to identify, attract and train the people we need.

35. Over the next four years, we will invest in AI-focussed areas across Defence, including:

- **Taskforce RAID:** £100m to deliver against the four 'challenge sets' and prime Defence for a future of fast and effective AI adoption for warfighting.
- **Project FRONTIER AI:** £100m in Project FRONTIER and other enablers to drive preparedness for Transformational AI. Project FRONTIER is the enduring means for decision support applications across Defence at all classifications.
- **Land AI C2**: £80m on Land AI C2 to deliver applications that help commanders make faster and better decisions.
- **AI for underwater dominance:** £20m on AI for underwater dominance that will provide greater capacity for the large volumes of data gathered in underwater surveillance.

36. As well as these specific investments, AI will feature within transformative programmes and investments such as the Digital Targeting Web, IAMD, Project ASGARD, the Maritime Fighting Web, the Hybrid Navy and CCAs. The Digital Function will ensure and cohere an effective data and AI approach across the enterprise. It will also support wider efforts to use AI tools (including agentic AI) to transform our business operations, making MOD more focused, more productive and more efficient.

37. AI will continue to be central to Defence's international collaboration, including through the trilateral AUKUS programme and the Global Combat Air Programme. GCAP is building a dual-use tech pipeline which includes investment in AI and associated skills.

38. Between 2030 and 2035, we will embed AI across the Integrated Force to meet the vision set out in the SDR. Defence's AI investment will be much larger than specific AI programmes, as it is embedded across the Integrated Force, through a range of transformative programmes.

39. We will bring forward a new **Defence Strategic Approach to AI** to cohere these activities, with each area of Defence setting out detailed implementation and action plans in response. We will also set out clear policy frameworks governing our delivery of **Dependable AI** and our **Responsible Use of AI**, which are critical to securing and maintaining the trust and support of our people, Government and society.

40. We will help **shape and grow the UK AI ecosystem**, with a clear and positive R&D commitment and commercialisation, export and spillover potential. These are pro-growth investments for sovereign technology, high-value transferable skills, and benefits for dual-use frontier industry technology.

2.4 Maritime

41. The SDR stated that **"maritime security is a strategic imperative for the UK."** As an island nation, the Royal Navy, the Royal Fleet Auxiliary and the Royal Marines are vital to our national security and national economy, with nearly 90% of UK freight trade being transported by sea.[16]

42. Threats in the maritime domain are growing as technological advances and proliferating weapons increase threats to maritime security, with adversaries increasingly willing to disrupt vital flows of food and energy. Russia continues to conduct hybrid activity in and around UK waters, including from their long-running Main Directorate for Deep Sea Research (GUGI), intended to survey underwater infrastructure during peacetime and then damage or destroy this during a conflict. The Royal Navy must be ready to deter incidents such as pipeline or undersea cable sabotage, adapt to new geographical realities and rising demands on defence, including a more accessible High North.

43. Defence has already begun the process to transform its maritime capabilities. The foundations for a Hybrid Navy are underway after Atlantic Bastion was launched in December 2025. This is alongside the continuing work on Dreadnought and SSN-A submarines, and the development of cutting-edge warships and new autonomous vessels to patrol the North Atlantic and beyond, enabled by our strategic partnership with Norway under the Lunna House agreement. Our hybrid capabilities are already being fielded with £120m invested this financial year to support the Multinational Hormuz Mission - including high-speed, autonomous drone boats to sense, track, identify, and defeat potential threats. Around the UK, Project BEEHIVE will deliver Uncrewed Surface Vessels for the Royal Navy and Royal Marines to deliver security in British waters.

44. The UK's maritime forces are fundamental to NATO, whether securing the North Atlantic or being ready to strike from the sea. Our carrier HMS Prince of Wales is now leading the new NATO mission - Arctic Sentry - throughout this year, and in April 2026, we announced our **Northern Navies** initiative, which will be central to our approach of a multinational maritime force to defend Northwest Europe and the High North alongside JEF Nations.

45. Since January 2025, regular personnel intake has exceeded outflow for the Royal Navy and Royal Marines. As of 1 April 2026, the total number of Royal Navy and Royal Marines regular personnel was 32,520. This represents a 1.1% improvement since 1 April 2025.[17]

Table 5: Spending on the Maritime Domain[18] (excluding the DNE[19])

Capability Element	FY26/27 – FY29/30
Hybrid Navy	£1.5bn
Mine Hunting Capability	£1.3bn
Type 31 Frigate	£1.6bn
Type 26 Frigate	£4.1bn

[16] Port freight annual statistics 2024: International Route information
[17] Quarterly service personnel statistics: 1 April 2026 - GOV.UK
[18] There is additional maritime spending on cross-cutting capabilities, such as sensors, and support, such as spending on the Royal Fleet Auxiliary, that is not aligned to the platform-based spending shown in the table.
[19] Such as the SSN and SSBN force.

Wider Underwater Warfare	£1.2bn
Amphibious Shipping	£240m
Future Fleet Solid Support ships	£1.5bn
Future Commando Force	£450m
Merlin Helicopters	£1.6bn
Offshore Patrol Vessels	£200m
Queen Elizabeth Class Carriers	£510m
Type 23 Frigate	£190m
Type 45 Destroyer	£600m
Wildcat Helicopters	£460m
Strategic Roll-on/Roll-off ships	£290m

46. The most transformative investments in the first four years of this Defence Investment Plan for the Maritime Domain (in addition to the Defence Nuclear Enterprise investments) include:

- **Hybrid Navy Fleet:** At least £1.3bn in a hybrid fleet, ultimately comprised of uncrewed missile platforms (Type 91), uncrewed underwater sense platforms (Type 92), extra-large uncrewed underwater vessels (XLUUV) (Type 93), uncrewed radar platforms (Type 94) and a future class of Common Combat Vessels (CCV). The Hybrid Navy will be connected by a Maritime Fighting Web, the maritime 'edge' to the Digital Targeting Web**.** By 2030, we aim to have brought the first large autonomous vessels of the Hybrid Navy into service, including a prototype uncrewed missile platform and XLUUVs, with payloads developed through AUKUS.
- **Hybrid Navy Carrier Air Wing:** Almost £240m investment in Project PANTHEON, the development of autonomous systems to start building a Hybrid Carrier Air Wing, and early trials of jet-powered drones to work alongside the F-35B force under Project VANQUISH.
- **Minehunting:** £90m additional investment in the autonomous minehunting programme to procure offshore support vessels (OSVs) in conjunction with Norway.
- **Anti-Submarine Warfare:** Beyond the Hybrid Navy investment, an investment of £540m in Anti-Submarine Warfare capabilities including sensors, AI, torpedoes, and communications.
- **Seabed Warfare:** An additional £330m in critical underwater infrastructure protection capabilities, including upgrades and enhancements to RFA PROTEUS to further deter hostile activity in and around UK waters.
- **Type 26 combined fleet with Norway:** Continued investment to build a combined fleet of at least 13 frigates to hunt for Russian submarines in the North Atlantic, the biggest British warship deal in history and centrepiece of the Lunna House Agreement.
- **Type 31:** Continued investment of £1.6bn to bring the Type 31 into service, with their lethality enhanced with Mk 41 launchers and Norwegian Naval Strike Missiles.
- **Offshore Patrol Vessels:** We will review future plans for OPV procurement and deployment to ensure they remain aligned with our priorities.
- **Amphibious**: An initial investment in new amphibious shipping to support the UK Commando Force during this Parliament, aiming to collaborate on the procurement of a

new amphibious ship with the Netherlands, alongside investment in Joint Commando Craft in collaboration with Norway.

- **Royal Marines:** A further £100m of new investment to progress the transformation of the UK Commando Force into a Warfighting Formation focused on the High North because of its growing importance, including aiming to increase the number of Royal Marines regularly deployed in the region.
- **Vehicles:** Arctic-capable Viking amphibious vehicles are being replaced by the Future All Terrain Vehicle. This is on contract to deliver 60 vehicles by March 2028. Trials and testing are complete with platforms arriving this year.

47. Between 2030 and 2035, we plan to invest at least £32bn in new maritime capabilities to meet the vision set out in the SDR. We will fully integrate autonomous underwater, surface and airborne capabilities with Royal Navy crewed platforms and those of our NATO allies. Collectively, they will deliver the mass and persistence required to protect our critical underwater infrastructure, defend our nuclear deterrent, protect the homeland and help NATO secure the Atlantic.

48. The crewed frigate force will continue to be recapitalised with Type 26 anti-submarine warfare and Type 31 general purpose frigates offering improved capability and a platform commonality with key allies such as Norway and Canada. Our anti-submarine warfare capabilities will be enhanced as additional Type 92s and 93s join the fleet.

49. We will continue to work with industry and investors on commercially-provided solutions for increasing the resilience and protection of critical underwater infrastructure. We will do this through novel funding mechanisms, alongside the procurement of additional specialist shipping next parliament.

50. From the early 2030s we will bring a new Hybrid Navy Maritime Air Defence system into service. It will comprise uncrewed missile (Type 91) and sensor (Type 94) platforms that will be distributed throughout our Maritime Task Groups, with a new Common Combat Vessel as the central brain, connecting and controlling the uncrewed elements. This system will eventually replace our Type 45 Destroyers, which are due to retire from 2035.

51. Meanwhile, our Queen Elizabeth class carriers will be exploiting uncrewed systems, such as CCAs, to augment the F-35B force. This will create a Hybrid Carrier Air Wing, alongside increasingly autonomous rotorcraft operating off escort vessels.

52. HMS Protector, the UK's ice patrol ship, has given sterling service to the Royal Navy and we will replace her with a more modern variant to maintain this essential presence and support Government activities in the Arctic and around the British Antarctic Territory.

53. The initial Dreadnought Class ballistic missile submarines will have entered service, delivering the UK's next generation strategic deterrent.

54. Major investments through 2030-35 include:

- Completing the build and commissioning of Type 26 and Type 31 frigates.
- Scaling up the Hybrid Navy to its full vision.
- Building at least six new Common Combat Vessels, at the centre of the Hybrid Navy.
- New amphibious ships potentially developed in collaboration with the Netherlands.
- We will work with suppliers and investors to protect our underwater cables through novel funding and delivery mechanisms alongside additional military shipping.

- An autonomous replacement for Wildcat maritime helicopters.
- An autonomous airborne early warning system for our aircraft carriers.
- A future strategic sea lift capability.
- A transformed mine hunting capability based on uncrewed systems and AI.

55. We inherited a plan which was based on small numbers of large, crewed platforms with insufficient investment in autonomous vessels. It was both unaffordable and not what the modern threat demands. The Hybrid Navy approach will replace both the Type 83 and Type 32 concepts with a Hybrid Fleet of uncrewed and crewed vessels. This is a major transformation, driven by the Royal Navy in collaboration with the NAD Group.

56. The Multi-Role Strike Ship (MRSS) programme was too complex and did not reflect the UK Commando Force we are now pursuing. Therefore, we are pivoting to explore opportunities for the UK with the Netherlands led Amphibious Transport Ship Programme.

57. Resetting the shipbuilding pipeline to deliver this transformation has forced hard but necessary decisions, including the phased retirement of older Type 23 Frigates up to 2033 after decades of proud and faithful service, while at least seven new ships will come online during that period.

Atlantic Bastion and Critical Underwater Infrastructure Protection

Atlantic Bastion places the UK at the forefront of a technological revolution in naval warfare, combining the latest autonomous surface and underwater vessels and cutting-edge digital infrastructure with world-class warships and patrol aircraft. It is the Royal Navy's plan to secure the North Atlantic for the UK and NATO against the persistent and growing underwater threat from a modernising Russian submarine force. The UK's anti-submarine warfare capabilities are a central aspect of European defence and are important capabilities with which to meet the Alliance's changing needs.

Launched in December 2025, Atlantic Bastion will create an advanced hybrid naval force to defend the UK and NATO allies against evolving threats. We will spend an additional £1.5bn over the next four years to support this effort. It will enable the UK to find, track and, if required, act against adversaries with unprecedented effectiveness across vast areas of ocean.

The creation of this world-leading programme is in direct response to an increase in Russian underwater activity, including the activities of the Russian spy ship Yantar and covert GUGI submarines around UK waters, recently exposed by the Ministry of Defence. UK Defence Intelligence has identified that Putin is currently modernising the Russian fleet to target critical undersea cables and pipelines.

The Royal Navy plans to deploy a combined Type 26 anti-submarine warfare frigate force with Norway, equipped with mission bays to facilitate rapid upgrades and spiral development, augmented with uncrewed surface and underwater vessels. Their acoustic detection systems will be powered by AI and integrated into the digital targeting web – accelerating targeting and decision-making across Defence and with the UK's allies.

Defence will also invest £330m in the next four years on critical underwater infrastructure protection, including through enhanced capabilities for RFA PROTEUS. We will also explore where we can partner with industry to bring more funding into underwater cable protection.

With Atlantic Bastion, the Government is rapidly delivering a key commitment of the SDR and demonstrating UK leadership in transforming NATO capabilities. It will operate out of Faslane, Devonport, and Portsmouth.

Atlantic Bastion is high-growth investment, providing clear and positive R&D commitments, clear commercialisation, and export potential. It requires high-value, transferable skills and provides clear benefit for dual use-frontier technology.

2.5 Land

58. **The British Army is transforming from a force optimised for the expeditionary operations of the post-Cold War era to a fifth-generation modernised force designed for NATO warfighting**, as outlined in the SDR**.** The Defence Investment Plan will multiply the Army's lethality, founded on the Army's new doctrine of fighting by 'recce-strike' at every level – from corps down to platoon – and underpinned by the widespread adoption of autonomous systems and AI. Taken together, these new capabilities will deliver a transformed Strategic Reserve Corps for NATO, essential for the defence of the UK and NATO territory.

59. Lessons from Ukraine have reinforced the need for more lethal, tech-enabled land forces, as well as the necessity for mass, restored ammunition stockpiles, and higher levels of readiness. Battlefield transparency is now nearly absolute due to the proliferation of surveillance and attack drones, making concealment extremely difficult. In response, the British Army is integrating drone capabilities at all levels and rapidly developing 'hard kill' and 'soft kill' (such as electronic warfare/jamming) anti-drone systems to protect the Integrated Force, our nation and allies. Accordingly, Land Forces will increasingly combine 'survivable' crewed systems, with increasing numbers of 'attritable' platforms (such as drones that survive repeated missions), and 'consumable' systems like one-way strike drones, missiles, rockets and shells.

60. The result will be a British Army that is ten times more lethal, able to deter from the land, by combining more people and armoured capability with air defence, communications, AI, software, long-range weapons, uncrewed ground vehicles and air systems, including armed autonomous drones paired with Apache helicopters. This transformation has begun, with over £100m already invested in Project ASGARD – the foundation of the new Recce Strike system – reducing the time it takes our forces in Estonia on NATO's Eastern flank to detect, decide and strike. In addition, investment has continued into core warfighting capabilities, including Challenger 3, Ajax, and Boxer, as well as the recently announced £1bn for the RCH-155 Howitzer. Throughout this transformation, the Army will ensure the optimum balance is struck between novel autonomous systems and more traditional capabilities to deliver the most effective combination.

61. Since April 2026, personnel intake has exceeded outflow for the Army. In the 12 months to 31 March 2026, intake was higher than outflow by 980 personnel.[20] Major investments through 2030-35 include increasing the Army's Regular component to 76,000 personnel.

Table 6: Spending on the Land Domain[21]

Capability Element	FY26/27 – FY29/30
Project CORVUS	£450m
Project NYX	£220m
Ajax Armoured Fighting Vehicles	£1.1bn
Project ASGARD	£370m
Challenger 3 Main Battle Tanks	£1.1bn

[20] Quarterly service personnel statistics: 1 April 2026 - GOV.UK
[21] There is additional spending on cross-cutting capabilities, such as support and munitions, that is not aligned to the platform-based spending shown in the table.

Boxer Armoured Vehicles	£2.2bn
Close Support Artillery	£1.3bn
Long Range Rocket Artillery	£590m
Army ISTAR[22]	£570m
Land Lethality Pipeline	£400m
Apache Helicopters	£1.1bn
Chinook Helicopters	£1.7bn
Personal Weapons and Equipment	£160m
Ground Based Air Defence	£1.5bn
New Medium Helicopter	£680m

62. The most transformative investments in the first four years of this Defence Investment Plan in the land domain include:

- **Project ASGARD:** £370m to develop and expand the Army's new 'Recce-Strike' approach, currently in use by the Forward Land Force in Estonia. ASGARD links existing capabilities, such as armoured vehicles, with drones and other new technology, to deliver the greatest combined effect.
- **Project NYX:** £220m to build advanced armed autonomous drones to operate alongside Apache attack helicopters.
- **Project CORVUS:** £310m additional investment in long range surveillance and reconnaissance capabilities, including the next generation of uncrewed aerial systems to replace legacy Watchkeeper drones. Up to 24 new surveillance drones will be delivered by 2029.
- **Uncrewed Ground Vehicles (UGVs):** £150m to commence the rapid development and production of uncrewed ground vehicles, building on pioneering UK industrial research and development. Heavy UGVs will be able to carry a range of payloads in a variety of roles, while medium UGVs will directly support close combat formations.
- **Deployable Counter Drone Technology:** £200m of further investment in counter drone technology to combat the growing threat from hostile drones to deployed forces.
- **Short Range Ballistic Missiles:** £190m in short range ballistic missiles, tripling the Army's reach by joining the Precision Strike Missile programme alongside Australia and the United States.
- **Land Lethality Pipeline:** £400m to deliver a suite of inexpensive expendable autonomous systems and weapons to rapidly enhance the lethality of the Army, Commando Force, and Special Forces. This includes a £50m boost this year to the Army's RAPSTONE rapid lethality programme.
- **Land Mobility Programme:** Over £500m in the Light Mobility Vehicle (LMV) and Heavy Protected Mobility projects, to provide an enduring successor to the Land Rover and a new, cost-effective, versatile 6x6 armoured vehicle system**.**
- **Challenger 3:** £1.1bn to complete production of the next generation of Main Battle Tank, building on the success of Challenger 2 in Ukraine.
- **Boxer:** £2.2bn in the new 8x8-wheeled, all-terrain, armoured vehicle, enabling rapid deployment and protected manoeuvre, built in the West Midlands.

[22] Intelligence, Surveillance, Target Acquisition and Reconnaissance.

- **New Medium Helicopter (NMH):** £680m in the next four years, to commence building 23 NMH, supporting operations across the globe and 3,300 jobs in Yeovil.

63. Between 2030 and 2035, we plan to invest at least £36bn in new capabilities for the land domain to meet the vision set out in the SDR. Planned investments will focus on increasing lethality by harnessing distributed surveillance technology, digital connectivity, and precision firepower – at ever-increasing ranges.

64. Autonomous and uncrewed systems will become ubiquitous, both on the ground and in the air, operating as a constellation around core crewed platforms. The weapons they employ will be a carefully orchestrated mix of sophisticated missiles and lower-cost mass. It is a complete reimagination of British land warfare.

65. Nevertheless, those core platforms, including Challenger 3 and AH-64E Apache helicopters, remain essential. They ensure that land forces can achieve the mission to seize or defend ground in all environments and conditions, with their lethality and survivability vastly enhanced by autonomous systems.

66. The pursuit of dependability is also leading to investment in the RCH 155 self-propelled artillery system, as a collaboration with Germany. Not only can they use longer range 'smart' precision ammunition, but artillery remains the most dependable weapon in all weather conditions.

67. Major new investments through 2030-35 include:

- Completion of the Army's core modernisation programme, based on: Ajax, Boxer, Challenger 3, RCH 155, and the Land Mobility Programme.
- Autonomous systems across the force, paired with helicopters, combat vehicles, and dismounted soldiers to deliver a 'recce-strike' fighting system.
- New radios and data systems across the Army to extend the ASGARD network to all crewed and uncrewed systems.
- Expansion and enhancement of long-range sense and fires systems, creating a mix of rockets, missiles and drones critical for the Army to be able to win the 'deep' fight.
- New air defence and counter-drone capabilities across the Army, to protect from this growing pervasive threat.

68. Resetting the programme to deliver this transformation has forced hard but necessary decisions, including the phased early retirement of Wildcat Battlefield Reconnaissance helicopters from 2027 and the oldest Chinooks (Mk6A) as they reach maintenance milestones. This is offset by investment in Projects NYX and CORVUS, New Medium Helicopter and planned future purchases of newer Chinooks.

Project ASGARD

In increasingly complex modern warfare, Project ASGARD will enhance the Army's ability to find (recce) and destroy (strike) enemy targets. It brings together digital networks and data, AI, and intelligence capabilities with firepower to find and strike enemy forces at greater distances across the battlespace than ever before. It will fully integrate surveillance capabilities (including cyber and space) with firepower (such as artillery, long-range missiles, aircraft, and single-use uncrewed aerial systems) via the digital targeting web.

The Army will scale and share the concept across Defence, allies, and partners so that it becomes a force multiplier. In May 2025, the British Army spent over four weeks in Estonia alongside NATO allies as part of Exercise Spring Storm, Estonia's largest annual military rehearsal. More than 2,500 Army personnel and 300 vehicles deployed from the UK for the exercise, which also involved industry partners, including ARX Robotics UK, as innovative kit was put through its paces in a realistic battlefield environment. In Estonia, the pace of change and transformation is clear, with uncrewed ground and aerial vehicles being tested alongside British soldiers in realistic operational conditions.

Elements of the Army's ASGARD system were involved in the exercise. Backed by £70m of investment this financial year – building on £100m over the last two years – ASGARD is transforming how the British Army fights by connecting sensors, AI, and weapons to find, decide, and strike faster than any adversary. The system involves industry partners and has created highly skilled UK jobs, putting the UK at the leading edge of innovation in NATO. Over the next four years, Defence will invest a further £370m.

This is a pro-growth investment, with a positive research and development commitment and export potential to allies. It requires high value, transferrable skills and supports frontier industry technology. There is a competitive marketplace for AI, including non-traditional suppliers.

2.6 Air

69. The SDR stated that **"air power is vital to the protection of the UK".** The Royal Air Force offers the Integrated Force's quickest means of striking targets, with precision and pace, as well as the flexibility, speed, and reach to deliver effect globally. However, complex aerial attack and defence is becoming ever more difficult in a contested, congested environment. Although crewed platforms will remain at the heart of the RAF's approach, their primacy is being fundamentally challenged. Augmenting crewed systems with autonomous collaborative platforms will provide affordable mass and capability across a range of tasks, including air defence, strike, ISR, and electromagnetic attack.

70. Conflict in the Middle East has also reinforced the importance of maintaining high levels of readiness across our Combat Air fleet and the importance of Integrated Air and Missile Defence. Since the conflict began, we have defended the skies over our sovereign base areas in Cyprus, the Republic of Cyprus and in support of Gulf Partners shooting down multiple drones fired by Iran and its proxies, including the first ever historic air-to-air engagement of a drone by a UK F-35B over Jordan. Typhoon fighter jets have been rapidly upgraded with the Advanced Precision Kill Weapon System (APKWS) so that they can defeat drones at a fraction of the price of the missiles currently used.

71. In response, we will create a Next Generation Royal Air Force, which will comprise an evolving mix of 4th, 5th and 6th generation crewed and uncrewed air systems, armed with the optimum mix of mass and exquisite weapons. We will ensure Typhoon's capability and underpinning industrial capacity enables the aircraft to operate into the 2040s, with exports underpinning our prosperity agenda. We will bring the F-35A into service, enabling us to join the NATO Dual Capable Aircraft nuclear mission. We will commence a Collaborative Combat Aircraft programme; in partnership with industry, we aim to have a concept demonstrator flying by at least 2030, and will seek to accelerate the capability into service as soon as possible. Over time, this programme will deliver capability from both land bases and our carriers. We will also push ahead with the Global Combat Air Programme (GCAP), where £2.7bn has been spent since 2024, assuring the future of the UK's aerospace industry, leveraging UK industrial strengths, private investment and international opportunities.

72. Since October 2025, regular personnel intake has exceeded outflow for the RAF, and the Service is once again in growth. As of 1 April 2026, the total number of regular Royal Air Force personnel was 31,080. This represents a 2.1% increase since 1 April 2025.[23]

Table 7: Spending on the Air Domain[24]

Capability Element	FY26/27 – FY29/30
CCAs	£300m
Typhoon	£5.4bn
GCAP	£8.6bn
F-35	£2.2bn
Hawk T1 & T2	£860m

[23] Quarterly service personnel statistics: 1 April 2026 - GOV.UK

[24] There is additional spending on cross-cutting capabilities, such as support and munitions, that is not aligned to the platform-based spending shown in the table.

Future Jet Training System	£360m
Voyager	£2.4bn
A400M Atlas	£1.9bn
C-17 Globemaster	£420m
P-8 Poseidon	£600m
RC-135 Airseeker	£400m
E-7 Wedgetail	£550m
RG Mk1 Protector	£590m

73. The most transformative investments in the first four years of this Defence Investment Plan include:

- **GCAP:** £8.6bn in the programme with Japan and Italy to develop the next, 6th generation combat aircraft. We will sign the next international contract shortly and continue our significant investment in R&D, design and capabilities for GCAP and the wider FCAS system.
- **Typhoon:** A further £1.1bn to upgrade and sustain the Typhoon combat air force into the 2040s, including through the Long Term Evolution programme. This will provide the UK and NATO with critical air and missile defence capabilities essential for effective control of the air, and will sustain the UK's aerospace sector, supporting both exports and jobs.
- **Jet Training System:** £360m in the full recapitalisation of the Jet Training System, to deliver both sovereign and international training and with a significant UK workshare. We will have new jets for the Red Arrows to replace the ageing Hawk aircraft.
- **Collaborative Combat Aircraft (CCA):** £300m to commence a programme to develop UK autonomous jets, working with industry and leveraging the technology and expertise being developed between GCAP partner nations to ensure that we stay at the leading edge of this emerging frontier.
- **P-8 Poseidon:** £260m to upgrade the P8 Maritime Patrol Aircraft and equip them with the UK built Stingray torpedo, providing export opportunities to wider P8 users. These will be based at RAF Lossiemouth.
- **Project PRESAGIUM:** £240m in an enhanced counter-drone system, providing effective detection and defeat of emerging drone threats, operated by the RAF Regiment and wider Defence users.
- **F-35:** We will prepare for the arrival of our next batch of F-35s, including our first F-35As, which will enter service in the early 2030s. This will enable the RAF to join the NATO Dual Capable Aircraft mission.

74. Between 2030 and 2035, we plan to invest at least £70bn in new capabilities for the air domain to meet the vision set out in the SDR. Our Combat Air force will grow and operate 4th and 5th generation fighters alongside autonomous air systems, including CCAs. These will expand sensor coverage, carry extra missiles, and push far ahead of the crewed air component, to enhance survivability and lethality. Our CCAs will exploit a sovereign, world-leading propulsion system.

75. Next decade we will invest in additional aircraft to increase the mass of the RAF's combat air force – including continued investment in our CCA programme to deliver autonomous capability for every combat air squadron. Further work will determine the

optimum future mix of 4th, 5th and 6th generation crewed and uncrewed air systems but the RAF must maintain the ability to penetrate contested airspace, essential to outpace the growing capability of our adversaries, in order to deliver both strike, and intelligence, surveillance and reconnaissance missions.

76. Homeland Defence will be enhanced through increased long range early sensing capabilities, counter drone protection, and long-range ground-based missiles able to defend against the threat of long-range ballistic missiles.

77. Major new investments through 2030-35 include:

- Continued investment in Typhoon as the core of the combat air capability into the 2040s.
- Additional investment in new aircraft, crewed and uncrewed, to sustain and enhance the UK's combat air force.
- Completion and fielding of the new British Jet Trainer System, to include new aircraft for the Red Arrows.
- Continued sustainment of our world class, global Air Mobility Force, centred on C-17, A400M, and Envoy.
- Upgrades to the P8 maritime patrol aircraft to ensure its continued edge over adversary maritime threats.
- Long range ground-based air and missile defence systems to protect the UK – including against ballistic missile threats.

78. Resetting the programme to deliver this transformation has forced hard but necessary decisions, including the early retirement of Shadow R1 ISR aircraft.

Future Combat Air System and Global Combat Air Programme

The Future Combat Air System (FCAS) programme is the requirement for the UK to introduce a next-generation combat air capability. It is driving productivity and economic growth across the UK. From bringing in hundreds of millions of pounds of private investment and supporting thousands of high-skilled British jobs, to accelerating the development of cutting-edge dual-use technologies and creating opportunities for the next generation. The Global Combat Air Programme (GCAP), the heart of the FCAS programme, is a groundbreaking collaboration between the UK, Japan and Italy to develop the core platform – a sixth-generation stealth fighter aircraft. GCAP is deepening our defence, industrial, and technology collaboration with our partners to deliver cutting-edge combat air capabilities, contributing to stability, security and economic growth, in the Indo-Pacific and the Euro-Atlantic regions, and globally. The GCAP partnership has always been clear that we remain open to others joining, however our focus is on delivering this vital military capability at pace.

R&D: FCAS and GCAP are crowding in hundreds of millions of pounds of private investment and accelerating the development of pioneering dual-use technologies, from first-in-the-UK digital engineering, to AI, and advanced manufacturing capabilities, such as augmented reality, additive manufacturing, and robotics. Co-innovation with civil sectors, such as the automotive sector, is driving investment in technologies that are revolutionising how we will build aircraft.

Frontier Industries: FCAS and GCAP are key to unlocking the economic potential of the multi-billion-pound combat air sector. It is advancing other frontier industries, including quantum technologies, drones and autonomous systems, space, artificial intelligence, cyber, advanced connectivity technologies, and semiconductors. A first of its kind, combat air flying demonstrator in the UK in 40 years is maintaining sovereign design, engineering, and manufacturing capabilities to keep the UK at the forefront of global aerospace innovation.

Market competitiveness: FCAS and GCAP is backing British jobs, British industry and British innovation. More than 600 UK suppliers have been contracted, including universities and more than 100 SMEs from inside and outside the defence sector (including gaming and motorsport).

Skills: Over 4,500 people work on FCAS and GCAP, and the advanced knowledge, skills, and competencies required by the programme are getting more people in highly skilled jobs. FCAS is driving investment in model-based systems engineering, artificial intelligence, machine learning, and digital engineering – highly sought-after skills transferable to other sectors. As well as up-skilling and re-skilling people mid-career, FCAS is creating opportunities for young people across the UK through high-quality apprenticeships and graduate programmes. 3,000 graduates and apprentices have been recruited by the Team Tempest industry partners since 2022, providing the opportunity to work on a range of combat air programmes, including sixth-generation combat aircraft development through FCAS.

Place: FCAS and GCAP are driving regional and local growth across the UK. 90% of jobs supported by the FCAS programmes are outside of London and the South East of England, promoting wealth creation and improving employment prospects across the South West, East, and North West of England, and in Scotland.

2.7 Space

79. The SDR was clear that space is a critical national infrastructure sector, and a domain of growing competition that is central to warfighting. **Assured access to operate in, from, and through space underpins the UK's security, prosperity, and daily life**. It also underpins our Integrated Force. The RAF is the lead service for space, and it will focus on the ability to deter threats to and protect our interests in space. To achieve this, Defence will be more ambitious in delivering the space capabilities necessary to fight and win. Through UK Space Command, the RAF will deliver a comprehensive joint force which will sense, warn and deter threats while also building a skilled workforce which will be defined by a professional development pathway enabling progression from new recruit through to the leadership of Defence. As we evolve Space Command, up to six Space Squadrons will deliver these roles for Defence. UK Space Command will be supported by the National Armaments Director through a new Space Systems Group which will cohere space operational requirements across Defence and catalyse the delivery of new capability to the frontline at pace to deter emerging threats.

80. The war in Ukraine has underscored how space is the central nervous system of modern, high-intensity warfare, rather than just a supporting domain. The control of space will be critical in future conflict, enabling command & control, providing warning and intelligence, and delivering powerful effects. This has triggered a strategic shift in UK Defence to treat space as a contested frontline, an essential 'high ground', driving increased investment in sovereignty, resilience, and offensive and defensive space control.

Table 8: Spending on the Space Domain

Capability Element	FY26/27 – FY29/30
Satellite Communications	£2.3bn
Space-based ISR and Space Control	£880m

81. The most transformative investments in the first four years of this Defence Investment Plan in space include:

- **Space-based ISR:** Developing operational sovereign Intelligence, Surveillance, and Reconnaissance capabilities for Defence.
- **Deep Space Advanced Radar Capability:** Investment to deliver a global network of ground radars to enhance Space Domain Awareness of objects in deep space and geospatial orbit operated jointly with the USA and Australia.
- **Space Control:** Developing capabilities to enhance our awareness of space activities and protect our critical national assets in orbit.
- **A new Integrated Air, Space and Missile Defence Operations Centre (IASMDOC)**: A £40m initial investment to integrate the command and control of air defence and space operations, protecting critical national assets in the homeland and in space.
- **SKYNET:** A further £50m investment to extend the life of the in-service SKYNET 5 military communications satellites, to be replaced by new satellite communications capabilities, including SKYNET 6A which is due to launch in 2027.

82. Between 2030 and 2035, we plan to invest at least £9bn in new capabilities for the Space domain to meet the vision set out in the SDR. These will underpin UK interests in the space commons and protect Defence access to critical space capabilities. These include a sovereign Intelligence, Surveillance and Reconnaissance capability, investments in space control, and secure, global satellite communication. This may also include additional investment into the Integrated Air, Space and Missile Defence Operations Centre (IAMDSOC) as we develop our ability to deliver Command and Control in the Space Domain.

83. Resetting the programme to deliver this transformation has forced hard but necessary decisions including not proceeding with the SKYNET 6 Narrowband Satellite System. This is being offset by extending SKYNET 5 and utilising modern technology through different procurement routes, including by investing in 'space as a service' options, alongside allies.

Integrated Air, Space and Missile Defence Operations Centre

The Integrated Air, Space and Missile Defence Operations Centre will serve as the focal point for developing, integrating, and coordinating air and space operations across Defence. It will utilise an AI enhanced command & control system which is fused with the Digital Targeting Web, to enhance awareness across both domains, in order to protect our Homeland and the Integrated Force. Collaborating with allies and across government, the Integrated Air, Space and Missile Defence Operations Centre will serve as an operational hub that is equipped and secured for NATO operations by design. It will provide operational advantage, enhance national resilience, deter potential adversaries, and ensure the UK can protect its interests while also supporting NATO and allies across all domains of conflict.

Initially responsible for delivering Integrated Air & Missile Defence, it will grow to protecting critical space-based services and satellites. This latter task will draw together military personnel, intelligence specialists, scientists, industry partners, and academic researchers, it will accelerate innovation and strengthen the UK's ability to operate in an increasingly contested space environment while monitoring and deterring future threats.

2.8 Cyber and Electromagnetic

84. The SDR identified that the cyber and electromagnetic (CyberEM) domain is at the heart of modern warfare. It is the enabling domain that integrates all others. It provides the foundation for the Digital Targeting Web, which will enable choice and speed in deciding how to designate, deconflict, degrade, or destroy an identified target.

85. The cyber domain is contested by adversaries every day: the UK is in constant confrontation with adversaries in cyberspace, defending national infrastructure that provides essential services to the public and to Government, and protecting supply chains. As in Ukraine, the first blows of any conflict will likely be struck in this invisible battlefield. The UK faces over 90,000 cyber-attacks on its Defence systems annually.[25]

86. The Defence Cyber and Electromagnetic Force was established to command defensive cyber operations, reflecting an SDR recommendation. It is part of the Cyber & Specialist Operations Command (CSOC), while preserving single service expertise and ability to act. Over 500 personnel now comprise the Defence Cyber and Electromagnetic Force. The first fast-track direct entry cyber recruits, started by this Government, have graduated from Defence Cyber Academy, Shrivenham, with the recruitment for the second tranche in train.

Table 9: Spending on the Cyber and Electromagnetic Domain

Capability Element	FY26/27 – FY29/30
Cyber	£1.4bn
Defence Electromagnetic Enterprise	£1.1bn

87. The most transformative investments in the first four years of this Defence Investment Plan include:

- **Cyber & EM Force**: A total investment of £2.5bn to sustain and develop the new Defence Cyber & Electromagnetic Force.
- **Automated detection and response:** Investment in automated detection and response to counter advanced threats.
- **Defence Electromagnetic Enterprise operations**: Driving adoption of standards for interoperability and sustain electromagnetic capabilities across maritime, land, and air.
- **CRENIC**: An investment of £130m to deliver an initial scaling of Next Generation counter Radio Frequency (c-RF) force protection, able to detect and defeat Radio Controlled Improvised Explosive Devices (RCIEDs) and small Uncrewed Air Systems (sUAS).

88. Between 2030 and 2035, we plan to invest at least £5bn in new capabilities for the Cyber and Electromagnetic domain to meet the vision set out in the SDR and to reflect the pace of technological change in this area. These investments will enhance our ability to provide a secure cyber and electromagnetic environment – essential for UK Defence and broader national security interests. Potentially hostile state and non-state actors will be presented with a more complex and resilient national network, better able to protect UK Defence, industrial and intellectual property. It will be harder to exploit the electromagnetic spectrum to

[25] First fast-track cyber defenders now protecting UK from daily digital threats - GOV.UK

disrupt UK Defence and security requirements. Due to the sensitivities of technology under development, further detail is held at a higher classification.

Defence Cyber & Electromagnetic Force

The SDR makes clear that the Cyber and Electromagnetic domain is no longer a supporting function, but a central arena of competition and conflict, in which the United Kingdom is already engaged on a daily basis. This domain shapes the trajectory of a modern conflict involving a peer adversary, from pre-crisis activity through to high-intensity warfighting. In the period leading up to conflict, the UK faces persistent and coordinated activity in the so-called “grey zone”.

In November 2025, we established the Defence Cyber and Electromagnetic Force (DCEMF). It acts as the central coordinating authority across Defence, integrating defensive cyber responses with electromagnetic operations to protect key systems and maintain operational connectivity. The UK employs a digitally enabled approach to targeting, linking sensors, decision-making tools, and strike systems through a coherent data architecture. This enables faster and more accurate targeting decisions, while simultaneously allowing forces to operate effectively across land, maritime, air, and space domains. Within this construct, electromagnetic operations are used to deny adversary access to the spectrum, while cyber capabilities disrupt their command networks and degrade their ability to coordinate forces.

The DCEMF plays a central role in delivering these effects, acting as the unified Cyber & EM component within Joint operations and ensuring coherence across what were previously fragmented capabilities. The UK will achieve a clear advantage in decision-making speed, enabled by resilient networks and reliable access to the electromagnetic spectrum. Adversary forces, by contrast, experience degraded communications, reduced situational awareness, and increasing difficulty in coordinating their activities. The result is a shift in operational momentum, where the ability to dominate the Cyber & EM domain translates directly into superiority across other domains. The SDR emphasises that control of this domain underpins freedom of action for the Integrated Force and is therefore critical to achieving both operational and strategic objectives.

2.9 Weapons and Munitions

89. The SDR recognised the increasing pace of technological change and its effect on the weapons used on the battlefield. It also set an imperative to increase the range and reach of the UK's weapons to improve our deterrence and escalation options. The UK's weapons programmes must be rooted in international cooperation, innovation and learning from current conflicts.

90. The conflict in Ukraine provides a stark reminder of the necessity of maintaining sufficient inventories of munitions and spares, with fast replenishment and resupply by industry, and a rapid, continual cycle of innovation between industry and the frontline. Ukraine has also shown the importance of having the right balance of capabilities to warfight at scale. So, as well as increasing the quantity of the UK's weapons and munitions, this plan seeks to establish a better 'high-low' mix of capabilities to achieve efficiently the Integrated Force's missions and harness the technological advancement of recent years.

91. In November 2025, Defence announced the 'factories of the future' initiative, with funding to deliver feasibility studies for new energetics factories to kickstart high volume energetics production in the UK. Multiple sites across the UK have been identified for new factories to make munitions and military explosives, enabling an 'always on munitions' pipeline, producing the components essential for bolstering the UK's national arsenal. Bringing energetics industries back to the UK after closing down nearly two decades ago, this initiative will support at least 1,000 new jobs with potential sites in Scotland, England and Wales.[26] This Government is committed to building at least six new munitions and energetics factories in this Parliament, with the first factory to begin construction by the end of this year. This Government has also committed £1.6bn to supply thousands of air defence missiles to Ukraine, built in Northern Ireland.[27]

92. The UK will continue to pursue Deep Precision Strike (DPS) missiles with Germany, building on the Trinity House Agreement signed in October 2024. These missiles will be capable of travelling more than 2,000km, forming part of a potential family of future stealth cruise and hypersonic weapons, expected to enter service in the 2030s, alongside our existing Tomahawk deep strike capability. Initially focussed on ground-launched capabilities, the programme will also explore air and naval capabilities, delivering long range deterrence and operational flexibility, meeting the SDR recommendation for a range of deterrence and response options.

[26] UK "building the factories of the future" as government launches next phase of new munitions and energetics factories - GOV.UK
[27] Historic £1.6bn deal provides thousands of air defence missiles for Ukraine and boosts UK jobs and growth - GOV.UK

Table 10: Spending on Weapons and Munitions

Capability Element	FY26/27 – FY29/30
Wider Munitions	£6.4bn
Deep Precision Strike	£770m
Stratus	£1.4bn
SPEAR CAP 3	£460m
Directed Energy Weapons	£490m
One Way Effectors	£210m

93. The most transformative investments in the first four years of this Defence Investment Plan include:

- **Always on munitions**: Investment in ensuring that we can always produce CAMM, LMM, ASRAAM and NLAW, and seek to re-start production of Stingray torpedoes to support Norway and other export partners, and onshore production of sonobuoys.
- **Onshore Energetics production**: Build up to six UK-based factories focussing on the most critical energetics materials for munitions production.
- **Key munitions**: Investment in additional weapons for the Apache force and our new autonomous helicopters supporting them, equipping both Type 26 and 31 frigates with the Naval Strike Missile, and enhancements for Sea Viper to deliver an improved ballistic missile defence capability.
- **Deep Precision Strike (DPS)**: £770m as an initial investment in the ongoing work with Germany to produce 2000km+ deep strike weapons early in the 2030s.
- **Stratus**: Invest £1.4bn in the Stratus missile to arm our Typhoons and new Frigates, in cooperation with France and Italy. This will build on the Lancaster House Agreement between the UK and France.
- **Short Range Ballistic Missiles:** £190m investment in short range ballistic missiles, tripling the Army's reach by joining the Precision Strike Missile programme alongside Australia and the United States.
- **Land Lethality Pipeline**: £400m to deliver a suite of inexpensive, expendable autonomous systems and weapons to rapidly enhance the lethality of the Army, Commando Force, and Special Forces. This includes a £50m boost this year to the Army's RAPSTONE rapid lethality programme.
- **One Way Effectors and Low Cost Cruise Missiles**: £210m to deliver one-way attack drones for the Army, Navy and RAF, and £300m to take the lessons and technological developments from Ukraine to develop new lower cost cruise missiles, initially air-launched, but exploring follow on land and maritime options.
- **F-35 Lethality:** Alongside the SPEARCAP3 programme, investment in a range of stand-off and long-range weapons for the Lightning Force.
- **Type 31 Ammunition:** Investment in new gun ammunition to ensure our new frigates have the munitions to fully exploit their new weapons, protecting them against drones and surface threats.
- **Directed Energy Weapons**: £490m to develop Directed Energy Weapons, including integration of the DragonFire system on Royal Navy Type 45 destroyers from 2027.

94. Between 2030 and 2035, we plan to invest at least £20bn in new weapons and munitions to meet the vision set out in the SDR. This will further improve our inventories by volume – a key factor in warfighting preparedness. It will continue to alter the balance of expensive complex weapons (like missiles) with emerging cheaper alternatives (like strike drones). Some manufacturers are now offering weapons that combine both qualities, or supplant high explosives with directed energy. Investments will also support deterrence, particularly though the development of 'Deep Precision Strike' capability to reach strategic targets in ways that are very hard to defeat.

95. Major investments through 2030-35 include:

- Continued investment in Stratus, which will provide the bulk of the UK's long range strike capability.
- Greater investment to deliver Deep Precision Strike with Germany, developing long range cruise and hypersonic missiles to bolster NATO's deterrence and defence.
- Investment in Directed Energy Weapons for land and maritime platforms.

96. Storm Shadow missiles have played a vital role for our Armed Forces. The building of these missiles started in the 1990s and they have proved highly effective for conducting operations. Learning the lessons from Ukraine, we are now pivoting to the next generation of low-cost cruise missiles, meaning we will get significantly more missiles at a reduced overall cost. Alongside these types of weapons, Stratus missiles will be the future of the UK's complex weapons programme, delivering long range strike against complex targets for both the Royal Navy and Royal Air Force, in cooperation with France and Italy.

97. The UK is a leader in complex weapons, a position we will retain to grow our industry, empower our Armed Forces and deliver best-in-class munitions to allies. Given the scale of the £6.5bn, ten-year Portfolio Management Agreement, we will work with industry partners to ensure that the most valuable capabilities are delivered on time and on budget. To begin this, we will launch a STRATUS long range strike programme review, to be concluded by 1 September 2026. This review will look at all options regarding the future of the programme.

2.10 Special Forces

98. The SDR identified that the UK's Special Forces act as the 'tip of the spear' for Defence: integrated by design and able to reach strategically significant targets in the most challenging places, operating in all domains, both discreetly and covertly. Defence will continue to enhance the Special Forces, ensuring UK sovereign choice by maintaining this strategic capability at the very highest level.

99. The UK's Special Forces will receive a 12% uplift over the next four years. This investment in the UK's Special Forces will ensure they have the highest end capabilities, maintained, equipped and held at readiness to act decisively and at speed, to preserve sovereign choice, able to deter, outmanoeuvre peer adversaries, protect UK interests, recover citizens abroad, and support civil authorities.

100. To continue to conduct these types of operations it is important that the security of UK Special Forces personnel, its equipment, tactics, techniques and procedures are maintained. To support this, there are strict rules on the publication of information relating to the Special Forces, as such detail on investments for our Special Forces is classified.

101. Between 2030 and 2035, we plan to invest further in the Special Forces and related capabilities. These investments will deliver enhanced, global reach and awareness to protect UK interests and assure their unique role.

High Readiness Forces

High Readiness Forces, including 16 Air Assault Brigade and the UK Commando Force, provide a core element of the UK's crisis response options. They combine high levels of deployability with specialist methods of insertion and global reach. They are deployable anywhere in the world to carry out the full spectrum of missions, from non-combatant evacuation operations to warfighting. This was illustrated by recent deployments of both forces to Sudan and the Middle East for non-combatant evacuation operations and the recent parachute insertion of a team from 16 Air Assault Brigade to deliver medical supplies and clinicians to Tristan da Cunha.

High Readiness Forces' deployability is underpinned by high levels of training and specialist equipment. The UK Commando Force has fielded the EVE networked communications system, and 16 Air Assault Brigade is in the process of fielding a similar capability, CAIN, both sophisticated tactical radio networks at the leading edge of military communications. As for other light forces, lethality will be increased through a range of autonomous systems (e.g. drones and uncrewed surface vessels), many of which will be tested and delivered via the new Defence Uncrewed Systems Centre. Lethality and survivability will also be improved through continued investment in personal weapons and target acquisition equipment (e.g. upgraded night and thermal vision equipment), alongside new investments in counter drone capabilities.

2.11 Intelligence

102. Meeting the challenge of today's threats and optimising for warfighting demands high quality intelligence, delivered at speed to the user, underpinned by cutting edge technology. UK **Military Intelligence Services** (MIS), established by this Government in December 2025, encompasses the whole force working within Defence's intelligence producing organisations. MIS will be known as a global leader, delivering assured intelligence that underpins military decision advantage and operational success for the UK and our allies. Our world-leading experts will use cutting edge technology and data, creativity and ingenuity to anticipate threats, exploit opportunities and protect our interests. Integration with allies, industry and academia will create a resilient, adaptive intelligence enterprise operating at machine speed.

103. To safeguard National Security in an era defined by global complexity and uncertainty, MIS, in line with the SDR recommendations, will:

- **Boost Capacity:** A more focussed, more integrated intelligence enterprise, bolstered in critical areas.
- **Supercharge technology and data:** Accelerating the adoption of critical technologies that our people and partners need to maximise our effectiveness and efficiency.
- **Empower our people:** Attracting, training, educating and retaining a world class intelligence workforce across Defence, government, the private sector, academia and the wider enterprise.

104. While most investments for MIS will be classified, they will include in the first four years of this Defence Investment Plan:

- **Infrastructure:** Invest in upgrading and consolidating Defence Intelligence purpose-built infrastructure, including at RAF Wyton.
- **Cyber Intelligence:** Invest in significant and world leading cyber intelligence capabilities.
- **Digital backbone:** Investment in Defence's digital backbone will improve the underpinning connectivity and infrastructure that supports a UK sovereign Digital Targeting Web. This will increase the effectiveness of our intelligence enterprise.
- **Defence Intelligence Charter:** Invest in implementing the Defence Intelligence Charter to codify governance for Defence Intelligence and MIS.

105. Between 2030 and 2035, we plan to invest in further new capabilities for Intelligence to meet the vision set out in the SDR, including in the digital targeting web and boosting Defence's resilience through the Defence Counter-Intelligence Unit. The MOD plans to make further investments in the technical collection and analysis functions of the MIS but we are unable to publish details as these are held at higher classification for national security reasons.

2.12 Joint Support Enablement and Defence Medical Services

106. The ability to deploy, sustain and recover the Integrated Force underpins our contribution to deterrence and defence. The SDR was clear that ensuring the health and operational medical care of the Armed Forces is vitally important to the fighting power and endurance of the Integrated Force. This Government considers adequate healthcare as a moral and legal duty. Healthcare is also among the top three factors in personnel staying in our Armed Forces.[28]

107. The recent conflict in the Middle East has fundamentally underscored the necessity of Joint Support Enablement to sustain military operations. The ability to conduct high-intensity warfighting requires the UK and its partners to provide the necessary enablement and medical services.

108. To start tackling the problem, we are already digitising and integrating military medical records with the NHS for the first time, in a move aimed to boost recruitment by reducing medical review times, improve deployability, and transform the experience for recruits and service leavers. We have awarded a £7.8m contract to Leeds-based software company, the Phoenix Partnership, for this new technology.

Table 11: Spending on Joint Support Enablement, Counter CBRN and Defence Medical Services

Capability Element	FY26/27 – FY29/30
Defence Support and Counter-CBRN	£1.7bn
Medical equipment	£200m
Business Modernisation for Support	£920m

109. The most transformative investments in the first four years of this Defence Investment Plan include:

- **Counter CBRN:** An additional investment directed towards the most important C-CBRN requirements, including personal protective equipment and science and technology exploitation and decontamination.
- **Logistics Support:** £50m in critical support information systems and hardware, operational military stocks for high readiness forces and capability development to increase outload modal breadth and capability including transition to a future strategic sea lift capability.
- **Tactical Combat Casualty Care.** £20m in kits for combat personnel based on the latest research on equipment to save lives on the battlefield.
- **Forward Blood Products:** £10m to develop or procure dried blood products.
- **Tranexamic Acid (TXA):** £10m to provide a more effective way to combat blood loss and save lives.
- **Field Hospital Equipment:** £10m to support combat operations at scale.

110. Between 2030 and 2035, we plan to invest at least £3bn in new capabilities for the Joint Support Enablement and Defence Medical Services to meet the vision set out in the SDR.

[28] Armed Forces Continuous Attitude Survey 2026 Report

Planned investments will focus on ensuring the Integrated Force has the necessary support to fight at scale and duration, while also projecting force in defence of our European allies. This includes new data-centric logistics management systems, the introduction of enhanced protection measures against Chemical, Biological, Radiological and Nuclear threats (CBRN), and a range of novel developments in the provision of combat medicine.

111. Major new investments through 2030-35 include:

- Enhancement of rail deployment capabilities to move the Army swiftly to anywhere in Europe faster and more efficiently.
- Continued development of world-leading medical support for our service personnel.
- Significantly expanded and modernised Counter CBRN systems and protection.

3. Investing in One Defence

1. Defence investments span more than just the Integrated Force. This Plan – unlike previous Equipment Plans - looks across the whole Defence enterprise to enable a transformation of Defence, that is better prepared for high-intensity, protracted war.

2. The sweeping and rapid changes to the international security environment mean it is not enough to change only how and with what our Armed Forces fight. To deter threats through being ready for war, the whole of Defence must change how it supports our Integrated Force. Defence must deter attacks that blur the lines between competition and conflict across all domains, harnessing the very best technologies at a wartime pace, and drawing on support from across Government, industry, society, and allies. We need a 'whole of society' response to the new era of threat we face, as outlined in the SDR.

3. The development of this Defence Investment Plan has therefore gone significantly further than previous Equipment Plans by looking across every budget line within Defence**.** Key investments will be made across Industry and Acquisition, Innovation and Private Investment, Science and Technology, People, Veterans and Training, Infrastructure and Estate, and the Integrated Global Defence Network.

4. We will immediately move to implement this Defence Investment Plan, moving at pace to directly engage with our industry partners.

Table 12: Spending on One Defence

Sub-section	FY26/27 – FY29/30
People and Veterans	£78.5bn
Defence Industry and Procurement	£510m
Science, Innovation and Technology	£4.3bn
Defence Infrastructure and Estate	£22.7bn

3.1 People and Veterans

5. Our people are the heart of Defence. This Government is deeply grateful to our Armed Forces, who make extraordinary sacrifices along with their families to keep our nation safe around the clock.

6. This Government was elected on a promise to renew the nation's commitment to those who serve, and through our defence investment we are already turning that around. We have given personnel the largest pay rise in two decades, scrapped 100 outdated recruitment policies, introduced free Christmas travel for tens of thousands of personnel and extended 30-hours of free childcare (already available in England) to Scotland, Wales and Northern Ireland, saving forces' families up to £6,000 a year.[29] Through the Armed Forces Bill 2026, we are also putting the Armed Forces Covenant fully into law.

[29] Armed Forces awarded largest pay increase in decades to 'renew nation's contract with those who serve' - GOV.UK; Armed Forces to cut red tape and deliver quicker and easier recruitment service - GOV.UK; Travel to be covered for tens of thousands of Armed Forces personnel to get home for Christmas - GOV.UK; Transformative new childcare support will save Defence families up to £6000 a year

7. This Government recognises our warfighting edge comes from our people. The Defence Investment Plan will support people and training by creating a One Defence approach with an integrated workforce model. When we send our forces to do a difficult job, they need to know they will be fairly paid, have a safe and secure home for their family, can get the medical support they need and have the total backing of Defence. Already under this Government, satisfaction with service life is up by 5% this year compared to 2024.[30]

8. People are fundamental to delivering the transformation set out in the SDR. We can only meet the challenges of tomorrow and exploit new technologies through highly trained personnel operating in an integrated force. The Defence Investment Plan will support people and training by creating an **integrated workforce model** that blends Regulars, Reserves, Civil Servants, industry specialists, and veterans through a One Defence approach. As the SDR said, "Overall, we envisage an increase in the total number of Regular personnel". This Plan will deliver that SDR vision.

9. The conflict in Ukraine demonstrates the importance of people to a country's Defence. By collaborating across the Armed Forces, civilian workforce, and industry, Ukraine's people have demonstrated their skills and bravery to resist Russia's illegal full-scale invasion. The UK is drawing on these lessons by prioritising investment in our people to achieve a whole of society approach to defence and deterrence.

10. This shift will deliver greater agility, attract and retain critical skills, and strengthen our contribution to national security and operations. Modern threats demand flexibility and innovation. Traditional workforce structures cannot keep pace with evolving technology, societal shifts and operational requirements. By embracing a dynamic model, Defence will harness talent from across society, ensuring readiness and resilience for the future.

11. **This Government is renewing the contract with those who serve. For the first time since 2021, UK Regular Forces numbers are now growing.** UK regular personnel intake has exceeded outflow for the Royal Navy and Royal Marines since January 2025 and for the RAF since October 2025. Since April 2026, personnel intake has also exceeded outflow for the Army. In the 12 months to 31 March 2026, intake was higher than outflow by 980 personnel – an important turnaround from the previous year.[31]

12. Through this Defence Investment Plan, we will go further still to boost recruitment. Working with the Department for Work and Pensions, we are opening up opportunities for a career in the military for tens of thousands of young people. Jobcentre staff will be partnered with military personnel to enhance career and training advice for people looking for a career in the Armed Forces, while staff will get guidance on immediate opportunities, spanning roles from engineering and cyber, to healthcare and logistics.

13. Through this plan, young people will be given new opportunities to experience military service through a 'Gap Year' Foundation Scheme. Informed by the Australian Defence Force's ADF Gap Year scheme, Defence will offer young people a year of paid experience and training in the Armed Forces. Recruitment is already underway for the Army and Royal Navy, and recruitment for the Royal Air Force is to start at the end of this year.

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[30] Armed Forces Continuous Attitude Survey 2026 Report

[31] https://www.gov.uk/government/statistics/quarterly-service-personnel-statistics-2026/quarterly-service-personnel-statistics-1-april-2026

14. This Government's message to veterans is simple: we are on your side. In the next four years, we will be investing a total of £70m to support our veterans. For example, the Government is investing **a record £38m** in world-class, veteran-specific NHS support: making sure that our Armed Forces community gets healthcare that fully understands their needs.[32] This includes Op COURAGE for mental health support, Op RESTORE for physical health needs, and the provision of prosthetics.

15. **We are working to end veteran homelessness** with a new **£12m fund** for reducing homelessness and extending Op FORTITUDE – including a dedicated wraparound service for veterans at risk of or experiencing homelessness, to ensure they have access to specialist support for employment and independent living.

16. Through this Defence Investment Plan, we will go further. The plan funds the roll out of VALOUR, the first of its kind one-stop-shop for veterans' support. These centres in communities across the country will provide in-person support for veterans in their area - connecting people with specialist support across health, housing, employment and more. This will end the fragmented postcode lottery of support services which have failed veterans for too long.

17. The diversity of knowledge, skills, experience, and behaviours that Reserves bring from their outside jobs are an invaluable strength. New measures are being introduced through the Armed Forces Bill to strengthen the UK's Strategic Reserve (former Service personnel with an Ex Regular and Recall Reserve liability), to help Defence draw on their valuable skills and experiences when the nation needs them in times of crisis. The Bill includes measures that will affect our Regular and Volunteer Reserve personnel's liability for recall after they leave service. The key changes include increasing the recall liability for personnel up to the age of 65 and lowering the threshold for recall so that Reservists can be recalled for 'warlike preparations' in addition to the current requirement for 'national danger, great emergency, or attack on the UK'. This will allow us to mobilise talent rapidly when it matters most, strengthening our readiness and bolstering our resilience. We will also deliver a Defence Readiness Bill to go further later this Parliament.

18. Defence is generating tens of thousands of new jobs, which are well-paid and developing transferable skills. This is happening right across the UK. The DIS has redefined the UK defence industrial base to include academic institutions, UK-based companies, banks and other financial services companies, goods and services firms, technologists and technology firms, and trade unions.

Table 13: Spending on People and Veterans

Capability Element	FY26/27 – FY29/30
Regulars	£55.82bn
Veterans and Op VALOUR	£70m
Reserves	£4.2bn
Royal Fleet Auxiliary	£530m
Civil Service	£15.6bn

[32] Government spends record levels to support our veterans: 26 January 2026 - GOV.UK

19. The most transformative investments in the first four years of this Defence Investment Plan for people, veterans and training include:

- **Regulars:** Invest in recruitment and retention for our Armed Forces personnel, to regrow personnel numbers.
- **Strategic Reserve**: Investing in new methods and technology for engagement with the Strategic Reserve, expanding access to specialist skills and experience, and protecting time, funding, and equipment for Reserves in training.
- **Veterans and Op VALOUR:** Invest £70m to support veterans, through the Office for Veterans Affairs and Op VALOUR. Op VALOUR was announced in May 2025, to improve veterans' access to support.
- **Royal Fleet Auxiliary:** Since 2024 we have made material improvements to the offer for Royal Fleet Auxiliary (RFA) seafarers and we will seek to go further addressing structural pay concerns, including how RFA personnel are classified.
- **National Conversation:** Deliver a national conversation campaign on defence and security. This will raise public awareness of the threats to the UK, how Defence deters and protects against them, and why Defence requires support to strengthen the nation's resilience.
- **Raising our Standards:** Invest £40m in the Raising Our Standards programme to drive a step change in leadership and culture under this Government. This builds on the Women in Defence Charter, whereby the UK's defence sector is making a commitment to work together to build a more gender balanced environment by launching a Charter for Women.
- **Defence Human Resource Service:** Invest in a new Defence Human Resource Services, which will transform how Defence manages, employs, and supports its global workforce. The Service will improve operational efficiency by releasing military personnel from administrative roles to the front line, driving productivity in HR, and delivering cashable efficiencies for reinvestment.
- **Defence Diplomacy network:** Invest in the global Defence Diplomacy Network of Defence Attachés and military staff around the world to support our military, exports, and diplomatic missions as a Government.

20. Between 2030 and 2035, we plan to invest at least £130bn in our People, focussing on creating a 'One Defence' approach to people and training, to meet the vision set out in the SDR. Investment in people and training will focus on ensuring our workforce is capable and motivated – further improving recruitment and retention within the Armed Forces. These efforts will also accelerate the application of human optimisation and augmentation technology, while reducing the working burden through AI and automation.

21. Major investments through 2030-35 include:

- Growth of the Regular military workforce, including increasing the Army's Regular component to 76,000 personnel.
- Investment to grow and modernise the Active and Strategic Reserve, improving national resilience and Defence's access to specialist skills.
- Continued investment in the rollout of VALOUR centres and wider veterans' support services across the UK.
- Continue investment to expand and modernise the Cadet Forces and improve opportunities for young people across the UK.

- Continued roll out of the Defence Human Resources Service (Def HRS), which will transform how Defence manages, employs, and supports its global workforce.

22. Resetting the programme to deliver this transformation has forced hard but necessary decisions, including slowing the pace of meeting the SDR recommendation to increase cadets by 30%, which will not be achieved by 2030. We will now aim to meet this target by 2035. This difficult decision has enabled Defence to increase the rate of transformation of the Armed Forces.

3.2 Defence Industry and Procurement

23. **Our Armed Forces are only as strong as the industry that stands behind them.** Defence is forging a new partnership with industry, innovators, investors, workers and our Armed Forces, as set out in the SDR. We will continue to implement the DIS to grow a more competitive, integrated, innovative and resilient UK defence sector.

24. Defence is reforming its relationship with industry and its approach to procurement. After inheriting a procurement system where most of our major projects were delayed and creating additional cost, we have changed our procurement rules to speed up contracting and incentivise on time delivery. We will go further and use all the levers at hand to ensure that every contract signed by the MOD delivers more British jobs, apprenticeships and innovation across the whole nation.

25. The war in Ukraine has proven that military strength is inseparable from industrial agility and the flow of public and private capital. Task Force KINDRED has implemented these lessons in real time over four years of support to Ukraine and through this it has revolutionised procurement with projects including RAVEN (a secure, flexible and scalable digital information network capability), WASP (an uncrewed maritime drone system) and NIGHTFALL (a low-cost ballistic missile). In addition, teams across MOD have been working to accelerate the procurement and delivery of air defence, counter drone capability and enabling support to Gulf partners as part of Taskforce SABRE, amid continuing regional threats from Iran.

26. The DIP supports the Defence Industrial Strategy's ambition to make the UK the best place to export from and the most attractive country in the world to grow a defence business in, with a defence sector that is more competitive, integrated, innovative and resilient. It is underpinned by a programme of acquisition and commercial reform designed to deliver greater productivity, faster capability delivery and better value for money. Building on commitments made in the DIS, Defence is reforming contracting arrangements, strengthening commercial capability and reviewing the operation of Single Source Contracting to ensure taxpayers secure better outcomes from every pound spent. Recent reforms to the Single Source Contract Regulations have demonstrated the benefits of closer alignment between customers and industry, but further change is being considered to improve productivity, reduce delay and strengthen delivery performance across the defence enterprise. Defence will continue to reform acquisition and contracting practices to support warfighting readiness, industrial resilience and economic growth.

27. As recommended by the SDR and the DIS, Defence is implementing a Segmented Acquisition Model, launched in April 2026, that tailors procurement approaches to the type of capability being acquired rather than applying a single process to all acquisitions. Through Procurement Segmentation and Accelerating Commercial Pathways, Defence is simplifying

and speeding up acquisition routes, reducing bureaucracy and accelerating delivery to the frontline. This includes major reforms designed to reduce average time-to-contract for major platforms, modular upgrades and rapidly evolving technologies, ensuring that capability reaches service personnel faster while delivering better value for money for the taxpayer. Since SDR publication Defence has published six Commercial Pathways, with over 300 new procurements self-selecting application of at least one Commercial Pathway. These changes will prioritise outcomes, enhance collaboration with industry, reduce duplication and deliver greater value for money.

28. Sovereign supply chains which provide dual-use and commercial off-the-shelf components have also shown to be essential to increasing readiness. The war in Ukraine reinforces that rapid scaling, alongside robust and resilient supply chains, and relaxing regulatory burdens is essential to drive capability to the warfighter at pace. This effort should be complemented by new approaches to using data, AI, and access to capital. Working across Government, we will work to strengthen critical mineral stockpiles and work with our allies on secure supply.

29. The new NAD Group – created under this Government – unites end-to-end ownership of the UK National Arsenal, integrating innovation, acquisition and support to maximise war fighting effectiveness. Enabled by a streamlined operating model and freedoms, it is already shifting from passive requirements to problem-led, early engagement with industry, accelerating delivery while strengthening resilience, exports, science, innovation and international collaboration. We have already brought the UK Defence and Security Exports function into the NAD Group from Department for Business and Trade as part of our cross-government organisational reforms and will continue to improve Defence's role as a customer. Building strong relationship with delivery partners, including through the Defence Industrial Joint Council (DIJC), the body dedicated to delivering the DIS at pace with industry, academia, primes, SMEs, investors, and trade unions, and with cross-government and international partners.

30. Major investments in novel technologies and new programmes will also continue to drive the implementation of the DIS's vision and shape the UK's industrial and technology base. National security, supply chain, and economic growth priorities set out in the DIS will directly inform investment decisions across this plan, ensuring that capability delivery and industrial development are treated as mutually reinforcing objectives. We will continue to deliver on the DIS's commitments but to ensure the work programmes deliver the best value for the taxpayer, we will be reviewing and rescoping investment during the implementation of the DIP.

Table 14: Spending on Defence Industry and Procurement

Capability Element	FY26/27 – FY29/30
Defence Growth Deals	£220m
Defence Skills Package	£170m

31. The most transformative investments in the first four years of this Defence Investment Plan include:

- **Defence Growth Deals:** Fund five Defence Growth Deals across the UK (Plymouth, South Yorkshire, Scotland, Wales and Northern Ireland) backed by £250m of new funding over the next five years. Team Plymouth launched on 19 September 2025.
- **Defence Office for Small Business Growth**: Launched in January, we will spend an additional £2.5bn with SMEs by 2028. This is a 50% increase of direct spend with SMEs.
- **Defence Skills Package:** Support a £182m skills package over the next five years to strengthen the pipeline of engineering, digital, and advanced manufacturing talent across the defence sector – addressing one of the key supply-side constraints identified in both the Modern Industrial Strategy and the Defence Industrial Strategy. This includes:
    - **Defence Technical Excellence Colleges:** Invest in technical colleges in Plymouth, Yeovil, Lincoln, Blackpool, and Rotherham.
    - **Defence Universities Alliance (DUA)**: The newly launched DUA and £80m for additional defence skills courses at colleges and universities.
- **National Armaments International:** Bringing together responsibility for international collaboration and exports under a single ministerial accountability, by integrating the relevant parts of UK Defence and Security Exports (UKDSE) into the NAD Group from the Department for Business and Trade.
- **Test and Evaluation Transformation:** Launch an online Test and Evaluation marketplace in 2026, helping users identify and connect with suitable facilities, capabilities and support services from across the public and private sector, and from our international partners.

32. **Between 2030 and 2035**, we will continue to invest in our industrial and technology base, focussing on delivering the commitments made in the DIS and the vision of the SDR. The national security, supply chain and economic growth priorities set out in the DIS will directly inform this investment plan out to 2035. We will aim to deliver the next UK Defence unicorn and realise the UK's international ambitions of a world leading Defence industrial base.

3.3 Science, Innovation and Technology

33. This Government has made investing in innovation a priority for defence. We want our Armed Forces to be the fastest innovating military in NATO. We have set up UK Defence Innovation (UKDI), our defence innovation agency, to help deliver the SDR's vision. We have also set the target for at least 10% of our annual Equipment Programme budget (starting in FY26/27) to be spent on novel technologies across areas such as AI, autonomy, quantum and directed energy weapons. We can confirm this Defence Investment Plan meets this target, as set out in Table 15.

Table 15: Spend on Novel Technology by Category

Category	FY26/27	FY27/28	FY28/29	FY29/30
AI and autonomy	£380m	£700m	£1.2bn	£1.3bn
Uncrewed Systems	£330m	£340m	£220m	£160m
Novel Weapons	£280m	£330m	£350m	£350m
Cyber	£150m	£220m	£230m	£190m
Space	£30m	£80m	£110m	£200m
Other	£910m	£890m	£980m	£1.1bn
Total	**£2.1bn**	**£2.6bn**	**£3.1bn**	**£3.2bn**
% of Equipment Procurement	**12%**	**12%**	**15%**	**16%**

34. Investment in science, innovation, and technology ensures Defence can quickly provide the Integrated Force with the advanced capabilities needed to meet future threats to support the development of the UK technology ecosystem, and act as an engine for growth.

35. The war in Ukraine has changed the traditional procurement dynamics of Defence. It has demonstrated how Defence must innovate and the necessity of investing in research and development, as well as the importance of compressing years-long procurement programmes into weeks to maintain battlefield advantage. Ukraine has exploited this to benefit the development of autonomous systems, counter drone capabilities, electronic warfare, and AI. The UK is proud to support Ukraine with these efforts, and we must apply that experience to the Integrated Force.

36. The SDR recommended the creation of UKDI, which was launched on 1 July 2025. UKDI aims to rapidly deliver cutting-edge capability to keep the UK secure and globally strong, driven by economic and industrial objectives, closing critical capability gaps, partnering with SMEs and non-traditional suppliers, and applying lessons from Ukraine to accelerate delivery, through £400m of annual funding.

37. UKDI will accelerate the delivery of cutting-edge innovative capabilities. It will harness commercial and dual-use innovation - working with startups, scaleups, and academia - to rapidly deliver cutting-edge capabilities that are front line ready, guide private investment through clearer demand signals, support economic growth, and strengthen security. This will be implemented through three core strategies: Market Transparency and Industry Access, Dual-Use Technology Acceleration, and Private Investment. UKDI have already established a new Rapid Innovation Team (RIT) enabling innovation at 'wartime pace' by using commercially available dual-use technology to address the most urgent operational problems, and set up Regional Engagement Teams across the UK to identify and support

dual-use innovation from SMEs and academic spin-outs, delivering targeted outreach and business development support.

38. UKDI will achieve full operating capability on 1 July 2026, overseen by the NAD. It will continue to mature processes and ways of working as a vital part of the NAD Group, innovating as one integrated ecosystem spanning horizon scanning, R&D, exploitation routes and rapid development. As envisaged in the SDR and DIS, UKDI will have maximum flexibility and freedoms within the NAD group in order to enable it to move at pace. We are also renewing our commitment to the innovation ringfence managed by the NAD Group, and introducing greater support from the Secretary of State as innovation champion and positioning the new DG Innovation as their key adviser in this space.

39. The world-leading Defence Science and Technology Laboratory (DSTL) will drive investment in disruptive technologies working closely with industry and academia, retaining sovereign skills in-house to remain an intelligent customer, build anchor partnerships with universities, and deepen international research collaboration.

Table 16: Spending on Science, Innovation and Technology

Capability Element	FY26/27 – FY29/30
UKDI	£1.6bn
DSTL Infrastructure	£580m
Science and Technology	£2.1bn

40. The most transformative investments in the first four years of this Defence Investment Plan include:

- **UKDI:** UKDI is Defence's innovation agency, backed by a ringfenced annual budget of £400m - totalling £1.6bn of investment by 2030. The new position of Director General Innovation will manage both UKDI and DSTL to drive science, innovation, and technology at the heart of the NAD Group. This will see Defence embed innovation across the whole of the enterprise and equip the Armed Force with transformative capabilities.
- **Defence 'Unicorns':** Expanding our search for new Defence 'Unicorns' – with up to £100m / 4Y accelerated contracts for British tech firms who have had limited or no business with the Ministry of Defence.
- **British Army Training Unit Suffield (BATUS):** In addition to current drone testing sites in the UK and in our overseas territories, we will invest to exploit the size, scale, and freedom of the key site in Canada for testing and evaluation and to accelerate delivery of capability. This will enable uncrewed systems activity across 2,700m^2 of training area.
- **S&T Core funding:** Invest £2.1bn in core S&T funding to ensure Defence is a leader in science and technology research.
- **Novel technologies**: Spending over 10% of our annual Equipment Programme budget (starting in FY26/27) on novel technologies across areas such as AI, autonomy, quantum, and directed energy weapons.
- **DSTL:** As part of a programme of investment at DSTL, build a new laboratory in Porton Down – to be named after Ernest Bevin, one of the major figures behind the founding of NATO – to enable new research into protection against biological threats to the UK and our NATO allies.

- **Dual use technology:** Invest in purchasing dual use technology and examine how defence tech can be exploited for civilian purposes.
- **Quantum:** Increasing compute capacity is integral to deliver our autonomy ambitions for the Integrated Force and to ensure next level encryption of our classified systems.

41. Between 2030 and 2035, we plan to invest at least £13bn in areas of science, innovation and technology, focussing on UKDI as the focal point for innovation within Defence and DSTL as a centre of expertise in science and technology, within Defence.

42. Major investments through 2030-35 include:

- Investing in critical infrastructure at DSTL to ensure we have the science, innovation, and technology facilities for the future.
- Investing in disruptive research and novel technologies through DSTL and UKDI. Priority areas we will focus on for the future include artificial intelligence (AI), robotics and autonomy, enhanced weapons, space based-capabilities, cyber & electronic warfare, quantum, and engineering biology.
- Integrating science, innovation and technology at the heart of the NAD Group to drive strategic technological advantage for warfighting capabilities.

Project PROTEUS

The UK's first fully autonomous full-size helicopter, developed under Project Proteus, marks a major milestone for the UK Armed Forces. Proteus, delivered through the Anti-Submarine Warfare Spearhead Programme by the UK's Royal Navy, has received funding support from UK Defence Innovation.

Designed and built by Leonardo in Yeovil, Proteus has demonstrated the potential of large uncrewed air systems operating alongside crewed aircraft in future hybrid air wings to play a key role in anti-submarine operations under the Atlantic Bastion concept. Proteus surpasses existing Royal Navy drones in size, complexity, and autonomy. Developed under a £60m programme supporting 100 skilled British jobs, it is one of the world's first full-sized autonomous helicopters.[33]

It was designed with a range of missions in mind including anti-submarine warfare, patrolling the seas and logistics, drawing on information provided by a network of allied ships, helicopters, submarines and detection systems to hunt vessels beneath the waves. Replacing the crew with advanced sensors and software, Proteus has demonstrated an ability to perceive its environment, make decisions, and act independently, delivering on the SDR's vision for a Hybrid Navy and securing the North Atlantic.

This is a pro-growth investment, with a positive research and development commitment as well as supporting collaboration and export potential amongst allies. It has dual use spillover potential, with opportunities for commercialisation. It requires high value, transferable skills and supports frontier industry technology. There is a competitive marketplace for autonomy, including non-traditional suppliers, and it supports regional Defence clusters.

[33] New Royal Navy autonomous helicopter makes history with first flight

3.4 Defence Infrastructure and Estate

43. The SDR confirmed that **the Defence estate is the foundation on which our Armed Forces operate.** Modern, resilient infrastructure is essential for readiness, and the quality of our Defence estate is a key driver of military morale. Defence owns and operates a vast portfolio from which our Armed Forces personnel live, work, train, and deploy, including vital overseas territories that enable a global presence. This requires billions of pounds of investment to meet the standards our Armed Forces require and deserve.

44. The war in the Middle East has demonstrated the strategic importance of our UK and overseas bases and shown how our UK personnel are increasingly being called upon to deliver rapid defensive operations to protect British people, interests, and allies.

45. The SDR was clear that the poor state of military accommodation had helped to drive 'a crisis in recruitment and retention.' A number of satisfaction measures with service accommodation were at their lowest in 2023.[34] Meanwhile, Ofsted inspections into the Armed Forces training estate have repeatedly highlighted how 'failing infrastructure' is negatively impacting military training.[35] Significant transformation is needed to meet the requirements of the Integrated Force and to renew our nation's commitment to those who serve.

46. We will transform the defence estate into something our forces can be proud of. This builds on important action already taken since July 2024, including the historic buy-back of 36,000 military homes from Annington – reversing a failed 1996 privatisation which cost the taxpayer billions. The Defence Housing Strategy has already set out a comprehensive 10-year plan to upgrade 9-in-10 forces family homes (with the worst 1,200 homes already upgraded with new kitchens, bathrooms and boilers). We will also seize the full opportunities of the defence estate, including releasing surplus land for development through a streamlined land release portfolio. This will unlock the potential for development of 100,000 new homes, on surplus defence land for our forces, veterans, and the open market[36], whilst releasing income over the DIP to support the Armed Forces.

Table 17: Spending on Defence Infrastructure and Estate

Capability Element	FY26/27 – FY29/30
Defence Estates Optimisation	£2.3bn
Service Families Accommodation	£2.7bn
Single Living Accommodation	£1.4bn
Technical Capital Works	£1.5bn
Facilities Management	£10.3bn
Overseas Bases	£1.9bn

[34] Armed Forces Continuous Attitude Survey: 2026 - GOV.UK
[35] For example: Positive Armed Forces training experience marred by ageing and sometimes unsafe facilities - GOV.UK
[36] Defence Housing Strategy: A £9bn 'generational renewal' for forces family housing and 100,000 new homes on MOD land to drive growth - GOV.UK

47. The most transformative investments in the first four years of this Defence Investment Plan in Infrastructure and Estate include:

- **Housing:** Invest in the Defence Housing Strategy – spending £9bn over the 10 years - to deliver a generational renewal of military housing, with 40,000 homes upgraded or modernised, with a new Defence Housing Service to put forces families first, meeting new, modern property standards, and accelerating housing delivery on surplus defence land, supporting military and wider national objectives.
- **Single Living Accommodation:** We have begun a review of Single Living Accommodation to deliver policies and proposals to improve on base accommodation. The results will inform how we spend £1.4bn allocated to create new bedspaces.
- **Programmatic approach:** Use industry expertise and innovation for modernisation and renewal of Single Living Accommodation and Airfield Operating Surfaces to increase speed of delivery, reduce waste, and improve value for money.
- **New, improved military infrastructure**: Investing in resurfacing of runways including in RAF Brize Norton, RAF Coningsby, RAF Valley, and RAF Waddington, new power supply facilities in the Falklands, and continuing to support bases in Diego Garcia and Gibraltar. We will aim to ensure that the Defence estate contributes to wider Government climate, energy and environment commitments.
- **Base Security:** Invest an additional £470m to improve the security of military sites in the UK.
- **Project Royal Oak:** Invest £26bn in Project Royal Oak over the next decade – the biggest naval base upgrade for over 45 years, including multi-billion pound upgrades at Faslane, Portsmouth and Devonport.[37]
- **Project Castra:** Project Castra is the Army's £24bn 10-year infrastructure investment plan to address decades of conscious underinvestment in an ageing estate, while enabling wider capability, improving the lived experience and meeting environmental commitments. It is focussed on warfighting capability and operational resilience, enabling an Army that is ready to fight and win, with industry as a mission partner.
- **Project Trenchard:** Project Trenchard is the RAF's £10bn, 10-year infrastructure programme to reverse decades of estate decline and ensure bases remain safe, compliant, and capable of supporting operations. It prioritises investment in critical warfighting infrastructure (airfield operating surfaces, passenger and freight handling facilities), accommodation, and utilities to strengthen operational readiness to be able to fly and fight and improve the lived experience of personnel.
- **Training estate and establishments:** Support world-leading training infrastructure, including at the Defence Academy, Dartmouth, Sandhurst, Raleigh and Cranwell.
- **Technical Capital Works:** Invest in new hangars and offices at Royal Navy Air Station Culdrose, a new passenger and freight handling facility in Cyprus, new Defence Munitions infrastructure at Glen Douglas and Gosport, as well as an oil fuel jetty at Portsmouth to support naval operations and commencement of the rebuild of the Fountain Lake Jetty in Portsmouth.
- **Medical infrastructure**: Invest in Medical Infrastructure such as the new, modern Catterick Integrated Care Centre, which is a joint MOD and NHS integrated health and care services campus.

[37] Some elements of Project Royal Oak expenditure are related to submarine infrastructure, and as such are also included in DNE's total DIP figures for the next four years.

- **Base WiFi**: Invest £120m over the next four years on expanding WiFi access to service personnel on bases, including at Catterick (Yorkshire and Humber), Bicester (South East), Ballykinler (Northern Ireland), RAF Brize Norton (South East), RAF Boulmer (North East), RAF Marham (East of England) and RAF Coningsby (East Midlands)**.**
- **Defence Estates Optimisation Portfolio**: Bring long term efficiencies to Defence which are already being realised, as well as modern facilities to support our Armed Forces. This better enables our warfighting capability and force generation. Up to 35 further sites will be disposed of by 2040, which release land for 34,000 housing unit potential.
- **PFIs**: Manage Private Finance Initiative (PFIs) contracts to their expiry and replace with new contracting arrangements. These include critical services such as water, wastewater, and sewerage. The Defence Water Services Programme (DWSP) aims to replace MOD's Aquatrine PFI contracts, which expire in 2028 and 2030, with new arrangements being developed. Other PFIs are also ending over this period, including Defence Academy Shrivenham in 2028, Main Building Whitehall in 2030 and Northwood Headquarters in 2031.
- **Efficiency:** Improve efficiency, enhance service delivery, and provide significant opportunities for industry to transform Defence infrastructure while supporting UK economic growth.

48. This means that by investing £22.7bn over the next four years, the Government is making a generational investment into the Defence Estate.

49. Between 2030 and 2035, we plan to invest at least £51bn across the Defence estate. Infrastructure spending will remain focused on delivering a balanced estate that enables the Integrated Force to live, work, and train in a manner appropriate to the demands we place upon them. Investment will continue through a broad portfolio of UK and overseas programmes, with Project Royal Oak[38] sustaining and enhancing core maritime infrastructure, Project Trenchard modernising critical airbase and airfield capabilities, and Project Castra renewing the Army estate through phased barracks upgrades. In parallel, the Defence Housing Service will drive a step change in accommodation quality through refurbishment, replacement of degraded stock, and the rationalisation of surplus sites. Collectively, this sustained investment will improve estate resilience, enable more realistic training environments, and ensure infrastructure is aligned with the evolving demands of technology progression.

50. Major investments through 2030-35 include:

- The Defence Housing Service will substantially refurbish or entirely rebuild 14,000 ailing Service Family Accommodation properties, with thousands of Single Living Accommodation bedspaces also replaced or refurbished.
- The estate will be optimised with barracks such as Sir John Moore Barracks (Winchester) and Chilwell Station (Nottingham) vacated, releasing land suitable for thousands of housing units.
- Critical capabilities will be supported, including the surface fleet in Portsmouth, combat air through replacement of runways and taxiways, Army barracks

[38] Some elements of Project Royal Oak expenditure are related to submarine infrastructure, and as such are also included in DNE's total DIP figures for the next four years.

modernisation (commencing with Wellington Barracks), and enhancement of overseas bases and British Overseas Territories.

4. Defence Reform and Efficiency

1. Defence is committed to delivering reform and efficiencies to ensure every pound spent on Defence is used in the best way for our Armed Forces and taxpayers. This reflects commitments made in the Government's Manifesto, the Spending Review 2025 and implements recommendations from the SDR. Efficiency across Defence is underpinned by the fundamental reforms to Defence, and driven through structural simplification, civilian workforce changes, and acquisition reform. Delivery will be enabled by provision of ringfenced investment (£500m per year) solely for driving modernisation, efficiencies and savings.

Table 18: Summary of Defence Efficiencies

Theme	Total FY26/27 – FY29/30
Total Efficiency Commitment	-£10.7bn
Of which:	
Delivered through reform and service redesign	-£1.1bn
Delivered through workforce and resourcing	-£3.3bn
Delivered through infrastructure	-£2.0bn
Delivered through digital	-£0.2bn
Delivered through acquisition and supply chain	-£3.7bn

4.1 Defence Reform Programme

2. This Government has driven the deepest reforms to Defence in over 50 years. These reforms to Defence have a clear ambition to strengthen Defence to deter, fight, and win. They are streamlining our ways of working and directly address the issues and behaviours which risk slowing down delivery of the SDR. This will make Defence:

- **Clearer:** A clearer understanding of who does what and when in UK Defence, so we all have clear accountability for delivery and deadlines – so we can focus more on what matters.
- **Simpler:** Simpler decision-making, processes, and systems so we can prioritise effectively – so we can make faster decisions.
- **Better:** Better ways of working, technology, and behaviours that improve delivery and performance – so we can deliver better outcomes and bigger impact.
- **Together:** A 'One Defence' culture of working together across Defence – so every member of the Integrated Force, civilians, and contractors can be empowered to deliver and feel valued as they keep the nation safe.
- **Value for Money:** These changes will secure better value for money for the taxpayer and better outcomes for our Armed Forces.

3. The new Defence Operating Model (DOM) is now in operation, providing a clear articulation of how Defence operates as a unified enterprise to translate political direction into strategy, planning, and delivery. The model, which will be further embedded this year, ensures Defence starts to become warfighting ready and capable of rapid adaptation in an increasingly volatile global environment while delivering the SDR. By simplifying seventeen organisations into four key Areas - led by the Permanent Under-Secretary of State (PUS), the Chief of the Defence Staff (CDS), the Chief of Defence Nuclear (CDN) and the National

Armaments Director (NAD) – the DOM clarifies the top-level accountabilities and responsibilities, including ownership of each SDR recommendation. This is outlined in Figure 1. This is further reinforced through the introduction of three integrated Strategic Cycles, which align strategy, planning, funding, and delivery into a single, coherent approach.

4. Defence is committed to improving efficiency of delivery, including through Arm's Length and Public Bodies. As part of Defence's delivery to the Government's Productive and Agile State ambition, Defence is closing or reclassifying bodies which no longer perform a required function, or that can be better delivered with greater Ministerial oversight. To date, we have closed and reclassified three organisations. This year, we will create the Submarine Delivery Group (SDG) further combining the expertise of the SDA and the DNO's Submarine Capability teams to simplify and bolster how we deliver through-life submarines capability. This will reduce the governance load, remove duplication, and expand and deepen a 'one team' approach to the delivery of the submarine portfolio from design to recycling.

4.2 People

5. UK Defence is made up of an excellent military, civilian, and industrial workforce. Defence is building a leaner, higher-skilled Civil Service. As part of efforts to improve efficiency and value for the taxpayer we will deliver on the SDR recommendation to reduce Civil Service workforce costs by at least 10% by 2030. This includes reshaping the workforce to focus on the prioritised outcomes set out through this plan. In addition, we will continue to focus on critical digital, engineering and project delivery skills, building and incentivising these so that Defence has the skills it needs to deliver the ambition of the SDR. We are also introducing minimum performance standards for senior civil servants, with the PUS accountable for managing underperformance.

6. To maximise existing resources, the MOD is also moving regular personnel from administrative into front-line roles and should automate at least 20% of HR, finance, and commercial functions by July 2028. This was recommended in the SDR.

7. This Defence Investment Plan will continue to drive a reduction in costs, including removing nearly £1bn of External Assistance (including consultancy) from our plans over the next three years.

8. Further detail will be set out in the Autumn in a Long-Term Workforce Plan. This will cover both the requirements, size and structure of the Defence workforce, with a view to driving efficiency whilst making the most of AI and technology.

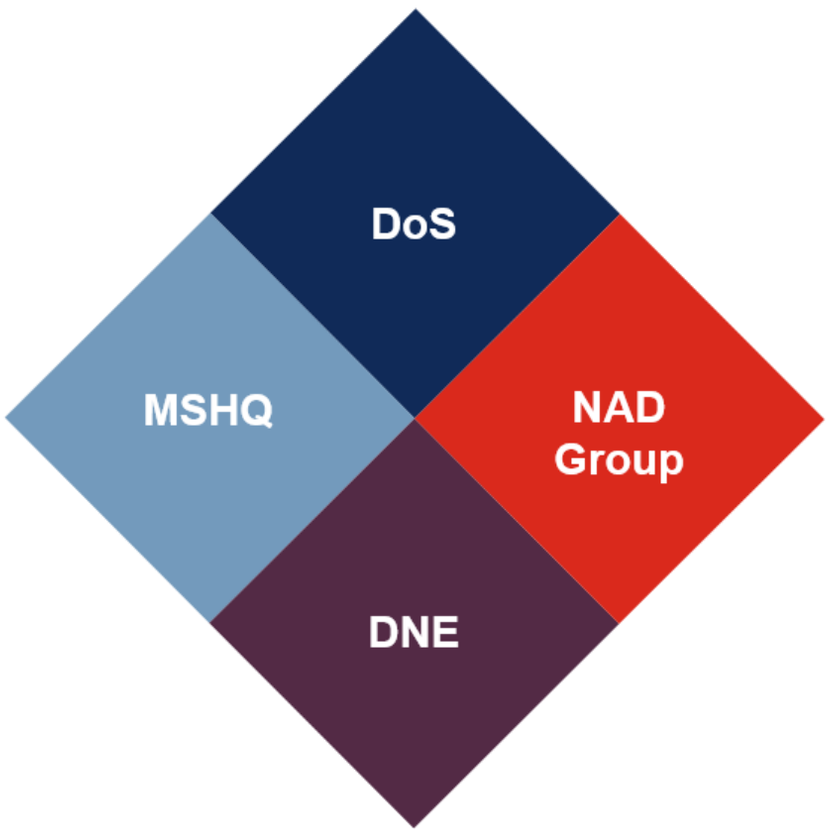
Figure 1: Responsibilities of Senior Officials and Military Personnel

The **Department of State (DoS)**, led by the Secretary of State and ministerial team, supported by the Permanent Under-Secretary of State (PUS), who is:

- The lead policy advisor, providing the vision, strategy and departmental plan.
- The Principal Accounting Officer, accountable to Parliament for ensuring Defence operates within budget and delivers value for money.

The **National Armaments Director Group (NAD Group)**, led by the National Armaments Director (NAD), who is:

- Responsible for the readiness of the national 'arsenal' to meet the requirements of defence plans.
- Responsible for shaping and delivering acquisition reform and an industrial strategy to boost the UK's defence industry.



The **Military Strategic Headquarters (MSHQ)**, led by the Chief of the Defence Staff (CDS), who is:

- The professional head of the UK's Armed Forces, accountable for their readiness to fight and win.
- In formal command of Service Chiefs.
- Senior Military Advisor to the Prime Minister and the Secretary of State for Defence.

The **Defence Nuclear Enterprise (DNE)**, cohered by the Chief of Defence Nuclear (CDN), who is:

- Responsible for cohering the organisations that operate, maintain, renew and sustain the UK's nuclear deterrent.
- Additional Accounting Officer for the nuclear ringfence.

4.3 Digital Workforce, AI, and Automation

9. Defence is accelerating the use of AI and automation from the front line to the back office to improve efficiency and operational effectiveness. Digital change is putting advanced decision-making, targeting and cyber tools directly into the hands of the warfighter while also transforming corporate services through automated HR, finance and commercial processes to reduce burden and deliver faster, cheaper support.

10. Defence is also building a digitally skilled workforce through dedicated talent pipelines, mentorship, and partnerships with tech startups and universities, whilst at the same time, contributing to the Government's ambition for one in 10 civil servants to be in tech and digital roles by 2030. The Defence Digital and Cyber Bursary Programme in Lancashire currently supports 500 students studying digital A Levels and T levels.[39] Formal training is supplemented with on-the-job opportunities to implement AI into everyday processing, and AI tools have already been embedded across our enterprise system to at least 20,000 users. Agentic AI capabilities are undergoing trials for various uses across Defence.

11. Defence also understands the importance of Corporate Service automation, with the Corporate Services Modernisation (CSM) programme being a key driving force, leading redesign and automation of finance, HR and commercial processes and service provision. This will result in significant benefit across all areas of Defence and enable the release of military roles to the front-line – driving Defence productivity as well as cashable efficiencies.

4.4 Infrastructure

12. Defence is reforming its infrastructure by recapitalising the estate, optimising land use and assets. The Defence Estate Optimisation programme and Defence Housing Strategy are transforming the military housing estate to deliver better support for those who serve. Defence continues to benefit from the re-acquisition of over 36,000 Service Family Accommodation properties in December 2024. At the same time, investment in renewable energy and water efficiency, reuse and repair of dormant assets, and the digitalisation of access control and physical security will improve resilience, reduce costs, and create a more efficient and unified estate as a key component of our warfighting capability.

13. Defence is a heavy user of gas and electricity. As we move to a more electrified battlefield, we will see demand increase for energy. Defence must be more efficient with its energy use, generating more of its own power and exploring novel energy uses such as battery storage and AMRs. Defence owns 1% of the UK but generates only a small proportion of our current power needs. We will address this inconsistency with new investment opportunities to secure more of our energy from sovereign and resilient sources, including renewable energy.

14. In addition, Defence is focussed on driving efficiency in our water and electricity use to reduce costs. Investment in the reuse and repair of dormant assets will improve resilience, reduce costs, and create a more efficient and unified estate as a key component of our warfighting capability.

[39] 500 students now learning latest digital and cyber defence skills through MOD scheme in Lancashire - GOV.UK

4.5 Acquisition

15. Under the NAD, Defence is reforming its approach to acquisition and the relationship with industry. Through reforms, including accelerated commercial pathways, procurement segmentation, portfolio-driven acquisition, and category management, we will drive pace and agility into procurement, improving supply chain resilience and our ability to scale industrial capacity if required. These will prioritise outcomes, enhance collaboration with industry, reduce duplication, and deliver greater value for money.

16. They will also break down organisational barriers to deliver integrated, multi-domain capabilities, and send industry clear demand signals, to give them confidence to invest in future capabilities, and drive pace and innovation through better collaboration between Defence, industry, and academia. We are also streamlining our approach to investment approvals, with single approval points and increased delegation. This will contribute to reducing the time to contract while maintaining oversight. These changes under the NAD Group will save the taxpayer at least £10bn over the next decade, which will enable this to be reinvested directly into Britain's defence.

17. Defence is also reforming regulation to ease the burden on industry and drive innovation. This is aligned to the Government's ambition to reduce the regulatory burden for industry. Targeted regulatory sprints are focussed on priority growth sub-sectors or emerging technologies and cover the Defence Standards and Conditions and the Single Source Contract Regulations (SSCRs). As outlined in the Nuclear Regulatory Review 2025, work on nuclear regulation is also targeting changes to save time and drive efficiency within Defence and through the supply chain.

18. As with all Government departments, MOD takes the tackling of fraud and error incredibly seriously and has set a target for £250m of recoveries over the first four years of the DIP. This is consistent with the independent stretch target methodology set by Public Sector Fraud Authority (PSFA). These recoveries will be recycled by defence into military readiness and/or capability as they are realised. MOD will produce a counter fraud strategy working with the PFSA an update at Autumn Budget 2026.

Notes to the Defence Investment Plan

The Defence Investment Plan sets out the Government's current priorities and strategic intent for investment in Defence over the coming decade. It reflects the Government's ambition to strengthen the resilience of the Defence industrial base and is intended to provide transparency on planned capability development in order to support engagement with industry and investors.

The investments described in this document represent planned and future priorities, reflecting assumptions at the date of publication. The figures presented are indicative rather than precise cost estimates. They do not constitute binding commitments and are subject to the Government's approvals processes, affordability considerations, and contracting procedures. Figures have been rounded and, therefore, may not sum.

The programmes described are at different stages of maturity. Consequently, the status, scope and timing of individual programmes may change. They may be reprioritised, deferred, re-scoped, or cancelled.

The Defence Investment Plan will be kept under review. It will evolve in response to changes in the strategic environment, technological developments and fiscal considerations.

Annex

Table 19: Budget Profile by Departmental Expenditure Limit (DEL)[40]

	DEL				
	26/27	27/28	28/29	29/30	4 Year Total
RDEL	£41.7bn	£42.6bn	£43.7bn	£44.6bn	£172.7bn
CDEL	£26.6bn	£31.2bn	£32.7bn	£34.5bn	£125.0bn
TDEL	£68.3bn	£73.8bn	£76.5bn	£79.1bn	£297.7bn

Table 20: Contingency by Departmental Expenditure Limit (DEL)

	DEL				
	26/27	27/28	28/29	29/30	4 Year Total
RDEL	£790m	£820m	£840m	£860m	£3,310m
CDEL	£0	£310m	£650m	£690m	£1,650m
TDEL	£790m	£1,130m	£1,490m	£1,550m	£4,960m

Table 21: Efficiency Savings Targets and Expected Delivery Over Four years

	Resource DEL				
	26/27	27/28	28/29	29/30	4 Year Total
Total target	£1.3bn	£2.0bn	£2.1bn	£1.6bn	£7.0bn
of which high maturity initiatives included in forecast costs	£0.5bn	£0.5bn	£0.5bn	£0.5bn	£2.0bn
of which remaining plans at lower maturity	£0.8bn	£1.5bn	£1.6bn	£1.1bn	£5.0bn

	Capital DEL				
	26/27	27/28	28/29	29/30	4 Year Total
Total target	£0.1bn	£0.6bn	£1.4bn	£1.6bn	£3.7bn
of which high maturity initiatives included in forecast costs	£0.1bn	£0.1bn	£0.1bn	£0.1bn	£0.4bn
of which remaining plans at lower maturity	£0.1bn	£0.5bn	£1.3bn	£1.5bn	£3.4bn

[40] TDEL – Total Departmental Expenditure Limit, RDEL – Resource Departmental Expenditure Limit, CDEL – Capital Departmental Expenditure Limit

Table 24: Summary Domains

Domain and Sub-section	FY26/27 – FY29/30
Defence Nuclear Enterprise (excluding workforce)	£63.6bn
The Digital Backbone and the Targeting Web	£7.5bn
Maritime	£18.0bn
Land	£19.2bn
Air	£27.8bn
Weapons and Munitions	£11.1bn
Space	£3.2bn
Cyber and EM	£2.5bn
Joint Support Enablement and Defence Medical Services	£2.9bn
People and Veterans	£78.5bn
Defence Industry and Procurement	£510m
Science, Innovation and Technology	£4.3bn
Defence Infrastructure and Estate	£22.7bn

Table 24 summarises all spending set out in this document. These figures are mutually exclusive. However, this is not the totality of MOD's spending, as some sensitive or operational costs have been excluded and some cross cutting spending cannot be mapped to these categories. Furthermore, the MOD has made assumptions about efficiency delivery, industrial capacity and realistic delivery schedules, which have not been fully attributed to these lines.