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Planning

DEFENCE DISCOUNT SCHEME

Ministry of Defence

F01: Prior information notice

Prior information only

Notice identifier: 2022/S 000-010278

Procurement identifier (OCID): ocds-h6vhtk-032ec2

Published 20 April 2022, 12:03pm

Section I: Contracting authority

I.1) Name and addresses

Ministry of Defence

65 BROWN STREET

GLASGOW

G2 8EX

Email

Ewen.Burton339@mod.gov.uk

Country

United Kingdom

NUTS code

UK - United Kingdom

Internet address(es)

Main address

<http://mod.gov.uk>

I.3) Communication

Additional information can be obtained from the above-mentioned address

I.4) Type of the contracting authority

Ministry or any other national or federal authority

I.5) Main activity

Defence

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

DEFENCE DISCOUNT SCHEME

II.1.2) Main CPV code

- 75000000 - Administration, defence and social security services

II.1.3) Type of contract

Services

II.1.4) Short description

MOD's current provision of Defence Discount Scheme (DDS) for Service Personnel, Veterans and Civilians is provided by Bluelight Card Company and expires on 31st May 2022.

The purpose of this PIN is to establish whether there are any alternative suppliers capable of and willing to, supply this service after this date.

The Authority's intention is to re-let a further four year contract lasting until May 2026 and if there is potential for competition, to conduct that competition and if there is not, to award

the new contract to Bluelight Card Company.

Continued provision of this service will be on the basis that there is a NIL cost to MoD for the DDS Service. Currently DDS returns a % of profits to MoD in the form of a gainshare payment which is passed on to the four Service Welfare Central Funds.

Any alternative provider would have to ensure that they could provide retail and online discounts to:

Serving armed forces (regular and reservist)

HM armed forces Veterans

MOD Civilians (except contractors)

Spouse/Partner of Serving Personnel

Cadet Forces

Bereaved Family Member

War/service widow(er)

NATO Personnel

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 75000000 - Administration, defence and social security services

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement

Bluelight Card Company own the current membership details, the contracts with high street retail providers and the 'Defence Discount Service' name. Other providers could

build and operate a similar discount card service, but the Authority would require this to be built up rapidly so as to ensure that there would be no immediate drop in the service provided to the Defence community from an MOD contracted provider as a result of reduced range of discounts available. The Authority would also not be willing to experience in drop in the gainshare which is linked to the size of membership and retail and service companies offering discounts.

Current membership of the Scheme is 568,828 with active members (clicked an offer in last 6 months) standing at 225,094. The Total active retail offers (online and High Street retailers) is 9,819. Any alternative supplier would have to be able to reach these membership figures very quickly and be prepared to offer MoD a gainshare minimum of 15% of the DDS contract profits each year..

Any alternative Supplier will have to hold Cyber security and comply with the Authority's IR35 Assessment and any Authority's decision on Limiting the Supplier's Liabilities. It is unlikely that any current contractor staff would be willing to transfer to any alternative supplier under TUPE.

II.3) Estimated date of publication of contract notice

31 May 2022

Section IV. Procedure

IV.1) Description

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: Yes

Section VI. Complementary information

VI.3) Additional information

Any Supplier wishing to express interest in this requirement for the period 1st June 2022 to 31st May 2026 should express interest through the Defence Sourcing Portal by 23rd May 2022. They should include a short summary of how they would be able to reach the current membership totals and retailer number very quickly and what kind of gainshare % could be offered to the Authority.

