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Tender

Defence Soft FM

Ministry of Defence

F17: Contract notice for contracts in the field of defence and security

Notice identifier: 2023/S 000-021004

Procurement identifier (OCID): ocds-h6vhtk-02cd48

Published 20 July 2023, 4:20pm

Section I: Contracting authority/entity

I.1) Name, addresses and contact point(s)

Ministry of Defence

Defence Infrastructure Organisation, Kentigern House, 65 Brown Street

Glasgow

G2 8EX

For the attention of

Defence Soft FM Commercial Team

Email(s)

diocomrcl-sfmfp@mod.gov.uk

Country

United Kingdom

Internet address(es)

General address of the contracting authority/entity

<https://www.gov.uk/government/organisations/defence-infrastructure-organisation>

Further information

Defence Infrastructure Organisation

Internet address

<https://award.commercedecisions.com/dsp/web/project/2ed81e49-4f5e-4e8f-8688-be6dbe2f4d01/register>

Specifications and additional documents (including documents for competitive dialogue and a dynamic purchasing system) can be obtained from

The above-mentioned contact point(s)

Tenders or requests to participate must be sent to

The above-mentioned contact point(s)

I.2) Type of the contracting authority

Ministry or any other national or federal authority, including their regional or local subdivisions

I.3) Main activity

Defence

I.4) Contract award on behalf of other contracting authorities/entities

The contracting authority is purchasing on behalf of other contracting authorities:

No

Section II: Object of the contract

II.1) Description

II.1.1) Title attributed to the contract by the contracting authority

Defence Soft FM

II.1.2) Type of contract and location of works, place of delivery or of performance

Services

Service category No 1: Maintenance and repair services

Main site or location of works, place of delivery or of performance

Six regional contracts as follows; South East, Scotland & Northern Ireland, North, Wales & West Midlands, East, South West.

NUTS code

- UK - United Kingdom

II.1.5) Short description of the contract or purchase(s)

Management services; Catering services; Retail & Leisure Services; Helpdesk Services; Mess Accommodation Services; Cleaning Services; Waste management services; Support services; Stores and armouries; as well as other required FM services.

II.1.6) Common procurement vocabulary (CPV)

- 79993100 - Facilities management services

Additional CPV code(s)

- 50000000 - Repair and maintenance services
- 55110000 - Hotel accommodation services
- 55900000 - Retail trade services
- 90500000 - Refuse and waste related services
- 90911000 - Accommodation, building and window cleaning services
- 98311100 - Laundry-management services

- 98393000 - Tailoring services

II.1.7) Information about subcontracting

The tenderer has to indicate in the tender any share of the contract it may intend to subcontract to third parties and any proposed subcontractor, as well as the subject-matter of the subcontracts for which they are proposed

The tenderer has to indicate any change occurring at the level of subcontractors during the execution of the contract

The contracting authority/entity may oblige the successful tenderer to award all or certain subcontracts

II.1.8) Lots

This contract is divided into lots: Yes

Tenders may be submitted for all lots

II.1.9) Information about variants

Variants will be accepted: No

II.2) Quantity or scope of the contract

II.2.1) Total quantity or scope

The provision of quality SFM services to the Defence community is a key enabler of supporting operational capability and supporting the health, well-being, satisfaction and motivation of Service personnel.

The contracts which currently deliver these services, known as HESTIA, consolidated over 70 Multi-Activity Contracts (MACs) and successfully delivered a core set of standardised SFM services to the UK Defence estate through 7 regional contracts. These contracts are currently due to expire in 2026 and 2027.

Defence Soft Facilities Management (DEF SFM) will build on the successes of HESTIA to deliver quality and consistent replacement SFM contracts which demonstrate value for money and affordability, whilst meeting current and future requirements. The contracts will also seek opportunities to enhance the 'Lived Experience' for the Defence community by incorporating/addressing the opportunities for improvement identified throughout the life of the current contracts, brought about by changes in MOD policy, and in consultation with our customers.

DEF SFM contributes to Defence Infrastructure Organisation's (DIO) commitment to deliver key Defence services by ensuring that Defence continues to Mobilise, Modernise and Transform.

The Defence Infrastructure Organisation is seeking expressions of interest, via the completion of the Pre Qualification Questionnaire (PQQ), from Potential Providers (PPs) for managing and delivering the DEF SFM services detailed in this advert.

Further information regarding the scope of the contracts can be found at the Regional Information Booklets (RIBs).

To ensure a level of resilience, the Authority intends to impose win restrictions in order to manage market share and support DIO service delivery. This means that a minimum of three Industry Providers will be awarded contracts pursuant to this procurement process. Consequently, the Authority intends to utilise a points-based system to facilitate this objective.

The points allocated to each contract is based upon the estimated value of each Lot and aims to ensure that a single Industry Provider will not be awarded contracts which would constitute more than a 50% share of contracts to be awarded pursuant to the DFM SFM Programme. Further information regarding win restrictions is available via the PQQ and associated documentation.

The DEF SFM contracts are considered transformational and as such the requirements as set out in the SOR may change during the life of the contract. For example, as detailed as part of early market engagement, there are catering trials currently taking place such as Army EATS. These trials may result in a change in the catering provision required during the life of the DEF SFM contracts. In addition to this it is also possible that some service lines are market tested during the life of the contract, as part of an ongoing Category Management strategy. There is also the possibility that the scope of the contract is increased mid-term due to additional sites being added to the contract or the addition of requirements from PFI contracts that are expiring during the term of the DEF SFM contracts.

As part of the PQQ, Potential Providers must confirm acceptance of these points and also their willingness to work in a flexible and collaborative way. Failure to do so will result in the potential providers being excluded from the process.

The estimated values provided below include the option years.

Estimated value excluding VAT:

Range: between £3,947,411,324.59 and £4,870,837,760.18

II.2.2) Information about options

Options: Yes

Description of these options: The contracts will initially run for 84 months. The extension options will take the form of three one year options (1+1+1)

II.3) Duration of the contract or time limit for completion

Duration in months: 84 (from the award of the contract)

Information about lots

Lot No

1

Lot title

South East

1) Short description

Management services; Catering services; Retail & Leisure Services; Helpdesk Services; Mess Accommodation Services; Cleaning Services; Waste management services; Support services; as well as other required FM services.

2) Common procurement vocabulary (CPV)

- 79993100 - Facilities management services

CPV additional

- 50000000 - Repair and maintenance services
- 55110000 - Hotel accommodation services
- 55900000 - Retail trade services
- 90500000 - Refuse and waste related services
- 90911000 - Accommodation, building and window cleaning services
- 98311100 - Laundry-management services

- 98393000 - Tailoring services

3) Quantity or scope

Please see Regional Information Booklets for Lot specific details

Estimated value excluding VAT

Range: between £968,123,775.52 and £1,194,599,056.09

4) Indication about different date for duration of contract or starting/completion

Duration in months: 84 (from the award of the contract)

5) Additional information about lots

The above duration is for the core term of 84 months. There will be options years in the form of 1+1+1.

Lot No

2

Lot title

Scotland and Northern Ireland

1) Short description

Management services; Catering services; Retail & Leisure Services; Helpdesk Services; Mess Accommodation Services; Cleaning Services; Waste management services; Support services; as well as other required FM services.

2) Common procurement vocabulary (CPV)

- 79993100 - Facilities management services

CPV additional

- 50000000 - Repair and maintenance services
- 55110000 - Hotel accommodation services
- 55900000 - Retail trade services
- 90500000 - Refuse and waste related services

- 90911000 - Accommodation, building and window cleaning services
- 98311100 - Laundry-management services
- 98393000 - Tailoring services

3) Quantity or scope

Please see Regional Information Booklets for Lot specific details

Estimated value excluding VAT

Range: between £324,976,305.83 and £400,998,713.19

4) Indication about different date for duration of contract or starting/completion

Duration in months: 84 (from the award of the contract)

5) Additional information about lots

The above duration is for the core term of 84 months. There will be options years in the form of 1+1+1.

Lot No

3

Lot title

North

1) Short description

Management services; Catering services; Retail & Leisure Services; Helpdesk Services; Mess Accommodation Services; Cleaning Services; Waste management services; Support services; Stores and armouries; as well as other required FM services.

2) Common procurement vocabulary (CPV)

- 79993100 - Facilities management services

CPV additional

- 50000000 - Repair and maintenance services
- 55110000 - Hotel accommodation services

- 55900000 - Retail trade services
- 90500000 - Refuse and waste related services
- 90911000 - Accommodation, building and window cleaning services
- 98311100 - Laundry-management services
- 98393000 - Tailoring services

3) Quantity or scope

Please see Regional Information Booklets for Lot specific details

Estimated value excluding VAT

Range: between £479,631,821.79 and £591,833,127.20

4) Indication about different date for duration of contract or starting/completion

Duration in months: 84 (from the award of the contract)

5) Additional information about lots

The above duration is for the core term of 84 months. There will be options years in the form of 1+1+1.

Lot No

4

Lot title

Wales and West Midlands

1) Short description

Management services; Catering services; Retail & Leisure Services; Helpdesk Services; Mess Accommodation Services; Cleaning Services; Waste management services; Support services; as well as other required FM services.

2) Common procurement vocabulary (CPV)

- 79993100 - Facilities management services

CPV additional

- 50000000 - Repair and maintenance services
- 55110000 - Hotel accommodation services
- 55900000 - Retail trade services
- 90500000 - Refuse and waste related services
- 90911000 - Accommodation, building and window cleaning services
- 98311100 - Laundry-management services
- 98393000 - Tailoring services

3) Quantity or scope

Please see Regional Information Booklets for Lot specific details

Estimated value excluding VAT

Range: between £430,668,134.12 and £531,415,258.58

4) Indication about different date for duration of contract or starting/completion

Duration in months: 84 (from the award of the contract)

5) Additional information about lots

The above duration is for the core term of 84 months. There will be options years in the form of 1+1+1.

Lot No

5

Lot title

East

1) Short description

Management services; Catering services; Retail & Leisure Services; Helpdesk Services; Mess Accommodation Services; Cleaning Services; Waste management services; Support services; as well as other required FM services.

2) Common procurement vocabulary (CPV)

- 79993100 - Facilities management services

CPV additional

- 50000000 - Repair and maintenance services
- 55110000 - Hotel accommodation services
- 55900000 - Retail trade services
- 90500000 - Refuse and waste related services
- 90911000 - Accommodation, building and window cleaning services
- 98311100 - Laundry-management services
- 98393000 - Tailoring services

3) Quantity or scope

Please see Regional Information Booklets for Lot specific details

Estimated value excluding VAT

Range: between £599,611,985.99 and £739,880,509.69

4) Indication about different date for duration of contract or starting/completion

Duration in months: 84 (from the award of the contract)

5) Additional information about lots

The above duration is for the core term of 84 months. There will be options years in the form of 1+1+1.

Lot No

6

Lot title

South West

1) Short description

Management services; Catering services; Retail & Leisure Services; Helpdesk Services;

Mess Accommodation Services; Cleaning Services; Waste management services; Support services; Stores and armouries; as well as other required FM services.

2) Common procurement vocabulary (CPV)

- 79993100 - Facilities management services

CPV additional

- 50000000 - Repair and maintenance services
- 55110000 - Hotel accommodation services
- 55900000 - Retail trade services
- 90500000 - Refuse and waste related services
- 90911000 - Accommodation, building and window cleaning services
- 98311100 - Laundry-management services
- 98393000 - Tailoring services

3) Quantity or scope

Please see Regional Information Booklets for Lot specific details

Estimated value excluding VAT

Range: between £1,144,399,301.34 and £1,412,111,095.44

4) Indication about different date for duration of contract or starting/completion

Duration in months: 84 (from the award of the contract)

5) Additional information about lots

The above duration is for the core term of 84 months. There will be options years in the form of 1+1+1.

Section III. Legal, economic, financial and technical information

III.1) Conditions relating to the contract

III.1.1) Deposits and guarantees required

Parent company guarantees will be required if applicable.

III.1.2) Main financing conditions and payment arrangements and/or reference to the relevant provisions governing them

Conditions relating to payment will be specified in the contractual documentation.

III.1.3) Legal form to be taken by the group of economic operators to whom the contract is to be awarded

If a group of economic operators submits a bid, the group must nominate a lead organisation to deal with the authority. The authority shall require the group to form a legal entity before entering into the contract. The information sought within the PQQ must be provided for each of the consortium's constituent members, gathered together in a single response.

Where a group of economic operators intends to bid as a consortium, the members of that group may not bid as part of any other consortium participating in the competition or as a Key Sub-Contractor to a Prime Contractor.

Where a Potential Provider is bidding as a Single Provider Entity the Potential Provider may not also bid as part of a Consortium or act a Key sub-contractor to a Prime Contractor.

III.1.4) Other particular conditions to which the performance of the contract is subject, in particular with regard to security of supply and security of information

Where the services required are currently delivered through existing MOD contracts it is anticipated that Contractor to Contractor TUPE will apply and in some cases this will involve ex MOD employees. Where the services are currently delivered by the Authority in house, Authority TUPE will also apply, full details will be provided within the Tender documentation.

Those PPs who are successful at PQQ will be required to obtain baseline personnel security standard (BPSS) clearance for their ITN bid personnel prior to issue of the ITN. If BPSS is unattainable the PPs staff will not be able to work on this contract. PPs will require at least one member of staff with BPSS clearance to gain access to tender documentation. Further, any PP staff who wish to participate in the site visit programme

will require BPSS clearance.

The authority reserves the right to amend any condition related to security of information to reflect any changes in national law or government policy. If any contract documents are accompanied by instructions on safeguarding information (e.g. Security Aspect Letter), the authority reserves the right to amend the terms of these instructions to reflect any changes in national law or government policy, whether in respect of the applicable protective marking scheme, specific protective markings given, the aspects to which any protective marking applies or otherwise.

The link below to the [Gov.uk](https://www.gov.uk/government/publications/government-security-classifications) website provides information on the Government Security Classification.

<https://www.gov.uk/government/publications/government-security-classifications>

III.1.5) Information about security clearance

Candidates which do not yet hold security clearance may obtain such clearance until: 6 October 2023

III.2) Conditions for participation

III.2.1) Personal situation

Criteria regarding the personal situation of economic operators (that may lead to their exclusion) including requirements relating to enrolment on professional or trade registers

Information and formalities necessary for evaluating if the requirements are met:
Information and formalities necessary for evaluating if the requirements are met: The authority will apply all the offences listed in Article 39(1) of Directive 2009/81/EC (implemented as Regulation 23(1) of the Defence and Security Public Contract Regulations (DSPCR) 2011 in the UK) and all of the professional misconducts listed at Article 39(2) of Directive 2009/81/EC (see also Regulation 23(2) in the DSPCR 2011) to the decision of whether a candidate is eligible to be invited to tender.

A full list of the Regulation 23(1) and 23(2) criteria are
at <http://www.contracts.mod.uk/delta/project/reasonsForExclusion.html#dspr>

Candidates will be required to sign a declaration confirming whether they do or do not have any of the listed criteria as part of the pre-qualification process.

Candidates who have been convicted of any of the offences under Article 39(1) are ineligible and will not be selected to bid, unless there are overriding requirements in the general interest (including defence and security factors) for doing so.

Candidates who are guilty of any of the offences, circumstances or misconduct under Article 39(2) may be excluded from being selected to bid at the discretion of the authority.

Criteria regarding the personal situation of subcontractors (that may lead to their rejection) including requirements relating to enrolment on professional or trade registers

Information and formalities necessary for evaluating if the requirements are met: Please see pre-qualification questionnaire and associated documentation.

III.2.2) Economic and financial ability

Criteria regarding the economic and financial standing of economic operators (that may lead to their exclusion)

Information and formalities necessary for evaluating if the requirements are met: Economic and financial standing will be assessed by use of a pre-qualification questionnaire.

Further information can be found in PQQ and associated documentation.

Minimum level(s) of standards possibly required: Economic and financial standing will be assessed by use of a pre-qualification questionnaire.

Further information can be found in PQQ and associated documentation.

Criteria regarding the economic and financial standing of subcontractors (that may lead to their exclusion)

Information and formalities necessary for evaluating if the requirements are met: Economic and financial standing will be assessed by use of a pre-qualification questionnaire.

Further information can be found in PQQ and associated documentation.

Minimum level(s) of standards possibly required: Economic and financial standing will be assessed by use of a pre-qualification questionnaire.

Further information can be found in PQQ and associated documentation.

III.2.3) Technical and/or professional capacity

Criteria regarding the technical and/or professional ability of economic operators (that may lead to their exclusion)

Information and formalities necessary for evaluating if the requirements are met: To be provided in pre-qualification questionnaire and ITN as appropriate.

Minimum level(s) of standards possibly required: To be provided in pre-qualification questionnaire and ITN as appropriate.

Criteria regarding the technical and/or professional ability of subcontractors (that may lead to their rejection)

Information and formalities necessary for evaluating if the requirements are met: To be provided in pre-qualification questionnaire and ITN as appropriate.

Minimum level(s) of standards possibly required: To be provided in pre-qualification questionnaire and ITN as appropriate.

III.3) Conditions specific to services contracts

III.3.1) Information about a particular profession

Execution of the service is reserved to a particular profession: No

Section IV: Procedure

IV.1) Type of procedure

IV.1.1) Type of procedure

Negotiated

Some candidates have already been selected (if appropriate under certain types of negotiated procedures): no

IV.1.2) Limitations on the number of operators who will be invited to tender or to participate

Envisaged number of operators: 5

Objective criteria for choosing the limited number of candidates: A pre-qualification questionnaire (PQQ) is provided on the AWARD Portal. Potential providers will need to complete the relevant PQQ questions and submit it electronically as instructed in the PQQ documentation. The authority reserves the right to reject or disqualify a Potential Provider where the PQQ is submitted late. The completed PQQ provides information that allows the MOD to evaluate the potential providers' capacity and capability against the selection criteria set in the PQQ.

The authority will use the PQQ response to create a list of suppliers who are eligible to participate under section III.2.1) of this contract notice and who fulfil any minimum capacity levels under sections III.2.2) and III.2.3) of this contract notice and who also best meet the selection criteria set out in the PQQ. Full details of the method for choosing those who will be invited to negotiate are set out in the PQQ and associated documentation.

In order to access the PQQ and associated documentation Potential Providers must complete a confidentiality agreement. Potential Providers will be able to access this by following the provided link to the AWARD portal.

IV.1.3) Reduction of the number of operators during the negotiation or dialogue

Recourse to staged procedure to gradually reduce the number of solutions to be discussed or tenders to be negotiated: no

IV.2) Award criteria

IV.2.1) Award criteria

the criteria stated in the specifications, in the invitation to tender or to negotiate or in the descriptive document

IV.2.2) Information about electronic auction

An electronic auction has been used: no

IV.3) Administrative information

IV.3.1) File reference number attributed by the contracting authority

702441450 - Defence SFM

IV.3.2) Previous publication(s) concerning the same contract

Prior information notice

Notice number: [2022/S 000-030456](#) of 28 October 2022

Other previous publications

Notice number: [2021/S 000-017882](#) of 27 July 2021

IV.3.4) Time limit for receipt of tenders or requests to participate

29 August 2023 - 12:00pm

IV.3.5) Date of dispatch of invitations to tender or to participate to selected candidates

6 October 2023

IV.3.6) Language(s) in which tenders or requests to participate may be drawn up

English

Section VI: Complementary information

VI.2) Information about European Union funds

The contract is related to a project and/or programme financed by European Union funds:
No

VI.3) Additional information

The Contracting Authority intends to use an e-Tendering system in this procurement exercise, please visit <https://award.commercedecisions.com/dsp/web/project/2ed81e49-4f5e-4e8f-8688-be6dbe2f4d01/register> for full details and to register your interest in this procurement.

In order to access the PQQ and associated documentation Potential Providers will be required to sign a confidentiality agreement. This will be available by following the above link.

VI.4) Procedures for appeal

VI.4.1) Body responsible for appeal procedures

Ministry of Defence, Defence Infrastructure Organisation

Kentigern House, 65 Brown Street

Glasgow

G2 8EX

Country

United Kingdom