Single Source Regulations Office Stakeholder Survey
Spring 2020

SSRO

Single Source
Regulations Office

by Opinion Research Services

Final Report

May 2020

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Stakeholder Survey
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Opinion Research Services

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1. Executive Summary

Background

1.1   In January 2020, Opinion Research Services (ORS) was commissioned by the SSRO to undertake research with stakeholders to gain an insight into their relationship with the SSRO and understand if there are any areas in which the SSRO can engage with them more effectively.

1.2   The research with stakeholders was conducted in two different ways:

- An online survey that aimed to capture the views of as many stakeholders as possible.
  - o   In total, 256 surveys were completed between 17th January and 2nd March 2020

- In-depth interviews with stakeholders to gain more insight into the responses they provided in the online survey.
  - o   In total, 20 telephone interviews were completed between 12th February and 19th March 2020.

Summary of main findings

1.3   The following charts selectively highlight some key findings from the survey. The SSRO are pleased that the results are largely positive but are mindful that there are areas for improvement, with respondents providing feedback and suggestions. The SSRO will use this feedback to inform the development and update of its Stakeholder Engagement Strategy.

Overall perceptions of the SSRO

How would you rate the SSRO's overall performance over the last 12 months?

Base: All respondents (174)
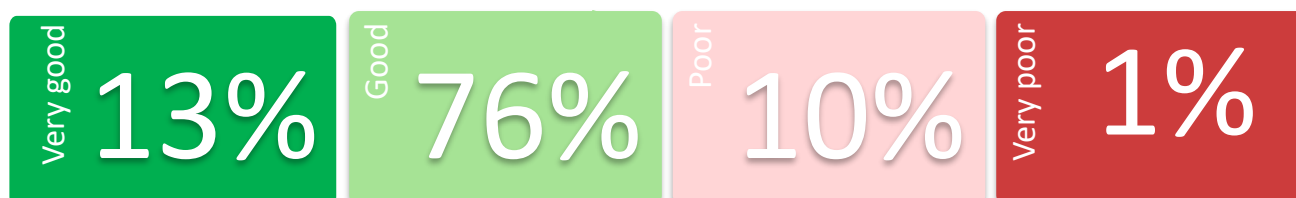
Very good	Good	Poor	Very poor
13%	76%	10%	1%

Would you say you have a more or less favourable opinion of the SSRO now than 12 months ago, or is it about the same?

Base: All respondents (206)
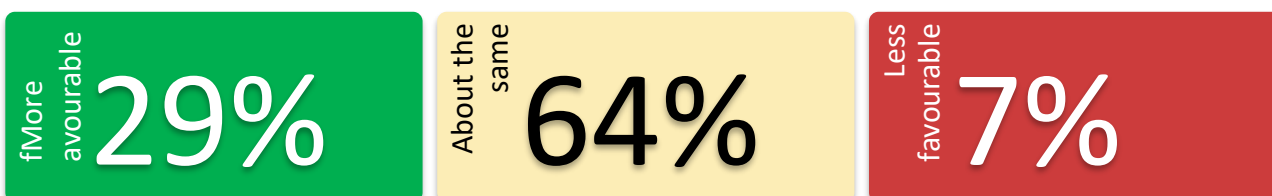
More favourable	About the same	Less favourable
29%	64%	7%

Which of these phrases best describes the way you would speak of the SSRO to other people?

Base: All respondents (251)

Speak highly	Neutral	Critical
29%	63%	8%
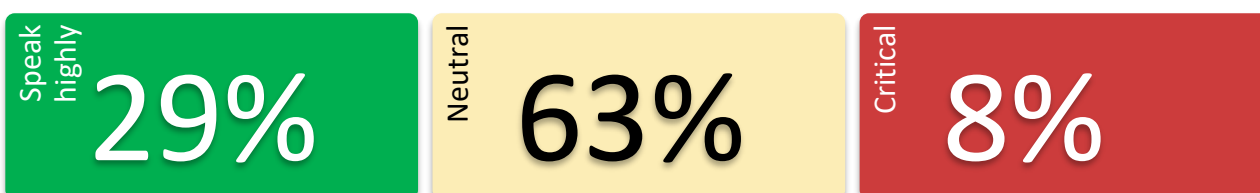
SSRO values

To what extent do you agree or disagree with the following statements...? The SSRO is...

Base: All respondents (185-173)

94%	Independent
90%	Fair and impartial
90%	Open and transparent
85%	Authoritative
73%	Pro-active
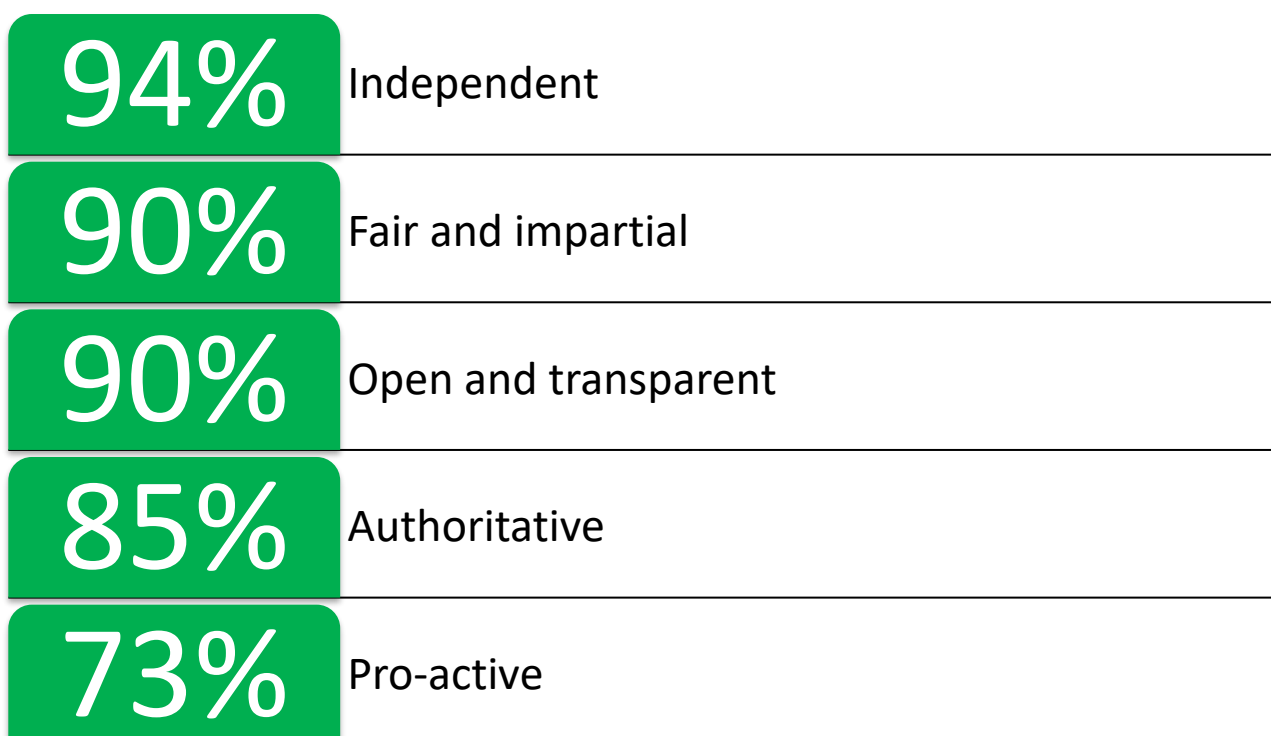
Engagement

What is your overall impression of how well the SSRO has engaged with you?

Base: All respondents (225)

Very well	Quite well	Not very well	Not at all well
32%	**59%**	**8%**	**1%**
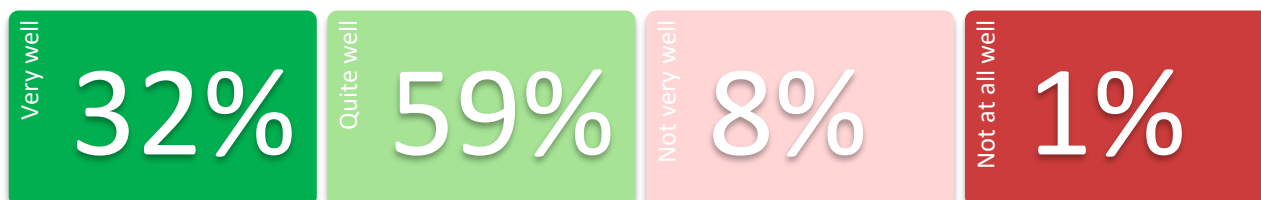
General Relationship

How well do you feel you understand the SSRO's role and what it is aiming to achieve?

Base: All respondents (254)
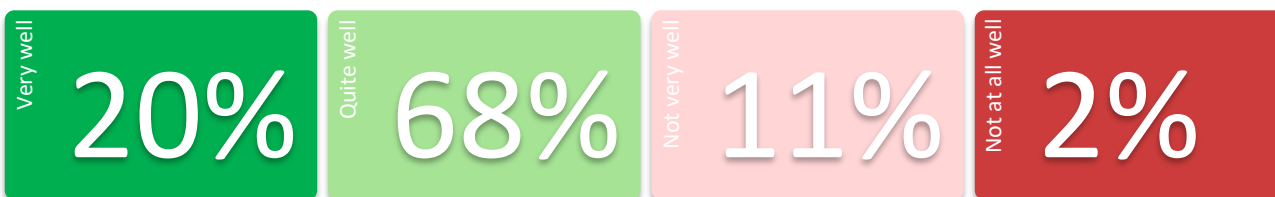
Very well	Quite well	Not very well	Not at all well
20%	**68%**	**11%**	**2%**

Thinking about your relationship with the SSRO, to what extent do you agree or disagree with each of the following statements…?

Base: All respondents (176-147)

94% SSRO staff work effectively and professionally

93% SSRO staff are appraochable and easy to work with

90% There is sufficient continuity in the people I deal with at the SSRO

88% SSRO staff listen to me
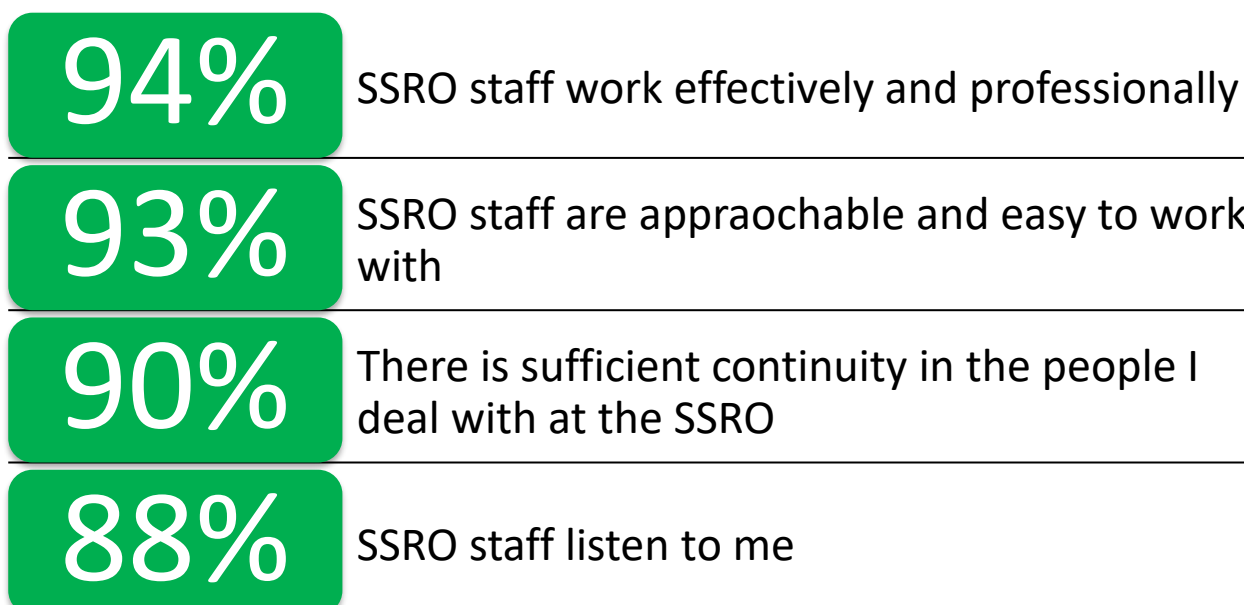
Guidance

Have you used any of the following guidance?

Base: All respondents (240)
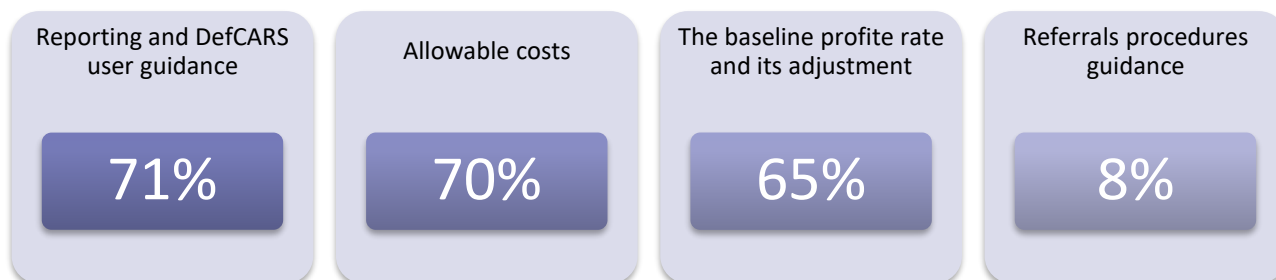
Reporting and DefCARS user guidance	Allowable costs	The baseline profite rate and its adjustment	Referrals procedures guidance
71%	**70%**	**65%**	**8%**

To what extent do you agree or disagree that the reporting guidance and DefCARS user guide for defence contractors is clear and applicable?

Base: All respondents who have used each type of guidance (162-18)

Referrals procedures guidance	Baseline profit rate and its adjustment	Allowable costs	Reporting and DefCARS user guidance
94%	83%	80%	77%

Key Performance Indicators

1.4 Over four fifths (86%) of respondents involved in a referral agree that the SSRO engages effectively throughout the referral. This is higher than the target of 75%.

Table 1: Key Performance Indicator 1[1]

Provide authoritative responses to referred matters within target timeframes	Target	Performance
Proportion of stakeholders involved in a referral who agree the SSRO engages effectively throughout the referral	75%	**Higher (86%; 6 out of 7)**

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[1] Please note, only 7 respondents provided a response to this question, so these results need to be treated with caution.

1.5   Over four fifths (84%) of respondents who have used at least one type of guidance agree that the SSRO's guidance is clear and applicable. This is higher than the target of 75%.

Table 2: Key Performance Indicator 2

Issue guidance that supports the optimal working of the regulatory framework	Target	Performance
Proportion of stakeholders who agree the SSRO's guidance is clear and applicable	75%	**Higher (84%; 136 out of 162)**

1.6   Over 7 in 10 (72%) respondents who submitted reports into DefCARS as part of QDC or QSC reporting requirements said they were satisfied with the SSRO's platform for submitting reports. This is lower than the target of 75%.

Table 3: Key Performance Indicator 3

Provide a platform that facilitates the efficient and secure submission of statutory reports	Target	Performance
Proportion of users satisfied with DefCARS as the SSRO's platform for submitting reports	75%	**Lower (72%; 53 out of 74)**

1.7   All respondents who accessed assistance and support when they entered into a QDC or QSC were satisfied with the assistance and support provided by the SSRO when first entering into one. This is higher than the target of 75%.

Table 4: Key Performance Indicator 4[2]

Improve data quality and the reporting of information	Target	Performance
Proportion of defence contractors satisfied with the assistance and support provided by the SSRO when first entering into a QDC/QSC	75%	**Higher (100%; 14 out of 14)**

1.8   Around 9 in 10 (91%) respondents who have engaged with the SSRO feel that the SSRO has engaged with them well, which is higher than the target of 80%.

Table 5: Key Performance Indicator 5

Maintain effective and comprehensive engagement with our stakeholders	Target	Performance
Stakeholders consider the SSRO engages well	80%	**Higher (91%; 204 out of 225)**

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[2] Please note, only 14 respondents provided a response to this question, so these results need to be treated with caution.

2. Project Overview

Background

2.1   Opinion Research Services (ORS) was commissioned by the SSRO (Single Source Regulations Office) to undertake research with stakeholders to gain an insight into their relationship with the SSRO and understand if there are any areas where the SSRO can engage with them more effectively. The questions asked were broadly the same as those asked in the 2018 study although some questions were added, removed or modified.

2.2   This report presents the findings from this survey under the following main topic headings:

- General relationship
- Overall perceptions of the SSRO
- Engagement
- Guidance
- SSRO values

Methodology

2.3   The research with stakeholders was conducted in two different ways:

- An online survey which aimed to capture the views of as many stakeholders as possible.
- In-depth interviews with stakeholders to gain more insight into the responses they provided in the online survey.

Online survey

2.4   1,121 email invitations to complete the survey were sent on 17th January 2020. Reminders were sent on 31st January 2020 and 13th February 2020. The cut-off date for completing the questionnaire was 2nd March 2020. 228 complete responses were submitted and 28 partially completed records have also been included, yielding a response rate of 23% (the response rate was slightly higher for DefCARS users (24%) compared to key stakeholders (19%)).

2.5   The tables that appear without commentary below and overleaf show the overall profiles of the responses to the survey, as well as the profiles of DefCARS users and key stakeholders separately. Please note that the figures may not always sum to 100% due to rounding.

Table 6: Respondent type – All Respondents (Note: Figures may not sum due to rounding)

Respondent type (Overall)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
DefCARS Users	200	78
Key Stakeholders	56	22
Total	**256**	**100**

Table 7: Type of organisation – All Respondents (Note: Figures may not sum due to rounding)

Type of organisation (Overall)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Industry	109	44
MOD	137	56
Not Known	10	-
Total	**256**	**100**

Table 8: Position within organisation – All Respondents (Note: Figures may not sum due to rounding)

Position within organisation (Overall)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Chairman / Executives	11	4
Senior Management	65	26
Management	117	47
Junior / Officer Level	56	22
Not Known	7	-
Total	**256**	**100**

Table 9: Length of time involved with the SSRO – All Respondents (Note: Figures may not sum due to rounding)

Length of time involved with the SSRO (Overall)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Less than 1 year	47	19
1 year or more but less than 3 years	100	40
6 years or more	106	42
Not known	3	-
Total	**256**	**100**

Table 10: How often engaged with SSRO – All Respondents (Note: Figures may not sum due to rounding)

How often engaged with SSRO in last 12 months (Overall)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Once	39	18
Two or three times	97	44
Four or five times	37	17
Between six and ten times	27	12
More than ten times	18	8
Not Known	38	-
Total	**256**	**100**

Table 11: Type of organisation – DefCARS users (Note: Figures may not sum due to rounding)

Type of organisation (DEFCARS users)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Industry	67	35
MOD	127	65
Not Known	6	-
Total	**200**	**100**

Table 12: Position within organisation – DefCARS users (Note: Figures may not sum due to rounding)

Position within organisation (DEFCARS users)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Senior Management	36	19
Management	106	55
Junior / Officer Level	52	27
Not Known	6	-
Total	**200**	**100**

Table 13: Length of time involved with the SSRO – DefCARS users (Note: Figures may not sum due to rounding)

Length of time involved with the SSRO (DEFCARS users)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Less than 1 year	46	23
1 year or more but less than 3 years	90	46
6 years or more	61	31
Not known	3	-
Total	**200**	**100**

Table 14: How often engaged with SSRO – DefCARS users (Note: Figures may not sum due to rounding)

How often engaged with SSRO in last 12 months (DEFCARS users)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Once	36	22
Two or three times	77	47
Four or five times	32	19
Between six and ten times	14	8
More than ten times	6	4
Not Known	35	-
Total	**200**	**100**

Table 15: Type of organisation – Key stakeholders (Note: Figures may not sum due to rounding)

Type of organisation (Key stakeholders)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Industry	42	81
MOD	10	19
Not Known	4	-
Total	**56**	**100**

Table 16: Position within organisation – Key stakeholders (Note: Figures may not sum due to rounding)

Position within organisation (Key stakeholders)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Chairman / Executives	11	20
Senior Management	29	53
Management	11	20
Junior / Officer Level	4	7
Not Known	1	-
Total	**56**	**100**

Table 17: Length of time involved with the SSRO – Key stakeholders (Note: Figures may not sum due to rounding)

Length of time involved with the SSRO (Key stakeholders)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Less than 1 year	1	2
1 year or more but less than 3 years	10	18
6 years or more	45	80
Total	**56**	**100**

Table 18: How often engaged with SSRO – Key stakeholders (Note: Figures may not sum due to rounding)

How often engaged with SSRO in last 12 months (Key stakeholders)	Number of respondents (unweighted count)	% of respondents (unweighted valid)
Once	3	6
Two or three times	20	38
Four or five times	5	9
Between six and ten times	13	25
More than ten times	12	23
Not Known	3	-
Total	**56**	**100**

In-depth interviews

2.6   At the end of the online survey, respondents were asked if they would be willing to take part in an in-depth interview for a more detailed discussion of their views on the SSRO. 24 respondents said they would be willing to do so, and between 12th February and 19th March, ORS completed telephone interviews with 20 of them. Efforts to contact the remaining four were ultimately unsuccessful, despite several calls and answerphone messages.

2.7   Of the 20 respondents who took part in an in-depth interview 7 were DefCARS users and 13 were key stakeholders. Of the 7 DefCARS users who took part 4 were MOD and 3 were Industry, whilst for the 13 key stakeholders, 6 were Industry, 3 were Consultancy, 2 were MOD and 2 were classified as Other.

Structure of the Report

2.8   This report presents both the quantitative and qualitative responses from the survey. For the sake of continuity and clarity the key charts and qualitative findings are presented together under the relevant sections.

2.9   In terms of the qualitative findings, the responses reported here gave a diverse range of stakeholders the opportunity to comment in detail on the SSRO's performance in many areas.

2.10   Verbatim quotations are used, in indented italics, for their vividness in capturing recurrent or otherwise important points of view. Sequences of quotations in the text are typically from a range of contributors, not several quotations from a single person. As far as possible, by using quotations, we have tried to let the stakeholders speak for themselves.

2.11   In respect to the qualitative findings, the views expressed might or might not be supported by available evidence; that is, they may or may not be accurate as accounts of the facts. ORS cannot arbitrate on the correctness or otherwise of people's views when reporting them. This should be borne in mind when considering the findings.

Interpretation of the Data

2.12   The study was not designed to provide a statistically representative set of results for all stakeholders. As such, the quantitative results presented here have not been weighted and the report refers to 'respondents' rather than 'stakeholders' when discussing quantitative data.

2.13   Notable differences between groups or between surveys have been highlighted throughout the report.

2.14   Some charts and tables display the percentage point difference in results between surveys. Where a * is shown next to the percentage point difference this indicates that the difference is notable.

2.15   Percentage results for some questions or sub-groups of the population should also be interpreted with some caution, given their small base sizes.

2.16   Please note that where percentages do not sum to 100 and proportions of charts may not look equal, this is either due to rounding, the exclusion of 'don't know' categories, or multiple answers. Data has also not been weighted.

2.17   In some cases, figures of 2% or below have been excluded from graphs.

2.18 Graphics are used extensively in this report to make it as user friendly as possible. The pie charts and other graphics show the proportions (percentages) of residents making relevant responses. Where possible, the colours of the charts have been standardised with a 'traffic light' system in which:

- Green shades represent positive responses

- Yellow and purple/blue shades represent neutral responses

- Red shades represent negative responses

- The darker shades are used to highlight responses at the extremes. (E.g. 'very satisfied/very dissatisfied)

Comparison between surveys

2.19 Where possible throughout the report, comparisons have been made to the 2018 SSRO Stakeholder Survey. These comparisons are obviously useful in terms of understanding the change in views over time, but it is important to flag that changes could also be a consequence of speaking to different population profiles (e.g. a higher proportion of respondents who work within the MOD have been interviewed in this survey when compared to 2018).

Acknowledgements

2.20 ORS would like to thank Peter Regan and Colin Sharples for their help and assistance. We would also like to thank the 256 people who took part in the survey and interviews, without whose valuable input the research would not have been possible.

3. General Relationship

Familiarity with SSRO

3.1   Over three fifths (61%) of respondents feel they know at least a fair amount about the SSRO, with **key stakeholders**, those who **work within industry**, **senior managers**, those who have been **involved with the SSRO for 6 years or more** and those who have **engaged with the SSRO between 6 and 10 times in the last 12 months** more inclined to say this.

3.2   The opposite is true for **DefCARS users**, those who **work within the MOD**, **managers**, those at **junior/officer level** and those who have been **involved with the SSRO for less than 1 year** – i.e. they are more inclined to say they know just a little about the SSRO.

3.3   When compared with the 2018 survey, the proportion of respondents who feel they know just a little about the SSRO is notably higher by 17 percentage points – 22% in 2018 vs 39% in 2020.

**Figure 1: How well, if at all, do you feel you know the SSRO?**
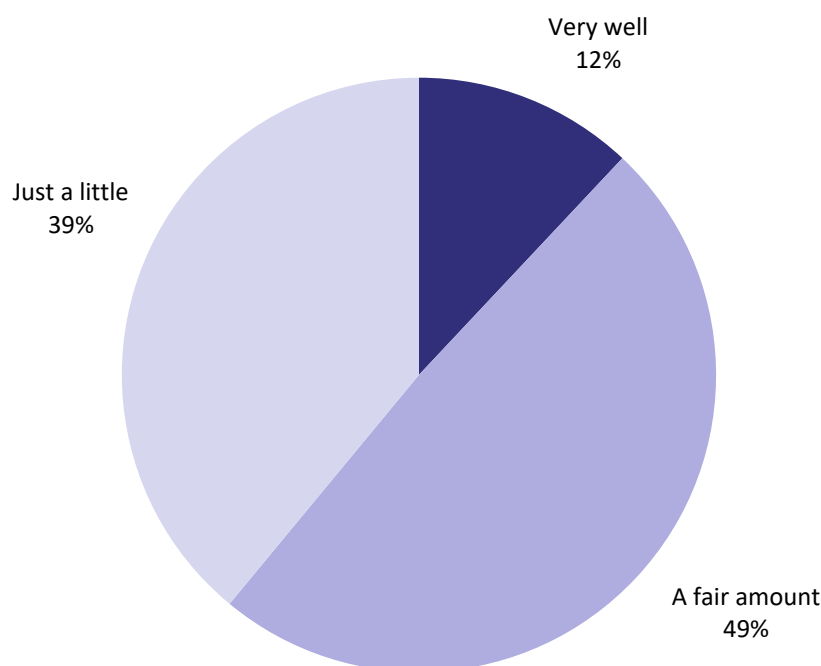
Base: All respondents (256)

Understanding of SSRO's role and objectives

3.4   Around 9 in 10 (88%) respondents feel they understand the SSRO's role and what it is aiming to achieve, which is notably lower by 8 percentage points when compared with the 2018 survey (96% in 2018).

3.5   The decline in understanding between surveys may be a consequence of more DefCARS users taking part in the survey this year. They may have less exposure to the full range of the SSRO's functions and so those who responded to the survey may generally have less of an understanding of the SSRO's role (as demonstrated in the 'sub group analysis' findings below).

3.6   Respondents who were **key stakeholders**, **senior managers** and those who have been **involved with the SSRO for 6 years or more** are more inclined to say they understand the SSRO's role and what it is aiming to achieve. Conversely, **DefCARS users**, those at **junior/officer level** and those who have been **involved with the SSRO for less than 1 year** are less inclined to say this.

Figure 2: How well do you feel you understand the SSRO's role and what it is aiming to achieve?

Legend: ■ Very well   ■ Quite well   ■ Not very well   ■ Not at all well
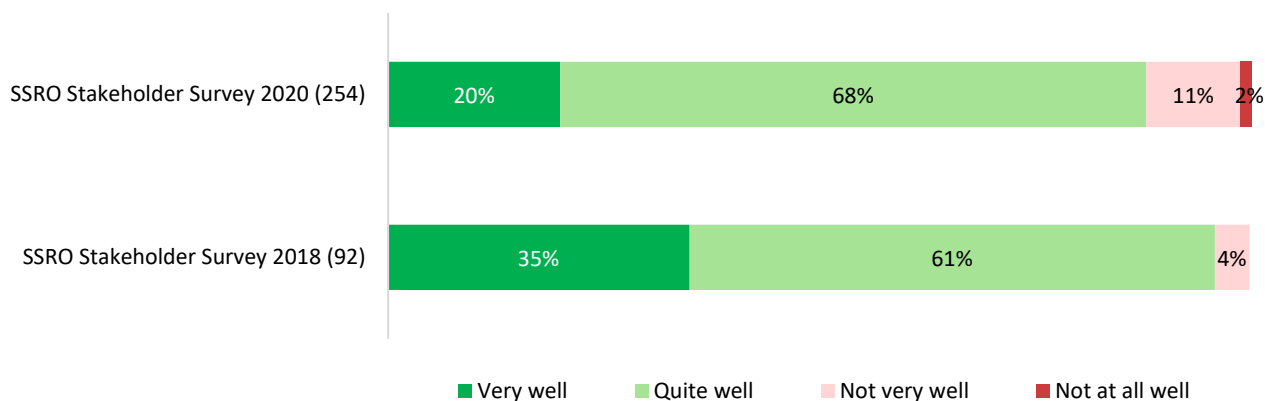
Base: All respondents (Number of respondents shown in brackets)

3.7   In the depth interviews, respondents were asked some follow-up questions on how those external to the SSRO perceive its role.

3.8   The general perception was that the SSRO is an independent regulator/arbitrator that ensures the MOD gets value for money and guarantees regulations are adhered to. Some others, though, perceived the SSRO to lack influence and only able to provide an opinion when asked.

"Their role can be passive in a sense which is if nobody makes a referral to them then no one's asking their opinion then they are not offered an opportunity to opine." – Industry, Key Stakeholder –

3.9   However, one participant thought the SSRO sometimes offered opinions without being asked.

"SSRO sometimes oversteps its responsibility… it seeks to sometimes offer opinions when it's not required to." – MOD, Key Stakeholder –

3.10 Several interviewees suggested that this lack of influence has led the SSRO to want to expand its role and become a regulator. This perception was prompted by the amount of data it requires and its desire to "enforce regulation".

"They would like to grow their role. There have been several indications that they would like to become a full-blown regulator." – Key Stakeholder –
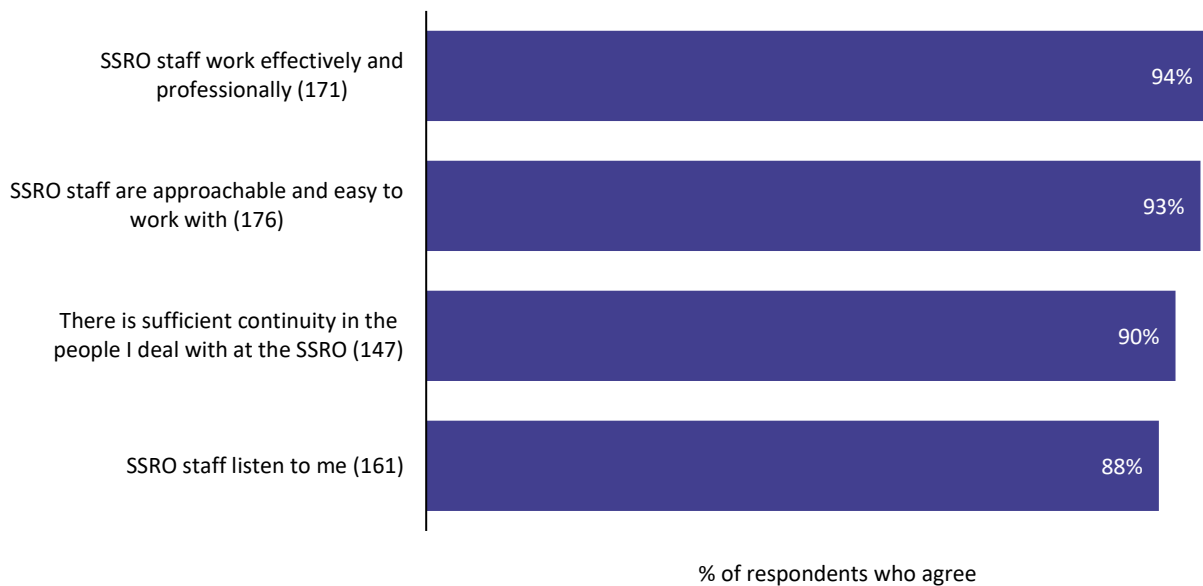
"They've interpreted a couple of sections of the Act [and] are very expansive in their treatment of their role so in keeping the functioning of the regulations and the framework under review, they are very expansionary and ask for excess data – data that they simply don't need." – Key Stakeholder –

"Their role as it's defined today isn't to do enforcement actions, that's on the MOD, but for example they keep on wanting to have that role to be able to do enforcement." – Industry, Key Stakeholder –

SSRO Staff

3.11   Respondents were provided with four statements about SSRO staff and asked to what extent they agree or disagree with each of them.

3.12   The majority of respondents agreed with each of the statements, with 'SSRO staff work effectively' seeing the highest levels of agreement (94%) and SSRO staff listen to me seeing the lowest levels (88%).

Figure 3: Thinking about your relationship with the SSRO, to what extent do you agree or disagree with each of the following statements...?

SSRO staff work effectively and professionally (171) — 94%

SSRO staff are approachable and easy to work with (176) — 93%

There is sufficient continuity in the people I deal with at the SSRO (147) — 90%

SSRO staff listen to me (161) — 88%

% of respondents who agree

Base: All respondents (number of respondents shown in brackets)

3.13   The charts below and overleaf show how the responses for these questions vary across different sub-groups of the population who agree with the statements regarding SSRO staff.

3.14   Respondents who **work within the MOD** are more inclined to feel that there is sufficient continuity in the people they deal with at the SSRO (Figure 6), whilst **key stakeholder** respondents are less inclined to feel that SSRO staff listen to them (Figure 7).

Figure 4: Thinking about your relationship with the SSRO, to what extent do you agree or disagree with each of the following statements...? SSRO staff work effectively and professionally; chart shows the proportions who agree
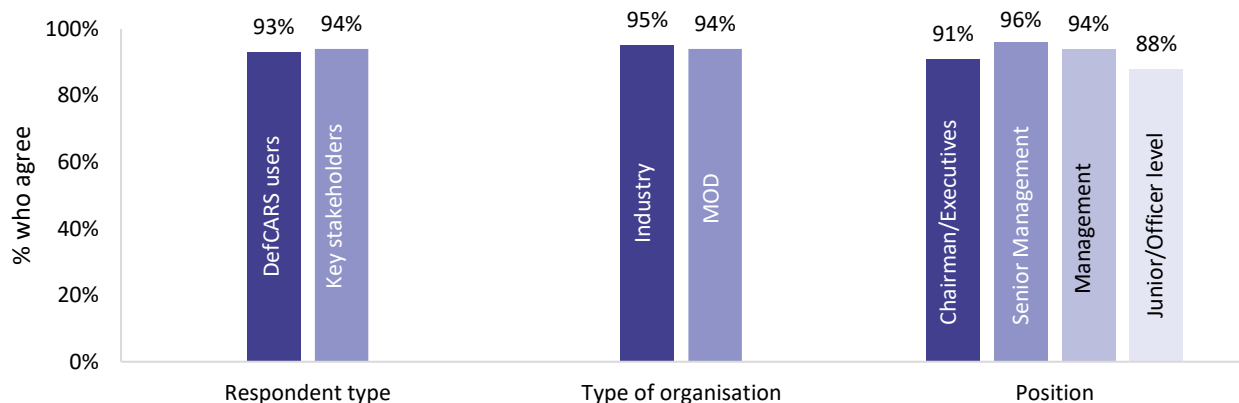
% who agree

Respondent type: DefCARS users 93%, Key stakeholders 94%

Type of organisation: Industry 95%, MOD 94%

Position: Chairman/Executives 91%, Senior Management 96%, Management 94%, Junior/Officer level 88%

Figure 5: Thinking about your relationship with the SSRO, to what extent do you agree or disagree with each of the following statements...? SSRO staff are approachable and easy to work with; chart shows the proportions who agree
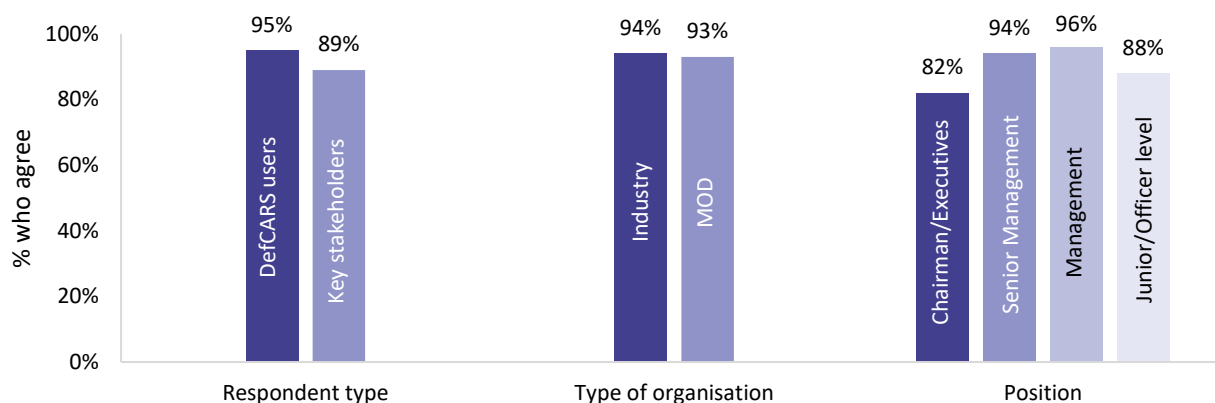

Figure 6: Thinking about your relationship with the SSRO, to what extent do you agree or disagree with each of the following statements...? There is sufficient continuity in the people I deal with at the SSRO; chart shows the proportions who agree
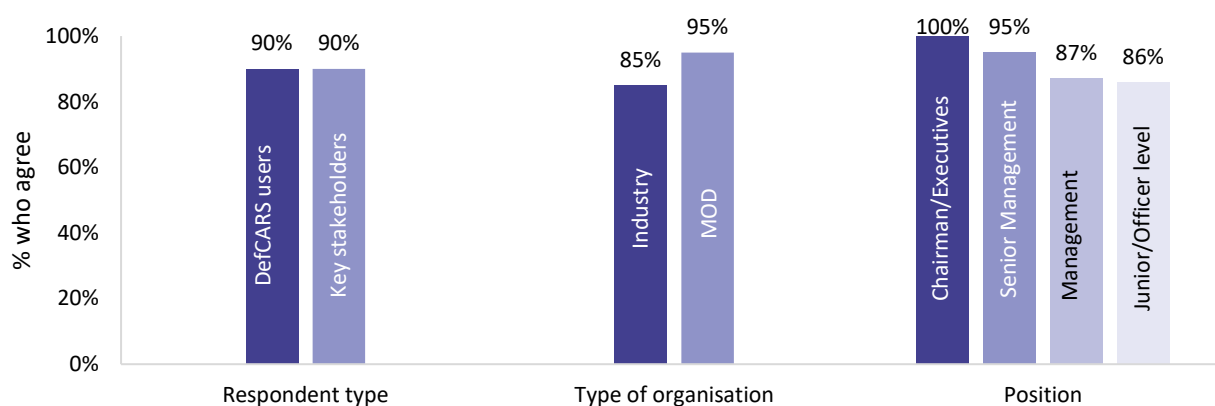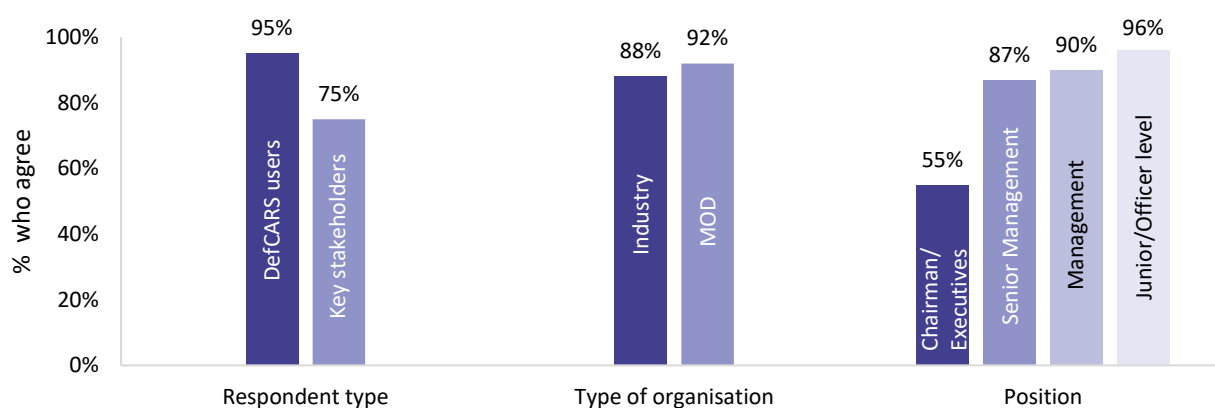

Figure 7: Thinking about your relationship with the SSRO, to what extent do you agree or disagree with each of the following statements...? SSRO staff listen to me; chart shows the proportions who agree

3.15 The proportion of respondents who agree with each of the statements about SSRO staff has increased since 2018, although the only statement which has seen a notable increase is "SSRO staff listen to me" (14 percentage points).

Table 19: Thinking about your relationship with the SSRO, to what extent do you agree or disagree with each of the following statements...? (comparison to with 2018 stakeholder survey)

Thinking about your relationship with the SSRO, to what extent do you agree or disagree with each of the following statements...?	SSRO Stakeholder Survey 2018	SSRO Stakeholder Survey 2020	Difference between 2018 – 2020 (%)
SSRO staff work effectively and professionally	88%	94%	+6%
SSRO staff are approachable and easy to work with	89%	93%	+4%
There is sufficient continuity in the people I deal with at the SSRO	84%	90%	+6%
SSRO staff listen to me	74%	88%	+14%*

3.16 In the depth interviews, there were many positive comments about staff. Participants described staff as approachable, professional, friendly and hard working.

"I'm quite happy with the team that I liaise with. They're fairly decent, they listen to your views, take them on board, say what's possible what's not possible, always been friendly and approachable, always been professional. I'm quite happy to engage with them… it always a positive experience." – MOD, DefCARS user –

"They are lovely people and they are happy to sort of come and talk to us and take our viewpoint on stuff. They are very hardworking people, they are dedicated, they want to do the right thing." – MOD, Key Stakeholder –

"These are very good people. I can talk to them, I can phone them up, I can have a conversation with them, I can explain things." – Consultancy, Key Stakeholder –

3.17 Despite many positive comments in the depth interviews, several key stakeholders talked about a lack of knowledge from SSRO staff. For some this was linked to a lack of MOD and Industry experience.

"The issues that we have with them are that we don't think they necessarily have the right sets of skills and experience. As a result of that, we don't necessarily think that they prioritize the right things and we think they are too process driven and they sort of overly consult and that kind of thing." – MOD, Key Stakeholder –

"Not all of them but a lot of the people who set it up in the first place came from an audit background, I think they actually came from the Audit Commission." – MOD, Key Stakeholder –

"The problem is that what they were set to do, which is compliance, is almost all accounting, so they lack industrial accounting experience massively." – Key Stakeholder –

3.18 For some this lack of knowledge affects the SSRO's ability to effectively respond to feedback as well as having the ability to have in-depth discussions.

"They don't have enough experience to say 'What your saying is rubbish' or 'We completely understand what you are saying and we are going to make this sort of change' so they take our suggestions and might consult on them with industry – well that's not really the way to go about doing stuff. " – MOD, Key Stakeholder –

"I go to many meetings with the SSRO, the agenda is far too tight to be able to discuss the detail and because they don't have the background, you often have to go back to the very basics to get them to understand the richness and complexity of the issues you are dealing with and they don't allow the time for that interaction." – Key Stakeholder –

3.19 In order to overcome this, some participants suggested that the SSRO should hire more staff with the right experience and spend more time with contractors to enhance understanding of the sector.

"They need to spend a lot of time with contractors, they may need to have secondments from the SSRO into contractors and/or they need to recruit the right people either from the MOD or from industry. They have recruited one or two people from industry, but they are not the right people, they don't have the level of understanding, the gravitas, the experience that would be able to shape the SSRO into a more effective organisation." – Key Stakeholder –

4. Overall perceptions of the SSRO

Key Performance Indicator

4.1 Around 9 in 10 (91%) respondents who have engaged with the SSRO feel that the SSRO has engaged with them well, which is higher than the target of 80%.
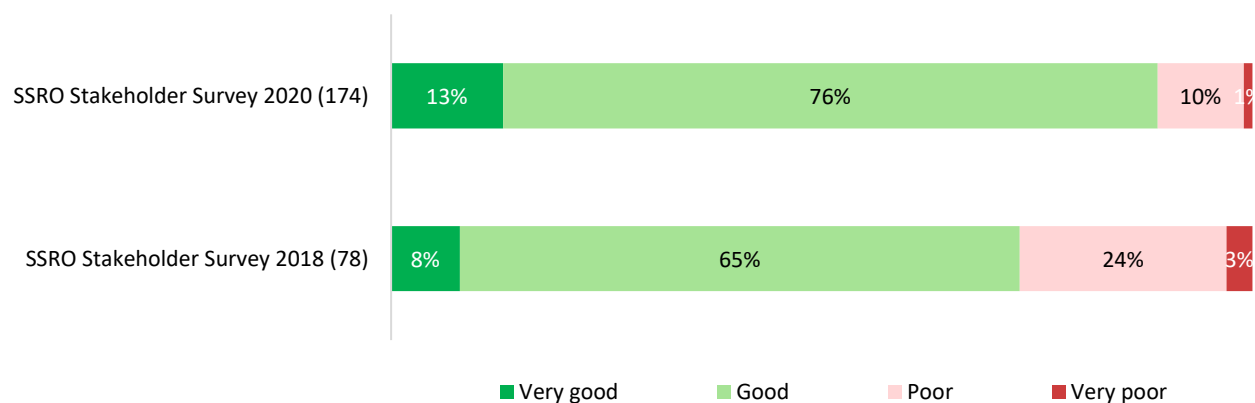
Table 20: Key Performance Indicator 5

Maintain effective and comprehensive engagement with our stakeholders	Target	Performance
Stakeholders consider the SSRO engages well	**80%**	**Higher (91%; 204 out of 225)**

Overall performance

4.2 Around 9 in 10 (89%) respondents rate the SSRO's overall performance as good over the last 12 months which is notably higher by 16 percentage points when compared with 2018 (73% in 2018).

4.3 When compared with the 2018 survey, the proportion of respondents working within the MOD who rate the SSRO's overall performance over the past 12 months as good has almost doubled (46% in 2018; 90% in 2020). This is obviously a 'good news story' but must be caveated by the small sample base in 2018 (13 respondents).
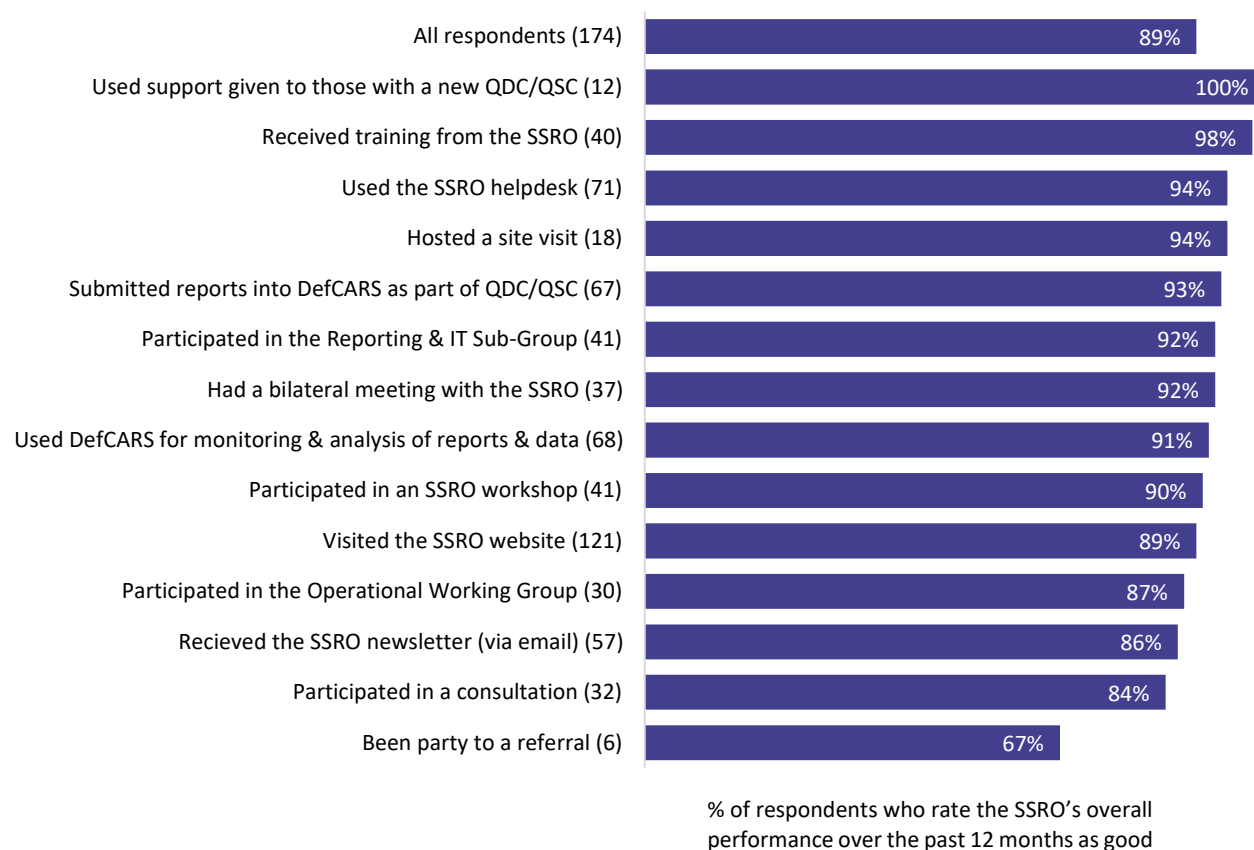
Figure 8: How would you rate the SSRO's overall performance over the past 12 months?

	Very good	Good	Poor	Very poor
SSRO Stakeholder Survey 2020 (174)	13%	76%	10%	1%
SSRO Stakeholder Survey 2018 (78)	8%	65%	24%	3%

Base: All respondents (Number of respondents shown in brackets)

4.4   Respondents who **received training from the SSRO** or **used the SSRO help desk** are more inclined to rate their overall performance as good over the last 12 months. On the other hand, those who participated in a consultation and had been party to a referral are less likely to say this (although the number of respondents (6) who had been party to referral is very small, so these results need to be treated with caution).

Figure 9: How would you rate the SSRO's overall performance over the past 12 months? Analysis by engagement type

Engagement type	%
All respondents (174)	89%
Used support given to those with a new QDC/QSC (12)	100%
Received training from the SSRO (40)	98%
Used the SSRO helpdesk (71)	94%
Hosted a site visit (18)	94%
Submitted reports into DefCARS as part of QDC/QSC (67)	93%
Participated in the Reporting & IT Sub-Group (41)	92%
Had a bilateral meeting with the SSRO (37)	92%
Used DefCARS for monitoring & analysis of reports & data (68)	91%
Participated in an SSRO workshop (41)	90%
Visited the SSRO website (121)	89%
Participated in the Operational Working Group (30)	87%
Recieved the SSRO newsletter (via email) (57)	86%
Participated in a consultation (32)	84%
Been party to a referral (6)	67%

% of respondents who rate the SSRO's overall performance over the past 12 months as good

Base: All respondents (number of respondents shown in brackets)

Change in favourability in the last 12 months

4.5   Around 3 in 10 (29%) respondents have a more favourable opinion of the SSRO now than 12 months ago. Over three fifths (64%) say their opinion has not changed, whilst fewer than 1 in 10 (7%) have a less favourable opinion.

4.6   When compared with the 2018 survey, the proportion of respondents who have a less favourable opinion is similar, meaning the changes that can be seen are between those who answered, 'more favourable' and 'about the same'. Given over half (55%) reported having a more favourable opinion of the SSRO than 12 months ago in 2018, it's fair to suggest that many respondents may not have had scope to have an *even* more favourable view (given they felt positive towards the SSRO already), leading them to give the answer of 'about the same'. Therefore, the idea that less people answered 'more favourable' does not necessarily mean that less people feel positive about the SSRO – the key finding here is that the proportion who answered less favourable is comparable across both surveys.

Figure 10: Would you say you have a more or less favourable opinion of the SSRO now than 12 months ago, or is it about the same?

	More favourable	About the same	Less favourable
SSRO Stakeholder Survey 2020 (206)	29%	64%	7%
SSRO Stakeholder Survey 2018 (85)	55%	41%	4%

■ More favourable   ■ About the same   ■ Less favourable
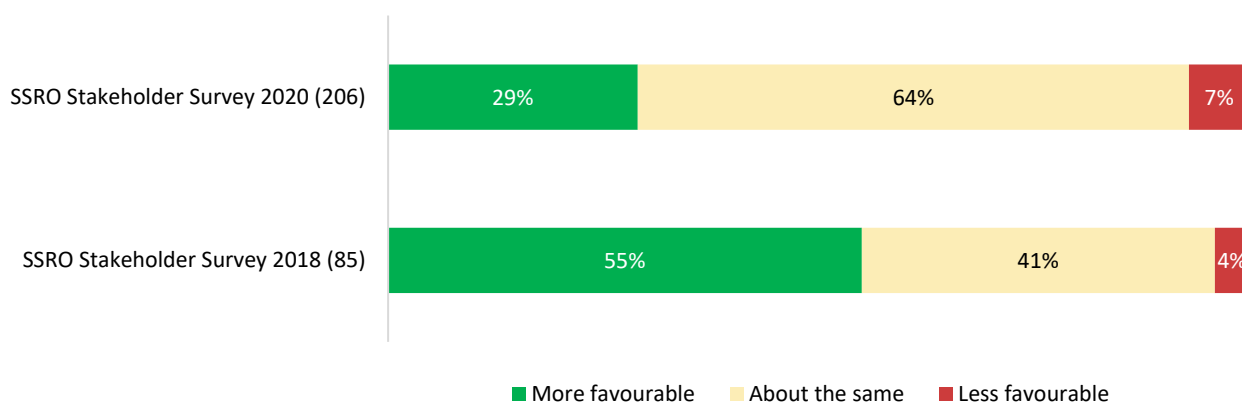
Base: All respondents (Number of respondents shown in brackets)

4.7   In the depth interviews, those who answered 'more favourable' or 'less favourable' in the online survey were asked to explain why they provided such an answer.

4.8   Those who answered 'more favourable' spoke positively about SSRO's intent to improve its performance and highlighted a noticeable improvement over the last few years. This was linked to their desire to understand, transparency, ambitious vision statements, engagement, stability in leadership and continuity of staff.

"If I compared where they were three years ago and where they are today, there's a marked improvement on how they want to engage and openness that probably wasn't there before. I think there is a genuine desire to understand, which was lacking before." – Industry, Key Stakeholder –

"Their corporate plans for example, the newer version of the corporate plan that's going to come out has got a more ambitious vision statement which says some good things". – MOD, Key Stakeholder –

> "The system works well; SSRO themselves – they do engage; I know I can engage with them; information's out there, so, it meets a good benchmark." *– Industry, DefCARS user –*

> "I think that the guys that are there, they're bright people and they've learnt a lot and it is becoming easier to work with them.". *– Industry, Key Stakeholder –*

4.9   However, a couple of those who answered, 'less favourable' in the online survey thought the SSRO should be improving its performance more rapidly due to its size and described them as 'too process driven'.

> "There are like 45 of them, 40 of them maybe, that shouldn't be quite so difficult to make changes. They seem to be too slow to change anything and too process driven." *– MOD, Key Stakeholder –*

> "The challenge is how to do so in a consistent way and quickly enough really. I acknowledge as well that to a degree that perhaps their hands are tied in terms of what they can and can't do and what they do and don't have access to, so it is a challenge." *– Industry, Key Stakeholder –*

4.10   Furthermore, for key stakeholders, issues around lack of knowledge also affect the SSRO's performance. This apparently manifests itself in: incorrect readings of the legislation; not implementing what is discussed during consultations; not making decisions when needed; not providing important data; and a lack of defence and commercial awareness.

> "Some of those bizarre readings of some of the legislation in a very narrow way which has diminished my thoughts about them a little." *– Key Stakeholder –*

> "We had a one-to-one session where we talked through lots of issues and they agreed with all of the things that we talked about and then nothing got implemented in the consultation." *–Industry, Key Stakeholder –*

> "After five years of having done this and having been there, there are certain things where you should now just be making calls yourself without having to consult." *– MOD, DefCARS User –*

> "Things like the data for the baseline profit rate is quite a big issue, the lack of defence awareness and commercial awareness means that they don't always understand what our problems and challenges are." *– Industry, Key Stakeholder –*

4.11   Moreover, one participant suggested that more profit rate analysis should be undertaken by the SSRO to provide a clearer picture of how the MOD is spending its money.

"What we were trying to explain to them is parts of your function is the analysis work you do, without being able to record more than one profit rate." – MOD, DefCARS User –

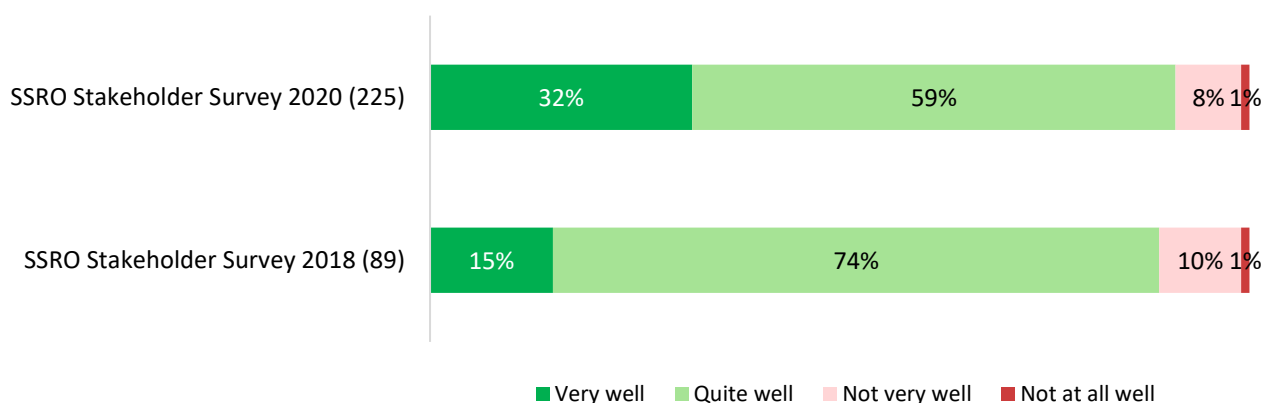4.13   Lastly, others suggested more support on the phone or face-to-face when doing the report and updating the FAQS on the website.

"To me what is missing is someone who will get on the phone and talk to you. And guide you through the process." – Key Stakeholder –

"It may be opportune to … reintroduce that [FAQs] or to build upon that because that allowed questions to be asked and the answers to come back which perhaps can be more pointed and specific - and as I say start to inform on a point-by-point basis which then allows things like either to avoid … referrals because you've got guidance in place there, or questions and answers in place that are more specific." – Industry, Key Stakeholder –

How well SSRO has engaged with stakeholders

4.14 Around 9 in 10 (91%) respondents who have engaged with the SSRO feel that the SSRO has engaged with them well, which is in line with the 2018 survey (89%). However, notably more respondents think that the SSRO engages with them very well when compared with the previous survey – 15% in 2018 vs 32% in 2020.

4.15 Respondents **who work within Industry** and those who have been **involved with the SSRO less than 1 year** are more inclined to say the SSRO engaged with them well.

Figure 11: What is your overall impression of how well the SSRO has engaged with you?

Legend: ■ Very well ■ Quite well ■ Not very well ■ Not at all well

SSRO Stakeholder Survey 2020 (225): Very well 32%, Quite well 59%, Not very well 8%, Not at all well 1%

SSRO Stakeholder Survey 2018 (89): Very well 15%, Quite well 74%, Not very well 10%, Not at all well 1%

Base: All respondents who have engaged with the SSRO (Number of respondents shown in brackets)

4.16 Respondents who **participated in the reporting and IT sub-group**, **submitted reports into DefCARS as part of QDC or QSC reporting requirements** or **used the SSRO helpdesk** are more inclined to say the SSRO engaged with them well. On the other hand, those who participated in a consultation and had been party to a referral are less likely to say this (although the number of respondents (7) who had been party to referral is very small, so these results need to be treated with caution).

Figure 12: What is your overall impression of how well the SSRO has engaged with you? Analysis by engagement type

Engagement type	%
All respondents (225)	91%
Participated in the Reporting & IT Sub-Group (24)	100%
Used support given to those with a new QDC/QSC (14)	100%
Submitted reports into DefCARS as part of QDC/QSC (73)	97%
Received training from the SSRO (45)	96%
Used the SSRO Helpdesk (80)	96%
Hosted a site visit (20)	95%
Participated in an SSRO workshop (44)	93%
Held a bilateral meeting with the SSRO (44)	93%
Visited the SSRO website (144)	93%
Used DefCARS for monitoring & analysis of reports & data (89)	92%
Received the SSRO newsletter (via email) (64)	91%
Participated in the Operational Working Group (33)	91%
Participated in a consultation (38)	87%
Been a party to a referral (7)	71%

% of respondents who feel the SSRO engaged with them well

Base: All respondents who have engaged with the SSRO (number of respondents shown in brackets)

How respondents would speak of the SSRO to other people

4.17   When asked how they would speak of the SSRO to other people, around 3 in 10 (29%) said they would speak highly of them. Less than 1 in 10 (8%) would be critical, whilst over three fifths (63%) would be neutral.

4.18   When compared with the 2018 survey, the proportion of respondents who said they would speak highly of the SSRO is higher by 9 percentage points.

Figure 13: Which of these phrases best describes the way you would speak of the SSRO to other people?
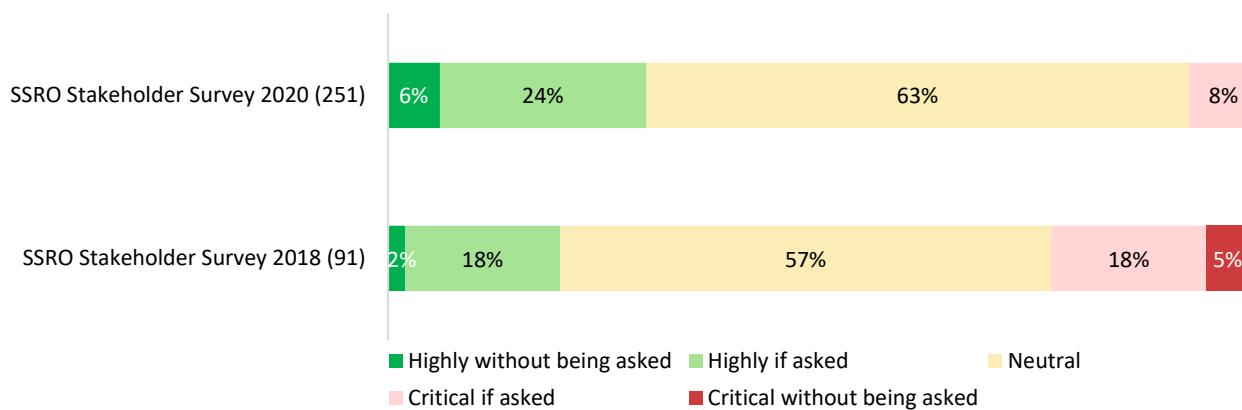
Base: All respondents (Number of respondents shown in brackets)

Differences by sub-group

4.19 The table below shows how the responses for this question vary across different sub-groups of the population. To give an indication of which sub-groups felt more positively about the SSRO, the proportion who said they would speak highly was subtracted from those who said they would be critical. These findings demonstrate that:

- DefCARS users are more likely to be positive than key stakeholders;
- Those who have been involved with the SSRO less time are more likely to be positive than those who have been involved longer; and
- Those who have engaged with the SSRO less often are more likely to be positive than those who have engaged more often.

Table 21: Which of these phrases best describes the way you would speak of the SSRO to other people? Analysis by sub-group.

Sub-group	Speak Highly	Be Critical	Difference
By overall			
Overall (251)	29%	8%	21%
By respondent type			
DefCARS Users (195)	29%	5%	24%
Key Stakeholders (56)	32%	16%	16%
By type of organisation			
Industry (108)	31%	6%	25%
MOD (133)	30%	8%	22%
By position within organisation			
Chairman/Executives (11)	36%	27%	9%
Senior Management (64)	33%	11%	22%
Management (114)	28%	5%	23%
Junior/Officer Level (55)	27%	5%	22%
By length of time involved with SSRO			
Less than 1 year (44)	30%	2%	28%
1 year or more but less than 3 years (99)	31%	4%	27%
6 years or more (105)	28%	13%	15%
By how often engaged with SSRO			
Once (39)	36%	3%	33%
Two or three times (96)	35%	6%	29%
Four or five times (37)	30%	3%	27%
Between six and ten times (27)	30%	15%	15%
More than ten times (17)	18%	24%	-6%

5. Engagement

Key Performance Indicators

5.1 Over four fifths (86%) of respondents involved in a referral agree that the SSRO engages effectively throughout the referral. This is higher than the target of 75%.

Table 22: Key Performance Indicator 1[3]

Provide authoritative responses to referred matters within target timeframes	Target	Performance
Proportion of stakeholders involved in a referral who agree the SSRO engages effectively throughout the referral	75%	**Higher (86%; 6 out of 7)**

5.2 Over 7 in 10 (72%) respondents who submitted reports into DefCARS as part of QDC or QSC reporting requirements said they were satisfied with the SSRO's platform for submitting reports. This is lower than the target of 75%.

Table 23: Key Performance Indicator 3

Provide a platform that facilitates the efficient and secure submission of statutory reports	Target	Performance
Proportion of users satisfied with DefCARS as the SSRO's platform for submitting reports	75%	**Lower (72%; 53 out of 74)**

5.3 All (100%) respondents who accessed assistance and support when they entered into a QDC or QSC were satisfied with the assistance and support provided by the SSRO when first entering into one. This is higher than the target of 75%.

Table 24: Key Performance Indicator 4[4]

Improve data quality and the reporting of information	Target	Performance
Proportion of defence contractors satisfied with the assistance and support provided by the SSRO when first entering into a QDC/QSC	75%	**Higher (100%; 14 out of 14)**

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[3] Please note, only 7 respondents provided a response to this question, so these results need to be treated with caution.
[4] Please note, only 14 respondents provided a response to this question, so these results need to be treated with caution.

Frequency of contact

5.4   Respondents who have engaged with the SSRO were asked how often they have engaged with them in the last 12 months. Around a fifth reported engaging with the SSRO up to three times (62%), with smaller proportions saying they have engaged four or five times (17%), between six and ten times (12%) and more than ten times (8%).

5.5   Respondents who are **key stakeholders** and **those working within industry** are more inclined to say they have engaged with the SSRO between six and ten times.

Figure 14: How often have you engaged with the SSRO in the last 12 months?

More than ten times
8%

Once
18%

Between six and ten
times
12%

Four or five times
17%

Two or three times
44%
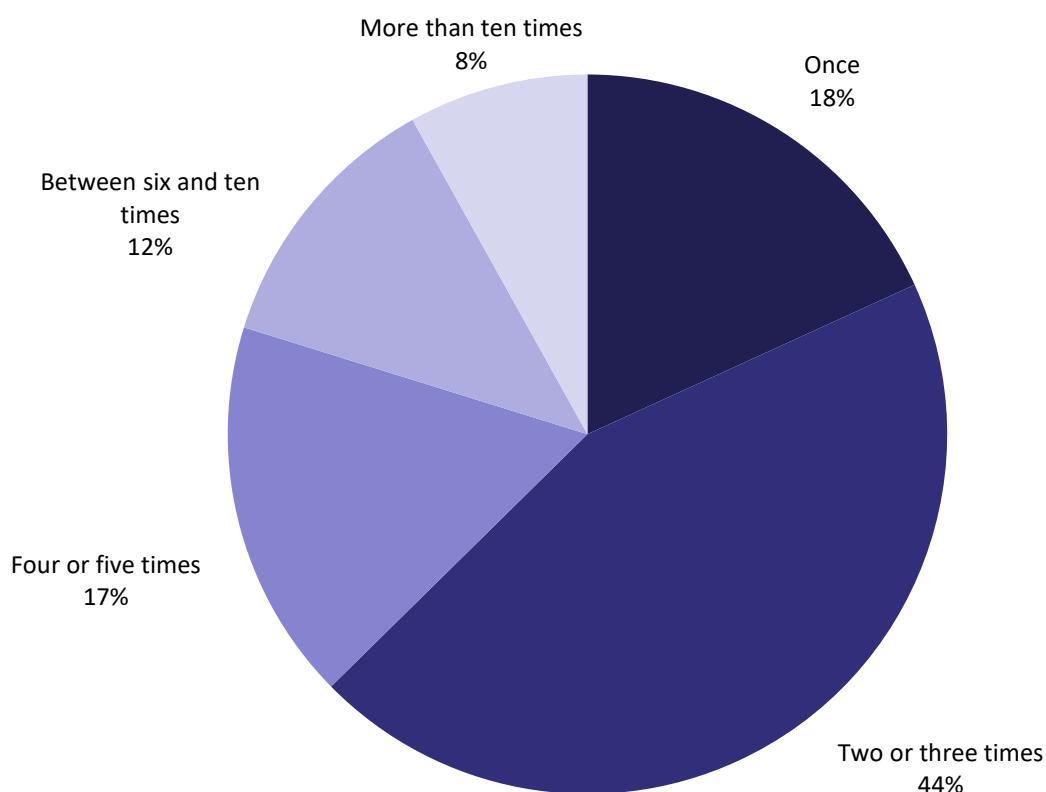
Base: All respondents who have engaged with the SSRO (218)

How stakeholders have engaged with the SSRO

5.6 When respondents were asked about how they have engaged with the SSRO in the last 12 months, the most common response was visited the SSRO website (63%). This was also the most popular answer in 2018, albeit 84% selected this option previously.

5.7 Less than 1 in 10 (8%) reported not engaging with the SSRO, but this was up by 6 percentage points when compared with 2018 (2% in 2018).

Figure 15: In which of the following ways have you engaged with the SSRO in the last 12 months?

Engagement method	%
Visited the SSRO website	63%
Used DefCARS for monitoring & analysis of reports & data	39%
Used the SSRO helpdesk	32%
Submitted reports into DefCARS as part of QDC/QSC	30%
Received the SSRO newsletter (via email)	26%
Received training from the SSRO	20%
Had a bilateral meeting with the SSRO	18%
Participated in an SSRO workshop	18%
Participated in a consultation	15%
Participated in the Operational Working Group	13%
Participated in the Reporting & IT Sub-Group	10%
Hosted a site visit	8%
Used support given to those with a new QDC or QSC	6%
Been a party to a referral	3%
Have engaged with the SSRO in another way	5%
Have not engaged with the SSRO	8%

% of respondents

Base: All respondents (251)

How well SSRO has engaged with stakeholders

Newsletter

5.8   Around a quarter (26%) of respondents have received the SSRO newsletter (via email) and it was received more widely by **key stakeholders** and those **working within industry**

5.9   Over four fifths (86%) of these respondents found it useful/informative, which is 12 percentage points higher when compared with the 2018 survey. Around 1 in 10 (14%) found it not very useful/informative.

Figure 16: How useful or informative, if at all, do you find the newsletter?
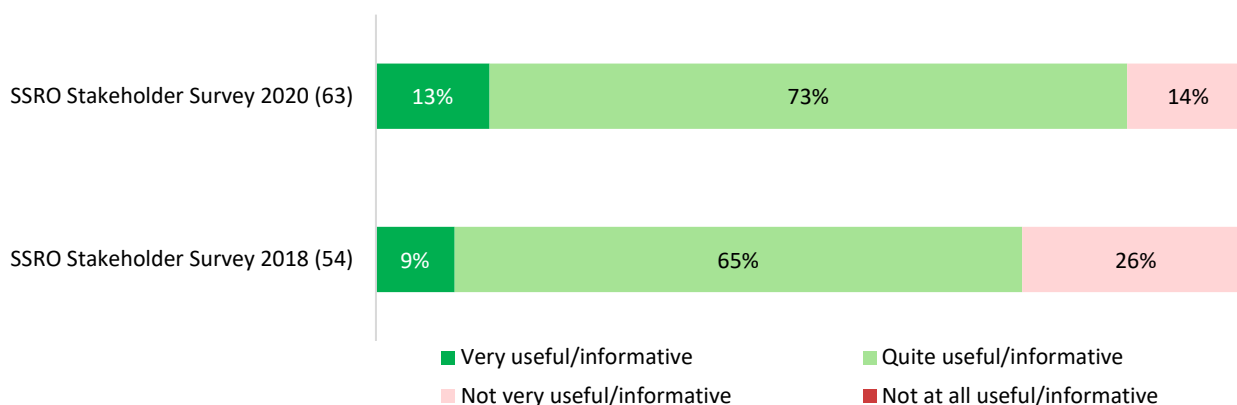
Base: All respondents who have engaged with the SSRO via the newsletter (Number of respondents shown in brackets)

5.10   The feedback from the depth interviews was mixed, with some participants viewing the newsletter more usefully than others. Those who spoke positively of the newsletter particularly liked its useful content, clarity and detail.

"It's useful to read any changes to the regulations coming up through the newsletter as a prompt. You can then start digging in to the actual regulation in a lot more detail." – Industry, DefCARS user–

"It's quite clear, it gives dates of their future meetings, it explains what their role is if it's changed, it explains what we are going to be doing next, introduces new people, talks about common themes so it is quite a comprehensive document."
– Industry, Key Stakeholder –

5.11   However, a couple of participants did not consider a newsletter to be particularly useful. One said they find it difficult to keep up with all the documents they are sent, and another that they do not find this particular newsletter very insightful.

"The newsletters are, and the analysis of QDC's is ok, it's useful in terms of just scoping what's out there, it doesn't really offer any great insights."
– Consultancy, Key Stakeholder –

"Almost every organisation that you interact with ends up sending you a newsletter and you end up and it's just impossible to read them all so frankly I think that just pointless if you want me to be totally frank with you because you cannot possibly read everything that's sent to you." – Consultancy, Key Stakeholder –

Operational working group

5.12   Around 1 in 10 (13%) respondents have participated in the Operational Working Group.

5.13   Around 9 in 10 (88%) of these respondents found it useful/informative, which is in line with the 2018 survey (91% in 2018). Around than 1 in 10 (12%) found it not very useful/informative and all of these respondents are **key stakeholders**.

Figure 17: How useful or informative, if at all, have you found your involvement in the Operational Working Group?
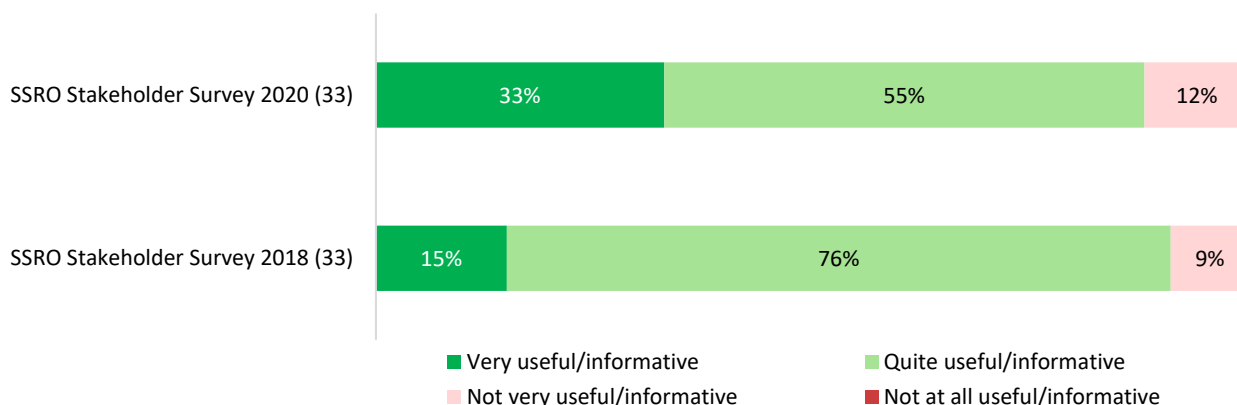
Base: All respondents who have engaged with the SSRO via the operational working group (Number of respondents shown in brackets)

5.14   The depth interviewees agreed that attending the operational working group provides the opportunity to learn from other people by listening to different points of view.

> *"The operational working group … is a lot higher level. The benefit to that is very much the forum and everybody is in the same boat and you can do a lot of learning from other people in the industry and from the SSRO." – Industry, DefCARS –*

> *"The operational working group I think is good because you get to hear various people's points of view, both the MOD and differing parts of industry which opens your eyes to nuances or thoughts that maybe just looking it from your own point of view doesn't allow you. So, I think from that point of view the operational working group is very good." – Industry, Key Stakeholder –*

5.15   One participant suggested having longer working group sessions to enable the discussion of issues in more depth.

> *"Some of the topic maters probably require longer than they're wanting to afford…it doesn't have to be all the time but just some subjects take more than that." – Industry, Key Stakeholder –*

Reporting and IT Sub-group

5.16 1 in 10 (10%) respondents have participated in the reporting and IT sub-group, with **key stakeholders** and **those working within industry** more inclined to do so.

5.17 All (100%) of these respondents found it useful/informative, which is the same as the 2018 survey.

Figure 18: How useful or informative, if at all, have you found your involvement in the Reporting & IT Sub-Group?
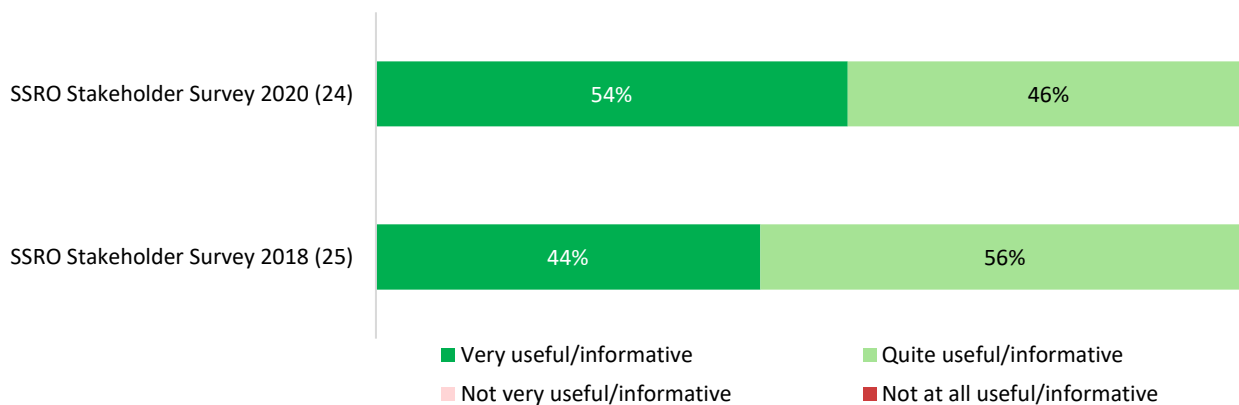
Base: All respondents who have engaged with the SSRO via the reporting and IT sub-group (Number of respondents shown in brackets)

SSRO workshops

5.18 Around a fifth (18%) of respondents have participated in an SSRO workshop.

5.19 Over 9 in 10 (91%) of these respondents found it useful/informative, although **key stakeholders** are less inclined to say this. Less than 1 in 10 (9%) found SSRO workshops not very useful/informative and all of these respondents have **been involved with the SSRO for 6 years or more**.

Figure 19: How useful or informative, if at all, have you found SSRO workshops?
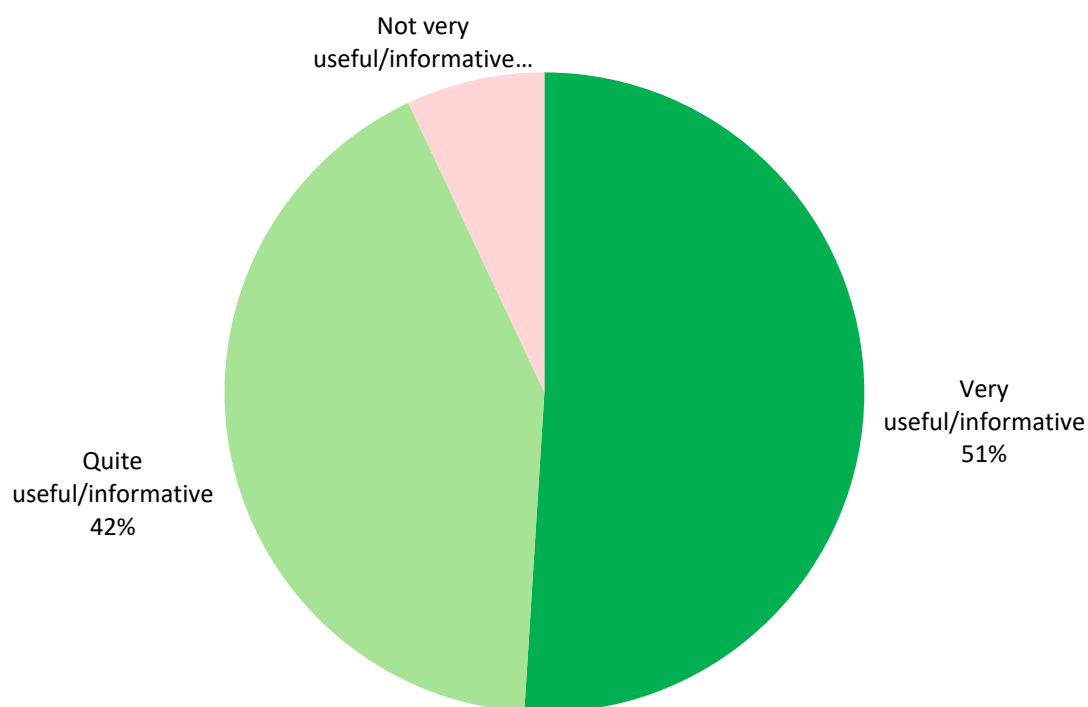
Base: All respondents who have engaged with the SSRO via SSRO workshops (44)

5.20 When questioned about workshops in the depth interviews, key stakeholders said they found them useful. They appreciated that both Industry and MOD are invited which added to a feeling of transparency.

> *"I used to think it used to take the side of the MOD instead of industry. I think they might be getting a bit better now, because we now have meetings that are combined."*
> *– Industry, Senior Stakeholder –*

> *"The right people go to the right meetings with the SSRO and where possible we've combined meetings to be more focused on exactly what both sides want out of it."*
> *– MOD, DefCARS user –*

> *"More recently they've invited more people and they've been more open about the agenda before it actually happens; they actually make sure the right people attend." – Industry, Senior Stakeholder –*

> *"We have other forums by which we can communicate with industry directly but it's useful to be able to hear their responses to what the SSRO are suggesting."*
> *– MOD, Key Stakeholder –*

"I think it's important that they create those forums to engage because if they don't then they are never ever going to get a greater level of practical appreciation of what's going on." – Industry, Key Stakeholder –

5.21 The structure of and approach to the SSRO stakeholder workshops was also praised by one key stakeholder from the MOD.

"They explained it in very straightforward and very simple terms and then … It was at the right level and then they gave you the information as it was required and as it was relevant and built the detail up. I really liked that, the way they did it, it was really well structured and aimed at the right level." – MOD, Key Stakeholder –

5.22 However, a MOD respondent mentioned that SSRO can appear to lack the confidence to give their input in meetings.

"Quite often in meetings and stuff like that, they are a bit too nervous of saying anything, I keep thinking again because they lack the confidence that they'll be able to add value, or they are a bit worried about making themselves look silly." – MOD, Key Stakeholder –

SSRO training

5.23 A fifth (20%) of respondents have received training from the SSRO.

5.24 Around 9 in 10 (88%) of these respondents found it useful/informative, although **DefCARS users** are less inclined to say this. Around 1 in 10 (12%) found SSRO training not very useful/informative and of the 6 respondents who said this, 5 **work within the MOD**.

Figure 20: How useful or informative, if at all, have you found the training you've received from the SSRO?

Not very useful/informative 12%

Very useful/informative 32%

Quite useful/informative 56%
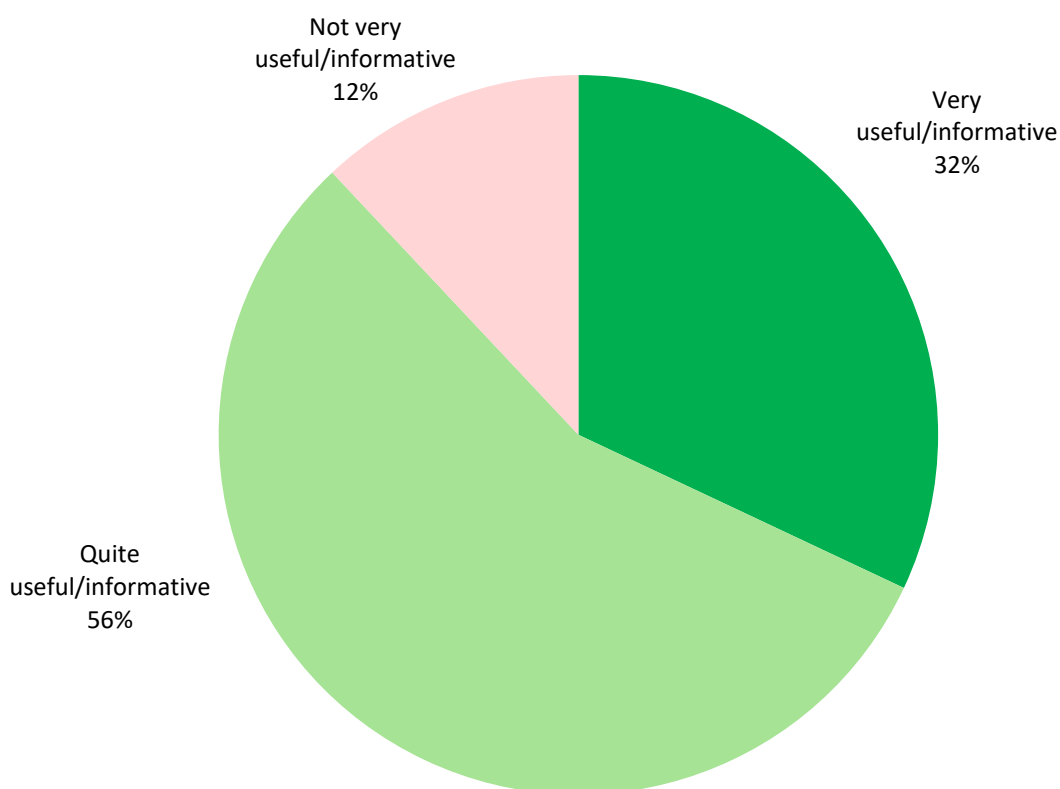
Base: All respondents who have engaged with the SSRO via training (50)

5.25 Although some depth interviewees praised the SSRO's training activity, specifically the option of doing joint training, one DefCARS user felt that the DefCARS training format was 'dry'. They also suggested that the information provided should be more relevant and targeted.

"We've also done joint training so they provide training for the industry side so we asked them if they could join us in training for the MOD side, so they've come along, and they continue to do this in a classroom-based environment where we've got MOD commercial officers and we go along with them and do joint training things. So, yes, it comes across all levels in that regard. It's very good." – *MOD, DefCARS User –*

"It was painful, it was very dry in its delivery. I think everything they covered, they could have covered a lot quicker, it was done quite slowly, it was quite dry in format." – *MOD, DefCARS User –*

5.26 This respondent suggested for information provided to be kept more specific to what those attending need to know.

"Having it in person, having it more interactive, keeping it very specific to what I do, what I need to do and why I need to do it because there was so much in there about what the SSRO do with the information. I don't need to know that." – MOD, DefCARS User –

Bilateral meetings

5.27   Around a fifth (18%) of respondents have participated in bilateral meetings, with **key stakeholders** and **senior managers** more inclined to do so.

5.28   Over 9 in 10 (93%) of these respondents found them useful/informative.

Figure 21: How useful or informative, if at all, did you find the bilateral meeting(s) that you held with the SSRO?

Not very useful/informative 7%

Quite useful/informative 42%

Very useful/informative 51%
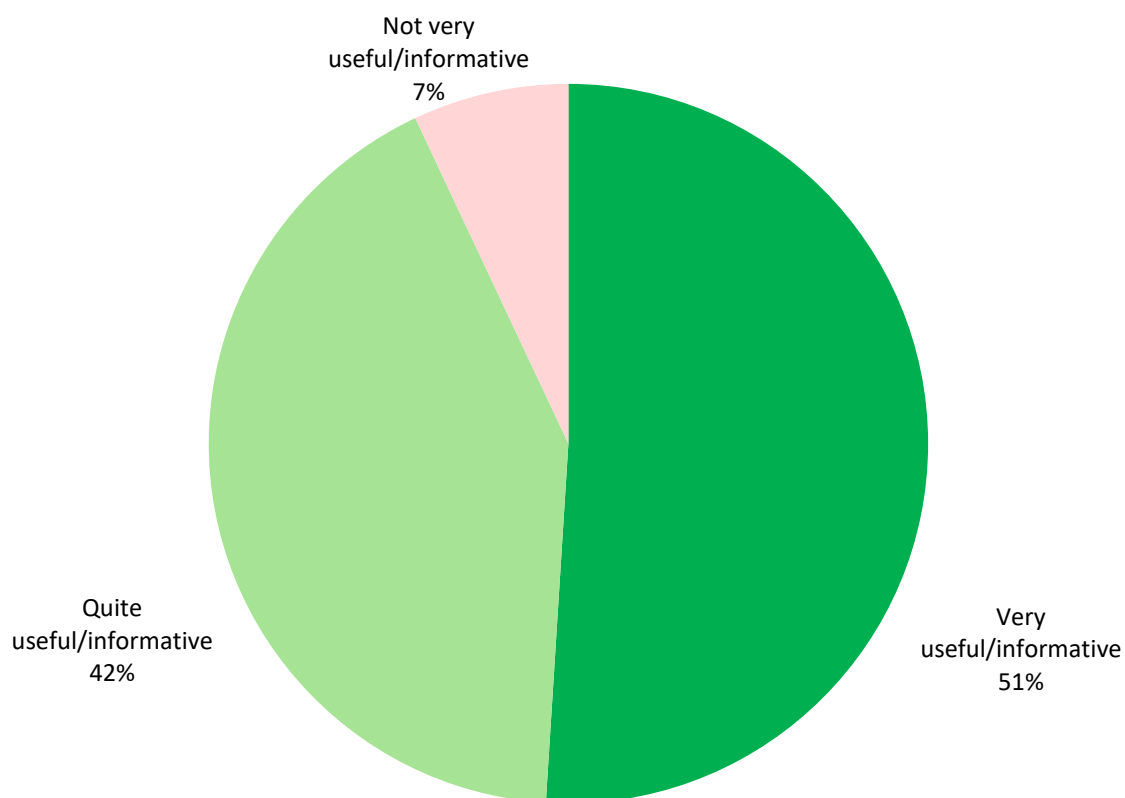
Base: All respondents who have engaged with the SSRO via bilateral meetings (43)

SSRO helpdesk

5.29 Around a third (32%) respondents have used the helpdesk, with **those working within industry** more inclined to do so.

5.30 Over 9 in 10 (94%) of these respondents were satisfied, which is the same as the 2018 survey.

Figure 22: How satisfied, if at all, were you with the assistance provided (in general) by the SSRO helpdesk?
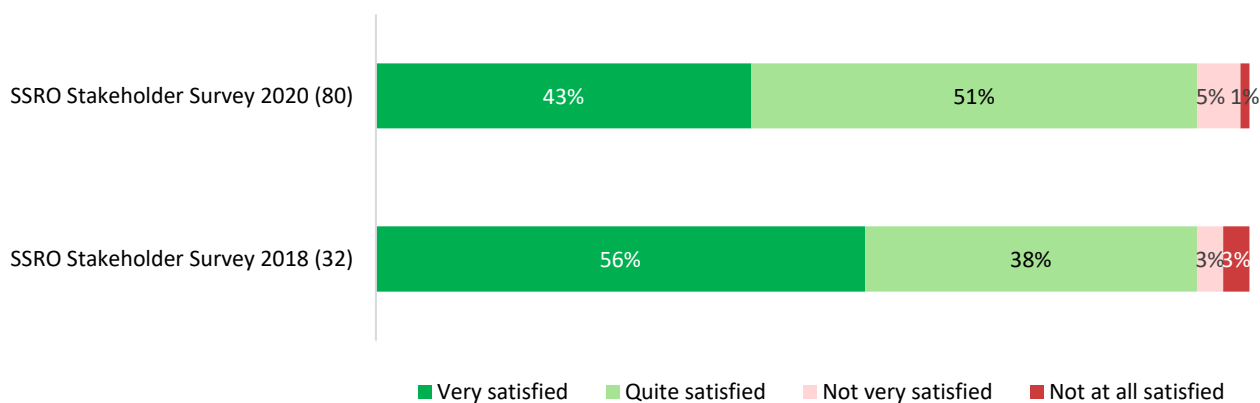
Base: All respondents who have engaged with the SSRO via the helpdesk (Number of respondents shown in brackets)

5.31 When asked about their relationship with staff, the key stakeholders interviewed as part of the depth interviews generally talked positively. They linked this positive relationship to SSRO's staff willingness to listen, their friendliness, their professionalism and general support. Many of these positive comments were aimed at helpdesk staff.

"We have good working relationships with them. When we speak to the guys on the help desk, they are very useful, there is always a willingness to help and a willingness to explain." – Industry, Key Stakeholder –

"Bearing in mind there are different levels so at a working level, their helpdesk, the people we have meetings with, at a day to day working level, the relationship's very good." – MOD, DefCARS user –

Assistance and support provided with regards to a QDC and QSC

5.32 Less than 1 in 10 (6%) respondents have accessed assistance and support when they entered into a QDC or QSC, with **those working within industry** more inclined to do so.

5.33 All (100%) of these respondents were satisfied, which is higher by 6 percentage points when compared with the 2018 survey, whilst the proportion who answered 'very satisfied' has increased notably by 43 percentage points.

Figure 23: How satisfied, if at all, were you with the 'onboarding' assistance and support provided by the SSRO when you first entered into a QDC or QSC?
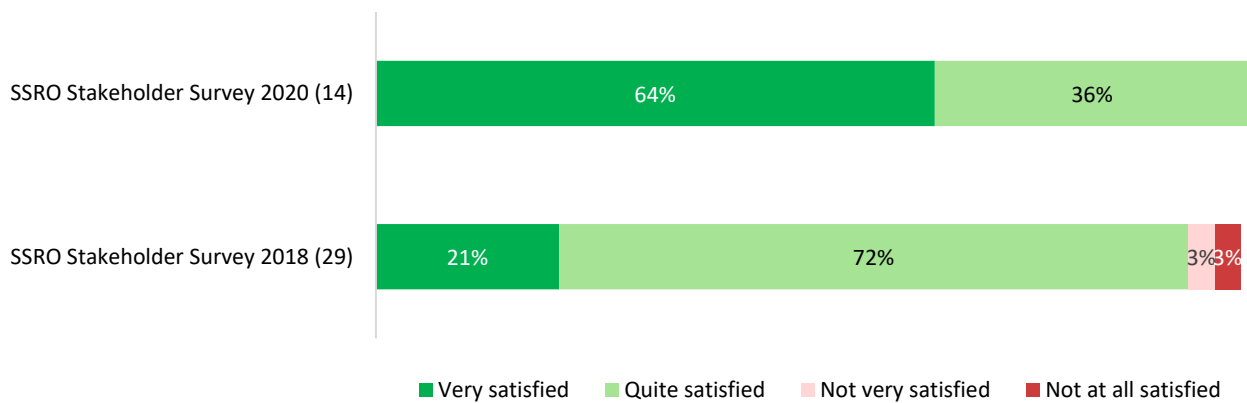
Base: All respondents who have engaged with the SSRO via 'onboarding' assistance and support (Number of respondents shown in brackets)

Consultation process (Area for Improvement)

5.34 Less than a fifth (15%) of respondents have participated in a consultation.

5.35 Over half (56%) of these respondents were satisfied (which is in line with the 2018 survey), although **key stakeholders** are less inclined to say this.

Figure 24: How satisfied, if at all, were you with your experience of the consultation process?
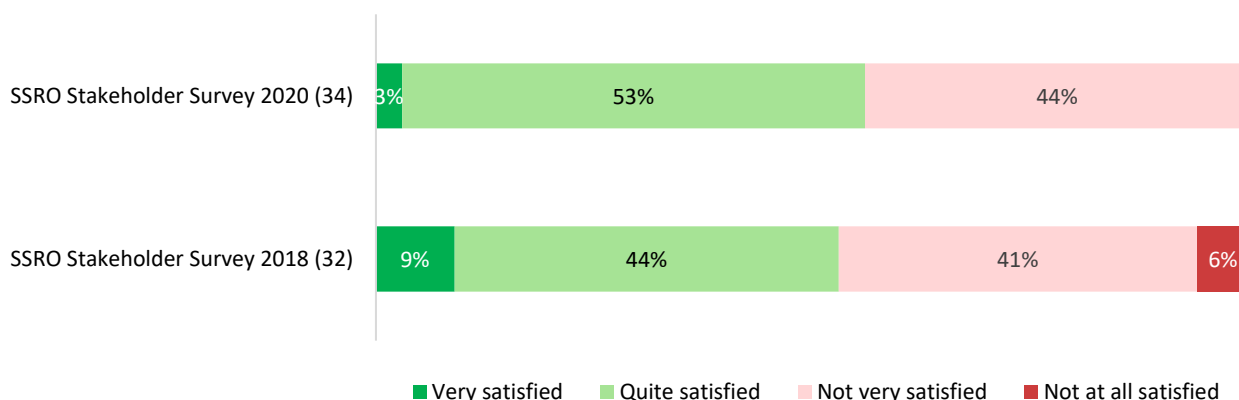
Base: All respondents who have engaged with the SSRO via the consultation process (Number of respondents shown in brackets)

5.36 Respondents who have not responded to an SSRO consultation in the last 12 months were asked why they haven't done so. For this question, respondents were provided with a list of options and asked to select all the ones which applied to them.

5.37 Around three quarters (74%) of these respondents said they haven't responded because they have not been asked to take part in any consultation, with **DefCARS users** and those **working at junior/officer level** more inclined to say this. Of the other options presented, 'no time/too busy' was chosen by 12%, with **key stakeholders** and **those working within industry** more inclined to select this.

Figure 25: If you have not responded to one or more of the SSRO's consultations over the last 12 months, which of the following reasons reflects why?
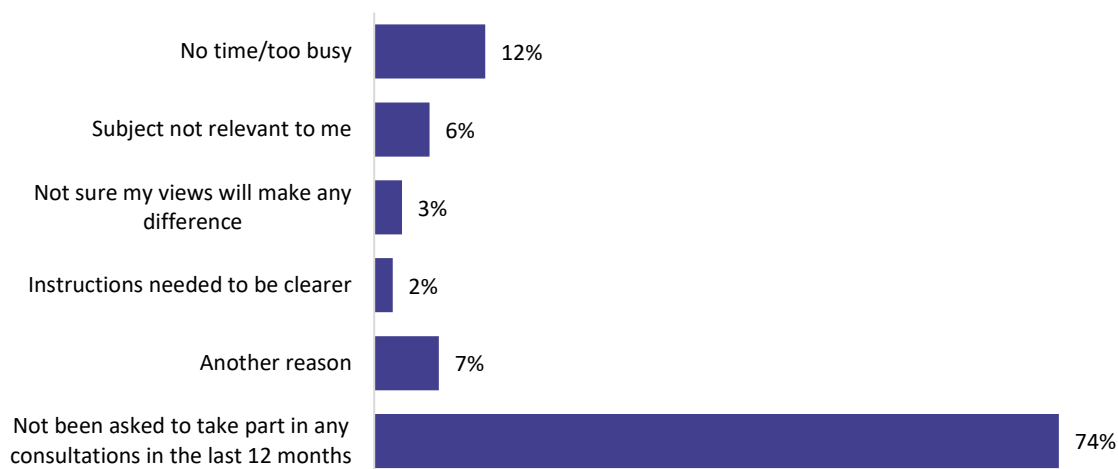
Base: All respondents who have not responded to an SSRO consultation in the last 12 months (188)

5.38 When asked about the consultation process in the depth interviews, some key stakeholders discussed the timing and communication of consultations. Summer and pre-Christmas were cited as inconvenient times of the year to consult given they are typically holiday periods.

"They tend to be issued at the end of a period - such as industry received lots and lots of papers from SSRO coming into the holiday period in August, and likewise December hits and they issue lots and lots of papers…they've done their work and the consultations ran over a period where industry is typically on holiday and MOD are typically on holiday." – Key Stakeholder –

"It's incredibly unhelpful for them to send out a bunch of consultations over the summer and I think if they think a little bit more about when is a useful time… Last summer for example, I think there about four or five consultations that were out over the summer. One of them was for quite a limited amount of time that was exactly the amount of time that my boss was out of the office for." – MOD, Key Stakeholder –

5.39 Another issue mentioned in relation to timing was that more could be done to notify respondents of when a consultation will be taking place.

"They could do a little bit better is communicate more when a consultation opens, give us more lead time or runway like so 'a consultation will be opening in thirty or sixty days on the following topic', that allows us and industry to canvas people to see whether 'hey, is this a topic, something we want to opine on." – Industry, Key Stakeholder–

5.40 Some participants questioned the high number of consultations undertaken. This, combined with the topics consulted on, led to a suggestion that SSRO lacks expertise to make decisions without consulting.

"They spend a lot of time actually consulting with people. In fact, I would argue they spend too much time consulting with people. Sometimes they consult on things that it's just really not worth it." – MOD, Key Stakeholder –

"Rather than consulting on just about everything, be a bit more authoritative and give their opinion that 'look as the experts, this is what we believe and this is how we think it should happen' rather than for every single thing seeking a consultation and consensus and then trying to almost please both sides." – MOD, DefCARS user –

"They do seem to churn out an awful lot of publications and they seem to have a lot of consultations and I'm wondering if they really need to have them all. It's the sheer volume and they tend to publish them in batches as well so at times it feels it's an awful lot to digest." – Industry, Senior Stakeholder –

5.41 One MOD respondent said they find consultations useful as they offer the chance to interact with Industry and address any misunderstandings about the MOD.

"It's really interesting for us to hear what industry think about stuff and it's really helpful for us to be there so that if industry is saying something that is actually wrong or is about the MOD's business that we are not going to do." – MOD, Key Stakeholder –

SSRO website

5.42 Over three fifths (63%) of respondents have visited the SSRO website, which is notably lower by 21 percentage points when compared with the 2018 survey.

5.43 Respondents who said they have visited the SSRO website were then asked which sections of the website they have accessed. For this question, respondents were provided with a list of sections and asked to select all the ones which they have visited.

5.44 Over four fifths (84%) of these respondents reported visiting the allowable costs section, whilst three quarters (75%) also said they visited the profit rate and reporting guidance and DefCARS sections.

5.45 **Key stakeholders**, **senior management** and **those involved with the SSRO for 6 years or more** are more inclined to say they have accessed the profit rate, referrals, consultations and research and statistics sections.

5.46 When compared with the 2018 survey, the proportion of respondents visiting each section is broadly similar, other than the corporate information and consultation sections which have seen a notable decrease of 16 percentage points.

Figure 26: Which of the following sections of the SSRO website have you accessed?

Legend:
- Overall (152)
- DefCARS users (109)
- Key stakeholders (43)

Section	Overall	DefCARS users	Key stakeholders
Allowable costs	84%	82%	91%
Corporate information	14%	6%	37%
News and communications	26%	17%	47%
Our consultations	28%	14%	65%
Profit rate	75%	70%	88%
Referrals	20%	13%	40%
Reporting guidance and DefCARS	75%	81%	60%
Research and statistics	19%	8%	47%
Other	3%	2%	5%
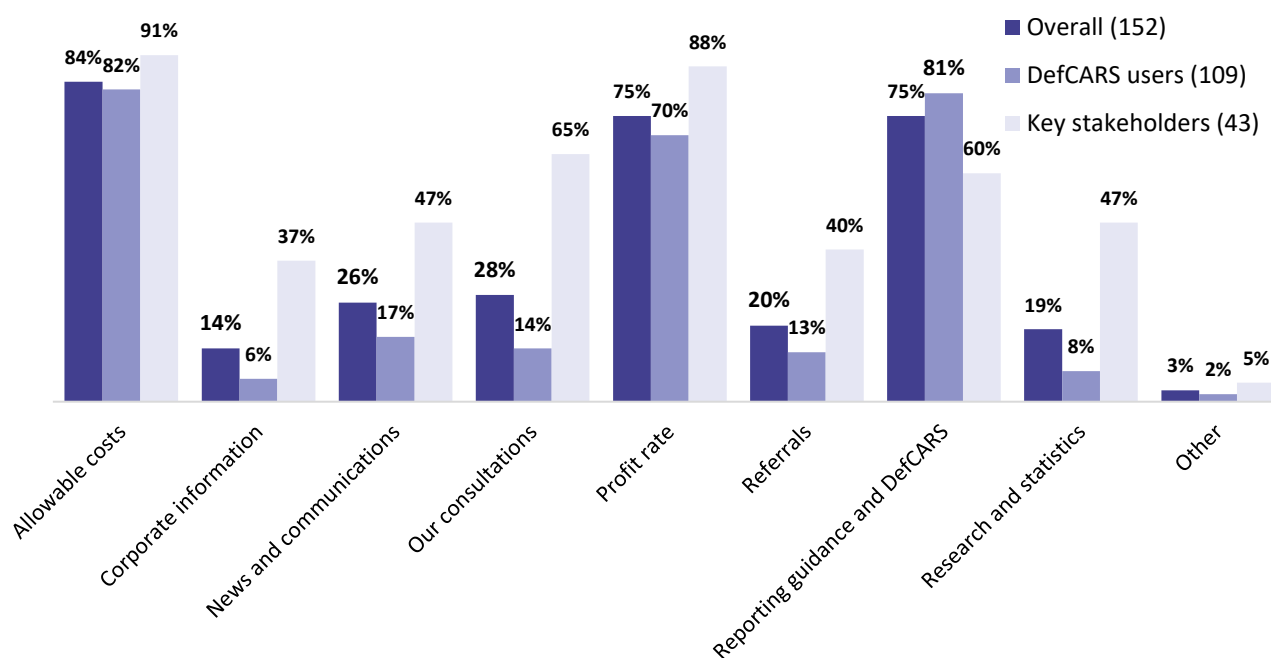
Base: All respondents who have engaged with the SSRO via the website (152)

5.47 Overall, respondents who have visited the SSRO website find each of the sections they have visited useful/informative. The sections which respondents feel are the most useful/informative are consultations (98%), referrals (97%) and news and communications (95%). More than four fifths consider all other sections useful/informative, other than research and statistics which is rated this way by 78%.

Figure 27: How useful or informative did you find the website section for…?

Section	%
Our consultations (41)	98%
Referrals procedures guidance (29)	97%
News and communications (39)	95%
Profit rate (108)	94%
Allowable costs (122)	91%
Reporting guidance and DefCARS (111)	90%
Corporate information (21)	86%
Research and statistics (27)	78%
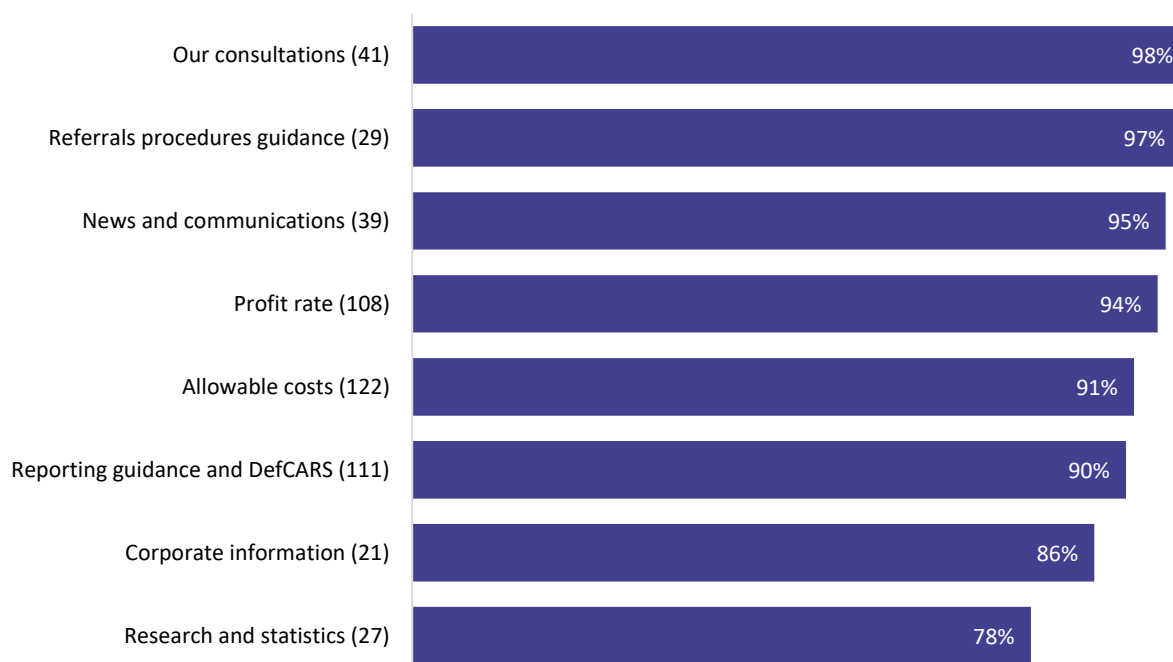
Base: All respondents who have visited each section of the website (Number of respondents shown in brackets)

5.48   The table below shows how responses to these questions compare against the 2018 survey. The proportion of respondents who find each section of the website useful/informative has increased in 4 of 6 instances (no question was asked about the research and statistics section in 2018), with two of those increases being particularly notable – referrals (27 percentage points) and consultations (26 percentage points).

5.49   Respondents who **work within Industry** are more inclined to find the allowable costs and reporting guidance and DefCARS sections of the website useful/informative.

Table 25: How useful or informative did you find the website section for…? Comparison to 2018[567]

Statement	Informative 2018	Informative 2020	Difference
Our consultations	72%	98%	+26%*
Referrals procedures guidance	70%	97%	+27%*
News and communications^	95%	95%	-
Profit rate	90%	94%	+4%
Allowable costs	83%	91%	+8%
Reporting guidance and DefCARS+	86%	90%	+4%
Corporate information	95%	86%	-9%
Research and statistics	N/A	78%	N/A

5.50   When asked to give their thoughts on the website in the depth interviews, stakeholders mainly discussed the usability of the site. Although views were mixed, there were some positive comments around ease of use and transparency.

"Their website, it's easy to navigate, the documents on there are easy to find, the guidance is good." – MOD, DefCARS user –

"I've got the website - it's very clear and easy to use" – MOD, Key Stakeholder –

"The website I think is pretty good; most of the documents are on there, it's a good resource and I direct my clients to use it and sign up to their update, so I think they are very open, they are very outward looking in terms of their website and communication." – Key Stakeholder –

"On the whole, they put a lot of stuff on their website, they are quite open about that sort of thing." – MOD, Key Stakeholder –

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[5] *Indicates that difference is notable
[6] +Option called 'DefCARS 2 and associate guidance' in 2018
[7] ^Option called 'Publications' in 2018

5.51 However, a couple of participants felt that the website can be overwhelming to use due to the amount of information available on it.

> *"It's not the most intuitive because of so much information on there; there are so many references from guidance document to another, regulation to another regulation to another regulation into another amendment. So, I do think their web portal can be a little confusing if you're trying to just self-educate or just find some guidance documents."*
> *– Industry, DefCARS user –*

> *"I'd have to say emails or publishing things on their website is the best way … it's just that at times it's the sheer volume of it is a little bit overwhelming."*
> *– Industry, Senior Stakeholder –*

5.52 Other issues around usability are quoted below:

> *"The process it's not really easily accessible on the web. The main documents that you need seem to be hidden whereas there's a group of documents that everybody needs, and I think they should be in your face when you get on the web but they're not." – Key Stakeholder –*

5.53 Stakeholders also provided some suggestions on how to improve the website.

> *"They could put things like their board minutes up there a lot quicker. In fact, I think that would be quite helpful." – MOD, Key Stakeholder –*

> *"The website is perhaps not the best design for research of the history of the changes. The current guidance is there as has been changed but what happened two years ago, perhaps difficult to find out. As I suggested, every time they make a change, not only would they keep a conformed copy of the current guidance but there's a separate document saying on this date, the following changes were made. There should be a research ability on the website." – Industry, Key Stakeholder –*

Hosting the SSRO

5.54 Less than 1 in 10 (8%) respondents have hosted the SSRO for a site visit, with **key stakeholders** and **those working within industry** more inclined to have done so.

5.55 Over 9 in 10 (95%) of these respondents found the experience useful/informative, which is in line with the 2018 survey (94 in 2018).

Figure 28: How useful or informative, if at all, did you find hosting the SSRO for a site visit?
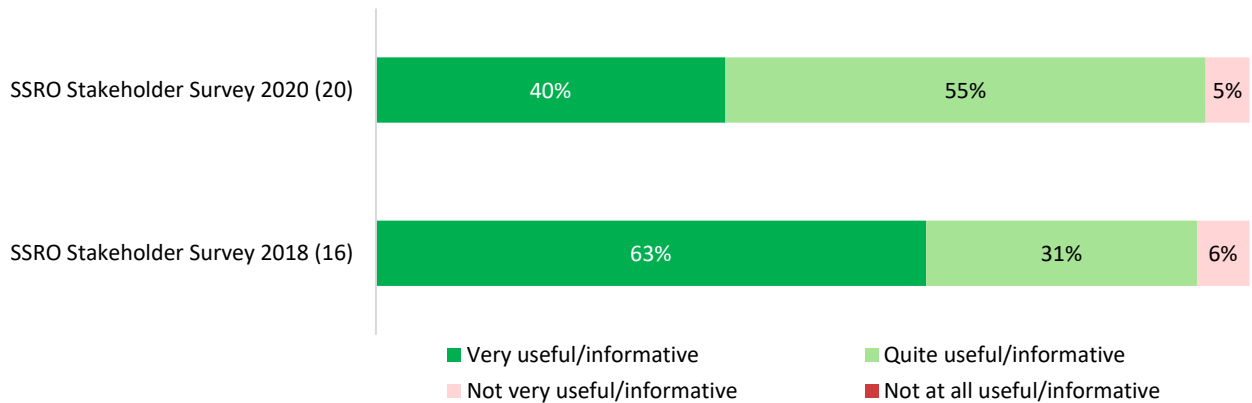
Base: All respondents who have engaged with the SSRO via hosting them (Number of respondents shown in brackets)

Submitting reports into DefCARS

5.56 3 in 10 (30%) respondents submitted reports into DefCARS as part of QDC or QSC reporting requirements. This question was only asked of **those working within industry**.

5.57 Over 7 in 10 (72%) of these respondents were satisfied, with senior managers more inclined to say this.

Figure 29: How satisfied, if at all, are you with DefCARS for submitting reports into DefCARS as part of QDC and QSC reporting requirements?

Not at all satisfied
8%

Very satisfied
15%

Not very satisfied
20%

Quite satisfied
57%
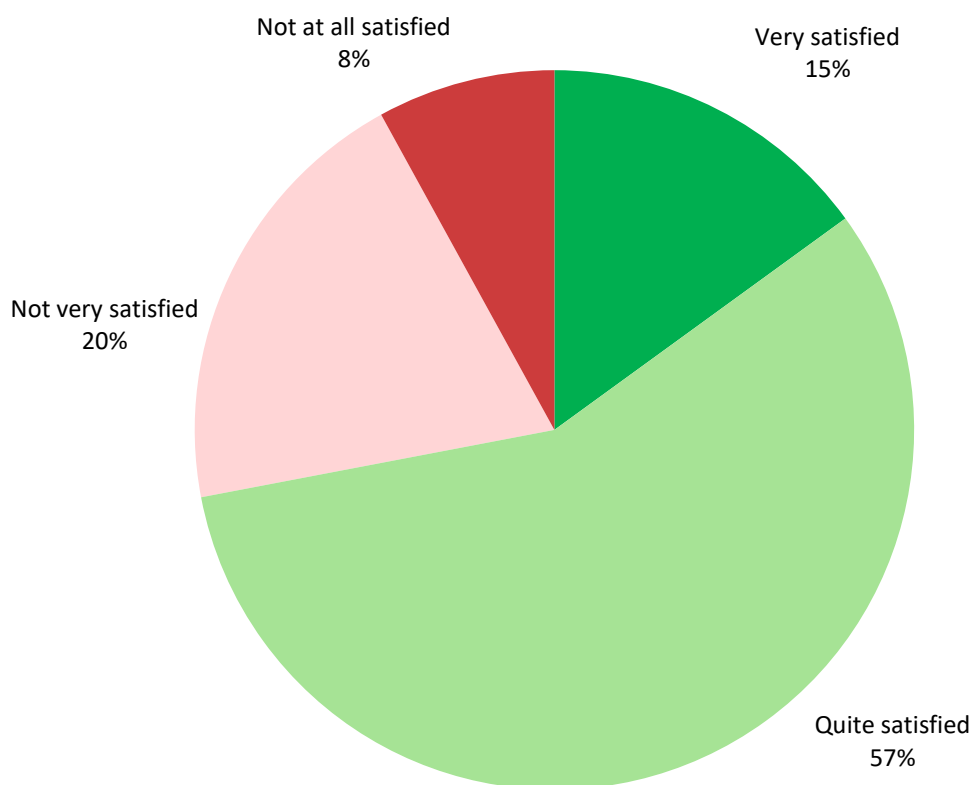
Base: All respondents who have engaged with the SSRO via submitting reports into DefCARS (74)

5.58 One participant in particular commented on the usability of the portal:

"We have to submit the reports on their portal, and they've got a lot of validation checks in those reports so if things don't validate you get error messages. I think they've done well in that they classify those error messages as either ones that you can still submit with or that you can't, so you don't have to 100% validate it which means you run the risk of missing deadlines etc. So I think that works well and invariably if you refer to the guidance it does help, the online guidance is pretty good it, if you're in one of their reports and you need to check the guidance there's a button you click on it takes you straight into guidance that refers to the page that you're on so I think they've done a fairly good job there." – Industry, Senior Stakeholder –

DefCARS responding to queries raised as part of compliance monitoring

5.59 A further question was asked of respondents who submitted reports into DefCARS as part of QDC or QSC reporting requirements. Like previously, this question was only asked of those **working within industry**.

5.60 Around four fifths (79%) of these respondents were satisfied with the way DefCARS responded to queries raised by the SSRO or MOD as part of compliance monitoring, with those who have been involved with the SSRO for between 1 and 3 years more inclined to say this.

Figure 30: How satisfied, if at all, are you with DefCARS for responding to queries raised by the SSRO or MOD as part of compliance monitoring?

Not at all satisfied
3%

Very satisfied
9%

Not very satisfied
19%

Quite satisfied
70%
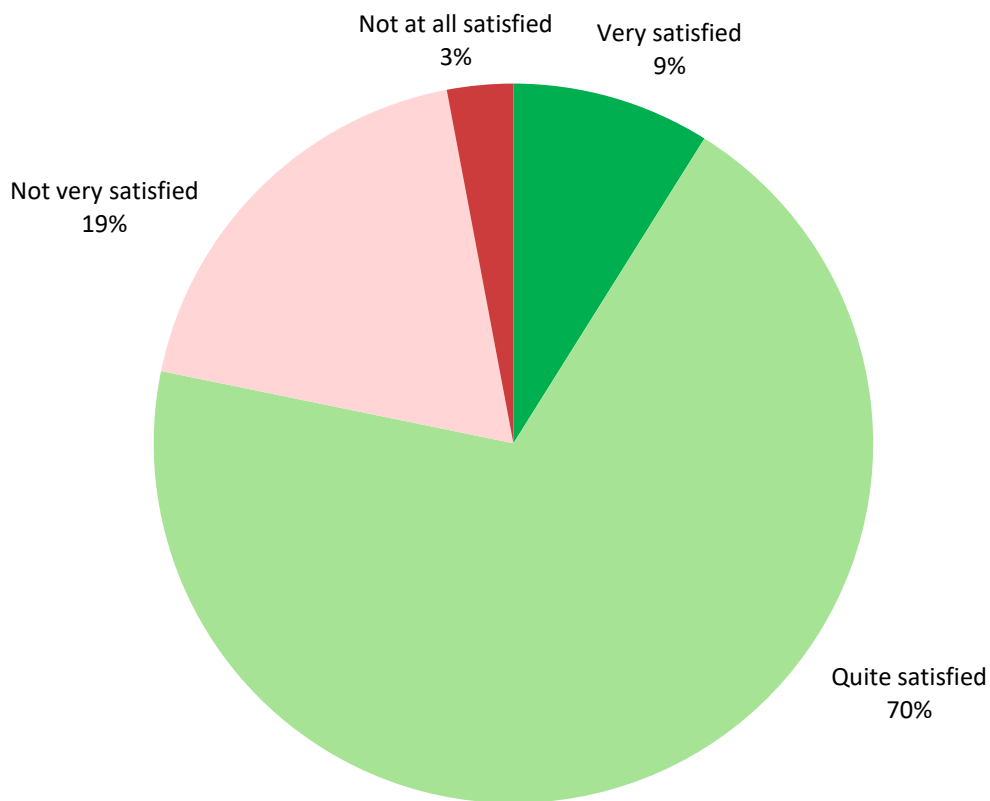
Base: All respondents who have engaged with the SSRO via submitting reports into DefCARS (70)

DefCARS as a platform for monitoring and analysing reports and data

5.61 Around two fifths (39%) used DefCARS for monitoring and analysis of reports and data. This question was only asked of those **working within the MOD**.

5.62 Over two thirds (67%) of these respondents were satisfied with DefCARS as a platform for monitoring and analysing reports and data.

Figure 31: How satisfied, if at all, are you with DefCARS as a platform for monitoring and analysing reports and data?
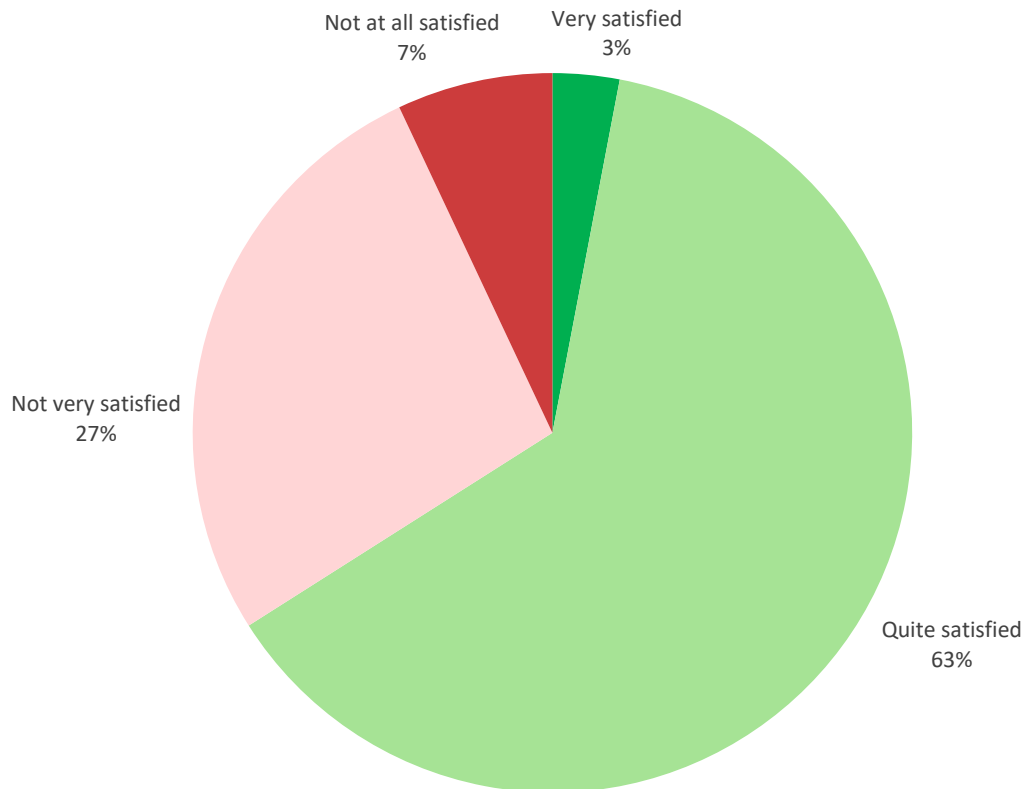
Base: All respondents who have engaged with the SSRO via using DefCARS as a platform for monitoring and analysing reports and data (90)

DefCARS raising queries and engaging with contractors

5.63 A further question was asked of respondents who used DefCARS for monitoring and analysis of reports and data. Like previously, this question was only asked of those **working within the MOD**.

5.64 Around three fifths (63%) of these respondents were satisfied with DefCARS for raising queries and engaging with contractors as part of compliance monitoring.

Figure 32: How satisfied, if at all, are you with DefCARS for raising queries and engaging with contractors as part of compliance monitoring?
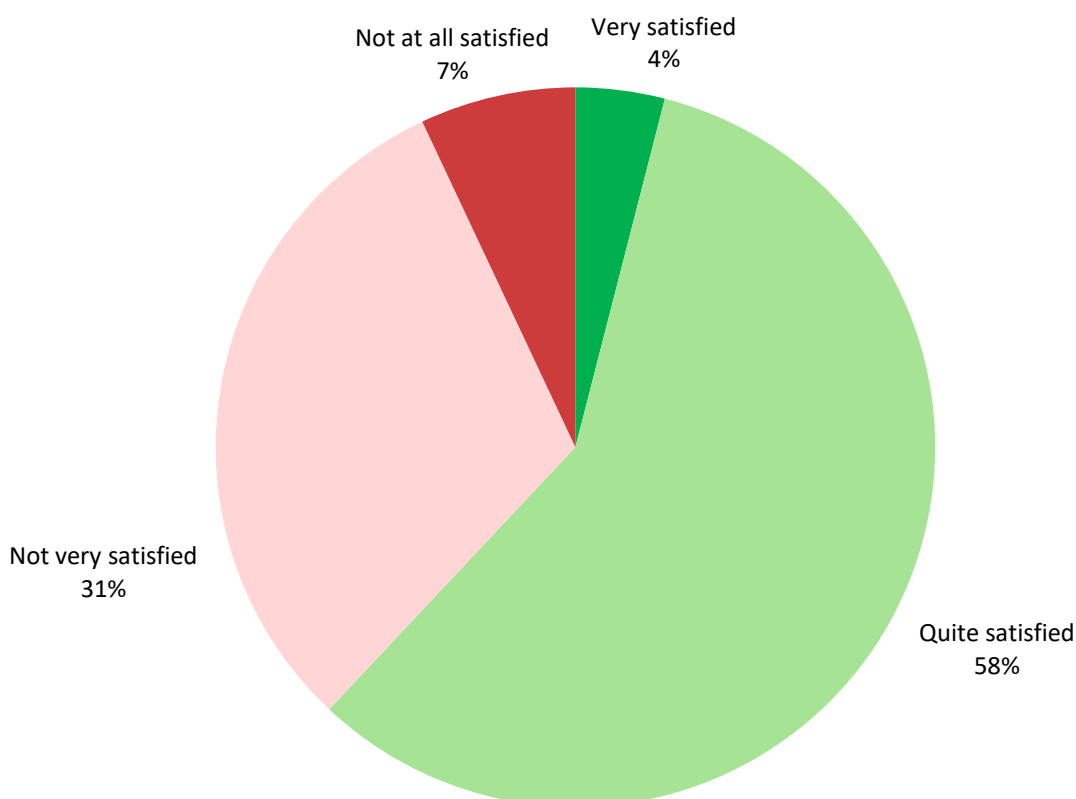
Base: All respondents who have engaged with the SSRO via using DefCARS as a platform for monitoring and analysing reports and data (72)

5.65 When questioned in more depth about the DefCARS system in the interviews, most respondents noted a number of issues and said that although there have been improvements, the system remains difficult to use in many ways. For example, it was thought to lack flexibility when trying to make changes - which can be time-consuming for the user to deal with.

"We've had one occasion where small contract became a QDC by amendment, so we eventually hit the £5 Million threshold; and I think the MOD aren't educated enough, so they told us to go put this in, and once again, DefCARS is not overly flexible for making those changes in those on-demand reports; and dealing with, potentially, multiple profit rates." – Industry, DefCARS user –

"DefCARS especially and some of the regulations are either not flexible enough, or at least the MOD aren't aware of it, where straight away, we get a tick in the box; it usually requires a little bit of engagement and a little bit of explaining before we get that stamp to say, 'yes, this is all approved and OK.'" – Industry, DefCARS user –

"When you turn that into a toolset, becomes very difficult because they ask around key milestones and deliverables like this, and some of the things they ask for in there actually are really difficult to answer because you just don't have it, or it's just that's not the way this is working. So, it's trying to shoehorn everything into a strict way it's done." – Industry, DefCARS user –

"When we've had to do an on-demand report, and you're doing a date change, the on-demand report requires we amend everything, so it's quite time-consuming; all we wanted to do was change the date." – Industry, DefCARS user –

5.66 For participants, this lack of flexibility results in a system that is not user friendly.

"It's not a very intuitive system. Some systems, you can pick them up with no training whatsoever, they're just very intuitive but DefCARS is not one of those systems." – MOD, DefCARS user –

"It's very prescriptive; not very user-friendly. It's certainly better than it used to be; when I first got involved, it was horrendous, but it does feel quite bureaucratic – Industry, DefCARS user –

5.67 Several participants found the email notifications frustrating as they are apparently often about things they consider trivial.

"At times it seems they're checking up on the most trivial of things… a dozen emails telling me something I thought I already knew." – Industry, Senior Stakeholder –

5.68 One participant from Industry explained that they are spending more time on inputting data into DefCARS and as a result, they are building the cost of complying with the regime into their bid costs for the MOD.

"We've started increasing our bid to the MOD because we now have more admin to fill this in and it takes a lot of time. It's hours' worth of work to get it all uploaded and eventually, you get to the point whereas it's like, 'that's successful – fine'. But no one comes back to you after that. So, it's like, it feels as though much like an administrative task that doesn't add, for us, any value at all. And, you know, frankly, we're then having to increase our man-power to be able to support it." – Industry, DefCARS user –

5.69 Some specific suggestions to improve the DefCARS system are below.

"They issue a blank form for a BUCAR (Business Unit Cost Analysis Report), and they say 'actually, try to complete a form with real information'… they could have an example of a good form. When there's a box of comments, it's just called a 'comments box', but … they could be more specific that this comment should include where variances should appear over a certain amount or something. Rather than just having a comments box, because some people just leave it blank. Finance people like numbers so won't usually put comments in, even though there's a comment box. And one of the worst things about the business is that different companies would put the same cost in a different column, like HR, for example. So companies put all training under the HR column, and other companies will identify training under who the training was for… If they're trying to benchmark, they need to understand … narrative by the company that explains which costs have gone into which column. Because otherwise they won't be able to compare anything."
– Industry, Senior Stakeholder –

"It could just be a lot easier to use and reduce that time entering and then having to respond to the email saying things aren't quite right and … we also had a thing around … it had a thing where you had to upload inside thirty days otherwise, you're going to … potentially have fines. And what we find is, the MOD don't even get it initialised on the system for thirty days. So, that's given us concerns about whether we were going to get fined and be held responsible for the MOD's … the time they took to do things… you're left with a day after to get the thing on. So, to me, there's things like that they could look at as well in terms of giving you time from when it's initialised; because we can't be held responsible for the time it takes MOD to do that – that's MOD's task to inform the SSRO and again on the system." *– Industry, DefCARS user –*

5.70 Some aspects of the DefCARS system were mentioned as a positive, such as being able to submit reports that are not 100% validated.

"We have to submit the reports on their portal and they've got a lot of validation checks in those reports so if things don't validate you get error messages. I think they've done well in that they classify those error messages as either ones that you can still submit with or that you can't, so you don't have to 100% validate it which means you run the risk of missing deadlines etc. So I think that works well and invariably if you refer to the guidance it does help, the online guidance is pretty good it, if you're in one of their reports and you need to check the guidance there's a button you click on it takes you straight into guidance that refers to the page that you're on so I think they've done a fairly good job there." *– Industry, Senior Stakeholder –*

Engagement through the referral process

5.71 Only seven respondents had engaged with the SSRO through the referral process. Six of the seven respondents were satisfied, with one of them being very satisfied. Only one respondent was dissatisfied.

5.72 These findings are similar to the 2018 survey where only nine respondents said they had engaged with the SSRO through the referral process – seven were satisfied and two dissatisfied.

6. Guidance

Key Performance Indicator

6.1 Over four fifths (84%) of respondents who have used at least one type of guidance agree that the SSRO's guidance is clear and applicable. This is higher than the target of 75%.

Table 26: Key Performance Indicator 2

Issue guidance that supports the optimal working of the regulatory framework	Target	Performance
Proportion of stakeholders who agree the SSRO's guidance is clear and applicable	**75%**	**Higher (84%; 136 out of 162)**

Guidance usage

6.2 When respondents were asked about the type of SSRO guidance they have used, around two thirds or more said they have used reporting and DefCARS user guidance (71%), allowable costs (70%) and the baseline profit rate and its adjustment (65%).

6.3 The vast majority (92%) of respondents have used at least one type of guidance.

Figure 33: Have you used any of the following guidance?

Guidance type	%
Reporting and DefCARS user guidance	71%
Allowable costs	70%
The baseline profit rate and its adjustment	65%
Referrals procedures guidance	8%
Used at least one type of guidance	92%
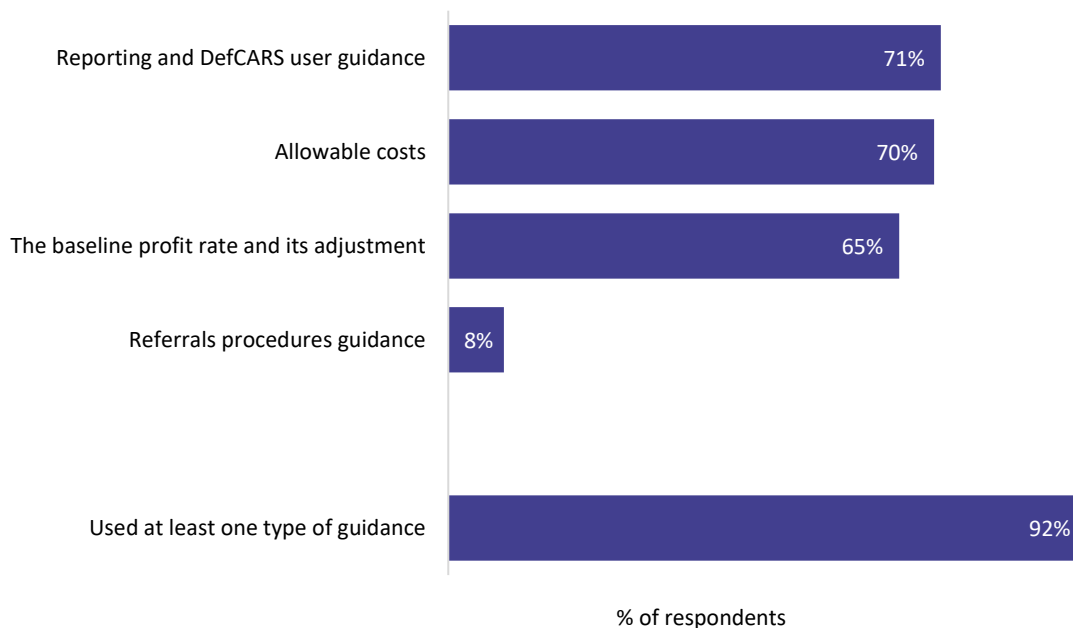
% of respondents

Base: All respondents (240)

Differences by sub-groups

6.4   The following table summarises the sub-groups which are more or less inclined to say that they have used each type of guidance.

6.5   It is worth noting that **key stakeholders**, **senior managers** and those **involved with the SSRO for 6 years or more** are more inclined to use 3 of the 4 types of guidance, whilst **DefCARS users**, those who **work at junior/officer level** and those **involved with the SSRO for less than 1 year** are less inclined to use 3 of the 4 types of guidance.

Table 27: Have you used any of the following guidance? Analysis by sub-group.

Have you used any of the following guidance?	Respondents more inclined say they have used guidance	Respondents less inclined to say they have used guidance
Reporting and DefCARS user guidance	DefCARS users Those involved with SSRO between 1 and 3 years	Key stakeholders Those involved with the SSRO for 6 years or more
Allowable costs	Key stakeholders Senior managers Those involved with the SSRO for 6 years or more	DefCARS users Work at junior/officer level Those involved with the SSRO for less than 1 year
The baseline profit rate and its adjustment	Key stakeholders Senior managers Those involved with the SSRO for 6 years or more	DefCARS users Work at junior/officer level Those involved with the SSRO for less than 1 year
Referrals procedures guidance	Key stakeholders Senior managers	DefCARS users Work at junior/officer level Those involved with the SSRO for less than 1 year

Views on guidance

Reporting and DefCARS user guidance

6.6   Over three quarters (77%) of respondents who have used the reporting guidance and DefCARS user guide agree that it is clear and applicable which is lower by 10 percentage points when compared with the 2018 survey. Over a fifth (23%) disagree that it is clear and applicable.

6.7   Respondents who are **junior/officer level** are more inclined to agree that the reporting guidance and DefCARS user guide for defence contractors is clear and applicable.

Figure 34: To what extent do you agree or disagree that the reporting guidance and DefCARS user guide for defence contractors is clear and applicable? [8]
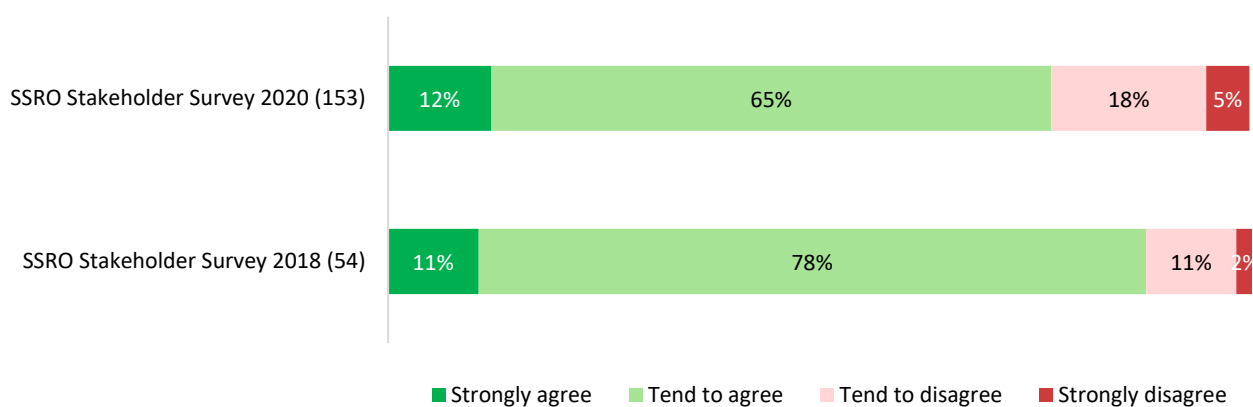
Base: All respondents who have used reporting guidance and DefCARS user guide (Number of respondents shown in brackets)

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[8] Question asked about 'DefCARS 2 reporting guidance and system user guide for defence contractors' in 2018

6.8 Participants that were asked in more depth about the reporting guidance and DefCARS user guide provided mixed feedback. While some thought the guidance had improved and was useful for learning, others did not consider it up to standard - with some describing it as too vague with insufficient examples.

"I actually learned more from reading the guidance afterwards because I thought 'well, I actually know nothing from the training, so I need to read the guidance' and I understood it a bit more from the guidance." – MOD, DefCARS User –

"Over the last couple of years, it has got a lot better and less vague." -- MOD, DefCARS user –

"It has become weaker than it was previously. The views that have been expressed since the SSRO published it in 2015, not just by me but by many other people around the Ministry of Defence and Industry, that this guidance is not good enough." -- MOD, Key Stakeholder –

6.9 The DefCARS user guide was described as somewhat complex and in need of simplification.

"If you are reading the guidance then you are probably new to DefCARS so it should be simpler/more straightforward." – MOD, DefCARS user –

"It's clear but it's also complicated but I got through it in the end so perhaps it worked." – Key Stakeholder –

Allowable costs

6.10 Four fifths (80%) of respondents who have used the allowable costs guidance agree that it is clear and applicable which is notably higher by 13 percentage points when compared with the 2018 survey. A fifth (20%) disagree that it is clear and applicable.

6.11 Respondents who are **junior/officer level** and those who have been **involved with the SSRO between 1 and 3 years** are more inclined to agree that the allowable costs guidance is clear and applicable. Conversely, **key stakeholders** and those who have been **involved with the SSRO 6 years or more in the last 12 months** are less inclined to say this.

Figure 35: To what extent do you agree or disagree that the Allowable costs guidance is clear and applicable?
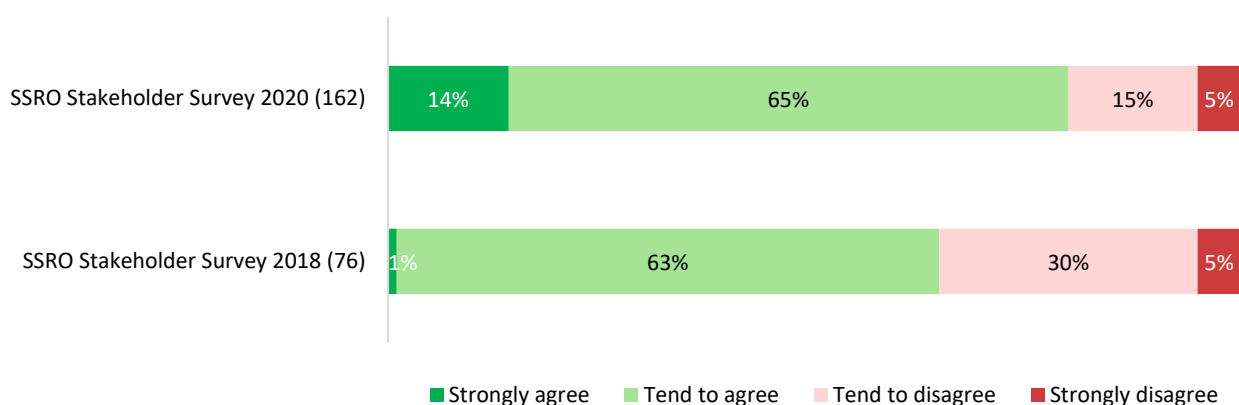
Base: All respondents who have used allowable costs guidance (Number of respondents shown in brackets)

6.12 Views were mixed in the depth interviews around the clarity of the allowable costs guidance, with some stakeholders suggesting sections that are not clear enough.

> *"Much of the allowable cost guide I think is clear but they have left some topics, which are difficult topics – such as tax credits for R&D work – where it's still possible to have an argument." – Industry, Key Stakeholder –*

> *"We've just talked through some of the aspects on allowable costs that only recently ensures it's any good, still today private venture research and development is still miles off." – Key Stakeholder –*

> *"On the allowable costs guidance there is still a bit of ambiguity around certain areas, but you would expect that to mature so as people come up with examples and ask for clarity. It's not brilliant at the minute but it's better than it was." – Industry, Key Stakeholder –*

6.13 One participant thought that a 'one size fits all' approach is an issue in the context of defence procurement.

"We buy submarines, ships, aeroplanes, and then we sort of run naval air stations, and we run buildings, we buy clothing; so, we buy everything! Some of it is far more complex than others, and one size does not fit all, and their [the SSRO] guidance is very much one size fits all." – MOD, Key Stakeholder –

6.14 A couple of participants felt that the regulatory regime focuses too much on profit and not enough on cost.

"It is so superficial; this regime focuses on profit where most of the cost is in the cost and this regime was supposed to focus on the cost." – Key Stakeholder –

"The profit is just a calculation on the costs – get the costs right, then I don't really mind what the profit is." – MOD, Key Stakeholder –

6.15 For one participant the, problem lies in the fact that the guidance simply replaced the yellow book with some added tweaks.

"It seems that they have largely lifted a lot of the yellow book stuff and sort of tweaked it to the brave new world that is Single Source Contract Regulations. I think really what they need is somebody to have a sit down and go 'Actually, if I were pricing a contract and if I were negotiating a contract on a Single Source basis using these regulations, this is what I would need to know' ... whereas they are sort of tweaking something that's not really ideal in the first place." – MOD, Key Stakeholder –

6.16 An industry senior stakeholder suggested that examples and illustrations would make the guidance clearer.

"You know they need more examples and illustration of what they're actually meaning by their word." – Senior Stakeholder, Industry –

Baseline profit rate and its adjustment

6.17 Over four fifths (83%) of respondents who have used the baseline profit rate and its adjustment agree that it is clear and applicable which is higher by 9 percentage points when compared with the 2018 survey. Less than a fifth (17%) disagree that it is clear and applicable.

6.18 Respondents who have been **involved with the SSRO between 1 and 3 years** are more inclined to agree that the baseline profit rate and its adjustment is clear and applicable.

Figure 36: To what extent do you agree or disagree that the guidance on the baseline profit rate and its adjustment is clear and applicable?
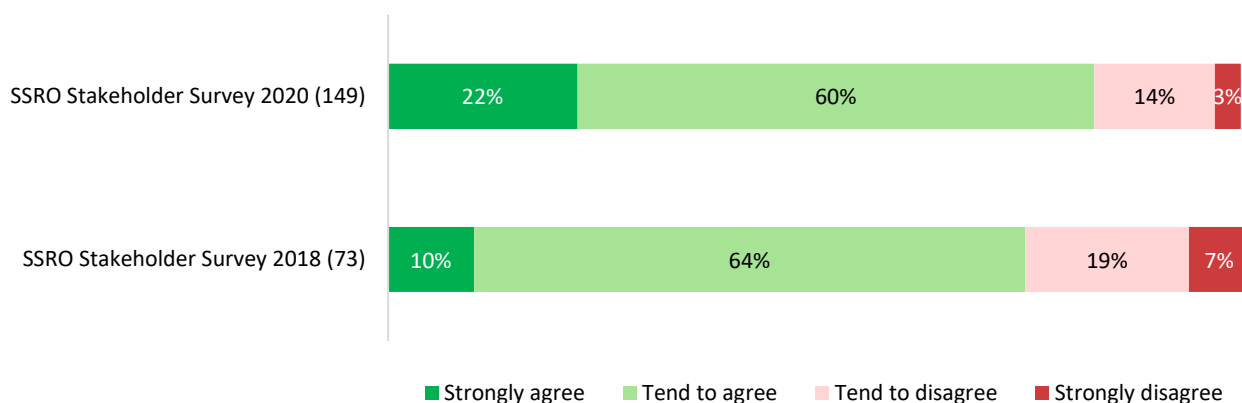
Base: All respondents who have used the baseline profit rate and its adjustment (Number of respondents shown in brackets)

6.19 In the depth interviews, there was some criticism from respondents when it came to calculating the baseline profit.

"The issue is the baseline profit rate has about three fundamental errors in its calculation. We've described those to the SSRO, they have a difference of opinion on some. On one of them, they don't understand the issue adequately."
– Key Stakeholder –

"Industry is saying that they don't really understand the calculation; they're not really happy with it. That's the one thing where, I think, the SSRO, if they need to get accountancy advice – they should do that rather than just think they know all about it themselves."
– Industry, Senior Stakeholder –

6.20 Among participants, there was a disagreement over methodology with some stakeholders suggesting calculations be made more transparent.

"I disagree with a lot of their methodology on business combinations." – Key Stakeholder –

"The baseline profit we just don't agree with their methodology which is why we've put tend to disagree…We and others in industry, I think they know why we're saying what we're saying and we're trying to provide further information to them to support the point, they've just chosen to stay with how they're currently doing it." – Industry, Key Stakeholder –

"On the baseline rate and its adjustment guidance there is transparency of the calculation but there is no transparency of the data that feeds the calculation. So, they tell us how they are going to work the numbers out but then they don't give us the data with which to check it. It's a bit of a trust us we've done it right but the other way around there is a lot of scrutiny on us to demonstrate why we have put a number in a box on a report. So that seems to be unbalanced." – Industry, Key Stakeholder –

6.21 There were, though, some positive comments in relation to transparency and the clarity of instructions.

"Some parts of their guidance on, you know, how you go about calculating the profit rate; how you go about how they explain they derive the profit rate – that is good and that is there and available if you want to go and look for it." – MOD Key Stakeholder –

"We have used that several times and if you walk through the instructions it is pretty clear what to do and it has worked with us." – Industry, DefCARS user –

Referrals procedures

6.22   Over 9 in 10 (94%) respondents who have used the guidance on referrals procedures agree that it is clear and applicable which is comparable with the 2018 survey (91% in 2018).

Figure 37: To what extent do you agree or disagree that the guidance on referrals procedure is clear and applicable?
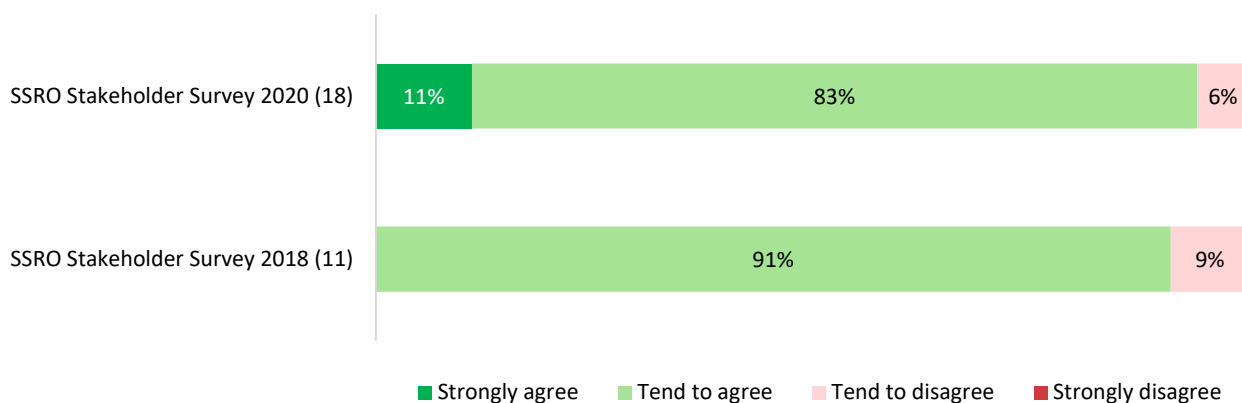
Base: All respondents who have used the guidance on referrals procedures (Number of respondents shown in brackets)

6.23   In the in-depth interviews, while there were some positive comments around layout, one participant thought that the guidance for referral procedures was ambiguous, specifically around 'sunk cost'.

"If you are … referring something and I've looked at particularly a referral around sunk cost … the output of that referral probably put everything backwards because it was so ambiguous in 'it could be, it couldn't be, depends on this that, oh we haven't looked at all the information, we haven't seen the contract so we couldn't possibly give you a definitive opinion.." – Industry, Key Stakeholder –

"I referred to one of those documents, would they work? And my feeling is they do… the layout's clear; content comes over ok." – Key Stakeholder –

SSRO processes for reviewing its guidance

6.24 Around a third (34%) of respondents were unable to provide an answer when asked if they agree or disagree that the SSRO's processes for reviewing its guidance are fit for purpose.

6.25 Of those who were able to respond, over four fifths (81%) said they agree that they are fit for purpose which is notably higher by 15 percentage points when compared with the 2018 survey (66% in 2018). Around a fifth (19%) disagree that the process for reviewing guidance is fit for purpose.

6.26 Respondents who have been **involved with the SSRO between 1 and 3 years** are more inclined to agree that the SSRO's processes for reviewing its guidance is fit for purpose. Moreover, when viewing key stakeholders in isolation, those **who work within Industry** are more inclined to agree with this when compared with those **who work within the MOD**.

Figure 38: To what extent do you agree or disagree that the SSRO's processes for reviewing its guidance is fit for purpose?
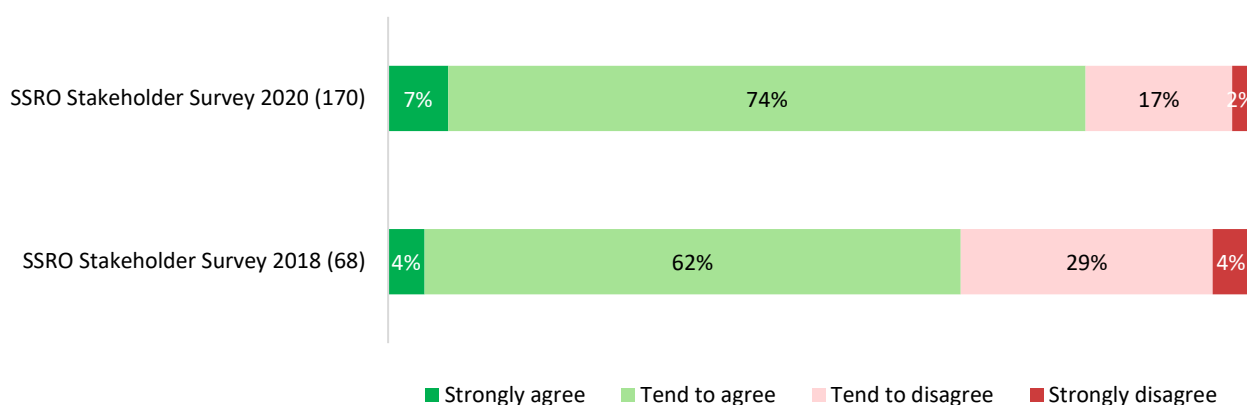
Base: All respondents who know the process for reviewing SSRO guidance (Number of respondents shown in brackets)

6.27 In the view of one MOD stakeholder, the lack of published outputs from the workshops was an issue in the sense that it leads to a lack of transparency.

"It's not clear what's happened with the output from any of the workshops and see it written up in any shape or form or published. And then… it's not easy to see where are the inputs I have made or the Ministry of Defence or some of our suppliers have made, has actually been used by the SSRO to determine what the product is that they've used the consultation to inform. So, it's really more around that, and that comes back to transparency." – MOD, Key Stakeholder –

7. SSRO Values

Perceptions of SSRO values

7.1 Around a 3 in 10 respondents were unable to provide an answer when asked if they agree or disagree with a series of statements regarding SSRO values.

7.2 Of those who were able to respond, 9 in 10 or more agreed that the SSRO is independent (94%), fair and impartial (90%) and open and transparent (90%). The lowest levels of agreement can be found in the statements regarding the SSRO being authoritative (85%) and pro-active (73%), although it must be pointed out that levels of agreement here are still relatively high.

Figure 39: To what extent do you agree or disagree with the following statements...? The SSRO is…
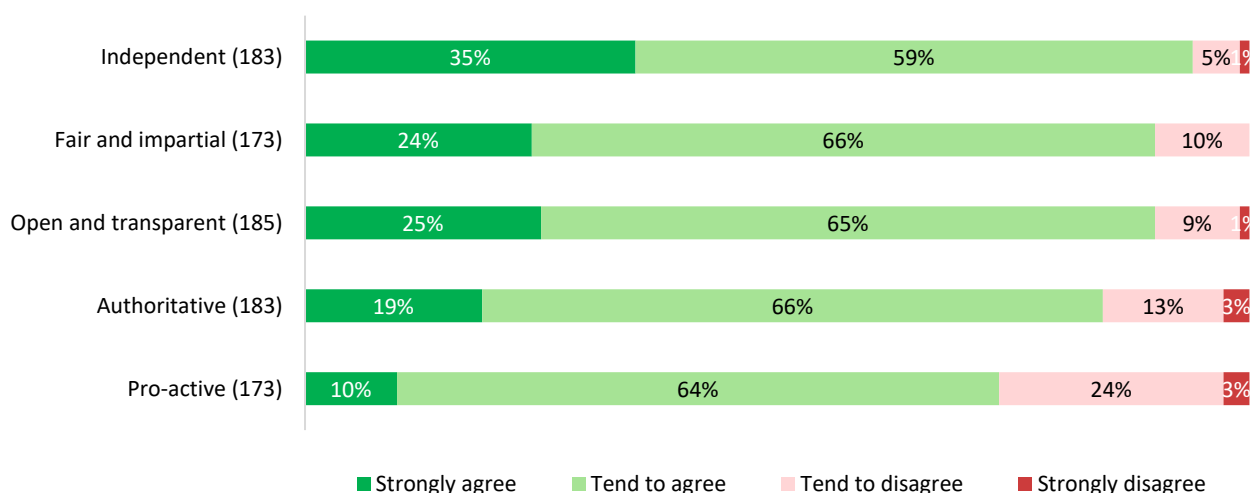
Base: All respondents able to respond to questions regarding SSRO statements (Number of respondents shown in brackets)

Comparison with 2018 survey

7.3 The table below shows how responses to these questions compare against the 2018 survey. The proportion of respondents who agree with the statements is notably higher in 4 of the 5 cases.

Table 28: To what extent do you agree or disagree with the following statements...? Comparison to 2018 survey

Statement	Agreement 2018	Agreement 2020	Difference
The SSRO is independent	79%	94%	+15%*
The SSRO is fair and impartial	66%	90%	+24%*
The SSRO is open and transparent	76%	90%	+14%*
The SSRO is authoritative	68%	85%	+17%*
The SSRO is pro-active	72%	73%	+1%

7.4 The charts below show how the responses for these questions vary across different sub-groups of the population who agree with the statements regarding SSRO values.

7.5 **DefCARS users** are more inclined to agree that the SSRO is independent and fair and impartial, whilst when looking specifically at key stakeholders, those **who work within Industry** are more inclined to say they view the SSRO as authoritative and pro-active (key stakeholders who work within the MOD provided low scores for the authoritative and pro-active statements – 50% and 33% respectively[9]).

Figure 40: To what extent do you agree or disagree with the following statements...? The SSRO is independent; chart shows the proportions who <u>agree</u>
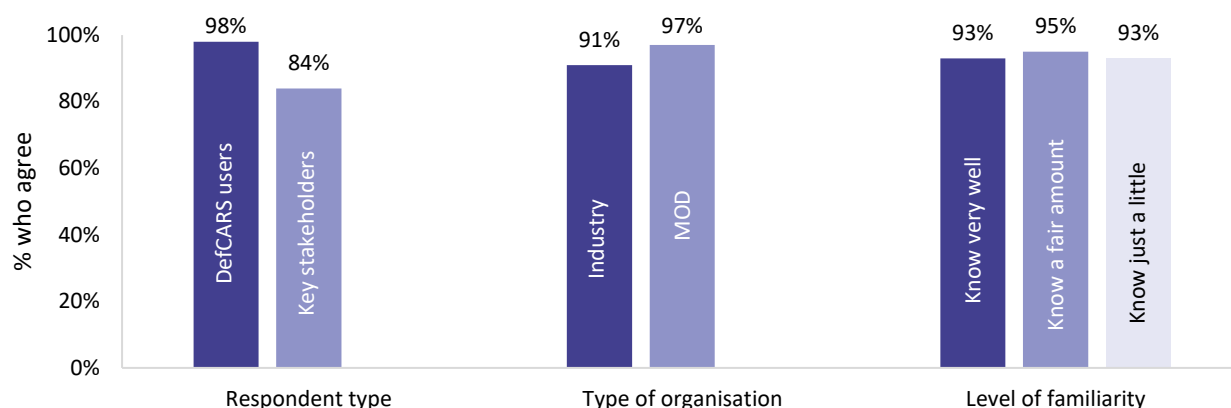
Figure 41: To what extent do you agree or disagree with the following statements...? The SSRO is fair and impartial; chart shows the proportions who <u>agree</u>

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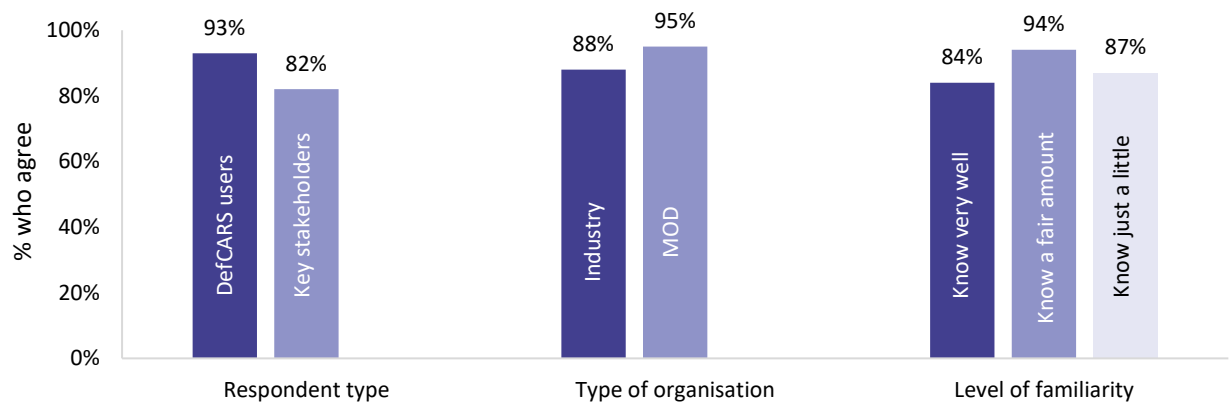
[9] Please note, the number of key stakeholders who work within the MOD is small so results should be treated with caution.

Figure 42: To what extent do you agree or disagree with the following statements...? The SSRO is open and transparent; chart shows the proportions who <u>agree</u>
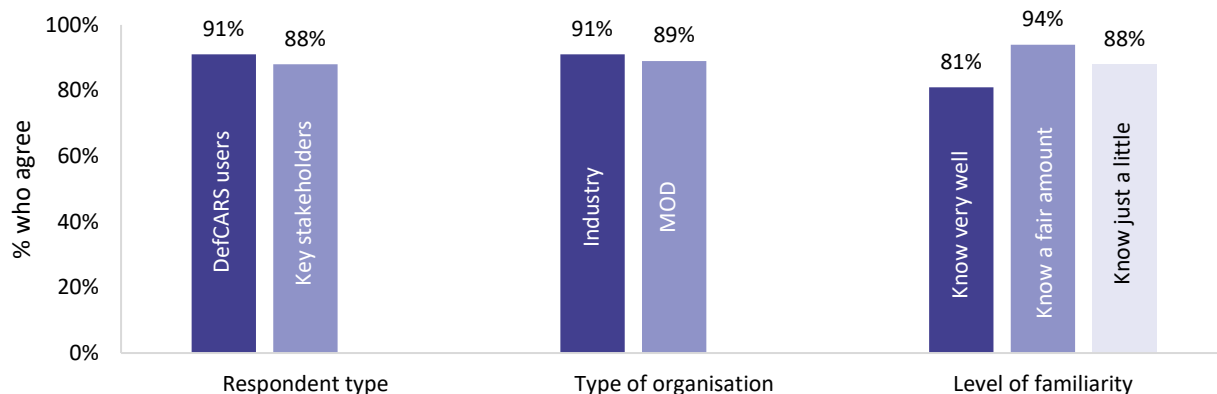
Figure 43: To what extent do you agree or disagree with the following statements...? The SSRO is authoritative; chart shows the proportions who <u>agree</u>

Figure 44: To what extent do you agree or disagree with the following statements...? The SSRO is pro-active; chart shows the proportions who <u>agree</u>
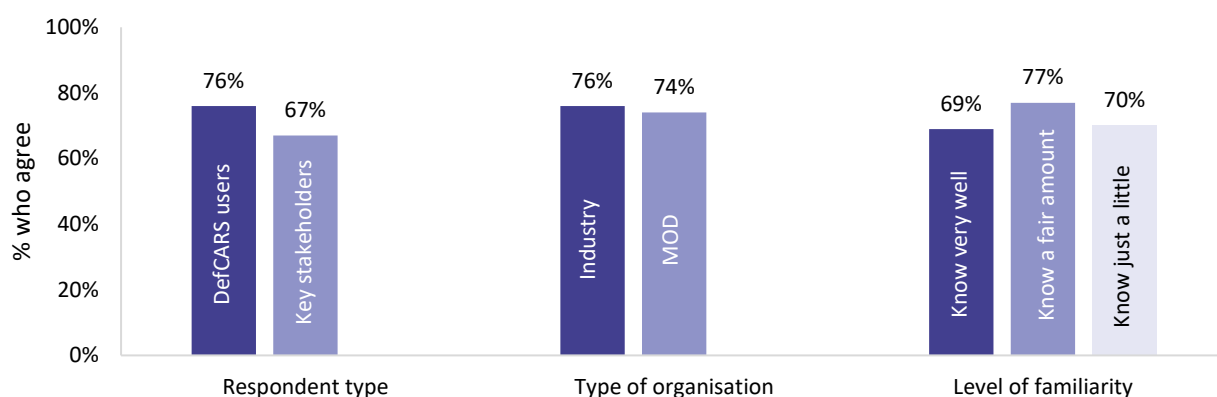
Fair and impartial

7.6   In general, depth interview participants did not raise any major concerns regarding the SSRO's impartiality. There was a sense that the SSRO strives to be impartial and fair and for some, this was linked to the SSRO always having to refer to regulations.

> *"They're impartial in a sense that I don't believe that they're arguing for the MOD or arguing for us, they always say this is what the regulations should be… I've never had that feeling that they're just working for the MOD and trying to screw us out of money. I just feel that they're just trying to ensure that we we're working to the letter of the law." – Industry, DefCARS user –*

7.7   Of more concern was competence, which was again thought to be linked to a lack of knowledge among staff. Participants wanted the SSRO to demonstrate a more authoritative stance based on expertise, which is apparently lacking currently.

> *"I think in their own eyes they've been impartial, and they've been fair but, again, to me and some of my peers from industry, they are making assessments where they don't really understand the assessment they are being asked to make." – MOD, Key Stakeholder –*

> *"Even if they are telling us that 'Actually we don't think that we're doing the right thing', they should be expert enough to be able to say 'Yeah, we've heard your argument and you are wrong' whereas at the moment, I think they just try a little bit too hard to actually balance two sides when it's not always the case that somewhere in between is the right answer." – MOD, Key Stakeholder –*

7.8   It was highlighted that the SSRO reports to and is funded by the MOD. This was not considered ideal by one participant, even if they did not think it affects the SSRO's impartiality

> *"It's not ideal but I don't think in a day to day interaction, I don't think in coming up with an opinion on something, it would influence them. I think their professional integrity would rise above that." – Key Stakeholder –*

Independent

7.9   In light of the issue reported above, one participant did believe that the fact the MOD funds the SSRO affects the latter's independence.

> *"They are funded by the Ministry of Defence, so, you might wish to act independently, but if you're funded by a sponsoring government department, you cannot be independent." – MOD, Key Stakeholder –*

> *"Sometimes they act as if they're independent and they provide some fair rulings, but other times they don't, and …we get accused all the time … Me as a commercial person who has directions with the MOD with the SSRO, I get accused by my suppliers of being able to influence the SSRO in a way that they can't." – MOD, Key Stakeholder –*

"In consultation documents, some of the things they [the SSRO] propose, reflects MOD's view. So, it seems to industry that, perhaps, there have been discussions beforehand, and they're applicating MOD's approach to whatever the topic is." – Key Stakeholder –

7.10 Nevertheless, several participants claimed to have seen a recent positive shift in the SSRO's independence (or at least their perceptions of it) when compared to previous years – and the fact it does not always make decisions that favour the MOD was seen as evidence of this.

"I think that they are getting better…they used to have meetings with the MOD and then get industry's opinion." – Industry, Senior Stakeholder –

"They let themselves down very badly in the early days when they displayed that independence under giving an expert opinion on a contract dispute and were so vindictive against a contractor that nobody's been back to them since." – Key Stakeholder –

"Well they manage to upset the SSAT often enough don't they, the bit of MOD that's supposed to liaise with them, so they are certainly not working solely for their original founder and employer shall we say." – MOD, DefCARS user –

Open and transparent

7.11 Most stakeholders felt that the SSRO is transparent - and also that there has been a noticeable improvement in this regard.

"It's a lot better than how it used to be where the review board used to sort of … I can't say they met in secret but what they did wasn't very well publicised at all, whereas now the process is open." – MOD, DefCARS user –

7.12 Actions that were thought to enhance to transparency were:

- Publishing information in relation to aims, objectives, findings, work being done, how decisions are made and how reviews are planned
- Making reports and consultations public; and
- Minuting actions

Influence and authority

7.13 Overall, depth interview participants did not consider SSRO to be sufficiently authoritative and pro-active. Moreover, there was again a sense that a lack of knowledge and experience translates into a lack of influence.

"If we ask them to change things, they are not always quick to change things. Sometimes they just don't understand what we are asking. They tend to be more reactive than proactive." – Industry, Key Stakeholder –

"They are not authoritative because they are not expert enough."
– MOD, Key Stakeholder –

7.14 One participant suggested that a lack of visibility in terms of enforcement makes it difficult to judge whether the SSRO is sufficiently authoritative

"I think again it's lack of visibility because I've never seen enforcement, so I don't know … I can't agree or disagree because I've never seen it if you know what I mean." – MOD, DefCARS user –

7.15 Others thought the organisation has little room to be authoritative given it must stick to legislation.

"Actually, I don't think they get much choice about what they have to do I think they have to make sure that people agree with the legislation and I think the legislation is pretty tight so I think in the sense that they enforce the legislation that is fine." – Key Stakeholder –

8. Conclusion

8.1 Looking at the Key Performance Indicators referenced throughout the report, most of the targets were exceeded and they have therefore been included amongst the 'areas of high performance' (below and overleaf).

Areas of high performance

8.2 Over four fifths (86%) of respondents involved in a referral agree that the SSRO engages effectively throughout the referral. This is higher than the target of 75%.

Table 29: Key Performance Indicator 1[10]

Provide authoritative responses to referred matters within target timeframes	Target	Performance
Proportion of stakeholders involved in a referral who agree the SSRO engages effectively throughout the referral	75%	Higher (86%; 6 out of 7)

8.3 Over four fifths (84%) of respondents who have used at least one type of guidance agree that the SSRO's guidance is clear and applicable. This is higher than the target of 75%.

Table 30: Key Performance Indicator 2

Issue guidance that supports the optimal working of the regulatory framework	Target	Performance
Proportion of stakeholders who agree the SSRO's guidance is clear and applicable	75%	Higher (84%; 136 out of 162)

8.4 All (100%) respondents who accessed assistance and support when they entered into a QDC or QSC were satisfied with the assistance and support provided by the SSRO when first entering into one. This is higher than the target of 75%.

Table 31: Key Performance Indicator 4

Improve data quality and the reporting of information	Target	Performance
Proportion of defence contractors satisfied with the assistance and support provided by the SSRO when first entering into a QDC/QSC	75%	Higher (100%; 14 out of 14)

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[10] Please note, only 7 respondents provided a response to this question, so these results need to be treated with caution.

8.5 Around 9 in 10 (91%) respondents who have engaged with the SSRO feel that the SSRO has engaged with them well, which is higher than the target of 80%.

Table 32: Key Performance Indicator 5

Maintain effective and comprehensive engagement with our stakeholders	Target	Performance
Stakeholders consider the SSRO engages well	80%	Higher (91%; 204 out of 225)

8.6 Those who answered 'more favourable' when asked about their opinion of the SSRO now compared with 12 months ago, spoke positively about the SSRO's intent, desire to understand, transparency, ambitious vision statements, engagement, stability in leadership and continuity of staff.

8.7 Around 9 in 10 respondents who have engaged with the SSRO feel that the SSRO has engaged with them well. Respondents who participated in the reporting and IT sub-group, submitted reports into DefCARS as part of QDC or QSC reporting requirements or used the SSRO helpdesk are more inclined say this.

8.8 The majority of respondents agreed with each of the four statements about SSRO staff (staff work effectively and professionally; staff are approachable and easy to work with; sufficient continuity in the people I deal with at the SSRO; and SSRO staff listen to me). The proportion of respondents who agree with each of these statements has also increased since 2018.

8.9 Over four fifths of respondents who have received the SSRO newsletter found it useful/informative which is 12 percentage points higher when compared with the 2018 survey. Those who spoke positively of the newsletter particularly liked that it contained a lot of detail.

8.10 Over 9 in 10 respondents who have participated in bilateral meetings found them useful/informative. One of the main reasons why so many found them useful/informative was both industry and MOD are invited to the meetings which adds to a feeling of transparency.

8.11 Over 9 in 10 respondents who have used the SSRO helpdesk were satisfied. Those who took part in the depth interviews noted helpdesk staff's willingness to listen, their friendliness, professionalism and general support.

8.12 The majority of respondents who have visited the SSRO website find each of the sections they have visited useful/informative. The proportion of respondents who find each section of the website useful/informative has increased in 4 of 6 instances (no question was asked about the research and statistics section in 2018), with two of those increases being particularly notable – referrals (27 percentage points) and consultations (26 percentage points).

8.13 Respondents were asked a series of questions about SSRO values and 9 in 10 or more agreed that the SSRO is independent; fair and impartial; and open and transparent which is 15, 24 and 14 percentage points higher respectively when compared with the 2018 survey.

8.14 Around 9 in 10 respondents rate the SSRO's overall performance as good over the last 12 months which is notably higher by 16 percentage points when compared with 2018. Those who received training from the SSRO or used the SSRO help desk are more inclined to rate their overall performance as good over the last 12 months.

Areas for improvement

8.15 Over 7 in 10 (72%) respondents who submitted reports into DefCARS as part of QDC or QSC reporting requirements said they were satisfied with the SSRO's platform for submitting reports. This is lower than the target of 75%.

Table 33: Key Performance Indicator 3

Provide a platform that facilitates the efficient and secure submission of statutory reports	Target	Performance
Proportion of users satisfied with DefCARS as the SSRO's platform for submitting reports	75%	Lower (72%; 53 out of 74)

8.16 Around 9 in 10 respondents feel they understand the SSRO's role and what it is aiming to achieve, which is notably lower by 8 percentage points when compared with the 2018 survey. The decline in understanding between surveys may be a consequence of more DefCARS users taking part in the survey this year. They may have less exposure to the full range of the SSRO's functions and so those who responded to the survey may generally have less of an understanding of the SSRO's role

8.17 Those who answered, 'less favourable' when asked about their opinion of the SSRO now compared with 12 months ago, thought the SSRO should be improving performance more rapidly and described them as 'too process driven'. Others mentioned a lack of knowledge in terms of the legislation, not implementing what is discussed in consultations, not making decisions when needed, not providing data for the baseline rate, and a lack of defence and commercial awareness.

8.18 Although most respondents who have received training from the SSRO found it useful/informative, one respondent noted that the training format was 'too dry' and suggested that information should be kept more specific to what those attending need to know.

8.19 Over two fifths of respondents who have participated in a consultation were not satisfied with the consultation process. When asked about the consultation process in the depth interviews, some participants mentioned that consultations tend to take place at inconvenient times of the year (i.e. summer time and December), that more could be done to notify respondents as to when a consultation will be taking place and whether the high number of consultations undertaken is necessary.

8.20 Around three fifths of respondents who used DefCARS for monitoring and analysis of reports and data were satisfied with DefCARS for raising queries and engaging with contractors as part of compliance monitoring. When questioned in more depth about the DefCARS system, a number of issues were flagged, namely: a lack of flexibility when trying to make changes; a system that is not user friendly; and too many email notifications relating to trivial matters.

8.21 Around three quarters of respondents who have used the reporting guidance and DefCARS user guide agree that it is clear and applicable which is lower by 10 percentage points when compared with the 2018 survey. Participants who were asked in more depth about the reporting guidance and DefCARS user guide provided mixed feedback. While some thought the guidance had improved and is useful for learning, others considered it somewhat unclear and complicated – and too vague with not enough practical examples.

9. List of Tables and Figures

Tables

Figures