
STATUTORY INSTRUMENTS

2014 No. 3337

The Single Source Contract Regulations 2014

PART 3

Pricing of contracts

Determination of allowable costs

19.—(1) The Secretary of State may not make an application under section 20(5) for a determination of the extent to which a particular cost is an allowable cost unless—

- (a) the Secretary of State has sent the primary contractor a written notice requiring the primary contractor to show that the requirements set out in section 20(2)(a) to (c) are met in relation to that cost;
 - (b) at least 20 working days have elapsed since the date of that notice; and
 - (c) no response, or no response which the Secretary of State considers to be satisfactory, has been received.
- (2) An application must be made within two years after the contract completion date.
- (3) In making a determination, the SSRO must have regard to—
- (a) the information that was available to each party at the time of agreement;
 - (b) the statutory guidance in place at the time of agreement;
 - (c) in the case of a contract which contains provision of the kind described in regulation 15 (TCIF adjustment), those provisions;
 - (d) whether the parties disclosed, in a timely manner, the facts and assumptions they used to determine the allowable costs or the contract profit rate.