

Chancellor challenged to account for £4.7bn defence funding before making new promises

Former UK Special Forces Director calls for proof that existing defence commitments will put equipment in operators' hands before further promises are made.

- The Government's own Defence Investment Plan leaves £4.7bn to be funded at Budget 2026
- Stratonex says Ministers must distinguish genuinely new defence money from existing spending, departmental transfers and accounting changes
- British defence firms need funded orders in the next 12 months, not further announcements, to invest in production, technology and skilled jobs
- Intervention comes as political pressure intensifies over the Government's timetable for increasing defence expenditure

A former Director of UK Special Forces has called on the Chancellor to use the forthcoming Budget to prove that the Government's existing defence commitments are fully funded and can translate rapidly into equipment for the Armed Forces.

The intervention comes amid a growing political battle over defence spending. In Westminster today, Conservative leader Kemi Badenoch described delaying decisions over increased defence funding until the next Spending Review as "unconscionable" and challenged the Government to find the money required to reach 3% of GDP.

Major General John Holmes, Chair of Stratonex Defence Technologies has argued that the immediate test is broader than the headline percentage of GDP: can the Government demonstrate that money already announced is genuinely available and turn it into contracts, production and military capability?

The Government's Defence Investment Plan commits £298bn over four years and places significant emphasis on warfighting readiness, autonomy and AI-enabled technology. But the Government's own funding breakdown shows that £4.7bn of the £15bn package underpinning the DIP remains to be funded at Budget 2026.

Stratonex Defence Technologies is calling for the Budget to spell out where that funding will come from, when it will become available and which capabilities it will deliver, arguing for British defence companies that clarity is vital and must then translate quickly into procurement.

In fast-moving areas including uncrewed systems and autonomy, businesses need funded demand against which they can invest. Stratonex is calling for procurement opportunities to come to market over the next 12 months, with accountable budget holders and clearer routes for successful trials to move into production contracts.

Major General John Holmes (Retd), Chairman of Stratonex Defence Technologies and former Director of UK Special Forces, said:

“In special forces, you ask: what support equipment is required for the mission, and is it readily available? The Government needs to answer those questions about its existing defence commitments before making any more.

“The strategic direction is right. But ultimately readiness is measured by what our forces can actually deploy, not what appears in an announcement. The Budget needs to show that the money is available and that industry will get the orders needed to deliver.”

Ben Everitt, Former MP and Co-Founder of Stratonex, said:

“The Strategic Defence Review and Defence Investment Plan point in the right direction. But before the Chancellor announces the billions more we still desperately need for defence, he needs to show us where the last promised billions are coming from.

“British industry can build the capability. What we need now are funded orders and a timetable we can trust. Firms cannot invest in factories, technology and skilled engineers against announcements alone.”

The Government says the Defence Investment Plan will provide £298bn of defence investment over four years, including £15bn of additional funding between 2026/27 and 2029/30. It says core NATO defence spending will reach 2.7% of GDP from 2027/28, with plans and funding for reaching 3% to be set out at the next Spending Review.

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Notes to editors

About Stratonex

Stratonex Defence Technologies is a British defence technology company providing uncrewed ground vehicles, drones, tactical e-bikes and e-scooters. Its portfolio supports reconnaissance, resupply, casualty evacuation and rapid, quiet movement through contested environments.

Combining unmanned capabilities with tactical mobility, Stratonex helps operators reach further while reducing their exposure to danger: keeping humans in the kill chain but out of the kill zone.

Stratonex's leadership includes former MP Ben Everitt; Major General John Holmes DSO OBE MC, who served for more than three decades in the British Army including at the highest levels of UK Special Forces; Royal Navy veteran and former defence and aviation executive Mark Baker.