

Project Data Summary Sheet¹

Project Number	LAND200 Tranche 2
Project Name	BATTLEFIELD COMMAND SYSTEM
First Year Reported in the MPR	2019-20
Capability Type	Upgrade
Capability Manager	Chief of Army
Government 1st Pass Approval	Aug 13
Government 2nd Pass Approval	Sep 17
Budget at 2nd Pass Approval	\$930.0m
Total Approved Budget (Current)	\$972.5m
2023–24 Budget	\$77.2m
Complexity	ACAT I



Section 1 – Project Summary

1.1 Project Description

LAND200 was intended to deliver a Battlefield Command System (BCS) capability that provides Army with a Battle Management System (BMS) and an integrated Tactical Communications Network (TCN) that is transforming command and control of Land Forces into a modern networked system. The BCS would provide fast, accurate, secure and reliable digital communications that would enable tactical Land Forces to make better informed decisions, by distributing the right information to the right people at the right time, increasing the likelihood of operational success and soldier safety via friendly force tracking.

LAND200 Tranche 2 (LAND200-2) was contracted to expand and evolve the LAND200 Tranche 1 (LAND200-1) capability across Army with new collaborative planning, control and monitoring tools for Brigade and Divisional-level headquarters. Integrating the BCS into an additional 540 platforms including; M1A1 Tank, M88 Armoured Recovery Vehicle, Hawkei, Bushmaster and Medium Heavy Cargo trucks. The Program was scoped to embed BCS training into Army's training institutions, to evolve from paper based to a digital based learning capability.

The Commonwealth is the LAND200-2 Program's Prime System Integrator (PSI), previously supported by two prime contractors; Elbit Systems Ltd – contractor for the BMS and L3 Harris Communications Australia – contractor for the TCN.

1.2 Current Status

Cost Performance

In-year

As at 30 June 2024 Financial Year (FY) 2023-24 expenditure was \$26.0m against the FY 2023-24 budget of \$77.2m.

The source of the in-year variance stems from L3 Harris Communications Australia not achieving Acceptance Test & Evaluation (AT&E) milestones as contracted. As a result the Commonwealth enacted a Stop Payment which resulted in fewer payments being processed this FY, significantly contributing to the in-year variance.

Project Financial Assurance Statement

As at 30 June 2024, LAND200-2 has reviewed the approved scope and budget for 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, including contingency, remaining for the project to complete against the agreed scope. With all commercial matters now addressed there is significantly less uncertainty around future deliverables, schedule and financial risks.

Contingency Statement

The project has not applied contingency in the FY 2023-24.

Schedule Performance

LAND200-2 established contracts with Elbit Systems Ltd for delivery of the BMS and a current contract with L3 Harris Communications Australia for delivery of the TCN. Having played a critical role in digitising Army, Elbit Systems Ltd has completed the integration and installation of Tranche 1 components onto the Medium Heavy Cargo trucks and has delivered BMS training systems and other artefacts including Release 1 (R1) of current configuration of the BMS software.

In June 2021, Elbit Systems Ltd advised that completion of the BMS Contract's Final Acceptance milestone would occur no earlier than February 2024. Subsequently Elbit Systems Ltd and the Commonwealth agreed to reduce the scope of LAND200-2, so as to exclude the scope that was undeliverable for reasons of schedule, Government Furnished Equipment (GFE) availability and continued Commonwealth priority.

For the TCN, L3 Harris Communications Australia completed Preliminary Design and Detailed Design, however a Stop Payment was invoked in April 2022, due to an inability to achieve System Acceptance. This Stop Payment was in force until 9 May 2024

Notice to reader

1. 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.

when it was lifted as part of the conditions associated with signing the Contract Change Proposal (CCP040) that collaboratively resolved issues that were preventing the project moving forward.

To achieve that resolution the Commonwealth and L3 Harris Communications Australia stepped through a number of stages of dispute resolution. Initially the inability to resolve the matters surrounding the Stop Payment led the Commonwealth to issue L3 Harris Communications Australia a Default Notice in March 2023 and a Dispute Notice in August of the same year for not achieving Milestones 13b and 13c of the contract. These Milestones were for successful conduct of Test Readiness. L3 Harris Communications Australia, while disputing the Default Notice, maintained relationships with the Commonwealth and worked to address the key issues at the highest level.

As part of addressing these issues the project also undertook support to an Internal Audit Report (IAR) in April 2024 to gauge progress and review the plan to completion.

Early in 2024 collaboration between the Commonwealth and L3 Harris Communications Australia supported resolution of the issues in Dispute and a negotiated way forward for the project.

This was negotiated in May 2024 via a Deed of Reduction and Release and CCP040. This has enabled the definition of remaining TCN deliverables and agreed a schedule to work towards achieving contract closure for the project.

Material Capability/Scope Delivery Performance

LAND200-2 has delivered:

- 150 Medium Heavy Cargo trucks fitted with the Tranche 1 BCS node, Foundation Training Classroom requirements, and new and retrofitted BMS Training Assemblages, BMS – Command and Control (BMS-C2) Software Release 0 and BMS-C2 Software R1, M1A1 tank TCN 'lite' and M88 armoured recovery vehicle installations.
- 772 TCN radios and ancillaries introduced into Army service as a precondition to the provision of BCS node integration and installations.

Under the extant 2018 Materiel Acquisition Agreement (MAA) LAND200-2 is contracted to deliver a further:

- 390 vehicle BCS node integrations and installations for Protected Mobility Vehicle-Medium (PMV-M) Bushmaster and the Protected Mobility Vehicle-Light (PMV-L) Hawkei platforms.

With commercial situations resolved between the Commonwealth of Australia (CoA) and Elbit Systems Ltd in 2023 and with L3 Harris Communications Australia in 2024 a clear picture of scope deliverables can now be made and will be confirmed in an updated MAA.

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 LAND200 program is a core program that fundamentally influences the way Land Forces plan, command and control operations from frontline soldiers and combat vehicles up to and including deployed Joint Force Headquarters. LAND200-2 systems provide war-fighters with common battlefield awareness and information superiority through a highly capable, mobile and secure networked environment.

In August 2013, LAND200-2 (combining JP2072 Phase 3 and LAND75 Phase 4) received Government Combined First Approval and built upon the LAND200 Tranche 1 (LAND200-1) and LAND75 Phase 4 Battle Group and Below Command, Control and Communications System (BGC3) delivered to approximately one-third of the Land Force. The BGC3 prime contractor was Elbit Systems Ltd which integrated Raytheon Australia Pty Ltd and L3 Harris Communications Australia radios acquired by JP2072 Phases 1 and 2.

LAND200-2 scope focused on further development of the BMS that commenced under LAND75. No Military off-the-shelf BMS product was available that provided all of the Army requirements.

In September 2017, Second Pass Government Approval was provided for LAND200-2 that both projects (JP2072 Phase 3 and LAND75 Phase 4) formulate under the name LAND200-2 BCS. LAND200-2 intended to deliver integrated BMS-C2 with a supporting TCN into new vehicle platforms as part of the digitised Land Force. In addition to this, a modernised TCN with a new vehicle mounted communications system solution to be acquired by current and future LAND200 platforms programs.

The BCS project was listed as a Project of Interest in September 2018 due to issues associated with vehicle integration and realisation of risks resulting in the request to access contingency funding.

Other deliveries included BMS-C2 and TCN training and simulation across land forces and expanded functionality of the BMS-C2 to incorporate additional decision and planning tools for use at the Joint Task Force and Brigade Headquarters (BHQ) level. The Elbit Systems Ltd BMS was concluded in March 2023 and no longer forms part of the BCS Project leaving the L3 Harris Communications Australia delivered TCN as the remaining contract.

Negotiations between L3 Harris Communications Australia and the Commonwealth have resolved the issues that caused the underperformance of the TCN project and agreed a way forward to deliver the remaining required elements of the scope for project. Once the updated MAA has been approved, refreshed schedule milestones can be articulated that will define BCS schedule performance.

Uniqueness

The intent of LAND200-2 is to deliver the core of Army's digital Command, Control and Communications capability. It is a highly complex project in part due to the integration of new leading edge technologies but also of programmatic interdependencies associated with the BCS being integrated into all the Land Forces deployable headquarters from Platoon to the Division and nearly all of Army's Land platforms and several Naval amphibious capabilities.

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<p>Major Risks and Issues</p> <p>The current delivery risks for the project relate to the integration and installation of the TCN System into a number of platforms. The project is also managing the following major risks:</p> <ul style="list-style-type: none"> • BCS Schedule risk. • Platform integration and installation for the PMV-M. • Platform integration and installation for the PMV-L. <p>There are no emerging risks and the project has retired the two issues in this reporting period.</p>
<p>Other Current Related Projects/Phases</p> <p>LAND200-2 has direct BCS integration interdependencies with several other Defence Projects and Products, including:</p> <p>LAND121 Phase 4 – Protected Mobility Vehicles Light (PMV-L). The PMV-L Hawkei within Protected Mobility Systems Program Office (PMSPO) (Product CA-04 PMV-L – Hawkei).</p> <p>PMSPO Product CA-04 PMV-M –Bushmaster.</p> <p>While LAND 200 Tranche 2 has no direct dependencies (other than with LAND121 Phase 4) with other projects it has informed the communications fit out for the new LAND 400 Phase 2 Combat Reconnaissance Vehicle and the new LAND 400 Phase 3 Close Combat Vehicle.</p>
<p>Note</p> <p>Major risks and issues are excluded from the scope of the Auditor-General's Independent Assurance Report.</p>

Section 2 – Financial Performance²

2.1 Project Budget (out-turned) and Expenditure History

Date	Description	\$m	Notes
	Project Budget		
Sep 17	Original Approved (Government Second Pass Approval)	930.0	1
	Total at Second Pass Approval	930.0	
Jun 24	Exchange Variation	42.5	
Jun 24	Total Budget	972.5	
	Project Expenditure		
Prior to Jul 23	Contract Expenditure – Elbit Systems Ltd	(370.1)	
	Contract Expenditure – L3 Harris Communications Australia	(310.9)	2
	Contract Expenditure – Downer EDI Engineering Power Pty Ltd	(39.6)	
	Contract Expenditure – Thales Australia Ltd	(10.2)	
	Other Contract Payments / Internal Expenses	(32.6)	3
		(763.4)	
FY to Jun 24	Contract Expenditure – L3 Harris Communications Australia	(15.6)	
	Contract Expenditure – Downer EDI Engineering Power Pty Ltd	(6.9)	4
	Contract Expenditure – Thales Australia Ltd	(2.8)	
	Other Contract Payments / Internal Expenses	(0.7)	5
		(26.0)	
Jun 24	Total Expenditure	789.4	
Jun 24	Remaining Budget	183.1	6
Notes			
1	The Second Pass budget excludes First to Second Pass Approval funding for Work Packages B, C and D (these prices were combined with the Combined Pass Approval for Work Package A captured within the JP2072 Phase 3 and LAND75 Phase 4 projects).		
2	Stop Payment was invoked with L3 Harris Communications Australia in April 2022, due to an inability to achieve System Acceptance. This Stop Payment was in force for all of FY 2022-23 and lifted as part of the March 2024 Deed of Reduction and Release and CCP040.		
3	Other Contract Payments/Internal Expenses for prior year includes: (\$15.0m) for Technical Services, (\$6.9m) for Specialist Military Equipment, (\$4.3m) for Miscellaneous, (\$3.1m) for Operational Plant & Equipment, (\$1.7m) for Travel and (\$1.6m) for Software Licenses.		
4	This is the provision of a multi-discipline workforce to deliver the Land Command, Control, Communications and Computer Systems (LC4S) Branch Integrated Works Package (IWP).		
5	Other Contract Payments/Internal Expenses includes: Technical Services (\$0.6m), and Miscellaneous (\$0.1m).		

Notice to reader

2. As per the JCPAA 2022-23 MPR Guidelines, financial figures in the PDSS have been rounded to one decimal point. Section 2 financial tables may include totals and percentages that are impacted due to the rounding of the original financial data.

6	Funding for the work associated with the transfer of the 38 PMV-M Gateway (GW) vehicles to LAND4111 from LAND200-2 has yet to be finalised.
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2.2A In-year Budget Estimate Variance

Estimate PBS \$m	Estimate PAES \$m	Estimate Final Plan \$m	Explanation of Material Movements
45.8	112.7	77.2	<u>Portfolio Budget Statements (PBS) to Portfolio Additional Estimate Statements (PAES)</u> : The variation is primarily due to delays to the TCN prime contract. Defence and L3 Harris Communications Australia have worked through known issues to finalise a number of CCP to update the payment and delivery schedules. <u>PAES to Final Plan</u> : The budget for PSI related deliverables was shifted to FY 2024-25.
Variance \$m	66.9	(35.5)	Total Variance (\$m): 31.4
Variance %	146.1	(31.5)	Total Variance (%): 68.7

2.2B In-year Budget/Expenditure Variance

Estimate Final Plan \$m	Actual \$m	Variance \$m	Variance Factor	Explanation
		(51.3)	Australian Industry	Impacts on financial performance are still linked to previous year project delays. The source of the in-year variance stems from L3 Harris Communications Australia not achieving AT&E milestones as contracted. The Commonwealth had enacted Stop Payments as a result, therefore, fewer payments were processed this FY, which significantly contributed to the in-year variance.
		-	Foreign Industry	
		-	Early Processes	
		-	Defence Processes	
		-	Foreign Government Negotiations/Payments	
		-	Cost Saving	
		-	Effort in Support of Operations	
		-	Additional Government Approvals	
77.2	26.0	(51.3)	Total Variance	
		(66.4)	% Variance	

2.3A Details of Project Major Contracts – Price

Contractor	Signature Date	Price at		Type (Price Basis)	Form of Contract	Notes
		Signature \$m	30 Jun 24 \$m			
Elbit Systems Ltd	Sep 17	365.2	370.1	Firm or Fixed	Standard Defence Contract	1
L3 Harris Communications Australia	Sept 17	330.0	346.8	Firm or Fixed	Standard Defence Contract	2
Downer EDI Engineering Power Pty Ltd	Aug 19	17.7	48.2	Variable	Standard Defence Contract	3
Thales Australia Ltd	May 21	12.7	14.1	Firm or Fixed	Standard Defence Contract	4
Notes						
1	Price variation from Contract Signature is due to approved CCP030 where Elbit Systems of Australia Pty Ltd's contract was concluded.					
2	The contract is for the provision of TCN systems. Price variation is due to the resolution of the commercial issues and approval of CCP040.					
3	LAND200-2 pays for its share of the workforce provided for the provision of above the-line professional services via this Major Service Provider (MSP) contract. The variance in contract value is due to the time elapsed since contract signature, which was August 2019 and the ongoing workforce required to deliver the project.					
4	Installation of the LAND200-2 BCS within Hawkei vehicles will be the subject of a separate procurement.					

2.3B Details of Project Major Contracts – Contracted Quantities and Scope

Contractor	Contracted Quantities as at		Scope	Notes
	Signature	30 Jun 24		
Elbit Systems Ltd	N/A	N/A	Development of BMS software and integration and installation of systems into the M1A1, M88 and PMV-M.	1
L3 Harris Communications Australia	N/A	N/A	Development TCN software and provision of Army/ Navy Portable, Radio, Communication – ANPRC-158 radios.	2
Downer EDI Engineering Power Pty Ltd	N/A	N/A	Provision of multi-discipline workforce to deliver the LC4S Branch IWP via the Capability Acquisition and Sustainment Group (CASG) MSP Arrangement.	3

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Thales Australia Ltd	N/A	N/A	Delivery of the design solution for integration of the LAND200-2 BCS within Hawkei vehicles.	4
Major equipment accepted and quantities to 30 Jun 24				
L3 Harris Communications Australia delivery of 772 ANPRC 158 radio's, supporting ancillaries and Training Assemblages have been delivered up to 30 June 2024. Remaining TCN deliveries are planned for late in calendar year 2024 concluding the TCN deliverables from the contractor for the project.				
Notes				
1	With the BMS contract closed in March 2023 there is no remaining elements of the BMS scope in the BCS project			
2	TCN systems include the following communication nodes: General Service Vehicle (GSV) Node PMV-L x 108, Manoeuvre (MNV) Node M1A1 x 59, MNV Node M88 x 7, MNV Node PMV-L x 126, GSV Node MHC x 150, Command and Control Variant (C2V) Node PMV-M x 57, and C2V Node PMV-L x 33.			
3	As a project within LC4S Branch, LAND200-2 pays for its share of the workforce provided via this arrangement for the provision of above the-line professional services.			
4	Installation of LAND200-2 deliverables for Thales Australia Ltd Hawkei vehicles will be the subject of a separate procurement.			

2.4 Australian Industry Capability

Summary	
The project has no contracted Australian Industry Capability (AIC) targets for L3 Harris Communications Australia, or previously for the now concluded contract with Elbit Systems Ltd.	
Thales Australia Ltd. is supporting the BCS project under a separate procurement, their contracted public plans indicate opportunity for local industry involvement for software development, network simulation, logistics support, design modification and modelling services and proposed future opportunities available through Professional Networks and State Government Industry activities.	
There are no AIC targets or AIC Plan for Downer EDI Engineering Power Pty Ltd as they are one of several contractors under the CASG-wide MSP contract that provides above the line work force to projects.	
Note	
AIC Plans for contracts worth more than \$20 million are published on Defence's website. Australian Industry Capability is excluded from the scope of the Auditor-General's Independent Assurance Report.	

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	TCN Systems Requirement Review	Jul 18	N/A	Aug 18	1	1
	BMS Systems Requirements Review	N/A	N/A	N/A	N/A	2
Preliminary Design	TCN Preliminary Design Review (PDR)	May 19	N/A	Sep 19	4	3
	BMS PDR (Various Reviews)	N/A	N/A	N/A	N/A	2
	M1A1/M88 PDR	Jan 20	N/A	N/A	N/A	4
	PMV-L PDR	Oct 21	N/A	Mar 23	17	5
	PMV-M PDR	Sep 19	N/A	Sep 21	24	6
	BCS PDR	Feb 21	N/A	Mar 23	25	7
Detailed Design	TCN Detailed Design Review (DDR)	Sep 19	Aug 20	Oct 20	13	8
	BMS R1 DDR	Nov 19	N/A	N/A	N/A	9
	BMS R1.1 DDR	Aug 20	N/A	N/A	N/A	10
	BMS R2 DDR	Nov 20	N/A	N/A	N/A	11
	DDR M1A1/M88	Jul 20	N/A	Dec 20	5	4
	DDR PMV-L	Jan 22	N/A	NFP	NFP	5
	DDR PMV-M	Feb 21	N/A	N/A	N/A	6
BCS DDR	Jun 21	N/A	NFP	NFP	7	
Note						
1	System Requirements Review was delayed due to the rejection by the Commonwealth of the System Specification when first submitted for approval and the need for revisions by the contractor.					
2	There is no discrete BMS Systems Requirements Review. BMS software did not follow the traditional Systems Engineering Review process. The Commonwealth implemented a series of software specific agile reviews. In March 2023, Elbit Systems Ltd and the Commonwealth agreed to reduce the scope of LAND200-2, so as to exclude that which is undeliverable for reasons of schedule, GFE availability and continued Commonwealth priority. This indicates that the					

	contract is complete and therefore planned future milestones post acceptance of R1.1 will no longer form part of the BCS schedule.
3	TCN Preliminary Design Review variance resulted from the late entry into and exit from the Systems Definition Review.
4	This scope item was originally planned to be delivered under the Elbit Systems Ltd contract, however, this was not able to be progressed because of an inability to obtain original design information from the United States (US) Original Equipment Manufacturer to allow for Weapons Integrated Battle Management System (WINBMS) development. Instead of a formal Provisional Design Review / DDR design, a tailored TCN Node has been installed in the Main Battle Tank/Armoured Recovery Vehicle (M1A1/M88). This was in response to an immediate obsolescence and risk mitigation request from Army Headquarters (AHQ), to replace radios in those platforms. This work was performed as an internal CASG Engineering Change Proposal, supported by L3 Harris Communications Australia. The full BCS node functionality will be realised in the M1A1/M88 by Final Materiel Release (FMR). A tailored design review was conducted to confirm the functional baseline into the platform.
5	CCP078 to the LAND121 Phase 4 Acquisition Contract with Thales Australia Ltd was signed in May 2021. LAND200-2 intended to contract Thales Australia Ltd to install the LAND200-2 BCS integration design solution within Hawkei vehicles. Installation of the BCS nodes within Hawkei vehicles will be the subject of a separate procurement.
6	This was a BMS related design milestone. This reduction in scope removed this milestone from project scope. Instead, alignment of the LAND200-2 and the Protected Mobility Integration and Capability Assurance (PMICA) Non-Recurring Engineering (NRE) design requirements and installation will be performed by Thales Australia Ltd. L3 Harris Communications Australia will be engaged as a subcontractor to Thales Australia Ltd.
7	The Commonwealth was originally the PSI responsible for the integration of the BMS and the TCN to realise the BCS. This was not supported by a contracted milestone because this is an internal to Commonwealth responsibility. The achievement of this milestone was not dependent upon the achievement of platform Design Reviews. All BCS milestones are under evaluation now that the Elbit Systems Ltd BMS contract is concluded and the L3 Harris Communications Australia TCN delays have been resolved.
8	For the TCN DDR the contract date was updated with the approval of TCN CCP021. Stop Payments were invoked in October 2020 due to an inability to achieve the exit criteria associated with the DDR milestone. The Commonwealth worked with L3 Harris Communications Australia to achieve the exit criteria and the Stop Payment condition was lifted in late October 2020.
9	BMS R1 DDR milestone event was delayed due to delayed completion of key design artefacts that were required to accurately describe the R1 capability. The reduction in scope removed this milestone from project scope.
10	A BMS software R1.1 was required due to a change in requirements requested by the Commonwealth. This was confirmed at BMS CCP004. The Commonwealth noted a number of Action Items requiring remediation at the conclusion of the DDR milestone. The Commonwealth endorsed progress to commence Test & Evaluation activities in order for the program to progress through the Software Readiness Review 1.1 milestone. The reduction in scope removed this milestone from project scope.
11	The Commonwealth implemented a change to the hosting for the secure environment from the Defence Secret Network to the Mission Partner Environment (MPE), requiring revised work requirements Delay of Release 2 (R2) DDR is linked to the delay in delivery of R1.1, as well as issues with external interdependencies. The reduction in scope removed this milestone from project scope. As R1.1 was the final deliverable agreed between the CoA and Elbit Systems Ltd there are no further R2 requirements for the Elbit Systems Ltd contract. Considering the contract with Elbit Systems Ltd has concluded this milestone will not be delivered under this contract.

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	TCN Acceptance Test & Evaluation (AT&E)	May 21	N/A	N/A	N/A	1
	BMS R1 AT&E	Jun 19	N/A	Mar 20	9	2
	BMS R1.1 AT&E	Aug 20	N/A	N/A	N/A	3
	BMS R2 AT&E	Dec 20	N/A	N/A	N/A	4
	M1A1/M88 Platform Integration AT&E	Apr 21	N/A	NFP	NFP	5
	PMV-L AT&E	Jan 22	N/A	N/A	N/A	6
	PMV-M AT&E	Feb 20	N/A	N/A	N/A	7
	BCS AT&E	Oct 21	N/A	NFP	NFP	8
Acceptance	TCN System Acceptance	Jun 20	Aug 21	N/A	N/A	9
	BMS Acceptance R1	Jan 20	N/A	Mar 20	3	10
	BMS Acceptance R1.1	Sep 20	N/A	N/A	N/A	5, 8
	BMS Acceptance R2	Mar 21	N/A	N/A	N/A	4
	M1A1 Tank	Feb 22	N/A	N/A	N/A	5
	M88	May 22	N/A	N/A	N/A	5
	PMV-L	May 22	N/A	N/A	N/A	6
	PMV-M	Apr 21	N/A	N/A	N/A	7
BCS Acceptance	May 22	N/A	NFP	NFP	8	

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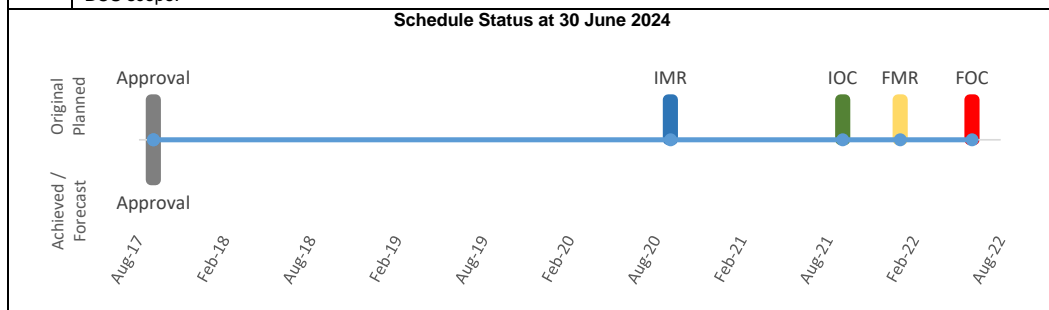
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Note	
1	TCN System Integration delay was directly driven from delays to progress through the Test Readiness Review (TRR), a condition influenced by L3 Harris Communications Australia inability to meet the TRR entry criteria, and by the Commonwealth's inability to deliver some of the Government Furnished Materiel (GFM). The CoA did not approve remediation planning and the Commonwealth and L3 Harris Communications Australia have gone through a program of resolution to redefine the contract. The Commonwealth and the Contractor are now working to deliver the remaining elements of the TCN project to a revised schedule for hardware deliveries without any network acceptance activities.
2	Upon approval of the updated MAA there will be no further BMS milestones in the schedule.
3	CoA and Elbit Systems Ltd agreement to accept R1.1 as it existed on 30 June 2022 removes the requirement for further Test and Evaluation. Upon approval of the updated MAA there will be no further BMS milestones in the schedule.
4	Upon approval of the updated MAA there will be no further BMS milestones in the schedule.
5	As the contract with Elbit Systems Ltd is concluded this scope item will not be performed under the BCS project.
6	CCP078 to the LAND121 Phase 4 Acquisition Contract with Thales Australia Ltd was signed in May 2021. LAND200-2 intend to contract Thales Australia Ltd to install the LAND200-2 BCS integration design solution within Hawkei vehicles. Installation of the BCS nodes within Hawkei vehicles will be the subject of a separate procurement activity.
7	This scope item will not be performed under the Elbit Systems Ltd contract. Instead, alignment of the LAND200-2 and the PMICA, NRE design requirements, including installation, will be subject to a separate procurement. These design activities originally represented integration milestones with the dependent vehicle platform projects and are not part of LAND200-2 Tranche 2 scope. Vehicle installation activities will be part of a separate procurement activity.
8	The Commonwealth is the PSI responsible for the integration of the BMS and the TCN to realise the BCS. This is not supported by a contract because this is an internal Commonwealth responsibility. The achievement of this milestone is not dependent upon the achievement of platform acceptance. Note that the BMS contract has concluded. Key BCS Acceptance Milestone drivers therefore cannot be met which is causing further delay to the current schedule achievement of this event.
9	TCN System Acceptance was affected by delays in the availability of some GFM and further delays in milestones. The TCN System Acceptance milestone was updated with CCP021. TCN System Acceptance has been further delayed because of contractor delays in the completion of test procedures required for entry into AT&E. CCP037, a remediation plan designed to address these delays was rejected by the Commonwealth in April 2022. L3 Harris Communications Australia was directed to re-submit this remediation plan. The resubmission was received in July 2022 and rejected by the Commonwealth in September 2022. Post these issues and with CCP040 no agreed to have provided resolution of commercial issues this milestone will no longer be relevant to the BCS contract.
10	The delay to the Software Release Review and associated acceptance for BMS R1 resulted from delays in achieving the R1 Software Design Review / TRR. Upon approval of the updated MAA there will be no further BMS milestones in the schedule as the contract with Elbit Systems Ltd has been concluded.

3.3 Progress toward Materiel Release and Operational Capability Milestones

Item	Original Planned	Achieved/Forecast	Variance (Months)	Notes
Initial Materiel Release (IMR)	Sep 20	NFP	NFP	1, 2
Initial Operational Capability (IOC)	Sep 21	NFP	NFP	1, 2
Final Materiel Release (FMR)	Jan 22	NFP	NFP	1, 2
Final Operational Capability (FOC)	Jun 22	NFP	NFP	1, 2


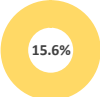

Notes	
1	IOC and FOC delays were being driven by the time required to resolve commercial the issues. With these issues now addressed a new MAA will establish refined IOC/FOC definitions and the updated schedule will reflect the new plan for delivery. Many old milestones, such as the BMS and TCN activities defined prior to the resolution of the project delays are now no longer relevant to the delivery of the remaining elements of scope for the project.
2	The forecast achievement of these milestones is expected to change as a result of the new plan to deliver the remaining BCS scope.



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	
 <p>60.5%</p>	<p>Green: The project expects to fully meet a number of Capability Materiel Releases as expressed in the Materiel Acquisition Agreement with the exception of the items referred to in the Red section below. Elbit Systems Ltd and the Commonwealth agreed to reduce the scope of LAND200-2 to exclude items that were undeliverable for reasons of schedule, GFE availability and continued Commonwealth priority. The collaborative finalisation of the commercial matters with L3 Harris Communications Australia now enables the update of the graphic representation of capability delivery with certainty against the original approved scope of the BCS.</p>
 <p>15.6%</p>	<p>Amber: Aligned to the project risks in section 5 of this Project Data Summary Sheet (PDSS) the remaining areas of capability that are at risk is the installation of the LAND200-2 hardware into designated PMV-M (GW) Bushmaster and PMV-L Hawkei to enable IOC and FOC definitions to be met.</p>
 <p>23.9%</p>	<p>Red: BMS and TCN elements of the BCS capability that will not be delivered have now been defined with certainty and reflect 23.9% of the original project scope for the BCS. The project will not deliver the WINBMS capability. The 38 PMV-M GW vehicles originally within the project's scope will now be delivered by the LAND4111 Project, this will be confirmed in the updated MAA and reflected in next year's PDSS. These platforms are not yet represented in this 23.9%.</p>
Note	
<p>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 Report.</p> <p>With the Elbit Systems Ltd contract now concluded and commercial matters resolved with L3 Harris Communications Australia the overall outcome for capability delivered is included in the assessment above. The measures of Materiel Capability/Scope Delivery Performance comprise the combined BMS and TCN capabilities against the original MAA. The materiel capability and scope as at 30 June 24 is reflective of the contractual arrangements that have defined the Materiel Release deliverables from the original MAA.</p>	

4.2 Constitution of Materiel Release and Operational Capability Milestones

Item	Explanation	Achievement
Initial Materiel Release (IMR)	<p>IMR comprises the delivery of:</p> <ul style="list-style-type: none"> Foundation Training Classroom requirements. Training Integration Syndicate Rooms. BMS Headquarters hosted on MPE. BGC3 Training Assemblage. BMS Simulator. MNV Nodes fitted to 16 M1A1 Tanks. MNV Nodes fitted to 2 M88 Hercules. C2V Nodes fitted to 11 PMV-L Hawkei. MNV Nodes fitted to 42 PMV-L Hawkei. GSV Nodes fitted to 36 PMV-L Hawkei. GW Nodes fitted to 19 PMV-M Bushmaster. GSV Node fitted to 50 MHC Trucks. <p>Forecast dates for IMR are NFP.</p>	Not yet Achieved
Initial Operational Capability (IOC)	<p>IOC incorporates the components of Fundamental Inputs to Capability (FIC) sufficient to constitute an operational capability:</p> <ul style="list-style-type: none"> Commander and staff in a BHQ are able to use the BMS to support the planning and conduct of operations. The data network includes sufficient material to support a Battle Group (BG) sized force to plan and conduct operations using the BMS and WINBMS. The TCN is established using Tranche 1 and Tranche 2 solutions to support a BG deployment. The BMS is able to interface with Joint Conflict and Tactical Simulation and Virtual Battlespace Simulator systems to establish an initial simulation system. Capability Manager sign-off of IOC. <p>Forecast dates for IOC are NFP.</p>	Not yet Achieved
Final Materiel Release (FMR)	<p>FMR comprises the delivery of:</p> <ul style="list-style-type: none"> Foundation Training Classroom requirements. Training Integration Syndicate Rooms. BMS HQ hosted on MPE. BGC3 Training Assemblage. BMS Simulator MNV Nodes fitted to 59 M1A1 Tanks. MNV Nodes fitted to 7 M88 Hercules. 	Not yet Achieved

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	<ul style="list-style-type: none"> • C2V Nodes fitted to 33 PMV-L Hawkei. • MNV Nodes fitted to 126 PMV-L Hawkei. • GSV Nodes fitted to 108 PMV-L Hawkei. • GW Nodes fitted to 57 PMV-M Bushmaster. • GSV Node fitted to 150 MHC Trucks. <p>Forecast dates for FMR are NFP.</p>	
Final Operational Capability (FOC)	<p>FOC incorporates the components of FIC sufficient to constitute full operational capability.</p> <ul style="list-style-type: none"> • Each of Army's three Combat Brigades has one digitised BG and a small number of combat support vehicles. • Defence will be able to deploy a digitised BG and BHQ. • Defence could also configure and group all three BG under the digitised BHQ, all at the same readiness notice. • Capability Manager sign-off of FOC. <p>Forecast dates for FOC are NFP.</p>	Not yet Achieved

Section 5 – Major Risks and Issues

5.1 Major Project Risks

Identified Risks (risk identified by standard project risk management processes)		
Ref#	Description	Remedial Action
1	There is a schedule risk associated with being unable to realise the intended BCS Capability at IMR because of the BMS Project scope reduction and the schedule delays in the TCN Project.	A CCP was required to reset the baseline for the TCN Project. With the Elbit Systems Ltd BMS contract closed (via CCP030) and the L3 Harris Communications Australia TCN scope refined through the agreement of CCP040 this risk can be retired as the BCS IMR milestone is no longer relevant to the remaining project scope defined in those agreements.
2	There is a risk that installation of the LAND200-2 scope on PMV-M GW vehicles will be beyond the project's remaining uncommitted budget availability, with the result that a call on contingency will be necessary to fund this work.	Budget activities for FY 2023-24 governance will address funds for this task. Separate procurement activities will treat this risk.
3	There is a risk that installation of the LAND200-2 scope on PMV-L vehicles will be beyond the Project's remaining uncommitted budget availability, with the result that a call on contingency will be necessary to fund this work.	Budget activities for FY 2023-24 governance will address funds for this task. Separate procurement activities will treat this risk.

5.2 Emergent Risks

Emergent Risks (risk not previously identified but has emerged during 2023–24)		
Ref#	Description	Remedial Action
N/A	N/A	N/A

5.3 Major Project Issues

Ref#	Description	Remedial Action
1	There is a schedule risk due to the length of time to achieve security accreditation of TCN software it may delay the achievement of TCN Systems Acceptance.	This was previously reported as a risk and prior to CCP040 agreement was managed as an issue. Due to Software being delivered as an Engineering Release and no longer forming part of the system through agreement CCP040 this issue has been retired.
2	There is a delay to TCN System Acceptance (SA) stemming from an inability to exit the TRR.	Post CCP040 endorsement there is no System being delivered. With remaining scope focussed on 'Hardware Only' deliveries and Software being delivered as Engineering Releases there is no longer a SA milestone in the CCP040 agreement. This issue has been retired.

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
In line with Defence Instructions and CASG Lessons policy, the project conducts scheduled reviews of its captured lessons information (including any observations, insights and/or lessons identified) as well as lessons Information contained within the Defence Lessons Repository (DLR). The project has captured 40 lessons. The three lessons the project identified as systemic or strategic in nature, that have been documented in the DLR, are listed below:	N/A
DLR Lesson Type – Lesson. Projects and Programs involving multiple contracts for delivery of capability must establish clear strategies and alignment for integration requirements across the complete scope of work. Contractual mechanisms to align obligations between parties is essential where integrated solutions to deliver Defence capability is necessary.	Commercial Management
DLR Lesson Type – Lesson. Project and Program performance must be proactively managed through application of valid data to address performance. A clear understanding of the importance of performance data to the effective management of scope delivery is essential between parties. Data quality and schedule integrity enhances project predictability, reduces risks, and improves the likelihood of delivering defence capability.	Program, Project & Product Management
DLR Lesson Type – Lesson. Options to 'off ramp' scope elements that display unrecoverable deviation from the approved baseline must be unambiguously articulated within a 'risk sharing' partnership. A culture that encourages acceptable capability solutions to be delivered at the time they are required is essential for timely delivery of Minimum Viable Capability to the Capability Manager.	Commercial Management

Section 7 – Project Structure

7.1 Project Structure as at 30 June 2024

Unit	Name
Division	Joint Systems
Branch	Land Command, Control, Communications and Computer Systems

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