

Contract Costs Statement - Post-Costing (Non-qualifying contract)

DEFCON 695
Edition 02/15

1. During the life of the Contract, or at contract completion, the Contractor shall submit to the Authority, at intervals specified in the Contract, a Contract Costs Statement in accordance with DEFFORM 812.
2. Where an interim Contract Costs Statement is required, the contractor shall provide this not later than six (6) months or such other period specified in the Contract after the end of the Contractor's financial year in question.
3. Where a final Contract Costs Statement is required, the contractor shall provide this six (6) months after receiving a request from the Authority, six (6) months after completion of the Contract, or such other period specified in the Contract whichever is the latest. The Authority shall not request a final Contract Costs Statement before the contract is substantially complete, unless otherwise agreed.
4. A final Contract Costs Statement, which may include reasonable estimates, together with supporting assumptions, of amounts that cannot be determined accurately without undue delay, may be provided within the timescales identified in clause 3 above.
5. The Authority shall notify the Contractor in writing within six (6) weeks of receipt of an interim Contract Costs Statement, or within eight (8) weeks of receipt of a final Contract Costs Statement, whether the summary of costs in the statement is inadequate or not as to form or content and the basis for that opinion.
6. In this Condition 'relevant sub-contract' means a sub-contract (including one with a subsidiary company or firm) placed by the Contractor in connection with or for the purposes of the Contract for which the value exceeds £5,000,000, and which is placed otherwise than by acceptance of the lowest acceptable competitive tender, competition not being confined to subsidiary companies or firms.
7. If the Authority identifies in the Contract the sub-contracts to which this Condition is to apply, the Contractor shall include in any relevant sub-contract the provisions set out in the Appendix to this Condition and shall take all reasonable steps to secure the due observance by the sub-contractor of its obligations under those provisions.
8. Except in so far as it is necessary for proper compliance with the requirements of any person duly acting in the capacity of an arbitrator under any provision of the Contract, the Authority shall not disclose to any person outside any Central Government Body any information obtained by it in consequence of the application of any of the provisions of this Condition.

APPENDIX TO DEFCON 695

Provisions to be included in relevant Sub-contracts including those with a Subsidiary Company or Firm

(See clause 6 of DEFCON 695)

1. In this Condition 'the Authority' means the Secretary of State for Defence acting on behalf of the Crown.
2. During the life of the sub-contract the sub-contractor shall submit to the Authority, at intervals specified in the sub-contract, an interim Contract Costs Statement (covering work done during prior years) in accordance with DEFFORM 812.
3. Where an interim Contract Costs Statement is required the sub-contractor shall provide this not later than six (6) months or such other period specified in the sub-contract after the end of the sub-contractor's financial year in question.
4. If the Authority notifies the sub-contractor in writing of the requirement to provide a final Contract Costs Statement, the sub-contractor shall provide this six (6) months after receiving a request from the Authority, or six (6) months after completion of the Contract, or such other period specified in the Contract whichever is the latest.
5. A final Contract Costs Statement, which may include reasonable estimates, together with supporting assumptions, of amounts that cannot be determined accurately without undue delay, may be provided within the timescales identified in clause 3 above.
6. The Authority shall notify the sub-contractor in writing within six (6) weeks of receipt of an interim Contract Costs Statement, or within eight (8) weeks of receipt of a final Contract Costs Statement, whether the summary of costs in the statement is inadequate or not as to form or content and the basis for that opinion.
7. Except in so far as it is necessary for proper compliance with the requirements of any person duly acting in the capacity of an arbitrator under any provision of the sub-contract, the Authority shall not disclose to any person outside any Central Government Body any information obtained by it in consequence of the application of any of the provisions of this Condition.