Ministry of Defence

Contract Number: DGM/1880

Schedule 2: Statement of Requirements

For:
Next Generation Munitions Solution (NGMS) Programme

November 2020

1 EXECUTIVE SUMMARY

1.1 This Contract is a Target Cost Incentive Fee (**TCIF**) contract which provides for the delivery and support of munitions, and the capability through-life to deliver efficiencies by implementing continuous improvement in the manufacture and supply of general munitions.

1.2 The key features of this Contract are:

(a) an engineering solution based on Integrated Product and Capability Plans (**IPCPs**), designed to enable obsolescence to be identified and addressed, whilst technological advances can also be incorporated into the products;

(b) joint management and governance, led by the Joint Requirements and Capability Cell (**JRCC**), intended to support decision-making to optimise supply of Type A Munitions by analysing scenarios;

(c) use of KPIs to incentivise performance;

(d) a TCIF mechanism which enables business opportunities to be explored and benefits built into the Contract; and

(e) the opportunity to implement improvements and efficiencies in the supply chain.

1.3 This Statement of Requirements (**SOR**) defines and describes the requirements to be met by the Contractor in the delivery of the Contract. The SOR must be read in conjunction with the remainder of the Contract.

2 CORE REQUIREMENTS

Reference	Key Requirement
1.1	The Contractor shall manage the engineering requirements in accordance with Schedule 5 (Engineering Requirements).
1.2	The Contractor shall manage obsolescence in accordance with Paragraph 7 (Management of Obsolescence) of Schedule 5 (Engineering Requirements).
1.3	The Contractor shall manufacture the Type A Munitions as defined in Schedule 7 (Munitions List) in accordance with the standards and specifications listed in Schedule 5 (Engineering Requirements) and Schedule 6 (Technical Requirements and Quality Standards).

1.4	The Contractor shall be responsible for maintaining the Build Standards for Type A Munitions in accordance with Schedule 5 (Engineering Requirements). The Contractor shall have and maintain the capability and capacity to: (a) manufacture and supply the Type A Munitions in accordance with Schedule 8 (Manufacturing and Supply); (b) update and support the Type A Munitions as identified in Schedule 7 (Munitions List), in accordance with Schedule 5 (Engineering Requirements); (c) support the Type B Munitions, as identified in Schedule 7 (Munitions List), in accordance with Schedule 5 (Engineering Requirements); and (d) design and develop Future Munitions and to identify, assess and implement emerging technologies in accordance with Schedule 5 (Engineering Requirements).
1.5	The Contractor shall attend all required Product Safety and Environmental Panel (**PSEP**) meetings in accordance with Schedule 5 (Engineering Requirements).
1.6	The Contractor shall establish and maintain a Quality Management System certified by a United Kingdom accredited certification body (such as ISO 9001) and in accordance with the requirements of Schedule 6 (Technical Requirements and Quality Standards). The Contractor shall ensure that the Contract is performed in conformance with the Quality Assurance (**QA**) requirements and standards identified in Schedule 6 (Technical Requirements and Quality Standards) and Schedule 5 (Engineering Requirements).
1.7	The Contractor shall be the Design Organisation for Type A Munitions in accordance with Paragraph 2 (Design Organisation) of Schedule 5 (Engineering Requirements). Any changes to the Build Standards are to be managed by the Contractor in accordance with the Configuration Management Plan.

1.8	The Contractor shall maintain a Product Safety Management Plan and Product Environmental Management Plan in accordance with Schedule 5 (Engineering Requirements).
1.9	The Contractor's performance against the KPIs in relation to delivery of Type A Munitions, engineering, safety and Concessions under the Contract will be subject to performance monitoring by the Authority in accordance with Schedule 12 (Pricing) and Schedule 14 (Key Performance Indicators).
1.10	The Contractor shall manage Government Furnished Assets (**GFA**) in accordance with Clause 14 (Special Jigs, Tooling and Test Equipment), Clause 15 (Accounting for Property of the Authority), Clause 16 (Redundant Materiel), Clause 20 (Issued Property), the relevant standards in Schedule 6 (Technical Requirements and Quality Standards) and Schedule 11 (Government Furnished Assets).
1.11	The Contractor shall be responsible for managing risk in accordance with Schedule 17 (Governance and Contract Management).
1.12	The Contractor shall provide resources to manage the Contract in accordance with Schedule 17 (Governance and Contract Management). The Contractor shall develop and maintain the Service Delivery Plan in accordance with Paragraph 9 (Service Delivery Plan Update Process) of Schedule 17 (Governance and Contract Management).
1.13	The Contractor shall manage all Changes to the Contract in accordance with the Change Procedure as set out in Clause 57 (Change).
1.14	The Contractor shall deliver all documentation to the Authority as required in accordance with Schedule 17 (Governance and Contract Management).
1.15	The Contractor shall provide all required information to support the payment process in accordance with Clause 26 (Payment) and Schedule 12 (Pricing).
1.16	The Contractor shall provide all meeting material to the Authority and produce all required records from meetings with the Authority in accordance with its obligations under Schedule 17 (Governance and Contract Management).

1.17	The Contractor shall report on supply chain performance in accordance with the supply chain review detailed at Paragraphs 3.15 and 3.16 (Supporting Reviews) of Schedule 17 (Governance and Contract Management).
1.18	The Contractor shall manage all security matters in accordance with Clause 39 (Official Sensitive Security Requirements) and the requirements of the Security Aspects Letter contained in Schedule 15 (Security Aspects Letter).
1.19	The Contractor shall perform Tasks as agreed in accordance with the process set out in Schedule 10 (Tasking).