Project Data Summary Sheet

Project Number	**SEA1439 Phase 5B2**
Project Name	**COLLINS CLASS COMMUNICATIONS AND ELECTRONIC WARFARE IMPROVEMENT PROGRAM**
First Year Reported in the MPR	2018-19
Capability Type	Upgrade
Capability Manager	Chief of Navy
Government 1st Pass Approval	Oct 06
Government 2nd Pass Approval	Stage 1 – Jun 15 Stage 2 – Mar 17
Budget at 2nd Pass Approval	$599.2m
Total Approved Budget (Current)	$617.8m
2024–25 In-year Budget	$16.0m
Complexity	ACAT II

Section 1 – Project Summary

1.1 Project Description

SEA1439 Phase 5B2 is a multiple Second Pass project that is delivering a Modernised Submarine Communications System (MSMCS) and upgraded Electronic Support measures on the Collins Class Submarines (CCSM). These enhancements will be broadly delivered in two stages:

- MSMCS Stage 1 replaces obsolete communications equipment on-board six CCSM. MSMCS Stage 1 upgrade is providing the submarines with improved performance, reliability and interoperability with other components of the Australian Defence Force and allied nations.
- MSMCS Stage 2 is delivering urgent communications systems upgrades including satellite communications that will deliver a submarine internet protocol capability with supporting applications that will significantly reduce operator workloads and improve system management.

Funded under Stage 1, but as a standalone capability, Microwave Electronic Support (MWES) system will maximise commonality between the CCSM and the wider Royal Australian Navy (RAN) fleet. This is being installed independently and in parallel with Stage 1 and Stage 2.

1.2 Current Status

Cost Performance

In-year

As at 30 June 2025, Financial Year (FY) 2024-25 expenditure was $2.8m against FY 2024-25 budget of $16.0m. Budget variance due to delays to overall progress of docking maintenance periods and consequential impact to completion of project milestones that are dependent on availability of a range of other platform system services.

Project Financial Assurance Statement

As at 30 June 2025, SEA1439 Phase 5B2 has reviewed the project's approved scope and budget for those elements required to be delivered by Defence. Having reviewed the current financial and contractual obligations of Defence for this project, current known risks and estimated future expenditure, Defence considers, as at the reporting date, there is sufficient budget remaining for the project to complete against the agreed scope.

Contingency Statement

The project has not spent contingency in FY 2024-25.

Schedule Performance

SEA1439 Phase 5B2 Stage 1 achieved Initial Materiel Release (IMR) on one platform on 26 November 2019.

SEA1439 Phase 5B2 MWES system experienced significant schedule delays from Government Second Pass Approval due to difficulties engaging with subcontractors in the early phases of the project. Contractors have now been engaged and progressing to project implementation on platforms in accordance with the schedule re-baselined at Government Second Pass Approval for MSMCS Stage 2.

Restricted movements of contractor staff across state borders due to COVID-19 delayed IMR of MSMCS Stage 2 and MWES. MSMCS Stage 2 IMR was achieved on 20 October 2021. MWES IMR was further delayed as a result of COVID-19 travel restrictions affecting staff contractor movements and the completion of installation and set-to-work. Other areas of priority work conducted on the platform impacted by delays include, completing equipment installation for the support facility in the Submarine Training and Systems Centre (STSC) and follow on delays in obtaining objective quality evidence. MWES IMR was achieved on 2 November 2022. Initial Operational Capability (IOC) for MSMCS Stage 1 and Stage 2 and MWES was further impacted by delays associated with accreditation end-to-end sustainment requirements. Final Materiel Release (FMR) Stage 1 achieved on 1 August 2023 with deficiencies. IOC for MSMCS Stage 1 and Stage 2 and MWES was awarded on 3 March 2024 with caveats.

SEA1439 Phase 5B2's next major materiel release and operational capability milestones are FMR, Stage 2 and MWES and Final Operational Capability (FOC) (Stage1, 2 and MWES).

Materiel Capability/Scope Delivery Performance

The project's capability/scope delivery performance status for the six CCSM and training systems are:

MSMCS Stage 1

- Six platforms are complete and are in use.
- Training system installation at the Integrated Test and Training Site (ITTS) is complete and is in use.

MSMCS Stage 2

- Three platforms are complete and are in use.
- One platform under acceptance test and is expected for completion in Quarter 4, 2025.
- Two platforms currently being installed.
- Training system installation at the ITTS is complete and is in use for training.

MWES

- Five platforms are complete and are in use.
- One platform is currently being installed.
- Training system installation at the STSC is complete and is in use for training.

1.3 Project Context

Background

In December 2004, Defence initiated investigations into CCSM potential capability enhancements and obsolescence issues regarding equipment with the Collins Class Communications Centre (COMCEN).

Government in November 2013 agreed to the SEA1439 Phase 5B2 scope that would address the identified enhancement and obsolescence issues under two stages.

Stage 1 relates to the MSMCS that updated the obsolete COMCEN equipment on-board the Collins Class with a Military Off-The-Shelf solution. Stage 1 received Second Pass Approval in June 2015 and is being implemented across all six platforms and at the ITTS.

Stage 2 relates to the delivery of MSMCS capability enhancements including the introduction of satellite communications that provide improved data transmission/receive rates in a tactical environment and enhances networks and associated Information and Communication Technologies infrastructure. Stage 2 received Government Gate Two Approval (previously 'Second Pass') in March 2017. Stage 2 includes the following capability enhancements across all six platforms and at the ITTS:

- Wideband Satellite Communications (WBS) System.
- Classified Local Area Networks (LAN) to distribute information outside the COMCEN, referred to as the Submarine Local Area Network Environment (SUBLANE).
- Network infrastructure to allow multiple classified LANs to access the same internet protocol-enabled radio frequency bearer system.
- Tools and applications that effectively and efficiently manage the information flows between the shore communication centres and the submarines, referred to as Submarine Communication Information Exchange Management.

The MWES system will detect, identify, and localise intercepted signals. The MWES capability enhancement will maximise commonality between the CCSM and the wider RAN fleet. Funded under Stage 1, but as a standalone capability, MWES is being installed independently, in parallel with Stage 1 and 2, in a flexible manner, achieving installation on the best-suited boat at the time of material availability.

Uniqueness

SEA1439 Phase 5B2 Stage 1 addresses the obsolescence issues of the legacy maritime communications capability of the CCSM, and enhances the electronic support based on modernised architectures and standardised systems. The new and upgraded capability will enable new levels of operability and interoperability never before seen on CCSM.

For implementation of Stage 2, the majority of supplies are Government Furnished Material. The project has engaged Raytheon Australia Pty Ltd as Prime System Integrator (PSI) to implement MSMCS Stage 2. The Submarine LAN and the Submarine Communication Information Exchange Management elements of Stage 2 are being supplied by the Defence Digital Group (formerly known as Chief Information Officer Group) with the funding for the development and delivery of these systems handed directly to Defence upon Government Second Pass Approval for Stage 2.

The other major component of Stage 2 is the WBS component, which is supplied under a United States (US) Government Foreign Military Sales (FMS) case.

Major Risks, Emergent Risks and Issues

In December 2024, the project undertook a review of its risks and issues resulting in reparsing of all risks and issues, combining those risks/issues with similar themes. This review resulted in some risks/issues being retired/downgraded because of a changed environment.

The project is currently managing a major risk:

- Stakeholder may not be able to complete design to modernise submarine LAN environment. This risk has been downgraded.

The project is currently managing an emergent risk:

- FMR not attained and IOC caveats not actioned.

The project is currently managing a number of issues including:

- Delivery of Information Screening and Delivery System (ISDS) is delayed. This issue has been reassessed as an emergent risk and downgraded to medium. It will be removed in the subsequent Major Projects Report (MPR).
- High staff vacancy rate. This issue is now downgraded and will be removed in the subsequent MPR.
- Establishing long-term sustainment contract for ISDS will take longer than anticipated. This issue has been reassessed and downgraded to medium.
- Deficiencies for FMR Stage 1.
- IOC caveats to address accreditation requirements.
- Finalising ISDS related actions in Project's Plan of Action and Milestones. This issue has been reassessed as an emergent risk and downgraded to medium. It will be removed in the subsequent MPR.

Other Current Related Projects/Phases

SEA2273 – Fleet Information Environment Modernisation. Is responsible to modernise the extant fleet information environment.

SEA1439 Program. SEA1439 Phase 5B2 is related but not dependent on other projects within the SEA1439 program.

Section 2 – Financial Performance[1]

2.1 Project Budget (out-turned) and Expenditure History

Date	Description	$m		Notes
	Project Budget			
Oct 06	Original Approved (Government First Approval)	4.1		1
Apr 10	Real Variation – Scope	1.4		1
Sep 12	Real Variation – Scope	1.6		1
Feb 15	Government First Pass Approval – Stage 1	36.7		2
Jun 15	Government Second Pass Approval – Stage 1	203.9		3
Mar 17	Government Second Pass Approval – Stage 2	351.4		4
	Total at Second Pass Approval		**599.2**	
Jan 20	Real Variation – Budgetary Adjustment	2.5		5
Jul 10	Price Indexation		0.4	6
Jun 25	Exchange Variation		15.8	
	Total Budget		**617.8**	
	Project Expenditure			
Prior to Jul 24	Contract Expenditure – Raytheon Australia Pty Ltd	(185.6)		7
	Contract Expenditure – FMS Case (AT-P-LFQ)	(83.5)		
	Contract Expenditure – ASC Pty Ltd	(77.9)		
	Contract Expenditure – Jenkins Engineering Defence Systems Pty Ltd	(49.1)		
	Other Contract Payments/Internal Expenses	(23.2)		8
			(419.3)	
FY to Jun 25	Contract Expenditure – ASC Pty Ltd	(2.5)		
	Contract Expenditure – Jenkins Engineering Defence Systems Pty Ltd	(0.1)		
	Contract Expenditure – FMS Case (AT-P-LFQ)	0.2		9
	Other Contract Payments/Internal Expenses	(0.4)		8
			(2.8)	
Jun 25	**Total Expenditure**		**(422.1)**	
Jun 25	**Remaining Budget**		**195.7**	

Notes	
1	Original approved funding was for development of the Function and Performance Specifications (FPS) for the future implementation of SEA1439 Phase 5B2 to provide high data rate communications fit for CCSM.
2	Government approved SEA1439 Phase 5B2 Stage 1 funding for risk reduction funding for the development of the design of 5B2.
3	Government approved SEA1439 Phase 5B2 MSMCS Stage 1 to provide a solution to address obsolescence issues.
4	Government approved SEA1439 Phase 5B2-A MSMCS Stage 2 for WBS and LANs implementation. There was no Government First Pass Approval for Stage 2 as this is a capability enhancement of Stage 1.

[1]Notice to reader

As per the JCPAA MPR Guidelines, financial figures in the PDSS have been rounded to one decimal point. Section 2 financial tables may include totals and percentages that are impacted due to the rounding of the original financial data.

5	In January 2020, a budget adjustment was applied ($2.5m) as a correction to project financial reporting. The project's total approved budget has remained the same as approved by Government.
6	Up until July 2010, indexation was applied to project budgets on a periodic basis. The cumulative impact of this approach was $0.4m.
7	The scope of this contract is explained further in Section 2.3 – Details of Project Major Contracts.
8	Other Contract Payments/Internal Expenses: Operating expenditure, minor contract expenditure and other capital expenditure not attributable to the listed contracts. These include: Subject Matter Expert (SME) support from Compas Pty Ltd - System Security ($0.18m), and Chandler Macleod – safety and certification ($0.11m) and internal expenses: software licence ($0.036m), Project Management ($0.03m) and FMS freight ($0.007m).
9	US Government supply (FMS Case) for WBS. FMS expenditure due to lower disbursements in FY 2024-25 and credit in July due to a reverse amount debited in June 2024.

2.2A In-year Budget Estimate Variance

Estimate PBS $m	Estimate PAES $m	In-year Budget $m	Explanation of Material Movements
29.7	15.9	16.0	Portfolio Budget Statements (PBS) to Portfolio Additional Estimate Statements (PAES): Variance is due to decrease in project management budget; reprogramming of FMS case budget, capability assurance activities and Stage 2 platform works. PAES to In-year Budget: Variance is predominantly due to re-programing of long lead items and foreign exchange adjustment.
Variance $m	(13.8)	0.1	Total Variance ($m): (13.7)
Variance %	(46.5)	0.6	Total Variance (%): (46.2)

2.2B In-year Budget/Expenditure Variance

In-year Budget $m	Actual $m	Variance $m	Variance Factor	Explanation
		(10.6)	Australian Industry	Budget variance due to: Delays to overall progress of docking maintenance periods and consequential impact to completion of project milestones that are dependent on availability of a range of other platform system services, and FMS case disbursement lower than phased budget.
		-	Foreign Industry	
		-	Early Processes	
		-	Defence Processes	
		(2.6)	Foreign Government Negotiations/Payments	
		-	Cost Saving	
		-	Effort in Support of Operations	
		-	Additional Government Approvals	
16.0	2.8	**(13.1)**	**Total Variance**	
		(82.3)	**% Variance**	

2.3A Details of Project Major Contracts – Price

Contractor	Signature Date	Price at		Type (Price Basis)	Form of Contract	Notes
		Signature $m	30 Jun 25 $m			
ASC Pty Ltd	July 12	N/A	95.2	Variable	Standard Defence Contract	1, 6
Raytheon Australia Pty Ltd	Feb 15	32.9	191.6	Firm or Fixed	Standard Defence Contract	2, 3, 6
Jenkin Engineering Defence Systems Pty Ltd	Jul 16	10.4	50.4	Firm or Fixed	Standard Defence Contract	4, 5, 6, 7
US Government – FMS Case (AT-P-LFQ)	Jun 17	98.0	127.8	Reimbursement (for FMS)	FMS	6

Notes	
1	ASC Pty Ltd engagement related to SEA1439 Phase 5B2 is not a single contract. ASC Pty Ltd is engaged under a number of separate Survey and Quote (S&Q) tasks under the provisions of the In-Service Support Contract (ISSC) CSP/2012/1. At contract signature, no S&Q tasks had been raised for SEA1439 Phase 5B2.
2	Raytheon Australia Pty Ltd received $32.9m in interim funding by the Commonwealth of Australia (CoA) to achieve Detail Design Review (DDR) prior to full contract award in March 2016 when the CoA issued a Notice to Proceed post Government Second Pass Approval for Stage 1.
3	The Raytheon Australia Pty Ltd PSI contract has been amended on multiple occasions. The major contract changes are Contract Change Proposal (CCP) 006 for early implementation of Stage 1 on one platform and CCP008 for the introduction of Stage 2 work scope.
4	CCP001 was negotiated with a revised scope for the MWES element of the project.
5	CCP002 was approved for remediation works at the ITTS and option to procure two additional systems.
6	Contract value as at 30 June 2025 is based on actual expenditure to 30 June 2025 and remaining commitment at current exchange rates.

7	CCP003 was approved to re-baseline milestones affected because of COVID-19 consequences. There is no change to the contract price.

2.3B Details of Project Major Contracts – Contracted Quantities and Scope

Contractor	Contracted Quantities as at		Scope	Notes
	Signature	30 Jun 25		
ASC Pty Ltd	6	6	Deliveries consist of platform integration on six CCSM of Stage 1 and 2 and MWES.	1
Raytheon Australia Pty Ltd	7	7	Deliveries consist of six Stage 1 and 2 platform fits, and one Stage 1 and 2 Training System fitted at the ITTS.	1
Jenkins Engineering Defence Systems Pty Ltd	5	7	Deliveries consist of six MWES platform fits, and one MWES fitted at the STSC.	2
US Government – FMS (AT-P-LFQ)	7	7	Deliveries consist of six WBS platform fits, and one WBS training system fitted at the ITTS.	-

Major equipment accepted and quantities to 30 Jun 25
Stage 1 systems have been implemented on six platforms which are now in operational service. Stage 1 and 2 training system have been implemented at the ITTS and are in use for training. Stage 2 has been implemented on three platforms that are now in service. MWES has been implemented on five platforms and are now in service. MWES training system has been implemented at the STSC.

Notes	
1	The MPR Guidelines require contractors to be listed in order of signature. There was an error in previous editions of Project Data Summary Sheet (PDSS) where ASC Pty Ltd and Raytheon Australia Pty Ltd were not in order of signature.
2	MWES training installation is part of the STSC and not ITTS as stated in previous editions of the PDSS.

2.4 Australian Industry Capability

Summary
The project has contracted Australian Industry Capability (AIC) Plan based opportunities where appropriate, to identify Local Industry Capability which is captured in Raytheon Australia Pty Ltd and Jenkins Engineering Defence Systems Pty Ltd's AIC Plans in support of their design, manufacturing, delivery and installation activities for various systems on six CCSM. The project has no contracted AIC Plans for ASC Pty Ltd. The project's contract with ASC Pty Ltd is under a number of separate S&Q tasks under the provisions of an ISSC. AIC targets are not applicable to the project's S&Q tasks. The project has no contracted AIC Plans for US Government, because the FMS is a Government-to-Government agreement and therefore contains different obligations on partner nations in terms of developing industry capability and compliance with domestic policy. As such, compliance with the domestic Industry Policy and the AIC Program is not mandated.

Note
AIC Plans for contracts worth more than $20 million are published on Defence's website.

Section 3 – Schedule Performance

3.1 Design Review Progress

Review	Major System/Platform Variant	Original Planned	Current Contracted	Achieved/ Forecast	Variance (Months)	Notes
System Requirements	Stage 1	Jul 15	N/A	Jul 15	0	-
	MWES	Nov 16	Sep 18	Oct 18	23	1
	Stage 2	Sep 17	Oct 17	Oct 17	1	2
Preliminary Design	Stage 1	Nov 15	N/A	Nov 15	0	-
	MWES	Jan 17	Jan 19	Feb 19	25	1
	Stage 2	Jan 18	Feb 18	Jul 18	6	2
Critical Design	Stage 1	Mar 16	Apr 16	Apr 16	1	2
	MWES	Apr 17	Mar 19	Sep 19	29	1
	Stage 2	May 18	Jun 18	May 18	0	-

Notes	
1	MWES FPS had taken longer than expected to finalise. DDR completed on 8 May 2019. DDR acceptance signed on 19 September 2019.
2	Variance is due to delays in processing and acceptance of documentation delivered by the contractor.

3.2 Contractor Test and Evaluation Progress

Test and Evaluation	Major System/Platform Variant	Original Planned	Current Contracted	Achieved/ Forecast	Variance (Months)	Notes
System Integration	MSMCS Stage 1	May 17	Jun 17	Jul 17	2	1, 4
	MWES	May 18	Nov 19	Mar 20	22	2
	MSMCS Stage 2	Jun 19	Jul 19	Jul 19	1	1, 6, 8

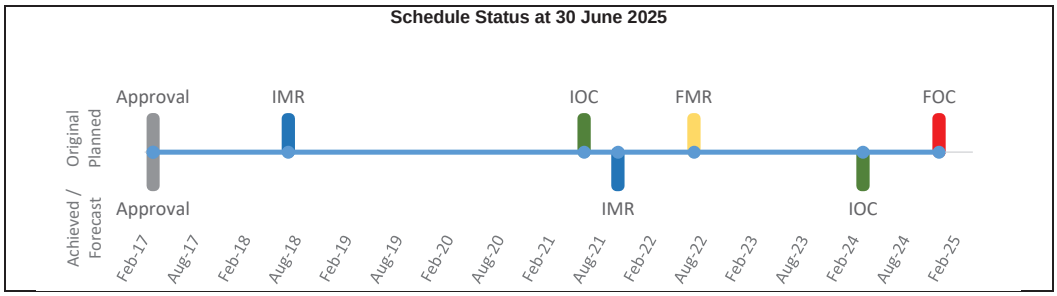
Acceptance	MSMCS Stage 1	Jun 24	Apr 18	Jan 18	(77)	7
	MWES	Jul 19	N/A	Aug 21	25	2, 5
	MSMCS Stage 2	Jun 20	N/A	Jun 20	0	3, 6, 8

Notes	
1	MSMCS Stage 1 and Stage 2 System Integration is based on completion of Critical Acceptance Test (CAT) 3 Testing by the PSI in accordance with completion milestones within the PSI contract and the Test and Evaluation Master Plan (TEMP).
2	MWES System Integration is based on First-of-Type (FOT) Set-to-Work. System acceptance is based on completion of successful FOT Harbour Acceptance Trial completion. Original system integration date based on planned FOT installation that was subsequently transferred to a different platform in a later maintenance period.
3	MSMCS Stage 1 and Stage 2 acceptance is based on the CoA's acceptance of the completion of CAT 4 testing in accordance with completion milestones within the PSI contract and the TEMP.
4	Variance is due to extended duration for processing and acceptance of documentation delivered by the contractor.
5	MWES implementation delayed due to immature procurement strategy and FPS. This has now been resolved with implementation completed in FOT platform. CoA's acceptance is at completion of CAT 4 testing. Completion of CAT4 testing and Harbour Acceptance Trial on FOT platform delayed due to COVID-19 related travel and working condition restrictions. Additional delay to CAT 4 testing due to COVID-19 travel restrictions between states and unavailability of platform resulting in deferral of CAT 4 testing.
6	Implementation schedule understanding has matured since the Materiel Acquisition Agreement (MAA) was originally developed.
7	System acceptance achieved six months early due to the acceleration of the MSMCS Stage 1 installation with platform 2 installation brought forward 77 months from a Full Cycle Docking to an earlier Mid Cycle Docking.
8	Systems Operation and Verification Testing (SOVT) of WBS system under Stage 2 completion is acceptance of supplies from the US Government under the FMS case. SOVT transitions supplies from US Government to the Capability Acquisition and Sustainment Group (CASG). CASG transition the WBS to the submarine sustainment organisation. SOVT of WBS system is not a precondition to Stage 2 acceptance.

3.3 Progress Toward Materiel Release and Operational Capability Milestones

Item	Original Planned	Achieved/Forecast	Variance (Months)	Notes
Initial Materiel Release (IMR) Stage 1	Jul 18	Nov 19	16	1, 2
IMR MWES	Feb 18	Nov 22	57	1, 3, 6, 8
IMR Stage 2	Dec 20	Oct 21	10	1, 4, 5, 8
Initial Operational Capability (IOC) Stage 1, 2 & MWES	Jun 21	Mar 24	33	1, 4 , 7, 10,12
Final Materiel Release (FMR) Stage 1	Jul 22	Aug 23	13	1 ,4, 8,11,13
FMR MWES	Jun 19	NFP	NFP	1, 3, 8, 9
FMR Stage 2	Jul 22	NFP	NFP	1, 4, 8,14
Final Operational Capability (FOC) Stage 1, 2 & MWES	Dec 24	NFP	NFP	1, 4,14

Notes	
1	Original Planned dates for Stage 1 and MWES are in accordance with revision 2 of the MAA. Original planned dates for Stage 2 are in accordance with revision 4 of the MAA.
2	Stage 1 IMR claim agreed 26 November 2019. Variance due to delay in obtaining all objective quality evidence to support IMR claim.
3	MSMCS MWES implementation delayed due to immature procurement strategy and FPS. This has now been resolved with implementation completed in FOT platform, but has had consequential impact to the MWES implementation plan, IMR and FMR.
4	Original IOC, FMR and FOC was for MSMCS Stage 1 and MWES. MAA Version 4.0 updated IOC to also include MSMCS Stage 2.
5	IMR Stage 2 variance is due to delay of Sea Acceptance Trial schedule as a result of COVID-19 related travel restrictions and delay in obtaining objective quality evidence to support trials assessment.
6	IMR MWES variance due to installation and set-to-work delay resulting from COVID-19 travel restrictions, installation schedule conflict resulting in contractor resources being allocated to one platform and delay in completing of Support System equipment in the STSC.
7	IOC date amended to reflect delay in achieving MSMCS Stage 2 (see Note 5) and MWES IMR (see Note 6).
8	MAA Version 5.0 updated IMR MWES and IMR Stage 1 and 2.
9	FMR MWES is now aligned with FMR Stage 2.
10	Project has achieved all necessary prerequisites identified in MAA Version 5.0 milestone completion measures of effectiveness criteria. IOC date was revised from December 2022 to December 2023 to address accreditation end-to-end sustainment requirements.
11	FMR Stage 1 variance due to delay in maintenance period.
12	IOC awarded with caveats to address accreditation requirements.
13	FMR Stage 1 awarded with deficiencies due to incomplete testing.
14	FMR Stage 2, MWES and FOC variance due to delay in maintenance period.



Section 4 – Materiel Capability/Scope Delivery Performance

4.1 Measures of Materiel Capability/Scope Delivery Performance

Traffic Light Diagram: Percentage Breakdown of Materiel Capability/Scope Delivery Performance	
100%	**Green:** The project is currently achieving the Materiel Capability Requirements as expressed in the MAA.
0%	**Amber:** N/A
0%	**Red:** N/A

Note
This Traffic Light Diagram represents Defence's expected capability delivery.

4.2 Constitution of Materiel Release and Operational Capability Milestones

Item	Explanation	Achievement
Initial Materiel Release (IMR)	Modification of one platform and the ITTS with Stage 1 including: • Verification and validation and certification completed in accordance with approved plans. • Training system delivered along with initial crew and trainer training. • Spares and support arrangements in place. IMR report endorsed and released for approval by the regulatory authority.	Achieved
Initial Operational Capability (IOC)	Operationally employ MSMCS Stage 1 and Stage 2 and MWES on one platform and associated Fundamental Inputs to Capability (FIC) such as crew training and Integrated Logistics Support. IOC for MSMCS Stage 1 and Stage 2 and MWES was awarded 3 March 2024 with caveats to address accreditation requirements.	Achieved with Caveats
Final Materiel Release (FMR)	MSMCS Stage 1, 2 and the MWES elements installed on six platforms and one ITTS. Support arrangements including Materiel Transition Plans, spares, training and other Integrated Logistics Support requirements required to transition the materiel system into operational services and sustainment. FMR Stage 1 was achieved in August 2023 with deficiencies due to incomplete testing. FMR Stage 2 is expected to be achieved. Forecast dates for FMR are NFP.	Not yet Achieved

Final Operational Capability (FOC)	Operationally employ MSMCS Stage 1, 2 and MWES in six platforms, the ITTS and associated FIC such as crew training and Integrated Logistics Support. FOC (Stage 1, 2 and MWES) is expected to be achieved. Forecast dates for FOC are NFP.	Not yet Achieved

Section 5 – Major Risks, Emergent Risks and Issues

5.1 Major Project Risks

Identified Risks (risk identified by standard project risk management processes)		
Ref#	Description	Remedial Action
1	There is a risk that stakeholder may not be able to complete design to modernise SUBLANE. This may impact the project's ability to implement extant design on time on one platform if the modernisation design is not completed.	Regular engagement with stakeholder allows the project to be aware of stakeholder's design progress. Remaining platform will be installed with extant LAN until design is complete for modernised SUBLANE. This risk has been downgraded and will be removed from next year's MPR.

5.2 Emergent Risks

Emergent Risks (risk not previously identified or has increased in rating, which have emerged during 2024–25)		
Ref#	Description	Remedial Action
1	FMR not attained and IOC caveats not actioned.	Implement Project's Plan of Action and Milestone to demonstrate compliance with security accreditation authority requirements and address caveats identified at IOC award. These include implementing software updates and establishing a systems integration lab.

5.3 Major Project Issues

Ref#	Description	Remedial Action
1	ISDS is delayed because of stakeholder's decision to build a new system associated with ISDS rather than using existing version.	Project stakeholders conducted workshop to revise and agree with schedule and scope to consider new build. This issue has been reassessed and downgraded to medium. It will be removed from next year's MPR.
2	The project team will not be able to complete and deliver essential project tasks on time because of high staff vacancy rate and recruitment timeline is impacting engaging suitably of qualified persons.	Supplement skill shortfalls by employing specialist external service providers and prioritise and complete essential tasks first. Project was successful with recruitment activity to fill critical positions. This issue is now downgraded and will be removed from next year's MPR.
3	Considering establishing long-term sustainment contract will take longer than anticipated, this may impact system accreditation of ISDS. Delayed security accreditation may also impact IOC award.	Sustainment business unit is implementing an interim sustainment contract while progressing work to establish long-term sustainment contract. Active engagement with key stakeholders to assist in establishing long term sustainment contract. This issue has been reassessed and downgraded to medium. It will be removed from next year's MPR.
4	IOC award with caveats.	Address accreditation requirements. Implement Project's Plan of Action and Milestone to demonstrate compliance with security accreditation authority requirements and address caveats identified at IOC award. These include implementing software updates and establishing a systems integration lab. This issue has been reassessed and is now addressed as an emergent risk. It will be removed from next year's MPR.
5	FMR Stage 1 with deficiencies.	Complete testing that were unable to be undertaken during testing phase.
6	ISDS related actions in Project's Plan of Action and Milestones may not be finalised due to delay in advice from SME stakeholder.	Regular engagement with SME and highlight criticality of obtaining advice. Active engagement with key stakeholders to assist in establishing long term sustainment contract. This issue has been reassessed and downgraded to medium. It will be removed from next year's MPR.

Section 6 – Lessons

6.1 Key Lessons

In line with Defence Instructions and CASG Lessons policy, the project conducts scheduled reviews of its captured lessons information (including any observations, insights and/or lessons identified) as well as lessons information contained within the Defence Lessons Repository. The project has captured 23 lessons. The five project strategic lessons and the five project level lessons (non-strategic) are listed below:	
Strategic Lessons Description	**Categories of Systemic Lessons**
Strategic Lesson Type – Observation. Regular detailed and customised reporting addressed directly to stakeholders ensures that information is received in high visibility projects or fast tracked schedules where there is no float. Stakeholder engagement through regular detailed and customised reporting will ensure stakeholders are engaged supportive and operating in a coordinated manner.	Program, Project & Product Management
Strategic Lesson Type – Observation. SEA1439 Phase 5B2 Engineering staff have gained considerable knowledge of communication systems on CCSM and believe this is opportune time to share this knowledge with Future Submarine Program. SEA1439 Phase 5B2 has recently shared design/installation knowledge and FMS knowledge with Future Submarine Program.	Engineering & Technical
Strategic Lesson Type – Observation. Regular and close stakeholder engagement is essential where SEA1439 Phase 5B2 manages budget and reporting requirements to reduce risks of delivering scope under the MAA, but is not the CoA representative of a contract.	Program, Project & Product Management
Strategic Lesson Type – Observation. Project having compressed schedule to achieve implementation on a platform during docking period meant that level of detail of engineering artefacts were seen as a risk by stakeholders.	Program, Project & Product Management
Strategic Lesson Type – Observation. An Accreditation Authority developed by maritime systems owner with the aim of provisioning security accreditation to maritime mission systems with its frameworks designed to accommodate both Information and Communications Technology and Operational Technology security accreditation and aligned to existing Acquisition project delivery models. This concept is expected to ensure system owner achieves a more appropriate balance between delivering secure systems and ensuring operational objectives are met. System owner will ultimately have the ability to manage risk appropriate to their operational requirements and avoid reporting of significant control gaps and failed security assessments for projects with long build and delivery lifecycle.	Engineering & Technical
Project Level Lessons (non-strategic) Description	**Categories of Systemic Lessons**
Project level lesson. Freight for equipment sourced from overseas should be arranged for delivery at least one month prior to required date (at a minimum). This allows project to have ample time to rectify potential transit damage. This timeline is also necessary where arrangements involve various stakeholders who may have different priorities and freight is arranged to transit various ports before final destination.	Materiel Logistics
Project level lesson. Early engagement with configuration change approving authority is critical and avoid splitting tasks. Early engagement gives the approving authority sufficient time for review and comment whether the configuration change is adequate for the requested task.	Engineering & Technical
Project level lesson. Ensure serviceability of auxiliary equipment is verified and operational prior to using auxiliary equipment to support major system testing.	Engineering & Technical
Project level lesson. Prepare system test plan as early as practical and identify requirements for facilities/equipment. Identify stakeholder points of contact early in project phase and share test plan requirements to ensure availability of facilities/equipment.	Program, Project & Product Management
Project level lesson. Ensure early engagement with SME Groups within the Department to ensure availability of system connectivity to support project with testing of external communications system.	Program, Project & Product Management

Section 7 – Project Structure

7.1 Project Structure as at 30 June 2025

Unit	Name
Division	Submarines Division
Branch	Collins Submarine Program