

UK Defence Wargame Exposes Critical Weaknesses in Industrial Supply Chains

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A Ministry of Defence letter to the House of Commons Defence Committee has revealed alarming deficiencies concerning the resilience of the United Kingdom's defence industrial base. A wargame exercise, held in December 2024 and involving major defence suppliers and officials, identified significant gaps in supply chain readiness and mutual understanding between industry and government.

The letter, authored by Permanent Secretary David Williams and dated 11 July 2025, responded to inquiries from a committee session earlier in July. It confirmed the exercise demonstrated that existing supply chains are optimised for peacetime, not wartime, with limited resilience and little preparedness for rapid mobilisation.

The exercise, constructed by the Ministry of Defence and informed by earlier war—testing frameworks, including DE&S (Defence Equipment and Support spelled out), simulated escalating demand on industrial capacity and disruption from adversary interference. It offered a “safe—to—fail” context in which respondents could test assumptions and expose bottlenecks.

Four principal themes emerged: first, recognition that Britain now faces credible sub—threshold threats in its security environment. Second, a mismatch between what industry thinks the government requires in a mobilised posture and what the government understands about industry capability. Third, uncertainty over what gives strategic leverage in industrial planning. Finally, timelines across planning, production, and delivery need dramatic acceleration.

As a result, four work packages have been established: enhancing secure communication channels between the Ministry of Defence and industry; sharing threat assessments and, when appropriate, classified intelligence; identifying regulatory “quick wins” to ease bottlenecks; and extending the wargaming methodology into supplier boardrooms. Industry participants expressed a “tangible” appetite for closer collaboration, acknowledging heightened geopolitical risk and supply volatility.

The findings reflect broader structural weaknesses: small and medium—sized enterprises report systemic difficulty in interfacing with modular prime contractors and Ministry of Defence systems, limiting innovation. Critical skills in technology and manufacturing remain in short supply, while procurement timetables and contracting terms discourage new entrants.

Security experts further highlight cyber vulnerabilities in defence supply chains, including inconsistent accreditation monitoring and underinvestment in cyber resilience. This adds another layer of strategic exposure, particularly in a highly interconnected digital defence ecosystem.

A centre—right perspective views the wargame’s results as a vital early warning. Proactive steps, such as legally enforced industrial engagement, tighter oversight, and accelerated mobilisation planning, are necessary. Embracing public—private partnership and reforming procurement timelines could turn identified weaknesses into strengths, enhancing strategic deterrence and industrial sovereignty.

Without urgent action, Britain risks entering future crises with inadequate readiness, limited surge capacity, and a fragile industrial base. Projecting strength requires not only credible military capability but also a supply chain capable of rapid wartime transformation, and the new wargame underlines just how far there is to go.