

£50 million boost for defence businesses in Plymouth and the South West with new defence growth deal

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New defence investment will help defence businesses grow, by cutting red tape and creating hundreds of well-paid jobs, showing how defence is an engine for growth.

£50 million defence investment is being poured into Plymouth and the South West, making it easier for defence businesses to innovate, creating skilled jobs in the region and boosting UK national security.

The Plymouth Defence Growth Deal will help create hundreds of new jobs and increase investment in the region. The investment reinforces Plymouth as a leader in maritime autonomy, developing the technology that helps keep the UK safe at sea.

The £50 million deal will expand on the National Centre for Marine Autonomy, making it easier for industry to develop surface and subsurface maritime drones by cutting red tape and providing access to waterfront innovation labs and state-of-the-art testing facilities.

The deal will also establish the Plymouth Marine Autonomy Trials Authority to support start-up and marine autonomy businesses in testing and deploying maritime drones, bringing technology to the market quicker and growing their companies.

Additionally, the deal will also support Plymouth City College's skills hub, providing technical training facilities and teaching capacity at colleges and universities to have 60 new defence-related courses such as advanced manufacturing, engineering and technology, that directly meet the needs of Plymouth's defence industry. Combined with Babcock's 2,000-job Capability Centre, this investment will transform Plymouth's city centre into a vibrant place to live, work and do business.

Defence Minister Lord Vernon Coaker said:

We pledged a Defence Growth Deal for Plymouth and I'm delighted to be here today to deliver on that promise. This £50m investment will see Plymouth stay a world leader in maritime autonomy by making it easier for its defence businesses, creating hundreds of good jobs and boosting the defence industry across the South West.

Plymouth is already vital for the UK's defence, with the largest naval base in Western Europe at HMNB Devonport providing the backbone of the UK's submarine fleet. Defence investment in Plymouth isn't just good for the city, it directly strengthens the UK's ability to keep our seas safe and our country secure.

This investment directly responds to the Strategic Defence Review's commitment to expanding the UK's autonomous maritime expertise, and will help make defence an engine for growth by powering investment and jobs across the South West.

The UK is delivering the largest sustained increase in defence spending since the end of the Cold

War, hitting 2.6% of GDP from 2027.

The South West's defence sector is one of the most important and capable in the UK. Global names such as Thales, Babcock, Leonardo, Airbus and BAE Systems work with a thriving ecosystem of up-and-coming firms - from Rowden Technologies to Oshen - that are driving innovation across underwater drones, submarine support and advanced helicopter engineering.

Plymouth and the South West are already at the heart of UK defence. The MOD spent more than £6.6 billion in the South West in 2024/25, directly supporting 37,300 industry jobs with almost £400 million going to SMEs.

With £4 billion already committed to Devonport and defence commitments running to at least 2070, Plymouth is a crucial city for the Royal Navy.

<https://www.gov.uk/government/news/50-million-boost-for-defence-businesses-in-plymouth-and-the-south-west-with-new-defence-growth-deal>