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## Welcome to the National Audit Office

### Driving Successful Delivery of Major Defence Projects.

#### Phase I

Identifying the key drivers of successful major defence projects through system analysis and modelling.

#### Phase II

Comparing practice in managing the key drivers through consultation and comparative analysis.

#### Phase III

NAO reporting on areas of good practice, lessons and improvements.

Welcome to the UK National Audit Office Defence Value for Money Team.

The NAO reports to Parliament on the economy, efficiency and effectiveness with which government departments and other public bodies use their resources [www.nao.org.uk](http://www.nao.org.uk)

This website has been set up to support the ongoing programme of work of the UK NAO Defence Value for Money Team to better understand what drives the performance of major defence projects.

### Introduction

For the last 20 years the annual Major Projects Report has highlighted the variable performance of the Ministry of Defence's (the Department's) highest value defence equipment procurement projects, many of which have suffered cost overruns and delays. This performance has been a matter of concern for both the Department and Parliament, and the Department has introduced a large number of reforms designed to improve project performance. To help understand why sustained improvements in performance are proving so difficult for the Department and its industrial partners to deliver, we analysed the complex cultural and systemic drivers which need to be managed if military capability is to be delivered faster, cheaper and better. The initial results of this work were published as a consultation document and made available on this site in March 2004.

Working with the Department, we are undertaking a series of studies examining some of the drivers identified by our initial modelling in more detail. Each study will examine practical evidence of how well a specific driver is being managed in the defence environment and explore how the driver is addressed by overseas and commercial comparators. Each study will compare current defence performance to a theoretical "gold standard" developed from this comparator work, against which no individual organisation is likely to perform consistently well in all areas. The recommendations in this and subsequent reports are intended to bring about improvements in defence acquisition performance to help ensure all defence projects routinely adopt practices closer to our "gold-standard".

We have completed the first report in the series which examines the effectiveness of project control on defence projects. For the purpose of our analysis we have defined project control as including how progress is tracked and decisions made on projects to ensure successful delivery, as