MINISTRY OF DEFENCE

Ministry of Defence

Defence Plan
2009 - 2013

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Contents

Foreword

from the Permanent under Secretary of State for Defence

Sir Bill Jeffrey

This is the Department's top level management plan for the period 2009 – 2013, setting out the Defence objectives and continuing to reflect the outcome of the 2007 Comprehensive Spending Review.

Our focus over the previous year has rightly been on providing direction to and support for current operations and that will continue to be our top priority. Following the change to the mission in Iraq and the end of combat operations there, that will mean focusing on Afghanistan and ensuring that we work with the Foreign and Commonwealth Office, the Department for International Development and our ISAF and international partners to develop the Afghan government's ability to provide security and prosperity for its people. To the extent that current operations and other tasks allow, we will also seek to recuperate and rebuild the training base.

As the Defence Secretary said in this foreword last year, Defence does not stand still. Major change programmes are taking place across the Department. I recognise the demands that these place on our people, in addition to those of current business; but, in an increasingly harsh economic environment, we simply have to make best use of the resources available to us; press ahead with existing change programmes; and keep thinking innovatively about how to do things better. I am very grateful to all who are involved in this work.

I take this opportunity to emphasise the importance that I, as well as Ministers and the Defence Board, place on ensuring the safety of personnel, whether civilian or military, wherever they are serving. Over the past year the Defence Board has received monthly updates on deaths and injuries and commissioned work to address particular matters of concern. The Department's performance is encouraging, with trends for Health and Safety fatalities and major injuries down, but we are not complacent and must maintain that trend. The safety of personnel must be a key consideration for leaders at all levels when making management or investment decisions.

A recurring theme across Government over the past year has been information security and data loss. Information plays a critical role in all aspects of Defence business, and progress has been made in the MOD since the publication of the Burton Report[1], but there are still far too many instances

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1 www.mod.uk/DefenceInternet/AboutDefence/CorporatePublications/PolicyStrategyandPlanning/ReportIntoTheLossOfModPersonalData.htm

where classified information is inappropriately handled or lost. Evidence suggests that people treat the security of electronic information differently from that of physical documents, and the huge expansion in the use of electronic information has dramatically increased the risk and consequences of compromise. We all have a statutory duty to safeguard personal and classified data, and the Department has introduced mandatory information management training for staff at all levels, but I would urge all of you to pay particular attention to this as you go about your business, whatever your role or seniority.

Finally, I would note that Defence will continue to be a matter of considerable public interest in the coming year. Media focus on operations in Iraq and Afghanistan has led to more detailed scrutiny than ever before of the Department's performance, including in providing support to the front line. Where there have been shortcomings in our systems or procedures we must learn lessons and provide our people, their families and Ministers with the assurance that we are doing so. But where we have delivered what we set out to do, including in the face of serious challenges, I am keen that this should be recognised more widely. I was struck by the results of the "Your Say 2009" survey that was conducted across the Department. No Department scored more highly than the MOD for the commitment of its people, their willingness to go the extra mile, and their belief that what they do makes a difference. This matches my own experience as I travel around and see the evident enthusiasm people have for their work. Neither CDS nor I take this for granted, and it is important that we act on the concerns highlighted in the survey. But it does tell me that we have important strengths on which to build as we address the challenges that lie ahead.
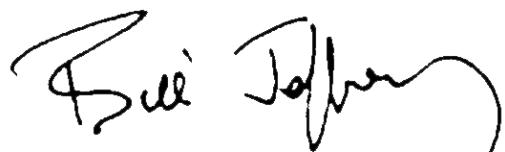
Introduction

The Defence Vision[2], which simply stated is Defending the United Kingdom and its interests, strengthening international peace and stability and being a Force for Good in the world, sets out the key principles that lie behind the Defence Aim:

To deliver security for the people of the UK and the Overseas Territories by defending them, including against terrorism, and to act as a force for good by strengthening international peace and stability.

Defence Plan 09 lays out the top level management priorities and supporting objectives of the Department for the period 2009-13. Delivery of the Plan is managed by the Defence Board, the senior non-Ministerial decision-taking body in the MOD, by providing strategic direction to the Department, determining the capabilities required to deliver our Departmental Strategic Objectives[3], and managing performance to make the most cost-effective use of our resources.

The objectives in the Plan have been developed within the scope of Defence Strategic Guidance[4]. We remain committed to success in Afghanistan and Iraq. Targets from endorsed strategies (Civilian Workforce Strategy, Service Personnel Plan and Defence Estates Development Plan) have been included in this plan. Development of a prototype Strategy for Defence over the next year will map out the broad range of strategies across the MOD to ensure all are aligned and coherent.

The Plan is laid out in four sections:

- Section I summarises the strategic context within which Defence will operate;
- Section II outlines the strategic themes that will be important to the delivery of the defence output in the period of this plan and outlines our priorities for delivery over the next four years;
- Section III is about Strategic Management, and in particular provides information about how the objectives within this plan fit with the objectives placed upon the Department; and
- Section IV sets out our objectives using the Defence Scorecard.

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2   Defence Framework (Ministry of Defence | About Defence | Corporate Publications | Policy Strategy and Planning | Defence Framework) provides more information about the Defence Aim and Vision, and about how the Department is managed.
3   More information is provided in Section III.
4   Defence Strategic Guidance was last updated in 2008. It is internal guidance and is classified.

Section 1
Strategic Context

National Security Strategy

In March 2008 the Government published, for the first time, a National Security Strategy[5] which sets out how Government will address and manage a diverse range of threats. The MOD has a defined role in delivering the Government's aims within the integrated approach which is outlined in the Strategy and will continue to work with other Government Departments to strengthen our national security structures. Defence's contribution covers not only military operations overseas, but also support to the civil Departments in the UK in dealing with natural disasters or terrorist incidents as well as engagement in the Government's response to the other threats and challenges set out in the National Security Strategy.

Public Service Agreements

The two main Public Service Agreements (PSAs) to which the MOD contributes, with other Government Departments, over the period 2008-2011 are PSAs 26 and 30. In addition, MOD contributes to achievement of PSAs 27 and 28.

> **PSA 26: To reduce the risk to the UK and its interests overseas from international terrorism.**

- Under a Home Office lead, the vision for this PSA builds upon the Government's Counter-Terrorist Strategy (CONTEST), which was established in Jun 06, and which has been reviewed this year, leading to publication of a thorough and wide ranging analysis of the threat and the Government's response[6]. The main pillars of CONTEST remain as before:

  - *Pursue*: to stop terrorist attacks;
  - *Prevent*: to stop people becoming terrorists or supporting violent extremism;
  - *Protect*: to strengthen our protection against terrorist attack; and
  - *Prepare*: where an attack cannot be stopped, to mitigate its impact.

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5 www.cabinetoffice.gov.uk/reports/national_security.aspx
6 www.security.homeoffice.gov.uk/counter-terrorism-strategy/

● MOD, along with many other Government Departments, is a supporting Department to CONTEST. Counter terrorism is not a resource driver in MOD as it is in other Departments, although MOD has a wide range of capabilities that can contribute to CONTEST objectives. The roles which Defence performs in support of CONTEST can be summarised in the following table.

CONTEST Objectives	Domestic	Global
Prevent people becoming terrorists or supporting violent extremism	Communicate effectively what we do and why Contribute to other Government Departments' programmes to prevent growth of terrorism	Stabilisation Operations Humanitarian Assistance Security Sector Reform Counter Terrorism capacity building with key partners
Pursue: to stop terrorist attacks	Special Forces support to other Government Departments as required	Military Counter Terrorist operations and support as required Counter Terrorism capacity building with key partners
Protect: to strengthen our protection against terrorist attack	Air and maritime integrity of UK and overseas territories Specialist rescue Support to defence of critical national infrastructure	Counter Terrorism capacity building with key partners
Prepare: where an attack cannot be stopped, to mitigate its impact	Military Aid to the Civil Authority as required Specialist expertise as required (eg chemical, biological, radiological, nuclear or explosives response)	Counter terrorism capacity building with key partners

Cross cutting capability	Planning and command support capability for CONTEST and national resilience plans
	Contribute to collection and analysis of intelligence
	Science and technology research and development
	Cooperation with Allies

PSA 30: A global and regional reduction in conflict and its impact through improved UK and international efforts to prevent, manage and resolve conflict, and to create the conditions required for effective state-building and economic development.

● Under a Foreign and Commonwealth Office lead, MOD and the Department for International Development contribute to delivering this PSA which commits the UK to reduce the number of conflicts globally and to reduce their impact in specific countries and regions.

● The aim is to develop more effective UK capability to prevent, manage and resolve conflict as well as helping to make international institutions (including NATO, EU, UN and African Union) better able to deal with conflict.

● Defence plays a vital role in all stages of the conflict cycle: from prevention, through to stabilisation and peacekeeping where conflict arises. The use of UK military capability overseas, including through expeditionary operations, can have an important deterrent effect by discouraging the resort to violent conflict to resolve disputes.

● Defence personnel also play a proactive role in preventing conflict through support to security sector reform programmes around the world. They also have a role in building the capacity of nations and multi-lateral institutions (e.g. UN, NATO and EU) to contribute to Peace Support operations around the world. In the aftermath of conflict, UK Armed Forces can play a key role in working with local communities to establish the security required for reconstruction and development.

PSA 27: Lead the global effort to avoid dangerous climate change

MOD contributes to achievement of this Public Service Agreement by working to evaluate the potential impact of climate change on international peace and stability and to understand and prepare for the implications of a changed future climate on its estate, people, equipment, capabilities and policies and reduce our carbon dioxide and green house gas emissions. MOD's climate change strategy sets out how we will adapt to and mitigate climate change.

PSA 28: Secure a healthy natural environment for today and the future.

Under a Department of the Environment, Food and Rural Affairs lead, the MOD contributes to this PSA by integrating biodiversity issues into its estate management systems and seeking to minimise environmental impacts. The MOD has a range of estate management responsibilities including forestry, agriculture, protected species obligations and sites of special scientific interest.

In the normal course of business, MOD also contributes to delivery of a number of other cross-cutting PSAs: PSA 4 *(Promote world class science and innovation in the UK)*, PSA 29 *(Reduce poverty in poorer countries through quicker progress towards the Millennium Development Goals)*, PSA 22 *(Deliver a successful Olympic Games and Paralympic Games with a sustainable legacy and get more children and young people taking part in high quality PE and sport)* and PSA 2 *(Improve the skills of the population on the way to ensuring a world-class skills base by 2020)*.

Military Tasks

Throughout the period of this plan, military tasks will include standing strategic tasks, standing home and overseas commitments and contingent operations overseas. Defence will also be significantly committed throughout this period in Afghanistan, and will remain active in Iraq for much of 2009. Defence has been operating beyond the level its Planning Assumptions imply since 2006 and will continue to do so for the foreseeable future. The planned drawdown in Iraq is expected to provide some relief; we will have completed our remaining military objectives by the end of May and expect to withdraw almost all forces by end of July – while maintaining commitment to training

of Iraqi forces and to provision of maritime support. However, while our priority is success in current operations, it is important to improve our ability to respond to future contingencies. The demands of restoring a broad range of capabilities, including the regeneration of a strategic reserve, while maintaining operations in Iraq in the short term and in Afghanistan for the foreseeable future, will be significant.

Economic Outlook

The economic slowdown has global security implications. Short term economic shocks have a direct effect on insecurity because they reduce work opportunities and foster unrest. Low income countries are the most vulnerable to insecurity and conflict but they are often less integrated with the global economy, particularly financial markets. However, poor countries that rely on aid, remittances and commodity exports will be most severely affected as their income falls.

In addition to potential risks within the MOD's current areas of operation, the economic crisis will have increased the risk worldwide of a humanitarian crisis developing, to which MOD assets might be committed, or of popular unrest necessitating an evacuation of MOD personnel or British nationals.

The world economic downturn has also seen the value of sterling fall. For MOD, movements against the dollar and euro have the greatest effect, though in the short term these are mitigated by the existence of the forward buy programme (where the department contracts for delivery of currency in the future at agreed rates). However, there is currency risk in our supply chain, and we need to be aware, where possible, of the financial exposure of the companies we are dealing with. In respect of our capital projects, there is risk in the capital markets so projects such as Private Finance Initiative projects may encounter difficulties and we need to ensure their delivery is not interrupted.

Section II
Strategic Themes

Strategy for Defence

The prototype Strategy for Defence, which will be developed through 2009 and 2010, will set out the Defence Board's overall direction and will have a long-term focus (20+ years), but must be clear and flexible enough to drive key actions in the very short term if that is necessary. It will provide a comprehensive framework from which all other internal strategies and change initiatives will derive, thereby ensuring mutual coherence. It will be the basis on which future Defence Plans will be constructed.

Resource Informed Approach

Resource considerations will be integrated into the strategy development process at an early stage. The Strategy will not be 'resource-driven' but, by being fully 'resource informed' from inception to implementation, the Strategy will integrate policy and resources to meet Defence objectives as efficiently and effectively as possible.

Recuperation – approach and execution

Recuperation from current operations to regain a full contingent capability is a key departmental objective. Work has already begun to deliver the current recuperation priorities; to ensure that the Department's collective recuperation effort is coherent; and that critical dependencies between capabilities and enablers are fully understood.

Comprehensive Approach

Operational experience and analysis of future trends underscore the importance of developing a cross-government approach to the development and delivery of foreign and security policy. This applies to all aspects of Defence activity. We will continue to support the further development of appropriate mechanisms, including by adopting a sustainable approach, to deliver the UK's security priorities and establish cross-government ways of working through which common goals, objectives and accountability are shared across Departments.

The Comprehensive Approach being taken to security matters entails a more coherent way of thinking across Government, focused on long-term outcomes, which emphasises the necessity

for detailed and dynamic understanding of the situation. Outcome and effect based thinking is one means through which Defence can better interact with other participants in delivering a Comprehensive Approach to any given situation.

Interoperability

The highest interoperability priority for the UK is joint interoperability for all Services and across all the lines that contribute to defence capability, and the next requirement is to work jointly and seamlessly with other Government Departments. However, the most likely future operating environment for contingent operations will be within a coalition framework, so interoperability with US, NATO, Allies and other key partners, within a coalition framework, should be our aim.

Comprehensive Spending Review

The Comprehensive Spending Review 2007 provided a settlement for 1.5% average annual real growth over the three years to 2010/11. This breaks down into £35,365 million in 2009-10 and £36,890 million in 2010-11.

Under the Comprehensive Spending Review, the MOD is committed to value for money reforms generating annual net cash-releasing savings of £2.7 billion by 2010-11, building on savings of some £3 billion during the 2004 Spending Review period.

We have disposed of some £2 billion of surplus assets since the 2002 Spending Review and will continue to contribute to the Government's overall target of disposal of £30 billion in surplus assets. By the end of the Comprehensive Spending Review period the MOD will have disposed of over £3 billion in surplus assets. We are also committed to the release of a significant proportion of our electromagnetic spectrum holdings to the market.

In the Pre-Budget Report in November 2008, the Chancellor announced that the Government is committed to finding a further £5 billion of value for money savings across Government Departments and arms length bodies in 2010-11. The MOD's share of this is not yet known. The Government also set growth in overall public spending for the period 2011/12 through to 2013/14 as 1.1% real. Further work on potential asset disposal in this period is underway.

Section III
Strategic Management

Assumptions

For the period of this plan we expect to be active in Afghanistan, although we will be withdrawing forces from Iraq. We are still within the period of financial planning set out in the Comprehensive Spending Review 2007 and we remain committed to the objectives set out as part of that process.

Hierarchy of Objectives

The Comprehensive Spending Review 2007 confirmed the Defence Aim and Departmental Strategic Objectives that together state the purpose of Defence. The Defence Aim sets out the overall purpose of Defence, and is delivered by achievement of three Departmental Strategic Objectives which cover the range of Departmental activity:

DSO1: Achieve success in the military tasks we undertake, at home and abroad.

DSO2: Be ready to respond to tasks that might arise.

DSO3: Build for the Future.

By delivering the Departmental Strategic Objectives, Defence contributes to the Government's Public Service Agreements which are outlined in Section I and also meets the agreement made with HM Treasury under the Comprehensive Spending Review 2007. The relationship between the Public Service Agreements, Departmental Strategic Objectives and the Defence Plan objectives is complicated. The Public Service Agreements are cross-cutting governmental targets, but our priorities, as set in the Comprehensive Spending Review are articulated in the Departmental Strategic Objectives. Because these are not sufficient to manage the breadth of the business of the MOD, the Scorecard Objectives represent the internal objectives set to manage Defence. The diagram below attempts to represent the relationship between the levels of objectives.
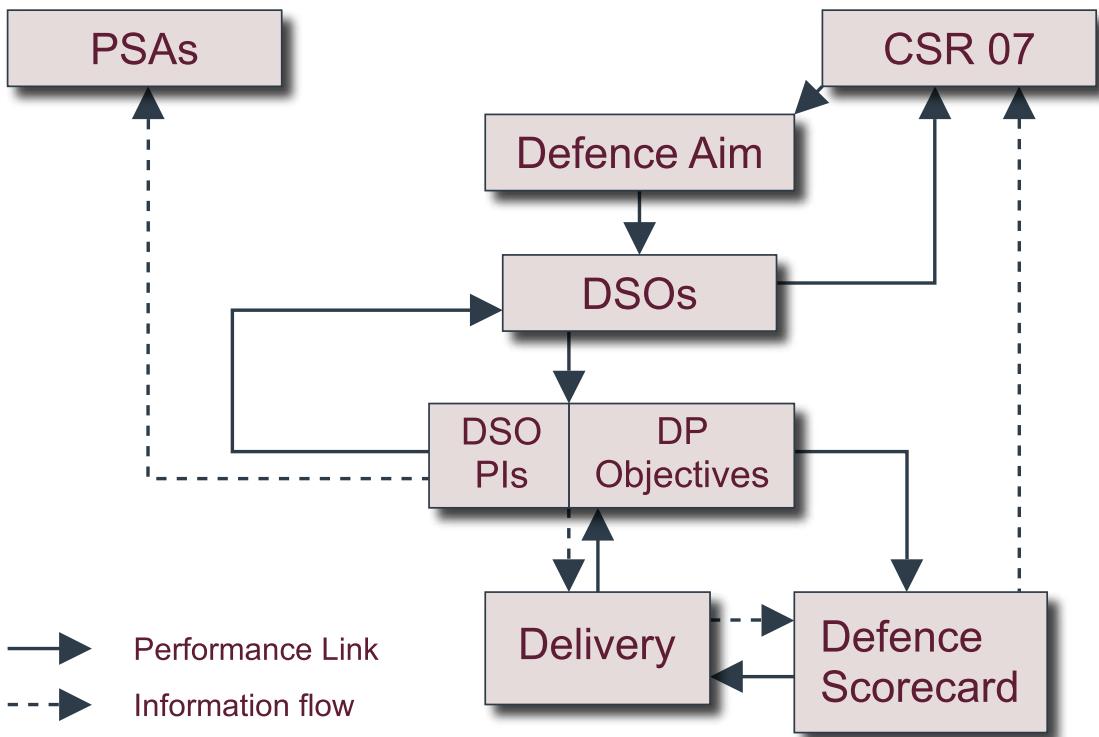
The top level Performance Indicators for the Departmental Strategic Objectives are focussed on a number of key areas where we have set out delivery priorities. We are assuming the current Departmental Strategic Objectives[7] for the period of this Plan but recognise that they expire after 2011.

Objective 1: Achieve success in the military tasks we undertake, at home and abroad.

PI 1.1: **Success on operations**, assessed against the military strategic objectives for each operation or military task we are conducting, including Counter Terrorism.

Objective 2: Be ready to respond to the tasks that might arise.

PI 2.1: **UK Defence Contingent Capability and delivery of Force Elements at Readiness:** Our ability to maintain forces at the readiness we deem necessary to respond to possible threats, assessed against the requirement set out in Strategic Guidance and the Defence Plan.

PI 2.2: **Manning Balance:** Our ability to attract, recruit and retain the military personnel we need to deliver the capability to succeed on current operations and support our future readiness, assessed against what we deem to be the appropriate size and structure of the Armed Forces.

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7   www.mod.uk/DefenceInternet/AboutDefence/CorporatePublications/PolicyStrategyandPlanning/
    ModDepartmentalStategicObjectives200809201011

Objective 3: Build for the future.

PI 3.1: **Procuring and supporting military equipment capability, through life**, assessed against achievement of targets for Key User Requirements, Full Operational Capability Date, and in year variation of forecast costs for design, manufacture and support.

PI 3.2: **Procuring and supporting defence non-equipment capability, through life**, assessed against achievement of targets for Key User Requirements, Full Operational Capability Date, and in-year variation of forecast costs.

PI 3.3: **Sustainable Development**, assessed against achievement of objectives for sustainable consumption and production, climate change and energy, natural resource protection and environmental enhancement, and sustainable communities.

Hierarchy of Plans

This plan represents the top level management planning priorities for the Department. The plan reflects the priorities set out in the Defence Strategic Guidance. Defence Strategic Guidance reflects analysis of the most likely demands that may be placed on UK Defence in the mid-term, to help the development of a force structure and capabilities that are agile, adaptable and deployable. The guidance within Defence Strategic Guidance is distilled into a shorter term framework that forms a confidential annex to this Plan (unpublished). This provides further guidance on the anticipated defence priorities over the period of this plan and how those priorities may be delivered, within the financial resources allocated to Defence.

Performance Management and Reporting

We use the Defence Scorecard to manage our performance against the objectives set in this Plan. The Defence Board reviews performance against the Scorecard objectives. The Defence Scorecard is underpinned by scorecards at Top Level Budget management level, and more generally across the Department. Performance information collected for the Defence Scorecard is also used to prepare external reports of progress against Public Service Agreements and Departmental Strategic Objectives. A full account to Parliament of Departmental performance, covering performance against all of the MOD's objectives and priorities, internal (as set out in the Defence Scorecard) and external (as set out in the Public Service Agreements and Departmental Strategic Objectives), is published in the MOD Annual Report and Accounts[8], published on the MOD website.

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8   www.mod.uk/DefenceInternet/AboutDefence/CorporatePublications

Section IV
Defence Scorecard

OUTPUTS
Are we fit for the challenges of today and ready for the tasks of tomorrow?

A. Current Operations: Succeed in operations and Military Tasks today.

B. Readiness: Be prepared for Military Tasks as defined in Defence Strategic Guidance, in particular, contingent operations.

C. Policy Contribution & Security Cooperation: Global and regional reduction in conflict and its impact, and more effective international institutions; and Countering Terrorism: Prevent and Pursue.

D. Reputation: Enhance our reputation amongst our own people and externally.

RESOURCES
Are we using and developing our resources to best effect?

E. Personnel: Provide sufficient, capable and motivated Service and Civilian personnel to meet the requirements of Defence.

F. Finance and Value for Money: Maximise our outputs within allocated financial resources.

To deliver security for the people of the UK and the Overseas Territories by defending them, including against terrorism, and to act as a force for good by strengthening international peace and stability

ENABLING PROCESSES
Are we effective and responsible?

G. Estate Management: Maintain and develop estate of the right capability, size and quality.

H. Military Equipment Procurement: Equip and support our people for operations now and in the future.

I. Infrastructure Procurement: Invest in strategic infrastructure to support defence outputs.

J. Security and Business Continuity: Enable secure and resilient operational capability.

K. Safety: A safe environment for our people.

L. Sustainable Development: Embed sustainable development principles into all areas of Defence business

FUTURE
Are we building for the future?

M. Future Capabilities: Develop the capabilities required to meet the tasks of tomorrow.

N. Change: Develop flexible and efficient organisation and processes to support Defence.

O. Future Personnel: Deliver the personnel plans to meet the needs of current and future tasks

Outputs Perspective

Are we fit for the challenges of today and ready for the tasks of tomorrow?

The MOD has a vital role to play in contributing to the achievement of UK Government's foreign policy and security objectives. Success in the operations of today is our primary purpose but we must also remain ready to undertake future tasks and react to contingencies as they arise. In addition, we need to develop policy appropriate to today's security challenges, and play a role in the wider community. In achieving our key objectives, we should engage with our personnel and with the public to ensure that our people understand our goals and we communicate our purpose as a Government Department. The MOD's key aims in this area are:

- succeeding in the operations and Military Tasks that we undertake;

- having properly manned, equipped, trained and supported forces ready for the tasks of tomorrow, whilst being clear about the risks involved and what we can and cannot do in light of current commitments and resource constraints;

- developing policy objectives and supporting our security cooperation priorities that match new threats and instabilities and support the UK's foreign and security interest; and

- enhancing our reputation amongst our own people and externally.

A. Current Operations.

Objective: Succeed in operations and Military Tasks today.

The MOD will undertake standing and contingent Military Tasks, including home commitments and contingent operations overseas, as directed by the Government. Operations in and around the United Kingdom will normally be directed by the Single Service Commands. Contingent operations overseas will normally be directed by the Chief of Joint Operations, with trained and equipped personnel provided by the Single Service Top Level Budgets. The additional costs of these contingent operations will normally be met from the Reserve or from the Government Department requesting MOD assistance.

The MOD's main effort, in conjunction with other Government Departments and the international community, is **to support the Government in achieving strategic success in Iraq and Afghanistan.** During the period of this plan, we will:

● Succeed in the operations and Military Tasks the Armed Forces are charged with undertaking;

A1. Success on Operations	
Sub-objective	In conjunction with other Government Departments, achieve substantial progress towards the objectives established by Ministers for operations and other Military Tasks, as set out in the Chief of Defence Staff Directive for each operation.
Delivery Responsibility	Chief of Defence Staff
Reporting Responsibility	Deputy Chief of Defence Staff (Operations)
Accountable TLB Holders	Chiefs of the Naval, General and Air Staff Chief of Joint Operations 2nd Permanent Under Secretary

● Monitor the proportion of the Armed Forces undertaking operations and Military Tasks;

A2. Activity Levels	
Sub-objective	Manage the activity levels of the Armed Forces over time.
Delivery Responsibility	Chief of Defence Staff
Reporting Responsibility	Deputy Chief of Defence Staff (Operations)
Accountable TLB Holders	Chiefs of the Naval, General and Air Staff Chief of Joint Operations 2nd Permanent Under Secretary

● Generate and sustain the capability we need to conduct current and enduring operations and military tasks;

A3. Generate and Sustain Capability	
Sub-objective	Generate and sustain the necessary capability to conduct current and enduring operations and Military Tasks.
Delivery Responsibility	Chief of Defence Staff
Reporting Responsibility	Deputy Chief of Defence Staff (Operations)
Accountable TLB Holders	Chiefs of the Naval, General and Air Staff Chief of Joint Operations 2nd Permanent Under Secretary

B. Readiness.

Objective: Be prepared for Military Tasks, as defined in Defence Strategic Guidance, in particular, contingent operations.

Over the period of this plan the Armed Forces will continue to be engaged on a wide range of continuing operations and other Military Tasks. But the MOD must be ready, within the context of the requirements of those operations, to undertake further tasks that might be required. Forces will therefore be maintained at a variety of states of preparedness, which we call Readiness. This is the central task of the Single Service Top Level Budgets (TLBs) and is what they are funded to deliver. They provide military capability through ensuring that Force Elements are at their required readiness condition with the right personnel, effective equipment and logistic support, and trained to operate with other units as required for their primary role.

A key part of military readiness is logistic support. Logistics for the Armed Forces is delivered through collective responsibility shared between Defence Equipment and Support, the Capability Area, the Single Service TLBs and the Permanent Joint Headquarters. Joint Business Agreements between Defence Equipment and Support and the Single Service TLBs set out the responsibilities for the delivery of specific outputs for each of these Top Level Budget Holders. The Chief of Defence Materiel has responsibility for managing total performance across the end-to-end logistics process, delivering strategic improvement objectives as described in the Defence Logistics Programme, and reporting back to the Defence Board on progress in achieving both.

During the period of this Plan, we will:

● achieve the target readiness states for Force Elements. Readiness levels will remain broadly constant until some time after the operational tempo has returned within the levels the Armed Forces are resourced and structured to maintain over the medium to long term, reflecting their limited capacity to support additional operational commitments;

● Support and sustain equipment and deliver logistics throughout the Operational Planning Cycle with the agility and responsiveness required by the Front Line Commands and the Permanent Joint Headquarters, exploiting the benefits of an end-to-end approach; and

B1. Readiness

Sub-objective	Achieve target readiness states for Force Elements, against the requirements laid down in the Defence Programme and the standards set out by individual services for manpower, equipment, collective training and support, including logistics.
Delivery Responsibility	Chiefs of the Naval, General and Air Staff Chief of Defence Materiel Chief of Joint Operations Head of Special Forces Directorate
Reporting Responsibility	Deputy Chief of Defence Staff (Operations)
Accountable TLB Holders	Chiefs of the Naval, General and Air Staff Chief of Joint Operations 2nd Permanent Under Secretary

● Monitor our residual capability, or the risk that would be taken to current operations, to conduct additional operations;

B2. Residual Capability

Sub-objective	Monitor the capability to generate Force Elements (including the Joint Rapid Reaction Force) against generic planning scenarios.
Delivery Responsibility	Chief of Defence Staff
Reporting Responsibility	Deputy Chief of Defence Staff (Operations)
Accountable TLB Holders	Chiefs of the Naval, General and Air Staff Chief of Joint Operations 2nd Permanent Under Secretary

● Recuperate the force structure, restoring our capability to undertake further operations.

B3. Recuperation

Sub-objective	Recuperate the Force Structure to restore our ability to conduct range of operations up to and including routine concurrency as defined within defence planning assumptions.
Delivery Responsibility	Chief of Defence Staff
Reporting Responsibility	Deputy Chief of Defence Staff (Operations)
Accountable TLB Holders	Chiefs of the Naval, General and Air Staff Chief of Joint Operations 2nd Permanent Under Secretary

- As required, and with the provision of the necessary resources in addition to the core defence budget, generate, deploy, sustain and recover Force Elements for contingent (including current) operations at any scale of effort up to the most demanding set out in Defence Planning Assumptions.

B4. Readiness to deploy on and sustain contingent operations up to the most demanding scale of effort set out in Defence Planning Assumptions	
Sub-objective	Be able to generate, deploy, sustain and recover the Force Elements for contingent operations.
Delivery Responsibility	Chiefs of the Naval, General and Air Staff Chief of Defence Materiel Chief of Joint Operations Head of Special Forces Directorate
Reporting Responsibility	Deputy Chief of Defence Staff (Operations)
Accountable TLB Holders	Chiefs of the Naval, General and Air Staff

C. Policy Contribution & Security Cooperation.

Objectives:

- Global and regional reduction in conflict and its impact and more effective international institutions.

- Countering Terrorism: PREVENT – Build resilience of overseas countries and PURSUE – intervene to disrupt terrorists and those who sponsor them.

C1. Successful delivery of Security Co-operation	
Sub-objective	In conjunction with other Government Departments, to achieve substantial progress towards the objectives established by Ministers for conflict prevention, alliance building and other Military Tasks.
Delivery Responsibility	Permanent Under Secretary
Reporting Responsibility	Director General Security Policy
Accountable TLB Holders	Chiefs of the Naval, General and Air Staff Chief of Joint Operations 2nd Permanent Under Secretary

MOD works with other Government departments in many ways to achieve the cross cutting goals of Public Service Agreement 30 and of the National Security Strategy. Key areas are:

- **Conflict Prevention** (by number). Working with other Government departments we will provide personnel and assets to deliver a downward trend in the number of conflicts globally, and in particular in Sub-Saharan Africa, Europe, Central and South Asia, and the Middle East and North Africa.

- **Conflict Prevention** (by impact). As part of the comprehensive approach we will contribute towards the provision of security to reduce the impact of conflict in Afghanistan, Iraq, the Balkans, the Middle East, Sierra Leone, Democratic Republic of Congo and the Great Lakes region, Horn of Africa, Nigeria and Sudan.

- **Early Warning**. We will work with other Government departments to build an effective agreed cross-Whitehall mechanism for early warning of conflict or instability. This will contribute to the requirements established in Public Service Agreement 30 and the National Security Strategy.

C2. Develop and Reform Alliances				
Sub-objectives	2009/10	2010/11	2011/12	2012/13
	Achieve objectives in the strategic engagement plan for international institutions			Undefined[a]
Delivery Responsibility	Director General Security Policy			
Reporting Responsibility	Director General Security Policy			
Accountable TLB Holder	2nd Permanent Under Secretary			
a Objective is directly linked to PSA30, which is only defined until 2012				

The following are the key ways in which we will endeavour to fulfil this objective:

- **United Nations**. We will contribute to UN mandated missions and peace support operations by providing UK personnel and assets, subject to other commitments, and seek to increase the number and quality of peacekeepers available internationally.

- **North Atlantic Treaty Organisation (NATO)**. Working with our NATO allies, we will drive to increase NATO's capability to deploy quickly and mount complex humanitarian assistance, stabilisation, peacekeeping and peace enforcement operations.

- **European Union (EU)**. Working with our EU partners, we will encourage the deployment of European Security and Defence Policy missions where the EU can make maximum impact, and support the development and use of the EU battle groups to deploy rapidly and stabilise conflicts where it is appropriate for them to do so.

- **African Union**. We will provide personnel, assets and training to improve the African Union's capacity to conduct peacekeeping, working within the framework of the Africa Standby Force.

C3. Implementing the International Security Co-operation Strategy				
Sub-objectives	2009/10	2010/11	2011/12	2012/13
	Ensure Support to Current and Future Operations as set out in regional security co-operation strategies			Undefined[a]

	Contribute to International Stability as set out in regional security co-operation strategies
Delivery Responsibility	Director General Security Policy
Reporting Responsibility	Director General Security Policy
Accountable TLB Holder	2nd Permanent Under Secretary
a Objective is directly linked to PSA30, which is only defined until 2012	

● **Civil Military Cooperation**. We will work to ensure that UK military and civilian capacity, applied together in conflict interventions, are increasingly complementary and well matched.

● **Counter-Terrorism: Resilience**. We will help build the resilience of priority countries' capabilities to resist violent extremism and we will contribute to Government policy-making and enactment relating to:

● **Counter-Terrorism: Pursue**. We will continue to intervene to pursue terrorists and disrupt their organisations.

● **Counter-Terrorism: Protect**. We will support other Government departments in protecting the UK from attack, contribute to resilience, and contribute to a range of activities to prevent the growth of terrorism.

● **Counter Proliferation**. We will continue to work to counter threats to international peace and regional stability from proliferation of conventional arms and especially weapons and technologies of mass destruction and their means of delivery, and maintain a credible and effective UK and NATO nuclear deterrence policy.

D. Reputation.

Objective: Enhance our reputation amongst our own people and externally.

The Defence Communications Strategy aims to maximise the effect of our communications efforts in order to improve understanding and support for Defence and enhance the reputation of the Armed Forces collectively, each Service individually, the MOD and MOD civil servants. Achievement of this aim requires a coherent approach to communication across Defence focussed on Departmental priorities – operations, support to personnel and equipment.

The successful achievement of Defence objectives depends on the support of the public and Defence personnel. The MOD carries out surveys of external opinion, using an independent market opinion company, and of internal opinion, to test the reputation of the MOD and our Armed Forces.

Public support for the Armed Forces and MOD are at their highest levels since 2003, whilst the internal views of the Armed Forces and MOD are at their highest recorded levels. During the period of this plan, we will aim to maintain the high external opinion of the Armed Forces and the MOD, and improve positive internal views of the MOD to achieve the target. With that aim, the targets have been set at challenging levels that will first enhance reputation and then maintain it, by considering historic outcomes and external factors, both past and predicted.

Reputation				
Sub-objective	2009/10	2010/11	2011/12	2012/13
Positive Public Opinion of the Armed Forces	81%	81%	81%	81%
Positive Public Opinion of the MOD	51%	51%	51%	51%
Positive Service and MOD Civilian Opinion of the Armed Forces	87%	87%	87%	87%
Positive Service and MOD Civilian and Civilian Opinion of MOD	78%	78%	78%	78%
Delivery Responsibility	Director Media and Communications (DMC) – to orchestrate the overall approach to communication efforts across MOD, building the best reputation for MOD consistent with the facts			
Reporting Responsibility	DMC			
Accountable TLB Holder	2nd Permanent Under Secretary			

International Reputation. In recognising that the UK's defence reputation with overseas partners is based upon our actions on the world stage, we will be aware of key allies' perception when formulating and delivering policy.

Resources Perspective

Are we using and developing our resources to best effect?

To meet the challenges which flow from the Defence Vision[9] the Department must ensure that all resources at its disposal are used to maximum effect. This requires excellence in managing our people and finance. The MOD's key aims in this area are to:

- ensure we have sufficient and diverse people, maintaining manning balance and the right profile of skills within each Service and the right mix of skills in the civilian workforce;

- ensure our people are capable of doing the jobs we need them to do by keeping them healthy and training and educating them well;

- manage our people well, motivating them and offering them worthwhile and satisfying careers;

- ensure resources are allocated to maximum effect in achieving our objectives, are well controlled and that we keep within Parliamentary limits;

- ensure there is an effective system of governance, accountability and risk management to provide assurance over the use of resources; and

- meet the Value for Money targets agreed in the 2007 Comprehensive Spending Review, whose efficiency gains are reinvested into Defence.

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9 www.mod.uk/Defenceinternet/aboutdefence/organisation/defencevision

E. Personnel.

Objective: Provide sufficient, capable and motivated Service and Civilian personnel to meet the requirements of Defence.

Effective management of our people embraces a range of activities including recruitment and retention, training and being fit for the task. It also requires consideration of motivational factors such as harmony and continuation training as well as other commitments for Service personnel. To meet all of the challenges we face, the MOD plans to have sufficient, capable and motivated:

- regular Service personnel in the Royal Navy, Royal Marines, Army and Royal Air Force;

- reserve forces personnel in the Royal Naval Reserve, Royal Marines Reserve, Territorial Army and Royal Auxiliary Air Force; and

- civilian personnel, in particular our civil servants, the MOD Police and the Royal Fleet Auxiliary.

Regular Service Personnel

This Plan sets objectives to ensure we have sufficient regular Service personnel with the right profile of skills and to increase the representation of minority ethnic groups within the Armed Forces. To ensure our regular Service personnel are capable of performing the tasks they are asked to do, we will seek to maximise deployability through improvements in medical fitness standards and individual skills development. We will also work to improve regular Service personnel career satisfaction and have set guidelines for each Service for the amount of time personnel spend away from their families ('harmony' or 'separated service'), based on the MOD carrying out operations at no more than the 'routine' level of concurrency[10]. We have been operating in excess of these guidelines for some time and therefore do not expect to meet these targets in 2009/10. This means we will have to work hard in other ways to sustain our people and their families through an extended period of intense operations.

To ensure we have sufficient regular Service personnel, we will:

- achieve manning balance[11] in each of the three Services as soon as possible, whilst striving to achieve full manning[12];

- correct the pinch point trade groups within the Services where manning within individual specializations is significantly out of balance;

- maintain the correct profile of skills and experience within the Service manpower structures; and

- improve longer term recruiting prospects by increasing the representation of minority ethnic groups within the Armed Forces.

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10 As required by the MSS concurrency set.
11 Manning balance is defined as achieving between +1% to -2% trained personnel against the liability
12 Full manning is defined as achieving 100% of the trained strength against the liability and also in the correct structure.

E1.1 Regular Service Personnel: Sufficient					
Sub-objective		2009/10	2010/11	2011/12	2012/13
Achieve Royal Navy and Royal Marines trained strength within +1%/-2% of current liability whilst striving to achieve 100% manning and full manning of each branch and trade.		35550	35415	34944	34615
Achieve Army trained strength within +1%/-2% of current liability whilst striving to achieve 100% manning and full manning of each branch and trade.		102150	102320	101850	101730
Achieve Royal Air Force trained strength within +1%/-2% of current liability whilst striving to achieve 100% manning and full manning of each branch and trade of defined requirement.		40810	41247	40264	39888
Diversity Targets		Achieve 8% Service minority ethnic representation			
Delivery Responsibility		Chiefs of the Naval, General and Air Staff			
Reporting Responsibility		Deputy Chief of Defence Staff (Personnel)			
Accountable TLB Holders		Chiefs of the Naval, General and Air Staff			
Figures are at the last day of the financial year.					
These figures include an estimate of the impact of the DE&S PACE programme and Head Office Streamlining and are subject to change.					

To ensure we have capable Service personnel, who are trained and able to deploy, we will drive improvements in the:

medical fitness for task of Service personnel; and

basic and key skills of Service personnel to meet both Operational need and broader Government targets.

E1.2 Regular Service Personnel: Capable					
Sub-objective		2009/10	2010/11	2011/12	2012/13
Medical Fitness	Maximise the proportion of the Armed Forces who are fully fit, with no medical restrictions, for employment in an operational capacity.	Greater than 89%	Greater than 89%	Greater than 89%	Greater than 89%

Individual personnel development	To minimise numbers who, after three years on trained strength, have not achieved level 1 qualification in literacy or numeracy as required by Armed Forces Basic Skills Policy. (Measured as percentage of trained strength).	0%[a]	0%[a]	0%[a]	0%[a]
	To minimise numbers who, after three years on trained strength, have not achieved Basic Stage 2 of Computer User Training Policy. (Measured as percentage of trained strength).	Less than 40%	Less than 20%	0%[a]	0%[a]
Delivery Responsibility		Deputy Chief of the Defence Staff (Personnel) and Deputy Chief of the Defence Staff (Health)			
Reporting Responsibility		Deputy Chief of Defence Staff (Personnel)			
Accountable TLB Holders		Chiefs of the Naval, General and Air Staff			

a Though the target is 0%, we accept there will always be a handful of Service Personnel who are unable to meet these standards after 3 years.

To ensure we have suitably motivated Service personnel, consistently willing to deliver operational effect, we will:

● apply the harmony[13] guidelines set by the individual Services, accepting that the Services' ability to achieve these guidelines will be determined by the operational tempo, recognising that excessive separation from family can be a contributing influence to voluntary outflow;

● take appropriate measures to sustain our people and their families when Harmony guidelines cannot be met;

● ensure that the views and concerns of people about their career in the Armed Forces are understood by carrying out regular sampled surveys of attitudes to Service life; and

● in the context of the demands of effectiveness, promote and sustain an inclusive culture, confident in its own diversity, in the Armed Forces.

E1.3 Regular Service Personnel: Motivated2				
Sub-objectives	2009/10	2010/11	2011/12	2012/13
Achieve Royal Navy and Royal Marine targets for adherence to harmony guidelines: Individual Separated Service	No more than 660 days of Separated Service over a rolling 3 year period1			
Achieve Army targets for adherence to harmony guidelines: Individual Separated Service	No more than 415 days of Separated Service over a rolling 30 month period			

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13 Guidelines for the amount of time Service personnel spend away from their families and the time that units should have between operational deployments.

Achieve Royal Air Force targets for adherence to harmony guidelines: Individual Separated Service	No RAF personnel to exceed 280 days Separated Service over a rolling 24 months period
AFCAS Objective	Improve overall levels of satisfaction with Service life across all ranks and cadres
Delivery Responsibility	Chiefs of the Naval, General and Air Staff
Reporting Responsibility	Deputy Chief of Defence Staff (Personnel)
Accountable TLB Holders	Chiefs of the Naval, General and Air Staff

Notes

(1) With exceptions for a few specialist groups (for example Officers serving at sea in their first ten years of service) to meet operational requirements.

Reserve Service Personnel

Experience of operations over recent years has further emphasised the importance of Reserve Forces. During the period of this plan, we will seek to improve the overall trained strength of our Volunteer Reserve Forces. We will examine the Strategic Review of Reserves and develop an implementation plan, continuing to seek to make better and more flexible use of in its Volunteer Reserves.

To ensure we have sufficient Reserve Service Personnel, we will:

● seek to year on year improve overall trained strength of Volunteer Reserve Forces;

● aspire to ensure that no reserves are called out for operations more than once every 5 years unless they volunteer to do so;

● improve longer term recruiting prospects by increasing the representation of minority ethnic groups within the Armed Forces; and

● develop ways to capitalise on the broad set of civilian skills which Reservists have.

E2 Reserve Forces					
Sub-objective		2009/10	2010/11	2011/12	2012/13
Reserves manpower trained strength	Achieve Royal Navy Reserve trained strength within 5% of requirement	1784	1784	1784	1784
	Achieve Royal Marine Reserve trained strength within 5% of requirement	580	594	594	594
	Achieve Territorial Army trained strength within 5% of requirement	20 224	20 708	21 192	21 192
	Achieve Royal Auxiliary Air Force trained strength within 5% of requirement	1734	1849	1947	1947

Reserves manpower available for mobilisation	Monitor the capability to generate Reserve Forces for ongoing operations	Not Applicable – for monitoring purposes only
Delivery Responsibility		Chiefs of the Naval, General and Air Staff
Reporting Responsibility		Deputy Chief of Defence Staff (Personnel)
Accountable TLB Holders		Chiefs of the Naval, General and Air Staff

Note. These figures exclude University Officer Training Corps and are subject to significant change from 2009/10 as a result of the current review into the Reserve forces.
Figures are at the last day of the financial year.

Civilian Personnel

We aim to provide a civilian workforce of sufficient numbers that is capable and motivated to support Defence capability now and in the future. To achieve a capable workforce, we will ensure we have personnel who are appropriately skilled and managed.

Top Level Budget Holders, through the chain of command, are responsible for developing and sustaining their workforce in order to deliver their outputs now and in the future. DG Human Resources and Corporate Services, the civilian workforce process owner, advises Ministers and the Permanent Secretary on civilian workforce issues, and, on the Permanent Secretary's behalf, sets standards and targets on Top Level Budget Holders, provides civilian Human Resources, pay and pensions services and manages the Senior Civil Service and corporate development schemes.

A revised Civilian Workforce Strategy will be published in summer 2009. It is being developed to reflect the Business Improvement Strategy that is also being developed, and will be owned by the Defence Board. The strategy will set outcome-based targets on Top Level Budget Holders and on the Human Resources function.

Our aim in relation to our civilian personnel breaks down into the following goals:

● **Motivated:** To engage fully our employees with our core task to produce battle-winning people and equipment.

E3.1 Civilian Workforce: Motivated – Our civilian employees are inspired to go the extra mile by Defence, speak highly of Defence and want to continue to work for the MOD.				
Sub-objectives	2009/10	2010/11	2011/12	2012/13
Employment Engagement Index3	Maintain or improve Employee Engagement Index measured between successive Single Civil Service surveys.			
Delivery Responsibility	All Top Level Budget Holders			
Reporting Responsibility	Director General Human Resources, Corporate Services and Security			
Accountable TLB Holders	All Top Level Budget Holders			

a. The Single Civil Service Survey was conducted for the first time in February 2009 and will be repeated towards the end of 2009. It is expected that numerical targets will be included in Defence Plan 2010.

● **Managed**: To create a working environment that delivers the Defence Vision of a high performing diverse organisation that invests in its people.

E3.2 Civilian Workforce: Managed – Our working environment is characterised by strong performance management, behaviours reflecting our values and effective working with others inside and outside Defence. It is inclusive, confident in its own diversity, healthy and sustainable.				
Sub-objectives	2009/10	2010/11	2011/12	2012/13
A working environment characterised by: High performing teams Effective, honest management of individual performance Business focused learning and development An inclusive culture, confident in its own diversity	Maintain or improve responses measured between successive Single Civil Service surveys on questions relating to: Autonomy and involvement Facilitative management Organisational change Organisational Culture Development and performance management Work itself Work/life balance and resources			
Reduce the average number of working days lost per full time equivalent employee per year (year on year reduction in Average Working days lost)	2%	1.5%	1.5%	1.5%
Delivery Responsibility	All Top Level Budget Holders			
Reporting Responsibility	Director General Human Resources, Corporate Services and Security			
Accountable TLB Holders	All Top Level Budget Holders			

Make good progress towards reflecting society by 2020, at all levels:				
% staff in top management posts4 to be women	16%	18%	20%	22%
% of the Senior Civil Service to be women	15%	17%	19%	21%
% of the Senior Civil Service to be people from minority ethnic backgrounds	1%	1.5%	2%	2.5%
% of the Senior Civil Service to be disabled people	4.5%	5%	5.5%	6.0%
Delivery Responsibility	Director General Human Resources, Corporate Services and Security			
Reporting Responsibility	Director General Human Resources, Corporate Services and Security			
Accountable TLB Holders	All Top Level Budget Holders			
a Director level, SCS2				

● **Skilled**: To grow and, if necessary, acquire the skills we need to deliver Defence capability.

E3.3 Civilian Workforce: Managed – We have the skills we need to support ministers, operations, to generate force elements at readiness, to support Service Personnel, families and veterans, to manage equipment through life, and to provide better, more efficient corporate and shared services.				
Sub-objectives	2009/10	2010/11	2011/12	2012/13
Achieve Leitch pledge: % of staff qualified to National Qualification Level 2	88%	90%	95%	95%
Staff meet operational requirements	No major weaknesses reported by the Support to Operations team			
Succession plans are Adequate for operational posts	No major weaknesses reported by the Support to Operations team			
Delivery Responsibility	All Top Level Budget Holders			
Reporting Responsibility	Director General Human Resources and Corporate Services			
Accountable TLB Holders	All Top Level Budget Holders			

● **Sufficient**: To manage our workforce within the resources available to us.

E3.4 Civilian Workforce: Sufficient				
Sub-objectives	2009/10	2010/11	2011/12	2012/13
Civilian manpower budget not overspent nor under spent by more than 1% of against each individual Control Total	0% overspent 1% under spent			
Delivery Responsibility	All Top Level Budget Holders			
Reporting Responsibility	Director Strategy and Resources			
Accountable TLB Holders	All Top Level Budget Holders			

F. Finance & Value for Money

Objective: Maximise our outputs within allocated financial resources.

In addition to the planned expenditure accounted for in the three-year settlement of the 2007 Comprehensive Spending Review, the Government will continue to meet the additional costs of military operations in Iraq, Afghanistan and elsewhere from the Reserve.

Financial Management

The Permanent Secretary, as Accounting Officer, is responsible to Parliament for managing the Department's resource consumption within budget limits, against a number of Parliamentary Controls and Treasury Departmental Expenditure Limits.

During the period of this plan, we will control our expenditure within allocated financial resources.

F1. In-year Finance				
Sub-objective	2009/10	2010/11	2011/12	2012/13
Budget not overspent nor underspent by more than 1% of against each individual Control Total	0% overspent 1% underspent			
Delivery Responsibility	Director General Finance			
Reporting Responsibility	Director Strategy and Resources			
Accountable TLB Holders	All Top Level Budget Holders			

Value for Money

In the 2007 Comprehensive Spending Review, the Government set out its intention to obtain better value for money from the delivery of public services[14]. As part of this, in February 2008, the MOD published its Value for Money Delivery Agreement, setting out how it plans to achieve £2.7Bn in net cash-releasing savings over the Comprehensive Spending Review period (2008/09 to 2010/11).

To ensure resources are delivered to front line priorities, cash-releasing savings may be generated in a number of ways including: continuing to improve efficiency in all aspects of defence business; by taking advantage of technological gains which improve the effects of modern weapons and delivery platform as; and by re-prioritisation of activities and capabilities within Defence.

> **2007 Comprehensive Spending Review Value for Money Target**
>
> Under the Comprehensive Spending Review, the MOD is committed to value for money reforms generating net cash-releasing savings of £2.7 billion by 2010-11, building on savings of some £3 billion[15] achieved during the 2004 Spending Review period.

The Department's Value for Money achievements are expected to derive from major efficiency measures such as 5% real annual reductions over the Comprehensive Spending Review period in administration costs and further reform in logistics delivery. The civilian workforce cost reduction exercise is expected to generate some [£25M] in savings in 2009/10 and 2010/11. Additional

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14 Ministry of Defence Comprehensive Spending Review 2007 Value for Money Delivery Agreement available at www.mod.uk
15 Net of an additional £267m of over-achievement which has been carried forward against the Department's Comprehensive Spending Review 2007 value for money target.

efficiencies, albeit on a smaller scale, will also be delivered through continued improvement in energy efficiency, and from the programme of normalisation in Northern Ireland. The MOD will also play a part in delivering towards the additional £5Bn of efficiencies in 2010/11 announced by the Government in the Pre-Budget report on 24 November 2008. MOD's contribution will become clearer at Budget 09. MOD's additional efficiencies are expected to be generated from the Operational Efficiency Programme and the second Public Value Programme; both are currently being scoped and developed.

F2. Value for Money				
Sub-objective (figures are savings to be made in £M)	2009/10	210/11	2011/12	2012/13
Deliver VFM Savings across the CSR07 period	1800	2700	-	
Delivery Responsibility	Director General Finance			
Reporting Responsibility	Director Strategy and Resources			
Accountable TLB Holders	All Top Level Budget Holders			

Enabling Processes Perspective

Are we effective and responsible

In order to deliver success on operations while managing change and transformation we must ensure that our many enabling activities and processes continue to function well and improve. In particular we must:

- provide an estate of the right size and quality, which is managed and developed effectively in line with acknowledged best practice and is being developed to meet future Defence requirements;

- procure the materiel required by our Armed Forces, by a whole life process founded on Through Life Capability Management;

- procure the non military equipment required by the MOD to ensure the continued delivery of operation capability, for example information technology systems;

- enable operational capability by providing a secure and resilient environment for our personnel;

- minimise non-combat deaths and injuries; and

- deliver against the Government's Sustainable Development action plan, and work to evaluate the potential impact of climate change on international peace and stability.

G.   Estate Management

Objective: Maintain and develop estate of the right capability, size and quality.

The MOD is one of the largest landowners in the UK and also has responsibility for a significant footprint in overseas locations including Germany, Cyprus, and the Falkland Islands.

A key element of the Defence Estate Strategy 2006 'In Trust & On Trust' was to have an estate of the right size and quality that meets the military need and raises the quality of life for users. This strategy continues to be supported by the Defence Estate Development Plan 2009[16]. The estate will: consist of fewer, larger sites both in the UK and overseas, appropriately located and making the best use of available resources; and be sensitive to social and environmental considerations. We remain committed to the sensitive management of the many heritage and environmental sites within the estate and to proactive engagement with local communities and the public at large.

In recent years Parliament and the media have devoted increasing attention to standards of Service accommodation (both Families and Single Living). We have made big improvements to Service accommodation but we recognise that more needs to be done to bring all accommodation up to the right standard.

Over the course of this plan we will:

- deliver a range of improvement programmes covering Service Families Accommodation and by 2012 there will be no occupied Standard 3 and 4 properties within the housing stock;

- deliver a range of improvements to Single Living Accommodation;

- continue to improve the management of the Estate in a proactive way using Defence Estate Development Plan 2009 as a driver for further Estate rationalisation; and

- continue to improve the condition of all other buildings in the estate to target condition[17].

Service Families Accommodation[a]					
Sub-objective		2009/10	2010/11	2011/12	2012/13
Meet the targets set in the Defence Estates Performance Plan	Proportion of Service Families Accommodation at Standard 1 for condition	37%	38%	40%	42%
	Proportion of Service Families Accommodation at Standard 2 for condition	55%	55%	54%	53%
Delivery Responsibility		Chief Executive Defence Estates			
Reporting Responsibility		Chief Executive Defence Estates			
Accountable TLB Holders		Chief Executive Defence Estates			
a UK SFA only					

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16 Defence Estate Development Plan (DEDP09).
17 Element of the estate managed by DE as derived as an average from the Estate Planning Tool.

Single Living Accommodation[a]

Sub-objective		2009/10	2010/11	2011/12	2012/13
Meet the targets set in the Defence Estates Performance Plan	Proportion of Single Living Accommodation in UK at Standard 1 for condition and scale	39%	43%	48%	51%
	Proportion of Single Living Accommodation for Overseas locations at Standard 1 for condition and scale	29	34%	43	43
Delivery Responsibility		Chief Executive Defence Estates, Relevant TLB holders			
Reporting Responsibility		Chief Executive Defence Estates, Relevant TLB holders, CJO			
Accountable TLB Holders		Chief Executive Defence Estates, Relevant TLB holders, CJO			

a As measured by the World Wide Audit – dated June 08. MOD is in Parallel to the WWA developing a central system for collecting the condition of Service Accommodation.

Other Building Assets[a]

Sub-objective		2009/10	2010/11	2011/12	2012/13
Meet the targets set in the Defence Estates Performance Plan	Proportion of other building assets in the UK at or above target condition against 2007/08 baseline[b].	84.5%	85%	85%	85.5%
	Proportion of other building assets in Overseas locations at or above target condition against 2007/08 baseline[c].	Establish Baseline	tbd	tbd	tbd
Delivery Responsibility		Chief Executive Defence Estates, Relevant TLB holders, CJO			
Reporting Responsibility		Chief Executive Defence Estates, Relevant TLB holders, CJO			

a Defined in the DE Performance Plan as Level 2 Assets managed by DE.
b Average calculated from the Estate Planning Tool data.
c Target does not include Gibraltar.

H. Military Equipment Procurement.

Objective: Equip and Support our Armed Forces for operations now and in the future.

All major new equipment and associated through-life support is procured by Defence Equipment and Support organisation on behalf of the MOD. During the period of this plan we will continue to progress with projects in order to deliver the specified levels of capability to performance, time and cost, ensuring that these are supported through-life in an effective and efficient manner and in accordance with the requirements specified and funded by the sponsor. Furthermore, efforts are being made to shorten procurement cycle times to drive greater agility into the programme to ensure delivery of capability at the required time.

We need to ensure that the equipment we buy for our Armed Forces is fit for purpose and properly supported, both now and in the future. We want to achieve better capability to conduct military operations, while demonstrating value for money for the taxpayer. We also want the flexibility to respond to the unknown through agility and innovation. We must, therefore:

excel in managing through-life a programme of complex projects related to new and existing equipment assets in a way that demonstrates commercial best practice and outstanding technology management; and

develop a strong and enduring relationship with Industry that can unlock the potential of the industrial supply chain to optimise the provision of through-life capability for defence.

H1. Military Equipment Procurement				
Sub-objective	2009/10	2010/11	2011/12	2012/13
1.1 Average percentage forecast achievement of Key User Requirements, across all Category A/ B/ C, post Main Gate, and pre In Service Date or Initial Operating Capability projects.	97%	97%	97%	97%
1.2 Average in-year variation of forecast of In Service Date or Initial Operating Capability date across all Category A/ B/ C, post –Main Gate and pre– In Service Date or Initial Operating Capability projects.	0.4 months	0.4 months	0.4 months	0.4 months
1.3 Average in-year variation of forecast costs for Design and Manufacture across all Category A/ B/ C, post –Main Gate, and pre – In Service Date or Initial Operating Capability projects.	Less than 0.2%	Less than 0.2%	Less than 0.2%	Less than 0.2%
Delivery Responsibility	Chief of Defence Materiel			
Reporting Responsibility	Chief of Staff, Defence Equipment and Support organisation			
Accountable TLB Holder	Chief of Defence Materiel			

I. Infrastructure Procurement

Objective: Invest in strategic infrastructure to support defence outputs.

The MOD invests heavily in strategic infrastructure to support defence outputs. In order to improve the decision making process regarding priorities for investment in infrastructure, the Department has brigaded funding for major infrastructure in the Non Equipment Investment Plan. This is used to make informed judgements on the relative priority of competing infrastructure proposals.

The Non Equipment Investment Plan comprises about 70 projects costing around £2.5billion a year, such as:

● the Defence Information Infrastructure to provide a coherent Information Systems network across defence;

● the Defence Medical Information Capability Programme which will improve the care and treatment of military personnel by providing access to the most up-to-date information on patients; and

● James2[18] part of the Whole Fleet Management Programme that will enhance the operational readiness of the Defence vehicle and equipment fleets through improved fleet management and equipment visibility.

Non-Equipment Procurement				
Sub-objective	2009/10	2010/11	2011/12	2012/13
Percentage forecast achievement of Key User Requirements across a representative subset of Non Equipment Investment Plan projects	97%	97%	97%	97%
Average in-year variation against major milestones across a representative subset of Non Equipment Investment Plan projects	0.4 months	0.4 months	0.4 months	0.4 months
Percentage in-year variation of the forecast costs across a representative subset of Non Equipment Investment Plan projects	0.5%	0.5%	0.5%	0.5%
Delivery Responsibility	Relevant Top Level Budget Holders			
Reporting Responsibility	Head Centre Resources and Plans			
Accountable TLB Holders	Relevant Top Level Budget Holders			

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18 Joint Asset Management and Engineering Solutions

J. Security and Business Continuity

Objective: Enable secure and resilient operational capability.

The MOD is obliged to ensure its facilities, equipment and processes remain secure and resilient to disruption.

Security

Security is a key enabler in the management of Defence. It is essential to the delivery of both success on operations and Defence policy that the MOD's people, information and materiel can operate securely against assessed risks.

Protective security is the protection of assets from compromise; assets are anything of value, either tangible or intangible, that is owned or used by the MOD. Protective security comprises: laws, orders and instructions; physical security; personnel security; information security; and security awareness and training.

During the period of this plan, we will:

- enable a secure environment for MOD personnel, establishments, organisations and information in order to enhance operational effectiveness;

- provide assurance that the MOD's protective security policies are effective, proportionate, and compliant with government policy and the law;

- ensure that security risk management is integrated in business processes across the Department, in line with delegated responsibilities and corporate governance requirements; and

- ensure that awareness of security issues is seen as integral to the effective conduct of business.

J1 Security				
Sub-objective	2009/10	2010/11	2011/12	2012/13
Critical Weaknesses, as assessed by the Departmental Security Officer (Director Business Resilience), in protection of assets from compromise	0	0	0	0
Delivery Responsibility	All Top Level Budget Holders			
Reporting Responsibility	Director Business Resilience and Director General Human Resources, Corporate Services and Security			
Accountable TLB Holders	All Top Level Budget Holders			

Business Continuity

Effective Business Continuity management enables the successful delivery of critical defence outputs and objectives following disruption. It also provides a framework for building both resilience and the capability for an effective response in the context of an unforeseen disruptive incident which safeguards the interests of key stakeholders and MOD reputation.

In line with wider Government requirements we are aligning the MOD's Business Continuity Management System with BS25999, the British Standard for Business Continuity. Our Business Continuity Management strategies are also being reviewed to ensure that they take account of the risks and threats detailed in the National Risk Register[19].

During the period of the plan, we will deliver an improved Business Continuity Management system for MOD.

Business Continuity				
Sub-objective	2009/10	2010/11	2011/12	2012/13
Management/Mitigation of business continuity risks	Year on year improvement[a]	Year on year improvement[a]	Year on year improvement[a]	Year on year improvement[a]
Delivery Responsibility	All Top Level Budget Holders			
Reporting Responsibility	Director Business Resilience and Director General Human Resources, Corporate Services and Security			
Accountable TLB Holder	All Top Level Budget Holders			
a annual assurance report to the Defence Audit Committee				

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19 www.cabinetoffice.gov.uk/reports/national_risk_register.aspx

K. Safety.

Objective: A safe environment for our people.

While military operations (and the preparations for them) are by their nature dangerous, and injuries and fatalities cannot always be avoided, the MOD attaches the highest importance to the Health and Safety of all of its employees and of contractors working for the MOD and visitors to MOD establishments. The MOD aspires to have no fatalities attributable to Health and Safety failures. To meet this aspiration we have set a target of reducing fatalities attributable to health and safety failure year on year.

K Safety				
Sub-objective	2009/10	2010/11	2011/12	2012/13
Reduction in the number of non-combat fatalities, specifically: K1 Health and Safety Failures K2 Road Traffic Accidents (on and off duty) K3 Deaths in training designed to simulate combat K4 Suicides And excluding deaths attributable to natural causes, measured as a cumulative rolling average	Year on Year reduction in fatalities attributable to Health and Safety failures while aspiring to zero fatalities			
K5 Reduction in number of major injuries (as defined in Health and Safety Executive's Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) compared to FY06/07 baseline for TLBs	10% reduction by 2012/13 from 2008/09 baseline (2.5% year on year reduction.)			
Delivery Responsibility	All Top Level Budget Holders			
Reporting Responsibility	Director Business Resilience			
Accountable TLB Holder	All Top Level Budget Holders			

K6 Safety management systems are in place and operating effectively for Equipment and Operations.	
Sub-objective	Outcome of Defence Environment and Safety Board reports on assurances from Functional Safety Boards that appropriate safety management systems are in place, and outcome of Defence Environment and Safety Board reports into incidents of possible failure.
Delivery Responsibility	All Top Level Budget Holders
Reporting Responsibility	Functional Safety Boards and Directorate of Business Resilience.
Accountable TLB Holder	All Top Level Budget Holders

L. Sustainable Development

Objective: Embed sustainable development principles into all areas of Defence business.

Defence has an extremely important role to play in contributing to Sustainable Development given the size of our estate, our workforce, our natural resource consumption and our acquisition budget. This makes us a major contributor to meeting the Government's sustainable development aims and objectives, which will in turn deliver benefits for Defence. By recycling financial savings to the front line, reducing energy, fuel and water use, reducing waste, increasing efficiency, future proofing equipment and understanding the true value of our natural assets we are being more sustainable. Our sustainable development strategy sets out our aims, which are are under the following headings:

- Sustainable Consumption and Production;

- Climate Change and Energy;

- Natural Resource Protection and Environmental Enhancement; and

- Creating Sustainable Communities and a Fairer World.

Internally, the Defence Environment and Safety Board is responsible to the Defence Board for sustainable development, supported by Sustainable Procurement and Sustainable Development and Environmental Protection Boards. Externally, the Office of Government Commerce Centre of Expertise for Sustainable Procurement is responsible for sustainable development performance on the Government estate. The Sustainable Development Commission scrutinise Government performance on sustainable development.

This section of the Plan sets out the key targets in the sustainable development Government priority areas of Sustainable Consumption and Production; Climate Change and Energy; Natural Resource Protection and Environmental Enhancement. The key objectives in the Creating Sustainable Communities and a Fairer World area are reported in other sections of the Plan (Veterans, Cadets, Personnel, Health and Safety, etc.).

L. Sustainable Development

Sub-objective	2009/10	2010/11	2011/12	2012/13

Sustainable Consumption and Production

Defence to procure, use and dispose of its estate, equipment, goods and services in a way that meets Government sustainable development objectives and targets, whilst ensuring the continued effective delivery of Defence capability.

Sub-objective	2009/10	2010/11	2011/12	2012/13
L1 Sustainable Procurement Become a national leader in Sustainable Procurement measured against the five themes of the Sustainable Procurement Task Force's Flexible Framework - People; Policy, Strategy & Communications; Procurement Process; Engaging Suppliers; and Measurement & Results.	Level[a] 3 for People, Policy/ Strategy/ Comms, Procurement Process, and Measurement/ Results, plus Level 5 for Engaging Suppliers by 31 Dec 09.	Level 5 against all Themes by 31 Mar 11.	Level 5 against all themes.	Level 5 against all themes.
L2 Waste management Recycle 40% of controlled waste by Mar 2010 and 75% by Mar 2020	35%	40%	45%	50%
Reduce amount of controlled waste produced by 5% by Mar 2010 and 25% by Mar 2020 relative to baseline levels	3%	5%	7%	9%

Climate Change and Energy

To be a leader amongst UK Government departments and Defence departments in EU and NATO States in the sustained reduction of carbon dioxide and other green house gas emissions, and to ensure the continued delivery of Defence capability in a changing climate.

Sub-objective	2009/10	2010/11	2011/12	2012/13
L312 Energy use in buildings Reduce carbon dioxide emissions by 15% by 2010/11 and by 30% by Mar 2020, relative to 2004/05 levels	10%	15%	18%	20%
L4 Fuel use & travel Reduce carbon dioxide emissions from road vehicles used for Government administrative operations by 15% by 2010/11, relative to 2005/06 levels	12%	15%	18%	20%

Natural Resource Protection and Environmental Enhancement

For the Defence Estate to be managed in a manner that supports Defence capability, whilst ensuring the efficient use of water, conserving and enhancing the natural and historic environment, and addressing risks posed by land contamination.

L5 Water management Reduce water consumption by 25% on the office and non-office estate by Mar 2020, relative to 2004/05 levels	8%	10%	12%	14%
L6 Biodiversity Condition 95% of Sites of Special Scientific Interest (SSSI) in sole ownership or control in target condition by Mar 2010 (England only)	93%	95%	95%	95%
L7 Environmental Protection Zero Environmental Enforcement Notices served by environmental enforcement agencies	0	0	0	0
Delivery Responsibility	All TLBs/TFAs			
Reporting Responsibility	Safety, Sustainable Development and Continuity Division or Director General Human Resources, Corporate Services and Security			
Accountable TLB Holder	2nd Permanent Under Secretary			

a   Flexible Framework levels from "Procuring the Future, Sustainable Procurement National Action Plan: Recommendations from the Sustainable Procurement Task Force"; www.defra.gov.uk/sustainable/government/publications

Creating Sustainable Communities and a Fairer World

● For the delivery of Defence capability to contribute to the creation of a fairer world, more sustainable UK communities, and an environment in which people can fulfil their potential.

Future Perspective

To be successful in the operations of tomorrow we must develop and build for the future by continuously improving Defence to provide more flexible Armed Forces to achieve greater effect and a more flexible, more efficient Defence organisation. Modernising our capability for the future can take many years to achieve – what we have today is the product of many years of dedicated activity by MOD and defence partners - therefore it is vital to maintain a balance between supporting today's operations and investing in tomorrow's.

The objectives necessary to secure this transformation therefore feature in many parts of this Plan but the central changes are set out in this section. The MOD's key themes in this area are:

- improving military effectiveness – by improving the effect our Armed Forces and military systems can deliver and exploiting technology to improve and develop the capabilities we will need;

- improving how Defence operates - primarily through a number of change initiatives; and

- establishing policies which ensure that we manage and lead our personnel and recruit and retain them in the right numbers.

M. Future Capabilities

Objective: Develop the capabilities required to meet the tasks of tomorrow.

To achieve this objective we must:

● continue implementation of Single Service Transformation Plans, in particular, rebalancing of the Army in line with the Future Army Structure and the Royal Air Force's Transformation programme;

● enhance command, control and communications, in particular through Network Enabled Capability;

● integrate new and enhanced military equipment across all Defence Lines of Development; and

● exploit technology using the latest advances to improve Defence Capabilities.

The Defence Technology Plan[20], published in February 2009, takes the Defence Technology Strategy forward, detailing for the UK science and technology community for the first time the MOD's research needs. The publication of the Defence Technology Plan completes the suite of documents that form the Innovation Procurement Plan[21]:

● The Defence Industrial Strategy,
● The Defence Technology Strategy,
● The Innovation Strategy,
● Technology Partnership in Defence,
● The Supply Network Policy, and
● The Defence Acquisition and Change Programme Blueprint.

Single Service Transformation

Single-Service Transformation Plans –	
Sub-objectives	In line with Future Army Structures work, continue to rebalance the Army (Regular and Territorial Army) better to meet concurrency assumptions for planned operations, whilst also delivering contingent capability for the Joint Rapid Reaction Force; minimising pressure on extant and potential future pinch points; and developing units and formations with broader utility across the spectrum of operations. The RAF Transformation programme will implement more effective and efficient processes, and embed continual improvement of the Service across the key themes of Capability Integration, Governance, People, Training/Recruitment, Infrastructure, Engagement and Finance The RN Transformation Programme is now complete and has been succeeded by an ongoing strategy of Continuous Improvement (CI).
Delivery Responsibility	Chiefs of the General and Air Staff
Reporting Responsibility	Heads of the Services Resources and Plans
Accountable TLB Holders	Chiefs of the General and Air Staff

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20 www.science.mod.uk/strategy/dtplan
21 www.science.mod.uk

Network Enabled Capability

Network Enabled Capability (NEC) will deliver benefit by enabling decision superiority across both the battle space and the business space. It is considerably more diverse than equipment and improved technical solutions; ultimately it is cultural with implications for doctrine, organisation, structure, training, tactics and procedures. It will enable the shared situational awareness and the command and control required to plan, execute and co-ordinate precise and effective actions conducted as part of a comprehensive approach to operations, by providing the required degree of national, international and cross-departmental interoperability at all levels of command.

Improved Network Enabled Capability	
Sub-objectives	Meet the objectives and targets as set out in the NEC 2012 Milestone statement under the building blocks of the Joint Action, Networks, Information and People dimensions
Delivery Responsibility	Senior Responsible Owner – Deputy Chief of Defence Staff (Equipment Capability) via the NEC Executive Group
Reporting Responsibility	Joint Action – Chief of Staff (Joint Warfare Development) Networks – Capability Manager (Information Superiority) Information – Chief Information Officer People – Director General (Training and Education) and Director General Human Resources, Corporate Services & Security Programme Management – Director Command and Battlespace Management / Defence J6
Accountable TLB Holder	2nd Permanent Under Secretary Chiefs of the Naval, General and Air Staff Chief of Defence Materiel Science and Technology Director Chief of Joint Operations

Integration of Future Capabilities

The identification and subsequent successful delivery into service of new and enhanced capabilities is more than just the purchase of new equipment and technology. It is about how we integrate these together and about the way we operate to deliver an effects-based approach to operations. To ensure the successful delivery into service of new capabilities, major programmes involving substantial change, significant complexity or demanding integration across boundaries are overseen, on behalf of the Defence Board, by Senior Responsible Owners (usually at 2* level). They are responsible for ensuring that effective arrangements are made to introduce the new capability across all Defence Lines of Development[22] to meet programme targets. Senior Responsible Owners have been established for the following major military capability programmes:

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22 Defence Lines of Development provide a pan-Defence taxonomy for development and management of capability. They are: training; equipment; personnel; information; concepts & doctrine; organisation; infrastructure and logistics.

Future Capability Programmes	
Sub-objectives	Achieve the improvements and benefits specified in the capability programme, through life and across all Defence Lines of Development.
Delivery Responsibility	Senior Responsible Owners: UK Military Flying Training System – Air Member for Personnel (AMP) Nuclear Deterrence Capability – Director General Equipment Joint Medium Weight Capability – Capability Manager (Battlespace Manoeuvre) Helicopters' Capability – Capability Manager (Battlespace Manoeuvre) Combat Identification – Capability Manager (Information Superiority) Carrier Strike – Senior Responsible Owner-Carrier Strike Future Strategic Tanker Aircraft – Capability Manager (Information Superiority) Urgent Operational Requirements – Capability Manager (Precision Attack) Counter Improvised Explosive Device (C-IED) Capability – Capability Manager (Battlespace Manoeuvre) Test and Evaluation (T&E) – Capability Manager (Battlespace Manoeuvre) Future Core Network – Capability Manager (Information Superiority)
Reporting Responsibility	Deputy Chief of Defence Staff (Capability Management)
Accountable TLB Holders	2nd Permanent Under Secretary Chief of Defence Materiel Science and Technology Director

Research and Development

The MOD needs to deliver battle-winning technology for the Armed Forces in support of operations today, tomorrow and in the future. MOD's research programme provides the scientific understanding and the new technologies to meet this key defence need.

During the period of this plan we will:

- deliver agreed technology targets while pursuing the Defence Technology Plan through a comprehensive research programme which promotes cutting edge technologies and supports military operations;

- enable a science and technology supplier base that meets current and future defence needs;

- pursue opportunities to reduce the through life cost of equipment through application of new or novel technologies; and

- enhance international, industrial and other forms of collaboration to increase interoperability, mutual benefits and value for money.

Science, Innovation, Technology	
Sub-objective	Exploit new science and technology solutions to meet Defence needs.
Delivery Responsibility	DG Science and Technology
Reporting Responsibility	Head of SIT Corporate Support
Accountable TLB Holder	DG Science and Technology

N. Change

Objective: Develop flexible and efficient organisations and processes to support Defence.

We must continue to transform Defence to provide more versatile and flexible Armed Forces with a supporting Defence organisation that is as efficient as possible.

Savings achieved though change will be used to provide greater front line capability than would otherwise be possible. Successful change is therefore essential to delivering more flexible and effective Armed Forces for the future.

The MOD's key aims in this area are to:

- implement the Capability Review Implementation Plan.

- Continued improvement to the Defence Acquisition processes, and

- deliver the Defence Change Portfolio to modernise departmental business and improve effectiveness and efficiency.

Implementing the Capability Review Implementation Plan

The second Capability Review[23] of the MOD was published on 31 March 2009. It was an external review of the Department's ability to deliver now and in the future and it assessed the Department against a model of capability based around leadership, strategy and delivery. It showed how the MOD has developed and improved since the first review in 2007, and where we have more to do.

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23 www.civilservice.gov.uk/Assets/MOD-WEB_tcm6-6653.pdf

In broad terms it supported the changes we are making to Defence and recommended we pursue them with more pace.

As a result of this, we will:

- Build stronger and more visible corporate leadership

- Develop an overarching strategy for the department

- Build capability in our civil servants

- Continue to streamline our head office and improve ways of working

- Further improve our relationships across Whitehall

We are developing a Capability Review Implementation Plan to underpin the delivery of these commitments

Capability Review Implementation Plan	
Sub-objectives	Implement the Capability Review Implementation Plan
Delivery Responsibility	Permanent Under Secretary and Chief of the Defence Staff
Reporting Responsibility	Director General Strategy
Accountable TLB Holder	2nd Permanent Under Secretary

Defence Change Portfolio

The purpose of the Defence Change Portfolio is to modernise the MOD's business processes improving efficiency and effectiveness, thus maximising our investment in front-line operational capability. Launched in 2002, it brings together the major change programmes across Defence under strong central direction, to produce a single, coherent portfolio of change programmes. It ensures that each change initiative is worthwhile and delivers the expected benefits through robust governance and plans.

There are 12 pan-Defence change programmes in all, under 4 main headings:

- Departmental Infrastructure Processes

    - Defence Information Infrastructure - replacing 300 diverse information systems across 2000 locations worldwide; the Defence Information Infrastructure is a key enabler for many other change programmes.
    - Defence Electronic Commerce Service - enables MOD and industry to achieve efficiency savings and improve capabilities through the delivery of application services and guidance on best commercial practice.

- People Processes

    - Defence Training Review Transformation - will provide modern, flexible and responsive specialist individual training by modernising training delivery and facilities, utilising new technologies and innovative approaches to learning, on a reduced training estate. This transformation is now being considered in two parts: Package 1 and Package 2.
    - Defence Health Change Programme – will strengthen the core capabilities of the Defence Medical Services and provide it with a 21st Century infrastructure by delivering a series of

change programmes that will deliver new information capability, a co-located Strategic Medical HQ and Joint Medical Command, responsible for Strategy and Policy, and delivery of Joint capabilities.

- UK Military Flying Training System - will replace the present flying training arrangements with one tri-Service programme for the entire front line, from fast jet pilots and weapon system officers to helicopter and multi-engine pilots, to rear-crew disciplines.
- Defence Individual Training Management - will harmonise the individual training processes across the three Services and will be supported by the replacement of legacy management information by a new tri-Service recruiting and training system.

- Acquisition Processes

  - Whole Fleet Management - ensures the better management of the Defence vehicle fleet and facilitates the training of force elements on future reduced fleets through the introduction of a modern fleet management system across all Services.

- Management and Organisational Processes

  - Streamlining – will clarify and simplify the way the Department operates with an efficient Head Office focused only on strategic tasks. In doing so we aim to reduce the Head Office in cost and size by 25%, thereby releasing resources for the front line.
  - Collocation of Land Command Top Level Budget (Project HYPERION) - will establish a one-site integrated headquarters that provides command and direction to the Field Army. Benefits include potential disposal receipts, a more effective integrated HQ, modern working environment, improving staff morale and enabling more effective working.
  - Defence Intelligence Modernisation Programme – a single co-ordinated programme delivering information system enabled business change, estate modernisation and cultural change.
  - Germany Basing (BORONA Programme) - to implement endorsed plans for the re-location of soldiers, and their families, to the UK, taking advantage of estate opportunities arising from estate rationalisation programmes, in accordance with the endorsed Super Garrison Policy.

The Portfolio is dynamic; new programmes are brought in as needed to benefit from the strong central direction and mature programmes which have achieved their outcomes are graduated from the Portfolio.

Defence Change Portfolio				
Sub-objective	2009/10	2010/11	2011/12	2012/13
Deliver the Defence Change portfolio to modernise Departmental business and improve effectiveness and efficiency.	Amber/Green Colour Assessment – some, but not significant, deviation from target			
Delivery Responsibility	2nd Permanent Under Secretary			
Reporting Responsibility	Head of Centre RP			
Accountable TLB Holder	2nd Permanent Under Secretary			

Defence Acquisition Processes

Over the period of this plan, we will continue to work with the defence industry to ensure we sustain a healthy industrial base in accordance with the principles of the Defence Industrial Strategy, in order to meet the current and future needs of the armed forces.

The Defence Acquisition Change Programme was an important aspect of delivering the Defence Industrial Strategy and was designed to create a high performing, more agile acquisition system, focused on through-life considerations. We continue through the Performance, Agility, Confidence and Efficiency (PACE) programme to improve further the effectiveness of the Defence Equipment and Support organisation.

PACE

PACE is the next step in a series of business improvement programmes that have sought to improve the way the Defence Equipment and Support Organisation acquires and supports equipment on behalf of MOD. These followed on from, and sought to reinforce, the principles introduced under smart acquisition.

PACE	
Sub-objective	Performance – we will deliver results through benchmarked processes operated by highly skilled people
	Agility – we will respond rapidly to Sponsor and User priorities, formulating innovative equipment and support solutions to deliver through life capability, and with a real focus on 'time to market'
	Confidence – Personnel will be confident that we will deliver the right equipment, support and logistics fit-for-purpose, at the right time and in the right place; the public will be confident that when the Armed Forces are deployed on operations they have the best equipment and that we spend taxpayers' money responsibly; industry will be confident that, with greater commercial astuteness, we deliver our part of the Defence Industrial Strategy; and our workforce will be confident that we value and develop their skills, offer challenging jobs and reward good performance.
	Efficiency – we will deliver our outputs at best value for the Government's Defence investment, within resource allocations
Delivery Responsibility	Chief of Defence Materiel
Reporting Responsibility	Chief of Staff, DE&S
Accountable TLB Holders	Chief of Defence Materiel
	2nd Permanent Under Secretary

O. Future Personnel

Objective: Deliver the personnel plans to meet the needs of current and future tasks.

Future operations will continue to be manpower intensive and will require high levels of competence and discipline. Both Service and civilian personnel will need to be adaptable and flexible to meet changing demands. This will be achieved by implementing the Service Personnel Plan (a framework for the coherent delivery of the different elements of the Service personnel policy needed to support Armed Forces personnel in their delivery of operational capability over the next 15 years) and implementing the Civilian Workforce Strategy (by analysing the strategic context, identifying the challenges, setting priorities for developing our civilian workforce and human resource function, and providing the foundation to develop the civilian contribution to Defence).

Service Personnel Plan

The Service Personnel Plan seeks the sustained delivery of the right number of personnel, with the right skills, who are willing and able to use them. The focus for future personnel will be on maximising the numbers of personnel fit-for-task, modernising the training and education system, and supporting the needs of current operations and future concepts. Skills fade as a result of the bias towards current operations will need to be addressed and Forces will need to be structured to cope with the need for a wide range of responses in an increasingly complex and multi-agency operational space. Personnel will need to be willing to operate in the UK and overseas, in a wide variety of environments and conducting a diverse range of tasks. Developing capabilities related to a Comprehensive Approach and the NEC Initial State will be a high priority. To meet these needs the MOD, through the Service Personnel Plan, will include work to:

- develop all sources of personnel provision, which includes greater synergy between Regular and Reserve Forces, and activities and opportunities that will stimulate and encourage young people to enter the Armed Forces;

- deliver Defence Training Transformation and the Strategic Framework for Individual Training and Education, which defines the long-term aim for Training and Education and delivers improvements to Basic Skills;

- develop the overall military personnel package appropriate for the future context, which will implement appropriate policies and programmes that will ensure that the Armed Forces remain an employer of choice; and

- develop a better understanding of people to inform future policies and resource decisions by undertaking a focused programme of research projects to gain a better understanding of behaviour and how changes, both internal and external to the Armed Forces, are likely to affect issues such as recruitment, morale and retention.

Service Personnel Plan	
Sub-objectives	Achieve targets in the Service Personnel Plan
Delivery Responsibility	Deputy Chief of Defence Staff (Personnel)
Reporting Responsibility	Deputy Chief of Defence Staff (Personnel)
Accountable TLB Holder	2nd Permanent Under Secretary

Civilian Workforce Strategy

Civilians contribute to Defence in a variety of ways and, increasingly, support military commanders deployed in operational theatres. The MOD must provide a civilian workforce of sufficient numbers that is appropriately skilled, managed and motivated to support Defence capability now and in the future. This will be delivered by the Civilian Workforce Strategy which was updated at the beginning of 2009.

Civilian Workforce Strategy	
Sub-objectives	Achieve targets in the Civilian Workforce Strategy
Delivery Responsibility	Director General Human Resources and Corporate Services and Security
Reporting Responsibility	Director Civilian Personnel
Accountable TLB Holder	2nd Permanent Under Secretary