Dear Chair,

FOLLOW UP TO 8 MAY PAC ORAL EVIDENCE SESSION

During the Public Accounts Committee oral evidence session on 8 May, we undertook to write to the Committee regarding Site Rent Review inspections, our overall target for Service Family Accommodation occupant satisfaction in 12 months’ time and technical solutions to dismantle the decommissioned submarines. Please find further detail on each below.

Technical solutions to decommission submarines and transportation of Intermediate Level Waste

Dismantling of defueled submarines is achieved in 3 key stages: removal of Low-Level Radioactive Waste (LLW), removal of Intermediate Level Radioactive Waste (ILW) and finally recycling of the non-radioactive remainder of the submarine.

The Submarine Dismantling Project has developed a technical solution for LLW removal through the side of the submarine hull into a purpose-built, temporary facility contained within the dry dock. This approach has been successfully implemented to remove over 50 tonnes of small LLW components (pipes, valves etc) from the demonstrator submarine, SWIFTSURE, between December 2016 and August 2018 on schedule and to budget. Once removed from the submarine, LLW is transported by road using well established industry standard processes to an Environment Agency approved metals recycling facility. Following recycling, any residual radioactive waste is sent to the national Low Level Waste Repository at Drigg in Cumbria for disposal. To ensure that momentum in the programme to remove LLW is maintained, LLW removal work started on a second submarine, RESOLUTION, in November 2018.

The ILW to be removed from the decommissioned submarines is primarily the Reactor Pressure Vessel (RPV) and some supporting structural elements. The Submarine Delivery Agency (SDA) has developed a concept technical design for the removal of the
RPV and its transportation to the interim storage solution at Capenhurst, Cheshire, operated by URENCO Nuclear Stewardship. The Capenhurst site was selected (and has been contracted) as the interim storage solution by MOD following public consultation in 2015. Interim storage of ILW is necessary until it can be placed into the national Geological Disposal Facility – the current assumption is that ILW placement from Capenhurst will commence in the 2050s, subject to progress with this UK major infrastructure programme.

RPVs will be transported in a bespoke transport container, designed to meet all regulatory standards for transporting ILW, using commercially available transport solutions. The SDA is currently competing the design and subsequent manufacture of the RPV Transport Container and expects to be on contract by the end of 2019.

We estimate that we will commence ILW dismantling on SWIFTSURE in 2023, once the full technical solution (removal and transport container) has been established and the necessary regulatory approvals for dismantling and transportation are in place. Following ILW removal, the remaining non-radioactive part of the submarine will be recycled through a UK based conventional ship-breaking yard.

Site Rent Review inspections of a sample of the Service Family Accommodation (SFA) homes owned by Annington Property Ltd

As you are aware, the SFA estate has been divided into 27 baskets of sites to inspect and our valuers, with Annington, will be inspecting 1,200 of the 38,000 properties we lease from Annington.

An update on this matter is due in September 2019 once the inspections have concluded and I will be happy to provide you with further information on progress with the accelerated site review at that time.

Targets to measure improvements related to household repairs and overall progress in Service Family Accommodation in 12 months' time

We recognise that the provision of decent living standards and excellent customer service is essential to supporting operational capability and maintaining morale on the front line and this remains a high priority for the Department. To that end, we are working in collaboration with our Industry Partner to ensure continuous improvement in the quality of accommodation and level of customer service for our Armed Forces and their families.

As you know, occupant satisfaction is measured monthly by an independent professional survey firm. The 12-month rolling average satisfaction for overall service stood at 64% at March 2019; this was an increase of 2% over the corresponding period in 2018.

I have set a target of 68% for the same 12-month rolling period to March 2020. I consider this to be a demanding goal which we will strive to achieve within the
constraints of our current contracting arrangements and resource levels.

Yours sincerely,

[Signature]

STEPHEN LOVEGROVE