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Dear Chris,

At the Report stage of the Nuclear Safeguards Bill on 20<sup>th</sup> March in the House of Lords, I promised to write to you in respect of your questions about the information systems required for the Office for Nuclear Regulation (ONR). This letter has also been sent to Lord Teverson, The Rt Hon. Lord Warner and Lord Grantchester, and a copy placed in the Libraries of the House.

I would like to assure you that my officials in the Department for Business, Energy & Industrial Strategy engage regularly with ONR to ensure that our new safeguards arrangements are in place by day one of exit. For the avoidance of doubt, I would like to clarify that the *UK State System of Accountancy for and Control of Nuclear Materials* (UK SSAC) is not an IT system, but is essentially the name of our new domestic nuclear safeguards regime, which will be delivered by ONR and which will meet international obligations.

Setting up and running this regime requires the development and installation of a new and fully-functional nuclear safeguards IT system, which ONR refer to as the *Safeguards Information Management and Reporting System* (SIMRS). There is therefore the need to develop only one IT system, and ONR has taken the option to develop the SIMRS through an independent IT solutions provider. The first stage of the procurement process for this was advertised on the Government Digital Marketplace on 21<sup>st</sup> February.

Following the advertisement and responses received to date, ONR has assured me that there is a good level of competition amongst the shortlisted companies that will allow every opportunity to get value for money. I would also like to add that the detailed bids from shortlisted companies will be assessed by a panel of experts to identify a winning supplier.

Lastly, the cost of setting up the domestic safeguards regime is currently estimated at potentially up to £10 million as set out in paragraph 57 of the Explanatory Notes for the Nuclear Safeguards Bill (as published on 24 January 2018 when the Bill was brought to the House of Lords). This estimate includes the development and installation of the SIMRS.

I trust the information provided in this letter clearly explains the difference between UK SSAC and SIMRS, which were both discussed during the debate on 20<sup>th</sup> March.

The Government is committed to supporting ONR on all matters necessary for the development of a domestic safeguards regime as the Bill continues to progress.

*Yours ever*  
*John*

**Rt Hon Lord Henley**