FM Estimation & support

FM & CLEANING TENDERS

8 pricing risks that turn won contracts into losses

Most loss-making FM contracts were priced that way. Here's where to look before you submit.

Swipe →

01

Out-of-date scope data

Area schedules, asset registers and waste volumes in tender documents are often wrong.

> THE FIX
>
> **Check them against plans or a site visit, and state your assumptions clearly.**

02

Optimistic productivity

Hours trimmed to win the price come back as overtime, agency staff or poor performance.

> THE FIX
>
> **Test the roster with operations before the price is approved.**

03

Missing labour on-costs

Leave cover, penalty rates, supervision, training and award increases are easy to miss.

THE FIX

Build every on-cost into the hourly rate, not the margin.

04

Unpriced periodic & reactive work

Carpets, windows, call-outs and minor works hide in the specification.

THE FIX

Price it, exclude it, or cover it with a schedule of rates.

05

Abatement & KPI regimes

Performance deductions can wipe out a thin margin.

> THE FIX
>
> **Price the resources needed to hit the KPIs, not just the tasks.**

06

Escalation over the term

A five-year fixed price is a bet on wages, fuel, levies and consumables.

> THE FIX
>
> **Check the price review clause and price the gap.**

07

Transition & mobilisation

Recruitment, training, uniforms, equipment and slow first weeks all cost money before the first invoice.

> THE FIX
>
> **Price mobilisation as its own line.**

08

Subcontractor margins & risk

Subcontracted services bring their own margin and their own exclusions.

> THE FIX
>
> **Match their scope to yours, line by line.**

The person who built the price is the least likely to see its gaps.

An independent commercial review before approval catches most of these risks.

Have a tender coming up?

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