
STATUTORY INSTRUMENTS

2014 No. 3337

The Single Source Contract Regulations 2014

PART 3

Pricing of contracts

Re-determination of contract price

14.—(1) This regulation applies where the Secretary of State and the primary contractor propose to amend a qualifying defence contract (or a defined component of a qualifying defence contract) in a way that would affect the price determined under regulation 10 or this regulation.

(2) Where the allowable costs relating to the amendment are severable from the allowable costs under the contract before the amendment, the amended contract price is the total of—

- (a) the price payable under the contract before the amendment; and
- (b) any increase or decrease in the price payable under the contract which is attributable to the amendment.

(3) Where paragraph (2) applies—

- (a) the price payable in respect of the amendment must be determined in accordance with the formula in regulation 10(1);
- (b) the parties to the contract may agree which of the regulated pricing methods is to be used.

(4) Where paragraph (2) does not apply—

- (a) the price payable under the amended contract must be re-determined in accordance with the formula in regulation 10(1);
- (b) the parties to the amended contract may agree—
 - (i) which of the regulated pricing methods is to be used for the amended contract;
 - (ii) that defined components of the amended contract will be priced by different pricing methods.