

SSRO

Single Source
Regulations Office

Call for input on SSRO guidance development

*A call for input on priority areas for new,
improved or restructured SSRO guidance*

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Background

- 1.1 The SSRO issues guidance on the application or interpretation of various aspects of the single source regulatory framework which governs some of the UK's largest and most strategic non-competitive defence contracts. The framework places controls on the pricing of qualifying contracts and requires transparency on the part of defence contractors. Our guidance supports the SSRO's statutory aims of ensuring value for money in public expenditure and fair and reasonable prices for industry. It assists the Ministry of Defence and contractors in understanding and applying the regulatory framework, helping to realise the intended benefits of the Defence Reform Act 2014 (the Act) and the Single Source Contract Regulations 2014 (the Regulations).
- 1.2 The regulatory framework continues to evolve, including through the Secretary of State's periodic review of the framework, such as the current review of the Regulations announced in the Strategic Defence Review 2025. The SSRO has been working to strengthen its guidance in response to legislative changes, stakeholder feedback, and practical experience of how the single source regulatory framework is being applied. Stakeholder feedback received during the development of new guidance on the Final Price Adjustment and contract pricing amendments demonstrated that clearer signposting and a stronger focus on practical scenarios and commonly asked questions make the SSRO guidance more relevant and accessible to users.
- 1.3 The SSRO's guidance continues to provide effective support to contracting parties in understanding and applying the regime. In our most recent stakeholder survey, 82 per cent of respondents reported that the SSRO's pricing guidance was clear, applicable, and useful in agreeing contract prices that support value for money and fair and reasonable prices for industry. However, queries received through our helpdesk, requests for non-referral advice, and wider engagement suggest that some aspects of the framework remain challenging to understand and apply. The SSRO is therefore considering how its guidance can better support stakeholders in these areas.
- 1.4 This call for input document seeks stakeholder views on areas where and how the SSRO guidance on the fundamental concepts and scope of the framework as well as on the pricing of contracts could be improved, expanded, better structured or developed. The feedback we receive will support the SSRO in considering whether existing guidance should be revised and where new additional guidance may be beneficial, helping to ensure that the suite of SSRO guidance remains relevant, accessible and straightforward to use.
- 1.5 This call for input runs for twelve weeks from 05 Aug 2026 to 30 Oct 2026. We will take into account all feedback received during this period. Details of how to respond are contained below. If you would like to discuss any aspect of this call for input, please contact the SSRO via email at consultations@ssro.gov.uk or via telephone at 020 3771 4785.

Scope of the call for input

- 1.6 This call for input focuses specifically on guidance related to the following parts of the **Single Source Contract Regulations 2014**¹:
- Part 1 – General:** definitions, contract valuation, scope-setting concepts, and other fundamental concepts relevant to the operation of the regulatory framework.
 - Part 2 – Qualifying defence contracts:** the criteria which determine whether a contract falls within the regulatory framework.
 - Part 3 – Pricing of contracts:** how qualifying contracts are priced, including profit rate, adjustments and allowable costs.
- 1.7 In this call for input, we are not seeking feedback on existing guidance related to the other Parts of the Regulations, including reporting requirements, referrals, penalties, although we recognise these areas may interact with the topics we are seeking feedback on. The SSRO remains open to feedback in relation to guidance on other parts of the framework through its usual stakeholder engagement channels and will take such feedback into account in future years guidance development activities.
- 1.8 Through our engagement activities and observation of the application of our existing guidance the SSRO has identified the following topics for assessment as potential areas for new or improved guidance.

Table 1: Candidate guidance topics identified by the SSRO

Area	Summary
Default pricing methods	Ensuring users have sufficient clarity on the application of the six default pricing methods
Components and componentisation	Helping users understand when and how to apply the provisions for componentisation when pricing contracts.
Determining the value of a QDC or QSC	Helping users understand the value of a contract for threshold purposes and its relationship to the contract price. Clarifying the practical application of the aggregation rules.
Regulation 7A: new contract versus contract amendment	Clarifying the circumstances under which amendments involving additional goods, works or services are treated as new contracts under the regulatory framework.
Navigation, usability and signposting	Reviewing the format and structure of our current guidance, including whether the scope and separation of the individual documents remain appropriate and support effective and efficient navigation.

¹ Available at [legislation.gov.uk](https://www.legislation.gov.uk) – The Single Source Contract Regulations 2014

- 1.9 The SSRO is particularly interested in aspects of Parts 1, 2 and 3 of the Regulations where stakeholders experience difficulties, where existing or new guidance may be able to provide better clarity or support, or where improvements can be made to help users identify guidance that is relevant to their circumstances. Examples from contracting parties' experience of using the guidance will help inform the development of our guidance documents.

Call for input questions

- 1.10 Primarily, respondents are invited to give views on the following questions. Please provide explanations, examples, and evidence to support your answers, whenever possible, alongside suggestions as to how SSRO guidance may be improved. In answering these questions, please consider any issues, queries or areas of uncertainty that routinely arise in your organisation or with your contracting counterpart when applying the regulatory framework:
- **Guidance proposed for review by the SSRO:** Do you support or have comments on the SSRO's proposals for guidance topics identified in table 1 above as candidates for review? Please explain the reasoning for your answer.
 - **Other missing or underdeveloped topics:** Are there other areas within Parts 1, 2 or 3 of the Regulations where SSRO guidance could be improved? Please identify the regulatory provisions or topic, the issues you have encountered, and the types of guidance that you consider would be most helpful.
 - **Guidance structure:** Does the scope of each of the SSRO's existing guidance documents, in relation to Parts 1 to 3 of the Regulations, help you to find the information you are looking for? Are there any changes to the scope of these documents which would make the relevant guidance easier to find, use and apply in practice?
 - **Format and accessibility:** Which guidance formats do you find most helpful and are there others the SSRO should consider introducing? For example, we now include commonly asked questions, practical examples, signposting to related guidance and the Regulations, quick start guides and supportive videos. Please explain where different formats add the most value and why.
 - **Prioritisation:** If the SSRO had to prioritise its guidance development in relation to Parts 1, 2 and 3 of the Regulations, please indicate the topics or areas you believe are the most important to address first and why. Please provide specific examples.

Next steps and how to respond

- 1.11 The SSRO will consider all responses received from this call for input. Feedback will inform the evidence review and the production of a prioritised list of guidance topics for development, revision or restructuring. Subject to the feedback received, the SSRO will develop revised or new guidance products and consult on such guidance before publication.

- 1.12 The call for input runs for twelve weeks from 05 Aug 2026 until 30 Oct 2026. We will take into account all feedback received during this period. Responses received after this date may not be taken into account but may inform subsequent consideration of guidance changes and development of new guidance.
- 1.13 Please send responses by email or in writing by completing the call for input response form and returning it to the SSRO using the contact details below. You may answer any or all of the questions and provide supporting evidence or examples.
- By email: consultations@ssro.gov.uk (preferred)
 - By post: Single Source Regulations Office, 100 Parliament Street, London, SW1A 2BQ.
- 1.14 These contact details may also be used if you would like to discuss with the SSRO any aspect of this call for input during the specified consultation period and prior to responding.
- 1.15 We aim to publish responses to our call for input to support transparency in our guidance development. If you are content for your feedback to be published on the SSRO's website, please confirm this in your response.