

New £150 million MOD facilities management contract for Germany and Italy awarded

3 years ago



A new £150 million contract to provide key services for the UK Armed Forces serving in Germany and Italy has been awarded to Mitie Defence Limited by the Defence Infrastructure Organisation (DIO).

Covering the MOD's military accommodation, as well as military and adventurous training sites in Germany and a school and office building in Italy, the contract will primarily provide hard facilities management such as maintenance, repairs and servicing, as well as limited soft facilities management including waste disposal and laundry services.

This is the third contract to come into service under DIO's new Overseas Prime Contracts programme, following a contract which came into service for Gibraltar in November 2022 and a hard facilities management contract for sites in Cyprus awarded in April 2023.

The contract will come into service next spring and will run for an initial period of seven years, supporting companies within the local supply chains of both nations.

Minister for Defence Procurement, James Cartlidge said: "The vital work of our Armed Forces overseas relies upon the successful management of our facilities.

"From laundry and waste disposal to accommodation, contracts like this enable our Armed Forces to continue their vital work in the best possible facilities."

All of the new Overseas Prime Contracts have been developed considering recommendations for

improvements and will deliver a better service for military personnel based overseas and their dependants. They will provide better value for money and quicker repairs, reducing bureaucracy and unnecessary processes to keep the estate operational.

The contract will be more flexible and responsive to the needs of service personnel and staff, allowing them to focus on their work in the knowledge that they have safe and resilient infrastructure to work from.

DIO's Head of Overseas and Training Region, Brigadier Jonathan Bartholomew, said: "We are delighted to announce the award of the Germany and wider Europe contract to Mitie Defence Ltd. DIO is committed to supporting people across the Armed Forces who depend on us to provide facilities and essential services which allow them to live and work safely and securely.

"With the Overseas Prime Contract in Gibraltar already in service and work ongoing to prepare for the transition to the new contract in Cyprus, it's great to mark another milestone for the team with the award of this contract, which will provide an improved service for military personnel and their families."

Major General Richard Clements CBE, Director of Basing and Infrastructure, said: "The announcement of these contract awards is welcome news for military personnel and their families based overseas. As a former Commander of British Forces Germany, I know that wherever our people are in the world, we must ensure that they have the right services and infrastructure to enable them to do their job, while delivering the quality of life that they deserve."

Greater alignment to current industry standards will mean increased collaboration between DIO and its suppliers and allow for services to be better tailored to the requirements of specific sites. A new, integrated software system will also enable information to be shared more effectively.

The contracts have been designed to promote more efficient processes and the quicker delivery of high volume, lower value works, ensuring increased value for money. Performance targets will encourage a high standard of repairs and reduce the need for repeat visits.

Brian Talbot, Managing Director, Central Government and Defence, Mitie, said: "As a British business, we are proud to support the UK Armed Forces in their crucial operations overseas, ensuring critical infrastructure is maintained and upgraded, and accommodation facilities are kept to a high standard to support the livelihoods of military personnel and their families.

"This new contract extends our long-standing relationship with the DIO, and our focus will be to ensure that the infrastructure is maintained and is available for the UK Armed Forces to project military capability. Putting service families first is a high priority, which is why we are also introducing new asset management technology to improve their lived experience.

"Our many years' experience of providing services to the Defence estate, in the UK and overseas, allow our colleagues to deliver an exceptional standard of service, while adapting to changing needs over the contract term."

The next Overseas Prime Contract to be awarded will be for soft facilities services in Cyprus later this year, followed by a new total facilities management contract for the South Atlantic Islands in summer 2024.