

Activity type factsheet: Ancillary Services

Under the Defence Reform Act 2014, the SSRO must provide the Secretary of State with its assessment of the appropriate rates used to determine the contract profit rate for pricing qualifying defence contracts and qualifying sub-contracts. Part of the methodology is the categorisation of comparator companies into four activity types.

- Develop, Make and Support
- Ancillary Services
- Construction
- Information Technology Services

The results of these groups are separately analysed and this factsheet describes the Ancillary Services group results.

For further information on the methodology used to calculate these rates please see the [Single Source baseline profit rate and capital servicing rates methodology](#).

Ancillary Services

Companies undertaking comparable activities considered as 'Ancillary Services' are expected to deliver either one of administrative, facilities or IT support activities. Companies undertaking these support services are not expected to bear any significant risks other than that of failing to provide the contracted outputs. This captures risk in relation to the delivery of the services, contract risk, procurement risk, staff risk and some quality control risk in respect of these activities.

Profit on cost of production

	2022/23	2023/24	2024/25	2025/26	2026/27
Underlying rate (unadjusted for capital servicing)	7.13%	4.59%	5.58%	5.18%	3.91%
Capital servicing adjustment	-0.18%	-0.09%	-0.36%	-0.39%	-0.05%
Underlying rate	6.95%	4.50%	5.22%	4.79%	3.86%
Rolling average ¹	5.39%	4.52%	4.98%	4.84%	4.62%

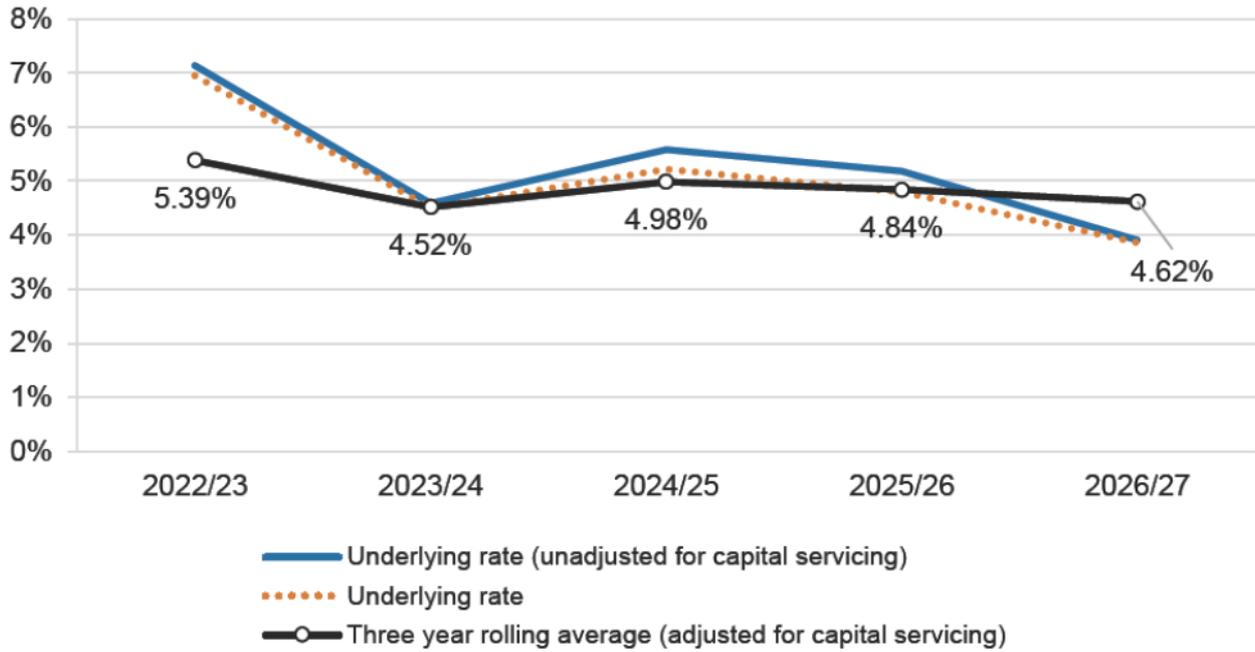
Note: The capital servicing adjustment accounts, at an aggregate level, for different levels of capital employed across the companies in the index and so sets a baseline upon which step 4 of the contract profit rate applies.

¹ A four-year average was used for 2022/23; a three-year average for pre-2022/23 and a three-year average (excluding 2022/23 underlying rate) for 2023/24 onwards. The pre-2022/23 underlying rates used for the three-year average were: 2021/22: 5.23% and 2020/21: 3.82%.

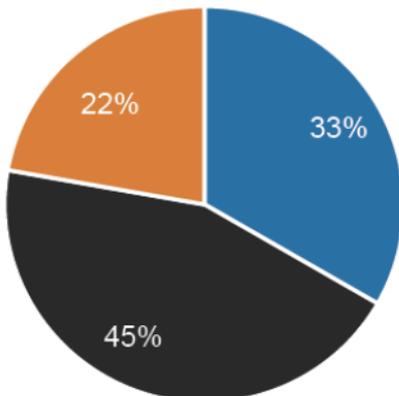
Data sources

For further information on the data selection approach please see section 7 of the *Single Source baseline profit rate and capital servicing rates methodology*. A company update search of the [Orbis database](#) was carried out on 3 November 2025 on data update number 369001 using software version 369. The financial data for the calculation was extracted from Orbis at the same time.

Median capital servicing adjusted return on cost of production

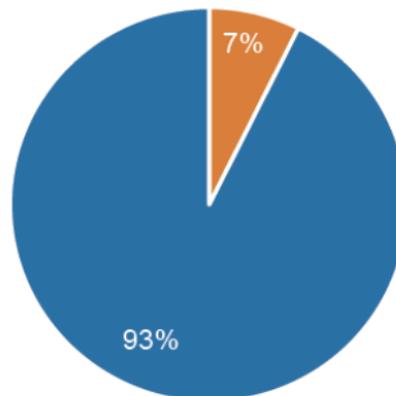


Proportion of companies by country



- Western Europe excluding United Kingdom
- United Kingdom
- North America

Proportion of companies with defence keyword



- Defence
- Other

Supplementary statistics

Number of companies	31
<i>of which profit making</i>	27
Aggregate turnover (£billions)	92.4
Total capital employed (CE) (£billions)	4.6
Average company CP:CE ratio	18.67

Source: Orbis (Cash figures shown in rounded GBP Billions)

Names of companies in the index

ABM Industries Incorporated	Conduent Incorporated *	Healthcare Services Group INC	Restore PLC
Antac Support Services LTD	Coor Service Management Holding AB	Intercleanse Limited (J)	Serco Group PLC
Aramark	Corpay INC	Kaarea Oy (J)	Servica Oy (J)
Ascot Services UK Limited (J)	D3S Enterprise LTD (J)	Lacera Servicios Y Mantenimiento SA *	Servicefirmaet Renell A/S (J)
Broadford International Limited (J)	Dagar hf. (J)	Mears Group PLC	Soldene SA * (J)
Cliner SA	Ethos Facilities Limited (J)	Mitie Group PLC	Spotless Commercial Cleaning Limited (J)
Cloudfm Group Limited *	Euro&Promos FM Societa' PER Azioni IN Forma Abbreviata Euro&Promos FM S.P.A. (J)	Pulitecnica Friulana S.R.L. (J)	Trinet Group, Inc.
Compass Group PLC	Firstservice Corporation	Rentokil Initial PLC	

* Indicates that the company is a loss-maker in the year.

(J) Indicates a company which was not in the activity group last year but has been added this year.