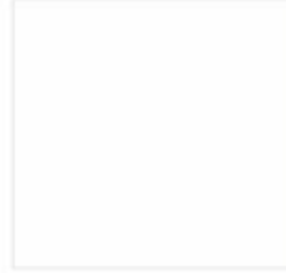
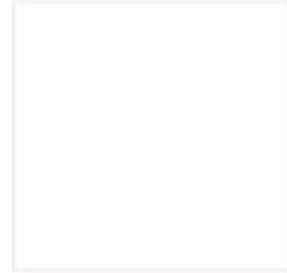
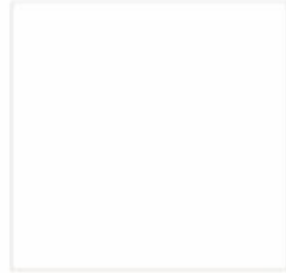
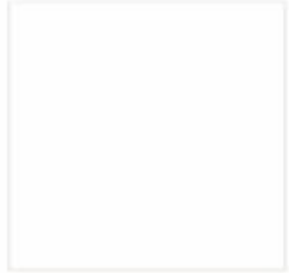




Working together to succeed



Supplying the Defence Sector

Are You Fit For Business?



MoD Defence Contracts Bulletin (MoD DCB)

STARTING POINT:

- i ***MoD Defence Contracts Bulletin (MoD DCB)*** - details the prime and subcontract opportunities arising from the MoD's requirements in the following sections:
 - ⊗ Possible Future Purchases
 - ⊗ Tenders Invited
 - ⊗ Contracts Awarded
 - ⊗ Sub-Contract Opportunities

- i ***Defence Contracts International (DCI)***
 - ⊗ Contract information and market intelligence regarding Defence Agencies worldwide

- i ***EU Public Procurement Directives*** and the ***Public Contracts Regulations 2006***

All these may benefit from some form of legal advice, to a greater or lesser degree.



Prime Contracting

- i **Prime contracting** - the awarding of a contract to one supplier for a range of services. Improved value for money through collaborative working.

It is the Government's preferred method of awarding construction contracts.

- i **Public Finance Initiatives (PFIs)**: Allows private sector suppliers to contract with the public sector to provide quality services on a long term basis, typically 25 - 30 years, so as to take advantage of private sector delivery and service management skills, incentivised by having private finance at risk.



Sub Contracting

- i **Sub-contract opportunities:** created as a result of the many new prime contracts awarded annually; has increasingly been the main way for smaller companies to become involved in the defence market as part of the supply chain.
- i **Legal Factors**
 - 8 Procurement Regulations
 - 8 EU Public Procurement Directives; The Public Contracts Regulations 2006
 - 8 Regulatory
 - 8 Environmental
 - 8 Health and Safety
- i **Government Guidance**
 - 8 Standardisation of PFI Contracts - Version 4 (March 2007) "SoPC4"
- i **MOD Guidance**
 - 8 Ministry of Defence Projects Agreement (August 2006) "MOD PA"



EC Public Procurement Directives and Regulations

i EU Public Procurement Directives & Public Contracts Regulations 2006

The MoD, along with other government departments, is subject to the EU Procurement Directive and the Public Contracts Regulations 2006 (“the 2006 Regulations”).

The Public Sector Directive and the 2006 Regulations coordinate procedures for the award of public supply contracts, public works contracts and public service contracts (specifically concerning advertising and selection procedures).

§ The Directives and the 2006 Regulations have 'security and secrecy' exemptions disapplying the Directives and the Regulations if the proposed public contract is classified as secret or special security measures need to accompany performance of the contract or where the protection of the essential interests of the security of the UK require it.

§ EC Treaty and Procurement regulation principles such as non-discrimination, equal treatment and proportionality continue to apply.



Contractual Obligations

i MOD Contracts

- 8 Standard provisions - including time/quality/money

 - 8 Security

 - 8 Corrupt gifts and fraud

 - 8 Public relations and publicity

- 8 DEFCONS

 - 8 JSPs - Joint Services Publication - JSP 600 Series of documents

 - 8 DEFSTANS - Defence Standards - in addition to extant legislation, suppliers to MOD need to comply with all relevant Defence Standards. There are about 2,000 and they can be downloaded free from www.dstan.mod.uk.



Security

i Security Clearance:

A company does not need to hold security clearance to bid for and undertake MoD work advertised in the Official Journal of the European Union (OJEU), MoD DCB and/or the European Defence Agency's Electronic Bulletin Board when the level of work is not higher than **RESTRICTED**.

However, for contracts where the level of work is **CONFIDENTIAL** or above, the company site must be security cleared.



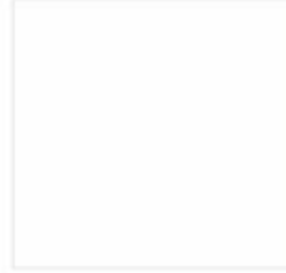
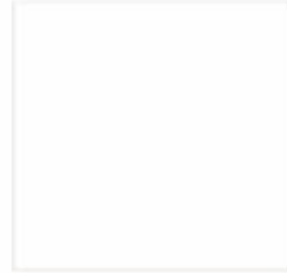
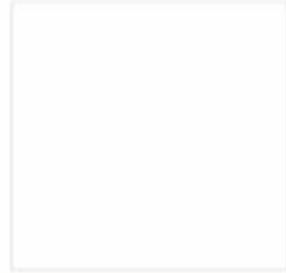
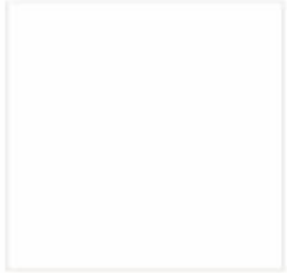
SUMMARY

Key issues for public sector contracts:

- ⌘ Propriety, authorisation and compliance
- ⌘ Vires
- ⌘ Respect for distinction between functions
- ⌘ Understanding of decision making processes
- ⌘ Respect for policy decisions and corporate objectives
- ⌘ Value for money (or best value) including quality and innovation
- ⌘ Risk allocation
- ⌘ Accountability
- ⌘ Transparency and scrutiny
- ⌘ Generic contract issues
- ⌘ Personnel issues
- ⌘ Sustainability
- ⌘ Broader policy context
- ⌘ Reputation



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