



Mr Andre Lotz
andrelotz@gmail.com

Ref: PF 14-10-2010-160643-005 Lotz

Dear Mr Andre Lotz,

Request for Information: Release of Information under the Freedom of Information Act 2000

Thank you for your email of 23 November 2010 in which you asked the following question:

"I would like all information relating to cancellation clauses in contracts for any long lead items that would be placed during the Vanguard submarine replacement programme 'Assessment Phase' period (2010/11-2015/16)

I specifically request all relevant correspondence between senior civil servants and ministers, and between government departments, undertaken between January 2nd 2010 and November 22nd 2010."

Firstly, let me apologise for slightly missing the initial reply deadline.

As you may be aware, the programme to replace the Vanguard submarine has yet to formally enter the Assessment phase of programme, during which time much of the full detailed design of the Submarine will be undertaken. The nature of large engineering programmes such as the building of a submarine means that, if we are to keep to time and cost, certain items have to be ordered and/or constructed prior to the Main Gate decision point currently planned for 2016. These are known as long lead items.

Once the Assessment phase is entered, work will begin to allow MOD contracts to be agreed for the design work and certain long lead items deemed necessary but at present the Ministry of Defence (MOD) has not yet placed any contracts for long lead items itself.

When the MOD does begin to place those contracts, in terms of contract conditions relating to cancellation, we have the choice of using standard Defence contract clauses (DEFCONS), in these cases 'DEFCON 656 Edn 03/06, "Break"', or of seeking to agree other conditions as felt sensible. No decision has yet been taken on what approach to take regarding long lead items contracts.

For your information, DEFCON 656 is available on the internet on the Ministry of Defence's Acquisition Framework as part of the commercial "toolkit" at the following link

<http://www.aof.mod.uk/aofcontent/tactical/toolkit/downloads/defcons/pdf/656.pdf>

Whilst the MOD has not directly placed any long lead items contracts, under a Government-to-Government arrangement with the United States, the United States (US) authorities have placed contracts for elements of Horizontal Steam Generators (HSGs) on behalf of the United Kingdom (UK). These have been placed under US law and using US commercial process and practice. More contracts for further elements of these HSGs will be placed later.

You asked in particular for all relevant correspondence between senior civil servants and ministers, and between government departments related to cancellation conditions for long lead items for the programme. There has been no such correspondence.

If you are not satisfied with this response or you wish to complain about any aspect of the handling of your request, then you should contact me in the first instance. If informal resolution is not possible and you are still dissatisfied then you may apply for an independent internal review by contacting the Head of Corporate Information, 6th Floor, MOD Main Building, Whitehall, SW1A 2HB (e-mail CIO-FOI-IR@mod.uk). Please note that any request for an internal review must be made within 40 working days of the date on which the attempt to reach informal resolution has come to an end.

If you remain dissatisfied following an internal review, you may take your complaint to the Information Commissioner under the provisions of Section 50 of the Freedom of Information Act. Please note that the Information Commissioner will not investigate your case until the MOD internal review process has been completed. Further details of the role and powers of the Information Commissioner can be found on the Commissioner's website, <http://www.ico.gov.uk>.