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Give Process a Chance - Defence Reform: From Challenge to Strategic Renewal

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For decades, the UK Government has long grappled with questions about how best to balance ambition with resource. Across the Ministry of Defence, thousands of committed military personnel and civil servants work under sustained pressure in a complex and demanding environment. A system that is, all-to-often, cash-constrained, capability-stretched and politically exposed. Yet the question of how to expand and then sustain credible military power within real-world constraints is one that defence continuously lives with.

The current Defence Reform programme represents a significant effort to get to grips with the structural foundations of how UK defence is organised and resourced. While its work continues and there's more to do, as its ambition goes beyond reorganisation for its own sake - it is focused on building the conditions for lasting improvement. At its best, it seeks to move the Ministry of Defence from a finance-led institution towards a strategy-led department capable of delivering military capability at the pace demanded by a deteriorating security environment. Critics have questioned whether reform is working. Like any programme of significant structural change, Defence Reform has faced scrutiny and raised questions about pace, implementation and industrial confidence. These are reasonable areas to track and assess. But they are best understood in the context of what the programme is trying to achieve, and the broad consensus that the underlying diagnosis is the right one.

For more than forty years, UK defence has experienced a near-continuous process of contraction. Governments rarely described it in those terms. The preferred language was usually one of optimisation, modernisation, efficiency and focus. Capability reductions were presented as strategic refinement rather than retrenchment. Yet the reality was unmistakable: fewer ships, fewer aircraft, fewer personnel, reduced industrial depth and diminished resilience and increased bureaucracy. For at least four decades, defence management increasingly became an exercise in constraint rather than capability generation. There were, of course, significant procurement programmes during that period, including Carrier Strike programme that included two new aircraft carriers and the F35B stealth aircraft. Moreover, this period also demonstrated the very real challenge of procuring capability to meet the demands of current and future scenarios especially when the threat, technological, political and financial parameters are constantly evolving. But successive governments too often prioritised balancing the books over building the balanced military strength required for the increasingly competitive and dangerous environment the UK now faces. The central institutional question appeared too often

to be not “what does the nation require militarily?” but “how do we avoid overspending?” The result was stagnation at best and hollowing out at worst. A financially limiting approach also drove the wrong behaviours internally. Rather than encouraging the Services to collaborate around a coherent theory of military effect, the system incentivised competition for constrained resources. That was not a failure of individual commitment. It was a predictable consequence of the operating model, introduced following the Levene Reforms, where finances were largely delegated to the three services encouraging a compartmentalised or stove-piped approach to force design and development.

This mindset shaped both policy and process. Various defence and security reviews under several different governments have become increasingly sophisticated exercises in narrative management and budgetary constraint, rather than consistently effective instruments of national strategy. The 2010 Strategic Defence and Security Review (SDSR), shaped heavily by austerity, imposed deep structural cuts while seeking to sustain the appearance of global military ambition. The 2015 SDSR sought to rebalance some of those decisions but remained fiscally constrained. The Integrated Review of 2021 and its subsequent ‘refresh’ in 2023 were intellectually stronger documents, recognising the return of state competition and the erosion of the post-Cold War security order, but they still lacked the structural mechanisms and process freedoms necessary to convert strategic ambition into operational capability.

In many respects, Whitehall produced strategy documents without a sufficiently coherent theory of the problem, a realistic definition of success or a convincing theory of application explaining how success would be achieved. The result was a proliferation of polished publications that too often became shelfware rather than drivers of institutional transformation. The Integrated Review process did, however, begin an important shift. It recognised that the UK had entered a more dangerous era defined by strategic competition, systemic instability and the return of high-intensity warfare to Europe. Russia’s full-scale invasion of Ukraine brutally reinforced that reality. Assumptions that had underpinned much post-Cold War defence planning collapsed with uncomfortable speed. Yet recognition alone was insufficient. Structural and process impediments within the MOD and with wider government departments remained deeply embedded. The department continued to suffer from dissonance between military headquarters and civilian policy structures, competing incentives between finance and capability staffs, and institutional inertia created by overlapping layers of accountability. Strategic



authority was diffused. Responsibility was fragmented. Decision-making was often slow and risk-averse.

The creation of the Secretary of State's Office for Net Assessment and Challenge (SONAC) in 2021 represented a useful attempt to introduce stronger strategic thinking into defence. It recognised the importance of futures analysis, a challenge culture and long-range assessment in national security planning. But SONAC alone could not resolve the MOD's deeper structural weaknesses. By the time it was established, the previous government was politically weakened and lacked the time, authority and coherence necessary to drive wider transformation. Defence Reform therefore emerged not simply as another reorganisation, but as an attempt to tackle the department's structural dysfunction more directly. Its central premise is simple but important: defence should be strategy-led rather than finance-led. That distinction matters. A finance-led department inevitably optimises for affordability, process compliance and risk avoidance. A strategy-led department begins with the military and national security outcome required by government, then aligns structures, capabilities, resources and industrial partnerships accordingly. The reform programme has sought to redefine the MOD's operating model around clearer strategic accountability. One of its most significant changes has been the effort to position the Chief of the Defence Staff as the supported commander responsible for defining military strategic requirements. Supporting structures, including the National Armaments Director Group and the Defence Nuclear Enterprise, are intended to improve the relevance, responsiveness, pace and effectiveness of defence delivery against strategic demand signals.

This is a major conceptual shift. Historically, the MOD often struggled because authority and accountability were diffused across complex and competitive civilian-military interfaces. Policy staffs, finance teams, capability planners and military commands frequently operated according to individual, rather than shared, incentives and timelines. Defence reform seeks to align those structures more coherently around strategic outcomes. Such change will inevitably generate turbulence. Large institutions do not change culture quickly, particularly institutions as historically layered and procedurally complex as the MOD. New structures take time to bed in and processes evolve unevenly. Individuals need to develop new patterns of behaviour, trust and decision-making. New institutional 'muscle memory' cannot be introduced and expected to operate effectively overnight.



This context matters when assessing criticism from commentators, whose reporting has highlighted some frustration within defence circles about perceived delays, uncertainty and friction. Such criticism often emerges during change. Reform often creates ambiguity before it creates clarity. It disrupts established relationships and exposes institutional tensions that were previously contained within older structures. But some criticism risks becoming unfair if it judges defence reform against an unrealistic expectation of immediate transformation. The inherited challenge is considerable. Defence Reform is attempting simultaneously to modernise command structures, improve acquisition, rebuild industrial confidence, strengthen strategic planning and adapt the armed forces for an era of clear state-on-state threats and possible high-intensity conflict as well as the ever-present threat from terrorism and violent extremist organisations. Few comparable reform efforts in modern British defence have attempted transformation at this breadth and depth as well as scale of effort and at considerable pace. So, give process a chance!

There are also early signs that reform is beginning to generate meaningful change. The current cohort of ‘four-star’ leadership, probably the most diverse team in the MOD’s history, is well suited to the current moment. It combines operational experience with diplomatic, collaborative and politically astute leadership. More importantly, it reflects a more integrated approach to defence management. Rather than treating strategy, capability development and crisis response as separate activities, the emerging leadership culture appears increasingly focused on linking futures analysis, programme delivery and operational responsiveness within a more coherent operating model. This matters because modern defence requires adaptability as much as mass. The threats that UK now faces are increasingly interconnected: Russian aggression in Europe, Iranian destabilisation across the Middle East, cyber threats to national infrastructure and long-term strategic competition with China. These challenges cannot be addressed through static force structures or slow-moving bureaucratic processes. They require a defence system capable of continuous adaptation and with its constituent elements in lock-step with each other.

For the first time in many years, the structures now appear broadly aligned towards capability generation rather than capability management. That distinction is critical. Previous reform initiatives often concentrated on organisational efficiency, headcount reduction or budgetary balance. By contrast, the current reform agenda is explicitly focused on defining, growing and delivering military capability. That does not mean that there are not challenges ahead and it does not mean that success



is assured and with it the importance of industrial confidence should not be underestimated. Modern deterrence depends not only on military personnel and platforms, but also on sovereign industrial capacity and resilience, supply chains, munitions production and technological innovation. The war in Ukraine has demonstrated that industrial depth is itself a strategic capability. Defence Reform appears to understand this intellectually and is being well-led by a focused group of leaders. The challenge is now to translate that understanding into coherent long-term investment signals and the required changes to processes and activities across the command and staffing structures. Thus, the arrival of the Defence Investment Plan will likely become the next big challenge for the new operating mode. The new structures and relationships laid out from Defence Reform will need to respond quickly and effectively. This will be challenging but the task is understood and both the model and the 'four star' leadership team are ready to deliver.

More broadly, Defence Reform raises important questions for Whitehall as a whole. If the Ministry of Defence is moving towards a more strategy-led operating model, the wider machinery of government must evolve too. The UK government still too often operates through short-term spending cycles, fragmented departmental incentives and reactive policymaking. Effective national strategy requires something more disciplined and self-confident: a clear articulation of the problem, a coherent theory of success and, most importantly, a practical theory of application explaining how national objectives will be delivered through integrated state action. We call it strategy!

This is where Defence Reform may ultimately prove significant beyond the MOD itself. It represents an attempt, still embryonic but genuine, to shift the UK Government away from managerial administration towards strategic statecraft. That ambition matters because the UK can no longer rely upon a permissive global order. It confronts hostile states, systemic instability and intensifying geopolitical competition. Defence can no longer operate as a constrained departmental budget line managed primarily through efficiency mechanisms. It must function as an instrument of national power, integrated with industrial policy, diplomacy, technology and economic resilience. In that sense, Defence Reform is not merely an administrative programme; it is part of a wider attempt to redefine how the UK understands security in the twenty-first century and create more proactive responses.



The process remains ongoing and will inevitably encounter challenges. Bureaucratic resistance will persist in some form. Critics will continue to highlight shortcomings. Accountability and scrutiny are essential in any democratic system, particularly where national security and public money are concerned. But it would be a mistake to dismiss Defence Reform as simply another Whitehall reorganisation. Unlike many previous initiatives, it is attempting to confront the structural conditions that contributed to decades of defence decline. It recognises that military capability cannot be generated through financial management alone. It understands that strategic competition requires institutional agility, industrial resilience and clearer strategic authority. Most importantly, it reflects a growing recognition that the era of comfortable, even complacent, assumptions has ended. The UK faces a far more dangerous world than the one imagined in the years following the end of the Cold War. Defence must therefore become not only more efficient, but more strategically coherent, more responsive and more capable. So, this process needs to be given the time and space to prove its worth: time for the new structures and processes to bed-in and for the trajectory of change to become irreversible. Only then will the conditions be set for appropriate strategic growth. For the first time in many years, the MOD appears to have a reform agenda that is broadly aligned with that task. It has the beginnings of the structural mechanism, supporting processes and leadership culture required to move the department forward. Time, implementation discipline and the realisation of improved military capability will be the ultimate tests.

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Philip Lester is an operator, innovator, strategist and conceptual thinker with over 35 years' experience within the Defence and Security community including with numerous allies and partners, including NATO. He has been at the forefront of several of Defence's force development initiatives including UK and NATO doctrine, professional military education, multi-domain integration, space, cyberspace, strategic communication, modern deterrence and CBRN defence as well as being at the heart of strategy design, implementation and orchestration as well as contributing to 3 UK defence and security reviews.

He is currently a member of the senior directing staff at the Royal College of Defence Studies (RCDS); an independent consultant focusing on strategy at the local



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Comment

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