<u>News story: DIO puts Commercial</u> <u>Strategy into action with Clyde</u> <u>Construction Framework</u>

The Clyde Commercial Framework supports the £1.3 billion Clyde programme to ensure that personnel responsible for delivering the UK's continuous at sea nuclear deterrent are able to live work and train in safe, state of the art facilities.

The companies selected for the framework are VolkerStevin, Kier Graham Defence and Morgan Sindall. They will advise and deliver cost effective construction services and other infrastructure solutions to enable Her Majesty's Naval Base Clyde to continue to endure in its new role as the Royal Navy's Single Integrated Operating Base.

DIO, along with support from a team of procurement specialists including Mott Macdonald and Jacobs, adopted an innovative process to choose the successful suppliers.

In the past teams working on Clyde projects had tried various methods of contracting suppliers with varying degrees of success. All companies which bid for work on the Clyde programme could meet the core construction requirements of the contract, but through the new process the team was looking for an approach that could help them select not only a good construction company but a good partner.

Selection focused primarily on the company's relationship with the Clyde team and its ability to work collaboratively. This new approach was put to potential bidders at a range of industry days and all were supportive of this new way of working.

This unique way of choosing suppliers, having established they all had the required technical capability, focused on evaluating their behaviours and on how well they work together with teams at the Clyde.

The Clyde team worked with behavioural experts to set out the criteria for successful companies. This team of experts then observed, scored and helped to evaluate the behaviours of each company as they took part in a series of practical exercises with members of the Clyde project teams. This included a series of interviews and workshops where companies worked together with the Clyde team to develop objectives, discuss how they would approach the work and how they would go about implementing their plans.

Ian Arbuckle, DIO Assistant Head of Commercial Services, said:

We are incredibly pleased to launch our new framework for the Clyde. We have successfully selected three reputable industry partners who have demonstrated a commitment to delivering better value for Defence.

The successful Framework contractors also commented on the new procurement process that it

Felt a refreshing way to do business, huge leap forward from a procurement perspective, and an enjoyable experience which they will learn a lot from.

This innovative approach supports the Modernising Defence Programme and ensures our Armed Forces capabilities and affordability are met. The longterm investment and collaborative approach will provide sustainable social and economic benefits for the local area.

Commodore Mark Gayfer, Naval Base Commander Clyde, said:

I am delighted that today we have put in place the framework to deliver the right infrastructure to ensure that we are able to continue to provide high quality support to our submarines and also our sailors and their families for the foreseeable future.

<u>DIO's Commercial Strategy</u> was launched in 2017 and sets out our vision for future ways of working with suppliers in the soft and hard facilities management, construction and property advisory sectors.

Central to the strategy is the importance of a broad and more diverse supply base which increases value back to the taxpayer by generating wider competition. DIO aims to increase supplier numbers and create a genuinely competitive supply base which offers greater opportunities to Small and Medium sized Enterprises (SMEs) as well as larger suppliers.

The **DIO** Commercial Strategy direction for future DIO Procurement Plans.

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