GDI

**Government Defence
Integrity Index**

2020

Country Brief:

UNITED KINGDOM

UNITED KINGDOM

The UK is a key military power, ranking as the fifth largest military spender in the world and the sixth largest exporter of major weapons,[1] although military manpower is declining as a consequence of a reorientation towards new technologies and new threats.[2] An effective defence capability is a key element of the government's efforts to reposition the UK as a global leader after leaving the EU.[3] In 2020, the government announced the largest defence budget increase since the Cold War, and plans to increase spending by a further £16.5 billion over the next four years.[4]

Member of Open Government Partnership	**Yes**
UN Convention Against Corruption	**Ratified in 2006**
Arms Trade Treaty	**Ratified in 2014**

The objective is to transform the UK Armed Forces into a technologically advanced and highly effective force, able to operate in an increasingly fragmented international arena, characterised by asymmetric threats and hybrid warfare in the 'grey-zone' of conflict,[5] and enduring transnational threats such as climate change, illicit finance and terrorism.[6] As the largest defence spender in Europe and second largest in NATO,[7] the UK has a key role to play in Euro-Atlantic and European security and will be crucial to effectively countering these threats. The UK has one of the most robust and effective defence governance frameworks in the world, with strong formal provisions for institutional oversight of the policies, budgets and activities of defence institutions. Nevertheless, there are continuing issues with the enforcement of oversight powers, whistleblowing, secrecy in the defence procurement process and concerns surrounding the influence of powerful industry actors over policymaking and acquisitions.

NATO Overview

In a global context marked by the fragmentation of global power, a loss of faith in multilateralism and the rise of non-conventional conflict, NATO faces an uncertain future. In the twilight of its long-standing operation in Afghanistan, there is a pressing need for it to retool and revamp itself to better address current and future challenges. Externally, these include an increasingly belligerent and assertive Russia, the continued rise of China and the increased global instability that the current decade heralds. Within the alliance, NATO's expansion in the Western Balkans has occurred during a period of democratic backsliding and rising defence spending amongst many member states. These trends prompt concerns about an increased risk of corruption that threatens both political and military

stability, at a time when NATO can ill afford governance failings undermining its capacity to respond to threats. Whilst the Building Integrity programme has proved generally effective at mitigating defence sector corruption and fostering good governance, maintaining the high standards of defence governance that are critical to NATO's ability to exercise its mandate will likely pose a significant challenge to the alliance in coming years.

1   SIPRI, 'Trends in International Arms Transfers', March 2021; SIPRI, 'Trends in World Military Expenditure', April 2021.
2   Ministry of Defence, *Defence in a Competitive Age*, CP411, March 2021.
3   HM Government, *Global Britain in a Competitive Age: The Integrated Review of Security, Defence, Development and Foreign Policy*, March 2021.
4   UK Parliament, 'UK Defence Expenditure', Research Briefing, 21 June 2021.
5   'Hybrid warfare' is a military strategy employing political warfare and blends of conventional warfare, irregular warfare and cyberwarfare. Such warfare is often conducted in the 'grey zone' of conflict, meaning operations that may not clearly cross the threshold of war. The 'grey zone' describes the space between peace and war in which state and non-state actors engage in competition but not full conflict. See, MCDC, 'Understanding Hybrid Warfare', January 2017.
6   HM Government, *Global Britain in a Competitive Age*, p. 24.
7   SIPRI, 'Trends in World Military Expenditure', April 2021.
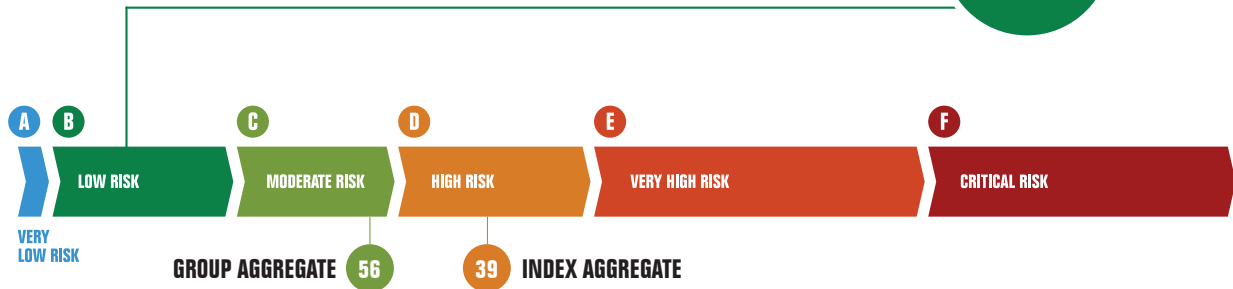
UNITED KINGDOM

Overall scores

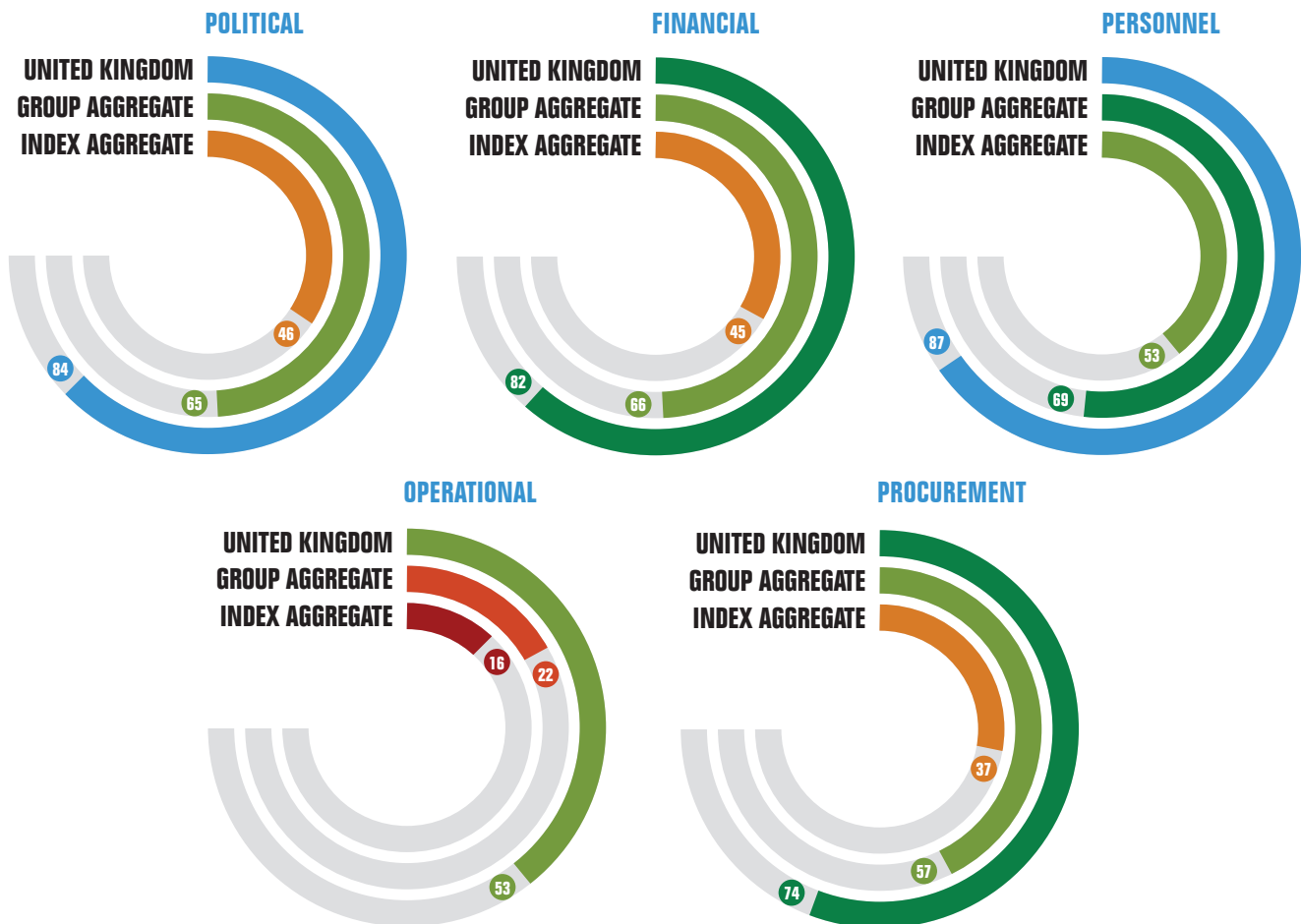UNITED KINGDOM SCORE

LOW RISK

B

76

The size of the colour band corresponds to number of countries that fall into that category.

A	B		C		D		E		F
	LOW RISK		MODERATE RISK		HIGH RISK		VERY HIGH RISK		CRITICAL RISK

VERY LOW RISK

GROUP AGGREGATE **56**

39 INDEX AGGREGATE

A ▸ 83-100 VERY LOW   **B ▸ 67-82** LOW   **C ▸ 50-66** MODERATE   **D ▸ 33-49** HIGH   **E ▸ 17-32** VERY HIGH   **F ▸ 0-16** CRITICAL

Risk Comparison

POLITICAL

UNITED KINGDOM
GROUP AGGREGATE
INDEX AGGREGATE

84
65
46

FINANCIAL

UNITED KINGDOM
GROUP AGGREGATE
INDEX AGGREGATE

82
66
45

PERSONNEL

UNITED KINGDOM
GROUP AGGREGATE
INDEX AGGREGATE

87
69
53

OPERATIONAL

UNITED KINGDOM
GROUP AGGREGATE
INDEX AGGREGATE

53
22
16

PROCUREMENT

UNITED KINGDOM
GROUP AGGREGATE
INDEX AGGREGATE

74
57
37

UNITED KINGDOM

Parliamentary Oversight

Legislative oversight of budget (Open Budget Survey, IBP, 2019)	**74/100**
Military expenditure as share of government spending (SIPRI, 2020)	**4.2%**
Committee members with defence expertise (%)	**64% (7 of 11)**
# of meetings/year	**38 (2018); 19 (2019); 19 (2020)**
Last review of defence policy/strategy	**2021 (The Integrated Review of Security, Defence, Development and Foreign Policy)**

Parliamentary oversight of government has been undermined in recent years. The unlawful prorogation of parliament in 2019 is perhaps the best illustration of this,[8] while the weakening of oversight during the COVID-19 pandemic is a further illustration of the erosion of democratic scrutiny.[9] With regards to defence specifically, Parliament has strong formal powers of oversight over all aspects of policy, apart from the deployment of the armed forces.[10] The cross-party House of Commons Defence Committee (HCDC) is tasked with examining the expenditure, administration and policy of the Ministry of Defence (MOD) and has the ability to summon witnesses, launch inquiries and establish sub-committees as it sees fit,[11] in conjunction with the Public Accounts Committee (PAC) which exercises oversight of all budgetary matters.[12] The HCDC is a relatively robust committee, with strong expertise on defence issues and is highly active in conducting inquiries into specific areas of defence.[13] Nevertheless, its ability to have its recommendations implemented has been limited in the past.[14] The government also sought to unduly influence parliamentary work on security matters when it attempted to interfere with the election of the chair of the Intelligence and Security Committee, which oversees the intelligence services.[15] This delayed the publication of a critical report into Russian interference in UK politics that apportioned blame to the government for its failure to investigate allegations of foreign influence.[16] In parallel to parliament's work, financial oversight is also carried out by audit bodies. The MOD's Defence Internal Audit (DIA) engages in internal auditing of expenditure. Though there is little publicly available evidence of its work, DIA is active in conducting close to 200 audits per year.[17] However there is no evidence of the HCDC having access to these reports to inform its scrutiny. The National Audit Office (NAO) carries out external audits that feed into parliament's oversight work. The NAO is highly active and proactively publishes reports relating to defence institutions.[18] While the MOD generally complies with NAO recommendations, there are instances where it fails to do so, including in relation to its equipment plan which the NAO has repeatedly criticised for being unaffordable.[19]

8 UK Parliament, 'Decision of the Supreme Court on the Prorogation of Parliament', Research Briefing, 24 September 2019.
9 Benjamin Ward, 'Britain's Democratic Fabric is Being Eroded by Boris Johnson's Government', *Human Rights Watch*, 26 October 2020.
10 UK Parliament, 'Parliamentary Approval for Military Action', Research Briefing, 17 April 2017.
11 UK Parliament, 'Role – Defence Committee'.
12 UK Parliament, 'Our role – Public Accounts Committee'.
13 UK Parliament, 'Inquiries – Defence Committee'.
14 Institute for Government, 'Committees under Scrutiny - The Impact of Parliamentary Committee Inquiries on Government', 9 June 2015.
15 Aubrey Allegretti, 'Chris Grayling Fails to Become Chair of ISC after Tory Challenge', *Sky News*, 15 July 2020.
16 Dan Sabbagh, Luke Harding and Andrew Roth, 'Russia Report Reveals UK Government Failed to Investigate Kremlin Interference', *The Guardian*, 21 July 2020.
17 Ministry of Defence, 'Defence Internal Audit: Progress Report for the January 2017 Defence Audit Committee', January 2017.
18 National Audit Office, 'Ministry of Defence'.
19 National Audit Office, 'The Equipment Plan 2020 to 2030', 12 January 2021.

Financial Transparency

Defence-related access to information response rates	**(1) % granted full access: 50-60% (Q4 2020)**
	(2) # subject to backlog: Data is not publicly available.
Defence-related complaints to ombudsman/commissioner #	**19 (2019)**
Does the commissioner have authority over the MoD?	**Yes**
Audit reports on defence (2018-2020) #	**9 (2018); 6 (2019); 9 (2020)**
Open Budget Survey (IBP, 2019)	**70/100**
World Press Freedom Index (RSF, 2021)	**33rd out of 180**

Recent investigations into the government's management of COVID-19 contracts have shone a light on opaque executive decision making processes in the UK.[20] In parallel, attempts to undermine access to information mechanisms also underscore the continuing challenges surrounding government transparency.[21] Nevertheless, financial transparency standards in the defence sector remain relatively strong. The published budget contains comprehensive and disaggregated information on expenditure across functions including personnel, military R&D, training, construction and procurement.[22] Actual spending figures are also included in the MOD's annual reports[23] and the Finance & Economics statistical bulletin, which tracks departmental expenditure.[24] The MOD also publishes all sources of income other than from central government allocation, including the amounts received and how it is disbursed in its annual report, while theses revenue streams are also subject to scrutiny by the NAO and the PAC.[25] There is also significant transparency surrounding the MOD's beneficial ownership of the agencies that are established as trading funds: the Defence Science and Technology Laboratory (DSTL) and the UK Hydrographic Office (UKHO). The MOD's ownership of these agencies is publicly declared and financial details of their operations and the revenue they generate is included in their annual reports, albeit in an aggregated manner.[26] Finally, the Freedom of Information Act (FOIA), which guarantees the public's right to request access to defence information, contains absolute exemptions for the security services and national security (s23 and s24), and a public interest test exemption for defence (s26).[27] A review of FOI releases from the MOD suggests that the responses to requests are generally comprehensive and detailed, while rejections are justified.[28] Nevertheless, seven of the main government departments, including the MOD, failed to meet timeliness targets (20 days) for responding to requests from September to December 2020.[29]

20 See for instance, Transparency International UK, 'Track and Trace: Identifying Corruption Risks in UK Public Procurement for the COVID-19 Pandemic', 2021. The National Audit Office has also initiated an investigation into the government's management of COVID-19 contracts, which is scheduled for release in Winter 2021/22.
21 Peter Geoghegan, Jenna Corderoy & Lucas Amin, 'UK Government Running 'Orwellian' Unit to Block Release of 'Sensitive' Information', *Open Democracy*, 23 November 2020.
22 HM Government, *UK Budget 2021*, Published 3 March 2021.
23 Ministry of Defence, *Annual Report & Accounts 2019-20*, HC811, October 2020.
24 Ministry of Defence, 'MOD Departmental Resources: 2020 – Revised August 2021', 17 August 2021.
25 Ministry of Defence, *Annual Report & Accounts*.
26 See UKHO, *Annual Report and Accounts 2019/20*; DSTL, *Annual Report and Accounts 2019/20*.
27 UK Parliament, *Freedom of Information Act*, 2000.
28 See, 'FOI Responses Released by Ministry of Defence: 2021'.
29 Institute for Government, 'Explainers: Freedom of Information'.

UNITED KINGDOM

Personnel Ethics Framework

Whistleblowing legislation	Public Interest Disclosure Act (1998)
# defence-sector whistleblower cases	Data is not publicly available
# Code of conduct violations	Military: Data is not publicly available
	Civilian: Data is not publicly available
Financial disclosure system	# submitted: Data is not publicly available
	# of violations: Data is not publicly available

Formal personnel management systems are generally strong in defence. It should, however, be noted that the initial Overseas Operation Bill in 2020 contained provisions that would impose a five-year statute of limitations for personnel accused of war crimes and crimes against humanity, effectively making them immune to prosecution once this period elapsed.[30] Whilst an amendment was passed to block this provision in the final law,[31] the attempt to impose such a statute of limitations could have had a significant impact on the accountability of military personnel.[32] Currently, civilian and military personnel are subject to formal, robust codes of conduct that contain clear provisions related to bribery, gifts, conflicts of interest and post-separation activities, and provide specific guidance on how to proceed in the face of these events.[33] Training is delivered on the key tenets of the code upon induction and in certain specific curricula, including the Building Integrity courses. In parallel, the UK Bribery Act criminalises bribery and sets clearly defined offences in law that apply to defence personnel.[34] While the legal and policy framework surrounding personnel conduct are strong, there is a significant legislative gap in relation to whistleblowing in defence. The Public Interest Disclosure Act (PIDA) explicitly excludes Armed Forces personnel from its provisions and there is no separate law applicable to the military.[35] The MOD has drawn up a whistleblowing policy which seeks to replicate some of the provisions, although without the legal protections accorded by legislation. The policy outlines reporting mechanisms and establishes a confidential hotline through which to raise concerns. However, it does not guarantee anonymity and explicitly states that there is a risk that assurances offered by the policy may not be extended to anonymous reports.[36]

Operations

Total armed forces personnel (World Bank, 2018)	148,450
Troops deployed on operations #	300 in Mali (MINUSMA), 238 in Cyprus (UNFICYP), 100 in Iraq (Counter-Daesh Coalition), 35 in Kosovo (NATO KFOR), 10 in Somalia (UNSOS), Tapa Battlegroup (Estonia NATO), Orzysz Battlegroup (Poland NATO)

The British Armed Forces are actively engaged in operations around the world, including peacekeeping, counter-terrorism and training missions, and have significant operational experience.[37] In addition, the UK military has worked in recent years to strengthen its anti-corruption safeguards for military operations. For instance, the UK is part of NATO's Building Integrity capacity-building programme which provides tools to reduce corruption risk in defence, including with regards to operations.[38] In parallel, all staff working in UK Strategic Command are required to complete anti-fraud and corruption training ahead of deployments. The UK Armed Forces, primarily through the 77th Brigade,[39] have also worked to better integrate corruption risk mitigation in operational planning which now occurs for specific missions. In spite of these efforts however, some gaps remain. At the strategic level, the UK still does not have a military doctrine that addresses corruption as a strategic issue for operations. While corruption is mentioned in some strategic documents, such as the Joint Doctrine Publication 05[40] and the Land Operations Doctrine,[41] there remains no explicit universal doctrine on corruption in operations. Equally, while Joint Doctrine 05 outlines some measures that can help mitigate corruption in the field, it is unclear to what extent they are implemented in practice and there is no evidence that the military deploys trained personnel in corruption-monitoring and reporting roles. Finally, though there are some guidelines for addressing corruption risk in contracting during deployments, they lack detail and exclude significant aspects such as asset disposals.[42]

30 UK Parliament, 'Overseas Operations (Service Personnel and Veterans) Bill (HC Bill 117)', 18 March 2020.
31 UK Parliament, Overseas Operations (Service Personnel and Veterans) Act, 2021.
32 Redress, 'Overseas Operations Bill Passes, but with Crucial Amendments Thanks to Concerted Campaign', 29 April 2021.
33 For military personnel see British Army, 'Values and Standards', 2018, and Ministry of Defence, 'Corporate Standards Policy', 2018; for civilian personnel see 'The Civil Service Code'.
34 UK Parliament, Bribery Act, 2010.
35 UK Parliament, Public Interest Disclosure Act, 1998, Section 11.
36 Ministry of Defence, 'Whistleblowing and Raising a Concern Policy', Section 4.

37 British Army, 'Operations and Deployments', 2021.
38 NATO, 'The Building Integrity Programme', 2021.
39 77th Brigade has worked with Transparency International to develop the evidence base for corruption risk mitigation in operations. See for instance, TI-DS, 'Corruption Risks and Military Operations', 2021.
40 Ministry of Defence, Joint Doctrine Publication 05: Shaping a Stable World – The Military Contribution, March 2016.
41 British Army, Army Doctrine Publication: Land Operations, updated 31 March 2017.
42 Ministry of Defence, Joint Doctrine Publication 05.

UNITED KINGDOM

Defence Procurement

Military expenditure (US$ mil) (SIPRI, 2020)	**58,485**
Open competition in defence procurement (%)	**50%**
Main defence exports – to (SIPRI, 2016-20)	**Saudi Arabia, Oman, United States, India, South Korea**
Main defence imports – from (SIPRI, 2016-20)	**United States, South Korea, Germany, Israel, Netherlands**

Procurement is a key component of the UK's defence investment drive, and modernisation is seen as key to countering emerging national security threats, such as cyber warfare. Military R&D is due to receive a record investment of upwards of £5 billion in the coming years, to accelerate the development of new technologies and artificial intelligence (AI)-enabled systems, alongside more conventional weapons systems.[43] The size of these programmes could strain the UK's defence procurement processes, which albeit formally strong, have shown some weaknesses in practice that could increase corruption risk. Defence procurement is conducted in line with the Defence and Security Public Contract Regulations[44] and the Single Source Contract Regulations[45] and the entire cycle is formalised through the CADMID cycle that comprises six acquisition phases of

Concept, Assessment, Demonstration, Manufacture, In-Service and Disposal.[46] This framework ensures that procurement is highly formalised and subject to oversight, including at the planning and inception phases. For instance, the national audit office and parliament are both involved in overseeing defence's long-term acquisition planning and ensuring that prospective purchases meet stated needs.[47] However, when it comes to contracting, only around half of contracts are subject to open tenders, with the rest single-sourced, restricting the availability of information on these contracts. Though the MOD has strengthened its approval process for non-competitive procedures,[48] the PAC has raised concerns that the MOD is specifying requirements in order to dictate single-source procurement.[49] This shift towards non-competitive defence procurement is outlined in the new Defence Industrial Strategy which moves away from "global competition as default" to an approach centred on a more protective industrial stance.[50] In turn, this could lead to reduced competition in defence that would significantly increase the influence of defence companies. It should also be noted that the UK has a poor record in implementing sanctions against suppliers found to have engaged in corruption,[51] and frequently fails to enforce mechanisms to ensure contractors meet their obligations on reporting and delivery,[52] particularly in defence which relies on a small number of key suppliers.[53]

43 Andrew Chuter, 'UK to Boost Defence Budget by $21.9 Billion. Here's Who Benefits – and Loses out', *Defense News*, 19 November 2020.
44 Ministry of Defence, 'Defence and Security Public Contracts Regulations (DSCPR)', 2011.
45 Ministry of Defence, 'The Single Source Contract Regulations, 2014', 2014.

46 Ministry of Defence, 'The Acquisition Lifecycle - CADMID', ASEMS version 3.0, effective from 9 Jan 2017.
47 See for instance, NAO, 'The Equipment Plan 2020 to 2030'.
48 Ministry of Defence, 'JSP 655 – Defence Investment Decisions', (internal use only).
49 UK Parliament, Public Accounts Committee 'Non-competitive Procurement of Defence Equipment Inquiry', 23 March 2018.
50 HM Government, *Defence and Security Industrial Strategy: A Strategic Approach to the UK's Defence and Security Industrial Sectors*, March 2021, p. 6.
51 The Times, 'MoD accuses its Suppliers of Bribery and Corruption', 26 Dec 2016.
52 National Audit Office, 'Improving the Performance of Major Equipment Contracts', 24 June 2021, p. 40.
53 Spotlight on Corruption, 'Banning Corrupt Companies from Public Contracts', 15 November 2020.

UNITED KINGDOM 2020 GDI Scorecard

GDI Government Defence Integrity Index

OVERALL COUNTRY SCORE
LOW RISK **B** **76**

RISK GRADE
- **A** ‣ 83-100 VERY LOW
- **B** ‣ 67-82 LOW
- **C** ‣ 50-66 MODERATE
- **D** ‣ 33-49 HIGH
- **E** ‣ 17-32 VERY HIGH
- **F** ‣ 0-16 CRITICAL

A B | C | D | E | F
VERY LOW | LOW | MODERATE | HIGH | VERY HIGH | CRITICAL

		Grade	Score
Political Risk		**A**	**84**
Q1	Legislative Scrutiny	B	75
Q2	Defence Committee	A	83
Q3	Defence Policy Debate	A	88
Q4	CSO Engagement	A	92
Q5	Conventions: UNCAC / OECD	A	88
Q6	Public Debate	A	100
Q7	Anticorruption Policy	A	100
Q8	Compliance and Ethics Units	A	100
Q9	Public Trust in Institutions		NS
Q10	Risk Assessments	A	100
Q11	Acquisition Planning	A	92
Q12	Budget Transparency & Detail	A	100
Q13	Budget Scrutiny	B	75
Q14	Budget Availability	A	92
Q15	Defence Income	B	75
Q16	Internal Audit	D	38
Q17	External Audit	A	88
Q18	Natural Resources	A	83
Q19	Organised Crime Links	A	100
Q20	Organised Crime Policing	A	83
Q21	Intelligence Services Oversight	B	75
Q22	Intelligence Services Recruitment	A	92
Q23	Export Controls (ATT)	B	75
Q76	Lobbying	E	31

		Grade	Score
Financial Risk		**B**	**82**
Q24	Asset Disposal Controls	B	75
Q25	Asset Disposal Scrutiny	B	75
Q26	Secret Spending	C	50
Q27	Legislative Access to Information	A	100
Q28	Secret Program Auditing	C	63
Q29	Off-budget Spending	A	100
Q30	Access to Information	A	88
Q31	Beneficial Ownership	A	88
Q32	Military-Owned Business Scrutiny	B	75
Q33	Unauthorised Private Enterprise	A	88
Q77	Defence Spending	A	100

		Grade	Score
Personnel Risk		**A**	**87**
Q34	Public Commitment to Integrity	C	58
Q35	Disciplinary Measures for Personnel	A	100
Q36	Whistleblowing	B	75
Q37	High-risk Positions	C	58
Q38	Numbers of Personnel	A	100
Q39	Pay Rates and Allowances	A	100
Q40	Payment System	A	92
Q41	Objective Appointments	A	92
Q42	Objective Promotions	B	81
Q43	Bribery to Avoid Conscription		NA
Q44	Bribery for Preferred Postings	A	100
Q45	Chains of Command and Payment	A	100
Q46	Miltary Code of Conduct	B	81

		Grade	Score
Personnel Risk		**A**	**87**
Q47	Civilian Code of Conduct	A	88
Q48	Anticorruption Training	A	83
Q49	Corruption Prosecutions	A	100
Q50	Facilitation Payments	A	83

		Grade	Score
Operational Risk		**C**	**53**
Q51	Military Doctrine	E	25
Q52	Operational Training	B	75
Q53	Forward Planning	B	75
Q54	Corruption Monitoring in Operations	E	25
Q55	Controls in Contracting	C	63
Q56	Private Military Contractors		NS

		Grade	Score
Procurement Risk		**B**	**74**
Q57	Procurement Legislation	C	50
Q58	Procurement Cycle	A	83
Q59	Procurement Oversight Mechanisms	A	92
Q60	Potential Purchases Disclosed	A	100
Q61	Actual Purchases Disclosed	B	75
Q62	Business Compliance Standards	D	38
Q63	Procurement Requirements	A	92
Q64	Competition in Procurement	C	50
Q65	Tender Board Controls	B	69
Q66	Anti-Collusion Controls	A	94
Q67	Contract Award / Delivery	B	69
Q68	Complaint Mechanisms	A	92
Q69	Supplier Sanctions	B	75
Q70	Offset Contracts	A	100
Q71	Offset Contract Monitoring		NA
Q72	Offset Competition		NA
Q73	Agents and Intermediaries	C	63
Q74	Financing Packages	C	50
Q75	Political Pressure in Acquisitions		NS

KEY
- **NEI** Not enough information to score indicator
- **NS** Indicator is not scored for any country
- **NA** Not applicable

GDI

Government Defence
Integrity Index

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Acknowledgements

Foreign, Commonwealth & Development Office

Ministry of Foreign Affairs of the Netherlands