

News story: MOD builds links with SMEs in North East

The North East makes a key contribution to the UK's defence. A&P Tyneside delivered blocks used in the innovative modular construction of the Royal Navy's new Queen Elizabeth Class Carriers, which are being constructed in Rosyth; as well as manufacturing key parts for the Astute nuclear submarine programme in their shipyard at Hebburn, sustaining jobs and bringing work worth some £7 million to the region.

Today's event took place at Pearson Engineering's cutting-edge Armstrong Works. Alongside eight other defence companies based in the north and north east, Pearson Engineering is part of the extensive UK supply chain for the Ajax Armoured Fighting Vehicle programme, the biggest order of armour for the British Army in a generation. Ajax has substantially better firepower, mobility and protection than any of its peers worldwide. The Army will take delivery of the first production vehicles in 2017.

Partnerships between Defence and North East industry over the last year include:

- BAE Systems Global Combat Systems' construction and support of the Royal Engineers' Terrier armoured combat engineer vehicle.
- Cook Defence Systems Ltd's construction of armoured vehicle tracks and support.
- UK Docks Marine Services North Ltd's support for the UK's maritime capability across the world.

As the Ministry of Defence (MOD) is aiming to increase the share of its contracts with SMEs from 19% to 25%, the Minister led discussions with 12 companies in the Northern Defence Industries trade group (NDI) on how Defence and businesses of all sizes can work together. In particular, they looked at how to grow exports, drive innovation and support the UK supply chain.

Minister for Defence Procurement Harriett Baldwin said:

The North East makes an important contribution to our national security and economy. From the Ajax armoured vehicle to our new carriers, the companies I've met are delivering the equipment and services our Armed Forces need to keep Britain safe.

Here in Newcastle today, we looked at how the businesses based here can help make Britain one of the most innovative, most prosperous countries globally, for an economy that works for everyone.

The Minister's SME roundtable was hosted at Pearson Engineering's cutting-edge Armstrong Works in Newcastle-Upon-Tyne. The Works, which reopened in 2015 following a £20 million refurbishment. It is a great example of the

invaluable role that northern Small and Medium-sized Enterprises (SMEs) are playing in the Defence supply chain.

Managing Director of Pearson Engineering and Chairman of NDI, Craig Priday said:

It has been a pleasure to welcome the Minister for Defence Procurement to Pearson Engineering today, particularly at a time when the MOD is in the process of renewing its industrial policy.

NDI's member companies make an enormous contribution to the capabilities of our armed forces and it is reassuring that the Department is taking the time to consider the views of the UK defence community right across the supply chain as it formulates its future intentions in this regard.

Andy Collier, NDI Director, said that:

This has been a great opportunity for MOD to engage further with the UK supply chain.

This sort of engagement is crucial to ensure that MOD can establish the means through which we, as an industry, can work ever more closely with the Department in the best interests of the UK economy.