



MINISTRY OF DEFENCE

**Defence
Infrastructure
Organisation**

**NEXT GENERATION ESTATE
CONTRACTS (NGEC):
Regional Prime Central**

20 February 2012



Industry announcement – 20 February 2012

MOD unveils facilities contract for central Great Britain

Defence Infrastructure Organisation (DIO) has unveiled a new contract for the future provision of facilities management at military establishments across the North of England, Wales, the Midlands and East Anglia, and has begun inviting industry to submit expressions of interest.

Developed under the Next Generation Estate Contracts (NGEC) programme, the Regional Prime Central contract is the largest of the four DIO regional primes. It stretches from North London to the Scottish border, with an estimated value of up to £1.8 billion over a minimum of five years and a maximum of 10 years, depending on potential contract extensions.

The successful bidder will provide maintenance and repairs to the Defence estate. Other services will include a 24/7 helpdesk for estate-users, a regional energy management bureau, grounds maintenance, and snow and ice clearance. The contract also includes options for land management services and construction projects valued below £3.93m.

The Regional Prime Central will replace two separate regional prime contracts (RPC Central and RPC East) currently in service. It will cover more than 130 main defence establishments. These include Catterick Garrison, Beacon Barracks in Stafford, Wattisham Airfield, RAF College Cranwell, RAF Shawbury and RAF Valley training bases, the intelligence and security centre at Chicksands, and DST Leconfield, the largest driver training establishment in Europe.

It is expected to be awarded in early 2014.

Steve Rice, the NGEC programme director, said:

"Supporting our Armed Forces as they prepare for operations is the top priority for DIO, and the stewardship of first-class facilities is central to fulfilling that aim. This major contract will be critical to delivering military capability in future, and we are determined to find the right industry partner capable of meeting the standards expected by our military customers. The successful bidder will need innovative ideas and flexibility to meet the evolving needs of the Defence frontline."

Subramaniam Jeganmohan, the contract project manager, said:

"This contract covers a vast geographical area including a number of key bases that are vital to the delivery of military capability. The challenge for industry will be managing such a huge range of activities across offices, technical facilities, garrisons and training bases. It requires excellent supply chain companies, supported by an excellent prime contractor."

The incoming prime contractor will be required to operate project bank accounts (PBAs), ensuring prompt 'fair payment' to all suppliers and subcontractors.

The contract tender notice for Regional Prime Central has been issued via the OJEU Tender Electronic Daily (TED) service (ted.europa.eu), the Government Contracts Finder, and the Defence Contracts Online (DCO) facility. It is expected that this will be published in the next few days.

The closing date for expression of interest is 23:59hrs on 23 March 2012.

Following expressions of interest, DIO will issue Pre-Qualification Questionnaires and host an industry day at a venue and date to be confirmed.

DIO has also issued contract notices for two parallel contracts, Regional Prime South West and Regional Prime South West.

Notes to editors

1. Defence Infrastructure Organisation (DIO) is part of the Ministry of Defence (MOD). It is responsible for managing and maintaining land and properties to meet the current and future needs of the MOD and personnel at home and abroad, and to support current operations.
2. Our work includes providing, supporting and improving: operational units; single living and service family accommodation; training areas and historic military sites. DIO actively manages these to ensure the needs of Defence are met, value for money is achieved, our heritage is protected and to achieve our environmental goals.
3. DIO was formed on 1 April 2011 when the former Defence Estates (DE) organisation was brought together with other property and infrastructure functions within department to form a single organisation. DIO manages the MOD's property infrastructure and ensures strategic management of the Defence estate as a whole.
4. The Defence estate is valued at approximately £15.3 billion, spanning 240,000 hectares and 45,000 buildings.
5. 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 hard facilities management, one national and six regional Capital Works Frameworks for construction projects, a National Housing Prime contract, and the National Training Estate Prime contract. The contracts are estimated to be worth between £500m and £600m per annum, and more than £5 billion over 10 years, exclusive of construction projects.
6. The Regional Prime Central is valued at between £800m and £1.8 billion over a minimum of five years and a maximum of 10 years. It will replace the current Regional Prime Contract Central (Northern England, the Midlands and Wales) and Regional Prime Contract East (East Midlands), and is expected to be awarded in early 2014.

Further information:

Defence internet – NGEC programme:

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

Official Journal of the European Union (OJEU):

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

Contracts Finder: www.contractsfinder.businesslink.gov.uk

Defence Contracts Online: www.contracts.mod.uk

NGEC mailbox: diongec-group@mod.uk
