

# Annexes



# ANNEX A:

## Organisation and Management of Defence

### Secretary of State and Ministers

1. The Secretary of State for Defence is responsible for the formulation and conduct of defence policy. On 31 March 2004, the Secretary of State was supported by a Minister of State for the Armed Forces, and two Parliamentary Under-Secretaries of State (one for Defence Procurement and one for Veterans).

### The MoD Head Office

2. Beneath Ministers lies the top management of the MoD, comprising ten senior officials and Service officers (as shown in Figure 8 below). The Secretary of State has two principal advisers: the Permanent Secretary (PUS), and the Chief of the Defence Staff (CDS). They share responsibility for much of the Department's business, reflecting the input that both military and civilian personnel make to political, financial, administrative and operational matters. The PUS has primary responsibility for policy, finance and administration in the Department. He is the MoD's Principal Accounting Officer and is personally accountable to Parliament for the expenditure of all public money voted for Defence purposes. CDS is the professional head of the Armed Forces and the principal military adviser to the Secretary of State and the Government.

3. PUS and CDS each have a deputy; the Second Permanent Secretary (2nd PUS), and the Vice Chief of the Defence Staff (VCDS). They jointly head the Central Staff, the policy core of the Department.

4. The role of the MoD Head Office is:

- The strategic and policy context (what our stakeholders require from Defence);
- Military strategic command of operations;
- Direction through high level plans, associated balance of investment and resource allocation required to achieve defence objectives (where we are going);
- The framework of objectives and targets against which the major management/delivery areas in the department should be held accountable (how we will get there);
- Setting departmental standards, including on key departmental processes and process owners, and ways of working in order to drive continuous performance improvement (the way we do things);
- The machinery of a Department of State.

5. Also within the head office in London sit the Chief of Staff of each of the three Services, The Chief of the Naval Staff (CNS), Chief of the General Staff (CGS), and Chief of the Air Staff (CAS). Together with the Chief of Defence Procurement (CDP), the Chief of Defence Logistics (CDL) and the Chief Scientific Adviser (CSA), they sit on the Defence Council and its executive arm, the Defence Management Board.

### The Defence Council

6. The Defence Council is the senior Departmental committee. Chaired by the Secretary of State it provides the formal legal basis for the conduct of defence in the UK through a range of powers vested in it by statute and Letters Patent.

## The Defence Management Board

7. The Defence Management Board (DMB) is the highest, non-ministerial committee in the MoD. Chaired by PUS, it is essentially the main corporate board of the MoD, providing senior level leadership and strategic management of Defence. Its role is to deliver the Defence aim set out in the Public Service Agreement. Its executive membership for 2003-04 is shown in Figure 8. It also includes two non-executive members. The DMB is responsible for:

- **The role of Defence** – providing strategic direction, vision and values;
- **Objectives and targets** – establishing the key priorities and defence capabilities necessary to deliver the MoD's Departmental objectives;
- **Resource allocation and strategic balance of investment** – to match Defence priorities and objectives; and
- **Performance management** – managing and driving corporate performance.

## The Service Boards

8. Whilst the Management Board is responsible for managing the delivery of the key Departmental outputs, the administration of the single Services and their personnel is delegated to the Service Boards (the Admiralty, Army and Air Force Boards) from the Defence Council. The Service Boards are chaired by Ministers, with 2nd PUS acting as the Secretary.

## Service Executive Committees

9. The day to day business of managing the single Services is formally conducted through the Service Executive Committees. They are:

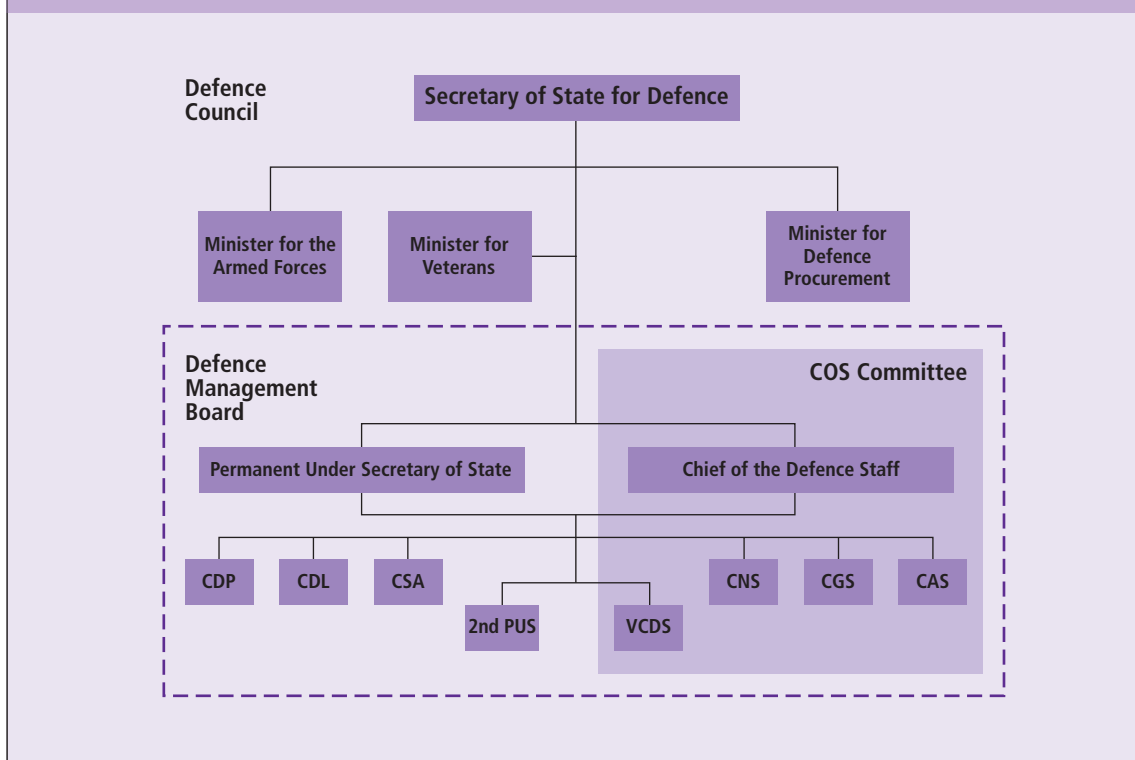
- The Navy Board;
- The Executive Committee of the Army Board; and
- The Air Force Board Standing Committee.

10. These Committees bring together, under their respective single Service Chief of Staff, the operational and personnel commanders for each Service. The Committees support the respective Chiefs of Staff in his executive role, his management and operational advisory roles, and as the professional head of the Service.

## The Chiefs of Staff Committee

11. The Chiefs of Staff (COS) Committee is chaired by the CDS and is the main forum in which the collective military advice of the Chiefs is obtained on operational issues. The PUS attends the COS Committee.

Figure 8: MoD Top Management 2003-04



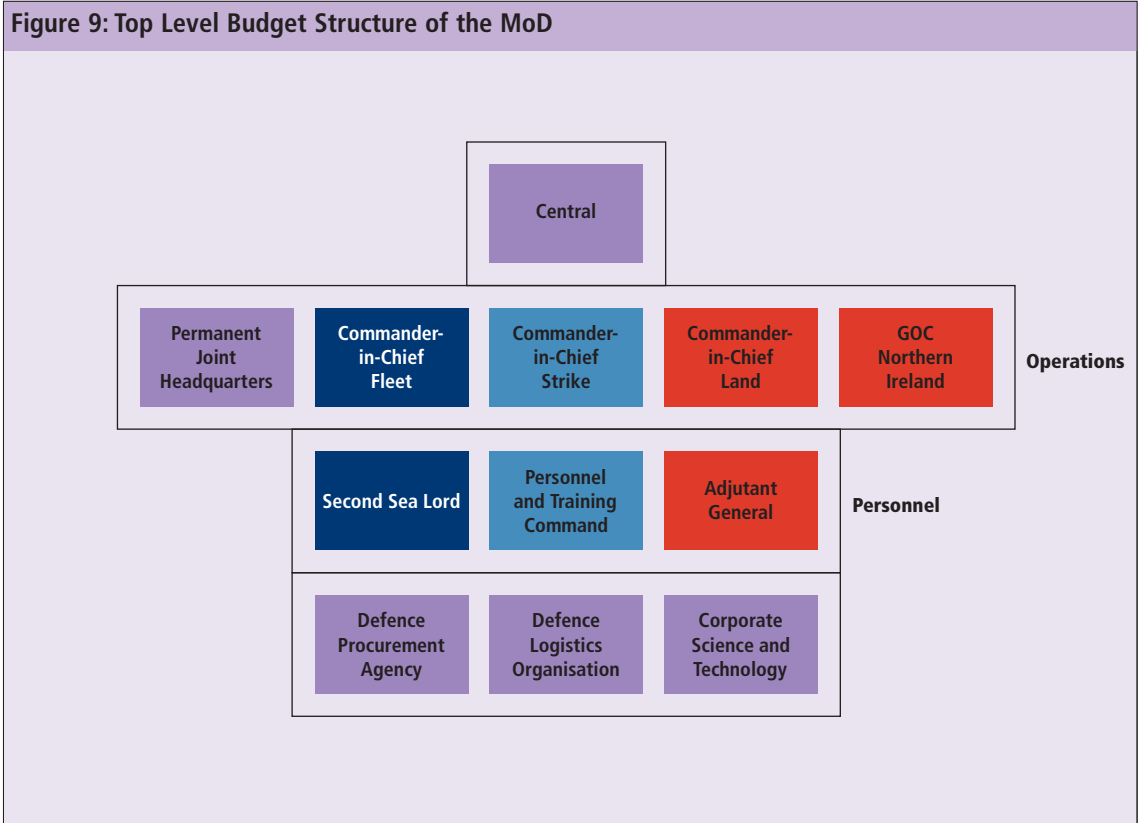
## Top Level Budgets

12. Most Defence activity takes place outside the MoD head office and is managed through eleven Top Level Budget (TLB) holders (twelve from 1 April 2004), (shown in Figure 9), and five Trading Funds not included in the TLB structure. PUS grants each TLB holder extensive delegated powers over personnel, infrastructure and budget. The Navy, Army and Air Force each has two separate TLBs for its Operational and Personnel commands, and the Army has a third TLB for Northern Ireland.

13. The other TLBs are Defence rather than single Service organisations. These are:

- The Defence Procurement Agency, which procures equipment for all three Services;
- The Defence Logistics Organisation, the sole authority for providing logistics support to the armed forces;
- The Permanent Joint Headquarters at Northwood, headed by the Chief of Joint Operations, who is responsible for the planning and execution of joint (tri-Service) operations; and
- The Central TLB, includes the MoD head office and provides corporate services to other TLBs.
- The Corporate Science and Technology TLB, headed by the Chief Scientific Adviser was formed on 1 April 2004 from a merger of two existing budgetary areas. The prime outputs of this area are expert advice and the development of scientific and technological solutions to satisfy MoD's needs and problems.

14. Each TLB holder has a 'contract' with MoD head office, known as a Service Delivery Agreement, which specifies the outputs required of that TLB, the resources they are given to deliver these outputs, and the authority delegated to TLB holders by the PUS. Within the TLB structure are a range of agencies, spanning the bulk of Defence support activity, including logistics, training and corporate services such as bill paying and policing (see Annex C). The Secretary of State owns and is ultimately accountable for the performance of Defence agencies and Trading Funds.



# ANNEX B:

## Summary of Progress Against Public Service Agreement Objectives and Targets

Table 22: Spending Review 2000 Public Service Agreement, 1 April 2001 to 31 March 2004 Final Assessment of MoD Performance			
PSA Target	Performance Indicator	Assessment	Further Detail
<b>Objective 1 – Provide and direct Armed Forces able to undertake successfully a major operation on a similar scale and duration to the Gulf War, or two medium scale operations (of similar size to that in Kosovo), one involving warfighting, and sustain them simultaneously for up to six months, whilst meeting long standing commitments and being able to rebuild a bigger force should a major threat to Europe emerge.</b>			
<p>1. To achieve the above, by 2005 ensure that a minimum of 90% of rapidly available military units are at required states of readiness.</p> <p><b>Overall Assessment: Met</b></p>	<p>Assessment, against specified standards, of the ability of high and medium readiness forces to deploy ready for operations.</p> <p>Assessment, against specified standards, of the ability to transport above forces to required location.</p>	<p><b>Met</b></p> <p>As set out in the <i>MoD Annual Report and Accounts 2002-03</i>, from 1 April 2003 performance has been measured against the more demanding target that 90% of all forces are at their required state of readiness. By 31 March 2004 93% of all forces were at their required readiness levels with no critical weaknesses. Performance across the period varied depending on operational commitments.</p> <p>Operations in Iraq and elsewhere in 2003/2004 demonstrated our ability to deploy and sustain forces on operations of a similar scale and duration to the Gulf War, and recover them thereafter. A range of lessons learned during operations have already been addressed and we are looking carefully at how we can improve our ability to prepare in advance of commitment to specific deployments.</p>	<p><i>MoD Performance Report 2001-02</i> paragraphs 37-41</p> <p><i>MoD Annual Report and Accounts 2002-03</i> paragraphs 40-44</p> <p><i>MoD Annual Report and Accounts 2003-04</i> paragraphs 32-36</p>
	<p>Establish the operational capability of the Joint Rapid Reaction Forces by late 2002-03.</p>	<p><b>Met – Slippage</b></p> <p>The requirement was largely met by the end of 2002-03, although it was assessed then that it would not be possible to generate and sustain some specialist JRRF force elements within planned timescales. However, operations in Iraq and elsewhere in 2003/2004 effectively demonstrated the ability to mount and sustain a single, non-enduring medium scale warfighting operation despite continuing shortfalls in some specialist areas.</p>	<p><i>MoD Performance Report 2001-02</i> paragraphs 43-44</p> <p><i>MoD Annual Report and Accounts 2002-03</i> paragraph 47</p> <p><i>MoD Annual Report and Accounts 2003-04</i> paragraph 41</p>
	<p>Provide the strategic lift capability provided by four large aircraft, by 2002.</p>	<p><b>Met</b></p> <p>The fleet of four C-17 aircraft entered service on 30 September 2001, and have been used extensively since. Acquisition of a 5th C-17 was announced in July 2004.</p>	<p><i>MoD Performance Report 2001-02</i> paragraph 43.</p> <p><i>Delivering Security in a Changing World: Future Capabilities</i>, paragraph 2.26</p>

Table 22 continued...			
PSA Target	Performance Indicator	Assessment	Further Detail
<b>Objective I (continued) – Provide and direct Armed Forces able to undertake successfully a major operation on a similar scale and duration to the Gulf War, or two medium scale operations (of similar size to that in Kosovo), one involving warfighting, and sustain them simultaneously for up to six months, whilst meeting long standing commitments and being able to rebuild a bigger force should a major threat to Europe emerge.</b>			
<p><b>2.</b> Recruit, retain and motivate the personnel needed to meet the manning requirement of the Armed Forces, so that by March 2004, the Royal Navy and RAF achieve full manning, and the Army meets 97% of its manning requirement.</p> <p>(Full manning is defined as falling within a tolerance band of +1/-2% to reflect the temporary impact of ongoing structural and organisational change within the Armed Forces).</p> <p><b>Overall Assessment: Partly Met</b></p>	<p>Royal Air Force at full manning from 2001-02. Royal Navy/Royal Marines at full manning by 2002-03. Army at 97% of requirement by March 2004, as progress towards full manning by 2005.</p>	<p><b>Partly Met</b></p> <p>Improvements in all three Service. From April 2001 to April 2004</p> <ul style="list-style-type: none"> <li>• RN increased from 96.6% to 97.7% of requirement, remaining just below manning balance.</li> <li>• Army increased from 92.7% to 97.2% of requirement, remaining just below manning balance.</li> <li>• RAF increased from 97.1% to 98.5% of requirement, achieving manning balance by April 2002 and maintaining it thereafter.</li> </ul> <p>All three Services continued to experience critical shortages in certain specialised areas.</p>	<p><i>MoD Performance Report 2001-02</i> paragraphs 80-92</p> <p><i>MoD Annual Report and Accounts 2002-03</i> paragraphs 80-83</p> <p><i>MoD Annual Report and Accounts 2003-04</i> paragraphs 73-75</p>
	<p>Achieve the single Service guidelines for deployed service.</p>	<p><b>Not Met</b></p> <p>Although all three Services met their guidelines in 2001-02, very heavy subsequent operational commitments meant that they were not always able to do so thereafter. In particular in 2003-04, Army tour intervals for some units were well below the 24 months guideline.</p>	<p><i>MoD Performance Report 2001-02</i> paragraphs 81-83</p> <p><i>MoD Annual Report and Accounts 2002-03</i> paragraphs 158</p> <p><i>MoD Annual Report and Accounts 2003-04</i> paragraph 160</p>
	<p>New investment in family accommodation in Great Britain to improve the living conditions of Service personnel and their families to Standard 1 for condition by 2005/06.</p>	<p><b>Met – Ongoing</b></p> <p>Over the period the Defence Housing Executive upgraded 6,712 Service Family houses to Standard 1 for Condition, against overall in-year targets of 4,800. Proportion of long-term housing stock at Standard 1 for Condition increased from about 31% on 31 March 2001 to about 55% on 31 March 2004.</p>	<p><i>MoD Performance Report 2001-02</i> paragraph 96</p> <p><i>MoD Annual Report and Accounts 2002-03</i> paragraphs 107</p> <p><i>MoD Annual Report and Accounts 2003-04</i> paragraph 96-97</p>
	<p>Implement from April 2001 a new pay system for Regular forces which will enable better recognition of the skills and experience gained by individuals as they progress through a rank and align pay more closely with job weights.</p>	<p><b>Met</b></p> <p>Pay 2000 was successfully implemented for the vast majority of regular personnel on 1 April 2001, and the transition to all Service personnel completed in October 2003.</p>	<p><i>MoD Performance Report 2001-02</i> paragraph 134</p> <p><i>MoD Annual Report and Accounts 2002-03</i> paragraph 156</p>



Table 22 continued...			
PSA Target	Performance Indicator	Assessment	Further Detail
<b>Objective I (continued) – Provide and direct Armed Forces able to undertake successfully a major operation on a similar scale and duration to the Gulf War, or two medium scale operations (of similar size to that in Kosovo), one involving warfighting, and sustain them simultaneously for up to six months, whilst meeting long standing commitments and being able to rebuild a bigger force should a major threat to Europe emerge.</b>			
	Implementation of the Armed Forces Overarching Personnel Strategy (AFOPS) as guided by its supporting Action Plan.	<b>Met</b> The implementation of AFOPS provided the framework to take forward the key personnel themes of Attract, Recruit, Retain, Sustain and Remember and such policies such as Joint Personnel Administration (JPA), and the Defence Housing Policy. From 1 April 2004 AFOPS has been replaced by the Service Personnel Plan.	<i>MoD Performance Report 2001-02</i> paragraph 133 <i>MoD Annual Report and Accounts 2002-03</i> paragraph 154 <i>MoD Annual Report and Accounts 2003-04</i> paragraph 167
<b>3.</b> Achieve the objectives established by Ministers for military operations that arise in which the United Kingdom's Armed Forces are involved.  <b>Overall Assessment: Met</b>	Successful fulfilment of Operations as measured through achievement of Operational Objectives.	<b>Met</b> The Armed Forces achieved a high degree of success against the military objectives set in all Operations overseas, including in Afghanistan, Bosnia, the Democratic Republic of Congo, Iraq, Kosovo, Macedonia, and Sierra Leone. In addition they maintained a minimum nuclear deterrent capability; maintained the security of the UK's Overseas Territories; supported the civil authorities at home, including in Northern Ireland, in civil emergencies (particularly in response to Foot and Mouth and in provision of emergency fire cover across the UK), in routine provision of Search and Rescue and of Fisheries Protection services, and in the investigation and disposal of suspected explosive devices.	<i>MoD Performance Report 2001-02</i> paragraphs 8-30 <i>MoD Annual Report and Accounts 2002-03</i> paragraphs 11-31 <i>MoD Annual Report and Accounts 2003-04</i> paragraphs 7-28
<b>Objective II – In order to achieve the above, provide an effective defence policy, planning and management structure.</b>			
<b>4.</b> Working with NATO Allies, implement the decisions of the NATO Washington Summit, including the new Strategic Concept and the Defence Capabilities Initiative, and help to adapt NATO to the new strategic environment.  <b>Overall Assessment: Met</b>	A more effective and efficient NATO, including through the implementation of the measures agreed at the Washington Summit.	<b>Met</b> NATO has transformed its structures, procedures and capabilities in order to adapt to new threats and challenges. A streamlined NATO command structure was approved, the NATO Response Force reached interim operating capability, NATO leaders committed to transform the Alliance to meet new threats, including terrorism and Weapons of Mass destruction.	<i>MoD Performance Report 2001-02</i> paragraphs 57-58 <i>MoD Annual Report and Accounts 2002-03</i> paragraphs 50-53 <i>MoD Annual Report and Accounts 2003-04</i> paragraphs 43-47
	NATO enlargement is in line with UK interests.	<b>Met</b> Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia acceded to NATO on 29 March 2004.	

Table 22 continued...			
PSA Target	Performance Indicator	Assessment to End of 2002-03	Paragraph
<b>Objective II (continued) – In order to achieve the above, provide an effective defence policy, planning and management structure</b>			
<p>5. Work with partners so that the European Union (EU) can, by 2003, deploy forces of up to Corps level (50-60,000 personnel) within 60 days, capable of undertaking the full range of Petersberg tasks (from disaster relief to large scale peace-support operations) in and around Europe.</p> <p><b>Overall Assessment: Met</b></p>	<p>By 2003, EU able to deploy forces of up to Corps level within sixty days, capable of undertaking the full range of Petersberg tasks.</p>	<p><b>Met</b></p> <p>Defence Ministers confirmed in May 2003 that the EU had attained operational capability across the full range of Petersberg Tasks, albeit limited and constrained by recognised shortfalls.</p>	<p>MoD Performance Report 2001-02 paragraphs 59-60</p> <p>MoD Annual Report and Accounts 2002-03 paragraphs 54-57</p>
	<p>Effective political/military decision-making apparatus established within the EU. Minimum duplication with NATO and national machinery.</p>	<p><b>Met</b></p> <p>EU political and military decision making structures became fully operational in 2001-02 and continued to develop. The EU conducted its first two military operations in 2003-04. European Defence Agency established. UK successfully ensured that NATO capabilities are not duplicated.</p>	<p>MoD Annual Report and Accounts 2003-04 paragraphs 15, 19, 43-47</p>
	<p>Effective EU relationships with NATO acceptable to all members.</p>	<p><b>Met</b></p> <p>'Berlin Plus' arrangements agreed between EU and NATO whereby EU has access to some common NATO assets and capabilities. Successful EU operation carried out under these in Macedonia. Reciprocal liaison arrangements agreed between EU Military Staff and SHAPE.</p>	
<p>6. Improved effectiveness of the UK contribution to conflict prevention and management as demonstrated by a reduction in the number of people whose lives are affected by violent conflict and by a reduction in potential sources of future conflict, where the UK can make a significant contribution. JOINT TARGET WITH DFID AND FCO.</p> <p><b>Overall Assessment: [Not yet assessed]</b></p>	<p>In all countries and regions in which activities are funded by resources from the joint pools, reduced rate in the:</p> <ul style="list-style-type: none"> <li>• Incidence, or likelihood, of new conflicts;</li> <li>• Incidence of conflict-related displacement; and</li> <li>• Incidence of war-related casualties.</li> </ul>	<p><b>Not yet assessed</b></p> <p>Formal analysis of statistics on deaths, refugees and internally displaced people not yet available.</p> <p>Successful range of cross-Departmental activities in support of agreed priorities in Africa and rest of the world continued to develop. MoD working to support conflict prevention initiatives across Africa, the Middle East, Europe, Central America and Asia, as well as undertaking wider-ranging conflict-prevention work under the Defence Diplomacy Programme. Further development and refocusing of defence relations programmes and initiatives in 2003-04.</p>	<p>MoD Performance Report 2001-02 paragraphs 65-66</p> <p>MoD Annual Report and Accounts 2002-03 paragraphs 58-61</p> <p>MoD Annual Report and Accounts 2003-04 paragraphs 48-50</p>
<b>Objective III – Provide fighting equipment for the Armed Forces using Smart Procurement principles, so that they maintain the military capability to conduct the operational tasks required of them.</b>			
<p>7. Develop and deliver battle-winning equipment to time, cost and capability requirement targets that will enable the Armed Forces to provide the military capability required of them now and in the future</p> <p><b>Overall Assessment: Partly Met</b></p>	<p>On average, in-year slippage to in-service date of fewer than 10 days for new major projects.</p>	<p><b>Not Met</b></p> <p>Average in-year slippage of 15 days in 2001-02, 54 days in 2002-03, 2.2 months in 2003-04.</p>	<p>MoD Performance Report 2001-02 paragraphs 65-66</p>
	<p>On average, in-year slippage to in-service date of fewer than 4 weeks for existing major projects.</p>	<p><b>Not Met</b></p> <p>Average in-year slippage of 6 weeks in 2001-02, 62 weeks in 2002-03, 2.8 months in 2003-04.</p>	<p>MoD Annual Report and Accounts 2002-03 paragraphs 58-61</p>
	<p>97% of customer's key requirements to be attained.</p>	<p><b>Met</b></p> <p>98.8% of customers' key requirements met in 2001-02, 99.5% in 2002-03, 98.8% in 2003-04.</p>	<p>MoD Annual Report and Accounts 2003-04 paragraph 123</p>
	<p>On average, no increase in major project costs.</p>	<p><b>Partly Met</b></p> <p>No increase on average in 2001-02, Average growth against approval of 5.4% in 2002-03 and 2.7% in 2003-04.</p>	

Table 22 continued...			
PSA Target	Performance Indicator	Assessment to End of 2002-03	Paragraph
<b>Value for Money</b>			
<p>8. Achieve value for money through delivering efficiency savings of 3% a year, benefits of the Smart Procurement Initiative of £750 million over the period 2001-02 to 2003-04, and continuing the drive for the optimum utilisation of the Defence asset base, with disposals of over £600M of assets by March 2004.</p> <p><b>Overall Assessment: Met</b></p>	<p>Reduce the output costs of the DLO by 20% in resource terms by 2005, whilst ensuring that it continues to deliver and, where appropriate, improves the quality of its outputs.</p> <p>(Target rebased in 2002-03 to 14% savings by April 2006 against April 2002 baseline, reflecting change in cost of capital rate in April 2003)</p>	<p><b>On Course</b></p> <ul style="list-style-type: none"> <li>5.6% reduction in output costs from April 2000 to March 2002;</li> <li>3.1% reduction in output costs 2002-03 against revised baseline;</li> <li>3.7% reduction in output costs 2003-04 against revised baseline (subject to validation);</li> <li>Cumulative reduction of 6.8% by April 2004 against cumulative target of 6% towards revised 14% reduction baseline.</li> </ul>	<p>MoD Performance Report 2001-02 paragraph 110</p> <p>MoD Annual Report and Accounts 2002-03 paragraphs 146-47</p> <p>MoD Annual Report and Accounts 2003-04 paragraph 138</p>
	<p>Identify by 2002 those core Defence Estate sites required for continued use by the Department and Armed Forces.</p>	<p><b>Met</b></p> <ul style="list-style-type: none"> <li>Categorisation of sites agreed by 31 December 2002.</li> <li>Implementation plan approved February 2004.</li> </ul>	<p>MoD Performance Report 2001-02 paragraph 97</p> <p>MoD Annual Report and Accounts 2002-03 paragraph 111</p> <p>MoD Annual Report and Accounts 2003-04 paragraph 98</p>
	<p>Achieve asset disposals of over £600M by March 2004.</p>	<p><b>Met</b></p> <p>Total asset disposals £748M:</p> <ul style="list-style-type: none"> <li>2001-02 £184M Estate, £28M equipment;</li> <li>2002-03 £278M Estate, £29M equipment;</li> <li>2003-04 £207M Estate, £22M equipment.</li> </ul>	<p>MoD Performance Report 2001-02 paragraphs 78-79</p> <p>MoD Annual Report and Accounts 2002-03 paragraphs 77-78</p> <p>MoD Annual Report and Accounts 2003-04 paragraphs 101 and 149</p>
	<p>Deliver £750M Smart Acquisition savings over the period 2001/2002 to 2003/2004.</p>	<p><b>Met</b></p> <p>Estimated reductions of some £2Bn were made to the MoD's planned equipment programme between 1998 and 2008. However, Smart Acquisition is now normal practice and data to support notional Smart Acquisition savings proved to be unreliable. The MoD is discussing with the NAO how to establish reliable performance metrics. Currently the most reliable metrics are those in the annual Major Projects Report which indicate that for equipment, SA programmes currently have less slippage and cost overrun than legacy programmes.</p>	<p>MoD Performance Report 2001-02 paragraph 118</p> <p>MoD Annual Report and Accounts 2002-03 paragraph 129</p> <p>MoD Annual Report and Accounts 2003-04 paragraphs 124-125</p>
	<p>Efficiency Savings: Develop new approach to efficiency, subject to agreement between the MoD and HMT.</p>	<p><b>Met</b></p> <ul style="list-style-type: none"> <li>New system agreed in SR2002 and implemented from 1 April 2002.</li> <li>2.3% savings under new system in 2002-03;</li> <li>2.9% savings in 2003-04 (subject to validation);</li> <li>cumulative savings of 5.2% by April 2004 against cumulative target of 5%.</li> </ul>	<p>MoD Performance Report 2001-02 paragraph 77</p> <p>MoD Annual Report and Accounts 2002-03 paragraphs 143-44</p> <p>MoD Annual Report and Accounts 2003-04 paragraphs 150-152</p>
	<p>Subject to value for money considerations, complete the Defence Evaluation and Research Agency Public Private Partnership by April 2002.</p>	<p><b>Met – Slippage</b></p> <p>Given market conditions it was decided to delay the initial QinetiQ transaction to the end of 2002. The agreement was signed on schedule on 5 December 2002.</p>	<p>MoD Performance Report 2001-02 paragraphs 149-50</p> <p>MoD Annual Report and Accounts 2002-03 paragraph 191</p>

**Table 23: 2004 Spending Review Public Service Agreement Targets****AIM**

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

**OBJECTIVES AND PERFORMANCE TARGETS****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 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 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.*

**WHO IS RESPONSIBLE FOR DELIVERY?**

The Secretary of State for Defence is responsible for the delivery of this PSA. The Secretary of State for Foreign and Commonwealth Affairs is jointly responsible for delivery of target 4 and, together with the Secretary of State for International Development, target 2. The Secretary of State for Defence is also responsible for delivering the agreed efficiency target set out in the Ministry of Defence chapter of the 2004 Spending Review White Paper (see below).

A reconciliation of SR2002 and SR2004 targets can be found on the Treasury website at [www.hm-treasury.go.uk](http://www.hm-treasury.go.uk).

**EFFICIENCY TARGET**

*The Ministry of Defence will realise total annual efficiency gains of at least £2.8 billion by 2007/08, of which three-quarters will be cash releasing, to be re-invested in defence capability and further modernisation initiatives.*

# ANNEX C:

## Defence Agency Performance

Agency	Key Targets 2002-03		Key Targets 2003-04					
	Targets Met/ Targets Set <sup>1</sup>	Proportion Met	Targets Met/ Targets Set <sup>1</sup>	Proportion Met	Marginal Miss <sup>2</sup>	Better Performance <sup>3</sup>	Significantly Better Performance <sup>4</sup>	Targets not directly comparable to 2002-03 <sup>5</sup>
Armed Forces Personnel Administration Agency	8/9	89%	9/9	100%	0	0	0	5
ABRO (Trading Fund)	4/5	80%	5/5	100%	0	1	0	2
Army Personnel Centre <sup>6</sup>	3/4	75%	2/4	50%	2	0	2	0
Army Training and Recruiting Agency	2/5	40%	4/5	80%	1	3	1	0
British Forces Post Office	2/3	67%	10/11	91%	1	4	0	2
Defence Analytical Services Agency	4/7	57%	7/8	88%	1	2	1	5
Defence Aviation Repair Agency (Trading Fund)	4/4	100%	4/4	100%	0	2	2	0
Defence Bills Agency	7/7	100%	6/6	100%	0	0	0	0
Defence Communication Services Agency	6/7	86%	6/7	86%	1	5	1	0
Defence Dental Agency	4/8	50%	3/6	50%	1	0	3	0
Defence Estates	3/5	60%	10/11	91%	0	0	0	4
Defence Geographic and Imagery Intelligence Agency	3/8	38%	6/8	75%	2	0	0	3
Defence Housing Executive <sup>7</sup>	5/8	63%	2/9	22%	4	0	1	0
Defence Intelligence and Security Centre	5/7	71%	2/4	50%	1	0	0	1
Defence Medical Education and Training Agency	–	–	7/7	100%	0	1	1	4
Defence Procurement Agency	3/5	60%	2/5	40%	0	2	0	0
Defence Science and Technology Laboratory (Trading Fund)	4/4	100%	7/7	100%	0	1	2	4
Defence Storage and Distribution Agency	4/4	100%	2/6 <sup>8</sup>	33%	1	0	0	4
Defence Transport and Movements Agency	6/6	100%	3/3	100%	0	2	0	1
Defence Vetting Agency	7/17	41%	8/17	47%	0	0	14	0
Disposal Services Agency	4/4	100%	4/4	100%	0	0	0	0
Duke of York's Royal Military School <sup>9</sup>	6/8	75%	5/8	63%	1	3	0	1
Medical Supplies Agency	2/7	29%	1/5	20%	2	0	0	2
Met Office (Trading Fund)	4/7	57%	6/7	86%	0	3	2	2
MoD Police <sup>10</sup>	2/6	33%	2/8	25%	2	1	0	4
Naval Manning Agency <sup>6</sup>	6/12	50%	6/10	60%	1	5	1	0

Table 24 continued...

Agency	Key Targets 2002-03		Key Targets 2003-04					
	Targets Met/ Targets Set <sup>1</sup>	Proportion Met	Targets Met/ Targets Set <sup>1</sup>	Proportion Met	Marginal Miss <sup>2</sup>	Better Performance <sup>3</sup>	Significantly Better Performance <sup>4</sup>	Targets not directly comparable to 2002-03 <sup>5</sup>
Naval Recruiting and Training Agency	5/7	71%	4/7	57%	0	1	1	0
Pay and Personnel Agency	7/7	100%	5/6 <sup>11</sup>	83%	1	0	2	4
Queen Victoria School	4/5	80%	5/5	100%	0	1	3	0
RAF Personnel Management Agency <sup>6</sup>	4/5	80%	5/5	100%	0	4	0	0
RAF Training Group Defence Agency	5/7	71%	5/7	71%	0	0	0	0
Service Children's Education	7/16	44%	5/16	31%	5	4	0	2
UK Hydrographic Office (Trading Fund)	7/12	58%	9/11	82%	1	0	3	8
Veterans Agency	6/6	100%	5/6	83%	1	3	1	1
Warships Support Agency	10/11	91%	5/8	63%	0	1	1	1
<b>Total</b>		<b>70%</b>		<b>72%</b>	<b>29</b>	<b>49</b>	<b>42</b>	<b>60</b>

Notes:

[1] Where there are multiple elements to a Key Target these have been counted separately.

[2] Where a target is judged to be narrowly missed, by a shortfall of under 2%.

[3] Where outturn against a measure, or commentary on performance, indicates improvement over the previous year. Only applicable to Key Targets that have remained the same since 2002-03.

[4] Where there were large changes in possible performance against comparable measures for the previous year. These have generally been taken as at least a 5% increment in performance, usually more. Only applicable to Key Targets that have remained the same since 2002-03.

[5] Since the formation of the Directorate of Business Delivery in 2003, Agencies have been encouraged to re-assess key targets in order to make them more relevant/challenging.

[6] De-agencified April 2004.

[7] De-agencified and merged with Defence Estates in April 2004.

[8] KT 2 (unit cost of output) results not available at time of print.

[9] One key target to be verified by Defence Internal Audit.

[10] Renamed Ministry of Defence Police and Guarding Agency in April 2004 after merging with the Ministry of Defence Guarding Service.

[11] Customer satisfaction target not measurable until 2004-5 therefore not included.

## Background

1. Despite the obvious pressures and disruption caused by Op TELIC and other commitments, Defence Agencies generally performed well in 2003-04. Ten agencies met all their key targets, an increase over the previous year. Overall the average number of targets met also increased from 70% to 72% compared to 2002-03. Since the formation of the Directorate of Business Delivery in MoD headquarters in August 2003, Trading Funds and agencies have also been actively encouraged to review their target-setting processes with a view to exchanging best practice and setting more relevant and challenging targets in the future.

## Organisational Changes

2. On 1 April 2003, the number of on-vote Defence Agencies reduced from 31 to 30 with the merger of the Defence Secondary Care Agency and Defence Medical Training Organisation to form the Defence Medical Education and Training Agency. From 1 April 2004 three agencies – the Naval Manning Agency, the Army Personnel Centre and the RAF Personnel Management Agency were de-agencified as a result of the Service Personnel Process Review. In addition the Defence Housing Executive Agency was merged into Defence Estates and the MoD Police Agency was renamed the Ministry of Defence Police and Guarding Agency after merging with the MoD Guarding Service.

## Trading Funds

3. MoD has five Trading Fund Agencies. **ABRO**, the **Defence Aviation Repair Agency (DARA)** and the **Defence Science and Technology Laboratory (Dstl)** met all their key targets in 2003-04. For ABRO the average equipment repair price reduced by 8% against a 4% target (following a 9% reduction in 2002-03). The agency has been proactive in securing new business direct from the defence industry, through partnering with prime contractors and diversifying into the fleet services and rail markets, resulting in £17.9M additional sales. In DARA, overheads were reduced, workload volumes were maintained, and the Agency offered its customers price reductions in real terms. They achieved their order intake target of £160M, recorded pre-tax profits of £6M whilst securing a three year average Return on Capital Employed in excess of the 6% target.

4. Dstl's Return on Capital Employed was 11.9% against a target of 6.5%, representing a significant improvement against an achievement of 9.6% in 2002-03. This was combined with an increase in overall levels of customer satisfaction of 7%.

5. **Met Office** achieved 6 out of 7 of its key targets. Their staff skills index target was missed mainly owing to the fact that Met Office lost many of its most experienced staff upon its relocation to Exeter. The **UK Hydrographic Office (UKHO)** achieved 5 out of 7 key targets. Although there was slippage in some elements of the plans to put in place enablers for the expansion into Wider Markets, sales in the Hydrographic Office were strong: up £5.7M compared to budget and costs contained. The Return on Capital Employed was 16.4% against a target of 7.5%.

## On-Vote Agencies

### Logistics

6. New and ongoing operations continued to have a significant impact on demand, causing some MoD agencies to fail to meet their set targets despite the fact that performance in many areas had improved. For example, whilst the **Defence Storage and Distribution Agency (DSDA)** narrowly failed to meet its key target against non explosive issues (93.24% against a target of 95%), this hides the fact that demand increased significantly and the agency actually met some 13% more issues than originally planned. Examples of key developments in other agencies are as follows:

7. The **Defence Communications Services Agency (DCSA)** played a pivotal role in the UK's largest ever Communication Information Systems deployment – Op TELIC. This included the provision of 48 land-based satellite ground terminals carrying some 1000 channels of services and a combined bandwidth of 54 megabits.

8. **British Forces Post Office (BFPO)** activities reached a peak when nearly 3000 bags of mail were despatched in relation to Op TELIC in a single day with a monthly total of 70,000 bags in April 2003.



9. The **Warship Support Agency (WSA)** failed to deliver ambitious targets for numbers of vessels that were either materially available for their current operational tasking or materially fit to meet their readiness criteria and further work is continuing with customers to ease the situation. However, it made significant improvements to installing priority capability upgrades to warships: for example, the Agency returned *HMS Invincible*, now the Fleet Flagship, with 100% of the planned improvements to time and cost. In addition the Agency once again exceeded its target improvement in the quality of Single Living Accommodation.

10. At the same time as supporting operations and achieving all its key targets, the **Defence Transport and Movements Agency (DTMA)** made significant progress with its e-business strategy, the introduction of a new Freight Transport Clearing House concept that uses the irreducible spare capacity of MoD in-house freight assets to greater effect, and delivered strategic efficiencies of some £2.8M.

11. Whilst it missed the majority of its key targets, the **Medical Supplies Agency (MSA)** made a major contribution to Op TELIC, delivering the same number of medical items and amount of equipment as for the 1991 Gulf conflict in only half the time. The Agency is currently undergoing a major transformation programme to make further improvements to its performance. This aims to build on the Department's capability to provide "whole life" support to medical equipment by integrating technical staff currently employed elsewhere in the DLO, and will develop the MSA into a true 'decider' organisation, will improve customer service, and reduce costs.

## Recruiting, Training, and Manning

12. There were a number of notable successes in those agencies involved with personnel, recruiting and training. For example, the **Army Training and Recruitment Agency (ATRA)** provided 622 commissioned officers against a target of 600, and 9794 soldiers against a target of 9475. The Agency narrowly missed (by half a percent) its target for improving pass rates for soldiers made available to undergo career or professional development. This was principally due to the impact of operational requirements, which resulted in personnel having to be withdrawn from courses part way through. For the Navy, the partnering arrangements with Flagship Training Ltd in the **Naval Recruiting and Training Agency (NRTA)** delivered in-year benefits of £17.43M against a target of £15M.

13. The **Defence Medical Education and Training Agency (DMETA)** made significant progress in demanding circumstances in its inaugural year. The key achievement was the provision of 100% of the requirement for secondary care personnel needed for operational deployments. This included some 750 people deployed to Iraq at the height of Op TELIC. At the same time, the Agency also made a number of improvements to medical education and training, a highlight being the development of a Foundation Modern Apprenticeship Scheme for Allied Health Professionals and advances to the development of Clinical Governance (CG) policy together with a supporting quality management framework and CG audit protocol.

14. Demands for intelligence training from all three services continued to rise and the **Defence Intelligence and Security Centre (DISC)** is evolving to meet changing customer requirements and technologies. New additions to the Agency include the Defence School of Photography at RAF Cosford and the Defence School of Languages at Beaconsfield. In addition, the Agency's flagship course for overseas students, the International Intelligence Directors course, continues to attract high-level interest from all continents and provides a significant opportunity for intelligence diplomacy at the highest levels.

15. The removal of agency status from the three service **manning agencies** from 1 April 04 will enable the three Services to respond more effectively to customers' strategic and operational requirements in relation to manning, through-career drafting and appointing, and terms and conditions of service in the future.



## Personnel Administration

16. In the last months of FY 03/04, the **Defence Vetting Agency (DVA)** began to meet its Developed Vetting Targets for the first time, and overall performance improved against 82% of the key targets. Further initiatives are in hand including the greater use of technology to streamline processes with the aim of making further improvements to the Agency's performance.

17. The **Pay and Personnel Agency (PPA)** continued to maintain high levels of average accuracy (97.9%) and timeliness (97.5%) for salary payments, expenses payments and pension awards, as well as reducing unit costs associated with these transactions. The Agency also gained ISO 9001 quality accreditation for 100% of its corporate service areas.

18. The **Armed Forces Personnel Administration Agency (AFPAA)** faced the challenge of maintaining current services and their associated legacy systems whilst preparing the Agency for the huge transformation that will be necessary for AFPAA to be at the heart of service delivery in the new, modern Joint Personnel Administration environment.

19. In June 2003, the **Veterans Agency (VA)** was a category winner in the Chartered Institute of Public and Financial Accounting (CIPFA)/PricewaterhouseCoopers Public Reporting and Accountability awards. The Agency was particularly praised for "displaying in its website and printed materials an admirable concern to assist its clients through the thickets of bureaucracy and attain their rights", and customer ratings were high. The VA has also reduced sick absence levels among staff by over 20%.

## Education

20. Despite missing a number of its key targets, **Service Children's Education (SCE)** again outstripped the UK (English) National performance in all 10 of the academic subject areas covering key stages 1-3 by an average of 5.5%. In addition, the notional positions of the agency in the English Local Education Authority (LEA) League tables were highly respectable (second at Key Stage 1, twenty-third at Key Stage 2 and fourteenth at Key Stage 3 – of 150 LEAs). Both **Queen Victoria School** and the **Duke of York's Royal Military School** also saw notable improvements in academic performance in many areas.

## Specialist Service Provision

21. The **Defence Analytical Services Agency (DASA)**'s two long-running key targets on service delivery and customer satisfaction were both met, having been failed in 2002-03, and a number of major pieces of work were concluded, for example the creation of the Op TELIC research database. The Agency also won the National Council for Work Experience award in the public sector category for the quality of placements offered to students.

22. The **Defence Geographic and Imagery Intelligence Agency (DGIA)** was successful in meeting its commitments to support operations. This did, however, require the diversion of some resources away from the Strategic and Contingency planning areas, which meant there was a small reduction in performance against these targets.

23. Despite extensive efforts, the **MoD Police Agency** (now the MoD Defence Police and Guarding Agency) was not able to meet its target of recruiting 6% of new recruits from ethnic minorities. However, recruitment of female staff doubled and now stands at 15.4%. Solvency for crime classified as "primary", i.e. directly against MoD interests, was 56.9% against a target of 48%.

24. The **Disposal Services Agency (DSA)** exceeded its gross cash receipts target of £20M to achieve £22M worth of sales in 2003-04.

25. The **Defence Dental Agency (DDA)** met all demands for operationally deployable dental teams. On other targets there was a significant reduction in treatment needs for RN and RAF personnel although difficulties with the Army meant this target was missed largely owing to the difficulties in providing treatment to the large numbers of troops involved with operational activities.

26. Further details on Defence Estates, the Defence Housing Executive and the Defence Procurement Executive can be found in the body of the MoD Annual Report.

### **Non Departmental Public Bodies (NDPBs)**

27. The Department has seven Executive and twelve Advisory NDPBs. Further details on their purpose, size and funding can be found on the MoD website at [http://www.mod.uk/issues/open\\_government/ndpbs.htm](http://www.mod.uk/issues/open_government/ndpbs.htm) Six of the Department's sponsored Executive NDPBs are museums, which contribute to the broader government agenda relating to heritage, education and social inclusion. For example, some 30,000 activity places were arranged at the RAF Museum for children as part of organised school parties in 2003-04. The other Executive NDPB, the Oil and Pipelines Agency, achieved all its 2003-04 business targets within budget.

28. Further details about the activities and performance of MoD's agencies and NDPBs can be found in individual organisations' reports and accounts, and in the supplementary documents to the MoD Annual Report.

# ANNEX D:

## Government Standards

### Fraud

1. A re-launch of the joint Defence Fraud Analysis Unit (DFAU) and MoD Police fraud awareness programme, which included the provision of 115 presentations during the year, sustained the rising trend of whistleblowing disclosure identified in previous years. This contributed to the total of 356 suspected cases of irregularity, fraud, theft and corruption recorded by the DFAU in 2003-04 with an estimated value of £2.11M. Suspected contract fraud accounted for 49 cases; the large increase over previous years was primarily accounted for by theft of assets related to Op TELIC. The increase in reported suspected fraud was marginal. Further initiatives included the launch of the DFAU internal website and the development of an interactive electronic learning module, designed to teach risk awareness. To support new initiatives and a more proactive role, including full interaction between all business areas and the development of data-mining techniques, the DFAU began the process of recruiting additional staff.

	2002-03		2003-04	
	Target	Achieved	Target	Achieved
Defence Bills Agency <sup>1</sup>	100%	99.93%	99.90%	99.98%
ABRO	100%	100%	100%	99.90%
Defence Aviation Repair Agency <sup>2,3</sup>	100%	90.60%	100%	91.00%
Defence Science and Technology Laboratory	100%	97.00%	100%	98.00%
Met Office <sup>3</sup>	100%	99.80%	100%	99.79%
UK Hydrographic Office	100%	98.70%	100%	99.10%

Notes:

(1) Representing all MoD bills with the exception of those paid by Trading Funds.

(2) There have been some transitional payment delays as DARA have introduced changes to their internal invoice approvals processes.

(3) Standard payment terms are 30 days, however other pre-arranged terms may on occasion be agreed with customers.

## Open Government

2. Preparations for the introduction of full access rights under the Freedom of Information (FOI) Act were well advanced by the end of 2003-04. The FOI Programme established in 2002 continued to promote awareness of the Act and to develop Department-wide policies and procedures for compliance with the obligations placed on public authorities. As part of the Programme, an FOI "Toolkit" is being developed. This will allow requests for information to be tracked and overall performance to be monitored from January 2005.
3. During 2003-04, information continued to be added to the MoD's Publication Scheme, launched at the end of 2002. Much of the information can be accessed directly from the electronic version of the Publication Scheme (<http://www.foi.mod.uk>). We have also continued to use MoD's website to provide more dynamic information. In particular, regular headline reports have been posted to chart the progress of major deployments such as Op TELIC, and to provide a range of supporting background material such as maps, photographs, speeches, statements, reports and links to related sites.
4. The programme of FOI preparations included an audit exercise to review the information we hold. In parallel with this, the re-review of records that have been closed for more than thirty years continued into the first quarter of 2004. A small number of records were released to the National Archives during this period, bringing to 12,150 the total number of records released since inception of the review programme in 1992. Further progress in this area has been hampered by the potential contamination with asbestos of a large number of records held in the Old War Office Building (OWOB). In addition, as part of an exercise coordinated by the National Archives, the MoD has undertaken a comprehensive re-review of files already transferred to the National Archives with a view to opening them before the date originally set.
5. In advance of full implementation of the FOI Act, MoD continues to respond to requests for information in accordance with the Code of Practice on Access to Government Information. A summary of the key statistics for 2003, compared with 2002 is provided below:

Category	2002	2003
Number of Code requests dealt with over the period	1,941	2,156
Number of Code requests answered within twenty working days	1,867	2,140
Number of Code requests for which charges were made	1,324	1,416
Number of Code requests where some information was withheld	67	8 <sup>2</sup>
Number of internal reviews completed	3	9
Number of internal reviews completed within twenty working days	1	3
Number of internal reviews where the original decision was upheld	0	5
Number of internal reviews where additional information was disclosed	3	1
Number of investigations completed by the Parliamentary Ombudsman	3	1
Number of Ombudsman investigations where MoD's decision was upheld	0	0
Number of Ombudsman investigations where additional information was disclosed	3	1

Notes:

(1) These figures include MoD agencies, Trading Funds and Non-Departmental Public Bodies for the calendar year 2003.

(2) The significant decrease between 2002 and 2003 is largely due to: (a) a high number of requests in 2002 for the same file (the information withheld has now been released and the complete file is included in the Publication Scheme); (b) requests for information relating to procurement projects that were at a sensitive stage in 2002.

## Accountability to Parliament

6. Since 1 April 2003, the Ministry of Defence has given evidence to the House of Commons Defence Committee on a number of occasions covering a wide range of issues, and the Government has responded to a number of the Committee's reports. Committee publications, including published evidence given to the Committee, are summarised below and are available at [www.parliament.uk/parliamentary\\_committees/defence\\_committee.cfm](http://www.parliament.uk/parliamentary_committees/defence_committee.cfm).

### Session 2003-04

#### Reports (Government Responses are listed in brackets after the report they relate to)

##### First Report

HC 96-i & ii      *Armed Forces Pensions and Compensation*  
(Cm 6109)

##### Second Report

HC 293            *Annual Report for 2003*

##### Third Report

HC 57-i, ii & iii    *Lessons of Iraq*  
(HC 635)

##### Fourth Report

HC 390            *Strategic Export Controls: Annual Report for 2002, Licensing Policy and Parliamentary Scrutiny*

##### Fifth Report

HC 465-i & ii      *The Defence White Paper 2003*  
(HC 1048)

##### Sixth Report

HC 572-i & ii      *Defence Procurement*

#### MoD Evidence

##### *Annual Report and Accounts 2002-03*

HC 589-i            Oral Evidence given by Sir Kevin Tebbit, KCB CMG, Permanent Under Secretary of State, and Mr Trevor Woolley, Finance Director, 12 May 2004

##### *Iraq*

HC 721-i            Oral Evidence given by Mr Martin Howard, Director General, Operational Policy, and Major General Nick Houghton, ACDS(Operations), 23 June 2004

##### *Duty of Care*

HC 620-i            Oral Evidence given by Lieutenant General Anthony Palmer, Deputy Chief of Defence Staff (Personnel), Rear Admiral Simon Goodall, Director General Training and Education, Colonel David Eccles, Chief of Staff, Army Training and Recruitment Agency, and Mr Julian Miller, Director General of Service Personnel Policy, 26 May 2004

## Session 2002-03

### Reports (Government Responses are listed in brackets after the report they relate to)

#### Third Report

HC 321 *Arms Control and Disarmament (Inspections) Bill*  
(HC 754)

#### Fourth Report

HC 620 *The Government's Proposals for Secondary Legislation under the Export Control Act*  
(Cm 5988)

#### Fifth Report

HC 474 *Strategic Export Controls: Annual Report for 2001, Licensing Policy and Parliamentary Scrutiny*  
(Cm 5943)

#### Sixth Report

HC 93-i & ii *A New Chapter to the Strategic Defence Review*  
(HC 975)

#### Seventh Report

HC 557 *Draft Civil Contingencies Bill*  
(Cm 6078)

#### Eighth Report

HC 694 *Defence Procurement*  
(HC 1194)

### MoD Evidence

#### *European Security and Defence*

HC 1165-i Minutes of oral evidence presented by Mr Simon Webb CBE, Policy Director, Ministry of Defence, Dr Sarah Beaver, Director for EU and UN, Ministry of Defence, and Mr Paul Johnston, Head of Security Policy Department, Foreign and Commonwealth Office, 15 October 2003

#### *Armed Forces Pension and Compensation*

HC 1255 Minutes of oral evidence presented by Mr Ivor Caplin, Under-Secretary of State and Minister for Veterans, and Mr Jonathan Iremonger, Director, Service Personnel Policy (Pensions), 5 November 2003

#### *The Appointment of the New Chief of the Defence Staff*

HC 771-i Minutes of oral evidence presented by General Sir Michael Walker, GCB CMG CBE ADC, Chief of the Defence Staff, 11 June 2003

#### *The Army Training and Recruiting Agency*

HC 124-i Minutes of oral evidence presented by Major General A D Leakey CBE, Chief Executive, and Mr Martyn Piper, Deputy Chief Executive, Army Training and Recruiting Agency, 1 May 2003

7. Since 1 April 2003, the Ministry of Defence has given evidence to the House of Commons Public Accounts Committee on value for money issues on a number of occasions, and the Government has responded to a number of the Committee's reports. Committee publications, including published evidence given to the Committee, are summarised below and are available at [www.parliament.uk/parliamentary\\_committees/committee\\_of\\_public\\_accounts.cfm](http://www.parliament.uk/parliamentary_committees/committee_of_public_accounts.cfm).

### Session 2003-04

#### Reports (Government Responses are listed in brackets after the report they relate to)

Thirty-ninth Report

HC 273            *Operation TELIC: United Kingdom military operations in Iraq*

Twentieth Report

HC 551            *Improving service delivery: the Veterans Agency*

(Cm 6271)

#### MoD Evidence

*Major Projects Report 2003*

HC 383-i            Oral Evidence given by Sir Kevin Tebbit, KCB CMG, Permanent Under-Secretary of State, Sir Peter Spencer, KCB, Chief of Defence Procurement, and Lieutenant Rob Fulton, Deputy Chief of Defence Staff (Equipment Capability), 23 February 2004

HC 383-ii            Oral Evidence given by Sir Peter Spencer, KCB, Chief of Defence Procurement, and Lieutenant Rob Fulton, Deputy Chief of Defence Staff (Equipment Capability), 25 February 2004

### Session 2002-03

#### Reports (Government Responses are listed in brackets after the report they relate to)

Forty-sixth Report

HC 533            *Building an air manoeuvre capability: the introduction of the Apache Helicopter*  
(Cm 6105)

Thirty-seventh Report

HC 636            *The construction of nuclear submarine facilities at Devonport*  
(Cm 6016)

Thirteenth Report

HC 566            *Progress in Reducing Stocks*  
(Cm 5849)

8. Ministers have also accounted to Parliament in other ways during 2003-04 on all aspects of the Department's business. 4,801 Parliamentary Questions were tabled, Defence Ministers led 12 debates on defence issues in the House of Commons and 6 in the House of Lords, responded to 14 Adjournment Debates and one urgent question in the House of Commons, and made 5 oral statements to the House of Commons and 3 to the House of Lords. They also made 152 written statements to the House of Commons and (from introduction of Lords Written Statements in January 2004) 40 to the House of Lords. Details are published in Hansard, and a full list of defence debates and oral and written statements is available on [www.mod.uk](http://www.mod.uk).

### Ministerial Correspondence

9. Ministers have engaged in widespread correspondence with Members of Parliament, Members of Devolved Legislatures, Members of the European Parliament, and Peers. The table below shows Departmental and agency performance in replying to correspondence from during 2003-04.

**Table 27: Ministry of Defence Ministers and Agency Chief Executives' Performance in Replying to Ministerial Correspondence**

	Target set for despatch (working days)	Number of letters received for answer	Percentage of replies within target
Ministry of Defence (excluding Defence Agencies)	15	5,313	73
<b>Defence Agencies</b>			
ABRO	15	4	100
Armed Forces Personnel Administration Agency	15	93	99
Army Personnel Centre	15	17	94
Army Training and Recruiting Agency	15	2	100
British Forces Post Office	15	6	66.7
Defence Analytical Services Agency	15	–	–
Defence Aviation Repair Agency	15	7	100
Defence Bills Agency	10	1	100
Defence Communication Services Agency	15	–	–
Defence Dental Agency	15	9	100
Defence Estates	15	10	91
Defence Geographic and Imagery Intelligence Agency	15	–	–
Defence Housing Executive	15	13	92
Defence Intelligence and Security Centre	15	–	–
Defence Medical Education and Training Agency	15	–	–
Defence Procurement Agency	7	4	50
Dstl	14	–	–
Defence Storage and Distribution Agency	15	5	100
Defence Transport and Movements Agency	15	1	100
Defence Vetting Agency	7	4	100
Disposal Services Agency	15	1	100
Duke of York's Royal Military School	3	–	–
Medical Supplies Agency	15	1	100
Ministry of Defence Police	15	3	100
Naval Manning Agency	15	–	–
Naval Recruiting and Training Agency	15	–	–
Pay and Personnel Agency	10	6	100
Queen Victoria School	15	1	100
RAF Personnel Management Agency	15	–	–
RAF Training Group Defence Agency	15	–	–
Service Children's Education	15	–	–
Met Office	15	3	100
UK Hydrographic Office	15	15	93
Veterans Agency	15	236	99.6
Warship Support Agency	15	11	91

## Notes:

(1) Defence Housing Executive merged with Defence Estates on 1 April 2004.

(2) Army Personnel Centre, Naval Manning Agency and RAF Personnel Management Agency all de-agencified from 1 April 2004.



## Sponsorship

10. As part of the Government's response to the Sixth Report of the Committee on Standards in Public Life, the MoD compiles a summary of all sponsorship of MoD activities by the private or voluntary sector valued at over £5,000. Table 28 shows the information for 2003-04.

Table 28: Commercial Sponsorship Within MoD During 2002-03		
Activity	Individual Sponsors	Company Contribution £ VAT EX
RAF Aerobatic Display Team	BAE Systems	22,128
	Breitling	10,638
	Total/Fina/Elf	6,809
	BP Air	14,893
RAF Falcons Parachute Display Team	Avia Match Company	12,000
	Vauxhall	37,447
	Sonic Communications	5,000
Blue Eagles Helicopter Display Team	BAE Systems	5,000
	Breitling	10,731
Battle of Britain Memorial Flight	MG Rover	7,658
Royal Naval Presentation Team	Jaguar	25,532
Road safety promotion within British Forces Germany	Land Rover Deutschland GmbH	7,660
RRW Regimental Promotion	Brains Brewery	12,766
RNAS Culdrose Air Days	Lockheed Martin	17,021
Exercise Cambrian Patrol	Red Bull	10,213
RA – The Flying Gunners	Wurth	8,511
The Rheindahlen & Elmpt Bulletin	Mitsubishi Motors Bruggen	15,915
Yeovilton Air Day	Rolls Royce	17,500
Bowman Video	GD (UK)	20,000
Rolling Rock	Cotswold	8,500

## Better Regulation

11. There was no MoD sponsored legislation and the Department neither conducted nor proposed any Regulatory Impact Assessments or Regulatory Reform Orders during 2003-04. The Department held one public consultation, on the Interim Storage of Laid-Up Submarines. Copies of consultation documents are published on [www.mod.uk](http://www.mod.uk). This ran from 12 September to 24 December 2003, complying with the 12 weeks consultation period.

12. On 1 April 2004, the Cabinet Office announced the extension of the Regulatory Impact Assessment process to include all substantial policies and proposals which affect the public sector and to incorporate sustainable development outcomes. We are working with the Cabinet Office Regulatory Impact Unit on how to incorporate this requirement into the MoD's processes with the minimum added bureaucracy while taking account of the operational and security constraints governing the business of Defence.

## Safety, Health, Environment and Fire

13. In 2003-04, the Department were involved in a wide range of Safety, Health, Environment and Fire (SHEF) initiatives and achievements. For example we:

- Responded in detail to a NAO report on Compensation Claims in MoD. A major recommendation was that more should be done to strengthen the links between those parts of the MoD that deal with risks, incidents and claims. In response, MoD combined its Claims and SHEF Policy organisations at the beginning of 2004 to form the Directorate of Safety and Claims;
- Reviewed the process of incident reporting, recording and investigation and are setting up a more robust process for learning and communicating lessons from incidents to prevent re-occurrence. Part of this process is to set up a linked database accessible across the Department;
- Provided military personnel, managed by professional MoD Firefighters, for emergency fire-fighting and rescue during industrial action by the Fire Brigades Union;
- Followed up the success of combining safety, health, environment and fire into a single audit methodology, by including other aspects of safety (e.g. nuclear, explosives, fuel, equipment) in a single organisation audit. The audit was partially successful but more work is required to develop a single set of audit system requirements that can fully assess the effectiveness of an entire safety management system;
- Successfully completed a major emergency response exercise, testing the ability of joint UK/US military and civilian staff to respond to a nuclear weapon accident. This involved some 100 UK and US Agencies and nearly 2000 people;
- Continued to develop the arguments to inform a ministerial decision on which of two options – the Airfield Support Services Project or Fire Study 2000 – should be chosen to re-organise the existing Defence Fire Service;
- Continued to provide support to Legal Advisor in relation to the cases currently under consideration by the European Court of Justice relating to application of the Euratom Treaty to military activities;
- Completed the environmental surveys of UK accommodation sites in Bosnia and Kosovo for depleted Uranium and a number of other contaminants;
- Provided the Committee on Radioactive Waste Management with details of MoD's radioactive wastes, spent fuel and fissile materials to ensure these are properly considered when the Government decides the way forward for the long term management and disposals of these materials;
- Provided advice, through the Department for International Development, to the interim Iraqi Government on hazards from depleted uranium and other radioactive materials associated with battlefield scrap;
- Continued work on complete review of JSP418, the MoD's Environmental Manual, aimed at a publication date of January 2005;
- Continued work on development of MoD's Sustainable Development strategy which will be launched later in 2004;
- Commenced a programme to deliver environmental improvements in procurement including timber;
- Continued to promote joint working by enhanced liaison with Government departments and agencies, NATO and other Defence departments.

# ANNEX E:

## Defence Equipment Programme and Collaborative Procurement

1. The following tables show the numbers of deliveries accepted in 2003-04 and/or planned for 2004-05, on 31 March 2004, for major equipment programmes. This includes all current projects on which, at 31 March 2004, development expenditure of over £50M or production expenditure of over £100M had been approved, or for which an Invitation to Tender had been issued where procurement costs are expected to exceed £100M. The precise definition of in service date varies with different equipment although, in general terms, it can be taken to refer to the date on which the equipment is expected to be available and supportable in service in sufficient quantity to provide a usable operational capability. The dates quoted for ships and submarines are based on the acceptance date from the contractor of the First of Class, not the date by which the equipment (or specified number of pieces of equipment) will contribute to the operational capability of the Royal Navy.

### Battlespace Manoeuvre

2. The Battlespace Manoeuvre area incorporates capabilities designed to provide direct battlefield engagement, tactical mobility, expeditionary logistics support, nuclear, biological and chemical defence, battlefield engineering, special projects and combat service support. While most of the equipment will be utilised by the Army, it also covers other Services and joint organisations, for example assets that will belong to the Joint Helicopter Command.

Table 29: Capability Manager Battlespace Manoeuvre Equipment Programme							
Equipment	Number Ordered Before 1 April 2003	Number Ordered During 2003-04	Number Delivered Before 1 April 2003	Number Delivered During 2003-04	Deliveries Planned During 2004-05	Balance Outstanding	In Service Date (Year Only)
<b>Ground Manoeuvre</b>							
Future Command and Liaison Vehicle (FCLV)	0	401	0	0	0	401	2007
Battlegroup Thermal Imaging (BGTI) <sup>1</sup>	601	0	0	6	323	272	2004
Trojan & Titan	66 <sup>2</sup>	0	0	0	0	66	2006
Terrier <sup>3</sup>	65	0	0	0	0	65	2008
Light Forces Anti-Tank Guided Weapon (LF ATGW)	4	4	4	4	4	4	2005
Next Generation Light Anti-armour Weapon (NLAW)	4	4	4	4	4	4	2006
<b>Air and Littoral Manoeuvre</b>							
Attack Helicopter	67	0	43	23	1	0	2001
Chinook MSH HC3	8	0	8	0	0	0	2007 <sup>5</sup>

Table 29 continued...

Equipment	Number Ordered Before 1 April 2003	Number Ordered During 2003-04	Number Delivered Before 1 April 2003	Number Delivered During 2003-04	Deliveries Planned During 2004-05	Balance Outstanding	In Service Date (Year Only)
<b>Theatre Airspace</b>							
Typhoon (Eurofighter)	55 <sup>8</sup>	0	0	6 <sup>6</sup>	11 <sup>6</sup>	38	2003 <sup>7</sup>
Typhoon ASTA							
(Aircrew Synthetic Training Aids)	1 <sup>8</sup>	0	0	0	0	1	2004 <sup>9</sup>
ASRAAM (Advanced Short Range Air-to-Air Missile)	4	4	4	4	4,10	4	2002
BVRAAM (Beyond Visual Range Air-to-Air Missile):							
Meteor	4	0	0	0	0	4	2012
AMRAAM11	4	0	0	0	0	4	2007
<b>Expeditionary Logistics &amp; Support</b>							
A400M	0	0	0	0	0	12	2011
Landing Platform Dock	2	0	0	1	1	0	2003
Auxiliary Oiler	2	0	1	1	0	0	2003
Landing Ship Dock (Auxiliary)	4	0	0	0	0	4	2006 <sup>13</sup>
Notes:							
(1) Delivery numbers refer to systems delivered and fitted to vehicles.							
(2) 33 of each vehicle.							
(3) The replacement for the Combat Engineer Tractor.							
(4) Weapon numbers are classified.							
(5) The in-service date of Chinook Mk3 is currently under review.							
(6) Includes instrumented production aircraft and fatigue specimen, which will not be delivered to the RAF.							
(7) Date of delivery of first aircraft to the Royal Air Force.							
(8) Relates to the first of three envisaged tranches.							
(9) Date of provision of initial training capability at RAF Coningsby for Cockpit Trainer.							
(10) Deliveries will be complete in early 2005.							
(11) AMRAAM 120C is being procured as an interim AAM solution for Typhoon pending the introduction of Meteor, and is included within the Meteor/BVRAAM approval.							
(12) The UK requirement for 25 aircraft was confirmed in May 2003.							
(13) The In Service Date has slipped from 2004 owing to underestimation of the work involved in producing the LSD(A) design. This has resulted in rework on LSD(A)01 and delays to outfitting of the vessel, which has impacted on the whole programme.							

### Precision Attack

3. The Precision Attack area covers the above-water and under-water battlespaces, and deep target attack. It therefore contains programmes ranging from Storm Shadow stand off missile to the nuclear submarines to artillery systems. Although most programmes will subsequently be delivered to the Royal Navy, it also includes substantial Army and Royal Air Force equipment. The table below does not reflect several major equipment programmes where orders have not yet been placed – for example, the future aircraft carriers, Joint Combat Aircraft, additional Astute Class Submarines, and Future Surface Combatants.

Table 30: Capability Manager Precision Attack Equipment Programme							
Equipment	Number Ordered Before 1 April 2003	Number Ordered During 2003-04	Number Delivered Before 1 April 2003	Number Delivered During 2003-04	Deliveries Planned During 2004-05	Balance Outstanding	In Service Date (Year Only)
<b>Above-Water Battlespace</b>							
Type 45 Destroyer	6	0	0	0	0	6	2009 <sup>1</sup>
Seawolf Block 2	2	2	2	2	2	2	2005
Seawolf Mid-Life Update	44	0	0	0	0	44	2007
<b>Under-Water Battlespace</b>							
Sonar 2087	6	0	0	0	0	6 <sup>3</sup>	2006
Astute Class Submarine	3	0	0	0	0	3	2009
Swiftsure and Trafalgar Class Update	4	0	1	1	1	1	2005 <sup>4</sup>
Nimrod MRA4 Aircraft <sup>5</sup>	3 (with option for additional 15)	0	0	0	0	3	2009
Stingray Torpedo Mod 1	0	2	0	0	0	2	2006
<b>Deep Target Attack</b>							
Brimstone anti-armour weapon	2	2	2	2	2	2	2005 <sup>6</sup>
COBRA (Counter Battery Radar)	7	0	0	1	2	4	2004
Extended Range Ordnance/ Modular Charge System (ERO/MCS) for AS90 Self-Propelled Howitzer <sup>7</sup>	142	0	137	5	0	0	1998
Tornado GR Mid-Life Update	0	2	0	0	0	8	2007
PGB (Precision Guided Bomb)	2	2	2	2	2	2	9
Conventionally Armed Stand Off Missile (Storm Shadow)	0	0	0	0	0	10	2008
Guided Multiple Launch Rocket Systems (GMLRS)	107	0	85	22	0	0	1998
Tomahawk Block III Missiles							

Notes:

- (1) In service date slipped to reflect late start of manufacture and re-assessment of baseline programme.
- (2) Weapon numbers are classified.
- (3) Planned total of ship systems required was reduced from sixteen to twelve in the 2002 planning round and a contract has been placed for six sets with an option for a further six. The requirement for the additional six sets is subject to review. Two part sets, the industrial reference set and the integration testing set, have been ordered. S2087 are providing Ships Staff training for the first 2 ship platforms. A decision on future Ships Staff training strategy is imminent.
- (4) Date dependant on host submarine's separate maintenance programme, which has been revised since the previous reporting period.
- (5) Following MoD/BAE SYSTEMS Agreement in February 2003, the contract now covers the supply of the first 3 aircraft and long lead item investment for a further 15, procurement of which will be subject to acceptable design maturity and price.
- (6) The in service date has been delayed owing to the guidance and control software for the missile requiring an update.
- (7) During 2003-04, we decided to terminate the ERO/MCS contract. The way ahead is subject to a 155mm Systems Study.
- (8) Contract placed December 2003. Numbers are classified.
- (9) In Service Date slipped from 2002 owing to technical problems. New In Service Date currently being reviewed.
- (10) 6204 munitions to be bought, dependent on signature of Memorandum of Understanding (MoU), expected in late 2004.

## Information Superiority

5. This capability area covers intelligence, surveillance, target acquisition and reconnaissance, and command, control and information infrastructure. Most projects are inherently tri-service in nature.

<b>Equipment</b>	<b>Number Ordered Before 1 April 2003</b>	<b>Number Ordered During 2003-04</b>	<b>Number Delivered Before 1 April 2003</b>	<b>Number Delivered During 2003-04</b>	<b>Deliveries Planned During 2004-05</b>	<b>Balance Outstanding</b>	<b>In Service Date (Year Only)</b>
<b>Intelligence, Surveillance, Target Acquisition and Reconnaissance</b>							
ASTOR (Airborne Stand-off Radar) <sup>1</sup>							
Aircraft	5	0	0	0	0	5	2005
Ground	8	0	0	0	0	8	
Soothsayer	0	5	0	0	0	5	2006 <sup>2</sup>
<b>Communications</b>							
Skynet 5	0	1	0	0	1	0	2005 <sup>3</sup>
NEST <sup>4</sup>	0	1	0	0	0	1	2007
Bowman (Combat Radio System) <sup>5</sup>	1	0	0	1	0	0	2004
CIP <sup>6</sup>	1	0	0	0	1	0	2004
<b>Royal Navy Joint Tactical Information Distribution System and Satellite Tactical Data Links<sup>7</sup></b>							
Increment 1	7	3	8	2	0	0	2003
Increment 2	11	0	0	0	0	11	2005
Increment 3	16	0	0	0	0	16	2005
Increment 4	11	0	0	0	0	11	2006
Increment 5	11	0	0	0	0	11	2008
CORMORANT <sup>8</sup>	1	0	0	0	1	0	2004
Notes:							
(1) ASTOR comprises five Sentinel R Mk 1 aircraft and eight ground exploitation facilities. The ASTOR in service date is defined as the operational availability of two air platforms, two ground stations, a corresponding support capability and the availability of sufficient trained manpower. This would enable a basic operational capability for a brigade-level deployment.							
(2) Soothsayer, an integrated Land Electronic Warfare system, will be delivered in capability increments with ISDs from 2006.							
(3) Skynet 5 PFI subsumes current Skynet 4 capability and will deliver the next generation of military satellite communication services to support UK peacekeeping and military operations, including, in due course, the replacement of the Skynet 4 constellation of satellites. The programme includes ground infrastructure and terminals for static and mobile users in the land and sea environments. Skynet 5 PFI contract was awarded to Paradigm Secure Communications Ltd in October 2003. Paradigm will be purely responsible for the delivery of services. No assets will be acquired by the Department.							
(4) Naval EHF/SHF Satcom Terminal (EHF = Extremely High Frequency. SHF = Super High Frequency). Enhanced communications capability for naval platforms. Capability introduced from 2007.							
(5) Tactical data and voice communications system deliveries continue until 2007. Scope for 48,000 radios (not including 45,000 Personal Role Radios).							
(6) A Common Battlefield Application Toolset (ComBAT), Infrastructure (I) and armoured Platform Battlefield Information System Application (PBISA) to support Command and Battlespace Management for the Land Component.							
(7) A total of 10 Increment 1 platforms have been fitted and are operational. However, only 8 ships are fully supported at any one time, the remaining 2 ships being Fit To Receive (FTR).							
(8) CORMORANT communication system is designed to meet the needs of the Joint Rapid Reaction Force. It provides high capacity, secure communications within and between the deployed headquarters of the Joint Task Force.							

## International Equipment Co-operation

6. We continued to make a major contribution towards the development and expansion of our strong relationships with the UK's international partners within the armaments framework. The most notable achievements in the year 2003-04 were:

### European Defence

- The MoD Centre and the Defence Procurement Agency played a proactive role in the shaping and establishment of a new **European Defence Agency (EDA)**. We provided a valuable contribution towards the Agency Establishment Team's working papers and put forward the UK's stance at the various EU meetings with conviction, including the need for the Agency to be focussed on harnessing and strengthening defence capabilities;
- We have worked closely with the **European Commission** during its preparatory work for a Green Paper on defence procurement, with the aim of improving the openness and transparency of the European Defence and Equipment Market whilst ensuring that the UK's defence industrial policy principles are preserved. This has included close co-operation with industry to influence the Commission's work, including the preparation of a joint policy paper. Work on the Green Paper and its aftermath will continue in 2004-05;
- We ensured that the UK continued to play a leading role in the **Western European Armaments Group (WEAG)** and worked closely with the Dutch Presidency of WEAG in drawing up plans for WEAG's eventual incorporation into the EDA;

### United States of America

- Building on the Declaration of Principles we have continued our efforts to facilitate the flow of relevant information between the US and UK, both in the interest of programmes involving the procurement of US origin defence equipment and for UK industry looking for business opportunities in the US. We have also established a **Bilateral Defence Acquisition Committee (BDAC)**, which aims to develop and co-ordinate efforts to improve information and technology exchange. Initial signs are encouraging, but its success will ultimately be gauged by what real benefits are delivered. Its first meeting was held in February 2004;

### OCCAR (Organisation Conjoint de Cooperation en matieres d'Armement)

- As a result of our extensive efforts as OCCAR Chair during 2003, OCCAR is now better placed to **deliver cost-effective and efficiently managed collaborative defence equipment programmes**. Results from last year's effectiveness review are now being put in place and are helping OCCAR to be a leading player in European defence acquisition, with the organisation being regarded as the main, but not only, port of choice for the management of co-operative programmes under the EDA. Despite the need for close links between the two organisations, we have successfully argued that OCCAR should not be formally incorporated into the EDA at this stage. We have also championed the importance of retaining OCCAR's founding principles, whilst stressing that OCCAR is open to membership by all European nations. We played an influential role in the A400M programme, the contract for which was signed between OCCAR and industry in May 2003;

### Letter of Intent (LoI)

- During 2003/2004, the six LoI nations (France, Germany, Italy, Spain, Sweden and the UK) ratified the Framework Agreement, and signed four Implementing Arrangements (IA) covering Security of Supply, Research & Technology, Treatment of Technical Information and the Harmonisation of Military Requirements. The UK played a pivotal role in this process, which is aimed at fostering **more efficient equipment and industrial co-operation** with our European partners.

# ANNEX F:

## List of Further Sources

### MoD Reports/Papers (some are available on [www.mod.uk](http://www.mod.uk))

*ABRO Annual Report and Accounts 2003-04*

*Armed Forces Personnel Administration Agency Annual Report and Accounts 2003-04*

*Army Personnel Centre Annual Report and Accounts 2003-04*

*Army Training and Recruiting Agency Annual Report and Accounts 2003-04*

*Civilian Attitude Survey, Paperclips, September 2004*

*CRE Partnership Agreement*

*Defence Academy Annual Report 2003-04 (to be published in October 04)*

*Defence Aviation Repair Agency Annual Report and Accounts 2003-04*

*Defence Communication Services Agency Annual Report and Accounts 2003-04*

*Defence Dental Agency Annual Report and Accounts 2003-04*

*Defence Estates Agency Annual Report & Accounts 2003-04*

*Defence Estates Framework Document*

*Defence Housing Executive Annual Report and Accounts 2003-04*

*Defence Housing Executive Corporate Plan 2003*

*Defence Medical Education and Training Agency Annual Report and Accounts 2003-04*

*Defence Procurement Agency Annual Report and Accounts 2003-04*

*Defence Procurement Agency Business Plan 2003*

*Defence Procurement Agency Corporate Plan 2003*

*Defence Science and Innovation Strategy*

*Defence Science and Technology Laboratories (Dstl) Annual Report and Accounts 2003-04*

*Defence Storage and Distribution Agency Annual Report and Accounts 2003-04*

*Defence Transport and Movements Agency Annual Report and Accounts 2003-04*

*Delivering Security in a Changing World (Defence White Paper and supporting essays)*

*Delivering Security in a Changing World: Future Capabilities*

*Director of Operational Capability's Appraisal of Initial Training (February 2003), Departmental Progress Report (July 2003) and Director of Operational Capability's Re-Appraisal of Initial Training (July 2003)*

*Disposal Services Agency Annual Report and Accounts 2003-04*

*Excellence in Defence Procurement 2004: Equipping the Armed Forces*



*Lessons for the Future* (assessment of performance on Op TELIC)

*Major Projects Report 2003*

*Medical Supplies Agency Annual Report and Accounts 2003-04*

*Ministry of Defence Departmental Resource Accounts 2003-04*

*Ministry of Defence Policy Papers no.4: Defence Acquisition*

*Ministry of Defence Policy Papers no.5: Defence Industrial Policy, and First Review of Defence Industrial Policy*

*Ministry of Defence Policy Paper no. 6: Individual Training and Education in the Armed Forces*

*MoD Sustainable Development Report 2003/2004*

*Modernising Defence Training: Report of the Defence Training Review*

*Naval Manning Agency Annual Report and Accounts 2003-04*

*Naval Recruiting and Training Agency Annual Report and Accounts 2003-04*

*Nov 2002 Missile Defence public discussion paper*

*Operations in Iraq: First Reflections*

*Opinion Surveys*

*Quarterly PSA reports to HM Treasury*  
(also available at [www.hm-treasury.gov.uk/performance/MOD.cfm](http://www.hm-treasury.gov.uk/performance/MOD.cfm))

*Papers supplied to The Hutton Inquiry*

*Pay and Personnel Agency Annual Report and Accounts 2003-04*

*RAF Personnel Management Agency Annual Report and Accounts 2003-04*

*RAF Training Group Defence Agency Annual Report and Accounts 2003-04*

*The Defence Health Programme 2003/2007*

*The Stewardship Report on the Defence Estate 2003*

*UK Defence Statistics 2004*

*Unified Diversity Strategy*

*Veterans Agency Annual Report and Accounts 2003-04*

*Warship Support Agency Annual Report and Accounts 2003-04*

## Session 2003-04

**MoD Evidence to the HCDC and the PAC, and Government Responses to Committee Reports, as published on Parliament's website ([www.parliament.uk](http://www.parliament.uk))**

### **HCDC Reports (Government Responses are listed in brackets after the report they relate to)**

First Report

HC 96-i & ii      *Armed Forces Pensions and Compensation*  
(Cm 6109)

Second Report

HC 293            *Annual Report for 2003*

Third Report

HC 57-i, ii & iii    *Lessons of Iraq*  
(HC 635)

Fourth Report

HC 390            *Strategic Export Controls: Annual Report for 2002, Licensing Policy and Parliamentary Scrutiny*

Fifth Report

HC 465-i & ii      *The Defence White Paper 2003*  
(HC 1048)

Sixth Report

HC 572-i & ii      *Defence Procurement*

### **PAC Reports (Government Responses are listed in brackets after the report they relate to)**

Thirty-ninth Report

HC 273            *Operation TELIC: United Kingdom military operations in Iraq*

Twentieth Report

HC 551            *Improving service delivery: the Veterans Agency*  
(Cm 6271)

### **MoD Evidence to HCDC**

*Annual Report and Accounts 2002/2003*

HC 589-i          Oral Evidence given by Sir Kevin Tebbit, KCB CMG, Permanent Under Secretary of State, and Mr Trevor Woolley, Finance Director, 12 May 2004

*Iraq*

HC 721-i          Oral Evidence given by Mr Martin Howard, Director General, Operational Policy, and Major General Nick Houghton, ACDS(Operations), 23 June 2004

*Duty of Care*

HC 620-i          Oral Evidence given by Lieutenant General Anthony Palmer, Deputy Chief of Defence Staff (Personnel), Read Admiral Simon Goodall, Director General Training and Education, Colonel David Eccles, Chief of Staff, Army Training and Recruitment Agency, and Mr Julian Miller, Director General of Service Personnel Policy, 26 May 2004

### **MoD Evidence to PAC**

*Major Projects Report 2003*

HC 383-i          Oral Evidence given by Sir Kevin Tebbit, KCB CMG, Permanent Under-Secretary of State, Sir Peter Spencer, KCB, Chief of Defence Procurement, and Lieutenant Rob Fulton, Deputy Chief of Defence Staff (Equipment Capability), 23 February 2004

HC 383-ii         Oral Evidence given by Sir Peter Spencer, KCB, Chief of Defence Procurement, and Lieutenant Rob Fulton, Deputy Chief of Defence Staff (Equipment Capability), 25 February 2004

**Session 2002-03****HCDC Reports (Government Responses are listed in brackets after the report they relate to)**

## Third Report

HC 321            *Arms Control and Disarmament (Inspections) Bill*  
(HC 754)

## Fourth Report

HC 620            *The Government's Proposals for Secondary Legislation under the Export Control Act*  
(Cm 5988)

## Fifth Report

HC 474            *Strategic Export Controls: Annual Report for 2001, Licensing Policy and*  
(Cm 5943)        *Parliamentary Scrutiny*

## Sixth Report

HC 93-i & ii        *A New Chapter to the Strategic Defence Review*  
(HC 975)

## Seventh Report

HC 557            *Draft Civil Contingencies Bill*  
(Cm 6078)

## Eighth Report

HC 694            *Defence Procurement*  
(HC 1194)

**PAC Reports (Government Responses are listed in brackets after the report they relate to)**

## Forty-sixth Report

HC 533            *Building an air manoeuvre capability: the introduction of the Apache Helicopter*  
(Cm 6105)

## Thirty-seventh Report

HC 636            *The construction of nuclear submarine facilities at Devonport*  
(Cm 6016)

## Thirteenth Report

HC 566            *Progress in Reducing Stocks*  
(Cm 5849)

**MoD Evidence to HCDC***European Security and Defence*

HC 1165-i        Minutes of oral evidence by Mr Simon Webb CBE, Policy Director, Ministry of Defence, Dr Sarah Beaver, Director for EU and UN, Ministry of Defence, and Mr Paul Johnston, Head of Security Policy Department, Foreign and Commonwealth Office, 15 October 2003

*Armed Forces Pension and Compensation*

HC 1255        Minutes of oral evidence by Mr Ivor Caplin, Under-Secretary of State and Minister for Veterans, and Mr Jonathan Iremonger, Director, Service Personnel Policy (Pensions), 5 November 2003

*The Appointment of the New Chief of the Defence Staff*

HC 771-i        Minutes of oral evidence by General Sir Michael Walker, GCB CMG CBE ADC, Chief of the Defence Staff, 11 June 2003

*The Army Training and Recruiting Agency*

HC 124-i Minutes of oral evidence by Major General A D Leakey CBE, Chief Executive, and Mr Martyn Piper, Deputy Chief Executive, Army Training and Recruiting Agency, 1 May 2003

*Central Government Supply Estimates 2003-04 Main Supply Estimates (HC 648)*

*Central Government Supply Estimates 2003-04 Spring Supplementary Estimates (HC 350)*

National Audit Office report on *Through Life Management* (HC 698)

National Audit Office report on *Operation Telic – United Kingdom Military Operations in Iraq* (HC 60)

National Audit Office report on *The Management of Defence Research and Technology* (HC 360)

*Review of Logistics to the Armed Forces, Hansard, Columns 26-27WS*

## Other

*1990/1991 Gulf Conflict – UK Gulf Veterans Mortality Data: Cause of Death* (<http://www.dasa.mod.uk>)

CBI survey: Room for Improvement: CBI Absence and Labour Turnover 2004, in association with AXA (available from The Stationery Office)

CIPD survey: Employee Absence 2004: A Survey of Management Policy and Practice  
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*Draft Civil Contingencies Bill* at <http://www.ukresilience.info/ccbill/index.htm>

*European Council NATO-EU Planning, Consultation and Operations Document SN 307/03 of 11 December 2003* at <http://ue.eu.int/uedocs>

Final Report of the Lyons Review: *Well Placed to Deliver? – Shaping the Pattern of Government Service*  
[http://www.hm-treasury.gov.uk/consultations\\_and\\_legislation/lyons/consult\\_lyons\\_index.cfm](http://www.hm-treasury.gov.uk/consultations_and_legislation/lyons/consult_lyons_index.cfm)

*Gulf War Illness – Better, Worse, or Just the Same?*, Hotopf et al, *British Medical Journal*, 2003, 327, p1370

*Incidence of Cancer Among UK Gulf War Veterans*, Macfarlane et al, *British Medical Journal*, 2003, 327, p1373

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*Papers for the 2003 CWC Review Conference* at [www.opcw.org](http://www.opcw.org)

*Papers for the 2004 NPT Prepcom* at [www.fco.gov.uk](http://www.fco.gov.uk)

*Protocol V on Explosive Remnants of War* at [www.gichd.ch/ccw](http://www.gichd.ch/ccw)

*Psychiatric Disorder in Veterans of the Persian Gulf War of 1991*, Stimpson et al, *British Journal of Psychiatry*, 2003, 182, 391-403

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([www.mod.uk/linked\\_files/racial\\_equality.pdf](http://www.mod.uk/linked_files/racial_equality.pdf))

*Releasing Resources to the Front Line: Independent Review of Public Sector Efficiency*  
<http://www.hm-treasury.gov.uk>

*RES first progress report*  
([www.mod.uk/linked\\_files/issues/personnel/2003\\_race\\_equality\\_report.pdf](http://www.mod.uk/linked_files/issues/personnel/2003_race_equality_report.pdf))

*Strategy for Veterans* (<http://www.veteransagency.mod.uk/vasec/strategy.pdf>)

*The G8 Global Partnership: Progress Report on the UK's Programme to address nuclear, chemical and biological legacies in the Former Soviet Union published jointly by FCO, DTI and MOD in Nov 03 and available at [www.dti.gov.uk/energy/nuclear/fsu/news/First\\_annual\\_report.pdf](http://www.dti.gov.uk/energy/nuclear/fsu/news/First_annual_report.pdf)*

*Treaty establishing a Constitution for Europe at*  
<http://ue.eu.int/ligcpdf/en/04/cg00/cg00087.en04.pdf>



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