

**SSRO**

Single Source  
Regulations Office

**Code of practice for responding to queries on the  
regulatory framework for single source defence  
contracts**

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Version 1

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# 1. Introduction

- 1.1 The regulatory framework for single source defence contracts<sup>1</sup> specifies how contracts that meet the requirements for being qualifying defence contracts (QDCs) or qualifying sub-contracts (QSCs) must be priced and requires transparency over those contracts and from the contractors who hold them. The SSRO provides guidance, training and support to the MOD and defence contractors to help them understand and apply the requirements of the regulatory framework.
- 1.2 The SSRO receives and responds to a wide range of queries from stakeholders concerning the regulatory framework and its application to qualifying contracts. These include:
- a. queries concerning:
    - i. the regulatory framework itself;
    - ii. the role of the SSRO and its work;
    - iii. applying the SSRO's guidance on contract pricing and statutory reporting;
    - iv. using the SSRO's Defence Contracts Analysis and Reporting System (DefCARS) to submit statutory reports; and
    - v. how to refer queries to the SSRO for an opinion or determination; and
  - b. referrals for a formal opinion or determination on how the regulatory framework should be applied, where the regulatory framework provides for these.
- 1.3 The majority of queries are relatively simple and dealt with by signposting enquirers to existing SSRO guidance. These queries are routinely handled by the SSRO's Helpdesk and all are responded to within five working days. Some queries, and referred matters, are more complex in nature. Responding to these complex queries involves more extensive consideration by SSRO staff. Enquirers typically need to provide additional information about the terms of specific contracts and the circumstances giving rise to queries. In the case of referrals, the SSRO will also engage with other parties to the contracts in respect of which referrals are made.
- 1.4 This document sets out the high-level principles which guide the SSRO's approach to responding to queries about the regulatory framework for single source defence contracts, including matters which are formally referred for opinion or determination.<sup>2</sup> Its purpose is to provide clarity for stakeholders on how the SSRO will deal with queries and referrals it receives.

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<sup>1</sup> Established by Part 2 of the Defence Reform Act 2014 (the Act) and the Single Source Contract Regulations 2014 (the Regulations).

<sup>2</sup> Including appeals against assessment as a QSC; and notices of cessation as a QSC.

## 2. The principles

2.1 The principles which guide the SSRO's approach to responding to queries and referrals on the application of the regulatory framework for single source defence contracts are shown below.

1. The SSRO's responses to queries will help enquirers apply the regulatory framework, resolve contractual disputes and speed up single source defence procurement
2. It will be easy for stakeholders to raise queries on the application of the regulatory framework
3. Enquirers will provide sufficient relevant information to enable the SSRO to respond to their query
4. Responses will be provided in the shortest time possible taking account of the nature, complexity and urgency of the query raised
5. Queries and responses will be treated in confidence
6. The SSRO will publish anonymised information about queries and responses when this supports wider learning about the regulatory framework
7. The SSRO will use insights arising from queries and responses to improve the regulatory framework
8. A Referral Committee considering a referral related to a query on which the SSRO has previously responded will reach an independent conclusion on the matter
9. The SSRO will use feedback on the way it responds to queries to guide improvements in its approach

2.2 We explain below how the principles will inform the way the SSRO responds to queries and referrals.

**Principle 1: The SSRO's responses to queries will help enquirers to apply the regulatory framework, resolve contractual disputes and speed up single source defence procurement**

2.3 To achieve this the SSRO's responses to queries will:

- a. be prepared by staff with an appropriate level of knowledge and understanding of the regulatory framework;
- b. provide clear signposting to relevant legislation, guidance, SSRO opinions and determinations and prior responses to queries;
- c. where appropriate, advise enquirers on how the regulatory framework should be applied; and
- d. identify opportunities to seek a formal opinion or determination on the matter raised where permitted.

2.4 For referred matters, the SSRO will:

- a. appoint a Referral Committee in accordance with its Corporate Governance Framework to provide an independent, authoritative opinion or legally binding determination taking account of all relevant matters.

**Principle 2: It will be easy for stakeholders to raise queries on the application of the regulatory framework**

2.5 To achieve this the SSRO will:

- a. continue to operate a Helpdesk service;
- b. increase stakeholder awareness of how queries can be raised, for example, through its website, in its publications and through its routine stakeholder engagement activities; and
- c. publish user-friendly submission templates for non-referral advice and referrals.

**Principle 3: Enquirers will provide sufficient relevant information to enable the SSRO to respond to their query**

2.6 To achieve this the SSRO will:

- a. provide submission templates for non-referral advice and referrals that identify the information that is required for a query to be considered;
- b. provide advice or guidance on the type of information that is required when queries are raised; and
- c. request additional information from an enquirer where necessary and, in the case of referrals, from any other party to the matter referred.

**Principle 4: Responses will be provided in the shortest time possible taking account of the nature, complexity and urgency of the query raised**

2.7 To achieve this the SSRO will:

- a. ensure the channels through which queries can be raised are routinely monitored;
- b. quickly assess queries received to establish what type of response is most appropriate in the circumstances;
- c. assign staff or appoint a Referral Committee to provide a response based on their knowledge, skills and expertise and taking account of their availability; and
- d. establish appropriate target response times for different types of queries and monitor performance against these.

**Principle 5: Queries and responses will be treated in confidence**

2.8 To achieve this the SSRO will:

- a. ensure information and communications relating to queries and responses have appropriate security classifications and are handled in accordance with relevant policies;
- b. respond in confidence to those raising queries, except if a query on which the SSRO has provided non-referral advice is subsequently referred for opinion or determination: in which case the SSRO will, in the interests of transparency, share information previously provided by the enquirer that is relevant to the referral and the SSRO's non-referral advice with any counterparty to that referral; and
- c. ensure any queries and responses which are published to promote wider learning are anonymised to protect commercial interests and UK operational security.

**Principle 6: The SSRO will publish anonymised information about queries and responses when this supports wider learning about the regulatory framework**

2.9 To achieve this the SSRO will:

- a. publish a regular digest of responses to common queries;
- b. publish summary information about its opinions and determinations; and
- c. brief stakeholders on learning from queries and referrals at routine engagement meetings.

**Principle 7: The SSRO will use insights arising from queries and responses to improve the regulatory framework**

2.10 To achieve this the SSRO will:

- a. ensure learning from queries and referrals informs:
  - i. developments in the SSRO's guidance;
  - ii. the SSRO's periodic recommendations to the Secretary of State for legislative changes; and
  - iii. the SSRO's work to understand and address issues impacting on single source defence procurement.

**Principle 8: A Referral Committee considering a referral related to a query on which the SSRO has previously responded will reach an independent conclusion on the matter**

2.11 To achieve this the SSRO will:

- a. appoint a Referral Committee for each case drawn from the SSRO's Board and a panel of independent members;
- b. establish and maintain clear terms of reference for each Referral Committee that require them to act objectively and make decisions that are evidence-based;
- c. provide the parties to a referral with the opportunity to raise any concerns about the impartiality of an appointed Referral Committee;
- d. share with the parties to the referral any non-referral advice previously provided by the SSRO in response to a query on the same matter, giving them an opportunity to provide any additional information they consider relevant to enhance the SSRO's understanding of the matter referred; and
- e. ensure the Referral Committee has access to and considers information and evidence provided by both parties to the matter referred.

**Principle 9: The SSRO will use feedback on the way it responds to queries to guide improvements in its approach**

2.12 To achieve this the SSRO will:

- a. routinely monitor its performance in responding to queries;
- b. seek feedback from enquirers about the quality and timeliness of the SSRO responses; and
- c. periodically review its processes to identify ways in which:
  - i. queries can be raised more easily;
  - ii. responses can be provided more speedily and efficiently; and
  - iii. learning from queries and responses can be shared and applied more effectively.

## 3. How the SSRO responds to queries

### Helpdesk

- 3.1 The SSRO Helpdesk is the first point of contact for queries on the regulatory framework. The Helpdesk can be contacted:
- by phone via 020 3771 4785 (9am to 5pm Monday to Friday); or
  - by email to [helpdesk@ssro.gov.uk](mailto:helpdesk@ssro.gov.uk).
- 3.2 Most queries received by the Helpdesk are responded to within one or two working days. We aim to respond to all non-complex queries raised through the Helpdesk within five working days.

### Non-referral advice

- 3.3 We provide a non-referral advice service for contract-specific queries on applying the regulatory framework that are more complex in nature and cannot be dealt with by the SSRO Helpdesk. We aim to provide non-referral advice within 10 to 15 working days of a request being received. The time required to respond will vary depending on the nature, complexity and urgency of the matter raised, the amount of information that needs to be considered to provide a response and the speed with which any SSRO requests for supplementary information are responded to by the enquirer.
- 3.4 More detailed guidance on the SSRO's non-referral advice service is available on the [SSRO's website](#) or on request from the SSRO Helpdesk.

### Opinions and determinations

- 3.5 The SSRO provides authoritative opinions and legally binding determinations on how the regulatory framework should be applied where the regulatory framework provides for these. The time taken to provide an opinion or determination is contingent on the nature, complexity and urgency of the matter referred; the amount and quality of the information supplied at the time of referral; the extent to which the parties to the referral agree on the facts of the case; and the speed with which any SSRO requests for supplementary information are responded to by both the referring party and any other party to the matter referred.
- 3.6 Our general targets for responding to referrals are:
- Opinions – between 10 and 40 days from referral acceptance;
  - Determinations – within 4 months of acceptance.
- 3.7 More detailed guidance that explains how the SSRO will consider and respond to referrals is available on the SSRO's [website](#) or on request from the SSRO Helpdesk.