

SMEs – MOD Case Studies

SME Name: AcciDon't

Description of Product/Service: Driving licence acquisition training

Procurement Team: Army Land Forces Proc3

Notes: Won the 3 year contract to provide Driving Licence Acquisition Training by developing an innovative business administrative system. Training instructors can access the system remotely increasing efficiency at significantly reduced training overhead costs.

Case Study? Yes, attached at Annex A

SME Name: Turner Virr Ltd

Description of Product/Service: Manufacturer of uniform, clothing and accessories.

Procurement Team: DES LSC

Notes: Won the contract to provide uniforms for the Royal Hospital Chelsea by scoring highly on technical capability, capacity and price. Their sound knowledge of the military system was highly beneficial when dealing with Ex-Service personnel. As an SME their attention to detail enabled them to deliver a more 'patient-flexible' service.

Case Study? Yes, attached at Annex B

SME Name: SAS Ltd and their parent Solent Divers.

Description of Product/Service: Supply of breathable gases, testing and refurbishment of breathing systems and apparatus.

Procurement Team: DES Ships

Notes: Won the contract for testing and refurbishing of breathing systems. The SME submitted a competitively priced proposal, had extensive knowledge of user requirements and provides an excellent service.

Case Study? Yes, attached at Annex C

SME Name: Enhanced Protection Systems UK Limited

Description of Product/Service: The supply of 2D multi-spectral camouflage material.

Procurement Team: DES Combat Air

Notes: A competitive contract awarded to meet a UOR with delivery completed by 4 Apr 11

Case Study? Yes, attached at Annex D

SME Name: Austin Hayes Ltd

Description of Product/Service: The refurbishment of ammunition containers and associated parts.

Procurement Team: DES DGM PT

Notes: A competitively awarded contract, five years duration with option to extend by another five years. The company is constantly initiating and evolving techniques to recycle used packaging. Several proposals have been adopted. Est. savings are £20m per annum. AHL received a CDM commendation in May 2010.

Case Study? Yes, attached at Annex E

SME Name: LSC Group

Description of Product/Service: Support programme for the Apache attack helicopter.

Procurement Team: DES Hels

Notes: A competitively awarded contract, awarded in 2001 (believed complete), that saved approx £10m by implementing spares and R&O modelling for the Apache IOS.

Case Study? Yes, attached at Annex F

SME Name: Marlborough Communications Ltd (MCL)

Description of Product/Service: MCL provides design, development, production and support of advanced electronic and electro-mechanical systems. The winning bid came from a team of two SMEs - one with knowledge of public tender process and financial backing and the other with the technological solution. As a small business MCI demonstrated the versatility to tailor products to support customer requirements and their proposal offered the best value for money with the potential for future gain share opportunities.

Procurement Team: DES AS

Notes: A competitively awarded contract, awarded in 2011.

Case Study? Yes, attached at Annex G

SME Name: BiP Solutions Ltd

Description of Product/Service: The publication of the MOD Contracts Bulletin

Procurement Team: Centre TLB on behalf of SRT

Notes: BIP Solutions Ltd publishes the MOD Contract Bulletin. Their innovative proposal ensures that all services are provided at no cost to the MOD, with revenue generated through subscription and advertising space.

Case Study? Yes, attached at Annex H

SME Name: Software Box Limited

Description of Product/Service: IT Software and hardware reseller.

Procurement Team: DES ISS

Notes: The MOD Information Assurance framework is managed by the MOD DES ISS Commercial Information Assurance (IA) team and is the largest contract of its type in Government. The current framework has three providers, all SMEs:

Akhter Computers Plc
Centerprise International Ltd
Software Box Ltd

The three suppliers, as a result of mini competitions, have realised approximately £1/2m savings from an annual spend of approximately £25m. All three suppliers provide products and services that are suitable for use by other departments and Software Box already has a relationship providing software through the GPS CITHS framework. They have also expressed their

willingness to tender for the forthcoming Pan Government IA Framework due to commence in May 2013.

Software Box Limited, a company having circa £85m annual turnover and staff level of 95. SBL continue developing industry partnership arrangements with the likes of Dell and Apple and they are one of only 15 UK Microsoft LARS (Large Account resellers) providers. SBL have been a provider to MOD for over 20 years, consistently winning tenders through open competition (OJEU).

SBL is successful as they are extremely knowledgeable and provide an efficient effective service to their customer base. They also bring innovation; DOBUS (Defence Out of Band Update service) was conceived, designed and built by SBL. Its purpose is to provide an internet independent system for the delivery of anti-virus and product software updates, patches and hot fixes via a trusted bearer.

SBL was also awarded a NATO BOA (Basic Order Agreement) for Information Assurance Products and Services in April 2009 allowing them to provide IA solutions to all 28 member nations.

Case Study? Yes, attached at Annex I

SME Name: Tradewind Turbines Ltd

Description of Product/Service: The development of wind energy capture to reduce dependency on fossil fuels.

Procurement Team: CDE

Notes: The Tradewind turbine is the result of a response to the call for "The Self Sustaining Forward Operating Base" which was published in May 2009. This call forms part of the Reducing Operational Dependency on Fossil Fuels Capability Vision launched in 2009.

Funding was secured from CDE for the development of the initial proof of concept by Scimar Engineering Ltd, based in Exeter. The company Tradewind Turbines Ltd was subsequently set up to further develop this initial proof of concept.

Early calculations suggest that the Tradewind turbine could save anywhere from £500k to £1.3m in fuel costs over five years.

Case Study? Yes, attached at Annex J

SME Name: Accuracy International Ltd

Description of Product/Service: The Sniper System Improvement Project

Procurement Team: DES LE LWPB

Notes: The Sniper System Improvement Project was run from 2004 achieving its In Service Date with deliveries in 2008. Exempted from the Public Contracts Regulations, most elements of the system were sourced through open competition in accordance with departmental policy at the time. Accuracy international won the rifle element of the system in competition with other contenders on the grounds of performance and price that delivered best value for money for Defence. There were no changes to extant procurement practices for this competition.

The company remains a valued supplier and provides repair and maintenance services for the system.

Case Study? Yes, attached at Annex K

SME Name: Purchasing Price Index Limited

Description of Product/Service: An independent system of benchmarking catering costs

Procurement Team: DES DFS

Notes: Established 1989 as an independent catering benchmarking company in the UK. Extensively used across the private and public sectors, with clients including MOD, House of Commons, Bank of England, Royal Mail and many more. Proven benchmarking tool used in delivering initial and ongoing cost savings. Independent and essential audit system, aiding responsible financial management and supporting sound budgetary control. Promotes Transparency and Accountability, assisting Value-for-Money catering and supply contracts.

Case Study? Yes, attached at Annex L

Annex A

Case Study – Driving Licence Acquisition Training for the Defence School of Transport

The Defence School of Transport (DST) is responsible for all the categories of driving licence acquisition training that are required by the UK Armed Forces, including Car (and trailer) – B (+E), HGV (and trailer) C(+E) and Minibus (and trailer) D1(+E). Because of the high volume of training, a separate contract for all ‘Phase 2-trade’ training is necessary. The MOD’s most recent requirements were advertised in the Defence Contracts Bulletin where it was competitively tendered and re-let in summer 2011.

The successful contractor was AcciDON’T, a company based in Helensburgh, Scotland. The company’s original specialism was in fleet training, with an emphasis on risk management and driver safety. Since 2006, AcciDON’T has also carried out Licence Acquisition Training for DST. They’re an SME who provide the vehicles under franchise to self-employed driving instructors. AcciDON’T’s business administration database was designed in-house. It enables customers to log-in from any part of the country (even from an iPad in a parked vehicle) and update training records, instructor availability and check the status of payment. The system provides MI, calculating average pass rates and providing a plethora of other statistical data. The system has provided greater efficiency and a reduced management overhead.

Annex B

Case Study - Manufacturer of Uniform, Clothing and Accessories.

Turner Virr Ltd is an SME that manufactures and supplies uniform clothing and equipment. They provide a range of uniforms and accessories, including traditional police and military dress uniforms, high performance outerwear, operational and corporate clothing. These are supplied to the UK Police, MOD and other uniformed personnel throughout the United Kingdom and overseas. The company is assessed and accredited to quality assurance standard BS EN ISO 9001 and has gained accreditation to the environmental standard, BS EN ISO 14001.

The department uses fair open and honest procurement practices that does not discriminate for or against SMEs or larger companies. We are bound by EU procurement law and legislation (Public Procurement Regulations) and this is strictly adhered to. In particular, Defence Clothing ensures that any company expressing an interest against an advertisement are given the opportunity to submit a Pre Qualification Questionnaire. This is assessed against a number of attributes including: *Technicians or Technical Services and Quality Control, Manufacturing Capability, Technical Capability, Ability to meet specifications, Supply chain management, Third party accreditation, Supply of requested documentation and Financial viability based on risk assessment of audited accounts*

The invitation to Tender is issued to those successfully passing the PQQ stage. The Contract was awarded following assessment in three areas; Price, Technical sample and ITT Question. The question set allowed all tenderers including SMEs and opportunity to convey their expertise in manufacturing and their understanding of the requirement given that Defence Clothing Uniforms is a specialist area.

Turner-Virr won the recently awarded Royal Hospital Chelsea contract (DC3A/3006). The tender bid was assessed in three areas, technical capability, capacity and price. Turner Virr Ltd was successful, scoring highly in understanding of the technical competencies and capabilities, continuity of supply, management of inventory, sustainability and delivery.

Turner-Virr's knowledge of the military system was highly beneficial when dealing with Ex-Service personnel. Their attention to detail enabled them to deliver a more 'patient-flexible' service.

4. Any added value they deliver as part of the Contract?

In discharging this Contract, Turner Virr Ltd have to recognise the variances associated with this particular customer due to the age and/or infirmity of the Royal Hospital Chelsea Pensioners but equally given their unique body shapes and sizes in comparison with serving officers and ratings.

Initial feedback is that Turner-Virr is flexible and understanding. They adapt between their normal weekly customers to a slower more patient-friendly way

of carrying out their duties with the elderly. Turner Virr Ltd's knowledge of the military system is beneficial when dealing with ex-service men and women.

Case Study – Diving Gas supplier

SAS Ltd and their parent company Solent Divers are both SMEs.

Safety Air Services Ltd (SAS) supplies breathing gases to both MOD and the private sector. The two MDs – Alan & Paul Hares jointly manage both companies, employing less than 20 people in total. SAS Ltd has been supplying MOD in excess of 30 years and Solent Divers have previously held the contracts for diving wet suits and dry suits. SAS Ltd holds the current contract for the testing and refurbishment of breathing systems valued at approximately £1m over 5 years.

The current contract was awarded following competition to SAS Ltd in October 2010. SAS Ltd provides is ideally located on the South coast close to the Defence Diving School.

Annex D

Case Study - Supply of Camouflage Material.

Enhanced Protection Systems UK Ltd won the contract for the supply of 2D Multi-Spectral Camouflage Material. The requirement arose from the need to provide single man survival packs for additional aircraft scales for Op Herrick under an Urgent Operational Requirement.

The contract was advertised as a Competitive Contract Notice in the Defence Contracts Bulletin and Supply2/gov/uk on 20th September 2010, the expected value being lower than the threshold for EU Procurement Regulations.

Enhanced Protection Systems UK Ltd (EPS) was one of four companies invited to tender following evaluation of the expressions of interest. Of the tenders received, EPS represented best value for money. The only other sample deemed compliant had a minimum order quantity far in excess of the quantity for which we could foresee a need going forward.

After evaluation of the tenders by the Project Team with subject matter expertise provided by Defence SERE Training Organisation at RAF St Mawgan, the contract was awarded to EPS on 16 February 2011. Delivery of the goods was made on 4 April 2011.

CASE Study – The Refurbishment of Ammunition Containers and Associated Parts.

Austin Hayes Ltd (AHL) of Cemetery Road, Yeadon, Leeds, West Yorkshire, LS19 7BD. Tel 0113 250 2255;

Total Employees: c. 90;

Current Contract Requirement: Partnering Agreement for the Refurbishment of Ammunition Containers and Associated Parts (replaced enabling contract which ran for 8 years, total value c. £25M);

Value: £40M+ over 10 years, with duration currently 5 years firm from May 2011, plus performance related options to extend for up to a further 5 years (to May 2021);

Current PA Savings: Estimated £20m pa by cost avoidance - buying new packaging, when compared to cost of refurbished packaging to an equivalent standard;

Evidence of Innovation: Company is constantly initiating and evolving techniques to enable greater proportion of used packaging to be either recycled or refurbished (in this regard, several options proposed by AHL have been adopted and are now demonstrating further benefits);

Long-term Development Aims: Expansion into new purpose-built site, diversification (already working with oil Industry to developing paint coatings and related fabrications), also previously successfully contracted for refurbishment of armoured vehicles;

Possible OGD Benefit: Where opportunities exist for potential refurbishment of both mechanical engineering equipment and/or packaging refurbishment and equipment coatings;

Changes to DGM PT Procurement Practices to enable success: Resulting from Partnering Agreement - Much improved two-way communication, development of a business relationship that is resilient to change, resulting in joint and shared aims and objectives;

Why AHL is successful: They are dedicated to driving down costs, both as a Company and for the MOD as prime customer; Open and adaptable to change; constantly working to understand MOD's requirements – committed to continue as a long-term supplier to the MOD (also key element of supply chain as sub-contractor to BAES GCSM through MASS contract);

How AHL add value: By use of innovative techniques, have developed to become a key/critical supplier, demonstrating skills difficult to source worldwide; Also, AHL's work inherently provides significant environmental

benefits; pro-active in progressing Gainshare proposals; act as thin prime for procurement of related sub-components (thereby saving administrative contracting time and effort for DGM PT);

Other: AHL received CDM Commendation May 2010 - Citation: "This award recognises your outstanding teamwork, drive and innovation to deliver superb timely support for operations whilst making a direct contribution to Sustainable Development. Through embodiment of the principles of Partnering between the Defence General Munitions Project Team, Defence Storage and Distribution Agency (Longtown) and Austin Hayes Limited, based on collaborative behaviour, trust and open communications, and facing huge demands, the team has recovered and processed two million items per year and refurbished 400,000 ammunition containers, saving £20M per year to the Taxpayer".

Annex F

[Please see next page.]

Case Study



Transforming the support programme for UK Apache Attack Helicopter

THE CHALLENGE

To enable the MOD and its Industry partners to achieve an availability based contract that would deliver an affordable support solution, representing value for money, in support of the Apache fleet.

SOLUTION

Embedding a team of independent support specialists to assist in the transition to an availability based support solution that is comprehensive, coherent and achieves maximum value for money.

CUSTOMER BENEFITS

A robust future support solution for the UK Apache fleet that is both affordable and value for money with a quantifiable and manageable level of risk. The Value for Money (VfM) benchmark used during the process has since been formally recognised as best practice across the Rotary environment.

BACKGROUND

On the 1st April 2010 the Integrated Operation Support (IOS) contract for UK Apache AH Mk1 went live. This contract targeted a specific number of flying hours and aircraft availability from the UK MOD AH Mk1 fleet, underpinned by spares, repair and overhaul support and the provision of technical support services right up to the front line including support to operational deployments in Afghanistan.

The contract was let to AgustaWestland as the prime contractor with Tier two support from Boeing, Longbow International and Lockheed Martin.

This outputbased contract represents a major stepping stone towards the MOD's stated aim of transforming the support of major platforms from a traditional in-house model to an incentivised industry led model. Under the contract, risks are managed by the party best able to mitigate them, in this instance industry would take responsibility for the management of Apache technical and supply chain activities with the aim of delivering more operational output at less cost.

Despite the obvious benefits of transitioning to an availability contract, both the MOD and Industry encountered a significant number of challenges throughout the transformation programme:

- **Programme Complexity** – with an international supply chain, the complexity of the platform, and complex user requirements.
- **Data integrity** – challenges of incomplete, incoherent and inconsistent data obtained from multiple systems, sources and stakeholders each presenting different views and different conclusions.
- **Affordability and compliance** – Definition and implementation of a future support arrangement that was compliant and met stated affordability thresholds.



- **Supply Chain relationships** – aligning stakeholder interests end to end from suppliers to the ultimate user, in a workable commercial framework.
- **Partnering behaviours** – instilling positive behaviours throughout the supply chain that would lead to a successful support solution.

Both MOD and Industry agreed that they needed to achieve an availability based contract that would deliver an affordable support solution that represented value for money. Both parties recognised that the immediate challenges they faced presented significant risk to their ability to achieve this aim.



THE LSC TEAM PROVED TO BE EXEMPLARS OF ADAPTABILITY IN HELPING OVERCOME THE CHALLENGES THAT CAN FACE ALL PARTIES WHEN DESIGNING A COMPLEX LONG TERM SUPPORT CONTRACT..... ENSURING A PRAGMATIC, REALISTIC AND VALUE FOR MONEY SOLUTION.”

**Tim Clifford,
Head of Apache, AgustaWestland**

Case Study

INDEPENDENT SUPPORT

LSC Group's independent team of support specialists; selected on the basis of technical expertise, reputation and value, were chosen to assist in the transformation programme from end to end.

Data Integrity

The success of the transformation programme relied on the ability of various stakeholders to share accurate and coherent logistical support information that would aid decision making.

LSC Group was engaged initially in the identification of the key data required to support the fleet, ensuring that information was made available at the point of need.

LSC Group determined that a common language and environment would enable the MOD and its industry partners to more successfully identify, document and resolve support issues. This would ensure that information was able to withstand scrutiny and would give the required auditability.

Specific activities undertaken by LSC Group included:

- Data capture, cleansing and validation
- Data analysis and exploitation
- Data interpretation
- Assessing uncertainty and provenance of data
- Design of cost analysis and trade-off frameworks
- Data and Assumptions Management

Affordability and compliance

Funding constraints meant that when defining a suitable support solution, decision making was focused on affordability and value for money. A Value for Money Benchmark (VfMB) was designed to be used as a comparator during the appraisal of industry responses.

LSC Group supported the VfMB team providing expert assistance in:

- the production and management of Master Data and Assumptions Lists (MDAL)
- the production and evaluation of Whole Life Costs (WLC)
- the production of Logistics modelling data
- the evaluation and quantification of benefit that could be gained from existing MOD resources and infrastructure.

LSC Group's unique experience and expertise provided the MOD with a robust and coherent cost baseline. This meant that the MOD were able to negotiate more effectively with industry, leading to significant reductions in final contracted support solution costs without trading capability.

PROVEN RESULTS

LSC Group's expertise and influence right across the Transformation programme enabled the team to produce a robust future support solution for the UK Apache Fleet, this included:

- A significant cost reduction in the overall inventory to support the fleet.
- A robust quantification and profile of recurring costs for both the contracted period and whole of life.
- An increased confidence in the ability of the contracted support solution to deliver the required outputs.
- The identification of key areas of risk and uncertainty and their impact on cost and performance.
- Knowledge transfer from LSC Group to the customer.
- Achieving timely approval by MOD and other Government departments.



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THE FUTURE

From the experience gained on the Apache UK project, LSC Group has developed a unique skill set in the area of contracting for support.

The Value for Money (VfM) benchmark used throughout the process has since been recognised as best practice across the Rotary Wing environment.



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enabling better decisions

Annex G

Marlborough Communications Ltd (MCL) provides design, development, production and support of advanced electronic and electro-mechanical systems for the military, government and commercial markets. Based in premises near Gatwick airport, they specialise in military communications and signal intercept. MCL offer a wide range of equipment and services that include, C4ISTAR, Communications, UAV systems, SATCOM and Equipment Support and ILS activities. MCL has delivered in excess of 230 UORs over the last four years, all on time or early, and all to budget.

The company employs a mixture of civilian and former military personnel, with operational and supply management experience. They currently employ around 25 personnel full-time- a mixture of Engineers, Project Managers, Sales and Support staff.

Despite the sensitive nature of the requirement, which would usually lead to an exemption, a contract notice was placed in the OJEU in February 2011 to enable the Unmanned Air Systems team to test the market for Nano Unmanned Air Vehicles. The detail of the urgent operational requirement was heavily sanitised and the generic need advertised in the widest possible way. Correspondence was sent to all SMEs who expressed an interest, gauging their knowledge of the public tender process and advising them to team up with larger companies where it seemed likely that they would be too small to carry the risk of a large multi-million pound contract. Many of the SMEs did do this, and the final Prime Contractors invited to tender were all partnered with at least one of SMEs who had expressed an interest in the advert. The final winning bid came from a team of two SMEs- one with knowledge of the public tender process and financial backing, one with the technological solution. All unsuccessful Tenderers were briefed following PQQ stage with advice in each case on where they could have improved their response.

The contract is still in progress but the benefits of working with SMEs have been marked in this instance. As a small business MCL have the versatility to tailor products and support to customer-specific requirements and have a portfolio that covers everything from single bespoke works to multi-million pound contracts. Their tender demonstrated an impressive approach to sustainability issues with a clear quality of information throughout rather than the “cut and paste” standard response often submitted to PQQs and Tender requests. Throughout the contract so far the company have proved to be responsive to customer requests, flexible in their approach to overcoming challenges and comfortable with aggressive timelines, rather than being hamstrung by rigorous gate procedures. The tender response was a demonstration of their ability to meet the customer’s needs rather than the caveated, “corporate policy” response typical of large organisations. MCL have also demonstrated a mature and open attitude to risk management and their proposal offered the best value for money with potential for future gainshare opportunities.

BIP SOLUTIONS LTD

MOD Defence Contracts Bulletin/Defence Contracts Online

BIP Solutions Ltd publishes the MOD Contract Bulletin. Their innovative proposal ensures that all services are provided at no cost to the MOD, with revenue generated through subscription and advertising space.

In August 1997, BiP were awarded the contract for the publication of the MOD Contracts Bulletin. At the time of contract award, the company had 35 employees. Following further competitions, BiP were awarded subsequent 'concession' contracts for the publication of the MOD 'Defence Contracts Bulletin' (DCB) and associated services. This included the provision of the 'Project Online' electronic contract notice creation and submission service to advertise MOD's tender and contract opportunities in the DCB.

Under these 'concession' contracts, the DCB and associated services (including the www.contracts.mod.uk website) were provided at no cost to MOD. Instead, BiP retained revenue from subscriptions to the DCB and from advertising space.

Following the latest competition, in 2011, BiP won the contract for the provision of an electronic contract notice creation and streaming service until 2015. The most immediate deliverables from the new contract were the launch on 1 November 2011 of two innovative services – MOD Defence Contracts Online (MOD DCO) and the MOD Defence Contracts eNotice facility (MOD DCO eNotice). Both services are provided at no cost to MOD. The MOD DCO provides potential MOD suppliers with subscription-free access to MOD tender and contract opportunities over £10,000. Free access is particularly important to SMEs wishing to supply Defence.

The MOD DCO eNotice service provides an efficient and easy-to-use facility for MOD commercial staff to upload all relevant tender and contract opportunities valued at £10,000 and above to the MOD DCO website and, where appropriate, the Official Journal of the European Union (OJEU), the European Defence Agency's (EDA) Electronic Bulletin Board (EBB), the MOD Defence Contracts Bulletin (DCB) and the Government's Contracts Finder portal.

BiP offers potential suppliers a range of optional, value-added services (available on subscription) which provide further business opportunities with the defence and UK public sector marketplaces, complementing Contracts Finder.

Background

BiP Solutions Ltd, established in 1984, is a leading provider of public sector procurement solutions. Currently, over 500 UK government organisations use BiP's services to create and manage their contract information. BiP's

capabilities include: Business Intelligence; eSourcing; Consultancy Services; Training & Development; Conferences & Events; IT Services & Solutions. In addition to the MOD, BiP's client list includes; the Department for Communities and Local Government; European Defence Agency; Home Office; Procure4London; Scotland Excel; Scottish Government; The Stationery Office; North West Fire & Rescue and the governments of Kosovo, Macedonia & Montenegro.

Financial Details

In Year ended 30 April 2010, BiP's turnover was £13.44M; Gross Profit = £7.66M; Profit for FY ended 30 April 2010 = £2.13M.

Number of Employees at 31 March 2011 = 235

Case Study - IT Software and hardware reseller.

Software Box Ltd (SBL) started business as a software provider in 1987 developing their portfolio into IT hardware and software reseller of around £85m annual turnover and staff level of 95. SBL continue developing industry partnership arrangements with the likes of Dell and Apple and they are one of only 15 UK Microsoft LARS (Large Account resellers) providers. SBL have been a provider to MoD for over 20 years, consistently winning tenders through open competition (OJEU).

SBL was one of 3 suppliers to win the IA Framework competition which included other tenderers who were not SME's. Through the framework SBL provides products and services which include:

Encryption software and commercial off the shelf software as part of an encrypted mobile computing solution; encryption hardware, Mobile Computing products including laptops, handheld devices, Accredited Secure Destruction/Erasure products (e.g. CD/DVD Eradicators, Degaussers, Secure Shredders); supply of Site Access Management products in support of existing in service solutions; provision of software asset management; IT/IS Customer requirement solutions including installation, configuration, support and training.

SBL is successful as they are extremely knowledgeable and provide an efficient effective service to their customer base. They also bring innovation to the contract. DOBUS (Defence Out of Band Update service) was conceived, designed and built by SBL. Its purpose is to provide an internet independent system for the delivery of anti-virus and product software updates, patches and hot fixes via a trusted bearer.

SBL was also awarded a NATO BOA (Basic Order Agreement) for Information Assurance Products and Services in April 2009 allowing them to provide IA solutions to all 28 member nations.

Case Study - The development of wind energy capture to reduce dependency on fossil fuels.

Tradewind Turbines Ltd - The Tradewind turbine is the result of a response to the call for "The Self Sustaining Forward Operating Base" which was published in May 2009. This call forms part of the Reducing Operational Dependency on Fossil Fuels Capability Vision launched in 2009.

Funding was secured from the Centre for Defence Enterprise (CDE) for the development of the initial proof of concept by Scimar Engineering Ltd, based in Exeter. The company Tradewind Turbines Ltd was subsequently set up to further develop this initial proof of concept.

The product has been designed by a multi-award winning technology developer and uses a more traditional form of wind energy capture, using vertically mounted sails with a large cross-sectional area moving at wind speed. The turbine is scalable. This means that different sized sails can be fitted which allow the turbine to be customised to suit different wind conditions, locations and power requirements.

The production model is expected to be able to produce as much as 15,000 kWh in an average wind speed of 5 m/s. Early calculations suggest that the Tradewind turbine could save anywhere from £500,000 to £1.3m in fuel costs over five years.

In June 2010 the proof of concept turbine was successfully demonstrated to representatives from the Ministry of Defence and the Expeditionary Energy Office of the US Marine Corps.

For military and humanitarian applications, Tradewind's unique installation method allows for rapid deployment – without the aid of specialised equipment and machinery. The turbine transportation and "Z lift" technology has been designed to conform to the 463L Air Cargo Pallet and to fit existing trailer configurations, drops units and is air-portable by C130 and CH47.

This design offers the following benefits:

- High output for a given site occupancy
- Low acoustic noise
- Sail area adaptive to wind speed, which allows operation across a wide range of wind speeds
- Lightweight, transportable structure, being installed with manpower and light tools
- Uses materials proven in extreme ocean sailing which are durable and cost effective
- Suitable for deployment in harsh environments.

The Company hopes that with further support from CDE it will commence the next phase of the project which will involve extensive field trials and testing of

the “Z Lift” deployment mechanism, in collaboration with the MOD and a number of other organisations.

A pre-production, prototype model is now developed and operational with on-site demonstrations scheduled during January and February. Known revisions will be undertaken to improve reliability, reduce weight and to speed up in-field servicing and repair. Over the next eight to twelve months the Company has a progressive and staged plan to ensure all enhancements work effectively.

Case Study - The Sniper System Improvement Project

Accuracy International (AI) Ltd. was formed in 1978 by two times Olympic Gold Medallist, the late Malcolm Cooper MBE, Sarah Cooper, Martin Kay and the designers of the weapons, Dave Walls and Dave Caig. All were international or national target shooters.

The original designs incorporated performance enhancing features learned in Olympic and international target shooting onto a rifle platform exhibiting full military ruggedness. This unique package ensured that the weapons were optimised for the function they must perform, something that cannot be achieved with a ruggedised sporting weapon.

The current designs faithfully follow this original concept but also benefit from thirty years of continuous improvement, driven solely by the needs of users, highly trained military and police units in over 60 countries worldwide. Such units are exposed to 'live' tactical situations on a daily basis and in the most demanding environments where first shot accuracy is critical. The rifles are produced in a purpose built 20,000sq. ft facility in the UK. All components are manufactured to AI design and products are produced under a management system certified to BS EN [ISO 9001:2008](#).

The Company is equally owned by, Dave Walls, Paul Bagshaw and Tom Irwin. Dave Caig remains in the business as a consultant. Accuracy International is based on the principles of world class manufacturing, teamwork, mutual respect and trust with the objective of maintaining our reputation as producers of the "Best Sniper Rifle in the World".

Procurement process

The Sniper System Improvement Project was run from 2004 achieving its In Service Date with deliveries in 2008. Whilst exempted from the Public Contracts Regulations in its MOD Contracts Bulletin advert in June 2004, most elements of the system were sourced through open competition in accordance with departmental policy at the time. Accuracy International won the rifle element of the system in competition with other contenders on the grounds of performance and price that delivered best value for money for Defence. There were no changes to the extant procurement practices for this competition.

Added value

The company remains a valued supplier and provides repair and maintenance services for the system.

Case Study - Benchmarking Catering Costs

Purchasing Price Index Ltd is a Small to Medium Enterprise established in 1989 and considered the 'only' true independent catering benchmarking company in the UK. Purchasing Price Index Ltd's methodology is:

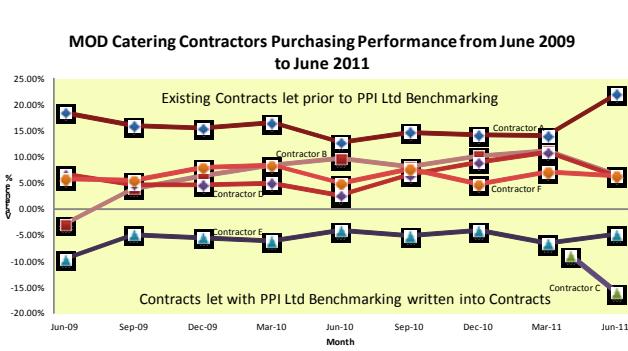
- Extensively used across the private and public sectors, with clients including MOD, House of Commons, Bank of England, Royal Mail and many more.
- Proven benchmarking tool used in delivering initial and ongoing cost savings.
- Independent and essential audit system, aiding responsible financial management and supporting sound budgetary control.
- Promotes Transparency and Accountability, assisting Value-for-Money catering and supply contracts.

Initial Proposal

- To measure, evaluate and quantify the catering contract prices supplied to the Cabinet Office and the Treasury against the Catering Price Index and explore any further opportunities to apply benchmarking with contacts in other Government Departments.
- Analysis to focus on 500 commodity lines representing a minimum of 80% of the annual spend of each Department.
- To provide recommendations and ongoing support throughout the process.

MOD Sponsorship

'MOD has successfully used the PPI service to generate an independent benchmark for its military soft facilities management and operational food costs. Through use of the service, we have been able to improve significantly the transparency of suppliers' food costs, to highlight the considerable differences between what our suppliers pay for food, and to change our invitations to tender and contracts to drive food costs down to or below the benchmark. If other Departments do not already undertake such an independent food benchmarking activity, we would recommend that they investigate doing so.' Mike Greatwich MOD



MOD Worldwide Food Contract Purchasing Performance from June 2009 – June 2011

