



MINISTRY OF DEFENCE

**DE NEXT GENERATION ESTATE
CONTRACTS (NGEC): REGIONAL
PRIME SCOTLAND AND
NORTHERN IRELAND**

20 December 2010

Industry announcement – 20 December 2010

MOD unveils new estate management contract for Scotland and Northern Ireland

Defence Estates has begun inviting industry to submit expressions of interest in a new contract to provide Hard Facilities Management (Hard FM) to the Defence estate across Scotland and Northern Ireland

The contract is currently estimated to be worth between £300m and £500m over a seven-year period, and will deliver maintenance and repairs to the built estate and will include options for housing maintenance and repairs, allocations, and move-in move-out, lands management and rural services and construction projects valued below £3.93m. The contract is expected to be in-service from April 2013, replacing the current regional prime contract for Scotland and two separate estate contracts for Northern Ireland.

Developed under the Next Generation Estate Contracts (NGEC) programme, the Regional Prime Scotland and Northern Ireland is one of four such contracts – the other three covering North of England, Wales, the Midlands and East Anglia; Southwest England; and Southeast England.

David Olney, the DE Deputy Chief Executive, said: “We recognise the crucial role of the MOD estate in supporting the military frontline and the importance of ensuring that every pound is spent as effectively as possible. By creating a single contract for Scotland and Northern Ireland, we are aiming to reduce administration costs and generate better value from our arrangements with the private sector.”

Steve Rice, Head of the NGEC programme, added: “This contract will ensure that industry delivers a responsive, flexible and cost-effective facilities management service for MOD establishments across Scotland and Northern Ireland. The challenge for Defence Estates is now to identify the most suitable industry partners with which to deliver that important work. We are particularly keen that the supply chain should be open to small and medium sized enterprises, and during the procurement process we will be working with potential prime contractors to explore how these opportunities can be made fully available to SMEs.”

Contract notices inviting expressions of interest (EOI) have been published today in the Defence Contracts Bulletin (DCB) for DCB subscribers. By (20 December) these will be accessible free of charge on the Tender Electronic Daily (TED) service (ted.europa.eu) under the Official Journal of the European (OJEU).

It is planned to hold a one-day industry event between late February and early March 2011, at an MOD venue in Scotland. The event will be used to brief potential bidders on the procurement process for the Regional Prime Scotland and Northern Ireland and the scope of contract, and raise awareness of other aspects of working for the MOD.

Notes to editors:

1. Defence Estates (DE) is responsible for managing the MOD estate, and delivering maintenance, capital works and services. The estate is worth £15.3bn and spans 240,000 hectares and 45,000 buildings, including barracks, airfields, naval establishments, military training estate, workshops, offices, messes, family housing, 1,300 scheduled monuments, and 289 sites of special scientific interest.
2. Since late 2008 the Next Generation Estate Contracts (NGEC) team has been consulting a wide range of stakeholders, including DE delivery areas, MOD customers, other Government departments, and industry, to review the current arrangements, draw on best practice, and appraise different configurations of commercial arrangements in terms of operational effectiveness and value for money.
3. The Regional Prime Scotland and Northern Ireland contract will replace the current Regional Prime Contract (RPC) for Scotland and two estate contracts covering estate service delivery in Northern Ireland.
4. NGEC is working in line with the OGC Gateway process, running in four stages – initial gate business case, model research, model development, contract procurement and delivery – through to Main Gate approval.

Further information:**Defence internet:**

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

Defence Estates website: <http://www.mod.uk/DefenceEstates>

Official Journal of the European Union (OJEU):

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

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