



MINISTRY OF DEFENCE

JSP 886 DEFENCE LOGISTICS SUPPORT CHAIN MANUAL

VOLUME 2 INVENTORY MANAGEMENT

PART 3 SINGLE OWNERSHIP OF ITEMS OF SUPPLY IN THE DEFENCE INVENTORY

**THE MASTER VERSION OF JSP 886 IS PUBLISHED ON
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Contents

Contents	2
Figures.....	2
CHAPTER 1: INTRODUCTION AND POLICY	3
POLICY.....	3
DEFENCE LOGISTIC SUPPORT CHAIN GLOSSARY	3
OWNERSHIP AND POINTS OF CONTACT	3
LINKED PUBLICATIONS	3
SUPERSEDED PUBLICATIONS	4
CHAPTER 2: PROCESS.....	5
RESPONSIBILITIES.....	5
BASE INVENTORY MANAGEMENT SYSTEM (BIMS).....	5
ITEM OWNERSHIP PROCESS	6

Figures

Figure 1: Guidance on Determining General Supply Items.....	5
Figure 2: Inventory Migration Implementation Group Membership	7
Figure 3: Determination of Item Ownership - Traditionally Managed Items.....	7
Figure 4: Determination of Item Ownership - CLS Managed Items	9

CHAPTER 1: INTRODUCTION AND POLICY

POLICY

1. It is Defence policy that each item of supply (further referred to in this instruction as 'item') is owned on behalf of Defence by a single owner.
2. The primary principle upon which convergence towards a Single Defence Inventory is predicated is that each item is to have a unique NATO Stock Number (NSN), a single (PT) owner and be hosted on only one Base Inventory System (BIS). This principle is often referred to as, 'One Item, one NSN, one Owner, hosted on one base inventory system'.
3. Chief of Defence Materiel (CDM) seeks to deliver cost-effective Defence-wide logistic support through the co-operative management of all items in the Defence Inventory. The aim of this policy is to deliver a rationalised, efficient and operationally effective Single Defence Inventory. This will be achieved by ensuring that this policy is applied to every item in the Defence Inventory.

DEFENCE LOGISTIC SUPPORT CHAIN GLOSSARY

4. A glossary of JSC terms is available at [JSP 886 Volume 1 Part 1A: The Glossary](#).

OWNERSHIP AND POINTS OF CONTACT

5. The policy, processes and procedures described in the Defence Logistics Support Chain Manual (JSP 886) is owned by Director Joint Support Chain (D-JSC). Head Support Chain Management (SCM-Hd) is responsible for the management of JSC policy on behalf of D JSC.

- a. This instruction is sponsored by DES JSC SCM (Pol Dev) who should be approached in case of technical enquiries about the content:

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LINKED PUBLICATIONS

6. The following publications are linked to this instruction:
 - a. [JSP 472: Financial Accounting and Reporting Manual 2010/11](#).
 - b. [JSP 886 Volume 2, Part 4: NATO Codification in the United Kingdom](#).
 - c. [JSP 886 Volume 3, Part 2: Contractor Logistic Support](#).

INTERNET VERSION – MASTER IS ON THE DEFENCE INTRANET

- d. [The Support Solutions Envelope, Key Support Area 3](#)

SUPERSEDED PUBLICATIONS

- 7. The following publication is superseded by this instruction:
 - a. JSP 886 Volume 2 Part 3 Version 3.3 dated 8 Feb 10.

CHAPTER 2: PROCESS

RESPONSIBILITIES

1. **United Kingdom National Codification Bureau.** The United Kingdom National Codification Bureau (UKNCB) is the policy focus on the applicability of NATO codification and associated data standards in support of the Single Defence Inventory. They are responsible for maintenance of the Item of Supply Information System (ISIS) database.

2. **Project Teams (PTs).** PTs must notify the UKNCB of items of supply for which they exercise ownership on behalf of Defence. They must consult during the decision-making process about ownership for those items where there is shared interest, even though the mechanism may be vested in a commercial partner. PTs are responsible for maintaining their item data records on their particular Base Inventory Management System (BIMS) and must notify UKNCB of all changes necessary to the ISIS data. Any Domestic Management Codes (DMC) changes will be identified during the regular reconciliation of ISIS and the BIMS.

3. **Medical & General Supplies PT (M&GS PT).** In addition to the provision and management of all Medical items and equipment, M&GS PT is also responsible for the ownership, management and procurement of General Supplies, which consist of commonly used consumable and commercially available items. General Supplies are items that have universal usage without design, purchase or user constraints, and are freely available in the commercial marketplace. Capital spares or repairable¹ items will not normally be designated as General Supplies and will not be owned by M&GS PT. Guidance to PTs on how to determine if an item is to be designated as a General Supply is at Figure 1.

Figure 1: Guidance on Determining General Supply Items

The questions below provide a checklist for PTs to determine if an Item should be designated as General Supply and owned by M&GS PT on behalf of Defence. This is intended to facilitate the opening of dialogue between interested parties in order to inform the process of ownership.

ITEM	CRITERIA	FULLY ACCEPTABLE		NEGOTIABLE	
1.	For existing items - Has the item been codified in accordance with JSP 886 Volume 2, Part 4?		Yes		No
2.	Does the item require specialist input?		No		Yes
3.	Is the item obsolete? M&GS PT will not source alternatives for obsolete items.		No		Yes
4.	Are there Obsolescence Issues?		No		Yes
5.	Does the ISIS record indicate the primary source data?		Yes		No
6.	Is the item Commercially available?		Yes		No
7.	In the case of existing items originally mastered on CRISP or SCCS will they be transferred to SS3?		Yes		No
8.	Is the item Consumable?		Yes		No
9.	Is the item a Capital Spare or a Repairable Item?		No		Yes
10.	Does the item have any design specific characteristics? eg. Airworthiness considerations.		No		Yes
11.	Is the item unique to a single platform or equipment?		No		Yes

BASE INVENTORY MANAGEMENT SYSTEM (BIMS)

4. **The term Target Base System has been superseded by Base Inventory Management System (BIMS).** The requirement for a single BIMS has been incorporated

¹ The term Rotable may be used in the maritime environment.

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into the Future Logistic Information System (FLIS) project. Initial work to address the issues of most immediate concern in the existing BIMS without a major change programme and within existing funding levels, is known as BIMS A and will primarily replace SCCS (the Air inventory system). BIMS A is funded and scheduled to commence roll out by autumn 2014. Proposals for a comprehensive solution for the future BIMS requirement, known as BIMS B, have been received from the FLIS Bidder (Boeing) and will be subject to separate evaluation.

5. **Migration of Items onto Stores System 3 (SS3).** In the meantime, where it has the necessary functionality, SS3 remains the inventory management system of choice for Defence. This is because it will be considerably easier and cheaper to migrate the majority of the Defence inventory from one legacy system to the ultimate BIMS solution. As far as possible and with the exception of operationally critical items that depend on functionality unavailable on SS3, or where alternative processes cannot be used, PTs are to manage all new-to-service items on SS3. PTs have not yet been formally tasked with the migration of existing items currently managed on other inventory systems to SS3

6. **Migration of Items from SS3.** As SS3 remains the inventory management of choice, items held solely on SS3 must not be migrated to another base inventory system, unless there is a specific business reason to do so.

ITEM OWNERSHIP PROCESS

7. **The ‘One Item, One NATO Stock Number, One Owner, Hosted on One Base System’ Principle.** ‘One item, one NATO Stock Number (NSN), one owner, hosted on one base inventory system’ is an essential principle upon which the operation of current MOD base inventory systems is based. In particular there is a requirement that there is a unique procurement PT against every individual item. Hence, it is not possible for the same item to be owned by more than one PT or to be held on more than one of the base systems. Failure to achieve this requirement will create considerable materiel and financial accounting problems for the Logistics Information Systems (Log IS), which will jeopardise the effective functioning of the Joint Support Chain (JSC).

8. **Domestic Management Codes².** Item ownership is denoted on Log IS by use of DMCs, which are allocated to a single PT owner. PTs are responsible for management of their own DMCs and the items within them. Changes to DMC do not have to be communicated to UKNCB, as these changes will be picked up during reconciliations with the Base IS. New DMCs are allocated to PTs on request by SCM Sp Pol NCB2g, on a system basis. The process for the allocation of DMCs is detailed in [JSP 886, Volume 2, Part 4: NATO Codification in the United Kingdom](#).

9. **Inventory Migration Implementation Group (IMIG).** The IMIG will investigate situations where single item ownership is not clear or agreed. Where necessary the IMIG determine the best PT for ownership of given items. The IMIG representatives are listed at Figure 2. The IMIG can be contacted via the Secretary who if required will convene a meeting to resolve ownership issues. In cases where the IMIG are unable to resolve item ownership between PTs, SCM Sup Pol will be the final arbiter.

² This term includes Inventory Management Codes (IMC) held on CRISP, and Supply Manager Branch Indicator (SMBI) on SCCS.

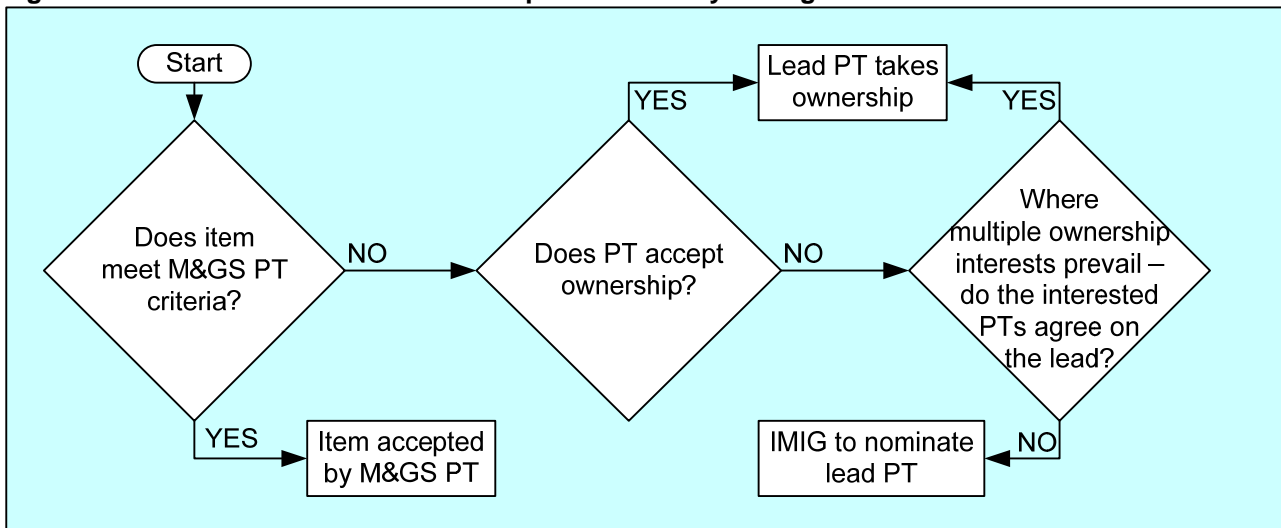
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Figure 2: Inventory Migration Implementation Group (IMIG) Membership

Position	Member
Chairman	DES JSC SCM-SCPoI-SupPoI-SL
Secretary	DES JSC SCM-SCPoI-SupPoIDev2
Support Solutions Representatives (as required)	DES JSC SCM-SSIT-Mar-Ld (Maritime) DES JSC SCM-SSIT-Land-Ld (Land) DES JSC SCM-SSIT-Air-Ld (Air – Fixed Wing) DES JSC SCM-SSIT-Hels-Ld (Air – Rotary Wing)
Interested PT Representatives	
Log NEC Data Management Team Representative	
Medical & General Supplies PT Representative	
UK NCB Representative	
Chiefs of Materiel Representatives (as required)	
Cluster Representatives (as required)	
Contact via the IMIG Secretary on Tel: Mil: 9679 32294 Email: DES JSC SCM-SCPoI-SupPoIDev2	

10. **Determination of Item Ownership.** Ownership of traditionally managed items is to be determined as shown below and at the Process Flow Diagram at Figure 3.

Figure 3: Determination of Item Ownership - Traditionally Managed Items



- a. **General Supplies.** M&GS PT will own those items that have been designated as General Supplies in accordance with paragraph 3 above.
- b. **New Items.** At the introduction of new items, and prior to assuming ownership, the sponsoring PT is to take into consideration the planned and potential future application for that item, including whether the item falls into the category of General Supplies under control of M&GS PT.
- c. **New Interest.** Where an item is already owned, the new user will be advised by the UKNCB to negotiate with the existing item owner and, if appropriate, with the M&GS PT, to determine future single ownership.
- d. **Single Use of an Item by One PT.** When an item in the Defence inventory (other than General Supplies) is only used by one PT, that PT shall normally be the owner. An exception can be where there are sound business reasons for a PT owning a 'single-use' item on behalf of another PT.

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e. **Shared Use of an Item by PTs.** When two or more PTs share usage of the same item, the sharing PTs shall decide which of them should be the item owner. If PTs fail to reach agreement on ownership of shared items then the IMIG will decide where ownership and management lie.

f. **Withdrawal of Interest for Shared Use Items.** When the current item owner withdraws interest in a shared use item the remaining PT(s) shall decide which of them should be the item owner. When ownership transfers, there is no requirement to separately notify UKNCB, as DMC changes will be confirmed during reconciliation.

11. **Identification of the PT Owner.** When identifying which PT is best suited to own an item, the following are to be considered:

- a. Usage Patterns.
- b. Existing Supply Chain arrangements and the composition of the customer base.
- c. Item attributes, ie consumable, commercially available or repairable.
- d. Contractual and funding issues.
- e. The impact on Contractor Logistics Support (CLS) including Contracting for Availability (CfA), Post Design Services (PDS) or similar procurement and support arrangements.
 - (1) Physical transfers.
 - (2) Financial transfers.
 - (3) Packaging requirements.
 - (4) Customer Service Agreements (CSA).

12. **Shared Interest.** Where shared interest is identified and PT ownership is resolved or changed, there is no requirement to separately notify UKNCB, assuming the previous PT owners comply with the instruction in Paragraph below to transfer stock holdings and delete the item from their own base inventory system. Removal of items from base inventory systems will be picked up during reconciliation.

13. **Item Data Maintenance.** Once ownership has been agreed, the owning PT will be responsible for ensuring the item and associated data are fully and accurately maintained. Other PTs holding stocks of the item are to arrange for transfer to the correct owning PT and to delete the item from their own base inventory system. However, this excludes data maintained or updated on ISIS. Any changes to ISIS data are to be communicated to UKNCB for amendment of ISIS prior to changes to legacy IS.

14. **CLS Items.** Guidance for the determining the ownership of items that are subject to CLS contracts is included in the Process Flow Diagram at Figure 4. This can often be a complex area where several competing commercial requirements will need to be resolved. Hence Figure 4 is offered as a guide to assist PTs in making ownership decisions based on all the known factors. In the event of the PTs being unable to reach an agreement on ownership, then the IMIG will intervene as described above.

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Figure 4: Determination of Item Ownership - CLS Managed Items

