ADS Group Limited

Your details

Name:

Organisation:

ADS Group Limited

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes [√]   No [ ]

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

Introduction

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes ☐   No ☑

Please add comments to support your answer:

> Reviewers noted many aspects of the reports where the requirements were unclear, ambiguous or needed further explanation. In many cases the User Guides provided little assistance to improving understanding of what was required.
>
> It was universally agreed that a worked example for each report type, cross referenced to the appropriate sections of the Act, the Regulations and Guidance would be very helpful.

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes ☑   No ☐

Please add comments to support your answer:

> Generally.

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes ☐   No ☑

Please add comments to support your answer:

> Reviewers felt that there were many aspects of the Reports which were unclear or ambiguous or which presented practical difficulties in completing. An example was the requirement to express all sums in GBP. This raised the question of how to price the conversion, and actual and forecast data. It was also noted that if MOD is paying in currency then that will be the most relevant data.

Consultation Response Form

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes ☐   No ☑

Please add comments to support your answer:

1. There are many areas of uncertainty and which require discussion and clarification e.g. reporting and agreement of forward rates. Reports consider only circumstances where a company is using an estimated rate approach. Additional guidance is required to inform suppliers how to report variances priced under forward rates.

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes ☑   No ☐

Please add comments to support your answer:

Rapid resolution of queries will be essential to timely submission of SSCR reports.

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes ☑   No ☐

Please add comments to support your answer:

The requirements for narrative reports are sufficiently clear for companies to understand and provide the information.

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes ☐   No ☑

Please add comments to support your answer:

> Tying itself to an annual review cycle may result in the SSRO making itself a hostage to its own fortune. The User Guides should be revised whenever it is recognised that doing so will be beneficial. This may be to define the content or provide additional information to help companies complete the template. It seems likely that in early days more frequent revision may be appropriate as the parties start using the reports and issues emerge.

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes [√]   No [ ]

Please add comments to support your answer:

> The templates reflect the information the Regulations require a contractor (or subcontractor) to provide. However, Reviewers noted that format of the reports meant that they were unlikely to add anything to the way the contract was managed or the project outcomes in terms of time, cost or performance. (See Annex A to covering letter.)

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes [ ]   No [√]

Please add comments to support your answer:

> See response to Question 3.

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes [ ]   No [√]

Please add comments to support your answer:

> Excel is a universal solution readily available to all suppliers and widely used and understood. Using another format is likely to add cost (training, set-up etc.) without adding corresponding benefits.

Consultation Response Form

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes ☐   No ☑

Please add comments to support your answer:

> Generally, however, there are always inherent compatibility risks when using superseded versions of IT packages.

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes ☑   No ☐

Please add comments to support your answer:

> Using anything other than Microsoft compatible products or hardware may cause problems running or completing the macros. Users of Apple or other types of operating systems may encounter difficulties.
>
> There may be problems getting the macros through firewalls in some instances.

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes ☐   No ☑

Please add comments to support your answer:

> Using a secure online portal will not provide the sender with an internal record of its submission. The cost and benefits of using a secure portal needs to be identified and demonstrated before a considered view can be given.
>
> Suppliers are likely to mark some reports 'OFFICIAL SENSITIVE, COMMERCIAL' reflecting the extremely sensitive nature of the information they contain. This may require special facilities to send over the internet.

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes [ ]   No [√]

Please add comments to support your answer:

It is too early to make this assessment - experience in operation is needed before a considered response can be given.

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes [√]   No [ ]

Please add comments to support your answer:

Generally - they need further development, for example, it is unclear how the costs for widely used categories of staff should be reported e.g. Quality Engineers.

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes [ ]   No [ ]   No of Accounting Systems [ ]

Please add comments to support your answer:

Discussion with members indicates a wide range of configurations are in use. Most groups of companies have elements of their accounting systems which are common. These can be supported by local systems tailored to the requirements of individual subsidiary company needs.

Babcock International Group

Your details

Name:

Organisation:

Babcock International Group – Marine and Technology Division

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes ☑   No ☐

Introduction

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes ☑   No ☐

Please add comments to support your answer:

> The user guides are a welcome addition. However, we will only understand how easy or difficult these reports are to complete once we have carried out that exercise for the first time. This is also likely to prompt a number of questions which had not been thought of when writing the user guides and will require dialogue to resolve.
>
> This is not a criticism of the guides as they are well structured but is inevitable when activities of this nature are undertaken for the first time.

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes ☑   No ☐

Please add comments to support your answer:

> Yes, although the purpose and usefulness of some of the reports is not completely clear. A thorough understanding would aid completion.

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes ☑   No ☐

Please add comments to support your answer:

> Yes, noting the comments under question 1.
>
> In addition we regard it as imperative that all parties understand how the stakeholders (SSRO, SSAT and industry) will (a) communicate and use the information provided and (b) operate within their jurisdiction under the Act. So, for example, does SSAT have authority to release data to MSPs? The user guides should capture this information.

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes ☑   No ☐

Please add comments to support your answer:

> Yes, again subject to the comments at question 1.

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes ✓   No ☐

Please add comments to support your answer:

Together with a Q&A database.

Guides to be regularly reviewed and updated after consultation with industry.

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes ✓   No ☐

Please add comments to support your answer:

Yes, we view this as being business as usual for the reports we currently provide (actual rates claims etc.)

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes ✓   No ☐

Please add comments to support your answer:

Yes to annual updates.

Yes to additional guidance.

See answer to Q5.

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes ☐   No ☑

Please add comments to support your answer:

> We understand that one of the purposes of these reports is for comparability across industry.
>
> Comparability will be challenging as industry participants' structure their organisations/QMACs differently (e.g. we include 1st and 2nd year apprentices in our HR costs but others may not). In some cases comparability will not be possible as the product is sole source because it is unique, e.g. submarine refit, submarine nuclear decommissioning, etc.

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes ☑   No ☐

Please add comments to support your answer:

> Yes, again subject to the comments at question 1.
>
> Also, the deadline of 3 months after the accounting period for completion of some of the reports (e.g. actual rates claim) will be impacted by the finalisation of the statutory accounts which will be outside this timeline. It may only be possible to submit on a provisional basis on these timelines with a final version submitted after the statutory accounts are completed. If that happens we would not expect there to be much change (if any) in the final submission. The office should recognise that MoD needs to play a part in completing some reports e.g. actual rates claim.

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes ☐   No ☑

Please add comments to support your answer:

> Excel can support the reporting requirement perfectly adequately.
>
> A move to an alternative would incur expense, including training and licencing costs.

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes ☐   No ☑

Please add comments to support your answer:

> None that we are aware of.

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes ☐   No ☑

Please add comments to support your answer:

> None that we are aware of.

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes ✓   No ☐

Please add comments to support your answer:

> Providing Excel continues to be used as the medium for data capture and the portal is correctly controlled. An SDE has had good success.

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes ☐   No ✓

Please add comments to support your answer:

> We do not consider that all of the information required on the reports can be pulled directly from one system.

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes ✓   No ☐

Please add comments to support your answer:

> Yes, again subject to the comments at question 1.

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes ☑   No ☐   No of Accounting Systems ☐

Please add comments to support your answer:

The accounting systems are standard across Babcock's Marine and Technology Division. Some of the information required for the reports may come from systems other than the accounting systems, which are not standard.

BAE Systems

Your details

Name:

Organisation:

BAE Systems

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes [X]   No [ ]

Introduction

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes [ ]   No [X]

Please add comments to support your answer:

The structure of the documents aligns well with the report templates however in some cases the user guides don't provide guidance, they refer out to the Regulations rather than explaining how you complete the templates or what is required. It would be useful if worked examples are provided in addition.

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes [X]   No [ ]

Please add comments to support your answer:

As these get up-issued, reference to version of the template the guide refers to will be useful.

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes [ ]   No [X]

Please add comments to support your answer:

With few exceptions, the user guides do not provide significantly more information than the templates themselves do. In many cases they just repeat the heading in the template. Example data would be a useful addition to make these user guides more helpful.

An example of this is the metrics tab which is included in several of the report templates, there is no explanation of what type of metrics are envisaged here, whether these are only required if contracted etc.

Consultation Response Form

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes ☐   No ☒

Please add comments to support your answer:

> As per the comment to Question 3
>
> The tabs within the excel workbook that do not have enough detail are:
>   1) DPS input
>   2) Deliverables
>   3) Metrics
>   4) Price (specifically recovery base volumes)
>   5) Actuals-Forecast & Quarters (specifically what "actual provisional" represents)
>   6) Risk (net or gross, pre or post mitigated)

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes ☒   No ☐

Please add comments to support your answer:

> No additional comment.

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes ☒   No ☐

Please add comments to support your answer:

> For the Contract Cost Statement template different business units within BAE will have a format for "cost certificates" which should meet (and provide additional detail to) the requirements.

Consultation Response Form

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes ☒   No ☐

Please add comments to support your answer:

> Both would be useful, certainly initially but defining the content required for the template is vital to ensuring they are completed as the SSRO intends.
>
> In the early years as lessons are learnt and examples of good and bad practice are gathered, we would want to have more regular updates to the user guides.

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes ☒   No ☐

Please add comments to support your answer:

> No additional comment.

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes [X]   No [ ]

Please add comments to support your answer:

All further guidance should be provided in the user guides (see comment above).

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes [ ]   No [X]

Please add comments to support your answer:

Most users would be familiar with this software application and will require minimal additional training to complete them.

Though it would depend on the alternative form, in the short term though we would want the templates to remain in excel.

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes [ ]   No [X]

Please add comments to support your answer:

No additional comment.

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes ☐   No ☒

Please add comments to support your answer:

No additional comment.

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes ☒   No ☐

Please add comments to support your answer:

Due to the sensitivity of the reports and the potential consequences of failing to report it would be beneficial to have a secure portal. We would want the portal to have an audit trail so that there is evidence of submission and acceptance for the contractor's records.

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes ☒   No ☐

Please add comments to support your answer:

Any automation, if possible, would be advantageous as this should reduce labour costs and time to produce the reports as well as reducing the possibility of manual error.

Consultation Response Form

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes [X]   No [ ]

Please add comments to support your answer:

> A broad glossary is required to people who are new to SSCR.

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes [ ]   No [X]   No of Accounting Systems [14]

Please add comments to support your answer:

> Each business unit manages its accounting system requirements and there are a number of different systems used within the BAE Systems group.

FinExperts Ltd

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

Your details

Name:

Organisation:

FinExperts Ltd

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes ✓   No ☐

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

Introduction

The SSRO is seeking within 16 working days to consult on 15 reports, and associated glossaries/guides. These are complex reports, and subject to a great deal of judgement in application for the range on businesses covered. Indeed once the requirement is known, there will be a significant period of investment and IT configuration to deliver the reports.

This consultation cannot be meaningful bearing in mind the complexity, significance and volume. It is understood that the SSRO has to provide some guidance before 1st April, but this should be considered interim guidance, and reports submitted should be in the context of a 'soft start', whist meaningful interactive, working level consultation takes place on a report by report basis. The SSRO has used the MoD suggested reports largely unchanged at this time. The reports had no meaningful consultation with industry, and were subject to a 'policy issue' approach. It is hoped that the independent SSRO can you facilitate industry in delivering valuable reports at a reasonable cost.

As a result the following comments are summary in nature, this response form does not allow detailed analysis of all the issues and uncertainty in the reports/guidance.

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes ☑   No ☐

Please add comments to support your answer:

The structure is clear and maps well to the underlying reports.

However the detail simply restates the act/regulations or template with no analysis to enable contractors to allocate their costs into the required format.

Consultation Response Form

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes ☑   No ☐

Please add comments to support your answer:

This is not a difficult area, the consultation needs to focus on the detail of report completion.

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes ☐   No ☑

Please add comments to support your answer:

The detail simply restates the act/regulations or template with no meaningful analysis to enable contractors to allocate their costs into the required format. law/regulations therefore adds no value.

For **example:**
Estimated Rates Claim, '6.2 QBU approved internal budget. (1) Include the QBU's budget, approved in accordance with the QBU's internal budgetary procedures, including a quantified analysis by the categories used in the QBU's financial statements and supporting accounting schedules'

This requirement requires debate, then documentation, as a starter:
- The whole budget or just cost/volume data relevant to MoD rates (the only relevant item)
- Budgets are not prepared in line with the financial statements but management accounts, they are prepared for groupings which may not equate to CP:CE (rate) areas
- What supporting schedules, what level of detail?
- This data will require conversion to MoD rates, as it will be at internal company rates.

QBU Estimated Cost Analysis Report. Schedule 02 to 06 include cost analysis (left hand columns) that aggregate to 01 People/Payroll....05 General & Admin:
- It is likely that these aggregates are incorrect for many entities (payroll is often HR or Finance)
- There may be origin and destination cost clashes, such as people costs and selling and marketing people costs. How should this be treated

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes ☐   No ☑

Please add comments to support your answer:

No, see previous summary answer. The guides are very short, with virtually no detail. If consistency is to be achieved, these guides need to be written, contract by contract following tri-partite engagement.

One example: How are enabling or framework contracts to be treated. An ever growing cost/scope basis, or separate reports for each element. How is the timing of variation orders on refits to be treated (there can be thousands). The cost is often recognised before the scope increase is agreed. Is the cost of change to be excluded until the cost is priced (challenging to manage and may slow processes)

The reports are required in GBP (a flawed requirement), how is this to be achieved for a foreign currency entity:
- Rate for conversion of the price (and more rates for later scope changes)?
- Rate for converting actuals?
- Rate for converting forecast?
- How to treat variations (that are different to the financial exchange variations)?

There is no consideration the issues of reporting when using an MRP system.
- It may be impossible to identify subcontracts that are required for the contract when MRP simply yields net requirements; there is no direct linkage to the input order (multiple sourcing, pricing, existing stock levels and aggregation with other requirements). How is subcontract reporting to be completed in this circumstance
- Actual costs under a common stock system will be averaged, this may include POCO and non-POCO items, there will be no segregation
- Should subcontracts reported, identify the total subcontract cost or the net element for the QDC/QSC
- When contracts are placed, there is often no detailed sub-con plan, only an intention. Is this intention an acceptable report?

There is no adequate definition of a reportable contract:
- Under an aggregation under 'single-requirement' (Regulation 5), if under Reg (5) (8) (b), the aggregate of contracts over £1m is < 20% of the total requirement, it is possible that QDCs are at the level of a single task, such as PDS taskings. This may have a value of tens/hundreds of pounds. Is a full set of reporting required for each task?
- When reporting a framework/call off contract/multiple requirement contracts, when is a CNR (and other reports) required?

In the event of a Regulation 14 fundamental re-pricing from a change that cannot be segregated, for a period there will be no pricing data, should reporting continue with cost, and no price.

Are some data fields dynamic, or are they static once the contract has begun? A full analysis is required across contract specificaations. But examples are: Individuals submitting the report, civil servant to is responsible for the contract, SME status, parent undertaking details, contract completion date.

Consultation Response Form

> Guidance is required under Regulation(22)(10)(b). Many contractor systems cut off on a weekly cycle and not in line with calendar quarters, a float of up to 4 days is required to meet the nearest processing date.
>
> Regulation (22)(6). Up to 5% of the costs may be estimated without explanation. Definition of 5% is required. Total contract costs, line item or some other measure.
>
> Is the Contract Pricing Statement a static report, or is it continually updated for changes (and how to manage a high volume of change). Regulation (23)(2)(b) requires the version of the Statutory Guidance to be identified at the time of agreement. If there are changes there may be several versions of guidance, of so, what should be reported.
>
> Regulation (23)(2)(e)(i) requires the facts used in pricing to be disclosed. The facts rejected should also be reported.
>
> When completing the Contract Reporting Plan, the contract value threshold of £50m is relevant to the ICR and QCR. What is the definition of this value:
> - Is it the initial (actual) contract value, and is it static, or does it update and contract reporting requirements potentially grow as changes occur.
> - Does it encompass the wider single requirement and therefore add separate contracts together
> - How is it defined for enabling, call off, or framework contracts
>
> For an enabling contract, what reporting of allowable costs is to be included in the CRP

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes [✓]   No [ ]

Please add comments to support your answer:

> Very useful, and/or a helpline.
>
> However if the guides are fully detailed following further consultation, this will limit the need.

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes [ ]   No [✓]

Please add comments to support your answer:

See above comment about inclusion of the budget as one example

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes ✓   No ☐

Please add comments to support your answer:

Yes, or even more frequently in the start-up years of the SSRO as issues become known and understood.

This should be addition guidance, and defining the template requirement.

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes ✓   No ☐

Please add comments to support your answer:

This should be undertaken on a contract by contract basis through further consultation. The volume is too large to address here.

**Single Source Regulations Office
Report Templates and User Guides**

Consultation Response Form

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes ☐   No ☑

Please add comments to support your answer:

Please see prior answers and supplementary papers. There are many issues to resolve.

A simple/common example. How are POCO items to be reported when a common inventory system is used?

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes ☐   No ☑

Please add comments to support your answer:

Excel is the most widely used and understood application for data such as this

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes ☐   No ☐

Please add comments to support your answer:

This is an IT technical issue, I have no opinion.

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes ✓   No ☐

Please add comments to support your answer:

Apple computers, in my experience cannot open the double layer protection

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes ☐   No ☐

Please add comments to support your answer:

This is an IT technical issue, I have no opinion.

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes ☐   No ✓

Please add comments to support your answer:

The data is complex and requires collection and restatement into MoD rates, therefore automation linking to ERP will be of limited utility.

Consultation Response Form

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes ☑   No ☐

Please add comments to support your answer:

> They aid the completion, but don't go nearly far enough. The problems will be in the margins. For example, where does production engineering sit in the QBU reports? Again, detailed engagement, report by report is the only way of covering these issues properly.

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes ☐   No ☐   No of Accounting Systems ☐

Please add comments to support your answer:

> Not applicable

Finmeccanica UK

Your details

Name:

Organisation:

Finmeccanica UK

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes [X]   No [ ]

Introduction

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes ☐   No ☒ **X**

Please add comments to support your answer:

More development is required to create a workable set of guidance rules. Overall, the further that the MOD's reporting requirements stray from the industry's underlying contract accounting records (which it keeps for statutory and internal control purposes), the less meaningful they will be.

The current programme/contract requirements take the recorded cost and forecast to complete the proposed SSRO requirements would then take these costs and:

- ➢ Re-value at MoD rates (including unpicking/factoring the cost re in-house manufactured items)
- ➢ Substitute cost associated with group purchases with cost-to-group values.
- ➢ Re-analyse from operational WBS to DPS.
- ➢ Aggregate by MoD year as opposed to Company year.

This process will make an explanation of the variances extremely difficult.

Whilst most reporting requirements could eventually be managed, as it stands, the process represents a significant additional burden in reporting which will drive additional costs. We thus seek a practical, pragmatic and reasonable approach to the reports. This is particularly important during a "reasonable" introductory period.

To that end, we would have preferred to see more joint workshops and pilots prior to the introduction of the new reports, so as to mature them further, resolve their practical application and ensure that they have utility in the management of contracts.

Confidentiality remains a significant concern (see below) and we seek assurance that no information would be requested in the 'Strategic Industry Capacity Report' that potentially conflicts with other company governance and/or regulations.

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes ☐   No ☒ **X**

Please add comments to support your answer:

We see need to work with MOD and the SSRO to resolve the following practical issues:

➢ Definition of DPS

   • This needs to meet the needs of both MoD and Industry.

   • MoD needs a structure that will give them a measure of comparability across platforms, although this comparability looks spurious given there is no alternative) as well as providing a tool to understand any variance between Bid and Forecast Outturn.

   • Industry needs a structure that enables effective control of the contract execution process using standard MRP processes.

   • AW Ltd has highlighted an issue with the proposed DPS for Build contracts. The DPS proposed by MoD/SSRO is product structured. However, this is incompatible with the way standard MRP systems operate in a multi-contract environment if the economies and flexibility of demand aggregation are to be preserved.

➢ Cash Neutrality

   • Cash Neutrality is based on costs as incurred. However, reporting is based on costs as consumed. In a multi-contract environment, demand is aggregated, and the ultimate contract may not be known at the point the cost is incurred.

➢ Reporting of Actual Cost where POCO applies

   • It is possible to price the materials in a bid on a POCO basis, but it is not possible to report actual costs on this basis in a multi-contract environment without making Group material requirements "contract-specific" and consequently losing all benefits of demand aggregation.

> ➤ Reporting of Actual Costs associated with risk contingencies have historically been segregated in the pricing process. This is to enable identification of the cause and associated mitigation actions. However, actual costs/savings associated with the maturing of these risks/opportunities are inevitably spread over a number activity lines. It will be impractical to try to segregate the actual cost of a particular risk in the mainstream cost recording process.
>
> ➤ Volume of Reporting and Duplication
>
> • Overall, the number of new reports being required by DRA is significant, as are the short turn-around times stipulated in the Act. Again, this will incur significant cost.

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes ☐   No ☒

Please add comments to support your answer:

See above

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes ☐   No ☒

Please add comments to support your answer:

See above

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes [X]   No [ ]

Please add comments to support your answer:

At least in the early days, a help desk to assist in implementation would be useful.

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes [ ]   No [X]

Please add comments to support your answer:

See answers to previous questions above

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes [X]   No [ ]

Please add comments to support your answer:

Both

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes ☐   No ☒

Please add comments to support your answer:

> See answers to previous questions above

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes ☐   No ☒

Please add comments to support your answer:

> See answers to previous questions above

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes ☐   No ☒

Please add comments to support your answer:

>

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes ☐   No ☒

Please add comments to support your answer:

>

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes [X]   No [ ]

Please add comments to support your answer:

Macros should normally be avoided.

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes [ ]   No [X]

Please add comments to support your answer:

We would expect to see a 'secure means of transmission' of any reports containing sensitive information, such as the Strategic Industry Capacity Report (SICR). We would anticipate that documents such as this (SICR) are either treated with an appropriate/high security clarification, or suitable encrypted to help ensure no inadvertent disclosure. A secure on-line portal may not meet these criteria. Confidentiality of information is a major concern to us.

Yes [ ]   No [X]

Please add comments to support your answer:

Automation leads to loss of control of data by contractors.

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes [X]   No [ ]

Please add comments to support your answer:

Yes but they are only a start.

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes [X]   No [ ]   No of Accounting Systems [ ]

Please add comments to support your answer:

SAP

Marshall Aerospace and Defence Group

Your details

Name:

Organisation:

Marshall Aerospace and Defence Group, The Airport, Cambridge

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes [X]   No [ ]

Introduction

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes [X]   No [ ]

Please add comments to support your answer:

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes [X]   No [ ]

Please add comments to support your answer:

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes [X]   No [ ]

Please add comments to support your answer:

However I believe that further guidance or instruction will be necessary but this will only become clear when we begin to use the reports.

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes [X]   No [ ]

Please add comments to support your answer:

See answer to Q3 above

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes [X]   No [ ]

Please add comments to support your answer:

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes [X]   No [ ]

Please add comments to support your answer:

Provided that contractor format will be acceptable for the content requested

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes [X]　　　No [ ]

Please add comments to support your answer:

I believe that this should be done more frequently or that interim updates are provided on the website to permit lessons learned to have an immediate benefit for all parties concerned

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes [X]　　　No [ ]

Please add comments to support your answer:

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes [X]　　　No [ ]

Please add comments to support your answer:

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes ☐   No ☒

Please add comments to support your answer:

```


```

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes ☐   No ☒

Please add comments to support your answer:

```


```

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes ☐   No ☒

Please add comments to support your answer:

```


```

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes ☒   No ☐

Please add comments to support your answer:

```
I agree it would be easy but do not support this as the only method of submittal. If
parties feel that this is a suitably secure method for their data then fine but given the
sensitivity of the data I am not sure that many parties will be satisfied with this. There
need to be other ways of submitting the data that will allow parties to know that their
data remains secure, controlled and unchanged after submittal.
```

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes ☐   No ☒

Please add comments to support your answer:

> Security concerns would be an issue here.

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes ☐   No ☒

Please add comments to support your answer:

> I believe they could help if contained within the templates so that these are self-contained

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes ☐   No ☒   No of Accounting Systems 6

Please add comments to support your answer:

> We currently use a number of accounting systems across the group. The above is a quick view and there may be more.

MBDA UK Ltd

Your details

Name:

Organisation:

MBDA UK Ltd

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes ☒   No ☐

Introduction

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes ☒   No ☐

Please add comments to support your answer:

> We believe that they have been structured as effectively as they could have been.

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes ☒   No ☐

Please add comments to support your answer:

```
[empty box]
```

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes [X]   No [ ]

Please add comments to support your answer:

```
Generally they appear helpful although they are, of course, yet to be proven by real
experience.
```

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes [ ]   No [X]

Please add comments to support your answer:

```
There are instances where greater definition is required. We believe this can be adjusted
over time and based on real experience.
```

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes [ ]   No [X]

Please add comments to support your answer:

```
We are unclear on the meaning of the question – was it intended to read as "when
completing the reports"?
```

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes ☐   No ☒

Please add comments to support your answer:

> A number of areas require greater definition and, as above, we believe that this can be developed over time and with real experience.

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes ☒   No ☐

Please add comments to support your answer:

> The update should be "at least" annually and could cover both further guidance and greater definition where appropriate.

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes ☐   No ☒

Please add comments to support your answer:

> According to the SSCRs, the Secretary of State may only require some types of report once for any financial year – this does not seem to appear within either the report formats or the user guides.

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes ☐　　　No ☒

Please add comments to support your answer:

> Please see "4" and "6" above.

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes ☐　　　No ☒

Please add comments to support your answer:

> We see no benefit in such a move.

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes ☒　　　No ☐

Please add comments to support your answer:

> This should read as "potentially" rather than a definitive yes. Given that "compatible with" and "interchangeable" are not entirely the same then there exists the possibility of issues arising.

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes [X]   No [ ]

Please add comments to support your answer:

> Again, potentially. If macros are inserted then they will have had to have been fully tested and guidance would be required as to their purpose.

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes [ ]   No [X]

Please add comments to support your answer:

> You may note from our separate submission (the attached desk top review) that we believe there is at least one report that should only be submitted in hard copy.

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes [ ]   No [X]

Please add comments to support your answer:

> Whilst it is undoubtedly the case that the information required will require a drawdown from "in-house" systems we would not support such a move.

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes [X]   No [ ]

Please add comments to support your answer:

> To a degree.

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes [X]   No [ ]   No of Accounting Systems [ ]

Please add comments to support your answer:

> We have, as MBDA, a consolidation tool which aggregates data. Within MBDA UK there is a single system and, given current contracting practice, it is considered highly unlikely that any part of MBDA, save for MBDA UK, will take a qualifying contract.

<u>Ministry of Defence</u>

Your details

Name:

Organisation:

MOD

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes [Y]   No [ ]

Introduction

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes [Y]   No [ ]

Please add comments to support your answer:

The MOD considers the user guides to be structured effectively.

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes [ ]   No [N]

Please add comments to support your answer:

In general the MOD consider that the user guides require more information. It would also be helpful for the user guides to refer to Section 25(6) (d) of the Defence Reform Act 2014 (DRA) which outlines the legal requirement to have regard to the guidance documents when completing the reports.

The guidance for each report would benefit from a statement of overriding principles. These principles should reinforce the fact that the submission of the reports is a legal requirement and as such it is the responsibility of the contractor to:

a. complete the report in full and in line with the user guides;

b. take the necessary steps to ensure that the report is not misleading in a material aspect; and

c. to submit the report on time.

Whilst we recognise that each template has a description sheet, we suggest that each user guide would also benefit from a short statement setting out the purpose of each report.

The guidance should emphasise the importance of standardised reporting. Unless the reporting of costs is consistent across all contractors then the quality of benchmarks generated from the data will be significantly impacted. This is particularly important in the QBU Cost Analysis Reports. Examples of where additional guidance would be beneficial are:

a. the reporting of costs depending on how the cost has been incurred e.g. directly by the QBU vs. re-charges from other group units vs. outsourced costs; and

b. how the employee numbers must relate to the reported payroll cost.

In places the guidance includes extracts from the Act and regulations. However, in several cases these extracts have been reworded or reformatted such that the there is risk of misinterpretation. There is additional danger in that the extract may not work without reference to other elements of the regulations or the Act. We recommend therefore that, in general, extracts should not be used and instead a reference to the legislation should be included. Where it is felt that an extract is necessary the exact wording and formatting used in the legislation should be reproduced in the guide.

Further detail is included in Annex B.

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes ☐   No ☐ N

Please add comments to support your answer:

In general, the user guides would benefit from considerably greater explanation and context, for example, with as explanation of technical terms such as DPS, Price, Actual, output metrics etc.

The focus of the user guides appears to be listing out the cells to complete, rather than how to calculate or obtain and decide on the data/calculation to be included. The correct calculation methods and data sources are key to ensuring the quality and accuracy of the data provided in the report templates. This is also key to obtaining data which can be used for comparison and benchmarking purposes.

The user guidance does not appear to include any warnings to users that if they cut/paste yellow cells from template then this interferes with the functionality and linking to other sheets. This issue may impact the user's ability to complete the templates.

The user guide includes a brief explanation of the cell colour coding and validity test, but this needs to be explained in more detail so that users can understand whether they have completed the areas correctly. There is a risk that report templates are returned with simple errors as users were not fully aware that 'red' colour coding indicates that data is not in correct format.

We note that security markings and guidance is not mentioned in the user guide. We recommend that security is addressed in the general guidance section of each user guide to make users aware of the strict security requirements of each report.

There are a number of instances where the legislation has been re-worded in the user guides, which has in fact created ambiguity in relation to the deadline for submission of a number of the reports.

Please see Annex C for detail on individual reports.

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes ☐   No ☒ N

In general, the user guides only provide basic information on what data needs to be included in the report templates. There are no detailed explanations or examples of the type of information required for each of the requirements in the reports. The user guides only provides a similar level of detail to that included in the Regulations, although some additional detail is provided in the glossaries for each report. Consideration should be given to combining the documents, to provide a single guide and glossary for each report. This will provide one document for users, improving ease of reference.

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes ☒ Y   No ☐

Please add comments to support your answer:

Yes, we agree that an email helpdesk would be beneficial to users completing the reports for the first time as we anticipate there will be a number of queries in relation to using the templates.

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes ☐   No ☒ N

Please add comments to support your answer:

> The user guide for the reports where no templates are provided mirror the requirements as set out in the regulations but do not provide guidance on the appropriate level of detail or purpose of the reports.

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes [Y]   No [ ]

Please add comments to support your answer:

> Yes, we would agree that the user guides should be updated annually. Consideration should be given to updating them more frequently during the transitional phase where the reports are being completed for the first time.

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes [Y]   No [ ]

Please add comments to support your answer:

The report templates appear to mirror the Single Source Contract Regulations, by requesting the information which is required per the regulations.

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes ☐   No ☒ N

Please add comments to support your answer:

In general, we think there is insufficient explanation of the requirements within the report templates. We would therefore expect the user guides to provide the detailed guidance which is not included in the report templates. However, as mentioned in our answers to Qs 2, 3 and 4 (above) the MOD consider the user guides do not explain the requirements in sufficient detail.

As mentioned in Q8, the data security markings of the report templates are not clearly marked and there is a risk that users do not follow the required procedures.

For the MS Excel book of contract report templates – (CRP, CNR, ICR, QCR and CCR) consideration should be given to including a summary table which outlines which tabs within the workbook are required for each report and which are required for multiple reports. This would help the user understand the different requirements each contract report and the data which is required for each.

Please see Annex E for more detail on individual reports.

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes [Y]   No [ ]

Please add comments to support your answer:

> The MOD is very open to the report templates moving away from Excel providing a solution can be developed which is cost effective and workable for all parties.

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes [ ]   No [N]

Please add comments to support your answer:

> We do not envisage any compatibility issues with either MS Excel 2003, 2007 or 2010.

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes [ ]   No [N]

Please add comments to support your answer:

> We have not identified any issues with Macros in the templates.

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes | Y | No | |

Please add comments to support your answer:

> We agree that a secure online portal would be a suitable method for contractors to supply reports.

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes | Y | No | |

Please add comments to support your answer:

> We agree that this might be useful, as XML or XBRL may be a useful option for sending or uploading reports to different systems.

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes | Y | No | |

Please add comments to support your answer:

Yes, the glossaries are a useful reference to consult when completing the reports. Consideration should be given to attaching the relevant glossary of terms to each user guide to provide the user with one reference document for each report.

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes ☐   No ☐   No of Accounting Systems ☐

Please add comments to support your answer:

Annex B - Additional comments on the introduction of the user guides

1. There is a lack of consistency across all the guidance and templates in the use of key terms that have specific meanings in the Act and the regulations. Terms that are defined in the Act and regulations should be used in a manner that is consistent with the definition in legislation. For example:

    a. Financial year vs. Accounting period

        i. A 'financial year' always begins on 1 April / ends on 31 March (Section 43(1)) and is primarily used to refer to a MOD year;

        ii. An 'accounting period' refers to a QBU reporting period (Regulation 32)

    b. Designated person vs. Parent company vs. Ultimate parent vs. Ultimate parent undertaking. The guidance and templates appear to use these terms interchangeably.

2. For the supplier reports, it would be helpful if there was a good explanation (E.g. a flow chart) of how to determine if you have a Qualifying Business Unit, and if it is a pricing QBU or not.

Annex C - Additional comments on the user guides assistance to completing the report templates

1. In general we have included comments on formatting where the objective of the document is compromised due to formatting issues. We have listed our comments by paragraph number where relevant.

User Guides – ARCR

1.3 The report is not "provided for the qualifying defence contract" – it is provided for a pricing QBU. We suggest that wording based more closely on regulation 34(1) is used e.g. 'Regulation 34 requires that the designated person must provide, for each relevant financial year, an actual rates claim report for each pricing QBU in that relevant financial year'

2.1-2.2 By re-wording regulation 34(2), the guidance has created an ambiguity as to the deadline for the submission of the report - for instance it could be incorrectly read that the report must be provided 3 months after a date agreed between the SoS and the DP. To avoid this we suggest using the same wording/formatting as set out in regulation 34(2).

3.1 We suggest that this should be reworded to make it clear that it is anyone associated with the designated person (i.e. not each QBU) that needs to have at least one QDC/QSC greater than the quoted limits for supplier reporting to be triggered

4&4.1 - These paragraphs refer to the 'contract'. There is no specific contract for an actual rates claim report.

5.2 - Staffing related information as set out here is not a requirement of regulation 34 - the Actual Rates Claim Report. We suggest that this is removed from the guidance.

User Guides – ERCR

1.3 - The report is not "provided for the qualifying defence contract" – it is provided for a pricing QBU. We suggest that wording based more closely on regulation 36(1) is used e.g. 'Regulation 36 requires that the designated person must provide, for each relevant financial year, an estimated rates claim report for each pricing QBU that was a pricing QBU of the designated person in relation to the financial year immediately preceding the relevant financial year'.

2.1-2.2 - By re-wording regulation 36(2), the guidance has created an ambiguity as to the deadline for the submission of the report - for instance it could be incorrectly read that the report must be provided 3 months after a date agreed between the SoS and the DP. To avoid this we suggest using the same wording/formatting as set out in regulation 36(2).

3.1 - We suggest that this should be reworded to make it clear that it is anyone associated with the designated person (ie not each QBU) that needs to have at least one QDC/QSC greater than the quoted limits for supplier reporting to be triggered.

4&4.1 - These paragraphs refer to the 'contract'. There is no specific contract for an estimated rates claim report.

5.2 - Staffing related information as set out here is not a requirement of regulation 36 - the Estimated Rates Claim Report. We suggest that this is removed from the guidance.

User Guides – ERAPS

1.5 - Add the term 'pricing' to the last occurrence of 'qualifying business unit'.

01-Report Admin - Replace 'contract' with 'report'.

02-Company - In the title to this section replace 'Company' with 'Business Unit' or 'Reporting Business Unit' for consistency with template. Throughout this section the terms 'reporting business unit', 'business unit' and 'qualifying business unit' are used interchangeably. To avoid confusion we suggest that just one term is used.

01.02-Individuals - For consistency with template replace 'Individuals' with 'People'

02.08-02.09 - Add the following (as included in other draft guidance documents):

'If equal shares, provide company name and number of additional companies in

2.10 "other relevant information".'

03.01 - The final sentence requires rewording as it doesn't read correctly. Suggest 'Any deviation of the submitted rates claim from such guidance must be identified and explained in this section'.

04-Assumptions Log - Rather than just repeat the words in the template, a further explanation / example of what is required in each row would be helpful. For example:

- What is meant by 'decreasing over-capacity'

04.10 - Delete 'is'.

User Guides – QBUACAR

General - The guidance (and the template that it refers to) has been drafted for a pricing QBU and there are several sections where the information required relates to cost recovery rates. There is no guidance explaining that this information is not required if the template is being used for a 'non-pricing' QBU. For example if the report is being submitted by a non-pricing QBU the following sheets will not be applicable: 09-Revenue, 11 Recovery Bases, 12 Agreed Rates.

2.1 – 2.2 - By re-wording regulation 35(3), the guidance has created an ambiguity as to the deadline for the submission of the report - for instance it could be incorrectly read that the report must be provided 3 months after a date agreed between the SoS and the DP. To avoid this we suggest using the same wording/formatting as set out in regulation 35(3).

3 - Unlike other draft guidance, this does not include details of the minimum contract values that trigger supplier reporting (e.g. 3.1 in User Guide for Estimated Rates Claim Report). For consistency we suggest that this is added.

00 – Report Submission Admin - Replace 'contract' with 'report'.

The numbering is incorrect in this section. For example '01.01 Dates' should be '00.01 Dates' etc

[00]01.02 - Individuals - For consistency with the template replace 'Individuals' with 'People'

02 – Last Year Prior Estimate Para 2) sub- para 1) - Reword to say 'Enter costs by type up to profit before tax'.

02 – Last Year Prior Estimate Para 2) sub- para 3) - This column is automatically generated from previous inputs and does not allow data entry. The guidance incorrectly instructs the user to 'Enter direct labour and indirect production cost'.

02 – Last Year Prior Estimate Para 3) - To be consistent with the template:

- 'Engineering' is a separate bullet point

- Replace 'Purchasing' with 'Procurement'

03– Last Year Actuals Para 2) sub- para 1) - Reword to say 'Enter costs by type up to profit before tax'.

03 – Last Year Actuals Para 2) sub- para 3) - This column is automatically generated from previous inputs and does not allow data entry. The guidance incorrectly instructs the user to 'Enter direct labour and indirect production cost'.

03 – Last Year Actuals Para 3) - To be consistent with the template:

- 'Engineering' is a separate bullet point

-     Replace 'Purchasing' with 'Procurement'

07 – Headcount Para 3) - Replace references to 'cost analysis' with 'headcount analysis'.

07 – Headcount - The template requires 'average functional headcount' figures should be reported. There is no guidance on how 'average functional headcount' should be calculated to ensure consistency.

08 – Activity Costs - Reference to 'IT' should be replaced with 'IT Implementation/Large Infrastructure Projects'

09 - Revenue - Third bullet, first sub-bullet: insert the word 'not' after 'contract' ie should read 'a Single Source MOD contract not under the new Regulations'.

12 – Agreed Rates - We presume that in a QBU Actual Cost Analysis Report the user need only input data about actual rates and prior estimate and then comment on significant variances. The guidance as drafted from 6) to 8) is covering information that seems to be connected with a QBU Estimated Cost Analysis Report. We therefore suggest that 6) to 8) are deleted.

User Guides – QBUECAR

General - The guidance as drafted (and template that it refers to) has been drafted for a pricing QBU and there are several sections where the information required relates to cost recovery rates. There is no guidance explaining that this information is not required if the template is being used for a 'non-pricing' QBU. For example if the report is being submitted by a non-pricing QBU the following sheets will not be applicable: 09-Revenue, 11 Recovery Bases, 12 Agreed Rates. However '13 – Future Initiatives' should be completed for pricing and non-pricing QBUs as this will impact costs that will be charged to pricing QBUs and as a consequence impact cost recovery rates.

Recovery Bases - The User Guide refers to Secondary Recovery Bases which are not in the report

1.3 - Delete the word 'pricing'.

1.4 - Typo – replace 'if' with 'of'

2.1 – 2.2 - By re-wording regulation 37(3), the guidance has created ambiguity as to the deadline for the submission of the report - for instance it could be incorrectly read that the report must be provided 3 months after a date agreed between the SoS and the DP. To avoid this we suggest using the same wording/formatting as set out in regulation 37(3).

3 - Unlike other draft guidance, this does not include details of the minimum contract values that trigger supplier reporting (e.g. 3.1 in User Guide for Estimated Rates Claim Report). For consistency we suggest that this is added.

00 – Report Submission Admin - Replace 'contract' with 'report'.

The numbering is incorrect in this section. For example '01.01 Dates' should be '00.01

Dates' etc

[00]01.02 - Individuals - For consistency with the template replace 'Individuals' with 'People'

03 – Last Year Actuals Para 2) sub- para 1) - Reword to say 'Enter costs by type up to profit before tax'.

03 – Last Year Actuals Para 2) sub- para 3) - This column is automatically generated from previous inputs and does not allow data entry. The guidance incorrectly instructs the user to 'Enter direct labour and indirect production cost'.

03 – Last Year Actuals Para 3) - To be consistent with the template:

-       'Engineering' is a separate bullet point
-       Replace 'Purchasing' with 'Procurement'

05 – This Year Estimates - Paragraph numbering incorrect. No para 1) and 2 para 3)'s included)

05 – This Year Estimates Para 3) sub- para 1) - Reword to say 'Enter costs by type up to profit before tax'.

05 – This Year Estimates Para 3) sub- para 3) - This column is automatically generated from previous inputs and does not allow data entry. The guidance incorrectly instructs the user to 'Enter direct labour and indirect production cost'.

05 – This Year Estimates Para 3) - To be consistent with the template:

- 'Engineering' is a separate bullet point

- Replace 'Purchasing' with 'Procurement'

07 – Headcount - Reference should be to Regulation 37(7)(b) and not 35(7)(b)

07 – Headcount - The template requires 'average functional headcount' figures should be reported. There is no guidance on how 'average functional headcount' should be calculated to ensure consistency.

07 – Headcount Para 3) - Replace references to 'cost analysis' with 'headcount analysis'.

08 – Activity Costs - Reference to 'IT' should be replaced with 'IT Implementation/Large Infrastructure Projects'

09 - Revenue - Third bullet, first sub-bullet: insert the word 'not' after 'contract' ie should read 'a Single Source MOD contract not under the new Regulations'.

User Guides – RCR

1 - Replace 'contract' with 'report'.

01.02 - Individuals - For consistency with the template replace 'Individuals' with 'People'

2.02 - Replace 'contract' with 'report'.

2.09 - Add the following (as included in other draft guidance documents)

2.09 - 'If equal shares, provide company name and number of additional companies in 2.10 "other relevant information".'

User Guides – SME

1.3 - Replace 'primary contractor' with 'designated person'.

01.02 - Individuals - For consistency with the template replace 'Individuals' with 'People'

User guide needs to explain that the report is at Group level, not legal entity level

06_Indirects - The term 'indirect' needs to be defined

User Guides – SICR

2.1 & 2.2 - By re-wording regulation 40(1), the guidance has created ambiguity as to the deadline for the submission of the report - for instance it could be incorrectly read that the report must be provided 12 months after a date agreed between the SoS and the DP. To avoid this we suggest using the same wording/formatting as set out in regulation 40(1).

3.1 - We suggest that this should be reworded to make it clear that it is anyone associated with the designated person that needs to have at least one QDC/QSC greater than the quoted limits for supplier reporting to be triggered.

User guides – CRP

The user guide should provide guidance and examples of the recovery base volumes. Please note the legislation refers to 'cost recovery bases' rather than recovery base volumes. Consideration should be given to making the terminology in the report consistent with the legislation.

User guides – CNR

10_Quarters - Columns V, W and X sum the values for each Gov Financial year and compare to the values entered in the 09-Actual Forecast tab. The cells will go red if

there are any differences. The user guidance should explain the comparison carried out and the colour coding.

Annex D - Additional comments on level of detail in the user guides to assist with completing the report templates

User guides – CNR

Guidance is required on the level of detail expected in the deliverables tab and an example. 20 rows are provided, consideration should be given as to whether 20 rows is sufficient. The template currently states "help text to go here"

Please provide users with some guidance on the level of detail and an example of the typical milestones that they would expect to be reported.

User guides – QBUACAR

In relation to sheets 08, 09, 11 and 12 of the report template, the user guides should provide guidance on the level of detail expected in the commentary.

Example text on completing column I of sheet 13 should be included.

User guides – contract reports

Explanation is required to outline where users should obtain information on the DPS, output metrics, milestones, deliverables, risk and opportunity out turn. There is limited guidance in the user guide and no examples are provided. We recommend that detailed guidance is included along with some examples.

Annex D: Additional comments on the whether there is sufficient explanation of requirements within the report templates?

Please see comments below referenced to the sections in the report templates where relevant. We have included some comments in relation to formatting issues.

Reports –General

There are a number of instances where the text boxes for responses are of limited size and there is no functionality within the templates to adjust the row height to increase the size of the text box, there may not be sufficient space for answers, for example in the QBUACAR in sheets 04 and 06 there may not be space for adequate variance analysis and the SME and RCR, where detailed responses are required, there may not be sufficient space. There is a risk that users reduce the level of detail in order to keep to the size of the text boxes. Consideration should be given to improving the functionality to allow users to increase the size of text boxes.

Reports – CNR

16_Subcontracts - The regulations refer to Qualifying sub contract rather than QDC. Report template should be amended to reflect this. Reg 25 (l) (ix)

Reports – QBUACAR and QBUECAR

The numbering of the sheets should be made consistent with the other templates (i.e. submission admin should start at 01 rather than 00)

Sheets 02, 03 and 04 should include column numbering for all columns, not just 1-3

In sheets 04 and 06, where the variance requires a commentary, the cells should be expanded to accommodate larger responses.

Tab numbering is incorrect - it is not sequential - goes from 9 to 11, missing 10.

Reports – CPS, contract reports

02_Supplier - Company registration number - only allows numbers but Scottish numbers start SC…. So need to allow both numbers and text.

Reports - CPS

06_Assumptions - Line 40 - Typo/layout issues

Reports – RCR

Home sheet - Columns J-L are hardcoded – it is unclear if the user is required to complete these.

04_Actual Rates - User guide says to add additional rows, but user can't because the sheet is protected

Reports – SME

03_Policies, 04_Initiatives, 05_Financials, 06_Indirects - User guide says to add additional rows, but user can't because the sheet is protected

Reports – contract reports

Explanation is required to outline where users should obtain information on the DPS, output metrics, milestones, deliverables, risk and opportunity out turn. There is no guidance in the report template and limited guidance in the user guide. No examples are provided.

QinetiQ

Your details

Name:

Organisation:

QinetiQ

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes [X]   No [ ]

Introduction

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes [X]   No [ ]

Please add comments to support your answer:

Further enhancements could embed relevant extracts of user guide and glossary of terms into the report templates to provide cross referencing during completion.

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes [X]   No [ ]

Please add comments to support your answer:

No comments.

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes [X]   No [ ]

Please add comments to support your answer:

> While the user guides should be helpful, we imagine there will be unanticipated practical application issues, that would have arisen and been addressed prior to the issuance of the Guidance, in the piloting of the reports for the planned 'early adoptor phase'.   In the absence of this valuable feedback, our expectation is that the Guidance will require refinement from users with report completion experience. We suggest that the Statutory Guidance is issued as Interim Guidance pending further updates as required.

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes [ ]   No [X]

Please add comments to support your answer:

> Please see the response to Q3.
>
> To have a more comprehensive understanding of the data provided and to maintain the principles based approach, we suggest that cross referencing to the suppliers QMAC would provide context to the information provided and recognises that suppliers may apply different management accounting techniques.

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the reports would be helpful?

Yes [X]   No [ ]

Please add comments to support your answer:

> We believe that during the introduction phase that in addition to the email helpdesk that a report user forum is established so that common issues are identified and fully understood.

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes [X]   No [ ]

Please add comments to support your answer:

> The freeform submission is a practical solution that will provide the transparency of information that is readily available in the timeframe required and will normally follow the format / approach agreed with the MoD during the contract negotiations.

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes [X]   No [ ]

Please add comments to support your answer:

> Please see the response to Q3.
>
> The user guide should be a living document and updated as often as necessary to incorporate the identified areas which have had queries. Updates however should remain principles based rather than the guidance becoming too prescriptive on the interpretation. The information provided in the reports should be recognised and remain the return of the completing contractor, and therefore allow for appropriate judgement and practical application in applying the underlying principles.

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes ☒ No ☐

Please add comments to support your answer:

We have raised concerns with the MoD that the information provided may comprise or include insider information and must be treated as such. The protection under the Defence Reform Act does not go far enough to provide listed contractors with the assurance that their specific obligations are met for the purposes of the Code of Market Conduct and under the Disclosure and Transparency Rules. We request specific undertakings from both the MoD and SSRO prior to completion of the report templates. MoD has acknowledged the need for a Letter of Comfort and was provided with a suggested draft in July 2014.

In addition to the above letter from the SSRO and MoD, we require all Report Templates to include the required Protection Markings embedded into each piece of data submitted so that it is prevented from any alteration.

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes ☐ No ☒

Please add comments to support your answer:

In certain areas the requirements are self-explanatory and nothing further is required, however certain information that is required; appears to be of little relevance or provides information of no-added value.

If more explanation of the requirements could be provided in these areas:

- Rates Comparison Report; the requirement if requested, is to provide Rates Actual comparison, but the volume estimates ignores actual outturns, so the data seems to be of questionable value.
- The SME Reporting is a new requirement for contractors and could be onerous unless some minimum value criteria are established for reporting purposes.

All the reports would benefit from worked examples, to clarify the level of detail required and to provide guidance on meeting expectations.

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes ☐   No ☒

Please add comments to support your answer:

> Excel is a tool used by most companies and is flexible enough to allow quick turnaround of changes without major investment.

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes ☐   No ☒

Please add comments to support your answer:

> While it will be acceptable, it would preferable if the required spreadsheets could be a more up to date version as it would be more secure.

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes ☒   No ☐

Please add comments to support your answer:

> The opening and closing macros conflict with secure environments inside companies and sometimes fail to operate on certain machines.
>
> On closing the spreadsheet the user is forced to save the file, there is no escape option.
>
> Also being allowed access to the VBA model would allow companies to develop interfaces to the spreadsheet to speed up the population of the reports.

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes ☐   No ☒ X

Please add comments to support your answer:

The initial thoughts are that either a data upload or email transmittal based input would be preferable;

- It ensures the company holds clear auditable records of submissions. If the audit trail can be replicated in an online portal with downloaded files and printable hardcopy this may be overcome.

- Companies have direct control to upload data from source information without the need to consult with a third party system provider, timetable and request system modifications.

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes ☐   No ☒ X

Please add comments to support your answer:

Further investment at this stage while the reports are being trialled maybe premature and costly, this option may be explored when the reporting formats have stabilised.

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes [X]   No [ ]

Please add comments to support your answer:

Please see the response to Q1.

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes [X]   No [ ]   No of Accounting Systems [1]

Please add comments to support your answer:

QinetiQ use SAP as our transaction based system and Hyperion for consolidation.

Our intention will be provide direct data feeds into the report requirements. The eventual data upload must therefore be compatible with this proposed arrangement to ensure the process is efficient, repeatable and not labour intensive.

Rolls Royce Holdings plc

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

Your details

Name:

Organisation:

Rolls-Royce Holdings plc

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes ☑   No ☐

Rolls Royce Holdings plc

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

Introduction

USER GUIDES

QUESTION 1 - Do you agree the user guides has been <u>structured</u> effectively to help you complete the corresponding template and to define the <u>content</u> required for the template?

Yes ☑   No ☐

Please add comments to support your answer:

> We have undertaken an initial review and have found that the user guides have been structured effectively and defines the content required to complete the templates.
> See also question 3 below for specific examples where further 'help' is requested.

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes ☑   No ☐

Please add comments to support your answer:

> This appears in accordance with the Regulations.

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes ☐   No ☐

Please add comments to support your answer:

See also answer to question 1.

We have undertaken an initial desk-top review of the user guides and they do to an extent assist in completion of the report templates.

However there are significant gaps in knowledge and understanding and until we fully trial or implement for a QDC we cannot comment further on the practical issues that may emerge from definition of specific cells and the cross reference to our own systems and processes. In addition to the completion of content specific cells, we also have an overriding concern regarding the scale and scope of the reporting as it impacts our company which will determine the practicality and proportionality of the reporting (reference definition of QBU for direct and indirect costs etc). We would welcome the opportunity to seek further clarification and to inform updates / revisions to the user guides over time as appropriate.

We would welcome support from the SSRO on providing guidance to ourselves and MOD on these key points of application (detailed cell specific & principles of application) that will dictate the scale of set-up and on-going running costs. These unresolved points are driving significant uncertainty.

Clarification would be welcomed in terms of report submission - specifically: who should get the reports and when (interface between SSAT, SSRO, MOD CAAS, MOD programmes etc etc)? This could be achieved by a comprehensive schematic of reporting process flows and we understand this is still an agreed outstanding requirement.

We would welcome some further advice on the soft start periods to ensure that they recognise the need for issues around clarification to be addressed.

Similarly access to training at point of report completion would be beneficial. It is noted that given the lack of early adopters (pre April 2015) then neither Industry/MOD have had an opportunity to trial the reports, other than the BUCAR in limited circumstances.

Examples of some detail, where further clarification would be welcomed:

- How do we record changes in business structure and the impact on rates etc (eg. sale of a business, multiple accounting changes, CP/CE units are amended, transferred around the group). What are the practicalities of this?
- Definitions needed for: 'immediate parent undertaking' / 'Initial Reporting Date' / 'Contract Start Date' (e.g. what if the effective date is different?)
- Many other documents are referenced - links would be helpful
- The Contract Pricing Statement includes wording relating to the 2% incentive. We would ask the SSRO to clarify that this is to be added to the product at the end of Step 4, rather than as a product of the allowable cost (2% on top of the calculated figure)
- In respect of TCIF long duration contracts we would seek clarity how the accounting will be interpreted at quarterly intervals compared to the definitive position established at the end of the contract.
- The 'acceptability' of variance analysis is subjective as it requires reasons that are 'recognisable and understandable' by the SSRO & MoD - how do we demonstrate 'acceptability' under this definition?
- Clear guidance on management rates versus MOD rates
- Clear guidance on dealing with MOD reporting that is not aligned to company reporting cycles (eg. 5, 4, 5 weekly cycles. Also Government year end 31/3xx versus some contractor year ends (eg. 31/12/xx)
- Contract Reports specific
    - How will enabling contracts be covered?
    - Contract end date is not always present
    - Contractors functional currency versus overseas $'s, Euros etc.
    - Price breakdown should be aligned to a common WBS/DPS
    - Is the analysis of price on a cash basis or IFRS?
    - Management rates or all up QMAC reporting rates?

Question 3 continued.

- Contract Reports specific(continued)
  - How would the reporting cover common inventories? Also strategic purchase of elementals?
  - Full contract review rarely take place 4 times a year. A practical solution needs to be agreed?
  - What is the 'provisional actual' definition?
  - What is Act & Forc and Final Actual and Forecast?
  - For CPS we would seek guidance on MOD inputs to the assumptions and how these are recorded?
- Supplier Reports specific
  - Need a practical agreed solution to the commingled inventory reporting
  - QBU definition needs clarification. Detailed guidance needed for centralised services UK and overseas.
  - Analysis of people employed on MOD work needs further definition. For direct and indirect.
  - SME report goes beyond that required for the Cabinet Office and a practical solution is needed.
  - Practical difficulties with the RCR which need to be addressed

However our perception is that with the right level of pragmatism on all sides then it is anticipated a solution can be agreed.

**Single Source Regulations Office
Report Templates and User Guides**

Consultation Response Form

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes ☐   No ☐

Please add comments to support your answer:

See answer to question 3.

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes ☑   No ☐

Please add comments to support your answer:

The provision of an email helpdesk would be useful and particularly so when this was real time so as to meet the reporting deadlines.

A telephone help line would also be useful in the period when all parties are understanding and interpreting the regulations/guidance material. Our view is that this should continue until such time as all parties are fully trained and the user guides have reached maturity as we envisage the learning curve will be extensive.

It would be helpful if both email and telephone help desk responses have an agreed documented outcome and subsequent timely updates to the user guides on important principles established and effectively communicated across the contractor reporting community.

Operational working groups we would assume are to address the issues in detail as and when they emerge. We think these should be convened as necessary by relevant experts.

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes ☐   No ☐

Please add comments to support your answer:

See answer to question 3

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes ☑   No ☐

Please add comments to support your answer:

At least annually to consolidate all the guidance and advice provided during the year (via for instance urgent bulletins).
This should cover the content of the report template, and the associated guidance material.
Version control will be key.

We would envisage a more frequent update will be required in the first say 2-3 years. For instance, as soon as the SSRO identify a key learning point or principle from discussions with Contractors than the user guides should be updated or at least a bulletin issued. In this initial period bi-annual updates of the guidance material and report template should be considered.

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes ☑   No ☐

Please add comments to support your answer:

> Yes but see answer to question 3 above.

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes ☐   No ☑

Please add comments to support your answer:

> Please see answer to question 3.

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes ☐   No ☐

Please add comments to support your answer:

> The report software should reflect current best practice. For instance some companies are using specific software such as Cognos for planning and reporting. We would welcome a review of software other than excel.
> Our experience with excel is that we have issues with MOD firewall that does not always accept incoming large files or files with macros. Company anti-virus systems also block certain files with macros.
> Some companies do not operate in an excel environment.

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes ☐   No ☑

Please add comments to support your answer:

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes ☑   No ☐

Please add comments to support your answer:

See Q10

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes ☐   No ☑

Please add comments to support your answer:

Not at this time but we should review once we have a robust process in place.

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes ☐   No ☑

Please add comments to support your answer:

Not seen as practical given the costs and different systems, report formats, different WBS, different trial balances, different functional categories that are required.
We would also need to ensure data ownership and control issued are addressed.

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes ☑   No ☐

Please add comments to support your answer:

However they should be made much more comprehensive over time and form part of the guidelines/report templates.

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes ☐   No ☑   No of Accounting Systems ☐

Please add comments to support your answer:

Across the group we operate a number of ERP systems primarily SAP and BAAN for accounting. Group consolidation is in addition to the prime ERP books of account.

<u>Serco UK</u>

Your details

Name:

Organisation:

Serco Uk

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes [X]   No [ ]

Introduction

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes [X]   No [ ]

Please add comments to support your answer:

The guide is structured in a logical order and goes through the key elements at the right time in the report.

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes [X]   No [ ]

Please add comments to support your answer:

Comfortable it states what the legislation is and therefore referencing that would allow a deeper understanding of the requirements.

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes ☐   No ☒

Please add comments to support your answer:

The guides are helpful but are very high-level and in practice when completing the templates the questions that will be asked will be much more vast than what is provided be the guides. I feel they are ideal world guides and would be applicable to templates that have been used over a period of years.

The focus is far too narrow and assumes a high level of knowledge about the templates.

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes ☐   No ☒

Please add comments to support your answer:

I think the guides should show some insight to the likely problems of completing the templates and start suggesting solutions. This would be achieved by ensuring the templates had been tested within a 'live' environment that collects the flaws in the reports.

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes ☒   No ☐

Please add comments to support your answer:

I think am dedicated and manned email helpdesk would be extremely useful to supplement the user guides when the templates are required to be completed. This will certainly be required as the ability to send things (files, examples etc) and get a timely answer will be critical especially in the introductory phase.

I also believe a phone helpdesk would be beneficial to resolve quick queries in the introductory period as would the ability to get 'experts' on the forms (from SSRO/CAAS) to visit companies where required for workshops.

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes ☐   No ☒

Please add comments to support your answer:

This is a balance here. Companies will have information in many different formats and therefore as long as it is acceptable and not asked for rework then I would suspect this will work.

I imagine you are going to struggle to get everything you are requesting in the SICR as a lot of this at a company level is sensitive and market impacting.

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes ☒   No ☐

Please add comments to support your answer:

Yes as over the course of the year (especially the first few years) learning will be made that requires updates. I believe it might be both additional guidance or advice on defining content. I would expect defining content will be the majority of the changes in the first year. This may include examples. Ultimately refreshing the guides annually will improve understanding and drive consistency.

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes ☐   No ☒ X

Please add comments to support your answer:

I don't think there is a clear link between the two if honest and the templates require a significantly increased level of detail that is not required to support the regulations.

Personally, someone needs to articulate the use of the data that is to be collated in the templates as ultimately this level of reporting will drive an increased costs on the procurement process.

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes ☒ X   No ☐

Please add comments to support your answer:

It currently deals with the knowns. Application of these details to services companies specifically is not really covered and leaves me with the question of are we expecting further versions that are more supportive to a service business. Service companies do not collect costs in the same method as a manufacturing organisation and these templates appear not to consider this.

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes [X]   No [ ]

Please add comments to support your answer:

> Absolutely essential to move away from excel. Excel models can corrupt, increase in size, can be broken and rely on consistent excel versions across all.
>
> An online portal would make the most sense and allow ease of comparison to prior periods and remove the need for the current excel file numerous duplicated entry of fields across the current templates.

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes [X]   No [ ]

Please add comments to support your answer:

> It is certainly possible that in converting files between versions depending on the functionality embedded in the templates there might be issues, hence I would suggest launching via an online system.

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes [X]   No [ ]

Please add comments to support your answer:

> Yes due to various release versions.

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes ☐   No ☒

Please add comments to support your answer:

> It would be the sensible way to upload the excel files but ultimately data input into online portal makes the most sense.

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes ☒   No ☐

Please add comments to support your answer:

> Integration with companies systems would be beneficial. Key concern is defining the systems that would integrate with.

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes ☒   No ☐

Please add comments to support your answer:

> They aid the process in terms of definitions.

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes ☐   No ☒   No of Accounting Systems ☐

Please add comments to support your answer:

Multiple variations of reporting systems currently across company

Thales UK Ltd

Your details

Name:

Organisation:

Thales UK Ltd

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes $\sqrt{}$ No ☐

Introduction

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes $\sqrt{}$ No ☐

Please add comments to support your answer:

It would be more helpful if there was one user guide which covered all the reports rather than having individual guides.

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes $\sqrt{}$ No ☐

Please add comments to support your answer:

> The introduction also cross refers to the Defence Reform Act and the relevant regulations which is helpful. We have not had time to check all references.

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes ☐   No ☐

Please add comments to support your answer:

> Only when preparing an actual report will this be able to be assessed.   To date there has been no configuration/issue control to identify any changes between final templates and those previously issued. With reference specifically to the BUCAR we will be preparing information before we have statutory accounts audited (and placed in the public domain) thus there could be post completion audit adjustments– would any audit adjustments get reflected in the following year's figures?   In practice issuing standard reports without providing relevant training or examples does little to aid the learning process and it is likely there will be a requirement for a "settle down" period where issues can be understood, discussed and communicated across industry. With particular reference to the Strategic Industry Capacity report we feel it may become overly complex and our concerns are not perhaps completion but confirmation of acceptance and version control.

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes ☐   No ☑

Please add comments to support your answer:

Again, in practice issuing standard reports without providing relevant training or examples does little to aid the learning process.

Specifically for the BUCAR there are insufficient columns for further analyses of types of cost. Also, it is not clear how to deal with Companies that share resources across CPE units, i.e. the headcount cost will not match the headcount number at a business unit level, e.g. an employee may belong to one unit but service more than one unit.

We have had insufficient time to review all of the reports and therefore cannot give meaningful comment; however, there will be a need to discuss the SSRO's perceived role in the structure and content of the DPS and WBS.

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes [√]   No [ ]

Please add comments to support your answer:

A help desk would be very useful for the first couple of years. (We presume you mean a help desk for completing reports and not user guides.)

In the absence of a help desk, it would be useful to understand the process for making enquiries and receiving answers (hopefully) in a timely manner Also, it is important that we understand how the SSRO plans to receive, and acknowledge receipt of, these reports.

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes ☐   No [√]

We believe the user guides give reasonable guidance on what is required but we will be more able to answer this question when starting to prepare the reports for submission. In particular the Strategic Industry Report will be complex and if the requirement remains to produce figures for five years it is likely to be rough estimates for years 4 and 5 as our formal budget process extends only to three years.

The actual and estimated rates submissions will follow custom and practice although we are unsure whether all the information requested is included in our current submissions. We believe that some of the information requested forms part of the discussions with CAAS rather than the submitted material.

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes [√]   No ☐

Please add comments to support your answer:

It will be important to update for additional guidance to help you complete the corresponding template and, as appropriate, to further define the content required for the template. Again, issuing standard reports without providing relevant training or examples does little to aid the learning process. Regarding Contract reports it would certainly be beneficial to include examples of both design/development and production contracts illustrating how to cater with amendments during the life of each.

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes √   No ☐

Please add comments to support your answer:

> Again we have had limited time to carry out extensive testing, however, at first glance they appear to mirror the regulations. Presumably if something is required within the template but not required in the regulations we can exclude from the report?

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes ☐   No √

Please add comments to support your answer:

Again we have had limited time to carry out extensive testing, however, at first glance there seems to be sufficient explanation of requirements within the report templates. However, it is unclear how this "one size fits all" approach will work across industry – we have many different structures within our own companies and the requirements pose different problems for each of them. Also, we disagree it should be necessary to produce a BUCAR report for an entity where it has no direct MOD sales, e.g. in our case where we incur a level of French Group costs surely it would be sufficient to rely on the results of an independent audit to confirm the veracity of the costs. Should alternatives like this not be acceptable we fear the cost of producing the information will far outweigh the benefits.

We also feel the DPS of an individual Business Unit should be linked to how it structures its WBS. To have a mandatory template would no doubt double the work involved and would add little in terms of transparency.

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes ☐   No ☑

Please add comments to support your answer:

Most companies have a reasonable understanding of Excel, however, the issue may be trying to communicate with MoD in instances where the content of Industry spreadsheets include macros and protected files which encounter problems trying to get through the MoD firewall.

Also, whether it be Excel files of not there will have to be a strict process for version control especially when so many files from so many involved parties are being transferred from Industry to MoD/SSRO on a regular basis.

Again, how will the forms be formally authorised/received and how will we receive acknowledgement of receipt?

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes ☐   No ☑

Please add comments to support your answer:

We do not envisage any problems.

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes ☐   No ☑

Please add comments to support your answer:

None other than the potential Firewall issues mentioned at Question 10

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes [√]   No [ ]

Please add comments to support your answer:

In principle yes, although the properties of the portal would have to be discussed.

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes [ ]   No [√]

Please add comments to support your answer:

Whilst this would seem to be a good option it should probably be considered as a longer term project as there is already much work to be done.

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes [ ]   No [√]

Please add comments to support your answer:

> The glossaries are helpful in producing the templates, however, we report internally using different terminology so we need to ensure we have a cross reference file to ensure accuracy.

QUESTION 16 – Do you have a standard group accounting system? If not does each business unit have its own system? Please provide the total number of accounting systems.

Yes [√]   No [   ]   No of Accounting Systems [4]

Please add comments to support your answer:

> We have a standard group internal reporting system which is a global tool used for our management reporting and for producing Group accounts. Unfortunately this system does not contain the detail required to complete the templates. These details are generated by Oracle (2 versions), SAP and Coda .

Yusani Limited

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

Your details

Name:

Organisation:

Yusani Limited

Position:

Consultation questions

When answering the consultation questions, it would be very helpful if you could support your responses with additional explanation and detail, particularly on areas you disagree. This will help us to understand the basis for your answer and inform our finalisation of the Report Templates and User Guides.

If you want to provide any further supplementary responses to our questions, please reference the question it relates to.

Please do not feel that you need to respond to all of the consultation questions set out in the document: we welcome brief or partial responses addressing only those issues where you wish to put forward a view.

Comments on style and formatting are not required.

In the interests of transparency, it is our intention to publish responses to this consultation on the SSRO website upon completion of the consultation. Please indicate whether or not you consent to publication of your response by ticking one of the boxes below.

Please note, if you do not consent to publication, we will treat your response as confidential to the extent of any disclosure that is required by law. In the event we are required by law to make a disclosure of your consultation response, to the extent we are legally permitted to do so, we will give you as much notice as possible prior to such a disclosure and will take into account all reasonable requests made by you in relation to the content of such a disclosure.

Yes ✓   No ☐

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

Introduction

1. This form of consultation, on 15 reports and associated guides and their glossaries, is inappropriate for the complexity and uncertainties for each of the reports.

2. Each document must be carefully reviewed and responded to, for which the 16 working days allowed in the consultation is particularly inadequate. Furthermore, the consultation questions are very general and don't address individual documents on which the consultation is based.

3. The report formats are not at all mature. There was an initial feedback to MoD on the content of the reports when they were first issued for comment but no substantial discussion; the principal author of the report formats has now moved to other activities.

4. There needs to be rigorous configuration and version control on each of the documents - for which none seems to be evident. Whenever a change is made to the format or structure of a document the change needs to be identified, justified and the document up-issued so that all users understand what has changed and why.

5. There needs to be a written undertaking of confidence from both MoD and the SSRO to each of the contractors holding QDCs and QSCs for the protection of the Supplier Reporting information, which will not be covered by any contractual undertaking of confidence that MoD will incorporate in contracts under DEFCON 804 and DEFCON 531. No supplier reports will be submitted without this undertaking.

6. All reporting formats must have a means of permanently classifying them when completed and a means of not allowing any changes to the content of them once issued by the contractor. The documents and submission procedure must allow for encryption, time stamping and digital signatures for the reports, and submission by CD or DVD.

7. MoD needs to be under a duty to respond in a timely manner to, and willingness to receive, draft or initial submissions of reports to identify any aspects that needs clarification or correction, so that the time for submission of compliant reports can be met, particularly during the early years of implementation.

8. There needs to be a recognition that for some contracts and contractors, some (or all) elements of a report may not be needed during certain periods by agreement between MoD and the Contractor.

9. Each report needs an "Assumptions" tab so that the assumptions used in compiling the report can be stated. The completed Questionnaire on the Method and Allocation of Costs needs to be referenced in applicable reports.

10. Where the currency of cost is other than pounds sterling it is questionable, particularly for overseas contractors, whether the reporting should be converted to pounds sterling. If reporting is to be converted to pounds sterling, will the SSRO issue a conversion rate for that purpose so that a common rate is used for all regulated contracts?

11. Where labour and overhead rates (and other rates) have been agreed with MoD for use in future pricing, are these to be used for both estimated and actual cost reporting?

12. Arrangements need to be made for the financing of the cost of implementing the infrastructure/system requirements for collecting and presenting information for reporting and for the training of staff involved to be directly recoverable on MoD contracts without being a burden on commercial activities - perhaps by recovery on initial contracts from MoD.

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

USER GUIDES

QUESTION 1 - Do you agree the user guides has been structured effectively to help you complete the corresponding template and to define the content required for the template?

Yes ✓   No ☐

Please add comments to support your answer:

> The structure is adequate and reflects the report requirements.
>
> There is no added value to the Guidance; merely restating the legislation is unhelpful.

QUESTION 2 - Does the introduction provide a clear description of the status and the purpose of each user guide?

Yes ✓   No ☐

Please add comments to support your answer:

QUESTION 3 – Do the user guides assist you in completing the report templates?

Yes ☐   No ✓

Please add comments to support your answer:

> There is no added value to the Guidance; merely restating the legislation is unhelpful.
>
> There are many uncertainties in the report requirements that need to be clarified in the Guidance. Since the SSRO has not consulted at the working level on individual reports, and this questionnaire does not ask what those uncertainties are, the Guidance hasn't solved the problems that have existed since MoD prepared their first draft of these reports.
>
> There is a long list of issues, common to all contractors, which needs to be addressed in Guidance before these report formats are going to be workable at even a basic level.

**Single Source Regulations Office
Report Templates and User Guides**

Consultation Response Form

QUESTION 4 - Do the user guides have sufficient detail explaining the completion of each report template?

Yes ☐   No ✓

Please add comments to support your answer:

See answer to Question 3.

What is the difference between Question 3 and Question 4?

QUESTION 5 – Do you think that an email helpdesk for any queries when completing the user guides would be helpful?

Yes ✓   No ☐

Please add comments to support your answer:

I assume that the question was meant to refer to completing the reports and not to completing the user guides!

An operational working group will be an essential forum for practitioners and experts to provide clarity to the requirements, recommend practical solutions and develop realistic guidance. An email helpdesk will be a useful adjunct to an on-line database of Q&A.

Training courses by SSRO would be very welcome.

QUESTION 6 – For those submissions no template will be provided, do the user guides give sufficient guidance on what is required?

Yes ☐   No ✓

Please add comments to support your answer:

See answer to Question 3.

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

QUESTION 7 – Do you think the user guides should be updated annually, to provide additional detail where users have had queries? Please state whether the update should relate to additional guidance to help you complete the corresponding template or to define the content required for the template.

Yes ☑   No ☐

Please add comments to support your answer:

All clarifications should be immediately available whether by updating the original guidance, providing additional guidance or having an on-line database of Q&As. However, configuration and version control will need to be applied to any document that is changed.

It may be more helpful to have a single guidance document for all Contract Reports and another for all Supplier Reports, to avoid repetition.

REPORT TEMPLATES

QUESTION 8 – Do you agree the report templates mirror the Single Source Contract Regulations?

Yes ☑   No ☐

Please add comments to support your answer:

But where is the added value?

QUESTION 9 – Do you think there is sufficient explanation of requirements within the report templates?

Yes ☐   No ☑

Please add comments to support your answer:

There are many uncertainties in the report requirements that need to be clarified, whether in the report templates or in the Guidance.

It would be helpful if the Glossary was in the Report Template and not in a separate document.

Single Source Regulations Office
Report Templates and User Guides

Consultation Response Form

QUESTION 10 – Do you think the report templates should move away from Excel?

Yes ☐   No ☑

Please add comments to support your answer:

Excel is widely used within the industry and specified as a standard office product by most companies.

QUESTION 11 – Do you envisage any issues if the templates are released in Microsoft Excel 97-2003 and are compatible with Microsoft Excel 2007 and 2010?

Yes ☐   No ☑

Please add comments to support your answer:

But why would you take such a retrograde step? Surely the templates should be issued in the latest version of Excel available provided that it is accessible by legacy programs, rather than the other way round?

QUESTION 12 – Do you envisage any issues with the use of Macros within the Excel templates?

Yes ☑   No ☐

Please add comments to support your answer:

Macros cause problems in transmitting files through firewalls. Although it may be more secure to use CDs rather than sending file attachments to emails.

**Single Source Regulations Office
Report Templates and User Guides**

Consultation Response Form

QUESTION 13 – Do you think a secure online portal will be the easiest way to submit the reports?

Yes ☐   No ☑

Please add comments to support your answer:

An on-line portal is not supported, as contractors need to be in control of their information and have a record of its submission; an on-line portal does not support adequate record keeping of disclosures. Email transmissions are unlikely to be secure enough for the sensitivity of the data or capable of passing through firewalls with the use of macros in the spreadsheets. Encrypted and digitally signed CDs or DVDs would be a suitable method of submitting the data.

QUESTION 14 – Do you think the reports should be developed and schema published to allow automated integration with your systems so data can be transferred in formats such as XML or XBRL in future?

Yes ☐   No ☑

Please add comments to support your answer:

Automatic integration with contractor systems is not supported, as contractors need to be in control of their information and have a record of its submission; automated integration does not support adequate record keeping of disclosures.

Contractors will not allow on-line access to their data for security and control reasons.

QUESTION 15 – Do the glossaries of terms aid your completion of the report templates?

Yes ☑   No ☐

Please add comments to support your answer:

The glossaries are a start but they need to be far more comprehensive to clarify current uncertainties. They should be embedded in the report templates.