

Introduction

The NSIGN Programme will ensure the provision of in-service support to Naval Ships, Submarines and HM Naval Bases. Furthermore, it will require this delivery on a global scale to enable the persistent engagement and agile operations of our future Fleet.

This RFI is specifically focused on the multi-billion pound <u>NSIGN Ships Engineering</u> <u>Project</u>, which forms part of the NSIGN Programme. It is likely to be executed through a network of varying size contracts, set up to optimise the future management and delivery of engineering support for Royal Navy Ships.

As a Government Major Project, the Ministry of Defence (the "Authority"), under the 'Naval Support Integrated Global Network' (NSIGN) Ships Engineering Project, is exploring the potential future requirement to replace the current Ship Engineering Management and Delivery Lots of the Future Maritime Support Programme (FMSP) and Future In Service Support RFA, commencing 2028.

The support activities in this Project will include, but are not limited to, planning for and execution of UK and global repair maintenance and capability insertion, inclusive of relevant supporting engineering and logistics services.

Aim

The aim of the RFI is to:

- 1. **Advise** the Market of the selected 'Expand' Option, as the NSIGN Ships Engineering Project moves into Concept Phase and associated early considerations.
- 2. **Invite** suppliers to a period of Preliminary Market Engagement (PME) Jul Jan 25 to inform next investment approval point, due Q4 2025.

In issuing this RFI, the MOD is not committing to carry out any procurement in relation to that which is stated in this RFI. The MOD reserves the right to alter the approach to this Project prior to commencing any formal procurement. Any related future procurement activity will be subject to the Procurement Act 2023. Equally, non-participation in this Market Engagement will not influence any future procurement activities and will not preclude any organisation from submitting a tender in any future competition.

Background

The NSIGN Ships Engineering Project has been exploring Options to deliver an improved operating model that transforms the Ships Engineering Enterprise within Defence, delivering increased availability to sustain a Global, Modern, Ready Royal Navy. To enable this vision, the Navy must have a regime to deliver capable and resilient repair and maintenance support to Ships in both the UK and worldwide.

NSIGN Ships Engineering seeks to build on the achievements of several existing in-service support contracts (including but not limited to FMSP, Commercially Supported Shipping & Off-Shore Patrol Vessels) and also utilise learnings from key initiatives. Additionally, in terms



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of improving Ship availability and increased value for money, the Authority has been exploring the ability for adoption of commercial ship management models and best practice into the Defence landscape.

Selection of 'Expand' Option

NSIGN moved into Concept Phase in Mar 24. The NSIGN Strategic Outline Case (SOC) specified 4 short-listed Options to be taken forward for Ships' support.

- 1. **CONTINUE**. Continue with a Ships' Support Solution which is similar in terms of scope, operating model and commercial relationships to today.
- 2. **ENHANCE**. Build upon today's operating model, adopting beneficial commercial practices and exploiting greater use of UK commercial dockyards without disrupting key commercial relationships.
- 3. **EXPAND**. Adopt a mix of models, including contracting out for more commercially available support models.
- 4. **TRANSFORM**. Transition most platforms to commercially driven support models with limited carve-outs for sovereign capabilities.

Each of the Options was defined and analysed, informed by extensive Early Market Sounding (Aug 23 – Feb 24) and internal qualitative appraisal. In May 24 the Sponsor Board agreed to **progress with the 'Expand' Option**. This mature, but not final, decision now requires further testing to determine whether it is the best means of striking the balance between opportunity and risk; it will inform the next investment approval point, due Q4 2025, allowing the Authority to release tender documentation thereafter.

The Fleet will transition on a phased basis, with the appropriate moment for transition judged against a range of criteria intended to achieve that best balance between opportunity and risk.

A summary of the features of the 'Expand' Option is shown below. Further information on 'Why Change is Needed', 'What Does 'Expand' Mean' and 'Solution Development Next Steps' (as per **Figure 1** below) will be made available to the Market via Knowledge Drop videos in September.

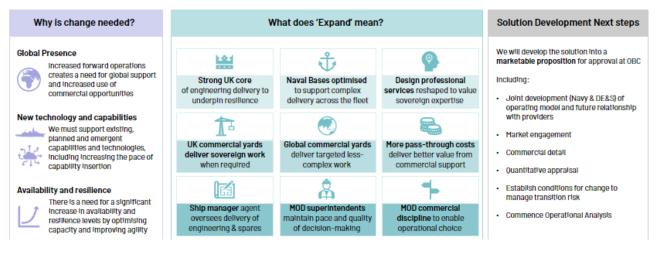


Figure 1 – 'Expand' Option Features' Summary



'Expand' Preliminary Objectives

The following preliminary objectives for the NSIGN Ships Engineering 'Expand' Option have been identified:

- a) **Availability**. Deliver an enduring, agile solution that delivers increased Ship availability capable of globally supporting both current and future platforms equipped with novel technologies, through adopting commercial practices by default and optimising the use of His Majesty's Naval Bases' assets.
- b) Agility. Deliver a support solution that enables the Customer (Navy Command & Defence Equipment & Support) disciplined choice on how to deliver operational effect globally.
- c) **Rapid Capability Integration**. Deliver a support solution capable of updating and upgrading capabilities at pace to maintain the warfighting advantage.
- d) **Workforce Demand**. Deliver a support solution that reduces workforce demand across the Ship Support Enterprise to allow capacity to match the demand signal.
- e) **Global**. Deliver a support solution that enables support at reach and globally, at a place of our choice to minimise time off task and maximize availability and operational effect.
- f) Resilience. Deliver a support solution that improves platform resilience through minimising support debt and preserves the ability to surge capacity for transition to, and sustained warfighting.
- g) **VFM**. Deliver a support solution that demonstrably increases efficiency through a reduction in per unit cost of support.
- h) **Data & Digital**. Deliver a support solution which capitalises upon emerging technology to capture, maintain and enable data-driven decision making across the Ship Support Enterprise.
- i) **Lived Experience**. Deliver a support solution that places the Maintainer at the heart of the solution and improves the lived experience through empowering and equipping them with the correct tools, data, information and parts to efficiently maintain platforms.
- j) Social Value. Embed social value to deliver a sustained benefit to the UK through levelling up of workforce across dockyards, supporting achievement of UK Government Sustainability targets, improving D&I within the Ship Support Enterprise and maintaining safe passage around the globe.

Platform Scope

The platforms in scope of the 'Expand' Option are depicted in **Figure 2** below. The NSIGN Ships Engineering solution will require agility to support platforms as their existing arrangements end or they enter service.



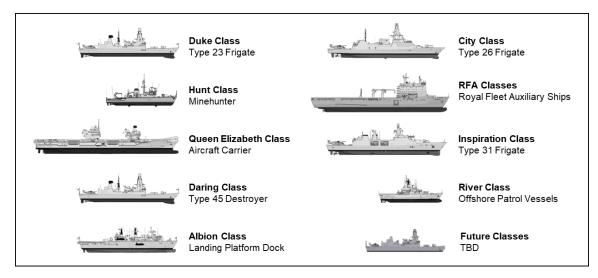


Figure 2 – EXPAND Option: Platforms in Scope

Preliminary Market Engagement Phase (Jul 24 – Jan 25)

The aim of this Preliminary Market Engagement (PME) Phase is to inform development of a Procurement and Commercial Strategy which will land effectively at the next investment approval point, due Q4 2025, enabling successful bidding and competition in line with Commercial Strategy. PME will be vital to test approaches with Industry alongside encouraging interaction from suppliers who do not regularly contract with Government.

Several areas that may be tested with the Market include understanding:

- The Operating Model needed to deliver the 'Expand' Option
- The Commercial Construct needed to deliver the 'Expand' Option Operating Model
- Social value

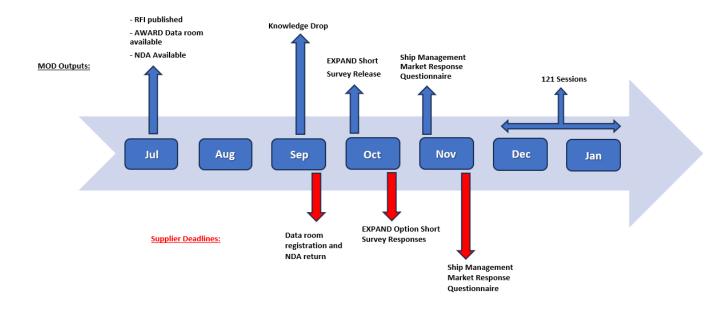
It is important to The Authority that concerns from the Market are understood so that they may be addressed, and that information on commercial practices may be used to inform the NSIGN Ships Engineering approach. The Authority remains open to engaging with suppliers interested in offering Global Ship Management and/or Ship Engineering Support Capability – both from within the existing Defence Community and those from a Non-Defence Commercial Ship Management background, including SMEs.

PME Plan & Structure (Jul 24 - Jan 25)

The following diagram offers a simple illustration of the overall plan for NSIGN Ships Engineering PME.



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Further details about each of the PME elements can be found in the table below and more information about AWARD® is in the section underneath.

| Please note all dates are indicative and m | ay be subject to change. |
|--|--------------------------|
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| PME Event | Details |
|--|--|
| Knowledge Drop (Virtual Recorded) Published: September* Available until: Nil end date Location: Online Method of Delivery: Open Source via webpage | Focus: The Authority will be sharing videos to update the Market on the NSIGN Ships Engineering Project following approval of the Strategic Outline Case, offering additional knowledge, further conversation and sharing early considerations around the chosen 'Expand' Option for Ships Engineering. Please note this will be pre-recorded, not live. Supplier Actions: Nil. This will be an Open-Source product so available to all interested suppliers via the internet. Link to webpage will also be shared with registered suppliers via the AWARD® Data Room, when available. |
| <u>'Expand' Option Short</u> <u>Survey</u> Published: October* Deadline for Responses: c. 2-3 weeks after publication | Focus: The Authority will seek initial feedback from the Market on the Selected 'Expand' Option via a short survey, following the Knowledge Drop videos going live. This document will be shared with the Market via the AWARD® Data Room. It will only available to interested participants that have registered to the AWARD® Data Room (see section below for further details on access). |



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| Method of Delivery: AWARD® Data Room | This Survey will present a short number of questions to the Market. It offers an important opportunity to understand how 'Expand' lands with the Market. Supplier Actions: New interested suppliers register on AWARD® and in the Data Room prior to survey release. Complete and return survey in accordance with |
|--|--|
| Ship Management Market Response Questionnaire Published: November* Deadline for Responses: c. 4 weeks after publication Method of Delivery: AWARD® Data Room | deadline detailed on short survey. Focus: The Authority will seek more comprehensive and detailed responses from Ship Managers on the Selected Option via a questionnaire format. This will be a Questionnaire focused on high level areas including the challenges and solutions around the commercial construct/operating model. It will only be made available to participants who have returned a signed NDA via the AWARD® Data Room. Suppliers will be encouraged to engage with the Authority to ask questions via clarifications during this time. Supplier Actions: Ensure registered into Data Room and NDA returned by 1000 Mon 30 Sep Complete and return Questionnaire in accordance with deadline on documentation. Use AWARD® to actively submit clarifications throughout this period. |
| 121 SessionsDate: December 24 – January 25*Deadline for Responses: TBCLocation: TBCMethod of Delivery: In person | Focus: If identified as necessary, there may be the opportunity for the Authority to conduct further engagement with suppliers via 121 sessions into early 2025. Ship Management companies would be the priority and focus for that engagement to further understand capability and capacity of shipyards, ship managers and global networks alongside testing of proposed commercial constructs. Supplier Actions: Engage with further information shared via AWARD® Data Room to book a session iaw direction, if offered to the Market. |

<u>Notes</u>

* Provisional dates which may be subject to change. Finalised dates will be advised to those who have registered an interest.



AWARD® Registration & Non-Disclosure Agreements

As detailed above, an AWARD® Data Room will be used to for the management, sharing and storing of all information and communications with the Market related to this period of NSIGN Ship Eng PME.

New Suppliers. If you are a supplier who <u>did not</u> register with AWARD® to take part in NSIGN Ships Eng Market Sounding Phase (Aug 23 – Feb 24) and would like to be involved in this Phase of PME, please follow <u>this link</u> or the QR code below to register for access to the AWARD® Data Room.



Please register for your account and complete the onscreen instructions by **1000 Mon 30 Sep**. If you encounter difficulties, please contact the NSIGN Ships Engineering team using the above contact details.

Previously Registered Suppliers. If you are a supplier who <u>did</u> register with AWARD® to take part in NSIGN Ships Eng Market Sounding Phase (Aug 23 – Feb 24) your details will be automatically transferred into the new Data Room enabling immediate access from 16 Jul 24.

Non-Disclosure Agreements (NDA). To participate in the more in depth element of PME from mid Sep, following Short Survey completion, the Authority requires interested suppliers to sign a two-way Non-Disclosure Agreement ("NDA"). This will be available in July and issued via the AWARD® Data Room.

The aim of the NDA is to protect commercially sensitive information shared between both parties as we step into PME activities post the Short Survey. For clarity, you will <u>not</u> be required to enter an NDA to take part in the Short Survey. To remain in the AWARD® Data Room and be a part of the later elements of PME, suppliers must upload a signed copy of their NDA **no later than 1000 Mon 30 Sep**.

Additional Information

A previous RFI was released for NSIGN Ships Market Engagement in Aug 23, available via <u>RFI - NSIGN Ships Market Engagement - Contracts Finder</u>. The original RFI began the series of group and individual Market Sounding activities.

The Authority does not bind itself to carry out any procurement in relation to this RFI, nor enter into any contract(s) arising out of the proceedings envisaged by this RFI and no contractual rights express or implied arise out of this notice or the procedures envisaged by it. The Authority reserves the right (at its sole discretion) to alter its approach prior to commencing any formal procurement. It is also to be noted that all information and indicative costs that are supplied by the Authority in this RFI, and in the forthcoming Market Engagement, are DRAFT and subject to change.

Equally, non-participation in the Market Engagement will not be taken into account in any future procurement activities and will not preclude any organisation from submitting a tender in any future procurement.



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Neither the Authority nor its respective advisers will be liable for any costs or expenses incurred by interested parties (or their professional advisers, funders, directors, officers, employees, agents or representatives) in connection with their participation in this Phase of Early Market Engagement, any resulting or related competition, or any part thereof. All costs and expenses incurred by any person in connection with Preliminary Market Engagement or any resulting or related competition generally are the responsibilities of that person, and the Authority will have no liability for any costs or expenses incurred by such person.

