

## CHAPTER 18 - SERVICE PROVISION PAYMENT

1801. **Introduction.** A proportion of the Service Provision Payment (SPP) is paid by the MOD to a contractor for the delivery of catering and messing services. Other non-CRL related services may be required by the MOD on particular sites and these will require additional SPP as necessary.

1802. The type and range of catering and messing services to be delivered, along with other site specific services, are specified in the contracted Statement of Requirement. Primarily, those catering and messing services will include:

- a. The provision of meals for on-site Service personnel.
- b. The provision of messing facilities (including cleaning, laundry, window cleaning).
- c. The provision of additional services such as official functions, duty meals as specified in JSP 456 Vol 1 and chapter 6 and 7 of this volume..

1803. **Determining SPP.** As public funds are used for the SPP, it is important that VFM is obtained. Determining the appropriate levels of SPP is not an exact science and, therefore, rigorous financial scrutiny should be carried out prior to contract agreement to ensure that public funds are not misused.

1804. SPP should not be used to subsidise the Contractor's non-mess retail or leisure activities or investments unless there is a substantiated welfare need identified by the CoC.

1805. Determining the appropriate level and use of SPP is to be carried out by TLB Commercial and Financial staff. Contractual negotiations can only be carried out by Commercial staff.

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Sponsor – CD (C&C)

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