Trident

1.29 pm

Katy Clark (North Ayrshire and Arran) (Lab): It is a pleasure to see you in the Chair today, Mr Benton, and to secure the debate. Its focus is on the cost issues associated with Trident, and on issues of parliamentary scrutiny. Many other issues are associated with Britain’s possession of nuclear weapons, but I hope that in the short time we have today we shall focus on the aspects I have mentioned.

The background to the matter is of course that in March 2007 the House voted to support the decision taken by the then Government as set out in the White Paper “The Future of the United Kingdom’s Nuclear Deterrent” to take the steps necessary to maintain Britain’s nuclear weapons capability after the Vanguard class submarines leave service in the mid-2020s. The motion that was passed also said that we should take steps towards meeting the UK’s disarmament responsibilities under the non-proliferation treaty. I voted against replacing Trident, but I believe the concerns I am raising today are shared by many hon. Members, and probably by Members on both sides of that debate.

After the vote in March 2007, the Ministry of Defence began the first stage of the process known as the concept stage, which was due to end with the initial gate decision point. That was one of the points of scrutiny of the project. The initial gate report was expected in September 2009, but it has still to be published. The decision whether to authorise the construction of the submarines is to be taken at the later main gate scrutiny stage, which was originally scheduled for 2012-14, but following the conclusion of the strategic defence and security review, that has been delayed until 2016, beyond the next general election.

The White Paper published at the end of 2006, which was voted on in 2007, estimated that the cost of the replacement of the system would be between £15 billion and £20 billion at 2006 prices. No updated estimate in current figures has been provided, and today I shall ask the Minister to ensure that one is provided to the House, particularly given that we know from the information provided to this place and to the general public seems to show that spending to date has been far in excess of the projections and information provided to the House in 2007, when the decision was taken, but also about the lack of parliamentary scrutiny of the programme.

John Woodcock (Barrow and Furness) (Lab/Co-op): I congratulate my hon. Friend on securing the debate. Is it not about time that the Government published an updated estimate of a cost for the project, before the main gate decision, and that it would therefore be helpful for the Ministry of Defence to set out the change in the cost profile that has already been conferred by the delay in the main gate decision, and the totality of increased costs that could流 from that?

Katy Clark: I agree, and my contention is that it would be helpful if as much information as possible could be put before the House, so that this place takes the right decisions, and so that whatever decisions are taken in years to come will be based on the fullest information, made available not just to Members of the House but to the general public.

Michael Connarty (Linlithgow and East Falkirk) (Lab): I congratulate my hon. Friend on securing this important debate. Is it not about time that the Government published the value-for-money review that was undertaken in 2010? Throughout the defence budget we have cuts that seem to be completely driven by putting the cost down as low as possible; yet here we have a massive overspend. People want to know what value for money we are getting from this atrocious weapons of mass destruction programme.

Katy Clark: I agree with my hon. Friend’s points, and will ask the Minister to publish the value-for-money review that was undertaken in 2010. My hon. Friend has made powerful points: when we see other decisions made by the Ministry of Defence, including cancelled contracts and cuts, it seems that a different approach is taken to the project in question.
Dr Julian Huppert (Cambridge) (LD): I congratulate the hon. Lady on securing this excellent debate, which is generating a lot of interest. Does she agree that a key issue is that the main gate decision in 2016 should be a proper decision? There is real concern that if too much money is spent before then, the next Parliament may not have a proper decision to make. It may be trapped, as the present Parliament has been over aircraft carriers.

Katy Clark: The hon. Gentleman is correct, and I am delighted that he is here today, and, indeed, about the cross-party support that has been raised. An early-day motion has been tabled by my hon. Friend the Member for Islington North (Jeremy Corbyn), which highlights some of the issues and the concern that contracts are being made, perhaps, in a way that goes against the spirit of undertakings made in the 2007 debate. That may mean that the decision that Parliament will take later will be tied by the amount of money already spent on the project. That is one reason for some requests that I will make of the Minister today. The first is that we should, as has been mentioned, publish the value-for-money review undertaken in 2010. Equally importantly, we need to ensure that the House has a full debate on the initial gate report and that decisions are taken with its consent.

I urge the Minister to explain some of the figures that I have cited today, particularly why the 2010-11 budget for the Trident replacement has exceeded the planned budget for the whole of the concept phase, which ran from 2006 to 2010. I urge the Government to publish an up-to-date budget for work done during the assessment phase before the main gate decision, and to say how much they plan to spend on orders for construction before the scrutiny of main gate, in view of recent statements and information provided by the Ministry of Defence. Given the clear increase in costs, it is only fair that the Government should publish the estimated full project costs in current prices, as it is clear that the information provided to the House in 2007 will no longer be accurate. Finally, I ask for a full strategic review of the UK’s possession of nuclear weapons before the main gate decision is made and orders for construction begin, and to give MPs the opportunity to debate and vote on the continuation of the programme, based on up-to-date information.

I have consented to the vice-chair of the Campaign for Nuclear Disarmament, my hon. Friend the Member for Islington North (Jeremy Corbyn), making a short contribution to the debate, and I understand that the Minister, too, has consented. I hope, Mr Benton, that you have no objection to my hon. Friend making a short contribution.

1.41 pm

Jeremy Corbyn (Islington North) (Lab): I shall be brief, as it is a short debate and we wish to hear the Minister’s reply. I congratulate my hon. Friend the Member for North Ayrshire and Arran (Katy Clark) on securing this debate and on her work for peace in general. I declare an interest. I am chair of the all-party CND group, and the national vice-chair of CND.

As my hon. Friend pointed out, I tabled early-day motion 1477, about the Government’s plans to order steel for the first new Trident replacement. It is important that the Minister has the opportunity to answer this point. We were told during an important parliamentary debate in 2007—that it attracted a substantial dissident vote by Labour Members against the early replacement of the Trident nuclear missile system—that the initial gate decision would not be taken until this Parliament and that we therefore had nothing to worry about. With the assistance of the excellent CND national office, I recently tabled a large number of parliamentary questions. I shall not refer to them all, but they were answered on 16 February.

I asked the Secretary of State whether steel for the substantial construction of the hull structure of the first boat would be made as a long-lead purchase prior to main gate. The Minister answered:

“Yes. The specialist high strength steel needed for the hull structure for the first boat is included as a long-lead item in the Initial Gate Business Case for the programme.”

I also asked the Secretary of State how much his Department had allocated to the Trident replacement programme in each year between 2010-11 and 2015-16. Those are crucial dates, as that is when initial gate is supposed to happen. The Minister answered:

“Approximately £330 million was allocated to the programme to replace the Vanguard submarine.”—[Official Report, 16 February 2011; Vol. 523, c. 805-06W]

It seems to me that the Ministry of Defence is running ahead of itself, and well ahead of authorisation by Parliament for spending such sums on preparation for the development of a new submarine and missile system before Parliament has had the opportunity to vote on it. In addition, it was discovered during the previous Parliament that large sums had been spent on upgrading the Atomic Weapons Establishment at Aldermaston in preparation for the development of the missile systems to go into those submarines.

Personally, I am completely opposed to nuclear weapons. I believe that they are immoral; they are weapons of mass destruction. The world would be a lot better off without them—and this country would be extremely well off without them. However, that is not the point of today’s debate. This debate is about the costs and the decision-making process, and about Parliament’s involvement in those matters.

Every three months, the Foreign Secretary and the Secretary of State for Defence commendably report to the House on progress or otherwise in Afghanistan, and we have the opportunity to question them. If the Ministry of Defence is so determined to spend such large sums, there should at the very least be an open debate in Parliament on the subject before those decisions are made. We signed a nuclear non-proliferation treaty many years ago that commits us to making long-term efforts on nuclear disarmament. As well as seeking to prevent other non-nuclear declared states from possessing nuclear weapons, I believe that we should fulfil our obligations under that treaty. I hope that the Minister will explain under what authority that money was spent, why it was spent ahead of a parliamentary decision, and when and if he will make a statement to the House on that expenditure and the purposes behind it.

1.46 pm

The Parliamentary Under-Secretary of State for Defence (Peter Luff): I genuinely congratulate the hon. Member for North Ayrshire and Arran (Katy Clark) on securing this debate.
In recent weeks, there has been quite a lot of commentary on the replacement submarine programme for Britain’s independent nuclear deterrent system, often referred to as the Trident programme. Much of it was incorrect, so I welcome the opportunity to discuss the matter. I doubt whether I shall reassure the hon. Lady on every question, as there is disagreement between us on the principles involved, but I have some good news and some clarification.

Before dealing with the scrutiny of the successor systems to our current nuclear deterrent, and for the avoidance of any doubt—I answer also the points raised by the hon. Member for Islington North (Jeremy Corbyn)—let me be clear about the Government’s policy on the nuclear deterrent. The first duty of any Government is to ensure the security of the people. The nuclear deterrent provides the ultimate guarantee of our national security, and has done so for more than 50 years.

The argument is often made that, because there is no immediate threat to the UK, there is no need to replace the current deterrent system; however, if history has taught us anything it is that predicting future events is difficult. We do not know how the international environment will change over the next 50 years. For example, how many people predicted the current speed of technological change? How many people could have predicted the speed of development in Ukraine? How many people predicted the current speed of technological development in China? What is important is that we have a properly funded nuclear deterrent that can to counter proliferation, to make progress on multilateral disarmament, and to build trust and confidence across the globe.

In our strategic defence and security review, we went further than any previous Government in giving assurances to non-nuclear members of the non-proliferation treaty that we would not use or threaten to use nuclear weapons against them. As part of that confidence-building initiative, we announced that our overall nuclear warhead stockpile ceiling will reduce from not more than 225 to fewer than 180 by the mid 2020s. In addition, we announced that over the next few years we will cut the maximum number of nuclear warheads on board each deployed submarine from 48 to 40, that we will reduce our requirement for operationally available warheads from fewer than 160 to no more than 120, and that we will reduce the number of operational missiles carried to no more than eight. None the less, on 9 February, the Prime Minister said:

“I profoundly believe that we should maintain our independent nuclear deterrent. I have looked at all the alternatives over the years, and I am completely convinced that we need a submarine based alternative—a full replacement for Trident—in order to guarantee the ultimate insurance policy for this country. I am in favour of a full replacement for Trident, a continuous at-sea deterrent and making sure that we keep our guard up.”—[Official Report, 9 February 2011; Vol. 523, c. 296.]

I take this opportunity on behalf of the House to pay tribute to the professionalism of all those Royal Navy and civilian personnel who answer this country’s call to operate and support this vital national capability on behalf of us all—seven days a week, 365 days a year. Last year, I visited HMS Vanguard and met some of our dedicated service personnel; I was truly impressed by their commitment. It is important that hon. Members should remember that, as we speak, those men are out there somewhere in the oceans at this very moment providing Britain’s and NATO’s ultimate security guarantee. They and their predecessors have so far provided a 42-year unbroken chain of continuous at-sea deterrence, keeping all of us and our allies safe. It is a fact of life that the current class of Vanguard submarines is ageing, yet while the nuclear threat remains we will maintain a nuclear deterrent. That is why we are continuing with a programme to replace the current deterrent.

One theme that has emerged—it emerged in the hon. Lady’s speech today—from those who do not see merit in this policy is that the Government are embarking on a programme of replacing the Trident system by stealth and that Parliament has not had the opportunity to consider the issue. That is simply not true. In 2006, the previous Administration published the White Paper “The Future of the United Kingdom’s Nuclear Deterrent,” which clearly set out why the UK needed to renew its deterrent system, what options were available and how much they were likely to cost. The conclusions of the White Paper remain as valid today as they were when they were first published. That paper was scrutinised by the House of Commons Defence Committee and was debated in full in July 2007. The House voted by a significant majority to “take the steps necessary to maintain the UK’s minimum strategic nuclear deterrent beyond the life of the existing system.”—[Official Report, 14 March 2007; Vol. 458, c. 298.]

That is exactly what we are doing.

Given the serious economic conditions that we inherited, we decided to commit ourselves to reviewing the Trident replacement programme to ensure that we were spending only the minimum necessary. That is why, in addition to the disarmament measures I have already mentioned, following the value for money review conducted last year, we announced a number of changes to the Trident replacement programme. For the submarine, this included deferring the delivery of the first boat to around 2028 and consequently deferring the main investment decision—or main gate—until 2016. I note the hon. Lady’s call for the publication of the value for money study, but I have to disappoint her. It contains a number of highly classified documents that are not suitable for release. However, all the important conclusions were published in full on page 38, paragraph 3.10 of the Strategic Defence and Security Review.

We were also able to announce our intention to work more closely with industry to improve efficiency in the programme. Since that announcement, we have taken huge steps with our three key suppliers—BAE Systems, Babcock and Rolls-Royce—to develop what we now call the submarine enterprise performance programme, which has three key aims: to retain and develop our world-class design, build and support skills, which are essential for delivering the nuclear programme; to realise significant savings by improving our approach to designing, building and supporting these submarines and, by way...
of example, through the rationalisation of facilities and sharing of resources; and, with industry, to improve our delivery performance. I saw that for myself a few weeks ago when I visited Barrow and Furness with the hon. Member for Barrow and Furness (John Woodcock), whom I am pleased to see in his place. I was hugely impressed with what I saw and with the dedication of the work force.

The Ministry of Defence, industry and the work force have risen to this challenge, and I have seen a step change in the way in which we are working with industry to ensure that our nuclear programme is delivered successfully. All in all, the decisions we took during the SDSR allowed us to save £1.2 billion and defer a further £2 billion of expenditure over the next 10 years. I can confirm to the hon. Lady that the figures for the total cost of the programme are as quoted in paragraph 3.10 in the SDSR.

“The review has concluded that the overall cost of the submarine and warhead replacement programmes and associated infrastructure”—

the three separate parts of the programme—

“remains within the £20 billion cost estimate foreseen in 2006 at 2006 prices.”

Therefore, the cost estimate remains valid. However, we did not say that we would do nothing until 2016. As for the reference to the delay of the Astute programme, I have to say that we have learned our lesson the hard way—if one stops doing something it costs a lot to start doing it again. That is the root of the problem and a mistake that we must not make again with its successor.

Let me stress again that we did not say that we would do nothing until 2016. We must be clear about the scale and challenge of this project. A submarine designed to carry the nuclear deterrent ranks with the space shuttle as one of the most complex engineering feats in the world. The submarine has a nuclear reactor; nuclear weapons; steam systems; hydraulic systems; electrical and electronic systems; computing systems as well as tactical weapons and sensors. It needs to sustain its crew while remaining submerged and undetected for months on end. It is a tremendous challenge to bring those complex components together, and we have an enormous programme of work to complete if we are successfully to see the delivery of the first boat in around 2028. The first significant milestone in this process is the so-called “initial gate” investment point.

At initial gate, we will agree the broad outline design of the submarine and some of the component designs, including the propulsion system, and set out the programme of work we need to complete so that we are ready to start building the first submarine in 2016. We will also agree the amount of material and parts—and for which boats—we will need to buy in advance of the main investment decision, and yes, that will include steel. However, we are not planning to procure any such items for the fourth boat at this point.

The precise value of the steel and the other long-lead items will depend on the final initial gate approval, but it is likely to amount to around £500 million, some way short of the £1 billion that the hon. Member for Islington North (Jeremy Corbyn) has quoted in the past. There is nothing unusual in that; it is normal practice for most large procurement programmes.

Jeremy Corbyn: The figure I quoted was the one that the Minister gave himself, which is £330 million. I asked where the parliamentary authority came from for that expenditure.

Peter Luff: I am sorry if the hon. Gentleman’s figures have been misunderstood by the Department. I was told that he said a figure around £1 billion. The authority comes from the vote in the House of Commons in the previous Parliament, established custom and practice and all complex programmes. If he wants a historical precedent, I am told that we bought the oak for HMS Victory 15 years in advance of building it. This is par for the course in major procurement programmes; there is nothing unusual about it at all.

It is quite simply not true to say that large parts of the build programme will have been completed by main gate, nor is it true to say that we will be locked into contracts and that we will have spent so much that we will have to build the boats when we get to main gate. There is nothing in the current programme that will prevent us from making choices in 2016 about what deterrent capability we want or how many boats we might order. It is self-evident from the decisions that we took during the SDSR to refine the replacement deterrent programme, which allowed us to save and defer £3.2 billion over the next 10 years, that our intent is to pursue value for money rigorously and only commit to expenditure as and when it is required. As agreed in the coalition programme for Government, the Liberal Democrats will continue to make the case for alternatives to a like-for-like replacement. Yes, it is true that the concept phase was extended in January 2010, which involved some extra cost, but some costs will be transferred from the assessment phase to the concept phase as a result.

What of the calls for scrutiny of the initial gate business case? Parliament does not routinely review internal Ministry of Defence business cases and I have not yet heard a convincing argument that suggests that this programme should be any different. The initial gate business case is not a grand strategic assessment; that happened in 2006 with the White Paper and the vote in the House of Commons in 2007. The initial gate business case is a technical assessment that presents design choices and programme analysis that is reviewed and agreed by technical, financial and procurement experts in MOD, Treasury and Cabinet Office. What we have committed to do once the initial gate business case has been approved is publish a report setting out the key decisions that we have taken, update Parliament on the latest assessment of cost, and explain the steps that we will be taking in the run-up to the main procurement decision in 2016. I hope that that reassures the hon. Lady. As this is one of the largest programmes in Government, it will be reviewed closely as we move towards main gate, both in the Ministry of Defence and more widely across Whitehall. As my right hon. Friend the Secretary of State for Defence announced last week, the Government are doing more to tighten up the Ministry of Defence’s internal processes. The Secretary of State for Defence will chair the major projects review board, which by definition will include the replacement submarine programme, and will receive a quarterly report on our major projects to ensure that they are on time and within budget. Where projects are falling behind schedule or budget we will take immediate remedial measures.
Those responsible will be brought to account in front of the project board. In addition, we will publish a list every quarter of the major project review board’s “projects of concern”. That way, Parliament, the public and the market can judge how well we and industry are doing in supporting our armed forces while offering value for money to the taxpayers.

Progress on the decisions we have taken during the SDSR, including those on the nuclear deterrent, will be reviewed by the National Security Council. The Government have also established a major projects authority within the Cabinet Office with a specific remit to oversee our portfolio of major projects and assess the health of programmes in it through a combination of quarterly reporting and more focused reviews. The major projects authority will produce an annual report through which Parliament and the public will be able to review our performance. On top of that scrutiny, the National Audit Office has published a report on the deterrent programme and, while it is not for me to task the NAO, I would not be surprised if it were to look again at this programme in the run-up to main gate, giving the Public Accounts Committee a chance to do the same thing.

It will be for the next Government to make decisions about scrutinising the main gate decision. For now, I am confident that we are striking the right balance between delivering the programme and ensuring that we are open about how we are performing. As this debate shows, if hon. Members wish to scrutinise the process, there are many avenues open to do that in our parliamentary democracy—many have already been explored by the Select Committee and many other options exist. Our democracy is more secure because of the Trident programme and our commitment to its successor.

Question put and agreed to.