

Arke Ltd provides robust consultancy and analysis services to public and private-sector clients operating in defence and security in the UK and overseas. Cost Engineering (Modelling/Estimating/Analysis) is one of our key service areas.

ISTAR: Cost Engineering

Arke supported Army HQ and Industry in developing a pan-DLoD Cost Methodology for assessing the requirements of a future integrated Land ISTAR system of systems in terms of likely whole-life expenditure. Due to the nature of this area, the programme had complex dependencies with other emergent programmes and therefore immature boundaries and high levels of uncertainty in the overall objective.

Through facilitation and collaboration with the wider Engineering team, market surveys, dialogue with SMEs and its own internal research, Arke supported the project by:

- Identifying key cost drivers, in terms of individual cost items and costs associated with delivery of KURs of the programme.
- Developing tools and techniques to estimate uncertain areas in the programme, such as software costs, using existing trusted external data.
- Highlighting deficits in planning or design that would need to be matured for the project to move forward successfully.
- Assessing the impact of market conditions on the programme, and which areas were more exposed to external factors such as FOREX, inflation and commercial agreements.
- Identifying additional risks in the programme, including delays, technological inadequacy and additional costs.

Arke's work has been able to enhance and inform the delivery of the programme, as well as informing the economic and financial cases. The programme has successfully passed through several stages of review and scrutiny, with Arke's work being well regarded in its own right, alongside the decisions it has guided throughout.