



# Ministry of Defence

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Ref. FOI2018/13773

18 May 2018

Dear [REDACTED]

Thank you for your email of 26 October 2017 requesting the following information:

“Could the DIO please forward closure reports on its top 10 projects (by procurement value), which have closed within the last 4 years. If this isn't possible within the cost limit then under Section 16 of the Act could you please let me know how many you can provide, with evidence to support your conclusions.”

I am treating your correspondence as a request for information under the Freedom of Information Act 2000 (FOIA).

A search for the information has now been completed within the Ministry of Defence (MOD) and I can confirm that some information in scope of your request is held.

The information you have requested can be found below and enclosed, at annex A and B but some of the information falls entirely within the scope of the absolute exemptions provided for at Section 40 (Personal Data) and has been redacted.

Section 40(2) has been applied to some of the information in order to protect personal information as governed by the Data Protection Act 1998. Section 40 is an absolute exemption and there is therefore no requirement to consider the public interest in making a decision to withhold the information.

NAME OF PROJECT	INFORMATION HELD/NOT HELD
LYNE - DTTCP Tranche 1	Requested information not held
Navy Command - RNAS Yeovilton - Wildcat Infrastructure Project (WINFRA)	Requested information not held
Project BORONA - Relocation of 2 x Signal Regiments to UK	Please see Annex A
JFC - SG - Lichfield - MMA	Requested information not held
Navy Command - QEC - Base Port Middle Slip Jetty	Requested information not held
Navy Command - QEC - Capital Dredge	Requested information not held

BZNO - C130J Hangar	Requested information not held
Navy Command - RNAS Yeovilton - (Dunker) Aircraft and Amphibious Vehicle Underwater Escape Training Facility	Requested information not held
WADD - Runway Reconstruction/Resurface	Please see Annex B
JFC - PJOB - Cyprus - AKR Runway Resurfacing	Requested information not held

Under Section 16 of the Act (Advice and Assistance) you may find it helpful to note that some information in Annex B has being redacted as it is not related to the request.

If you have any queries regarding the content of this letter, please contact this office in the first instance.

If you wish to complain about the handling of your request, or the content of this response, you can request an independent internal review by contacting the Information Rights Compliance team, Ground Floor, MOD Main Building, Whitehall, SW1A 2HB (e-mail [CIO-FOI-IR@mod.uk](mailto:CIO-FOI-IR@mod.uk)). Please note that any request for an internal review should be made in writing within 40 working days of the date of this response.

If you remain dissatisfied following an internal review, you may raise your complaint directly to the Information Commissioner under the provisions of Section 50 of the Freedom of Information Act. Please note that the Information Commissioner will not normally investigate your case until the MOD internal review process has been completed. The Information Commissioner can be contacted at: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF. Further details of the role and powers of the Information Commissioner can be found on the Commissioner's website at <https://ico.org.uk/>.

Yours sincerely,

DIO Secretariat

**BORONA PROGRAMME**

**GRADUATION REPORT – DECEMBER 2015**

**INTRODUCTION**

1 The purpose of this document is to record the achievements of the BORONA Programme, in support of the formal process to graduate the programme from the Defence Major Programmes Portfolio

**BACKGROUND TO INITIATION OF BORONA PROGRAMME**

**Germany Basing and Investment Assumptions.**

2 In October 2005 D Army RP produced a paper<sup>1</sup> establishing the planning assumptions to guide balance of investment decisions between the UK and Germany estate. This sought to balance an assumption of eventual full withdrawal from Germany, against an assumption that, for reasons of affordability, training and estate capacity, the Department may have to retain some elements of the Germany estate for up to 30 years i.e. until 2035. The paper grouped the five Germany garrisons into three categories according to their priority for investment and concluded that despite an aspiration of full withdrawal from Germany, the Department was likely to remain committed to maintaining a long-term presence in Germany

3 The three categories determined by the D Army RP review were as follows:

- a. Category A (longer-term) (Hohne and Paderborn) to which a 30-year planning assumption would be applied, reducing annually from 2005.
- b. Category B (medium-term) (Rhine and Gütersloh), to which the selective use of a rolling 15-year planning assumption should be applied, although opportunities to relinquish this estate needed to be exploited as they arose and as affordability allowed, with the intention of releasing all Category B estate in 15 years, i.e. by 2020;
- c. Category C (short-term) (Osnabruck) which should be relinquished as soon as possible.

4 The Germany Basing and Investment Assumptions paper was endorsed by both the Executive Committee of the Army Board (ECAB) and the Policy and Programme Steering Group (PPSG) and provided a Defence policy framework for longer term basing and investment planning. This work, together with work endorsed by ECAB on the Army's Long Term Basing Requirement<sup>2</sup>, led to an examination of the potential for the withdrawal by 2012 from that part of the Germany estate not supporting the armoured brigades,<sup>3</sup> i.e. Osnabruck and Rhine Garrisons

**Comprehensive Spending Review Value for Money Study into Germany Basing.**

5 This study demonstrated the efficiencies that could be generated by accelerating endorsed assumptions for the relocation of Service personnel and their families from Germany to the UK, taking advantage of opportunities arising from estate rationalisation

<sup>1</sup> RP 05 05 01 dated 19 Oct 05 – Review Year Topic M – Germany Basing and Investment Assumptions  
<sup>2</sup> ECAB/P/05/24 dated 25 Nov 05 – Executive Committee Of The Army Board Army Long Term Basing Requirement

<sup>3</sup> RP 06 05 03 dated 15 Mar 06 – Comprehensive Spending Review Value for Money Study into Germany Basing

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programmes and taking forward the development of Super Garrisons in the UK. However, the staffing timeframe constrained the Study Team from considering the full range of UK future basing options. Noting that there was an opportunity to move around 4,000 Service personnel and their families from Germany to the UK by 2012, thereby reducing the numbers of locally-engaged civilians and MOD civilians employed in Germany by 1,500 and 350 respectively, and to generate savings in excess of £1.1Bn over 25 years, it was decided that the study was worthy of more detailed analysis to test the assumptions and to determine accurate costs and savings. It was further agreed that HQ LAND<sup>4</sup> would provide a Senior Responsible Owner (SRO) for the project and that a dedicated project team would be formed to take this work forward.

6. Commander Regional Forces (CRF), a 3<sup>rd</sup> Army Officer, was identified as the SRO for this project and on 24 Jul 06 the Minister of State for the Armed Forces (Min AF) announced<sup>5</sup> a study to examine opportunities for rationalisation of basing arrangements in Germany, to include the possible moves of HQ Allied Rapid Reaction Corps (HQ ARRC), 1 Signal Brigade (1 Sig Bde – 7 and 16 Sig Regts)<sup>6</sup> and 102 Logistic Brigade (102 Log Bde) and the restructuring of HQ United Kingdom Support Command (Germany) (HQ UKSC(G)). The Programme would also examine the feasibility of further moves that would enable the closure of Rhine Garrison and Münster Station (the remaining element of Osnabrück Garrison following the closure of Osnabrück Station as a part of Future Army Structures (FAS) work). A small project team with a 1<sup>st</sup> civilian lead was established to conduct the Value for Money Germany review and was issued with a Programme Mandate<sup>7</sup> on 28 Jul 06.

**Value for Money (VfM) Germany Review Programme**

7. The aim of the 'Value For Money (VfM) Germany Review Programme, was to examine the most effective way of closing Category C and B estate in Germany by 2012.

8. In examining how to close Category C and B estate the review was to:

- a. Examine the most appropriate locations in the UK for HQ ARRC, 1 Signals Brigade and 102 Logistic Brigade.
- b. Examine the future structure of UKSC(G) determining which elements are required within Germany, which could be re-located to the UK, to form a UKSC(Rest of the World) and which are no longer required.
- c. Examine 1 (UK) Armd Div support units, not included in a. above, to establish which can be re-located to the UK and the optimum location in the UK.
- d. Determine the best location for UKSC(G) elements remaining in Germany and the best location for those elements required to re-locate to the UK.
- e. Examine locations in Germany for agencies and other elements currently in Category C and B estate which the review recommends remain in Germany.
- f. Examine estate rationalisation opportunities in the UK and Germany which may be enabled by the programme.

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<sup>4</sup> New Army HQ

<sup>5</sup> Hansard - cols 71-72WS dated 24 Jul 06

<sup>6</sup> Originally 7 and 16 Signal Regiments were to re-locate to the UK but this was subsequently changed as a result of PR11

<sup>7</sup> LAND.ORG/6100 dated 28 Jul 06 - Programme Mandate - Value for Money Review

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g. Develop options for closing Category C and B estate, produce a re-location plan and then implement it, including all the communication aspects of the plan, both externally, including other nations, and internally

9. The timelines for this review were deliberately tight in order to inform the wider Comprehensive Spending Review (CSR) and LAND's own Short Term Plan (STP) planning, and the challenge was to deliver credible and robust options to the Centre by the end of 2006. The start point for the review was the Comprehensive Spending Review Value for Money Study into Germany Basing paper of 15 May 06, and it was to encompass all Lines of Development relevant to the relocation of units, and to take into account all related projects<sup>6</sup> and to carefully consider the NATO, HQ ARRC participating nations, and Germany Host Nation implications, sensitivities and presentational issues involved in the moves. In establishing how to close Category C and B estate the Programme Team was to:

- a. Produce an Investment Appraisal, including sensitivity analysis, which examines a range of options and determines the best VFM solution for Defence for the closure of Osnabrück and Rhine Garrisons and re-location to the UK;
- b. Develop a plan to close Osnabrück and Rhine Garrisons once the Business Case has been cleared by the IAB\*;
- c. Implement the plan to close the garrisons.

The Value for Money Review transitioned into the BORONA Programme

**Summary of Historic Timeline**

10. To summarise, the origins of the BORONA Programme were established and cemented in the following timeline:

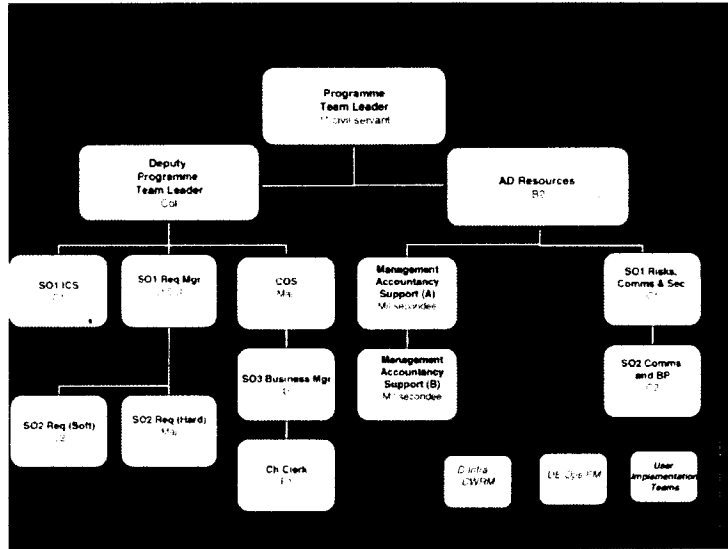
- a. 19 Oct 05 – Germany Basing and Investment Assumptions paper by D RP Army;
- b. 25 Nov 05 – Army Long Term Basing Requirement ECAB endorsed paper;
- c. 15 May 06 - Comprehensive Spending Review Value for Money Study into Germany Basing;
- d. 24 Jul 06 – Min (AF) announcement of a study to examine opportunities for rationalisation of basing arrangements in Germany;
- e. 28 Jul 06 – Programme Mandate – Value for Money Review

**THE BORONA PROGRAMME**

11. The BORONA Programme Team was established in August 2006 and comprised a mix of military and civilian personnel, including secondees from Management Accountancy Services (Army), under the leadership of a 1\* civil servant. The Team reported to a 3\* military officer SRO in HQ LAND (initially Commander Regional Forces and then the Adjutant General following Army restructuring) until August 2014 when SRO responsibility transferred to Major General Alastair Dickinson, who was appointed to the new post of Director Basing &

<sup>6</sup> RAF 11B co-location, Defence Training Rationalisation, Project Belvedere (now WINRA), Whole Fleet Management, DII FAICON roll-out and the Armed Forces Personnel Administration Agency (MPAA) re-location project.  
<sup>7</sup> Now IAC.

Infrastructure. Working closely with key stakeholders in HQ LAND, HQ UKSC(G) and DE the BORONA Team structure<sup>12</sup> is detailed below



### Report to Finance Director

12 The first key output of the BORONA Programme was a report<sup>13</sup> submitted to the Finance Director to inform the CSR and the Non-Equipment Investment Plan (NEIP) deliberations. In summary the report stated that the BORONA Programme would provide Defence with an opportunity to implement endorsed plans<sup>14</sup> for the re-location of soldiers and their families to the UK. Completion of the programme would deliver significant efficiencies through the advancement of the planned closure of Category C and B estate in Germany (Osnabrück and Rhine Garrisons) during the period 2008-2013. The BORONA Programme would comprise five projects, which would affect around 4600 military personnel; 180 participants from 17 Partner Nations; 595 UKBCs including Teachers and 2600 Locally Employed Civilians. The Programme was expected to deliver c£60M+ net savings per annum to Defence from FY 14/15, which was predicated on the availability of advance capital investment of £198M in UK and Germany. The investment would enable the move of HQ ARRC and its supporting elements to the UK in 08/09 and other formations to move to the UK and within Germany in 12/13, thus enabling the closure of the two Garrisons and the maximisation of savings to Defence

<sup>12</sup> During the Programme the team was also tasked with delivering Project AVANTI – To identify and implement the most cost effective organisational structure for the delivery of the Army’s PSC outputs, that provides the necessary level of Firm Base support without affecting the ability of front line formations to train and deploy on operations. Additional posts were created to deliver AVANTI but only two of these also supported BORONA. These two posts continued after AVANTI was delivered.

<sup>13</sup> LAND/BORONA/2100 dated 19 Dec 06 – BORONA Programme – Report to Finance Director – Dec 06 – FC AB705r24 dated 24 Nov 05

13. The report was the culmination of a detailed scoping exercise undertaken by the BORONA Programme Team (BPT), which had resulted in the examination of a number of options across seven sites in the UK and three sites in Germany. As part of the examination of sites in Germany it quickly became apparent that the relocation of units out of Gütersloh Garrison (Category B estate), which must remain in Germany to support 1 (UK) Armoured Division, would require significant new builds in Hohn and Paderborn Garrisons and it was therefore considered more cost effective to retain Gütersloh Garrison and reclassify it as Category A estate.

During this period it was agreed that the seven objectives in the Programme Mandate fell under five discrete projects within the BORONA Programme, as follows:

- a. Project 1 (ARRC) – the move of HQ ARRC (including HQ 1 Signals Brigade and the ARRC Support Battalion) from Rhine Garrison to the UK in 08/09.
- b. Project 2 (1 Sig Bde) – the move of 1 Sig Bde (-) (i.e. 7 & 16 Sig Regts) from Rhine Garrison to UK by 12/13.
- c. Project 3 (102 Log Bde) – the move of 102 Log Bde (-) from Gütersloh Garrison to the UK by 12/13.
- d. Project 4 (Overseas Support) – the future provision of infrastructure support to British Forces Germany and the wider European dependency.
- e. Project 5 (Germany Basing) – the relocation of remaining units from Rhine Garrison and Munster station to other estate in Germany or the UK.

14. The closure of Trenchard Barracks, Celle was added to the BORONA Programme in Jun 12 and the move of 102 Log Bde was removed from the BORONA Programme following the Army Basing Plan announcement on 5 Mar 13 and transferred to the Army Basing Programme. Since the creation of the BORONA Programme there have been a number of changes to its objectives and timelines. These changes and their affects are detailed at Annex A.

#### **The User Requirement**

15. The report to the Finance Director confirmed that user requirements for the five projects had been established in consultation with stakeholders and that the Key User Requirements (KURs) had been endorsed by the Programme Board. The Team had found that a common theme running through their initial work was that meeting the KURs in UK and Germany would require initial capital investment, and that the site selection process had indicated that there were no sites within the UK which met all the KURs in full.

#### **Site Selection Process**

16. Following identification of the KURs, and in order to allow for costing of options for Projects 1-3, a site selection process was undertaken for potential sites within the UK. The key steps were:

- a. Initial Assessment. Defence Estates (DE) reviewed all Defence sites, resulting in a list of 22 potential sites, which were then subject to analysis by a panel comprising the BORONA Team, DE and Army Infrastructure Organisation (AIO). The sites were

assessed against site capacity, housing availability, required capital investment, Lyons impact and proximity to key locations specified in the KURs

- b. **Detailed Analysis.** From the list 10 sites were assessed as viable options. Using a model acknowledged by the IAB scrutiny community as an example of good practice (from the PRIDE project), the sites were subject to further assessment. Under the categories of Operational, Policy, Financial and Physical each site was scored and weighted against detailed criteria derived from the KURs and were also assessed further using a SWOT analysis.

17. The methodology used by the team had been independently verified by the LAND Investment & Assurance Team. Relevant members of the IAB scrutiny community had also reviewed the methodology and confirmed that they were content with the process used

18. **Options (UK).** From the detailed analysis of the 10 sites, seven were identified for Rough Order Estate Information (ROEI) assessments, resulting in the costing of a number of permutations for Projects 1-3

19. **Options (Germany).** For Projects 4-5 the report stated that a total of three options would be taken forward to Initial Gate for units moving out of Rhine Garrison and Münster Station to other Garrisons in Germany, but because of time constraints only one option was included in the report to the Finance Director. A number of posts would relocate to UK to establish an Overseas Support Command (OSC) and other posts would move within Germany to provide a Germany Support Group (GSG). The exact levels of support required in the OSC and GSG were subject to a separate study by the Management Consultancy Services (Army) and the OSC element would require separate site options analysis.

20. For the purpose of the report three of the most realistic options were costed, together with a Brownfield site option, which was considered likely to offer the least value for money and, therefore represent a potential worst case scenario. Affordability profiles and Net Present Values (NPVs), together with details of the costing methodology and high level assumptions were also included in the report.

21. The report acknowledged that in order to inform the CSR and NEIP considerations costings had been produced in a shorter timeframe than was standard practice but, notwithstanding the compressed timescales, the team was confident that its use of good practice from other Programmes and having gained the full support of key suppliers, the submission provided the essential and robust detail necessary to inform the CSR and NEIP. Following submission of the report the BORONA Programme was included within the NEIP at the beginning of 2007 and central funding was allocated for its delivery.

**Inclusion into the Defence Change Portfolio in January 2007**

22. In January 2007 the 2<sup>nd</sup> Change Delivery Group (CDG) agreed that BORONA was dependent on a number of Defence Change Portfolio (DCP)<sup>14</sup> Programmes - JPA, DII and

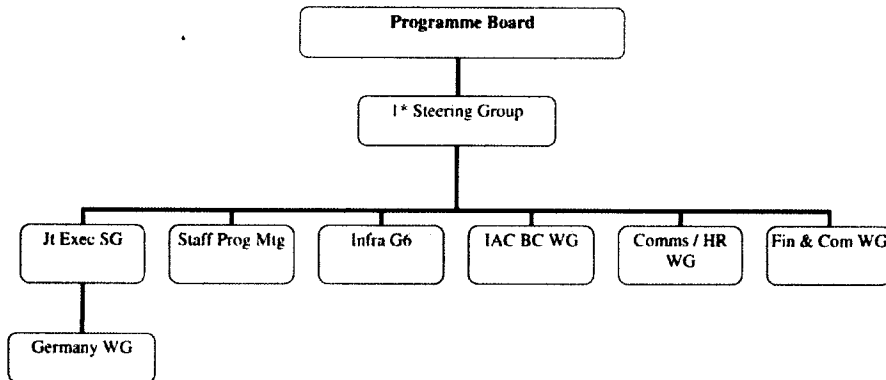
13. The report also stated that the team had been independently verified by the LAND Investment & Assurance Team. Relevant members of the IAB scrutiny community had also reviewed the methodology and confirmed that they were content with the process used



WFM - and would benefit from high level support and oversight. One particular concern was the dependencies on the DII programme and its planned roll out to sites both in the UK and Germany which would be affected by BORONA. The CDG 2's concluded that inclusion of BORONA within the DCP would enable greater coherence between the two and help to mitigate the risk to DII roll out. The Programme also scored highly on financial issues. It was recommended by the CDG 2's for inclusion in the DCP<sup>15</sup>.

**GOVERNANCE**

23. Governance was provided by the Programme Board, chaired by the SRO, the 1\* Steering Group<sup>16</sup> chaired by the Team Leader and a series of subordinate Working and Sub-Working Groups covering specific projects or functions. The Programme Board met every four months with the other groups meeting as required. With the creation of the Army Basing Programme in May 2013 the business of many of the working and sub-working groups has been picked up by the Stafford Basing and Integration Working Group (BIWG) and the ABP Integrated Communications Panel (ICP). The BORONA Change Board was chaired at 1\* level.



24. It was agreed with the IAB that the BORONA Programme would present one overarching Initial Gate Business Case (IGBC), which would cover all five projects. Due to the interdependencies of the five projects, subsequent approvals for each of the projects would be subject to separate Main Gate Business Case (MGBC) submissions, once they reached sufficient maturity. BORONA has been the subject of three Office of Government Commerce Gateway Reviews<sup>17</sup> during the course of the programme and the team has reacted quickly and positively to all recommendations. In the most recent Review the Delivery Confidence Assessment was Amber/Green and the Review Team found "that the Programme has made

<sup>15</sup> The DCP subsequently became the Defence Major Programmes Portfolio (DGMP02/02/01) dated Jan 07. Possible Inclusions to the Defence Change Programme - Change Delivery Group 2's Assessments.

<sup>16</sup> The 1\* SG met regularly prior to the move of HQ ARRC to Innsworth and to re-position projects following the 2010 SDSR but has not been required for the Stafford projects.

<sup>17</sup> Review 0 - 25-28 Nov 08 incl., Review 0 - 27 Feb-3 Mar 12 incl., Review 4 - 27-29 Jun 15.

good progress and is well placed to complete the two construction projects at Stafford and to receive the two signal regiments from Germany in Summer 2015."

#### DEPENDENCIES

25 The BORONA Team has maintained close engagement with all key dependencies throughout the life of the Programme. At the outset the team worked very closely with the RAF TLB co-location team and Armed Forces Personnel Administration Agency (AFPAA) re-location project team regarding the availability of Innsworth, and with the Defence Training Rationalisation Review (DTR) Programme concerning the availability of the Cosford site. As the BORONA Programme has progressed other initiatives and key programmes have been established that have warranted close working liaison and understanding. Chief among these have been Army 2020, New Employment Model, the Army Basing Programme, Future Reserves 20 (which was replaced in the DMPP by the Army Reserves Development Programme (ARDP) in late 2014 after the FR20 programme was disaggregated to the relevant TLBs following SoFS direction) and Defence Core Network Services. Throughout the course of the Programme there have been other programmes that the team has maintained regular engagement with including Defence Information Infrastructure (DII), Whole Fleet Management (WFM) and Project BELVEDERE (now Wildcat Infrastructure (Winfra)).

26. In addition to other programmes the team has worked very closely with Defence Infrastructure Organisation (formerly Defence Estates) personnel primarily in the areas of project and requirements management, commercial, finance and service delivery. Within the Army TLB the team has worked closely with the chain of command of the units affected by the Programme and with key branches of the Headquarters, notably the Organisation Branch within Army Plans, who developed operation orders (Op ROMULUS) to cover each of the BORONA projects and who issued the necessary Implementation Orders, setting out roles and responsibilities, down to individuals for implementing the moves or changes. The Organisation Branch were also closely involved in determining the military liabilities arising from the Army 2020 work and were important to the BORONA Programme in understanding the future structures of the signal regiments to ensure that infrastructure was not under or over provided. Other key players within the Army TLB were personnel from HQ UKSC(G) and HQ Support Command (now HQ Regional Command). In Germany the BORONA team worked very closely with HQ UKSC(G) (now HQ BFG) regarding the delivery of Projects 4 and 5, in the support and management of units moves from Germany and in the closure and hand back of sites to the German Federal authorities. In the UK personnel from HQ Support Command and the regional brigades were closely engaged in the delivery of infrastructure at UK sites, in engagement activities with local authorities and in the support and management of the receipt of units, soldiers and families when they arrived at Innsworth and Stafford.

27 Close engagement externally with other Government Departments, local authorities and statutory bodies has also been a key area of business for the BORONA team. Working closely with the Directorate Children and Young People (DCYP) the BORONA team has worked with the Department for Education, Gloucestershire and Staffordshire County Councils and local schools to ensure that information was available to families relocating from Germany on which they could base their applications for school places, and in ensuring that sufficient school places were available at local schools for those children. This close engagement with Gloucestershire County Council ensured that classroom capacity in local primary schools was maintained during the two-year period between the RAF leaving Innsworth and HQ ARRC arriving. Similarly, the team has worked closely with the Department of Health and with NHS England to ensure that sufficient GP and dental cover was available for those dependants relocating to the UK. This engagement has extended to MOD funded trips to the units in Germany by key education, health, welfare and employment representatives from local authorities to provide information and briefings to units, soldiers and their families.

**PROGRAMME DELIVERY****Delivery against the Mandate**

28 The BORONA Programme has delivered four of its five original projects with the move of HQ 102 Logistic Brigade being removed from the Programme in 2013 and delivered under the Army Basing Programme. In addition, the BORONA Programme delivered the closure and hand back of Celle Station in Germany, which was added to the portfolio in 2012.

- a. Project 1 – the move of HQ ARRC (including HQ 1 Signals Brigade and the ARRC Support Battalion) from Rhine Garrison to the UK (Innsworth) – completed in 2010;
- b. Project 2 – the move of 1 and 16 Sig Regts from Germany to the UK (Stafford) – completed in 2015;
- c. Project 3 – the move of 102 Log Bde (-) from Gütersloh Garrison to the UK but the project was removed following the announcement of the Army Basing Plan<sup>12</sup>;
- d. Project 4 – the future provision of infrastructure support to British Forces Germany and the wider European dependency – completed in 2013.
- e. Project 5 (Germany Basing) – the relocation of remaining units from Rhine Garrison and Münster station to other estate in Germany or the UK – following unit moves Celle Station<sup>13</sup> was handed back to the German Federal authorities in Nov 12; the hand back of Münster Station was completed in Nov 13; the hand back of the Rheindahlen Military Complex was completed in Dec 13; the hand back of Elmpt Station was completed in Nov 15 and the hand back of Herford Station was completed in Dec 15. On average all estate was handed back to the German Federal authorities three or four months earlier than originally anticipated.

**Financial Benefits**

29. The delivery of financial benefits is the underpinning premise of the BORONA Programme and detail can be found in the tables at Annexes B and C. In the December 2006 report to the Finance Director there was an expectation that the Programme would deliver c £60M+ net savings per annum to Defence from FY14/15. Six months later in the IGBC<sup>14</sup> this expectation had increased to £70M net RDEL savings per annum. Throughout the Programme work to identify further financial savings has been ongoing and at the point of graduation the Programme is forecasting annual RDEL savings to Defence of around £100M.

30. Financial benefits cover five specific areas, where savings have been achieved. These are

- a. Military Allowances;
- b. UKBC Manpower and Cost of Living Allowance (COLA);
- c. Locally Employed Civilian (LEC) Pay;
- d. Other Costs, e.g. admin and welfare costs;

<sup>12</sup> Hansard, Columns 845 – 862 dated 5 Mar 13.

<sup>13</sup> The closure of Celle Station was added to the BORONA Portfolio in Jan 12. BORONA IGBC 2100 dated 27 Jun 07.

e Infrastructure Costs.

31 Financial benefits have accrued as units have moved and as estate has been closed and then handed back. This has been reflected in adjusted control totals (CTs) and costs have been monitored and reported through the quarterly DMPP reports. The financial savings are annual and for perpetuity

**Marginal Benefits**

32 Details of the Marginal benefits, as at Oct 15, can be seen at Annex B. This shows that net benefits estimated across the 25 years of the Investment Appraisal are £2382.379M, which increases the variance against the original target to £406.350M. It includes additional benefits arising from the closure of Celle Station, the early closure of Münster and the partial drawdown of Herford. The net benefits are derived from the gross benefits arising in Germany (i.e. operating costs no longer incurred once estate has closed and been handed back) less the UK operating costs once units relocate to the UK. The largest contributors to the marginal benefits are:

a. Reduction in overseas allowances (military and civilian)	-	£18M
b. Reduction in Locally Employed Civilians	-	£25M
c. Reduction in school support services, inc UKBTs	-	£14M
d. Reduction in other Germany costs net of UK costs	-	£53M

**Scored Benefits**

33. Details of scored benefits can be seen at Annex C. The total gross benefits scored across the Army and DIO in various planning round options are £1226M<sup>21</sup> from FY 08/09 through to FY 24/25. The benefits scored roll forward indefinitely so a future years figure is not included in the table at Annex C.

**Marginal Costs**

34. Details of marginal costs as at Oct 15 can be viewed at Annex C. Marginal costs comprise the infrastructure build costs to deliver works in the UK at Innsworth and Stafford for units relocating from Germany, and in Gütersloh Garrison for units moving within Germany from the Rheindahlen Military Complex. There is also an element to cover Programme Team costs to deliver the individual projects within the Programme

**Soft (Non-Financial) Benefits**

35. At the outset of the BORONA Programme Departmental policy and guidance on soft benefits was relatively immature and little consideration was given to potential non-financial (soft) benefits. There was, however, some work done following the move of HQ ARRC using data from the Army's Families Attitude Survey (FAS), to test the Programme assumption that being based in the UK would provide greater stability for families in terms of continuation of schooling, opportunities for and continuation of spousal employment, wider access to

<sup>21</sup> PR10 (Army) - £598.424M Ref: S10NF195N; PR11 (Army) - £12.329M Ref: S11CC230A; PR11 (DIO) - £143.11M Ref: S11CC230A; S11CC001A; S11CC002A; S11CC100A; PR11 (2 (Army)) - £203.203M Ref: S111117A; S111101A; PR12 (Army) - £113.301M Ref: S1211026C; PR12 (DIO) - £155.959M Ref: S12CC041B

childcare, easier access to higher education and better access to extended family support. Whilst the FAS was not specifically targeted at HQ ARRC families it did confirm that respondents based in the UK commented much more favourably against these indicators than those based in Germany. We are working closely with the Army Families Federation to survey those Service personnel and their families that relocated in 2015 and this survey will include personnel from the two signal regiments. The responses will be analysed and presented in the New Year.

36. During the course of the Programme more emphasis was placed on soft benefits by the Office of Government Commerce (OGC) and this was borne out in an OGC Gateway Review 0: Strategic assessment<sup>2</sup> of the Programme conducted from 27 Feb – 1 Mar 2012. One of the recommendations of this review was “To identify the broader and consequential soft benefits of BORONA for review by the Programme Board.” This led to work being undertaken with the chain of command to identify soft benefits associated with the relocation of the two signal regiments to Stafford from Germany. This culminated in the agreement to a set of soft benefits under the broad heading of ‘Collocating Three Signal Regiments in Stafford’ (22 Sig Regt was already based in Stafford). These are:

- a. The span of command would be more manageable due to the proximity of the signal regiments to the Comd 11 Signal Brigade;
- b. The increased opportunity for surge Manning, cross training and interoperability;
- c. Enables response to campaign to contingency;
- d. Recruitment opportunities in Stafford;
- e. Retention;
- f. Improved opportunities for Whole Force Concept;
- g. Whole fleet management enables increased opportunities to rationalise/store.

37. All of these benefits are owned by the Commander of 11 Signal and West Midlands Brigade and he and his team will lead work on the management, measurement and realisation of these now that 1 and 16 Sig Regts have joined 22 Sig Regt at Beacon Barracks, in Stafford. Following the graduation of the BORONA Programme oversight of these benefits will be maintained by the Army Basing Programme Board.

38. In summary the BORONA Programme has kept the delivery of benefits under review with the major focus on the significant year on year RDEL savings. This benefit has been delivered and, at the point of graduation, savings are forecasted to reach around £100M per annum. Non-financial benefits were seen as a lesser consideration at the outset of the Programme, although some work was undertaken to show that stability for military families was better in the UK than in Germany. Other assumed benefits associated with the relocation of HQ ARRC concerning more coherent command and support for the 3\* HQ, and greater use of its resources in doctrine and training were subsequently removed with agreement from the Centre because they were very difficult to measure.

#### **Manpower Reductions**

39. Whilst there was not a mandated target for the reduction of manpower as a result of the BORONA Programme, initial work had always indicated the potential for significant

<sup>2</sup> MOD OGC Gateway ID: 31390 dated 1 Mar 12

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savings, particularly in regard to Locally Employed Civilian staff. The table<sup>21</sup> below shows by year the number of posts in Germany deleted as a consequence of the BORONA Programme.

	12/13	13/14	14/15	15/16	Total
UKP	1	191		10	202
UKBC/T	15	356		50	421
LEC	138	1193		470	1801
Total	154	1740		530	2424

In addition a further 700 LEC posts have been removed as a consequence of the BORONA Programme, which brings the total of LEC posts removed to 2501. Those LEC posts were with MOD contractors working alongside HQ UKSC(G) and other units in Germany and, under the terms of the Status of Forces Act and its Supplementary Agreement, they were officially regarded as employees of MOD

40. For completeness it is worth stating that of the 14,500 Service personnel who have relocated from Germany since 2010, over 2,000 of these were moved by the BORONA Programme, together with 331 UKBCs and almost 2,500 dependants

**Milestones**

41 Key Programme Milestones were as follows:

Description	Baseline Date	Revised Date	Achieved Date	Comment
Start Date	31 Aug 06		31 Aug 06	
Germany Basing MGBC	31 Mar 10		31 Mar 10	
HQ ARRC move to Innsworth	31 Jul 10		30 Sep 10	
HQ ARRC Lessons Learned	31 Jan 11		31 May 11	
2 x Sig Regts MGBC	31 Mar 10		14 Oct 13	Reflects two year delay as a result of PR10. See para f. at Annex A for more details.
2 x Sig Regts RN submission to IAC	31 Dec 10		31 Mar 11	
2 x Sig Regts RN IAC approval	30 Jun 11		31 Jul 11	
Contract Award for site works at Stafford	30 Jun 12		30 Oct 13	Delays due to challenges in completing the competitive dialogue procurement process. Whilst the time taken to award the contract took longer than was originally indicated, the delivery date for new and refurbished infrastructure did not change and it is to the credit of the contractor that the two signal

Source: HQ BFG

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				regiments were able to relocate in 2015 as planned.
2 x Sig Regts SFA MGBC approval	31 Oct 13		13 Dec 13	
2 x Sig Regts SFA contract award	30 Nov 13		9 Jan 14	
Delivery of 1 <sup>st</sup> tranche of SFA at Stafford	30 Apr 15		26 Apr 15	
Delivery of final tranche of SFA at Stafford	30 Sep 15		30 Sep 15	
Delivery of SLA at Stafford	31 Jul 15		31 Jul 15	
2 x Sig Regts move to UK	31 Aug 13	31 Aug 15	31 Aug 15	
Hand back of Celle	31 Mar 13	31 Dec 12	6 Nov 12	
Hand back of Munster	31 Mar 17	31 Mar 19	14 Nov 13	The date for the hand back of Munster has fluctuated during the Programme. See paras c, f and l of Annex A for more details.
Hand back of Rheindahlen Military Complex	30 Jun 14		13 Dec 13	
Hand back of Eimpt	31 Mar 16	13 Nov 15	13 Nov 15	
Programme Closure	31 Mar 19	31 Mar 16		

**Lessons Identified**

42. Lessons identified/learned exercises have been undertaken following the completion of the move of HQ ARRC and at Stafford on all activities pre-contract award. In Germany exercises have also been undertaken following the rebasing of units and closure of each site Attached to this report are

- a. Lessons Learned report following the move of HQ ARRC dated 29 Mar 11.
- b. Lessons Learned report covering all activity pre-contract award for the Stafford projects dated 22 Dec 14

A lessons identified/learned exercise is currently underway covering all activity post-contract award for the Stafford projects, and the report will be available early in 2016

43. The major learning points identified following the delivery of the move of HQ ARRC were:

- a. A suitably constructed Project Team with clear objectives and top level management support is vital to successful project delivery.
- b. A clear understanding of the end user requirements from the outset is important if subsequent costly alterations are to be avoided
- c. Constant communication with all stakeholders and contractors to ensure compliance with project requirements and to effect expectation management is essential

- d. Bulk Housing proved to be an emotive issue. The implementation of a Housing Delivery Group to identify sources early with an input from the end user proved vital in controlling families and Command Staff expectations. Although the housing was delivered to a high standard it proved difficult to gain JSP 464 scaling for floor space and grading due to the UK modern construction styles used on new estates. An understanding of such variances early in order to shape expectations is key.
- e. Clear and constant management of the building contractor is vital to ensure timely coordination of site activity, delivery and change control to meet the end users requirement. A Responsibility Matrix should be started and maintained throughout the life of the project to final delivery. This matrix will form a central document that gives clear information of who is responsible for what part of the project, and who will form key stakeholders for the project working groups. Further details can be found in the move of HQ ARRC Lessons Identified report, which is at Enclosure A to this report.
- f. Engagement by key end user staff from the beginning of the project who are empowered to make decisions or have easy access to Command Staff is essential to stop delays on the project and also prevent last minute changes.
- g. Close coordination with all CIS key stakeholders worked well especially in the delivery of DII to the site. Success was due to the presence of a dedicated CIS expert in the project team who engaged early with CIS users and providers.
- h. It is recommended that any building undergoing any type of refurbishment has a full survey conducted as information provided by the site Regional Prime Contractor proved to be inaccurate. The absence of this caused an escalation in costs, time and manpower to complete some of the buildings. Also if the maintenance funding for a site is reduced to limited status this will cause a rapid deterioration of buildings that are due to be used by the new unit. This will result in extra expense getting that building back to the correct minimum standard for re-occupation. Further details to support this recommendation can be found in the move of HQ ARRC Lessons Identified report, which is at Enclosure A to this report.

44. The major learning points identified from the work that led to contract award for the Stafford projects were:

- a. Project staff must engage early with IAC Sec and the scrutiny community.
- b. Sufficient skilled and capable commercial and project management staff should be assigned to each project.
- c. Commercial documentation, evaluation criteria and scrutiny timelines should be agreed at the outset of the project by DIO, Defence Economics, CSDD and CLS and adhered to.
- d. Build standards and specifications should be understood and agreed at the outset of the project by DIO and the scrutiny community.
- e. The use of the Competitive Dialogue Process was not fully understood by commercial practitioners, project management staff, contractors or scrutineers, and its use created significant delays and restricted dialogue and engagement with the bidders. Full details underpinning this lesson can be found in the Lessons Identified for Stafford up to Contract Award report, which is at Enclosure B to this report.



f. Wider government involvement and requirements should be agreed and communicated at the outset of the project.

45. At Stafford the lessons identified showed that more work was necessary between MOD scrutiny branches and the DIO to agree build standards that will be applied for infrastructure projects, the commercial process and documentation that will be required and the evaluation methodology that will be used. In addition it was noted that a better understanding of the wider government engagement was necessary at all levels. Underpinning all of this was a requirement for a clearly defined and agreed commercial and scrutiny timetable that is achievable and fixed. These are lessons that the Centre of the Department could check have been learned so that the Army Basing Programme (and other infrastructure programmes/projects) are now supported by the best commercial and scrutiny practice, that build standards and evaluation methodology have been agreed in advance and are being applied consistently, and that wider government engagement is properly understood.

**Next Steps**

46. Lessons identified under the BORONA Programme have already been shared with the Army Basing Programme (ABP) and members of the BORONA team have transitioned to the ABP team ensuring greater coherence and certainty of best practice in ABP. Knowledge and experience gained by members of the BORONA team is also being shared with other Nexus<sup>22</sup> programmes at SRO and working levels.

**Transition to business as usual**

47. All of the early BORONA projects are already in the business as usual space. HQ ARRC has been located at Innsworth for over five years and the revamped 2<sup>nd</sup> administrative headquarters in Germany. HQ BFG has been in Bielefeld since 2013 and is successfully overseeing and regulating BFG Drawdown as part of the Army Basing Plan. Remaining work revolves around the settling of 1 and 16 Sig Regts in Stafford following their moves over the summer of 2015 and early feedback is positive. There are a number of non-financial benefits (as detailed in para 36 above) that HQ 11 Signal and West Midlands Brigade will manage, monitor and realise and the Army Basing Programme Board will oversee this work. Similarly there are a few remaining issues associated with the delivery of infrastructure at Beacon Barracks, Stafford that the brigade will now take forward as business as usual activity. Whilst Major General Dickinson will cease to be the SRO of BORONA he will continue as the Army's Director of Basing and Infrastructure and he will, therefore, retain an oversight of these issues.

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Army Basing Team,  
\_\_\_\_\_

4 Jan 16

22 Army 2020: Army Basing Programme, Army Reserve Development Programme, New Employment Model  
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Annexes:

- A Changes to Objectives and Timelines
- B Marginal Benefits
- C Scored Benefits and Marginal Costs

Enclosures:

- A Lessons Identified from the Move of HQ ARRC from Germany to Innsworth – BOFONA/04/01/01 dated 29 March 2011;
- B Lessons Identified up to Contract Award for Development of Beacon Barracks, Stafford dated 22 December 2014.

**BORONA PROGRAMME****GRADUATION REPORT – DECEMBER 2015****CHANGES TO OBJECTIVES AND TIMELINES**

- a. **Enquiry by Design (Ebd).** The use of Cosford was dependent on then extant proposals under the Defence Training Rationalisation Programme (DTR Package 1) to relocate Cosford based units to St Athan and free-up sufficient accommodation to house 1 Sig Bde and 102 Log Bde relocating from Germany. However, subsequent basing needs for DTR Package 2 presented a competing need for Cosford between DTR and BORONA. This was resolved by Defence Estates (DE) leading an Ebd in Dec 07 to determine the future best defence use for Cosford. The outcome, confirmed by the Investment Approval Board (IAB), led to Min AF's announcement on 31 Jan 08 that Cosford was the MOD's preferred site for the two brigades relocating from Germany.
- b. **HQ ARRC.** In Dec 07 approval was given to move HQ ARRC to Innsworth in 2009 subject to affordability. However, as part of Planning Round 2008 (PR08), it was decided that other defence priorities and operational commitments for HQ ARRC did not allow scope for the move in 2009. Further analytical work was undertaken and a realignment of the existing funding provision within HQ Land Forces meant that the move could proceed in 2010. On 15 May 08 Min AF announced that HQ ARRC and its intimate supporting elements would move to Innsworth in Gloucestershire in 2010.
- c. **Rebasing in Germany.** Following Min AF's announcement in May 08 the Joint Executive Steering Group (JESG)<sup>25</sup> initiated work to identify the most effective way of moving enduring units from the Rheindahlen Military Complex (RMC) and Munster Station. A basing plan<sup>26</sup> was approved by the Programme Board<sup>27</sup> that provided for a mix of units moving direct from the RMC to Gütersloh Garrison (Gütersloh, Herford and Bielefeld Stations), whilst others would double move via Münster and would relocate to accommodation in Gütersloh Garrison following the later move of 102 Log Bde to Cosford. The plan allowed for the early closure and hand back of Wegberg Station in 2010<sup>28</sup> as units were relocated to accommodation within the RMC vacated following the move of HQ ARRC and the downsizing of Dülmen Station<sup>29</sup>, including Wulfen Service Families Accommodation (SFA) in 2011.
- d. **MOD Stafford.** Further delay to DTR Package 1 meant that basing both 1 Sig Bde and 102 Log Bde at Cosford was no longer a valid assumption in time to achieve the BORONA aim of closing Rhine Garrison in 2014. Consequently, RP Centre agreed to re-profile funding during PR 09 which would enable the realisation of benefits to remain on track and the IAB approved the selection of MOD Stafford as the new preferred location for 1 Sig Bde. On 16 Jul 09 Min AF announced that Beacon Barracks in Stafford was the MOD's preferred UK site for 1 Sig Bde, with a view to occupation by

<sup>25</sup> Chaired by GOC HQ UKSCG (now HQ BEG) and reporting to the BORONA Programme Board.

<sup>26</sup> Programme BORONA (Germany) Joint Executive Steering Group (JESG) Information Note.

<sup>27</sup> UKSCG/Co/Comd/5-400/03 dated 19 Jan 09.

<sup>28</sup> BORONA Programme Board 21 Jan 09 – RODS dated 5 Feb 09.

<sup>29</sup> Less Rose Cottage (the mortuary) and the 2 x OSRs. These were handed back on 13 Dec 13 when the RMC was handed back to the Federal authorities.

<sup>30</sup> The site is also occupied by DSD AF1 and key services have been relocated to enable them to operate as an ISODEL, with the remainder of the site wind and weatherproofed. The intention is to close the storage and distribution depot in Dülmen by Q1 1st 2016.

2013. Min AF also announced that Cosford remained the preferred UK site for 102 Log Bde(-) but that delays to DTR meant that occupation would be from 2016

e. **Planning Round 10 (PR10).** On the 15 Mar 10, Min AF announced that approval had been given for the implementation of 26 minor works projects within Gutersloh Garrison, which would enable those RMC based units that remain in Germany in support of 1 (UK) Armd Div to vacate the RMC, leading to its closure by the end of 2014. The final closure of Rhine Garrison was dependent upon the later move of 1 Sig Bde (-) from Elmpt Station to UK. The moves from Münster to Gutersloh remained dependent on the prior move of 102 Log Bde to the UK, which would then allow for the closure and hand back of Münster Station. This approval also provided authority for the restructuring and disbandment of the 2<sup>nd</sup> administrative HQ in Germany, HQ UKSC(G), and would lead to the creation of a 1<sup>st</sup> led Germany Support Group (GSG), to be based in Germany and responsible for Firm Base delivery and the creation of a 1<sup>st</sup> led Overseas Support Group (OSG), to be based in UK and responsible for overseas policy and assurance issues.

f. Min AF also announced that due to other defence resource priorities it had been necessary to delay the moves of 1 Sig Bde(-) to Stafford and 102 Log Bde(-) to Cosford by two years. This meant that planning dates for these moves were adjusted to 2015 and 2018 respectively. It also meant that the procurement competition for the capital works at Beacon Barracks, which had started following the announcement on 16 Jul 09, was cancelled

g. **Strategic Defence and Security Review (SDSR).** On the 19 Oct 10 the Prime Minister announced in the SDSR statement that the Government was to accelerate the rebasing of British Forces from Germany aiming to return half by 2015 and the remainder by 2020. The BORONA Programme reacted decisively to this announcement and worked closely with Army HQ, HQ BFG and DIO to capitalise on estate and accommodation opportunities arising from the preliminary moves<sup>30</sup> out of Germany and to minimise project costs associated with the rebasing of units from Rhine Garrison in order to close and hand back the RMC by Apr 14. This has resulted in the cessation and cancellation of a significant number of minor works projects and allowed BORONA to capitalise on the early move of 7 Theatre Logistic Regiment (7 TLR) and the PR11 measure to disband HQ 24 Regt RLC by utilising vacated estate at Bielefeld.

h. A further consequence of the SDSR announcement was the need to retain a 2<sup>nd</sup> HQ in Germany and GOC UKSC<sup>31</sup> was directed by AG<sup>32</sup> to regulate all rebasing activity in Germany. This resulted in the suspension and eventual cessation of work to create the OSG and, whilst the GSG was created and work had begun to transfer responsibilities from HQ UKSC to it, this too was eventually cancelled and a 2<sup>nd</sup> regulatory HQ has now been established as HQ British Forces Germany (HQ BFG).

i. The other outcome of the SDSR announcement that affected the BORONA Programme was that HQ BFG and the other units relocating from the RMC would now be based solely in Bielefeld Station and not dispersed throughout Gutersloh Garrison, as originally planned. This, together with the preliminary moves decision not to replace the 1<sup>st</sup> Battalion The Yorkshire Regiment in Germany when it moves to Cyprus in summer 2013, means that the Programme was no longer reliant on the accommodation currently

<sup>30</sup> Implementation Order, Unit Move Amendments, Closure of Cells, and Army Occupation of Cottesmore LE/Plans/MOSS/18 dated 7 Feb 12

<sup>31</sup> On 9 May 10 HQ UKSC(G) became HQ UKSC in recognition of the HQ assuming command of the European Support Group (ESG), which extended its responsibilities beyond Germany

<sup>32</sup> LE/PSC/AG/1/114 dated 20 May 11

occupied by 102 Log Bde in Gütersloh Station and would allow for the early closure of Munster Station by Apr 14 and not in 2018/19 as originally planned<sup>33</sup>. In the event HQ BFG and other units relocated to Bielefeld Station in summer 2013 and the RMC was handed back to the German Federal authorities in Dec 13. This change and the decision not to replace the 1<sup>st</sup> Battalion The Yorkshire Regiment in Germany meant that York Barracks, Münster was handed back on 13 Nov 12 and Oxford Bks. Munster was handed back on 14 Nov 13 completing the closure of Munster Station four months earlier than planned.

j. **Defence Transformation and Planning Round 11 (PR11).** One of the PR 11 options was to disband 7 Sig Regt in 2012, which meant that it would no longer relocate to Stafford with 16 Sig Regt in 2015. In order to capitalise on earlier work it was agreed that the other signal regiment in Germany, 1 ADSR based in Herford, would relocate to Stafford in 2015. On 18 Jul 11, in his Defence Transformation statement, the Secretary of State for Defence confirmed that the two signal regiments currently in Germany would relocate to Stafford. Following this announcement the Investment Approvals Committee (IAC – formerly the IAB) approved, on 27 Jul 11 the re-commencement of the procurement competition for the capital works at Beacon Barracks. As a result of that competition the Minister for International Security Strategy (Min ISS) announced on 30 Oct 13 that the MOD had awarded a contract to Lend Lease Construction (EMEA) Ltd for the redevelopment of Beacon Barracks. Subsequently, on 9 Jan 14, the MOD awarded a separate contract to Lovell Partnerships Ltd to build Service Families' Accommodation (SFA) on MOD-owned land adjacent to Beacon Barracks (known locally as Site 1) for the personnel from the signal regiments when they relocate from Germany.

k. **Celle Station.** Although not originally in the BORONA portfolio the Preliminary Moves Implementation Order<sup>34</sup> made the Programme responsible for closure costs of Celle Station on the basis that funds would be in the form of a loan until a proper funding footing was arranged as part of PR 12. A funding solution did not emerge during PR 12 and the BORONA Programme Board on 15 Jun 12 agreed that the closure of Celle Station be formally added to the BORONA portfolio.<sup>35</sup>

l. **Army Basing Plan Announcement.** On 5 Mar 13 the Secretary of State for Defence announced the Army Basing Plan, which set out the future basing laydown for the Army and detailed which units would relocate and when. As part of the Army Basing Plan the move of HQ 102 Log Bde was advanced to 2015 and it would be based at Grantham. Additionally, its subordinate units would relocate to a number of locations throughout the UK. Following the announcement the Army Basing Programme was established and it was agreed that responsibility for the move of 102 Log Bde would be removed from the BORONA Programme and that it would be delivered under the Army Basing Programme portfolio.

<sup>33</sup> Münster Station has been handed back to the Federal authorities. York Barracks was handed back on 13 Nov 12 and Oxford Barracks was handed back on 14 Nov 13.

<sup>34</sup> Implementation Order: Unit Move Amendments: Closure of Celle and Army Occupation of Conesmore. EE-Plans/MOSS/18, dated 7 Feb 12.

<sup>35</sup> Celle Station was closed and handed back to the Federal authorities on 9 Nov 12.

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Marginal Benefits – Source 2015/16 Q2 DMPP Report

4.2 Marginal Benefits (MBs)																	
Marginal Benefits FORECAST																	
No. of previous years	No. of future years	Last Year	Previous Year	Current Year	Next 10 Years					10 Year Total	Future Years	Whole Life Total					
					2014/15	2015/16	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22	2022/23	2023/24
		79,278	79,278	84,417	84,068	98,594	109,853	112,131	114,284	117,576	120,516	123,581	126,671	129,837	133,011	1012,655	2,382,379
		0.000	0.000														
		79,278	79,278	84,068	84,068	98,584	109,853	112,131	114,284	117,576	120,516	123,581	126,671	129,837	133,011	1012,655	2,382,379
		0.000	0.000														
		79,278	79,278	84,417	84,068	98,594	109,853	112,131	114,284	117,576	120,516	123,581	126,671	129,837	133,011	1012,655	2,382,379
		0.000	0.000														
<b>Marginal Benefits TARGET</b>																	
No. of previous years	No. of future years	Last Year	Previous Year	Current Year	Next 10 Years					10 Year Total	Future Years	Whole Life Total					
					2014/15	2015/16	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22	2022/23	2023/24
		28,109	28,109	36,506	47,628	68,228	80,571	101,829	104,375	106,964	109,659	112,400	115,210	118,090	120,990	964,974	1,976,029
		0.000	0.000														
		28,109	28,109	36,506	47,628	68,228	80,571	101,829	104,375	106,964	109,659	112,400	115,210	118,090	120,990	964,974	1,976,029
		0.000	0.000														
		28,109	28,109	36,506	47,628	68,228	80,571	101,829	104,375	106,964	109,659	112,400	115,210	118,090	120,990	964,974	1,976,029
		0.000	0.000														
<b>Marginal Benefits VARIANCE</b>																	
No. of previous years	No. of future years	Last Year	Previous Year	Current Year	Next 10 Years					10 Year Total	Future Years	Whole Life Total					
					2014/15	2015/16	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22	2022/23	2023/24
		31,169	41,043	41,911	36,440	31,366	29,282	10,302	9,909	10,582	10,857	11,181	11,461	11,737	12,013	99,090	406,350
		0.000	0.000														
		31,169	41,043	41,911	36,440	31,366	29,282	10,302	9,909	10,582	10,857	11,181	11,461	11,737	12,013	99,090	406,350
		0.000	0.000														

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Scored Benefits – Source 2015/16 Q2 DMPP Report

PROGRAMMED BENEFITS (scored to CT) (EMs)

No. of Previous Years	Previous - Last		Current		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	10 Year Total	Whole Life Total
	Years	Year	Year	Year									
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	
RDLEL	92,726	90,133	95,306	97,271	100,128	102,752	105,411	107,994	110,694	113,467	116,304		947,857
CDLEL	0	0	0	0	0	0	0	0	0	0	0	0	1,226,326
TOTAL	92,726	90,133	95,306	97,271	100,128	102,752	105,411	107,994	110,694	113,467	116,304		949,083

Marginal Costs – Source 2015/16 Q2 DMPP Report

Marginal Costs EM

Target	CDLEL	Total	Previous Year				Current Year				Next 10 Years						10 Year Total	Whole Life Total
			2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26				
RDLEL	34,169	112,051	1,147	1,173	1,200	1,231	1,261	1,291	1,321	1,351	1,381	1,411	1,441	1,471	1,501	3,602	40,028	
CDLEL	0	140,200	128,520	15,735	2,090	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	12,500	259,644	
Total	34,169	252,251	139,640	163,065	162,290	162,480	162,480	162,480	162,480	162,480	162,480	162,480	162,480	162,480	162,480	15,102	289,672	
Forecast	RDLEL	19,561	1,147	1,173	1,200	1,231	1,261	1,291	1,321	1,351	1,381	1,411	1,441	1,471	1,501	3,330	259,616	
CDLEL	119,744	114,662	30,855	1,015	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	12,500	267,526	
Total	139,305	115,777	31,997	2,186	2,450	2,481	2,511	2,541	2,571	2,601	2,631	2,661	2,691	2,721	2,751	15,830	297,142	
Variance	RDLEL	14,608	13,858	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	10,650	14,608	
CDLEL	0	131,638	106,682	16,300	1,185	1,185	1,185	1,185	1,185	1,185	1,185	1,185	1,185	1,185	1,185	11,850	282,534	
Total	14,608	243,376	118,140	17,445	3,635	3,666	3,696	3,726	3,756	3,786	3,816	3,846	3,876	3,906	3,936	22,480	301,776	

## LESSONS LEARNED WORKSHOP

1. There were no RoDs produced following the working group however the following points were discussed and passed to the RAF Valley Project Team.
  - a. **Contract Award.** [REDACTED] Valley was openly competed to gain the interest of companies with experience of runway projects.
  - b. **Construction Method.** [REDACTED] Valley is using 'design and build' which provides the contractor with more flexibility and there is a consequent risk transfer to the contractor.
  - c. **Communication.** The role of SAPT interfacing with AIR was recognised and has been implemented; a Stakeholder Management Plan for Valley has been produced as have Project Board ToRs and composition.
  - d. **AP support.** It was identified that there is a need to ensure the contractor recognises AP Support lead times and produces the correct paperwork as soon as possible to ensure the correct support is provided
  - e. **Programme.** A detailed 'Risk Assessment' to be undertaken prior to implementation of any changes to any flight patterns. Any change to flight patterns to be approved by the AOC. All issued and implemented CEs are to be incorporated into the programme. The DIO project team are to provide any duration for third party activities, such as RHAGs/ILS, for the contractor to insert into the programme.
  - f. **Compensation Events.** The Framework Management Team are to consider whether proprietary software for tracking CEs should be purchased and/or licenses obtained. PSP QS Cost Reports to capture all costs whether provided by the contractor or not.
  - g. **NEC 3.** Confirmed the right option had been selected for Valley.