

The logo for the Single Source Regulations Office (SSRO) is displayed in a large, bold, black sans-serif font.

Single Source
Regulations Office

Assuring value, building confidence

User guide for actual rates claim report

March 2016

Version 2

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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 34 requires an actual rates claim report be provided for the qualifying defence contract.

2. Reporting timeline

- 2.1 The report must be provided three months after either:
 - the end of the relevant accounting period; or
 - the date on which the ongoing contract condition was first met in relation to the relevant financial year;whichever is later; or
 - a date agreed between the Secretary of State and the designated person, which is within three months after the end of the period described above, this date will apply.

3. General guidance for completing reports

- 3.1 Regulation 31(2) requires all reports under Part 6 of the Regulations are subject to Section 25(4) of the Act. The minimum value of a qualifying defence contract (QDC) for this to apply is:
 - £20 million for the financial years ending on 31 March 2016 and 31 March 2017; and
 - £50 million for subsequent financial years.
- 3.2 Provide information from your own systems and submit the report in electronic form.
- 3.3 There is no Excel template provided for this report.
- 3.4 The report must be provided to the MOD and the SSRO.
- 3.5 Be sure to include all information mentioned in the guidelines below.
- 3.6 If you encounter any problems or have any questions regarding the user guide, please contact helpdesk@ssro.gov.uk.

User Guide

4. Report submission admin

Include the general report contents required under Regulation 33. This includes basic information for the contract such as dates, individuals, and other general information or comments relevant to the actual rates claim report, as specified under Regulations 33 and 34.

Individuals

Include the name, position and contact details of:

- the individual submitting the report; and
- the individual to be notified if any compliance notice or penalty notice is issued in relation to the contract.

Dates

- Include the date the report is due.
- Include the date the report is submitted.
- Include the relevant financial year to which the report relates.

5. Reporting business unit - basic reference data

Regulation 33(2) requires the actual rates claim report to provide details of the qualifying business unit (QBU). The required information is detailed below.

QBU data and information

- Include the name of the QBU to which the report relates.
- Include the reporting business unit address. This must be the address where any correspondence relating to the report is sent.
- Include the relevant accounting period to which the report relates.

Staffing related information

- Provide the total number of employees.
- Include the proportion of the cost of employing those employees recovered through cost recovery rates, and the proportion recovered through direct costs.
- Include the total numbers of contractors, meaning any individual providing services under the contract for the purposes of activities undertaken by a QBU, but not employed by the designated person or any person associated with the designated person.
- Include the proportion of the cost of engaging those contractors recovered through cost recovery rates, and the proportion recovered through direct costs.

6. Report content

Regulation 36(3) requires the following information to be included in the actual rates claim report.

Cost recovery rates and bases

- A list of all cost recovery rates which have been calculated for that QBU and for which a claim relating to the relevant accounting period has been or will be made. Include a list of all the cost recovery bases that have been used to calculate the cost recovery rates described above.
- A list of all the cost recovery bases that have been used to calculate the cost recovery rates described above.
- A description of any deviation from the relevant statutory guidance in calculating those cost recovery rates.

QBU financial accounting statements and supporting accounting schedules

- Include the QBU's financial accounting statements and supporting accounting schedules for the relevant accounting period.

Adjustment analysis

- Provide a quantified analysis of the adjustments made between those financial accounting statements and costs claimed for recovery through cost recovery rates.
- Regulation 34(3)(f) requires you must provide a quantified analysis of any adjustments for costs:
 - Incurred in the relevant accounting period that have been or will be included in a claim relating to a period other than the relevant accounting period.
 - Incurred in a period other than the relevant accounting period that have been or will be included in a claim relating to the relevant accounting period.
- Include a quantified analysis of QBU costs recovered as direct costs under any qualifying defence contract, qualifying subcontract or other defence contract.
- Include a quantified analysis of QBU costs allocated to each cost recovery base that has been included in the list of all the cost recovery bases that have been used to calculate the cost recovery rates described above.

Calculations

- Provide a calculation of the amount of each such recovery base.
- Include a calculation for each cost recovery rate, including, for each such rate:
 - the total cost claimed and the cost recovery base which has been used to calculate it; and
 - the amount of each such cost recovery rate.

