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Tender

# **Defence Soft Facilities Management (UK Estate)**

Defence Infrastructure Organisation

UK4: Tender notice - Procurement Act 2023 - view information about notice types

Notice identifier: 2025/S 000-053204

Procurement identifier (OCID): ocds-h6vhtk-0560bc

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## **Scope**

#### Reference

715309450

# **Description**

The provision of quality Soft Facilities Management (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 (UK Estate) Programme will deliver quality and consistent replacement SFM regional 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.

The Defence Soft Facilities Management (UK Estate) Programme contributes to Defence Infrastructure Organisation's (DIO) commitment to deliver key Defence services by ensuring that Defence continues to Mobilise, Modernise and Transform.

The DIO is seeking expressions of interest, via the completion of the Procurement Specific Questionnaire (PSQ), from Potential Providers (PPs) for managing and delivering the Defence Soft Facilities Management services detailed in this tender notice.

Further information regarding the scope of the contracts can be found in the Regional Information Booklets (RIBs). The RIBs will also include background information regarding the Defence Soft Facilities Management (UK Estate) Programme, the services required and an overview of the establishments per region. During the life of the contracts there may be growth or reduction in estate driven by changes in defence outputs / requirements.

The Authority intends to use win restrictions as part of the evaluation methodology, details of the win restriction principles can be found in the Procurement Specific Questionnaire guidance document.

Potential Providers must complete the Conflict-of-Interest declaration that will be made available as part of the PSQ supporting documents and to inform the Authority whether they have identified from this review any actual, potential or perceived conflicts of interest arising from the Potential Provider or any other identified party's participation in the procurement.

Please note that any incumbent supplier that has been shortlisted to participate in the ITT will be required sign the Ethical Walls Agreement made available as part of the PSQ supporting documents. Failure to do so may result in the Potential Provider being excluded from further participation in the procurement process.

The documents made available to Potential Providers via AWARD are;

- 20250830-DEF SFM PSQ Guidance Document-v1.0
- 20250707 Appendix 1 DEF SFM PSQ Guidance V1
- 20241007 Appendix 2 PSQ Plan DEF SFM PSQ Technical Questions

- 20250808 DEF SFM Conflict of Interest Declaration Form
- 20250813\_Ethical Walls Agreement
- Regional Information Booklets
- 20250813\_DEF SFM\_PSQ Certificate of Performance
- 20250813\_DEF SFM\_PSQ\_Similar Contracts Previous 3 Years
- 20250902\_Market Engagement Questions and Answers 19 Aug 25
- 20250819-DEF SFM Industry Engagement Aug 25

In order to access these documents and submit a PSQ response Potential Providers will be required to sign a confidentiality agreement. This will be made available to Potential Providers as part of the AWARD portal registration process. The link to which is below.

https://award.commercedecisions.com/dsp/web/project/f2ef6551-e502-4046-a482-decd8d 465876/register

# **Total value (estimated)**

- £4,554,115,720 excluding VAT
- £5,464,938,864 including VAT

Above the relevant threshold

## **Contract dates (estimated)**

- 17 March 2027 to 16 March 2034
- Possible extension to 16 March 2037
- 10 years

Description of possible extension:

The extension options will take the form of three one year options (1+1+1). The Authority reserves the right to execute the extension options at its discretion.

# **Options**

The right to additional purchases while the contract is valid.

The extension options will take the form of three one year options (1+1+1). The Authority reserves the right to execute the extension options at its discretion.

### Main procurement category

Services

## **CPV** classifications

- 50000000 Repair and maintenance services
- 55110000 Hotel accommodation services
- 55900000 Retail trade services
- 79993100 Facilities management services
- 90500000 Refuse and waste related services
- 90911000 Accommodation, building and window cleaning services
- 98311100 Laundry-management services
- 98393000 Tailoring services

#### **Contract locations**

• UK - United Kingdom

#### Lot constraints

Description of how multiple lots may be awarded:

The Authority intends to use win restrictions as part of the tender evaluation methodology, details of the win restriction principles can be found in the Procurement Specific Questionnaire (PSQ) Guidance document.

## Lot 1. South West

# **Description**

Provision of the following services in the South West region; 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.

# Lot value (estimated)

- £1,265,590,701 excluding VAT
- £1,518,708,841 including VAT

#### Same for all lots

CPV classifications, contract locations, contract dates and options are shown in the Scope section, because they are the same for all lots.

#### Lot 2. South East

## **Description**

Provision of the following services in the South East region; 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.

### Lot value (estimated)

- £962,352,959 excluding VAT
- £1,154,823,551 including VAT

#### Same for all lots

CPV classifications, contract locations, contract dates and options are shown in the Scope section, because they are the same for all lots.

# Lot 3. East

# **Description**

Provision of the following services in the East region; 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.

# Lot value (estimated)

• £739,529,554 excluding VAT

• £887,435,465 including VAT

#### Same for all lots

CPV classifications, contract locations, contract dates and options are shown in the Scope section, because they are the same for all lots.

#### Lot 4. North

## **Description**

Provision of the following services in the North Region; 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.

# Lot value (estimated)

- £625,671,566 excluding VAT
- £750,805,879 including VAT

#### Same for all lots

CPV classifications, contract locations, contract dates and options are shown in the Scope section, because they are the same for all lots.

#### Lot 5. Wales & West Midlands

# **Description**

Provision of the following services in the Wales & West Midlands region; 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.

### Lot value (estimated)

- £535,560,564 excluding VAT
- £642,672,677 including VAT

#### Same for all lots

CPV classifications, contract locations, contract dates and options are shown in the Scope section, because they are the same for all lots.

## Lot 6. Scotland & Northern Ireland

# **Description**

Provision of the following services in the Scotland & Northern Ireland region; 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.

# Lot value (estimated)

- £425,410,376 excluding VAT
- £510,492,451 including VAT

#### Same for all lots

CPV classifications, contract locations, contract dates and options are shown in the Scope section, because they are the same for all lots.

### **Submission**

## **Submission type**

Requests to participate

## Deadline for requests to participate

3 October 2025, 2:00am

# Submission address and any special instructions

https://award.commercedecisions.com/dsp/web/project/f2ef6551-e502-4046-a482-decd8d 465876/register

# Tenders may be submitted electronically

Yes

# Languages that may be used for submission

**English** 

# Award decision date (estimated)

# **Award criteria**

| Name  | Description                      | Туре  |
|-------|----------------------------------|-------|
| Price | The Authority intend to use a    | Price |
|       | Willingness to Pay (WtP) Most    |       |
|       | Advantageous Tender (MAT)        |       |
|       | Methodology. WtP does not        |       |
|       | use traditional weightings.      |       |
|       | Instead, the Authority           |       |
|       | determines a single variable     |       |
|       | that reflects its willingness to |       |
|       | pay (or not pay) for incrementa  | l     |
|       | delivery (i.e. each point        |       |
|       | increase in the quality score).  |       |
|       | This WtP gradient is known as    |       |
|       | the Cost of One Point Increase   |       |
|       | in Score (or COPIS). The         |       |
|       | COPIS for each Lot will be       |       |
|       | provided as part of ITT          |       |
|       | documentation.                   |       |

| Name    | Description                    | Туре    |
|---------|--------------------------------|---------|
| Quality | The Authority intend to use a  | Quality |
|         | number of scored weighted      |         |
|         | quality questions. The         |         |
|         | headings of the scored         |         |
|         | weighted quality questions may | y       |
|         | be as follows; Resourcing to   |         |
|         | manage, deliver and assure     |         |
|         | services; Mobilisation and     |         |
|         | Transition; Helpdesk; Mess     |         |
|         | and Accommodation Services;    |         |
|         | Catering; Future Productivity  |         |
|         | Innovations in Catering        |         |
|         | Services; Retail and Leisure   |         |
|         | Services; Cleaning; Waste;     |         |
|         | Sustainability; Data,          |         |
|         | Management Information and     |         |
|         | Business Processes;            |         |
|         | Collaboration; Social Value.   |         |
|         | Further information will be    |         |
|         | provided as part of ITT        |         |
|         | Documentation.                 |         |

## Weighting description

The Authority intend to use a Willingness to Pay (WtP) Most Advantageous Tender (MAT) Methodology. WtP does not use traditional weightings. Instead, the Authority determines a single variable that reflects its willingness to pay (or not pay) for incremental delivery (i.e. each point increase in the quality score). This WtP gradient is known as the Cost of One Point Increase in Score (or COPIS). The COPIS for each Lot will be provided as part of ITT documentation.

The Authority intend to use a number of scored weighted quality questions. The headings of the scored weighted quality questions may be as follows; Resourcing to manage, deliver and assure services; Mobilisation and Transition; Helpdesk; Mess and Accommodation Services; Catering; Future Productivity Innovations in Catering Services; Retail and Leisure Services; Cleaning; Waste; Sustainability; Data, Management Information and Business Processes; Collaboration; Social Value. Further information will be provided as part of ITT Documentation.

## Other information

## **Payment terms**

All payments will be made through the Authority's Contracting, Purchasing & Finance (CP&F) system (Exostar) and will be in accordance with future contractual arrangements.

## Description of risks to contract performance

Changes in standards and policies, outside of Authority control, may necessitate changes to the contract. This may cost time and money.

Changes in the character of conflict or geopolitical landscape may reduce the relevance of the service. This means the supplier will need to adapt the service to keep up with these changes.

If the above risks materialise then there is a possibility that the contract will be modified under paragraph 5 of Schedule 8.

# Conflicts assessment prepared/revised

Yes

### **Procedure**

# **Procedure type**

Competitive flexible procedure

#### Competitive flexible procedure description

This tender notice is for the award of a public contract through a competitive flexible procedure in accordance with section 20(1) and (2)(b) of the Procurement Act 2023.

The Procurement Specific Questionnaire (PSQ) (including Conditions of Participation) is available within AWARD and will be used to down-select so that no more than 6 suppliers per Lot will be invited to Tender. This will also include the assessment of whether a supplier, its connected persons, associated persons or any intended subcontractors are excluded or excludable persons and whether the suppliers are UK suppliers under the Procurement Act. A clarification process will be used during the PSQ period to allow suppliers to seek clarification from the Authority.

Within the PSQ there are a mix of questions: Pass/Fail, a Fail in any question will result in exclusion from further participation in the tendering process; and scored Questions.

For those suppliers who Pass all of the Pass/Fail questions, their overall technical score will determine their ranking. Those suppliers ranking in the top 6 will be invited to Tender.

Where there is a tie at Positions 6 and 7 (or more), the decision on which supplier will be Invited to Tender will be based initially on the highest score on question 1 of the Technical Conditions of Participation. Where this still results in a tie, the decision will be based on the highest score for question 2. This will continue sequentially down the list for Questions 1 to 4 until a supplier is selected for 6th place. If this sequential process does not result in a clear 6th place then the Authority reserves the right to proceed to tender with additional suppliers who share equal 6th position.

An Invitation to Tender (ITT) will be issued to those successful at PSQ. A clarification process will be used during the tendering period to allow suppliers to seek clarification from the Authority. A summary of the award criteria is in this notice and will be explained in the Tender Evaluation Strategy, which will be published in AWARD, with the ITT. The Authority reserves the right to refine the award criteria before and during the Tender period in accordance with section 24 of the Procurement Act 2023. This may include revision to the scored quality questions including potential revision to the weightings.

- The following supplementary processes may be used, with further details set out in the additional tender documents;
- Clarifications during the tender evaluation period
- Dialogue
- Supplier presentations / site visits during the Tender, and Tender Evaluation period

- Tender submission
- Best and Final Offer

Preferred Supplier Stage - an opportunity to review and apply any economies of scale to pricing where a supplier is awarded multiple lots; and/or to confirm solutions; and/or to finalise the draft contract(s). A review of pricing at this stage does not form part of the tender evaluation process.

The Authority reserves the right to amend the procurement, where such amendment would not be substantial, as follows, including and not limited to:

- amendments to the tender documents which may provide clarification
- refining the specification as the competitive flexible procedure progresses
- reducing timescales.

If any amendments are made, the Authority will consider whether any applicable tender deadlines should be revised, and whether any tender documents or notices need to be reissued.

Under Section 43 of the Procurement Act 2023, the Authority reserves the right to Direct Award should no suitable tenders or requests to participate be received.

# **Contracting authority**

# **Defence Infrastructure Organisation**

Public Procurement Organisation Number: PHVX-4316-ZVGZ

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Lichfield

**WS14 9PY** 

# United Kingdom

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Region: UKG24 - Staffordshire CC

Organisation type: Public authority - central government