



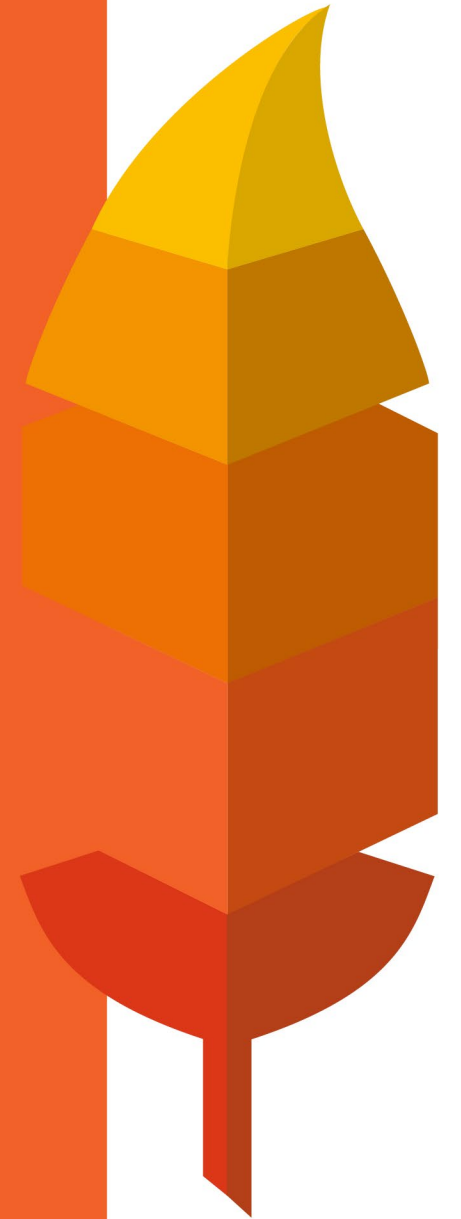
# Introduction to Agile Approvals in UK Defence

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Can traditional government approvals meet the needs of Agile acquisition programmes?



# Agenda

- Introduction to current workings in UK Defence
- Traditional Approvals
- What are Agile Approvals
- The Role of Cost Analysts & Cost Controllers
- Case Study: Agile Approvals in Action
- Case Study: Lessons Learnt
- Case Study: Overcoming Challenges
- Key Enablers for Agile Approvals
- Future of Agile Approvals
- Q&A



# Introduction to Agile in UK Defence

- Software development and acquisition programmes have seen the adoption of Agile methodologies.
- Current programmes follow the rigid Approvals process within the MOD.
- In recent years requirements for rapid innovation and deployment have increased.
- This approach has led to teams becoming fractured as a number processes fall behind.
- Acquisition and Support is required quicker with a need to be more flexible to support modern warfare.
- Therefore, are traditional Approvals approaches adequate for Agile Programmes?



# Traditional Approvals

- Major acquisition programmes are commonly over decades rather than years.
- Programmes outcomes are developed early on and are usually static.
- Between Outline and Full Business Case do programmes really review multiple options?
- Current approvals ask for whole life costs up front in sufficient detail.
- Traditional defence approval processes is time-consuming, rigid, and often outdated.
- Leading to an impact on; project timelines; cost overruns, and; capability gaps.



# What are Agile Approvals?

## Working Definition

- Based on current working an Agile Approval is where the Approving Authority endorses:
  - an Approved Budgetary Level of spend (defined cost)
  - over a specific period of time (defined schedule)
  - In order to head towards a set of strategic objectives (no defined performance)\*
    - However, commitment to SMART deliverables in the short term may apply



# What are Agile Approvals?

## Principles of Agile Approvals

- Endorsed strategic direction of travel (Roadmap)
- Well-defined cost and time constraints (Sprints/Phases)
- Strong governance process to inform decision making (e.g. MoSCoW)

## How Agile Approvals differ from traditional methods

- Regular reporting on Progress
- Periodic renewal of Business Cases
- Incremental capability delivery
- Pace & Flexibility to respond to evolving requirements



# The Role of Cost Analysts & Controllers

- **Proactive Financial Oversight:** Shift from long-term estimates to real-time cost tracking.
- **Continuous Engagement:** Stay embedded in every sprint for dynamic budget management.
- **Incremental Budgeting:** Allocate resources iteratively, ensuring agility in financial planning.
- **Real-Time Decision Support:** Provide immediate cost insights for quick, informed pivots.
- **Scenario Analysis:** Evaluate financial impacts of evolving requirements.
- **Adaptive Cost Control:** Maintain programme viability by balancing scope, time, and budget.
- **Empowering Agile Teams:** Enable faster, smarter decisions with up-to-date financial data.





# Case Study: Agile Approvals in Action

## Situation

- On contract through Close Support Partner as customer friend to support Defensive Cyber Operations (DCO).
- DCO Provides 'Detect' and 'Respond' capability to protect MoD's IT systems.
- Full Business Case required for Licence to Operate (L2O).

## Task

- Produce the Full Business Case
- Engage with stakeholders
- Coordinate Working Groups
- Engage with the scrutiny community.
- Provide analytical expertise to the Delivery Team.



# Case Study: Agile Approvals in Action

## Action

- Authored the Full Business Case.
- Developed 3-year roadmaps of activity and contracts forecast.
- Generated basis of estimate for FBC Cost Model.
- Held judgment panels to forecast the benefits of options.
  - Produced a COEIA to show benefits versus costs for options.
- Wrote the Project Evaluation Plan to describe how the project would be measured.
- Produced a Cost Model.
  - Supported the Verification and Validation activity.
  - Support CAAS CAT in their activity.
- Ran the approvals process through Evidence Working Groups .
- Carried out Approvals Admin (DAT, DEB, RACM, PEAT, PEAP).



# Case Study: Agile Approvals in Action

## Result

- The Outletter was received approving continued spend on the programme.
- Scrutiny report stated better analysis of options, and clearer strategy.
- PEP was well received by Defence Economics.
- The Capability Portfolio Management initiative is using DCO as an exemplar.



# Case Study: Lessons Learned

- Highlights from successful delivery of DCO Agile Approval vs a Traditional Approval process
  - No wasted time endlessly finessing requirements.
  - Enables the SRO to veer and haul resources across the programme to prioritised areas.
  - Allow programme to respond to emerging operational requirements as threats emerge.



# Case Study: Overcoming Challenges

Challenges	Solutions
What are we getting for the money?	Regular report covering 'Holding to Account' milestones showing what was targeted, what was achieved and the reasons for variances.
When will the programme deliver its agreed outcomes/KURs/Benefits etc?	Developed a set of metrics informing progress against key sub-benefits which map to outcomes/KURs/Benefits.
How do we show value for money?	Benchmarking study commissioned to advise investment timelines and indicative costs for a programme of this type.
Is an Agile Approval a Licence to print money?	Commitment cases require finance, commercial and SRO sign off for all procurements showing they are deliverable, within budget and prioritised



# Key Enablers for Agile Approvals

- Inspire cultural change (through leadership buy-in, training, and tools).
- Communicate the changes through all Programme Stakeholders.
- Governance of management information (Right Data, Right Place, Right Time)
  - Undertake cost control and management (e.g. EVM).
- Demonstrate value for money throughout the programme.



# Future of Agile Approvals in UK Defence

- What is the potential for Agile Approvals in UK Defence?
- Programmes are changing with more focus on Cyber and AI.
- Defence Acquisition is changing as warfare changes across the world.
- The way equipment is being used has changed even in this sustainable landscape.
- Is the change in equipment procurement going to favour Agile Approvals?
  - Smaller, cheaper, faster procurement (e.g. drones)
- Agile approvals and long-term capability delivery need to be linked.





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questions.



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