Levene ref.	Recommendation	Progress report	Status
1	Key recommendation 1. Strengthened top-level decision-making should be centred on a new and smaller Defence Board chaired by the Defence Secretary, with another Minister, the PUS, CDS, DG Finance, Chief of Defence Materiel and three Non-Executive Directors as members, responsible for providing strategic direction to the Department and holding it to account. The Department should place an emphasis on individual executive accountability, with the formal committee structure reduced and simplified.	Defence Board established with three sub-committees (Investment Approvals, People and Audit).  Defence Board membership expanded in Jan 12 to include Vice Chief of the Defence Staff (VCDS) (and a third non-Executive Member - the Board had originally had only two Non-Executive Board Members).  Committee structure below the Board reduced and simplified. The Defence Operating Board (Transformation), Defence Board Sub-Committee on Equipment (DBSCE), TLB Holders Forum/Defence Management Group all abolished. Defence Strategy Group established to get a clearer grip on Defence policy/strategy issues (see rec 3a). Armed Forces Committee (rec 3b) also now established.  See also rec 6e - Holding to Account.	Achieved.
1a	The new Defence Board should be the primary decision-making body for non operational matters. It should meet ten times a year. It should subsume the functions of the current Defence Board.	The Defence Board meeting monthly. First Board Effectiveness Review, led by the lead non-Executive (Mr Grimstone), concluded that the Board had made a good start, but work was required to ensure that its role was better communicated and understood and that the quality of the papers put to the Board improved.  The Defence Board has been closely involved in shaping Planning Round 12 and in work on the Materiel Strategy and Defence Infrastructure Organisation (DIO). The DB is taking a leading role in monitoring the delivery of Transformation and Departmental performance and risk at the strategic level.	Achieved.
1b	b. Formal sub-committees to the new Defence Board should be established to conduct investment approvals (Investment Approvals Committee), audit (Defence Audit Committee) and to oversee the career management system for senior civilians and military officers (Appointments Committee).	Sub-committees are in place. The Appointment Committee re-named the People Committee to reflect its broader remit on workforce issues. Committee Chairs report on matters arising/key issues at each Defence Board (and these reports are minuted).	Achieved.
2	Key recommendation 2. The number and responsibilities of MOD Ministers should be reviewed to align with the new model.	Ministerial roles and responsibilities are set out in Part 4 and Annex D of Version 2 of the Blueprint. Ministerial appointments and the number of ministers are a matter for the Prime Minister.	
3	Key recommendation 3. The Permanent Secretary and Chief of Defence Staff should continue jointly to lead Defence, but with their roles and responsibilities clarified. PUS's responsibilities include ensuring that the Defence Programme is affordable. As well as being responsible for the conduct of operations, CDS should represent the views of the Armed Forces on the new Board.	Roles and responsibilities set out in Defence Blueprint v. 2 (Part 4). Since Jan 12 VCDS has deputised for CDS (in particular as Strategic Military Commander). Armed Forces Committee (AFC) established in Sept 11 and now meets before every Defence Board to consider issues before the Board so that CDS (supported by VCDS) can provide a single authoritative, military voice to inform Board discussion. On 14 May 12 SofS announced that the Defence Budget was in balance.	Achieved.
3a	PUS and CDS should be jointly responsible for strategy and should chair a new 'strategy' group to support them in delivering this function.	Defence Strategy Group first met in Dec 11 under PUS and CDS. It meets monthly and is monitoring a programme of work in place into 2013.	Achieved.
3b	b. CDS should continue to convene a Chiefs of Staff Committee meeting in 'operations' mode to support him in his operational responsibilities. He should also convene a Chiefs of Staff Committee meeting in 'Armed Forces' mode to inform but not constrain his contribution on the new Defence Board.	Chiefs of Staff Committee continues. Armed Forces Committee has been established and working well in support of CDS's role on the Defence Board (see rec 3 above).	Achieved.
4	Key recommendation 4: The Head Office performs a vital role in Defence, supporting PUS, CDS and Ministers. It should be clear on what that role is, have the people and skills to do it properly, and resist the temptation to do more. Our view is that the role needs to be more strategic than now, and as a result (and as a crucial enabler to this) the Head Office should be considerably smaller. This applies to the top structure as much as the rest.	Head Office Concept developed, setting out the role of Head Office in the new Operating Model. Proposals for a smaller senior structure largely agreed, for implementation from Apr 13 - Apr 14. The Head Office Concept and new structure were announced in August 12. A Change Team is driving the behaviours & business improvement required to deliver the smaller, more strategic Head Office.	On track.

Levene ref.	Recommendation	Progress report	Status
4a	a. Given the challenges facing Defence today, the 2nd PUS and VCDS posts should be retained, to allow PUS and CDS to focus on the highest priority tasks, and their roles should be clarified. VCDS should support CDS in his increased role as the single military adviser on the Defence Board. 2nd PUS should lead the 'enable' function and act as head of profession for MOD civil servants. Together they should drive Transformation	2nd PUS post disestablished. DGT&CS 3* post made permanent as TLB holder and driver of Transformation. The VCDS role is currently under review.	On track.
4b	b. The 3 star / Director General (DG) structure should be revised to reflect the new model. At its core should be four posts leading the policy, military strategy, finance and military capability functions. This should enable the reduction of at least one 3 star / DG post. The Chief Scientific Adviser should become a 3 star. The Head Office DG Commercial post has lapsed. The Department should consider whether the Chief of Defence Intelligence and DG Human Resources and Corporate Service posts continue to merit a 3 star given the changes to their responsibilities.	The recommended four 3* posts are in the proposed senior structure for 2013, together with DG T&CS. CSA is now a 3* post (previously 4*). CDI transferred to JFC but remains 3*. Civilian HR now led at 2* under DG T&CS. The future of the 3* DCDS(Pers) post is currently being reviewed.	On track.
4c	c. The Department should take stock of progress in implementation in two years' time, and consider whether the proposed role and structure of the Head Office, including the requirement, role and seniority of the 2nd PUS and VCDS remain valid.	2nd PUS post already disestablished. The VCDS role is currently under review.	On track.
5	Key recommendation 5. The focus of the Service Chiefs should be on running their Service, including the development and generation of forces within their allocated budget, combined with their existing responsibility for the custodianship of their Service, and they should be empowered to perform their role effectively.	Service Chiefs are increasingly focused on their Service, with departure of the 4* CinCs. Some concerns from the Service Chiefs about the levels of real empowerment which will be achieved in the early years of the delegated model.	Some issues
5a	a. The Service Chiefs should remain responsible for the overall leadership and custodianship of their Service, and should continue to provide operational advice to CDS and, when required, Ministers, on the employment of their Service.	Roles continue as recommended.	Achieved.
5b	b. The Service Chiefs' 'direct' role in departmental strategy, resource allocation and Defence management should be reduced, though PUS and CDS should continue to seek their advice on issues relating to their Service as appropriate.	Service Chiefs views are sought via the Armed Forces Committee. Service Chiefs continue to provide advice and support to CDS on operational matters via the COS Committee.	Achieved.
5c	c. As a result of these changes to the role of the Service Chiefs, and to avoid duplication, the Services should no longer need a 4 star Commander-in-Chief, although this will also require further changes of responsibility at the 3 star level.	The 4* Commanders in Chief have been removed from the design of the future organisational structures of the three Service Commands. All current 4* incumbents will have gone and the posts disestablished or downgraded by Apr 13. RAF & RN CinC – already gone, Army CinC – goes in Jan 13.	On track.
5d	d. The Service Chiefs' principal supporting staff should be based at their Service headquarters, with a much reduced staff, headed at two-star level, based in Head Office	The Single Services' Head Office footprint under 2* Assistant Chiefs will reduce to 3 x 30 staff by Apr 13 (reductions of between 30 and 50%).	On track.
6	Key recommendation 6. Financial management throughout the Department should be considerably strengthened and there should be a widely-shared culture of managing Defence within available resources and realistic assumptions about the longer-term budget. At the centre, the DG Finance should be a member of the new Defence Board, chair its Investment Approvals Committee (IAC) and set standards and policy for financial management across Defence. Responsibility and accountability should be aligned for all Top Level Budget (TLB) holders, with responsibility and budgets for detailed capability planning passing to the Service Chiefs and Commander Joint Force Command.	DG Finance on Defence Board and chair of IAC. Implementation of delegated model underway (see 6b).	On track.

Levene ref.	Recommendation	Progress report	Status
6a	A. The Head Office should be smaller, more strategic but stronger. It should advise the new Defence Board on high level balance of investment, set strategic direction and provide a strong corporate and financial management framework for the Department.	See Key Recommendation 4.	On track.
6b	b. The Service Chiefs should take responsibility (and ultimately own the budget) for detailed capability planning and propose (through a Command Plan) how best to deliver the strategic direction set by the Defence Board across all lines of development. Once the Plan is agreed by Head Office, Chiefs should be given greater freedom to flex within their budgets, provided they continue to deliver the agreed objectives within their delegated resources. The Plan should be refreshed annually, including to enable cross TLB adjustments where necessary, but the Department should aim to make major changes only at SDSRs.	Finance and Military Capability Transformation (FMCT) programme underway. Target Operating Model sets out processes in full. Detailed implementation plans in place to deliver delegations. Work on Command Plans and Holding to Account process underway. A "Capability Planning Transformation" project launched by the FMCT programme to develop the necessary tools and processes that the Commands will need to operate increased delegations set out in the Target Operating Model. Command plans target initial staff transfers for Capability management beginning in Oct 12 and concluding in Mar 13. Work to support development of Capability Management Strategies and Plans as part of the Command Plans are maturing fit for IOC. Disaggregation of responsibilities and staff from the HO is on target. IOC April 2013 has been agreed, and although the timetable for completion of ABC13 and Command Plans is challenging it remains achievable.	Some Issues
6c	c. Major investments should continue to be scrutinised by the Investment Approvals Committee (IAC), chaired by DG Finance. Within a strict approvals process, he should delegate some authority for smaller projects to Directors of Resources in the relevant TLBs. The Department should rationalise current processes as far as possible (but as a minimum to ratify the strategic requirement, affordability and sequencing of these major investments). The Department will need to consider with the Treasury how quickly it is prudent to move to this more delegated model.	The Treasury has agreed in principle to the delegation of approval authority for Category C & D projects to Command Directors of Resources wef Apr 13, and Category B projects wef Apr 14.	On track.
6d	d. DG Finance and the TLB holders should jointly appoint TLB Directors of Resources (formerly Command Secretaries). The post should report to them jointly. The Directors of Resource must have the necessary financial skills and experience and be properly supported.	Directors of Resources in place. Measures are being taken to ensure all are suitably skilled and empowered.  Funding for additional resources in FLCs during first two years of delegation has been agreed by DG T&CS. A training needs analysis and subsequent programme of skills development and training is to be put in place to raise the level of financial management and associated skills across the finance function and the business.	Some issues
6e	e. The new Defence Board should take an active role in managing departmental performance and risk at the strategic level, and the PUS should hold TLB holders to account at least on a quarterly basis for delivering their objectives within their delegated budgets.	The Holding to Account (H2A) process has been developed with Commands/TLB holders and process owners. PUS has agreed the proposals for the H2A process. The first sessions will be held in the latter part of 2012/13 with H2A beginning in earnest in FY 2013/14 on the basis of the agreed 13/14 Command Plans. Further work is needed to establish the the format and scope of the first H2A sessions in year. The H2A process will evolve as the new operating model is implemented and in the light of feedback. Further work is needed to establish the the format and scope of the first H2A sessions this year.	Some issues
6f	f. Financial management in the Department should be based on a single version of the financial truth. The Department should develop and resource a strategy for all management information, encompassing clear governance, processes and training, and it should invest in improving core information systems by bringing together financial, personnel and other management information in one place.	FMCT team has developed Management Information (MI) workstrands which include CAAS, CIO, DASA, HRD, Military manpower, DBS, DE&S, StratMan & Defence Resource to deliver business intelligence successfully. This work is in the early stages of a longer term workstream. April 2013 IOC will be supported by adequate improvements to MI to ensure the delegated model and holding to account can operate effectively and that the Command Plans articulate key data around resource, performance and risk. This workstream is designed to mature over a number of years driven by an iterative understanding of business intelligence needs, development and exploitation of existing sources and potential introduction of new tools. The single version of the costing truth is also bound up in this recommendation and further work is needed to develop consistent methodology across the Department. Development of a parallel change programme relating to development of the intelligent customer role materially interacts with this workstrand.	High risk to delivery

Levene ref.	Recommendation	Progress report	Status
7	Key recommendation 7. Some military capabilities have to be integrated on a 'joint' basis in order to effectively enable operations. Such enabling capabilities need more effective proponency within Defence. To that end, a Joint Forces Command should be created to manage and deliver specific joint capabilities and to take the lead on joint warfare development, drawing on lessons and experimentation to advise on how the Armed Forces should conduct joint operations in the future. Certain joint and Defence capabilities should continue to be delivered on a 'lead Service' basis.	JFC was established in Apr 12 at Initial Operating Capability (IOC). Full Operating Capability (FOC) is due to be established at Apr 13 although it is expected that some maturing will be required during 13/14.	On track.
7a	a. The Joint Forces Command should be led by a military 4 star, and should have responsibility for commanding and generating the joint capabilities allocated to it and setting the framework for joint enablers that sit in the single Services.	4* Commander Joint Forces Command, Air Chief Marshal Sir Stuart Peach, took up post in Dec 11. See rec 7.	Achieved.
7b	b. As a result, a number of military organisations currently managed by the Central TLB should pass to the Joint Forces Command.	The transfer of organisations to JFC is as per the Levene Report recommendation. Full details are set out in the Defence Blueprint paragraphs 4.39-4.48.	On track.
7c	c. The Permanent Joint Headquarters should sit within the Joint Forces Command, but report for operational purposes direct to the CDS.	Achieved as at JFC IOC Apr 13.	Achieved.
7d	d. In implementing the Joint Forces Command, the Department should systematically review joint or potentially joint capabilities and functions across the Services against the criteria set out below to determine which might be rationalised, the merit of further joint organisations, and which should transfer to the Joint Forces Command and which should transfer to a lead Service.	The composition of JFC at FOC has been agreed. JFC will continue to evolve as its new roles and authorities are tested. Adjustments in order to optimise structure or exploit any future or further opportunities to deliver joint effect are likely over time.	On track.
8	Key recommendation 8. A model for running military operations centred on the Permanent Joint Headquarters (PJHQ) remains the optimum one. In principle, and to simplify roles, the Department should look to make PJHQ responsible for all military operations. The Department should consider whether those operations not currently run by PJHQ should transfer to it.	This work was not scheduled to start until after Op Olympics was concluded. The work has begun and a plan for delivery was presented to the November 12 Defence Reform Programme Board.	On track.
9	Key recommendation 9. The Chief of Defence Materiel (CDM) has a crucial role in managing through the consequences of the over-committed equipment and support programme and should have the authority he needs to do that.	Achieved. The Defence Board has achieved a fully balanced equipment programme out to 2020, including risk provision and contingency, and CDM made a significant contribution to the Board's decisions.	Achieved.
9a	a. CDM should be a member of the new Defence Board.	Achieved.	Achieved.
9b	b. We endorse the recent decision to give him the lead for commercial and industrial policy on behalf of Defence.	Achieved.	Achieved.
9c	c. The Department should consider whether making CDM an additional Accounting Officer for expenditure on equipment and support would usefully further strengthen his authority.	This is being reviewed as part of the CDM Materiel Strategy.	Under Review

Levene ref.	Recommendation	Progress report	Status
9d	d. We welcome the development and increased use of the independent costing capability provided by the Cost Assurance and Analysis Service (CAAS). The Department should mandate the use of this service more broadly across Defence to support investment decisions and planning.	The use of CAAS has been mandated across DE&S and capability areas of Head Office. In addition Smart Approvals states that the Approving Authorities would expect to see that all figures contained in cases have been verified by CAAS. CAAS has also initiated cost management support to the Front Line Commands, recognising their increased responsibilities through Defence Reform.	Achieved.
9e	e. We note that CDM's Materiel Strategy is examining the scope, structure and size of the Defence Equipment and Support organisation, and is due to report later this year. That work should build on the recommendations set out in this report.	Work on future scope, structure and size and future involvement of the private sector is ongoing and will support decisions due later in the year.  CDM has been tasked by the Defence Board to lead reform of the DE&S customer design function, which he has delegated to DGT&CS in view of the links with Defence Reform.	On track.
10	Key recommendation 10. Enabling services should be delivered as efficiently, effectively and professionally as possible, including through the creation of the new Defence Infrastructure and Defence Business Services organisations on which we advised the Defence Secretary earlier in the year.	Defence Business Services (DBS) established July 11 and a private sector management contract was placed with Serco in Mar 12. The DBS private sector partner has delivered a Transformation Plan that is aimed at achieving its vision of creating the premier Business Services organisation in the Public Sector.  Significant progress has been made in transforming the Defence Infrastructure Organisation (DIO) since its establishment in Apr 11. Work so far has focussed on the key elements of DIO's Enhanced Operating Model include process, organisation, technology and behaviours.	On track.
10a	The Department should keep under review the future scope of the Defence Infrastructure Organisation and Defence Business Services Organisation as it implements its infrastructure and corporate services transformation programmes.	The scope/objectives of the corporate services transformation programme will be reviewed later this year. Work to examine the potential integration of Service Personnel and Veterans Agency (SPVA) and Defence Business Services (DBS) is underway and is due to complete in early 2013. The private sector partner will, in the autumn, also present proposals for further developing DBS' business offering.  As part of its formation DIO announced a two year transformation plan to deliver a more cost-effective organisation and deliver significant financial savings. As part of this DIO has been pursuing the option of bringing on board a Strategic Business Partner to help deliver the change required. In January DIO engaged the market in 'soft market testing' to explore prospective roles for the private sector, test some of the commercial principles being considered by DIO and to understand likely demand from industry. The next stage of the process, moving to an Assessment Phase for the procurement of a Strategic Business Partner, is underway.	On track.
10b	b. The DG Finance should be given the authority to direct standards, procedures and staffing for the finance function across the Department, in line with the changes already made to the HR and commercial functions.	Set out in Defence Blueprint.	On track.
10c	c. As a consequence of the changes recommended here and in Part 9, the Department should look to disestablish the Central TLB.	Head Office and Corporate Services TLB (HOCS) established in Apr 12 to replace CTLB.	Achieved.
11	Key recommendation 11. In line with the overall capability planning and financial management model, the Department should afford greater priority to managing its 'human capability' as a strategic resource, to ensure a better balance with its consideration of equipment capability. Specifically, it should develop the 'Whole Force Concept,' which seeks to ensure that Defence is supported by the most cost-effective balance of regular military personnel, reservists, MOD civilians and contractors.	Army 2020 incorporates much greater use of Reserves and contractors to deliver military effect. Whole Force Concept (WFC) lead also lies with Fin Mil Cap but work continues through Future Reserves '20 (FR20) to develop the concept further.	Some issues
11a	a. The Department should reduce the size of the senior cadre of Defence and the management levels below it. To enable this, the Department should review all non-front line military posts from OF5 (Captain / Colonel / Group Captain) and civilian posts from Band B (Grade 7), to determine the need for the post, whether it needs to be civilian or military, and optimum management structures.	A Liability Review of all civilian and non-front line military posts from 0F5 up to 2* has been undertaken. The scope of this work has increased and completion is now expected by end 2012.	Some issues

Levene ref.	Recommendation	Progress report	Status
12	Key recommendation: 12. The Department should manage and use its senior military and civilian personnel more effectively. With oversight of the 'Appointments' sub-committee to the new Board, the career management system should be designed so that individuals stay in key senior posts for longer and the processes for promotions and appointments are transparent and (on the military side) standardised, to provide assurance that both Defence and Service needs are being met.	Appointments sub-committee re-named the "People Committee".  All the Reform recommendations on promotions, appointments and career management of military personnel have been taken forward under the banner of 'The Joint Assured Model' (JAM).  In June 2012 the Civil Service Leadership Group (CSLG) agreed principles for post tenure, transparency of recruitment processes and selection panel criteria.	On track.
12a	a. A new model for the management of senior military officers – the joint assured model – should be introduced, which would include a role for an independent member on Service promotion and appointing boards; an enhanced role for the existing Senior Appointments Committee, to which PUS, Commander Joint Forces Command an independent private sector representative would be added as members; and a more formal process for the involvement of reporting officers in the appointment of senior military personnel, and vice versa for civilian appointments;	The Joint Assured Model, detailed under rec 12, takes this forward for military personnel. On the civilian side, PUS has identified principles including identification of posts that would benefit from military input at appointment board level in Jun 12.	Delivered
12b	b. The Department should improve its talent management and succession planning in the Senior Civil Service and the management level below, and involve the Civil Service Commissioners for all appointments at 2 star and above and of CDS or VCDS for the most senior appointments.	June 2012 CSLG approved plan to discuss talent management and succession planning biannually. Work on succession planning for SCS ongoing, processes in place to address key issues. Good progress at 2 and 3*; shortages in succession plans remain at 1* progress is being made and the remainder are being addressed.  Steps are in hand to ensure independent oversight of all 2* Civilian appointments but Civil Service Commissioner's involvement as recommended by reform is not part of their remit as per their statute.	Some issues
12c	c. The Department should move to a model where most individuals stay in post for longer and the most senior civilian and military posts are held, as a rule, for 4 to 5 years.	Tour lengths are being actively considered during the appointment process using Defence Reform recommendations as a baseline under the Joint Assured Model. For civilians, principles were agreed in June 2012 for a model in which SCS stay in post for 4-5 years with exceptions identified where relevant. The extended tour lengths have now been implemented and should take effect as each new incumbent takes up post.	Delivered
12d	d. Defence should place greater emphasis on recruiting or developing people with the right skills and expertise, particularly in professional or more specialist functional areas.	When recruitment restrictions are lifted recruitment activity will increase, with greater emphasis on recruiting people who are skilled in leadership, managing people and change.  The MOD Commercial Function is proactively upskilling all staff in line with the Commercial Skills Strategy. Active commercial conversion programmes are underway which have been designed to develop high calibre individuals from across the department to reskill in the commercial function and a graduate programme exists to develop high potential staff to fill senior positions in the longer term. External recruitment is underway to supplement the internal commercial cadre with skilled and experienced commercial staff.	Some issues
12e	e. The Head Office should continue to set high level training and education policy, but joint requirement setting and co-ordination should be delegated to Joint Forces Command to the maximum degree possible. We do not see any changes to single Service responsibilities.	High level training and education policy will continue to be set in Head Office by the Strategic Capability Authority (DG level Defence Training Board). It is also planned that Joint requirement setting and co-ordination is to be conducted in JFC from FOC in Apr 13.	On track.
13	Key recommendation 13. The new Defence Board should ensure that the implementation of the Defence Reform proposals is properly resourced, coordinated from Head Office and driven by both Ministers and the senior leadership of the Department.	Defence Reform implementation is being driven as part of Transformation by the Defence Board and Director General Transformation & Corporate Strategy (DG T&CS). It is co-ordinated by a dedicated 1*-led team under DG T&CS. The Secretary of State and senior leaders have given speeches in support of Transformation and the Defence Vision.	On track.
13a	a. The Defence Secretary should chair a group specifically to oversee implementation.	Transformation Steering Group chaired by SofS. Key Transformation decisions are taken by the Defence Board.	Achieved.

Levene ref.	Recommendation	Progress report	Status
13b	b. Implementation should be led at 4 star level. They should be responsible to the Defence Secretary's group and the Defence Board for driving through the detailed design and implementation. They should stay in post to see it through.	Implementation led by PUS/CDS. Transformation is a standing item on the Defence Board Agenda.	On track.
13c	well the core teams who will lead the work.	Transformation, which encompasses Defence Reform, is the second highest Departmental priority, and a standing item on the Defence Board agenda. The Support To Operations team has been utilised to bring in personnel to fill identified gaps in the Programme team.  To work alongside the Behaviours and Business Improvement (BBI) Team, a strategic partner has been engaged for a short time to assist in the provision of external specialist expertise and ensure a transfer of skills and knowledge for the future.  The BBI Team is developing a Statement of Requirement for Defence Transformation that focusses on articulating the skills, knowledge and attributes key personnel in Defence require to support the effective delivery of Transformation. This will be used to inform a gap analysis of training and education to ensure we current interventions are fit for purpose.	On track.
13d	d. The Defence Reform Steering Group should be asked to reconvene on an annual basis for the next three years to check on progress, and report to the Defence Secretary, who should in turn report on progress to Parliament.	First annual review complete.	Complete
14	be front and centre of, and embedded throughout, the implementation. The right example must be set from the top.		Some issues.