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Contract

Humanitarian Emergency Response Operations and Stabilisation (HEROS)

Foreign Commonwealth and Development Office

F20: Modification notice

Notice identifier: 2025/S 000-026205

Procurement identifier (OCID): ocds-h6vhtk-052221

Published 23 May 2025, 12:30pm

Section I: Contracting authority/entity

I.1) Name and addresses

Foreign Commonwealth and Development Office

King Charles Street

London

Email

cpg.enquiries@fcdo.gov.uk

Country

United Kingdom

Region code

UK - United Kingdom

Internet address(es)

Main address

https://www.gov.uk/government/organisations/foreign-commonwealth-development-office

Buyer's address

https://fcdo.bravosolution.co.uk/web/login.html

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Humanitarian Emergency Response Operations and Stabilisation (HEROS)

Reference number

ecm_3844 / PO7900

II.1.2) Main CPV code

• 75211200 - Foreign economic-aid-related services

II.1.3) Type of contract

Services

II.2) Description

II.2.1) Title

Humanitarian Emergency Response Operations and Stabilisation (HEROS)

II.2.3) Place of performance

NUTS codes

• UK - United Kingdom

II.2.4) Description of the procurement at the time of conclusion of the contract:

There are three overarching objectives of this programme:

- 1. Humanitarian emergency and conflict response management for rapid onset response, protracted crises, chronic emergencies, and humanitarian reform
- 2. Operational capability and deployments
- 3. Procurement, logistics and infrastructure expertise and operational capability

II.2.7) Duration of the contract, framework agreement, dynamic purchasing system or concession

Start date

12 July 2017

End date

31 October 2025

II.2.13) Information about European Union Funds

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

Section V. Award of contract/concession

Contract No

ecm 3844 / PO7900

Title

Humanitarian Emergency Response Operations and Stabilisation (HEROS)

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract/concession award decision:

2 May 2025

V.2.2) Information about tenders

The contract/concession has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor/concessionaire

Palladium International Limited 16th Floor, Hylo, 105 Bunhill Row London EC1Y 8LZ Country **United Kingdom NUTS** code • UK - United Kingdom The contractor/concessionaire is an SME No V.2.4) Information on value of the contract/lot/concession (at the time of conclusion of the contract; excluding VAT) Total value of the procurement: £330,000,000 **Section VI. Complementary information** VI.4) Procedures for review VI.4.1) Review body Cabinet Office London Country **United Kingdom**

Section VII: Modifications to the contract/concession

VII.1) Description of the procurement after the modifications

VII.1.1) Main CPV code

• 75211200 - Foreign economic-aid-related services

VII.1.3) Place of performance

NUTS code

• UK - United Kingdom

VII.1.4) Description of the procurement:

There are three overarching objectives of this programme:

- 1. Humanitarian emergency and conflict response management for rapid onset response, protracted crises, chronic emergencies, and humanitarian reform
- 2. Operational capability and deployments
- 3. Procurement, logistics and infrastructure expertise and operational capability

VII.1.5) Duration of the contract, framework agreement, dynamic purchasing system or concession

Start date

12 July 2017

End date

31 October 2028

VII.1.6) Information on value of the contract/lot/concession (excluding VAT)

Total value of the contract/lot/concession:

£330,000,000

VII.1.7) Name and address of the contractor/concessionaire

Palladium International Limited

16th Floor, Hylo, 105 Bunhill Row

London

EC1Y 8LZ

Country

United Kingdom

NUTS code

• UK - United Kingdom

The contractor/concessionaire is an SME

No

VII.2) Information about modifications

VII.2.1) Description of the modifications

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

This modification will extend the contract for up to 3 years until 31/10/2028. This will be for an initial 2-year period (until 31/10/2027) with a further 1-year period (until 31/10/2028) to be utilised at the authority's discretion.

VII.2.2) Reasons for modification

Need for additional works, services or supplies by the original contractor/concessionaire.

Description of the economic or technical reasons and the inconvenience or duplication of cost preventing a change of contractor:

Reasons for modification:

The services provided under the HEROS contract are fully interoperable with FCDO systems and processes for crisis and conflict response and a change of contractor cannot be made for economic or technical reasons. It has become increasingly clear that the services are so closely integrated into FCDO structures, in the manner described below,

that further time is needed to clarify and distinguish them. For this reason, no supplier would currently be able to deliver the services other than the incumbent. The work to clearly define the distinction between, and the roles and responsibilities of, the FCDO and a Supplier in relation to the services to be delivered will also minimise incumbent advantage by ensuring the right information is fully available to competitors when the contract is in due course re-procured.

The Management Information system, required for the running of the services, has been jointly developed between the current contractor and the authority. The Intellectual Property Rights (IPR) are split between multiple parties. The contractor also operates leases and licenses on FCDO's behalf that are critical for the delivery of Core Relief Items (CRIs) to a humanitarian response. A change of contractor at this stage would cause significant inconvenience and a substantial increase in costs.

It is anticipated that a further period of up to 2 years would be needed to undertake the work to distinguish services to the level necessary to commence an effective procurement process and then undertake that process.

Given the complexity of the services and the interoperability of contractor systems with FCDO systems, a further period of approximately 12 months is also expected to be needed to transition to a successful incoming contractor. This is an increase to the originally predicted timeline of around 6 months but will ensure the incoming contractor has sufficient time to mobilise the services effectively.

The FCDO is therefore modifying the contract under Regulation 72 (1) (b) to extend the contract for a period of up to 3 years. This modification does not increase the total value of the contract and is a time-only extension. Whilst the extension of the contract is required, the result will be that FCDO gains the necessary time to minimise incumbent advantage, and to prepare a requirement that maximises the attractiveness of the contract, following Procurement Act 2023 requirements.

VII.2.3) Increase in price

Updated total contract value before the modifications (taking into account possible earlier contract modifications, price adaptions and average inflation)

Value excluding VAT: £330,000,000

Total contract value after the modifications

Value excluding VAT: £330,000,000