



**A&P Group**

## **PRESS RELEASE**

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### **MOD PLACES MULTI-MILLION POUND CONTRACTS WITH A&P GROUP FOR SUPPORT OF NAVY SUPPLY SHIPS**

The MOD has today placed contracts valued at around £53 million with the A&P Group, which has shipyards in the south west and north east of England, for the long-term maintenance of five navy support ships.

Defence Minister Baroness Taylor today announced A&P Group, which has bases in Falmouth and Newcastle upon Tyne, as contractors to maintain the flotilla of tankers, stores ships and landing ships that supply the Royal Navy at sea. The deal will see A&P Group maintain a cluster of five of the 16 Royal Fleet Auxiliary vessels, providing the necessary refuelling and refit work to RFAs Cardigan Bay, Largs Bay, Lyme Bay, Mounts Bay and Argus throughout their service lives.

Baroness Taylor, Minister for Defence Equipment and Support, said: “These ships are crucial to the work of the Royal Navy – without them it simply could not operate. This is a significant change to the way in which they in turn are supported which will not only generate substantial savings for the public purse but will increase the ships availability and effectiveness to the fleet they serve.”

As well as improving fleet support, the new approach is estimated to deliver more than £330m in savings to the MOD over 30 years on the previous arrangements which saw individual contracts competed as and when they were required.

Commodore David Preston, MOD Defence Equipment and Support Director of Afloat Support added: “This new strategy will also see the MOD working more closely with the chosen contractors over the longer term, granting them a greater understanding of our requirements and improving the support RFA ships receive. This should also afford them the ability to forecast their work load further into the future, which is valuable added security for industry and demonstrates how we work with industry to support the Armed Forces.”

David Skentelbery, Managing Director of A&P Northeast Businesses, part of the A&P Group, was delighted with the contract award. “The contract to maintain the four LSDAs, the RFA’s most complex and modern vessels, as well as RFA Argus, is worth over £50m to the A&P Group, over five years. More importantly, subject to key performance targets being met, the rolling contract will be extended in five yearly increments up to a potential total of thirty years, giving the yard stability in our order book and the ability to invest and plan for the future. This will help us to deliver even more value for money for the MOD.”

Gerald Pitts Cluster Programme Director for A&P added “The Cluster support team is an A&P led UK wide consortium including BAE Systems, BMT Defence Services, a subsidiary of BMT Group and James Fisher Ltd who work side by side with the MoD. This ensures we deliver the quality and value for money the MoD require when the vessels are both in refit and at sea. Furthermore, we learn from experience as we work on these vessels so we can deliver the continuous improvement required by the customer.”

Prior to the contract A&P, together with BAE and partners, had been working together on the four Bay class vessels since their build and have developed excellent relationships with the Ministry and Ships Staff.

Already in 2008 the A&P led team have carried out maintenance periods on RFA Largs Bay in Curacao, RFA Lyme Bay in Portland and both RFA Argus and RFA Cardigan Bay in the Gulf, the latter including a major design upgrade on the chilled water system and mini gun fit. RFA Mounts Bay and RFA Largs Bay are currently undergoing maintenance periods in Falmouth before returning to operational duties and will be followed by RFA Argus and Lyme Bay later this year.

**Notes to Editors:**

1. Contracts to provide specialist equipment for the upkeep work of the RFAs have also been awarded to Lloyds Register, Bristol, for classification services to ensure each ship meets maintenance standards, Hempel Limited, Cwmbran, for the supply of paint, and Trimline Limited, Southampton, to provide furnishings. Another contract, for provision of specialist engineering services, is expected to be let later this year.

2. Composition of Ship Clusters

Cluster Number	Ship Name	Contractor
1	RFA Argus	A&P Falmouth (This contract was placed in December 2005 as a pilot for the Through Life Support strategy)
2	RFA Cardigan Bay RFA Largs Bay RFA Lyme Bay RFA Mounts Bay	A&P Group
3	RFA Bayleaf	Northwestern Shipbuilders and Shiprepairers Limited

	RFA Orangeleaf RFA Black Rover RFA Gold Rover	
4	RFA Diligence RFA Wave Knight RFA Wave Ruler	Northwestern Shipbuilders and Shiprepairers Limited
5	RFA Fort Austin RFA Fort Rosalie	Northwestern Shipbuilders and Shiprepairers Limited
6	RFA Fort George RFA Fort Victoria	Northwestern Shipbuilders and Shiprepairers Limited

3. Defence Equipment and Support (DE&S) equips and supports the UK's armed forces for current and future operations. It acquires and supports through-life, including disposal, equipment and services ranging from ships, aircraft, vehicles and weapons, to electronic systems and information services.

4. The concept of Clusters and through life support was prototyped by A&P and the MOD on RFA Argus, the Aircraft Training and Primary Casualty ship, now base ported in Falmouth. This pilot project which started in 2004 has successfully delivered over £10 million in proven savings combined with improved availability to the MoD. This was a driving force behind the Cluster concept.

5. The Royal Fleet Auxiliary (RFA) supplies fuel, munitions, food and other vital ship's stores to the Royal Naval fleet while on operations at sea. There are 16 vessels from Replenishment Tankers to unique platforms providing specialist capabilities such as Aircraft Training and Primary Casualty Reception (RFA Argus), Forward Repair Station (RFA Diligence) and the recently completed Landing Ship Dock (Auxiliary) Bay Class (RFAs Largs Bay, Lyme Bay, Mounts Bay and Cardigan Bay). There are around 2300 serving RFA personnel.

6. The A&P Group employs over 1000 staff across the UK and is under contract for the Through Life Support of RFA Argus (pilot contract). Over the past year, A&P has successfully completed major work packages for RFA Black Rover and RFA Fort Austin.

7. For further information please contact:

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