

Politics and civil affairs services
Appendix 1: Specification

### 1. Introduction

- 1.1 The Single Source Regulations Office or SSRO is an executive non-departmental public body, sponsored by the Ministry of Defence (MOD). We play a key role in the regulation of single source, or non-competitive defence contracts.
- 1.2 The Defence Reform Act 2014 ('the Act') created a regulatory framework for single source defence contracts and established the SSRO. The framework came fully into force in December 2014, following Parliamentary approval of the Single Source Contract Regulations 2014. The framework places controls on the prices of qualifying contracts and requires greater transparency on the part of defence contractors. The SSRO is at the heart of the regulatory framework, supporting its operation.
- 1.3 The SSRO provides independent, expert leadership on the regulation of single source contracts and we carry out a range of statutory functions in support of the regulatory framework. When exercising our functions, we aim to ensure that good value for money is obtained in government expenditure on qualifying defence contracts, and that persons who are parties to qualifying defence contracts are paid a fair and reasonable price under those contracts.
- 1.4 We apply a clear and robust methodology for assessing and recommending the rates that should apply when calculating contract profit rates. We give clear, principles-based pricing guidance that facilitates the agreement of contract costs and profits. Our opinions and determinations resolve disputes and clarify contract-specific issues.
- 1.5 We collect data on qualifying contracts and suppliers which provides a valuable, growing evidence-base to inform value for money and fair and reasonable prices. Our platform for receiving data (the Defence Contracts Analysis and Reporting System or DefCARS) is secure, efficient and minimises the reporting burden on contractors. We provide support and guidance to contractors to help them use DefCARS and understand their reporting obligations. We review report submissions and promote the provision of quality data.
- 1.6 DefCARS supports effective analysis and we promote use of the data in support of procurement decisions, contract management and development of the regulatory framework.
- 1.7 By engaging closely with the MOD, industry, and other stakeholders, we explore multiple points of view to make technically sound improvements to the framework for contract pricing. We identify best practices from the UK and around the world and use them to develop optimal solutions to identified issues.
- 1.8 Our people bring a diverse range of skills to the regulation of single source contracts. We include accountants, economists, lawyers, analysts, and specialists in defence, regulatory policy, IT, procurement and contracting roles.
- 1.9 Additional general information about the SSRO, can be found on our website: <a href="http://www.gov.uk/government/organisations/single-source-regulations-office">http://www.gov.uk/government/organisations/single-source-regulations-office</a>

# The Service Specification

#### Service requirements

- 2.1 Policy and parliamentary monitoring service, consisting largely of alerts sent via email. These are to consist of:
- SSRO Mention: email alert sent immediately of any mention in parliament of
  - Single Source Contract Regulations
  - Single Source Regulations Office
  - o SRRO
  - Defence Reform Act 2014
  - o Single Source Contract Regulations 2014
  - o Single Source Contract (Amendment) Regulations
- <u>SSRO Priority References:</u> email alert of any relevant content published from stakeholders across the UK including UK Parliament and government, Northern Ireland Executive, Welsh Government, and Scottish Government, for example:
  - o Defence procurement
  - Single source procurement
  - Cabinet Office procurement
  - Treasury procurement
  - o Defence Reform Act/Single Source Contract Regulations
  - o Single Source Regulations Office
  - o SRRO
- <u>Parliamentary monitoring</u>: including write ups of MOD (and other departmental) oral question sessions and debates; select committee inquiries; Westminster Hall debates.
- Briefings: ad hoc briefings on policy developments and political procedure, such as on political party manifestos, Budget, Autumn Statement and Queen's Speech, party conferences, NATO summits, G7 Summit 2021, ongoing impact of Brexit, impact of the COVID-19 pandemic on the defence industry.
- <u>Daily Updates</u>: email alert sent Monday through Friday, containing details of publications related to defence policy, spending, or budget from HM government, UK Stakeholder, Scottish government, Scotland Stakeholder, Northern Ireland Stakeholder, Northern Ireland Executive, Welsh government, Wales Stakeholder.
- Ad hoc defence related news alert: email alert providing analysis of major defence / government news stories.
- Weekly Parliamentary forward look: email detailing all parliamentary events.
- <u>Weekly consultation tracker</u>: an email summary of all consultations launched by government / government bodies in the past week.
- Who's Who: access to a database of information on all MPs and peers, containing a biography of each, and contact details / links to their social media.

#### Service approach / management

- 2.2 The Contractor must nominate a manager whose role is to:
- manage the service and relationship with the SSRO including the ongoing delivery of the contract and assignment of resources;
- ensure the quality and timeliness of the deliverables;
- act as primary point of contact for the SSRO throughout the contract period;
- remain consistently informed about the Contractor's performance on all matters;
- be available to address issues in a timely manner and meet any urgent requirements within an acceptable timeframe.

## **Conflicts of interest**

2.3 In delivering the services, the Contractor shall always act in the best interests of the SSRO and shall at no time subordinate or otherwise undermine the SSRO's interests to the advantage of its own interests or those of any third party.