

**Induction Briefing** 

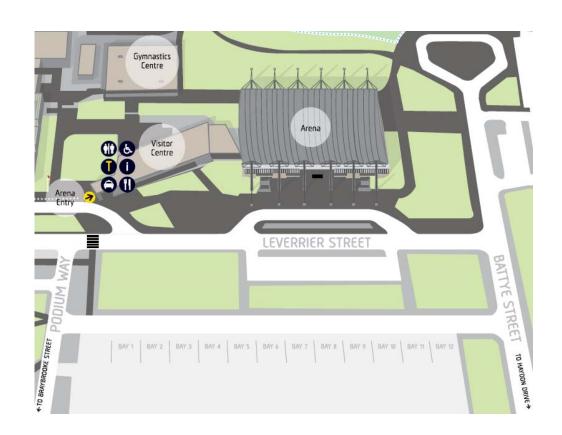
#### **Commercial Division**

Capability Acquisition and Sustainment Group



#### Welcome

- Acknowledgement
- Evacuation
- Amenities & Exits



## Agenda

- Welcome Dr Andrew Jacopino
- Strategic Importance Mr Greg Divall
- Background Dr Andrew Jacopino
- DSS Deed Tina Agnello
- Probity Simonetta Astolfi
- DSS Deed Management Craig Wyman
- DSS Business Management System Leigh Travers
- Common Issues Darren Porter
- Major Service Provider AIRCDRE Adam Brown
- Break (15 Mins)
- Panel Question and Answer Session

## Defence Support Services (DSS) Panel Strategic Intent

Mr Greg Divall
Group Business Manager CASG

## Our Purpose

#### **DEFENCE PRIMARY ROLE**

Defence's primary role is to protect and advance Australia's strategic interests through the provision of miliary capabilities, to promote security and stability, and to provide support for the Australian community and civilian authorities as directed by Government.



To defend Australia and its national interests.

**DEFENCE MISSION** 

CASG partners with industry to deliver Defence capability for the capability manager.

**CASG PURPOSE** 

#### **CASG Overview**

Finance	Capability	Industry	CASG Workforce
Defence budget	203*	Australian defence	full-time
FY 2017-18	major and minor capital equipment projects worth	industry	workforce approx.
\$34.6 billion	\$105.9 billion	employs approx.	5300
	112*	25,000 people	(3900 APS 1400 ADF)
CASG budget	Materiel Sustainment Agreement Product	3000	
FY 2016-17	Schedules with an annual budget of	small to medium enterprises (SMEs)	
\$13.6 billion	\$5.6 billion		
	*at 30 June 2017		

## The Challenge

Approximately \$195 billion will have been invested in Australia's defence capability by 2026

CASG is supporting delivery of the Integrated Investment Program to provide capability to the Capability Managers (our customers)

#### **DSS Panel Induction Briefing**

### **Investment in Capability**

Major acquisitions over the next two decades include:

- 12 P-8A Poseidon Aircraft
- 6 MQ-4C Triton Unmanned Aircraft System
- 72 Joint Strike Fighters
- 692 Armoured Fighting Vehicles
- \$89 billion in the continuous build of new submarines, major surface combatants and minor naval vessels in the Naval Shipbuilding Plan
  - 12 Submarines
  - 9 Frigates
  - 12 Offshore Patrol Vessels
  - 3 Air Warfare Destroyers









## **Fundamental Inputs to Capability**

A Fundamental Input to Capability (FIC) is one of the multiple inputs required to deliver capability.

Industry is a critical input to delivering capability



Dr Andrew Jacopino Assistant Secretary Supplier Analysis & Engagement

#### **History**

- Capability Acquisition and Sustainment Support Services (CAS-SS) Panel has:
  - been in existence since 2005 and has been extended until 23 Apr 18.
  - over 343 active companies covering over 100 skill sets.
  - Long term average total annual expenditure under the CAS-SS panel is around \$300m per year split as:
    - approx. 50% to CASG;
    - approx. 50% other Groups, Services and CoA agencies.
- Services provided through CAS-SS reviewed and updated and included in scope of services for Defence Support Services

#### Role of the DSS Panel

- The DSS panel is being established to:
  - Procure a broad range of services to support the acquisition and sustainment of Defence's (Air, Joint Systems, Land and Maritime) capital equipment and system projects.
  - Other Defence Groups, the Australian Defence Force (ADF), and other Australian Government agencies may also require access to the services.
- New DSS panel includes MSP model to support CASG's need for long term strategic arrangements
  - MSP only applies to CASG work.

#### **How Services are Delivered**

- DSS panel is focused around 4 key disciplines and 79 underlying skill sets linked to the CASG Centres of Expertise:
  - 1. Engineering and Technical
  - 2. Program Management
  - 3. Materiel Logistics
  - 4. Commercial

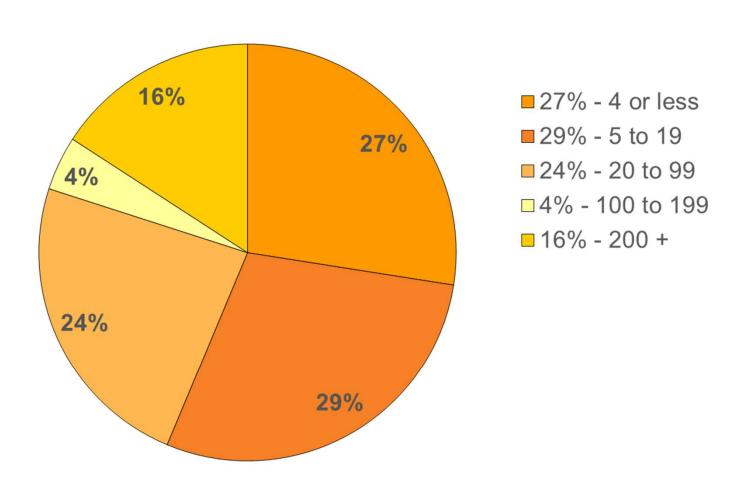
#### **How We Got Here**

- 21 Apr 17 DSS RFT, including MSP EOI, released via AusTender.
- 05 Jun 17 DSS RFT / MSP EOI closed.
- 20 Oct 17 CAS-SS Panel extended to 23 Apr 18.
- 15/16 Jan 18 DSS Tenderers notified of evaluation
- 20 Apr 2018 Commence operation of the DSS panel.
- From June 18 DSS Tenderer debrief

#### **DSS Panel Statistics**

- The DSS panel has:
  - Updated Skill Set descriptions across all 79 skill sets
  - 5 Levels of Service Delivery
  - Updated Business Management System (BMS)
  - 524 panelists
    - 15 Indigenous companies
  - Company Size 84% SMEs (199 or less FTE)

## **Company Size (FTE)**

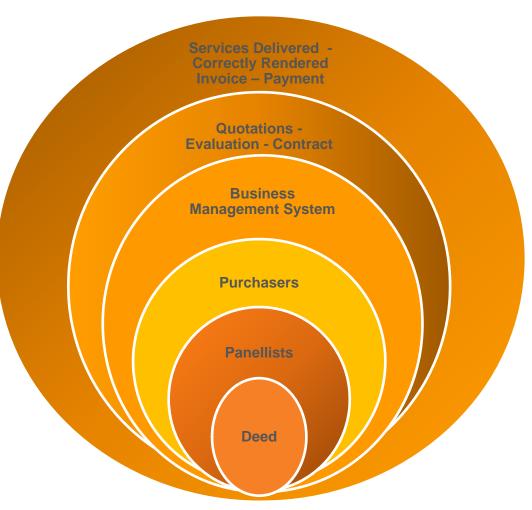


Tina Agnello Director Strategic Panels

- DSS Team
  - General Queries <u>dss.panel@defence.gov.au</u>
  - RFQTS <u>dss.rfqts@defence.gov.au</u>
- Key information
  - SON 3485107
  - Initial term of 5 years (3 extension options:+2 +2 +1)
  - Effective Date 20 April 2018
  - CAS-SS expiry 23 April 2018
  - BMS used for all transactions

#### **Panel Elements**

- Deed
- Service Providers
- Purchasers
- Supporting System
- Requests, Quotes, Evaluation
- Contracts
- Service Delivery
- Payment



Deed	Contract
Standing Offer for provision of services	Raised under the Deed
Managed by the DSS Team	Managed by the Commonwealth Contract Representative
Standard Terms and Conditions for all Panellists	Supplementary conditions as required – insurances/disbursements etc
	Exists when an Official Order is provided
Pricing – each Panellist has their own pricing schedule attached to the Deed (Short Term and Long Term)	Contract Price agreed through RFQTS – Official Order process
Travel – per Diem amount	May specify additional disbursements to be reimbursed by the Commonwealth

- Claims for Payment
  - Must meet requirements of clause 5.3 and any additional requirements of contract
    - Service Providers do not require copy of the Purchase Order, just a Purchase Order number
- Key Requirements
  - Only enter into contracts to perform services successfully appointed to the Panel for
  - Only respond to RFQTS' issued to Service Provider
  - Use of Commonwealth-held information is for provision of Services under the Deed only

- Provider Information for Purchasers
  - Capability Statement
  - Internet Link
  - Company Profile
  - For CASG talk to Major Service Providers
  - Company Point of Contact Information
- DSS Helpdesk and Queries
  - dss.panel@defence.gov.au

#### **DSS Panel Induction Briefing**

## **Probity and Related Issues**

Simonetta Astolfi Probity Adviser

### **Probity and Related Issues**

- DSS Panel Probity Framework
- Conflicts of Interest
- Post Separation Defence Employment
- Defence's remedies for Probity breaches
- All Probity queries sent to dss.panel@defence.gov.au

## **DSS Panel Probity Framework**

- Applies to <u>all</u> Service Providers
- Onus is on Service Providers to adhere to the Framework
- Defence will be strict in applying the Framework
- Defence may suspend or terminate Service Providers who are in breach

#### **Conflicts of Interest**

- Refer to clause 2.3 of the DSS Panel Deed
- Service Providers <u>must</u> identify and notify Defence about Conflicts of Interest
- Three situations to look for:
  - where the Service Provider may be simultaneously providing "above the line" and "below the line" Services;
  - where the Service Provider intends to hire a former
     Defence employee, and respond to an RFQTS prepared by that employee; and
  - where the Service Provider considers employment/an opportunity with another Panel member relating to an RFQTS/work completed by the Service Provider

## Post Separation Defence Employment

- Obligations set out in clause 2.4 of the DSS Panel Deed
- Service Provider has to seek DEPSEC CASG approval in 4 circumstances – see clause 2.4.2
- Prohibition against naming Defence APS/ADF members as Specified Personnel applies
- Defence will continue to strictly enforce compliance

## Remedies for Breach of Probity Framework

- Remedies are at Defence's discretion, and include:
  - Dictating a specific process to remedy the breach;
  - Investigating suitability of Service Providers, eg when assessing a Quote;
  - Declining to issue RFQTSs to Service Provider;
  - Suspending Service Providers from the DSS Panel; and
  - Terminating the Service Provider's DSS Panel
     Deed and any Contracts.

Craig Wyman
Assistant Director Strategic Panels

#### **DSS Deed Manager Responsibilities**

- DSS Panel Business Rules
- Assignment and Novation
- Defence Security
- Panel Review and Refresh
- Post Defence Separation Employment
- Disputes and Termination (Clause 9)
- Suspension of Service Provider for Non-Performance

#### Suspension of Service Provider for Non-Performance

- Clause 9.2 of the Deed
- Linked to Attachment G of the Deed

#### **Post Defence Separation Employment**

- not less than 10 working days prior to requiring Deed Manager approval
- the Service Provider shall not nominate as Specified Personnel, seek to employ, or otherwise engage any person who is a Department of Defence APS employee; or a Permanent/Regular ADF Member

#### **Security**

- In accordance with the DSM Chapter 2:20 para 20
  - Where the relationship between Defence and a panel member has been formalised through a Deed of Standing Offer; the Panel manager will determine the requirement and sponsor clearances for personnel employed by panel
- Clearance requirements for contractors are determined by Defence Contract Managers on the basis of their need to access classified information, networks, assets or secure areas.

#### **Defence Resources**

- Submit company profile
- CASG Work talk to the MSP companies Jacobs Beca Team, KEY Team, Team Nova & Team Downer
- Centre Defence Industry Capability Collaboration (CDIC) <a href="https://www.defenceindustry.gov.au/">https://www.defenceindustry.gov.au/</a>
- Register onto Austender to receive ATMs <u>https://www.tenders.gov.au/</u>
- AGSVA: <a href="http://defence.gov.au/AGSVA/corporate-industry-policy.asp">http://defence.gov.au/AGSVA/corporate-industry-policy.asp</a>

#### DSS Panel Induction Briefing

## Business Management System (BMS)

Leigh Travers
Strategic Panels

#### **DSS Panel Induction Briefing**

## **Business Management System (BMS)**

Home Budget Estimation RFQTS Admin - My Account -

#### CAS-SS PANEL

# Capability Acquisition and Sustainment - Support Services (CAS-SS) Panel (SON48590)

Business Management System (BMS) V1.2

#### Extension of the CAS-SS Panel Arrangement

The current CAS-SIS Planet arrangement has been extended to intendity 23rd April 2015, while the region errors Catherer Support Services (CSIS) Planet is exhibitional.

Sustrems rules in relation to the length of contracts agreed under the CRS-SIS Planet continue to apply, and Complittenager approval must be sought for any new contracts, or extensions that will have a completion date after 31 November 2016.

To seek Seek stanger approval please analyses allowing before a given with justification for any Criss-SIS Fund arrangement required to and post 30 November 2010, information should include total length of contract, price, wender and number of personnel and statement of work as a minimum. Each request will be

#### My Sections

#### Supplier Analysis and Engagement

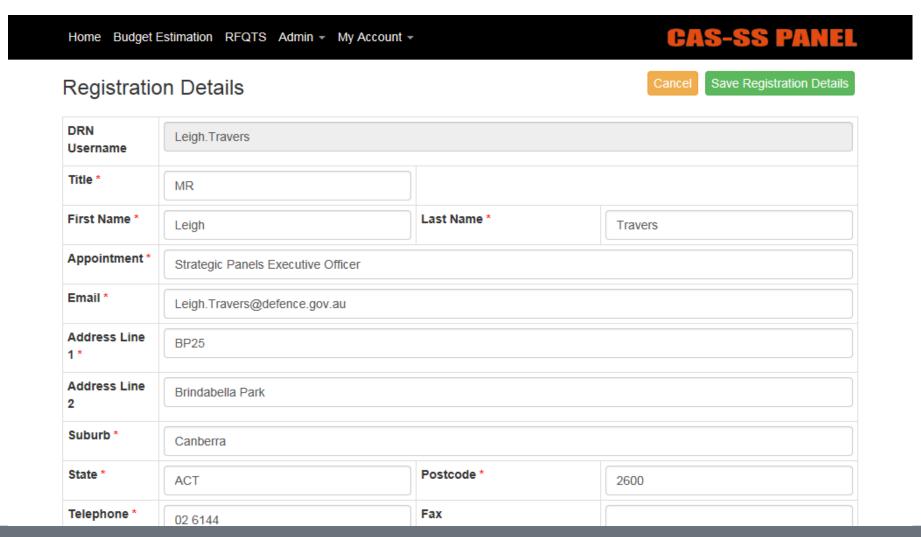
#### CASG External Legal Engagements (CELE) Panel

- · Leigh Travers
- Tina Agnello

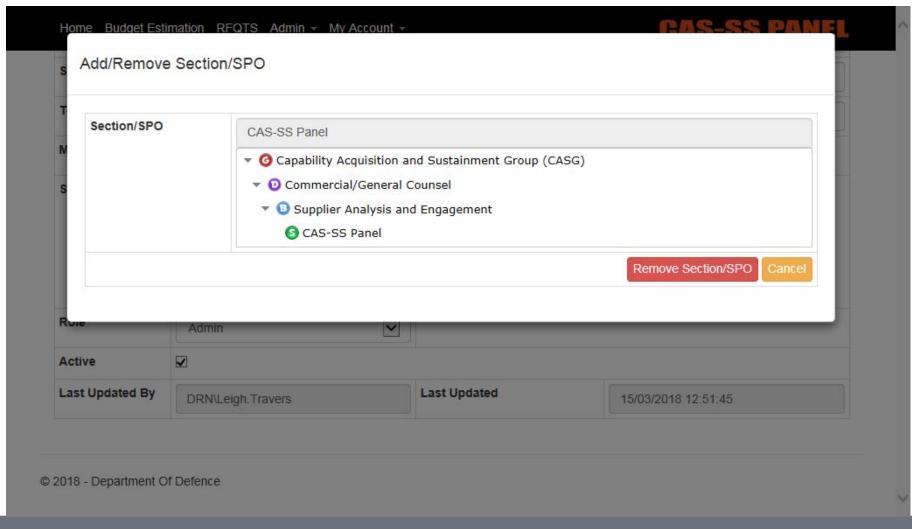
#### CAS-SS Panel

- · Craig Wyman
- Darren Porter
- · Leigh Travers
- · Phillip Hall
- Tina Agnello

#### **User Access**



# **Organisation Structure**



# Access to RFQTS

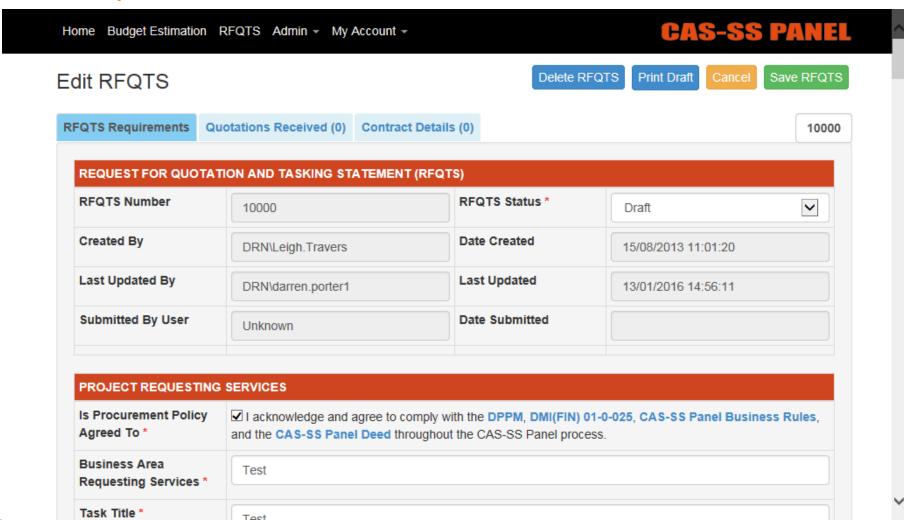
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**CAS-SS PANEL** 

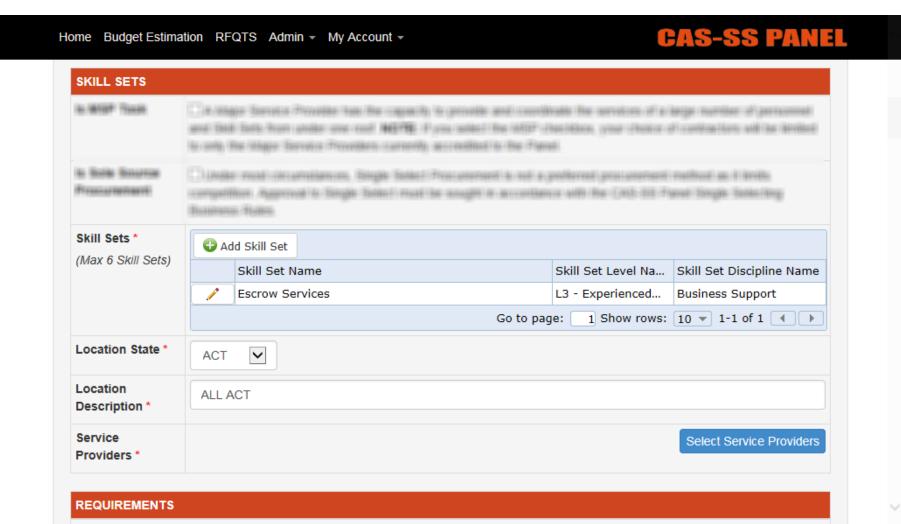
#### **RFQTS List**

<b>⊕</b> Cı	€ Create RFQTS Create RFQTS								
Y	RFQTS	Task Title	Created By	Section/SPO Y	Status	Quotation Closing			
			trl	cas-	Select   ▼				
	17650	Leigh Test	DRN\Leigh.Travers	CAS-SS Panel	Open	21/02/2018			
	16036	Wyman's DREAMS Test	DRN\Leigh.Travers	CAS-SS Panel	Draft	19/03/2017			
	14566	CAS-SS Panel Test	DRN\Leigh.Travers	CAS-SS Panel	Withdrawn	20/04/2016			
1	14224	CAS-SS Panel Attachment Test	DRN\Leigh.Travers	CAS-SS Panel	Draft	11/02/2016			
	14205	External Agency	DRN\Leigh.Travers	CAS-SS Panel	Draft	06/03/2016			
	14155	CAS-SS Panel Test	DRN\Leigh.Travers	CAS-SS Panel	Withdrawn	29/01/2016			
	14055	PIVT	DRN\Leigh.Travers	CAS-SS Panel	Withdrawn	24/12/2015			
	13930	Test	DRN\Leigh.Travers	CAS-SS Panel	Withdrawn	23/11/2015			
	13273	DMOSS Test	DRN\Leigh.Travers	CAS-SS Panel	Draft	30/06/2015			
	13097	PIVT 04/06/15	DRN\Leigh.Travers	CAS-SS Panel	Draft	12/06/2015			
	13095	PIVT 04/06/15	DRN\Leigh.Travers	CAS-SS Panel	Withdrawn	04/06/2015			
	12933	DMOSS TEST 07/05/15	DRN\Leigh.Travers	CAS-SS Panel	Draft	07/05/2015			
1	12151	PIVT 19/11/2014 #2	DRN\Leigh.Travers	CAS-SS Panel	Draft				
	12141	PIVT 19/11/2014 #2	DRN\Leigh.Travers	CAS-SS Panel	Completed	20/11/2014			
1	12137	PIVT 19/11/2014	DRN\Leigh.Travers	CAS-SS Panel	Withdrawn	19/11/2014			
	10074	E 11 - 1	DOWN ! I T	040 00 0		05/05/0044			

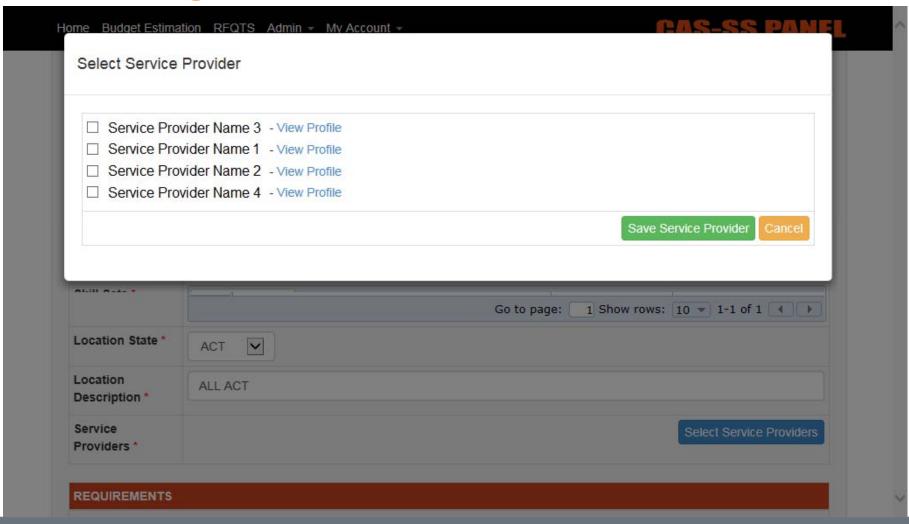
# **RFQTS** Creation



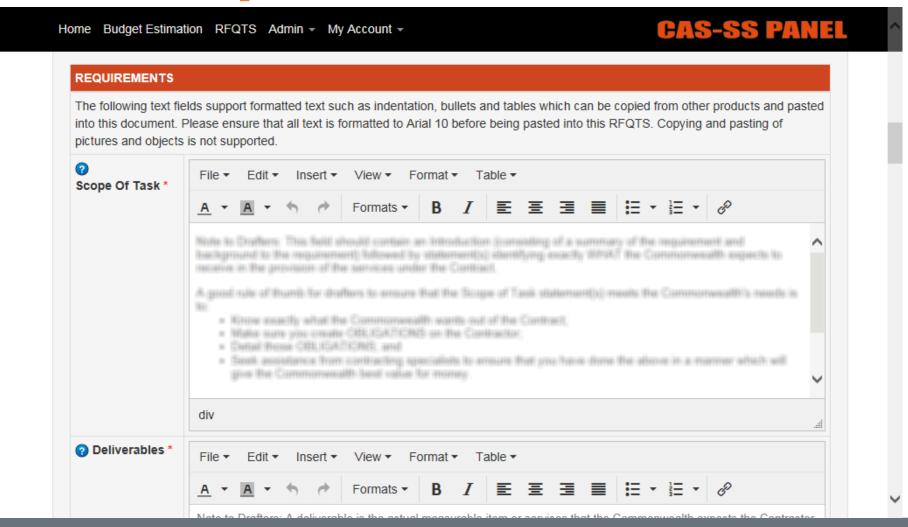
## **Skill Sets & Location**



# **Selecting Service Providers**



# **RFQTS** Requirements



# **RFQTS Document**

#### INDICATIVE REQUEST FOR QUOTATION AND TASKING STATEMENT AND QUOTATION FORM

#### **RFQTS**

#### Request for Quotation and Tasking Statement

Defence Support Services (DSS) Standing Offer Deed

The Commonwealth requests a quotation for the following Services. The terms and conditions of any resultant Contract shall be those of the DSS Standing Offer Deed (the Deed)

RFQTS Number:	##### (BMS Generated)			
Department:	Department Name			
Group:	Group Name			
Directorate:	Directorate Name			
Project/Section Name:	Project or Section Name			
Task Title:	Task Title Name			
Price Basis:	Fixed Price / Level of Effort (labour rates)			
Commencement date for Task:	Day/Month/Year			
Completion date required for Task:	Day/Month/Year			
Duration of Contract (Calendar Days):	### (Calculated)			
Closing Date for Quotation:	Day/Month/Year			
Okill Caffa)	Chill Lavelle) Comice Cotemanile)			

# **Quotation Template**

#### QUOTATION

Under Defence Support Services (DSS) Standing Offer Deed

The Service Provider submits this Quotation in accordance with the Deed and in response to the Commonwealth Request for Quotation and Tasking Statement.

RFQTS No.: ######

Task Title: Title of the task

Service Provider Name: Name of Service Provider

Service Provider ABN: ABN of Service Provider

How many full time employees (or equivalent) does the Service Provider have?

○ 4 or less ○ 5 to 19 ○ 20 to 99 ○ 100 to 199 ○ 200 or more

SKILL SETS AND LEVELS			DAILY RATE	
Skill Set (list)	Skill Level	Short Term	Long Term	
Skill Set Name (Populated by the BMS)	Skill Level (Populated by the BMS)	\$1000.00	\$850.00	
		[Field]	[Field]	
		[Field]	[Field]	
		FET 1 13	FET 1 13	

# Submitting a Response

From: Leigh Travers [mailto:leigh.travers@defence.gov.au]

Sent: Wednesday, 28 February 2018 10:45 PM

To: Service Provider < serviceprovider@serviceprovider.com.au > Subject: DSS Panel - Request for Quotation 99999 [SEC=UNCLASSIFIED]

Please find attached a Request for Quote and Tasking Statement (RFQTS.doc) from the Defence Support Services (DSS) Panel.

Please respond to the RFQTS by completing the attached Quotation template (Quotation.doc). Your response to each section will be processed automatically by the DSS Panel Business Management System (BMS). Any additional information (for example, CV's, etc) must be included as separate documents. Please ensure that you adhere to the following guidelines for the submission of your Quotation document. This will ensure that your quotation is received successfully:

- 1. Include the RFQTS Number in the subject line of the quotation email to support simpler issue management
- Respond to the RFQTS by completing the shaded fields in the quotation document. Do not alter the quotation.doc in any other way. Another
  quotation template from a different RFQTS must not be used to respond to this RFQTS. The Quotation must be completed in Microsoft Word 97 or
  later. The Quotation must not include rich or compound document content including images, diagrams or tables.

Do not zip the quotation.doc as it will not be processed.

3. Save the Quotation document as 'Quotation.doc'. Attach it to an email, addressed:

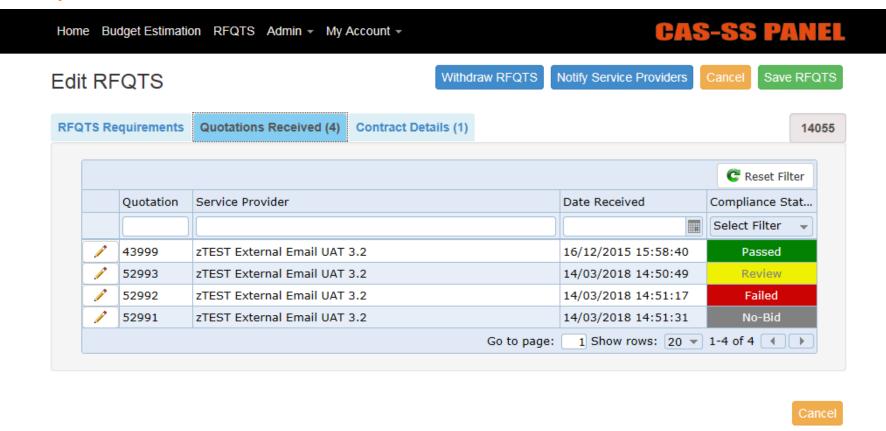
TO: dss.rfqts@defence.gov.au

CC: the quotation documents must be CC'd to the email address of the Defence Representative provided in the RFQTS (Please note that this contact person may be different from the one who sent you the email).

# Submitting a Response

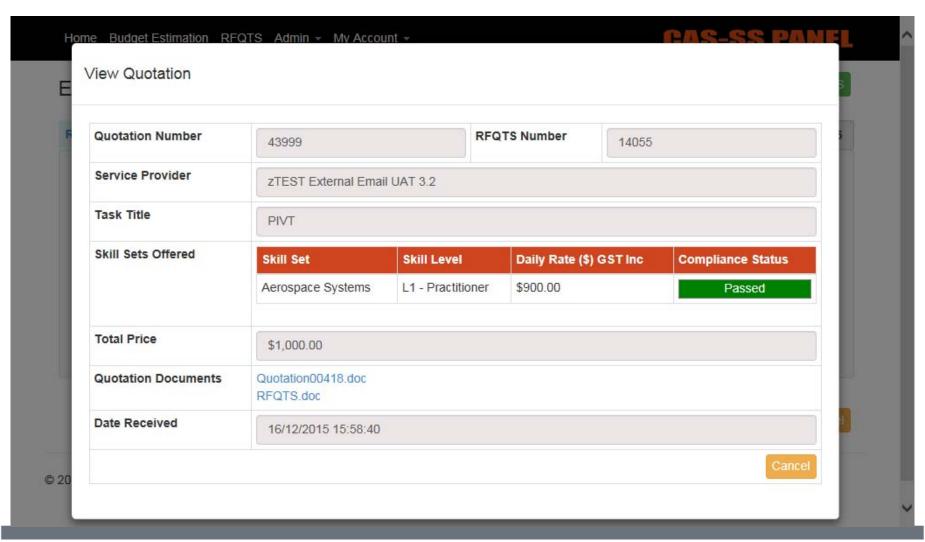
- Subject to Include RFQTS Number
- Saved as 97-2003 MS Word Compatible
- Quotation Named: example\_quotation.doc
- Do not zip
- Email to: <u>dss.rfqts@defence.gov.au</u>
- CC to: The Commonwealth Representative
- Attach Supporting Documentation
- Receipt Acknowledgement Provided

# **Quotations Received**

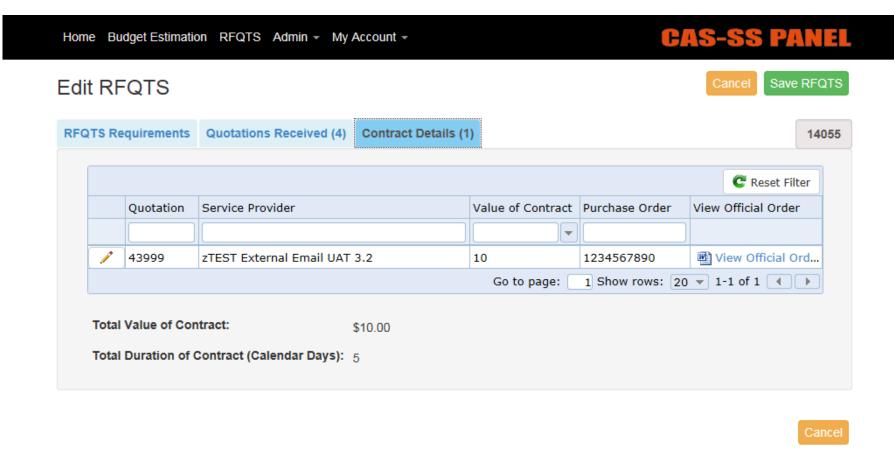


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## **Evaluation**



## **Contract Details**



# Defence Support Services (DSS) Panel

Darren Porter Strategic Panels

# **DSS Panel Helpdesk**

- Main DSS Point of Contact
- CAS-SS Contracts
- Compliance Checking and Audit
- Quotation Closing Time
- Extensions to Contracts
- Queries Related to RFQTS
- Facilitate Other Agency RFQTS
- Manage BMS User Accounts and Queries
- Amend Company Details
- Security forms/process
- Building entry passes

## **DSS Panel Contacts**

### **Contact Details**

- Helpdesk: <u>dss.panel@defence.gov.au</u>
- Responses: <u>dss.rfqts@defence.gov.au</u>

# **Major Service Providers**

# AIRCDRE Adam Brown MSP PMO Lead MSP.Adminstration@defence.gov.au

## **MSP** Arrangement

#### Defence streamlines service provider arrangements

5 February 2018

Minister for Defence Industry, the Hon Christopher Pyne MP, today announced Defence had entered into Major Service Provider (MSP) agreements with four Australian industry led teams to more effectively engage with industry.

Minister Pyne said the MSP agreements represent a fundamental change to how Defence's Capability, Acquisition and Sustainment Group (CASG) service providers will work together to acquire and sustain capability for the Australian Defence Force (ADF). The Major Service Providers will support CASG in tasks like workforce planning and management, industry and supply chain management, and longer term partnerships to better deliver capability.

"The agreement actively encourages healthy competition in the market, including fostering a viable and vibrant small-to-medium enterprise (SME) sector for 'above the line' subject matter expertise," Minister Pyne said.

"Not only does this arrangement recognise industry's importance as a fundamental input to capability, it will also deliver better value for money to the Commonwealth."

Minister Pyne said this has been achieved through an interactive and competitive dialogue process with industry, including with the four successful MSP teams led by Jacobs Australia, Nova Systems Australia, Kellogg Brown & Root (KBR), and Downer EDI Engineering Power.

"The MSP agreement will also ensure an enhanced and sustainable capability exists within both Defence and industry to support current and future Commonwealth work requirements," Minister Pyne said.

"All the MSPs provided a competitive price for the delivery of services and are committed to working with, growing, and developing the Australian Defence industry sector."

By mid-2018 a further tranche of service provider arrangements will be delivered. The new Defence Services Support panel will make available the expertise of over 350 SMEs to support Defence in delivering capability.

Further details on the four MSPs involved in the agreement, which comes into effect on 1 February 2018, can be found online at: <a href="http://www.defence.gov.au/casg/DoingBusiness/Industry/Industryprograms/MSP">http://www.defence.gov.au/casg/DoingBusiness/Industry/Industryprograms/MSP</a>



The Hon Christopher Pyne MP Minister for Defence Industry

## **MSP Services**

## **Integrated Work Partner**

 Longer-term, larger and more complex Integrated Work Packages (IWPs)

## **Capability Partner**

providing an agreed annual level of effort

## **Strategic Partner**

- MSP management and governance
- industry and supply chain development and management

## Available to CASG only

## Four MSPs

#### **Jacobs Beca Team**

- Jacobs and Beca
  - (email: <u>mspadministration.ja@jacobs.com</u>)

#### **Team Nova**

- Nova, QinetiQ and PwC
  - (email: <u>industryengagement@novasystems.com</u>)

#### **KEY Team**

- KBRwyle and EY
  - (email: <u>KEY\_MSP@KBR.COM</u>)

#### **Team Downer**

- Downer EDI, AGIS, DXC, Systra Scott Lister, Envista, Providence
  - (email: <u>TeamDownerMSP@downergroup.com</u>)

# **Break**

# Panel Question & Answer Session

Thankyou