

## Project Data Summary Sheet<sup>142</sup>

Project Number	SEA 1442 Phase 4
Project Name	MARITIME COMMUNICATIONS MODERNISATION
First Year Reported in the MPR	2014-15
Capability Type	Upgrade
Acquisition Type	Australianised MOTS
Capability Manager	Chief of Navy
Government 1st Pass Approval	Dec 10
Government 2nd Pass Approval	Jul 13
Budget at 2 <sup>nd</sup> Pass Approval	\$385.7m
Total Approved Budget (Current)	\$437.7m
2017-18 Budget	\$17.5m
Project Stage	Detailed Design Review
Complexity	ACAT II



### Section 1 – Project Summary

#### 1.1 Project Description

SEA 1442 Phase 4 will upgrade the communications capability in the eight Anzac Class Frigates and address communications system obsolescence in the Class, by modernising it with improved communications management, secure voice and tactical intercom, red/black switching, tactical radios and a high data rate line-of-sight capability. The project will also deliver support systems, a secondary Maritime Tactical Wide Area Network (MTWAN) Shore Gateway and upgrade the Anzac Combat System Trainer Communications Terminals.

#### 1.2 Current Status

##### Cost Performance

###### In-year

This year the project has spent \$9.3m of a budget of \$17.5m. The \$8.2m underspend is **due to delay in Shore Integration & Test Facility Acceptance milestones and costs associated with the ANZAC ship program activities.**

###### Project Financial Assurance Statement

As at 30 June 2018, project SEA 1442 Phase 4 has reviewed the approved scope and budget for those elements required to be delivered by the project. Having reviewed the current financial and contractual obligations of the 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.

##### Schedule Performance

Key milestones achieved so far include: MTWAN Secondary Shore Gateway; Prime Contract Integrated Baseline Review (IBR), System Definition Review (SDR), Preliminary Design Review (PDR), New Generation Maritime Communications System (NewGen MCS) Detailed Design Review (DDR), Support System Detailed Design Review (SSDDR) **and Anzac First of Class Installation Detailed Design Review (IDDR). DDR was delayed by 4 months due to delay in completion of design activities by the contractor which resulted in liquidated damages being invoked and accepted by the Commonwealth in the form of additional goods and services provided by the contractor.**

**The SEA1442 Phase 4 delivery and installation schedule has been aligned to the Anzac Midlife Capability Assurance Program (AMCAP) scheduling and this alignment of programs has resulted in the SEA1442 Phase 4 Initial Materiel Release (IMR) moving from August to December 2019 and Final Operating Capability (FOC) moving from December 23 to July 24 with no impact to Navy ship availability.**

##### Materiel Capability Delivery Performance

The MTWAN Secondary Shore Gateway has been delivered and is operational. The first Anzac ship capability with associated support systems is scheduled for delivery in **December 2019.**

<sup>142</sup> Notice to reader

Forecast dates and Sections: 1.2 (Materiel Capability Delivery Performance), 1.3 (Major Risks and Issues), 4.1 (Measures of Materiel Capability 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.

Note
Forecast dates and capability assessments are excluded from the scope of the review.

### 1.3 Project Context

Background
SEA 1442 (Maritime Communications Modernisation) is a multi-phased program that will modernise the Royal Australian Navy's (RAN) communications infrastructure. The preceding phase (Phase 3) delivered an initial MTWAN and Message Handling System to the RAN's Major Fleet Units. SEA 1442 Phase 4 will address critical obsolescence problems affecting the communication systems in the RAN Anzac Class frigates. The modernised communications system (NewGen MCS) will be highly integrated and automated to deliver more agile and faster communication and reduce operator intervention. The project scope includes upgrade of various communications systems in the eight Anzac frigates, establishment of a training system at HMAS <i>Stirling</i> and a shore integration and test capability at the prime contractor's facility for in-service support, delivery of a secondary MTWAN shore gateway, and upgrade of the Anzac Combat System Trainer Communications Terminals. The majority of individual equipment and sub-systems is either Military Off The Shelf (MOTS) or Commercial Off The Shelf (COTS). Some development is required and involves functionality enhancements and Australianisation of the MOTS and COTS. The main complexity is in bringing the sub-systems together as a highly integrated and automated system and installation in the ships, cognisant of existing weapons, sensors, emitters, and specific platform requirements. Government Second Pass approval was achieved in July 2013. Prime acquisition and 5-year support services contracts were awarded to Selex ES Ltd in November 2013 following an open tender process. Selex ES Ltd changed its name to Leonardo MW Ltd in September 2016. Under the acquisition contract, Leonardo MW will: design, develop and install the NewGen MCS into the eight Anzac Class frigates; design, develop and install the support systems (including a training system and an integration and test capability); and develop and deliver integrated logistic support products. The support services contract will become operative following acceptance of the first Anzac frigate and the <b>associated</b> support systems. The project is also managing the acquisition of ARC-210 Gen5 V/UHF multi-band multi-mode software defined radios through FMS with the US Government. The radios form part of the NewGen MCS.
Uniqueness
An advanced feature of the system includes a unique radio frequency distribution system that will allow automated and efficient switching of the multitude of radios and antennae on each ship in order to establish the most effective communications path. The high data rate line of sight system is a new capability and will be a step towards enabling the RAN to operate in a satellite denied environment and enable more efficient ship-to-ship communication.
Major Risks and Issues
The key risks for this project include: platform integration matters such as varying ship configurations, inadequate power and platform services, other concurrent activities on the ships during installation, and integration into the complex electromagnetic environment of the Anzac Class Frigates. Availability of sufficient resources, milestone delays due to under-estimating the time required to complete the work and <b>the Communications Control &amp; Management System (CCMS) not being delivered with full functionality and risks associated with training of the ships crews</b> . Issues faced by the Project include changes to the AMCAP Program, a <b>change to the installation baseline as a result of the SEA1448 Phase 4B Mast being incorporated into HMAS Arunta</b> , as well as incomplete analysis of the sustainment budget.
Other Current Sub-Projects
N/A
Note
Major risks and issues are excluded from the scope of the review.

## Section 2 – Financial Performance

### 2.1 Project Budget (out-turned) and Expenditure History

Date	Description	\$m	Notes
	<b>Project Budget</b>		
Dec 10	Original Approved	11.4	
Jul 13	Government Second Pass Approval	374.3	
	<b>Total at Second Pass approval</b>	<b>385.7</b>	
Jun 18	Exchange Variation	52.0	
Jun 18	<b>Total Budget</b>	<b>437.7</b>	
	<b>Project Expenditure</b>		
Prior to Jul 17	Contract Expenditure – Leonardo MW	(130.9)	1
	Contract Expenditure – US Government	(14.3)	1
	Other Contract Payments / Internal Expenses	(13.2)	2
		<b>(158.4)</b>	
FY to Jun 18	Contract Expenditure –Leonardo MW	(6.1)	1
	Contract Expenditure – US Government	(0.8)	1
	Other Contract Payments / Internal Expenses	(2.4)	3
		<b>(9.3)</b>	

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Jun 18	<b>Total Expenditure</b>	(167.7)
Jun 18	<b>Remaining Budget</b>	270.0
<b>Notes</b>		
1	The scope of this contract is explained further in Section 2.3 – Details of Project Major Contracts.	
2	Other expenditure comprises \$5.9m for Pre-contract work with Leonardo MW, \$2.1m for other pre Second Pass studies and work, \$0.5m for Shore Gateway West, \$0.3m for legal services, \$0.2m for the Shore Integration Facility, \$1.5m for Viasat modems, <b>\$0.3m for AVA-20 Antennas, \$0.2m for WAMA support, \$0.1m for the High Data Rate Line of Sight (HDRLOS) integration Study</b> and \$2.1m for other minor contract expenditure, project management costs and travel.	
3	Other expenditure comprises <b>\$2.2m for technical and engineering support</b> and \$0.2m for other minor contract expenditure, project management costs and travel.	

#### 2.2A In-year Budget Estimate Variance

Estimate PBS \$m	Estimate PAES \$m	Estimate Final Plan \$m	Explanation of Material Movements
24.6	19.9	17.5	PBS to PAES decrease due to the re-scheduling of spares procurement from 2017-18 <b>to later years to align with deferred support requirements which resulted from the alignment with AMCAP for installation of capability.</b> PAES to Final Plan – estimate decrease can be attributed to a revised FMS schedule and advice from the US Government that the radios were cheaper than originally budgeted. <b>Requirement for acquisition of additional radios is yet to be determined and funding associated with any future acquisition has been deferred to later years.</b>
Variance \$m	(4.7)	(2.4)	Total Variance (\$m): (7.1)
Variance %	(19.1)	(12.1)	Total Variance (%): (28.9)

#### 2.2B In-year Budget/Expenditure Variance

Estimate Final Plan \$m	Actual \$m	Variance \$m	Variance Factor	Explanation
		(1.9)	Australian Industry	<b>The underspend is due to the Training Readiness Review and Shore Integration &amp; Test Facility Contract Milestones being deferred to prioritise and focus on design and installation works relating to the Mission System and to maintain schedule for First of Class.</b>
		(6.3)	Foreign Industry	
			Early Processes	
			Defence Processes	
			Foreign Government	
			Negotiations/Payments	
			Cost Saving	
			Effort in Support of Operations	
			Additional Government Approvals	
17.5	9.3	(8.2)	Total Variance	
		(46.9)	% Variance	

#### 2.3 Details of Project Major Contracts

Contractor	Signature Date	Price at		Type (Price Basis)	Form of Contract	Notes
		Signature \$m	30 Jun 18 \$m			
Leonardo MW	Nov 2013	187.7	229.8	Variable	ASDEFCON Strategic	1, 2, 3
US Government (AT-P-BSH)	Dec 2014	17.0	20.4	Firm	FMS	1, 3
<b>Notes</b>						
1	Contract value is based on actual expenditure and remaining commitment based on the commitment report <b>as well as the Australian dollar value for Contract Change Proposals (CCP-010 &amp; CCP-011) that were executed as at 30 June 2018. CCP-010 incorporated a range of additional goods and services to be provided to the Commonwealth as part of agreed Liquidated Damages resulting from the delay in DDR, with the majority of goods and services being provided at no cost to the Commonwealth. CCP-011 aligned the Contract with the planned AMCAP schedule.</b>					
2	In addition to Note 1 above, the increase in Leonardo MW contract price at <b>30 June 2018 is due to fluctuations in exchange rates.</b>					
3	The scope of this contract is explained further below.					
Contractor	Quantities as at		Scope	Notes		
	Signature	30 Jun 18				
Leonardo MW	See scope	See scope	8 ship mission systems 1 training system 1 Shore Integration and Test facility 3 deployable High Data Rate line-of-sight systems			
US Government (AT-P-BSH)	131	131	ARC-210 Gen 5 radios, technical data, and technical support.			
<b>Major equipment received and quantities to 30 June 18</b>						

MTWAN Secondary Gateway has been accepted.

### Section 3 – Schedule Performance

#### 3.1 Design Review Progress

Review	Major System/Platform Variant	Original Planned	Current Planned	Achieved/Fo recast	Variance (Months)	Notes
System Requirements	NewGen MCS and Support System	Sep 14	N/A	Dec 14	3	1
Preliminary Design	NewGen MCS and Support System	May 15	Sep 15	Sep 15	4	2
Detailed Design	MTWAN Secondary Gateway	Sep 14	N/A	Jan 15	4	3
	NewGen MCS	Oct 16	N/A	Feb 17	4	4
	Support System	Apr 17	Jun 17	Sep 17	5	5
	First of Class Integration Detailed Design Review (IDDR)	May 17	N/A	Oct 17	5	6
<b>Notes</b>						
1	Delayed from originally planned due to slow ramp up/contractor performance.					
2	Contract schedule re-baselined to reflect previous (SDR) milestone slippage and contractor's improved understanding of the work.					
3	MTWAN System Requirements and Preliminary Design addressed prior to Second Pass Approval. In order to minimise risk to the operational network upon connection of the MTWAN Secondary Gateway, a demonstration of the design in the MTWAN shore integration facility was requested prior to design acceptance. This required additional time to complete.					
4	The conduct of the Detailed Design Review (DDR) and its associated system demonstration occurred four months later than the contracted date <b>which triggered liquidated damages</b> .					
5	The Contractor <b>achieved</b> the Support System DDR in <b>September 2017</b> (five months later than the Contract Date <b>due to delays resulting from the later than planned achievement of DDR</b> ).					
6	The Contractor <b>achieved</b> the First of Class Integration Detailed Design Review (IDDR) in <b>October 2017</b> (five months later than the Contract Date <b>due to delays resulting from the later than planned achievement of DDR</b> ).					

#### 3.2 Contractor Test and Evaluation Progress

Test and Evaluation	Major System/Platform Variant	Original Planned	Current Planned	Achieved/Fo recast	Variance (Months)	Notes
System Integration	NewGen MCS	Jun 18	Dec 19	Nov 19	17	1
Acceptance	MTWAN Secondary Gateway	Apr 15	N/A	Mar 15	(1)	
	Training System	Jun 17	Nov 18	Nov 18	17	2
	Shore Integration and Test Facility (SITF)	Dec 16	Mar 19	May 19	29	3
	Ship #1	Jun 18	Dec 19	Nov 19	17	1, 4
	Ship #2	Apr 19	Aug 20	Apr 20	12	4
	Ship #3	Nov 19	May 21	Feb 21	15	4
	Ship #4	Jun 20	Dec 21	Sep 21	15	4
	Ship #5	Feb 21	Oct 22	Jun 22	16	4
	Ship #6	Sep 21	Apr 23	Dec 22	15	4
Ship #7	Apr 22	Dec 23	Oct 23	18	4	
Ship #8	Sep 22	Jun 24	Apr 24	19	4	
<b>Notes</b>						
1	The Contract Master Schedule (CMS) <b>dated 25 Jun 2018</b> indicated that the Ship #1 Acceptance Date would occur in <b>November 2019</b> (one month earlier than the <b>updated</b> Contract Date). This revised forecast reflects the alignment of SEA1442 Phase 4 with the planned AMCAP dates <b>as at December 2017</b> .					
2	The CMS <b>dated 25 Jun 2018</b> indicates the achievement of this Milestone <b>is now in accordance with the updated</b> Contract Date. <b>On 25 June 2018, a Contract Change Proposal (CCP-011) included an adjustment of the schedule for this Milestone</b> .					
3	SITF acceptance date initially incorrectly positioned in the contract. <b>The delay is due to the need to use the SITF during Ship # 1 test and acceptance period which was extended when SEA1442 Phase 4 was aligned to AMCAP. The CMS dated 25 Jun 2018 indicated a May 2019 achievement date for this Milestone, being two months later than the updated Contract Date</b> .					
4	Ship availability and schedule is driven by AMCAP. <b>The Current Planned dates reflect CCP-011 changes to the Contract Dates</b> . Whilst the availability dates for Ship #1 and Ship #2 have been agreed, the availability dates for the remaining ships <b>is subject to change</b> . Forecast dates <b>have been aligned with the AMCAP dates as at December 2017, which is seeking to deliver earlier than contracted</b> . The Materiel Acquisition Agreement will need to be updated to align with <b>current planned and forecast dates</b> . Leonardo MW to be advised 90 days prior to commencement of each ship installation <b>period</b> .					

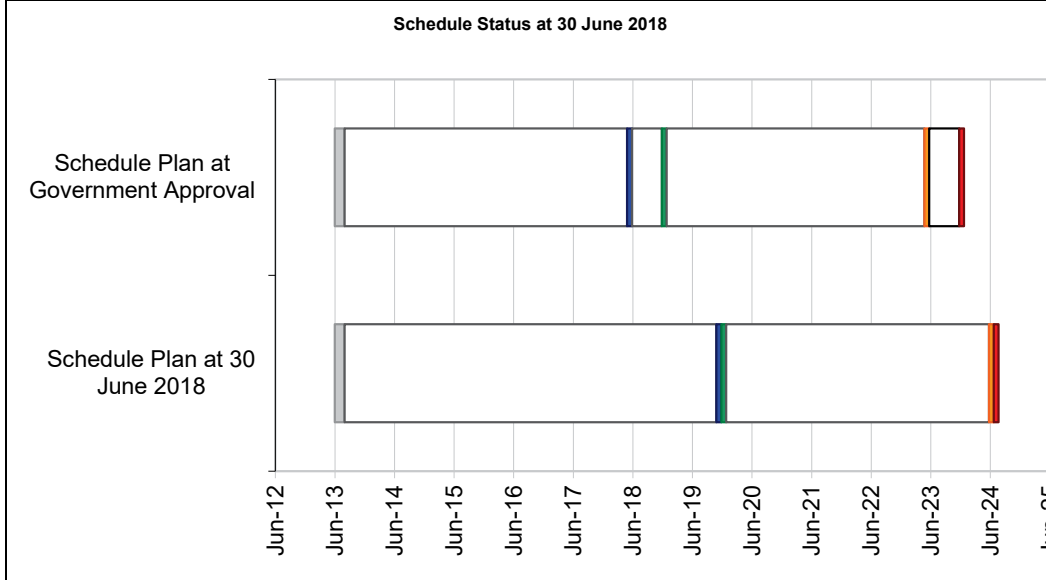
#### 3.3 Progress Toward Materiel Release and Operational Capability Milestones

Item	Original Planned	Achieved/Forecast	Variance (Months)	Notes
Initial Materiel Release (IMR)	Jun 18	Dec 19	18	1
Initial Operational Capability (IOC)	Dec 18	Dec 19	12	1

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Materiel Release 2 – Ship # 2	Apr 19	Aug 20	16	1
Materiel Release 3 – Ship # 3	Dec 19	May 21	17	1
Materiel Release 4 – Ship # 4	Aug 20	Dec 21	16	1
Materiel Release 5 – Ship # 5	Apr 21	Oct 22	18	1
Materiel Release 6 – Ship # 6	Dec 21	Apr 23	16	1
Materiel Release 7 – Ship # 7	Aug 22	Dec 23	16	1
Final Materiel Release (FMR)	May 23	Jun 24	13	1
Final Operational Capability (FOC)	Dec 23	Jul 24	7	1



Notes	
1	See Section 3.2 Note 4 for detail.

Note	
Forecast dates in Section 3 are excluded from the scope of the review.	

**Section 4 – Materiel Capability Delivery Performance**

4.1 Measures of Materiel Capability Delivery Performance

Pie Chart: Percentage Breakdown of Materiel Capability Delivery Performance	
	<p><b>Green:</b> The Project expects to meet capability materiel requirements as per the Joint Project Directive, Materiel Acquisition Agreement and relevant Technical Regulatory Authority.</p>
	<p><b>Amber:</b> N/A</p>
	<p><b>Red:</b> N/A</p>
Note	

This Pie Chart represents Defence's expected capability delivery. Capability assessments and forecast dates are excluded from the scope of the review.

#### 4.2 Constitution of Initial Materiel Release and Final Materiel Release

Item	Explanation	Achievement
Initial Materiel Release (IMR)	Ship 1 acceptance, training system, shore integration and test facility, ship 1 crew training, and support arrangements in place. IMR is expected to be achieved in <b>Dec 19</b> .	Not yet achieved.
Final Materiel Release (FMR)	All 8 ships accepted and all support arrangements in place. FMR is expected to be achieved in <b>Jun 24</b> .	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
<b>Platform Integration</b> – There is a chance that installation will be affected by site or platform issues such as insufficient power, heat and ventilation.	<ul style="list-style-type: none"> <li>Work collaboratively with the ANZAC System Project Office (SPO) and the AMCAP (previously <b>known as the</b> Life of Type Assurance Program - LOTAP) to develop <b>and maintain</b> the Integrated Master Schedule (IMS)</li> <li>Continue to liaise closely with ANZAC SPO and the AMCAP through established working groups and regular meetings to monitor the progress of the installation</li> <li>Align designs accordingly and in compliance with ANZAC SPO's engineering change processes.</li> <li><b>This risk has been downgraded to Medium due to the reduced likelihood of occurrence as a result of confidence in the AMCAP Project Management process.</b></li> </ul>
<b>Platform Integration</b> – There is a chance that installation completion will be affected by other AMCAP activities which are being conducted on the ship concurrently with each SEA 1442 installation.	<ul style="list-style-type: none"> <li>Work collaboratively <b>on the IMS</b> with the <b>Contractor</b>, ANZAC SPO and the AMCAP.</li> <li>Continue to liaise closely with ANZAC SPO and the AMCAP through established working groups and regular meetings to monitor the progress of the installation.</li> <li>In consultation and collaboration with AMCAP, manage schedule throughout the installation to limit interruptions and avoid conflicts with other activities and re-plan if necessary.</li> </ul>
<b>Platform Integration</b> – There is a chance that installation will be affected by unknown or late changes to ship configuration.	<ul style="list-style-type: none"> <li>Continue to work collaboratively with the ANZAC SPO through established working groups and regular meetings to monitor changes to ship configuration.</li> <li>In consultation and collaboration with AMCAP, ensure site surveys are conducted as late as possible prior to installation to verify ship configuration and modify installation design if necessary.</li> </ul>
<b>Platform Integration</b> – There is a chance that system performance may be affected by integration into the complex electromagnetic environment of the Anzac Class Frigates.	<ul style="list-style-type: none"> <li>The Contractor has conducted an Electromagnetic Environmental Effects (E3) program which involves co-site performance analysis, measurements and modelling.</li> <li>If issues arise, the Project Team will implement the recommended engineering and procedural processes to address the issues.</li> </ul>
<b>System Integration</b> – There is a chance that system design will be affected by unavailability, complexity, or changing external and legacy interfaces.	<ul style="list-style-type: none"> <li>Continue to liaise closely with ANZAC SPO and the AMCAP through established working groups and regular meetings to monitor any changes to the external or legacy interfaces.</li> <li>Respond to any incompatibility with integrated components in a collaborative fashion with AMCAP to determine remedial action that best suits the project and the Navy.</li> </ul>
<b>Obsolescence</b> – There is a chance that some mission system equipment may become obsolete prior to system acceptance.	<ul style="list-style-type: none"> <li>Continue to work with the Contractor to ensure that equipment selected is contemporary and supported from the period of acquisition through to integration, support and sustainment.</li> <li>Change design if necessary and where feasible. Spare appropriately.</li> <li><b>This risk has been downgraded to Medium following a re-evaluation of the likely equipment cost.</b></li> </ul>
<b>Resourcing</b> – There is a chance that the project will be affected by a lack of staff.	<ul style="list-style-type: none"> <li>Continue to monitor human resource requirement through the life of the SEA1442 Phase 4 project to ensure that it meets its obligations under the contract with the Contractor,</li> </ul>

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	<p>its partnership with the AMCAP and its commitment to the Navy.</p> <ul style="list-style-type: none"> <li>Where required, continue to recruit to replace as quickly as possible and utilise contracted support as necessary.</li> </ul>
<b>Milestone Delay</b> – There is a chance that a milestone is delayed due to under-estimating the time required to complete the work.	<ul style="list-style-type: none"> <li>Continue to review the project's schedule and its critical path to monitor risk and areas of slippage.</li> <li>Work collaboratively with the Contractor, the AMCAP or other stakeholders as necessary to address root causes and identify relevant remediation strategies.</li> </ul>
Training Facility – There is a chance that delays in the preparation of the Training Room may result in Contractor claims for excusable delay and lost schedule.	<ul style="list-style-type: none"> <li>Continue to work with the WAMA to expedite the allocation of this task.</li> </ul>
<b>Emergent Risks (risk not previously identified but has emerged during 2017–18)</b>	
<b>Description</b>	<b>Remedial Action</b>
<b>CCMS – There is a chance that the CCMS may not be delivered with full functionality, which may result in a loss of schedule and Performance.</b>	<ul style="list-style-type: none"> <li>Continue to work with the Contractor to ensure sufficient resources are allocated to supplying the CCMS with the prescribed level of functionality as scheduled.</li> </ul>
<b>Training system is not delivered in time – There is a chance that an adequate training system is not delivered in time to train the Ship 1 crew.</b>	<ul style="list-style-type: none"> <li>Remedial action being progressed to ensure delivery of Ship 1 is not impacted.</li> <li>Contract an additional resource within the Project Team to manage the Training function.</li> </ul>
<b>Availability of Crew for Training – There is a chance that insufficient ship's crew will be trained to meet Ship 1, leading to an impact on schedule and performance.</b>	<ul style="list-style-type: none"> <li>Continue to liaise with NAVY to lock in training dates as early as possible.</li> <li>Contract an additional resource within the Project Team to manage the Training function.</li> </ul>

## 5.2 Major Project Issues

Description	Remedial Action
Non-recurring Sustainment Costs not yet defined - Analysis of non-recurring sustainment costs is incomplete.	<ul style="list-style-type: none"> <li>Project Office will raise a submission seeking additional sustainment budget of non-recurring services.</li> <li>Remedial action has been deferred to align to other SEA projects.</li> </ul>
The AMCAP planning for ship availability has resulted in a change of ship for Ship #1, a change of AMCAP maintenance scope and extension of the period Ship #1 is in production.	<ul style="list-style-type: none"> <li>The Contractor is carrying out necessary analysis and modifications to designs.</li> <li>A Contract Change Proposal has been implemented to include new dates in the contract.</li> <li>The resolution of this issue aligned schedule, however it did incur additional cost to the project.</li> <li>This issue is now closed, following implementation of the CCP.</li> </ul>
The installation baseline will change as a result of the SEA1448 Ph4B mast change being incorporated into the ship program.	<ul style="list-style-type: none"> <li>The Project Team is working with the ANZAC SPO and AMCAP to manage this change.</li> <li>The Contractor is preparing revised installation plans.</li> <li>This issue is not expected to impact schedule, however will incur additional cost (minor) to the project.</li> </ul>
Delay in exiting SSDDR milestone – The Contractor has been unable to meet the SSDDR Milestone exit criteria due to unforeseen amount of detailed design work required for the Support System.	<ul style="list-style-type: none"> <li>Most of the high priority Support System Detailed Design was completed prior to the SSDDR Milestone. In agreement with the Project Team, the remainder of the design work will be completed by the end of July 2017. The SSDDR exit criteria are expected to be met at this point.</li> <li>This issue is now closed, following successful completion of the Milestone.</li> </ul>
Delay in exiting IDDR milestone - The milestone for exiting Integration Detailed Design Review (IDDR) will slip beyond scheduled date.	<ul style="list-style-type: none"> <li>The Project Office and Contractor have agreed that IDDR event will take place in July, however to enable a satisfactory review and acceptance of all IDDR documentation, IDDR exit will not occur until all exit criteria have been met.</li> <li>The assessment of the Contractor and the Project Office is that delay in exiting IDDR will not impact meeting AMCAP Ship #1 installation dates.</li> <li>This issue is now closed, following successful completion of the Milestone.</li> </ul>

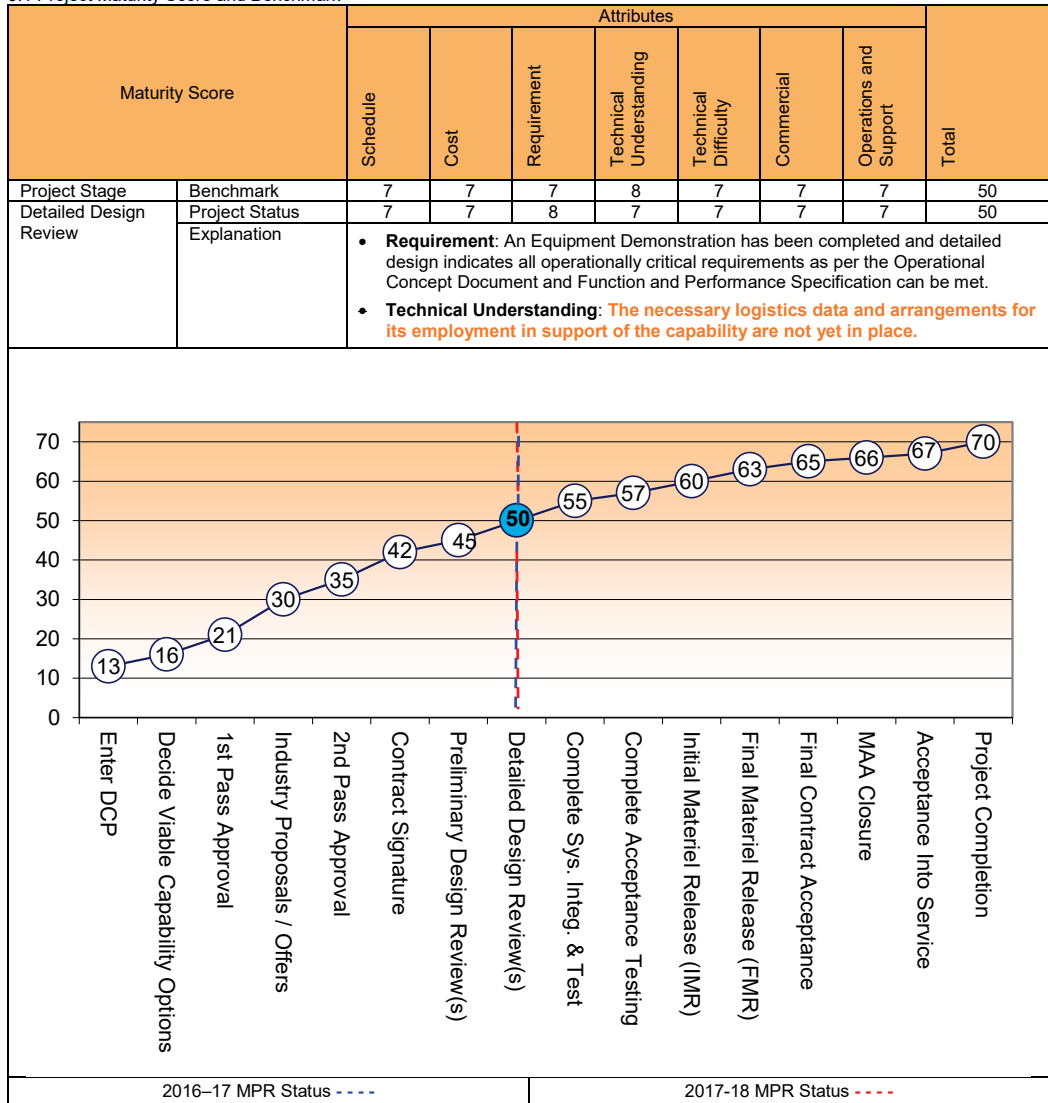
**Note**

Major risks and issues in Section 5 are excluded from the scope of the review.



## Section 6 – Project Maturity

### 6.1 Project Maturity Score and Benchmark



## Section 7 – Lessons Learned

### 7.1 Key Lessons Learned

Project Lesson	Categories of Systemic Lessons
Ensure requirements are clear, unambiguous, and that a common understanding is established between all parties <b>as early as possible, including</b> the Capability Acquisition and Sustainment Group, <b>Capability Manager</b> , end-user <b>community</b> and the contractor.	Requirements Management
Interfaces, <b>and in particular</b> legacy interfaces, <b>need to be well</b> defined, consistent, documented, and well understood by all parties. <b>The risk profile and associated contingency needs to include interface management.</b>	Requirements Management
<b>More attention needs to be given to the possible impacts when tailoring</b> the ASDEFCON suite of contracting templates to suit individual project context and strategy <b>in order</b> to avoid unnecessary detail, resource burden, cost and schedule.	Contract Management
<b>Additional effort is required by the project team during contract negotiations to assess and better</b> understand scope, schedule, risk, cost and <b>resource commitments made under</b> the contract, including <b>an assessment that</b> the schedule is realistic.	Contract Management

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The use or re-use of extant system components or Government Furnished Material requires <b>additional clarity and</b> understanding on the serviceable status of equipment, responsibility for repair and/or replacement as well as the management <b>responsibilities of</b> these assets.	Contract Management
Pay <b>close</b> attention to schedule and ensure all work is captured, logical and can form a basis for sound management post contract award. <b>Alignment of multiple schedules in a complex multi contractor environment, such as between SEA1442 Phase 4 and AMCAP, can be a source of additional and unnecessary effort if not closely monitored and aligned.</b>	Schedule Management
Access to <b>appropriately skilled</b> and experienced resources is critical to <b>achieving</b> project planning and management <b>objectives.</b>	Resourcing Schedule Management

## Section 8 – Project Line Management

### 8.1 Project Line Management in 2017–18

Position	Name
Division Head	RADM Anthony Dalton (to Aug 17) Mr Ivan Zlabur (Sep 17–current)
Branch Head	Ms Myra Sefton
Project Director	Mr Peter Henrick
Project Manager	Mr Steve Arundel (to Jun 18) Mr Simon Russel (Acting June 18 - current)

