



MINISTRY OF DEFENCE

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**DE NEXT GENERATION ESTATE  
CONTRACTS (NGEC): NATIONAL  
HOUSING PRIME**

9 February 2011

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**Industry announcement – 9 February 2011**

## **Defence Estates unveils new national military housing contract**

Defence Estates is inviting companies to submit expressions of interest in the future commercial arrangements for UK military housing, as it unveils a new single contract for the provision of all housing-related services to the Armed Forces and their families from 2013.

The new National Housing Prime contract will provide repairs and maintenance to more than 49,000 UK military homes, grounds maintenance, and housing construction projects up to a value of £3.93m.

Subject to further review the contract could potentially provide additional services, including worldwide housing allocations, an internet self-service facility, move-in move-out services, and provision of furniture and fittings.

It is expected that the contract will be awarded in late 2012, and will run from April 2013, with the option to extend it by a further five years. It is estimated to be worth up to £1.5 billion over ten years, depending on which services are included and whether the contract is extended.

The contract has been developed under the wider Next Generation Estate Contracts (NGEC) programme. It will replace the current housing contract for England and Wales and the separate arrangements for provision of housing in Scotland and Northern Ireland.

David Olney, the Deputy Chief Executive of Defence Estates, said:

“Our Armed Forces and their families deserve a good standard of accommodation. This contract is designed to ensure that we get the best possible solutions with the resources available.”

Steve Rice, Head of the NGEC programme, added:

“It is central to the NGEC programme that we work closely with our customers; industry and wider Government, to develop commercial arrangements that reflect best practice deliver cost-effective estate solutions.

“We have consulted widely on this national housing contract to ensure that from 2013 we are best placed together with our industry partners to deliver a good service for military families whilst providing good value.”

The contract tender notice for the National Housing Prime (NHP) will be issued to the Official Journal of the European Union (OJEU) and the Defence Contracts Bulletin (DCB) on 9 February 2011. The closing date for expressions of interest is 23:59hrs on 17 March 2011.

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## Notes to editors

1. Defence Estates (DE) is responsible for managing the MOD estate, and delivering maintenance, capital works and services. The estate is worth £15.3bn, spans 240,000 hectares, and in addition to 49,000 family homes, also contains 45,000 other buildings, including barracks, airfields, naval establishments, military training estate, workshops, offices, messes, as well as 1,300 scheduled monuments and 289 sites of special scientific interest.
2. The Next Generation Estate Contracts (NGEC) programme is developing a new suite of contracts for the UK Defence estate, comprising four Regional Prime contracts for facilities management, one national and six regional Capital Works Frameworks for construction projects, a National Housing Prime contract, and a new contract for the Defence training estate.
3. Since 2008 the NGEC team has consulted a wide range of stakeholders, including DE delivery areas, MOD customers, other Government departments, and industry, to review the current arrangements, draw on best practice, and appraise different configurations of UK commercial arrangements in terms of operational effectiveness and value for money.
4. UK service family accommodation is currently managed through the Housing Prime Contract (HPC) spanning most of England and Wales, the Regional Prime Contract for Scotland, and separate contracts for Northern Ireland. Tenancy and occupancy services such as allocations, move-in-move-out support, and the supply of furniture and fittings are currently provided by a mix of MOD personnel and contractors.

## Further information

### Defence internet:

<http://www.mod.uk/DefenceInternet/MicroSite/DE/WhatWeDo/NextGenerationEstateContracts.htm>

**Defence Estates website:** <http://www.mod.uk/DefenceEstates>

### Official Journal of the European Union (OJEU):

<http://ted.europa.eu/TED/main/HomePage.do>

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