



Prior Information Notice (PIN): Land Integrated Operating Services (LIOS) Phase 1 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:
- Introduce project Land Integrated Operating Services (LIOS) to industry;
 - Communicate our supply market engagement approach and plans;
 - Ascertain interest and gather general information to help inform the format of an initial industry event, and enable the selection of organisations to attend the event;
 - Survey the supply chain for views to help inform a future commercial strategy for LIOS.
- 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 taken into account 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 DES Land Equipment Vehicle Support Team via DESLEVS-Futures@mod.gov.uk;
 - Not make any public statement in relation to this document without the prior written approval of DES Land Equipment Vehicle Support Team, via DESLEVS-Futures@mod.gov.uk.
- 1.5 A key feature of the MoD's approach to market engagement for LIOS is to hold pre-market engagement events. It is anticipated that responses to this document may form the basis for discussion during an in-person/virtual event to be held in early 2022. Organisations have the opportunity to register their desire to attend this event when responding to this document, although suppliers are invited to respond even if they do not wish to attend. The MoD will invite a cross-section of suppliers to attend the event based on analysis of the questionnaire responses received.
- 1.6 Please note that your responses to this document should be submitted no later than 12:00 on 28 January 2022 to enable MoD to analyse and consider responses.
- 1.7 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 reliance on such information or any subsequent communication, including any error or omission or inaccuracy resulting from any negligent act or omission of any of the Secretary of State, its representatives or any other person (other than in respect of fraudulent

misrepresentation). No party accepts any responsibility or gives any undertaking to provide further information, including any information required to correct any earlier inaccuracy or error.

- 1.8 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.
- 1.9 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 INTRODUCTION - LIOS

BACKGROUND

- 2.1 At present, the landscape supporting the Army's land fleet (comprising 35 platform types and 400 variants (see supplementary information) is complex and varied.
- 2.2 The current in-service fleet is supported by a significant number of contracts, including service contracts, post design services contracts, spares contracts and several bespoke arrangements for specialist equipment. The current support enterprise across the MoD and into industry is complex and has many interdependencies that could be optimised to deliver benefit to all parties.
- 2.3 The Defence and Security Industrial Strategy (DSIS) sets out a vision and direction for how Defence will fuse its capability and industrial requirements in a future support solution. It targets the optimisation of the fleet, introduces multi-level support, and calls for the provision of increased visibility of a longer term and more stable pipeline of investment.
- 2.4 The Land Integrated Operating Service (LIOS) sets out to improve the through-life management of Defence's current in- and near-service military vehicles and selected equipment (Land Equipment) in line with DSIS. Specifically targeting the MoD's support contracts, it broadly seeks better equipment availability and readiness (upkeep), improved technical performance through life (regular updates), and a more routine and deliverable programme of capability upgrades. These are detailed further in the Definitions at Annex A to this PIN. The application of Upkeep, Update and Upgrade for Land Equipment is being determined by Defence in line with their planned Out-of-Service Dates.
- 2.5 Some of the challenges and opportunities include but are not limited to:
 - 2.5.1 Stored fleet condition – there is no comprehensive accredited configuration and material state of readiness data of the stored fleet;
 - 2.5.2 Technical publications - the availability and accredited currency of some platform publications is not complete;
 - 2.5.3 MoD-owned technical data and information (IT systems dependencies) – the data validity on DE&S Through Life Support systems is inconsistent;
 - 2.5.4 IPR ownership and rights to Original Equipment Manufacturer (OEM) Design Authority (DA) technical information - access to some OEM and DA IPR data is limited;
 - 2.5.5 Traceability of Safety Critical Items (SCI) – correct identification of SCIs in MOD IT systems is inconsistent;
 - 2.5.6 Provision of Government Furnished Assets – there is no comprehensive inventory of all intended GFA which details its availability and condition;
 - 2.5.7 Health and safety and environmental protection of the relevant parts of the Defence estate – there is no comprehensive survey of the potential LIOS dependent parts of the current Defence estate which details its availability and condition;

PROJECT AIMS

2.6 The project is considering options to let future support contracts that maximise the effectiveness, efficiency and value for money of through-life management arrangements for its multi-platform fleet of Land Equipment. There are seven key objectives that underpin the project:

2.6.1 Optimise military capabilities through-life by providing available equipment with continuous improvements that increase efficiency and effectiveness and deliver scheduled and discrete capability enhancements for in-scope capabilities out to their Out-of-Service Dates;

2.6.2 Optimise support solutions through-life by adopting the most efficient and effective pan-enterprise support solution(s), ensuring commercial arrangements are sufficiently flexible and agile to accommodate changes in MoD demand and/or requirement through contract life, and exploiting coherent, accurate and timely decision support information/data within a seamless enterprise-wide data strategy, architectures and tools;

2.6.3 Increase enterprise wide effectiveness and efficiency with the intention to facilitate reinvestment in upgrades;

2.6.4 Enhance Operational Independence through ongoing access to secure supply chains to enable operational freedom to act and access to the best-in-class industrial capabilities and capacity required to meet the Army's investment plan for in-scope military capabilities;

2.6.5 Optimise the Land Industrial Base for support;

2.6.6 Optimise international influence and export opportunities;

2.6.7 Improve environmental sustainability of in-scope capabilities by facilitating the adoption and spread of green technologies and approaches, including incorporating UK policy-driven sustainability targets within future industry commercial arrangements.

2.7 In order to deliver the aims and objectives of LIOS it is envisaged that through-life management solutions will be required across all or elements of the following scope and that MoD is interested in understanding options for such support that may be provided either discreetly, as shown or in a cross-cutting or grouped manner:

2.7.1 **Technical support:** equipment safety and environmental management, technical and engineering management, and quality management;

2.7.2 **Through-life planning:** advice and support for Upkeep, Update and Upgrade, and support planning to deliver the Authority's training and operational demand;

2.7.3 **Asset management:** supporting the Authority to enable Strategic Asset Management of the Land fleet through-life and delivery of available assets for training and operations;

2.7.4 **Maintenance and repair:** planning and conducting the maintenance and repair of in-scope platforms and sub-systems across the Levels of Maintenance (from Level 1 to Level 4), from fixed and mobile facilities;

- 2.7.5 **Spares and material support:** planning, purchasing, provisioning, inventory management, repair, codification and supply chain management;
- 2.7.6 **Tools and Test Equipment (TTE):** provision and management of in-scope platform TTE;
- 2.7.7 **Training and SQEP:** support Army operator training with the provision of available training fleets and synthetic training facilities and/or equipment. Provision of SQEP (Suitably Qualified Experienced Personnel), maintainers as sponsored reserves;
- 2.7.8 **Support management:** support the Authority as the intelligent customer with data and information management/exploitation, data driven decision support tools and service management information;
- 2.7.9 **Platform and Equipment:** Receipt, Issue, Inspection, Storage and Maintenance - provision of a service to deliver assets at readiness at multiple locations.
- 2.8 At present support services are being delivered through multiple contracts many of which run until 2025 or further and it is envisaged that these will endure to term and potentially beyond utilising existing extension years. The purpose of this pre-market engagement is to support the development of an innovative solution that will improve the through-life management of MoD's Land Equipment.
- 2.9 To support this objective the project will review a variety of options that will provide services ranging from input and output-based contracts through to full Integrated Operating Services (IOS) contracts¹ which will potentially determine the through-life management landscape through to the next decade and beyond.
- 2.10 To mitigate the challenges previously identified (see Background), relating to multiple contracts and inter-dependencies, it is envisaged that future contracts will be based on a total service collaborative basis, and that all suppliers engaged in the delivery will not only commit to compliance to ISO 44001 (Collaborative Business Relationship Management), but proactively operate to deliver its intent.

SUPPLEMENTARY INFORMATION

- 2.11 The Land Equipment scope includes (but is not limited to) the in-service vehicle fleets below and the new programmes including Challenger 3, BOXER and AJAX:

Tracked Vehicles
AJAX
Challenger 2
Challenger 2 LEP
Defence Training Tank
AS90
Bulldog
Viking
BV206
CRARRV
Titan and Trojan

¹ IOS contracts incorporate upkeep, update and upgrade services within the one commercial arrangement.

Terrier
Wheeled Vehicles
BOXER
Mastiff
Wolfhound
Ridgeback
Panther
Foxhound
HMTV (Jackal)
Pinzgauer
Land Rover
Land Rover Revised Weapons Mounted Installation Kit
Support Vehicles (Family)
Wheeled Tanker
Quad Bike
General Vehicles and Equipment
BR90
Small Arms
Light Gun
Bridges
M3 (Amphibious Bridging Vehicle)

2.12 The LIOS solution will be required to deliver support to the fleets indicated above, across elements of the scope in multiple locations. Whilst the majority of the support will be in the UK, LIOS will also be required to support training and operations overseas. In addition the LIOS solution may potentially require contingent and enduring deployed support where specific CONDO (Contractor On Deployed Operations) requirements are necessary. Further detail regarding the types of environment where service may be required is shown in Annex B to this PIN.

2.13 The Support Options Matrix, available on request via DESLEVS-Futures@mod.gov.uk may be used in the LIOS option assessment process.

2.14 Further information can be seen at [Equipment | The British Army \(mod.uk\)](https://www.mod.uk/Equipment).

3. SUPPLY MARKET ENGAGEMENT APPROACH AND PHASE 1 EVENT

3.1 The MoD is open to guidance and challenge from the market in order to help inform its approach, and this is the initial engagement in the first phase of an intended series of activities to be undertaken as the project progresses:

- PHASE 1: Pre-Market Engagement - *Listen, Gather Information*
- PHASE 2: Market Engagement - *Learn & Evolve*
- PHASE 3: Procurement Events - *Execute Procurement Processes*

3.2 The aim of this initial phase of the process is to socialise and seek feedback on our nascent commercial approach to the LIOS project (this includes the issuance of this PIN and the planned event).

3.3 The objectives of this initial phase are to:

- Communicate our challenges to the market - obtain insights from the market;
- Share our proposed approach - gain feedback from the market, including on alternative approaches;
- Understand market health - disruptions, capability, capacity etc.;
- Promote collaboration between suppliers and with MoD;
- Understand any key barriers to entry for suppliers with the aim of ensuring any procurement activity is as inclusive as possible for all suppliers;
- Seek better understanding of the feasibility of the project approach and delivery, associated risks, and commercial models;
- Increase supplier awareness of Government policy - e.g. UK Government Transparency Agenda, Social Value, Net-Zero Carbon Emissions obligations, and UK Prosperity.

3.4 Phase 1 comprises two elements:

3.4.1 Completion of a questionnaire that seeks initial views from the market which will enable MoD to better plan a pre-market engagement event; and

3.4.2 An in-person or virtual event² to be held in February 2022. The exact date and details of which will be confirmed to those invited to attend.

3.5 It is envisaged that the pre-market engagement event will feature the following:

- A cross-section of organisations will be invited to ensure wide contribution from different perspectives. The MoD will determine the optimal balance of participants based on type of organisation, with a desire to also ensure the participation of suitable Small and Medium Enterprises (SME);
- If an in-person event, it is currently anticipated that due to the intended design and physical space constraints approximately up to 35 supplier organisations will be invited to attend³;
- The number of delegates from each participating organisation will be limited to two (2);

² The planned in-person event is subject to the prevailing conditions relating to Covid-19. The safety of all delegates and staff is paramount and as such the event may be run online only or deferred to a later date.

³ The number of supplier organisations and delegates is subject to change if a virtual event is held.

- During the event we will present more information about MoD / DE&S, its vision, strategy and delivery expectations. Small group workshops will be run to discuss pre-selected themes;
 - The duration of the event for delegates will be approximately six (6) hours (incl. breaks and security/registration).
- 3.6 Organisations should indicate their interest in attending the event in their questionnaire response submission.

4. QUESTIONNAIRE – To Be Completed by Respondee

4.1 DE&S is aiming to engage with a broad cross-section of all potential suppliers at this stage including original equipment manufacturers and Small and Medium Enterprises (SME) as well as potential strategic partners or GOCO contractors. We are interested in seeking views from organisations with expertise in delivering services not just within engineering or Defence environments but also other industries where they may be operational parallels.

4.2 The questionnaire contains two sections:

4.2.1 **Section 1: General Information** – the purpose of this section is to enable the MoD to develop a rounded understanding of your organisation and how the differing sectors of the market might approach delivery of the LIOS project;

4.2.2 **Section 2: Market Information** - the purpose of this section is to gather initial views from the supply chain to allow us to better plan the proposed pre-market engagement event. Based on the responses received we may conduct further engagement prior to the event. The MoD will also use the responses to select organisations for attendance at the event.

4.3 Please would you answer all questions in the table below and submit this section in your response back to us by the closing date.

Ref.	Question	Response
Section 1: General Information		
1.1	What is your Organisation Name (Contracting Entity) and Company Registration Number. Please also provide the contact details for the person completing the questionnaire (Name, role, email address and telephone number)	
1.2	Are you part of a large/multinational organisation and if so, who is your Parent Company?	
1.3	Is your organisation a Small or Medium size Enterprise (SME)?	
1.4	Please specify if your organisation is a Prime, Original Equipment Manufacturer (OEM), repair services provider, agent or other?	
1.5	What percentage of your organisations financial turnover in 2020/2021 has been subcontracted to SMEs?	
1.6	Please specify if you are an existing supplier to the UK MoD or any other countries equivalent authority?	
1.7	Please briefly add any other relevant information e.g. any partnerships / with SMEs.	
1.8	If your organisation wishes to attend the in-person event, please provide contact details for up to two proposed delegates to participate (Name, Role, Email, Telephone)	
Section 2: Market Information		
2.1	What is the nature of your main business offering(s)?	

2.2	What are the key areas of capability that your organisation is currently investing in?	
2.3	What are the most recent technological or process advances that MoD could exploit as part of this project?	
2.4	What is your organisations aspiration to do future business with MoD? Please identify any barriers you perceive to achieving this aspiration.	
2.5	As the project matures, how could MoD enable a more inclusive design of our requirements? e.g increased clarity of scope, reduced barriers to entry for suppliers?	
2.6	Please provide suggestions for how MoD could enable greater collaboration or alliances per principles set out in ISO 44001 e.g between contractors and authorities through the defence supply chain? What are the opportunities and challenges?	
2.7	What do you see as the optimal contracting approaches to deliver a requirement such as ours? E.g. multi-supplier frameworks, incentivised, and those that offer opportunities for planned and spiral upgrades	
2.8	How would you consider the application of Category Management principles to this type of requirement? Does your organisation have experience of undertaking category management? If so, drawing on this experience what Category Group Plans could you bring to enhance our programme of works?	
2.9	What is your assessment of the maturity of Contracting for Availability (CfA) for this, or elements of this type of requirement where CfA is defined as where the Contractor is paid for contracted availability of Land Equipment at an agreed level of readiness in an agreed location? Does your organisation have experience of offering this type of support arrangement? What would you need from MoD in order to be able to offer this option?	
2.10	How else could MoD incentivise organisations to achieve objectives and efficiencies e.g. increased performance, productivity, innovation?	
2.11	How are defence supply markets currently fairing in the face of varied and continued disruptions? e.g. due to Covid-19, EU Exit, supply chain issues? What opportunities do you see for buyers?	
2.12	Please summarise how your organisation is addressing its responsibilities on the Government's Social Value agenda, specifically tackle economic inequality; fighting climate; change and equal opportunity.	

5. SUBMITTING YOUR RESPONSE

5.1 Participants should note the following when completing a response to this document:

- a) Industrial participants may complete their response as a single entity and/or as a group of entities working together to complete the response.
- b) All information submitted in response to the document regarding any requirement, subject matter, will be published and made available to all potential participants .
- c) It is essential that any supplier wishing to submit a response and participate has opened an active account on DSP. Annex C is a guide on Supplier Registration. **Participants are also requested to register their interest via email to the following email address: DESLEVS-Futures@mod.gov.uk**
- d) Please provide your response by completion of section four (4) of this document. Brevity is appreciated.
- e) While full completion of the entire questionnaires is highly desirable, partial responses may still be valuable to inform the MoD's procurement choices and follow-up engagement.
- f) Any clarification questions regarding this document must be sent to DSP portal and the email address in paragraph c) above. The deadline for submission of clarification questions is 12:00 on 10 January 2022; Please allow up to 5 days for a response. If you have not registered your interest in completing this document via DSP Suppliers Registration or via the email address in paragraph c) above, you may not receive answers to the clarification questions raised.
- g) Submission of your full response is required by 12:00 on 28 January 2022 to enable MoD to analyse and consider the information. **Participants are also requested to send responses to the email address at paragraph c) above.**
- h) Please send your response in English and in MS Office or PDF format.

This document is intended to provide you with information and to allow you to respond to the questions. You may provide case studies and other pertinent information, however, please do not include marketing material, copies of certificates, quality documentation or price lists at this stage. Responses must be submitted through DSP either in MS Office or PDF format.

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> <i>(https://www.contracts.mod.uk/)</i>
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 Defence's vehicles and equipment 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 Defence's vehicles and equipment 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 forces 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>