



Single Source
Regulations Office

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Planned contract duration reported in Qualifying Defence Contracts 2015/16

5 July 2016

Defence suppliers are required by Regulation 22 of the Single Source Contract Regulations 2014 to submit reports to the Single Source Regulations Office about qualifying defence contracts (QDCs) and qualifying sub-contracts (QSCs). The types of contract reports and the data to be provided in each are prescribed in Part 5 of the Regulations.

This report provides an analysis of the planned contract duration reported in the contract pricing statements for 34 QDCs/QSCs entered into within the period 1 April 2015 to 31 March 2016. Data presented is as submitted by the suppliers. All figures are provisional, and may be updated in future statistical releases.

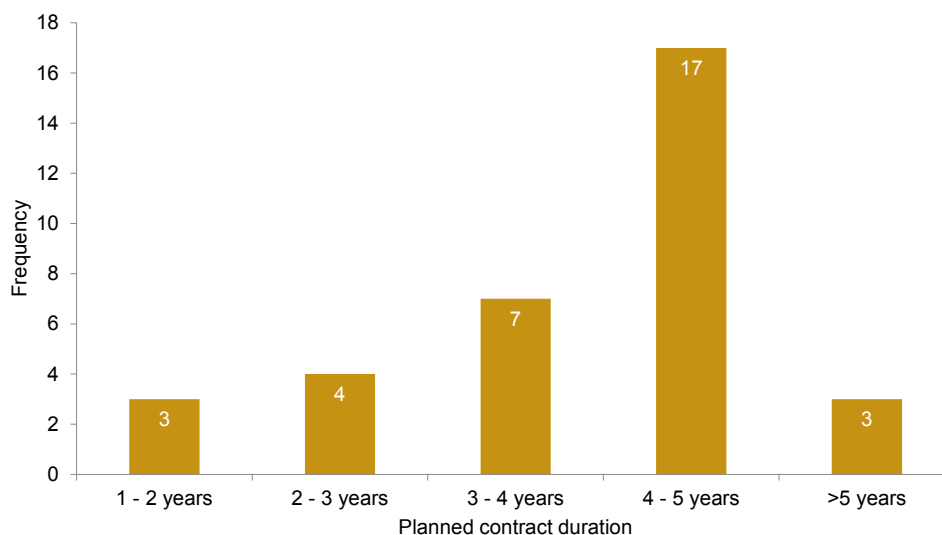
The planned contract duration figures reported are those agreed at contract signing, and may not reflect the actual length of contracts. The SSRO will also publish statistics on the actual length of contracts, once this data has been collected following contract completion.

Key points

- The vast majority of QDCs/QSCs in 2015/16, 31 out of 34 (91 per cent), have a planned contract duration of less than or equal to five years.
- Half of the QDCs/QSCs, 17 out of 34, have a planned contract duration of between four years and five years.
- The shortest planned contract duration is 1.8 years and the longest planned contract duration is 25.3 years.

Figure 1 shows the planned contract duration of all 34 QDCs in 2015/16. Fourteen contracts have a planned contract duration of up to and including four years. Only three contracts have a planned contract duration of over five years.

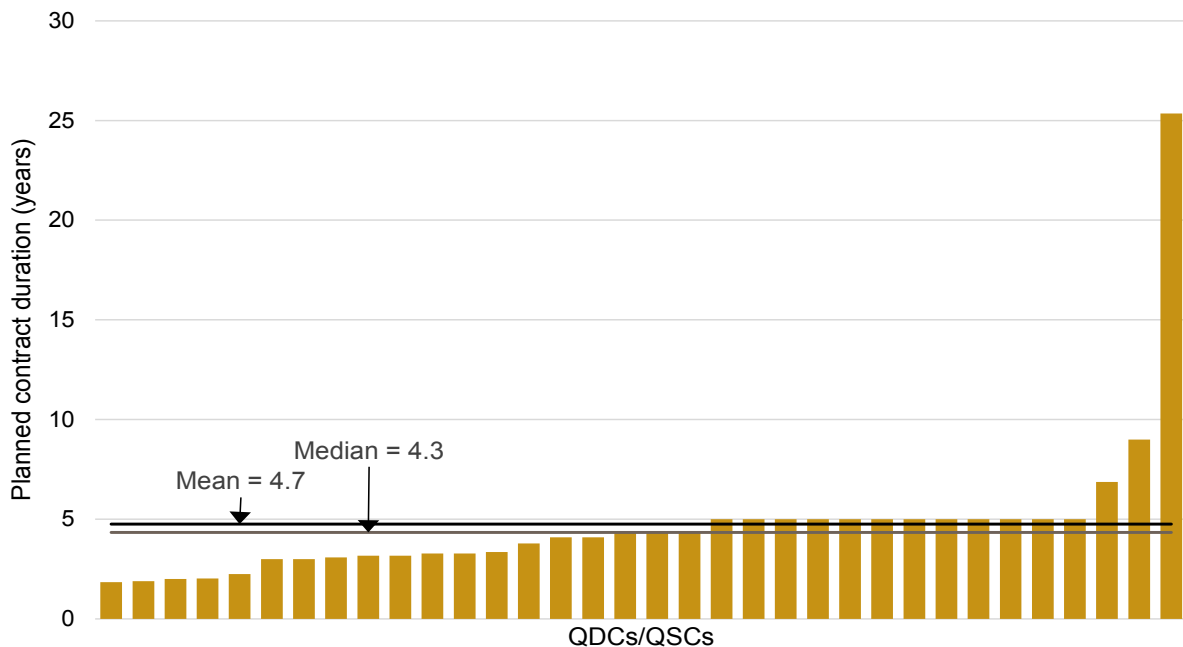
Figure 1: Planned contract duration of QDCs/QSCs in 2015/16



Note: The contract duration bands have been constructed so that a QDC/QSC that is exactly three years long would fall within the '2-3 years' category, as an example.

Figure 2 shows the range in contract duration for individual QDCs/QSCs. The median and mean average planned contract duration is 4.3 years and 4.7 years respectively.

Figure 2: Planned contract duration reported in individual QDCs/QSCs in 2015/16



Note: The longest contract commenced several years before the period under review in this bulletin, but it became a QDC during this year.

Data sources and methodology

The data in this report is sourced from the contract pricing statements, which suppliers are required to submit to the SSRO within one month of the initial reporting date for a contract (usually the date the contract is entered into, unless it becomes a QDC/QSC by amendment). It is also derived from the quarterly contract reports, which are required for QDCs/QSCs with a contract value over £50 million within one month of the end of each calendar quarter. The templates and user guides for both of these reports are available on the SSRO's website¹. Data from these reports are collated in the Defence Contract Analysis and Reporting System (DefCARS).

Only QDCs/QSCs which reported a time of agreement before 1 April 2016 have been included in this release, as notified to the SSRO by the Ministry of Defence, separate to the submitted contract pricing statement reports.

Planned contract duration has been determined by calculating the number of days between the planned contract start date and planned contract end date.

Due to the commercial sensitivity of this data, the SSRO does not release any information that will enable identification of individual contracts or suppliers included within the analysis. For more information on the SSRO's handling of commercially sensitive information, see the SSRO's statement on its website².

Further information

The SSRO welcomes any queries or feedback you may have on this statistical release. If you would like to get in touch, please email us at helpdesk@ssro.gov.uk.

¹ <https://www.gov.uk/government/publications/01-user-guide-for-contract-pricing-statement>

² <https://www.gov.uk/government/news/handling-commercially-sensitive-information>