

Built Estate contracts delivering improvements for Armed Forces one year on

3 years ago



Innovation and collaboration have paved the way for success as the first of the Defence Infrastructure Organisation's (DIO) £1.6bn Built Estate contracts reaches its one-year milestone.

Divided regionally and awarded to three contractors – [Mitie](#), VIVO and Vinci – the hard facilities management contracts have delivered a series of improvements to support the Armed Forces at more than 400 Defence sites across the UK.

The contracts have reshaped the way DIO provides these crucial services, embedding more efficient processes to ensure the quicker delivery of high volume, lower value works, and increasing value for money for the taxpayer.

An established 'Supplier's Alliance' has allowed VINCI, VIVO and Mitie to share knowledge and ideas to improve delivery across the whole estate. The first big focus has been on sustainability and the delivery of significant CO2 reduction. This has included work by VIVO to install smart building management technology to reduce energy wastage.

This 'one team' approach to drive improvements has been supported by aligning DIO's database with the suppliers. The system aims to hold accurate data about every asset on the Defence estate, to enable the shift towards a more preventative maintenance approach.

A new 'trust with consequences' (TwC) contractual arrangement has been adopted for delivering low value, high volume works in a quicker and more agile way. This allows projects worth up to £25,000 to

bypass the usual tendering approvals processes, allowing work to start immediately. This requires a greater degree of trust in suppliers and ultimately provides customers with a faster, more efficient service.

So far, across all regions, more than 16,000 TwC works have been instructed with a total value of over £100m. Following feedback from estate users, the TwC limit is increasing to £100,000 to enable even more essential works to take place at pace.

DIO's Chief Operating Officer David Brewer said the Built Estate's one-year on successes are born out of great partnerships and embracing new ways of working.

He said: "I'm really delighted to be where we are with the Built Estate contract one year on. It feels like there is a genuine partnership between our Armed Forces customers, DIO and our suppliers and all those involved have really bought into the dynamic nature of this contract, particularly the key elements that have enabled us to better understand the estate assets, prioritise tasks and deliver preventative maintenance and repairs in a more timely fashion.

"All three contractors have shown great enterprise and initiative in the way they have approached the challenges we have faced so far, and everybody has got a common view of what good looks like, and everybody's really committed to driving improvements.

"What we've got in the first year is a really good foundation for what we expect, and hope, will be very significant improvements throughout the life of the contracts."

Mitie's contract supports 4,400 Defence buildings across Scotland and Northern Ireland. In the first 100 days of the contract, one of Mitie's focuses was on small jobs which would improve the welfare of service personnel and enhance the appearance of sites. It undertook 523 improvement works in that time, investing over £250,000.

Mitie has also worked to reduce waste and increase recycling. Between April and November 2022, 100% of waste was diverted from landfill and 39 tonnes of CO2 saved – enough to power 15,431 homes for a day. Additionally, 721 trees have been saved by recycling paper and cardboard.

The other regional contracts, with VIVO and VINCI, have also seen innovation, such as VIVO's use of smart technology to reduce energy wastage. Following a successful pilot at RAF Leeming and HMS Collingwood, around 100 further sites will see upgrades, such as thermostatic radiator valves, over the next three years. This is expected to reduce their carbon emissions by at least 10%.

Air Commodore Adrian Portlock, the RAF's Assistant Chief of Staff Infrastructure, said:

"It has been 12 months since the first of the Built Estate contracts went live and the benefits of moving away from the previous 'fix or fail' contract to one focused on preventative maintenance are starting to be realised across the Defence Estate.

"We have worked collaboratively with DIO and all the providers to increase delivery capacity, make processes more efficient, and leverage innovation across the contracts. This should yield even greater benefit as we move into the second year."

Steven Ellison, Mitie Managing Director, Scotland & Northern Ireland FDIS Programme, said:

“Mapping to the DIO’s new contract operating model, we led the way in their mission to provide a Better Estate, Better Service and Better Business of the built estate. Our journey in this first year has proven that collaboration and teamwork across all sectors can realise change for the better.

From integrating the Computer Aided Facilities Management system to the 100 Day Challenge, we are proud of our achievements and our role in ensuring the FDIS estates are safe and operationally effective and improving the lived experience for all occupiers and users across Scotland and Northern Ireland.”

Jerry Moloney, Managing Director at VIVO Defence Services, said:

“As a new company, we are determined to bring our energy, innovation and resourcefulness to the table to help drive through improvement wherever we can and are very keen to collaborate with all of our partners.

“We all have a huge responsibility providing these services for our military and working together and putting our customers first is key to all of us being successful. We are extremely proud to be part of this alliance.”

The nationwide Built Estate contracts were the first to be awarded under DIO’s Future Defence Infrastructure Services programme. They cover 31,000 units and provide facilities management for infrastructure essential to enabling the Armed Forces to carry out their role. This includes key Defence sites, such as RAF Lossiemouth, Catterick Garrison, the British Army’s headquarters in Andover, and Britannia Royal Naval College,

The contracts have created and sustained thousands of jobs across the UK, including more than 340 in Scotland and Northern Ireland. The investment also supports small and medium enterprises across the UK through the Defence supply chain.