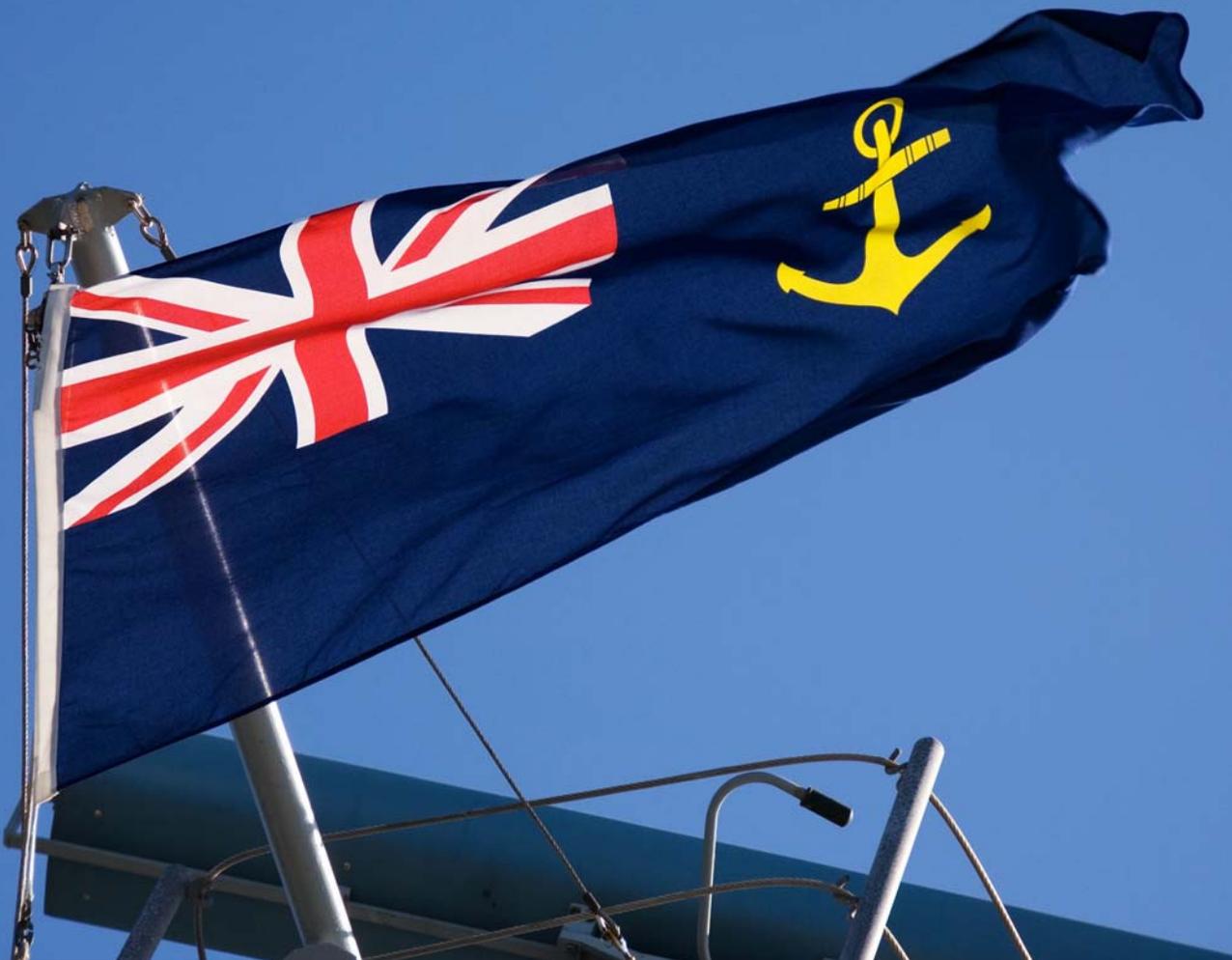




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## The Royal Fleet Auxiliary – A Vital National Asset



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## The Royal Fleet Auxiliary – A Vital National Asset

### Introduction

Nautilus International is the trade union and professional organisation representing some 24,000 ship masters, officers, ratings and other staff working in the maritime sector ashore and afloat.

Nautilus International has more than 600 members serving with the Royal Fleet Auxiliary (RFA) and has worked hard to protect their best interests over many decades, and in particular during the radical transformations of the past 10 years.

In the current economic climate, and within the context of the Strategic Defence Review, there are considerable concerns about the future of the RFA. This paper has been produced and presented by Nautilus to emphasise the vital importance of the RFA to defence and the need to ensure it will continue to deliver the versatile and efficient services for which it is highly valued. The RFA is a vital and integral part of UK Naval and defence capability.

### The context

The UK's defence budget, like every other sector of public spending, is facing unprecedented pressure and there have been a series of reports suggesting that major projects may be abandoned. At the same time, the government is conducting a wide-ranging review of defence needs and, as part of this process, a value for money (VFM) review of the RFA was announced in November last year. This is despite a similar review, three years ago, which concluded that the RFA delivers excellent value for money for the British taxpayer.

The Issues for the Strategic Defence Review, published on 3 February 2010, set out some of the thinking that will guide the policy approach to the future shape and role of the Armed Forces. In this extraordinary economic climate, the temptation to manipulate budgets by accepting capability and force reductions, irrespective of future impact on what must always be the government's primary obligation, is great. Not only are such measures seductively and dangerously attractive, but they are also misguided — for they play solely to popular politics while ignoring the realities of our challenging world. History is littered with examples of such mistakes.



*RFA Commodore-in-Chief HRH The Earl of Wessex watches a replenishment at sea operation*

Force and capability reductions are immensely unpopular within the elements of the defence community, especially when stretched and engaged in war and warlike operations in several theatres, which leads inevitably to a mindset among many of protectionism quite at odds with what should be a sharp national interest and strategic focus. A well-balanced and properly structured defence capability must be maintained if it is to meet our current and future needs in an increasingly unstable world, but it must be provided at best value and those two elements of capability and value have been demonstrated time and again by the RFA. The output of the RFA is delivered by a business model that may not be perfect, but is emulated in the United States and envied by many.

The RFA remains the principal enabler of maritime operations anywhere it may be required by supplying national, allied and coalition forces with fuel, ammunition and supplies — principally by replenishment at sea, but it is also capable of many forms of support. It provides frontline

combat logistic support to the full range of strike and amphibious forces in whatever configuration they are applied. As an integral element of maritime forces, the RFA not only operates alongside the Armed Forces in hostile environments, but trains alongside them as well — and to the same exacting standards. In recent years greater value has been extracted from this versatile service by increasing the ability of both ships and people to deliver military capability. Success in this endeavour indicates a future development strategy that will result in greater efficiency for both the Royal Navy and defence as a whole.

The RFA presently operates 16 British-registered ships, including six tankers, four landing ships, four replenishment ships, an aviation training ship and a forward repair ship. The fleet is often described as civilian-manned, employing some 2,200 UK-registered seafarers (750 officers and 1,450 ratings), and as being owned by the Ministry of Defence. The ships are recognised as Naval Auxiliaries in both national and international law — a status which has many valuable advantages from both operational and financial perspectives.

Nautilus International has over 600 members serving with the RFA. They are employed by the Ministry of Defence and are therefore Crown Servants who wear a distinctive Naval style of uniform. Since 2007 an increasing proportion now have Sponsored Reserve status and although they remain within the Naval Command structure and jurisdiction at all times, this status removes any ambiguity during operations.



*The RFA supports the Armed Forces in a wide range of frontline operations*



*The RFA has played an important role in countering drug smuggling in the Caribbean*

## The arguments

Nautilus believes that both the RFA and the RN have already made remarkable and radical changes in response to spending constraints and changes in defence policy. Headcount and infrastructure have been reduced, and significant efficiencies have been delivered by transforming Fleet HQ and staff structures which encompassed the business model of the RFA

Nautilus has already met ministers to express concern that the current ‘value for money’ review is motivated more by ill-informed lobby pressures, attempting to exploit the undeniable need to reduce government expenditure, than by any pragmatic or realistic strategic drivers. Indeed, the RFA has been subjected to a series of similar reviews in recent years, which have all served to underline its remarkable efficiency and effectiveness in this specialist area.

The RFA has, in recent times, come under a pincer-like pressure from commercial interests on the one side and RN pressures on the other. Both sides are clearly keen to take elements of the RFA operations under their control, but Nautilus echoes the assertion that such bids tend to reveal a shallow appreciation of the basic value propositions and military flexibility inherent in the current arrangements. It has become extremely clear through the several analyses conducted by the MoD itself, that the RN manning model is neither wholly appropriate nor wholly effective on the grounds of cost-effectiveness — due principally to the arrangement of skill sets in the people, the higher availability of platforms and, perhaps rather topically, the independent oversight in the regulation of both.



*The RFA Largs Bay was praised by the Department for International Aid & Development after it carried essential relief supplies and equipment to Haiti after the devastating earthquake early in 2010*

Commercial models have been rejected time and again for good reason. There are examples of a variety of support services to the military being provided by the private sector, most noticeably in the United States, where AP Moller–Maersk provides pre-positioning support and strategic sealift support through a division of the Military Sealift Command. These are all sustainment shipping tasks and cannot be compared with the frontline combat support services provided through a specialist division of Military Sealift Command known as Naval Fleet Auxiliary Force (NFAF). Interestingly, the US analysis of cost-effectiveness has progressively driven maritime combat support away from the US Navy manned ships to the specialist government manned ships of NFAF to great advantage. It is NFAF that has been, and continues to be, modelled on the UK RFA. In the UK, the introduction of the strategic ro-ro vessels operated by AWSR, now Foreland Shipping, is an example of emulating good practice and obtaining best value for money through commercial engagement in the procurement and delivery of sustainment shipping tasks. But this is not combat support, which continues to be delivered by the specialists of the RFA.

This argument alone demonstrates that there are substantive grounds for rejecting the option of ‘commercialised’ RFA services on the basis of military capability, the lessons of history and the experience of others which cannot be ignored. To ensure this point is understood, a commercial tanker can, subject to equipment modifications and appropriate personnel enhancement, operate in a support role as sustainment shipping, away from hostile waters or coasts. But it would be incapable, by its very nature, of delivering frontline

operational replenishment provided in various forms by RFA vessels and their appropriately trained specialist crews. RFA ships are necessarily equipped with an extensive range of self-defence weaponry and associated information systems to enable their effective use. Command structures, organisation and training are tailored to optimise these systems. It would be morally indefensible to require unarmed and unprepared commercial ships to be placed in situations of danger to deliver combat support. The arming of British Nuclear Fuels vessels, (the only other armed civilian vessels in the UK), is based upon quite different threats and requirements. In addition, the requirements placed upon the RFA are far more comprehensive and onerous than that required of the US equivalent, and demonstrate the high levels of capability the RN and allied Navies demand of the RFA.

Whilst the use of modern merchant ships in place of the ageing Leaf-class tankers presents a promise of short-term savings, it fails to address the increasingly relevant requirement and potential for RFA vessels and their crews to provide close support for military operations, take an active role in peacetime constabulary work, and deliver rapid and flexible support and relief following disasters around the world. Already this year the LSD(A) Largs Bay has demonstrated its effectiveness by providing essential relief operations in support of earthquake damaged Haiti. Given the potential for almost certain withdrawal of certification from old tankers within the term of this parliament, the use of hurriedly converted commercial tankers as an interim solution would represent a complete failure of procurement driven by any form of analysis of requirement or investment.

The decline in the size of both the RN and MN fleets serves to underline the crucial importance of the RFA in plugging strategic shortfalls caused by the restricted availability. Whilst the number of RN ships has been reduced significantly over the past 20 years, the demands upon them have not — indeed, with developments such as piracy and conflicts in the Middle East, it could be argued that the demands have actually increased. The record demonstrates that the versatile platforms the RFA already provide make a major contribution to the UK's strategic maritime capabilities — increasingly so, since the RFA has developed significant capability to cope with shortfalls in the rest of the surface fleet. Such shortfalls might be attributed to reduced numbers of surface combatant units overall. Reducing the numbers of capable auxiliary units has an effect on overall capability far beyond simple logistics or sustainment arguments; it impacts directly upon the ability to meet both directed and contingent military tasks.

The latest Value for Money (VFM) exercise began barely three years after a previous project which examined commercial options for RFA operations. That review rejected such options 'for capability reasons' and resulted in agreement on 'The Evolved RFA — A Future Vision for Afloat Support Logistics' in 2007. This document defined the requirements of the civilian RFA to 2020 and set out a number of elements, including increased efficiency measures and savings, that are essential to the UK's defence capability and which could not be replicated by a private sector company.

**They include:**

1. The need for rapid deployment to support the RN in theatre
2. The need for a Flexible Global reach, to be able to apply 1 above anywhere
3. The adoption of a culture that is versatile and that rewards skilled, professional personnel able to deliver a reliable and cost effective service
4. The need to ensure competency through training
5. The ability for the ships to spend the vast majority of their time carrying out the tasks for which they are suited
6. An in-depth understanding of the RNs needs
7. The ability to meet short term periods of heavy demand
8. Be part of the command structure
9. Be able to take on different missions at short notice
10. Be able to operate 'up-threat' or 'in-area'

11. Be prepared for all forms of war including nuclear and biological
12. Be able to operate legally under all possible scenarios

There is no precedent for this level of responsibility and inter-relation with the military to be provided by the private sector. The Evolved RFA manning strategy was decided upon on the grounds that it would 'provide a more integrated and effective organisation and reassures the long-term employment of the RFA'. This clearly indicates the pivotal role played by the RFA in delivering our defence capability on water and represents a very strong case for the retention of these functions within the MoD. It also demonstrates the need for the MoD to adhere to agreed strategies, rather than commissioning a seemingly endless series of reviews that question the RFA's operational status and future. A former RFA Commodore noted in 2006 how 'the short-term pressures of successive planning rounds I feel are corrosive and tend to hinder the efficient development of the whole'.



*Replenishment at sea is one of the many complex and safety-critical tasks carried out by RFA vessels*

It is also difficult to identify a private sector company that could begin to take on the range of requirements outlined in 1-12 above, particularly in relation to training, flexibility, versatility or in the need to operate 'up-threat'.

It would also be a matter of concern as to whether any commercial alternative would be able today to demonstrate a commitment to specialist training, quality and the employment of UK officers and significantly, ratings. It is important to note that the RFA is one of the biggest employers and trainers of British seafarers — at a time when there are critical concerns about the long-term sustainability of the UK maritime skills base — and



*The RFA Sir Galahad unloads food supplies and humanitarian aid for the people of Iraq in the port of Umm Qasr in March 2003*

devolving RFA operations to commercial operators would reduce the ability of the government to directly influence the number and quality of officers, cadets and ratings being trained.

There are good grounds for concern about the difficulty of funding the long-awaited new tonnage for the RFA fleet in the current economic climate. It is now more than eight years since the formation of the Defence Procurement Agency project team to deliver the replacement for the Leaf and Rover Classes. The work has been plagued with political uncertainty, despite the increasing and very real operational and political risk of running the existing and ageing single-hulled vessels. Urgent investment is required and while private finance is a potentially attractive source of financing newbuilds, it is the capability of the ship and crew that must remain an integral and dependable element of our Naval operations. In this respect, the argument could be put no better than stated in an article in the Defence Management Journal in August, which stated:

*'The Royal Navy must respond to the fiscal battlefield being played out in the the MoD by being more agile, harder hitting and less encumbered by past procurement mistakes. For starters, the order of the Future Surface Combatant Programme should be reversed so as to deliver the much needed offshore patrol vessel before we contemplate an anti-submarine warfare (ASW) oriented Daring Batch II. The Royal Fleet Auxiliary needs its new MARS programme like a thirsty sailor needs a beer and the Royal Navy should remember that, without those auxiliaries, enduring operations and strategic military effectively disappear.'*

## The bigger picture

Any serious consideration of the RFA's role in the defence of our nation has to encompass the broader concerns over the significant reduction in the size of the UK merchant fleet and

the pool of UK merchant seafarers, both of which have been shown to have immense strategic importance. Despite the increase in the size of the UK fleet since the introduction of tonnage tax in 2000, the number of UK owned and registered ships that could be available for requisition at a time of national crisis has fallen dramatically in the past 20 years and the number of UK seafarers is now barely one-third what it was at the time of the Falklands conflict.

Following the Falklands conflict, Admiral Sir John Fieldhouse, as Commander-in-Chief Fleet, stated: *'I cannot say too often or too clearly how important has been the Merchant Navy's contribution to our efforts. Without STUFT (Ships Taken Up From Trade) the operation could not have been undertaken.'* Despite this, there has been a marked shift in defence policy in which the STUFT concept appears to have been replaced — with little or no political debate — by a policy of reliance on chartered-in tonnage, often foreign-flagged and foreign-crewed, and without any assurance it will deliver on the day.

Nautilus believes there is extensive evidence to demonstrate the shortcomings of such a policy change. These include the potential for excessive charter costs at a time of high demand, the timescales involved in locating and arranging charters for suitable tonnage, and the potential constraints of deploying foreign-flagged ships with foreign crews in direct and indirect support of the Royal Navy or in regional conflicts, such as the Middle East or wherever its ships and aircraft may be required to operate in the future.

Nautilus recognises a strong and continuing need for heavy-lift seaborne capabilities to support UK military and emergency needs in a wide range of scenarios. However, we believe that the requirements for merchant shipping in the military context have become increasingly poorly identified and the associated importance of the RFA is also inadequately recognised.

The MoD's Strategic Defence Review discussion paper, Adaptability and Partnership, makes it abundantly clear that the UK economy remains 'exceptionally open to trade with many parts of the world and relies on the free passage of goods, services and information'. The process of increased globalisation accentuates this reliance and reinforces the importance of our maritime strategic resources, including the security of extended 'just-in-time' energy supply lines. Similarly, the threats identified in this document — terrorism, hostile states, fragile and failing

states, international crime, and natural disasters and accidents at home and overseas — all have pronounced maritime dimensions. The discussion paper also underlines the importance of the RFA in meeting defined requirements for strategic assets with multiple roles, wide utility, and effectiveness in a range of scenarios and against a range of threats, and fostering greater flexibility between regular and reserve forces. There is an increasingly long and impressive list of RFA deployments which demonstrate the remarkable range and agility of the fleet — including frontline and support operations, humanitarian assistance, and constabulary roles in: Bosnia; Iraq; Sierra Leone; Belize; Mozambique; Bay of Bengal; Turks & Caicos; Haiti; the Gulf; the Caribbean; and the Horn of Africa.

Adaptability and Partnership also notes that civilian personnel — including the RFA — have worked in an increasingly integrated way with military counterparts, improving the effectiveness of MoD activities. It would surely be unwise to adopt any measures that would serve to erode the significant investment in training and human resources that have helped to bring RFA personnel into the position where they can perform highly skilled and sophisticated tasks in the delivery of military capability, in addition to their enabling role in support of operations.

## Summary and conclusions

Traditionally, the purpose of the RFA has been defined as providing civilian support to the Royal Navy. However, recent reviews and consequential changes have put the RFA at the heart of the nation's defence. It provides a range of roles, if necessary, on the frontline and is therefore, dependent on a highly trained, highly skilled core of officers and ratings. Such a role could not be delivered by the

commercial sector, where there is no integration into the command structure of the RN.

In 1995, this Union published a report — 'Don't Forget the Fourth Arm' — which stated that *'increased resources should be made available to ensure that the Royal Fleet Auxiliary can continue developing its increasingly important role as a cost-effective and versatile civilian-crewed strategic support service'*.

The report went on to say that *'the RFA is a vital defence resource for the UK. Manned by highly skilled and committed British Merchant Navy seafarers, it provides a cost-effective, efficient and economic operation. With the decline in the UK merchant fleet — and the ever-growing likelihood of specialised "out of area" operations and "bush-fire" conflicts — the RFA has an ever-increasing role. The MoD should be investing in this resource, which is a vital and secure source of British ships and merchant seafarers to support our armed forces. As the single biggest employer of British merchant seafarers, it is essential that the RFA is given the resources to consolidate its increasingly important role in recruitment and training.'*

Subsequent developments have demonstrated the truth of these comments and Nautilus considers that these objectives would not be achieved if further aspects of the RFA, or all of it were commercialised. This adds weight to the other arguments of capability, availability and value and we believe, represents a compelling argument for developing the RFA within the military environment to optimise the inherent values of this unique service. Overall force structure, or hull numbers must be driven by an analysis of government, foreign policy and defence requirements together and, in this respect, can be treated no differently than the rest of the Armed Forces.



*The RFA Wave Knight assisting the RN and RAF in a search and rescue operation in the South Atlantic in March 2010*