

Singe Source Contracting Regulations – A case study



Astute Transformations during the last four years has gained considerable expertise in helping clients bid, negotiate and manage single source contracts.

Our experience of contract management approaches, bid data management and modelling through to complex multi hundred million pound defence contracts means we can help clients to manage the important steps of moving from non-single source contract to ascertained and Target Cost Incentive Fee [TCIF] contracts under the Single Source Contracting Regulations (SSCR) enforced by the Single Source Regulations Office (SSRO).

Our approach is based on in depth knowledge of the regulations and how to manage and produce successful bids.

Understanding the customer's requirement and then translating that requirement into a 'golden thread' of data and supporting evidence is at the heart of the process. Using sophisticated data modelling techniques and digital technology we can automate the bid data management process. This helps maintain the important golden thread back to evidence that supports the estimates and ensures that when negotiations are closing the effect of decisions can be quickly understood.

The work does not end with a successful bid negotiation. The 'as sold' position needs to be translated into meaningful contract management and project control and programme management artefacts. Again, our experience in managing this process ensures a successful contract mobilisation and reconciliation phase, building the firm base on which the contract will be measured and reported on over the contract term.

SSCR contracts and the process of bidding for them is a complex and often, owing to the nature of the single source, makes obtaining reliable and relevant external data that will pass the AAR [Appropriate, Attributable and Reasonable] test problematic. Our knowledge and experience help clients produce bid data that is supported by 'reasonable in the circumstance' evidence to pass the AAR test.

Within any negotiation the interface of Monte Carlo simulated values with comprehensive and robust risk and opportunity management information is key. Integrating the various basis of estimate (BoE) through to the risk and opportunities register and the master data and assumptions list (MDAL) requires persistence and a controlling mind within the client organisation to ensure the bid is internally robust and the risk transfer is consistently understood and recognised by the customer and supplier.

We have supported clients with contracts in both the nuclear and defence sector at either Tier 1 or Tier 2. The scale ranges from multi-decade design and manufacturing Tier 1 contracts through to 1-year Tier 2 support services. These contracts have ranged in size from single BoE million-pound contracts through to 40 BoEs and hundreds of millions of pounds.

If you would like to understand more about our approach and allow us to offer some insight into how we can assist please contact <u>Chris Ledgard</u>, Director.