



MINISTRY OF DEFENCE

Ministry of Defence

How Defence works

Defence Framework



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Contents

	Page Number
Introduction	
What is the Defence Framework?	2
What is Defence?	2
What Defence Is For	
Government context	4
Military Tasks and Defence Planning Assumptions	5
Aim, Vision and Priorities	6
How Defence Works	
Strategy and planning	8
Performance and risk management	11
Providing military capability	12
Using Military Capability	13
Managing Defence	16
Who Does What?	
Ministers	26
Boards and Committees	27
Defence Board Members	31
Head Office	32
Single Services	34
Reserve Forces and Cadets	35
Top Level Budgets	35
Agencies	40
Non-Departmental Public Bodies	40
Process Owners	41
Senior Responsible Owners	42
Relationships between Top Level Budget Holders, Process Owners and Senior Responsible Owners	43
Annexes	
A. Strategy and planning, performance and risk management and external reporting	44
B. Ministerial responsibilities	45
C. Agencies	46

INTRODUCTION

What is the Defence Framework?

The Defence Framework (the Framework) describes and explains the overall purpose of Defence, the key processes that lead ultimately to the delivery of Defence outputs and its high-level organisation. It provides a high-level, authoritative source of information on how Defence works.

This summary version is available as a document for general publication. The information contained in it is correct at the time of going to print. It will be updated periodically. The full web-enabled Defence Framework is available for internal users on the Defence Intranet.

What is Defence?

Defence has two high-level outputs, reflecting its roles as a Department of State and the nation's Armed Forces. These are:

- Defence policy, comprising the definition of the military capability and other objectives required of Defence to meet the Government's overall policy aims within planned resources; and
- military capability needed to deliver Defence policy and to support wider Government policy objectives.

Defence includes the whole set of organisations, people and activities, both military and civilian, which Parliament funds to ensure military capability is delivered effectively and efficiently, both in current operations and in preparation for potential future ones. This includes organisations, people and activities involved in:

- contributing to the formulation of Government policy and setting Defence policy and strategy;
- providing military capability and supporting infrastructure and services;
- using military capability to meet agreed military tasks; and
- managing Defence activities, including commanding and administering the Armed Forces and managing, controlling and accounting for the resources voted by Parliament.

The Ministry of Defence is the organisation, funded by Parliament, responsible for delivering Defence. It is a department within Government, and is headed by a Cabinet Minister, the Secretary of State for Defence, who is accountable to the Prime Minister and Parliament for all its activities. It also has an Accounting Officer, the Permanent Secretary, who is separately accountable to Parliament for managing the Department, and for the proper use of the funds voted by Parliament.

Defence includes the Armed Forces, which are the professional organisations responsible for delivering military capability on the ground. The Chief of the Defence Staff is the professional head of the Armed Forces as a whole, and is responsible for the delivery of military capability, including the direction of military operations. The Royal Navy, Army and Royal Air Force each has a Service Chief of Staff as its professional head, who is responsible, among other things, for ensuring the fighting effectiveness, efficiency and morale of the Service.

WHAT DEFENCE IS FOR

Government context

Defence must be seen in the wider Government context, in particular in the context of the National Security Strategy and the associated Strategic Defence and Security Review, which together provide the overarching policy framework for Defence.

National Security Council

The National Security Council ensures a strategic and tightly coordinated approach across the whole of government to the risks and opportunities the UK faces. It integrates at the highest level the work of the foreign, defence, home, energy and international development departments, and all other arms of Government contributing to national security.

The Council brings together all the senior Ministers concerned, under the chairmanship of the Prime Minister. It is supported by the National Security Council (Officials), chaired by the National Security Adviser.

The Council is responsible for the National Security Strategy and the Strategic Defence and Security Review (see below) and for overseeing their implementation.

National Security Strategy

'A Strong Britain in an Age of Uncertainty: The National Security Strategy' (Cm 7953) was published in October 2010. The Strategy sets out a 'whole of government' approach based on a concept that goes beyond military effects and sets two complementary strategic objectives:

- ensuring a secure and resilient UK – protecting its people, economy, infrastructure, territory and ways of life from all major risks that can affect them directly; and
- shaping a stable world – acting to reduce the likelihood of risks affecting the UK or its interests overseas.

The Strategy also includes the results of a National Security Risk Assessment, identifying and prioritising the major areas of national security risk, with the four highest priority risk areas identified as:

- international terrorism affecting the UK or its interests, including a chemical, biological, radiological or nuclear attack by terrorists; and/or a significant increase in the levels of terrorism relating to Northern Ireland;
- hostile attacks upon UK cyber space by other states and large scale cyber crime;
- a major accident or natural hazard which requires a national response, such as severe coastal flooding affecting three or more regions of the UK, or an influenza pandemic; and

- an international military crisis between states, drawing in the UK and its allies as well as other state and non-state actors.

The Government is committed to produce a new National Security Strategy every five years.

Strategic Defence and Security Review

‘Securing Britain in an Age of Uncertainty – The Strategic Defence and Security Review’ (Cm 7948) was published in October 2010. MOD was a major contributor to the Review, which covers defence, security, intelligence, resilience, development and foreign affairs capabilities in the round and sets out the ways and means to deliver the ends set out in the National Security Strategy. It sets a clear target for the national security capabilities the UK will need by 2020, and charts a course for getting there. The Government is committed to undertaking further reviews every five years.

National Security Tasks

The Strategic Defence and Security Review identifies eight cross-cutting National Security Tasks, supported by more detailed planning guidelines, which will drive detailed decisions by departments to 2015 on how to prioritise resource allocation and capability development. The National Security Tasks are to:

- identify and monitor national security risks and opportunities;
- tackle at root the causes of instability;
- exert influence to exploit opportunities and manage risks;
- enforce domestic law and strengthen international norms to help tackle those who threaten the UK and its interests, including maintenance of underpinning technical expertise in key areas;
- protect the UK and its interests at home, at its border and internationally, to address physical and electronic threats from state and non-state sources;
- help resolve conflicts and contribute to stability. Where necessary, intervene overseas, including the legal use of coercive force in support of the UK’s vital interests, and to protect its overseas territories and people;
- provide resilience for the UK by being prepared for all kinds of emergencies, able to recover from shocks and to maintain essential services; and
- work in alliances and partnerships wherever possible to generate stronger responses.

Public expenditure framework

As a Government department spending taxpayers’ money, Defence operates within the broader framework of public expenditure planning, control and accountability. This means that:

- the Defence budget is set through the Government’s Spending Reviews that are led by HM Treasury;
- the Defence budget is approved by Parliament and hence subject to legal limits;

- Defence expenditure is monitored and controlled to ensure that it remains within the administrative controls set by HM Treasury and the legal limits set by Parliament; and
- Defence accounts to Parliament for its performance.

Military Tasks and Defence Planning Assumptions

Defence provides essential support to delivery of the Government's national security objectives. The Defence strategy and planning framework sits within this wider security framework and ensures that top-level direction reaches every corner of the Department, people are held to account for delivery and money is spent wisely.

Within the overall framework of the National Security Tasks, the contribution of the Armed Forces is further defined through seven Military Tasks which describe what the Government may ask the Armed Forces to undertake; and through more detailed Defence Planning Assumptions about the size of operations, how often they might be undertaken, how far away from permanent bases, with which partners and allies, and how soon forces are expected to recover from the effort involved. The Assumptions serve as a planning tool to guide development of forces rather than a set of fixed operational plans or a prediction of the precise operations that will be undertaken.

The Military Tasks are:

- providing strategic intelligence;
- providing nuclear deterrence;
- defending the UK and its Overseas Territories;
- supporting civil emergency operations in times of crisis;
- providing a defence contribution to UK influence;
- defending UK interests by projecting power strategically and through expeditionary interventions; and
- providing security for stabilisation.

Future Force 2020

Based on the planning framework provided by the Military Tasks and Defence Planning Assumptions, the Strategic Defence and Security Review also outlines the force structure which Defence will aim to deliver for the 2020s, known as 'Future Force 2020'. The future force is determined by affordability. It is structured to provide the ability to deploy highly capable assets quickly when needed, but also to prepare a greater scale and range of capability if required.

Aim, Vision and priorities

Defence Aim

The Defence Aim is:

- to deliver security for the people of the UK and the Overseas territories by defending them, including against terrorism, and to act as a force for good by strengthening international peace and stability.

Defence Vision

The Aim is achieved by all in defence working together on the core tasks to produce battle-winning people and equipment that are:

- fit for the challenge of today;
- ready for the tasks of tomorrow; and
- capable of building for the future.

Defence Priorities

As set out in the MOD Business Plan 2011-15 published in November 2010, against the backdrop of the National Security Strategy and the outcome of the Strategic Defence and Security Review, the priorities for Defence out to 2015 are to:

- succeed in Afghanistan – the main effort for Defence;
- continue to fulfil standing commitments, including strategic intelligence, the strategic nuclear deterrent, defence against direct threats to the UK and its overseas territories, counter-terrorism and military aid to the civil authorities;
- succeed in other operations we are required to undertake;
- promote defence exports consistent with export control criteria;
- implement the Strategic Defence and Security Review by restructuring the Armed Forces and capabilities; rebuilding the Armed Forces Covenant; and developing a New Employment Model;
- deliver the Defence Reform Unit's review; and
- deliver Defence in the most effective, efficient and sustainable way by meeting benchmarking, efficiency and Government sustainable development targets, building on the Defence Reform Unit's review.

HOW DEFENCE WORKS

Strategy and planning

The capabilities required to meet Defence objectives are derived as part of a strategy and planning process. This also provides the means by which the Department implements the National Security Strategy and the outcomes of the Strategic Defence and Security Review within Defence. The high-level outputs of this process are outlined below.

Strategy for Defence

The Strategy for Defence provides the overall direction for Defence, particularly into the medium and longer term. The first iteration in October 2009 comprised an unclassified statement by the then Chief of the Defence Staff and Permanent Secretary, together with a classified 'Technical Instruction' giving detailed planning direction to sub-strategy owners (see below), planners, programmers, force developers and finance staffs on the implementation of the strategic vision. The Technical Instruction also informs the Planning Round (see below).

Following publication of the National Security Strategy and Strategic Defence and Security Review, the Technical Instruction was updated and reissued in November 2010. On conclusion of Planning Round 2011, a further unclassified Strategy for Defence statement will be issued and a classified Defence Strategic Direction (see below) will replace the Technical Instruction.

Defence Strategic Direction

Defence Strategic Direction is at the heart of the planning process. The first iteration will be published in 2011/12 and describe the final outcomes of the Strategic Defence and Security Review, Spending Review 2010 and Planning Round 2011. In concert with a refreshed Strategy for Defence, it will look out from the present day to around 20 years in the future and provide resource-informed planning direction to the Department on activity, delivery programmes, and the force structure (through the Defence Planning Assumptions). It will undergo a major refresh in subsequent Strategic Defence and Security Reviews, with minor refreshes between reviews as necessary. Once published, Defence Strategic Direction will replace the Technical Instruction and all previous planning guidance (including Defence Strategic Guidance 2008).

Sub-strategies

Delivery of the Strategy for Defence and the Technical Instruction/Defence Strategic Direction is managed near-term through the Defence Plan (see below) and a framework of lower level sub-strategies. The Technical Instruction/Defence Strategic Direction provides direction for sub-strategy owners on how to translate Departmental direction into resource allocation and prioritisation. The framework includes sub-strategies owned by Top Level Budget holders, process owners and others and comprising two or three parts:

- Part 1: a long-term, resource-aware Strategy aligned with that set out in the Technical Instruction/Defence Strategic Direction;
- Part 2: a near-term Plan which shows how the Strategy will be achieved; and
- Part 3 (which is optional): a Direction which provides a greater level of detail for planning and programming staffs as necessary.

The keynote in all of this is realism, with each sub-strategy explaining how it will fulfil its vision affordably into the long term. Each sub-strategy should be coherent with the other sub-strategies, and should include high-level aims and objectives with targets and performance indicators clearly linked to the Technical Instruction/Defence Strategic Direction; the most significant objectives are reflected in the Defence Plan. Progress on implementation of the sub-strategies is monitored and evaluated as part of the Defence Performance Framework (see below).

Defence Plan

The Defence Plan supports delivery of the Strategy for Defence by specifying objectives drawn from the Technical Instruction/Defence Strategic Direction and matched to the outcome of the Planning Round (see below). The Defence Plan articulates the Defence Board strategic objectives and allocates objectives and targets to sub-strategy owners, Top Level Budget holders, process owners and senior responsible owners.

Construction of the Defence Plan is supported by an internal annual planning process, known as the Planning Round, to match forward plans with the resources available from the Government's Spending Review settlement. There are three key sets of forward plans:

- Top Level Budget holders' Short-Term Plans, which look out over a four-year period and cover the operating costs of Defence, including spending on Service and civilian personnel, fuels and utilities and support to in-service equipment, together with some capital expenditure;
- the Non-Equipment Investment Plan, which looks out over a 10-year period and encompasses planned investment in major estates and information systems projects; and
- the Equipment Plan and the Equipment Support Plan, which look out over a 10-year period and cover plans for the acquisition and support of new equipment for the Armed Forces and support to equipment which will be in-service over years 5 to 10 (support in years 1 to 4 is included in Top Level Budget holders' plans).

Director General Strategy in Head Office brings these plans together to construct a coherent future Defence programme, within the Strategy for Defence framework, for agreement by the Defence Board and the Secretary of State. This then forms the basis of the objectives and targets in the Defence Plan and the associated resource allocations to Top Level Budget holders.

Top Level Budget holders in turn articulate their objectives in their own management plans.

The relationship between the Strategy for Defence, Technical Instruction/Defence Strategic Direction, Defence Plan, sub-strategies, the Planning Round, objectives and Top Level Budget plans is illustrated in Annex A.

Performance and risk management

Performance and risk management ensure that managers and commanders at all levels of Defence:

- Deliver the requirements placed on them in terms of:
 - meeting the objectives and targets which cascade from the Strategy for Defence, Technical Instruction/Defence Strategic Direction and Defence Plan (i.e. performance); and
 - complying with legal and regulatory requirements, and other binding policies, standards and rules (i.e. conformance);
- are aware of risks, in particular threats to future delivery, and take appropriate action to manage them;
- are able to assess whether the Department is on track to deliver the Strategy for Defence or whether the Strategy needs to be adjusted.

The Defence Board:

- sets the performance and risk management regime;
- regularly reviews performance and in-year management, taking the outputs of the performance and financial management mechanisms;
- either directly, or through the Defence Operating Board, holds individual Top Level Budget holders, sub-strategy owners (including process owners) and senior responsible owners to account; and
- agrees the Annual Report and Accounts for consideration by the Secretary of State for Defence.

Director General Finance in Head Office is the Defence Board lead for performance and risk management.

The Defence Board's regime for performance and risk management is set out in the Defence Performance Framework, which comprises three elements:

- a quarterly performance and risk report showing progress in implementing the Defence Board strategic objectives from the Defence Plan;
- annual holding to account of sub-strategy owners for the performance of their sub-strategies against the Strategy for Defence, Technical Instruction/Defence Strategic Direction and Defence Plan; and
- an annual strategic performance and risk report which allows the Defence Board to evaluate and adjust the Strategy for Defence between major reviews, principally through adjustment of Defence Strategic Direction, timed to inform the Planning Round.

The Defence Performance Framework requires appropriate performance and risk management regimes to be adopted by Top Level Budget Holders, sub-strategy owners (including process owners), and senior responsible owners to ensure that they can:

- manage performance and risk in line with their responsibilities; and
- provide accurate and timely input to the quarterly performance and risk report, holding to account and strategic performance and risk report.

The performance and risk management process is illustrated in Annex A.

Providing military capability

What is military capability?

Military capability is the enduring ability to achieve a desired operational outcome or effect, and is relative to the threat, physical environment and the contributions of coalition partners.

Capability is made up of force elements (ships, aircraft, Army formations, other military units and force enablers) combined into packages by joint force commanders, and tailored for particular operations or missions. Each force element is provided by one of the single Services or a joint organisation, and requires the integration of the eight Defence lines of development: personnel, training, equipment, logistics, information, infrastructure, concepts and doctrine and organisation. This is illustrated in Figure 1 below.



Figure 1 - The make-up of military capability

How is military capability provided?

The core processes involved in providing military capability are:

- recruiting and supporting military personnel;
- training individuals, units, tactical formations, joint formations, and joint and combined forces;
- acquiring and maintaining fighting equipment; and
- providing the support needed to deliver operational success – including command, control and communication, logistics, healthcare and medical operational capability, information and intelligence support.

These core processes are dependent on supporting processes to provide:

- infrastructure – land, buildings, utilities and facility management services;
- concepts and doctrine – the intellectual underpinning for capabilities and operational processes and principles that guide military forces in their actions;
- organisation – military force structures, organisational structures and contractors providing support;
- corporate services – including civilian workforce, security, payroll and general administration; and
- strategic direction and management – including both the Head Office strategic corporate management function and the management of subordinate organisations within Defence; and military strategic direction to deployed forces.

Through-Life Capability Management

Through Life Capability Management, as illustrated in Figure 2 below, is the approach adopted to improve the planning, delivery and generation of the military capability needed by the Armed Forces, and then to support it throughout its life. New structures have been put in place across Defence to strengthen the relationship between planning, delivery and generation to ensure that military capability is managed coherently through life. Every aspect of new and existing military capability is planned and managed coherently across all the Defence lines of development.

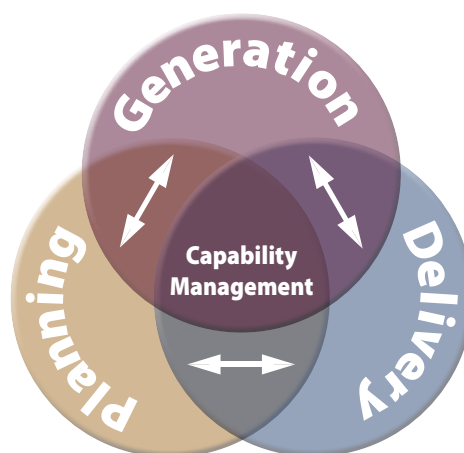


Figure 2 - Through-Life Capability Management

Who provides military capability?

The provision of military capability ultimately involves all elements of Defence:

- Head Office as the military strategic headquarters, which provides top-level strategy and policy, military strategic command of operations, direction to the rest of Defence (including corporate planning, balance of investment decisions and resource allocations), performance management and standards. In particular, the Capability Sponsor organisation under the Deputy Chief of Defence Staff (Capability) leads in planning future capability and acting as a clearly identifiable sponsor for the delivery of military capability, including Urgent Operational Requirements;
- Service Top Level Budgets (Navy Command, Land Forces and Air Command), which generate and use military capability directly;
- Permanent Joint Headquarters, which employs military capability directly;
- Defence Equipment and Support, which delivers and supports fighting equipment through-life; and
- the remaining Top Level Budgets (Central Top Level Budget and Defence Estates), as well as Agencies, which provide infrastructure and support services.

Using military capability

The Armed Forces exist to defend the UK's security interests, working alongside other Government departments to deliver the Government's wider security objectives at home and overseas, within the National Security Strategy.

Military capability is being used all the time, from on-going tasks such as providing search and rescue helicopters around the British coast to major operations such as in Afghanistan.

Military operations are conducted both overseas and in the UK. Overseas operations may be national (i.e. involving only UK forces) or multinational (conducted in alliances or coalitions), in which case they are known as combined operations. Multinational operations may be UK led or may involve a contribution from UK forces. Operations undertaken within the UK rely on close cooperation with civil authorities. Operations may also be undertaken by a single Service or by forces comprising more than one Service, in which case they are known as joint operations.

The political decision to deploy the Armed Forces rests with the Cabinet. The use of military capability for a specific purpose is governed by the Head Office as the military strategic headquarters and a programme of international security cooperation activities. Success in current operations is the highest priority.

Directing operations

Cross-Government level

The Cabinet controls the various means, diplomatic, economic and military, at the Government's disposal to deal with routine or expected events, and to resolve crises. At normal times, out of crisis, the relevant committee of Cabinet (typically the National Security, International Relations and Development Committee) sets policy

and deals with routine events. In the event of a crisis, the central Government's crisis management facilities (the Cabinet Office Briefing Rooms or COBR) are activated to facilitate rapid coordination of the central Government response. Military action tends to be the last resort.

Ministers decide on the most effective approach to tackling a particular crisis. The leadership and level of departmental input will vary depending on the nature of the crisis. National intelligence assessments, including strategic warning, are co-ordinated by the Cabinet Office through the Joint Intelligence Committee.

Defence level

It is a principle of the UK's democratic system of Government that the Armed Forces remain under Government control and that civilian Defence Ministers are publicly accountable for the actions of the Armed Forces. The command structure of the Armed Forces is a single chain, stretching from the Crown, through the Defence Council under the Secretary of State for Defence to the individual unit and Service personnel.

Defence Crisis Management Organisation

It is the responsibility of the Chief of the Defence Staff and the Permanent Secretary to ensure that sound and timely advice reaches Ministers. The Defence Crisis Management Organisation acts as the focus for the provision of Defence advice within the Government's overall management and resolution of crises. The Defence Crisis Management Organisation provides the conduit for all briefings up to Ministers and for the dissemination of strategic direction to the operational level of command. It comprises the Chiefs' of Staff Committee, the Head Office (as the military strategic headquarters) and the Permanent Joint Headquarters or Standing Joint Commander (UK).

Chief of the Defence Staff and Chiefs of Staff

As the principal military adviser to the Government, the Chief of Defence Staff will attend meetings of the Cabinet or its sub-committees as required and will draw on the operationally focused advice provided by the single-Service Chiefs of Staff and senior civil servants through the Chiefs' of Staff Committee.

As the strategic commander, the Chief of Defence Staff, advised by the Chiefs of Staff, is responsible for the formulation of the military strategy and for its coherence with Government policy. Where the UK conducts operations in alliances or coalitions, and is not the dominant partner, senior national commanders may have only administrative and logistic matters directly under their control.

Head Office

In its role as the Headquarters of the Armed Forces, Head Office supports the Chief of the Defence Staff in his roles as strategic commander of UK military operations worldwide, and the Government's principal military adviser; supports the Chiefs of Staff Committee in developing military advice for Ministers on current and potential military operations; and passes policy decisions to the military chain of command in the form of military direction or advice.

Head Office concentrates in general on the fundamental policy questions, bilateral relations with allies and other nations, liaison with international organisations, and the strategic aspects of operations involving the UK Armed Forces. Its focus is to provide clear and unambiguous policy advice to Government and clear direction to the Armed Forces; it does not command forces directly nor involve itself in the day to day running of operations. It interacts with other Government departments, at the strategic level, to synchronise military activity with other strategic activities.

Permanent Joint Headquarters

The primary function of the Permanent Joint Headquarters is, when directed by the Chief of Defence Staff, to plan and execute joint, or potentially joint national and UK-led multinational operations conducted outside the UK. Permanent Joint Headquarters exercises Operational Command of UK forces assigned for a specific operation.

For overseas crises and associated military operations, Permanent Joint Headquarters is responsible at the operational level of command for the deployment, direction, sustainment and recovery of a deployed force.

Standing Joint Commander (UK)

The Standing Joint Commander (UK), when directed by the Chief of Defence Staff, plans and executes joint or potentially joint operations within the UK in support of other Government departments or civil authorities. The Standing Joint Commander (UK) exercises Operational Command of forces assigned for a specific operation as authorised by Defence Council Order.

For domestic crises, and the support to deployed operations from within the UK, the Chief of Defence Staff has appointed Commander-in-Chief Land Forces as the Standing Joint Commander (UK) with the primary responsibility for the Defence contribution to the planning and execution of joint and other Government departments-led civil contingency operations. In certain circumstances, a Joint Commander from another Service may be appointed for specific operations; however, unless directed otherwise, the Standing Joint Commander (UK) assumes command of all military operations within the UK.

Managing Defence

Accountability to Parliament

The UK Armed Forces' existence in peacetime is by the consent of Parliament, and both the strength of the Armed Forces and the Defence budget have to be approved by Parliament each year.

In addition, an Armed Forces Act is required every five years in order to continue in force the legislation that governs Service discipline and the military justice system.

Ministerial accountability

The Secretary of State for Defence is accountable to Parliament for all the policies, decisions and actions of Defence. In practice, the Secretary of State is held to account by Parliament in four main ways:

- Parliamentary Questions, which are asked by MPs and Peers;
- Parliamentary Debates, which include debates on legislation, general topics of interest or issues selected by the major parties;
- Select Committees, the role of which includes examining the expenditure, administration, and policies of the principal Government departments. The House of Commons Defence Committee looks specifically at Defence, while the Public Accounts Committee is concerned with the accounting for, and regularity and propriety of, expenditure and economy, efficiency and effectiveness issues (value for money); and
- Ministerial correspondence, when MPs write directly to Ministers about the concerns of their constituents or on a topic in which they have an interest; Peers also write to Ministers and will receive a Ministerial reply.

The Secretary of State is also required to produce an annual report to Parliament on financial and non-financial performance. The Annual Report and Accounts provides a comprehensive overview of Defence and how it has used the resources authorised by Parliament. The National Audit Office under the Comptroller and Auditor General certifies the Accounts and reports to Parliament on any qualification of the audit certificate.

Accounting Officer

The Permanent Secretary is the Departmental Accounting Officer and as such is personally accountable to Parliament for the economic, efficient and effective use of Defence resources, prudent administration and the regularity and propriety of Defence expenditure. Chief Executives of Trading Fund Agencies have similar accountabilities in respect of their Agencies.

External reporting

Annual Report and Accounts

Defence provides an annual report to Parliament on its financial and non-financial performance in the form of the Annual Report and Accounts. This is illustrated in Annex A.

Financial performance is reported in the consolidated Departmental Resource Accounts and the consolidated Defence Whole of Government Accounts. Non-financial performance is reported against Coalition priorities set out in the MOD Business Plan (see below).

Business Plan

The MOD's Business Plan is an external plan published as part of the Government's Transparency Framework, following the outcome of Spending Review 2010. It contains five sections (standard for all departments), and goes live from April 2011:

- Vision – this sets out the Department's priorities until 2015. It draws on the outcome of the Strategic Defence and Security Review;
- Coalition Priorities – this details the major responsibilities of the Department, and its Structural Reform Priorities;

- Structural Reform Plan – this covers key activities that were outlined in the Strategic Defence and Security Review and details milestones and actions against them. The Department will report progress on a monthly basis against the Structural Reform Plan;
- Departmental Expenditure – this sets out the Department’s planned expenditure over the Spending Review period, as agreed with HM Treasury. It includes common areas of spend indicators which will help the public judge whether the Department is being run efficiently. These can be compared across departments; and
- Transparency – this reflects the MOD’s commitment to the Government’s transparency agenda. It includes input and impact indicators, which show the cost and impact of the Department’s key responsibilities and activities.

Assurance

One of the Permanent Secretary’s central responsibilities as Accounting Officer is to ensure that Defence is properly managed, i.e. that we have efficient and effective processes for planning, cascading objectives/targets, setting compliance requirements, and managing performance (including risk management).

Assurance processes are designed to provide the Defence Board, and the Permanent Secretary in particular as the Accounting Officer, with confidence that performance management in general is being properly conducted across Defence, and in particular that legal, regulatory, and other binding external requirements are being complied with and risks are being properly managed. Director General Finance in Head Office coordinates these overall processes.

Assurance processes include scrutiny from outside the area under examination, and in some cases from outside Defence altogether, including:

- the involvement of process owners and other policy leads in assessing compliance with mandatory requirements across Defence;
- the Head of Defence Internal Audit, who provides an independent opinion to the Permanent Secretary on the adequacy of governance, risk management and internal controls across Defence;
- the Head of Defence Operational Capability, who provides an independent assessment of Defence-wide operational capability through the process of operational audit and lessons identified from current operations;
- the inclusion of Non-Executive Directors from outside Defence on Top Level Budget boards, and as chairs of Top Level Budget audit committees;
- a Defence Audit Committee, which includes a number of Non-Executive Directors and is chaired by one of the Defence Board Non-Executive Directors, the role of which is to review, and advise the Permanent Secretary on, the adequacy of assurance processes generally; and
- the National Audit Office, which sees all Top Level Budget and Defence Audit Committee papers and attends their meetings.

The Defence Board reviews assurance matters brought to its attention by the Chair of the Defence Audit Committee, and gives advice to the Permanent Secretary as Accounting Officer.

Annual assurance review and Statement on Internal Control

The central instrument of assurance within Defence is the annual assurance review underpinning the Statement on Internal Control, which is published in the Annual Report and Accounts.

The Statement on Internal Control is considered in detail by the Defence Audit Committee in draft, and the Chair of the Defence Audit Committee formally advises the Permanent Secretary on its content.

Investment approvals

HM Treasury delegates to Defence the authority to approve investments below a certain level of funding, although it retains for itself the right of approval for the largest investments. The level of delegation varies with the type of investment, although novel or contentious projects of whatever value are always referred to the Treasury for approval.

The Defence Board considers some of the largest and most significant investments at major decision points, but the Investment Approvals Board generally takes the lead in examining investment proposals and gives advice on them to Ministers. The Investment Approvals Board examines large investments of all types including equipment, service and support provision, estates projects and business change programmes. Lower level investments may be approved by delegated authorities in accordance with guidance issued by the Investment Approvals Board.

There are two main approval decision points set at key stages in the life cycle of the project or programme requiring the investment:

- an Initial Gate when the requirement and outline procurement strategy are clear and the project or programme is ready to move into the assessment phase, where options for meeting the requirement are assessed in detail. It is generally at this point that approval is sought to engage formally with industry; and
- a Main Gate when sufficient work has been undertaken, and supporting evidence gathered, to provide confidence that a proposed investment option will deliver the capability desired, affordably and with value for money. It is usually at this point that a preferred supplier is confirmed.

Internal audit and fraud

Internal audit

In accordance with Government Internal Audit Standards, the Permanent Secretary is mandated to have an independent and objective internal audit function, which is responsible for measuring, evaluating and reporting on the effectiveness of the risk management, control and governance processes, and providing the Permanent Secretary with an annual audit opinion.

This function is provided by the Defence Internal Audit division. The development and delivery of the audit programme is overseen by the Defence Audit Committee.

Fraud

Defence policy towards irregularity, fraud, theft, bribery and corruption is one of zero tolerance. The Permanent Secretary and Chief of the Defence Staff jointly endorse this policy on a regular basis. All reported suspicions, irrespective of their provenance, are recorded by the Defence Irregularity Reporting Cell, to which all suspicions of fraud and other irregularity should be reported. If further action is required the Defence Irregularity Reporting Cell will then allocate the case to one of a number of agencies for investigation: the Ministry of Defence Police, the Service Police,, the Defence Fraud Analysis Unit or command or line management. Appropriate sanctions will be applied through administrative, disciplinary or criminal proceedings and maximum recovery sought.

Service personnel

The people component of military capability is delivered principally by members of the Armed Forces. The Deputy Chief of Defence Staff (Personnel and Training) is the owner of the Service personnel sub-strategy and process owner for Service personnel matters, although personnel remain under the full command of the Chiefs of Staff of their respective Services.

The Deputy Chief of Defence Staff (Personnel and Training) chairs the Service Personnel Board of the three single Service Principal Personnel Officers. The Board provides strategic direction and guidance on all Service personnel matters. It provides advice to the Defence Board, the Defence Council and Ministers; and shapes, decides and directs the implementation of Service personnel policy in accordance with the direction given by the Defence Board.

The aim of the Service personnel process is to secure sufficient, capable and motivated people who will contribute to the maximum operational effectiveness of the Armed Forces and thus overall Defence capability.

The constituent parts of the process are administered and executed either jointly or separately by Deputy Chief of Defence Staff (Personnel and Training), the Principal Personnel Officers, the Service Personnel and Veterans Agency and the single Service chains of command.

Activities range from: those required to develop awareness of career opportunities through recruiting, training and developing people through their careers; those required to sustain people and their families; and those required to support veterans.

The Deputy Chief of Defence Staff (Personnel and Training) also chairs the Defence Training Board, which brings together the cross-cutting training responsibilities, both individual and collective, for Service and civilian personnel. The Board acts as the central policy focus to align Defence training and education with operational outputs, shape the policy framework for systems and infrastructure and define and develop the future training and education environment.

Civilian workforce

The civilian workforce is a significant and integral part of Defence capability. Civilian staffs contribute to Defence in a huge variety of ways and, increasingly, support military commanders deployed in operational theatres. Defence employs almost every profession and occupation – from doctors and nurses, police officers and teachers to engineers, scientists and policy specialists – as well as significant numbers of staff in a wide range of trades and crafts.

Director General Human Resources and Corporate Services in Head Office is the owner of the Civilian Workforce sub-strategy and civilian workforce process owner. He or she is responsible for advising the Defence Board and Ministers on civilian workforce strategy, civilian personnel policy and employee relations, and for providing assurance on the integrity of the human resources delivery systems. He or she is also responsible for the corporate services provided by the People, Pay and Pensions Agency.

The aim of the civilian workforce process is to ensure that there is a civilian workforce of sufficient numbers that is appropriately skilled, managed, and motivated to support Defence capability now and in the future.

Top Level Budget holders have delegated authorities in respect of the civilian staff in their areas and have a civilian workforce adviser to support them in that capacity. They and their subordinate line managers are responsible for the efficient and effective employment of their civilian staff and for their proper management and development.

Healthcare and medical operational capability

The Surgeon General is the professional head of the Defence Medical Services and the sub-strategy owner and process owner for healthcare and medical operational capability. He is responsible for defining the standard and quality of healthcare needed in both operational and non-operational environments, and assuring its delivery. He is also responsible for setting the strategy and its associated (non-clinical) policies for the Defence Medical Services.

Defence Medical Services

The Defence Medical Services encompasses the entire medical, dental, nursing, allied health professional, paramedical, veterinary and support personnel, including civilian staff, employed by the Royal Navy, Army, Royal Air Force and supporting units. They are responsible for providing healthcare to Service personnel serving in the UK and overseas, those at sea, and family dependants of Service personnel and entitled civilians. They also provide some aspects of healthcare to other countries' personnel overseas, in both permanent military bases and in areas of conflict and war zones.

The range of services provided by the Defence Medical Services includes primary healthcare, dental care, hospital care, rehabilitation, occupational medicine, community mental healthcare and specialist medical care. They also provide healthcare in a range of facilities, including medical and dental centres, regional rehabilitation units and in field hospitals.

Information management

Information is vital to all aspects of Defence business, from front-line operations to support activities. It needs to be good quality – accurate, unambiguous, concise, clear, consistent, timely, trusted and in a form that can be used readily. It should be capable of being found and retrieved quickly and easily by those who should be able to see it, and protected from those who shouldn't. Information must be stored and used in accordance with the law, and retained for an appropriate period of time.

The Defence Chief Information Officer is the information management sub-strategy owner and process owner. His or her responsibilities include:

- publishing Defence information strategies, policies, rules, and guidance;
- making sure that the Defence community gets full value from information;
- making sure that information is managed and used in accordance with the law (including the Data Protection Act, the Freedom of Information Act and the Public Records Act) and Departmental policy; and
- providing expert advice on all information related matters.

Information and Communications Technology

Information and Communications Technology (ICT) is critical to the achievement of Departmental objectives, including success on operations. Appropriate investment and use of ICT enables the Department's operational and business processes to be more effective, efficient and agile.

The Defence Chief Information Officer provides high-level direction for investment in, and use of, ICT. This includes the need for improved value for money by better re-use of existing services and capabilities, and improving our interoperability with allies, wider Government and industry. To deliver these improvements Defence will increasingly invest in common ICT, aligned with other Government departments, and will accord with a set of ICT guiding principles. Investment in unique ICT capabilities will be limited to supporting specialist roles such as intelligence gathering.

Communications

The Director Media and Communications in Head Office is the corporate communications sub-strategy owner and process owner and is responsible for media awareness and communications strategy across Defence.

A number of channels are used to explain and publicise the work of Defence: some rely on coverage in the national and regional media, whether using broadcast, print or online formats; external publications and public events are also used. The internet is an increasingly important communications medium which allows direct communication between defence and its target audiences. In addition to the main Defence and single Service websites, there is now a range of blogs and social media networks that enable Defence to exploit innovative and cost effective channels to reach its audiences.

Logistics

Logistics involves planning and carrying out the movement and maintenance of forces. Its purpose is to maximise the freedom of action of operational commanders by giving confidence that the right support will be delivered when needed.

In its most comprehensive sense, logistics comprises those aspects of military operations which deal with:

- design and development, acquisition, storage, movement, distribution, maintenance, recovery and disposal of materiel;
- transport of personnel;
- acquisition or construction, maintenance, operation and disposition of facilities;
- acquisition or furnishing of services; and
- medical and health service support.

The Chief of Defence Materiel is owner of the logistics sub-strategy and the logistics process owner, with responsibility for:

- defining the boundaries, scope and baseline of the process and ensuring interfaces with other processes are managed appropriately;
- establishing the long-term strategic objectives of the process (what it is required to deliver) and ensuring the process operates effectively and efficiently, including identifying any areas for improvement;
- setting binding rules and standards for the process and carrying out monitoring activity, and reporting non-compliance where it threatens the process; and
- managing the risk to the delivery of the objectives of the process.

Financial management

Director General Finance in Head Office is responsible for the management of the Department's finances and is the financial management sub-strategy owner and process owner. His or her responsibilities include the systems necessary for drawing down money from the consolidated fund at HM Treasury, carrying out and recording financial transactions, consolidation and scrutiny of resource consumption forecasts and production of the annual accounts. He or she also sets financial policy and advises on propriety, regularity and assurance.

Defence budget and control totals

HM Treasury conducts periodic Government Spending Reviews to set spending plans for the forthcoming three years. The resources agreed in the Spending Review are confirmed by Parliament, in the annual Supply Estimates cycle, as Requests of Resources (RfR) under the following headings:

- RfR1 – Provision of Defence Capability, which provides for expenditure primarily to meet the costs of operational, support and logistics services (including Armed Forces and Civil Service salaries; bringing all serving members of the Armed Forces

and Defence civil servants within the Ministry of Defence boundary), and providing the equipment capability required by Defence policy;

- RfR2 – Operations and Peace-Keeping, which provides for expenditure in support of Government endorsed programmed peace-keeping activity, and expenditure for the Stabilisation Aid Fund;
- RfR3 – War Pensions and Allowances, etc., which provides for the payment of war disablement and war widows' pensions in accordance with relevant legislation.

Transactions and accounting

The Financial Management Shared Service Centre processes suppliers' invoices, raises invoices and collects revenue on behalf of Defence. It integrates this with the maintenance of the accounts, including the consolidation and production of the Departmental Resource Accounts.

Commercial

The commercial process encompasses the development of procurement strategies and the negotiation and management of contracts to meet agreed requirements for equipment, goods and services to support military capability at best through-life long-term value for money for Defence. It is the primary means by which Defence engages with industry.

Director General Defence Commercial in Head Office is the owner of the commercial sub-strategy and the process owner of the single high-level commercial process, which applies across all Top Level Budgets. He or she is accountable to the Defence Board for process definition, commercial management, continuous improvement, and assurance of commercial activity through delegations and other means.

The commercial process is supported by a single coherent framework of policies, standards and approaches designed to achieve consistency, efficiency and economy across all commercial activity. Commercial and industrial considerations are at the core of providing capability and are inextricably linked with other key acquisition processes, such as investment approvals, financial management and logistics.

Contractual Authority

The Permanent Secretary, who holds the ultimate authority to enter into contractual commitments, delegates this authority to Director General Defence Commercial.

Commercial licences are delegated from Director General Defence Commercial to senior commercial personnel, and flowed down the commercial function chain to commercial staff across Top Level Budgets and Agencies. The licences and associated letters of delegation make the recipients accountable ultimately to Director General Defence Commercial for ensuring that: there are robust procurement strategies for all requirements; the terms and conditions of all proposed contracts satisfy propriety, purchasing policy and legal requirements; and contracts represent best value for money and are affordable.

Safety, sustainable development and environmental protection

Responsibility for safety (including occupational health and safety and equipment and materiel safety), environmental protection and sustainable development within Defence rests ultimately with the Secretary of State for Defence. The Secretary of State's requirements are set out in the Policy Statement on Safety, Health, Environmental Protection and Sustainable Development.

The Secretary of State delegates to the Permanent Secretary the duty of ensuring that effective management arrangements are in place for ensuring compliance with the policy statement and requires the Defence Board to ensure that Defence achieves and maintains high standards by reviewing performance and demonstrating their commitment by words and action. The Permanent Secretary in turn delegates authority for implementing the policy to Top Level Budget Holders and Chief Executives of Trading Fund Agencies.

The 2nd Permanent Secretary is the owner of the safety, sustainable development and environmental protection sub-strategies. And as process owner he or she is responsible for developing and maintaining a consistent system of policies, standards, regulation and work practices, and chairs the Defence Environment and Safety Board.

Security

The security process involves the formulation, promulgation and implementation of security policy and standards, as well as security assurance and compliance. It covers physical, information, personnel, technical and industrial/contract security and policing.

The 2nd Permanent Secretary is the main Defence Board member for security, while Director Business Resilience in Head Office is the owner of the security sub-strategy, process owner and Departmental Security Officer. Top Level Budget holders and Chief Executives of Trading Fund Agencies are responsible for implementing security policy and standards.

Business continuity

Business continuity management forms an important element of good business management, focusing on the impact of disruption, identifying those products and services on which the organisation depends for its survival, and what is required for the organisation to continue to meet its obligations and deliver its outputs.

Responsibility and accountability for the implementation and maintenance of business continuity management arrangements is delegated to Top Level Budget holders and Trading Fund Agency Chief Executives, who are required to publish a business continuity strategy that gives subordinate units clear direction on what business functions are critical and how business continuity principles should be applied to protect them. They must also ensure that business continuity plans are in place throughout their organisations, and that the risks to continuity are managed effectively.

Director Business Resilience in Head Office is the sub-strategy owner and process owner for business continuity across Defence.

Acquisition

Acquisition is how we work with industry to provide the necessary military capability to meet the needs of our Armed Forces now and in the future. It covers the setting of requirements; the selection, development and manufacture of a solution to meet those requirements; the introduction into service and support of equipment or other elements of capability through life, and its appropriate disposal. It is supported by business processes such as requirements management, project and programme management, investment approvals, contract negotiating and management, and safety management.

In February 2010 MOD published a Strategy for Acquisition Reform, which builds on past reforms and reinforces current initiatives, while also proposing further improvements. This forms the central part of the acquisition sub-strategy, of which the 2nd Permanent Secretary is the owner.

Detailed information on acquisition can be found in the Acquisition Operating Framework.

WHO DOES WHAT?

The overall organisation of Defence is illustrated in Figure 3 below.

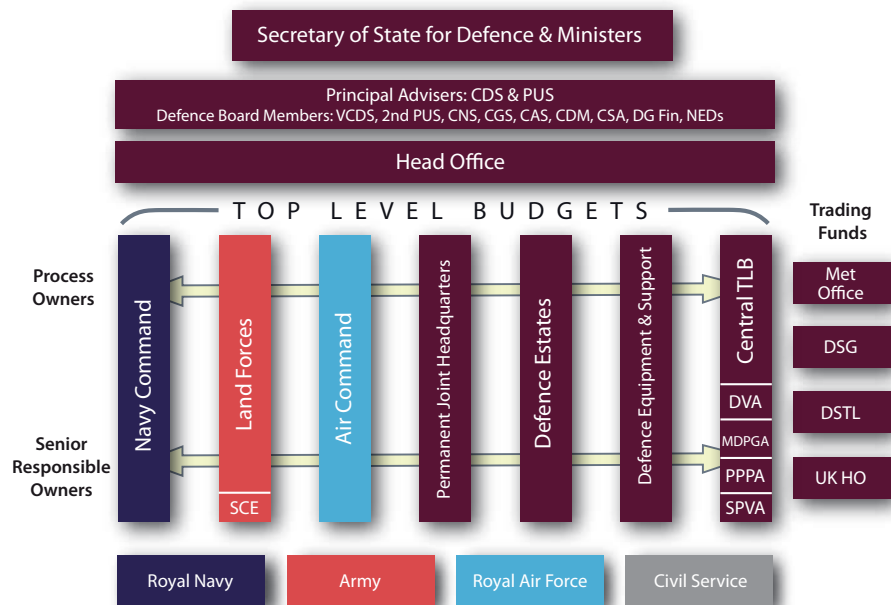


Figure 3 - Organisation of Defence

Key

CDS	Chief of the Defence Staff	SCE	Service Children's Education
PUS	Permanent Secretary	DVA	Defence Vetting Agency
VCDS	Vice Chief of the Defence Staff	MDPGA	MOD Police and Guarding Agency
2nd PUS	Second Permanent Secretary	PPPA	People, Pay and Pensions Agency
CNS	Chief of the Naval Staff	SPVA	Service Personnel and Veterans Agency
CGS	Chief of the General Staff	DSG	Defence Support Group
CAS	Chief of the Air Staff	DSTL	Defence Science and Technology Laboratory
CDM	Chief of Defence Materiel	UK HO	UK Hydrographic Office
CSA	Chief Scientific Adviser	TLB	Top Level Budget
DG Fin	Director General Finance		
NEDs	Non-Executive Directors		

A full set of organograms and supporting data sets can be found on the MOD website.

Ministers

The Secretary of State for Defence is the Cabinet Minister charged with making and executing Defence policy and providing the means by which it is executed through the Armed Forces, and is accountable to Parliament for the resources used to do so.

Although responsible ultimately for all elements of Defence, the Secretary of State is supported by a number of subordinate Ministers, who are assigned responsibilities for

specific aspects of Defence business. Details of Ministers and their responsibilities are at Annex B.

Ministers are helped in meeting their obligations to Parliament and the public by the Parliamentary Branch in Head Office, which manages Defence Parliamentary business.

Special advisers appointed by the Secretary of State for Defence are employed to help Ministers on matters where the work of Government and the work of the Government Party overlap and it would be inappropriate for permanent Civil Servants to become involved. They provide advice from a standpoint that is more politically committed and politically aware than would be available from the Civil Service.

Boards and Committees

The Secretary of State for Defence and the two principal advisers, the Chief of the Defence Staff and the Permanent Secretary, are supported in their direction and management of Defence by a number of top level boards and committees:

- the Secretary of State chairs the Defence Council and its delegated Service Boards (the Admiralty Board, the Army Board and the Air Force Board), as well as the Defence Ministerial Committee; and
- the Permanent Secretary and the Chief of the Defence Staff chair the Defence Board and Chiefs of Staff Committee respectively.

The boards and committees immediately below this top level are set out in the diagram at Figure 4.

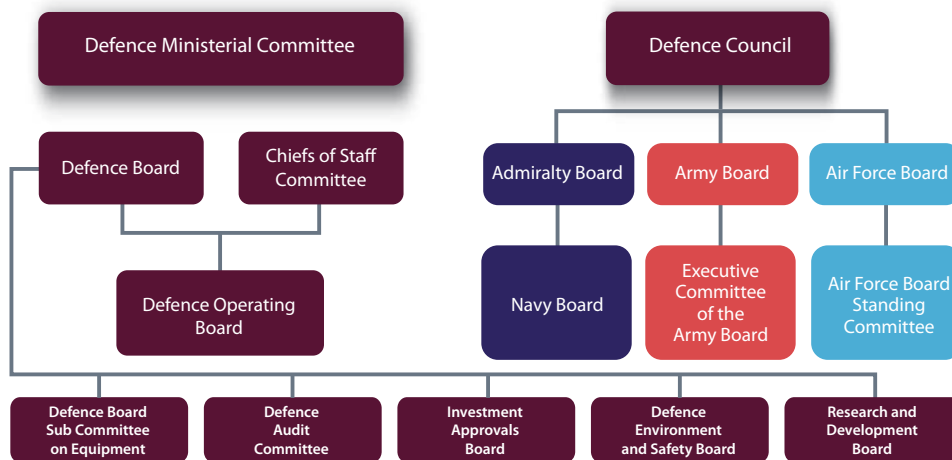


Figure 4 - Top Level Boards and Committees

Defence Council

The Defence Council provides the formal legal basis for the conduct of Defence in the UK through a range of powers vested in it by Parliament (through statute) and the Queen (through Letters Patent and known as prerogative powers). The Defence Council is chaired by the Secretary of State for Defence. By placing the Secretary of State at the head of the Defence Council, the Letters Patent embody the constitutional

principle that the Armed Forces are commanded by a body headed by a Member of Parliament, who represents the people.

The membership of the Defence Council is set out in Figure 5.

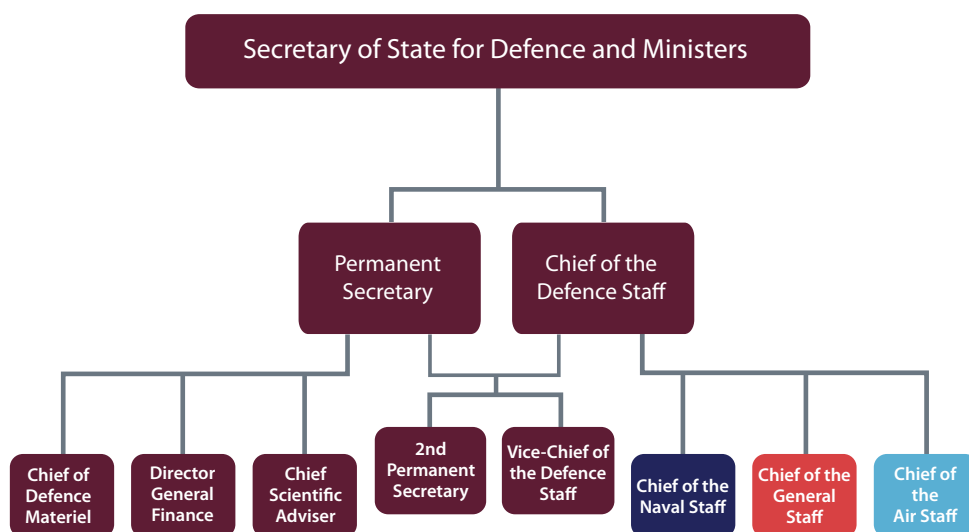


Figure 5 - Defence Council

Service Boards

For matters concerning the individual Services the Defence Council is legally empowered and directed to delegate the exercise of its prerogative powers to the Service Boards (the Admiralty Board, the Army Board and the Air Force Board), which have command over the personnel in each of the Services. In practice, much of their business concerns the exercise of quasi-judicial functions, such as discipline and redress of grievance.

The Defence Council determines the composition of the Service Boards. Each is chaired by the Secretary of State for Defence. The Chair is advised by the relevant single Service Chief of Staff (the 1st Sea Lord/Chief of the Naval Staff, the Chief of the General Staff or the Chief of the Air Staff), who is responsible for the management of the Service drawing on the advice of the Service Executive Committee, and by the 2nd Permanent Secretary as Secretary to the Board.

Defence Ministerial Committee

The Defence Ministerial Committee brings together Ministers with the most senior officials to ensure that Ministers collectively are regularly engaged in the business of Defence.

The Defence Ministerial Committee is chaired by the Secretary of State for Defence and comprises the other Defence Ministers, the Permanent Secretary, the Chief of the Defence Staff, the three single Service Chiefs of Staff (the 1st Sea Lord/Chief of the Naval Staff, the Chief of the General Staff and the Chief of the Air Staff), the 2nd Permanent Secretary, the Vice Chief of the Defence Staff and the Director General Finance. The Chief of Defence Materiel, the Chief Scientific Adviser, the Defence

Board Non-Executive Directors and other senior officials may be invited to attend on occasion. The Secretary of State takes, and is responsible for, the decisions of the Committee.

Defence Board

The Defence Board is the senior non-Ministerial decision-taking body. Its principal function is to make the high level decisions necessary to ensure that Defence delivers its final outputs. It also provides strategic direction and manages performance. The Board has collective responsibility for the management of all aspects of the Department and the Armed Forces in the best interests of Defence, and for planning and performance with the exception of planning for, and conduct of, military operations. Its remit includes Defence policy and strategy, major investment decisions, resource planning and prioritisation, setting and managing performance against objectives, and assurance.

The Defence Board, chaired by the Permanent Secretary, meets formally on a monthly basis, though it may meet more frequently if required. The Permanent Secretary and the Chief of the Defence Staff have executive responsibility to take decisions, with all Board members accepting corporate ownership of those decisions.

Board members supporting the Permanent Secretary and the Chief of the Defence Staff are the 2nd Permanent Secretary, the Vice Chief of the Defence Staff, the three single Service Chiefs of Staff (the 1st Sea Lord/Chief of the Naval Staff, the Chief of the General Staff and the Chief of the Air Staff), the Chief of Defence Materiel, the Chief Scientific Adviser, the Director General Finance and the Non-Executive Directors.

Non-Executive Directors are appointed by the Chairman from outside Defence and participate as equal members of the Defence Board. They are generally senior people from the business world who can offer a fresh perspective on the items that come before the Board, both by applying the benefits of their wider general experience, and by bringing into discussions any background or specialist skill, knowledge and experience which is relevant.

Chiefs of Staff Committee

The Chiefs of Staff Committee is the main forum through which the Chief of the Defence Staff seeks and obtains the collective military advice of the single Service Chiefs of Staff, and through which he discharges his responsibility for the preparation and conduct of military operations.

The Committee comprises six full members (the Chief of the Defence Staff, the Permanent Secretary, the Vice Chief of the Defence Staff, the 1st Sea Lord/Chief of the Naval Staff, the Chief of the General Staff and the Chief of the Air Staff), and is routinely attended by other relevant senior Defence officials and other specialist advisors, including representatives from the Cabinet Office, the Foreign & Commonwealth Office, the Department for International Development and the security and intelligence agencies.

Defence Operating Board

The Defence Operating Board is the means by which the decisions of the Defence Board and Chiefs of Staff Committee are made to happen and seen through. The joint Chief Operating Officers, the 2nd Permanent Secretary and the Vice Chief of the

Defence Staff, have the authority to use the Defence Operating Board mechanism as the means of running Defence business.

The Defence Operating Board seldom meets as a formal Board and business is conducted in groups configured for specific purposes.

Service Executive Committees

The Service Executive Committees (the Navy Board, the Executive Committee of the Army Board and the Air Force Board Standing Committee) assist the respective Service Chiefs of Staff in discharging their executive, management and operational advisory, and professional head of Service roles. They are not legally constituted as committees of the Service Boards or the Defence Council and cannot exercise legal functions on behalf of the Boards or the Council.

Membership of each Service Executive Committees is drawn from the military and official membership of the Service Board and currently includes the 2nd Permanent Secretary, the relevant Commander in Chief, Principal Personnel Officer and Assistant Chief of Staff, and representatives of the Deputy Chief of Defence Staff (Capability) and of the Chief of Defence Materiel.

Defence Board Sub-Committee on Equipment

The Defence Board Sub Committee on Equipment, chaired by the Permanent Secretary, is a sub committee of the Defence Board. It is charged with determining an equipment plan and equipment support plan in line with the direction of the Defence Board. The plan is to be aligned with strategy, coherent, affordable and realistic, and will be submitted to the Defence Board.

The other members are the Chief of the Defence Staff, the Vice Chief of the Defence Staff, the 2nd Permanent Secretary, the Director General Finance and the Director General Defence Commercial. It is advised by Director General Strategy and Deputy Chief of the Defence Staff (Capability).

Defence Audit Committee

The Defence Audit Committee is chaired by a Non-Executive Director of the Defence Board, with a remit to review and challenge constructively the adequacy of internal controls and risk management assurance processes within Defence.

Defence Environment and Safety Board

The Defence Environment and Safety Board is chaired by the 2nd Permanent Secretary and supports him or her in carrying out his or her responsibilities for safety, sustainable development and environmental protection.

Research and Development Board

The Research and Development Board is chaired by the Chief Scientific Adviser. It provides strategic direction and priorities for Defence research and development and is responsible for ensuring that robust management processes are in place to plan, fund and oversee a coherent programme.

Investment Approvals Board

The Investment Approvals Board, chaired by the Chief Scientific Adviser, is the senior body in Defence responsible for considering major investment proposals not taken by the Defence Board. It makes recommendations to Ministers on cases for which Ministerial approval is necessary, decides other cases itself or delegates decisions to a level consistent with the value and/or nature of the proposal. The Board has collective responsibility for the management of all aspects of the investment approvals process.

Defence Board Members

Ministers are supported by the top management of Defence, headed jointly by the Chief of the Defence Staff and the Permanent Secretary. They share responsibility for much of the Department's business and their roles reflect the importance of both military and civilian advice on political, financial, administrative and operational matters.

The roles of the top management of Defence – the members of the Defence Board – are outlined below.

Permanent Secretary

The Permanent Secretary is the Government's principal civilian adviser on Defence and has primary responsibility for policy, finance and planning. He or she is the Departmental Accounting Officer. With the Chief of the Defence Staff, he or she jointly leads Defence.

Chief of the Defence Staff

The Chief of the Defence Staff is the professional head of the Armed Forces, the principal military adviser to the Secretary of State for Defence and the Government and the military strategic commander. With the Permanent Secretary, he jointly leads Defence.

2nd Permanent Secretary

Together with the Vice Chief of the Defence Staff, the 2nd Permanent Secretary acts as joint Chief Operating Officer for Defence, ensuring that strategic decisions are implemented and managing performance across the board.

Vice Chief of the Defence Staff

Together with the 2nd Permanent Secretary, the Vice Chief of the Defence Staff acts as joint Chief Operating Officer for Defence, ensuring that strategic decisions are implemented and managing performance across the board.

Chiefs of Staff

The single Service Chiefs of Staff (the 1st Sea Lord/Chief of the Naval Staff, the Chief of the General Staff and the Chief of the Air Staff) are the professional heads of the Royal Navy, Army and Royal Air Force respectively.

For each Service, the Chief of Staff is responsible for generating a balanced and integrated capability, and for maintaining its fighting effectiveness, efficiency and morale.

Chief Scientific Adviser

The Chief Scientific Adviser provides strategic advice to Defence on science and technology in support of military operations and future capabilities.

Chief of Defence Materiel

The Chief of Defence Materiel heads the Defence Equipment and Support organisation, which provides equipment and support to the Armed Forces for current and future operations.

Director General Finance

The Director General Finance is the principal financial adviser for Defence.

Non Executive Directors

Non Executive Directors offer a fresh, external perspective on the items that come before the Board, both by applying the benefits of their wider general experience and by bringing into discussions any background or specialist skill, knowledge and experience which is relevant.

Head Office

The Head Office, located in London, is responsible for leading the Defence contribution to the development of the Government's foreign and security policy and wider Government objectives, and for translating those objectives into Defence policy and the Defence capability needed to deliver it. It is jointly run by the Vice Chief of the Defence Staff and the 2nd Permanent Secretary.

The main functions of the Head Office are:

- advising Government and accountability to Parliament;
- making policy and setting Defence strategy;
- planning and resource allocation;
- management of Defence; and
- strategic direction of military operations.

The Head Office organisational structure is at Figure 6 below. The roles and responsibilities of the individual heads of the main business areas within Head Office are as follows:

- Deputy Chief of Defence Staff (Operations) directs and conducts operations at the strategic level on behalf of the Chief of the Defence Staff; and holds joint responsibility with Director General Security Policy for delivering strategy and operational planning.

- Director General Security Policy is the principal adviser on the Defence contribution to Government security policy and shaping the international security environment; and holds joint responsibility with the Deputy Chief of Defence Staff (Operations) for delivering politico-military aspects of operational strategy. He or she is owner of the security policy and operations sub-strategy.
- Deputy Chief of Defence Staff (Capability) is the principal adviser on capability; his primary role is to generate affordable, balanced equipment and equipment support plans. He is owner of the capability sub-strategy.
- Deputy Chief of Defence Staff (Personnel and Training) directs the formulation of long-term strategy for Service personnel and joint Service personnel policy in order that sufficient, capable and motivated personnel are recruited, trained, and retained to sustain the Armed Forces. He is owner of the Service personnel sub-strategy.
- Surgeon General is the most senior serving medical officer and the spokesperson for medical expertise within Defence and is responsible for setting the strategy and associated policies for the Defence Medical Services. He is owner of the healthcare and medical operational capability sub-strategy.
- Chief of Defence Intelligence is the principal adviser on defence intelligence issues and owner of the intelligence for Defence sub-strategy.
- Director General Strategy is responsible for providing advice on Defence strategic and corporate planning matters and for assuring the framework of sub-strategies.
- Director General Finance is the principal financial adviser for Defence and owner of the financial management sub-strategy.
- Director General Defence Commercial is the principal adviser on industrial and commercial strategy and owner of the commercial and defence industrial sub-strategies.
- Director General Human Resources and Corporate Services is responsible for the development of the corporate civilian personnel strategy, policies and services, and the business resilience of the MOD including security, sustainability and environmental policies. He or she is also owner of the civilian workforce and corporate services delivery sub-strategies.
- Chief Information Officer is responsible for the development and delivery of the MOD Information Strategy.
- Director Media and Communications orchestrates the overall approach to Defence communications and is owner of the corporate communications sub-strategy.
- Director Central Legal Services is the primary source of legal advice to Defence and Ministers.
- Director Central Top Level Budget is responsible for the delivery of key services to the Head Office and wider support to the Central Top Level Budget.
- Director Science and Technology Strategy and Director Strategic Technologies are responsible for ensuring that science and technology investment meets the current and future needs of Defence by setting the strategy and policy. This includes the nuclear weapon and nuclear propulsion collaborations that contribute to the UK nuclear deterrent programme. Director Science and Technology Strategy is owner of the science and technology sub-strategy.
- Assistant Chief of the Naval Staff acts as Chief of the Naval Staff /First Sea Lord's chief executive and on his behalf directs the implementation of Admiralty Board and Navy Board policy, providing the high level guidance and prioritisation needed by the Navy Command Top Level Budget to deliver its military outputs.

- Assistant Chief of the General Staff supports Chief of the General Staff in his roles and sets the conditions for the Army to contribute to success on operations by influencing Defence decision making, securing resources, converting Defence policy into Army policy, ensuring coherence across the Defence lines of development – both across the Army and within Arms and Services – and developing the Army of the future.
- Assistant Chief of the Air Staff is a member of the Air Force Board, Head of the Service’s Operations Support Branch and reports directly to Chief of the Air Staff.

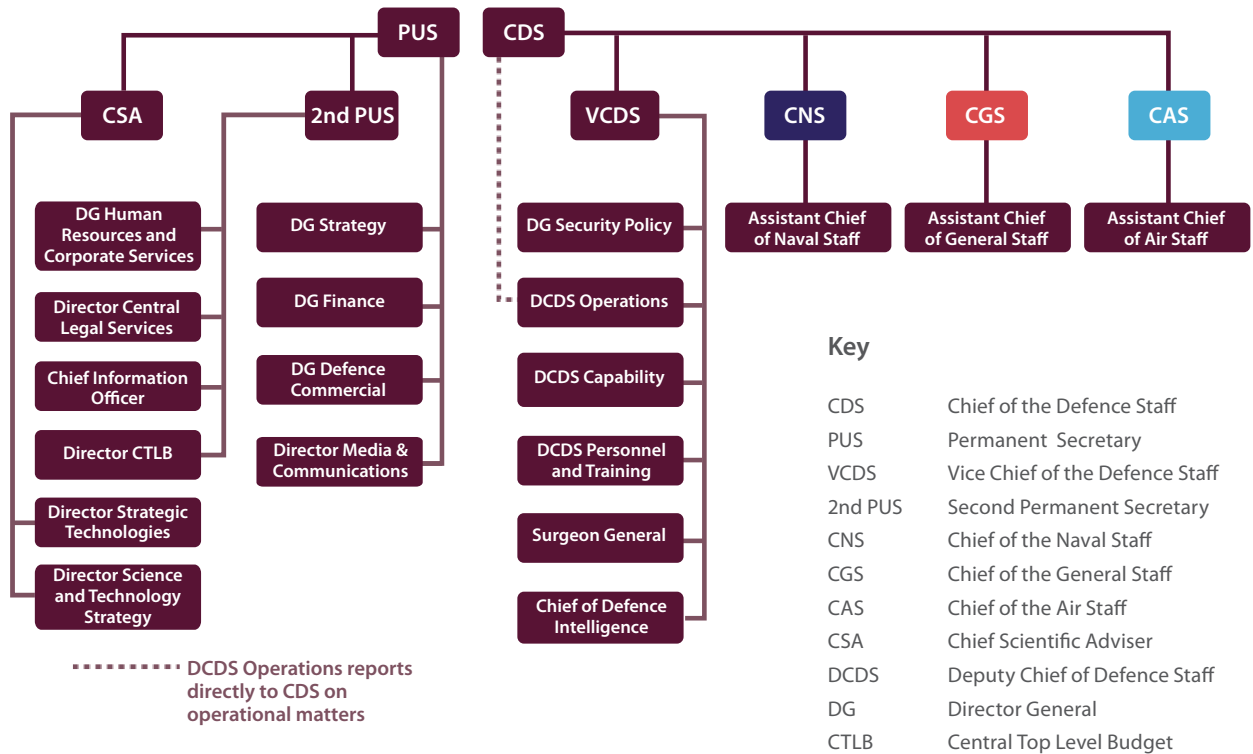


Figure 6 - Head Office Organisation

Single Services

The Royal Navy, Army and Royal Air Force are the fundamental building blocks of Defence.

The single Service Chiefs of Staff (the 1st Sea Lord/Chief of the Naval Staff, the Chief of the General Staff and the Chief of the Air Staff) are the professional heads of the respective Services and Top Level Budget holders for the respective Service Top Level Budgets (Navy Command, Land Forces and Air Command).

The majority of Service personnel sit, organisationally, within their respective Service Top Level Budget. But significant numbers of Royal Navy, Army and Royal Air Force personnel will, at any time, be working in the other Top Level Budget areas, for example: Joint Helicopter Command includes a large number of Royal Air Force personnel and units, but sits organisationally under the Land Forces Top Level Budget; and there are military personnel in all the other Top Level Budget areas.

Reserve Forces and Cadets

Reserve Forces

The Reserve Forces provide a strategic reserve for Defence and play a vital part in the ability to mount and sustain operations. They are integrated with and managed alongside Regular Forces within the single Services. The fundamental purpose of the Reserve Forces is to:

- support the Regular Forces when operating at, or beyond, maximum effort;
- augment Regular Forces, either in significant numbers or in specialist roles, for overseas operations and support to national resilience; and
- connect with the nation, integrate with, and influence the community in which they live and work.

Members of the Reserve Forces fall into two main categories:

- Volunteer Reserve Forces, comprising volunteers who give up their spare time to train and have a liability for call out for a period of permanent ('mobilised') service to deploy on operations alongside Regular colleagues. These comprise the Royal Naval Reserve, the Royal Marines Reserve, the Territorial Army and the Royal Auxiliary Air Force.
- Regular Reserve, made up of former members of the Regular Forces who retain a liability to call out by virtue of their previous service as a Regular. These comprise the Royal Fleet Reserve, Army Reserve and Royal Air Force Reserve.

Before Reservists can be mobilised and sent on operations, a call out order has to be signed by the Secretary of State for Defence, who has the power under the Reserve Forces Act 1996. Reservists can also volunteer to enter employment in both Full Time Reserve Service and in a part-time capacity for a specified period, in many cases to do the same job as a Regular.

Cadets

MOD sponsored Cadet Forces comprise the Combined Cadet Force, the Sea Cadet Corps, the Army Cadet Force and the Air Training Corps. These Cadet Forces aim to provide challenging and enjoyable activities for young people, and to better prepare them for their role in the community. There is a total of around 130,000 Cadets, led by over 23,000 Adult Volunteers, in some 3,300 units located across the UK.

Top Level Budgets

Most Defence activity is managed through seven Top Level Budgets:

- Navy Command, headed by the 1st Sea Lord/Chief of the Naval Staff;
- Land Forces, headed by the Chief of the General Staff;
- Air Command, headed by the Chief of the Air Staff;
- Defence Equipment and Support, headed by the Chief of Defence Materiel;
- Permanent Joint Headquarters, headed by the Chief of Joint Operations;
- Defence Estates, headed by the Chief Executive of Defence Estates; and
- Central Top Level Budget, headed by the 2nd Permanent Secretary.

Responsibility and accountability

The outcomes that Top Level Budget holders are required to deliver, as well as the resources that are provided to them to do so, are set out in the Defence Plan.

Top Level Budget holders are accountable to the Permanent Secretary and the Chief of the Defence Staff through the Defence Board for the delivery of their outcomes and for the use of their resources. The Permanent Secretary delegates to Top Level Budget holders extensive financial, personnel, commercial and other authorities within which they must work, and for which they are personally accountable to the Permanent Secretary as the Departmental Accounting Officer.

Subordinate business units and Agencies

Top Level Budgets may contain a number of subordinate business units and Agencies. Subordinate budget holders and Agency Chief Executives are accountable to the Top Level Budget holder for the use of their resources and receive appropriate delegated authorities.

The Top Level Budgets are illustrated in Figure 7 and further detail on each is provided below.

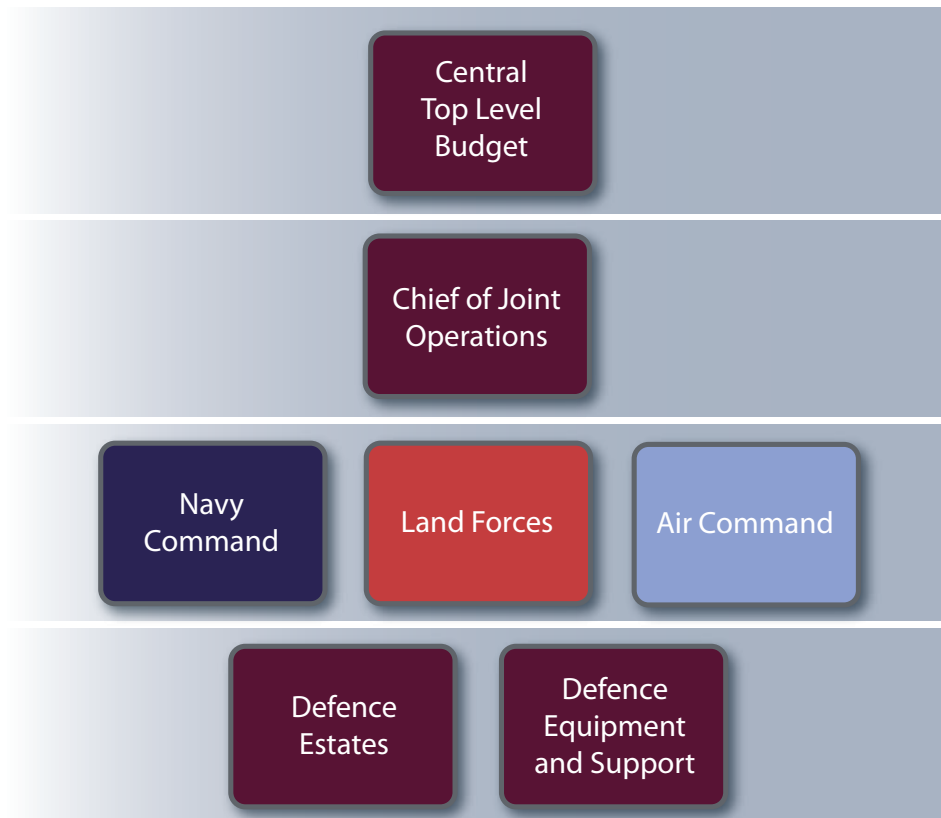


Figure 7 - Top Level Budgets

Navy Command

The 1st Sea Lord/Chief of the Naval Staff is the budget holder for the Navy Command Top Level Budget and owner of the Navy sub-strategy. Navy Command supports the 1st Sea Lord/Chief of the Naval Staff in generating military capability now and in the future, and in discharging his responsibilities for the provision of advice, assurance and accountability. It comprises two key interdependent elements: the Commander-in-Chief Fleet and the 2nd Sea Lord / Principal Personnel Officer.

Navy Command Headquarters

The Navy Command Headquarters, headed by Commander-in-Chief Fleet, provides force elements at the appropriate readiness state to conduct operations wherever required across the world. In addition it contributes to capability planning out to a horizon of ten years in conjunction with the Defence Equipment and Support Top Level Budget and the Deputy Chief of Defence Staff (Capability), and programmes resources across the maritime domain out to a horizon of four years. Its third output is to provide the information and support to ensure that the 1st Sea Lord/Chief of the Naval Staff's remit for advice, assurance and accountability is fully met.

2nd Sea Lord & Principal Personnel Officer

2nd Second Sea Lord is both the Principal Personnel Officer and Commander-in-Chief Naval Home Command. He has direct responsibility to the 1st Sea Lord/Chief of the Naval Staff for acting as the personnel champion for all Royal Navy personnel wherever they are serving, regardless of which Top Level Budget or other organisation employs them. As the Principal Personnel Officer he develops Royal Navy policies and influences Defence-wide policies that enable the Royal Navy to be populated by sufficient, capable and motivated personnel now and in the future. As Commander-in-Chief Naval Home Command, he is responsible for the non-deployable Fleet organisations and infrastructure covering such areas as training establishments and their personnel, Reserves in the UK and recruiting personnel and offices.

Land Forces

The Chief of the General Staff is the budget holder for the Land Forces Top Level Budget and owner of the Army sub-strategy. He is responsible for the morale and fighting effectiveness of the Army now and in the future. A single Army Staff has been formed to support the Chief of the General Staff. It comprises the General Staff and the Army elements of the Central Staff and joint organisations, the Army Inspector, HQ Land Forces Staff and Arms & Service Directors.

General Staff

The Assistant Chief of the General Staff develops the Army's higher-level force structure, oversees the organisation of force elements, equips it for the future, and is the lead for the information and concepts and doctrine Defence lines of development. The Assistant Chief of the General Staff is also responsible for coordination across all the Defence lines of development for the Army. .

Commander-in-Chief Land Forces

Commander-in-Chief Land Forces takes the lead in force generation, training, logistics and infrastructure. He has about 90% of the Army strength under command and responsibility for providing trained and ready force elements for war and other operations. This is done through four Commanders:

- Commander Field Army, who exercises operational command of the Field Army and designated forces for war and other operations in order to provide the required level of military capability;
- Adjutant General, who is responsible for bringing together personnel policies, plans and services and the Firm Base to support the generation of operational capability;

- Commander Force Development and Training, who is responsible for recruiting training and educating the Army's officers and soldiers; designing, developing and integrating capabilities, concepts and doctrine; and providing focused and realistic collective training in order to develop and sustain the Army's operational capability; and
- Commander Joint Helicopter Command, who is responsible for battlefield helicopters for the three Services.

Air Command

The Chief of the Air Staff is the budget holder for the Air Command Top Level Budget and owner of the Royal Air Force sub-strategy. He discharges his responsibilities through the Air Staff for strategic matters and through the principal front line command, Air Command.

Air Staff

The Air Staff is headed by the Assistant Chief of the Air Staff and supports Chief of the Air Staff and Ministers in all central policy, political and parliamentary aspects of non-operational RAF activity both at home and overseas and on issues which relate to US Visiting Forces. It is responsible for strategic policy formulation, future concepts analysis and the future strategic direction of the RAF within Defence across the Defence lines of development and looking at the 10 to 20 year timeframe. It is also responsible for policy decisions affecting UK airspace and access, basing and overflight permissions.

Air Command

Air Command is headed by the Commander-in-Chief Air Command, and is split into two principal arms relating to its responsibilities:

- Deputy Commander-in-Chief (Operations) is responsible for the training for, and conduct of, air operations. In addition, he manages capability development and employment out to 10 years, but particularly for the first four years; and
- Deputy Commander-in-Chief (Personnel) is responsible for the recruitment, training and management of well trained and highly motivated personnel whose skills and competences are fitted to the needs of the current Royal Air Force and are capable of adapting with its evolution.

Air Command also provides the Force Elements and Expeditionary Air Wings that are used to conduct and support air operations.

Defence Equipment and Support

The Chief of Defence Materiel is the Top Level Budget holder for the Defence Equipment and Support organisation and owner of the logistics and Defence equipment and support sub-strategies.

Defence Equipment and Support equips and supports the Armed Forces for current and future operations with equipment ranging from ships, aircraft, vehicles and weapons, to information systems and satellite communications. Its headquarters,

where the majority of staff will be located by 2012, is in Bristol, with other sites across the UK and overseas.

Defence Equipment and Support acquires and supports through-life equipment and services as part of its core programme and to meet urgent operational requirements. As well as sustaining the UK's Armed Forces with the delivery of materiel and the movement of personnel worldwide, it is also responsible for HM Naval Bases and the British Forces Post Office. It works closely with industry to seek and deliver effective solutions for Defence.

Defence Estates

The Chief Executive of Defence Estates is the budget holder for the Defence Estates Top Level Budget and owner of the Defence estate sub-strategy. He or she is responsible for the delivery of an estate which is of the right size and quality to support the delivery of Defence capability, managed and developed effectively and efficiently in line with acknowledged best practice, and sensitive to social and environmental considerations. The objectives of Defence Estates are to:

- manage the Defence estate as a corporate asset;
- ensure the estate is managed and developed in a sustainable manner, in line with acknowledged best practice and Government policy;
- continue to develop new methods of procurement that provide for an improved, intelligent interface between Defence and its chosen suppliers; and
- develop and promulgate best practice on all estate issues and be a centre of excellence.

Permanent Joint Headquarters

The Chief of Joint Operations is the budget holder for the Permanent Joint Headquarters Top Level Budget.

The mission of the Permanent Joint Headquarters is:

- as part of the Defence Crisis Management Organisation, to provide politically aware military advice to inform strategic commitment of UK forces to overseas joint and combined operations;
- when directed by the Chief of the Defence Staff, to exercise command of UK forces assigned to overseas joint and combined operations, either led by the UK or another nation, in order to achieve UK's strategic objectives;
- in conjunction with single Service commands and Head Office, to develop the UK's joint war-fighting capability; and
- to improve the effectiveness and efficiency of the permanent joint operating bases, so that they are optimised to meet current and future missions.

Central Top Level Budget

The 2nd Permanent Secretary is the budget holder for the Central Top Level Budget, managing it jointly with the Vice Chief of the Defence Staff. The Central Top Level Budget comprises a large number of business areas or units and Agencies delivering a wide range of Head Office, support and operational functions.

In addition to the Head Office it includes: the Defence Academy, the Military Aviation Authority, the MOD Police and Guarding Agency, the People Pay and Pensions Agency, the Service Personnel and Veterans Agency and the Defence Vetting Agency.

Agencies

There are a number of Agencies within Defence delivering specialist services to Defence and other customers.

Some Agencies are embedded within, and funded through, Top Level Budgets. Other Agencies operate as Trading Funds, which are outside the Top Level Budget structure and are self-financing through the sale of goods and services to Defence, other Government departments and commercial customers. Although Trading Fund Agencies operate at arm's length on a day-to-day basis, they remain part of Defence.

The Secretary of State for Defence has ultimate responsibility for Agencies and is accountable to Parliament for their activities. In practice, this responsibility is delegated to one of the other Ministers, or to a senior military officer or official, who acts as the owner. The owner is usually assisted by an Owner's Advisory Board or Owner's Council.

Each Agency is headed by a Chief Executive, who is responsible for its day-to-day management and for ensuring the regularity and propriety of expenditure, adequacy of financial systems, prudent and economical administration and effective use of resources.

Chief Executives of Agencies within Top Level Budgets receive formal delegations through the normal Top Level Budget mechanism and are accountable through the Top Level Budget structure. They are also accountable to the Permanent Secretary as the Departmental Accounting Officer.

Chief Executives of Trading Fund Agencies are accountable to Ministers (and through Ministers to Parliament) for the discharge of the functions of the Trading Fund, and are appointed by HM Treasury as Accounting Officers.

A list of Agencies is at Annex C.

Non-Departmental Public Bodies

A Non-Departmental Public Body is a body which has a role in the process of national Government but is not a Government department or part of one, and which accordingly operates to a greater or lesser extent at arm's length from Ministers.

Executive Non-Departmental Public Bodies usually carry out prescribed functions within Government guidelines and receive some sort of funding from their sponsoring department. Defence sponsors three executive Non-Departmental Public Bodies:

- National Museum of the Royal Navy
- National Army Museum
- Royal Air Force Museum

These Service museums have charitable status and retain close links with the Armed Forces.

Advisory Non-Departmental Public Bodies are set up by Ministers to advise them and their departments on particular matters. Defence sponsors the following advisory Non-Departmental Public Bodies:

- Advisory Committee on Conscientious Objectors
- Advisory Group on Military Medicine
- Armed Forces Pay Review Body
- Central Advisory Committee on Pensions and Compensation
- Defence Nuclear Safety Committee
- Defence Scientific Advisory Council
- National Employer Advisory Board
- Nuclear Research Advisory Council
- Review Board for Government Contracts
- Scientific Advisory Committee on Medical Implications of Less than Lethal Weapons
- Veterans Advisory and Pensions Committees (x13)

Defence also sponsors:

- Independent Monitoring Board for the Military Corrective Training Centre
- Oil and Pipelines Agency (classified as a public corporation)

Information on all MOD sponsored Non-Departmental Public Bodies can be found on the MOD website.

Process owners

Process owners are senior individuals appointed by the Permanent Secretary to ensure that activities in certain enabling business areas are carried out on a coherent and consistent basis across Defence, where this is necessary to maintain or improve overall effectiveness, efficiency, and/or compliance with legislation and other external requirements.

Acting on behalf of the Defence Board, and in consultation with Top Level Budget holders and others, process owners lead in developing pan-Defence process strategies in their respective areas, which form part of the framework of sub-strategies supporting the Strategy for Defence; they then oversee and contribute in practical ways to support its implementation. They also have delegated authority to set policies, standards and rules which are binding on individuals, managers and organisations across Defence; and are required to report annually on compliance with these across Defence.

Process owners have been appointed for the main enabling business processes, as follows:

- Service personnel: Deputy Chief of Defence Staff (Personnel and Training)
- Civilian workforce: Director General Human Resources and Corporate Services
- Healthcare and medical operational capability: Surgeon General
- Information management: Chief Information Officer
- Corporate communications: Director Media and Communications
- Logistics: Chief of Defence Materiel
- Financial management: Director General Finance
- Commercial: Director General Defence Commercial
- Safety, sustainable development and environmental protection: 2nd Permanent Secretary
- Security and business continuity: Director Business Resilience

Senior Responsible Owners

Senior responsible owners for major military capability and business change programmes are appointed by the Permanent Secretary and are accountable to the Defence Board.

A senior responsible owner is personally accountable for delivering the programme and for the realisation of the expected benefits. He or she is responsible for:

- overseeing all aspects of programme delivery to ensure that it is successfully implemented, the risks are managed, the potential of the change or capability is fully exploited and the through-life benefits are delivered;
- overall cost/benefit trade-offs;
- ensuring that the business case for continuing with the programme remains robust at all stages from inception to delivery; and
- seeking appropriate assurance that risk management, control and governance issues are being managed in an appropriate and effective manner.

Relationships between Top Level Budget Holders, Process Owners and Senior Responsible Owners

The roles of Top Level Budget holders, process owners and senior responsible owners are distinct and complementary:

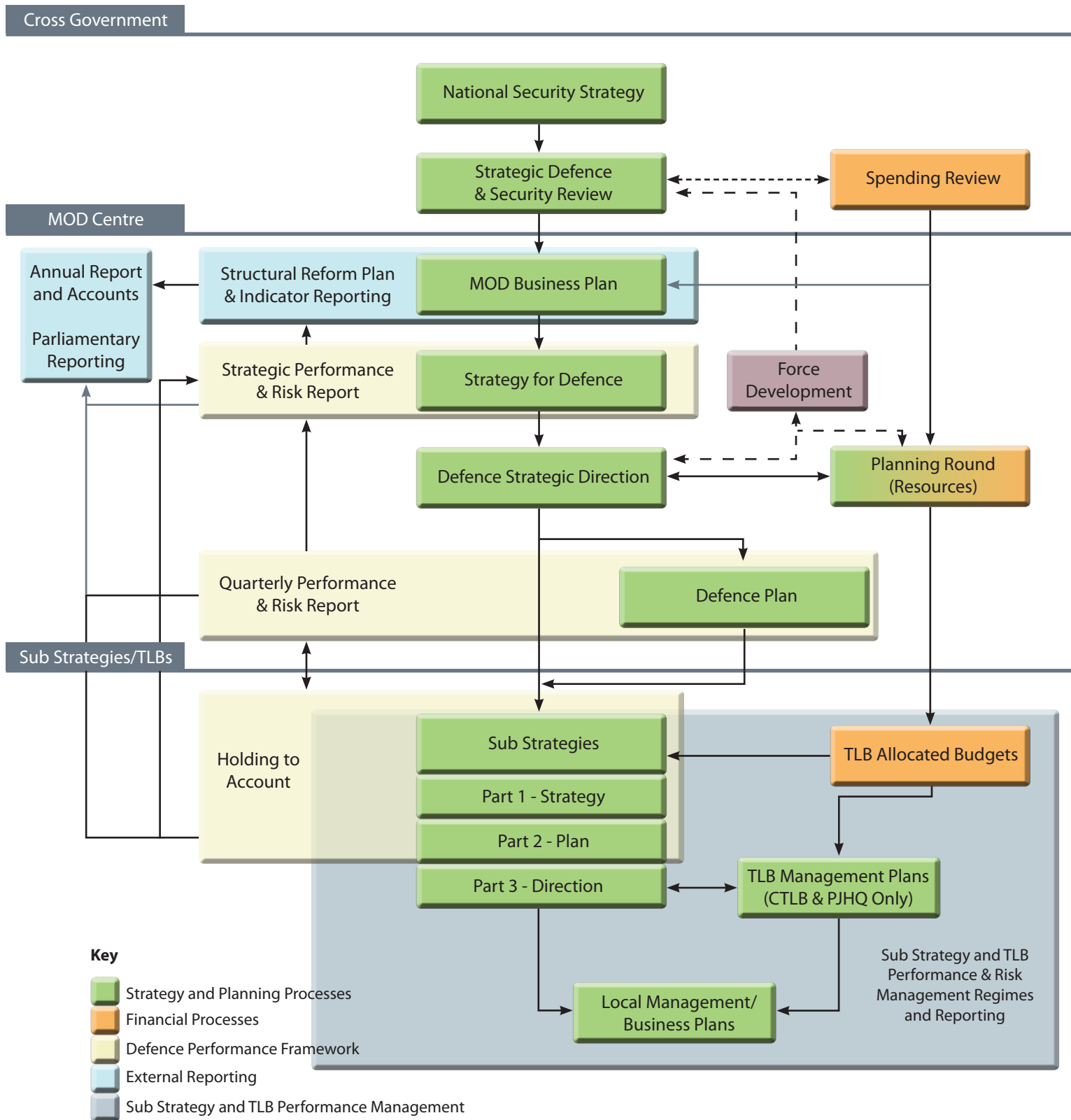
- Top Level Budget holders are responsible for delivering specific military and business outputs within allocated resources using Defence-wide processes;
- process owners are responsible for the effectiveness and efficiency of Defence-wide processes through which outputs are enabled; and

- senior responsible owners are responsible for delivering specific, time-bounded programmes and realising the expected benefits, which will normally involve the coordination of outputs from several Top Level Budgets using Defence-wide processes.

The appointment of process owners and senior responsible owners does not diminish the authority of Top Level Budget holders to deliver their outputs within allocated resources and both process owners and senior responsible owners are dependent upon Top Level Budget holders to provide the resources they need.

Equally, Top Level Budget holders are to ensure that: the operation of processes within their Top Level Budgets is in accordance with the requirements of process owners; and their Top Level Budgets provide all necessary support to senior responsible owners to enable them to meet their objectives.

Annex A Strategy and planning, performance and risk management and external reporting



Annex B

Ministerial Responsibilities

Secretary of State for Defence **The Rt Hon Dr Liam Fox MP**

Strategic direction on:

- Operations
- Personnel
- The Strategic Defence and Security Review
- Defence planning, programme and resource allocation
- Defence policy
- International Relations
- Nuclear programme
- Acquisition
- Parliamentary business and communications

Minister of State for the Armed Forces **Nick Harvey MP**

- Operations and operational policy, including operational legal issues
- Force generation, including readiness, recuperation, key enablers, deployed operational logistic delivery, and operational training exercises

Parliamentary Under Secretary of State and Minister for Defence Equipment, Support and Technology **Peter Luff MP**

- The equipment cycle, including investment decisions, science and technology and industrial strategy
- Non-equipment investment programme and decisions, including IT and estates
- Agencies: Defence Science and Technology Laboratory and Defence Support Group

Parliamentary Under Secretary of State and Minister for Defence Personnel, Welfare and Veterans **Andrew Robathan MP**

- Our approach to Service personnel and Civil Servants
- The wider service family, including Reserves, Cadets, veterans and families
- Agencies: Defence Vetting Agency, MOD Police and Guarding Agency, People Pay and Pensions Agency, Service Children's Education, Service Personnel and Veterans Agency, Met Office and UK Hydrographic Office

Parliamentary Under Secretary of State and Minister for International Security Strategy **Gerald Howarth MP**

- International defence strategy and relations, Defence Diplomacy, and international defence institutions
- Defence Exports

Under Secretary of State and the Lords spokesman on Defence **Lord Astor of Hever**

- Lords spokesman on Defence policy operations, personnel, equipment and legacy issues

Annex C

Agencies

Defence Vetting Agency

The Defence Vetting Agency is an Agency within the Central Top Level Budget. The Agency Owner is the Director Business Resilience.

The Agency undertakes vetting of personnel that have access to sensitive Government information or valuable assets, and is a recognised shared service provider of vetting services across Government.

MOD Police and Guarding Agency

The MOD Police and Guarding Agency is an Agency within the Central Top Level Budget. The Agency Owner is the Director General Human Resources and Corporate Services.

The Agency comprises two separate organisations:

- MOD Police is a statutory civilian police force operating within Defence. Its officers hold constabulary powers and operate nationally at Defence establishments throughout the UK, providing a range of policing services, in particular armed security, uniformed policing and the investigation of serious crime. The force also provides international policing services to the Foreign and Commonwealth Office and Defence;
- MOD Guard Service provides unarmed guarding services to Defence establishments.

People Pay and Pensions Agency

The People Pay and Pensions Agency is an Agency within the Central Top Level Budget. The Agency Owner is the Director General Human Resources and Corporate Services.

The Agency supports the civilian workforce process owner and Top Level Budgets by providing services or information that contribute to effective utilisation of the civilian workforce. It provides a full range of civilian human resources services to Defence, its civilian staff and their managers. These services enable managers in Defence to manage their staff; and enable staff to get their entitlements and manage their terms of employment. These services are also available in whole or part to other customers on repayment.

Service Children's Education

Service Children's Education is an Agency within the Land Forces Top Level Budget. The Agency Owner is the Adjutant General.

The Agency provides education for the dependent children of Armed Forces personnel and UK based civilians serving overseas. Where numbers are not sufficient for a Service Children's Education school to be provided, the Agency provides a degree of quality assurance in areas such as Kenya, Nepal, Canada and North-West Europe to support overseas commands to identify suitable value for money school options.

Service Personnel and Veterans Agency

The Service Personnel and Veterans Agency is an Agency within the Central Top Level Budget. The Agency Owner is the Deputy Chief of Defence Staff (Personnel and Training).

The Agency provides a comprehensive range of through-life personnel support functions direct to Service personnel and the veterans community, including: pay, allowances, pensions, compensation, records administration, medals and veterans' services.

Defence Support Group

The Defence Support Group is a Trading Fund Agency.

The Agency is established primarily to support the UK Armed Forces and to deliver wider Defence objectives by providing an expert in-house strategic support capability for land and air systems, including maintenance, repair, overhaul, technical upgrade and modification. As a retained Defence capability, it is the intention that the Agency should be integrated, wherever cost effective and appropriate, into future Defence procurement and support solutions. The Agency's core capacity and capability will be regulated in consultation with the Defence customer in order to optimise its utilisation.

Defence Science and Technology Laboratory

The Defence Science and Technology Laboratory is a Trading Fund Agency.

The Agency is an in-house centre of scientific and technical excellence. It provides impartial, high quality scientific and technical research and advice to Defence and other Government departments in those areas inappropriate for the private sector. This work falls into six main categories:

- science on the front line – providing rapid solutions to support operational requirements;
- science on the home front – supporting UK security and providing innovative solutions to a range of issues;
- supporting military capabilities – creating new technology and optimising existing technology to fit military requirements;
- supporting policy decision makers – providing support to policy formation, planning, capability decisions and Defence management;
- supporting the procurement process – providing cost/benefit advice to help identify equipment options and capability gaps, as well as how to utilise and sustain those capabilities; and
- threat, risk and option analysis – providing advice at all levels of military planning.

Met Office

The Met Office is a Trading Fund Agency.

The Agency provides the official national meteorological service for the UK, and is a world-leading provider of climatological products, environmental and weather related services in the UK and around the world. It provides the official weather forecast for the UK delivered to the public through its websites and provided to the public by national broadcasters. It supplies meteorological data and analysis to central Government departments, including Defence, the Department for Energy and Climate Change and the Department for the Environment, Food and Rural Affairs, as well as to local government organisations, public bodies overseas, international organisations, and private sector customers.

UK Hydrographic Office

The UK Hydrographic Office is a Trading Fund Agency.

The Agency exists to help preserve life and safety at sea. The hydrographic information it provides is crucial not only to support operations by the Royal Navy around the world but also to the majority of commercial shipping. It also plays a central role in discharging the UK's obligations to provide hydrographic services for waters of UK national responsibility, as required under the United Nations International Convention for the Safety of Life at Sea.

