

**Keeping up with Technology -
Incremental Capability Provision**

**R Adm Nigel C F Guild
Director - Defence Procurement Agency**

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Keeping up with Technology - Incremental Capability Provision

- Smart Acquisition
- Why do we need it?
- Application to
Reality
- Lessons learned

Smart Acquisition

Aim:

“To enhance defence capability by acquiring and supporting equipment more effectively in terms of time, cost and performance”

Why do we need it?

- Reducing dominance of Defence in technology and commerce.
- Need to reduce the “time to market” of military capabilities.

Incremental Acquisition

- A fundamental concept from the UK Defence Review Acquisition Organisation studies in 98
- Built on best practise already widely deployed throughout many Defence programmes.

Where can it be applied?

- Almost anywhere!
- Wide ranging examples include:
 - Type 45 Destroyer
 - Challenger Tank
 - Typhoon
 - Operational C4 Systems



Key Differences for C4I Acquisition

- **Time**
 - **we need the capability now**
 - **cannot afford project approvals delays**
- **System complexity**
- **System life expectancy is shorter**
- **Continuously emergent requirements**
- **The target is accelerating away**

Programme Examples

- **Royal Navy Command Support System (RNCSS)**
- **Joint Operational Command System (JOCS)**
- **Both procured from the same supplier (EDS Defence Ltd) using different procurement models**

Royal Navy Command Support System

- Detailed requirement capture 1991-1996
- Project approval given in 1996 and a single contract placed with prime contractor in Jul 96
- Incremental software deliveries to end 2001
- Outcome
 - Customer expectations and needs have changed in the intervening period
 - Significant effort required to re-focus capabilities.



Joint Operational Command System

- Requirements capture in 1995/6
- Approvals obtained for overall project
- Each increment contracted individually
- Increment delivered within 12-18 months of contracting
- Outcome
 - User revisits the detail of the requirement regularly
 - Less detail on precise capability up front
 - Delivered capability was matched to new technology and User needs



Lessons Learned

- **Flexibility**
- **Have a single consistent requirement**
- **Gainshare**
- **Track the commercial market**

Incremental Acquisition Process

- **Obtain approval for the whole programme.**
- **Define the initial capability in detail and broad understanding of later increments.**
- **Recognise the need for regular capability roll out, both for maintenance and new capabilities.**
- **Leave scope for re-prioritising.**
- **Add increments as identified.**
- **Decisions must be made on a whole life cost of ownership basis.**

Incremental Issues

- Do not define the total programme capability delivery in detail at the outset.
- If you overspend in the early phases, later phases can fall short of User expectations.
- Commitment to infrastructure is made early (and may not support future detailed requirements).
- Getting agreed and consistent priorities is difficult.
- An increment is only a part of the system and cannot be considered in isolation.
- Can be dealing in all phases of a project at once.

Close

- **Incremental capability provision is a viable solution to C4I acquisition.**
- **It is not a new concept but a wider understanding of process is emerging.**
- **Success requires:**
 - **Close Customer and Supplier contact**
 - **To understand the risks you are exposed to**
 - **Flexibility**

Further information:

- **Acquisition Management System**
 - **via www.mod.uk**
- **.....**

Incremental IS Procurement Model

