

Project Data Summary Sheet¹⁴³

Project Number	LAND400 Phase 2
Project Name	MOUNTED COMBAT RECONNAISSANCE CAPABILITY
First Year Reported in the MPR	2019-20
Capability Type	Replacement
Capability Manager	Chief of Army
Government 1st Pass Approval	Dec 14
Government 2nd Pass Approval	Mar 18
Budget at 2nd Pass Approval	\$5,762.7m
Total Approved Budget (Current)	\$5,606.3m
2021-22 Budget	\$370.0m
Complexity	ACAT I



Section 1 – Project Summary

1.1 Project Description

LAND400 Phase 2 will acquire the Boxer 8x8 Combat Reconnaissance Vehicle (CRV) to meet Army's land combat reconnaissance requirements. The Project is approved to acquire 211 vehicles, additional modules, training systems and support systems to replace the in-service capability provided by the Australian Light Armoured Vehicle (ASLAV).

1.2 Current Status

Cost Performance

In-year

As at 30 June 2022, financial year 2021-22 expenditure was \$370.1m against a Year End (YE) budget of \$370.0m representing no material YE variance.

Project Financial Assurance Statement

As at 30 June 2022, Project LAND400 Phase 2 has reviewed the Project's approved scope and budget for those elements required to be delivered by Defence. Having reviewed the current financial contractual obligations of Defence for this project, current known risks, and estimated future expenditure, Defence considers, as at the reporting date, there is sufficient budget remaining for the project to complete against the agreed scope.

Contingency Statement

The Project has not applied contingency in the financial year 2021/22.

Schedule Performance

The Project has successfully achieved both Initial Materiel Release (with exceptions) and Initial Operational Capability. The Project schedule was adjusted in 2022 (resulting in increased variance to some milestones) to incorporate a series of contractual changes, principally focused on incorporating capability improvements and addressing further COVID-19 delays. The Project experienced delays in the exit of some design reviews and is working intensively with Rheinmetall Defence Australia (RDA) to ensure the achievement of Final Operational Capability remains on track for 2027.

Materiel Capability/Scope Delivery Performance

As at 30 June 2022, the Project has achieved Initial Operational Capability. Final Materiel Release and Final Operational Capability remain planned for June 2027.

Note

Forecast dates and capability assessments are excluded from the scope of the Auditor-General's Independent Assurance Report.

1.3 Project Context

Background

The Australian Light Armoured Vehicle (ASLAV) supports the Australian Defence Force's (ADF) mounted combat reconnaissance capability and has seen extensive operational service, including in East Timor, Iraq and Afghanistan. Introduced in 1992, the ASLAV fleet will reach the end of its life around 2023 and is expected to be withdrawn from service in 2025.

The Government gave First Pass Approval for a replacement Combat Reconnaissance Vehicle (CRV) in December 2014. An assessment

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Forecast dates and Sections: 1.2 (Materiel Capability/Scope Delivery Performance), 1.3 (Major Risks and Issues), 4.1 (Measures of Materiel Capability/Scope Delivery Performance), and 5 (Major Risks and Issues) are excluded from the scope of the ANAO's review of this Project Data Summary Sheet. Information on the scope of the review is provided in the *Independent Assurance Report by the Auditor-General* in **Part 3** of this report.

prior to First Pass Approval identified that current Military-Off-The-Shelf solutions would be unlikely to be capable of meeting all of Army's capability requirements. In March 2018, Government announced RDA as the preferred tenderer for the delivery of an Australianised Boxer 8x8 CRV for the ADF – an acquisition contract was signed in August 2018 for the provision and initial support of 211 Boxer CRVs to be delivered in two blocks.

Block I (now delivered) consists of 25 vehicles (12 Reconnaissance and 13 Multi-Purpose Variants) whilst Block II (currently in design) consists of 186 vehicles, across five variants: Reconnaissance (121); Command and Control (15); Joint Fires and Surveillance (29), Repair (10) and Recovery (11).

The Block I vehicles were primarily manufactured and assembled in Germany, with final integration, acceptance testing and operational test and evaluation undertaken in Australia – Defence achieved Initial Operational Capability, on schedule, in June 2022. With a deliberate period of transition, the remaining Block II Boxer CRVs will predominately be built and assembled in Australia. The transition will enable progressive technology transfer of manufacturing techniques and assembly line processes to Australia. There will remain some vehicle subsystems for which the transfer of manufacture or assembly from Europe to Australia would not be cost-effective and will continue to be supplied from Europe (e.g. welded drive module hulls, 30mm cannons, and multi-sensor head systems). Final assembly, integration, set to work, and testing of those elements will, however, still occur in Australia, whilst selected low-volume variants will continue to be assembled in Germany. The Project has so far invoked one Stop Payment milestone (in the period July to September 2019) – this has now been lifted.

The Smart Buyer Process was introduced to Defence during 2016 and became a mandatory requirement for Defence projects during 2017. As the new process was introduced after LAND400 Phase 2 had approached the market, it was not feasible to implement it within the timeframe available.

The Boxer CRV will form part of Army's modernised Armoured Fighting Vehicle capability, until its life-of-type (approximately 2055).

Uniqueness

LAND400 Phase 2 is unique for two reasons. Firstly, Australia is the first nation acquiring a Boxer vehicle with a manned-turret – a variant that other countries have expressed an interest in buying. Secondly, the Project is acquiring a uniquely designed Reconfigurable Driver Training Simulator – a system that was designed in Australia, won an Essington-Lewis Award for the best minor acquisition under \$50 million in 2020, and is attracting global interest for follow-on sales.

Major Risks and Issues

The only high risk for the Project is failure to achieve FOC on schedule.

In addition, the Project is managing a small quantity of residual issues associated with two milestones (Initial Material Release and Initial Operational Capability).

Other Current Related Projects/Phases

LAND200 Tranche 2 (Battlefield Command System) is scoped to deliver two subsystems to the Project, these include:

- Battlefield Management System (BMS) — that enables vehicle commanders to monitor, direct and review operations with electronic displays of maps and combat data; and
- Tactical Communications Network — comprising secure, mobile communications infrastructure to support the distribution of the BMS and other combat systems used by Army.

Note

Major risks and issues are excluded from the scope of the Auditor-General's Independent Assurance Report.

Section 2 – Financial Performance

2.1 Project Budget (out-turned) and Expenditure History

Date	Description	\$m	Notes
	Project Budget		
Dec 14	Original Approved (Government first pass approval)	116.7	
Mar 18	Government second pass approval	5,646.0	
	Total at Second Pass Approval	5,762.7	
Jun 22	Exchange Variation	(156.4)	
Jun 22	Total Budget	5,606.3	
	Project Expenditure		
Prior to Jul 21	Contract Expenditure – RDA	(1,260.7)	
	Contract Expenditure – NIOA	(52.3)	
	Contract Expenditure – UMS	(20.0)	
	Contract Expenditure – EOS	(5.5)	
	Other Contract Payments / Internal Expenses	(142.4)	1
		(1,480.9)	
FY to Jun 22	Contract Expenditure – RDA	(310.9)	
	Contract Expenditure – NIOA	(25.9)	
	Contract Expenditure – UMS	(6.7)	
	Contract Expenditure – EOS	(1.3)	
	Other Contract Payments / Internal Expenses	(25.3)	2
		(370.1)	

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Jun 22	Total Expenditure	(1,851.0)
Jun 22	Remaining Budget	3,755.3

Notes		
1	Other Expenses (\$142.4m) are for Risk Mitigation Activity Contracts with Rheinmetall Landssysteme GmbH and BAE Systems (\$50.0m), Project Office Administration (\$45.2m), C4I (\$17.5m), Extended Payment Terms Finance Charge (\$17.3m), Support Contract (\$3.4m), German Quality Assurance (\$3.2m), Test and Evaluation (\$3.1m), Risk Mitigation Activity – Other (\$0.9m), Remote Weapon Station – Block I (\$0.6m), Support (\$0.5m), Customs Duty (\$0.4m) and other (\$0.3m).	
2	Other Expenses (\$25.3m) are for Project Office Administration (\$17.1m), C4I (\$6.3m), Support (\$0.9m), Customs Duty (\$0.4m), Test and Evaluation (\$0.3m), Extended Payment Terms Arrangement (\$0.1m) and other (\$0.2m).	

2.2A In-year Budget Estimate Variance

Estimate PBS \$m	Estimate PAES \$m	Estimate Final Plan \$m	Explanation of Material Movements
665.1	374.1	370.0	The variation from PBS to PAES is primarily due to later than expected achievement of various milestones in the Rheinmetall Defence Australia acquisition contract. The delays are caused by a combination of technical issues and the enduring impact of COVID-19 (including supply chain disruptions and travel restrictions). The variation from PAES to Final Plan is due to budget exchange rate updates.
Variance \$m	(291.0)	(4.1)	Total Variance (\$m): (295.1)
Variance %	(43.8)	(1.1)	Total Variance (%): (44.4)

2.2B In-year Budget/Expenditure Variance

Estimate Final Plan \$m	Actual \$m	Variance \$m	Variance Factor	Explanation
		2.6	Australian Industry	There was no material YE variance.
		(0.8)	Foreign Industry	
			Early Processes	
		(1.7)	Defence Processes	
			Foreign Government Negotiations/Payments	
			Cost Saving	
			Effort in Support of Operations	
			Additional Government Approvals	
370.0	370.1	0.1	Total Variance	
		0	% Variance	

2.3 Details of Project Major Contracts

Contractor	Signature Date	Price at		Type (Price Basis)	Form of Contract	Notes
		Signature \$m	30 Jun 22 \$m			
RDA	Aug 18	3,890.2	3,788.2	Fixed	Standard Defence Contract	1,3
UMS	Dec 18	29.1	30.9	Fixed	Standard Defence Contract	
NIOA	Jul 18	47.3	96.8	Fixed	Standard Defence Contract (Standing Offer)	4
EOS	Dec 19	50.2	48.9	Fixed	Standard Defence Contract	2,3

Notes	
1	Contract value as at Signature is based on PBS 2018-19 Budgeted exchange rates. The commitment value included Price escalation estimates.
2	Contract value as at Signature is based on Mid-Year Economic and Fiscal Outlook 2019-20 Budgeted exchange rates. The commitment value included Price escalation estimates.
3	The price at 30 Jun 22 is \$103.3m lower than the price at signature due to exchange rate variation and lower than expected price escalation.
4	Contract value as at signature reflects initial order quantity only not current value including additional purchase orders.

Contractor	Contracted Quantities as at		Scope	Notes
	Signature	30 Jun 22		
RDA	211	211	211 Combat Reconnaissance Vehicles, 12 Mission Modules, Support & Test Equipment and Training Equipment	1
UMS	6 1	6 1	Reconfigurable Driver Simulators Part Task Trainer	
NIOA	Classified	Classified	Explosive Ordnance	
EOS	82	82	Remote Weapon Stations (RWS)	
Major equipment accepted and quantities to 30 Jun 22				
As at 30 Jun 22:				
<ul style="list-style-type: none"> 25 CRV have been accepted. 				
A classified quantity and variety of explosive ordnance has been accepted.				
Notes				
1	In 2019/20, the quantity reported at contract signature was 223 – this figure included 211 CRV and the 12 additional Mission Modules. This figure has been updated to 211 to more correctly define the number of complete CRV.			

Section 3 – Schedule Performance

3.1 Design Review Progress

Review	Major System / Platform Variant	Original Planned	Current Contracted	Achieved / Forecast	Variance (Months)	Notes
System Requirements	Block I – Multi Purpose Vehicle	N/A	N/A	Nov 18	-	1,2
	Block I – Reconnaissance	Nov 18	N/A	Nov 18	-	1
	Block II – Joint Fires and Surveillance	Jul 19	N/A	Jul 19	-	1
	Block II – Command and Control	Jun 19	N/A	Jul 19	1	1
	Block II – Reconnaissance	Jan 19	N/A	Feb 19	1	1
	Block II – Repair	Aug 19	Oct 19	Sep 19	1	1
Preliminary Design	Block II – Recovery	Feb 19	N/A	Feb 19	-	1
	Block I – Multi Purpose Vehicle	N/A	N/A	Jan 19	-	1,2
	Block I – Reconnaissance	May 19	N/A	May 19	-	1
	Block II – Joint Fires and Surveillance	Dec 20	Jan 23	Apr 23	28	1,3,9
	Block II – Command and Control	Jul 20	Jan 23	Apr 23	33	1,4,9
	Block II – Reconnaissance	Jul 19	N/A	Sep 19	2	1,3,5
Detailed Design	Block II – Repair	Dec 21	May 23	Jun 23	18	1,9
	Block II – Recovery	Feb 20	Sep 22	Aug 22	30	1,6, 9
	Block I – Multi Purpose Vehicle	Jan 19	N/A	Aug 19	7	1,2,7
	Block I – Reconnaissance	Oct 19	N/A	Nov 19	1	1
	Block II – Joint Fires and Surveillance	Nov 21	Oct 23	Nov 23	24	1,3,9
	Block II – Command and Control	Apr 21	Oct 23	Oct 23	30	1,4,9
Notes	Block II – Reconnaissance	May 20	May 22	Aug 22	27	1,8, 9
	Block II – Repair	Sep 22	Feb 24	Jan 24	16	1,9
	Block II – Recovery	Mar 21	May 23	Apr 23	25	1,9
	1	The date represents the Exit of the Design Review.				
2	The Multi-Purpose Vehicle was only required to conduct a Detailed Design Review.					
3	Delay was due to the introduction of the Electronic Architecture and COVID-19 Contract Change Proposals, uncertainty with the load list, and delays associated with the Command and Control variant.					
4	Delay was due to a combination of the introduction of the Electronic Architecture and COVID-19 Contract Change Proposals, and uncertainty with the load list.					
5	Delay was due to a failure to satisfy all Preliminary Design Review (PDR) requirements which resulted in Defence invoking a Stop Payment in July 2019 – this has now been lifted.					
6	Delay was due to a Commonwealth request for a risk reduction activity (in the form of a capability demonstration) to be incorporated into the Review.					
7	Delay was due to the late achievement of PDR and an underestimation of the time required to implement the design changes following the fitment exercise.					
8	Delay was due to a combination of the Stop Payment (in July 2019) – note 5 refers; the introduction of the Electronic Architecture and COVID-19 Contract Change Proposals; the entry criteria for this activity not being met; and failure to exit the design review on schedule.					
9	The additional variance is due to the execution of CCP026 which incorporated a series of capability improvements and addressed further COVID-19 delays.					

3.2 Contractor Test and Evaluation Progress

Test and Evaluation	Major System / Platform Variant	Original Planned	Current Contracted	Achieved / Forecast	Variance (Months)	Notes
System Integration and Acceptance	Block I – Multi Purpose Vehicle	Oct 20	N/A	Dec 20	2	1,2
	Block I – Reconnaissance	Oct 20	N/A	Jun 21	8	1,2
	Block II – Joint Fires and Surveillance	Oct 26	Apr 27	Jan 27	3	1,3,4
	Block II – Command and Control	Jun 26	Apr 27	Jan 27	7	1,3
	Block II – Reconnaissance	Oct 26	May 27	Feb 27	4	1,3,4
	Block II – Repair	Jun 26	May 27	Dec 26	6	1,3
Block II – Recovery	Mar 26	Oct 26	Sep 26	6	1,3,4	

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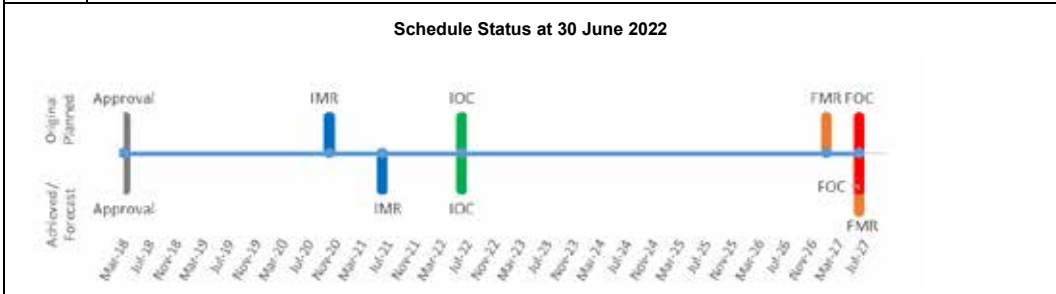
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Notes	
1	Dates specified are based on Acceptance of the final delivery for each variant.
2	Delivery was delayed due to a combination of production and manufacturing delays in Europe and the impact of COVID-19 in both Europe and Australia.
3	The variance is due to a combination of technical changes made to all variants and the impact of COVID-19 in both Europe and Australia.
4	While the forecasts are earlier than currently contracted, the milestones have still slipped overall compared to the previously reported forecasts.

3.3 Progress Toward Materiel Release and Operational Capability Milestones

Item	Original Planned	Achieved/Forecast	Variance (Months)	Notes
Initial Materiel Release (IMR)	Oct 20	Jun 21	8	1,2
Initial Operational Capability (IOC)	Jun 22	Jun 22	0	3
Final Materiel Release (FMR)	Jan 27	Jun 27	5	1
Final Operational Capability (FOC)	Jun 27	Jun 27	0	4

Notes	
1	The variance is due to a combination of production and manufacturing delays in Europe and the impact of COVID-19 in both Europe and Australia.
2	IMR was met with the delivery of 21 vehicles to the 7 th Brigade in June 2021. IMR was declared with three exceptions which are further explained in Section 5.2.
3	IOC was declared on 29 June 2022, when the first operationally-deployable CRV element (the first Mounted Combat Squadron) including mission, support and training systems, and facilities, if required, was delivered to the first Combat Brigade and support organisations, and accepted into service. The Block I vehicles experienced some technical issues during Operational Test and Evaluation activities, however these were not impediments to a IOC declaration – these are explained further in Section 5.2.
4	The Project is working intensively with Rheinmetall Defence Australia to ensure FOC is achieved on schedule.
5	Refer to Section 4.2 for definitions of these milestones.



Note
Forecast dates in Section 3 are excluded from the scope of the Auditor-General's Independent Assurance Report.

Section 4 – Materiel Capability/Scope Delivery Performance

4.1 Measures of Materiel Capability/Scope Delivery Performance

Traffic Light Diagram: Percentage Breakdown of Materiel Capability/Scope Delivery Performance	
	Green: The project expects to meet the Materiel Capability Requirements as expressed in the Materiel Acquisition Agreement.
	Amber:
	Red:

Note
This Traffic Light Diagram represents Defence's expected capability delivery. Capability assessments and forecast dates are excluded from the scope of the Auditor-General's Independent Assurance Report.

4.2 Constitution of Materiel Release and Operational Capability Milestones

Item	Explanation	Achievement
Initial Materiel Release (IMR)	IMR occurred in June 2021 when 21 Combat Reconnaissance Vehicle mission systems were delivered to 7th Brigade, Brisbane; and the initial contractor-provided logistics support arrangements were established. These included: user documentation, technical data, maintenance support, logistics instructions, engineering support, spares, and training systems.	Achieved with exceptions (Refer to Section 5.2)
Initial Operational Capability (IOC)	IOC occurred, on schedule, in June 2022 when the first operationally deployable CRV element, including mission, support, and training systems, and facilities, if required, were delivered to one Combat Brigade and support organisations, and accepted into operational service.	Achieved
Final Materiel Release (FMR)	FMR will occur with final delivery of the Combat Reconnaissance Vehicle capability. It includes: <ul style="list-style-type: none"> • delivery of all vehicles, spares and attrition, and simulation training enablers for the Combat Reconnaissance Vehicle capability to all gaining units, and • Logistics support arrangements, including: user documentation; technical data; maintenance support, logistics instruction, engineering support; spares; training systems; and facilities. • Forecast: June 2027 	Not yet achieved
Final Operational Capability (FOC)	FOC will occur when: <ul style="list-style-type: none"> • The full scope of LAND400 Phase 2, including mission, support and training systems, and facilities (if required), has been delivered to the three Combat Brigades and support organisations, and accepted into operational service. • Support arrangements are finalised in accordance with the Integrated Logistics Support Plan. • The three Armoured Cavalry Regiments are declared operationally ready by the Capability Manager (including training fleets, and spares and attrition stock vehicles). • Forecast: June 2027 	Not yet achieved

Section 5 – Major Risks and Issues

5.1 Major Project Risks

Identified Risks (risk identified by standard project risk management processes)	
Description	Remedial Action
Failure of Boxer CRV to meet the contracted specifications. There is a risk that the Boxer CRV may fail to meet the contracted minimum specifications leading to an impact on cost, schedule or capability.	The Commonwealth is working closely with the supplier as part of the initial testing of the vehicle. Any areas for improvement will be integrated into the vehicle’s design. The risk was downgraded from high to medium as the Project has an improved understanding of the vehicle’s design.
Failure to achieve FOC on schedule There is a risk that FOC will not be achieved on schedule due to the combined impacts of COVID-19, technical difficulties, global supply chain disruption, and problems faced by the OEM.	The Commonwealth has worked intensively with the supplier to reduce delays. Despite this, the Project assesses that achievement of FOC is currently a high risk and is being actively managed by Commonwealth and Industry senior leadership.
Immersive Tactical Trainer – Containerised (ITT-C) Design is not feasible There is a risk that when operated the ITT-C will create too much heat in the confined container, resulting in a system that does not meet safety requirements and is not fit for purpose.	The Commonwealth will increase the frequency of technical reviews for the development of the ITT-C. This risk was retired as the ITT-C’s design issues were resolved.
Cost of Project Contractor Support Exceeds Budget There is a risk that the budget for Contractor Support approved at Second Pass (\$46.805m) will not be sufficient to fund the required contracted workforce for the life of the Project.	This risk was retired as the allocation of resources attributed was reviewed and deemed sufficient.

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RDA Variance at Completion (VAC) Exceeds Budget Allocated Cost	The Commonwealth is monitoring and engaging closely with RDA.
There is a risk that RDA's current VAC of \$109m is an early indicator of cost, schedule and performance challenges.	This risk was retired as the Project has a fixed price contract established and has sufficient contingency included within the contract price.
Emergent Risks (risk not previously identified but has emerged during 2021–22)	
Description	Remedial Action
N/A	N/A

5.2 Major Project Issues

Description	Remedial Action
<p>C4I System Software and Equipment Availability</p> <p>There is an issue that CRV capabilities will be affected by Army and/or communications-related projects, Systems Project Office (SPO) and original equipment manufacturers (OEM) being unable to provide communications equipment, software or technical support within LAND400 Phase 2 timeframes leading to an impact on Cost, Schedule, Performance and Reputation.</p>	<p>The Project is engaging closely with Army, C4I projects, SPOs and OEMs to closely manage the availability of equipment and technical information and support in accordance with LAND400 Phase 2 timeframes.</p> <p>This issue has been expanded for clarity and renamed 'Command, Control, Communications, Computers and Intelligence (C4I) Software and Equipment compromises CRV capability'.</p> <p>This issue was retired as the required software and equipment has been made available within the required timeframes.</p>
<p>Failure to integrate LAND200 Systems onto the CRV</p> <p>There is an issue that LAND200 are unable to provide technical support or equipment within the required LAND400 Phase 2 timeframes.</p>	<p>The Project has established an alternative means of supply.</p> <p>This issue was retired as a technical solution was identified.</p>
<p>Impacts of COVID-19 on RDA</p> <p>There is an issue that RDA will be unable to deliver against its contracted schedule due to the impacts of COVID-19. There will be a six month delay to all contractual milestones with potential impacts to FOC.</p> <p>Realised and potential impacts include reduced production capacity, supply chain delivery delays, lower levels of collaboration, possible staff absences or limitations, and potential disruption to program delivery. It may also lead to potential delays in the delivery of Block II vehicles and corresponding Milestones and potential delays to Block II Mandated System Reviews, delivery of vehicles and the corresponding Milestones.</p>	<p>The Project has worked intensively with RDA to recover schedule – revised arrangements, including the early transition of production-related work to Australia and increased rate of production have now been implemented.</p> <p>This issue was retired as the impacts of COVID-19 were addressed via a contractual change.</p>
<p>C2 and JFS variants inability to Access External Power Source</p> <p>There is an issue that the batteries in the C2 and JFS variants of the CRV are unable to be charged whilst in a static mode, leading to an impact on the operation of vehicle systems.</p>	<p>The Project is working with RDA to incorporate an external power charging port into the design.</p> <p>This issue has been downgraded from high to medium, as a technical solution is being scoped.</p>
<p>Initial Materiel Release Exceptions</p> <p>Initial Materiel Release was declared with three exceptions relating to:</p> <ul style="list-style-type: none"> • the completion of Functional Configuration Audit and Physical Configuration Audit, • the integration of electronic counter measures, and • transportability studies including air transportability and integration with other Army vehicles. 	<p>The Project has completed remediation work to address the integration of electronic counter measures. The Project expects to complete the remaining two exceptions in October 2022.</p>
<p>Block I Technical Issues</p> <p>There is an issue that the Block I vehicles experienced some minor technical issues during introduction into use – issues like these are to be expected in a project of this size and complexity. Whilst the issues did result in increased risk being accepted by the Capability Manager, none were impediments to the declaration of Initial Operational Capability (IOC). The issues were associated with human factors, towing, and air transportability.</p>	<p>The Project is working intensively with Rheinmetall Defence Australia to address these issues – all are expected to be resolved in 2023 within the timeframes required by Army.</p>

Note
Major risks and issues in Section 5 are excluded from the scope of the Auditor-General's Independent Assurance Report.

Section 6 – Lessons Learned

6.1 Key Lessons Learned

Description	Categories of Systemic Lessons
Enhancing project team capability – The project should be sufficiently resourced at each stage of the capability lifecycle. All members of the project team should be properly trained and prepared for their roles and have a good understanding of the project's scope, schedule and cost along with associated governance requirements.	Resourcing and Governance
Whole of capability focus – The project should establish and maintain a 'whole of capability' focus in delivering the Boxer CRV, including management of all fundamental inputs to capability and commonality and alignment across the support and training systems to retain its effectiveness in rapidly changing threat and technology environments.	Requirements Management
Whole of life approach – When conducting market solicitation for the capability, the tender documentation should establish clear guidance on the level of maturity required initially as well as the level of innovation or developmental aspects the Commonwealth is prepared to accept. Requirements should be expressed in terms of mission or functional performance and should encourage tenderers to offer innovative solutions.	Requirements Management
Project management discipline – A Program Management Plan and Project Master Schedule are the means by which high-performing projects are conducted. As such, they must be maintained as the basis for directing the LAND400 Phase 2 program, managing priorities and resources, and monitoring and reporting performance to the relevant stakeholders. A Risk Management Plan should inform a disciplined approach to identifying, recording, analysing and mitigating the risks, issues and opportunities that may affect delivery of the capability.	Governance
Capability Manager and stakeholder engagement are an essential part of the tender governance – arrangements should be established for regular participation of the 3-star Capability Manager and Deputy Secretary CASG in senior governance arrangements. It is recommended that each major acquisition program invite participation from Contestability Division, Joint Force Design, Industry Division and Defence Science and Technology at all levels of the Tender Evaluation Organisation.	Governance
Industry engagement – Early engagement of 'Industry' (as one of the fundamental inputs to capability) is required to maximise Australian industry participation in delivering the capability. The requirements, guidance and parameters for industry involvement should be included in the tender documentation and facilitated industry engagement should be a standard part of any major acquisition project.	Requirements Management
Tender requirements – When conducting a tender, the Request For Tender documentation should clearly identify which requirements are considered 'essential', 'important' and 'desirable' to the Commonwealth in order to guide the tenderers in developing proposed solutions. In addition, any Risk Mitigation Activity undertaken to differentiate between tendered solutions should look beyond the testing and evaluation requirements and consider other elements of the capability (including personnel training, repair and sustainment aspects).	Requirements Management
Probity – During tender evaluations, all staff involved in the project, including contracted workforce, must have a clear understanding of probity and all probity requirements in order to preserve the integrity of the tender process. Throughout the source selection and negotiation stages, any interaction between members of the project team and tenderers should be properly recorded to maintain transparency and ensure the Commonwealth is able to provide an appropriate response.	Governance

Section 7 – Project Structure

7.1 Project Structure as at 30 June 2022

Unit	Name
Division	Armoured Vehicle Division
Branch	Armoured Fighting Vehicles Branch

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