

This is a published notice on the Find a Tender service: <https://www.find-tender.service.gov.uk/Notice/002917-2021>

Tender

Defence Virtual Simulation 2 (DVS2)

Ministry of Defence, Land Equipment, Training and Simulation Systems Programme (TSSP)

F17: Contract notice for contracts in the field of defence and security

Notice identifier: 2021/S 000-002917

Procurement identifier (OCID): ocds-h6vhtk-0292cc

Published 12 February 2021, 2:32pm

Section I: Contracting authority/entity

I.1) Name, addresses and contact point(s)

Ministry of Defence, Land Equipment, Training and Simulation Systems Programme (TSSP)

MoD Cedar 2B, Mail Point #3260, MOD Abbey Wood, Filton

Bristol

BS34 8JH

Contact

Robert Preece

Email(s)

robert.preece106@mod.gov.uk

Telephone

+44 7909254675

Country

United Kingdom

Internet address(es)**General address of the contracting authority/entity**

<https://www.dcocontracts.mod.uk>

Further information

Further information can be obtained from the above mentioned contact point(s)

Specifications and additional documents (including documents for competitive dialogue and a dynamic purchasing system) can be obtained from

The above-mentioned contact point(s)

Tenders or requests to participate must be sent to

The above-mentioned contact point(s)

I.2) Type of the contracting authority

Ministry or any other national or federal authority, including their regional or local subdivisions

I.3) Main activity

Defence

I.4) Contract award on behalf of other contracting authorities/entities

The contracting authority is purchasing on behalf of other contracting authorities:

No

Section II: Object of the contract

II.1) Description

II.1.1) Title attributed to the contract by the contracting authority

Defence Virtual Simulation 2 (DVS2)

II.1.2) Type of contract and location of works, place of delivery or of performance

Services

Service category No 3: Defence services, military defence services and civil defence services

Main site or location of works, place of delivery or of performance

UNITED KINGDOM

NUTS code

- UK - United Kingdom

II.1.5) Short description of the contract or purchase(s)

Training and simulation in security equipment. Training and simulation in firearms and ammunition. Training and simulation in military vehicles. Training and simulation in warships. Training and simulation in aircraft, missiles and spacecraft. Training and simulation in military electronic systems. Training and simulation in military vehicles. Training and simulation in security equipment. Training and simulation in firearms and ammunition. Training and simulation in warships. Training and simulation in aircraft, missiles and spacecraft. Training and simulation in military electronic systems.

The Training & Simulation System Programme (TSSP) team, part of Defence Equipment & Support (DE&S) within the UK Ministry of Defence (MoD), is considering the potential requirement for the provision of a Defence Virtual Simulation 2 (DVS2) to provide a common, interoperable, accessible and deployable software enabler(s) for simulation-based activity across Defence.

Defence Virtual Simulation 2 (DVS2) will provide a low fidelity , common virtual simulation tool(s) that exploits Commercial Off The Shelf (COTS) games-based technology. It is intended for use as widely as possible, underpinning the interoperability of training systems and enabling its use for applications including decision support; research and development; training; and operations planning and rehearsal, that is free at the point of

use.

Should, following completion of the market sounding exercise, the MoD wish to take forward the potential requirement then it will be expected that the preferred supplier would be able to demonstrate, implement and ultimately manage a solution capable of operating on standard Commercial Off The Shelf (COTS) hardware over a period of up to 10 years (made up of 5 years managed service contract + 3 x 1 years options which the Authority reserves the right to take as a combination, or as 1 year increments, resulting in perpetual unsupported licences for final 2 years).

The solution will be interoperable with extant and future simulations, both nationally and internationally, through the use of open standards and import and export content in open standards (DMaSC & CIGI compliant).

The solution will be COTS that will be licensed at an appropriate level providing enterprise, unrestricted use and distribution by the MoD, thereby enabling widespread use and development opportunities. Interoperability with Allied nations is also highly desirable.

II.1.6) Common procurement vocabulary (CPV)

- 80610000 - Training and simulation in security equipment

Additional CPV code(s)

- 80620000 - Training and simulation in firearms and ammunition
- 80630000 - Training and simulation in military vehicles
- 80640000 - Training and simulation in warships
- 80650000 - Training and simulation in aircrafts, missiles and spacecrafts
- 80660000 - Training and simulation in military electronic systems

II.1.7) Information about subcontracting

The tenderer has to indicate in the tender any share of the contract it may intend to subcontract to third parties and any proposed subcontractor, as well as the subject-matter of the subcontracts for which they are proposed

II.1.8) Lots

This contract is divided into lots: No

II.1.9) Information about variants

Variants will be accepted: No

II.2) Quantity or scope of the contract

II.2.1) Total quantity or scope

Defence Virtual Simulation 2 (DVS2) will provide common virtual simulation tool(s) that exploits Commercial Off The Shelf (COTS) games-based technology. It is intended for use as widely as possible, underpinning the interoperability of training systems and enabling its use for applications including decision support; research and development; training; and operations planning and rehearsal, that is free at the point of use. The solution will be interoperable with extant and future simulations, both nationally and internationally, through the use of open standards and import and export content in open standards (DMaSC & CIGI compliant). The solution will be COTS that will be licensed at an appropriate level providing enterprise, unrestricted use and distribution by the MoD, thereby enabling widespread use and development opportunities. Interoperability with Allied nations is also highly desirable. Current active licenses is in excess of 24,000.

Estimated value excluding VAT:

Range: between £10,000,000 and £30,000,000

II.2.2) Information about options

Options: Yes

Description of these options: This Contract shall be over a period of up to 10 years (made up of 5 years managed service contract + 3 x 1 years options which the Authority reserves the right to take as a combination or as 1-year increments, resulting in perpetual unsupported licences for final 2 years).

Please note the estimated value of the core 5 years is between £4,000,000 and £7,000,000. The range of spend for the full duration of this contract will be between £10,000,000 and £30,000,000.

The Authority is under no obligation to exercise the right to the options if it deems inappropriate to do so.

II.2.3) Information about renewals

This contract is subject to renewal: No

Section III. Legal, economic, financial and technical information

III.1) Conditions relating to the contract

III.1.1) Deposits and guarantees required

The Authority reserves the right to ask for an Indemnity, guarantee or bank bond if the supplier does not meet the standard for economic and financial standing. A parent company guarantee may also be required dependent on the formation and financial standing of the contracting business.

III.1.2) Main financing conditions and payment arrangements and/or reference to the relevant provisions governing them

The Contract and Services provided will be made against an agreed payment plan. Payments will follow successful delivery and acceptance of services. The end to end process for the afore mentioned conditions shall be handled within the CP&F system (The DE&S Procurement and Payments software). Financing and payment conditions shall be included in the ITN.

III.1.3) Legal form to be taken by the group of economic operators to whom the contract is to be awarded

If a group of economic operators submits a bid, the group must nominate a lead organisation to deal with the Authority. The Authority shall require the group to form a wholly legal entity before entering into the contract.

III.1.4) Other particular conditions to which the performance of the contract is subject, in particular with regard to security of supply and security of information

The Authority reserves the right to amend any condition related to security of information to reflect any changes in national law or government policy. If any contract documents are accompanied by a Security Aspects Letter, the Authority reserves the right to amend the terms of the Security Aspects Letter to reflect these changes in national law or government policy whether in respect of the applicable protective marking scheme, specific; protective markings given, the aspects of which any protective marking applies or otherwise.

Candidates may be required to have the necessary Personal Security Clearances (PSCs) and may need to have access to facilities with security clearance (Facility Security Clearance "FSC's") e.g. on the list X register in the UK. Candidates which do not yet hold security clearance may obtain such clearance prior to the anticipated Contract award. This requirement will be detailed further at ITN.

The Cyber Risk Assessment for the procurement is MODERATE, as defined in DEFSTAN 05-138.

The Cyber Risk Profile for this requirement identified by the Cyber Risk Assessment is Moderate (Reference – RAR-BA339KDZ). As the Assessment has been deemed as Moderate potential suppliers will need to verify their identity before they are able to complete an Supplier Assurance Questionnaire (SAQ). This is a requirement which may take up to a week to complete before being able to access the SAQ.

All suppliers must complete a SAQ, via the Supplier Cyber Protection Service, to demonstrate their level of compliance against the required Cyber Risk Level. The reference number is RAR-BA339KDZ.

Tenderers must, as a minimum, have Cyber Essentials Plus and conform to the MODERATE DEFSTAN 05-138 controls.

If the tenderer cannot meet the level of security controls required by the contract start date it does not mean an immediate fail. The tenderer should submit a Cyber Implementation Plan (CIP) as part of their tender submission detailing the steps they would take to meet the necessary controls, together with associated timescales, details of any equivalent standards they have, or reasons why they are unable to comply.

For note, the requirement for compliance with the cyber security controls is being extended to apply throughout the Defence supply chain. Where the prime contractor intends to sub-contract any part of the requirement, they must assess the cyber risk for that sub-contract and ensure their supply chain has the appropriate controls, or an agreed implementation plan, in place prior to sub-contract award.

TUPE may apply from the current in-service Defence Virtual Simulation Contract.

III.1.5) Information about security clearance

Candidates which do not yet hold security clearance may obtain such clearance until: 31 March 2022

III.2) Conditions for participation

III.2.1) Personal situation

Criteria regarding the personal situation of economic operators (that may lead to their exclusion) including requirements relating to enrolment on professional or trade registers

Information and formalities necessary for evaluating if the requirements are met: The Authority will apply all the offences listed in Article 39(1) of Directive 2009/81/EC

(implemented as Regulation 23(1) of the Defence and Security Public Contract Regulations (DSPCR) 2011 in the UK) and all of the professional misconducts listed at Article 39(2) of Directive 2009/81/EC (see also Regulation 23(2) in the DSPCR 2011) to the decision of whether a Candidate is eligible to be invited to tender.

A full list of these criteria are at

<http://www.dcocontracts.mod.uk/delta/project/reasonsForExclusion.html#dspr>

Criteria regarding the personal situation of subcontractors (that may lead to their rejection) including requirements relating to enrolment on professional or trade registers

Information and formalities necessary for evaluating if the requirements are met: Candidates will be required to sign a declaration confirming whether they do or do not have any of the listed criteria as part of the pre-qualification process.

Candidates who have been convicted of any of the offences under Article 39(1) are ineligible and will not be selected to bid, unless there are overriding requirements in the general interest (including defence and security factors) for doing so.

Candidates who are guilty of any of the offences, circumstances or misconduct under Article 39(2) may be excluded from being selected to bid at the discretion of the Authority.

III.2.2) Economic and financial ability

Criteria regarding the economic and financial standing of economic operators (that may lead to their exclusion)

Information and formalities necessary for evaluating if the requirements are met:

Minimum level(s) of standards possibly required: The estimated average annual contract value is between 500,000 GBP- 2,500,000 GBP. If the estimated average annual contract value is greater than 40 % of the supplier's turnover, the Authority reserves the right to exclude the supplier from being selected to tender except where the supplier provides, to the satisfaction of the Authority, evidence showing it has sufficient economic and financial capability, e.g. such evidence may include:

1) Any additional information proving it has sufficient economic and financial resources to

deliver the requirement; and

2) State whether the supplier is willing to provide the Authority with an indemnity, guarantee or bank bond.

A financial assessment will be undertaken on the supplier's financial status. An overall pass/fail judgement will be made after considering areas such as turnover, profit, net assets, liquidity, gearing and capacity. This assessment will include the parent company where applicable. An independent financial assessment obtained from a reputable credit rating organisation will be utilised as part of this process.

Criteria regarding the economic and financial standing of subcontractors (that may lead to their exclusion)

Information and formalities necessary for evaluating if the requirements are met: (a) appropriate statements from the economic operator's bankers or where appropriate, evidence of relevant professional risk indemnity insurance;

(b) the presentation of balance-sheets or extracts from the balance-sheets, where publication of the balance-sheet is required under the law of the country in which the economic operator is established;

(c) where appropriate, a statement, covering the 3 previous financial years of the economic operator, of:

(i) the overall turnover of the business of the economic operator; and

(ii) where appropriate, the turnover in respect of the work, works, goods or services which are of a similar type to the subject matter of the contract.

Evidence of appropriate professional risk indemnity; at least 2 years certified audited accounts in statutory form, profit and loss account and balance sheet; statement of overall turnover to be provided with DPQQ. A financial assessment will be undertaken on the supplier's financial status. An overall pass/fail judgement will be made after considering areas such as turnover, profit, net assets, liquidity, gearing and capacity. This assessment will include the parent company where applicable. An independent financial assessment obtained from a reputable credit rating organisation will be utilised as part of this process.

Minimum level(s) of standards possibly required: The Authority reserves the right to exclude the supplier from being selected to tender except where the supplier provides, to the satisfaction of the Authority, evidence showing it has sufficient economic and financial capability, e.g. such evidence may include:

1) Any additional information proving it has sufficient economic and financial resources to

deliver the requirement; and

2) State whether the supplier is willing to provide the Authority with an indemnity, guarantee or bank bond.

A financial assessment will be undertaken on the supplier's financial status. An overall pass/fail judgement will be made after considering areas such as turnover, profit, net assets, liquidity, gearing and capacity. This assessment will include the Parent company where applicable. An independent financial assessment obtained from a reputable credit rating organisation will be utilised as part of this process.

III.2.3) Technical and/or professional capacity

Criteria regarding the technical and/or professional ability of economic operators (that may lead to their exclusion)

Information and formalities necessary for evaluating if the requirements are met:

Minimum level(s) of standards possibly required: The Authority reserves the right under Article 21(5) of Directive 2009/81/EC to reject any subcontractor chosen by the main contractor at any stage of the contract award procedure or during performance of the contract if that subcontractor:

- 1) Requires access to classified information at UK Official; and
- 2) Fails to provide evidence to the satisfaction of the Authority that it has the capability to protect that level of classified information in accordance with Article 42.1(j) of Directive 2009/81/EC.

Criteria regarding the technical and/or professional ability of subcontractors (that may lead to their rejection)

Information and formalities necessary for evaluating if the requirements are met: The main Contractor will be required to provide evidence of its subcontractor's ability to process, store and transmit classified information at UK Official by describing the required Facility Security Clearance (FSC) granted by its National or Designated Security Authority.

Minimum level(s) of standards possibly required: The Authority reserves the right under Article 21(5) of Directive 2009/81/EC to reject any subcontractor chosen by the main contractor at any stage of the contract award procedure or during performance of the contract if that subcontractor:

- 1) Requires access to classified information at UK Official; and
- 2) Fails to provide evidence to the satisfaction of the Authority that it has the capability to protect that level of classified information in accordance with Article 42.1(j) of Directive 2009/81/EC.

III.3) Conditions specific to services contracts

III.3.1) Information about a particular profession

Execution of the service is reserved to a particular profession: No

III.3.2) Staff responsible for the execution of the service

Legal persons should indicate the names and professional qualifications of the staff responsible for the execution of the service: No

Section IV: Procedure

IV.1) Type of procedure

IV.1.1) Type of procedure

Negotiated

IV.1.2) Limitations on the number of operators who will be invited to tender or to participate

Envisaged minimum number 2 and maximum number 6

Objective criteria for choosing the limited number of candidates: Suppliers must read through this set of instructions and follow the process to respond to this opportunity.

The information and/or documents for this opportunity are available on www.contracts.mod.uk. You must register on this site to respond, if you are already registered you will not need to register again, simply use your existing username and password. Please note there is a password reminder link on the homepage.

The deadline for submitting your response(s) is 01/04/2021 at 17:00. Please ensure that you allow yourself plenty of time when responding to this invite prior to the closing date and time, especially if you have been asked to upload documents.

If you experience any difficulties, please refer to the online Frequently Asked Questions (FAQ's) or the User Guides or contact the MOD DCO Helpdesk by emailing support@contracts.mod.uk.

Interested suppliers are required to complete the Dynamic PQQ to provide information that allows the Authority to evaluate the supplier's capacities and capabilities against the selection criteria set out at Sections III.2.1), III.2.2) and III.2.3) of this Contract Notice.

The Authority will use the DPQQ response to create a shortlist of tenderers who:

- (1) Are eligible to participate under Section III.2.1) of this Contract Notice;
- (2) Fulfil any minimum standards under Sections III.2.2) and III.2.3) of this Contract Notice; and
- (3) Best meet in terms of capacity and capability the selection criteria set out Sections III.2.2) and III.2.3) of this Contract Notice.

Full details of the evaluation procedure for selecting the candidate tenderers to be invited

to the ITN stage of the competition process will be set out in the dynamic PQQ.

The Authority reserves the right to reduce the number of candidates during the negotiation phase, full details will be set out in the Invitation to Negotiate (ITN).

IV.1.3) Reduction of the number of operators during the negotiation or dialogue

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated: yes

IV.2) Award criteria

IV.2.1) Award criteria

the criteria stated in the specifications, in the invitation to tender or to negotiate or in the descriptive document

IV.2.2) Information about electronic auction

An electronic auction has been used: no

IV.3) Administrative information

IV.3.1) File reference number attributed by the contracting authority

TSSP/134

IV.3.2) Previous publication(s) concerning the same contract

Prior information notice

Notice number: [2019/S 240-590237](#) of 12 December 2019

Other previous publications

no

IV.3.3) Conditions for obtaining specifications and additional documents or descriptive document

Time limit for receipt of requests for documents or for accessing documents: 23 March 2021 - 5:00pm

Payable documents: no

IV.3.4) Time limit for receipt of tenders or requests to participate

1 April 2021 - 5:00pm

IV.3.5) Date of dispatch of invitations to tender or to participate to selected candidates

9 July 2021

IV.3.6) Language(s) in which tenders or requests to participate may be drawn up

English

Section VI: Complementary information

VI.1) Information about recurrence

This is a recurrent procurement: No

VI.2) Information about European Union funds

The contract is related to a project and/or programme financed by European Union funds:
No

VI.3) Additional information

The contracting authority considers that this contract may be suitable for economic operators that are small or medium enterprises (SMEs). However, any selection of tenderers will be based solely on the criteria set out for the procurement. The Authority reserves the right to amend any condition related to security of information to reflect any changes in national law or government policy. If any contract documents are accompanied by instructions on safeguarding classified information (e.g. a Security Aspects Letter), the Authority reserves the right to amend the terms of these instructions to reflect any changes in national law or government policy, whether in respect of the applicable protective marking scheme, specific protective markings given, the aspects to which any protective marking applies, or otherwise. The link below to the [Gov.uk](https://www.gov.uk/government/publications/government-security-classifications) website provides information on the Government Security Classification.

<https://www.gov.uk/government/publications/government-security-classifications>

Advertising Regime OJEU:- This contract opportunity is published in the Official Journal of the European Union (OJEU), the MoD Defence Contracts Bulletin and www.dcocontracts.mod.uk

Suppliers must read through this set of instructions and follow the process to respond to this opportunity.

The information and/or documents for this opportunity are available on <https://www.dcocontracts.mod.uk>. You must register on this site to respond, if you are already registered you will not need to register again, simply use your existing username and password. Please note there is a password reminder link on the homepage.

Suppliers must log in, go to your response manager and add the following Access Code: 7J5WUXUE5C. Please ensure you follow any instruction provided to you here.

The deadline for submitting your response(s) is 01 April 2021 17.00. Please ensure that you allow yourself plenty of time when responding to this invite prior to the closing date and time, especially if you have been asked to upload documents.

If you experience any difficulties please refer to the online Frequently Asked Questions (FAQ's) or the User Guides or contact the MOD DCO Helpdesk by emailing - support@contracts.mod.uk or call 0800 282 324. GO Reference: GO-2021212-DCB-17786320

VI.4) Procedures for appeal

VI.4.1) Body responsible for appeal procedures

Ministry of Defence, Land Equipment, Training and Simulation Systems Programme (TSSP)

Bristol

Email(s)

robert.preece106@mod.gov.uk

Telephone

+44 7909254675

Country

United Kingdom

VI.4.1) Body responsible for mediation procedures

Ministry of Defence, Land Equipment, Training and Simulation Systems Programme

(TSSP)

Bristol

Email(s)

robert.preece106@mod.gov.uk

Telephone

+44 7909254675

Country

United Kingdom

VI.4.3) Service from which information about the lodging of appeals may be obtained

Ministry of Defence, Land Equipment, Training and Simulation Systems Programme
(TSSP)

Bristol

Email(s)

robert.preece106@mod.gov.uk

Telephone

+44 7909254675

Country

United Kingdom