



Ministry of Defence

Ref: FOI2017/11906

Defence Statistics
Defence Expenditure Analysis
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██████████,

████████████████████

Email: ██

18 December 2017

Dear ██████████,

Thank you for your email of 23rd November 2017 requesting the following information:

'I'm writing to request, under the FOI act, for you to identify the top twenty contractors receiving payments from the MOD against contracts awarded on a non-competitive basis, and the aggregate value of sums paid to them against this type of contract during the financial year 2016/17.'

I am treating your correspondence as a request for information under the Freedom of Information Act 2000 (FOIA).

The data that you requested is available and is contained within the below table and shows payments which are VAT exclusive cash totals and the numbers have been rounded to the nearest £1 million.

Corporate Family	Non Comp Spend (£m)
BAE Systems Plc	3144
Babcock International Group PLC	835
Rolls-Royce Holdings PLC	658
Leonardo SpA	550
Qinetiq Holdings Ltd.	381
Airbus Group Se	223
The Boeing Company	198
Thales	165
Marshall Of Cambridge (Holdings) Ltd.	120
Lockheed Martin Corporation	109
Raytheon Company	103
General Dynamics Corporation	96
Safran SA	70
Vinci SA	65
Saab Ab	45
Cobham PLC	42
HP Inc.	35
Clh International UK Ltd.	32
Serco Group PLC	30
Ultra Electronics Holdings PLC	30
Total:	6931

Please note that the data has been compiled at a Holding Company level so for example payments to BAE Systems will include payments to identified subsidiaries of BAE Systems, together with their share of payments made to suppliers where BAE Systems are part of a Joint Venture

Further information on total MOD direct payments to organisations and at holding company level can be found online in the excel tables 2, 3a and 4 of <https://www.gov.uk/government/statistics/mod-trade-industry-and-contracts-2017>. You will also find some more detail on companies paid by means of Competitive and Non-Competitive contracting in the Annex to Table 3a and Annex to Table 4.

Please note, the data underpinning this analysis has been extracted from the MOD contracts database. This information (including the competition marker) is initially supplied by Commercial Staff on the DEFFORM 57, which is the detailed statistics input form that is produced when most contracts are established. The contracts database covers the majority of such payments and reflects transactions made by the MOD's Defence Business Services, which handles about 95% of all payments made by the MOD and Defence Agencies to the companies listed. Other payments are made, for example, via British Defence Staff (United States), MOD Trading Funds and through local cash offices.

We advocate the use of competition wherever appropriate both in our direct contract opportunities and throughout the supply chain. Opportunities therefore exist for suppliers of all sizes, from large established defence contractors through to innovative smaller businesses, to get involved in our procurement activity both as a prime supplier and as a sub-contractor.

If you have any queries regarding the content of this letter, please contact this office in the first instance

If you wish to complain about the handling of your request, or the content of this response, you can request an independent internal review by contacting the Information Rights Compliance team, Ground Floor, MOD Main Building, Whitehall, SW1A 2HB (e-mail CIO-FOI-IR@mod.uk). Please note that any request for an internal review should be made within 40 working days of the date of this response.

If you remain dissatisfied following an internal review, you may raise your complaint directly to the Information Commissioner under the provisions of Section 50 of the Freedom of Information Act. Please note that the Information Commissioner will not normally investigate your case until the MOD internal review process has been completed. The Information Commissioner can be contacted at: *Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire, SK9 5AF.* Further details of the role and powers of the Information Commissioner can be found on the Commissioner's website at <https://ico.org.uk/>.

Yours sincerely,

Head of Branch
Defence Statistics (Defence Expenditure Analysis)