



Web section 8

Status of previously reported DMO Top 30 projects

This section contains additional detailed information, further to that contained in the print version of the *Defence Annual Report 2006–07*.

Web Table 8.1 provides an update on the status of projects included in statutory reports over the previous financial years. These projects were in the Top 30 in previous financial years, but dropped out because of low expenditure.

Web Table 8.1 – Update of status of previously reported Top 30 projects

Project name	Project number	Financial year reported in Top 30	Approved project expenditure (\$m)	Cumulative expenditure to 30 June 2007 (\$m)	Actual expenditure 2006–07 (\$m)	Status report
Aerospace						
Strategic Airlift Capability	AIR 5216 Phase 1	2005–06	1,046	1,015	12	The Operational Loads Monitoring Unit (OLMU) installation into the C–130J aircraft has been delayed to improve aircraft availability for tasking. This delay has resulted in part of the OLMU cost (\$2.9m) moving to 2007–08. Additionally, delays in the delivery of procured spares have added to the underspend in 2006–07.
P–3C Update Implementation	AIR 5276 Phase 2	2004–05	903	851	5	Acoustic rectification stage 1 was successfully completed and stage 2 was contracted in June 2007.
F/A–18 Hornet Structural Refurbishment Program—Stage 1	AIR 5376 Phase 3.1	2004–05	124	84	9	The underachievement was due to the Hornet industry coalition contract savings. Actual costs were less than originally estimated.
Lead-in Fighter Capability	AIR 5367 Phase 1	2001–02	1,024	1,007	7	The underachievement was due to a slip in the final contract milestone of all final supplies.
Maritime						
Underwater and Surface Warfighting Upgrade Program	SEA 1348 Phase 3	2002–03 2003–04 2004–05	159	131	5	This project will acquire and install the Harpoon anti-ship missile capability into the Anzac ships. Initial operational release is complete in HMAS <i>Warramunga</i> , on time and under budget. Installation is complete in a further four ships.
Mine Hunter Coastal Acquisition	SEA 1555 Phase 2	2001–02 2002–03 2003–04	1,253	1,148	5	Six Huon class coastal mine hunter vessels and associated supplies have been delivered. Work continues to finalise outstanding contract changes, engineering orders, deviations and waivers, latent defects, and closing deed issues.

Web Table 8.1 continued

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Evolved Seasparrow Missile (ESSM)	SEA 1428 Phase 2A	2004–05	355	348	–	Phase 2A provides for the installation of the capability into the Anzac class ships 05–07 and the purchase of missiles for the Anzac and FFG Upgrade Project class frigates. Phase 2A is on budget and on schedule.
	SEA 1428 Phase 2B/3	2004–05	276	244	2	Phase 2B/3 continues further acquisition of ESSM, the integration on Anzac class ships 08–10, backfit to HMAS <i>Anzac</i> and HMAS <i>Arunta</i> , and the introduction of an intermediate-level maintenance facility. Phase 2B/3 is on budget.
Collins Class Submarine Augmentation	SEA 1446 Phase 1	2000–01 2001–02 2002–03	236	205	2	Combat system augmentation, a number of platform system modifications into two submarines and shore infrastructure are complete. Scope and funds for procurement of platform training simulator replacement will be transferred to SEA 1439 Phase 3 (Platform Improvements) on project closure in 2007–08.
New Submarine Project	SEA 1114 Phase 3	2002–03	5,125	5,078	6	Delivery of six Collins class submarines and associated infrastructure and rectification of main build contract material deficiencies is essentially complete. Project closure action continues; the final reconciliation of financial transactions will occur in early July 2007.
Land						
General Service Field Vehicles—Overlander	LAND 121 Phase 2	2005–06	91	51	6	This project seeks to address capability shortfalls within the current field vehicle and trailer fleet. The project is an umbrella for six separate sub-projects. Unimog and Mack Gun Tractor Personnel/Cargo Modules: Roll-out to Army units was expected to commence on 5 April 2007 but was delayed due to a requirement for the contractor to take corrective action on a minor quality issue at its cost. Repair action has been completed and modules are being distributed to regional logistic units. Modification of the first seven production vehicles has commenced (three vehicles in Darwin and four vehicles in Brisbane).

Web Table 8.1 continued

Project name	Project number	Financial year reported in Top 30	Approved project expenditure (\$m)	Cumulative expenditure to 30 June 2007 (\$m)	Actual expenditure 2006–07 (\$m)	Status report
Australian Light Armoured Vehicle (ASLAV)	LAND 112 Phase 3	2004–05 2005–06	681	583	21	Most of Phase 3 has been delivered. All 257 vehicles have been delivered to contracted schedule. The Standardisation, Behind Armour Commanders Weapon Station and Crew Procedural Trainer projects have all been delivered or are in service with the Army. Remaining elements include acceptance testing of the Surveillance Stage 1 prototype prior to full rate production in 2008. The project overachieved by \$3m in 2006–07 due to early delivery of capability against the forecasted baseline.
Direct Fire Guided Weapon	LAND 40 Phase 1	2004–05	151	103	11	Expenditure in 2006–07 was \$4m higher than planned at Portfolio Additional Estimates, due to achievement ahead of schedule.
Ground Surveillance Radar	LAND 53 Phase 1E	2004–05	81	81	1	All prime equipment is in service, funding for logistic support has been transferred to the fleet and assets under construction have been rolled out. The project is scheduled to close by December 2007.
Electronic and Weapon Systems						
Air-to-Surface Stand-off Weapon Capability	AIR 5398 Phase 1	2004–05	445	397	14	This project will acquire and integrate the AGM–142E stand-off weapon system onto the F–111C fleet. Aircraft integration is being conducted by Boeing Australia Ltd. The AGM–142E weapon system is being procured under a Foreign Military Sales arrangement. Deliveries are complete. In-service support arrangements have been established and transition is in progress. Final operational acceptance is scheduled for October 2007 and project closure is scheduled for November 2007.
Air-to-Air Weapons Capability	AIR 5400 Phase 1	2004–05	315	281	4	This project has acquired operational, telemetry and training missiles and launchers. These provide advanced within visual range and beyond visual range air-to-air combat capabilities for F/A-18 aircraft. Defence has accepted the missiles and the in-service support is into its second year. Project closure is scheduled for November 2007.

Web Table 8.1 continued

Project name	Project number	Financial year reported in Top 30	Approved project expenditure (\$m)	Cumulative expenditure to 30 June 2007 (\$m)	Actual expenditure 2006–07 (\$m)	Status report
Air-to-Air Follow-on Buy	AIR 5400 Phase 3	2004–05	178	142	1	Final deliverables, consisting primarily of repaired assets, have been accepted into service. Transfer of responsibility for the advanced medium-range air-to-air missile AIM–120C variant to the in-service management agency is the major remaining project task. Project closure is scheduled for November 2007.
Tactical Air Defence Radar Systems	AIR 5375 Phase 1	2001–02 2002–03	209	169	4	This project has acquired four tactically mobile ground-based air defence radar systems. The tactical air defence radar systems have been transitioned to the Air Force, the installation operating permit has been granted and the systems are being supported under an in-service logistics support arrangement. Project closure is currently scheduled for December 2007.
High Frequency Modernisation—Remainder of the network	JP 2043 Phase 3A	2005–06	628	355	28	This project is to replace Navy high-frequency stations at six sites, replace Air Force high-frequency stations at four sites, upgrade design and performance of the systems replaced, and upgrade selected ADF mobile platforms. The contractor continues development, integration and testing following completion of the detailed design review for the fixed network final system in September 2006. Delivery of the fixed network final system capability is due by the end of 2007, although there is some risk to this schedule. Defence and the contractor are working together to minimise any delay.
MILSATCOM—Military Satellite Payload	JP 2008 Phase 3D	2002–03	348	339	–	This project is to deliver, support and operate Defence-owned satellite communications and fixed ground segment infrastructure. Capability was delivered and transitioned into service in October 2003. Project closure is scheduled for September 2007.

Web Table 8.1 continued

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MILSATCOM—Ground Infrastructure	JP 2008 Phase 3E	2004-05 2005-06	209	157	45	This project is providing satellite communications terrestrial infrastructure to support networked, broadcast and full duplex services to major fleet units through the use of the Defence payload on the Optus C1 satellite. The compact transmit and receive suite has commenced rollout , with the first six terminals having been delivered to the ADF and training conducted. The primary injection facility has achieved operational activation. Provisional design acceptance and transition to the Capability Manager is scheduled for completion by end of September 2007. Services are currently being supported under interim support arrangements. Maritime terminals continue to be delivered early, with installation onto Navy-nominated platforms progressing ahead of schedule. Overall this project remains on or slightly ahead of schedule and budget.