



House of Commons
Committee of Public Accounts

Submarine defueling and dismantling

One Hundredth and First Report of
Session 2017–19

*Report, together with formal minutes
relating to the report*

*Ordered by the House of Commons
to be printed 12 June 2019*

The Committee of Public Accounts

The Committee of Public Accounts is appointed by the House of Commons to examine “the accounts showing the appropriation of the sums granted by Parliament to meet the public expenditure, and of such other accounts laid before Parliament as the committee may think fit” (Standing Order No. 148).

Current membership

[Meg Hillier MP](#) (*Labour (Co-op), Hackney South and Shoreditch*) (Chair)

[Douglas Chapman MP](#) (*Scottish National Party, Dunfermline and West Fife*)

[Sir Geoffrey Clifton-Brown MP](#) (*Conservative, The Cotswolds*)

[Chris Davies MP](#) (*Conservative, Brecon and Radnorshire*)

[Chris Evans MP](#) (*Labour (Co-op), Islwyn*)

[Caroline Flint MP](#) (*Labour, Don Valley*)

[Robert Jenrick MP](#) (*Conservative, Newark*)

[Shabana Mahmood MP](#) (*Labour, Birmingham, Ladywood*)

[Nigel Mills MP](#) (*Conservative, Amber Valley*)

[Layla Moran MP](#) (*Liberal Democrat, Oxford West and Abingdon*)

[Stephen Morgan MP](#) (*Labour, Portsmouth South*)

[Anne Marie Morris MP](#) (*Conservative, Newton Abbot*)

[Bridget Phillipson MP](#) (*Labour, Houghton and Sunderland South*)

[Lee Rowley MP](#) (*Conservative, North East Derbyshire*)

[Gareth Snell MP](#) (*Labour (Co-op), Stoke-on-Trent Central*)

[Anne-Marie Trevelyan MP](#) (*Conservative, Berwick-upon-Tweed*)

Powers

Powers of the Committee of Public Accounts are set out in House of Commons Standing Orders, principally in SO No. 148. These are available on the Internet via www.parliament.uk.

Publication

© Parliamentary Copyright House of Commons 2019. This publication may be reproduced under the terms of the Open Parliament Licence, which is published at www.parliament.uk/copyright/.

Committee reports are published on the [Committee’s website](#) and in print by Order of the House.

Evidence relating to this report is published on the [inquiry publications page](#) of the Committee’s website.

Committee staff

The current staff of the Committee are Richard Cooke (Clerk), Laura-Jane Tiley (Second Clerk), Hannah Wentworth (Chair Liaison), Ameet Chudasama (Senior Committee Assistant), Baris Tufekci (Committee Assistant), and Hajera Begum (Committee Support Assistant).

Contents

Summary	3
Introduction	4
Conclusions and recommendations	5
1 Performance of submarine disposal projects	8
Performance to date	8
Meeting future commitments	9
2 Challenges for submarine disposal	11
Managing funding and affordability constraints	11
Ensuring the right skills and capabilities	12
Managing commercial relationships	12
Formal Minutes	14
Witnesses	15
Published written evidence	16
List of Reports from the Committee during the current Parliament	17

Summary

The UK retired its 20 legacy submarines in 1980 and the Ministry of Defence's (the Department) progress in disposing of these submarines has been a serious disappointment. The project has moved at a glacial pace and the 15-year delay has led to extortionate storage and maintenance costs which are now costing the taxpayer £30 million per year. The Department is also looking increasingly likely to find itself without any further storage space by the mid-2020s. The Department is rapidly approaching crisis point and simply cannot afford any further delays, particularly as much of the money currently being spent on the project is not going directly towards either defueling or dismantling. While it has taken the Department 16 years to devise a workable dismantling strategy, it is encouraging to see that progress is now being made and there is finally some momentum behind the project. However, while there is now an agreed policy, we remain sceptical that the ambitious timetable will be met, particularly given how many times this project has been delayed or deprioritised over the years. It is clear that the commitment to dismantle its first submarine—Swiftsure—by 2023 will not be met and will likely be completed three years after the target date. The scale of the task faced by the Department appears even more challenging given the defence affordability 'black hole' which totals at least £7 billion. The Department has some way to go to establish submarine disposal as a routine part of its business.

Introduction

The Ministry of Defence (the Department) has committed to handling its retired nuclear-powered liabilities responsibly, disposing of them “as soon as reasonably practicable”. This includes removing the irradiated nuclear fuel (defueling), storing the submarines safely, taking out the radioactive parts (dismantling), and then recycling the boat. To date, the Department has not yet disposed of any of its 20 submarines retired since 1980, with nine still containing irradiated fuel. It has spent £500 million on storage and maintenance in that time. On behalf of the Department, the Submarine Delivery Agency (the Agency) manages several interdependent projects to ensure there is the necessary space, infrastructure, skills and regulatory approvals for the work. In July 2018, the Department told us that although it had previously deferred dismantling submarines for reasons of affordability, this was no longer acceptable on safety and reputational grounds.

Conclusions and recommendations

1. **The continual failure to progress submarine disposal has created an unacceptable and unnecessary problem for the Department.** In not yet disposing of a single submarine, the Department now risks running out of both storage and maintenance space. The projects needed to allow disposal to happen have been beset by delays, with an 11-year delay to defueling and a 15-year delay to dismantling. The Department will not be able to meet its commitment to fully dismantle its first submarine in 2023. Delays have resulted from the Department having to clarify policy through public consultations, but also through poor contractor performance and affordability constraints. In its 2018 annual nuclear update to Parliament, the Department outlined the status of its disposal projects, although these are not mentioned in the Agency's annual report despite disposal being one of its six 'purposes'.

Recommendation: *To ensure the task receives the attention it deserves, the Department and its partners must maintain the recently established momentum by regularly monitoring progress with these projects at senior level, and continuing to provide information on developments via the Department's annual update to Parliament on the future nuclear deterrent.*

2. **The Department has yet to resolve significant uncertainties affecting the projects that are needed in order to avoid future space constraints and meet its commitments.** The Department has now committed to dismantling its first submarine, Swiftsure, by 2026, when it will roll out a tried and tested dismantling approach across other submarines. After having agreed a dismantling policy, published in 2016, it is confident of meeting this date but still needs to secure regulatory approval, allocate funds and procure the intermediate-level waste transport arrangements, which it sees as high risk. To avoid space constraints for both storing and maintaining submarines, the Department must re-start submarine defueling, suspended since 2004, in 2024. It needs to agree a timetable and cost for completing this work with the contractor, Babcock International Group plc (Babcock), alongside securing nuclear-regulatory approval to restart defueling.

Recommendation: *To avoid running out of space and to meet its commitments, the Department must achieve the milestones it has set itself over the next ten years, including by having commercial arrangements agreed for defueling by the end of 2019. It should report to us on progress with both the defueling and dismantling projects by 31 March 2020.*

3. **The Department has repeatedly made decisions on short-term affordability grounds which have increased costs in the longer-term and led to poor value for money.** These decisions included deferring Devonport infrastructure work to save £19 million in the short-term, which then delayed the defueling project by two years. The Department is not yet able to confirm how much it will now cost to complete the project. Given delays, the Department continues to pay storage and maintenance costs of £30 million a year. To achieve value for money, the Department and Babcock recognise the value of a constant 'drumbeat' of work to avoid peaks and troughs.

Recommendation: *Where it has made decisions on affordability grounds that affect disposal-related projects, the Department should detail the targets, timescales and success indicators in its annual nuclear deterrent report to Parliament how these impact on progress towards establishing a routine programme of disposals, as well as how it will manage the risks to value for money.*

4. **We remain unconvinced that funds will be available for disposal-related projects, or that the Department has done everything it can to secure potential funds.** Wider affordability decisions have increased costs and delayed disposal-related projects. Looking ahead, there remain well recognised affordability challenges. With a £7 billion ‘black hole’ in the defence budget over the next ten years, the Department will need to prioritise, which creates further uncertainty for disposal-related projects. The Department cannot yet provide certainty that funding will be available for either defueling, where costs remain unclear, or for dismantling, where some technical processes need to be finalised. It cannot access the dedicated long-term nuclear decommissioning funding set aside for civil nuclear in the Energy Act 2004, and it remains unclear why the Department has not considered pursuing this source of funds.

Recommendation: *To sustain momentum behind this work, the Department must provide certainty over longer-term funding as soon as possible. It should do this by:*

- *urgently clarifying department-wide priorities and making decisions to delay, defer or descope areas of the programme so as to plan funding on a longer-term basis;*
 - *being clearer on the priority of disposal-related projects and how this may change over time; and*
 - *work with the Department for Business, Energy & Industrial Strategy and HM Treasury on the scope of the Energy Act 2004. The Department cannot access the decommissioning funds ringfenced as part of this Act and it should work with these other departments to push for change.*
5. **The engineering challenge of dismantling and disposing of nuclear submarines provides an opportunity to develop much needed skills in support of the government’s wider industrial and skills strategies.** There remain skills shortages across the nuclear enterprise with, for example, the 2016 unplanned refuel of HMS Vanguard diverting skilled personnel. Both the Department and Babcock recognise this work can be complicated but challenging for engineers, with graduates keen to work on these demanding projects. They recognise the lack of skills to progress projects is a significant challenge and see establishing nuclear skills as a national endeavour across the civil and nuclear sector.

Recommendation: *Given the importance to the UK of developing a broad pool of skilled engineering talent, the Department and Babcock should set out by December 2019 its strategy for exploiting opportunities across disposal projects, such as working with universities, with the aim of increasing the size of the skilled workforce.*

6. **The Department's ability to achieve value for money depends on managing complex commercial risks and relationships.** The Department has a significant and unique relationship with Babcock, which is the nuclear-licensed site owner as well as the only supplier able to conduct defueling and dismantling. It recognises the need to collaborate with Babcock, while maintaining contractors at arm's length. The Department has adopted various mechanisms designed to provide the transparency it needs to manage the contract closely, and the protection it needs should things go wrong. To progress submarine disposal, the Department needs to complete challenging commercial negotiations, facilitated by the Cabinet Office, to balance cost and time perspectives. It also needs to re-start the procurement of its intermediate-level nuclear waste transport approach where it misjudged the market's risk appetite, leading to a two-year delay.

Recommendation: The Department should report to us by 31 March 2020 to confirm that it has in place the appropriate commercial arrangements it needs and that good value for money will be delivered for the taxpayer.

1 Performance of submarine disposal projects

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Ministry of Defence (the Department), the Submarine Delivery Agency (the Agency) and Babcock International Group plc (Babcock) on submarine disposal.

2. The Department has committed to handling its retired nuclear-powered submarines responsibly, disposing of them “as soon as reasonably practicable”. To do so it needs to remove the irradiated nuclear fuel (defueling), safely store submarines, take out the radioactive parts (dismantling), and then recycle the boat.¹ To date, the Department has not yet disposed of any of its 20 submarines retired since 1980, with nine still containing irradiated fuel. It has spent an estimated £500 million on storing and maintaining these submarines since 1980.²

3. The Department oversees inter-related projects, managed by the Submarine Delivery Agency (the Agency), to ensure it has the necessary space, infrastructure, skills and regulatory approvals to dispose of submarines. Babcock currently plays a significant role as the only supplier able to do this work, and as owner of the nuclear-licensed sites needed in Devonport and Rosyth.³ The projects include:

- defueling-related projects at Devonport, covering the upgrade to defueling facilities (the defueling project) such as the crane to remove the fuel, and a wider project upgrading nuclear-licensed docks and infrastructure. In 2004, the Department had to suspend defueling as facilities did not meet the latest nuclear regulatory standards; and
- the Submarine Dismantling Project (the dismantling project), covering Rosyth and Devonport, to remove both low-level and intermediate-level radioactive parts from the submarine.⁴

Performance to date

4. Submarine defueling and dismantling projects have both experienced significant delays and cost increases. The defueling facility project has been delayed by 11 years, with a £100 million cost increase. Factors behind the delays include commercial problems; the Department deciding in 2016 on an unplanned refuel to HMS Vanguard, leading to a six-month delay; and the Department deferring an inter-linked Devonport infrastructure upgrade project by two-years as a cost saving measure.⁵

5. The Department’s submarine dismantling project has also suffered delays and is 15 years behind schedule, with a £0.8 billion (50%) cost increase.⁶ The Department told us these delays resulted from difficulties procuring transport for the intermediate-level

1 C&AG’s Report, [Investigation into submarine dismantling and defueling](#), Session 2017–19, HC 2102, 3 April 2019, para 1, 2.2

2 C&AG’s Report, para 1.8

3 C&AG’s Report, para 1.14

4 C&AG’s Report, para 3

5 C&AG’s Report, para 6, 2.6

6 C&AG’s Report, paras 7, 9

radioactive parts removed from the submarine, leading to a two-year delay, as well as the need to develop its dismantling and waste storage policy. When dismantling was first considered in the early 2000s, the Department assumed a national policy for storing intermediate-level radioactive parts would be developed by 2010. As this did not happen, it initiated a new project based on establishing an interim store until a national repository was available. The Department told us it could not have established this policy earlier given it had to await a national steer; undertake public consultations; and could not identify anyone willing to take the waste.⁷

6. In line with our previous recommendation, the Department's 2018 annual nuclear parliamentary update outlined the status of its disposal projects. It described the decommissioned submarine inspection and maintenance arrangements, how the Department continues to develop its dismantling approach, and set out that defueling plans will be finalised and financially approved in 2019.⁸ The Agency's corporate plan describes one of its six 'purposes' as submarine disposal, but does not provide further detail on what has been achieved.⁹ Its Chief Executive told us that both he and the Agency Chairman saw submarine disposal as a priority. Although the Agency does not have a specific dismantling corporate key performance indicator, the In-Service support indicator, which aggregates 240 milestones, covers disposal. Of the six submarine dismantling milestones set for 2018–19, five were completed on time. No milestones have been set for the Devonport defueling project given this has not yet recommenced.¹⁰

Meeting future commitments

7. While acknowledging responsibility for past delays, the Department told us it remains committed to the safe, secure and cost-effective refuelling and dismantling of all decommissioned submarines as soon as it practically can. It considers it has acted responsibly, with decommissioned submarines stored and maintained to the highest standards of safety and security. The nuclear regulators have assessed current arrangements as safe. The Department gave us assurances it would not compromise on the safety and security of submarines. It commented that the interest of this Committee and the National Audit Office report had focused the Department's mind and reminded it of the importance of this issue.¹¹

8. In July 2018, the Department acknowledged that although it had deferred dismantling submarines for affordability reasons, this was no longer acceptable on safety and reputational grounds.¹² It now recognises the need to progress these projects to avoid running out of storage and maintenance space when future submarines retire.¹³ Currently, the Department stores 12 submarines in a purpose-built water basin in Devonport which has approval to hold 14 boats. It plans to request regulatory approval to hold up to 16 submarines so it can accommodate the remaining four Trafalgar-class submarines when

7 Qq 12–13, 78–84

8 Committee of Public Accounts Report, *Ministry of Defence nuclear programme*, Sixty-First Report of Session 2017–19, 10 September 2018, para 5; Ministry of Defence, *The United Kingdom's Future Nuclear Deterrent: The 2018 Update to Parliament*, December 2018

9 Qq 14–15; Submarine Delivery Agency, *Corporate Plan 2018–2019*, April 2018

10 Qq 14–15, 17; *Letter from the Ministry of Defence*, received 9 May 2019

11 Qq 1–2, 19; *Committee of Public Account's evidence session*, 8 May 2019, Q4; C&AG's Report, para 2

12 Committee of Public Accounts Report, *Ministry of Defence nuclear programme*, Sixty-First Report of Session 2017–19, 10 September 2018, para 5

13 Qq 34, 43

they leave service. Without approval, the basin will reach capacity around the mid-2020s.¹⁴ The Department told us it is confident it can store submarines leaving service through to the mid-2030s, and hopes its water-based approach to preparing submarines for long-term storage will overcome dock constraints.¹⁵

9. To avoid space constraints, the Department needs to restart defueling in 2024, which it admits is a challenging timetable.¹⁶ To do so, it must complete work to nuclear regulatory standards on both the reactor access house, to allow entry to the submarine, and on the dock. The Department and Babcock are currently negotiating the timetable and costs to complete this work, which the Department aims to agree by the end of 2019.¹⁷ The Department does not yet have nuclear regulatory approval to use the facilities and re-start defueling. It is confident the facilities will meet the required regulatory standards although it recognises work is needed.¹⁸ Given ongoing commercial negotiations, the Department could not confirm how much it would cost to re-start defueling in 2024, although it expects to pay more than initially forecast to complete the defueling facilities.¹⁹

10. The Department will not meet its previous commitment to fully dismantle its first submarine in 2023.²⁰ It acknowledged previous delays but assured us it is now better placed to progress after publishing its dismantling policy in 2016, removing the low-level radioactive parts from its first submarine, Swiftsure, and progressing the technical solution to remove the intermediate-level radioactive parts.²¹ It has now committed to dismantling its first submarine and to start rolling out a tried and testing dismantling approach for its submarines in 2026.²² Although it sees this as a pragmatic timetable it is confident of meeting, the Department recognises these projects have residual risks.²³ To date, the Department has formalised where it will store its waste, but not how to remove or transport it. It has assessed developing the transport solution as high risk and the Agency did not meet its associated 2018–19 performance indicator. It continues to refine the technical solution to removing intermediate-level waste, but was confident this will be completed on time.²⁴

14 C&AG's Report, para 2.12

15 Qq 35–37

16 Q 52

17 Q 17–18

18 Qq 50–51

19 Qq 54–56; C&AG's Report, para 2.10

20 Committee of Public Accounts Report, [Ministry of Defence nuclear programme](#), Sixty-First Report of Session 2017–19, 10 September 2018, para 16,

21 Qq 2, 12, 76

22 Qq 21–22, 24

23 Qq 13, 22

24 [Committee of Public Account's evidence session](#), 8 May 2019, Q14; C&AG's Report, para 3.17; [Letter from the Ministry of Defence](#), received 9 May 2019

2 Challenges for submarine disposal

Managing funding and affordability constraints

11. To keep spending within the available funding, the Department has made decisions that have increased longer-term costs, created delays and led to poor value for money. This includes to save £19 million by deferring Devonport infrastructure work, which affected the 90% complete defueling project, causing a two-year delay and cost increases.²⁵ The Department also recognises that a failure to progress submarine disposal has increased storage and maintenance costs - £30 million each year - which it wishes to avoid paying in perpetuity.²⁶

12. Looking ahead, it remains uncertain whether long-term funding will be available to progress submarine disposal. The Department told us these projects have been included within future funding plans, but it cannot be certain a budget will be available to support these plans.²⁷ For example, it continues to develop the submarine defueling project requirements and costs, which need to be completed before funding approval can be sought.²⁸ The lack of clarity over the timing of a potential spending review, creates additional funding uncertainty for the Department.²⁹

13. The Department faces significant affordability challenges, on which we last reported in February 2019, highlighting the affordability gap of at least £7 billion across the ten years 2018 to 2028.³⁰ Given funding uncertainties and potential changes to funding plans, it remains likely the Department will have to re-examine its priorities to allocate a constrained budget. It reassured us of the importance of submarine disposal but stressed that this needed to be balanced against other demands such as maintaining the continuous at sea nuclear deterrent, which remained its highest priority. It recognised submarine disposal was important, however, given the risk of running out of space in Devonport, alongside the parliamentary interest. It reiterated the importance of not deprioritising projects in a way that created future problems and told us it would bid vigorously for long-term submarine disposal funding.³¹

14. Consistent regulatory and safety standards apply across civil and defence nuclear, with the Department working to the same objectives as civil counterparts such as the Nuclear Decommissioning Authority (NDA). In terms of nuclear decommissioning, the Energy Act 2004 established dedicated long-term funding for civil decommissioning work. The Department did not know why it had not sought access to these funds when the Act was established in 2004 and told us that it would welcome an amendment to the Act.³² It told us the Department and NDA continued to work together with, for example, joint aspirations on when defence will transfer nuclear liabilities to the NDA and a memorandum of understanding. While recognising commonalities, the Department

25 C&AG's Report, para 2.6

26 Qq 66, 72

27 Qq 6, 33

28 Q 17

29 Qq 6–7, 33

30 Committee of Public Account's Report, *Defence Equipment Plan 2018–28*, Seventy-Seventh Report of Session 2017–19, 1 February 2019, para 1

31 Qq 8–10, 75; [Committee of Public Account's evidence session](#), 8 May 2019, Q 4

32 Qq 63–64; [Committee of Public Account's evidence session](#), 8 May 2019, Qq 10–11

stressed that it remained best placed to deliver aspects of submarine disposal where, for example, specific submarine engineering skills are needed to understand the boat's construction.³³

Ensuring the right skills and capabilities

15. Both the Department and Babcock identified submarine disposal skills shortages as a significant concern.³⁴ The Department told us it would need to bolster skills to re-establish defueling, hoping to develop its plans during 2019 given a lack of people to satisfy future Devonport workload demands.³⁵ In 2016, limited availability of skills delayed defueling six months when the Department announced the unplanned refuel of HMS Vanguard which required them to divert skilled personnel.³⁶ To ensure longer-term value for money, by avoiding expensive peaks and troughs in labour demand, the Department aims to establish a consistent and regular 'drumbeat' to its submarine disposal. The Agency told us that, with some smoothing of workflow, it could sustain skills over a prolonged period in Devonport. Babcock confirmed it saw the lack of a continuous work flow as an issue as teams needed by making it harder for teams to maintain expertise.³⁷

16. Submarine disposal can be attractive work for engineers given the technical challenges and complexities involved. In developing an efficient and methodical approach to removing radioactive parts in the smallest packages possible, the Department is attempting something no other nation has done.³⁸ The Department told us it had graduates volunteering to be involved in what is seen as simulating work.³⁹

17. In September 2018, we reported on national skills shortages across nuclear work, recommending that the Department cooperates with contractors and across government to ensure that they all have the skills needed.⁴⁰ The Department told us it continues to express concern at the level of nuclear skills in the United Kingdom and that sustaining necessary expertise remains a long-term challenge. The Department confirmed it had been working with the NDA, the Department for Business, Environment and Industry Strategy and the education and civil sectors to share skills plans and identify synergies. It felt that the civil sector had made more progress than defence.⁴¹

Managing commercial relationships

18. The Department has a significant and unique relationship with Babcock, which owns the nuclear-licensed sites, with the Department paying £24 million each year to use the Rosyth and Devonport sites for submarine disposal. Babcock is also the only supplier currently able to conduct defueling and dismantling.⁴² The Department recognises the need to collaborate with Babcock, while maintaining the company at arm's length. It

33 Qq 57, 59–60, 65

34 Qq 94, 97, 99; [Committee of Public Account's evidence session](#), 8 May 2019, Q 12

35 Q 43, 92

36 C&AG's Report 2.6

37 Q 53, 69, 86, 88

38 Qq 2–4, 23, 86

39 Qq 105–106

40 Committee of Public Accounts Report, [Ministry of Defence nuclear programme](#), Sixty-First Report of Session 2017–19, 10 September 2018, para 2

41 Q 107; [Committee of Public Account's evidence session](#), 8 May 2019, Q 12

42 Q 47; C&AG's Report, para 1.14

confirmed that should Babcock no longer be able to satisfy its obligations, which Babcock's Chief Executive stressed was unlikely, commercial arrangements allowed Government to step in at Devonport. In addition, sharing a strategic asset list, open book arrangements, and the single source defence contract regulations, provide the Department transparency and protection.⁴³

19. To progress submarine defueling, the Department needs to complete challenging commercial negotiations with Babcock by the end of 2019. Ongoing discussions include balancing cost and time perspectives to complete the defueling project, alongside looking across the Devonport site where there are many infrastructure challenges. The Agency told us the Cabinet Office had recently facilitated constructive partnering discussions between themselves and Babcock, with these discussions having helped them focus on relationship and behavioural issues.⁴⁴

20. In 2018, the Department had to re-start its procurement for intermediate-level waste transport procurement after receiving no compliant bids. This has led to a two-year delay to dismantling.⁴⁵ The procurement failed as potential bidders were unwilling to accept the risks the Department tried to transfer.⁴⁶ Based on this learning, the Department de-risked arrangements by restructuring the competition, separated the design and manufacturing aspects, and provided greater clarity on what it wanted.⁴⁷ The Department now has four interested parties and hopes to select a bidder by the end of 2019.⁴⁸

43 Qq 46, 48–49

44 Q 43

45 Q 13; C&AG's Report, para 3.17

46 Qq 27–28

47 Qq 25–26

48 Qq 25, 29

Formal Minutes

Wednesday 12 June 2019

Members present:

Meg Hillier, in the Chair

Sir Geoffrey Clifton-Brown Anne Marie Morris

Caroline Flint

Draft Report (*Submarine defueling and dismantling*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 20 read and agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

Summary agreed to.

Resolved, That the Report be the one hundred and first of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Monday 17 June at 3:30pm]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Wednesday 1 May 2019

David Goldstone, Chief Operating Officer, **Rear Admiral Tim Hodgson**, Defence Nuclear Organisation Sub Cap Director, Ministry of Defence, **Ian Booth**, Chief Executive, Submarine Delivery Agency, and **Archie Bethel**, Chief Executive, Babcock International Group

[Q1-108](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

SDD numbers are generated by the evidence processing system and so may not be complete.

- 1 Kiely, Mr Mike ([SDD0001](#))
- 2 Prospect ([SDD0002](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2017–19

First Report	Tackling online VAT fraud and error	HC 312 (Cm 9549)
Second Report	Brexit and the future of Customs	HC 401 (Cm 9565)
Third Report	Hinkley Point C	HC 393 (Cm 9565)
Fourth Report	Clinical correspondence handling at NHS Shared Business Services	HC 396 (Cm 9575)
Fifth Report	Managing the costs of clinical negligence in hospital trusts	HC 397 (Cm 9575)
Sixth Report	The growing threat of online fraud	HC 399 (Cm 9575)
Seventh Report	Brexit and the UK border	HC 558 (Cm 9575)
Eighth Report	Mental health in prisons	HC 400 (Cm 9575) (Cm 9596)
Ninth Report	Sheffield to Rotherham tram-trains	HC 453 (Cm 9575)
Tenth Report	High Speed 2 Annual Report and Accounts	HC 454 (Cm 9575)
Eleventh Report	Homeless households	HC 462 (Cm 9575) (Cm 9618)
Twelfth Report	HMRC's Performance in 2016–17	HC 456 (Cm 9596)
Thirteenth Report	NHS continuing healthcare funding	HC 455 (Cm 9596)
Fourteenth Report	Delivering Carrier Strike	HC 394 (Cm 9596)
Fifteenth Report	Offender-monitoring tags	HC 458 (Cm 9596)
Sixteenth Report	Government borrowing and the Whole of Government Accounts	HC 463 (Cm 9596)
Seventeenth Report	Retaining and developing the teaching workforce	HC 460 (Cm 9596)
Eighteenth Report	Exiting the European Union	HC 467 (Cm 9596)

Nineteenth Report	Excess Votes 2016–17	HC 806 (Cm 9596)
Twentieth Report	Update on the Thameslink Programme	HC 466 (Cm 9618)
Twenty-First Report	The Nuclear Decommissioning Authority's Magnox	HC 461 (Cm 9618)
Twenty-Second Report	The monitoring, inspection and funding of Learndirect Ltd.	HC 875 (Cm 9618)
Twenty-Third Report	Alternative Higher Education Providers	HC 736 (Cm 9618)
Twenty-Fourth Report	Care Quality Commission: regulating health and social care	HC 468 (Cm 9618)
Twenty-Fifth Report	The sale of the Green Investment Bank	HC 468 (Cm 9618)
Twenty-Sixth Report	Governance and departmental oversight of the Greater Cambridge Greater Peterborough Local Enterprise Partnership	HC 896 (Cm 9618)
Twenty-Seventh Report	Government contracts for Community Rehabilitation Companies	HC 897 (Cm 9618)
Twenty-Eighth Report	Ministry of Defence: Acquisition and support of defence equipment	HC 724 (Cm 9618)
Twenty-Ninth Report	Sustainability and transformation in the NHS	HC 793 (Cm 9618)
Thirtieth Report	Academy schools' finances	HC 760 (Cm 9618)
Thirty-First Report	The future of the National Lottery	HC 898 (Cm 9643)
Thirty-Second Report	Cyber-attack on the NHS	HC 787 (Cm 9643)
Thirty-Third Report	Research and Development funding across government	HC 668 (Cm 9643)
Thirty-Fourth Report	Exiting the European Union: The Department for Business, Energy and Industrial Strategy	HC 687 (Cm 9643)
Thirty-Fifth Report	Rail franchising in the UK	HC 689 (Cm 9643)
Thirty-Sixth Report	Reducing modern slavery	HC 886 (Cm 9643)
Thirty-Seventh Report	Exiting the European Union: The Department for Environment, Food & Rural Affairs and the Department for International Trade	HC 699 (Cm 9643)
Thirty-Eighth Report	The adult social care workforce in England	HC 690 (Cm 9667)
Thirty-Ninth Report	The Defence Equipment Plan 2017–2027	HC 880 (Cm 9667)
Fortieth Report	Renewable Heat Incentive in Great Britain	HC 696 (Cm 9667)

Forty-First Report	Government risk assessments relating to Carillion	HC 1045 (Cm 9667)
Forty-Second Report	Modernising the Disclosure and Barring Service	HC 695 (Cm 9667)
Forty-Third Report	Clinical correspondence handling in the NHS	HC 929 (Cm 9702)
Forty-Fourth Report	Reducing emergency admissions	HC 795 (Cm 9702)
Forty-Fifth Report	The higher education market	HC 693 (Cm 9702)
Forty-Sixth Report	Private Finance Initiatives	HC 894 (Cm 9702)
Forty-Seventh Report	Delivering STEM skills for the economy	HC 691 (Cm 9702)
Forty-Eighth Report	Exiting the EU: The financial settlement	HC 973 (Cm 9702)
Forty-Ninth Report	Progress in tackling online VAT fraud	HC 1304 (Cm 9702)
Fiftieth Report	Financial sustainability of local authorities	HC 970 (Cm 9702)
Fifty-First Report	BBC commercial activities	HC 670 (Cm 9702)
Fifty-Second Report	Converting schools to academies	HC 697 (Cm 9702)
Fifty-Third Report	Ministry of Defence's contract with Annington Property Limited	HC 974 (Cm 9702)
Fifty-Fourth Report	Visit to Washington DC	HC 1404 (Cm 9702)
Fifty-Fifth Report	Employment and Support Allowance	HC 975 (Cm 9702)
Fifty-Sixth Report	Transforming courts and tribunals	HC 976 (Cm 9702)
Fifty-Seventh Report	Supporting Primary Care Services: NHS England's contract with Capita	HC 698 (Cm 9702)
Fifty-Eighth Report	Strategic Suppliers	HC 1031 (Cm 9702)
Fifty-Ninth Report	Skill shortages in the Armed Forces	HC 1027 (9740)
Sixtieth Report	Ofsted's inspection of schools	HC1029 (Cm 9740)
Sixty-First Report	Ministry of Defence nuclear programme	HC 1028 (Cm 9740)
Sixty-Second Report	Price increases for generic medications	HC 1184 (Cm 9740)

Sixty-Third Report	Interface between health and social care	HC 1376 (Cm 9740)
Sixty-Fourth Report	Universal Credit	HC 1375 (Cp 18)
Sixty-Fifth Report	Nuclear Decommissioning Authority	HC 1375 (Cp 18)
Sixty-Sixth Report	HMRC's performance in 2017–18	HC 1526 (Cp 18)
Sixty-Seventh Report	Financial Sustainability of police forces in England and Wales	HC 1513 (Cp 18)
Sixty-Eighth Report	Defra's progress towards Brexit	HC 1514 (CP 18)
Sixty-Ninth Report	Sale of student loans	HC 1527 (Cp 56)
Seventieth Report	Department for Transport's implementation of Brexit	HC 1657 (Cp 56)
Seventy-First Report	Department for Health and Social Care accounts	HC 1515 (Cp 56)
Seventy-Second Report	Mental health services for children and young people	HC 1593 (Cp 79)
Seventy-Third Report	Academy accounts and performance	HC 1597 (Cp 79)
Seventy-Fourth Report	Whole of Government accounts	HC 464 (Cp 79)
Seventy-Fifth Report	Pre-appointment hearing: preferred candidate for Comptroller and Auditor General	HC 1883 (Cp 79)
Seventy-Sixth Report	Local Government Spending	HC 1775 (Cp 79)
Seventy-Seventh Report	Defence Equipment Plan 2018–28	HC 1519 (Cp 79)
Seventy-Eighth Report	Improving Government planning and spending	HC 1596 (Cp 97)
Seventy-Ninth Report	Excess Votes 2017–18	HC 1931 (Cp 97)
Eightieth Report	Capita's contracts with the Ministry of Defence	HC 1736 (Cp 97)
Eighty-First Report	Rail management and timetabling	HC 1793 (Cp 97)
Eighty-Second Report	Windrush generation and the Home Office	HC 1518 (Cp 113)
Eighty-Third Report	Clinical Commissioning Groups	HC 1740 (Cp 97)
Eighty-Fourth Report	Bank of England's central services	HC 1739 (Cp 97)

Eighty-Fifth Report	Auditing local government	HC 1738 (Cp 97)
Eighty-Sixth Report	Brexit and the UK border: further progress review	HC 1942 (Cp 113)
Eighty-Seventh Report	Renewing the EastEnders set	HC 173 (Cp 113) 7
Eighty-Eighth Report	Transforming children's services	HC 1741 (Cp 113)
Eighty-Ninth Report	Public cost of decommissioning oil and gas infrastructure	HC 1742 (Cp 113)
Ninetieth Report	BBC and personal service companies	HC 1522 (Cp 113)
Ninety-First Report	NHS financial sustainability: progress review	HC 1743 (Cp 113)
Ninety-Second Report	Crossrail: progress review	HC 2004 (Cp 113)
Ninety-Third Report	Disclosure and Barring Service: progress review	HC 2006
Ninety-Fourth Report	Transforming rehabilitation: progress review	HC 1747
Ninety-Fifth Report	Accessing public services through the Government's Verify digital system	HC 1748
Ninety-Sixth Report	Adult health screening	HC 1746
Ninety-Seventh Report	Local Government Governance and Accountability	HC 2077
Ninety-Eighth Report	The apprenticeships programme: progress review	HC 1749
Ninety-Ninth Report	Cyber security in the UK	HC 1745
One Hundredth Report	NHS waiting times for elective and cancer treatment	HC 1750
First Special Report	Chair of the Public Accounts Committee's Second Annual Report	HC 347
Second Special Report	Third Annual Report of the Chair of the Committee of Public Accounts	HC 1399