



Prior Information Notice (PIN): Land Integrated Operating Services (LIOS) Phase 3 Pre-Market Engagement

Issued by:

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To ensure openness, transparency and propriety in the evaluation process, all enquiries and requests for clarification must be addressed in writing to the above point of contact through the Defence Supplier Portal (DSP).



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1. NOTICE TO READER AND DISCLAIMER

- 1.1 The Ministry of Defence (MoD) is considering future options for the procurement of goods and services through the Defence Equipment and Support (DE&S) organisation. This Prior Information Notice (PIN) has been issued as part of a process aimed at obtaining the market's views on some of the options it is considering ("pre-market engagement").
- 1.2 Specifically, the purpose of this PIN is to:
 - 1.2.1 Provide an update on the Land Integrated Operating Services (LIOS) Programme to industry as we commence the third phase of Market Engagement (Phase 3).
 - 1.2.2 Communicate the current supply market engagement approach and plans.
- 1.3 For the avoidance of doubt, this document is not a call for competition. Any comments, indications of interest, participation, or non-participation by any organisation at this stage will not influence the process, selection and/or award decision for any future possible procurement, nor will it be taken as a supplier's committed position. Non-participation in this pre-market engagement will not be considered in any related future procurement.
- 1.4 The information contained within this document remains the property of MoD and may be used only for the purpose of informing a response to this document. By agreeing to complete a response to this document, you and your organisation also agree to:
 - Refer any communications received from third parties regarding the content or participation in this process to Future and Common Support Services (FCSS) via DESLEVS-Futures@mod.gov.uk
 - Not make any public statement in relation to this document without the prior written approval of FCSS DESLEVS-Futures@mod.gov.uk
- 1.5 The Prior Information Notice 1 and 2 (PIN 1 released on 17/12/2021 and PIN 2 released on 31/05/2023) resulted in a substantial interest from the Market. This enabled a series of engagements with companies on both a group and individual basis including:
 - Industry event with over one hundred participating companies in May 2022.
 - A series of direct and group meetings throughout July 2022, with a selected set of companies (30+) which were a cross section of different business types and ranged from SME to Multi-nationals).
 - A stand and presentations at DVD (Defence Vehicle Demonstrations) Exhibition held at Millbrook in September 2022.
 - A series of update emails to the registered companies.
 - Opportunity to register interest in LIOS via PIN 2 in May 2023
 - Solution Surgery Programme held between April and June 2023
 - All Industry Brief in September 2023
 - Senior Stakeholder meetings at DSEI in September 2023
- 1.6 The information contained in this document and any further information (whether written, electronic or oral) supplied by the Secretary of State and/or any of its representatives in respect of this document is, and will be, supplied on the condition that neither the Secretary of State, any of its representatives nor any agents, servants, officers or affiliates of the Secretary of State or its representatives whatsoever is liable for any error, omission, or inaccuracy therein nor for any loss or damage sustained by any party arising as a result of

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- 1.7 Any participation in this process and any response to this document is entirely at your cost and risk. The MoD is under no obligation to proceed with a formal procurement or in any other way proceed with the process and shall not be liable to any participants for any costs arising from participation in this process.
- 1.8 You should note that any copyright in the information provided by the MoD as part of the market engagement process, any further documents issued by the MoD or its representatives in relation to this document, rests with the Crown. All other intellectual property rights in such documentation shall remain the property of the Secretary of State and no recipient shall obtain any right, title, or interest therein. Such documentation may not be reproduced, copied, or stored in any medium, in whole or in part, without the prior written consent of the Secretary of State, other than as strictly required for the preparation of responses to this pre-market engagement document.

2. PROJECT BACKGROUND - LIOS

- 2.1 The LIOS programme delivers the most radical transformation in two decades by introducing the opportunity for a different model for through-life support arrangements. It will support the acceleration and modernisation of the Army to become more agile, more integrated, and more expeditionary in line with Defence and Security Industrial Strategy and Land Industrial Strategy.
- 2.2 Specifically targeting the MoD's support contracts, it broadly seeks better equipment availability and readiness (upkeep), maintained, or improved technical performance through life (regular updates), and a more routine and deliverable programme of capability upgrades.
- 2.3 Following the LIOS market engagement conducted under the PINs published in December 2021 and May 2023, LIOS is now commencing a third round of market engagement which shall focus on discussing and testing the 'LIOS Concept'. It is envisaged that this engagement will begin in October 2024.

3. SUPPLIER ENGAGEMENT – PHASE 3

- 3.1 This round is a targeted engagement with suppliers who are currently undertaking the services or are Original Equipment Manufacturer (OEMs) and Design Authorities (DA's) for new vehicle fleets and others who may have the capability to prime or lead a major sub-contract within LIOS arrangements.
- 3.2 Unless they are deemed commercially sensitive, the outputs from the engagement will be made available with other suppliers who have already or do, register a formal Expression of Interest (EOI) in accordance with the process set as set-out in the Notice. Suppliers who have or do register, will be able to comment on the findings as also set out in this Notice.
- 3.3 The 'LIOS Concept' currently envisages that selected platforms or platform groupings will be supported via contracts placed with a series of suppliers (including but not restricted to the Original Equipment Manufacturers (OEM) or potentially with Joint Ventures or similar forms of collaborative Contracting), with sub-contract (including competitive) opportunities at Tier 2 and below in the supply-chain.

Accordingly, the 'LIOS Concept' engagement is likely to include meetings with the following:

- ARTEC BOXER UK
- Babcock International
- General Dynamics (GDUK)
- KMW+NEXTER Defense Systems (KNDS)
- Leonardo
- Lockheed Martin UK
- NP Aerospace
- Rheinmetall BAE Systems Land (RBSL)
- SERCO
- Supacat
- Thales UK.

4. PHASES OF ENGAGEMENT

4.1 'LIOS Enterprise' Discussions.

These discussions will focus on the LIOS Enterprise – how elements of the programme where the Authority may need a consistent cross-platform approach to delivering support and services (e.g. finding solutions to common problems), are best provided for.

4.2 'LIOS Platform Specific' Discussions.

These will focus on potential LIOS support options per platform, e.g. AJAX and how LIOS is best delivered at platform level, and how at platform level, it integrates with the LIOS Enterprise elements.

5. PROVIDING COMMENTS ON THE LIOS CONCEPT

- 5.1 In support of the 'LIOS Concept' engagement, the Authority will provide the suppliers, who have already registered and provided responses to the capability questionnaire set included in the previous LIOS PINs, an outline 'LIOS Concept'. This document will be issued by 30 September 2024.
- 5.2 Suppliers that do not participate in this round of engagement will get an opportunity to comment on the 'LIOS Concept' via submitting comments on email to DESLEVS-Futures@mod.gov.uk between the period of 1 October 2024 through till 1 January 2025.
- 5.3 Further, the Authority will run a set of briefings for registered suppliers on the 'LIOS Concept'. We will advise registered suppliers of the briefing dates when we are able to, but we do not envisage that any briefing will take place before November 2024.

6. OTHER PLATFORMS

- 6.1 For Platforms, that due to their Out of Service Date (OSD) dates do not warrant Output based contracts, a 'Other Platforms & Services' contracting model will be established contracting model will be established to provide upkeep – we are unable to provide detail on this at this point in time.

7. REGISTERING AN INTEREST

- 7.1 Any supplier who has not registered via the previous PINs, shall not receive a copy of the documents nor any invitation to briefings unless they submit a completed questionnaire as per the following process:
 - (i) Supplier submits a request for the questionnaire to DESLEVS-Futures@mod.gov.uk;
 - (ii) Upon receipt of it, you will have twenty working days to complete it and submit your responses to DESLEVS-Futures@mod.gov.uk;

- (iii) Once your responses have been assessed, you will receive copies of the documents via email.

7.2 For clarity, suppliers who have already registered and provided responses to the questionnaire via the first two PINs do not need to register again, you will receive the documentation. The above process is only for suppliers who have yet to register.

8. THE 'LIOS CONCEPT' ENGAGEMENT DISCUSSION THEMES

8.1 The discussions within this engagement will focus on but shall not necessarily be restricted to:

- (i) A 'hybrid' approach for LIOS (support provided for different platforms via different suppliers with a mixture of 'direct award' (single source) and competitively sourced contracts).
- (ii) Dependencies (what are they, scope for dependency contracts).
- (iii) The concepts set out in the 'LIOS Concept,' the "Target Operating Model," and the "Operating Concept" (STRAWMAN). Comment: this is the likely list but may change.
- (iv) Opportunities for competition and Small Medium Enterprises within the supply-chain (with Contract activity led by either the Prime or the Authority).
- (v) Miscellaneous contract approach ideas including transforming to output based inclusive through life support, business data management, intellectual property rights, incentivisation and contract duration.
- (vi) Solution alignment for the Land Industrial Strategy objectives.

CPV Codes

- 35400000 Military Vehicles and associated parts
- 50100000 Repair, maintenance and associated services of vehicles and related equipment
- 50630000 Repair and maintenance services of military vehicles
- 71360000 Engineering Support Services
- 73423000 Development of Military Vehicles
- 73433000 Test & Evaluation of Military Vehicles
- 80630000 Training and Simulation in Military Vehicles

Indicators

- Contract is suitable for SMEs.

ANNEX A – DEFINITIONS

CONDO	<i>Contractors On Deployed Operations</i>
DE&S	<i>Defence equipment & Support</i>
DSIS	<i>Defence Security & Industrial Strategy</i>
DSP	<i>Defence Sourcing Portal</i> (https://www.contracts.mod.uk/)
GOCO	<i>Government Owned Contractor Operated</i>
ISO44001	<i>International Organisation for Standardisation 44001: Collaborative Business Relationship Management Systems</i>
Levels of Maintenance	<i>The level of maintenance is determined by the extent of the engineering content. It is measured in terms of the standard of repair, the time necessary to repair to the standard required; and the complexity of the repair as measured by the engineering resources required</i>
Level 1 Maintenance	<i>Service and day-to-day preparation, including functional testing, replenishment, or adjustment</i>
Level 2 Maintenance	<i>Maintenance by replacement, adjustment, or minor repair, including fault diagnosis and authorized modification, within specified times, using generally provisioned resources.</i>
Level 3 Maintenance	<i>Maintenance in greater depth than Level 2, including repair, partial reconditioning and modification requiring special skills and/or special equipment</i>
Level 4 Maintenance	<i>Maintenance that includes full reconditioning, major conversions, or major repairs.</i>
LIOS	<i>Land Integrated Operating Services</i>
MOD	<i>Ministry of Defence (UK)</i>
NDA	<i>Non-Disclosure Agreement</i>
OEM	<i>Original Equipment Manufacturer</i>

PIN	<i>Prior Information Notice</i>
RFI	<i>Request for Information</i>
SME	<i>Small & Medium-Sized Enterprises</i>
SQEP	<i>Suitably Qualified & Experienced Personnel</i>
Update	<i>seeks and results in renewal, continuation, or extension of an existing capability and, although it does not necessarily seek it, results in additional functionality or material improvement to a capability.</i>
Upgrade	<i>seeks and results in a material improvement to a capability.</i>
Upkeep	<i>seeks and results in renewal, continuation, or extension of an existing capability without resulting in additional functionality or material improvement to a capability.</i>

ANNEX B – OPERATING ENVIRONMENTS

It is anticipated that the LIOS services will be required to support the User within three environments:

- a. **Deployed tactical.** Operations which constitute a contingent commitment, especially using force elements held at readiness. This environment will place the most demanding requirements on LIOS assets due to the high level of threat, challenges of terrain, difficult environmental conditions, and the need to operate within a dynamic and mobile force. This environment will present the least opportunity for use of contractorised elements as part of a whole force approach. This category also includes the requirement for force elements held at readiness seeking to 'train as they will fight.'
- b. **Deployed benign.** Operations or training, which can be temporary or permanent in nature, in low threat and potentially remote and/or environmentally testing conditions. This environment places less demanding constraints on LIOS assets than the 'deployed tactical'. It is likely to offer opportunities for contractorised elements of support, however challenges of logistics may cause limitations.
- c. **Firm base.** This represents enduring UK force's locations. This category offers the greatest opportunity for contractorised support, and in some instances that may be the routine form of provision.

ANNEX C - DSP SELF SUPPLIERS REGISTRATION GUIDE

- In order to participate in any early market engagement or other activity with the MoD, all suppliers are required to register their business onto the DSP (Defence Sourcing Portal). The DSP is the official procurement tool of the MoD, and is used for all procurement activity, correspondence, and early market engagement.
- Registration onto the DSP is a critical requirement to participate in any activity, without registration a supplier will be unable to proceed with any engagement. Please see below for a copy of the DSP registration guide for further details on how to register.
- https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/956927/Defence_Sourcing_Portal_-_Supplier_Registration_Guide.pdf
- Link to the Supplier Registration page can be found on the DSP homepage - <https://www.contracts.mod.uk/web/login.html>