



## BRIEFING PAPER

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# The Modernising Defence Programme

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The Ministry of Defence published its long-awaited [Modernising Defence Programme](#) (MDP) on 18 December 2018. Spun out of the National Security Capability Review, conducted earlier this year, the MDP was [seen](#) as a mini defence review, and was expected to lay out how the Ministry of Defence positioned itself to respond to a world that has become more [uncertain and volatile](#) since 2015 and address [budgetary problems](#) in its equipment programmes.

It is a relatively short document that firstly recounts developments in defence since 2015 and assesses current and future threats before identifying three broad areas it will now prioritise, tagged under the headings Mobilise, Modernising and Transform.

Reaction was muted. The shadow Defence Secretary said it was “underwhelming” and failed to address the MOD’s budgetary issues, while SNP Defence spokesman described the conclusions as “extremely thin”.

Some welcomed the fact it did not announce any cuts to specific capabilities, while others suggested it was setting the ground for the forthcoming Comprehensive Spending Review in 2019.

Media coverage afterwards was led not so much by the contents of the MDP but by the Defence Secretary’s [comment](#) that 3,500 service personnel are ready to support any Department dealing with a crisis in the event of a no-deal Brexit.

### Why now?

The early election in 2017, combined with concerns about the changing security environment, prompted calls for a fresh Strategic Defence and Security Review. Instead, the Government opted for a National Security Capability Review (NSCR), out of which spun a separate strand on Defence that became the Modernising Defence Programme.

Two forces drove the MDP.

Firstly, the rapidly changing security environment. The NSCR said the challenges facing the UK have become more [“complex, intertwined and dangerous”](#) since the 2015 SDSR.

Secondly, the defence budget. Or rather, the ‘significant, structural hole in the defence budget’, as the [Joint Committee on National Security Strategy](#) put it. In January 2018, when the MDP was launched, the [National Audit Office](#) identified an affordability gap that

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ranges from £4.9bn to £20.8bn in the Equipment Plan for the ten-year period 2017-2027 “if financial risks materialise and ambitious savings are not achieved.”

### Timings

The MDP was launched in January 2018, while the NSCR was still underway. A [consultation paper](#), published in March 2018, laid out the MOD’s goals for the MDP:

We need to strengthen our world-leading Armed Forces against the harder threats that we and our allies now face. At the same time, we need to put UK Defence on an enduringly affordable footing, so that our contribution to national security and prosperity is sustainable over the long term.

The consultation identified four workstreams, entitled: looking at the Operating Model (how Defence works); efficiency and business modernisation; commercial and industrial approach; and policy, outputs and military capability.

The [NSCR](#) was published later that month and the Defence Secretary [announced](#) the initial headline conclusions of the MDP in July 2018. Gavin Williamson said the first phase of the MDP “clarified three key themes we should consider in the next phase”. These were:

first, our armed forces need to be ready and able to match the pace at which our adversaries now move. Secondly, our armed forces need to be a fighting force fit for the challenges of the 21st century. And, finally, we need to transform the business of defence to deliver a robust, credible, modern and affordable force.

### What does the MDP say?

Gavin Williamson announced its publication in an [oral statement](#) to the House on 18 December 2018.

The MDP is a relatively short document that recounts developments since 2015, assesses the threat, and then identifies three broad priorities:

- We will mobilise, making more of what we already have to ensure our Armed Forces are best placed to protect our security
- We will modernise, embracing new technologies and assuring our competitive edge over our adversaries
- We will transform, radically changing the way we do business and staying ahead of emerging threats

The MDP is relatively light on detail and, in referring to the forthcoming Comprehensive Spending Review in 2019, indicates the MOD is waiting to see what the outcome of that is.

#### Threat assessment

Building on the more detailed assessment of the national security context in the NSCR, the MDP describes the world as having re-entered a “period of persistent and intense competition”. Russia features prominently in this section but China’s military modernisation plans is also referenced. Non-state actors now have access to high-end capabilities once considered the preserve of the world’s most advanced militaries. The character of warfare is “fundamentally changing” and the MOD expects “this troubled period to endure”.

Tobias Ellwood, Parliamentary Under Secretary of State and Minister for Defence People and Veterans, expanded on China during an [evidence session](#) with the Defence Committee on a separate matter shortly after the MDP was published. He noted the rapidly increasing size of China’s Navy, China’s activities in the South China Sea and the

expansion of China's interests in countries the UK would traditionally have a relationship with through the Commonwealth.

#### No cuts to equipment

Despite fears last winter of cuts to specific equipment (which prompted the Defence Committee to examine the [UK's amphibious capabilities](#)), the MDP does not make any significant capability announcements. It does say the MOD will improve the readiness and availability of some defence platforms, identifying major warships, attack submarines, helicopters and ISTAR platforms (Intelligence, Surveillance, Target Acquisition and Reconnaissance aircraft). The MOD plans to increase weapon stockpiles and spares by re-prioritising the current Defence programme but does not explain what re-prioritisation entails.

#### Deterrence

Without directly mentioning Russia, the MDP talks of becoming better at deterring adversaries from hostile state activity by "improving our ability to detect covert attacks and attribute responsibility when our adversaries attempt to deny it". This, the MDP says, requires a cross-Government approach. The Defence element will focus on Chemical, Biological, Radiological and Nuclear threats and protecting defence information networks from cyber-attacks.

#### Cyberspace

The Government also aims to strengthen its offensive cyber capabilities, although again it does not provide any detail. Indeed, the Chief of the Defence Staff gave more information to the Defence Committee in early December, when he [suggested](#) they are planning on increasing the headcount of those working on cyber by "several thousand people".

General Sir Nicholas Carter also [explained](#) that another outcome of the MDP will be to look at the force structure through the prism of five domains (air, land, sea, space and cyberspace) rather than through the individual Services. Tobias Ellwood similarly [talked](#) of "moving away from the standard, traditional types of threats, often to do with terrain, to non-lethal, sub-article 5 threats, where there are not any rules that have been written" specifically information warfare and the introduction of 5G.

#### Changing how defence operates

The MDP refers to other changes to how defence operates but gives no further details. So Joint Force Command is under review, with further details expected in 2019. Defence Equipment and Support, the body that buys and supports defence equipment, will continue to be transformed (DE&S's [Corporate Plan](#) does talk about its "transformation journey"). The MDP also confirms the MOD is establishing a Net Assessment Unit to assess how the choices of both friends and foes may play out over the short, medium and long-term (a Policy Exchange paper discussed why the UK needs a [Net Assessment](#) office). External expertise will be drafted in to form a Defence Policy Board. And in a clear hint that the SDSR pledge to reduce the civilian headcount by 30% has been quietly shelved, the MDP says the outcomes of work on strengthening the performance of the Whole Force "will therefore supersede the civilian workforce assumptions made in SDSR 2015" (Whole Force refers to the defence family of Regulars, Reserves, civil service and industry).

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### Brexit and allies

Surprisingly little is devoted to leaving the EU, beyond reaffirming the UK's intention to continue to work with European allies, for example as part of the joint Expeditionary Force and through the UK's future security partnership with the EU. Far greater emphasis is placed on NATO and plans to deepen relations with the US and France.

The MDP makes no mention of contingency plans for Brexit. However, when asked in Parliament whether the MOD had been approached by other Government departments about using armed forces personnel in the event of a no-deal Brexit, Gavin Williamson did [say](#) the MOD "will ensure that "3,500 service personnel are held in readiness to support any Department with contingency needs". This line was reported extensively in the media. Commons Library briefing paper [Military Aid to the Civil Authorities](#) explains when the armed forces can be deployed in the UK.

### National Security Objectives

The 2015 SDSR laid out three National Security Objectives and the MDP lists 25 tasks that Defence fulfils to help deliver these objectives. They are listed under each objective (Protect our people; Project our global influence and Promote our prosperity).

### Financial commitments

The only significant financial announcements are:

- a new Defence Transformation Fund, ring-fenced with £160m from the defence budget in its first year "for innovative new military capability".
- Defence Innovation Fund to grow from £20m this year to £50m next financial year

The MDP hopes a further £340 million will be made available for the Defence Transformation Fund as part of the 2019 Spending Review.

The MOD will also launch new 'Spearhead' Innovation Programmes to "exploit cutting-edge technologies at speed", citing combating sub-surface threats to submarines, autonomous systems, network sensors, artificial intelligence and machine learning. No money is attached to these programmes in the MDP.

## Reaction

The MDP was "underwhelming" after so much build-up, the shadow Defence Secretary [said](#). Nia Griffith asked why it did not address the affordability crisis facing the MOD, citing the £7bn to £15bn funding gap in the 2018 Equipment Plan, and why, when the Equipment Plan had suggested some programmes might be deferred, changed or deleted, the MDP gave no clarity on which programmes might be affected.

[Underwhelmed](#) was also the word used by a former National Security Advisor, Lord Peter Ricketts.

SNP Defence spokesman Stewart McDonald described the conclusions as "extremely thin" while former Labour defence spokesman Kevan Jones described it as "waffle".

Former defence minister Mark François welcomed the fact there were no cuts in capability and urged the Defence Secretary for more resources in the comprehensive spending review, while Julian Lewis, Chair of the House of Commons Defence Committee, called for a separate debate on the MDP once MPs have had a chance to fully digest it.

[Defence News](#) noted Williamson's statement disappointed some in the defence sector "for its blandness". John Louth, the Director of Defence industries and societies at the

defence think-tank RUSI, [described](#) the MDP as “an announcement about future announcements, it’s the [Ministry of Defence] keeping lots of option open... It’s all about seeing what can be achieved in next year’s governmentwide departmental spending review.” Defence commentator Howard Wheeldon [said](#) the review had “hardly a specific detail of anything that really matters other than some minimal strategic intentions to be found amongst the prose. Perhaps the best that can be said is that while it contains many strategic positives, loads of ambition and intent, at the very least it doesn’t contain any new specifics in relation to planned cuts.”

David Blagden of the University of Exeter [welcomed](#) the additional funding for advanced technology research. He also observed that it defers major budgetary decisions until after the “initial fiscal shock of Brexit has become clearer”. Media coverage previewing the statement focused on the £160m Defence Transformation Fund.

### **Next steps: The Comprehensive Spending Review and SDSR**

The MDP makes five references to the forthcoming Spending Review and Gavin Williamson [said](#) it “is going to be very important to the Department to make sure that we get the right investment going forward”. Assuming the Spending Review takes up much of 2019, the next question is whether the Government will begin a new National Security Strategy and Strategic Defence and Security Review for 2020. This would align with the pledges made in the 2010 and 2015 versions – to have them on a five-year cycle. The MDP makes no reference to a future SDSR and the Cabinet Office [said](#) in early December that no decision has been made on the timing of the next one.

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