

---

*Changes to legislation: There are currently no known outstanding effects for the Procurement Act 2023, Paragraph 9. (See end of Document for details)*

---

## SCHEDULES

### SCHEDULE 10

#### SINGLE SOURCE DEFENCE CONTRACTS

##### *Contract profit rate*

- 9 (1) Section 17 (contract profit rate) is amended as follows.
- (2) In subsection (1) at the end insert “, or, where the contract is divided into components, any component of that contract”.
- (3) In subsection (2)—
- (a) in step 2, for the words from “the risk” to “estimated allowable costs” substitute “the financial risks to the primary contractor of entering into the contract or component, taking into account the particular type of activities to be carried out by the primary contractor under that contract or component.”;
  - (b) omit steps 3 and 4 (and, accordingly, renumber steps 5 and 6 as steps 3 and 4);
  - (c) in new step 3, for “4” substitute “2”;
  - (d) in new step 3, after “contract” insert “or component”;
  - (e) in new step 3, before “Any increase” insert “In specifying provisions of the contract or component, the Secretary of State must comply with any requirements imposed by the regulations, and”;
  - (f) in new step 4, for “5” substitute “3”;
  - (g) in new step 4, after “contract”, in both places it occurs, insert “or component”.
- (4) In subsection (3) for “6”, in both places it occurs, substitute “4”.
- (5) In subsection (4)(b), for “6” substitute “4”.

---

##### **Commencement Information**

- 11** Sch. 10 para. 9 not in force at Royal Assent, see [s. 127\(2\)](#)
- 12** Sch. 10 para. 9 in force at 19.1.2024 by [S.I. 2024/61](#), [reg. 2\(1\)\(b\)\(iv\)](#) (with [reg. 3](#))

**Changes to legislation:**

There are currently no known outstanding effects for the Procurement Act 2023, Paragraph 9.