

Financial RAG rating

A RAG rating that reflects a forward looking informed but subjective view of deviation from plan. Based on objective analysis of updated financial forecasts.

(One would expect schemes to be either green. Any deviation to Amber or Red should inform immediate action to course correct schemes)

Operational RAG rating

An objective backward looking milestone based RAG rating that flags Amber or Red based on the degree of operational slippage.

(One would expect all schemes at the start of a programme to be on-track and sufficiently planned to have clear and achievable milestones. Adjustments to actual charters would be needed to adjust significant slippage to avoid persistent RED reporting for a scheme that has fallen behind plan)

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|--------------|---|---|
| BLACK | N/A | Plans insufficiently planned |
| RED | Over 20% deviation of year end forecast from plan <i>(OR 3 or more months of delivery >10% behind plan)</i> | 1 or more milestones missed by more than 14 days |
| AMBER | 10-20% deviation of year end forecast from plan <i>(OR either 1 or 2 months of delivery >10% behind plan)</i> | 2 or more milestones missed by up to 14 days, with none missed by more than 14 days |
| GREEN | 0-10% deviation of year end forecast from plan <i>(AND no months of delivery more than 10% behind plan)</i> | No more than 1 milestone missed by up to 14 days |