Dear Chair,

FLEET SOLID SUPPORT PROGRAMME ACCOUNTING OFFICER ASSESSMENT

It is normal practice for Accounting Officers to scrutinise significant policy proposals or plans to start or vary major projects, and then assess whether they measure up to the standards set out in *Managing Public Money*. From April 2017, the government has committed to make a summary of the key points from these assessments available to Parliament when an Accounting Officer has agreed an assessment of projects within the Government’s Major Projects Portfolio.

This assessment has been undertaken in accordance with the requirement to conduct an AOA upon joining the GMPP.

Background

The FSS programme will deliver the ships to provide the solid sustainment (food, stores and ammunition) that is required for Maritime Task Groups and Joint Forces to operate at the reach, tempo and duration to poise and deliver effect. FSS is a key logistic enabler for Carrier Enabled Power Projection, providing highly mobile sovereign Access and Basing choices for Defence reducing the demand on the support chain and assures the highly regulated and constrained movement of munitions. Strategic Defence and Security Review (SDSR) 15 confirmed the need for the capability.

Having achieved Initial Gate approval in Apr 16, the programme entered a 4 year Assessment Phase. It is now in the second part of that phase undertaking an International Competition for the Design and Manufacture Contract.

This assessment has been undertaken in accordance with the requirement to conduct an Accounting Officer Assessment (AOA) on joining the Government Major Programmes and Projects (GMPP) portfolio.
This assessment is made by the Permanent Secretary (and Accounting Officer) of the Ministry of Defence.

**Assessment against AO Standards**

**Regularity**

The FSS Programme complies with Parliamentary requirements for the control of expenditure, with programme funds being applied only to the extent and for the purposes authorised by Parliament. HMT Regularity standards continue to be satisfied.

The International Competition is being conducted in accordance with the commercial and legal obligations under the Defence and Public Security Contracts Regulations 2011.

**Propriety**

Parliament’s intention of the programme’s authorised expenditure continues to be met properly, and is reviewed by the Department and Cabinet Office IPA, through quarterly reporting. The programme’s funds are being managed with impartiality, honesty, and with the avoidance of personal gain, waste, and extravagance.

**Value for Money**

The programme plans to achieve a Value for Money outcome through the use of competition which is entirely consistent with the HM Treasury Green Book guidance.

**Feasibility**

The programme continues to forecast to deliver the capability in accordance with current Departmental planning assumptions. Market Engagement prior to the start of the formal competition supported ship build timescale estimates, with the agreed delivery schedule to be confirmed at Contract Award.

**Conclusion**

The FSS Programme has not breached any of its tolerances as set at Initial Gate. The International Competition is proceeding with the expectation that a Main Gate submission and subsequent Contract Award for the Design and Manufacture Prime Contract will be achieved in 2020 as planned.

As the MOD Accounting Officer I considered this assessment of the Fleet Solid Support programme and approved it on 21 June 2019.

I have prepared this summary to set out the key points which informed my decision. If any of these factors change materially during the lifetime of this programme, I undertake to
prepare a revised summary, setting out my assessment of those factors.

This summary will be published on the government’s website [www.gov.uk](http://www.gov.uk). Copies will be deposited in the library of the House of Commons, and sent to the Comptroller and Auditor General and Treasury Officer of Accounts.

Yours sincerely,

STEPHEN LOVEGROVE