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OPENING STATEMENT ACTING CHIEF OF CAPABILITY DEVELOPMENT GROUP

ANAO REPORT 2015-16 No. 9 TEST AND EVALUATION OF MAJOR DEFENCE ACQUISITIONS

The T&E ANAO Report was timely as the lead for Defence T&E, the Australian Defence Test and Evaluation Office (ADTEO) is current located in the Capability Development Group, under my command. When CDG disbands, it is proposed that ADTEO will be relocated to the VCDF Group to provide a strong, strategic centre for Test and Evaluation in Defence.

The recommendations and advice contained in the ANAO report informed the process that led to this direction. Under these new arrangements, a simpler structure for Defence Test and Evaluation will see the Capability Managers responsible for their respective Test and Evaluation Agencies, allowing more direct reporting to them, with the ADTEO also providing standard Policy across Defence and governance of Test and Evaluation activities. These arrangements will ensure the lessons learned from the Land 121 Phase 3B report are applied to other Defence projects and that is already occurring.

Specific to the T&E ANAO Report recommendations

Recommendation 1. *To strengthen the enterprise level management of the T&E workforce, the ANAO recommended that Defence: (a) identifies the training and competencies of the existing Defence T&E workforce; (b) conducts a T&E personnel competency and training needs analysis for the whole entity; and (c) monitors the availability of sufficient, appropriately trained T&E personnel in specific competency areas and takes steps to address any gaps identified.*

Defence agreed with this recommendation, with the Australian Defence Test and Evaluation Office, Director General, the Action Officer. A tender has been released to contract the Training Needs Analysis between 7 Mar 16 and 27 May 16. Defence will then analyse the results and develop processes to monitor the availability of training T&E staff and to close out this recommendation.

Recommendation 2. *To reduce risk and assist the transition of capability from the acquisition phase to operations, the ANAO recommended that prior to System Acceptance, Defence ensures that material deficiencies and defects are identified and documented, and plans for their remediation established.*

Defence agreement to Recommendation 2 was founded upon the understanding that extant Defence policy and procedures were in place to satisfy the recommendation, through a standard procedure document for *Initial Materiel Release and Final Materiel Release across the project lifecycle*. Defence is currently gathering evidence of compliance with these policies and procedures to close off this recommendation.

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Recommendation 3. *ANAO recommended that Defence introduce arrangements to provide the Vice Chief of the Defence Force and Capability Managers with enterprise-level advice on the coordination, monitoring and evaluation of the adequacy and results of Defence T&E activities.'*

Defence agreed with this recommendation with the Australian Defence Test and Evaluation Office, Director General, the Action Officer the Action Officer. The ADTEO currently provides a report on Defence activities to me, covering Defence Trial activities and Test planning in support of Projects. This reporting will be expanded to include input from other T&E agencies and promulgated to VCDF and the Capability Managers from Apr 16 onwards. Following feedback from senior management the reporting format will be finalised and this recommendation closed out.

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