

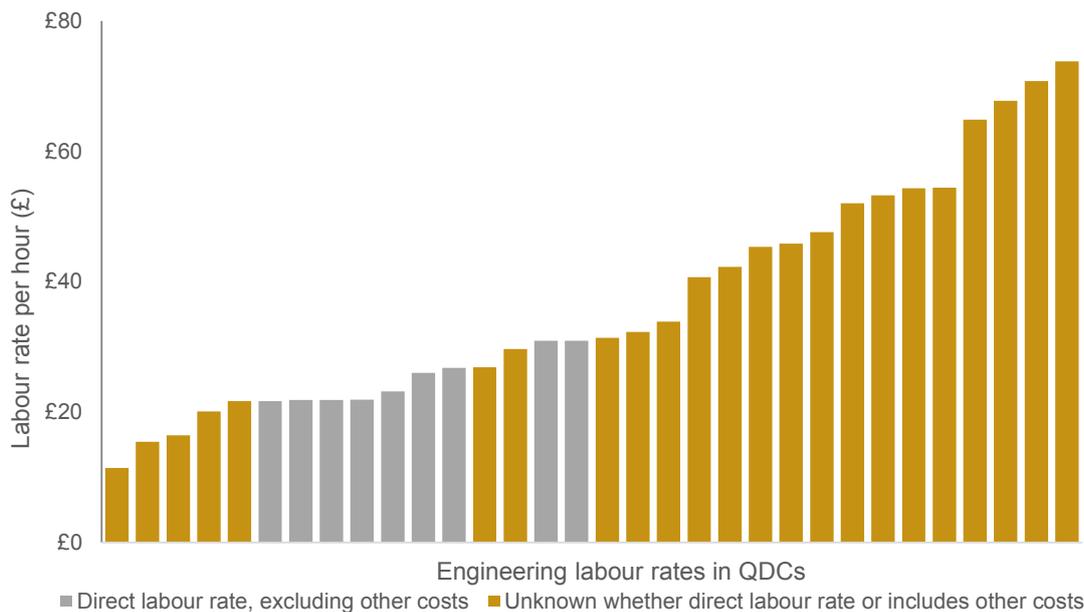


Figure 1 shows the range of descriptors of engineering rates provided within QDCs/QSCs. Suppliers may provide one overall engineering rate or a wide range of engineering rates for different job roles. Engineering roles may be classified differently by different suppliers, and the rates data provided can be affected by the type of work carried out by the supplier or work required to deliver the contract.

Figure 2 shows the wide variation in engineering rates used by 12 suppliers in 19 QDCs in 2015/16, where individual engineering labour rate data is available. As suppliers may provide multiple rates, 32 engineering rates were reported.

Information about the composition of these rates is often limited; of the 12 QDCs with individual engineering rates, only one supplier specified these were direct labour rates. This supplier provided nine different engineering rates. For the remaining 11 suppliers, no information is available to determine whether the rates are for direct labour or include other costs.

**Figure 2: Engineering rates provided by 12 suppliers within 19 QDCs in 2015/16**



## Data sources and methodology

The data in this report is sourced from supporting information submitted with either the Contract Pricing Statement, Contract Reporting Plan or Contract Notification Report, which suppliers are required to submit to the SSRO within one month of the initial reporting date for a contract (usually the date the contract is entered into, unless it becomes a QDC/QSC by amendment). The templates and user guides for these reports are available on the SSRO's website<sup>1</sup>. Data from these reports are collated in the Defence Contract Analysis and Reporting System (DefCARS).

Only QDCs/QSCs which reported a time of agreement before 1 April 2016 have been included in this release, as notified to the SSRO by the Ministry of Defence.

Due to the commercial sensitivity of this data, the SSRO does not release any information that will enable identification of individual contracts or suppliers included within the analysis. For more information on the SSRO's handling of commercially sensitive information, see the SSRO's statement on its website<sup>2</sup>.

## Further information

The SSRO welcomes any queries or feedback you may have on this statistical release. If you would like to get in touch, please email us at [helpdesk@ssro.gov.uk](mailto:helpdesk@ssro.gov.uk)

<sup>1</sup> <https://www.gov.uk/government/collections/qualifying-defence-contracts-reporting-templates-and-user-guides>

<sup>2</sup> <https://www.gov.uk/government/news/handling-commercially-sensitive-information>