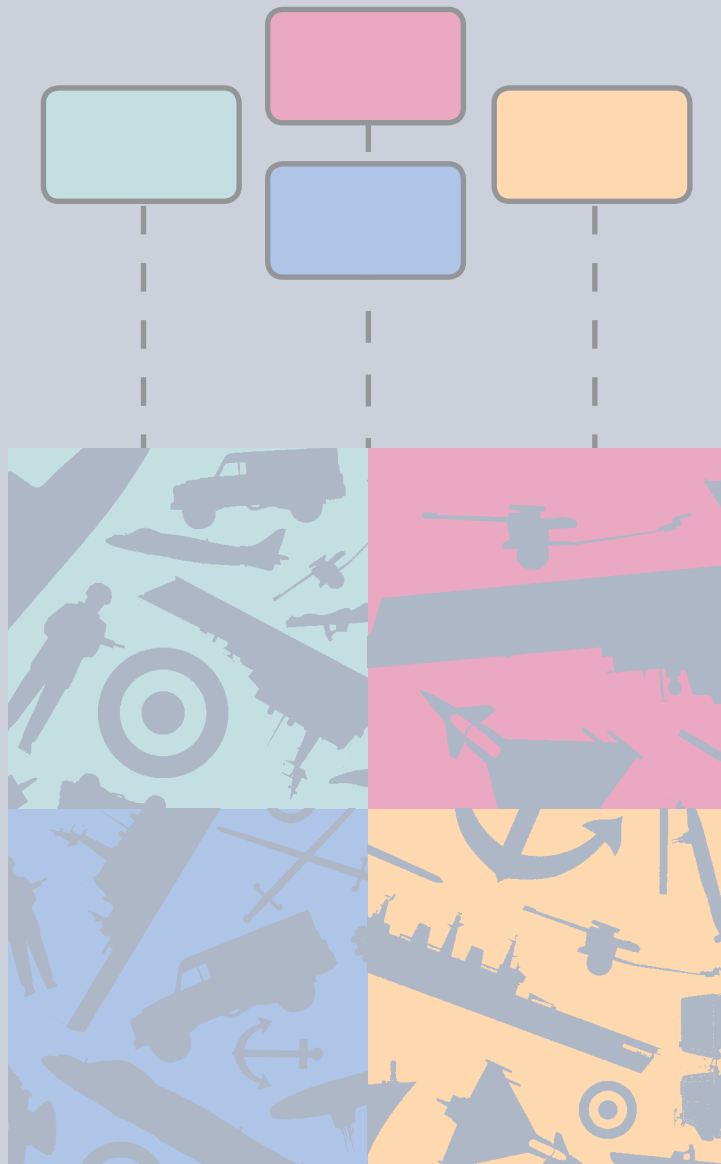




Ministry of Defence Defence Plan 2007



The Defence Management Board



Mr Bill Jeffrey
Permanent Under Secretary of State



Air Chief Marshal Sir Jock Stirrup
Chief of the Defence Staff



Mr Charles Miller Smith
Non Executive Member



Admiral Sir Jonathon Band
First Sea Lord and Chief of the Naval Staff



General Sir Richard Dannatt
Chief of the General Staff



Air Chief Marshal Sir Glenn Torpy
Chief of the Air Staff



General Sir Timothy Granville-Chapman
Vice Chief of the Defence Staff



Sir Ian Andrews
2nd Permanent Under Secretary of State



Professor Sir Roy Anderson
Chief Scientific Adviser



General Sir Kevin O'Donoghue
Chief of Defence Materiel



Mrs Philippa Foster Back
Non Executive Member



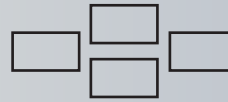
Mr Paul Skinner
Non Executive Member



Mr Ian Rushby
Non Executive Member



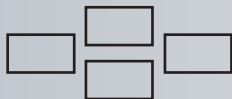
Mr Trevor Woolley
Finance Director



Ministry of Defence Defence Plan 2007

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Foreword

This Plan sets out the Defence objectives for the financial year 2007/08. Our Plan normally covers a 4 year period but since the Comprehensive Spending Review covering the period 2008 – 2011 is still underway we have decided to publish a single year Plan. We shall publish our next Plan, reflecting the outcome of the CSR, in spring 2008.

Our over-riding priority in conjunction with other Government departments and the international community is;

To support the Government in achieving strategic success in current operations, particularly in Iraq and Afghanistan.

This requires a responsive and flexible approach to the delivery of capability that both supports and anticipates operational change. We are committed to a high tempo of operations and will remain so well into the period covered by this Plan.

Beyond this we continue to work to deliver the Defence Vision (see right). We have a very ambitious programme of behavioural and organisational change underway – ranging from delivering the Defence Industrial Strategy, through the large array of changes to our processes and systems to the changes which we have set in hand following the publication of the Department's Capability Review. Brief details of these programmes are set out in the relevant sections of this Plan.

Major structural improvements planned for this year include:

- ◆ embedding the full range of changes to acquisition practices embraced by the Defence Acquisition Change Programme, including the evolution of our new equipment and support organisation, Defence Equipment and Support, formed on 2 April 2007 from the Defence Procurement Agency and Defence Logistics Organisation;
- ◆ streamlining the management of Defence, including the Head Office and its relationship with the Commands;
- ◆ delivering many legacy elements of the Defence Change Programme, and;
- ◆ completing the roll out of our new HR systems to the three Services (Joint Personnel Administration) and our civilian staff (Human Resources Management System).

In this Plan we have set out the Strategic Context, our management structure and approach and the specific objectives we have set ourselves. These are grouped into four 'perspectives' or themes: our Purpose; the Future; Enabling Processes; and Resources. We are clear that we shall only achieve the Vision if we deliver against these specific objectives. We shall assess our performance against them on a quarterly basis through the year at our Board meetings; and we shall report our performance publicly at the end of the year in our Annual Report and Accounts.

Bill Jeffrey CB

Permanent Under Secretary of State

Air Chief Marshal Sir Jock Stirrup

GCB AFC ADC FRAes FCMI RAF

Chief of the Defence Staff

The Defence Vision

Defending the United Kingdom and its interests.

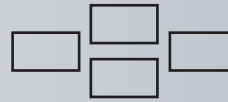
Strengthening international peace and stability.

A force for good in the world.

We achieve this aim by working together on our core task to produce battle-winning people and equipment that are:

- ◆ Fit for the challenge of today.
- ◆ Ready for the tasks of tomorrow.
- ◆ Capable of building for the future.





Introduction

The Defence Vision is underpinned by the Defence Aim. This is:

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

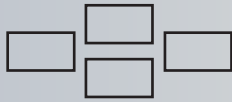
The task of the Defence Management Board is to deliver the Defence Aim, making the most cost-effective use of the resources that the Government provides, through pursuing the three top-level Departmental objectives:

- ◆ Achieve success in the military tasks we undertake, at home and abroad.
- ◆ Be ready to respond to tasks that might arise.
- ◆ Build for the future.

The Plan is laid out in three sections:

- ◆ Section I summarises the strategic context and outlines our priorities for action;
- ◆ Section II details our strategic management organisation – how we manage Defence performance, mitigate risk and ensure performance is reported appropriately, and;
- ◆ Section III sets out the Defence objectives using the Defence Balanced Scorecard.

A range of changes have been incorporated in this Plan, which replaces the last Plan published in 2005. The Scorecard framework on which the Plan is based has been updated to reflect changes in top-level priorities and new initiatives, such as the creation of the new Defence Equipment and Support organisation. It has also been reduced in volume and streamlined to make it more coherent. The strategic context section is intended to clarify the linkages between strategy and plan and the strategic management section has also been updated to remove any duplication with the Departmental Framework document.



Section I – Strategic Context

Having taken account of changing circumstances since 1998 ...

Since our Strategic Defence Review¹ (SDR) in 1998, we have been adapting our Armed Forces to meet the security challenges facing the UK in the post-Cold War world. The nature of recent – and current – operations has borne out the underlying judgement, in the SDR and our subsequent policy papers, that the UK needs flexible, adaptable and deployable forces with a balanced range of capabilities.

We have proven our effectiveness in recent years by our ability to tackle threats to our security – most notably in Iraq and Afghanistan. We have also undertaken humanitarian operations, most recently in Lebanon and Pakistan.

... and the challenges we predict in the future ...

Our White Paper 'Delivering Security in a Changing World'² (including our 'Future Capabilities' Paper³ published in July 2004) concluded that international terrorism, proliferation of Weapons of Mass Destruction (WMD), and failed and failing states will continue to pose major security challenges for the UK.

Since the publication of these Papers, we have sought to understand how the future security environment will be complicated by factors such as climate change, energy security, resource scarcity, population growth and migration, international organised crime and technological developments. These trends will present security challenges of their own as well as exacerbating the more familiar threats of WMD, international terrorism, weak or failing states, humanitarian crises and the conflict and instability that may result.

Our Armed Forces will need to be flexible enough to respond to the range of security challenges we can envisage. We will need armed forces who are quick to deploy, and effective and versatile in theatre.

... Our Defence Aim remains unchanged. Reflecting the current situation, our principal effort is:

"... in conjunction with other government departments and the international community... to support the Government in achieving strategic success in current operations, particularly in Iraq and Afghanistan."

Defence Management Board Priorities - 23 October 2006

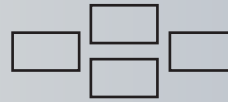
Throughout 2007/2008, we will continue to deliver the Public Service Agreement and efficiency improvements set out in 2004 ...

For the duration of this one year plan, the Department's extant Public Service Agreement (PSA) 2005/06 to 2007/08 will remain in effect. New PSA targets and Departmental Strategic Objectives (DSOs) will be agreed in the course of the Government's Comprehensive Spending Review 2007 and will be incorporated in the next Defence Plan.

1 The Strategic Defence Review July 1998 Cm 3999 available at www.mod.uk

2 Delivering Security in a Changing World Defence White Paper December 2003 Cm 6041-1 available at www.mod.uk

3 Delivering Security in a Changing World: Future Capabilities July 2004 Cm 6269 available at www.mod.uk



The Defence Aim is reflected in the three top-level objectives and six targets of the Department's current PSA. The objectives cover the range of Departmental activity and the targets are focussed on a number of key areas where we have set out delivery priorities.

MOD Public Service Agreement 2005/06 to 2007/08

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

1. Achieve the objectives established by ministers for operations and military tasks in which the United Kingdom's Armed Forces are involved, including those providing support to our civil communities.
2. By 2008, deliver improved effectiveness of UK and international support for conflict prevention by addressing long-term structural causes of conflict, managing regional and national tension and violence, and supporting post-conflict reconstruction, where the UK can make a significant contribution, in particular Africa, Asia, Balkans and the Middle East.
(Joint target with the Foreign and Commonwealth Office and the Department for International Development.)

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

3. Generate forces which can be deployed, sustained and recovered at the scales of effort required to meet the Government's strategic objectives.
4. Play a leading role in the development of the European Security Agenda, and enhance capabilities to undertake timely and effective security operations, by successfully encouraging a more efficient and effective NATO, a more coherent and effective European Security and Defence Policy (ESDP) operating in strategic partnership with NATO, and enhanced European defence capabilities.
(Joint target with the Foreign and Commonwealth Office.)
5. Recruit, train, motivate and retain sufficient military personnel to provide the military capability necessary to meet the Government's strategic objectives.

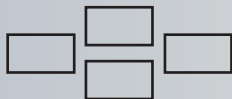
Objective III: Build for the future.

6. Deliver the equipment programme to cost and time.

Each PSA target is identified and incorporated within the objectives set out in this Plan.

In line with Spending Review 2004, the MoD is committed to efficiency improvements of at least 2.5% of the total Defence budget for each of the three years of the Spending Review 2004 period, amounting to £2.83bn by 2007/08.

These efficiencies are being delivered through a combination of programmes within the Defence Change Programme and other initiatives.

**As an organisation, we remain committed to looking after our people ...**

Underpinning all of this are the people of the Armed Forces and our civilian workforce. We will continue to support them and their families through, for example, fair and well-targeted pay and raising welfare provision. We are improving living accommodation, albeit less quickly than we would wish.

Looking after our people includes providing them with the equipment they need to do the job. Harsh and increasingly manpower intensive operating environments and the evolving capabilities of our adversaries have increased the threat that our forces face on operations. We must continue to support and protect those who risk their lives to deliver security to the citizens of this country. The proper protection of our forces on operations is one of our top priorities.

... as well as ensuring that we are an efficient, streamlined organisation delivering value for taxpayer's money.

We intend to make every pound count for Defence, and will continue with the extensive change and efficiency programme that we have put in place to help us achieve this.

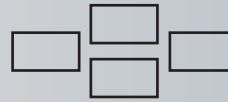
We will continue with the implementation of our Defence Industrial Strategy, published in 2005. This takes forward our Defence Industrial Policy, published in 2002, by providing greater transparency of our future Defence requirements and, for the first time, setting out those industrial capabilities we need in the UK to ensure that we can continue to operate and develop our equipment in the way we choose. The Defence Industrial Strategy recognises the important contribution that the defence industry makes to delivering military capability and the clarity provided in the Strategy will continue, we believe, to promote a dynamic, sustainable and globally-competitive defence manufacturing sector. As part of this work we have made major changes to the way we plan and resource equipment acquisition, including setting up Defence Equipment and Support, a single organisation that unites the functions of the former Defence Logistics Organisation and Defence Procurement Agency.

More broadly, we will continue to make changes to improve our organisation. During the life of this Plan we will complete several programmes: the Joint Personnel Administration programme which will improve the administration of our military staff; the Human Resources Management System for our civilian staff; and Defence Information Infrastructure, which will provide key Information Technology infrastructure.

The Departmental Capability Review was published on 27 March 2007. This assessed the Department in terms of strategy, leadership and delivery. Its conclusions recognised the clarity of purpose that we have as an organisation and commented positively on the extent to which we are on course to meet our PSA targets, on our existing change programmes and on the far reaching programme we have to improve acquisition skills and performance.

The Review team also identified areas which we need to improve. The biggest challenge the Department faces is to maintain focus on current operations, while at the same time keeping longer-term strategic thinking fresh and building for the future. The actions that, with Ministers, we now intend to take during FY07/08 reflect the Review findings in four key areas:

- ◆ We will strengthen the corporate leadership of the Department;
- ◆ We will clarify and simplify our operating model, streamline the management of defence, including the Head Office, and reduce costs at the centre;
- ◆ We will work more closely and effectively with other departments, and;
- ◆ We will redouble our efforts to build the capability of our people.



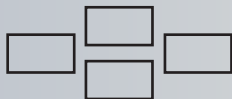
We are committed to delivering, with our partners across Whitehall and beyond, joined-up security responses...

The UK has a long tradition of working closely in alliances and with partners including the UN, NATO, EU and others. We will continue to play a leading role within these structures as we respond to the challenges of the future. The importance of our relationship with the US will not diminish.

Delivering security, whether at home or abroad, is not the business of any one department. It relies on a comprehensive understanding of conflict and insecurity, and demands the coordinated application of the full range of governmental and non-governmental capabilities. Our experiences in Iraq, Afghanistan and the ongoing campaign against international terrorism have shown this to be the case.

... but we remain clear about the role of our Armed Forces.

The UK's Armed Forces exist to defend its citizens and its interests, working alongside other Government departments to deliver the Government's wider security objectives at home and overseas. Future uncertainty means that flexible and adaptable expeditionary capability will remain at the heart of our defence policy. This is what Defence Plan 2007 is designed to enable us to deliver, now and in the future.



Section II - Strategic Management

Management and Organisation

The Ministry of Defence (MoD) is both a Department of State and a joint military headquarters. Members of the Armed Forces are fully engaged in every aspect of the Department's work – from policy formulation to delivery – and the Department's civil servants are equally engaged in all aspects of activity from supporting Ministers to working with the Armed Forces on operations. It is by working together as one team and with one purpose that the Department is able to achieve success in the tasks it undertakes.

The Defence Management Board is the MoD's senior executive official committee. It is chaired by the Permanent Under Secretary and provides senior level leadership and top-level management of Defence. The members of the Defence Management Board are shown on the inside cover of this Plan. The Defence Plan is the Board's plan and sets out what is required to deliver the Defence Aim.

Military operations are the responsibility of the Chief of Defence Staff, drawing on the advice of the three single Service Chiefs of Staff, within the Chiefs of Staff Committee, and the support of the Department as a whole. The three Chiefs of Staff also have individual responsibility for leading their individual Services, and have their own Service Executive Committees to conduct the day-to-day business of managing their Service.

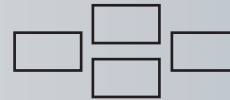
Defence activity is managed through nine Top Level Budget (TLB) holders and five Trading Funds. The Permanent Under Secretary grants each TLB holder extensive delegated powers over personnel, infrastructure and budget. Each TLB holder has a Service Delivery Agreement (SDA) with the Permanent Under Secretary and the Chief of the Defence Staff, which specifies: the outputs required of the TLB; the resources that are provided to deliver those outputs; and the financial, personnel, commercial and other authority delegated to the TLB holder by the Permanent Under Secretary. SDAs include TLB performance targets, which are derived from the objectives and targets in this plan.

To manage end-to-end processes cutting across TLB boundaries and involving people from a wide range of organisations, such as Service personnel management, the Department also has a Business Management System. This has senior level 'process owners' responsible to the Defence Management Board for the efficient and effective conduct of their 'processes'.

The organisation, governance and business management of the MoD are detailed in the MoD Departmental Framework document which is available on the MoD's website.

Performance Management

We use the Defence Balanced Scorecard to manage our performance against the objectives set in this Plan. The Defence Management Board reviews performance against the Scorecard objectives every quarter alongside details of the emerging financial position for the year. By tracking progress against the objectives in this Plan, the Scorecard focuses the Defence Management Board's attention on what is important in delivering output and achieving results, and on areas where we might be falling behind so that the Board can take action. The Defence Balanced Scorecard is underpinned by scorecards at Service Executive Committee and TLB level, and more generally across the Department.



Risk Management

Effective management of risk is crucial to the delivery of the Defence Aim. The Defence Management Board considers risk on two levels: strategic risks ('top-down') which are set by the context within which Defence operates; and risks to the achievement of the objectives set out in the Plan ('bottom-up' risks).

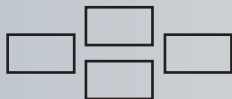
Strategic risks have been categorised into six realms and two are considered by the Defence Management Board each quarter. For each of these realms a Board Member leads work in the area, supported by a second Board Member, in the role of 'inquisitor'. The leader is responsible to the Board for the assessment and management of the risks within their realm and to raise issues to the Board as the need arises. The inquisitor's role is to challenge the leader and encourage debate in the Board. Responsibilities are as follows:

Strategic Risk Realm	Leader	Inquisitor
Operational or other failure	Chief of Defence Staff	Non-Executive Director
Making the Defence Case	Vice Chief of Defence Staff	Finance Director
Departmental decision making	2nd Permanent Under-Secretary	Chief of the General Staff
Attracting and keeping talent	Chief of the Naval Staff	Non-Executive Director
Maximising technological opportunities whilst minimising vulnerabilities	Chief Scientific Adviser	Chief of Defence Materiel
Perception of the Armed Forces – at home and abroad	Chief of the Air Staff	Non-Executive Director

Risks to the achievement of this Plan are presented to the Defence Management Board in the Quarterly Performance Report, alongside the Defence Balanced Scorecard. The Board will consider whether any of these 'bottom-up' risks are sufficiently serious to merit specific action by the Board or inclusion in the strategic risk register.

Performance Reporting

Specific performance information collected for the Defence Balanced Scorecard is used to prepare both the Defence Management Board's performance reviews and quarterly external reports of progress against the Department's Public Service Agreement targets. The latter are published on the MoD and Treasury websites. A full account to Parliament of Departmental performance, covering performance against all MoD's objectives and priorities, internal (as set out in the Defence Balanced Scorecard) and external (as set out in the PSA), is published in the Ministry of Defence Annual Report and Accounts. Copies can be found on the MOD website www.mod.uk.



Section III - Defence Balanced Scorecard

The Defence Balanced Scorecard for 2007-08 is shown below. The objectives that form the Defence Plan are shown in italics and are described in detail in subsequent pages.

<p>PURPOSE <i>Are we fit for the challenges of today and ready for the tasks of tomorrow?</i></p>
<p>A. Current Operations: Succeed in operations and Military Tasks today.</p> <p>B. Readiness: Be ready for the tasks of tomorrow.</p> <p>C. Policy: Work with allies, other governments and multilateral institutions to provide a security framework that matches new threats and instabilities.</p> <p>D. Defence in the Wider Community: Work with other Government departments to contribute to the Government's wider agenda, including on Sustainable Development.</p>

<p>RESOURCES <i>Are we using and developing our resources to best effect?</i></p>
<p>E. People: Manage our people to provide sufficient, capable and motivated Service and civilian personnel.</p> <p>F. Finance and Efficiency: Maximise our outputs within allocated financial resources.</p> <p>G. Estate: Maintain and develop estate infrastructure of the right capability and quality.</p>

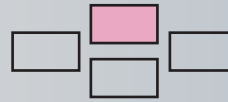
Defending the United Kingdom and its interests

Strengthening international peace and stability

A force for good in the world

<p>ENABLING PROCESSES <i>Are we efficient, responsible and respected?</i></p>
<p>H. Equipment and Support: Equip, support and sustain our Armed Forces.</p> <p>I. Safety, Security, Business Continuity: Enable safe, secure and resilient operational capability.</p> <p>J. Reputation: Enhance our reputation amongst our own people and externally.</p>

<p>FUTURE <i>Are we building for the future?</i></p>
<p>K. Future Capabilities: Develop the capabilities required to meet the tasks of tomorrow.</p> <p>L. Change: Develop flexible and efficient organisations, processes and behaviour to support the Armed Forces.</p> <p>M. Future Personnel: Deliver the personnel plans to meet the needs of current and future tasks.</p>



Purpose

Aim

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.

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;
- ◆ developing policy objectives that match new threats and instabilities and support the UK's foreign and security interests;
- ◆ contributing effectively with other Government departments to the Government's wider agenda.

Current Operations

Objective:

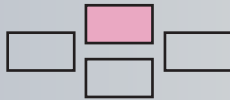
Succeed in operations and Military Tasks today.

PSA Target 1: Achieve the objectives established by Ministers for operations and military tasks in which the United Kingdom's forces are involved, including those providing support to our civil communities.

The MoD will undertake standing and contingent Military Tasks, including contingent operations at home and overseas, as directed by the Government. Operations in and around the United Kingdom will normally be directed by the Front Line Commands. Contingent operations overseas will normally be directed by the Chief of Joint Operations, with trained and equipped forces provided by the Front Line Commands. The additional costs of these contingent operations will normally be met from the Government's Conflict Prevention Pools or from the Contingency Reserve.

The MoD's principal effort in the immediate term, in conjunction with other Government departments and the international community, is

to support the Government in achieving strategic success in current operations, particularly in Iraq and Afghanistan.



During the period of this plan, we will:

- ◆ succeed in the operations and Military Tasks we are currently undertaking;

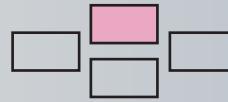
Operational Success	
Sub-objective	Achieve the objectives established by Ministers for operations and other Military Tasks, as set out in the Chief of Defence Staff Directive for each operation.
Delivery Responsibility	Chief of Defence Staff
Reporting Responsibility	Deputy Chief of Defence Staff (Commitments)
Associated Service Delivery Agreement	Commanders in Chief Fleet, Land and Air, Chief of Joint Operations, Vice Chief of the Defence Staff/2nd Permanent Under Secretary

- ◆ monitor the proportion of the Armed Forces undertaking operations and Military Tasks;

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 (Commitments)
Associated Service Delivery Agreement	Commanders in Chief Fleet, Land and Air, Chief of Joint Operations, Vice Chief of the Defence Staff/2nd Permanent Under Secretary

- ◆ generate and sustain the capabilities we need to conduct the operations that we are currently undertaking and planning;

Generate and Sustain Capability	
Sub-objective	Generate and sustain the necessary capability to conduct current and planned operations and Military Tasks.
Delivery Responsibility	Chief of Defence Staff
Reporting Responsibility	Deputy Chief of Defence Staff (Commitments)
Associated Service Delivery Agreement	Commanders in Chief Fleet, Land and Air, Chief of Joint Operations, Chief of Defence Materiel, Vice Chief of the Defence Staff/2nd Permanent Under Secretary



- ◆ monitor our residual capability to conduct any additional operations.

Residual Capability	
Sub-objective	Monitor the capability to generate the Joint Rapid Reaction Force (JRRF) and assess JRRF capability against generic planning scenarios.
Delivery Responsibility	Chief of Defence Staff
Reporting Responsibility	Deputy Chief of Defence Staff (Commitments)
Associated Service Delivery Agreement	Commanders in Chief Fleet, Land and Air Chief of Joint Operations Chief of Defence Materiel Vice Chief of the Defence Staff/2nd Permanent Under Secretary

Readiness

Objective:

Be ready for the tasks of tomorrow.

Our Armed Forces are currently 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 current operations, to undertake further tasks that might be required - when we have the capacity to do so.

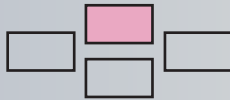
Forces will therefore be maintained at a variety of states of preparedness – what we call Readiness. This is the central task of the Front Line Commands and is what they are funded to deliver. They provide military capability through ensuring that Force Elements are at their required readiness condition with the right personnel, effective equipment and logistic support, and trained to operate with other units as required for their primary role.

PSA Target 3: Generate forces, which can be deployed, sustained and recovered at the scales of effort required to meet the Government’s strategic objectives.

During the period of this Plan, we will:

- ◆ achieve the required funded readiness states for Force Elements;

Funded Readiness	
Sub-objective	Achieve funded readiness states for Force Elements, against the requirements laid down by MoD Centre and the standards set out by individual services for manpower, equipment, collective training and logistics support
Delivery Responsibility	Commanders in Chief Fleet, Land and Air, Chief of Defence Materiel Chief of Defence Intelligence Chief of Joint Operations Director of Special Forces
Reporting Responsibility	Deputy Chief of Defence Staff (Commitments)
Associated Service Delivery Agreement	Commanders in Chief Fleet, Land and Air Chief of Defence Materiel Chief of Joint Operations Vice Chief of the Defence Staff/2nd Permanent Under Secretary



- ◆ if required, and with the provision of additional funds, generate, deploy, sustain and recover Force Elements (from their funded readiness state) for contingent operations, at any scale of effort up to the most demanding set out in Defence Planning Assumptions ⁴;

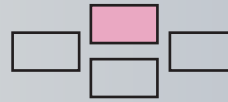
Readiness Against Planning Assumptions	
Sub-objective	Be able to generate, deploy, sustain and recover the Force Elements necessary to conduct the most demanding set of contingent operations that are envisaged in Defence Planning Assumptions
Delivery Responsibility	Commanders in Chief Fleet, Land and Air Chief of Defence Materiel Chief of Defence Intelligence Chief of Joint Operations Director Special Forces
Reporting Responsibility	Deputy Chief of Defence Staff (Commitments)
Associated Service Delivery Agreement	Commanders in Chief Fleet, Land and Air Chief of Defence Materiel Chief of Joint Operations Vice Chief of the Defence Staff/2nd Permanent Under Secretary

- ◆ complete the higher level training that is needed to ensure that military headquarters staff and Force Elements are able fully to contribute to joint effect, across the complete spectrum of funded roles and scales of effort.

Higher Level Training	
Sub-objective	Conduct the joint training necessary to achieve the required readiness standards ⁵ for contingent operations across the full spectrum of roles.
Delivery Responsibility	Commanders in Chief Fleet, Land and Air Chief of Joint Operations Director Special Forces
Reporting Responsibility	Deputy Chief of Defence Staff (Commitments)
Associated Service Delivery Agreement	Commanders in Chief Fleet, Land and Air Chief of Joint Operations Vice Chief of the Defence Staff/2nd Permanent Under Secretary

4 An enduring Medium Scale peace support operation plus a limited duration Medium Scale intervention operation simultaneously with a Small Scale peace support operation.

5 Including both the funded requirement and the training needed to support the capability set out in our Planning Assumptions.



Policy

Objective:

Work with allies, other governments and multilateral institutions to provide a security framework that matches new threats and instabilities.

In conjunction with other Government departments, the MoD will play leading roles in the development of the UK's global counter-terrorism strategy, the work to counter the threat of Weapons of Mass Destruction, the delivery of effective conflict prevention initiatives and the development of defence relations.

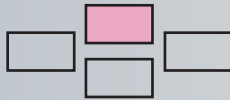
PSA Target 2: By 2008, deliver improved effectiveness of UK and international support for conflict prevention by addressing long-term structural causes of conflict, managing regional and national tension and violence, and supporting post-conflict reconstruction, where the UK can make a significant contribution, in particular Africa, Asia, Balkans and the Middle East. (Joint target with the Foreign and Commonwealth Office and the Department for International Development).

PSA Target 4: Play a leading role in the development of the European security agenda, and enhance capabilities to undertake timely and effective security operations, by successfully encouraging a more efficient and effective NATO, a more coherent and effective European Security and Defence Policy (ESDP) operating in strategic partnership with NATO, and enhanced European defence capabilities. (Joint target with the Foreign and Commonwealth Office.)

During the period of this Plan, we will:

- ◆ contribute to the development and implementation of the Government's Global Counter-Terrorism strategy;

Global Counter-Terrorism strategy	
Sub-objectives	Develop and influence cross-Government Global Counter-Terrorism planning, develop coherence with US Counter-Terrorism policy and plans, and ensure the availability, to allies, of sufficient UK military training capacity
Delivery Responsibility	Policy Director
Reporting Responsibility	Policy Director
Associated Service Delivery Agreement	Vice Chief of Defence Staff/2nd Permanent Under Secretary



- ◆ work with other Government departments to counter the threat from Weapons of Mass Destruction;

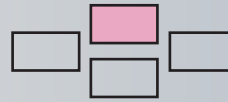
Countering the Threat from Weapons of Mass Destruction	
Sub-objectives	Counter the illicit transportation of Weapons of Mass Destruction and related devices, assist the Chemical Weapons Destruction Programme in Russia, participate in arms control treaties and regimes, and maintain a credible and effective nuclear deterrence policy for UK and NATO purposes
Delivery Responsibility	Policy Director
Reporting Responsibility	Policy Director
Associated Service Delivery Agreement	Vice Chief of Defence Staff/2nd Permanent Under Secretary

- ◆ deliver improved effectiveness of UK and international support for conflict prevention;

UK Conflict Prevention Initiatives	
Sub-objectives	As set out in Public Service Agreement Target 2
Delivery Responsibility	Policy Director
Reporting Responsibility	Policy Director
Associated Service Delivery Agreement	Vice Chief of Defence Staff/2nd Permanent Under Secretary

- ◆ play a leading role in the development of the European security agenda, with the North Atlantic Treaty Organisation (NATO) at its centre, and enhance capabilities to undertake timely and effective security operations.

NATO and EU security	
Objectives	As set out in Public Service Agreement Target 4
Delivery Responsibility	Policy Director
Reporting Responsibility	Policy Director
Associated Service Delivery Agreement	Vice Chief of Defence Staff/2nd Permanent Under Secretary



Defence in the Wider Community

Objective:

Work with other Government departments to contribute to the Government's wider agenda, including Sustainable Development.

The MoD will continue to contribute extensively to the Government's wider agenda, working alongside other Government departments and the Third Sector⁶, including Service related charities.

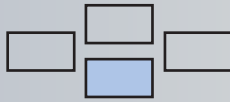
As well as continuing the broader Defence involvement in the wider community that is part of our day to day business, we will in particular focus on supporting the Government's Sustainable Development Strategy – this will include our work to build the skills and expectations of young people and our support to Service Veterans.

During the period of this Plan, we will:

- ◆ contribute to the Government's Sustainable Development Strategy, as set out in our Sustainable Development Action Plan.

Sustainable Development and Environmental Management	
Objectives	<ul style="list-style-type: none"> ◆ Sustainable Consumption and Production: achieve Level 1 in the Flexible Framework (FF) of the Sustainable Procurement Task Force National Action Plan in accordance with the Sustainable Procurement Delivery Plan by April 2007 and make further progress to reach FF Level 5 in Engaging Suppliers and Level 3 in the remaining themes by December 2009 ◆ Climate Change and Energy: reduce non-operational carbon (CO2) emissions by 9% by April 2007 (and by 12.5% by 2010-11), relative to 1999/2000 levels ◆ Natural Resource Protection and Environmental Enhancement: meet or exceed 85% of Sites of Special Scientific Interest (SSSIs) in sole ownership or control in target condition by April 2007 (and 95% by 2010) ◆ Sustainable Communities: <ul style="list-style-type: none"> ▪ work with other Government departments and other external partners on initiatives for young people including the cadet forces, and activities for the school curriculum to build skills and raise expectations, support the Government agenda for young people and sustain continued public interest and support for the Armed Forces ▪ support ex-Service personnel, as set out in our Veterans Strategy.
Delivery Responsibility	All TLB Holders
Reporting Responsibility	Deputy Chief of Defence Staff (Personnel) Directorate of Safety and Claims Assistant Chief of Defence Staff (Reserves and Cadets)
Associated SDA Targets	All TLB Holders

⁶ Defined as non-governmental organisations which are value-driven and which principally reinvest their surpluses to further social, environmental or cultural objectives. Includes voluntary and community organisations, charities, social enterprises, co-operatives and mutuals.



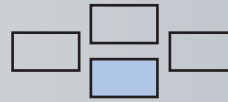
Future

Aim

To be successful in the operations of tomorrow we must develop and build for the future by transforming Defence, in line with the Defence Vision, to provide more flexible Armed Forces to achieve greater effect and a more flexible, more efficient defence organisation. 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 the effectiveness of the way Defence operates - primarily through a number of change initiatives;
- ◆ establishing policies which ensure we manage and lead our personnel and we recruit and retain them in the right numbers so that we can support the Armed Forces and Defence policy as appropriate.



Future Capabilities

Objective:

Develop the capabilities required to meet the tasks of tomorrow.

To develop the capabilities required to meet the tasks of tomorrow we must:

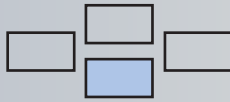
- ◆ implement force structure changes through, in particular, the Future Navy Plan, the Future Army Structure and the Royal Air Force's Transformation programme;
- ◆ enhance command, control and communications, in particular through Network Enabled Capability;
- ◆ integrate new and enhanced military equipment across all Defence Lines of Development;
- ◆ exploit technology using the latest advances to improve Defence Capabilities.

Single Service Transformation

The July 2004 'Future Capabilities' Command Paper⁷ set out a number of changes designed to maximise the effects that our Armed Forces can deliver rather than concentrate on numbers of platforms. This will involve changes in force structures detailed in the Single-Service Transformation Plans.

Single-Service Transformation Plans	
Sub-objectives	<ul style="list-style-type: none"> ◆ Deliver the Future Navy Plan - deliver a Royal Navy that will face the security challenges of the 21st century by contributing to the security of the UK, to the preservation of international order at sea and to the promotion of our national values and interests in the wider world ◆ Achieve the Future Army Structure - rebalance the Army to meet current concurrency and harmony assumptions whilst providing a credible warfighting capability that minimises pressure on extant and potential future pinch points, and offers units with broader utility across the spectrum of operations ◆ Deliver the RAF Transformation programme - deliver an agile, adaptable and capable Air Force that, person for person, is second to none and that makes a decisive air power contribution in support of the UK Defence Mission
Delivery Responsibility	Chiefs of Staff of the three Services
Reporting Responsibility	Directors of the three Services Resources and Plans
Associated Service Delivery Agreement	Commanders in Chief Fleet, Land and Air

⁷ Delivering Security in a Changing World: Future Capabilities July 2004 Cm 6269 available at www.mod.uk

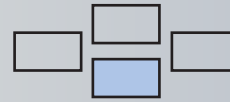


Network Enabled Capability

Network Enabled Capability (NEC) is the means by which we shall generate an agile capability through the timely provision and exploitation of necessary information and intelligence. This will require the right equipment and technology, on a mature network of networks, run and used by properly trained personnel to help deliver overall decisive military advantage. It will enable the situational awareness, command and control required to plan, execute and co-ordinate precise and effective actions conducted as part of a comprehensive approach to operations, and will provide the required degree of national, international and cross-departmental interoperability at all levels of command. This will be achieved through the incremental attainment of the NEC Maturity States of Initial, Transitional and Mature.⁸

Improved Network Enabled Capability	
Sub-objectives	Meet the objectives and targets as set out in the Command and Battlespace Management programme under the building blocks of Networks, Information, People and Agile Groupings
Delivery Responsibility	Senior Responsible Owner - NEC and Command and Battlespace Management Deputy Chief of Defence Staff (Equipment Capability)
Reporting Responsibility	Director Command and Battlespace Management / Defence J6
Associated Service Delivery Agreement	Vice Chief of the Defence Staff/2nd Permanent Under Secretary Chief of Defence Materiel Chief Scientific Adviser

⁸ Current definitions of the NEC Maturity States can be found in JSP 777 Edition 1 available at www.mod.uk



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.

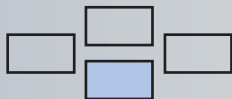
To ensure the successful delivery into service of new capabilities, major programmes involving substantial change, significant complexity or demanding integration across boundaries are overseen, on behalf of Defence Management Board, by Senior Responsible Owners, usually at 2* level. They are responsible for ensuring that effective arrangements are made to introduce the new capability across all Defence Lines of Development ⁹ to meet programme targets. Senior Responsible Owners have been established for the following major military capability programmes:

- ◆ UK Military Flying Training System – a programme to replace the present flying training arrangements for the Royal Air Force, Fleet Air Arm and Army Air Corps with a single tri-Service military flying training system.
- ◆ Medium Weight Capability – a task-organised joint force designed to achieve an improved range of effects more rapidly in expeditionary operations.
- ◆ Future Rotorcraft Capability – improvement projects to ensure continuity of capability of helicopter fleets.
- ◆ Combat Identification – a programme to improve situational awareness at sea, on land and in the air, which also ensures interoperability with US forces.
- ◆ Carrier Strike Programme – comprising Joint Combat Aircraft, Future Carrier, Maritime Airborne Surveillance and Control and other enabling projects.

Future Capability Programmes	
Sub-objectives	Achieve Initial Operating Capability ¹⁰ , across all Defence Lines of Development.
Delivery Responsibility	Senior Responsible Owners: <ul style="list-style-type: none"> • UK Military Flying Training System – Chief of Materiel (Fleet) • Medium Weight Capability – Capability Manager (Battlespace Manoeuvre) • Future Rotorcraft Capability – Capability Manager (Battlespace Manoeuvre) • Combat Identification – Capability Manager (Information Superiority) • Carrier Strike Programme – Senior Responsible Owner-Carrier Strike
Reporting Responsibility	Deputy Chief of Defence Staff (Equipment Capability)
Associated Service Delivery Agreement	Vice Chief of the Defence Staff/2nd Permanent Under Secretary Chief of Defence Materiel Chief Scientific Adviser

⁹ Defence Lines of Development provide a pan-Defence taxonomy for development and management of capability.

¹⁰ Initial Operating Capability is achieved when military capability is available in its minimum usefully deployable form.



Science, Innovation and Technology

The MOD aims to meet Defence needs through the exploitation of science, innovation and technology. We shall achieve this through the provision of world class scientific support to decision making, developing and implementing technical solutions and supporting operations. We shall also monitor world-wide military and commercial technological developments to identify emerging threats and opportunities and to enhance our own Defence capabilities. Defence Research will enhance existing technologies, identify and develop emerging technologies and support cost effective implementation:

Science, Innovation and Technology	
Sub-objective	Exploit new science and technology solutions to meet Defence needs.
Delivery Responsibility	Chief Scientific Adviser
Reporting Responsibility	Director Science & Technology Policy
Associated Service Delivery Agreement	Chief Scientific Adviser

Change

Objective:

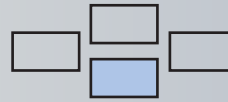
Develop flexible and efficient organisations and processes to support the Armed Forces.

In order to meet operational challenges of the future, we must transform Defence to provide more versatile and flexible Armed Forces with a supporting Defence organisation that is as efficient as possible.

Doing things better – more effectively and more efficiently – is vital to the conduct of our current and future tasks. Savings achieved through 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:

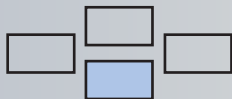
- ◆ implement the Capability Review Implementation Plan.
- ◆ deliver the Defence Industrial Strategy to ensure the defence acquisition processes, structures and organisations are able to deliver lasting and transformational changes.
- ◆ deliver the Defence Change Programme to modernise departmental business and improve effectiveness and efficiency.



Implementing the Capability Review Implementation Plan

The Capability Review of the MOD was published on 27 March 2007. 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, specifically considering leadership, deliver and strategy. As a result of the review, the Department has committed to a number of specific actions to improve its capability in a number of areas.

Capability Review Implementation Plan	
Sub-objectives	<ul style="list-style-type: none"> ◆ That the top level leadership of the Department acts collectively to drive an agreed agenda for Defence ◆ That we develop, by September 2007, a simplified Departmental operating model with clear roles and accountabilities, which sets out how we will deliver an effective top level governance structure and a leaner and more focussed Head Office ◆ To achieve a step-change in the quality of the MoD's engagement with other Government departments, to define, shape and implement the Government's security goals ◆ To pursue Defence Industrial Strategy implementation and ensure MoD continues to embed improved working with industry into strategy, procurement systems and processes ◆ That MoD is clear on its skills requirement, and has a balanced and representative workforce to meet it
Delivery Responsibility	Permanent Under Secretary and Chief of the Defence Staff
Reporting Responsibility	Director General Management and Organisation
Associated Service Delivery Agreement	Vice Chief of the Defence Staff/2nd Permanent Under Secretary



Defence Industrial Strategy

An important aspect of delivering the Defence Industrial Strategy is the Defence Acquisition Change Programme and the creation of a single Defence Equipment and Support organisation that will procure and support the equipment and capabilities that our Armed Forces need. The formation of this new organisation and the creation of a high performing and agile acquisition system, focussed on through-life considerations, will be one of the key challenges during the life of this Defence Plan. Collocating the former Defence Logistics Organisation and Defence Procurement Agency will be an important enabler.

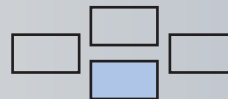
Defence Acquisition Change Programme	
Sub-objective	Create a high performing and agile acquisition system, focussed on through-life considerations, including: <ul style="list-style-type: none"> ◆ Streamlined acquisition process ◆ Better decision making through-life and across Defence Lines of Development ◆ More effective relationships with industry ◆ Improved skills for acquisition more effectively deployed
Delivery Responsibility	Permanent Under Secretary
Reporting Responsibility	Director Defence Acquisition Change Programme
Associated Service Delivery Agreement	Chief of Defence Materiel Vice Chief of the Defence Staff/2nd Permanent Under Secretary

Consolidation of Defence Equipment and Support Headquarters Sites	
Sub-objective	Collocate the DLO and DPA
Delivery Responsibility	Chief of Defence Materiel
Reporting Responsibility	Chief of Corporate Services, DE&S
Associated Service Delivery Agreement	Chief of Defence Materiel Vice Chief of the Defence Staff/2nd Permanent Under Secretary

Defence Change Programme

The purpose of the Defence Change Programme is to modernise the MoD's business processes to improve efficiency and effectiveness, thus maximising our investment in front-line operational capability. Launched in 2002, it joins up 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 18 pan-Defence change programmes in all, under 4 main headings:

- ◆ Departmental Infrastructure Processes
 - Defence Information Infrastructure (DII) - replacing 300 diverse information systems across 2000 locations worldwide; DII is the key enabler for other change programmes.
 - Estates Modernisation - rationalising the estate, achieving efficiencies through Regional Prime Contracting, improving estate condition and building new single living accommodation.
 - Defence Electronic Commerce Service - seeks to enable MoD and industry to achieve efficiency savings and improve capabilities through the delivery of application services and guidance on best commercial practice.



◆ People Processes

- Joint Personnel Administration - harmonising and simplifying the management of personnel across the Armed Forces through the implementation of a single information system to replace the current 250+ systems.
- People Programme - modernising Human Resource practices for MoD civilian staff, including the implementation of a new information system; Civilian Human Resource services will be provided corporately by the new People, Pay and Pensions Agency.
- Defence Training Review Transformation - aims to 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.
- Defence Health Change Programme - increasing deployable operational capability through 4 main "cornerstones": increasing recruitment and retention of Defence Medical Services (DMS) personnel; implementing a comprehensive healthcare system; promoting healthier lifestyles in the Armed Forces; and managing and motivating DMS staff more successfully.
- UK Military Flying Training System - seeks to 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 Recruitment and Individual Training Management - will harmonise the recruitment and 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.

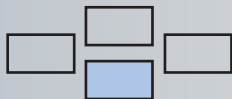
◆ Acquisition Processes

- Defence Logistics Transformation Programme - delivering better logistic support to the front-line through improving effectiveness, efficiency and flexibility.
- Whole Fleet Management - ensuring the better management of the Defence vehicle fleet and facilitating the training of force elements on future reduced fleets; introducing a modern fleet management system across all Services.
- Defence Travel Modernisation - to improve the effectiveness of the travel process for the user and deliver efficiencies in costs.

◆ Management and Organisational Processes

- Fleet Transformation - co-ordinated action to reduce overheads and increase efficiency throughout the Front Line Command through a wide range of tools, including a review of the Navy's Estate Footprint, manpower reductions and the application of LEAN¹¹ techniques.
- Collocation of Adjutant General and Land Top Level Budget (Project HYPERION) - to establish a Land/Adjutant General 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.
- RAF Single Headquarters - to merge the two former RAF headquarters, HQ Strike Command and HQ Personnel and Training Command, to deliver the RAF's outputs more effectively and efficiently; benefits include estate rationalisation and improving ways of working.
- Defence Intelligence Modernisation Programme - to create a single co-ordinated programme covering existing information system enabled business change, estate modernisation and cultural change programmes.

¹¹ LEAN is a management philosophy focusing on "dramatically improving flow in the value stream and eliminating waste."



- Joint Helicopter Command Rationalisation (Project BELVEDERE) - to rationalise the Joint Helicopter Command’s airfield estate, reducing its footprint and running costs and delivering the optimum balance between operational effectiveness, affordability and value for money and the impact on personnel.
- 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 and thus implementing the endorsed Super Garrison Policy.

Defence Change Programme	
Sub-objective	Deliver the Defence Change Programme to plan
Delivery Responsibility	2nd PUS as Senior Responsible Owner of the Defence Change Programme
Reporting Responsibility	Director General Management and Organisation
Associated Service Delivery Agreement	All Top Level Budget Holders

Future Personnel

Objective:

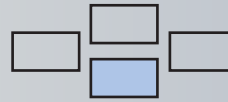
Deliver the personnel plans to meet the needs of current and future tasks.

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

Service personnel will be trained to undertake a greater range and depth of tasks with the widespread implementation of multi-skilling. The need for Service personnel to meet the challenge of network-enabled capabilities will require recruits with relevant skills who are rapidly and readily deployable to meet the requirements of modern expeditionary operations. To meet these needs the MoD will pursue the objectives from the Service Personnel Plan 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.



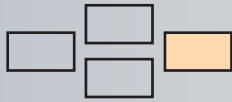
- ◆ deliver the Strategic Training and Education Change Programme, which defines the long-term aim for Training and Education and delivers improvements to Basic Skills.
- ◆ develop the overall military personnel package appropriate for the future context, which will implement appropriate policies and programmes that will ensure that the Armed Forces remain an employer of choice.
- ◆ 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)
Associated Service Delivery Agreement	Vice Chief of the Defence Staff/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. The People Programme is a major change programme which is enabling the Civilian Workforce Strategy to deliver the workforce that the MoD needs now and in the future.

Civilian Workforce Strategy	
Sub-objectives	Achieve targets in the Civilian Workforce Strategy
Delivery Responsibility	Personnel Director
Reporting Responsibility	Director General, Civilian Personnel
Associated Service Delivery Agreement	Vice Chief of the Defence Staff/2nd Permanent Under Secretary



Enabling Processes

Aim

To continue to deliver success on operations while successfully managing change and transformation we must ensure that our many enabling activities and processes continue to function well and improve. Foremost in this drive for improvement has been the creation of the Defence Equipment and Support (DE&S) organisation and adoption of Through-Life Capability Management principles, following the implementation of the Defence Industrial Strategy¹². In particular, we must ensure that we are efficient, responsible and respected, by:

- ◆ procuring, supporting and sustaining the materiel required by our Armed Forces, by a whole life process founded on Through-Life Capability Management;
- ◆ enabling operational capability by meeting our legal and ethical obligations to provide a safe, secure and resilient environment for our personnel;
- ◆ enhancing our reputation amongst our own people and externally.

Equipment and Support

Objective:

Equip, support and sustain our Armed Forces.

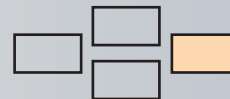
The Defence Acquisition Change Programme (DACP), established as part of the implementation of the Defence Industrial Strategy, has led to significant changes in the way the Department manages equipment and support. This includes a more prominent role for the Front Line Commands, who – together with relevant staff from the centre of the Department and the new Defence Equipment and Support (DE&S) organisation – will now act as a unified customer for industry, identifying and delivering future equipment and support needs.

DE&S, formed by the merger of the Defence Procurement Agency (DPA) and the Defence Logistics Organisation (DLO) on 2 April 2007, is an integrated procurement and support organisation whose core function will be the delivery of equipment and logistic support to our Armed Forces.

The aim of the DACP is to make significant improvements in the way equipment acquisition and support are planned, funded and managed by the MoD – including transformation of our industrial supplier base – to make a real difference to the Armed Forces' ability to achieve success in current and future operations.

Military capability is more than just equipment; it also requires trained personnel, facilities and support. Moreover, platforms (such as aircraft, ships and tanks) have long service lives, during which periodic upgrades may be necessary. Therefore if we are to deliver effective capability we have to integrate all of these Lines of Development. Through-Life Capability Management will therefore underpin the Department's future approach to acquisition and support. The establishment of DE&S will enable us to adopt a single approach to procurement

¹² Defence Industrial Strategy Defence White Paper Dec 2005 Cm 6679 available at www.mod.uk



and through-life support of equipment and services, provide a single point of contact with industry, operate with fewer internal boundaries within the acquisition system and provide additional impetus for the transformation of the defence industry.

DE&S will develop further into a truly agile and flexible organisation, with a culture of continuous improvement. During this Defence Plan, DE&S performance will be assessed against existing metrics for Equipment Procurement and Logistic Support, inherited from the DPA and DLO.

Equipment Procurement

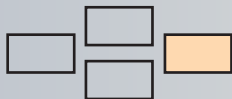
All major new equipments are procured by DE&S on behalf of the MoD. During the period of this plan we will deliver the equipment programme to performance, time and cost:

PSA Target 6: Deliver the equipment programme to cost and time.

Progress of Procurement Programmes Against Forecasts of Performance, Time and Cost	
Sub-objectives	Deliver the equipment programme to performance, time and cost targets: <ul style="list-style-type: none"> ◆ Average percentage forecast achievement of Key User Requirements, across all Category A/B/C, post-Main Gate, pre-In-Service Date projects to be 97% or greater ◆ Average in-year variation of forecast In-Service Dates, across all Category A/B/C, post-Main Gate, pre- In-Service Date projects no greater than 0.4 months ◆ Average in-year variation of forecast costs for Design and Manufacture, across all Category A/B/C, post-Main Gate, pre- In-Service Date projects less than 0.2%
Delivery Responsibility	Chief of Defence Materiel
Reporting Responsibility	Chief of Staff, DE&S
Associated Service Delivery Agreement	Chief of Defence Materiel

Logistic Support

Logistic support for the Armed Forces is also provided by DE&S. The level of logistic support that DE&S is funded to provide to units to maintain routine funded readiness is agreed in Customer Supplier Agreements between DE&S and respective Front Line Commands. Customer Supplier Agreements will also increasingly capture any programmed support required to generate forces for deployment but which cannot be obtained within readiness times. The DE&S Service Delivery Agreement additionally includes any programmed logistics sustainability requirements that cannot be met within readiness times, but which are required for contingent operations up to the most demanding scales of effort, set out in Defence Planning Assumptions.



Generating, deploying and sustaining forces for contingent operations will require additional funding to be made available for the purchase of additional supplies and services from industry.

Support – deliver funded logistics support in accordance with Customer Supplier Agreements	
Sub-objective	Achieve greater than 98% proportion of Integrated Project Teams achieving Satisfactory or Minor Weakness performance assessments against Customer Supplier Agreement targets
Delivery Responsibility	Chief of Defence Materiel
Reporting Responsibility	Chief of Staff, DE&S
Associated Service Delivery Agreement	Chief of Defence Materiel

Safety, Security and Business Continuity

Objective:

Enable safe, secure and resilient operational capability.

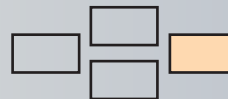
The MoD is ethically and legally obliged to provide a safe environment for our personnel, contractors and visitors and to ensure MoD facilities and processes remain secure and resilient to disruption.

Safety

While military operations 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 when going about their normal routine business, and of contractors working for the MoD and visitors to MoD establishments.

Avoid Fatalities	
Sub-objective	Zero fatalities attributable to Health and Safety failures
Delivery Responsibility	All Top Level Budget Holders
Reporting Responsibility	Director General Safety and Security
Associated Service Delivery Agreement	All Top Level Budget Holders

Minimize Serious Injuries	
Sub-objective	Achieve a 10% reduction in the number of serious injuries against previous year's performance
Delivery Responsibility	All Top Level Budget Holders
Reporting Responsibility	Director General Safety and Security
Associated Service Delivery Agreement	All Top Level Budget Holders



Deliver Safe Equipment and Safe Systems of Work	
Sub-objective	Zero Serious or Critical Weaknesses (as reported in annual reports to the Defence Environment and Safety Board from functional boards) in: <ul style="list-style-type: none"> ◆ Ship Safety ◆ Land Systems Safety ◆ Defence Aviation Safety ◆ Defence Ordnance Safety ◆ Defence Nuclear Environment and Safety ◆ Occupational Health and Safety
Delivery Responsibility	Defence Environment and Safety Board (Chairman: 2nd Permanent Under Secretary)
Reporting Responsibility	Director General Safety and Security (reporting by exception)
Associated Service Delivery Agreement	Vice Chief of Defence Staff/ 2nd Permanent Under secretary

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 are adequately protected.

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 education and training.

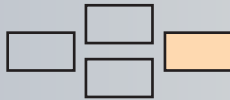
During the period of this plan, we will enable a secure environment for MoD personnel, establishments and information, and provide assurance that the MoD's protective security policies are effective, proportionate, and compliant with government policy and the law, and that security risk management is integrated in business processes across the Department, in line with delegated responsibilities and corporate governance requirements:

Achieve Protective Security by Protection of Assets From Compromise	
Sub-objectives	Zero Serious or Critical Weaknesses in: <ul style="list-style-type: none"> ◆ Physical Security ◆ Personnel Security ◆ Information Security ◆ Security Education, Training and Procedures
Delivery Responsibility	All Top Level Budget Holders
Reporting Responsibility	Director General Safety and Security
Associated Service Delivery Agreement	All Top Level Budget Holders

Business Continuity

Effective Business Continuity Management is important to maintaining defence capability in the face of a range of potential threats. We thereby identify, evaluate and manage risks to Defence critical activities. We focus on developing organisation-wide flexibility, by improving responsiveness, resilience, strategy and planning.

It is vital for the maintenance of effective national defence that Defence critical activities are identified and measures put in place to mitigate their loss and to recover them, partially or completely, within a predetermined time, in the event of disruption.



During the period of this plan, we will ensure the resilience of MoD processes, infrastructure and people, by ensuring that proven business continuity plans are in place for Top Level Budget holder's organisations.

Business Continuity	
Sub-objective	Achieve the following targets: <ul style="list-style-type: none"> ◆ 90% of Top Level Budgets to have Business Continuity Management strategies in place, reflecting their Business Continuity priorities and requirements ◆ 80% of establishments with up-to-date Business Continuity plans, tested annually ◆ 90% increase in numbers of staff who have undertaken appropriate Business Continuity training
Delivery Responsibility	All Top Level Budget Holders
Reporting Responsibility	Director General Safety and Security
Associated Service Delivery Agreement	All Top Level Budget Holders

Reputation

Objective:

Enhance our reputation amongst our own people and externally.

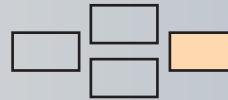
The Defence Communications Strategy aims to enhance the reputation of the MoD and Armed Forces both internally and externally, through influencing the understanding, activity and perceptions of internal, domestic and international audiences.

The successful achievement of Defence objectives depends on the support of the public and the 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.

During the period of this plan, we will:

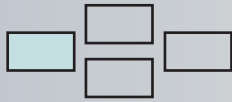
- ◆ improve external opinion of the MoD and the Armed Forces;

Public Opinion	
Sub-objective	Continuing improvement in public opinion of the MoD and the Armed Forces
Delivery Responsibility	Director General Media and Communications – to orchestrate the overall approach to communication efforts across MoD, building the best reputation for MoD consistent with the facts
Reporting Responsibility	Director General Media and Communications
Associated Service Delivery Agreement	Vice Chief of the Defence Staff/2nd Permanent Under Secretary



- ◆ improve internal opinion (of Service and civilian personnel) of MoD and the Armed Forces.

Internal Opinion	
Sub-objective	Continuing improvement of internal opinion of the MoD and the Armed Forces
Delivery Responsibility	Director General Media and Communications – to orchestrate the overall approach to communication efforts across MoD, building the best reputation for MoD consistent with the facts
Reporting Responsibility	Director General Media and Communications
Associated Service Delivery Agreement	Vice Chief of the Defence Staff/2nd Permanent Under Secretary



Resources

Aim

Delivering the Defence Vision and the increased capabilities set out in the July 2004 'Future Capabilities' Command Paper¹³, against the background of an increased requirement for up-front investment and rising costs in many areas, is a challenge. The same is true of managing a reduction in manpower while achieving manning balance. To meet these challenges we must use to best effect our 3 principal resources: people, money and estate. 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 despite reducing numbers;
- ◆ ensure our people are capable of doing the jobs we need them to do by keeping them healthy and training them well;
- ◆ manage our people well, motivating them and offering them worthwhile and satisfying careers;
- ◆ keep expenditure and resource consumption within the controls and limits laid down by both Parliament and the Treasury;
- ◆ deliver the efficiency targets agreed in the 2004 Spending Review, ensuring that efficiency gains are ploughed back into Defence;
- ◆ 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.

People

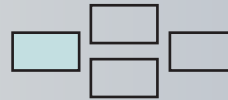
Objective:

Manage our people to provide sufficient, capable and motivated Service and civilian personnel.

Effective management of our people embraces a range of activities including recruitment and retention, training and being fit for the task and consideration of motivational factors such as the time between operational tours for Service personnel. Transforming and restructuring the Armed Forces also means that Service and civilian manpower will continue to reduce over 2007/08. To meet all of the challenges we face, the MoD plans to have sufficient, capable and motivated:

- ◆ regular Service personnel in the Royal Navy, 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.

¹³ Delivering Security in a Changing World, Future Capabilities July 2004 Cm 6269 available at www.mod.uk



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 drive 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'¹⁴ or 'separated service'), based on the MoD carrying out operations at no more than the 'routine' level of concurrency¹⁵. We are currently operating in excess of this and therefore do not expect to meet these targets in 2007/08.

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

- ◆ achieve overall Service Manning Balance (+1% to -2%) between the trained strength and the defined manpower requirement in each of the 3 Services by 1 April 2008;
- ◆ maintain the correct profile of skills and experience within the regular Service manpower structures;
- ◆ improve longer term recruiting prospects by increasing the representation of minority ethnic groups within the Armed Forces.

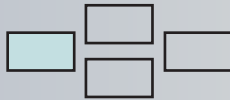
PSA Target 5: Recruit, train, motivate and retain sufficient military personnel to provide the military capability necessary to meet the Governments strategic objectives.

Regular Service Personnel: Sufficient							
Sub-objectives	<ul style="list-style-type: none"> ◆ Achieve overall Service manning balance (+1% to -2%) between the trained strength and defined manpower requirement by 1 April 2008 <p style="text-align: center;">Manpower Requirement</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td>Royal Navy:</td> <td style="text-align: right;">36,260</td> </tr> <tr> <td>Army:</td> <td style="text-align: right;">101,855</td> </tr> <tr> <td>Royal Air Force:</td> <td style="text-align: right;">40,790</td> </tr> </table> <ul style="list-style-type: none"> ◆ Minimise the number of operational and manning pinch points¹⁶ in the three Services, and reduce the impact of manning surpluses and deficits on the structure and outputs of the armed forces ◆ Achieve the 8% Service minority ethnic representation target 	Royal Navy:	36,260	Army:	101,855	Royal Air Force:	40,790
Royal Navy:	36,260						
Army:	101,855						
Royal Air Force:	40,790						
Delivery Responsibility	Chief of Naval Personnel, Adjutant General, Air Member for Personnel						
Reporting Responsibility	Deputy Chief of Defence Staff (Personnel)						
Associated Service Delivery Agreement	Chief of Naval Personnel, Adjutant General, Air Member for Personnel						

¹⁴ Guidelines for the amount of time Service personnel spend away from their families and the time that units should have between operational deployments.

¹⁵ A Medium Scale enduring peacekeeping operation plus a Small Scale peacekeeping operation together with an occasional further limited duration Small Scale operation.

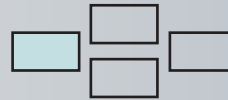
¹⁶ Specific skill groups where there are not enough personnel to support operational capability, resulting from a shortage of people, an increased operational requirement to deploy personnel, or a combination of these 2 factors.



To ensure we have capable Service personnel, we will drive improvements in the:

- ◆ medical fitness for task of Service personnel;
- ◆ basic and key skills of Service personnel to meet both Operational need and broader Government targets.

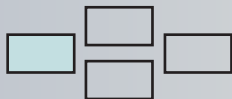
Regular Service Personnel: Capable	
Sub-objectives	<ul style="list-style-type: none"> ◆ Achieve 90% of the trained strength who are fully fit with no medical restrictions for employment (in an operational capability), through an integrated programme of injury prevention, improved access to healthcare and rehabilitation ◆ Achieve the Service targets for individual personnel development in basic skills, improving, where appropriate, the literacy and numeracy skills of Service personnel within 3 years of joining, and improving levels of attainment within the National Qualifications framework
Delivery Responsibility	Chief of Naval Personnel, Adjutant General, Air Member for Personnel
Reporting Responsibility	Deputy Chief of Defence Staff (Personnel)
Associated Service Delivery Agreement	Chief of Naval Personnel, Adjutant General, Air Member for Personnel



To ensure we have suitably motivated Service personnel, we will:

- ◆ meet the harmony guidelines set by the individual Services, accepting that the Services' ability to achieve these guidelines will be affected by the degree to which operational commitments conform to the routine level of concurrency;
- ◆ 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;
- ◆ prevent and deal effectively with sexual harassment in the Armed Forces.

Regular Service Personnel: Motivated	
Sub-objectives	<ul style="list-style-type: none"> ◆ Adhere to Harmony Guidelines: <p>Royal Navy: In any 3-year period, no one¹ to exceed separated service of 660 days² Over a 3-year cycle Fleet units time deployed maximum of 60%</p> <p>Army: In any 30 month rolling period no personnel to exceed separated service of 415 days² Unit Tour Intervals to be not less than 24 months</p> <p>RAF: Percentage of personnel exceeding more than 140 days of detached duty in 12 months not greater than 2.5% Unit Tour Intervals to be not less than 16 months²</p> ◆ Improve overall levels of satisfaction with Service life across all ranks and cadres ◆ Create a working environment in which sexual harassment is unacceptable by: <ul style="list-style-type: none"> ▪ ensuring that Service personnel who experience sexual harassment feel able to complain and have confidence in complaints procedures ▪ monitoring the nature and extent of harassment in the Armed Forces in order to correct deficiencies and build upon the strengths of MoD's policies and processes
Delivery Responsibility	Chief of Naval Personnel, Adjutant General, Air Member for Personnel
Reporting Responsibility	Deputy Chief of Defence Staff (Personnel)
Associated Service Delivery Agreement	Chief of Naval Personnel, Adjutant General, Air Member for Personnel
Notes (1) With exceptions for a few specialist groups (for example Warfare Officers serving in Submarines in their first ten years of service) to meet operational requirements. (2) System for reporting is currently under development.	



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 maintain overall manning at greater than 95% for trained reserves and we aspire to ensure that no reserves are called out for operations more than once every 5 years unless they volunteer to do so.

Reserve Forces	
Sub-objective	<ul style="list-style-type: none"> ◆ Achieve manpower trained strength at >95% of trained requirement across the reserve services ◆ Achieve manpower available for mobilisation at >70% of requirement across the reserve services
Delivery Responsibility	Chief of Naval Personnel, Adjutant General, Air Member for Personnel
Reporting Responsibility	Deputy Chief of Defence Staff (Personnel)
Associated Service Delivery Agreement	Chief of Naval Personnel, Adjutant General, Air Member for Personnel
Note. Excludes University Officer Training Corps	

Civilian Workforce

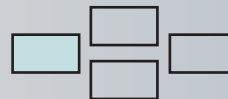
In parallel with reductions in Armed Forces’ numbers, the MoD’s change and efficiency programmes will continue to reduce the size of the MoD’s civil service and locally-engaged civilian workforce ¹⁷, whilst continuing to foster diversity in the workforce.

To ensure we have sufficient civilian personnel, we will:

- ◆ achieve a planned civilian workforce draw-down whilst continuing to foster diversity;

Civilian Workforce: Sufficient																	
Sub-objectives	<ul style="list-style-type: none"> ◆ Achieve a cumulative reduction in the civilian workforce of 10,892 people by 1 Apr 08 from the 1 Apr 05 baseline of 93,990 ◆ Achieve the following diversity targets: <table border="1" style="margin-left: 40px; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Senior Civil Service</th> <th>Band B</th> <th>Band D</th> </tr> </thead> <tbody> <tr> <td>Women</td> <td>15%</td> <td>18%</td> <td>40%</td> </tr> <tr> <td>Ethnic Minorities</td> <td>3.2%</td> <td>3.5%</td> <td>4.0%</td> </tr> <tr> <td>Disabled</td> <td>2.0%</td> <td>4.0%</td> <td>6.0%</td> </tr> </tbody> </table> 		Senior Civil Service	Band B	Band D	Women	15%	18%	40%	Ethnic Minorities	3.2%	3.5%	4.0%	Disabled	2.0%	4.0%	6.0%
	Senior Civil Service	Band B	Band D														
Women	15%	18%	40%														
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Disabled	2.0%	4.0%	6.0%														
Delivery Responsibility	Personnel Director																
Reporting Responsibility	Personnel Director																
Associated Service Delivery Agreement	All Top Level Budget Holders																

¹⁷ As a result of changed working practices, organisational collocations and transfer of some functions to private sector.



- ◆ ensure the civilian workforce is capable to undertake the tasks of today, ready for the tasks of tomorrow, preparing for the future and able to adapt well in adversity;

Civilian Workforce: Capable	
Sub-objectives	<ul style="list-style-type: none"> ◆ Maintain or improve the proportion of advertised civilian job vacancies filled by suitably qualified candidates ◆ Civilian staff actively pursuing the programmes of training and development as reflected in their personal training and development plans ◆ Maintain or improve rates of promotion to the SCS (18 per year), Band B (80 per year) and Band D grades (200 per year) ◆ Active management of performance at work as measured by staff responses to the Civilian Attitudes Survey
Delivery Responsibility	Personnel Director
Reporting Responsibility	Personnel Director
Associated Service Delivery Agreement	All Top Level Budget Holders

- ◆ ensure we have a suitably motivated civilian workforce.

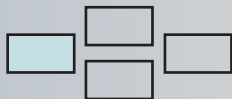
Civilian Workforce: Motivated	
Sub-objectives	<ul style="list-style-type: none"> ◆ Maintain or improve positive responses to the Civilian continuous attitude survey questions on employee engagement ◆ Maintain or improve average sick absence per Full Time Equivalent industrial or non-industrial employee
Delivery Responsibility	Personnel Director
Reporting Responsibility	Personnel Director
Associated Service Delivery Agreement	All Top Level Budget Holders

Finance and Efficiency

Objective:

Maximise our outputs within allocated financial resources.

The Government is committed to funding the Armed Forces as they modernise and adapt to meet evolving threats and promote international stability in the changing global security environment. The 2004 Spending Review announced in July 2004 increased planned spending on Defence by an average of 1.4% per year in real terms over the 3 years to 2007/08, with total planned Defence spending £3.7 billion higher in 2007/08 than in 2004/05. In cash terms the equivalent increase is £3.5 billion, an average real growth of 1.5% per year. Building on our existing change programme, we also undertook to realise total annual efficiency gains of at least £2.83 billion by 2007/08, of which three quarters will be cash-releasing, to be re-invested in Defence capability and further modernisation initiatives.



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 Limits¹⁸. Details of the resources available to Defence for the financial year 2007/08 are set out in the Government Expenditure Plan¹⁹.

During the period of this plan, we will:

- ◆ control our expenditure within allocated financial resources.

In-year Finance	
Sub-objective	Contain Departmental resource consumption within +0%/-1% of resources voted by Parliament under Request for Resources 1 (Provision of Defence Capability) and Treasury Departmental Expenditure Limits, while delivering Public Service Agreement targets
Delivery Responsibility	Finance Director
Reporting Responsibility	Finance Director
Associated Service Delivery Agreement	All Top Level Budget Holders

Efficiency

The 2004 Spending Review efficiency programme extends across all of Defence and affects every employee. Savings from this programme will be utilised to provide increased Defence capability elsewhere. The Defence Change Programme is covered in more detail at pages 24 to 26.

During the period of this plan, we will:

- ◆ deliver the financial benefits of the 2004 Spending Review efficiency programme.

2004 Spending Review Efficiency Target

As part of the 2004 Spending Review, the MoD is committed to efficiency improvements of at least 2.5% of the total Defence budget for each of the 3 years of the Spending Review 2004 period, amounting to £2.83bn by 2007/08. These efficiencies will be delivered through a combination of programmes within the Defence Change Programme and other initiatives.

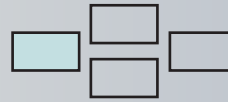
The MoD's Efficiency Technical Note²⁰ describes the efficiency programme in detail and explains how we will deliver and measure the efficiency gains. The programme covers:

- ◆ corporate services:
 - military Human Resources - with improvements being delivered through the Joint Personnel Administration programme;
 - civilian Human Resources - with improvements being delivered through the People Programme and the introduction of Human Resources Management System;

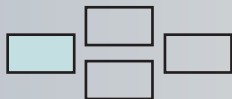
¹⁸ We will allocate funding and output delivery targets to all Top Level Budget holders across the period 2007/08 to 2011/12. However, targets for the years 2008/09 to 2011/12 may change, depending on the outcome of the Government's 2007 Comprehensive Spending Review.

¹⁹ The Government Expenditure Plan can be found at www.mod.uk

²⁰ Ministry of Defence Efficiency Technical Note 2005 available at www.mod.uk



- finance - with improvements being delivered through simplified and improved processes, including shared service centres;
 - estates - with improvements being delivered through centralising the estates management function, the merger of the Defence Housing Executive with the Defence Estates Agency, Prime Contracting and Estate Rationalisation;
 - information infrastructure - with improvements being delivered through the Defence Information Infrastructure;
 - Defence Equipment and Support enabling infrastructure - generating improvements in corporate functions with fewer people.
- ◆ logistics:
- Defence Logistics Transformation Programme – delivering improvements in all aspects of logistic activity, including the end-to-end delivery of logistics;
 - Whole Fleet Management - with increased availability from vehicle holdings and reduced maintenance costs through improved management of the military vehicle fleet.
- ◆ procurement:
- Procurement Reform;
 - Defence e-Commerce Service;
 - exploring collaborative purchasing through the Office of Government Commerce and with other Government departments (for example, wet fuels and travel services);
 - further Multi-Activity Contracts;
 - Pay As You Dine.
- ◆ organisation and relocation:
- further reductions in Head office;
 - the merger or collocation of Front Line Commands and Principal Personnel Officers headquarters, and some Defence Equipment and Support (formerly Defence Logistics Organisation (DLO) and Defence Procurement Agency) staffs;
 - the relocation of Defence activity out of London and the South East where this does not affect operational effectiveness.
- ◆ force structure:
- changes to force levels for submarines, ships and patrol vessels;
 - a shift in emphasis from heavy to light and medium weight forces in the Army;
 - reorganisation of Ground Based Air Defence;
 - the disposal of Tornado F3 and Jaguar in parallel with the introduction into service of Typhoon.
- ◆ manpower:
- comprising reductions in service and civilian manpower to reflect the improvement programmes under Corporate Services, logistics and organisation and relocation and the introduction of new force structures;
- ◆ productivity :
- comprising increases in the proportion of military personnel fit-for-task through the Defence Health Change programme.



2004 Spending Review Efficiency Programme	
Sub-objective	Achieve continued efficiency improvement of at least 2.5% of the total Defence budget for the last year of the Spending Review 2004 period, amounting to £2.83 Bn by 2007/08
Delivery Responsibility	2nd Permanent Under Secretary
Reporting Responsibility	Director General Management and Organisation
Associated Service Delivery Agreement	All Top Level Budget Holders

Estate

Objective:

Maintain and develop estate infrastructure of the right capability and quality.

The MoD is one of the largest landowners in the UK with a diverse estate of some 240,000 hectares (about 1% of the UK land mass). Management of the majority of the Defence Estate in England and Wales is provided through a series of Regional Prime Contracts. As set out in the Defence Estate Strategy *In Trust and On Trust*²¹, our aim is to have an estate of the right size and quality to support the delivery of Defence capability, providing high quality living conditions for our Service personnel, managed and developed effectively and efficiently in line with best practice and sensitive to social and environmental considerations, whilst continuing to invest in the Defence Estate for the future.

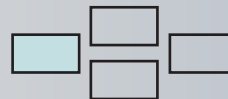
Current Estate

The MoD is committed to providing high quality accommodation for Service personnel and their families and to the efficient management and maintenance of a built estate of the right capability and quality to deliver Defence outputs. Over the course of this plan we will:

- ◆ ensure that the Defence Estate is fit for purpose;

Estate Condition	
Sub-objective	Maintain and improve the Defence Estate, establishing the baseline in 2007/08 and then measuring this through the percentage of estate assets maintained at or above target condition
Delivery Responsibility	Chief Executive Defence Estates Relevant Top Level Budget holders
Reporting Responsibility	Chief Executive Defence Estates Relevant Top Level Budget holders
Associated Service Delivery Agreement	Chief Executive Defence Estates Relevant Top Level Budget holders

21 The Defence Estate Strategy 2006 'In Trust and On Trust' available at www.mod.uk

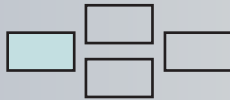


- ◆ deliver a range of improvement programmes covering Service Families Accommodation, Single Living Accommodation and the wider Defence Estate;

Improvement of Estate Condition	
Sub-objectives	<ul style="list-style-type: none"> ◆ Upgrade up to 900 Service Families Accommodation properties to Standard 1 for Condition in 2007/08 ◆ Deliver 2100 Project SLAM Single Living Accommodation bed spaces in 2007/08 ◆ Deliver 5550 TLB funded Single Living Accommodation Parallel Projects bedspaces in 2007/08
Delivery Responsibility	Chief Executive Defence Estates(for Project SLAM) Relevant Top Level Budget Holders (for Parallel Projects)
Reporting Responsibility	Defence Estates Agency Secretariat Relevant Top Level Budget Holders
Associated Service Delivery Agreement	Chief Executive Defence Estates Relevant Top Level Budget Holders

- ◆ continue to improve the management of the Estate, including reducing the management margin of vacant housing stock in Defence Housing and selling sufficient of the current estate to meet the estate disposal target.

Estate Management	
Sub-objectives	<ul style="list-style-type: none"> ◆ Achievement of a vacant stock management margin in Defence Housing of no greater than 10% ◆ Meet the Estate Disposal target of £403M over financial year 2007/08
Delivery Responsibility	Chief Executive Defence Estates
Reporting Responsibility	Defence Estates Agency Secretariat
Associated Service Delivery Agreement	Chief Executive Defence Estates



Future Estate

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, a substantial element of which is the future Defence Estate, the MoD is centrally brigading funding for major infrastructure. Examples of future estate developments which fall within this include the Allenby-Connaught project to provide a modern working environment for the Army garrisons around Salisbury plain and the development of the Defence Equipment and Support site at Corsham.

Over the course of this plan, we will:

- ◆ deliver the required Defence Estate for the future, planning and prioritising investment against competing infrastructure projects.

Future Estate	
Sub-objectives	Deliver the future Defence Estate in accordance with the objectives set for each of the projects
Delivery Responsibility	Chief Executive Defence Estates Other relevant Top Level Budget Holders
Reporting Responsibility	Director of Resources and Plans - Centre
Associated Service Delivery Agreement	Chief Executive Defence Estates Vice Chief of Defence Staff/2nd Permanent Under Secretary Other relevant Top Level Budget Holders

