



Crown
Commercial
Service

Bid Pack

Attachment 3 – Statement of Requirements

Contract Reference: CCCC19A65 Provision of Consultancy for
the Independent Assessment of
Programme Options

CONTENTS

1.	PURPOSE.....	3
2.	BACKGROUND TO THE CONTRACTING AUTHORITY.....	3
3.	BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT	3
4.	DEFINITIONS.....	3
5.	SCOPE OF REQUIREMENT	4
6.	THE REQUIREMENT	4
7.	KEY MILESTONES AND DELIVERABLES	6
8.	MANAGEMENT INFORMATION/REPORTING	6
9.	VOLUMES.....	6
10.	CONTINUOUS IMPROVEMENT	6
11.	SUSTAINABILITY	6
12.	QUALITY.....	6
13.	PRICE	7
14.	STAFF AND CUSTOMER SERVICE.....	7
15.	SERVICE LEVELS AND PERFORMANCE	7
16.	SECURITY AND CONFIDENTIALITY REQUIREMENTS	7
17.	PAYMENT AND INVOICING	8
18.	CONTRACT MANAGEMENT	8
19.	LOCATION.....	8
	ANNEX A - PUBLIC CONSULTATION CRITERIA.....	9
	ANNEX B - BACKGROUND INFORMATION.....	10
	ANNEX C - ASSESSMENT CONTEXT.....	11

1. PURPOSE

- 1.1 The purpose of this task is to enable the MOD and its stakeholders to make a value-for-money decision on the most cost effective, operationally viable and timely option(s) to defuel, dismantle and dispose of UK SSN and SSBN submarines.

2. BACKGROUND TO THE CONTRACTING AUTHORITY

- 2.1 The Submarine Delivery Agency is an agency of the MOD responsible for the upkeep of in-service submarines and disposal of decommissioned submarines.
- 2.2 In 2012, a public consultation was conducted on the Submarine Dismantling Programme (SDP). The consultation outcome set an SDP baseline as follows:
- 2.2.1 Redacted
- 2.2.2 Redacted
- 2.2.3 Redacted

3. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

- 3.1 Since the public consultation, various factors and constraints have arisen that impact the SDP baseline. Redacted.
- 3.2 The SDP baseline forms only part of the UK SSN and SSBN Post FNOD programme. The end-to-end programme, from the point of submarine decommission to full disposal, is a challenging programme; Redacted.
- 3.3 In addition to the above factors, alternative initial-dismantling technology, used extensively in the civil sector since 2012, has created new opportunities for submarine dismantling.

4. DEFINITIONS

Expression or Acronym	Definition
CP&F	Contract Payments & Finance
PC	Public Consultation
Post FNOD	Post Fleet Non-Operational Date – from the point that a submarine is decommissioned to the point of disposal.
R&C	Resources and Capabilities
SDA	Submarine Delivery Agency
SDP	Submarine Dismantling Programme – this is part of the Post-FNOD programme.
SSBN	Ship Submersible Ballistic Nuclear, e.g. Resolution, Vanguard class and future Dreadnought class.

SSN	Ship Submersible Submarine Nuclear, e.g. Churchill, Valiant, Swiftsure, Trafalgar, and Astute class.
STEEPLED	Sociological, Technological, Economic, Environmental, Political, Legal, Ethical, Demographic

5. SCOPE OF REQUIREMENT

- 5.1 The aim of this task is to define the Post Fleet Non-Operational Date (FNOD) option(s) to defuel, dismantle and dispose of UK SSN and SSBN submarines. The assessment is to take account of the macro environment, whole life cost, operational viability and timeliness of the end-to-end post FNOD programme
- 5.2 Assessment shall be made using the following criteria, although additional criteria can be used if it is mutually deemed to add value to the assessment.
- 5.2.1 STEEPLED Analysis – Sociological, Technological, Environmental, Economic, Political, Legal, Ethical and Demographic analysis.
- 5.2.2 Factors used during the 2012 Public Consultation (PC) - Whole-Life Cost factors, Policy factors, Operational factors, Health & Safety Factors, Environmental factors [Annex A].
- 5.2.3 Assessment of Resources and Capabilities (R&C) of industry and other key stakeholders to enable a timely and cost-effective and operationally viable post FNOD programme.
- 5.2.4 Constraints, Assumptions, Risk, Dependencies, Issues and Opportunities.
- 5.2.5 Analysis of competition factors and potential alternative industry or public sector organisations to carry out aspects of post FNOD activity.
- 5.2.6 Whole-Life Cost (WLC) Model - visually engaging, simple, effective and re-usable cost model with associated assumptions, risk cost inputs, inflation and Net Present Value (NPV) characteristics.

6. THE REQUIREMENT

- 6.1 Stage 1 - Using the 2012 publicly consulted SDP Baseline and background information from [Annex B], conduct an analysis of the end-to-end Post FNOD Programme, including disposal of Vanguard and Astute class submarines. Deliver a report and presentation of the following:
- 6.1.1 Defined baseline programme including constraints, assumptions, risks, dependencies.
- 6.1.2 Baseline programme Macro analysis as per the criteria; STEEPLED, PC Factors, R&C, Competition factors.
- 6.1.3 A whole-life cost model of the baseline programme

- 6.2 Stage 2 - Incorporating the 2019/20 SDP technical study output [Annex C], conduct an analysis of the end-to-end Post FNOD Programme options to overcome infrastructure and resource constraints identified in stage 1. Incorporating the Stage 1 deliverable, deliver a report and presentation of the following:
- 6.2.1 Define post FNOD programme options, incorporating down selected technical option plus back-up technical option, considering opportunities across alternative geographical sites.
 - 6.2.2 Conduct macro analysis of each option as per the criteria
 - 6.2.3 Produce a WLC model for each option to compare against each other and the baseline from stage 1.
 - 6.2.4 Assess wider UK industry and public sector organisations to compete for/conduct the end-to-end post FNOD programme, including submarine storage, dismantling and disposal for all current and future submarines for next 100 years.
 - 6.2.5 Recommend the most operationally viable, value for money, timely option.
- 6.3 The Supplier is to transfer knowledge of how to use the cost model, including demonstration, clear instructions for use and for maintaining.
- 6.4 The Supplier is to provide a simple, but effective cost model that does not require external support.

7. KEY MILESTONES AND DELIVERABLES

7.1 The key milestones and deliverables are as follows:

Milestone/Deliverable	Description	Delivery Date
1	Stage 1 draft report & cost model	6 th Dec 2019
2	Stage 1 presentation & cost model demonstration	13 th Dec 2019
3	Stage 1 final report & cost model	20 th Dec 2019
4	Stage 2 draft report & cost model	6 th Mar 2020
5	Stage 2 presentation & cost model demonstration	13 th Mar 2020
6	Stage 2 final report & cost model	25 th Mar 2020

8. MANAGEMENT INFORMATION/REPORTING

8.1 The Supplier shall work with the Post FNOD Programme Manager, providing regular informal updates every 2 weeks, plus informal discussions as required. Formal progress reports/presentations will be provided every 4 weeks for review prior to the Post-FNOD Programme Board.

8.2 Any LfE identified will be documented for use with future projects.

9. VOLUMES

9.1 N/A

10. CONTINUOUS IMPROVEMENT

10.1 The Supplier will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.

10.2 The Supplier should present new ways of working to the Authority during monthly Contract review meetings.

10.3 Changes to the way in which the Services are to be delivered must be brought to the Authority's attention and agreed prior to any changes being implemented.

11. SUSTAINABILITY

11.1 N/A

12. QUALITY

12.1 Deliverable quality shall be discussed between Supplier and the Post FNOD Programme Manager throughout the task, culminating in a final, staged deliverable that satisfy the programme's needs.

- 12.2 Reports to be produced in Microsoft Word and presentations in Microsoft PowerPoint. All other outputs/formats to be agreed with the Post FNOD Programme Manager prior to delivery.

13. PRICE

- 13.1 Pricing is to be broken down into the core activities and labour required to conduct the study and deliver stage 1 and stage 2 reports. This will be linked to a resourced schedule.
- 13.2 Prices are to be submitted via the e-Sourcing Suite at Attachment 4 – Price Schedule excluding VAT and including all other expenses relating to Contract delivery.

14. STAFF AND CUSTOMER SERVICE

- 14.1 The Supplier shall provide a sufficient level of resource throughout the duration of the Contract in order to consistently deliver a quality service.
- 14.2 The Supplier's staff assigned to the Contract shall have the relevant qualifications and experience to deliver the Contract to the required standard.
- 14.3 The Supplier shall ensure that staff understand the Authority's vision and objectives and will provide excellent customer service to the Authority throughout the duration of the Contract.

15. SERVICE LEVELS AND PERFORMANCE

- 15.1 Due to the nature of the task, KPIs/SLAs are not appropriate. Payment will be made on Authority acceptance of final stage 1 and stage 2 reports and cost models. Draft deliverables and presentations/demonstrations will provide a strong indicator of report and cost model quality prior to final deliverable.

16. SECURITY AND CONFIDENTIALITY REQUIREMENTS

- 16.1 Contractors are required to hold security clearance to SC to enable reading information up to SECRET.
- 16.2 This Statement of Requirement is to be marked OFFICIAL.
- 16.3 Deliverables are to be no higher classification than OFFICIAL-SENSITIVE.
- 16.4 It is a requirement for this event that all Potential Bidders Complete a Supplier Assurance Questionnaire (SAQ). Potential Bidders will be required to register at <https://www.gov.uk/guidance/supplier-cyber-protection-service>, and complete their response against RAR code J2EZHEWM.
- 16.5 If a Potential Bidder is unable or unwilling to complete the SAQ, their submission will be deemed non-compliant and will be rejected.
- 16.6 Each project has its own unique attributes and therefore any previously completed SAQ's will not be accepted in response to this question.
- 16.7 Please note the following:

- 16.7.1 The SAQ is a self-assurance process and no validation of SAQ is required. It is to ensure suppliers demonstrate compliance with the required cyber risk level.
 - 16.7.2 If the supplier cannot achieve the appropriate level of compliance (acceptable level of risk) by contract award the Project Team will agree a cyber security implementation plan (CIP). The CIP should detail the necessary steps required to achieve the required security measures or any agreed alternative measures or statement of acceptance of risk, together with associated timescales.
- 16.8 Further guidance can be found at the Security Aspects Letter (SAL) included in Attachment 5a Call Off Order Form (section 10.3).
- 16.9 Annex S - Memorandum of Security for MoD Contractors included in Attachment 5a Call Off Order Form (section 10.3) shall apply.

17. PAYMENT AND INVOICING

- 17.1 Payment 1 will be made on Authority acceptance of Stage 1 final report & cost model. SDA require 10 working days to provide feedback.
- 17.2 Payment 2 will be made on Authority acceptance of Stage 2 final report & cost model. SDA require 10 working days to provide feedback.
- 17.3 Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed and the associated costs.
- 17.4 All invoices need to be submitted through CP&F.

18. CONTRACT MANAGEMENT

- 18.1 The Contractor shall provide administrative duties for formal progress meetings, including, but not limited to Calling Notice, Agenda (once approved by Post FNOD Programme Manager), Report (sent 3 working days before meeting), Record of Decisions and Actions.

19. LOCATION

- 19.1 The base location of the Services will be carried out at Redacted
- 19.2 Travel may be required to, but not limited to, Devonport and Rosyth Naval Bases. There is no requirement for international travel. Travel and Subsistence to locations other than the Base location shall be payable in accordance with MOD Travel and Subsistence policy with prior approval from the Authority.

ANNEX A - PUBLIC CONSULTATION CRITERIA

Cost factors	Whole Life Cost: The total cost of an option throughout the life of the project.
Policy factors	Flexibility and Robustness to Opportunities and Risk: Opportunities and risks are things that may happen in the future that have a positive or negative impact, respectively. How far does an option maximise opportunities and minimise risk?
	Compliance with UK Policy and Strategy on Radioactive Waste Management: How well does an option satisfy UK Government policy?
	Scope and Extent of Transport of Submarines and Radioactive Waste: How far does an option minimise the amount of transport that will be required?
	Unauthorised Access to Classified Materials during Dismantling, Storage and Transport: How secure is an option in preventing unauthorised access to classified materials throughout the life of the project?
	Compliance with UK Decommissioning Policy: How well does an option satisfy UK policy objectives on nuclear decommissioning?
Operational factors	Impact on the Maritime Enterprise: What impact, positive or negative, will the option have on military operations, support to military operations and long-term military capability?
	Flexibility of Dismantling Approach to Managing Future Classes: To what extent will the option allow the MOD, in the future, to adapt or extend the life of facilities to undertake dismantling of future classes of submarines?
	Threat to Skill and Experience Set: To what extent will the option take advantage of existing skills and experience? What impact, positive or negative, will an option have on the availability of skills and experience in the future?
	Transferable Dismantling Knowledge: To what extent does an option allow us to learn from others or share learning with others, both in the UK and overseas?
Health and Safety factors	Worker Dose: Dismantling, Storage and Transport: What cumulative radiation dose will workers be exposed to for an option?
	Non-Radiological Impact on Workers: What are the other health and safety hazards to workers involved with an option?
	Potential for an Unplanned Radiological Release during Dismantling: What is the potential of an option resulting in workers being exposed to an unplanned release of radiation during dismantling?
	Potential for an Unplanned Radiological Release during Transport: What is the potential of an option resulting in workers being exposed to an unplanned release of radiation during transport?
	Potential for an Unplanned Radiological Release during Storage: What is the potential of an option resulting in workers being exposed to an unplanned release of radiation during storage?
Environmental factors	Radiological Discharges to the Public: To what extent does an option minimise the impact of radiological discharges (planned and unplanned) to the public?
	Radiological Discharges to the Environment: To what extent does an option minimise the impact of radiological discharges (planned and unplanned) to the environment?
	Non-Radiological Impact on the Public: What are the non-radiological impacts of an option to the public? For example, how might an option affect the public through noise, light pollution, vibration or dust?
	Non-radiological Impact on the Environment: What are the non-radiological impacts of an option to the environment? For example, how might an option affect water quality, air quality and biodiversity?
	Impact on the Built Environment: What could be the impacts of an option on the built environment? For example, how might an option affect heritage, landscape or townscape?
	Impact from the Natural Environment: What could be the impact on an option from the Natural Environment? For example, how might an option be affected by flooding, extreme weather or the effects of climate change?

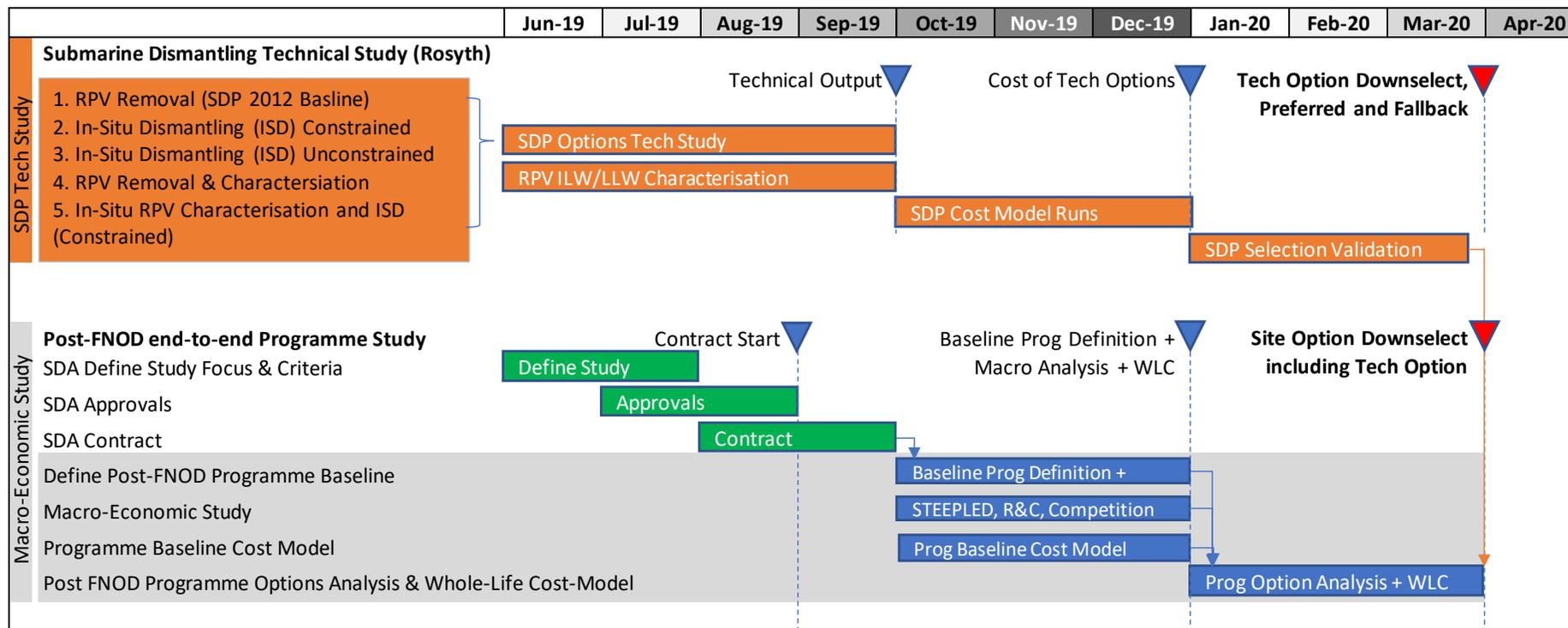
ANNEX B - BACKGROUND INFORMATION

#	Technical Option - Removal of RAW (ILW & LLW) from Submarines
1	Reactor Pressure Vessel (RPV) Removal (2012 SDP Baseline)
2	In-Situ Dismantling (Constrained)
3	In-Situ Dismantling (Unconstrained)
4	RPV Removal and Characterisation
5	In-Situ RPV Characterisation and In-Situ Dismantling (Constrained)

Table 1 Submarine Dismantling Technical Options

Redacted

ANNEX C - ASSESSMENT CONTEXT



OFFICIAL