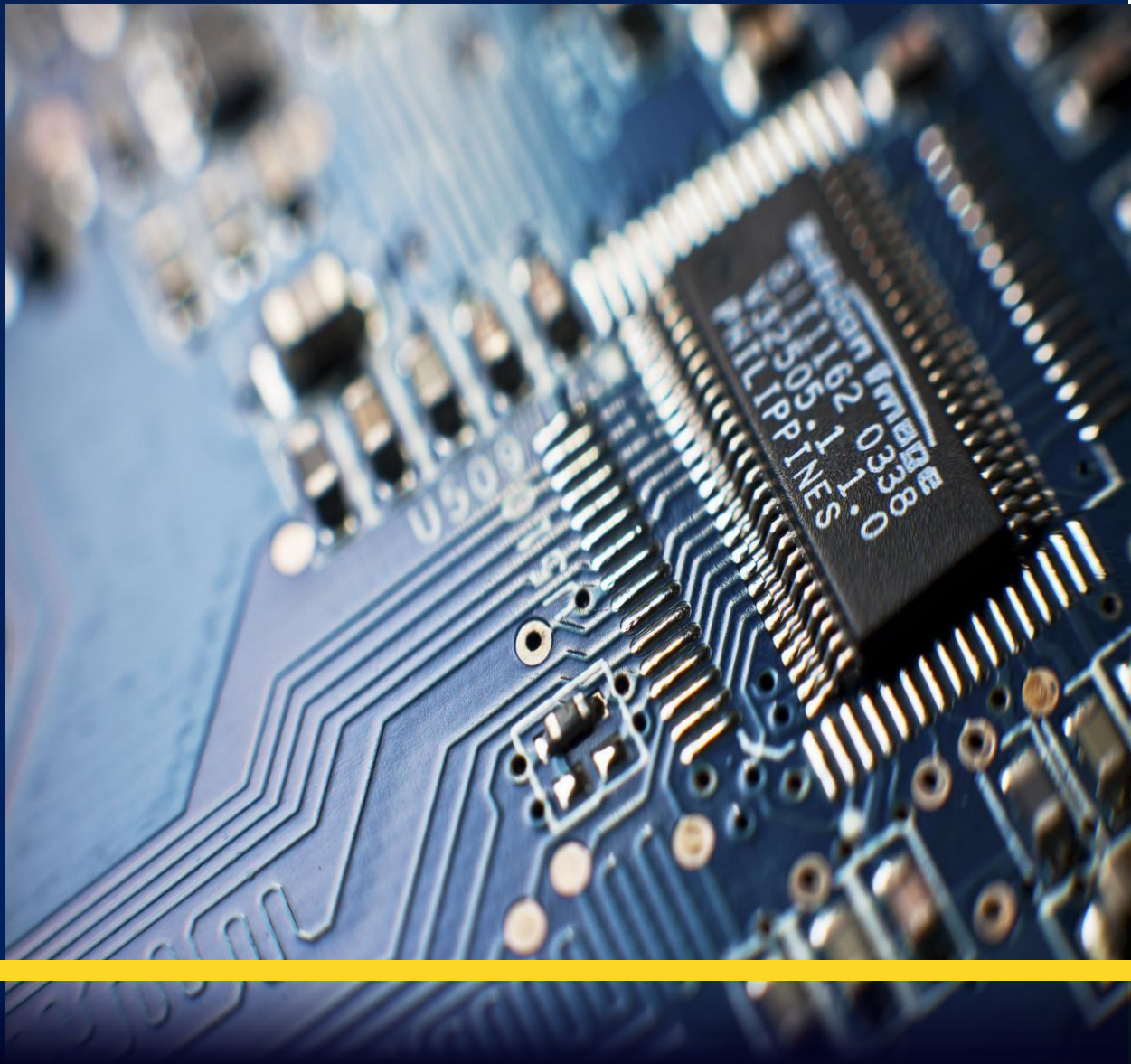




Ministry  
of Defence

# Doing Business with Defence

## Opportunities and Innovation in the Defence Supply Chain



November 2023



## Services

A Helpdesk facility:

[dbscs-ecfinanceteam@mod.uk](mailto:dbscs-ecfinanceteam@mod.uk) – First contact

[DefComrcISSM-Suppliers@mod.gov.uk](mailto:DefComrcISSM-Suppliers@mod.gov.uk) - If you have spoken to us before



Attendance at trade exhibitions across the UK including delivering presentations on doing business with defence (e.g. DPRTE, DSEI, SDSC & Procurex)



Hosting of webinars on how to access MOD opportunities, advertised on Defence Sourcing Portal (DSP). Previous recordings are available on the [Procurement Hub](#).



Provision of useful information for suppliers via [DSP](#), [GOV.UK Procurement Hub](#), and LinkedIn [Defence Procurement](#)

Strategic Supplier Management | Doing Business with Defence Team

Spruce 3b, #1301, MOD Abbey Wood, Bristol, BS34 8JH

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## Who we are

We are one of the biggest public procurement organisations in Europe, and the single largest customer for UK industry. Over the next decade we are committed to spending over £190 Bn on equipment and support. We have a diverse range of requirements, including everything from military fighting vehicles to education services, nuclear submarines to facilities management. Our customers include our Armed Forces and national security agencies.

Our aim is to ensure that our customers are provided with the best capabilities to enable them to protect the UK's security and to advance the UK's interests, both now and in the long term. We encourage innovation and wider SME participation throughout our supply chain. We continue to pursue policies and practices that make it easier for new and smaller businesses to identify, compete for and win opportunities with the MOD. This helps us to deliver our vision of a vibrant, sustainable, and competitive UK industrial base, while obtaining the best possible value for money for the taxpayer.

As a public sector organisation, we procure in a different way to industry, using competition where appropriate. We set objective tender selection criteria, we are fair and transparent and will be held accountable for procurement decisions in a way the private sector is not. We do not operate



## How we procure

preferred supplier lists. Our principles include non-discrimination, equal treatment, transparency (act in fair and non-discriminatory manner), mutual recognition (of equivalent documents and standard).

## Doing Business Opportunities and Innovation with Defence in the Defence Supply Chain



**Technology:** cloud and digital, network services, software and technology products and services



**Equipment & Support:** ships, submarines, aircraft, vehicles, weapons, missiles, equipment maintenance and repair



**Infrastructure:** Construction, hard and soft facilities management, and property consultancy

### The areas we work in

† **Defence Digital (DD)** is responsible for making effective digital and information Executive Agency who manage the procurement, technology (D&IT) is put into the hands of the in-service support and disposal of UK nuclear military and business front line. They lead on submarines, which are some of the most complex defensive cyber strategy, capability development equipment in the world. SDA deliver capabilities to and policy, whilst also supplying IT to 200,000 the Royal Navy that are essential to the users across over 2000 defence sites across UK Continuous at Sea Deterrent (CASD), which is the and globally. cornerstone of our national security.

- † **Defence Equipment and Support (DE&S)** DE&S manage a vast range of complex projects to buy, supply vital equipment and services that the Royal Navy, British Army and Royal Air Force need to operate effectively. The programme ranges from jets and warships through to clothing, medical materiel and general supplies. armoured vehicles and field kitchens.
  - † **Defence Science and Technology Laboratory**
  - † **Defence Infrastructure Organisation (DIO)** is expert for defence, supporting the military capability by planning, building, maintaining, and servicing science and technology services for MOD and infrastructure. wider government.
- Team Leidos** provide essential services such as storage and distribution for the support and including a global freight service and procurement Force and inventory management of food, packed fuels, of work

The size and complexity of many of our projects means that we need to work closely with our major suppliers ([see annex](#)) to ensure delivery of the defence programme. 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.

## Opportunities for Business

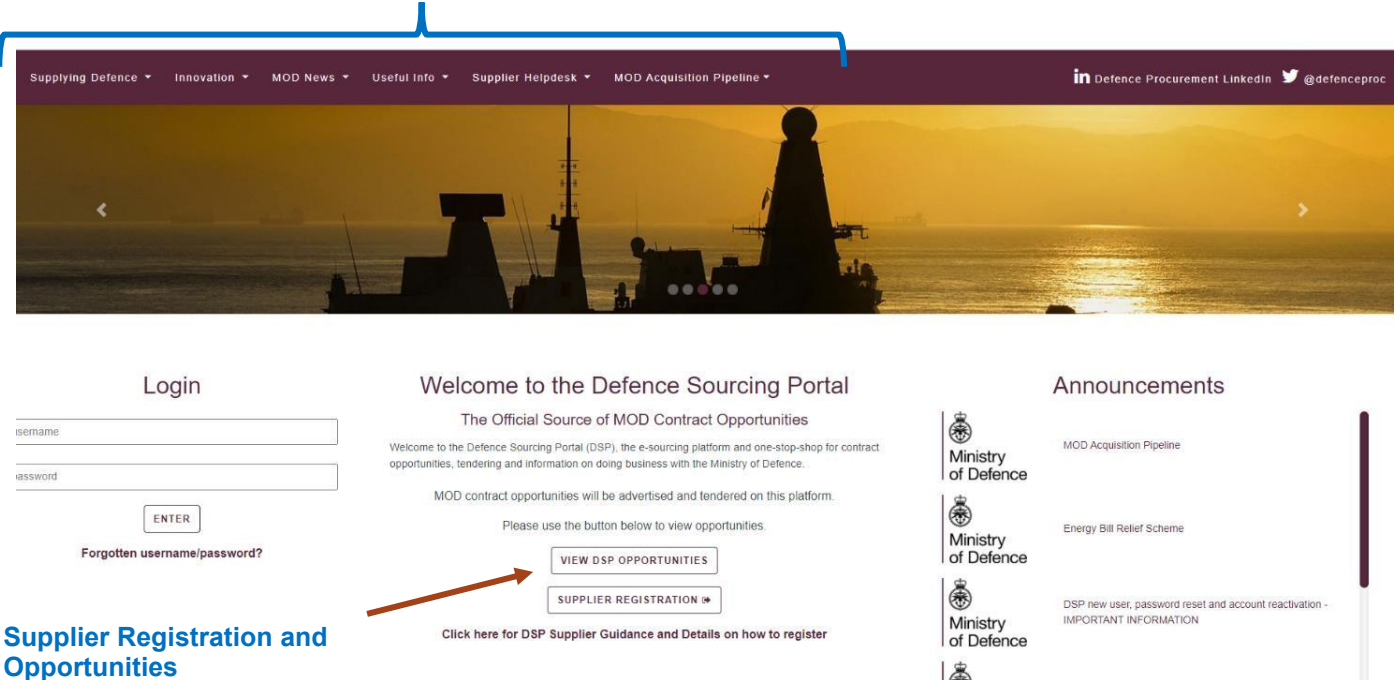
### Defence Sourcing Portal

There are exciting opportunities for new, non-traditional and adjacent sectors to do business directly with the Ministry of Defence and indirectly through our major suppliers at sub-contract level. The programmes we support are detailed in the [Defence Equipment Plan](#) these include equipment/infrastructure and the defence estate.

**The Defence Sourcing Portal (DSP)** is an e-sourcing platform and one-stop-shop for contract opportunities, tendering and information on doing business with the Ministry of Defence.

We advertise tender and contract opportunities valued over £10,000 on the DSP. Access and registration to bid for MOD opportunities on the DSP is free of charge and suppliers are also able to publish their sub-contracting opportunities on the portal. If you are interested in advertising opportunities on the portal, click [here](#). DSP also hosts important announcements for industry. Suppliers will be sent alerts via email with opportunities that are relevant to their industry, as well as emails informing them of market engagement events/webinars and MOD announcements that may be of interest.

## Help, Advice, and Information



The screenshot shows the homepage of the Defence Sourcing Portal. At the top, there is a navigation menu with links: Supplying Defence, Innovation, MOD News, Useful Info, Supplier Helpdesk, and MOD Acquisition Pipeline. On the right, there are social media icons for LinkedIn and Twitter (@defenceproc). Below the navigation is a large banner image of a ship at sea. The main content area is divided into three columns:

- Login:** A form with fields for 'username' and 'password', an 'ENTER' button, and a link for 'Forgotten username/password?'.
- Welcome to the Defence Sourcing Portal:** A central section with the heading 'The Official Source of MOD Contract Opportunities'. It includes a welcome message, a description of the DSP as an e-sourcing platform, and two buttons: 'VIEW DSP OPPORTUNITIES' and 'SUPPLIER REGISTRATION'. A red arrow points to the 'VIEW DSP OPPORTUNITIES' button. Below the buttons is a link: 'Click here for DSP Supplier Guidance and Details on how to register'.
- Announcements:** A vertical list of three announcements, each with the Ministry of Defence logo: 'MOD Acquisition Pipeline', 'Energy Bill Relief Scheme', and 'DSP new user, password reset and account reactivation - IMPORTANT INFORMATION'.

## Supplier Registration and Opportunities

### [Defence Sourcing Portal Supplier Guide \(CPV codes/PQQs etc\)](#)

## Contracts Finder

We also advertise on the Government's [Contracts Finder](#) portal. Here central Government Departments and other public bodies advertise tender and contract opportunities valued at £10,000 and above. Access to Contracts Finder is free of charge.

## Find a Tender Service

Information on public sector contract opportunities in the UK is published on the [Find a Tender Service \(FTS\)](#):

- FTS is free to use and replaces the role of Tenders Electronic Daily, the Official Journal of the EU (OJEU/TED) for procurements in the UK.
- FTS works alongside existing procurement portals such as Contracts Finder and Defence Sourcing Portal (DSP), which can be used to access a wide range of opportunities to supply the public sector.

Requirements with a value of less than £10,000 are not normally advertised; MOD procurement teams undertake a market survey and select suppliers based on the best value for money.



## Crown Commercial Service

We buy common goods and services via the [Crown Commercial Service](#) website. CCS are the biggest public procurement organisation in the UK, they provide a wide range of common goods and services across the public sector.

CCS commercial agreements include frameworks, which comprise common public sector requirements, a list of suppliers who have been evaluated as capable of delivering the requirements, and standard contract terms.

Frameworks can be divided into lots by product or service type. You can supply to one or more lots or an entire framework.

## Frameworks

There are many framework opportunities. Most of the frameworks that MOD uses are hosted by [Crown Commercial Services](#). Some frameworks are hosted by [Defence Science and Technology Laboratories](#) and MOD also hosts frameworks itself. To improve the visibility of MOD hosted frameworks, [a list](#) is updated each month to capture frameworks that are currently providing opportunities for SMEs. The [MOD Acquisition Pipeline](#) is another way to identify opportunities.

## Procurement Pipelines

Procurement pipelines are published, where available, to inform existing and potential suppliers of plans to purchase, enabling the supply chain to better plan their activities and offer reassurance of future work packages.



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The [MOD Acquisition pipeline](#) is published on the GOV.UK website. There is also a link in the top bar under 'Acquisition Pipeline' on the DSP. This is a chance for industry to see where the MOD are planning to spend their money in the next 12-18 months. This can allow companies to prepare for what is coming up and be able to bid for contracts as soon as they go live.



Defence  
Infrastructure  
Organisation

The Defence Infrastructure Organisation (DIO) updated their procurement pipeline: <https://www.gov.uk/government/publications/dio-procurementpipeline> in October 2022 and it informs existing and potential suppliers of what DIO plans to buy on behalf of its customers. The publication of the pipeline supports DIO's commercial principles of being easier to do business with, whilst building a broader and more diverse supplier base, including small and medium-sized enterprises. (SMEs) The pipeline is updated quarterly.



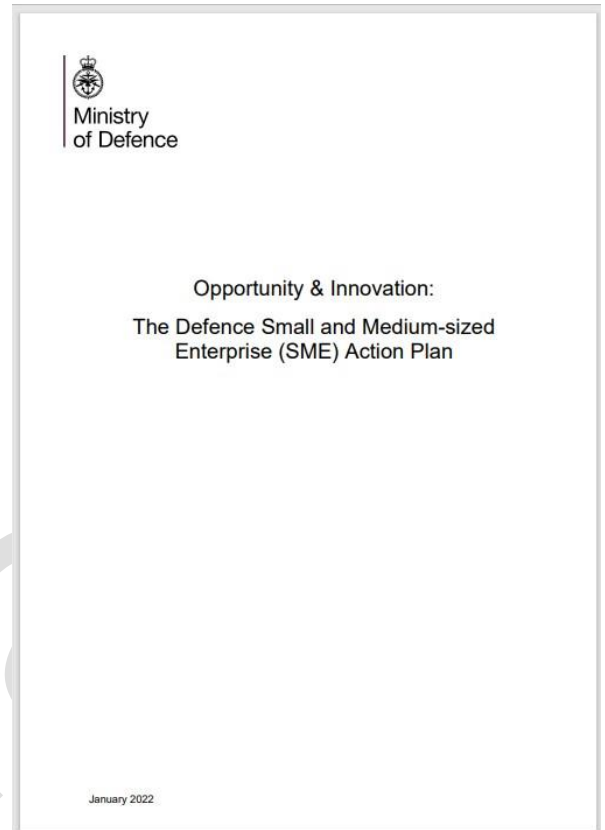
[Leidos](#) also publish their procurement pipeline: with separate tabs for opportunities in the next six months, and another for opportunities further than 6 months.



## SME Action Plan

We recognise that Small and Medium-sized Enterprises (SMEs) are at the heart of the vibrant and flexible UK defence industry. However, we acknowledge that SMEs face unique challenges and barriers preventing them from fulfilling their potential of delivering both defence capability and contributing to UK prosperity. To improve engagement with SMEs, the MOD published its second SME Action Plan on 27<sup>th</sup> January 2022.

In the action plan, we set out how we will collectively improve the engagement we have with SMEs. We want to encourage acquisition teams to make it easier for SMEs to do business with defence, and to ensure that commercial strategies enable SMEs to be appropriately considered at every stage of the acquisition process.

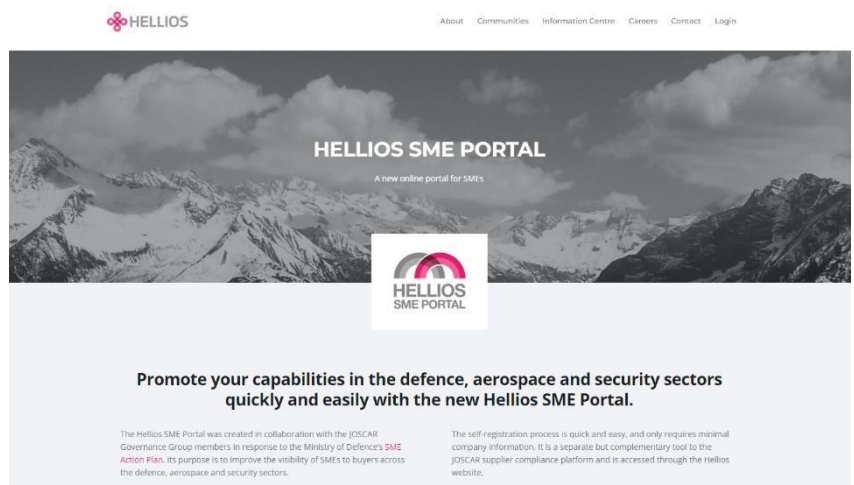


[Opportunity and Innovation: The Defence Small and Medium-sized Enterprise Action Plan - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

## Hellios SME Portal

The [Hellios SME Portal](#) has been created in collaboration with JOSCAR. In response to the SME Action Plan it aims to improve visibility of SMEs to buyers across defence, aerospace and security sectors.

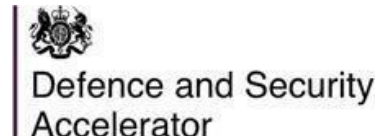
The portal is a free platform for SME suppliers to register their product and services for buyers, allowing them to showcase their capabilities to JOSCAR Prime Contractors and Defence HQ.



## Innovation in the Defence Supply Chain

We want to encourage Innovation in our business and attract new and non-traditional suppliers to the defence supply base both directly with MOD and with our major suppliers. Our customers have put Innovation high on their agenda and we expect this to be reflected in their future requirements. Technology is creating both threats to, and opportunities for the UK's security and prosperity. Innovation is vital to maintaining our military advantage.

We have setup a new Innovation Fund (£800M over 10 years, beginning September 2016) to encourage better collaboration with industry, academia and allies. It targets new providers to boost the competitive advantage of UK defence, and find answers to our most pressing national security questions from across sectors at pace. There are number of organisations which support innovative ideas from suppliers, and these include:



### **DASA (Defence and Security Accelerator)**

[The Defence and Security Accelerator](#), which are co-located with [Defence Science and Technology Laboratory \(Dstl\)](#), focuses on innovations which can provide advantage to defence and national security to protect the UK from its adversaries. It funds the development of suppliers' innovative ideas and provides support through to potential application. The Accelerator will also fund innovations for defence and security which support economic growth and prosperity in the UK.

DASA funds innovation through two main mechanisms, Open Call offers suppliers the opportunity to submit ideas to defence and security stakeholders, while Themed Competitions offers suppliers the opportunity to submit proposals around specific government areas of interest. More information on the [Apply for funding](#) page.

### **Ideas Marketplace**

The Defence and Security Accelerator (DASA) have launched the [Ideas Marketplace](#). The Ideas Marketplace is an online networking Collaboration Platform where UK innovators can discuss,

collaborate and share ideas with like-minded users to overcome defence and security challenges and help deliver the next generation of defence and security tools and services.

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The Ideas Marketplace is designed to enable innovative UK organisations to engage with the best people in defence and security, easily. It encourages collaboration between organisations of all shapes and sizes, to foster new and dynamic relationships to make innovations a success.

## Defence Technology Exploitation Programme (DTEP)

The [Defence Technology Exploitation Programme \(DTEP\)](#) is a £16M programme to boost small and medium-sized enterprise (SME) defence innovation. With the innovation of SMEs, the resources of big suppliers and initial funding from government, the Defence Technology Exploitation Programme (DTEP) is designed to bring the key components together to allow pioneering projects to flourish.

## DSTL (Defence Science and Technology Laboratory)

DSTL is one of the principal government organisations dedicated to science and technology in the defence and security field. Dstl supplies specialist services to MOD and wider government, working collaboratively with external partners in industry and academia worldwide, providing expert research, specialist advice and invaluable operational support. One of DSTL's responsibilities include providing and facilitating expert advice, analysis and assurance on defence procurement.

## SME Searchlight

The [Defence Science and Technology Laboratory](#) is committed to working with a wider range of innovative SMEs. This is underpinned by the [SME Searchlight](#) set up to attract SMEs and



nontraditional defence suppliers.

## R-Cloud

DSTL have set up [R-Cloud](#). Suppliers of Science and Technology can sign up to the dynamic purchasing system to access opportunities from across the MOD. Companies can join at any time during the R-Cloud term and receive targeted invitations to bid for opportunities tailored to key capabilities and skills.

## The Future Capability Group

The Future Capability Group (FCG) aims to provide Front Line Commands (FLC) and Defence Equipment & Support (DE&S) with an improved and expanded delivery capability for innovation projects and novel or cross cutting technologies. Futures Lab is a [DE&S Future Capability Group](#)

[\(FCG\)](#) sponsored service created to inform and accelerate future capability decisions through the provision of impartial insights and knowledge from leading experts across industry and academia. Futures Lab commercially enables early engagement with SMEs, academia, and industry at pace as they provide solutions to complex MOD challenges. If you are interested in Future's Lab, they run an Introduction session every Monday, express your interest [here](#).

## The Defence Growth Partnership

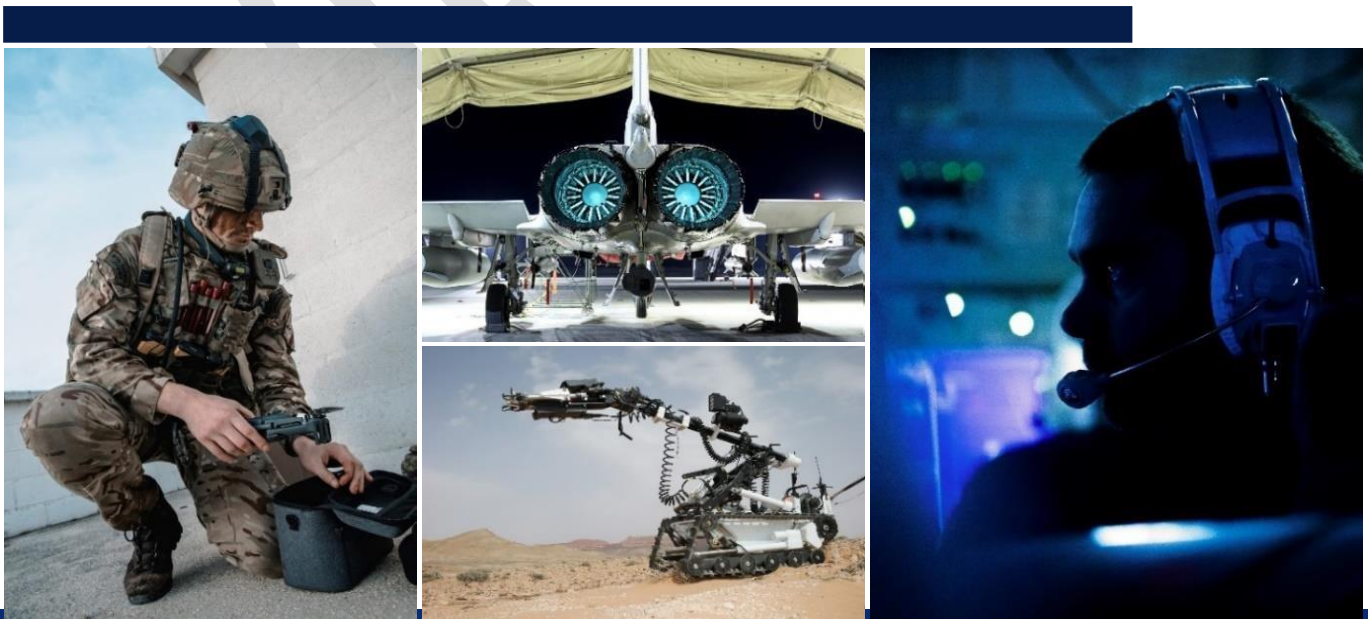
The [Defence Growth Partnership](#) is a unique collaboration between UK Government and leading companies from the UK defence industry. It has been formed to meet the challenges of increased international competition for defence business, and has created a collaborative environment to enable the UK to offer the very best solutions to defence customers, tailored to meet global customer needs, including the MOD.

## UK Defence Solutions Centre

[UK Defence Solutions Centre \(UKDSC\)](#) has been created as part of the implementation plan for the Defence Growth Partnership (DGP) and jointly funded by government and industry, the UKDSC works closely with the UK's MOD, BEIS and Department for International Trade – UK Defence & Security Exports (DIT DSE), the UK defence industry and academia.

## Innovate UK

[Innovate UK](#) is part of UK Research and Innovation, a non-departmental public body funded by a grant-in-aid from the UK government. They drive growth by working with companies to de-risk, enable and support innovation. They connect businesses to the partners, customers and investors that can help them turn ideas into commercially successful products and services and business growth. They also fund business and research collaborations to accelerate innovation and drive business investment into research and development. Support is available to businesses across all economic sectors, value chains and UK regions.



## Knowledge in Defence

[Knowledge in Defence \(KiD\)](#) defines how we conduct, govern, and control our defence acquisition process and is the primary bearer of all policy and guidance governing defence's project delivery and commercial functions. We're making public sector procurement simpler and more transparent, e.g. through acquisition reform and introducing simplified plain English short form contracts for use in low value, less complex procurements. KiD provides the information, guidance and instruction that set out how the MOD conducts acquisition business.

## Selling to Government Guide for SMEs

The Cabinet Office has released a Selling to Government Guide for SMEs [Selling to Government Guide for SMEs](#). The guide supports SMEs who are wanting to bid for government contracts, including opportunities in the defence sector, either directly, or in the supply chain. It also offers top tips on bidding, where to look for contract opportunities and signposts to further information.

## Social Value

Social Value is the consideration of the social, economic and environmental impact of our projects and programmes. It has a lasting impact on individuals, communities and the environment. The Government has significant opportunity and responsibility to maximise Social Value benefits effectively and comprehensively through its commercial activity.

In September 2020, the Cabinet Office published Procurement Policy Note (PPN) 06/20 requiring additional social value benefits to be explicitly evaluated in all central government procurement (where the requirements are relevant and proportionate) rather than just 'considered' as previously required. The Social Value Model set out in the PPN requires a minimum of 10% of the total tender evaluation weighting to be allocated to specific social value criteria.



Further information can be accessed on the [gov.uk website](#) including links to:

- Procurement Policy Note (PPN) 06/20
- The Social Value Model
- Guide to using the Social Value Model
- Social Value Model quick reference table

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## Other Useful Information

### UK Defence and Security Exports

[UK Defence and Security Exports \(UKDSE\)](#) is part of the [Department for International Trade](#). UKDSE provide specialist export advice and practical assistance, working closely with industry and government departments including MOD, the [Home Office](#) and the [Export Control Joint Unit \(ECJU\)](#).

The [UK Defence and Security Exports SME Support Team](#) provides and supports a wide range of events and activities designed to help UK small and medium-sized enterprises win overseas defence and security business.

### Cyber Security

The National Cyber Security Centre (NCSC) has brought together expertise from CESG (the information assurance arm of [GCHQ](#)), the Centre for Cyber Assessment, CERT-UK, and the [Centre for Protection of National Infrastructure](#). The NCSC provides a single point of contact for SMEs, larger organisations, government agencies, the general public and departments. We also work collaboratively with other law enforcement, defence, the UK's intelligence and security agencies and international partners.

The Defence Cyber Protection Partnership (DCPP) is a collaboration between Ministry of Defence (MOD), Industry, and other Government departments. The [Cyber Security Model \(CSM\)](#) is a risk-based proportionate approach to protecting MOD data in the supply chain. It will also help to protect companies against data theft and ransomware. Since 2017, It has been mandated across all MOD contracts. **Useful links**

- **Security Policy**

[Government Functional Standard GovS 007: Security \(publishing.service.gov.uk\)](#)

- **Accreditation**

[CyDR defence industry ICT accreditation and risk balance case processes - GOV.UK \(www.gov.uk\)](#)

[MOD ICT security accreditation and the defence assurance risk tool \(DART\) \(publishing.service.gov.uk\)](#)

- **Facility Security Clearance (Formerly List X)**

[Security requirements for List X contractors - GOV.UK \(www.gov.uk\)](#)

[20180919\\_GovernmentSecurityRolesAndResponsibilities.pdf \(publishing.service.gov.uk\)](#)

[Defence Equipment and Support Principal Security Advisor - GOV.UK \(www.gov.uk\)](#)

[Procedure for UK contractors without a Facility Security Clearance \(FSC\) \(publishing.service.gov.uk\)](#)

[International Classified Changes](#)

- **Cyber Security Model**

[Cyber Security Model – Interim Process in support of DEFCON 658 - GOV.UK \(www.gov.uk\)](#)

[Cyber Industry Buyer and Supplier Guide \(publishing.service.gov.uk\)](#)

[Defence condition 658: cyber \(flow-down\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/defence-condition-658-cyber-flow-down)

[Cyber Security Model: cyber risk profiles' requirements - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/cyber-security-model-cyber-risk-profiles-requirements)

[Def Stan 05-138 Issue 3 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/consultations/defence-stan-05-138-issue-3)

- **Security Clearances**

[IPSA Policy May 2021.pdf \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/consultations/ipsa-policy-may-2021)

## Annex – Major Suppliers

	<a href="https://www.airbus.com/en/be-an-airbus-supplier">https://www.airbus.com/en/be-an-airbus-supplier</a>
	<a href="https://www.babcockinternational.com/who-we-are/suppliers/becoming-a-supplier">https://www.babcockinternational.com/who-we-are/suppliers/becoming-a-supplier</a>
	<a href="https://www.baesystems.com/en/home">https://www.baesystems.com/en/home</a>
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	<a href="http://www.thalesgroup.com/en/europe/unitedkingdom/uk-suppliers">www.thalesgroup.com/en/europe/unitedkingdom/uk-suppliers</a>

ULTRA	<a href="https://www.ultra-ice.com/index.php">https://www.ultra-ice.com/index.php</a> <a href="https://www.ultra-ice.com/index.php">https://www.ultra-ice.com/index.php</a>
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