



Submarine
Delivery Agency

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DSG(2021)C035

27 July 2021

VULCAN DECOMMISSIONING - SOCIAL VALUE

Dear Struan,

Reference: DSG(2021)C018 Letter on the Vulcan Decommissioning Contract dated 29th April 2021

Thank you for your letter of 29 April, asking about the use of Social Value in the future Vulcan Decommissioning Procurement. Your patience has been appreciated while the Ministry of Defence had to navigate the purdah period during the recent Scottish elections, when a ministerial statement could be made to Parliament, which then allowed me to provide the Dounreay Stakeholder Group with updated information on defueling and fuel management activities at the Vulcan site.

As you are aware the Public Services (Social Value) Act came into force on 31 January 2013 and since 1 January 2021 the Cabinet Office has mandated it for all new government procurements. The aim of the Act is for public services to consider how a necessary procurement can also secure wider social, economic and environmental benefits beyond the 'product' delivery. Public procurements should consider what they are going to buy or the way they are going to buy it so that benefits can be secured for the area, the community and for stakeholders. The Act is a tool for the public sector to get more value out of its procurements by encouraging engagement with both the market and the community to design better services and find sustainable solutions to often difficult challenges.

In line with the government priorities, the Submarine Delivery Agency (SDA) will consider the social, economic and environmental impact of the future Decommissioning contract on the local community. As we outlined at our Market Engagement Day, in June 2020, we have flexibility to choose the Social Value themes and policy outcomes from the Cabinet Office Social Value Model that are most relevant and proportionate to the procurement, within the bounds of MOD commercial processes. Community views are therefore very important, and we would like to set up a meeting with the Dounreay Stakeholder Group and/or the Caithness and North Sutherland Regeneration Partnership in the next month (August 2021) to discuss the key priorities for the local community. To support that, it would be helpful if you were able to suggest some dates that we could arrange a physical, virtual or hybrid meeting.

Our intention is to present the Social Value Model and higher level Social Value plan to the DSG members at the meeting on 22 September 2021 and we are fully supportive of engaging with the community stakeholders to understand what is most important to them, in relation to the Social Value that can be delivered through the contract and within the remit of the SDA. We look forward to this initial engagement on Social Value and working with you to develop this over the coming months, for

inclusion in the Invitation to Negotiation which is due to be finalised and issued in the second quarter of 2022.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'Gwendolynne Newton'.

Gwendolynne (Wendy) Newton
Vulcan Head of Establishment
MOD