

CHAPTER 11 - INFRASTRUCTURE AND EQUIPMENT

1101. **Introduction.** This Chapter outlines the infrastructure policy and assets required for delivery of a Catering Retail and Leisure (CRL) service on transfer or change of Industry Partner (IP).

1102. **Building Responsibilities.** All catering buildings, infrastructure and equipment and any subsequent refurbishments must comply with Defence Infrastructure Organisation (DIO) Policy Instruction 2015/05 and Building Performance Standards. The IP is to be provided with buildings which meet statutory legislation and are equipped with the necessary utilities to deliver CRL services.

1103. Supply of water to the building and waste water services from the building are the responsibility of Aquatrine Service Providers. The Authority is responsible for water/waste water services inside the building.

1104. Systems that form part of the wider Authority maintained infrastructure such as central heating remain the responsibility of the Authority.

1105. Any agreed and authorised structural changes to a building become the responsibility of the Authority. Details of catering building and refurbishment projects should be submitted to the DIO Building Standards Catering Technical Assurance (BSCTA) team for advice and guidance.

1106. The IP may make agreed improvements to building(s) in consultation with the Unit, SIM/IM and BSCTA, having ascertained the relevant permissions/approval. The IP cannot make alterations or repairs to the infrastructure without the express permission of the Authority.

1107. The IP is required to liaise with the Regional Prime Contractor (RPC) to ensure that buildings are appropriately maintained, repaired and decorated. Cosmetic finishes such as floor coverings and wallpaper etc are the responsibility of the IP to maintain and replace as required.

1108. The IP is responsible for reporting building and Government Funded Equipment (GFE) maintenance issues and for the security of the building in accordance with single service procedures.

1109. **Buildings Overseas.** Overseas property occupied by the MOD belongs to the host nation and/or private landlords. Consequently, buildings/assets are not transferred to the IP in the same manner as GB arrangements. The IP is given property for such operations as a store as part of a synopsis occupation. It is essential that DIO is engaged to consider the operational risks of transferring accommodation to the IP in overseas locations.

1110. **Assets.** DIO retains responsibility for the majority of large catering assets unless individual TLBs determine on a VFM basis that they should be transferred to an Industry Partner (IP). However, Defence Accommodation Stores (DAS) and non-publicly owned assets in Messes and NAAFI buildings may be transferred or sold to an IP.

1111. Where the IP wishes to have an item of GFE replaced, advice should be sought from BSCTA in conjunction with the RPC/NGEC on like-for-like replacement. Where the IP wishes to replace an item of GFE, the Authority shall not be committed to spending outside the values of the relevant scaling. GFE not required by the IP or replaced is to be offered up for disposal via the Disposal Services Agency (DSA).

1112. Items of equipment purchased by the IP for specific requirements within MOD Units must meet legal requirements and be installed to comply with the relevant legislation and PI 2015/05.

1113. **Transfer of Assets.** Items of equipment purchased by the IP to service the contract transfer to the Authority at the end of the contract on the presumption that they will have fully

depreciated over the term of the contract. However, if the IP has refurbished the facility part way through the contract at his cost and there is an agreed residual value on the item(s), by exception and with the agreement of the Authority, they may be removed by the IP. The incoming IP may purchase item(s) directly from the outgoing IP. Where IP assets are to be transferred between IP's, this is not a DIO issue.

1114. Assets held by NAAFI e.g. freezers in shops are MOD property and must be removed from the premises and installed elsewhere for public use or sold to the IP. Where Junior Ranks/Rates Clubs (JRCs) have been provided equipment such as stage lighting and sound equipment through the non-public funds, the items must be properly accounted for and sold to the IP for his use or disposed of in accordance with the Single Service non-public regulations.

1115. **CRL Assets** are divided into 3 categories:

Category A. Items of high value and normally found on the Resource Accounting and Budgeting (RAB) asset register such as prime catering equipment, utensil/dishwasher, refrigerators, freezers etc. Ownership and responsibility of Category A assets remains with the Authority. The maintenance and replacement of these items are covered in paras 1107 and 1108.

Category B. Items of lower value, usually obtained through Barrack Stores/Army Stores Unit/Naval Stores. These include tables, chairs, cutlery, cooking equipment (pots, pans etc.) and are provided from public funds. An agreed inventory of Category B assets will transfer to the IP, who will be responsible for maintenance and replacement of these items to ensure the delivery of the CRL Service. At the end of the contract an agreed inventory of Category B items used for the delivery of the CRL service will be transferred back to the Authority.

In DIO Super CRL Units, the IP is responsible for maintaining and replacing all Cat B assets, front of house (FOH) Category B catering equipment remains the responsibility of the Authority, managed by the IP. At the end of the contract all Category B assets will be returned to the Authority.

Category C. Non-publicly funded items that continue to be owned by the fund that purchased them. Some items may be transferred to the IP with the approval of the relevant Service Non-public funds authority. Buildings or equipment provided by the Nuffield Trust for the Forces of the Crown may be utilised by the IP provided they are used for the same or similar purpose for which they were provided.

Officers' and SNCOs' Messes furniture for public rooms may continue to be provided by the Authority from the General Stores IPT contracts (and remain the property of the Authority).

1116. **Cleaning.** The IP is to assume all cleaning responsibilities for any GFE, Ventilation canopies, ventilated ceilings and ventilation or extraction system and the assets transferred to him to deliver the CRL Services. For some sites another contractor may have responsibility for cleaning.

1117. **Private Finance Initiatives (PFIs)/Public Private Partnership (PPPs).** There are issues with the management of assets in such contractual arrangements. Advice can be obtained from the Private Finance Unit or the appropriate Director Commercial.

1118 – 1199. Reserved.