Ministry of Defence

Contract Number: DGM/1880

Schedule 10: Tasking

For:
Next Generation Munitions Solution (NGMS) Programme

November 2020

1 INTRODUCTION

1.1 This Schedule 10 outlines the Tasking Mechanism, which shall be used to authorise and control any Tasking.

1.2 Performance and acceptance criteria applicable to each approved Task shall be agreed on a case-by-case basis in accordance with the Tasking Mechanism.

1.3 Subject to any alternative arrangements agreed pursuant to Paragraph **{** REF _Ref50362674 \r \h **}** above, where the output of any Task is a document which is required to be accepted by the Authority:

(a) the Contractor shall submit the document to the Authority on or before the relevant date specified within the Task;

(b) within 15 (fifteen) Business Days of receipt (or such other time period as may be agreed between the Parties), the Authority shall:

(i) confirm its acceptance of the document; or

(ii) notify the Contractor that the document does not fully satisfy the requirements of the Task and issue a written request to the Contractor to modify the document;

(c) where the Authority requests modifications pursuant to Paragraph **{** REF _Ref50362693 \w \h **}**:

(i) the document and requested modifications shall be tabled for discussion at the JRCC;

(ii) the Contractor shall re-submit the modified document to the Authority within 10 (ten) Business Days of receipt of such request;

(iii) the Authority shall within 10 (ten) Business Days of receipt of the modified document:

(A) confirm its acceptance of the document; or

(B) notify the Contractor that the modified document does not fully satisfy the Authority's previous request and issue a written request for further modifications; and

(iv) Sub-Paragraphs **{** REF _Ref50362711 \w \h **}** to **{** REF _Ref50362718 \n \h **}** shall apply to all further requests for modification, provided that if the Authority has not accepted the document by the date falling 10 (ten) Business Days after

receipt of the third issue of the document, either Party shall be entitled to refer the matter to the Fast-Track Dispute Resolution Procedure; and

(d) the Contractor shall be entitled to submit its claim for the relevant Additional Task Payment in accordance with Clause 26.12 following acceptance of the document the by the Authority.

1.4 If the Authority is unable to review any document within the time period at Paragraph **{** REF _Ref50362843 \w \h **}**:

(a) the Contractor shall be entitled to submit its claim for the relevant Additional Task Payment in accordance with Clause 26.12 (Payment) following expiry of the relevant time period;

(b) the Authority shall be entitled to raise any comment and/or request that the Contractor modifies the document once the Authority has completed its review; and

(c) if the Authority requests any such modifications, the process set out at Paragraph **{** REF _Ref50363172 \w \h **}** above shall apply.

1.5 Subject to Paragraphs **{** REF _Ref50362674 \w \h **}** to **{** REF _Ref50362674 \w \h **}{** REF _Ref50362743 \w \h **}** above, and except to the extent otherwise agreed between the Parties, each approved Task shall be subject to the terms and conditions of the Contract.

2 ENGINEERING TASKING (CRITICAL DESIGN SERVICES (CDS))

2.1 The engineering capabilities and capacities to be provided by the Contractor under the Contract are detailed in Schedule 5 (Engineering Requirements). The price payable to the Contractor for the performance of Engineering Tasks approved in accordance with this Schedule 10 (Tasking) shall be as follows:

(a) the price payable for the provision of the Engineering Hours required to deliver the capabilities and capacities is included within the Enabling Charge Target Costs, unless otherwise expressly provided for within the Contract; and

(b) Materials Spend shall be separately priced and incorporated as a separately defined component of this Contract in accordance with Clauses 24.25 and 24.26.

2.2 The provisioned engineering capability and capacity for a 2 (two) year fixed period is planned through the Integrated Product and Capability Plans (**IPCPs**). The outputs of the IPCPs shall be agreed by the JRCC in accordance with the process set out at Paragraphs 4.5 to 4.8 of Schedule 5 (Engineering Requirements), however the contractual authorisation for the engineering capability and capacity to undertake Critical Design Services is by the placement by the Authority of Engineering Tasks which will be Tasked in to the following five work streams through Land TMS:

(a) Artillery & Naval

(b) 120mm Tank

(c) 81mm Mortar

(d) Medium Calibre

(e) Small Arms Ammunition

2.3 Each work stream Engineering Task will identify milestones in accordance with the outputs of the IPCPs.

3 AD HOC ENGINEERING TASKING

3.1 It is anticipated that requirements for Ad Hoc Engineering Tasking may arise that are outside of the scope of ESP, BOR and CDS as highlighted within Schedule 5 (Engineering Requirements) and as such are not included within the Enabling Charge Target Costs. In such instances the Authority may wish to agree and place with the Contractor an Ad Hoc Engineering Task.

3.2 The work comprising Ad Hoc Engineering Tasks approved in accordance with this Schedule 10 (Tasking) shall be separately priced and incorporated as a separately defined component of this Contract in accordance with Clauses 24.25 and 24.26.

4 AD HOC TASKING

4.1 From time to time the Authority may wish to agree and place with the Contractor Ad Hoc Tasks. Such Ad Hoc Tasks shall generally fall within the scope of capabilities provided by the Contractor under the Contract but may also, by agreement, include associated capabilities or capacities procured by the Contractor in support of the specific Task.

4.2 The price payable to the Contractor for the performance of Ad Hoc Tasks approved in accordance with this Schedule 10 (Tasking) shall be as follows:

(a) the costs of providing all or part of an Ad Hoc Task may or may not be included within the Enabling Charge Target Costs; and

(b) if and to the extent that the costs of providing the Ad Hoc Task have not been included within the Enabling Charge Target Costs (in accordance with the provisions of this Contract and as evidenced by the Contract Pricing Model), the work comprising the Ad Hoc Task shall be separately priced and incorporated as a separately defined component of this Contract in accordance with Clauses 24.25 and 24.26.

4.3 Where possible, planning for the placement of Ad Hoc Tasks will be through the annual issue of a revised Schedule of Forecasted Orders, but the contractual authorisation of such tasking shall be through the placement by the Authority of an Ad Hoc Task.

5 TASKING PROCEDURE

5.1 All Tasks shall be raised, agreed and authorised using the Land TMS Tasking System ("**Land TMS**"). On completion of the relevant Task, the original copy of the Task Form shall be held by the Authority's Commercial Officer.

5.2 The process set out in Annex A (Land TMS Tasking Process) to this Schedule 10 may be initiated by the Authority or the Contractor and shall be used for initiating all Tasks during the duration of the Contract. Either Party may initiate the process by completing and fully signing the Task Form through Land TMS.

5.3 For each Task Form raised, Land TMS will issue a unique sequential serial number.

5.4 Full and accurate technical details of the Task and any special terms and conditions requested for the Task, including payment, delivery, acceptance requirements, assumptions, exclusions and dependencies, shall be detailed in the Task Form.

5.5 For all Tasks, one of the JRCC Leads shall provide a comprehensive statement of requirement (**SOR**) using the template available within Land TMS and both Parties shall have the opportunity to comment on the SOR before it is issued through Land TMS.

5.6 The SOR should identify:

(a) any specific deliverable and/or milestone requirements, their acceptance criteria and required due date;

(b) any GFA requirements;

(c) any supporting references or attachments; and

(d) where necessary, details of any Electro-static sensitive devices or Electro-explosive devices involved, but not identified by the Build Standards.

5.7 If the SOR is materially changed or requires clarification after the Task Form has been released to the Contractor on Land TMS, the Contractor shall send the Task Form back to the Authority and the Authority shall update the Task Form and re-submit it to the Contractor.

5.8 Subject to Paragraphs **{** REF _Ref52537854 \r \h **}** and **{** REF _Ref52537863 \r \h **}** above, the following information is to be included either within the SOR or, if the required information is held by the Contractor, within the Contractor's commercial proposal:

(a) any Special Jigs, Tools Etc. required to perform the Task;

(b) any additional drawings which the Authority requires the Contractor to adhere to;

(c) any related or dependant Tasks or Munitions Orders;

(d) markings required in accordance with relevant drawings quoted;

(e) any hazardous materials, processes or deliverables involved in the requirement that are not already covered by the Contract;

(f) critical dates and impact on the Authority or the IPCPs in the event of failure to deliver within the timescales requested;

(g) delivery terms (if not in accordance with the delivery terms set out in the Contract);

(h) preferred date of initial delivery and justification where this is outside routine timescales (particularly where this is likely to need resources to be diverted from other projects to achieve required completion);

(i) details of any supporting technical data, and the level of detail, required;

(j) any specific acceptance criteria;

(k) details of any additional testing required;

(l) details of any essential deviations from the terms of this Contract;

(m) where applicable, the requirement for provision of a DEFFORM 315; and

(n) identification of any new Intellectual Property that will be generated through the Task and, where applicable, the requirement for provision of a DEFFORM 177 in accordance with Clauses 48.2 and 48.3 (Intellectual Property Rights).

5.9 A Security Aspects Letter covering all Type A Munitions has been issued with the Contract and will be reviewed annually in accordance with Paragraphs 3.21 and 3.22 of Schedule 17 (Governance and Contract Management). Where necessary for any Tasking, the Authority shall provide an updated or additional Security Aspects Letter in accordance with JSP 440, Part 5, Section 4, Chapter 2.

5.10 For all Tasks, the Contractor shall, in accordance with the Task Form and Paragraphs **{** REF _Ref52538046 \r \h **}** (Engineering Tasking), **{** REF _Ref52538057 \r \h **}** (Ad Hoc Engineering Tasking) or **{** REF _Ref53421243 \r \h **}** (Ad Hoc Tasking) (as applicable), submit a priced commercial proposal to the Authority for agreement prior to the commencement of any work under a Task.

5.11 Subject to Paragraph **{** REF _Ref52537863 \r \h **}**, the proposal will include the following;

(a) a price breakdown, detailing:

(i) fully itemised Allowable Costs, evidenced together with all relevant supporting documentation in response to each individual Task, ensuring that such information satisfies the SOR and is in accordance with the terms of the Contract;

(ii) the profit payable on those Allowable Costs, calculated in accordance with the applicable Contract Profit Rate; and

(iii) the extent to which the work comprising the Task and the pricing elements described in Paragraphs (i) and (ii) are:

(A) included (or deemed to be included) within the Service Year Target Prices; and/or

(B) to be separately priced and incorporated as a separately defined component of this Contract pursuant to Clauses 24.25 and 24.26,

as determined in accordance with the terms of Schedule 5 (Engineering) and this Schedule 10 (Tasking);

(b) any impact that each individual Task may have on the Contractor's Manufacturing Capability and/or Engineering Capability, or any other impact on the ICPS or approved Munitions Orders and Tasks where appropriate or any obligation under the Contract;

(c) milestones for the Task, which shall be completion of work to enable project closure, and Task completion date, being the date by when the Contractor expects to complete the proposed Task milestone(s);

(d) if and to the extent that the work comprising the Task is to be separately priced and incorporated as a separately defined component of this Contract in accordance with Clauses 24.25 and 24.26, the terms for the payment of Additional Task Payment(s) associated with the Task; and

(e) any Authority dependencies required to be met to allow the Contractor to complete the Task, which may include provision of GFA, completion of a DEFFORM 315 or DEFFORM 177 (if applicable). Where there are any such dependencies:

(i) these shall be clearly stated in the Task Form and the date by which the Authority is required to satisfy that dependency shall be specified; and

(ii) if the Authority fails to satisfy a dependency by the date specified in the Task Form, the Contractor shall be entitled to claim a Delay Event in accordance with Clause 65 (Delay Events) in relation to the relevant milestones for the Task, provided that the Contractor has taken all reasonable measures to mitigate the consequences of any such delay.

5.12 The Task Form shall be completed and sent by the Contractor to the Authority for approval.

5.13 If any Task Form has not been approved by the Authority within 1 (one) calendar month (or such other time period as may be agreed) from the date on which the Authority receives the Task Form and associated commercial proposal, the Contractor shall be entitled to review its commercial proposal and submit an amended proposal if required.

5.14 On acceptance of the Task Form, the Authority shall issue the CP&F SPO number.

5.15 Land TMS will be used to trigger payment events and task closure. All payments in relation to a Task shall be dependent on the acceptance of an associated deliverable.

5.16 If and to the extent that the work comprising the Task is to be separately priced and incorporated as a separately defined component of this Contract in accordance with Clauses 24.25 and 24.26, payment for each Engineering Task, Ad Hoc Engineering Task or Ad Hoc Task (or Engineering, Ad Hoc Engineering or Ad Hoc Sub-Task) as agreed between the Parties will be made on satisfactory completion of the Task or milestone and in accordance with the payment terms specified in the relevant Task Form approved by the Authority.

5.17 Annex B (Register of Agreed Tasks) shall be updated annually in Quarter 1 as part of the issue of the consolidated version of the Contract pursuant to Clause 60.2 (Amendments to Qualifying Defence Contracts) to capture all Tasks agreed in the previous year.

Annex A

Land TMS Tasking Process

PRE-QUOTATION

Forecast - This allows pre-agreed Tasks to be allocated Task numbers for conversion into draft or formal Tasks, i.e. yearly to reflect the agreed IPCPs.

QUOTATION

Part 1 - Draft Task is the collaboration phase between the Contractor and the Authority, through the JRCC, to generate a viable Tasking Statement of Requirement (Draft Task Request).

Part 2 - Review Task is the formal release of the Task Request by the Authority to the Contractor where it becomes a Formal Task Request, followed by internal review and evaluation by the Contractor and the assignment of an owner for preparation of the resulting proposal.

Part 3 - Create Proposal is the completion of the estimating process and production of the proposal for submission to the Authority.

Part 4 - Customer Approval is when the Authority receives the proposal, raises the necessary internal paperwork, obtains approvals, either within the system or locally and finally accepts the proposal. At this stage the Authority signs the Formal Task Request and returns it to the Contractor for delivery of the Task.

DELIVERY

Part 5 - Task Delivery is when the Contractor finalises the delivery plan for the Task and organises the various deliverables and milestones with clear owners and due dates in accordance with the proposal. These are then managed through to completion.

Part 6 - Close Task is when all deliverables and milestones are complete. The Task can then be closed in Land TMS (and other systems such as SAP), with budgets reconciled, GFE returned etc. Once this is done, the task is moved to a closed status, where it can be accessed for information purposes, but cannot be changed.

Annex B

Register of Agreed Tasks

This Annex is intentionally left blank as at the Effective Date and shall be updated in accordance with Paragraph **{** REF _Ref52540207 \r \h **}** above.