

Guidance changes published in January 2022

Reporting guidance on preparation and submission of contract reports v10.1

Existing guidance	New / updated guidance	Explanation
Chapter 4, Table 7: column 2, row 11. Enter the identifying number the MOD has allocated to the pricing amendment. If the MOD has not allocated an identifying number to the amendment then the contractor should enter 'not applicable' or 'N/A'. This field does not apply for QSCs by amendment.	Deletion of last sentence of the paragraph: Enter the identifying number the MOD has allocated to the pricing amendment. If the MOD has not allocated an identifying number to the amendment then the contractor should enter 'not applicable' or 'N/A'.	In September 2021, the SSRO removed the contract type 'QSC by amendment' from DefCARS. There remains a single reference to this in the reporting guidance which is being removed.
Chapter 4, Table 10: column 2, row 2. N/A	Addition of paragraph under bullet 3: If there has been an amendment that affects the price, contractors should refer to guidance in Chapter 9 on submission of an on-demand Contract Pricing Statement when the whole or part of the contract price has been re-determined.	New guidance to ensure that where there has been a pricing amendment and contractors are reporting a new six step profit rate calculation in an on-demand Contract Pricing Statement that they refer to Chapter 9 of the contract reporting guidance on on-demand reports.
Chapter 4, para 4.21, sentence 2. N/A	Addition of sentence 2 within existing paragraph: There are six regulated pricing methods that the parties to a QDC may decide to use, as set out in Regulation 10(4) to 10(12). All regulated pricing methods use an estimate and/or actual Allowable Cost base.	We are including a reference in the reporting guidance to existing content on pricing methods in the SSRO's guidance on adjustments to the baseline profit rate.
Chapter 4, para 4.56, sentence 3. Contractors should check that the costs of sub-contracts reported on this page are consistent with the price attributable to sub-contracts provided on the sub-contracts page.	Updated sentence: Contractors should check that the costs of sub-contracts reported on this page are consistent with the total price of the QDC/QSC which is attributable to sub-contracts provided on the sub-contracts page.	The reporting guidance in relation to the sub-contracts data field on the 'Cost Breakdown' page refers to a consistency check with a data field on the 'Sub-contracts' page. The reporting guidance does not currently reference the data field in the 'Sub-contracts' page accurately and this is being amended.

Existing guidance	New / updated guidance	Explanation
<p>Chapter 5, para 5.12 – 5.15.</p> <p>5.12 The contractor is required by regulation 22(2)(b) to provide the date that the report is due. DefCARS assists selection of the correct due date by providing the following options in a drop-down list.</p> <ul style="list-style-type: none"> • A list of reports and associated due dates from the latest submitted CRP; • On-demand report; • Other. <p>5.13 If the report being submitted is included in the latest submitted CRP, the contractor should select the relevant report from the drop-down list. If the reporting plan does not include the relevant report the contractor should consider updating the CRP to ensure it correctly lists the planned reports. The CRP can be updated by submitting:</p> <ul style="list-style-type: none"> • a correction to an existing CRP (if the original reporting plan was incorrect); or • an on-demand CRP (if there are new reporting requirements, see Chapter 9). <p>5.14 If the CRP is updated, the revised dates will be reflected in the drop-down list within the 'date this report is due' field.</p>	<p>Addition to list of bullets at 5.12, new guidance at 5.13 and deletion of existing para 5.15.</p> <p>5.12 The contractor is required by regulation 22(2)(b) to provide the date that the report is due. DefCARS assists selection of the correct due date by providing the following options in a drop-down list.</p> <ul style="list-style-type: none"> • A list of regular statutory reports and associated due dates from the latest submitted CRP; • Other regular statutory reports – select date as report due date not reflected in the latest submitted CRP; • A list of on-demand reports and associated due dates from the latest submitted CRP; and • Other on-demand reports – select date as report due date not reflected in the latest submitted CRP. 	<p>Following changes which are being made to the 'Reporting Plan' page to allow better reporting of due dates for on-demand reports, a change is needed to the drop down at the top of the 'Report Submission Admin' page where contractors can select the due date from a list of the reports. Currently this drop-down does not include on-demand reports included in the Reporting Plan but will do so after this change. Associated guidance has been added to explain how to complete this information in the 'Report Submission Admin' page in DefCARS.</p>

Existing guidance	New / updated guidance	Explanation
<p>5.15 If the contractor is submitting an on-demand report (ICR or CCS) then the contractor should select the 'on-demand' report option. DefCARS will then provide a calendar selector from which the contractor should select the due date. The contractor will not need to update their CRP to reflect the due date of the on-demand submission. Alternatively, the contractor may select the 'other; option if any other selections explained above do not apply. DefCARS will then provide a calendar selector from which the contractor should select the due date.</p>	<p>5.13 If the report being submitted is included in the latest submitted CRP, the contractor should select the relevant report from the drop-down list. If the reporting plan does not include the relevant report the contractor should select the due date from the calendar. When a contractor selects one of the 'Other' options the following warning will be displayed – 'You are submitting a report which is not reflected in the Contract Reporting Plan. You may wish to consider adding this report to an on-demand Contract Reporting Plan prior to submitting this report' .The CRP can be updated by submitting:</p> <ul style="list-style-type: none"> • a correction to an existing CRP (if the original reporting plan was incorrect); or • an on-demand CRP (if there are new reporting requirements, see Chapter 9). <p>5.14 If the CRP is updated, the revised dates will be reflected in the drop-down list within the 'date this report is due' field.</p>	
<p>Chapter 6, para 6.11 – 6.15.</p>	<p>As per changes to 'Report Submission Admin' page for the submission of on-demand reports reflected above.</p>	<p>As per changes to 'Report Submission Admin' page for the submission of on-demand reports reflected above.</p>
<p>Chapter 6, para 6.45, heading and sentence 3. Cost Recovery Rates (used to estimate the Allowable Costs at the latest time of agreement)</p>	<p>Update heading and paragraph to reference updated page name: Cost Recovery Bases (used to estimate the Allowable Costs at the latest time of agreement)</p>	<p>The requirement to only report recovery base units and volumes in an ICR has been made clearer by renaming the current 'Cost Recovery Rates' page label to 'Cost Recovery Bases'. Associated guidance has been amended.</p>

Existing guidance	New / updated guidance	Explanation
<p>The recovery base and recovery base units and volumes are auto-populated by DefCARS based on those reported in the initial reports or previous ICR in the Cost Recovery Rates page.</p>	<p>The recovery base and recovery base units and volumes are auto-populated by DefCARS based on those reported in the initial reports (Cost Recovery Rates page) or previous ICR in the Cost Recovery Bases page.</p>	
<p>Chapter 6, para 6.46, heading and sentence 1.</p> <p>Actual and Forecast Cost Recovery Rates</p> <p>The recovery bases and recovery base units entered on the previous page are auto-populated onto this page from the Cost Recovery Rates page.</p>	<p>Update heading and paragraph to reference updated page name:</p> <p>Actual and Forecast Cost Recovery Bases</p> <p>The recovery bases and recovery base units entered on the previous page are auto-populated onto this page from the Cost Recovery Bases page.</p>	
<p>Chapter 7, para 7.9 – 7.13.</p>	<p>As per changes to report submission admin page for the submission of on-demand reports reflected above.</p>	<p>As per changes to report submission admin page for the submission of on-demand reports reflected above.</p>
<p>Chapter 7, para 7.46, heading.</p> <p>Cost Recovery Rates (used to estimate the Allowable Costs at the latest time of agreement)</p>	<p>Cost Recovery Bases (used to estimate the Allowable Costs at the latest time of agreement)</p>	<p>The cost recovery rates page in the Contract Completion Report (CCR) reflects the 'Cost Recovery Rates' page which is in the initial reports, but should reflect the new 'Cost Recovery Rates' page in the ICR to be consistent with the reporting requirements.</p>
<p>Chapter 7, para 7.48, heading and sentence 3.</p> <p>Actual and Forecast Cost Recovery Rates</p> <p>The recovery bases and recovery base units entered on the previous page are auto-populated onto this page from the Cost Recovery Rates page.</p>	<p>Update heading and paragraph to reference updated page name:</p> <p>Actual and Forecast Cost Recovery Bases</p> <p>The recovery bases and recovery base units entered on the previous page are auto-populated onto this page from the Cost Recovery Bases page.</p>	<p>The requirement to only report recovery base units and volumes in an CCR has been made clearer by renaming the current 'Cost Recovery Rates' page label to 'Cost Recovery Bases'. Associated guidance has been amended.</p>

Existing guidance	New / updated guidance	Explanation
Chapter 8, para 8.7 – 8.11.	As per changes to 'Report Submission Admin' page for the submission of on-demand reports reflected above.	As per changes to 'Report Submission Admin' page for the submission of on-demand reports reflected above.
<p>Chapter 9, para 9.11.</p> <p>When providing an on-demand CPS, a description is required of the effect of pricing amendments, as this is information material to the pricing of the contract (regulation 23(2)(f)). The fields in DefCARS are at a whole contract level (for example, on pricing methods, allowable costs and profit steps). Therefore, the description of the effect of the pricing amendments can be provided using supporting information, for instance by way of an excel spreadsheet, which can be uploaded as part of the on-demand CPS submission.</p>	<p>Amendment to sentence 2 and deletion of the last sentence:</p> <p>When providing an on-demand CPS, a description is required of the effect of pricing amendments, as this is information material to the pricing of the contract (regulation 23(2)(f)). The fields in DefCARS are at an overall contract level (for example, on pricing methods, allowable costs and profit steps).</p>	<p>The existing guidance included in this paragraph has been deleted to allow for new guidance to be provided in later paragraphs.</p>
<p>Chapter 9, para 9.12.</p> <p>N/A</p>	<p>New paragraph:</p> <p>9.12 Where regulation 14 has been applied and the contract price re-determined, the contractor will report on the Profit page the price payable under the amended contract consisting of the Allowable Costs (£m), the profit (£m) and the overall contract profit rate. As the profit payable under the amended contract may result from several applications of contract profit rates, reporting a single set of profit rate steps may no longer be relevant. Until further development of DefCARS, the Profit page may be auto-populated with a six step profit rate calculation from a previous submission or be blank. Where this is the case contractors should do the following:</p>	<p>There has been inconsistency in the way which contractors have reported a new contract profit rate following an amendment which is having an impact on data quality. We have developed new guidance to achieve consistency.</p>

Existing guidance	New / updated guidance	Explanation
	<p>a) select 'Other' under Step 1 (Baseline Profit Rate) and enter 0%;</p> <p>b) enter 0% for Steps 2-6;</p> <p>c) check the calculation of the six steps is 0%; and</p> <p>d) enter the overall contract profit rate after the re-determination of the contract price.</p>	
<p>Chapter 9, para 9.13.</p> <p>N/A</p>	<p>New paragraph:</p> <p>9.13 The contractor should provide a separate explanation of how the overall contract profit rate has been calculated. Paragraphs 9.14-9.16 and Table 38 provide guidance on how the explanation should be provided.</p>	
<p>Chapter 9, para 9.14.</p> <p>N/A</p>	<p>New paragraph:</p> <p>9.14 The SSRO has developed an Amendments Spreadsheet (the spreadsheet) which assists the contractor to report regulation 14 pricing amendment(s) and the re-determined contract price (including the overall contract profit rate) when submitting an on-demand CPS. The overall contract profit rate reported in the spreadsheet should be consistent with that reported on the Profit page in DefCARS and is expected to be the cost weighted average of the CPR of each pricing segment reported (see definition in paragraph 9.15) in the spreadsheet. The spreadsheet is available on the reporting guidance page of the SSRO website and step by step instructions on how to complete is explained in Table 38.</p>	<p>The SSRO is providing a data collection template to contractors which will allow them to explain how a new contract profit rate has been determined following a pricing amendment. The new guidance also defines a pricing segment following input from contractors during the pilot exercises undertaken.</p>

Existing guidance	New / updated guidance	Explanation
<p>Chapter 9, para 9.15.</p> <p>N/A</p>	<p>New paragraph:</p> <p>9.15 The spreadsheet enables the contractor to report details of pricing amendment(s) separately from other price segments. A pricing segment can be:</p> <ul style="list-style-type: none"> • the original contract; or • an un-amended element of the original contract following a Regulation 14 amendment; or • an individual Regulation 14 pricing amendment or a portion of an amendment which has a distinct contract profit rate; or • a grouping of pricing amendments, or grouping of portions of pricing amendments, which have contract profit rates of the same value and the same six steps. 	
<p>Chapter 9, para 9.16.</p> <p>N/A</p>	<p>New paragraph:</p> <p>9.16 Before reporting pricing segments, the contractor should discuss with the MOD which are most useful to report. In the event where contractors are grouping the reporting of several pricing amendments into a pricing segment, they should provide the explanation of the grouping made as part of the OD CPS submission. This explanation can be provided in the structure included in the spreadsheet or submitted as an additional supporting file. The explanation of any grouping should include a list of each MOD contractual reference of the amendments associated with each pricing segment.</p>	<p>New table to explain the step by step instructions which contractors need to follow to provide the supplementary information to support their on-demand Contract Pricing Statement submission.</p>

Existing guidance	New / updated guidance	Explanation
	New Table 38: see table guidance below.	
Chapter 9, para 9.17. N/A	New paragraph: 9.17 When submitting an on-demand CPS following regulation 14 pricing amendments, the spreadsheet should be uploaded to the Profit page in the on-demand CPS. The contractor should ensure that the price breakdown in the spreadsheet is consistent with the contract level information (total Allowable Costs, total profit and total contract price) reported in DefCARS. For assistance on how to complete the spreadsheet, the contractor should contact helpdesk@ssro.gov.uk .	To ensure consistency of where supporting pricing information is provided in DefCARS we are explaining where the information should be attached. There should be consistency between the contract profit rate reported in DefCARS and included in the supporting information and the guidance directs contractors to undertake this check. The SSRO will provide assistance to contractors where they are unsure how to provide the supporting information.
Chapter 9, para 9.12. In the on-demand CPS the contractor may need to update information on facts, assumptions and calculations associated with the Allowable Costs like different cost recovery rates or new pricing indices.	Update to paragraph, and moved to 9.18. 9.18 In the on-demand CPS the contractor may need to update information on facts, assumptions and calculations associated with the Allowable Costs like changes to, or new, cost recovery rates or pricing indices.	A minor change to existing guidance to improve clarity.
Consequential paragraph references have been updated throughout the guidance.		

New: Table 38 – Instructions on how to complete Amendments Spreadsheet

Sheet & Column	Instructions
Template for Input – Column C	<p>Overall Contract</p> <p>This column captures the breakdown of price, contract profit rate (CPR) and pricing method for the total estimated contract price, following the re-determination of price associated with the amendment that has led to the OD CPS being requested. The overall contract profit rate reported in the spreadsheet should be consistent with that reported on the Profit page in DefCARS and is expected to be the cost weighted average of the CPR of each pricing segment reported in the spreadsheet (columns D – F).</p>
Template for Input – Columns D-F	<p>Pricing segments of the overall contract (post-amendment)</p> <p>The contractor should provide pricing details of each pricing segment in columns D to F.</p> <p>When reporting pricing segments, please provide the following:</p> <ul style="list-style-type: none"> • The MOD Amendment Reference: This is the reference used between the MOD and the contractor to refer to the contract amendment. This reference should be provided if a pricing segment results from a single pricing amendment and a single reference can be reported. If the contractor is reporting a grouping of amendments, or a grouping of portions of amendments in an individual segment, this field should remain blank. The contractor should, however, explain the grouping as part of the OD CPS submission. This should be performed by providing a list of each MOD contractual reference for the amendment(s) associated with each pricing segment. This can be provided in the 'Grouping of Amendments info' tab, or can be uploaded separately in another format if this is preferred. • The Date of Agreement: This date should be provided if a pricing segment results from a single pricing amendment and a single date can be reported. If the contractor is reporting a grouping of amendments, or a grouping of portions of amendments in an individual segment, this field should remain blank. • A description of the pricing segment: for example 'First extension to the contract'. This should be a description used between the MOD and the contractor or capable of being understood by both. <p>Additional columns can be added as necessary by copying an existing Pricing Segment column, including its formats and formulae, if more than three pricing segments are identified.</p> <p>The reported pricing segments must add up to the overall contract price following the amendment (column C).</p>

Sheet & Column	Instructions
<p>Template for Input – Columns G-I</p>	<p>Information of the pricing amendment that led to the OD CPS</p> <p>The contractor should provide pricing details of the amendment that led to the OD CPS. When reporting this pricing information, please provide the following:</p> <ul style="list-style-type: none"> • The MOD Amendment Reference: the reference used between the MOD and the contractor to refer to the contractual amendment. • The Date of Agreement: the date where the contractual amendment was entered into. • The Segment reference number: the pricing segment number created or affected by the amendment (in whole or in part). • A description of the pricing segment: for example 'First extension to the contract'. This should be a description used between the MOD and the contractor or capable of being understood by both. • Type of Pricing amendment: the selection from the drop-down list of the paragraph of the Schedule that has been applied to re-determine the price of the contract. If an element of the amendment affects the contract price but is not a Regulation 14 pricing amendment, please select 'Non-Reg 14 pricing'. <p>If the amendment affects more than one pricing segment or is a multiple pricing amendment (paragraphs 11 and 12 of the Schedule), the pricing information should be broken down in distinct columns. Additional columns can be added as necessary by copying an existing amendment column, including its formats and formulae.</p>
<p>Grouping of Amendment Info – Columns A & B</p>	<p>Where contractors are grouping the reporting of several pricing amendments into a pricing segment, they should provide the explanation of the grouping made in the 'Grouping of Amendments info' tab. Contractors can, if preferred, upload a separate file to the OD CPS to address this requirement, provided that the content below is included.</p> <p>When an amendment affects more than one pricing segment, contractors should provide a separate line for each Pricing Segment affected, repeating the MOD contractual reference of the amendment.</p> <ul style="list-style-type: none"> • MOD contractual reference of amendments (column A): the reference used between the MOD and the contractor to refer to the contractual amendment. • Pricing Segment number where the amendment, or part of the amendment, is being reported (column B): the pricing segment number created or affected by the amendment or a portion of the amendment.

Reporting guidance on DefCARS functionality v10.1

Existing guidance	New / updated guidance	Explanation
<p>Chapter 2, Table 1, column 2, rows 2 and 3 Submission date reminder Report overdue reminder</p>	<p>Submission date reminder (sent one week in advance) Report overdue reminder (sent one day after the due date and every subsequent month for six months)</p>	<p>Automatic system notifications will be sent out from the system as reminders of upcoming submissions and also as overdue report reminders. The overdue notification will continue for a total of six months from the submission due date.</p>
<p>Chapter 2, new paragraph 2.37. N/A</p>	<p>New paragraph: 2.37 A correction report should be started in cases where a contractor is required to amend any of the existing submitted data to rectify an identified error, for example because of a compliance issue that may have been raised in the system, or to provide additional information in relation to that submission as required by the legislation which was not initially provided. Contractors should be aware that if the 'New Submission' report type is incorrectly selected, rather than 'Start Correction', a new report of that type will be created, rather than providing access to the previously submitted report for correction. A report that has been incorrectly started can be deleted by the contractor, but only before the report is submitted. An in-line message will appear when 'New Submission' is selected which will state "You are starting a new submission of this report type. If you intended to make a correction to a report that has already been submitted, please return to that individual submission on the report home page and press 'Start Correction'". This will prompt the user to check they intend to generate a new report rather than seeking to correct a previously submitted report.</p>	<p>We have seen instances where contractors are submitting a new submission (S2) instead of a correction to an existing report (C1) and vice versa. We have developed a warning in DefCARS when contractors select 'New Submission' to ensure this is the action they wish to take.</p>

Existing guidance	New / updated guidance	Explanation
<p>Chapter 2, para 2.63: Where issues have remained open for over 30 days since initial release, DefCARS will send automated email notifications to all parties associated with the contract as a reminder to review any open issues and/or responses to issues and to action these accordingly. This email notification will identify the party who needs to take action in relation to an unresolved issue, and the number of unresolved issues. It will continue to be sent every 30 days until the issue is resolved.</p>	<p>Amendment to paragraph: Where issues have remained open for over 30 days since initial release, DefCARS will send automated email notifications to the SSRO, MOD and contractor as a reminder to those parties who are required to take action. This email notification will contain a consolidated list of unresolved issues for each contract and/or supplier report that the DefCARS user has access to. The notification will also identify the party or parties responsible for taking action in relation to each unresolved issue. It will continue to be sent every 30 days until the issue is resolved.</p>	<p>Where compliance issues have remained open for over 30 days since initial release, DefCARS sends automated email notifications to all parties associated with the contract as a reminder to review any open issues and responses to issues and to action these accordingly. In October 2021 this email notification was changed to identify the party who needs to take action and the number of unresolved issues. The change was implemented on an aggregated basis rather than at individual report level and this has corrected.</p>

Consequential paragraph references have been updated throughout the guidance.