

**THE DEFENCE LOGISTICS SUPPORT CHAIN MANUAL
JSP 886**

**VOLUME 2
INVENTORY MANAGEMENT**

PART 306

**THE PREPARATION, SUBMISSION, PROGRESSION
AND ORDERS FOR THE PURCHASE OF REPAIR,
CONVERSION OR MODIFICATION OF EQUIPMENT
(Formerly JSP 886, Volume 13, Leaflet MM 11)**

**The master version of JSP 886
is published on the Defence Intranet.
For technical reasons, external links
on this Internet version
have been removed.**

AMENDMENT RECORD		
Amendment Number	Amendment Date	Details of Amendment

List of Contents:

SECTION 1 - MM 11 - THE PREPARATION, SUBMISSION, AND PROGRESSION AND ORDERS FOR THE PURCHASE REPAIR, CONVERSION OR MODIFICATION OF EQUIPMENT

PART 1 - GENERAL INFORMATION

Purpose

Delivery requirements

DENOMINATION OF QUANTITY (D OF Q), PRIMARY PACKAGING QUANTITIES (PPQ) AND PACKAGING LEVELS

Special contract clauses

Competition and Single tender action

Requirement approval and financial scrutiny

Routing of requisitions prior to contract action

Amendments

Hastening of requisitions to contract

PART 2 - SPECIAL PROCEDURES RELATING TO ENABLING ARRANGEMENTS

Introduction

Initiating enabling arrangements

Renewal of enabling arrangements

Automatic Ordering System

Contractor's personnel engaged on work at RAF locations in Germany

SECTION 1 - MM 11 - THE PREPARATION, SUBMISSION, AND PROGRESSION AND ORDERS FOR THE PURCHASE REPAIR, CONVERSION OR MODIFICATION OF EQUIPMENT

1. This leaflet is divided into 2 parts:
 - a. **Part 1.** General Information on Requisitions and Enabling Arrangements raised by Support Management Branches (SMB's).
 - b. **Part 2.** Procedures applicable to the raising of requisitions for the initiation and renewal of enabling arrangements by SMB's. **These are the preferred method of procurement within the RAF and MDG's are to make maximum use of this procedure.**

PART 1 - GENERAL INFORMATION

PURPOSE

2. The purpose of this leaflet is to clarify requisition orders. A requisition is the financially approved notification of a requirement submitted by a MDG which authorises the Contracts Branch to supply goods and services specified in the requisition. Requisitions can be used to initiate contract action for initial provisioning or re-provisioning, for repair, conversion or modification of equipment, or for the provision of contractors' services.
3. MDGs can be notified of a need to raise requisitions by a variety of sources including:
 - a. Outputs or advice from the SCCS.
 - b. Advice from the Contracts Branch.
 - c. Initial Provisioning Spares list or Modification Leaflet.
 - d. Requests from equipment sponsors (Project Offices).

Requisitions are normally raised in manuscript or typewritten form, but can be generated by the SCCS (as R014/R015 outputs) on the instruction of the Range Manager. The Range Manager is responsible for selecting and raising the correct requisition form from the list at Annex A¹.

4. Separate requisitions or orders are to be raised for the following requirements:
 - a. Initial Provisioning Requirements.
 - b. Re-provisioning Requirements.
 - c. Repair or Modification of a piece of equipment.
 - d. Amendments or cancellations to existing requisitions.

- e. Requirements to be actioned by separate Contracts Branches.
- f. Urgent Requisitions.
- g. Each type (not mark) of aero engine.
- h. Contractors Working Parties or Services.

5. Each requisition or order is to be given a unique serial number allocated from a register maintained in the Branch. Numbers are to be taken up from the register sequentially with the last 2 digits of the serial number indicating the year the requisition is raised. Any documents produced by the SCCS will contain a computer generated reference number.

6. Requisitions or orders are to contain the full nomenclature of the items concerned as shown in FAP 1086, a schedule of parts or other documents. In addition, the full part number and technical specification are to be quoted when available. Computer generated orders or requisitions use an abbreviation of the nomenclature, but will include the part number and specification detail on the item record.

DELIVERY REQUIREMENTS

7. The requisition is to identify the required point of delivery from the following options:

- a. To the appropriate DSDC unit for stocks.
- b. Direct to a UK unit.
- c. To the DSDC unit for onward shipment to a nominated UK unit.
- d. To the supplier for self to self delivery, or to another contractor.

8. The requisition is to specify the commencement and completion dates of deliveries. All computer generated orders will detail the delivery schedules required. These will be based on the calculation contained in Leaflet MG 6/3 of the SCCS and MJDI (POC) User Guide, accessed from JSP 886 Volume 30.

9. Wherever possible SMBs are to use the delivery schedules calculated by the computer; however, if such information is unavailable the following formula can be used to determine the number of months that available assets will last before reprovisioning is required.

$$\text{Number of Months' Assets Held} = \text{Available Assets GFDR}$$

10. The number of months assets can then be compared with the ROP to establish whether a shortfall is likely to occur. Where such a shortfall is identified, the requirement is to be treated as a priority and delivery is to be requested to begin before the date when the Hastening Action Level (HAL) will be reached. If phased delivery is required, the completion date is to be reflected a period equal to ROP + DWSL from the date of the original requisition.

11. Where no shortfall is identified within the ROP, the requirement may be treated as routine. In such circumstances, delivery is to be requested to commence by a date not later than end of the ROP from the date of the original requisition. If the delivery is to be phased, the completion date is to be at an even rate between the commencement and completion dates.

12. Under no circumstances is the term 'ASAP' to be used as an indication of the urgency of delivery requirements.

DENOMINATION OF QUANTITY (D OF Q), PRIMARY PACKAGING QUANTITIES (PPQ) AND PACKAGING LEVELS

13. The requisition or order is to specify the D of Q, PPQ and approved Standard Packing Level for each item ordered. This information is available from SCCS records or previous orders. However, these should be re-validated to ensure the parameters are still valid and appropriate. Explanations of the D of Q and Military Packaging Levels are contained in Leaflets MM 24 and MM 196 respectively. In case of any doubt regarding D of Q and Packaging Levels advice is to be sought from CTS Packaging.

SPECIAL CONTRACT CLAUSES

14. A requisition or order is to specify any special clauses which are required. A full list of the standard conditions of Defence Contracts (DEFCON) is published in DEFCON 313A (List of Contract Conditions). Contracts will ensure that any contract contains the minimum legal requirements; however, any additional special clauses required are to be stipulated on the requisition. Moreover, a Contracts Branch may enter specific clauses of its own.

15. Instances will arise when, under the terms of the proposed contract, issues are required from RAF stocks to support the work being carried out under contract. The SMB is to ensure that requirements of this kind are included in the requisition. The procedures for including this kind of clause are described in the following leaflets:

- a. Embodiment Loan - MM 87
- b. Contractor's Bonded Store Scheme - MM 86
- c. Contractor's Repair Support Procedure - MM 85

COMPETITION AND SINGLE TENDER ACTION

16. In pursuit of the 'Value for Money' initiative, all parties involved in the procurement process are to seek increased competition in the tendering for contracts. The Multi Discipline Group (MDG) is to assist the Contracts Branches in identifying those areas where the introduction of competition is both possible and practical, and in identifying potential tender bidders. This is done by annotating requisitions with the appropriate detail.

17. The Contracts Branch will only proceed with a single tender requisition in exceptional circumstances. The only occasions when single tender action is considered appropriate are:

- a. Where the equipment to be purchased is confirmed as being a proprietary item.
- b. Where the equipment concerned has been subject to recent tender action, making further tender action pointless.
- c. Where the priority of the requirement, or the value of the items to be ordered militates against a full competition.

18. Special regulations apply to higher value single-tender requisitions. Where single-tender action is contemplated on a requisition valued at between £2.5 million and £5 million, the prior approval of the Director of Contracts (Air) is to be obtained. Where the value of a requisition is between £5 million and £10 million Ministerial approval is required. Support Management Staff are to liaise with Contract Officers to prepare such cases for submission.

19. One of the most important vehicles for extending the use of competitive tendering is to publish details of future contract plans in the Defence Contracts Bulletin. This document is designed to draw the attention of potential suppliers to the contracts let by the MOD and to encourage the smaller contractors to offer their services as a sub or main contractor. The Defence Contracts Bulletin is published by the MOD Procurement Executive (PE), Directorate of Procurement Policy (DPP), Defence Suppliers Service (DSS). All potential contracts with a value of £500,000 or more (£250,000 for clothing ranges) are to be included in this bulletin. The Range Manager is responsible for ensuring that the contract is included in this bulletin by completing Paragraphs 2, 3 and 10 of the appropriate MOD Contracts Bulletin proforma published by Cequel and submitting it to the Contracts Branch with the requisition. **This action is mandatory**, even if the requisition is for single tender action. The form can be obtained from:

Defence Suppliers Service
Room 431, St George's Court
14 New Oxford Street
LONDON WC1A 1EJ

Tel: (0171) 305 6108 [RAFTN 969199-561008]

REQUIREMENT APPROVAL AND FINANCIAL SCRUTINY

20. A requisition only bears one requirement approval signature, and each requisition raised is to be approved at the appropriate level of delegated financial authority. Requisitions must be complete before authorised by the person holding the financial authority. Under MOD Management Strategy, this authority is delegated in writing to individuals throughout a MDG and is generally limited by the grade, rank and experience of the person concerned. Individual Letters of Delegation contain full details of the financial powers delegated and of the financial scrutiny that is required in accordance with JSP 414 prior to signature

21. Contracts Branches are to receive the originally signed requisition containing an original signature. However, to distinguish the original from a photocopy, the requisition should be signed in any colour other than black. Photocopies are acceptable for administrative purposes.

ROUTING OF REQUISITIONS PRIOR TO CONTRACT ACTION

22. The officer within the IP who signs the Requisition is personally responsible for its contents and for ensuring that it contains sufficient information to enable the Contracts Officer to award a contract. Specialist advice is often required on Quality Assurance and technical matters and, before signing a requisition, the Approving Officer is to confirm that the views of all the relevant supply, technical and other Project staff have been sought and incorporated. Until such time as MDGs are fully integrated and co-located, each MDG is to formulate its own procedures covering the routing of requisitions to ensure that all relevant information is included before they are passed to contracts staff.

AMENDMENTS

23. Amendment lists (ALs) to requisitions are to be submitted on the appropriate form and are to bear the serial number of the original requisition and AL No. Any amendments that require an alteration to the potential expenditure against a requisition are to be signed at the appropriate delegated level applicable to the new total expenditure.

HASTENING OF REQUISITIONS TO CONTRACT

24. The Head of Cell (HOC) Support Manager is responsible for monitoring the progress of a requisition to ensure that the resultant contract is awarded in sufficient time to allow the contractor to meet the required delivery schedule.

25. Requisition action taken within SMBs can be split into 2 broad categories which result in the issue of either Demand Ordering System (DOS) Contracts or Single/Multi-line contracts for the supply, repair and/or conversion/modification of specified ranges of equipment. The progression of each type of requisition will require differing action by SMBs as detailed below:

a. **Demand Ordering System Requisitions:**

- (1) 2 months prior to contract start date HOC.
- (2) 1 month prior to contract start date HOS.
- (3) 2 weeks prior to contract date HOB.
- (4) At required contract start date DD.
- (5) 1 month after required contract start date Director.

b. **Non-DOS Requisitions:**

- (1) 5 months from date of requisition HOS.

- (2) 6 months from date of requisition HOB.
- (3) 7 months from date of requisition DD.
- (4) 8 months from date of requisition Director.

26. To enable any long overdue requisitions to be raised with the higher management levels within the appropriate organisations, it is essential to demonstrate that effective progression action has been taken from an early date. A permanent record of all progression activities should therefore be maintained on the requisition file/folder. The key to ensuring the timely issue of contracts will always be to ensure that requisition action is initiated in sufficient time to allow for the full Administrative Lead Time (ALT) period prior to the anticipated contract commencement date.

27. When the need arises to cancel a requisition which has not progressed to Contract, the Range Manager is to withdraw the requirement at the earliest opportunity. This will avoid unnecessary work by other departments. The cancellation document is to include the serial number of the original requisition and is to be distributed as per the requisition it cancels.

PART 2 - SPECIAL PROCEDURES RELATING TO ENABLING ARRANGEMENTS

INTRODUCTION

28. Enabling Arrangements provide facilities for designated Demand Authorities to place orders for the supply, repair, conversion and modification of spares, or the provision of services. The enabling arrangement is the authoritative basis for acceptance of any orders for equipment or services specified within the contract. The Enabling Arrangement should state the agreed duration of the contract.

INITIATING ENABLING ARRANGEMENTS

29. Enabling Arrangements are the preferred method of procurement in the RAF and MDGs are to make the maximum use of such facilities. Accordingly Support Managers are to review requisition registers regularly to assess the feasibility of introducing new Enabling Contracts to replace other methods of procurement.

30. After identifying items, or groups of items, suitable for an Enabling Contract, Support Managers are to obtain the prior consent of the Projects and Contracts Branches to the proposed contract. These authorities may respond that an existing running contract is to be used instead by including the SMB on the list of Demanding Authorities. The Army and RN Supply Branches use Running Contracts as a perfectly acceptable alternative to the Demand Order System.

RENEWAL OF ENABLING ARRANGEMENTS

31. The Support Manager is responsible for ensuring that requisitions are raised to continue contract cover. It is important that replacement requisitions are raised in sufficient time to ensure that contract cover is available on a continuous basis. As a

general rule, requisitions likely to result in competitive tendering are to be raised at least 1 year before the start of the repair cover period.

AUTOMATIC ORDERING SYSTEM

32. Procedures relating to the automatic ordering system are described in leaflet MG 6/5.

CONTRACTOR'S PERSONNEL ENGAGED ON WORK AT RAF LOCATIONS IN GERMANY

33. Under a NATO agreement, contractors' personnel working at RAF locations in Germany are deemed to be members of the civilian component of the Armed Forces and are, therefore, subject to Air Force Law. Since contractors' personnel are to be aware of this arrangement, it is necessary to include a clause in the requisition, drawing the contractor's attention to this requirement. The following clauses are, therefore, to be included in all contracts covering work by contractors at RAF locations in Germany:

a. By virtue of Section 209 of the Air Force Act 1955, certain provisions of Part 2 of that Act apply to persons in the employment of the Contractor while engaged on work under this contract in the Federal Republic of Germany.

b. By virtue of Article 73 of the Agreement to supplement the NATO Status of Forces Agreement (August 3 1959 Cmnd), technical experts exclusively serving the British Armed Forces in the Federal Republic either in an advisory capacity on technical matters or for the setting up, operation or maintenance of equipment are treated as members of the civilian component of the British Armed Forces for the purposes of the NATO Status of Forces Agreement, provided they are not stateless persons, nationals of any state which is not party to the NATO Treaty, Germans or persons ordinarily resident in the Federal Republic.

34. The Contractor shall ensure that his employees are made aware of the above. Further information may be obtained from HQPTC AMP(F).

¹ The use of correction fluid is not permitted.