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## CHAIRMAN'S ADDRESS



Dear all, as the third quarter of the year draws to a close, we bid farewell to another unpredictable British summer. Unlike the weather, the SCAF

committee have given us a lot to smile about with the continuation of an outstanding programme of events.

The SCAF conference this year was at the Queen Elizabeth II Conference Centre, which was a bit of a departure from our usual conference venues, but it was well received and the programme of speakers was excellent.

In the shadow of Big Ben we were treated to a fascinating day of presentations and a variety of topics; you will find a report and pictures further in this newsletter. The theme of the conference was "Living with Austerity; enabling growth" and this provided an opportunity for some stimulating discussion and networking between the formal presentations.

There was a pause in proceedings just after lunch while the AGM was chaired by Dale Shermon. This reported that the Society has had another good year with workshops, a conference and an awards banquet. The Society has elected a strong committee for the year and is still financially sound. We are always looking for volunteers for the SCAF committee or presentations for future workshops and



conferences, so get engaged with the topic and join the debate at SCAF!

I was fortunate to attend the DSEi exhibition in London during September. It was good to catch up with some clients and customers, but it was also a good time to refresh my knowledge with regards to new technology. I find exhibitions are a wonderful opportunity for cost engineers to get to grips with systems; hardware, software and services. The best exhibits are those where there is a cross section removed and you are able to see inside the equipment.



As a parametrician I have conducted competitor analysis with the intelligence gathered at these events. This is particularly easy, when you find a brass plate, on the side of equipment, which declares the weight of the equipment for shipping purposes. Always take the chance to engage with the staff on the stand, you will be surprised just what they are willing to tell you in an attempt to sell their wares!

Well I'm looking forward to seeing you all at the November SCAF workshop when we will be discussing the topic of Investment Appraisals. Have fun, work hard and I'll see you there!

*Dale Shermon*

SCAF Chairman

# Next SCAF Workshop

## “Investment Appraisal – What’s in it?”

Tuesday 17<sup>th</sup> November 2015

The BAWA Centre, Filton, Bristol



In these times of austerity shareholders and governments are very cautious about how their money is being spent. Asset acquisition and capital expenditure is scrutinised and considered to ensure that the investment is ultimately needed, all the viable options have been considered and a decision has been made on sound evidence. At the heart of all good investment approvals is a robust investment appraisal (IA). This IA will lead the stakeholders clearly and transparently through the background, need, alternative means of satisfying those needs and systematic arguments to arrive at a logical recommendation which will withstand scrutiny and justify the expenditure. Our speakers at the workshop include:

- **John Ogilvie**, *Head of Appraisal and Evaluation, Defence Economics, Ministry of Defence*
- **Nicola Clark**, *Cost Assurance and Analysis Service (Maritime Lead), DE&S, MoD – “Determining Value for Money within the DE&S”*
- **Dr Paul Wood**, *Principal Consultant Investment Analysis, BMT Hi-Q Sigma – “Practical Experience of Investment Appraisal”*
- **Andrew Bell**, *MoD VAT Policy Lead – “VAT Guidance in Investment Appraisal”*
- **Dr Michael Pryce**, *Defence Academy, Cranfield University – “Costing Future Complex & Novel Projects”*
- **Nadeem Imtiaz**, *Senior Management Consultant, QinetiQ – “Managing Investment Appraisals in a P3 context”*
- **Tim Brogan**, *Jaguar Land Rover – “The Evolution of the Next Generation of Cost Management Tools in Jaguar Land Rover”*

### Registration and Costs

Registration and coffee will be available from 09.15. The Workshop will commence at 10.00am. The costs for the Workshop is £135.00 per delegate. A 10% discount is available for group booking of 4 or more delegates and a 15% discount is available for group bookings of 10 or more delegates. These costs include all refreshments, a buffet lunch and **FREE** attendance to all future SCAF organised events until August 2016 (subject to availability). Further details can be found on the SCAF website ([www.scaf.org.uk](http://www.scaf.org.uk)) or by contacting the Secretary, Neil Morrill by email at: [ndmorrill@dstl.gov.uk](mailto:ndmorrill@dstl.gov.uk) or call **030 6770 3450**

# SCAF Workshop

## Call for Papers

**Theme: “Project Cost Control”**

**Tuesday 2<sup>nd</sup> February 2016**

**The Royal Institution of Naval Architects, London**



Generating a budget and establishing a schedule for a project or programme is challenging. There are many variables and cost drivers that can influence the baseline plan and the resources attributed to it. There is uncertainty in the estimating and potential deviations from the baseline caused by foreseen and unforeseen risks. But this is just the beginning of the project. The project control function will periodically monitor the progress of the project or programme against this baseline and attempt to proactively control its journey until its completion. Along the way there needs to be the application of different project control and project management techniques to guide the project or programme to a successful outcome including earned value management (EVM), risk management, critical path analysis, benefits realisation, stakeholder management and so forth. Presentations are invited on the following topics:

**Project Planning**

**Cost and Schedule risk analysis**

**Risk Management**

**Earned Value Management**

**Project, Programme and Portfolio Management (P3M)**

**Programme Management**

**Other Related Topics**

This is an excellent opportunity to debate this major process and contribute to the advancement of the profession.

### Deadline

Please let us know if you plan on presenting a paper and what your planned topic will be no later than Friday 11<sup>th</sup> December 2015. Forward details to the Secretary by email: [ndmorrill@dstl.gov.uk](mailto:ndmorrill@dstl.gov.uk) or call 0306 7703450

## Letter from the Editor

*By Arthur Griffiths, SCAF Newsletter Editor*



Summer seems like just a dim light in the distance now. It wasn't particularly memorable and the Met Office even listed it as one of the windiest on record – good for sailors but disappointing for others.



My summer began with a break in Cornwall and an unexpected invitation to the 'J' Class regatta in Falmouth. These magnificent racing sailing yachts of the 1930's are still full of style and elegance and offshore racing is in their blood. Crewed by a group of some 25 experienced sailors they provide a wonderful spectacle and with only 12 vessels ever built in the world it was a wonderful occasion.

Returning to the Solent presented another way of

life far from the relative quiet of sailing. The P1 Powerboat racing festival at Stokes Bay was about to take place. It was noisy, exhilarating and full of thrills. In between the races the spectators were entertained by trick-displays on jet skis and other jet propelled craft. They also took the opportunity to hold their own races. Noisy but an excellent few days.



Later in the month we saw the start of the Admiral's Cup World Series. These yachts (if we can call them that) are the fast jets of the seas. Manned by an expert crew of 5 who are often seen running between the two hulls to maintain balance as they 'fly' (that is the only word for it) across the water. Sir Ben Ainslie's team led the way for the weekend but unfortunately dropped down the Leader board at the subsequent Gothenburg and Bermuda races. Still this is something to look forward to when the racing returns to Portsmouth in 2016.

Summer also saw the election of a new Labour Party Leader. Jeremy Corbyn does not come across as a 'run of the mill' politician so it will be interesting to see his response to the government's budget plans for the next 5 years when they are published later this year.

We also had a financial blip in China which sent the world into panic mode with media clips of another financial meltdown. But in the end it just petered out.

So here we are now in Autumn, awaiting the publications of the Comprehensive Spending Review (Chancellor's Autumn Statement) and more importantly for some of us the result of the Strategic Defence and Security Review. No doubt that the outcome from both of the reviews will see our cost analysts reviewing and updating their forecasts on spending for future programmes. Last February I spoke on the UK economic forecast at the workshop in London. The interest payment alone on the UK debt was then £55Bn. It is now running at some £67Bn and the level is debt is growing by £107Bn per year or £2Bn a week. I don't envy the Chancellors job of trying to balance the books by 2020.

There has been much discussion over the last 18 months or so on the MoD's ability to predict supportability (O&S) costs. I am more than a little surprised as we seem to have gone backwards instead of forwards on this topic. In the 1980's I was seconded to the Design for Through Life Cost Team at Bath and regularly conducted life cycle cost analysis using recognised reliability, availability and logistic tools. Much later, time based simulation tools arrived so that it was possible to conduct simulations of alternative operating and support scenarios. Where data was not available we could rely on parametric tools to provide us with predictive O&S cost. Even these allowed us to assess alternative supply chain approaches. Yes it was sometimes a little crude but at least it provided indicative values and identified hot spots for further evaluation. But this approach now seems to be a distant memory. Maybe it's one of confidence or credibility but it was always better than a 'finger in the air'.

The UK Council for Electronic Business (UKCeB) and the MoD have a number of working groups looking at the prediction of supportability costs both in terms of supply chain management and support modelling. In the end I am sure that it will boil down to the question "What benefit do we get from support modelling?" I guess that the answer to this will depend on what you want to achieve – independent estimates - credible scenario assessment – appropriate cost profiling. Whatever it is I have no doubt that it will require investment in training and modelling expertise. Unfortunately, trying to explain changes to operation and budget pressure when they are out of kilter with engineering design and judgement leads to conflicting arguments without a satisfactory outcome.

We wish the working groups well and will support the initiatives and, if any of our members wish to participate or make presentations then please contact me and I will forward on your details. There are tools and expertise out there but it may be necessary to accept that an all embracing gold plated solution may not be the answer.

Dale mentioned in his address that we have an excellent programme planned for 2015/2016 society year and I look forward to welcoming new and current members to our workshops.

Please forward articles, letters or any other ideas for inclusion in the newsletter to:

Arthur Griffiths

Editor, SCAF Newsletter

Email: [editor@scaf.org.uk](mailto:editor@scaf.org.uk)

## Where are we competition?



I thought that this would be a bit of a challenge but not only did the winner give me the name of the town but also the name of the street and the river.

My congratulations go to **Tim Brogan** whose name was drawn from a very small barrel of winners and correctly gave the answer as **“The Origami Heron on the river Lym in Lyme Regis, Dorset”** as done by the graffiti artist Banksy.

This month’s picture has been submitted by one of our members. It is something they saw recently and thought it would make a good challenge for the competition. Where are we??? If you have anything similar why not forward it to me.

Please forward your answers to [editor@scaf.org.uk](mailto:editor@scaf.org.uk). All the correct answers will be put into a barrel and the winner will be published in the next newsletter and provided with a small prize.



**Did you miss them ??**

**Copies of the Conference Presentations are Available**

## SCAF Annual Conference

The QEII Centre, Westminster, London

15<sup>th</sup> September 2015

### Conference Overview



The fiscal situation remains very challenging. With possibly further significant spending restraint planned up to 2018/19, the pressure is on - and will continue into the next Parliament. Uncertainty and austerity will continue to be the watchwords for public bodies during the next few years. Affordable government is the order of the day, while fostering the conditions for growth - with an emphasis on 'good growth' - particularly good jobs.

Innovators today recognise that the business case is the basic requirement to secure funding and key financial metrics are underpinned by a real and detailed understanding of cost. The very moment that funding is needed is often the time when the creator's 'baby' needs the greatest attention – a tension that demands a rapid understanding of product and programme cost in particular. In this age of austerity, more than ever before, it is imperative that we aim to get more for less; now it's important that we pause and help decision makers to achieve their project goals whilst staying within their budget. The theme for the conference was the focus for the speakers who provided an excellent insight on their work to not just overcome the problem but also on their thoughts for the future.



The first speaker of the day was **Ron Finlayson**, Strategy Director Defence, QinetiQ. His presentation entitled “**The Technology Race: how can defence keep up**” addressed the advancing technology in the civil sector thanks to huge investment in sectors such as information systems, telecommunications and gaming. He stressed that many of these technologies have an impact on defence capability, presenting both opportunities and threats. He explained how UK Defence could exploit and/or counter these developments. It was interesting to hear Ron speak about

Intellectual Property, Open Architectures and Commercial Business models and their relationships to the way ahead.

**Susanna Mason**, Director General Exports and Commercial Strategy, DE&S, Ministry of Defence spoke about commercial trends being akin to fashion (in vogue for a time, and then out of favour too soon). Susanna gave a brief on the history of commercial practices over the years (and all their Pros and Cons) and how Managed Service Providers have become the current fashion (following on from the Olympics experience). She also spoke on the government's prosperity agenda which had 7 major themes which included: Northern Powerhouse;





Consolidated Enterprise; Apprenticeships; STEM; Innovation; Exports and Land Release. Susanna then turned the tables and began asking questions of the audience about Collaboration, Partnering, SME increase, Outsourcing, Availability contracting and procurement. In her closing statements Susanna mentioned the NAO brochure on Government Commercial and Contracting which I would recommend to everybody.



**Michael Christie**, *Director, Strategy & Market Development and Chief Technologist, BAE Systems* spoke on “**Strategic Challenges Against a Backdrop of Global Uncertainty**”.

Michael’s theme was very much on how BAE Systems operated in a global marketplace with a prime focus on defence and security. The company has traditionally operated under very large and complex long term contracting arrangements. Against this background he explained how worldwide threats were evolving. The presentation elaborated on this context and provided some

insight into how BAE Systems were dealing with this environmental change.

Our final speaker before lunch was **Howard Startin**, from the Cost Assurance and Analysis Service at the Ministry of Defence. Howard’s presentation was entitled “**Optimism in Defence Estimating – a Class Reference Guide**”.

Howard’s experience in cost estimating goes back to when he joined the Directorate of Technical Costs in 1984. This experience shone through as he spoke about the Defence Equipment Programme and DE&S’s tremendous efforts in rebalancing the budgets. He spoke on contingency allocation and the basing on a safe degree of optimism, now and in the future. Howard spoke on the development of a Historic Project Performance (HPP) model that would be capable of providing an independent view of the programmes realistic outturn. An interesting presentation with a strong aspiration for the future.



Lunch was taken in the ante-room and I have never seen so many people taking photographs with colleagues against the backdrop of Big Ben and the Houses of Parliament.



Following lunch the Society Annual General Meeting was chaired by **Dale Shermon** who briefed the members on the work done by the management committee, the achievements and organisation of the year’s workshops and other events.





**Brian Glauser**, Immediate Past President and **Paul Marston**, President, International Cost Estimating and Analysis Association (ICEAA) gave a talk on **“The Current State of Cost Estimating in the U.S. and Future Trends”**. Brian and Paul provided a great insight as to the current trends in U.S. Federal cost analysis. It included a summary of data collection metrics and their usage as well as other observations of cost estimating and analysis and the influence of the U.S government’s Better Buying Power Initiative. They also took the opportunity to discuss the work of ICEAA and its European links

**Dr Linda Newnes**, Head of Costing Research, Bath University spoke on **“Estimating the Cost of Availability”**. Linda started off with some example projects from different business sectors and described some of the Challenges and Good Practice. She then went on to explain the essence of availability modelling in order to determine the advantages and disadvantages of different approaches. The aim of the research study had been to develop a model that could be used from concept to in-use. Having explained some basics Linda then illustrated through a series of steps on ‘*what happens in a complex delivery system*’. Linda concluded her talk with a slide on ‘where we are’ and I quite liked the title ***Generic Reactive and Adaptive Cost-Estimating Model (GRACE)***.



Linda was followed by a three header with a difference. **Neil Davies**, Former MoD Chief Economist and **David Bangert**, Managing Director, Polaris Consulting Ltd gave a presentation on **“Managing Defence Acquisition Growth”**. The presentation focussed on work undertaken for a report for the European Union Institute for Security Studies (EUISS) on the impact of defence equipment cost inflation in Europe and also on previous studies

into the subject undertaken by Davies Economic Consultancy and Polaris Consulting. The literature review identified many of the previous studies and authors that were a useful reminder that this topic was still relevant and potentially a project breaker if not addressed properly. The conclusion drawn by the presenters was that the literature and the evidence is emphatic: defence equipment cost escalation is real; It stems from the ‘tournament goods’ nature of defence equipment, leading to defence inflation greater than CPI and intergenerational cost escalation; once in train, it

then reduces the number of platforms in a class, introduces delays to manage affordability, and shrinks the market, leading to a vicious circle of further cost increases. A response to the paper was given by **Professor**



**Trevor Taylor** from the Royal United Services Institute (RUSI). In many instances there was a counter argument on the scale of the escalation and it's so called "Inter-Generational Step Change" that was needed to keep pace with technology. It was an interesting riposte and I would direct readers to Malcom Chalmers' paper on the subject if they wanted to read about both sides of the issue – definitely not one to ignore!!



Our final presentation of the day was given by **Johannes Wolff**, Deputy Director Planning and Performance, HM Treasury whose presentation was entitled "**Unit Costing Projects**". This did not mean much until the opening slide produced a different headline – one that read "**Finance should not just understand what we spend but also what we get for it**". This then put the context of the presentation in an entirely different light. From December 2014, the Financial Management Reform team at HMT has been implementing this recommendation through a series

of 'Costing Projects', and through the development of 'Value Maps'. Costing projects were designed to help deliver sustainable fiscal consolidation, while providing departments with the analysis necessary to deliver public services with fewer resources. Costing Projects in fact provides: **A** step change in the understanding of HMG spend by mapping financial and operational performance of public services; **E**ncouraging the considering of spend across organisational boundaries to break down institutional silos and leverage x-HMG opportunities; **A**cting as a catalyst to identify cashable and efficiency savings to transform public services at the same or reduced level of spend; **D**elivering outputs in 6-8 weeks, providing sharp focus and generating momentum for change; **D**eveloping new capabilities to areas of high spend, by building HMG expertise to deliver improved financial performance. This was a very powerful insight as to the HM Treasury review and evaluation of government department spending and cost-saving opportunities.

The Chairman's closing remarks brought an end to what was a very good annual conference.



**I didn't think the question and answer session was that intrusive - But a lot of people enjoyed it!!!!!!**



**Our thanks to all the speakers and attendees for making this an excellent conference enjoyed by all. We look forward to seeing everyone at our November workshop in Bristol.**

## SCAF Annual General Meeting

15<sup>th</sup> September 2015

The QEII Conference Centre, London

The Society's Annual General Meeting was held immediately after lunch at the Annual Conference. The main events were reports from the Chairman (covering what had been achieved during the Society year, the Society's Financial position and plans for the future). The Chairman also discussed the results of the election for the 2015/2016 committee.

### Executive Reports

The Chairman reported that 2014/2015 had been another successful year for the Society. The Annual Conference in September 2014 was followed by four further events and a summer reception. These were:



**September 2014** - SCAF Annual Conference, BAWA Centre, Bristol. The theme for the conference was – **“Benefits of Cost Engineering and Realistic Cost Forecasting”**.

**November 2014** – Joint Workshop with the OR Society DSIG, BAWA Centre, Bristol. Workshop Theme: **“Affordability, Value for Money and Decision Making”**.



**February 2015** – **“Cost Analysis and SDSR”** was the theme for the workshop at the Royal Institution of Naval Architects, London. *An excellent workshop on the challenges facing the MoD against a backdrop of economic uncertainty.*



**April 2015** – **“The 2015 SCAF Cost Estimating Challenge”**, BAWA Centre, Bristol. Seven teams participated and provided an excellent *opportunity for attendees to discuss and experience the different ways of approaching the challenge.*



**June 2015** – **“Date Maturity and its Application”** was the theme for the workshop at Ribby Hall Village, Preston, Lancashire. *Now a regular venue in the SCAF calendar and even better plans for 2016.*



**July 2015** - **“Summer Reception and Awards Banquet”**, the Bailbrook House Hotel, Bath. *An opportunity to meet in a relaxed environment and applaud this year's Award winners.*

The Chairman wished to record his thanks to everyone who had supported these events and to the organisers who had made it all possible.

The Treasurer (via the Chairman) reported that the Society was in good health financially. The problems of access to funds due to our Bank's re-organisation had now been resolved and was now functioning well. Rationalisation of the transactions were nearly complete and, once ratified, the accounts will be independently reviewed prior to a statement of accounts being made available to members.

### Committee Elections

Neil Morrill (Secretary), Karen Sparks (Member), Paul Moseley (Member) and Andy Nicholls (Member) were all due to step down after completing a two year term of office. The election process started in May 2015 and 3 nominations were received. As the number of nominations were less than the number of places available no election was necessary and all the nominees were duly elected to the 2015/2016 committee.

### 2015/2016 SCAF Committee

**Chairman:** Dale Shermon, *QinetiQ Fellow, Head of Profession, QinetiQ*

**Treasurer:** Dave Hedley, *Managing Consultant, BMT Reliability Consultants Ltd*

**Secretary:** Neil Morrill, *Senior Cost Analyst, Defence Science and Technology Laboratory*

**Members:** Sanathanan Rajagopal, *DE&S Fellow, Head of Profession, CAAS, Ministry of Defence*

Dr Paul Wood, *Capability Lead for Investment Appraisal, BMT Hi-Q Sigma*

Dr Crispin Allard, *Principal OR Consultant, Atkins*

Dr Paul Baguley, *Research Fellow, Cranfield University*

**Newsletter Editor:** Arthur Griffiths, *Associate, Decision Analysis Services Ltd*

The Chairman thanked the committee for their continued support. He also stated that we would welcome any member who would like to volunteer to join the committee to contact any of the committee members. Contact details are given later in the Newsletter.

## An Interview with the Editor

This is the first of a series of interviews that I will hold with people who are involved with costing and cost related topics and who make a contribution to the betterment of the profession. To set the scene my first interview was with our Chairman, Dale Shermon who is well known to many cost analysis practitioners.



**Name:** Dale Shermon

**Job title:** QinetiQ Fellow / Head of Profession – Cost Engineering

**Division/business area:** Procurement Advisory Services

**Location:** Bristol Office

**1. What is your current role and how long have you worked for your current employer?**

I'm the Head of Profession for a team of highly skilled and experienced cost forecasters at QinetiQ and I've been with QinetiQ for 5 years.

**2. What is the most impressive thing you have seen since starting work there?**

I believe working at QinetiQ is impressive due to the people; I never hesitate to offer QinetiQ support and our Intranet has never failed to provide me with a world expert in the discipline to help the client.

When hosting a number of MOD cost analysis and assurance service (CAAS) new recruits on a tour around our facilities at Boscombe Down, the RF chamber was very memorable; both visually and audibly! Standing in the middle of the chamber our guide was describing the capability when I realised that there was absolute, perfect quiet! - apart from the speaker.

**3. What do you enjoy most about your job?**

I enjoy working with a proactive team of cost forecasters who are seeking to solve the next problem. The variety of the tasks, studies and cost research which we tackle keeps the work fresh and interesting.

**4. Why did you join SCAF?**

I joined SCAF when I worked for PRICE Systems. I had a number of presentations that I wanted to share with the cost community and test the validity of the ideas. I had done some presenting at ISPA conferences and wanted the opportunity to present in the UK.

I also wanted to network with other people in the same or near domain as cost forecasting. To have many SCAF colleagues who I can call friends has proved invaluable to me over the years. If I have a costing problem, I'm confident my SCAF network would have an opinion!

**5. What has been the best part of your time on the SCAF Committee so far?**

I have enjoyed setting the SCAF challenge for a couple of years now. It's interesting to think of new challenges with the committee, then set the problem for the younger members of the cost community to tackle. I have two son's and last year Michael came home from Atkins with the SCAF challenge in his hand to exclaim "look what I have to do!" - I'm afraid I had no sympathy and was no help!

**6. What's the best piece of advice you've been given?**

I have had several mentors throughout my career, but while I was a civil servant, I was told '*there is never enough time to do an analysis properly, but there is always enough time to do it twice*' which has proved true on numerous occasions!

**7. If you weren't doing this job, what would you be?**

If I wasn't a cost engineer I would love to be a civil engineer, projects in the defence world take too long, I would love to drive down a road and be able to say "*I built that bridge or building*".

While I worked at Matra Marconi space (MMS) I bid into ESA for us to build the Rosetta satellite which has been 10 years in hibernation before arriving at its destination and orbiting a comet!

## 8. What do you do in your spare time?

I believe that an 'active body gives you an active mind', so I like to keep (relatively) fit. I go to the gym in the week and play five games of squash with my wife on a Sunday. Apart from this routine, I have the usual DIY projects which go with being a house owner.

If you have any questions regarding the interview or wish to participate in something similar then please do not hesitate to give me call – *Editor*

## Programme of SCAF Events in 2015/16

### 15 Sept 2015 SCAF 2015 Annual Conference and AGM, The QEII Conference Centre, London.

*The fiscal situation remains very challenging whichever political party wins the election. Organisations today recognise that the business case is the basic requirement to secure funding and key financial metrics are underpinned by a real and detailed understanding of cost. The very moment that funding is needed is often the time when the creator's 'baby' needs the greatest attention – a tension that demands a rapid understanding of product and programme cost in particular. In this age of austerity, more than ever before, it is imperative that we aim to get more for less; it is important that we help decision makers to achieve their project goals whilst staying within their budget. **Copies of the presentations are available on the website.***

### 17 Nov 2015 SCAF Workshop Theme: Investment Appraisal: What's in it? The BAWA Centre, Filton, Bristol

*The UK Ministry of Defence is proposing changes to the financial instructions relating to the development and application of Investment Appraisals for project approval. This workshop will discuss the effects of the changes and their implication for Industry in delivering whole life costs and value for money options. **Registration is now open for this workshop.***

### 02 Feb 2016 SCAF Workshop Theme: Project Cost Control, Royal Institution of Naval Architects, London

*Generating a budget and establishing a schedule for a project or programme is challenging. There are many variables and cost drivers that can influence the baseline plan and the resources attributed to it. There is uncertainty in the estimating and potential deviations from the baseline caused by foreseen and unforeseen risks. But this is just the beginning of the project. The project control function will periodically monitor the progress of the project or programme against this baseline and attempt to proactively control its journey until its completion. Along the way there needs to be the application of different project control and project management techniques to guide the project or programme to a successful outcome including earned value management (EVM), risk management, critical path analysis, benefits realisation, stakeholder management and so forth. **Presentations are invited – Please see Call for Papers***

**12 Apr 2016 SCAF Workshop Theme: Annual Cost Estimating Challenge, The BAWA Centre, Bristol**

Following the success of the SCAF Challenge last year we are pleased to announce the SCAF 2016 Challenge and Training Workshop. The aim of this workshop is to provide an interactive training session in cost estimating through the presentation of case studies that have been conducted by professional teams from academia, industry and consultants with the added benefit of top-level critique by senior figures in the profession. It is our preference that the challenge is conducted by younger cost analysis staff rather than veterans. The programme will be instructive, entertaining and suitable for a wide interest audience (estimators as well as managers). Details of the case study are now available and interesting organisations wishing to participate should contact the Secretary, Neil Morrill as soon as possible. Teams will be selected at random if more than 7 apply.

**Please contact the Secretary if you are interested in providing a Team for this event.**

**07 Jun 2016 SCAF Workshop Theme: Support Solutions Modelling, The Conference Centre, Ribby Hall, Preston**  
**Please contact the Secretary if you are interested in presenting a paper at this event.**
**05 Jul 2016 SCAF Summer Reception and Awards Dinner – Venue to be agreed**
**Sep/Oct 2016 SCAF Annual Conference – The 2016 conference is under discussion.**
**Nov 2016 SCAF Workshop Theme: The Impact and Outcome of the SDSR**

**Please contact the Secretary if you are interested in presenting a paper at this event**

For further details on any of the above events please contact the SCAF Secretary, Neil Morrill by telephone on 02392 537 271 or by email: [ndmorrill@dstl.gov.uk](mailto:ndmorrill@dstl.gov.uk)

**Other Related Events**

SCAF is not responsible for the content of any external websites published in this Newsletter

**2016 EACE Workshop:** We are advised that a European Aerospace Cost Engineering Working Group meeting will be arranged in 2016 and will be hosted by the European Space Agency's ESTEC Centre at Noordwijk, The Netherlands. Further details will be published when available.

**2016 ICEAA Workshop:** We are advised that a European Professional Development and Training Workshop run by the International Cost Estimating & Analysis Association (ICEAA) is being planned to be held in Bristol, UK during late 2016. Further details will be published when available.



## SCAF Management Committee Meetings 2015/16

Date	Venue	Focus
06 October 2015	QinetiQ, Bristol	2016 events programme
10 November 2015	BMT, Fareham	2016 workshops content & SCAF challenge
08 December 2015	QinetiQ, Bristol	Finalise 2016 events programme and interim 2017 programme
12 January 2016	BMT, Fareham	Finalise challenge and financial budget for 2017
08 March 2016	QinetiQ, Bristol	Discuss awards nominations
17 May 2016	BMT, Fareham	Annual Conference, final details for awards dinner and committee nominations
12 July 2016	QinetiQ, Bristol	Annual Conference final details and November workshop interim programme
October 2016	QinetiQ, Bristol	2017 events programme and November workshop
November 2016	BMT, Fareham	Ideas for SCAF Challenge and February workshop
December 2016	QinetiQ, Bristol	Finalise 2017 events programme and interim 2018 programme

The committee would welcome any suggestions on particular topics that can be developed for debating at future workshops or for round table/panel discussion. We would also welcome any comments on changes or otherwise you might like to see to the workshop structure and content.

Please forward your comments to [sec@scaf.org.uk](mailto:sec@scaf.org.uk) where they can be put on the agenda for committee discussion and action.

Please also remember that the committee works for the members and will do their utmost to address any issues raised to the benefit of the Society.

## SCAF Corporate Membership

Are you a company that sends 5 or more staff to any of our workshops? There are discounts available for block bookings with further flexibility offered for Corporate Membership. Further details can be obtained from the SCAF Treasurer, Dave Hedley email: [dave.hedley@bmrcl.com](mailto:dave.hedley@bmrcl.com)



[www.scaf.org.uk](http://www.scaf.org.uk)



**Bridging relationships in cost estimating**

For over 20 years the Society has sought to illuminate key issues in the analysis and forecasting of project costs—and to promote best practice within the cost forecasting community.

The Society provides a single point of contact for advice to those wishing to address key issues in the analysis and forecasting of costs and timescales of complex programmes.

Workshops and seminars are held at regular intervals throughout the year. A newsletter is published electronically 4 times a year.

Collaborative links with other societies has always been maintained and a library of relevant papers are available. A single annual payment at the Annual Conference entitles members to attend all the years' programme of SCAF events at no further cost. The Summer Reception is also provided free to SCAF members and their guests.

SCAF is committed to providing Continuing Professional Development (CPD) through the provision of its skills workshops and its support to Professional Development courses.

The Society is self-funded and a Not-for-Profit organisation that continues to provide its members with exceptional value for money.

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