

# **The Partnership in Delivering Effective Support**

**The Joint Support Chain Vision:  
Acquisition, Inventory and Support**

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# **Transforming Defence: Vision In Context (The Fog!!)**

- **Battle-Winning Armed Forces...**
- **Hard-Headed about Affordability - Keep Budget in Balance.**
- **Spending c £160bn on Equipment and its Support over the next 10 years.**
- **Delegate Increased Budgetary Responsibility to TLBs and Remove Sub-Optimal Controls. PUS will Hold TLBs to Account.**
- **17.7% Reduction in DE&S Workforce to 14,700.**

# Key to Success

- **Achieved by a Collaboration Between:**
  - Consumers (FLCs).**
  - Customers (PTs, OCs).**
  - Specialists (MOD, Industry).**
- **Acquisition and Through Life Support:**
  - Availability.**
  - Inventory.**
  - Support.**

# Support Chain Benchmarks

## R5 and QVL.

- R5 = Right Item, Place, Time, Quantity, Condition.
- QVL = Account By QUANTITY, VALUE and LOCATION.
- TLS = Clean Data, Codified, Tech Pubs and CLOS.

(Operational **Effectiveness** In The Most **Efficient** Manner)

## Can We Do This?

# Commanders' Need to Conduct Operations Without Logistic Constraints.





# And Soldiers Need Continual Support





# Average Availability Over last 3 Years



= **84%** For Operations & **89%** For DE&S  
(Against a **75%** Target)

# NAO Report 'Headlines'

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**£40.3bn**

of inventory (supplies and spares) at gross value was held by the Department, at December 2011

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**£2.9bn**

was spent by the Department on purchasing inventory, in 2010-11

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**£1.5bn**

was spent on consumable inventory in 2009-10 and 2010-11 and not used

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**£16.8 billion**

is the net value of the inventory (supplies and spares) after depreciation at December 2011

**710 million**

items of inventory were held by the Department, as examined by NAO

**0.9 million**

different types of inventory were held by the Department, as examined by NAO

**£4.2 billion**

of inventory was held, which has had no demand in the last two financial years (excluding VAT)

**£277 million**

cost to hold and manage inventory items centrally per year, estimated by NAO

**£1.4 billion**

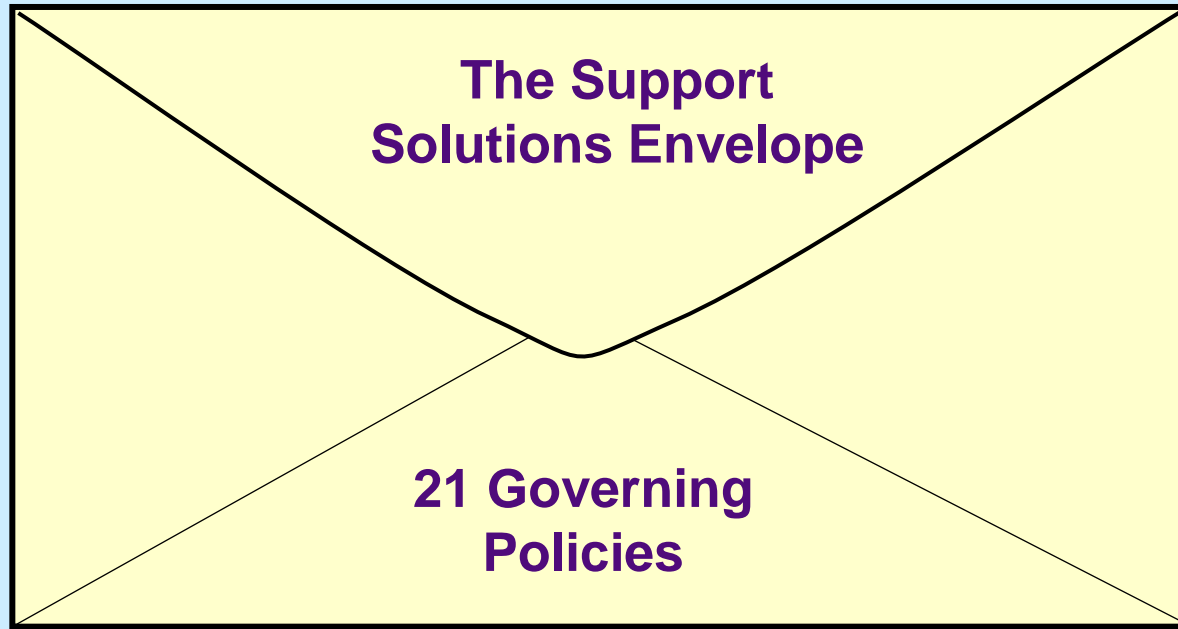
is the value of inventory the Department identified for disposal between 2010 and 2011 (excluding VAT)



# **Excessive Inventory**

**Poor Governance,  
Poor behaviour,  
Poorly Contracted,  
Or  
Poorly Integrated Support,  
?**

# Poor Governance?



**DEFSTAN 00-600,  
ISO 9000,  
S2000M,  
JSP 886**

**Governance Should NOT be Optional**

# Articles, Standards and Rules

## Article

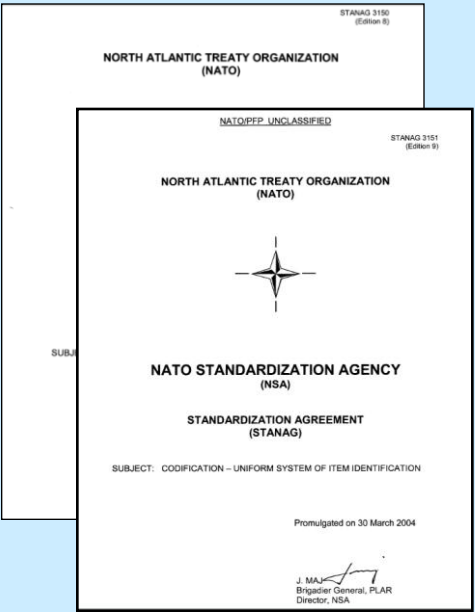
Equipment Support (2000 Series)  
Asset Management (2400)  
PUBLICATION NUMBER – DLFA 2401 – Codification (Trial JSP886 Vol 2 Part 4)

Rationale	STANAG 3150 / 3151 states the UK agreement to implement NATO codification standards, in that all materiel introduced to the supply chain must be codified as detailed in ACodP-1. Combination of codification with part numbers provides the basis for unique identification.
Contents or Scope	Contains Policy direction: 2401(1) The requirement for codification 2401(2) Mandated timescales 2401(3) United Kingdom Codification Bureau responsibilities 2401(4) Project Team codification responsibilities
2401(1) THE REQUIREMENT FOR CODIFICATION	
Policy	Project Teams acting as the codification sponsor and shall ensure that all items of materiel entering the supply chain are codified in accordance with ACodP-1.
Links	<a href="#">Allied Codification Publication 1 (ACodP-1): NATO Manual on Codification</a> , DEFCON 117: Supply of Documentation for NATO Codification Purposes, Defence Logistic Framework
Compliance	<p>Compliance with DLFA 2401 is mandatory; failure to comply will result in additional uncoded items within the supply chain, evoking additional cost to Commands and presentational risk to the department.</p> <p>The Logistic policy contribution to satisfaction of DBSO 10 shall require a measure of compliance, reportable within the H2A process. The use of Defence Support Requirements (DSRs), Command representation within projects, at Capability Integration Working Groups (CIWGs) and User Acceptance meetings should form in part the means to gather information that quantifies compliance with this article. Levels of compliance with this article shall be law,.... (levels TBD). The success and therefore validation of Logistic policy set as DSRs should be measured through a process that includes User trading during negotiations, oversight at CIWGs and sign-off at User Acceptance.</p>
Remarks	Enquiries concerning the content of this instruction should be addressed to: DES JSC SCM-SCPoI United Kingdom National Codification Bureau Room 2.4.23, MP G, Kentigern House, 65 Brown Street, Glasgow, G2 8EX. Tel: Mil: (9)4561 2931. Civ: 0141 224 2931

Outward Facing

Simpler

## Standard

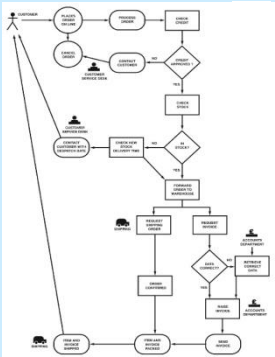


A standard is a document that provides requirements, specifications, guidelines or characteristics that can be used consistently to ensure that materials, products, processes and services are fit for their purpose.

Clearer

## Rule

The NATO codification system is used by the MoD. All Items of supply going through the military supply chain must be NATO codified. A 13 digit NATO stock number (NSN) is allocated to an item which is used to identify it throughout the supply chain. NSNs are catalogued on the ISIS database.



Inward Facing

Faster

# Poor Behaviour?

**We Must Not Fight the Last War...  
We Must Prepare for the Next.**





# Key Driving Factors:

**Data =**



- The Basis of Everything

Data  
Information  
Decision  
Knowledge  
Behaviour  
Culture  
Wisdom

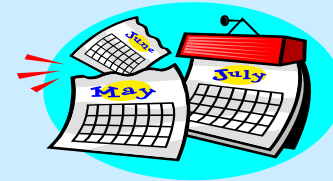
**Destination =**



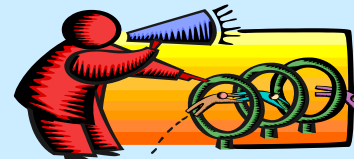
**Distance =**



**Duration =**



**Demand =**

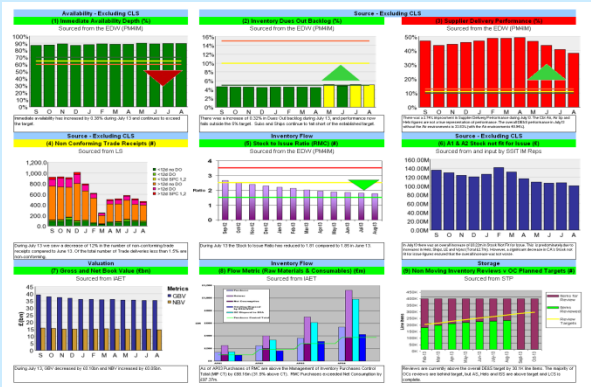


**All Wholly Reliant on Clean Data & Codification**

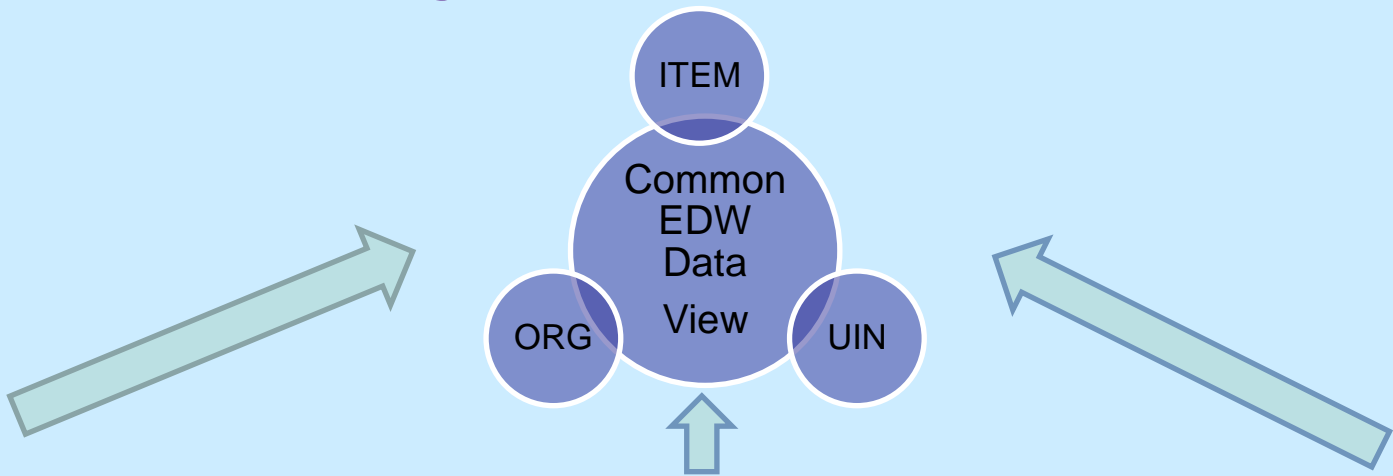
# Performance Measurement (and Management)

Operational Dashboards

For Decision Makers



## Single Consolidated Data View



# Effective Support is Confidence Building...



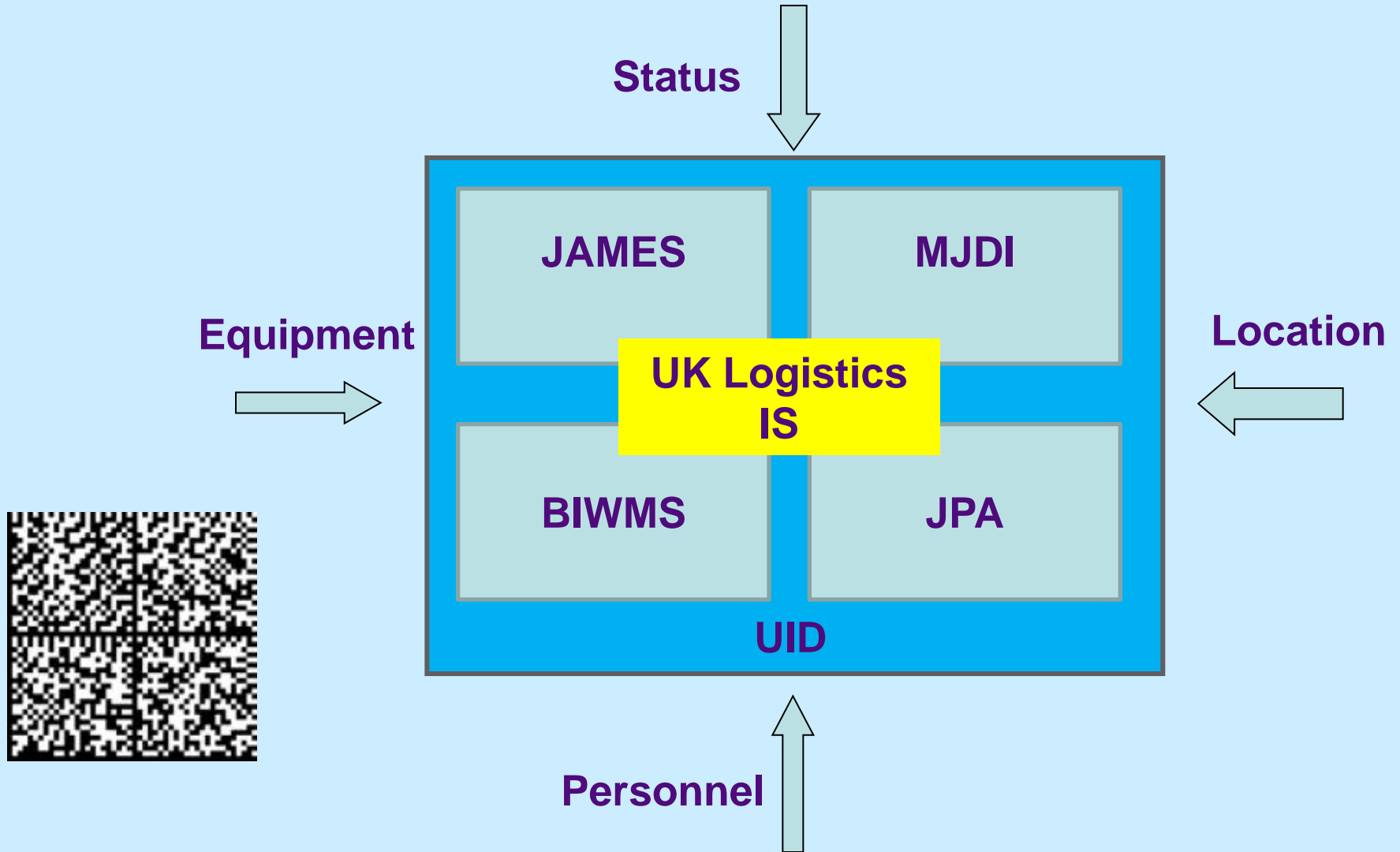
**“ We Sent it by Ground...”**

**We can Only  
Measure what  
we can See  
(Electronically)**





# Why develop RFID and Unique ID?



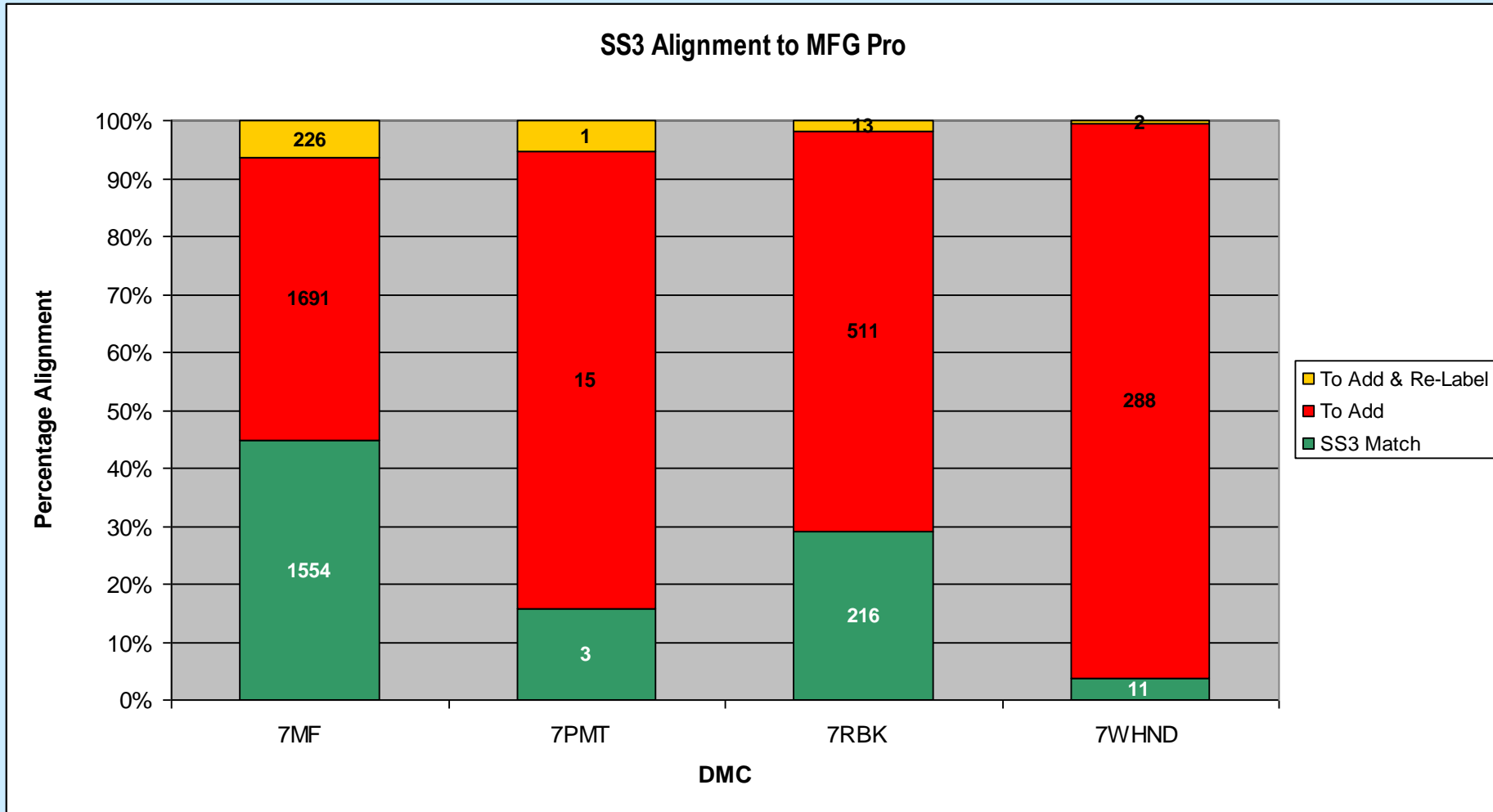
# Poor Contracting?

## Stating THE REQUIREMENT is Key!!



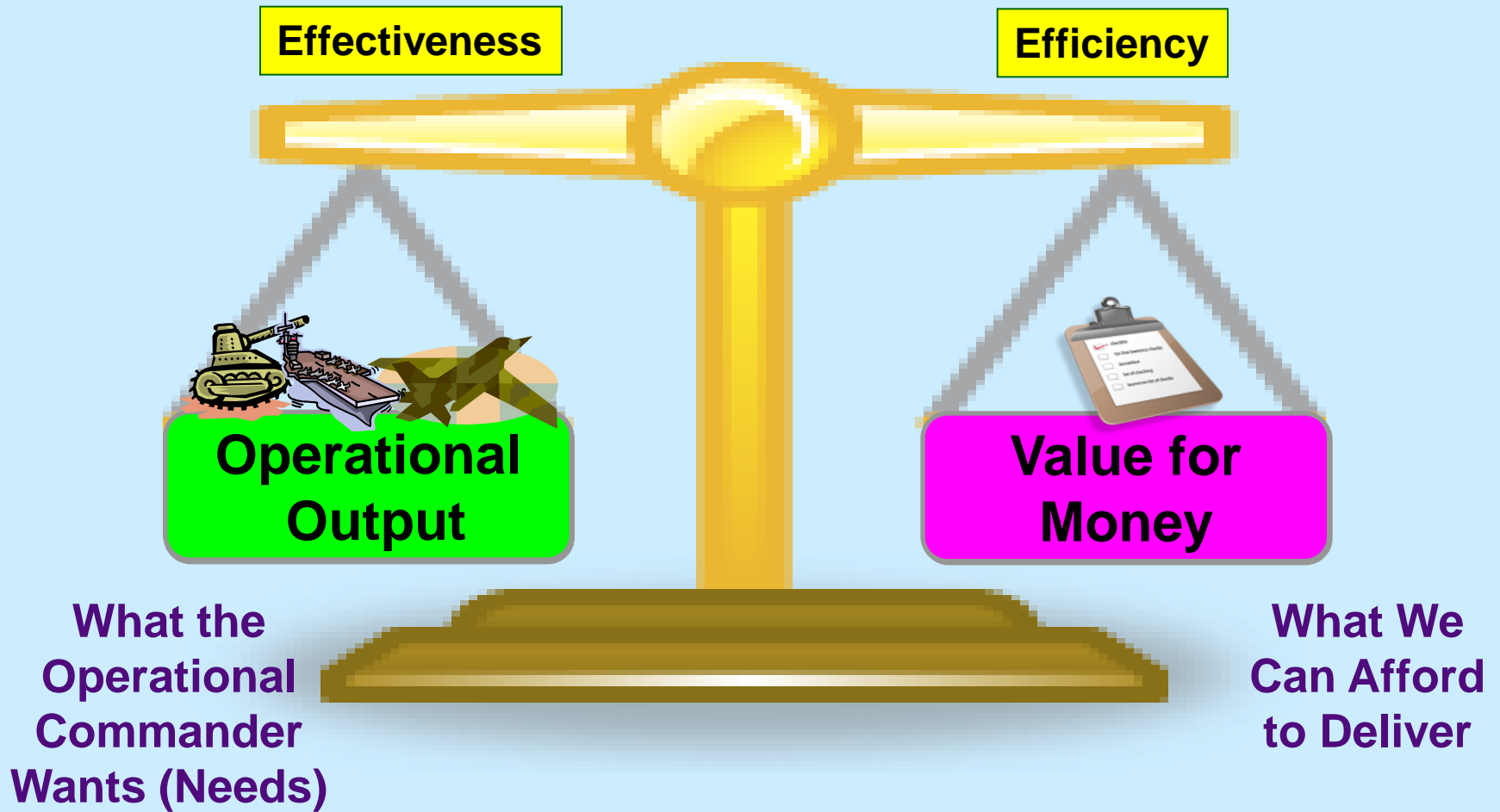
**The RIGHT piece of Kit, at the RIGHT Time, in the RIGHT Quantity and in the RIGHT Condition to undertake the task at hand.....Collaboratively**

# Poorly Integrated Support



## Lack Of Demand Alignment (CLOS)

# The Future Balanced Principle....





# **Conclusion (The Vision)**

**We Must Continually Improve Governance,  
Behaviour, Contracting,  
Data Management and Supportability.**

**All this can only be Achieved via Collaboration with  
Industrial Partners and Consumers  
Regarding Data Quality and its Management.**

# Questions?



**VISION Without Resource = Hallucination!**