

The Deterrent

3.1 The National Security Tasks and Planning Guidelines set out the need for a minimum effective nuclear deterrent as the ultimate means to deter the most extreme threats. In parallel with the Strategic Defence and Security Review we have conducted a review of our nuclear declaratory policy, and scrutinised Trident replacement to ensure value for money, including the scope for further reductions in the scale of our nuclear weapons capability. The conclusions are set out below.

The strategic context

3.2 No state currently has both the intent and the capability to threaten the independence or integrity of the UK. But we cannot dismiss the possibility that a major direct nuclear threat to the UK might re-emerge – a state's intent in relation to the use or threat of use of its capabilities could change relatively quickly, and while we will continue to work internationally to enhance mutual trust and security, we cannot rule out a major shift in the international security situation which would put us under grave threat.

3.3 Despite the success of the Treaty on the Non Proliferation of Nuclear Weapons (NPT) over the last 40 years in limiting the number of states with nuclear capabilities, large arsenals remain and the risk of nuclear proliferation continues. We cannot discount the possibility that the number of states armed with nuclear weapons might increase. Equally there is a risk that some countries might in future seek to sponsor nuclear terrorism. We must not allow such states to threaten our national security or to deter us and the international community from taking the action required to

maintain regional and global security.

3.4 It is also important to recognise that the UK's nuclear deterrent supports collective security through NATO for the Euro-Atlantic area; nuclear deterrence plays an important part in NATO's overall strategy and the UK's nuclear forces make a substantial contribution.

Nuclear weapons policy

3.5 At the beginning of this Parliament, the Foreign Secretary announced a review of our nuclear declaratory policy to ensure that it is appropriate to the political and security context in 2010 and beyond. The UK has long been clear that we would only consider using our nuclear weapons in extreme circumstances of self defence, including the defence of our NATO Allies, and we remain deliberately ambiguous about precisely when, how and at what scale we would contemplate their use.

3.6 As a responsible nuclear weapon state and party to the NPT, the UK also remains committed to the long term goal of a world without nuclear weapons. We will continue to work to control proliferation and to make progress on multilateral disarmament, to build trust and confidence between nuclear and non-nuclear weapon states, and to take tangible steps towards a safer and more stable world where countries with nuclear weapons feel able to relinquish them.

3.7 We are now able to give an assurance that the UK will not use or threaten to use nuclear weapons against non-nuclear weapon states parties to the NPT. In giving this assurance, we emphasise the need for universal adherence to and compliance with the NPT, and note that this

assurance would not apply to any state in material breach of those non-proliferation obligations. We also note that while there is currently no direct threat to the UK or its vital interests from states developing capabilities in other weapons of mass destruction, for example chemical and biological, we reserve the right to review this assurance if the future threat, development and proliferation of these weapons make it necessary.

Value for money

3.8 In December 2006, the previous Government published *The Future of the United Kingdom's Nuclear Deterrent White Paper* (Cm6994). In March 2007 Parliament voted to retain a minimum nuclear deterrent based on the current Trident missile delivery system. Under the previous Government, work started on a programme to replace the current Vanguard class submarines when they leave service in the late 2020s. In May this year the Coalition programme for government stated that 'we will maintain Britain's nuclear deterrent, and have agreed that the renewal of Trident will be scrutinised to ensure value for money. Liberal Democrats will continue to make the case for alternatives'. The value for money review has now been completed.

3.9 The Government will maintain a continuous submarine-based deterrent and begin the work of replacing its existing submarines. We will therefore proceed with the renewal of Trident and the submarine replacement programme, incorporating the savings and changes set out below. The first investment decision (Initial Gate) will be approved, and the next phase of the project commenced, by the end of this year.

3.10 The review has concluded that the overall cost of the submarine and warhead replacement programmes and associated infrastructure remains within the £20 billion cost estimate foreseen in 2006 at 2006 prices. To drive value for money we will:

- defer decisions on a replacement to the current warhead
- reduce the cost of the replacement submarine missile compartment

- extend the life of the current Vanguard class submarines and re-profile the programme to build replacement submarines
- consequently, take the second investment decision (Main Gate) finalising the detailed acquisition plans, design and number of submarines around 2016
- work with British industry to improve efficiency and optimise to expected demand its capacity to build and support submarines.

As a result of our reassessment of the minimum necessary requirements for credible deterrence we will:

- reduce the number of warheads onboard each submarine from 48 to 40
- reduce our requirement for operationally available warheads from fewer than 160 to no more than 120
- reduce our overall nuclear weapon stockpile to no more than 180
- reduce the number of operational missiles on each submarine.

The overall impact of the changes identified by the value for money review will be to reduce costs by £3.2 billion, saving approximately £1.2 billion and deferring spending of up to £2 billion from the next 10 years; we expect some of the deferred spend ultimately to be translated into real savings in later years. These savings do not alter in any way the nature and credibility of the nuclear deterrent, including maintenance of Continuous At Sea Deterrence. Further detail is set out below.

Scale

3.11 The Government has concluded that we can meet the minimum requirement of an effective and credible level of deterrence with a smaller nuclear weapons capability. We will therefore cut the maximum number of nuclear warheads onboard each deployed submarine from 48 to 40. Together with improved stockpile management, that will reduce our requirement for operationally available warheads from fewer than 160 to no more than 120. We will also reduce the number of operational missiles on the Vanguard class

submarines to no more than eight. These changes will start to take effect over the next few years. This will enable us to reduce our overall nuclear warhead stockpile ceiling from not more than 225 to not more than 180 by the mid 2020s.

Replacement warheads

3.12 Since 2006, work has been progressing in order to determine the optimum life of the existing warhead stockpile and the range of replacement options. Under the 1958 UK-US Agreement for Cooperation on the Uses of Atomic Energy for Mutual Defence Purposes (the 'Mutual Defence Agreement') we have agreed on the future of the Trident D5 delivery system and determined that a replacement warhead is not required until at least the late 2030s. Decisions on replacing the warhead will not therefore be required in this Parliament. This will defer £500 million of spending from the next 10 years. We have also reached agreement with the US over the size of the missile tubes in the new submarines; this has enabled us to reduce the cost of the submarine missile compartment by up to £250 million.

Submarines

3.13 We have reviewed the scope to extend the life of the existing Vanguard class submarines and have concluded that, with sufficient investment, we can safely operate them into the late 2020s and early 2030s. This affords us the opportunity to adjust the build programme of the replacement submarines to match, reducing cost in the short-term with the aim of delivering the first new submarine in 2028. Later this year detailed design work on the new class of submarines will begin. This will provide the information needed in order to determine whether maintaining continuous at sea deterrence would require four submarines, or a fleet of only three. A decision on submarine numbers would be required at the Main Gate point of our acquisition programme, around 2016.

3.14 We have also determined that the next generation of submarines can be configured with only eight operational missile tubes, rather than the 16 on the current Vanguard class. Together with the US, we will now proceed with a common design for the missile compartment that provides that capacity.

Industry and infrastructure

3.15 The value for money work has also examined the organisations and infrastructure that support our deterrent to ensure that they are as efficient as possible. We have identified a number of areas where spending can be reduced and in some cases deferred in order to minimise expenditure. As a result, we have agreed to defer and potentially to remove over £1 billion of future spending on infrastructure over the next 10 years.

3.16 Across the whole of the nuclear defence programme we will be working closely with our industrial suppliers to improve commercial arrangements and efficiency. Under this Submarine Enterprise Performance Programme we expect to deliver substantial savings of at least £900 million over the next 10 years.