

## STRATEGY FOR ACQUISITION REFORM – PROGRESS AGAINST EIGHT POINT PLAN

Ser.	Commitment	Future milestones	Status
1.	Undertake a Strategic Defence Review (SDR), and establish a legislative mechanism for keeping our Strategy current and aligned.	<ul style="list-style-type: none"> <li>- Prepare underpinning support for SDR (especially costing, management information, audit) by Summer 2010</li> <li>- Establish an appropriate legislative mechanism for future SDRs; ideally utilising the Armed Forces Bill. Proposals to Minister by Jan 2010</li> </ul>	<ul style="list-style-type: none"> <li>• On track. Positive progress on underpinning elements.</li> <li>• On track. Proposals being developed.</li> </ul>
2.	Bring the Equipment Programme into balance	<ul style="list-style-type: none"> <li>- Begin to adjust our equipment programme to bring it into balance.</li> </ul>	<ul style="list-style-type: none"> <li>• On track. Planning Round reduced equipment programme budget deficit; final decisions ongoing.</li> </ul>
3.	Establish a ten-year planning horizon & increase transparency	<ul style="list-style-type: none"> <li>- Agree 10-year planning horizon with HMT to support SDR</li>   <li>- Seek NAO agreement to auditing our assessment of affordability of the Equipment Programme</li> </ul>	<ul style="list-style-type: none"> <li>• On track. Ministers, HMT and Cabinet Office have agreed that MOD will annually share its assessment of affordability with the HCDC.</li> <li>• On track. NAO happy in principle to conduct audits (starting with SDR and are working up proposed approach)</li> </ul>
4.	Create the Defence Board Sub-Committee for Equipment (DBSCE)	<ul style="list-style-type: none"> <li>- Agree sub-committee role and composition by end Sep 2009</li> <li>- Sub-committee in operation by end Nov 2009</li> </ul>	<ul style="list-style-type: none"> <li>• Complete. Committee role agreed and the first meeting occurred on 23 Nov 09.</li> </ul>
5.	Improve our costing & management of risk	<ul style="list-style-type: none"> <li>- Develop stronger approach for Cost Estimating. Assessment Phase complete by Dec 2009</li>   <li>- Establish a Way Forward to improve the management of risk across the programme by May 2010</li> </ul>	<ul style="list-style-type: none"> <li>• AP complete. Way Forward and Funding being addressed in Planning Round.</li> <li>• Way Forward being scoped.</li> </ul>
6.	Establish stronger mechanisms for initiating projects and controlling project changes	<ul style="list-style-type: none"> <li>- Develop Proposals for 'Project Initiation' by Mar 2010</li> <li>- Building on the above, develop a full Change Control Mechanism (date TBC)</li> </ul>	<ul style="list-style-type: none"> <li>• On track. Proposals being developed.</li> </ul>
7.	Sharpen the relationship between MOD Head Office, Defence Equipment & Support (DE&S) and Front Line Commands, and improve visibility of DE&S costs.	<ul style="list-style-type: none"> <li>- Produce internal Terms Of Business Agreement (TOBA) to strengthen roles and business rules by Jan 2010.</li> <li>- Allocate DE&amp;S project-related manpower costs to the Equipment Programme. Pilots to commence Apr 2010 (subject to HMT discussions)</li> </ul>	<ul style="list-style-type: none"> <li>• On track. TOBA going through final approval</li> <li>• On track. HMT agree in principle.</li> </ul>
8.	Improve key acquisition skills	<ul style="list-style-type: none"> <li>- Seek to partner with the private sector to improve key acquisition skills in DE&amp;S. Assessment Phase complete by Dec 2009.</li>   <li>- Skills audit for Capability Sponsor organisation by Feb 2010</li> </ul>	<ul style="list-style-type: none"> <li>• AP complete. Way Forward and Funding being addressed as part of Planning Round.</li> <li>• On track.</li> </ul>
		<ul style="list-style-type: none"> <li>- Commercial Skills Way Forward developed by Jan 2010</li> </ul>	<ul style="list-style-type: none"> <li>• On track. Way Forward developed; funding being addressed.</li> </ul>