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Award

Procurement of 500x Palletised Loading System (PLS) Platforms with an option to increase and extend contract quantity and duration

Ministry of Defence

F15: Voluntary ex ante transparency notice

Notice identifier: 2023/S 000-023159

Procurement identifier (OCID): ocds-h6vhtk-03ee1e

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Section I: Contracting authority/entity

I.1) Name and addresses

Ministry of Defence

BRISTOL

Email

deborah.hambridge100@mod.gov.uk

Country

United Kingdom

Region code

UK - United Kingdom

Internet address(es)

Main address

<https://www.gov.uk/government/organisations/ministry-of-defence>

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

Procurement of 500x Palletised Loading System (PLS) Platforms with an option to increase and extend contract quantity and duration

Reference number

708851450

II.1.2) Main CPV code

- 34134000 - Flatbed and Tipper trucks

II.1.3) Type of contract

Supplies

II.1.4) Short description

Estimated value excluding VAT: Range £250m and £350m Ex VAT covering the procurement of 500x platforms across FY23/24. It is estimated that the contract for the 500x platforms will total between £250m - £350m. This may increase by further platforms to fulfil the total Land Fleet Requirement of 1827 platforms and therefore have an increased potential total value of up to £1Bn. This option is only relevant if contractual options are invoked, noting that the Authority has no obligation to do so. Any future procurements would be subject to separate Business Case approval.

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £350,000,000

II.2) Description

II.2.3) Place of performance

NUTS codes

- UK - United Kingdom

II.2.4) Description of the procurement

The contract will be for the purchase of 500 x PLS Platforms to the contracting authority and will contain options for purchasing additional quantities of PLS Platforms. This contract will cover the procurement of PLS Platforms to mitigate shortfalls against the current Land Fleet Requirement to meet Future Soldier structures.

II.2.5) Award criteria

Criterion: n n

II.2.11) Information about options

Options: Yes

Description of options

Options shall be included for the Authority to procure additional platform quantities, noting there is no obligation on the Authority to invoke these. This will also require separate financial approval. This requirement is driven by the published PLS Land Fleet Requirement (LFR) dated 24th May 2023.

II.2.13) Information about European Union Funds

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

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated procedure without publication of a contract notice

- No tenders or no suitable tenders/requests to participate in response to negotiated procedure with prior publication of a contract notice
- The products involved are manufactured purely for the purpose of research, experiment, study or development
- The works, supplies or services can be provided only by a particular economic operator for the following reason:
 - absence of competition for technical reasons

Explanation:

The Vehicle Support Team (VST), as part of the UK Ministry of Defence (MoD), intends to award a two-year contract with the value of approximately £350m excluding VAT to Rheinmetall MAN Military Vehicles UK Ltd for the purchase of 500 x PLS Platforms with an option to extend for a maximum period of 5-years for purchase of additional quantities of PLS Platforms.

In accordance with regulation 4 of The Defence and Security Public Contracts (Amendment) (EU Exit) Regulations 2019 (SI 2019/697) this procurement falls to be regulated under the provisions of the Defence and Security Public Contracts Regulations 2011 as amended (in particular by SI 2019/697 and SI 2020/1450). Prior publication of a contract notice in the Official Journal of the European Union is no longer appropriate. It is considered that the award of the contract without prior publication of a contract notice in the UK e-notification service (as required by the relevant legislation) is lawful in accordance with Regulation 16(1)(a)(ii) of the Defence and Security Public Contracts Regulations 2011 for Technical Reasons.

RMMV are the Original Equipment Manufacturer (OEM) for the PLS platform(s)), and they are the manufacturer of the Support Vehicle fleet and owners of the IPR. The Authority does not own or have a right to obtain or provide to third parties the proprietary information and documentation regarding these platforms. Manufacture of these platforms by a third party is not considered possible without direct OEM support and access to the proprietary

information. Therefore, as the OEM, RMMV are the only economic operator capable of manufacturing this capability and meeting this requirement within the timeframe required. This vehicle is currently deployed on multiple Operations around the world and further procurement is required to mitigate shortfalls against the Land Fleet Requirement to meet Future Soldier structures. As such, procurement of anything other than the PLS model from RMMV would fail to meet the Authority's requirement and would introduce a level of risk that is not acceptable to the Authority.

Furthermore, procuring an alternative PLS platform solution from another supplier is not considered a viable option due to the significant additional technical and interoperability complexity that would be introduced, including but not limited to platform interoperability issues, including safe recovery procedures, safe transport procedures and safe integration with UK equipment and flat racks, all of which are currently established for the current in-service RMMV platforms. Any new vehicles must be interoperable with current recovery systems and fault diagnostic equipment. Failure to achieve a coherent fleet would substantially reduce effectiveness and introduce a level of risk that is not acceptable to the Authority.

In addition, introducing different platforms with different support solutions when deployed on contingent operations would not be compatible with the Authority's requirements existing support solutions, modifications and theatre specific role fits would not be compatible with an alternative platform without significant effort to integrate.

Finally, increased training burden associated with a mixed fleet of platforms, which would include new training material to ensure safe operation of platforms, does not meet the User's requirement and set pre-deployment training activities. Accordingly, the Authority's view is that the award of a contract under regulation 16(1)(a)(ii)- technical reasons ground has been met.

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

The procurement is covered by the Government Procurement Agreement: Yes

Section V. Award of contract/concession

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

4 August 2023

V.2.2) Information about tenders

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor/concessionaire

Rheinmetall MAN Military Vehicles (RMMV)

BRISTOL

Country

United Kingdom

NUTS code

- UK - United Kingdom

The contractor/concessionaire is an SME

No

V.2.4) Information on value of contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession: £350,000,000

V.2.5) Information about subcontracting

The contract/lot/concession is likely to be subcontracted

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

Ministry of Defence

Vehicle Support Team, Cedar 1A, MOD Abbey Wood

BRISTOL

BS34 8JH

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

Ministry of Defence

Vehicle Support Team, Cedar 1A, MOD Abbey Wood

Bristol

BS34 8JH

Country

United Kingdom

VI.4.4) Service from which information about the review procedure may be obtained

Ministry of Defence

Vehicle Support Team, Cedar 1A, MOD Abbey Wood

Bristol

BS348JH

Country

United Kingdom