



Ministry of Defence

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VOLUME 4 MATERIEL ACCOUNTING

PART 321 DEMAND SUBMISSION AND MANAGEMENT

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CHAPTER 0: FOREWORD

1. The contents of this document are being absorbed into the main JSP 886: Defence Logistic Support Chain Manual or replaced by other MOD documents as part of a rolling programme. The current status of this document and a guide to where content has been moved to is at Figure1.

Figure 1: Status of Chapters

Section or Chapter	Status
CHAPTER 1: DEMAND SUBMISSION AND MANAGEMENT	JSP886 V3P15: SCT
PURPOSE	
GENERAL	
NON - SCC CONTROLLED ITEMS - DEMAND PROCEDURES	
POINTS OF COMMON APPLICATION	
SCALES	
PROVISIONING ESTABLISHMENT AND AUTHORISED HOLDINGS	
DEMAND PROCEDURES	
STATE REPORTING	JSP886 V3P1: SPS JSP886 V3P15: SCT
DEMAND INPUT	JSP886 V3P15: SCT
MJDI ACTION	MJDI User Guide
MANAGEMENT OF DEMANDS FOR ACCEPTABLE DEFERRED FAULTS (ADF) AND LIMITATIONS (LIM)	
MODIFICATION KITS	JSP886 V3P15: SCT
MJDI PROPOSALS	
DIRECT SUPPLY/WADS DEMANDS	
DEMAND CANCELLATION	JSP886 V3P15: SCT
INTERNAL REVIEW OF DEMANDS	
DIVERSION ORDERS	

OWNERSHIP AND POINTS OF CONTACT

2. The policy, processes and procedures described in the Defence Logistics Support Chain Manual (JSP 886) is owned by Director Joint Support Chain (DJSC). Head Supply Chain Management (SCM-Hd) is responsible for the management of JSC policy on behalf of D JSC. Deputy Head Engineering and Trough Life Support (EngTLS) is responsible for formulating policy on the Fundamentals of Materiel Accounting which is subject to ratification by the Defence Logistic Working Group (DLWG).

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CHAPTER 1: DEMAND SUBMISSION AND MANAGEMENT

MANAGEMENT OF DEMANDS FOR ACCEPTABLE DEFERRED FAULTS (ADF) AND LIMITATIONS (LIM)

Introduction

1. The impact upon the engineering organisation of Acceptable Deferred Fault (ADF)/Limitation (LIM) action when an acceptable supply solution is not available can be significant. Management of items demanded for ADF/Lim are detailed below.
2. An unserviceable aircraft may sometimes be required for use before the fault concerned can be corrected. In accordance with JAP (D) 100A-01 Chapter 5.4.2, providing that the safety of personnel or aircraft is not jeopardised, the necessary corrective maintenance may be deferred and the aircraft may be declared serviceable on the authority of OC FSW. If the fault is acceptable for continued operations without limitation on operations or handling it is known as an Acceptable Deferred Fault (ADF). Engineering staff may refer to this as a Green Line. If the fault does impose a limitation on operations or handling it is known as a 'Limitation' (LIM). Engineering staff may refer to this as a Red Line. An aircraft may have both ADFs and LIMs outstanding simultaneously and can be viewed in the Aircraft Form 700.
3. The decision to defer correction of a fault may be taken because a replacement component is not immediately available or because the nature of the work is such that it may be delayed safely to the next convenient scheduled servicing. In both cases, Supply staff must exercise close control over demand, custody and issue of the required components.

Principles

4. The following principles are to govern the management of items for ADFs and LIMs:
 - a. Most items required to satisfy ADFs and LIMs will be in short supply; therefore, centralised control of assets will be required to ensure economic and effective use. These items (irrespective of class of store), are to remain on main stock charge in safe custody in Logistics Squadron until required for fitting to the aircraft.
 - b. Consumption is to be recorded at the time the fault is discovered rather than when it is ultimately corrected, which could be several months later. This will ensure that re-provisioning action is taken promptly and not artificially delayed as a result of the ADF/LIM action.
5. To satisfy these principles OC Logistics Squadron is to maintain an ADF and LIM control system, to control the demand, custody and issue of all items required for ADFs and LIMs, in co-ordination with FHQ/ILOC/CDC. Local Unit orders are to be promulgated, as required, to supplement the management of the system.

Procedures

6. In purely Supply terms there is no difference between an ADF and a LIM, therefore, the following procedures apply equally to both and cover the following circumstances:
 - a. Where an item is known to be ADF or LIM from the outset.

- b. A decision is made to defer correction of a fault because an outstanding demand will not be satisfied in time.
- c. An aircraft is transferred to another station with ADFs or LIMs outstanding.
- d. Clearance at the new station of demands for ADFs or LIMs satisfied by the original station.
- e. The use of an item held for an ADF or LIM to clear another need event, normally limited to satisfying an aircraft state, at the same station or elsewhere.

Items Demanded as ADF or LIM

7. Items known from the outset to be required for an ADF or LIM, the following action is to be taken:
- a. On notification of the requirement, place a demand using Demands menu and record consumption (Legacy TC DNR) with a priority (SPC) and RDD commensurate with the intended date of clearance. The recovery of the unserviceable item is to be undertaken. If stock is issued, place in safe custody using Receipts, Surplus or Safe Custody, (Legacy TC RIC).
 - b. If stock is not available, accept the solution offered (endorse the DEMPROG record with the aircraft tail number, 'ADF or LIM' as appropriate and the intended date of fit) and then the progress the demand to meet its RDD.
 - c. When the item is received, bring on charge using the transaction appropriate to the source of supply, then clear the internal dues-out by means of issue after receipt (Legacy TC GDD). Place the item in safe custody by using Receipts, Surplus or Safe Custody, (Legacy TC RIC) and arrange for delivery to the safe custody location in Logistics Squadron.
 - d. Advise FHQ/ILOC that the item is held, waiting call forward for fitting.
 - e. If an output U34 is received, endorse the output with the Receipts, Surplus or Safe Custody, (Legacy TC RIC) number and return to the U34 clerk. If the Safe Custody (Legacy TC RIC) number is used this does not remove the requirement to progress the return of the unserviceable item. Maintain the U34 as open.
 - f. When FHQ/ILOC call an item forward for fitting to the aircraft the item is to be issued from safe custody, to the inventory number of the appropriate servicing organisation, using Issues from Safe Custody (Legacy TC GIC).

Outstanding Demand Converted to ADF/LIM

8. If an outstanding demand is not received in time and the fault is made subject to ADF or LIM action by FHQ/ILOC, the following action is to be taken:
- a. Endorse the DEMPROG record with 'ADF' or 'LIM' as appropriate together with the date of intended fitting. The demand is to be progressed to meet its RDD.
 - b. Subsequent action is to be taken in accordance with sub Paragraphs 7c to 7f.

Aircraft Transferred With ADF/LIM

9. When an aircraft is transferred to another station with outstanding ADF/LIMs the following actions are to be taken. **Note:** the actions only apply to aircraft on transfer and not to aircraft on loan:
- a. Initiate the transfer documentation and inform the appropriate Logistics Squadron personnel of the aircraft move.
 - b. Produce an Interrogation of Demands (Legacy TC QDU) print detailing all outstanding demands for the relevant aircraft.
 - c. Ensure that all spares held for the relevant aircraft are transferred to the new holding unit using External Issue without Issue request (Legacy TC GEO). Vouchers are to quote relevant ADF/LIM details and recorded on the control system.
 - d. With the exception of demands with Diversion Orders (DO), all outstanding demands are to be cancelled.
 - e. The status of all demands listed on the Interrogation of Demands (Legacy TC QDU) (Paragraph 8b) is to be clearly annotated on the print.
 - f. Interrogation of Demands (Legacy TC QDU) print is to be forwarded to new holding unit.
 - g. Progression on DOs is to be maintained to receipt of spares.
 - h. Any spares that are received after the transfer of an aircraft are to be forwarded to the new holding unit. Vouchers are to quote relevant ADF/LIM details.

Item Received From Original Station after Aircraft Transfer with ADF/LIMs

10. An aircraft received with outstanding ADF/LIMs is to take the following actions:
- a. Receive Interrogation of Demands (Legacy TC QDU) detailing cancelled demands and demands maintained at DO.
 - b. Receive any spares transferred from original unit.
 - c. Advise FHQ/ILOC details of spares transferred together with outstanding demands maintained at DO by original unit.
 - d. Place any spares received into safe custody using Receipts, Surplus or Safe Custody, (Legacy TC RIC).
 - e. Place demands as appropriate for previously cancelled ADF/LIM demands.
 - f. Progress the clearance of outstanding DOs with the original holding unit.
 - g. When required, issue spares from safe custody to the inventory number of the appropriate servicing organisation, using Issues from Safe Custody (legacy TC GIC).
 - h. Progress return of any unserviceable P and L class equipment.

DIRECT SUPPLY/WADS DEMANDS

Introduction

11. Direct Supply (DS) and Wholesale Automated Direct Supply (WADS) Proposal. The automated version of DS is WADS:

- a. If an item of DS is demanded and unit stock is not found MJDI will advise using an output U09 'ADVICE THAT DEMAND IS TO BE MET BY LPO/DIRECT SUPPLY'.
- b. If a demand is submitted for a WADS item with no unit stock, MJDI will advise using a U109. WADS demands are passed to the contractor using one of the following methods:

- (1) WADS prints at Stanbridge who then faxes to contractor.
- (2) WADS Electronic Data Interface (EDI) prints at the PT, who then e mail the contractor.
- (3) WADS passed direct to contractor via Purchase to Payment (P2P) interface.

12. This document describes the demand procedures that apply to the Direct Supply (DS) for commodities delivered directly from contractors to consumer units. DS procedures for DAS are described in JSP 384 Chapter 4 and in the supplement to JSP 307, the catalogue of DAS.

Direct Supply Operation

13. **Non-Automated DS.** Details of commodities available by DS are published in the Direct Supply Schedule (DSS), which is distributed to units by PTs. On receipt of instructions from RAFLCCS, units are to demand their DS requirements directly on the authorised contractor on a Form 531, Demand Under Running Contract. Demands from overseas units and other units excluded from the scheme will be satisfied from DSDA stock, inter-unit transfer or DO as appropriate.

14. **Wholesale Automated Direct Supply (WADS).** For selected ranges, the RAFLCCS will generate automatic stock replenishment demands direct to the contractor, on behalf of user units. Similarly, unit demands for WADS items will be automatically ordered on the contractor, and units advised accordingly.

Demand Procedure

15. **Non-Automated DS and Form 531 Procedure.** Demands for non-automated DS items are to be placed in the normal way. DS items are identified on the items record by setting the Degree of Stock Control Code to 1, and the Non-Direct Supply Indicator (NON-DS) to 0. For a DS item, the RAF stock search pattern is restricted to shelf stock solutions. Where no shelf stock is available the demanding unit will receive an output U09 'ADVICE THAT DEMAND IS TO BE MET BY LPO/DIRECT SUPPLY'. Acceptance of this proposal will create an internal (OB) and external (US) dues record. Demands are then to be placed on the contractors using Form 531, prepared in duplicate and numbered consecutively during each financial year. A separate Form 531 is to be raised for each contract and the description of the equipment ordered is to match that found in the DSS. Forms 531 are to be annotated to indicate whether the demand is for stock or to meet a

need event. Forms 531 are to be signed and dated by a Supply Officer, SNCO SCAF or Civilian of equal status and retained in safe custody, secure from unauthorised use.

16. **Bulk Fuel and Lubricants (F&L).** Refer to JSP886 Volume 6 Part 2: Fuels, Oils and Lubricants.

17. **WADS Items.** The criteria for an item supplied, as WADS are the same as that for a non-automated DS item. Processing will look for a demand from unit shelf stock, DSDA or by an automated order from the contractor. If processing cannot find unit stock or DSDA demand, RAFLCCS will send an U109 advising the unit a WADS order has been raised and sent to the contractor. Unless there are exceptional circumstances Units are not to override WADS. The WADS order number, contractors code, address and statement 'Order raised by SCC - No LOCAL ACTION REQUIRED' will be stated on the Output U109. Acceptance of the proposal will create an external dues-in (SSC-US) and internal dues-out (SCC-OB) on the unit record. The US due will show PPQ quantity rounded up from the demanded quantity and the OB due will show demanded quantity.

18. **Issue Requests.** Issue Requests are to be actioned iaw JSP 886 Volume 3 Part 15: Supply Chain Transactions.

19. **Excessive Quantity Demands - WADS item.** For need event demands the single line order value will not exceed £1000 and demand processing will reject demands or quantities in excess of this figure. In this instance, units are to re-submit these demands in reduced quantities. In the case of stock replenishment demands, the order figure may exceed £1000 when the single item order quantity is to bring the unit stock figure up to the maximum establishment.

20. **Task Demands - WADS Items.** The demand procedure will follow that outlined in Paragraph 3, except that the unit will be informed of the WADS order by means of an Output Q085 (Task Allocation Report).

Stock Replenishment

21. **Non-Automated Items.** Units will be advised by the RAFLCCS by an Output U43 'ADVISE OF LOCAL REPLENISHMENT ACTION' when and how much to order. Normal Form 531 procedures then apply.

22. **WADS Items.** The RAFLCCS will automatically generate an order to the appropriate contractor for the calculated stock replenishment quantity. Units will not receive an Output U43 for the WADS stock replenishment order, but a US due will be created on the unit record.

Dues Progression

23. Both non-automated DS and WADS items are subject to progression action. If a matching receipt is not reported by the demanding unit, then outstanding orders will be progressed as follows:

- a. **Non-Automated DS Items.** 90 days from the date of demand units will receive an Output U45 'ADVISE OF UNACTIONED LOCAL REPLENISHMENT DUE IN' advising the unit that the order record in the RAFLCCS has been cancelled. This will delete both the US and the OB dues record. Units should check with the contractor that the order is still being processed, and if the item is still required, whether a re-order is necessary.

b. **WADS Items.** 60 days from the date of demand units will receive an Output U45 as a reminder to hasten the contractor. Unsatisfactory delivery forecasts are to be referred to the PT. If the demand is still outstanding after a period of 15 days, units will receive a second U45 advising that the order has been cancelled. The dues record will be deleted and units should take re-demand action if still required. Stock replenishment demands cancelled at the 165 day point will be regenerated at the next monthly provisioning and procurement process.

24. **Demand Cancellation.** Units are to select 'Cancel Demand' (Legacy TC DLX) from the Demand Management menu to cancel need event demands. In addition the unit is to inform the contractor, quoting the WADS order number in any correspondence

25. **Diversion Order (DO) Proposal.** DOs are classed as system inabilities and are for specified quantities to be supplied against an existing contract. Instructions are sent to a contractor or other manufacturing or repair authority for urgent delivery to consignees. The DO facility enables equipment, not available from RAF sources, to be diverted directly from the contractor to the unit. DO procedures are detailed later in this document. The acceptance of a DO offer should only be taken after the Code of Practice for DO Acceptance has been carried out.

DIVERSION ORDERS

26. **Generation of DOs.** DOs may be used to satisfy a variety of requirements, e.g:

- a. SPC 1, 2, 3, 5, 9 and 13 demands.
- b. PT management requirements.
- c. PT originated task requirements.

27. **Exclusions from SCCS DO System.** The following are excluded from the SCCS DO system:

- a. Defence Accommodation Stores.
- b. RAF Ground Clothing.
- c. Direct Supply Items.

28. **Issuing Authority.** The Issuing Authority (IA) for a DO is the appropriate PT. However, this authority may be delegated to allow the RAF SCCS to produce DOs automatically for user demands. Automatic DOs are not generated for management tasks or against contracts on which a DO inhibitor is set. Where a DO cannot be placed automatically, the demand will be referred automatically to the appropriate PT for action.

29. **DO Offer Outputs U14 and U17.** Where a SPC 1, 2, 3, 5, 9 and 13 demand cannot be met in full or in part from stocks of either the item requested, or any unconditional alternative, and where valid contract cover exists, an on-line unit demand input will cause an Output U14 (DO Offer) to be generated. The U14 may be for the full quantity demanded, or if the contract cover is inadequate then a part issue will be offered. The U14 will contain an advice message to re-demand the balance. Units may also receive notification of a DO offer by means of an Output U17. This will be produced for SPC 1, 2, 3, 5, 9 and 13 demands held at net inability that can now be satisfied by DO action.

30. **Action on receipt of Output U14 or U17.** On receipt of an Output U14 or U17, units have 3 days to decide which of the following actions to take:

- a. **Request DO Action.** Before accepting a DO offer, units are to take the steps listed in Annex M paragraph 1. If contract cover is still available, a confirming Output U13 (Advice of DO Request) is generated¹.
- b. **Retain the Demand as an Inability.** If it is decided that a DO is not required and the demand is to be retained as an inability, the demand/DO offer is to be cancelled. The demand is to be re-input with the addition of an Item Demand Qualifier (IDQ) 5, 6, or 7. The demand will then be held as an inability.
- c. **Cancel All Action.** If a DO is not required and the demand is not to be held as an inability, the demand/DO is to be cancelled. Failure to carry out one of the above actions within the 3-day time scale will result in the unit receiving an Output U35 with the advice statement 'DELETION OF TIME EXPIRED DO OFFER - RE-DEMAND IS REQUIRED'.

31. **Creation of OI (Inability) Due.** Acceptance of a DO request will, on the unit dues record, create a matching due, Supply Status Code (SSC) DA (DO Offer) and OD (Inability DO). Acceptance of the DO offer will result in the deletion of the DA and OD due and the creation of an OI due. The subsequent U13 will include the advice message that the DO number will be advised by SCCS. When SCCS processing accepts and releases the DO, the demanding unit will receive an unsolicited U13 containing the Contractor's code and DO number. Processing will enter this number in the transaction/document number field of the OI due².

32. **Regrading of SPC.** When upgrading the SPC of a DO, units should not cancel the original demand with the contractor, but should take administrative action with the appropriate PT. Where the upgrade is from P to D state, the contractor should be advised by the PT to use an AOG label.

33. **Cancellation of a DO.** Where a unit cancels a demand on which a DO has been generated, the input deletes the OI and therefore the DO record. Although the due is deleted from SCCS records, the DO requirement held by the contractor is not cancelled automatically. Processing will generate an Output Q067 (Advice of Change of Inability Record) to the relevant PT. The PT will then decide whether to cancel the DO.

34. **Unit Action.** MJDI POC processing will review DOs periodically over a period of 720 days. On each review date, an Output X005 (Review of DO), identified by a suffix number 1 to 8, is generated to the unit. The action to be taken on receipt of the Output X005 is fully explained in the SCCS / MJDI POC User Guide (Part 6 Section 3) which can be accessed through JSP 886 Volume 30 Part 3. In addition, the annotation ADF/LIM is to be made against those DOs for which an ADF/LIM is maintained, together with details of the revised RDD.

¹ At MJDI Units there is no way of checking the availability of contract cover until after Demand Management (DO Request) (Legacy TC GDU) processing has been completed. If subsequently the contract cover is found to be unavailable, then the RAF SCCS will generate a second unsolicited U13 with the advice statement 'CONTRACT COVER EXHAUSTED'.

² SSC OI is used to denote both net inabilityes and DOs. An OI due with transaction/document number field filled refers to a DO. A blank transaction/document number field will define inabilityes.

35. An in-house computer record for each DO is created using the MJDI output C01 supplemented by additional information. Progression is carried out against RDDs provided by the units. RDDs are to be obtained from the demand originator and progressed.

Code of Practice for DO Acceptance

36. The cost of placing DOs on industry is high and there is bound to be some delay, possibly protracted, before the DO is satisfied. DOs should only be accepted as a last resort and are only to be raised when all possible unit supply solutions to the demand have been examined. Therefore, before requesting DO action, the MJDI operator is to:

- a. Inform the demand originator of the proposal. If the originator maintains the demand, initially accept the proposal.
- b. Refer to local management i.e. FHQ/ILOC, who are to carry out the following checks:
 - (1) Is there a suitable in-lieu item available?
 - (2) Are there any physical stocks held or due in from any source?
 - (3) Are there any stocks held in Mod Kits / Sets? Note that the authority of the PT is required before robbing a Mod Kit / Set.
 - (4) Are there any stocks held in PEPs? Issues from PEPs are to be authorised by the relevant Supply Officer or his delegated representative (not below SNCO level).
 - (5) Are the required items held "Articles in Use" (AinU)?
 - (6) Are there any R2/R3/R4 stocks available (cannibalisation)?
 - (7) Is the next highest assembly available and suitable?

37. FHQ/ILOC should be asked to instigate the following additional checks at SNCO level:

- a. A physical check of 'C' Class forward holdings.
- b. A physical check of servicing bays.
- c. A check for any R2/R3/R4 holdings that could be repaired.
- d. Check whether a local contractor could repair the item readily.
- e. Check whether R2/R3/R4 could be cannibalised.

38. If all the above prove negative and a DO remains acceptable, the DO is to be accepted by choosing the Demand Management, DO request (legacy TC GDU). Line 7 / Users notes details should show the authorising SNCO from both Supply and Engineering.