SSRO

Single Source
Regulations Office

Assuring value, building confidence

User guide for estimated rates agreement pricing statement

March 2016

Version 2

Contents

Introduction

1. Introduction

1.1 This document is issued by the Single Source Regulations Office (SSRO) and sets out guidance to assist contractors with the statutory reporting requirements for qualifying defence contracts and qualifying subcontracts.

1.2 Statutory reporting requirements are set out in the Defence Reform Act 2014 (the 'Act') and the Single Source Contract Regulations 2014 (the 'Regulations').

1.3 Regulation 38 requires an estimated rates agreement pricing statement be provided for each relevant financial year for each pricing qualifying business unit that was a pricing qualifying business unit of the designated person in relation to the financial year immediately preceding the relevant financial year.

1.4 The Secretary of State may, by written notice, require a further estimated rates agreement pricing statement for any one or more pricing qualifying business units for the relevant financial year, but may only ask for one estimated rates agreement pricing statement for each qualifying business unit per relevant financial year.

2. Reporting timeline

2.1 The report must be provided for each relevant financial year.

2.2 The report must be provided with the estimated rates claim report for that pricing qualifying business unit for the same relevant financial year. If an estimated rates agreement pricing statement is requested by the Secretary of State as described under paragraph 1.4 above, it has to be provided within three months of receiving written notice.

3. General guidance for completing report templates

3.1 Ensure macros are enabled within Excel for use of the reporting templates[1].

3.2 On each worksheet **HOME** will redirect you to the home worksheet.

3.3 The home worksheet contains the requirements of the reporting template and contains links to each worksheet within the template.

3.4 If applicable, the 'view all worksheets' cell on the home worksheet will reveal a list of all the reports that are to be completed in that template. Select the appropriate report from the drop down list.

1 https://support.office.com/en-au/article/Enable-or-disable-macros-in-Office-documents-7b4fdd2e-174f-47e2-9611-9efe4f860b12?CorrelationId=2a985251-830b-49db-8389-a112e9b34a14&ui=en-US&rs=en-AU&ad=AU#bm2

3.5 On each worksheet you will find:

Grey cells	Contain headings
Blue cells	Contain section headings
White cells	Contain instructions on the information required
Yellow cells	Are data entry cells and are the **only cells to which you input**: select correct option, or input numbers (#) or monetary amounts (£).
Orange cells	Contain help, definitions or notes to help you complete the date entry cells
Green cells	Indicate when a cell has been completed and passed the validation test

3.6 The content of each cell is in the following format:

- choice list – select the appropriate answer from the drop down list;
- free text – text/numbers;
- date – follow the date format specified; and
- number – provide the number rounded to the number of decimal places specified.

3.7 If the reference cell is red, then this indicates that inputted data into a data entry cell (yellow cell) has not passed the validation test. You must correctly input data into the data entry cell so the reference line (e.g. '01 – dates ref 01') turns green.

3.8 Each worksheet has a sequential number. Where possible, you should complete the worksheets in the prescribed order, with the exception of 01.02 under 'report submission admin'. Some worksheets will drive automatic calculations in subsequent worksheets. This guidance follows the order contained within the templates and as specified in the Regulations.

3.9 **Warning:** you must not copy and paste data entry cells (yellow cells) from the report template as this will interfere with the functionality and linking to other worksheets.

3.10 All financial information should be provided in GBP millions unless stated otherwise.

3.11 Complete all required information on the template before submission.

3.12 Where references have been given to cells in the reporting templates, those references will be used in this guide.

3.13 If you encounter any problems or have any questions regarding the report templates or user guides, contact helpdesk@ssro.gov.uk.

User Guide

01 Report submission admin

This worksheet shows basic information for the contract submission, including dates, individuals, and other general comments relevant to the submission of the estimated rates agreement pricing statement, as specified in Section 33(1) of the Regulations.

01.01 Dates

01.01 Fill in the box stating the date the report is required in the format dd/mm/yyyy. Insert any comments relating to the deadline date in the free text comments box.

01.02 Before submitting the report, you must fill the box with the required submission date to the MOD and the SSRO. If you have any comments relating to the submission date input them in the free text comments box.

01.02 Individuals

02.01 Insert the name, position, phone number and email address of the individual submitting the report.

02.02 Also include contact details for the individual to be notified if there are any compliance issues with the submitted report.

01.03 Other

03.01 Insert the financial year the report relates to in the format yyyy/yy e.g. 2015/16.

03.02 Any other comments relating to the report and not already mentioned in the dates section must be inserted in the comments text box.

02 Company

Under Regulation 33(2) it is a requirement of the estimated rates agreement pricing statement to provide details of the qualifying business unit. The necessary information has been included in the report template and is detailed below.

02 Reporting business unit – basic reference date

02.01 Include the name of the reporting business unit.

02.02 Include the reporting business unit address. This must be the address to which correspondence is sent. Under this section include the building name/number and the street/road name.

02.03 Include the town/city of the business unit.

02.04 Include the county/region of the reporting business unit.

02.05 Include the country of the reporting business unit.

02.06 Include the post code/zip code of the reporting business unit.

02.07 Include the date of the last day of the most recently competed financial year for the qualifying business unit. This date must be expressed in the format dd/mm/yy.

02.08 State the name of the principal parent company or the company with the greatest percentage share in the business unit.

02.09 State the registered company number of the principal parent or the company with the greatest percentage share in the business unit.

02.10 Provide any other relevant information in relation to the reporting business unit.

03 Reminder of obligations

03.01 The Act requires that the SSRO provides guidance for Allowable Costs under Section 20(1). Any deviation of the submitted claim rates must be identified and explained in this section.

03.02 Confirm that all materially relevant information for the calculation of the rates claimed is included in the estimated rates agreement pricing statement. State all known deviation from the obligation in the provided text box.

04 Assumptions log

This section asks you about your assumptions for the calculations of the estimated rates claim report. Additionally you have to provide a description of indices and rates as well as all material assumptions.

- The worksheet presents you with twelve requirements. Indicate if they are applicable by choosing yes/no from the drop down list.
- If you indicated the requirement is not applicable, please explain why. If you chose yes, you should leave this box empty.
- Enter text or numbers meeting the requirement set out in the ‘information required’ box. If you have attached a supporting document input ‘SEE SUPPORTING DOCUMENT’ and complete the blue boxes to the right.
- Enter information on the supporting document. Enter the file name, version, date stamp, and choose yes/no from the drop down for the ‘confirm provided’ box.
- If you have any other comments enter them into the comments section.

04.01 Describe the facts and assumptions used in calculating the cost recovery base listed in the estimated rates claims report required under Regulation 36(3)(b).

04.02 Input evidence that the amount of each cost recovery base stated in the estimated rates claim report has been estimated consistently with equivalent estimates in previous years. Provide a description of changes if this is not the case.

04.03 Provide facts and assumptions for Regulation 36(3)(d–h) of the estimated rates claim report.

04.08 Describe indices and rates used for the calculation of the estimated costs in the estimated rates claim report, including the source and an explanation of why its use was appropriate.

04.09 Give detail for all material assumptions regarding changes to costs relating to employment.

04.10 Provide a description of all material assumptions used to derive an estimated staff head count on which the estimated costs in the estimated rates claim report is are based.

04.11 Provide a description of all material assumptions used in calculating costs relating to decreasing over-capacity included in the cost recovery rates.

04.12 Provide a description of all material assumptions regarding significant costs included in the cost recovery rates that are significant, novel or unusual.