



Australian Government

Department of Defence

**ASDEFCON (SUPPORT)
Version 4.0**

Statement of Work Tailoring Guide

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Authority

This *Guide* does not create policy. This *Guide* refers to mandatory procurement policies contained in either the *Defence Procurement Policy Manual* or *Departmental Procurement Policy Instructions*, which are applicable to the *ASDEFCON (Support)* templates. Any mandatory guidance referred to in this *Guide* is sourced from appropriate legislation and mandatory Commonwealth and Defence policy.

Note to Defence Staff and External Agencies

Defence staff and external agencies intending to use the associated Australian Standard for Defence Contracting (ASDEFCON) Statement of Work (SOW) and related template documents will need to tailor those templates to their specific procurement requirements, and should seek appropriate professional guidance as required.

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Feedback

Feedback and suggestions should be sent to: ASDEFCONSOW.Support@defence.gov.au

Amendment Record

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V1.0	2003	Initial Release as ASDEFCON (Support) Handbook Volume 2
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V3.1	July 2015	Update for template version 3.1.
V3.2	August 2018	Update for template version 3.2, Government Furnished Facilities and liability update.
V4.0	April 2019	Update for template version 4.0, Technical Data and Intellectual Property update.

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³ <http://www.itsanhonour.gov.au/coat-arms/index.cfm>

TABLE OF CONTENTS

USING THE SOW AND SOW TAILORING GUIDE.....	vii
Scope of this Tailoring Guide	vii
Definitions, Acronyms and Abbreviations.....	vii
Referenced Documents	ix
Application of ASDEFCON (Support).....	x
Providing Advice to Tenderers	xi
About the Conditions of Tender	xi
About the Conditions of Contract	xi
About the SOW	xii
About Detailed Service Descriptions.....	xii
About Data Item Descriptions	xiii
Performance Measurement, Assessment and Management.....	xv
ASDEFCON Linkages Module (Strategic)	xv
Offer Definition and Improvement Activities.....	xv
Operative Date	xv
Tailoring the Draft Statement of Work.....	xvi
Template and SOW Tailoring Guide User Tips.....	xvii
Recommended Approach to Tailoring.....	xviii
Summary of ASDEFCON Guiding Principles.....	xix
Word Processing Tips	xx
ASDEFCON (SUPPORT) STATEMENT OF WORK TAILORING GUIDE	1
1. SCOPE.....	1
1.1 Purpose.....	1
1.2 Background.....	1
2. GENERAL REQUIREMENTS.....	2
2.1 Scope of Work	2
2.2 Rate of Effort.....	3
2.3 Data Management System	4
2.4 Deliverable Data Items.....	8
2.5 Draft Data Items included at Attachment K	12
2.6 Phase In.....	13
2.7 Ramp Up.....	18
2.8 Phase Out.....	21
3. SUPPORT SERVICES MANAGEMENT	23
3.1 Support Program Objectives.....	24
3.2 Support Services Planning	24
3.3 Quoting for Survey and Quote Services	29
3.4 Support Services Communication Strategy.....	31
3.5 Subcontractor Management	40
3.6 Co-ordination and Co-operation	40
3.7 Risk Management.....	41
3.8 Issue Management	42
3.9 Maintenance of Contractual Documents.....	43
3.10 Independent Verification and Validation	43
3.11 Contractor Managed Commonwealth Assets	44
3.12 Australian Industry Capability Management.....	49

3.13	Technical Data and Software Rights Management	50
3.14	Defence Security Compliance	51
3.15	Maintenance of Support Agreements	54
3.16	Commonwealth Personnel at Contractor or Approved Subcontractor Premises	54
3.17	Training in Defence Information Systems.....	56
3.18	Access to Foreign Military Sales.....	57
3.19	Government Furnished Facilities	57
4.	OPERATING SUPPORT.....	59
4.1	Operating Support Management Planning	60
4.2	Operating Support Reporting.....	60
4.3	Operating Support Reviews	61
4.4	Operating Support Services.....	61
5.	ENGINEERING SUPPORT.....	64
5.1	Engineering Support Management Planning	65
5.2	Engineering Support Reporting	67
5.3	Engineering Support Reviews	68
5.4	Engineering Organisation and System Compliance	68
5.5	Engineering Services	70
6.	MAINTENANCE SUPPORT	73
6.1	Maintenance Support Management Planning	73
6.2	Maintenance Support Reporting	74
6.3	Maintenance Support Reviews	76
6.4	Maintenance Organisation and System Compliance.....	77
6.5	Maintenance Services.....	79
7.	SUPPLY SUPPORT.....	81
7.1	Supply Support Management Planning	82
7.2	Supply Support Reporting.....	83
7.3	Supply Support Reviews.....	83
7.4	Supply Services	84
8.	TRAINING SUPPORT.....	86
8.1	Training Support Management Planning	87
8.2	Training Support Reporting.....	87
8.3	Training Support Reviews.....	88
8.4	Training Services	88
9.	SUPPORT RESOURCES	90
9.1	Personnel	90
9.2	Technical Data	91
9.3	Support and Test Equipment	98
9.4	Training Equipment.....	99
9.5	Packaging	100
9.6	Facilities	101
9.7	Computer Support.....	102
10.	VERIFICATION AND VALIDATION	104
10.1	Verification and Validation Objectives	105
10.2	V&V Planning.....	105
10.3	Support Services V&V Activities	106
10.4	Performance Implementation Period	107

11.	QUALITY MANAGEMENT	108
11.1	Contractor Quality Responsibilities.....	108
11.2	Quality Management Planning.....	108
11.3	Quality Systems, Process and Product Non-Conformances.....	109
11.4	Non-Conforming Services.....	109
12.	HEALTH, SAFETY AND ENVIRONMENT	110
12.1	Problematic Substances and Problematic Sources.....	111
12.2	Environmental Management.....	116
12.3	Work Health and Safety.....	119
12.4	Incident Reporting and Remediation	123
13.	CONTINUOUS IMPROVEMENT AND EFFICIENCIES	126
13.1	Acknowledgement.....	126
13.2	Management of the Continuous Improvement and Efficiency Program	127
13.3	Identifying, Analysing and Implementing Efficiencies.....	127
13.4	Cost Modelling	130
13.5	TCO IV&V Agent.....	131

Annexes:

- A. [Support Scenarios and Contract Requirements](#)
- B. [Use of ASDEFCON \(Support\) standalone or linked to preceding contracts](#)

USING THE SOW AND SOW TAILORING GUIDE

Scope of this Tailoring Guide

The Australian Standard for Defence Contracting (ASDEFCON) template for the support of Defence's materiel systems (*ASDEFCON (Support)*) including weapons platforms and other complex systems. It is a flexible template, which allows for a broad scope of support applications. This flexibility also means that significant effort is required by drafters to adapt the template to the needs of each contract.

The purpose of this SOW Tailoring Guide is to provide drafters with guidance for selecting optional components (eg, clauses and annexes) and tailoring the templates to individual program needs.

The scope of this SOW Tailoring Guide covers the main body of the SOW, with reference to other elements of the template. Modular parts of the SOW, known as Detailed Service Descriptions (DSDs)), include guidance at the front of each document for drafters to refer to when tailoring. The SOW template and this SOW Tailoring Guide should be read and used together.

For further assistance, refer to the CASG Commercial Policy and Practice Directorate help desks:

for technical (eg, SOW) aspects of the template: ASDEFCONSOW.Support@defence.gov.au

for commercial (eg, COC) aspects of the template: Procurement.ASDEFCON@defence.gov.au

Definitions, Acronyms and Abbreviations

Capitalised terms, acronyms and abbreviations used herein have the meanings specified in the Glossary at Attachment M to the *ASDEFCON (Support)* draft conditions of contract (COC).

The table below lists acronyms and abbreviations that are frequently used in this SOW Tailoring Guide or that are in addition to those listed in the Glossary:

Abbr. / Acr.	Description
AAP	Australian Air Publication
ADF	Australian Defence Force
ADO	Australian Defence Organisation
AIC	Australian Industry Capability
ANP	Australian Navy Publication
APS	Adjusted Performance Score
CASG	Capability Acquisition and Sustainment Group
CCP	Contract Change Proposal
CDRL	Contract Data Requirements List
CEMP	Contractor Engineering Management Plan
CFE	Contractor Furnished Equipment
CIE	Continuous Improvement and Efficiencies
CM	Configuration Management
CMP	Configuration Management Plan
COC	conditions of contract
COT	conditions of tender
CPRs	Commonwealth Procurement Rules
CSC	Contractor Standing Capability
CSMS	Contractor Supply Management System
CSR	Contract Status Report
CSRL	Contract Services Requirements List
CSSR	Combined Services Summary Report
CSWBS	Contract Summary Work Breakdown Structure

Abbr. / Acr.	Description
CTXP	Contractor Transition Plan
CWBS	Contract Work Breakdown Structure
DASA	Defence Aviation Safety Authority
DASR	Defence Aviation Safety Regulations
DID	Data Item Description
DMS	Data Management System
DMSP	Defence Materiel Standard Procedure
DSD	Detailed Service Description
DTR-A	Director Technical Regulation - Army
E&IG	Estate and Infrastructure Group
ECP	Engineering Change Proposal
ED	Effective Date
ESCM	Electronic Supply Chain Manual
FEG	Force Element Group
FMECA	Failure Mode, Effects and Criticality Analysis
FMS	Foreign Military Sales
FPS	Function and Performance Specification
GFD	Government Furnished Data
GFE	Government Furnished Equipment
GFF	Government Furnished Facilities
GFI	Government Furnished Information
GFM	Government Furnished Material
GFS	Government Furnished Services

Abbr. / Acr.	Description
ILS	Integrated Logistics Support
IP	Intellectual Property
IPB	Illustrated Parts Breakdown
ISP	Integrated Support Plan
IV&V	Independent Verification and Validation
KPI	Key Performance Indicator
LCC	Life Cycle Cost
LCCA	Life Cycle Costing Analysis
LOT	Life-Of-Type
LMSM	Land Materiel Safety Manual
LSA	Logistic Support Analysis
MILIS	Military Integrated Logistics Information System
MMP	Maintenance Management Plan
MPB	Materiel Procurement Branch, CASG
MSA	Materiel Sustainment Agreement
NMSwA A	Navy Materiel Seaworthiness Assurance Agency
OCD	Operational Concept Document
OD	Operative Date
ODIA	Offer Definition and Improvement Activities
OPM	Other Performance Measure
OSP	Operating Support Plan
PAR	Performance Assessment Review
PBC	Performance Based Contract
PCR	Preriodic Cost Review
PES	Project Execution Strategy
PHIP	Phase In Plan
PHOP	Phase Out Plan
PIP	Performance Implementation Period
PPBC	Productivity and Performance Based Contract
PWD	Planned Withdrawal Date
QMS	Quality Management System
RCM	Reliability Centred Maintenance
RFT	Request For Tender
ROE	Rate Of Effort
RUMP	Ramp Up Management Plan
S&Q	Survey and Quote
S&TE	Support and Test Equipment
SE	Systems Engineering
SEMP	Systems Engineering Management Plan
SICP	Sovereign Industrial Capability Priorities
SOE	Standard Operating Environment
SOW	Statement of Work
SPO	Systems Program Office

Abbr. / Acr.	Description
SPS	Support Procurement Strategy
SSCC	Support System Constituent Capability
SSMP	Support Services Management Plan
SSMS	Support Services Master Schedule
SSP	Supply Support Plan
SSSPEC	Support System Specification
SSVM	Support System Verification Matrix
STANAG	NATO Standardisation Agreement
SWMP	Software Management Plan
SWSP	Software Support Plan
TCO	Total Cost of Ownership
TDL	Technical Data List
TDMP	Technical Data Management Plan
TDR	Tender Data Requirement
TRAMM- L	Technical Regulation of ADF Materiel Manual - Land
TSP	Training Support Plan
V&V	Verification and Validation
V&VP	Verification and Validation Plan
WBS	Work Breakdown Structure
WHS	Work Health and Safety

Referenced Documents

The following table lists the documents referenced in this SOW Tailoring Guide:

Reference	Description
DEF(AUST)1000C	ADF Packaging
	ASDEFCON Contract Template Selection and Tailoring Guide
	ASDEFCON (Complex Materiel) Volume 2
	ASDEFCON Linkages Module (Strategic)
	ASDEFCON (Standing Offer for Goods and Maintenance Services)
	ASDEFCON (Strategic Materiel)
	ASDEFCON (Support Short)
DEFLOGMAN Part 2 Volume 5 Chapter 3	Australian Defence Force Requirements Determination and Management of Reserve Stocks
	Australian Government Information Security Manual
	Australian Radiation Protection and Nuclear Safety Act 1998 (Cth)
	Australian Radiation Protection and Nuclear Safety Regulations 1999 (Cth) ARPANSA Radiation Protection Series http://www.arpansa.gov.au/Publications/codes/rps.cfm
DEFLOGMAN Part 2 Volume 10 Chapter 19	Calibration Policy for Support and Test Equipment
DEFLOGMAN Part 2 Volume 10 Chapter 4	Configuration Management
DEFLOGMAN Part 2 Volume 10 Chapter 17	Contingency Maintenance
MIL-STD-974	Contractor Integrated Technical Information Service (CITIS)
AAP 8000.011	Defence Aviation Safety Regulations
	Defence Intellectual Property Policy 2014
DEFLOGMAN Part 2 Volume 5	Defence Inventory and Assets Manual
DEFLOGMAN Part 2 Volume 5 Chapter 6	Defence Materiel Entitlements
DEFLOGMAN Part 2 Volume 10 Chapter 5	Defence policy on acquisition and management of Technical Data
DEFLOGMAN Part 2 Volume 5 Chapter 7	Defence Policy on Obsolescence Management
DEFLOGMAN Part 2 Volume 10 Chapter 3	Defence Policy on Integrated Logistic Support
DEFLOGMAN Part 2 Volume 10 Chapter 16	Defence Policy on Life Cycle Costing Analysis
	Defence Radiation Safety Manual
SafetyMan	Defence Safety Manual
DSPF	Defence Security Principles Framework
DEFLOGMAN Part 2 Volume 5 Chapter 20	Defence Stock Location Policy to support the JLC Storage and Distribution Network
DEFLOGMAN Part 2 Volume 7	Defence Supplier Quality Assurance Manual
DEFLOGMAN Part 2 Volume 5 Chapter 4	Defence Procurement Routing Rules in support of the MILIS
DEFLOGMAN Part 2 Volume 5 Chapter 24	Defence Volumetric Data Policy
DEFLOGMAN Part 2 Volume 5 Chapter 8	Disposal of Defence Assets
DEFLOGMAN Part 3	Electronic Supply Chain Manual (ESCM)
DEF(AUST)CMTD-5085C	Engineering Design Data for Defence Materiel
	Environment and Heritage Manual
AS/NZS ISO 14001:2004	Environmental Management Systems – Requirements with Guidance for Use
AS/NZS ISO 14031:2000	Environmental Management – Environment Performance Evaluation – Guidelines
	Environment Protection and Biodiversity Conservation Act 1999 (Cth)

Reference	Description
GHS	Globally Harmonized System of Classification and Labelling of Chemicals (GHS) (United Nations) (http://www.unece.org/trans/danger/publi/ghs/ghs_welcome_e.html)
	Hazardous Wastes Act (Cth)
DEFLOGMAN Part 2 Volume 5 Chapter 5	Item Identification and Recording of Defence Logistics Assets in Support of the MILIS
DI(G) OPS 16-2	Management of Electromagnetic Environmental Effects
DEFLOGMAN Part 2 Volume 10 Chapter 10	Materiel Maintenance Policy
ANP 3411.0101	Naval Materiel Assurance Publication
AS/NZS 4801:2001	Occupational health and safety management systems—Specification with guidance for use
	Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 (Cth)
	Productivity and Performance Based Contracting Guide for ASDEFCON (Support) V4.0
Defence Learning Manual Part 1 Chapter 8	Provision of Defence-Specific Training to External Service Providers
AS/NZS ISO 9000:2015	Quality Management Systems – Fundamentals and Vocabulary
AS/NZS ISO 9001:2016	Quality Management Systems – Requirements
DEFLOGMAN Part 2 Volume 5 Chapter 17	Stocktaking Defence Assets held by Contractors
DI(G) LOG 4-3-017	Supply Aspects of Contractor Owned Spares
Defence Learning Manual Part 1 Chapter 4	The Systems Approach to Defence Learning (SADL)
TRAMM-L	Technical Regulation of ADF Materiel Manual – Land
DEF(AUST)5664A	Work Breakdown Structures for Defence Materiel Projects
WHS Legislation and approved codes of practice	Work Health and Safety Act 2011 (Cth) Work Health and Safety Regulations 2011 (Cth) <i>Codes of Practice approved under section 274 of the Work Health and Safety Act 2011</i> (http://www.safeworkaustralia.gov.au/Legislation/model-COP/Pages/Model-COP.aspx#3)

Application of ASDEFCON (Support)

The *ASDEFCON (Support)* SOW template is designed to help drafters develop a draft SOW for inclusion in a Request For Tender (RFT), in order to obtain Services to support Defence materiel.

Use of *ASDEFCON (Support)* assumes that the drafter has used the *ASDEFCON Contract Template Selection and Tailoring Guide* and selected *ASDEFCON (Support)* as the most appropriate template for their needs. *ASDEFCON (Support)* is suited for medium and large-scale support contracts, requiring one or more major Service activities, as described by scenarios #1 to #3 at [Annex A](#) to this guide. *ASDEFCON (Support Short)* and *ASDEFCON (Standing Offer for Goods and Maintenance Services)* may be used in less complex situations. [Annex A](#) describes a range of support scenarios to be used with the *Contract Template Selection and Tailoring Guide* to guide template selection.

By default, *ASDEFCON (Support)* is a template for Performance Based Contracts (PBCs) with added mechanisms to capture Efficiencies, making it a template for Productivity and Performance Based Contracts (PPBCs). In PPBCs, contract management considers the provision and performance of Services as a whole, rather than individual transactions, with emphasis placed on the sharing savings from Efficiencies. For further information, refer to the *PPBC Guide for ASDEFCON (Support) V4.0*.

A Contract (Support) can arise under a number of different circumstances, including where:

- a. acquisition and support contracts are included in the same RFT (ie. the successful tenderer / team becomes the acquisition and support contractor), which would also make use of the *ASDEFCON (Strategic Materiel)* or the *ASDEFCON (Complex Materiel) Volume 2* template;

- b. subsequent to a Contract (Acquisition) being signed, the Contract (Support) is tendered or 'direct sourced'⁴ to the contractor providing the new Materiel System;
- c. a new Contract (Support) is required following an existing Contract (Support) or when Defence decides to outsource existing support functions; and
- d. a Contract (Support) is required for equipment acquired through a separate contract or other arrangement (eg, US Foreign Military Sales (FMS)) that did not include follow-on support.

Further information on the use of the template in different situations is included at [Annex B](#).

ASDEFCON (Support) courses are scheduled on the Defence CAMPUS system. Tailored workshops can be arranged for specific programs by contacting ASDEFCONSOW.Support@defence.gov.au.

Providing Advice to Tenderers

Drafters should provide tenderers with sufficient information that will assist them to submit viable and competitive bids. Insufficient information may result in poor understanding of the scope of the work, increasing risk and tendered prices.

By defining the scope of work, ASDEFCON templates aim to facilitate compliance with Commonwealth Procurement Rules (CPRs) and for procurement decisions to be based on value for money. **Inadequate definition of scope is an inadequate definition of the required value, and results in inaccurate tendered prices.** A poor definition of scope hinders value for money evaluations. It can also lead to an uncompetitive tender process, where only an incumbent contractor has sufficient knowledge to prepare an accurate tender response.

Drafters should describe the objectives of the proposed Contract and other information that will give tenderers a comprehensive understanding of the Services required. Drafters should also describe elements of the existing Support System where the Contractor (Support) needs to interact with the Commonwealth and other Commonwealth contractors. This information is important, as tenderers are often unable to gather this information from outside of Defence. Where the Contract (Support) will follow a Contract (Acquisition), which may or may not be included under the one Request For Tender (RFT) using the *ASDEFCON Linkages Module (Strategic)*, drafters should also outline the expected Ramp Up of Services for the requested roll out of newly delivered systems.

The Contract (Support) should be consistent with the Support Procurement Strategy (SPS) or, if tendered concurrently with a Contract (Acquisition), the Project Execution Strategy (PES) and the Support Concept within the Operational Concept Document (OCD). The OCD primarily defines internal Defence support activities, which consequently identifies the boundary for the support contract(s).

About the Conditions of Tender

The conditions of tender (COT), including the Tender Data Requirements (TDRs), contain the commercial and technical requirements to be addressed by tenderers when submitting their tender.

Some TDRs seek information about the tenderers ability to provide the Services if they became the Contractor. Other TDRs require draft plans to describe the tenderers' approach to work required to provide the Services, and use the Services to structure the draft price and payment schedule.

In general, the SOW is developed before the TDRs, so that the TDRs can be tailored to reflect the requirements of the completed SOW.

About the Conditions of Contract

The COC contains the legal and commercial provisions for the Contract, such as compliance with laws and Defence and government policies, and defining the insurance, warranty, payments and other obligations relating to both parties.

When developing the SOW, drafters need to be aware of the numerous COC clauses that are related to, and often need to be tailored consistently with, the SOW. Such matters include Defence Security, which has both legal compliance and work aspects. The 'related clauses' identified against each SOW clause in this Tailoring Guide indicate the most relevant of the related COC clauses.

⁴ Direct sourcing is generally discouraged due to the lack of competitive pressure to encourage value-for-money, making it difficult to achieve the outcomes required by Commonwealth Procurement Rules.

About the SOW

In the [ASDEFCON guiding principles](#) the SOW is the part of a contract that drives template selection because it defines the scope of work by the required Services – that is, what Defence wants to buy. In *ASDEFCON (Support)* the SOW is modularised so that it can be easily adapted to each support contract. These modules are called Detailed Service Descriptions (DSDs). DSDs are modular ‘parts of SOW’, referenced from the SOW ‘body’, and listed in Annex B to the SOW. Hence, under *ASDEFCON (Support)*, ‘work’ is defined by:

- a. clauses in the body of the SOW;
- b. clauses in DSDs; and
- c. Approved⁵ plans required by the SOW, including by DSDs.

These documents also refer to recognised standards, technical manuals and quality management systems (often the case for plans) to define work processes and low-level procedures.

Drafters should consider the most appropriate documents for defining particular work. If a Service function appears to be ‘missing’ from the main body of the SOW, drafters should check to see if the requirement is captured in a related DSD or the DID for a Contractor plan that will describe work.

There could be significant interaction between the Contractor (Support), a support agency (ie. CASG SPO), and the Force Element Group (FEG) / end-user, and the SOW needs to recognise and accommodate this interaction. However, the contractual relationship between the Contractor and the Commonwealth Representative (or their authorised delegate) must be preserved.

The SOW and DSDs should define what Services are required, and allow the Contractor (Support) determine how to achieve those Service outcomes with as much flexibility as possible. This allows the Contractor (Support) to tailor its processes and adopt standards best suited to the work.

Defining and managing work in accordance with plans follows an ASDEFCON guiding principle to allow the Contractor to apply industry standards and processes that best suit the Contract. However, in other cases it may be necessary to be prescriptive (eg, processes defined by a regulatory authority) but drafters should confirm that they are mandatory before including them in the SOW or DSDs.

As an example of using plans to define work, clause 3.2.1 requires the Contractor to develop, deliver and update a Support Services Management Plan (SSMP). The SSMP needs to be developed in accordance with DID-SSM-SSMP to detail the Contractor’s proposed processes. Once the SSMP is Approved by the Commonwealth Representative, the Contractor is required to manage the work in accordance with the Approved SSMP. Thus, work is defined by the Approved SSMP, in this example, rather than through additional low-level detail within the SOW.

According to ASDEFCON guiding principles, the full scope of work to be performed by the Contractor should be captured within the SOW (including work defined in Approved plans). For example, security compliance obligations are contained in the COC; however, the SOW contains the associated work effort. This provides the Commonwealth with visibility of these costs rather than them being hidden overheads. However, many COC obligations have no direct correlation with work, such as providing evidence of insurance to the Commonwealth, and are therefore not included in the SOW.

As good practice, each requirement in the SOW should be specified in its own clause, or subclause, for clarity and ease of costing (ie, one function per clause can be listed in the Price and Payment Schedule). The draft SOW defines Contract work and is used by tenderers as the basis for developing their tender response, and the price. Hence, a clear definition of scope is paramount.

About Detailed Service Descriptions

DSDs and Services

DSDs appear as separate document templates but they are integral components of the SOW. DSDs group together clauses for activities related to the provision of a particular type of Service. DSDs have been developed to simplify the tailoring of the draft SOW, enabling many clauses that describe whole sections of work to be easily added or removed from the SOW as a set.

Some DSDs will be prerequisites to Services covered by a number of other DSDs. These DSDs are said to be ‘head’ DSDs. For example, DSD-ENG-SERV establishes general requirements for

⁵ ‘Approved’ is defined in the Glossary (by reference to SOW clause 2.4.4) and has a particular meaning for data items.

Engineering Support (such as the engineering information management system), which is required for more specific work, such as Software Support in DSD-ENG-SW. DSD-ENG-SW can be included or removed as required; however, if any Engineering Support is required then the head DSD, DSD-ENG-SERV, needs to be included. Similarly, DSD-MNT-MGT is a head DSD for Maintenance. Other DSDs, such as DSD-MNT-SERV, or any new Maintenance-related DSD created by the drafter should also work within the framework set by DSD-MNT-MGT (except for commercial-grade IT systems). This concept is illustrated in the SOW structure diagrams in later parts of this SOW Tailoring Guide.

DSDs included in the Contract are listed in the Contract Services Requirements List (CSRL). When a Service is required, the SOW clause states the requirement for the Service in broad terms and refers to a specific line in the CSRL (eg, 'The Contractor shall provide routine Operating Support Services in accordance with CSRL Line Number OPS-100'). The CSRL line item then refers to the relevant DSD.

In general, the body of the SOW contains contract-management work (eg, planning, reporting and reviews) while DSDs describe the technical work required to provide the 'deliverable' Services. Individual tasks, which are too detailed even for DSDs, are generally defined in referenced documents (eg, maintenance manuals) listed in either SOW Annex A, 'List of Products Being Supported' or SOW Annex D, 'List of Referenced Manuals' (which refers to the Products in SOW Annex A).

A DSD may refer to other documents. For example, the Contractor might be required to perform a Maintenance work in a manner that conforms to Defence policy requirements, acceptable standards and other documents. DSDs can also refer to plans requested by the SOW or refer to plans within the DSD in order to define Services (eg, the Configuration Management Plan (CMP) required by DSD-ENG-CM). In this instance, clauses are 'paired', with the first clause requiring delivery of the plan and a following clause requiring work to be implemented in accordance with the Approved plan. Drafters should continue to use this pattern of clauses when developing new DSDs or adding plans to the template's existing DSDs. Data items requested from within DSDs need to be listed in the CDRL.

Drafters should tailor DSDs when developing the draft SOW. It is often more efficient to tailor DSDs before the related contract management clauses in the SOW. If specialised areas are required (eg, complex Obsolescence management) guidance should sought from specialist agencies.

Drafters may find that, due to different Services being required at different locations, DSDs may need to refer to specific locations. One way to address this is to duplicate a DSD and tailor it for a location with DSD clause 6.1 identifying the location and Products covered (note: adding a 'location' column into the tables in SOW Annex A may work in other situations). An alternative is to duplicate clauses within a DSD and amend them for each location.

About Data Item Descriptions

Role and Scope

DIDs are specifications for data items. Data items include management plans, reports, schedules, forms, items of Technical Data and data exchange requirements (eg, for configuration management data). Drafters should be conscious that the need for data items, particularly management plans and reports, varies with the scope of work and these should be selected accordingly.

Data items are requested from the SOW and DSDs, with additional management information contained in the Contract /Data Requirements List (CDRL) at Annex C. DIDs should not duplicate the information contained in the SOW, DSDs or CDRL, and the SOW/DSD clauses and CDRL should not duplicate the data item specification information in the DIDs; however, the documents work together. For example, a clause in a DID specifying a plan will state '**The [...plan...] shall describe** the Contractor's process for providing [...Services...]...', whereas an SOW clause would state '**The Contractor shall provide** Services in accordance with the Approved [...plan...]'

Scheduling of Data Items

An important consideration when drafting is the delivery schedule for each data item. Plans are usually required before related work commences and reports will need to be delivered in sufficient time to enable review prior to review meetings or before processing invoices. Drafters should take note of how the data items will be used and amend the required delivery schedule in the CDRL.

Some data items are required before Services commence, such as the Maintenance Management Plan being delivered and Approved before Maintenance is performed. For these data items, delivery is often scheduled with reference to the Operative Date (OD) (eg, OD – (x) days). If required for the Contract to become operational, they are referred to collectively in COC clause 1.5, Operative Date, as 'all data items scheduled for delivery and Commonwealth action prior to the OD'.

Common DIDs

ASDEFCON (Support) includes several unique DIDs plus some common DIDs reused from *ASDEFCON (Strategic Materiel)* and *ASDEFCON (Complex Materiel) Volume 2*. *ASDEFCON (Support)* also has DIDs that are used by *ASDEFCON (Support Short)*. If additional DIDs are required it is preferable to reuse a DID from another *ASDEFCON* template, or refer to a national / international standard (eg, Quality standards), rather than create something totally unique. This encourages a standard way of doing business between Defence and industry for all contracts.

Tailoring of most DIDs is not required, and should be kept to a minimum when it is. DIDs are designed to accommodate the broadest application, and changes to naming conventions or other alterations can have unintended consequences for other sections of the Contract. Furthermore, many Defence contractors have developed standard management plans and data item templates to match the DIDs and changes could result in additional but unnecessary effort and cost.

To ensure broad applicability while minimising the need for tailoring, many DIDs are drafted to be 'self-tailoring', whereby certain clauses respond to tailoring elsewhere in the Contract. An example is a clause that begins 'if the Contract requires [X] the [data item] shall include...'. If the Contract does not require '[X]' then no action is required, even though the clause was not deleted from the DID.

All DIDs, existing, reused and new, are included in the RFT in a schedule to the CDRL.

Management Plans

For specific management plans there is often an option for a stand-alone plan or to 'roll up' the specialty planning into a higher-level plan. 'Roll-ups' can occur within the plan hierarchy illustrated in the guidance for clause 3.2. Rolling up is appropriate if the scope of the work is limited or management requirements are relatively simple and a stand-alone plan is not warranted. For example, specialty engineering plans can be rolled-up into the Contractor Engineering Management Plan (CEMP) and in a simple contract most plans can be rolled-up into the SSMP; which is the approach taken in *ASDEFCON (Support Short)*.

This approach provides flexibility to scale planning requirements to each contract, reducing the need for numerous additional plans and preserving visibility of the Contractor's processes. However, there is little point in rolling up lower-level plans if the result is a large, unmanageable document containing several full-sized plans. Where plans are rolled-up, the DID for the high-level plans should be reviewed as they usually define simpler requirements for the specific subject. These DIDs are usually drafted to be 'self-tailoring' where the inclusion of 'rolled-up' plans is based on tailoring of the SOW and 'if-then' clauses in the DID. For example, clause 6.1.5 of DID-SSM-SSMP states that if another plan exists, the SSMP only requires a summary. This means that if work is required by the Contract, and there is no separate plan, then the SSMP is to include planning details as specified in DID-SSM-SSMP.

Plans such as the Phase In Plan and Phase Out Plan should not be rolled up into a higher-level plan because they cover distinct activities with a limited life. Similarly, data items that change regularly over the life of the Contract (eg, schedules and risk registers) should be separated from plans to avoid the need to update and re-Approve large plans that otherwise have infrequent changes. For example, it is beneficial to keep the Support Services Master Schedule (SSMS) and Risk Register separate from the SSMP as these data items would require more frequent updates than the rest of the SSMP.

Reports

Some DIDs define requirements for reports, such as the Contract Status Report (CSR) and Combined Services Summary Report (CSSR). For PPBCs, the Support Services Verification Matrix (SSVM) also acts as a regular report. Many reports are rolled up into the CSR and CSSR. The CSSR was developed to allow the reporting of Services, from clauses 4 to 8 of the SOW, to be included in one report; however, reports for individual Service areas (ie, SSCCs) can be scheduled for individual delivery using the CDRL. The CSR also has two sub-reports that can be scheduled for separate delivery through the CDRL.

Reports are typically scheduled for delivery before a related review activity (eg, a CSR is delivered before a Contract Performance Review (CPR), although not every CSR needs be followed by a CPR).

If reviews for different Services (ie, clauses 4 to 8) are held separately, different portions of the CSSR can be delivered at different times, in accordance with the CDRL - refer to guidance for clause 3.4. If the review of two or more SSCCs is combined, (ie, a Combined Services Performance Review (CSPR)) then applicable parts of the CSSR can be delivered together. The CSSR, or portions of the CSSR, can also be delivered without a review (eg, reports could be delivered quarterly with reviews held 6-monthly).

Developing new DIDs

If drafters need to develop DIDs to specify new data items, the [ASDEFCON guiding principles](#)⁶ should be referred to for consistency, as well as asking staff with appropriate specialist expertise.

Performance Measurement, Assessment and Management

Performance measurement under *ASDEFCON (Support)* can evaluate the suitability of the Services. High-level performance measures called Key Performance Indicators (KPIs) are linked to Defence's required capability outcomes and Performance Payments, while Other Performance Measures (OPMs) can be used for a range of purposes.

KPIs and OPMs are to be defined in Attachments P and Q respectively. Performance Payments, adjusted for KPI results, are determined in accordance with Annex C to Attachment B. Numerous SOW and COC clauses and data items are related to the use of KPIs and OPMs. For further information, refer to the introduction in Attachment P and the *PPBC Guide for ASDEFCON (Support) Version 4.0*.

ASDEFCON Linkages Module (Strategic)

Many large acquisition projects release a combined RFT with both a draft Contract (Acquisition) and a draft Contract (Support). The two contracts are linked to ensure that they work together effectively (eg, to ensure that Services only begin when there are Products to support).

The *ASDEFCON Linkages Module (Strategic)* links a Contract (Acquisition) to a Contract (Support) using the *ASDEFCON (Strategic Materiel)* and *ASDEFCON (Support)* templates. The module includes a new Conditions of Tender and a series of changes to both templates. An overview is included at [Annex B](#). The *ASDEFCON Linkages Module (Strategic)* includes detailed guidance.

Offer Definition and Improvement Activities

The *ASDEFCON (Support)* template allows for Offer Definition and Improvement Activities (ODIA) (see COT clause 3.6). ODIA is a form of risk-mitigation conducted before Contract negotiations, and it involves the Commonwealth and one or more preferred tenderers. For large, complex support contracts, or where services are outsourced from Defence, an ODIA should be beneficial.

One of the benefits of an ODIA is the use of workshops to get a better understanding of the tenderers' proposals. ODIA workshops can be tailored to address individual tender responses (while observing probity obligations). Typical objectives of an ODIA include:

- a. to clarify issues of scope defining the required Services (uncertainty in scope can lead to risks / inaccuracies in resource estimation, and therefore incorrect pricing); and
- b. to understand, to a greater level of detail, the tenderers' approach to providing Services.

ODIA can be used with *ASDEFCON (Strategic Materiel)* and *ASDEFCON (Complex Materiel) Volume 2* contracts. If a tender includes both an acquisition and a support contract, then it will often focus more on the acquisition aspects. However, for the draft Contract (Support) an ODIA can ensure:

- a. clarity regarding the scope of the DSDs and the draft Services management plans;
- b. coordination between acquisition ILS processes and the Contract (Support) scope (eg, for supplies that become Support Resources and Products Being Supported); and
- c. coordination of Contract (Acquisition) Transition activities with the Phase In and Ramp Up.

Further information is included in the *ODIA Better Practice Guide*.

Operative Date

OD is the date by which the Contractor should be able to demonstrate their capability to commence the provision of Services for the SSCCs. Having an OD acknowledges that many complex Services cannot be 'switched-on' at the ED. The full scope of Services may not be required immediately from OD but the Contractor needs to demonstrate, by OD, their ability to provide initial Services and that they should be able to provide additional capabilities when required. Accordingly, there is a list of requirements to indicate that the required level of capability has been reached including, for example:

- a. having drafted robust plans for managing the Services;

⁶ See page xxii.

- b. attaining required Authorisations (eg, for Probematic Substances or Problematic Sources that require licences or permits);
- c. attaining requisite accreditations or recognition of compliance (eg, for Quality Management or with an ADF regulatory / assurance framework);
- d. having acquired and installed critical Contractor-furnished elements;
- e. having received, accepted and installed applicable Government Furnished Material (GFM);
- f. having undertaken sufficient staff training to commence work relating to Services; and
- g. having Approved Subcontracts signed.

When the Contract (Support) is linked to a Contract (Acquisition), OD is usually scheduled to coincide with System Acceptance of the first Mission System. This coordinates the use of the new system by Defence with the commencement of the support for that system.

OD requirements are listed in the COC (clause 1.5) and include activities from the SOW; hence, drafting of the COC and SOW must be coordinated. The tailoring effort for the SOW relates to Phase In activities (clause 2.6), the Phase In Plan (PHIP), and data items scheduled in the CDRL for delivery before OD.

Importantly, the OD clause places work obligations on the Contractor and the Commonwealth. The Commonwealth may need to provide GFM (eg, data, information and equipment), access to GFF, and training in Defence information systems, in order to achieve OD.

Tailoring the Draft Statement of Work

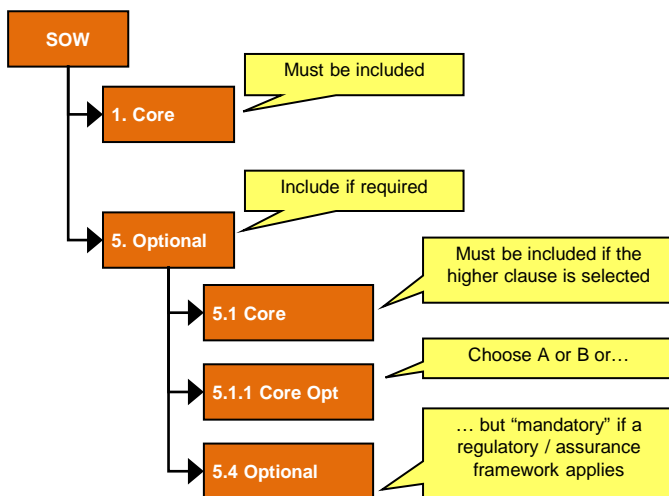
Tailoring *ASDEFCON (Support)* begins by selecting the SOW clauses for SSCCs and required DSDs using optional clauses. For guidance, templates include Core, Optional and Core Option clauses.

Core clauses are always included (for the scale of contracts covered by the template) but they may contain optional subclauses.

Optional clauses may or may not be needed, depending on an individual contract's requirements. An optional clause means that it is optional within the range of contracts using this template, but some can be mandatory in certain circumstances, such as to address applicable regulatory requirements. As a convention, optional clauses that are not required are replaced with the words 'Not used', in order to preserve any cross-references to subsequent clauses.

Core clauses often contain internal options (eg, 'Option A' and 'Option B') where one of the options must be chosen; these are called 'Core Options'. If a clause contains options that are not alphabetised (A, B, etc), drafters may choose as many options as required.

The system of core and optional clauses is hierarchical. A core clause may be a subclause to a high-level optional clause; in which case the core clause is only required once the higher level optional clause has been chosen. If the high-level optional clause is not included, then none of its subclauses (including core clauses) are required.



For example, SOW clause 5, Engineering Support, is optional because Engineering Services are not required in every contract. If included, planning becomes 'core' but clause 5.1 offers a choice between a Contractor Engineering Management Plan (CEMP) (Option A) or planning rolled-up into the SSMP (Option B) - one option must be chosen (these are Core Options).

Clause 5.5 is core (if clause 5 is chosen) and one or more optional clauses are required to include the engineering DSDs. Optional clauses usually have notes to drafters, with further advice in this SOW Tailoring Guide.

Note that some optional clauses that are used less frequently appear in this SOW Tailoring Guide and the guidance sections of the DSDs, from where they can be transferred to the draft SOW or DSD.

Clauses may also be tailorable or non-tailorable. Guidance in this SOW Tailoring Guide indicates whether a clause must be tailored, may be tailored, or is non-tailorable. The wording of tailorable clauses may be amended by the drafter to suit the needs of the Contract, whereas the wording for the small number of non-tailorable clauses cannot. A clause may be non-tailorable because it has been established by an authority external to the drafter's organisation – there are only a few in the case of the SOW. For example, clause 2.4 for deliverable data items was the result of a negotiated agreement by the Contracting Consultative Forum involving Defence and Industry executives, and it should not be tailored. The classification of a clause as non-tailorable does not preclude minor changes, such as updating cross-references to other clause numbers or annexes that have changed.

Core and Optional clauses are annotated within the template for level one and level two headings and in this SOW Tailoring Guide. Drafters should tidy up the template and remove the annotations (eg, 'Option A', 'Core' and notes to drafters) before the draft Contract is released to tenderers.

Template and SOW Tailoring Guide User Tips

Notes to drafters within the template are intended to guide the drafters on which clauses should be used in various circumstances. Notes to tenderers provide guidance for both drafters and tenderers. Notes may also refer to reference documents and whom to consult for further information.

Drafters should read the SOW template and SOW Tailoring Guide well before the date the draft Contract is required, particularly as input from stakeholders may take time to obtain.

Drafters may need to access referenced documents in order to undertake tailoring. In many cases, these documents will also be required by tenderers and will need to be made accessible for the RFT.

Drafters will often be confronted with the question of whether a particular optional clause is applicable to their requirements. The SOW Tailoring Guide cannot provide a definitive answer when issues are specific to an individual contract. Drafters should refer to the Support Procurement Strategy (SPS) or Project Execution Strategy (PES) – acquisition and sustainment strategy, as applicable, to ensure that the scope of the required contract is understood before beginning to tailor the template. SME advice should be sought as required.

Recommended Approach to Tailoring

Tailoring the *ASDEFCON (Support)* templates requires broad consideration of the required Services. The following table outlines a recommended approach, identifying major steps in the process.

Step	Activity	Notes
1	Define Support Concept and Support Procurement Strategy (SPS)	When tendered with an acquisition contract, the Support Concept is included in the Operational Concept Document (or Description of Requirement) and the SPS should be outlined in the Project Execution Strategy (PES).
2	Select major optional SOW clauses	Primarily the clauses for the major Services from the SSCCs (clauses 4 to 8).
3	Select DSDs and identify if any new DSDs are needed	These will be as groups of Services under the major clauses selected in Step 2. These are tailored and/or developed in Step 5.
4	Define 'Products Being Supported'	These are included in SOW Annex A. This may need to be revisited if there is limited detail available (eg, if waiting on the outcomes of acquisition contract).
5	Tailor existing DSDs and develop new DSDs	Identify the types of Services required in detail. Confirm the suitability of and tailor existing DSDs, develop any new DSDs needed. Confirm the suitability of existing DIDs and develop new DIDs as needed. Not that conducting 'X' Services in accordance with an Approved plan is a common and preferred way for managing Services. Develop the initial CDRL and CSRL.
6	Develop management regime for each SSCC	Includes roll-up of plans, reports, and review activities for clauses 4 to 8.
7	Tailor other clauses to 'Wrap Around' SSCCs	Clause 9 for Support Resources (and revisit SOW Annex A). Clause 10, Verification and Validation (V&V), if applicable. Add descriptions to the Scope and General Requirements, clauses 1 and 2. Tailor Support Services Management and Quality Management, clauses 3 and 11.
8	Develop performance-management framework	Include applicable entries in V&V clause for planning and reporting data collection (eg, Support Services Verification Matrix), align to the Attachments for performance assessments and payments, KPI reporting and reviews.
9	Finalise SOW and annexes and review for consistency	Update Products Being Supported, CSRL, CDRL, Hazards at Commonwealth Premises, etc.
10	Tailor COC and Attachments to align with the SOW and Contract risk assessment	In relation to the SOW, focus on Operative Date and Phase out clauses, Security, Price and Payment Schedule (Attachment B / COT Annex D), performance assessment (ie, KPIs and OPMs), Award Terms (if included), GFM, Glossary, etc.
11	Tailor COT and COT Annexes to align with SOW and COC requirements	In relation to SOW requirements, develop the 'technical areas' of Annexes E, F, and G, including the draft data items to be tendered. Also, coordinate with drafting the payment methods for types of Services in Annex D.

Summary of ASDEFCON Guiding Principles

The following list is a summary of the 'Guiding Principles' used to guide the development of the ASDEFCON templates. They offer guidance for the consistent development of further clauses and DIDs when tailoring an individual draft Contract.

Principle 1. Risks should be allocated to the party best able to manage them

'As a general principle, risks should be borne by the party best placed to manage them'. (Commonwealth Procurement Rules)

Principle 2. SOW is the principal document driving template and solicitation document development

The SOW is the part of a contract that defines the scope of work (ie, 'what we want to buy'), and may include one or more specifications.

Principle 3. Essential supply terms should be certain and reflect the entire scope of the agreement

This reflects the need for those contract requirements that drive scope, cost and risk to be clear in their operation, unambiguous, and bounded. A firm price requires a firm definition of scope.

Principle 4. Integrated Management Framework

Minimise overlaps and gaps within the ASDEFCON material templates and the teams employing them.

Principle 5. Focus on Outcomes (not Process)

The SOW should maximise the focus on outputs or outcomes, to enable tenderers to bid using their own processes. Approved processes become part of the Contract (through plans).

Principle 6. Work in Contractor process domain where suitable

The Contractor should be responsible for defining the processes to be used to achieve the required outcomes (corporate governance and accountability must still be met).

Principle 7. Contract plans complete by effective date / operative date

Plans are integral part of the process definition and governance framework for a contract; they need to be established and Approved upfront.

Principle 8. Products and processes, linked but distinct

The quality of the delivered products is dependent upon the processes used to develop and evaluate those products. Defence needs mechanisms to assess both.

Principle 9. Contract Data Requirements List includes all Data Deliverables

Consolidate all data deliverables, which are within the scope of a contract, in the CDRL (excludes CCPs as they change contract scope).



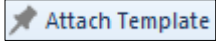

Principle 10. Process Definition Documents

Maintain clear differentiation between process definition documents and the products or artefacts (outputs) of the process.

Word Processing Tips

All of the current ASDEFCON templates use styles from a Microsoft Word® template called 'ASDEFCON Styles 2015.dotm'. The styles can be easily applied using buttons created by installing another template called 'ASDEFCON Toolbar 2015.dotm'. Both templates are available for download from the ASDEFCON templates website, along with instructions for installation. Once installed, the ASDEFCON styles and tools will appear on an additional ribbon in Microsoft Word®. Refer to the *ASDEFCON Toolbar and Styles 2015 User Guide* for details.

Adding clauses and notes requires care, to avoid inadvertent changes to the styles and to ensure that in-built numbering continues to function correctly. The tips that follow will assist drafters in working with the documents:

- When tailoring, do not delete headings at heading levels 1 or 2. If a clause is not required, retain the heading and mark it 'Not used'. This preserves cross-references between different parts of the template, particularly links between the COC and the SOW.
- If possible, additional clauses at heading level 3 should be inserted after standard template clauses to avoid cross-referencing errors between documents. Note that cross-references between clauses within a single document are inserted as cross-reference fields – use 'Ctrl + click' to follow a link or click on the link and press F9 to update.
- Use the ASDEFCON ribbons to apply styles. There are style sets for the COT/COC, Attachments, SOW (and DIDs), and tables. The SOW style set can be applied from the 'SOW group' on the ASDEFCON ribbon. Table styles are included in a 'tables group' and there is a group for annexes. Use the  (Change Ribbon Settings) button to reconfigure the ribbon groups.
- If additional styles are required (eg, for headers and footers) open the 'Styles and Formatting' task pane (click the  (styles) button or select from the menu: Home tab > Styles and the 'expand' button in the bottom right hand corner). Highlight or click into the applicable clause and then select the required style from the 'Styles' list. SOW specific styles all begin with 'SOW'. DIDs and DSDs use the SOW styles.
- When pasting text from another document, paste as 'Unformatted text' (Right Click > 'Keep Text Only'). This avoids unwanted styles in the source text corrupting the styles and numbering in the document. Once pasted, use the format painter or apply the required ASDEFCON styles from the ASDEFCON ribbon.
- In the larger documents, such as the COT, COC and SOW, the tables of contents are built from heading style levels within the document. Click into a table of contents and press F9 to update.
- If the clause numbering associated with a style in the document appears corrupted or the indenting is not right, here are a few options to try:
 - Reapply the style as described above, which should correct any formatting inadvertently applied to the style.
 - Save the file and close Word, then reopen the file. This seems to fix some cases where clause indentation has changed.
 - On the ASDEFCON styles ribbon, click on the  (Attach Template) button, which will reapply the styles from the template to the current document.
 - If changes were saved to the styles template (a dialog box would have prompted the user to save changes to the template) save all documents and re-install a clean copy of the toolbar and styles templates. Reopen the document and then reapply the styles, as described above.
- Optional clauses in appear in a box (actually a table). In the ASDEFCON ribbon click the  button to remove the table, otherwise use 'convert to text' from the 'Table Tools - Layout' menu.

**ASDEFCON (SUPPORT)
STATEMENT OF WORK TAILORING GUIDE**

1. SCOPE

1.1 Purpose

<u>Status:</u>	Core
<u>Purpose:</u>	To define the purpose of the Statement of Work (SOW).
<u>Policy:</u>	Nil
<u>Guidance:</u>	Clause 1.1 is a concise statement that defines the generic purpose of the SOW. The name of the Mission System(s) or other major Products Being Supported should be inserted. Product details inserted are should be consistent with the Glossary (Attachment M) definition for the Mission System(s) and the List of Products Being Supported in SOW Annex A.
<u>Related Clauses:</u>	SOW Annex A, List of Products Being Supported Attachment M, Glossary
<u>Optional Clauses:</u>	Nil

1.2 Background

<u>Status:</u>	Optional. Included when there will be benefit in having background information in the Contract.
<u>Purpose:</u>	To provide relevant background information to enable parties to better understand and to optimise the provision of the required Services.
<u>Policy:</u>	Nil
<u>Guidance:</u>	<p>This clause provides an overview of the background to the Contract and information relating to its operation. Drafters should develop clauses to suit the required Services. Subjects that might be addressed include:</p> <ol style="list-style-type: none"> a. a brief description of the Mission Systems / Products and their function(s); b. objectives to be achieved through the provision of the Services (such a description needs to be consistent with required Outcomes relating to KPIs); c. related projects, related support contracts or other related systems in-service, if interfaces are required; d. the support concept description of related Defence support activities; e. intentions and factors affecting future support including major upgrades and/or the Planned Withdrawal Date (PWD); f. relationship to Australian Industry Capability strategies; g. existing support arrangements; and h. the roles of authorities and other organisations involved with the Contract. <p>As this clause is for background information and not intended to be contractually binding in nature, 'shall' statements should not be used. Even so, care should be taken to ensure that any statements in this clause do not conflict with other parts of the Contract. One way to avoid this is to reference other documents, such as a separate support concept document or report (which may be included as an SOW Annex or as Government Furnished Information (GFI)).</p> <p>As a guide, this description in this clause should be reasonably short, with sufficient information to 'set the scene' for the Contract, but not include excessive details that could compromise other parts of the Contract.</p>
<u>Related Clauses:</u>	Nil
<u>Optional Clauses:</u>	Nil

2. GENERAL REQUIREMENTS

2.1 Scope of Work

<u>Status:</u>	Core
<u>Purpose:</u>	To describe the overall scope of work under the Contract.
<u>Policy:</u>	Nil
<u>Guidance:</u>	This clause should describe the overall scope of work under the Contract, including the major Services. The scope of work would normally include support of all or part of the Mission System(s), and components of the Support System, as listed in SOW Annex A, List of Products Being Supported.

In addition to the principal items (Mission System(s) or equipment) to be supported, SOW Annex A may also include Government Furnished Equipment (GFE), such as S&TE. Contractor-furnished items would not normally be included in SOW Annex A, as these items are captured and supported as Support Resources in clause 9. In the case of Contractor-owned spares (repairable items), however, these Contractor-furnished items may be included in SOW Annex A because they are delivered to Defence and may be critical to the provision of Services.

Clause 2.1.1 should be tailored to indicate the Services to be provided, which are listed as clauses for the five SSCCs, as selected for the individual contract:

- a. Operating Support, clause 4 providing Operating Support Services;
- b. Engineering Support, clause 5 providing Engineering Services;
- c. Maintenance Support, clause 6 providing Maintenance Services;
- d. Supply Support, clause 7 providing Supply Services; and
- e. Training Support, clause 8 providing Training Services.

The scope clause includes a sub-list for Support Resources (from clause 9 of the SOW). Support Resources can include GFM and Contractor-furnished items; for example, support of S&TE can be 'in scope' even if the Contractor is not required to support Government-owned S&TE. The drafter should understand the full scope of work before tailoring this clause; so it may be one of the last clauses edited.

Default clause 2.1.2 includes the DSDs, as listed in the CSRL, within the scope of the Contract. Drafters do not need to expand on the meaning of the listed Services (eg, different types of 'Supply' activities) in order to capture the full scope of work.

Drafters may insert additional clauses to cover the range of Services required. For example, drafters may indicate the location(s) where Services are to be provided if not specified elsewhere in the SOW. There must be a clear statement, in general terms, of all of the work that the Contractor is to perform. Care should be taken when drafting this clause to avoid creating conflicts with other parts of the draft Contract.

If Services are to comply with an ADF regulatory / assurance framework this should be indicated in the scope of work, including identifying the applicable regime (specific detail is included under clauses 5.4 and 6.4), namely:

- a. AAP 8000.011, *Defence Aviation Safety Regulations* (DASR);
- b. ANP3411-0101, *Naval Materiel Assurance Publication*; or
- c. *Technical Regulation of ADF Materiel Manual – Land* (TRAMM-L) (or the soon to be released Land Materiel Safety Manual).

Do not include the production of data items in this clause as these requirements (more Contract enablers than outputs) are spelt out elsewhere.

Clause 2.1.3 explicitly states that all Services are Recurring Services unless indicated otherwise in the SOW (including DSDs) or Attachment B. This relates to the Price and Payments in Attachment B, and TDR D, to ensure that Services are priced consistently in all tenders. In developing the SOW, drafters need a reasonable understanding of the payment types appropriate to the different Services required.

Related Clauses: All other clauses in the SOW.

For clause 2.1.3, Attachment B, Price and Payments

Optional Clauses: Nil

2.2 Rate of Effort

Status: Core

Purpose: To:

- a. describe the baseline Rate of effort (ROE), including routine variations in the ROE, for the key Products Being Supported (eg, Mission System(s)); and
- b. provide the tenderers / Contractor with information to assist in planning the work effort and any subsequent changes to the work effort.

Policy: Nil

Guidance: This clause describes the baseline ROE and possible changes to the ROE that are likely to affect the rate of work required to provide Services. The aim is to identify parameters as a basis for estimating effort. Arising rates (eg, failures needing Maintenance) and the effort for many associated support tasks are calculated from ROE. Hence, this information assists tenderers and the Contractor to estimate resource requirements, develop plans and forecast costs for the required Services.

Drafters should refer to the applicable Materiel Sustainment Agreement (MSA) 'Product Schedule' for the ROE and system availability for the major Products Being Supported. In a performance-based framework, the Services performance should reflect the MSA requirements (the high-level agreement) for the level of responsibility and control delegated to the Contractor (Support). If the ROE in the MSA is unclear, the ROE may be documented through measures within a previous contract. If the Contract (Support) is being released with a Contract (Acquisition), and an MSA schedule has not been drafted, a Force Element Group's Preparedness Directives, the OCD, or a Use Study Report may be used to determine a baseline ROE and variations in the ROE that are applicable to the Contract (Support).

In a Contract (Support) with a number of Services, the Mission System ROE may not quantify the effort for all Services, for example:

- a. for Maintenance Support, if the majority of Maintenance is calendar based;
- b. for Training Support, when student throughput is not affected by changes to the Mission System ROE; and
- c. for Engineering Support, if work is mostly for advice of an ad hoc nature.

In these instances, arising rates (eg, scheduled Maintenance, Training courses, or estimated inquiries per year) would be more appropriate than Mission System ROE. Estimated arising rates may be listed in the Price and Payment Schedules (Attachment B), and reference to these schedules can be appropriate for contracts not based on Mission System ROE. If details of arising rates are included in both the ROE clause and the Price and Payment Schedule they must be consistent.

Drafters need to determine how ROE (and changes to ROE) will be expressed in a meaningful way and in terms of required outcomes, if possible, rather than workload. The specification of ROE can be quite complex. Some examples are:

- a. actual system use (eg, aircraft flying hours and numbers of sorties, 'at sea' days and 'steaming hours' for ships, vehicle distance travelled, and operating hours for electronic equipment such as a radar);
- b. user demand (eg, an IT or communications system, with X number of users during core work hours and Y number of users out of core hours);
- c. set number of events in a given time period (eg, perform quantity X routine Maintenance servicing a month, or Y training courses per year for Z trainees);
- d. type of usage (eg, the power-time spectrum for an engine or engine fatigue life per period); and

- e. predicted occurrences (eg, the likely number of vehicle accidents or lightning strikes on communication systems antennae, over a period), noting that these would be 'rough' or 'order-of-magnitude' estimates.

For some systems, it is necessary to identify ROE and an availability requirement if the system is not in regular use but must be available to the user and not available for support activities (ie, operational stand-by time). These types of constraints can change the Contractor's work effort from a steady, low volume work to short periods of high activity. In addition, ROE may be influenced by other factors such as, for ships, a Fleet Availability Schedule. If a KPI relates to system availability, the definition of ROE and the KPI must be consistent.

The specification of ROE should not need to detail the arising rates for component failures unless the Contract is based around that component (eg, a Maintenance contract for electrical generators may use a forecast failure rate for the total number of generators). For Mission System support contracts, tenderers should determine the lower-level component work effort from the ROE and historical data (eg, failure rate data provided as GFI or manufacturer's reliability data).

ROE and Surge are interrelated (refer to SOW clause 3.2.4). ROE is considered to apply over the Contract Term, although it is often described on an annual basis. Surge, on the other hand, applies for short or unknown periods. Following a Surge, the ROE would be expected to return to its baseline level.

Surge has two components, Exigency and Contingency, defined in the Glossary and specific to each Contract. As Exigency is an expected increase in effort or 'rate of urgency' (eg, a military exercise or defined increase in operational effort); it may be expressed relative to the ROE (eg, a 40% increase in Mission System ROE for up to six weeks). The baseline ROE may be expressed to include or exclude Exigencies (eg, an ROE of 2000 operating days per year (for a fleet) including 400 days within one month (for an exercise), or an ROE of 2000 operating days per year, with an additional 400 days possible for Exigencies). Accordingly, the ROE clause and Glossary definitions (and related payments) need to be consistent.

If the specification of ROE is relatively complex or lengthy, drafters may consider a separate document to be referenced from this clause. If applicable to performance measurement, the ROE could be defined in a Commonwealth performance-measurement plan and summarised in an annex to the SOW or Attachment. If the ROE is classified, drafters may prepare a separate document, with an appropriate security grading, to define the ROE and reference this document from the SOW.

Changes to the ROE during the Contract term may occur because the Capability Manager requires a change (documented in a revised MSA product schedule). These changes are likely to change the scope and level of Services required, cost, and may lead to changes in the Support System itself. Changes to the ROE are incorporated through the Contract Change Proposal (CCP) process. The template includes clauses manage a CCP for a change in ROE.

If a permanent or long-term change in ROE is expected (ie, for a year or more) the Commonwealth and Contractor should review the Price and Payments Schedule.

Related Clauses: SOW clause 3.2.4, Surge, addresses variations from the baseline ROE.

ROE can be linked to performance measures in Attachments P and Q.

Optional Clauses:

The Contractor shall provide Services that are capable of supporting the Mission System(s) operating at the maximum ROE for [...INSERT PERIOD OF TIME OR OTHER WORKLOAD METRIC...].

2.3 Data Management System

Status: Core

Purpose: To provide an efficient means to exchange data and share information between the Contractor and the Commonwealth.

Policy: DEFLOGMAN Part2 Volume 10 Chapter 5, *Defence Policy on Acquisition and Management of Technical Data*

Guidance: DEFLOGMAN Part2 Volume 10 Chapter 5 establishes the policy framework for the acquisition and management of Technical Data, with a central thrust being the increased utilisation of data in approved electronic formats.

A Data Management System (DMS) provides online access to Contract-related data, held by the Contractor. A DMS is a Contractor website (or 'web portal') with access controls, a navigation system, and the ability to view and download documents. A more complex system may be database driven and run on-line applications. The DMS clauses also define support functions and training requirements.

A DMS should provide efficient access to data by reducing the delays and cost associated with the transfer of hard copy documents, and of soft copies on physical media, and the duplicated effort of managing and maintaining data configuration.

A DMS enables the delivery of many data items listed in the CDRL. In some cases, a data item may only be partially submitted via DMS. For example, an original document that requires a signature may be supported by data from an engineering database. In this case, the DMS component would need to be delivered (made available) simultaneously with the hard copy delivery. If the drafter needs to specify which parts of a data item can and cannot be delivered via the DMS, notes should be added to the CDRL line. Use of the DMS, and the scope of data to be hosted on it, should be discussed with the preferred tenderer prior to the Effective Date.

Related Clauses: Refer to guidance for sub-clauses.

Optional Clauses: Nil

Further Reading: MIL-STD-974, *Contractor Integrated Technical Information Service (CITIS)* (not current), may provide useful background information for implementing a DMS.

2.3.1 DMS Objectives

Status: Core

Purpose: To establish the objectives for implementing a DMS.

Policy: Refer to clause 2.3.

Guidance: The objectives of a DMS are identified in SOW clause 2.3.1. Suitability of a DMS can be judged against these objectives.

Clause 2.3.1 should be included in the RFT without alteration.

Related Clauses: All other sub-clauses within clause 2.3.

Optional Clauses: Nil

2.3.2 DMS General Requirements

Status: Core

Purpose: To establish the scope of the DMS data and the required Commonwealth access.

Policy: Refer to clause 2.3.

Guidance: Clause 2.3.2 defines content and access requirements for the DMS, described in terms of the data required and the Commonwealth users who need to access it.

Clause 2.3.2.1 identifies the types of DMS Contract Data to be accessed, including both Contract management information and Technical Data. The initial list includes data items identified in the CDRL for DMS delivery.

A Work Health and Safety Management System (WHSMS) is required by clause 12.3 to detail the Contractor's management of WHS risks. COC clause 11.7 requires the Commonwealth to have access to the WHSMS but physical access is not always

efficient. To assist the Commonwealth to comply with its duty of care obligations under WHS Legislation, the DMS can provide on-line access to:

- a. all Authorisations required by WHS Legislation in relation to work to be performed under the Contract; and
- b. the WHSMS required by clause 12.3 (which is likely to contain the WHS-related Authorisations).

Access to the WHSMS is a major reason for including a DMS in the Contract.

When Environmental Management is included in the Contract under clause 12.2, the Environmental Management System (ENVMS) should also be accessed via the DMS for reasons of efficiency (it may be held on the same system as the WHSMS).

Other data that is more efficient to have on the DMS is dynamic data, such as the Risk Register.

Drafters should tailor the list of DMS Contract Data to suit the Contract and maximise efficient sharing of data. Additional DMS Contract Data could include:

- a. a copy of the Contract, including all Contract Change Proposals (CCPs);
- b. Services and performance report data, reducing the need for frequent report submissions and reducing the size and detail of submitted reports;
- c. Engineering Change Proposals (ECPs) and applications for Deviations;
- d. CM records;
- e. engineering and Maintenance investigation reports;
- f. data from or access to the Engineering, Maintenance Supply and Training Management Systems; and
- g. data for Supportability Analysis / Logistic Support Analysis (LSA), Life Cycle Costing Analysis (LCCA), Failure Mode Effects and Criticality Analysis (FMECA), Reliability Centred Maintenance (RCM), spares optimisation, and any other required analyses required by the SOW (including DSDs).

For data items that are delivered under the Contract in accordance with the CDRL, clause 2.3.2.2 refers to the conditions that define DMS delivery.

Clause 2.3.2.3 identifies the Commonwealth personnel requiring DMS access. Drafters must tailor the clause to list Commonwealth Authorised Users. If Resident Personnel are applicable, they are generally expected to have access to the Contractor's information systems, which may be achieved by the DMS or may be more extensive. If Resident Personnel have greater requirements than the DMS, this can be included in Attachment L. Additional DMS access requirements may be needed for other Defence units (eg, operating units). Drafters should note clause 2.3.4 and the Contractor's training obligations to DMS users.

Clause 2.3.2.4 identifies that the Contractor may provide Subcontractors with access to the DMS, which (considering security and confidential information) should improve the efficiency of communication.

Establishing a DMS will often involve trade-offs between what data is desired and the cost of interfaces to additional systems. While the drafter may add to the list of DMS Contract Data under clause 2.3.2, the final scope may not be able to be determined until contract negotiations.

There are two primary considerations for tailoring this clause: what data is to be accessible through the DMS, and who should have access to it.

Data items to be delivered by DMS are annotated within the CDRL. Drafters need to review and adjust the CDRL as appropriate to the Contract.

Related Clauses: All other sub-clauses within clause 2.3.

COC clause 11.7, Commonwealth Access

Attachment L, Resident Personnel, if a DMS is required for Resident Personnel

Annex C to the SOW, CDRL

SOW clause 2.4, Deliverable Data Items

SOW clause 3.10, Independent Verification and Validation

Optional Clauses: Nil

2.3.3 DMS Implementation, Operation and Management

Status: Core

Purpose: To set out the requirements for the implementation, operation and management of the DMS by the Contractor.

Policy: Refer to clause 2.3.

Guidance: Clause 2.3.3 describes the necessary requirements for DMS implementation and its on-going operation and management in terms of security, access, user functionality and maintenance of current data.

Clause 2.3.3.1 specifies general DMS functionality, including configuration control, user and account management, security and record keeping requirements. The list may be amended to suit individual contract needs.

Clauses 2.3.3.2 to 2.3.3.4 identify when the DMS must be made available, what to do during the interim period between the Effective Date and when the DMS is fully operational, and the need for a DMS Concept of Operations Document (DCOD).

If the Contract (Support) is to be tendered in parallel with a Contract (Acquisition), the implementation date for the DMS may need to be brought forward (eg, OD-100) to facilitate the review of draft updates to the Contract (Support) using data from the Contract (Acquisition) – refer to the *ASDEFCON Linkages Module (Strategic)*.

Clauses 2.3.3.5 and 2.3.3.6 address DMS hardware and software and states that the Contractor is not required to provide computing hardware to Commonwealth Authorised Users except where otherwise specified (eg, for Resident Personnel). Hence, the Commonwealth team will need to ensure that:

- a. appropriate Commonwealth computing hardware is available when the DMS becomes operational (eg, if the computing hardware is not able to be connected to the Defence Single Operating Environment, and standalone systems are needed); and
- b. if classified data will be accessed or exchanged, appropriate security equipment, processes and approvals need to be in place before that data is accessed (noting that the Commonwealth may have to provide equipment and approvals to the Contractor).

If required to suit contract needs, clause 2.3.3.6 should be amended.

Clauses 2.3.3.7 to 2.3.3.10 define further requirements for maintaining access to and the continuity of the DMS.

Related Clauses: All other sub-clauses within clause 2.3.

SOW clause 11.10 of the COC, Defence Security

Attachment L, Resident Personnel

SOW Annex C, CDRL

DID-PM-DEF-DCOD, DMS Concept of Operation Document

Optional Clauses: Nil

2.3.4 DMS Training

Status: Core

Purpose: To provide DMS training to Commonwealth Authorised Users.

Policy: Nil

Guidance: Clause 2.3.4 sets out Commonwealth training requirements for the DMS, identifying the numbers of personnel to be trained (from clause 2.3.2) and the training locations. The clause covers training for the DMS as a whole, which should include software applications (noting that if the Contractor proposes a non-standard software application, the SOW may also request specific training).

The clause assumes that, in subsequent years, new Commonwealth staff can be instructed in using the DMS by the (then) existing Commonwealth Authorised Users. If this is not the case (which may not be determined until the complexity of the preferred tenderer's DMS is known), clause 2.3.4.5 may be replaced with the optional clause below, to require the Contractor to provide follow-on DMS training.

Drafters need to tailor the numbers of personnel and locations in clause 2.3.4.4.

Related Clauses: All other sub-clauses within clause 2.3.

Optional Clauses: Following the initial DMS training required by clause 2.3.4.3, the Contractor shall provide training to new Commonwealth Authorised Users that join the Commonwealth project office from time to time.

2.4 Deliverable Data Items

Status: Core

Purpose: To define the framework and requirements for deliverable data items.

Policy: Nil

This clause describes requirements for the preparation and management of data items, Commonwealth actions, and other obligations placed on each party.

Drafters should be aware that the clauses for deliverable data items were negotiated between the Defence and Defence Industry. They represent an agreed position that balances the risks of both parties and are not to be changed.

Clause 2.4 is not to be tailored. Tailoring for the delivery of data items is achieved through the CDRL

Related Clauses: SOW Annex C, CDRL.

Further Reading: Nil

2.4.1 Development and Submission of Data Items

Status: Core, non-tailorable

Purpose: To impose an obligation on the Contractor to produce, deliver and update all data items in accordance with the CDRL.

Policy: Nil

Guidance: This clause creates a general requirement for the Contractor to provide data items in accordance with the CDRL; most other clauses refer to specific lines within the CDRL. The CDRL contains significant information in terms of data item specification, delivery, updates and Commonwealth action.

The explanation of CDRL table columns is provided in Annex C. Guidance is provided in the front of Annex C.

SOW clause 2.4.1 is to be included in the RFT without amendment.

Related Clauses: All other subclauses within clause 2.4.

SOW Annex C, CDRL

SOW clause 2.3, Data Management System

Further Reading: SOW Annex C, Contract Data Requirements List guidance

2.4.2 Review, Approval or Non-Approval, and Acceptance of Data Items

Status: Core, non-tailorable.

Purpose: To list the Commonwealth's actions with respect to data items.

Policy: Nil

Guidance: Clause 2.4.2 lists the Commonwealth Representative's actions regarding data items, being: Review, Approve or not Approve, Accept or reject, and consider a CCP for approval. Requirements for these Commonwealth actions are set out in clauses 2.4.3, 2.4.4, 2.4.5 and 2.4.6, respectively.

Clause 2.4.2 is to be included in the RFT without amendment.

Related Clauses: SOW Annex C, CDRL

All other subclauses within clause 2.4.

Optional Clauses: Nil

2.4.3 Data Item Review

Status: Core, non-tailorable

Purpose: To define the meaning of data item Review, and to require the Contractor to respond to any review comments provided by the Commonwealth Representative.

Policy: Nil

Guidance: Clause 2.4.3 enables the Commonwealth to provide comment on data items that are subject to Review. As an action, Review is intended to provide information for purposes of assistance without taking responsibility for the Contractor's processes or Contract outcomes.

As explained by clause 2.4.3.1d, the Contractor is to address the Commonwealth's review comments; however, it does not require immediate action, and comments can be incorporated in the next update to the data item. Otherwise, an explanation could be provided to explain how the Commonwealth's concerns were addressed.

Drafters should include appropriate action periods for Review, in the CDRL.

SOW clause 2.4.3 is to be included in the RFT without amendment.

Related Clauses: SOW Annex C, CDRL

All other subclauses within clause 2.4.

Optional Clauses: Nil

2.4.4 Data Item Approval

Status: Core, non-tailorable

Purpose: To define:

- a. the meaning of data item Approval;
- b. Commonwealth's obligations with respect to data items that are subject to Approval;
- c. the scope of the Commonwealth's rights with respect to non-Approval of data items; and
- d. Contractor obligations to respond to any notification of non-Approval of a data item.

Policy: Nil

Guidance: In brief, Approval means agreeing to a course of action without taking responsibility. Approval of a data item implements one of the guiding principles for ASDEFCON: to allow the Contractor to apply best practice rather than specifying detailed processes in the Contract. For plans, Approval allows this to occur and enables Commonwealth governance functions through insight into Contractor processes. Even so, the Commonwealth does not take responsibility for outcomes (eg, if following an Approved plan does not produce the required result).

Attention is drawn to clause 2.4.4.4, reasons for non-Approval. This clause resulted from consultation between Defence and industry executives to address problems with prior practices, and to ensure that non-Approval is based on substantive reasons. The agreed reasons for non-Approval, stated in the clause, are the full range of possible substantive reasons. For example, minor grammatical or spelling mistakes are not grounds for non-Approval; however, a notice of non-Approval may result if the grammatical and spelling errors were so significant and widespread that the data item was not 'clearly understandable'. Approval and non-Approval become more important if a data item provides input into Commonwealth activities (eg, a SPO / Project Office schedule). For these reasons, the clause allows for subjective judgement by the Commonwealth Representative as a final arbiter. As with all matters of contention, the Commonwealth Representative should be addressing his/her concerns with the Contractor in parallel to submitting a formal notice.

Drafters should consider the period required to action each data item for Approval when amending the CDRL. Factors include:

- a. the expected size and complexity of the document;
- b. whether a draft version would already have been reviewed;
- c. how often updates or new versions of the data item need to be reviewed;
- d. the need to involve external agencies or Approval authorities; and
- e. workload requirements (eg, to review multiple data item concurrently).

SOW clause 2.4.4 is to be included in the RFT without amendment.

Related Clauses: SOW Annex C, CDRL

All other subclauses within clause 2.4.

Optional Clauses: Nil

2.4.5 Data Item Acceptance

Status: Core, non-tailorable

Purpose: To require the Contractor to process those data items that are subject to Acceptance.

Policy: Nil

Guidance: Data items delivered for Acceptance are subject to the Acceptance provisions in COC clause 6.8. These data items are normally items of Technical Data that will form part of the Materiel System (eg, updates to user or maintenance manuals), not Contract Material.

SOW clause 2.4.5 is to be included in the RFT without amendment.

Related Clauses: SOW Annex C, CDRL

All other subclauses within clause 2.4.

COC clause 6.8, Acceptance

Optional Clauses: Nil

2.4.6 Data Items Delivered Under Contract Change Proposals

Status: Core, non-tailorable

<u>Purpose:</u>	To ensure that the CCP procedure in clause 11.1 of the COC is applied to data items identified in the CDRL as being subject to CCP approval.
<u>Policy:</u>	Nil
<u>Guidance:</u>	Data items will only be recorded in the CDRL with 'CCP approval' as the required action when the data item will form part of the contract as an Attachment (eg, the Australian Industry Capability (AIC) Plan). SOW clause 2.4.6 is to be included in the RFT without amendment.
<u>Related Clauses:</u>	SOW Annex C, CDRL COC clause 11.1, Change to the Contract All other subclauses within clause 2.4.
<u>Optional Clauses:</u>	Nil

2.4.7 Data Item Updates

<u>Status:</u>	Core, non-tailorable
<u>Purpose:</u>	To require the Contractor to maintain the accuracy, completeness and currency of all data items delivered under the Contract in accordance with the CDRL.
<u>Policy:</u>	Nil
<u>Guidance:</u>	The Contractor is responsible for maintaining data items. Maintenance of a data item involves confirming on-going suitability and, if required, updating the data item to incorporate current information so that it remains suitable for its intended purpose. Some updates will need to be Approved to authorise the Contractor to undertake activities that are different to those being managed under the currently Approved data item. For example, the Contractor might need to change the Training Support Plan to enable changes to Training management practices. Drafters should consider the timeframe in which the Commonwealth can respond to proposals for changes to data items, and insert the appropriate time in the 'Delivery Schedule' column in the CDRL. Drafters should consider the need for the Commonwealth to keep the Contractor informed of changes that will affect the Contractor's maintenance of data items (eg, for the development of training courses), and make appropriate arrangements to ensure that the Contractor receives relevant information in the required timeframe. SOW clause 2.4.7 is to be included in the RFT without amendment.
<u>Related Clauses:</u>	SOW Annex C, CDRL All other subclauses within clause 2.4.
<u>Optional Clauses:</u>	Nil

2.4.8 Actioning of Data Items

<u>Status:</u>	Core, non-tailorable
<u>Purpose:</u>	To advise the Contractor that any delay in actioning a data item that resulted from a delay caused by the Contractor is not a cause for a postponement claim.
<u>Policy:</u>	Nil
<u>Guidance:</u>	The Commonwealth determines its resourcing requirements based upon its obligations under the Contract. If a Milestone or Service involves the Review, Approval or Acceptance of a large package of data items, the Commonwealth will need to increase its personnel resources allocated to the task to deal with the additional work requirement. In the past, contractors have been late to deliver some data items but on time for subsequent data items – increasing Commonwealth workload. If the Commonwealth

had not planned for this eventuality, it could be late in actioning the data items within the time specified in the CDRL. Contractors could claim, in these circumstances, that they were absolved from compliance with those further obligations that were contingent on the Commonwealth's actions, until the Commonwealth performs its obligation, or that they were entitled to postponement and postponement costs.

Clause 2.4.8 indicates that, when the Contractor is responsible for a delay in the schedule effecting or delaying the data item process, the Commonwealth may not be able to action the data items within the action period. The Commonwealth's only responsibility, in circumstances due to a delay caused by the Contractor, would be to use reasonable endeavours to action the data items under the original timeframes or, where that fails, to action the data items when sufficient resources become available. In that situation, the Commonwealth needs to notify the Contractor with a reasonable estimate of when the data item is likely to be actioned (clause 2.4.8.2c.). Clause 2.4.8.3 specifically precludes the Contractor from claiming that the Commonwealth's inability to action the data item within the original timeframe constitutes circumstances beyond its reasonable control for the purposes of COC clause 6.4. The Contractor may claim postponement under clause 2.4.8.4 if the Commonwealth fails to achieve the revised action date notified if this causes a delay in other Contract-related activities (refer also to COC clause 6.4).

Users should note that this clause is not applicable if the Commonwealth has agreed to change a delivery through a CCP that affects the schedule. In such cases, despite the Contractor being in delay based upon the original delivery requirement, the Contractor may be compliant with the new schedule for delivery. The Commonwealth should also consider carefully how CCPs affecting schedule would affect its capacity to action data items within the timeframes in the CDRL and, if the Commonwealth is unable to do so, the consequences for postponement claims and, if applicable, postponement cost claims and schedule recovery.

Related Clauses: SOW Annex C, CDRL

All other subclauses within clause 2.4.

COC clause 6.4, Performance Relief and Postponement

Optional Clauses: Nil

2.5 Draft Data Items included at Attachment K

Status: Optional. Included when the Commonwealth requires Contract data items to be developed from the tendered draft data items.

Purpose: To explain how draft data items that capture the tendered offer are held on Contract at ED, and used as the basis for data items under the Contract.

Policy: Nil

Guidance: Tenderers deliver draft data items in their tender response (eg, draft plans defining processes to be followed under any resulting Contract). However, COC clause 1.6, Entire Agreement, states that the Contract represents the parties' entire agreement in relation to the subject matter, and thus anything that is not part of the Contract, including tendered draft data items, is excluded from the scope. Attaching the draft data items to Attachment K captures these parts of the tendered offer in the Contract.

The Commonwealth should only attach draft data items to the Contract if there is a benefit in doing so. If data items are submitted for Approval 'by ED' (refer CDRL), the Approved data items become part of the Contract in the usual manner (through SOW clauses) and should not be included in Attachment K.

Only data items that are not Approved by ED, but which are important to defining the Contract, should be attached through this clause and Attachment K. This may include tendered draft data items updated during pre-contract work or ODIA, and included in Attachment K along with any revision notes. When a Contract (Support) and Contract (Acquisition) are linked, with several years before the Contract

(Support) reaches OD, plans that were to be Approved 'by ED' in the template CDRL may be better off captured in Attachment K for later update.

Note that if a data item was to be Approved by ED but it is not ready (and ED cannot be delayed), then the data item could be included in Attachment K and the CDRL amended for delivery after ED (not a preferred situation). In some cases, this process can also be applied to data items that are subject to 'CCP approval'.

Clause 2.5.2 requires that data items developed under the Contract be based on the draft data items in Attachment K. This ensures consistency between the tendered offer and the Contract.

The Commonwealth reviews draft data items during the tender evaluation and will usually make notes. These notes may be discussed with the preferred tenderer and added to Attachment K to assist in the later development of the final versions of the data items. Clause 2.5.3 makes it clear that such comments are for advice only, and not necessarily complete; hence, addressing only those comments does not guarantee that a data item is ready for Approval.

Clause 2.5.4 explains how draft data items are removed from the Contract. Following Approval (or CCP approval) of a data item, which was based on a draft data item, the draft data item is considered to be superseded and is withdrawn from Attachment K through a CCP (possibly a single CCP for all draft data items agreed at OD). This avoids confusion as to which version of a data item applies to the Contract. Until the updated data items are Approved, the draft data items at Attachment K have applicability in defining the Contractor's proposed approach to the Contract.

Clause 2.5 should be reviewed but can usually be included in the RFT without amendment. Drafters are to update the CDRL to ensure that those data items for which Approval is required 'by ED', and those which are updated after ED from the draft data items at Attachment K, are correctly annotated for delivery.

The Commonwealth needs to attach draft data items from the preferred tenderer, as annexes to Attachment K, at the appropriate point in time.

Related Clauses: COC clause 1.6, Entire Agreement
 COT Attachment A, Annex E, General
 COT Attachment A, Annex G, Support Services Management
 Attachment K is the repository for the tendered draft data items.
 SOW clause 2.4, Deliverable Data Items
 SOW Annex C, CDRL

Optional Clauses: Nil

2.6 Phase In

Status: Optional

Purpose: To:

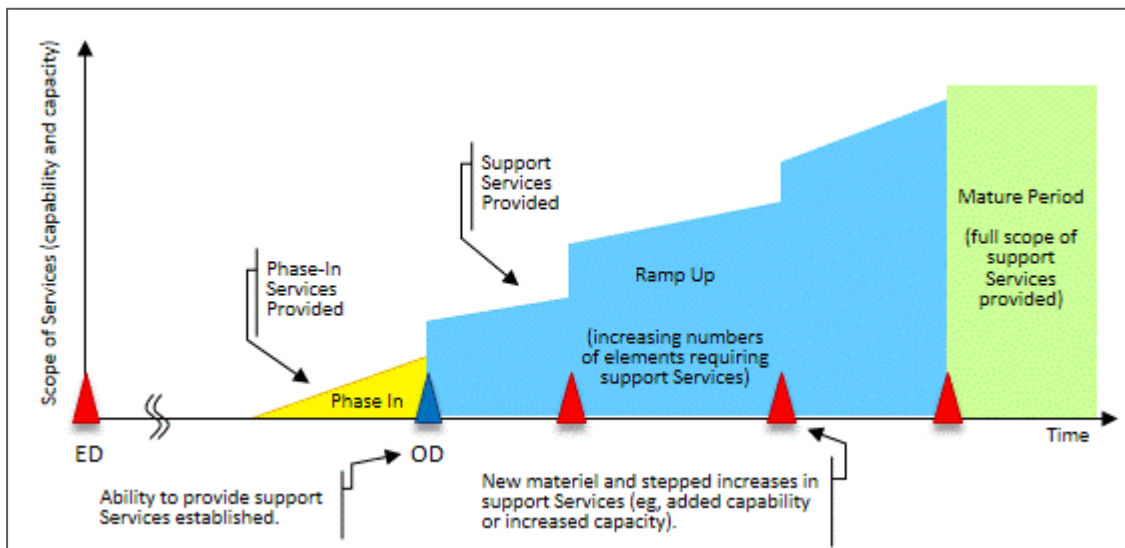
- a. plan the methodologies, processes and activities that will be performed by the Contractor to ensure a coordinated Phase In and introduction of the Services; and
- b. where applicable, establish the ground rules for the transfer of management responsibilities from the outgoing support organisations (ie, Commonwealth, contractor and subcontractors) to the Contractor.

Policy: Nil

Guidance: An incoming Contractor will generally not be able establish a full support capability from the day of Contract award (unless a contract was re-competed and the existing contractor won). The incoming Contractor needs to set up its support capabilities and establish interfaces with other parties (including the Commonwealth). This initial period could involve activities such as:

- a. recruiting additional personnel with the required expertise;
- b. cross-training and up-skilling personnel;
- c. setting up Engineering Support capabilities for those Products for which it has engineering responsibility;
- d. obtaining the necessary Authorisations and accreditations required by legislation or to demonstrate capability (eg, quality accreditation);
- e. acquiring spares, consumables and S&TE, and inspecting and testing GFE;
- f. building new facilities, adapting existing facilities, and/or moving into GFF;
- g. completing the negotiations and signing Subcontracts;
- h. setting up the administration and management systems, including computer support and the DMS; and
- i. collecting and organising Technical Data, including GFI and GFD.

The date from when deliverable Support Services (ie, for the SSCCs) can be provided is called the 'Operative Date' (OD). The period from when the Contractor starts to establish a support capability (often shortly after ED but delayed if linked to a Contract (Acquisition)) until OD, is referred to as 'Phase In'.



Phase In may be used to cover any situation, such as when the incoming Contractor (Support) will take over from:

- a. an outgoing Contractor (Support);
- b. a Contractor (Acquisition) related or unrelated to the Contractor (Support);
- c. a government-to-government acquisition program (eg, FMS); or
- d. a Defence organisation supporting a system that was already in-service.

After OD, the Contractor (Support) may continue to expand their support capability and capacity, adding Services (eg, deeper maintenance) and/or, progressively establishing capability at new sites. This period is known as 'Ramp Up'.

The diagram above illustrates the relationship between ED, OD, Phase In, Ramp Up, and the mature level of support Services. This example represents a Contract (Support) that is linked to a Contract (Acquisition), as shown by the long period between ED and the start of Phase In.

Related Clauses: COC clause 1.5, Operative Date

COC clause 1.12, Phase In

SOW clause 2.7, Ramp Up

SOW clause 2.8, Phase Out (of a Contract (Support) that is expiring)
 DID-SSM-PHIP, which defines requirements for a Phase In Plan.

Optional Clauses: Nil

2.6.1 Phase In Plan

Status: Core (when Phase In is included in the Contract)
Purpose: To plan and implement an orderly process that establishes the initial capability and capacity of the Contractor (Support) in order to provide Services.
Policy: Nil
Guidance: A Phase In Plan (PHIP) defines how the Contractor (Support) will establish the capability and capacity to provide the Services. A draft PHIP is requested in the RFT (see TDR G-3, Annex G to Attachment A to the COT).

For in-service systems, tenderers will need information on how the Commonwealth or outgoing contractor will reduce services. This information should be contained in the outgoing contractor's Phase Out Plan (PHOP), defined by DID-SSM-PHOP, or a Commonwealth Transition Plan. If one was required, a Support Services Master Schedule (SSMS) for the out-going contract can be useful for tenderers planning Phase In activities – particularly if stepping into a programmed maintenance cycle. For an in-service system, the final version of the PHIP is usually Approved by ED (ie, having been finalised during pre-contract work). If an incumbent contractor wins a replacement contract, then Phase In and a final PHIP would not be required unless there was also a significant change in scope.

Drafters should seek a draft PHOP (see clause 2.8.1) from the outgoing contractor, two to three years before the end of their contract, to inform the development of the RFT for the new Contract (Support). If a PHOP from the outgoing contractor is not available, the Commonwealth needs to provide tenderers with information about elements of the Support System that will be made available to a new Contractor, and how the outgoing contractor proposes to Phase Out their activities.

Where the Contract (Support) follows a Contract (Acquisition), the Contractor Transition Plan (CTXP) can inform Phase In and Ramp Up planning. The CTXP is defined by DID-PM-TRANS-CTXP from *ASDEFCON (Strategic Materiel)*. When linked using the *ASDEFCON Linkages Module (Strategic)* the PHIP is to be coordinated with the development of the CTXP. The tendered draft CTXP and draft PHIP should be consistent, even if different companies (in a joint bid) respond to the tender as separate acquisition and support contractors.

The RFT should include lists of GFM, GFS and GFF to be offered or mandated. The lists should identify when these resources will be available, which informs the PHIP. GFM and GFS are included in Attachment E. GFF is included at Attachment O.

Refer to the table on the next page to gain an appreciation of how Transition, Phase In, Phase Out, and Ramp Up are related. Note that the period of Ramp Up may be lengthy for contracts following a Contract (Acquisition) with a staggered production program, but could equally be very short or non-existent, for contracts that include only one or two SSCCs (eg, an OEM Engineering Support contract).

Drafters may include this clause in the draft RFT without change.

Related Clauses: COC clause 1.5, Operative Date
 COC clause 1.12, Phase In
 Other SOW clauses under clause 2.6
 SOW clause 2.7, Ramp Up
 SOW clause 2.8, Phase Out (of a Contract (Support) that is ending)
 DID-SSM-PHIP, which defines requirements for a PHIP

Optional Clauses: Nil

	Period prior to Operative Date of Contract (Support)	Period subsequent to Operative Date of Contract (Support)	
Contract (Acquisition)	Services provided by outgoing Contractor (Acquisition) working to a Contractor Transition Plan called Transition [†] period	Services diminish regarding that particular acquisition Product now transitioned [†] to the Contractor (Support) Services remain for Products still being acquired and for selected acquisition Products already transitioned [†] , working to a Contractor Transition Plan	Services cease regarding all acquisition Products transitioned [†] to the Contractor (Support) No Services provided by Contractor (Acquisition)
OR			
Outgoing Contract (Support)[#]	Services provided by outgoing Contractor (Support) working to a Phase-out Plan called Phase Out period (may be the latter part of an "off ramp" period)	Services diminish regarding those Products now transitioned [†] to the incoming Contractor (Support) Services remain for selected Products, working to a Phase Out Plan	Services cease regarding all Products transitioned [†] to the incoming Contractor (Support) No Services provided by outgoing Contractor (Support)
AND			
Incoming Contract (Support)	No Services (other than those defined in the Operative Date clause) provided by incoming Contractor (Support) but a Phase In Plan written and implemented called Phase In period	Service provision across all elements of the Contract (Support) by incoming Contractor (Support) commences and ramps up as Products are transitioned [†] and Services commence and expand. Working to a Ramp Up Management Plan and the SSMP called Ramp Up period	Full services provided by incoming Contractor (Support) working to the SSMP called Full Service period

Operative Date (of incoming Contract (Support))

Expiration Date (of Contract (Acquisition) or outgoing Contract (Support))

* in this context, "transition" includes the acts of delivery and Acceptance, Services may have been provided to support V&V
use this selection for Services being handed over from the Commonwealth, in which case a Transition Plan would be used

Transition, Phase In, Phase Out and Ramp Up

2.6.2 Phase In Activities

Status: Core (when Phase In is included in the Contract)

Purpose: To obligate the Contractor (Support) and the Commonwealth to undertake Phase In activities in accordance with the Approved PHIP and the obligations in the COC.

Policy: Nil

Guidance: This clause is required to implement the Approved PHIP delivered under clause 2.6.1 and the related clauses of the COC. The activities defined in the Approved PHIP require action by the both Contractor (Support) and the Commonwealth. Commonwealth obligations include the provision of Technical Data, GFE, and GFF, and training in Defence information systems, as applicable.

The Phase In period concludes with the OD, when essential elements of the Contract (Support)'s initial support capability are in place and Services can be commence. OD milestone requirements are defined in COC clause 1.5. If building up the support capability and capacity extends beyond the OD, expanding Services further, then Ramp Up will also be required under SOW clause 2.7.

A fundamental characteristic of the OD is that OD is the Milestone by which the Contractor (Support) must achieve the conditions listed clause 1.5 of the COC, and prove that it has established the capability to commence the Services. If the Contractor (Support) has not met all OD requirements the Commonwealth may, in accordance with COC clause 1.5, allow a delay to the OD from the planned OD, accept minor shortfalls, or terminate the Contract (Support). The drafter's determination of the OD requirements, and what it means to be 'ready to provide Services', is therefore critical.

Usually, 'Core Recurring Services' will commence from OD; however, activities that commence during Phase In can be funded by Excluded Services Fees or Milestone Payments (refer to Annexes A and B to Attachment B). The Excluded Services Fee is detailed in tables for different periods, where the first period can start after ED and finish at OD, specifically for pre-OD costs. The Excluded Services Fees (generally) **do not include profit** and are used to reimburse 'pass through' costs such as GFF or other lease costs, insurance, etc, which often commence before OD.

Drafters may include this clause in the draft RFT without change. Drafters should also consider appropriate payment mechanisms for this period, if required.

Related Clauses: COC clause 1.5, Operative Date
COC clause 1.12, Phase In
Other SOW clauses under clause 2.6
SOW clause 2.7, Ramp Up
SOW clause 2.8, Phase Out
DID-SSM-PHIP, which defines requirements for a PHIP.

Optional Clauses: Nil

2.6.3 Phase In Register

Status: Optional

Purpose: To require the Contractor to implement a Phase In Register to capture and manage the dynamic elements of the Phase In process.

Policy: Nil

Guidance: The Phase In Register is a detailed list of Phase In activities, intended to facilitate the implementation of activities and management of related issues. The Phase In Register is also used to capture risks in this early part of the Contract, which may occur before the SSMP is Approved and the Risk Register established (in practice the Phase In Register may be recorded in the same tool as the Risk / Issues Registers). Access to the register provides dynamic insight for the Commonwealth into the activities during this challenging phase.

While the clause is optional, it is expected to be included in the majority of support contracts (except smaller contracts) and it may reduce the need for frequent Phase In Progress Reports. Requirements for the Phase In Register are to be defined in the PHIP.

If included, no tailoring of this clause is required.

Related Clauses: COC clause 1.12, Phase In.

Other SOW clauses under clause 2.6

DID-SSM-PHIP defines requirements for a PHIP, including minimum requirements for a Phase In Register when one is required by SOW clause 2.6.3.

Optional Clauses: Nil

2.6.4 Phase In Progress Reports

Status: Optional

Purpose: To require the Contractor to prepare and submit Phase In Progress Reports to the Commonwealth.

Policy: Nil

Guidance: The submission of Phase In Progress Reports (PIPRs) provides the Commonwealth with insight into progress being made against the requirements in the Approved PHIP. This assures that, should the Phase In activities not progress in accordance with the schedule, the Contractor is obligated to inform the Commonwealth of how the Contractor will recover the schedule and complete Phase In activities on time.

The requirements for Phase In Progress Reports are to be defined in the PHIP.

If included, no tailoring of this clause is required.

Related Clauses: Other SOW clauses under clause 2.6

DID-SSM-PHIP defines requirements for a PHIP, including requirements for Phase In Progress Reports when required by SOW clause 2.6.4.

Optional Clauses: Nil

2.7 Ramp Up

Status: Optional

Purpose: To define the plans, processes and activities that will be performed by the Contractor to ensure a coordinated Ramp Up of the Services.

Policy: Nil

Guidance: The Ramp Up period begins at OD and continues until the Contractor's capability and capacity to provide Services reaches a mature state. Ramp Up is often a continuation of the Phase In activities but separated due to differences in the contractual obligations and conditions that apply before and after OD.

Ramp Up may be required in a number of instances, for example:

- a. Services are to be provided at several locations; however, OD is based on the first location only with an assumption that Ramp Up for subsequent sites will be at least equally successful.
- b. The Contractor (Support) establishes an initial capability for Maintenance but because the first overhaul / depot / full cycle docking activity does not occur until sometime later, Ramp Up extends for several years until the full Maintenance Support capability is established.
- c. The Contractor (Support) will provide support for Materiel System elements delivered from a Contract (Acquisition), where OD requires Acceptance of the first Mission System(s). Increments of support are then required for the delivery of additional Mission Systems and, potentially, new Mission System roles. If the acquisition is an Evolutionary Acquisition (EA), Ramp Up may involve multiple stages where support is not well defined in advance.

Ramp Up may be conducted in stages that start and finish with Milestones. Milestones typically identify when the Contractor is ready to provide a new type of Service, Services at a new location, or a stepped increase in Service capacity.

Like Phase In, Ramp Up planning can be informed by plans from a preceding contract, either the CXP from a Contract (Acquisition), or a PHOP from a Contract (Support) that is being replaced.

The Ramp Up period also overlaps the Performance Implementation Period (PIP) for KPIs that are introduced or change as support capability and capacity expands. PIP stages usually depend on Ramp Up Milestones but may be delayed so that the stages are synchronised with KPI Review Periods. PIP stages are defined through:

- a. Annex C to Attachment B, Performance Payments, for adjustments to the At-Risk Amounts applied to the PIP stages; and
- b. Attachment P, Performance Assessment, for the changes to KPIs applicable to the PIP stages.

Ramp Up Milestones that have Milestone Payments are to be listed in Annex A to Attachment B. Milestones that mark the start of an increase in the Recurring Services Fees (which may not have Milestone Payments) are identified in Annex B to Attachment B. Importantly, if a Ramp Up Milestone appears in both Annexes A and B, the Milestone description must be consistent. Both types of payments are to be addressed in tender responses to Annex D to Attachment A to the COT.

Related Clauses: COT Attachment A, Annex D, Price and Payment Schedule

COC clause 1.13, Ramp Up

Attachment B, Annex A, Mobilisation Payments and Milestone Payments

Attachment B, Annex B, Recurring Services

SOW clause 2.6, Phase In

SOW clause 2.8, Phase Out with respect to the preceding Contract (Support).

DID-SSM-RUMP specifies requirements for the RUMP.

Optional Clauses: Nil

2.7.1 Ramp Up Planning

Status: Core (when Ramp Up is included in the Contract)

Purpose: To plan the build-up of the support capability and capacity from OD until a mature level of support is achieved.

Policy: Nil

Guidance: The Ramp Up Management Plan (RUMP) defines responsibilities and activities for the Ramp Up period and often includes Commonwealth obligations. The Approved RUMP also defines detailed criteria for each Ramp Up Milestone.

Support Services Management processes should be established at OD so, unlike Phase In, 'normal' contract management tools should be available for Ramp Up and reduce the need for Ramp Up-specific tools. For example, the Risk Register (clause 3.7) should be established, unlike during Phase In when a separate register is needed by clause 2.6.3.

The activities to be defined in the RUMP will often be a continuation of those from the Approved PHIP. For example, the Commonwealth may need to provide additional GFM, additional spares as Working Stock, access to GFF at additional locations, and further training in Defence information systems. The Commonwealth may also participate in Ramp Up Milestone review meetings.

The RUMP requires the Contractor to prepare a schedule of Ramp Up activities and Milestones. Checklists and achievement criteria for Ramp Up Milestones are to be included in annexes to the RUMP, and are Approved by the Commonwealth Representative Approving the plan. DID-SSM-RUMP describes the requirements for

Milestone descriptions and standard criteria for checklists. The RUMP must also define how the Contractor reports on progress during Ramp Up.

If Ramp Up is included, drafters should include this clause without amendment.

Related Clauses: Annex A to Attachment B, Mobilisation Payments and Milestone Payments
Annex B to Attachment B, Recurring Services
Attachment P, Performance Assessment, with respect to the PIP.
SOW clause 2.6, Phase In
SOW clause 3.8, Issue Management
SOW clause 10.4, Performance Implementation Period
DID-SSM-RUMP, which specifies requirements for the RUMP.

Optional Clauses: Nil

2.7.2 Ramp Up Activities

Status: Core (when Ramp Up is included in the Contract)

Purpose: To require the Contractor and the Commonwealth to undertake Ramp Up activities in accordance with the Approved RUMP.

Policy: Nil

Guidance: Ramp Up activities need to be undertaken by the Commonwealth, Contractor and, most likely, Subcontractors, as described in the Approved RUMP. In order to implement the Approved RUMP, this is a core clause, when Ramp Up is included.

The first two subclauses require the Contractor to undertake the activities in the Approved RUMP, and for the Commonwealth to meet its obligations.

The next two clauses relate to Ramp Up Milestones and reviews – the extent of which depend on the scope and nature of the Ramp Up. Milestone criteria and review meetings are scoped by the Contractor in the RUMP. Note that, for efficiency, these reviews would be combined with other Contract reviews held at about the same time, unless the Commonwealth directs otherwise.

If Ramp Up is included, drafters should include this clause is without amendment.

Related Clauses: Annex A to Attachment B, Milestone Payments
Annex B to Attachment B, Recurring Services
DID-SSM-RUMP, which specifies requirements for the RUMP.
DID-SSM-CSR, which specifies requirements for the CSR, including reporting the status of Ramp Up when applicable.

Optional Clauses: Nil

2.7.3 Ramp Up Progress Reporting

Status: Optional

Purpose: To require the Contractor to deliver Ramp Up Progress Reports.

Policy: Nil

Guidance: Ramp Up Progress Reports (RUPRs) provide the Commonwealth with insight into the progress of Ramp Up activities and the increasing scope of Contractor support capabilities and capacity. Should Ramp Up activities not progress in accordance with the schedule, the Contractor is obliged to inform the Commonwealth of the shortfall and how the Contractor plans to recover the situation.

This clause is optional because the Contractor should report on Ramp Up progress within the CSR, by default; however, including Option A explicitly requires that Ramp Up progress be addressed in the CSR. If CSRs will not be delivered frequently enough, Option B allows separate RUPRs to be delivered in accordance with the

CDRL (ie, more frequently than the CSR). The content RUPRs is to be specified in the Approved RUMP (refer to DID-SSM-RUMP).

Drafters should consider the number and frequency of Ramp Up Milestones, as evidence submitted to achieve a Ramp Up Milestone may also eliminate the need for RUPRs and make CSR reporting secondary. In this case, both options may be deleted and replaced with a single 'Not used'.

Drafters need to determine the most appropriate means of reporting and select the most appropriate option, or replace the clause with 'Not used'.

Related Clauses: Annex A to Attachment B, Milestone Payments

DID-SSM-RUMP, which specifies requirements for the RUMP.

DID-SSM-CSR, which specifies requirements for the CSR.

Optional Clauses: Nil

2.8 Phase Out

2.8.1 Phase Out Plan

Status: Core (when Phase Out is included in the Contract)

Purpose: To define the Contractor's plans, processes and activities needed to ensure a coordinated Phase Out of the Services, and a smooth transition to an incoming contractor or withdrawal from service of the Materiel System, as applicable.

Policy: Nil

Guidance: The Phase Out Plan (PHOP) is used to define the Contractor's approach to the Phase Out of Services and the Contract. The Commonwealth uses it to develop its transition program to ensure a coordinated and smooth transition from the current Contractor to a new (incoming) contractor or for the withdrawal from Service of the Materiel System. The PHOP may also be used to inform tenderers, for a new support contract, when they preparing draft PHIPs.

Phase Out activities can occur over a long or short period. For example, prior to the withdrawal of a system, Maintenance Services can start to scale down years in advance while using existing serviceable stock (ie, why continue Maintenance only to be left with a warehouse of serviceable Repairable Items (RIs) if the system is retired?). By contrast, hand-over from one contract to another should be quick. By default a PHOP is required before the 'Off Ramp Date' (eg, two or three years before Contract end), which allows the PHOP to be used to inform the RFT. The delivery schedule for the PHOP, in the CDRL, should consider these issues.

Drafters should include clause 2.8 when the reduction in scope of Services must be planned. The scheduled delivery of the PHOP must also be included in the CDRL.

Related Clauses: COC clause 14, Phase Out

COC clause 14.2, Objective of Phase Out

COC clause 14.5, Transition to a New Contractor

COC clause 14.6, Contractor's Obligations on Withdrawal of Products from Service

Clause 2.6, Phase In (of the new Contract (Support))

Other clauses under clause 2.8.

DID-SSM-PHOP, which specifies requirements for a Phase Out Plan.

Optional Clauses: Nil

2.8.2 Phase Out Activities

Status: Core (when Phase Out is included in the Contract)

Purpose: To obligate the Contractor (Support) to act on the Approved PHOP, in the context of the applicable COC clauses.

Policy: Nil

Guidance: If clause 2.8.1 is included, then this clause is to be included in order to implement the Approved PHOP, under the conditions of COC clause 14.2.

Drafters may include additional sub-clauses to specify any unique Phase Out requirements for the Products Being Supported.

Related Clauses: COC clause 14.2, Objective of Phase Out

COC clause 14.5, Transition to a New Contractor

COC clause 14.6, Contractor's Obligations on Withdrawal of Products from Service

Other clauses under clause 2.8.

Optional Clauses: Nil

2.8.3 Phase Out Register

Status: Optional

Purpose: To require the Contractor to implement a Phase Out Register to capture and manage the dynamic elements of the Phase Out process.

Policy: Nil

Guidance: There are no specific requirements for reporting during Phase Out, other than standard reports (eg, CSSRs). The Phase Out Register is dynamic and should provide the Commonwealth with insight during this phase. Information included in the register will depend on the Services and specific activities defined in the Approved PHOP. For example, the register would record the end of individual support functions, the return of GFE, and the departure from GFF as applicable. While optional, the clause is expected to be included in most support contracts.

The requirements for the Phase Out Register are defined in the PHOP.

If included, drafters should include this clause without amendment.

Related Clauses: COC clause 14.2, Objective of Phase Out

COC clause 14.5, Transition to a New Contractor

COC clause 14.6, Contractor's Obligations on Withdrawal of Products from Service

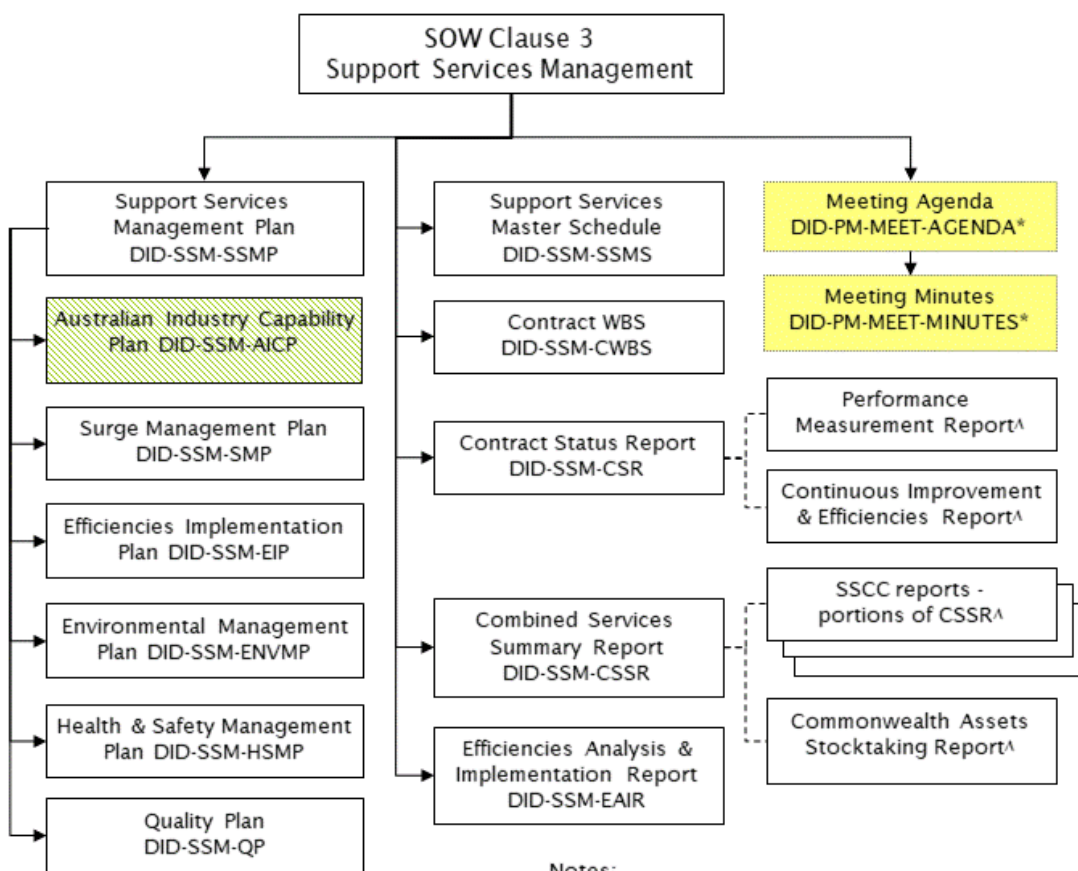
Other clauses under clause 2.8.

Optional Clauses: Nil

3. SUPPORT SERVICES MANAGEMENT

- Status:** Core
- Purpose:** To define the management requirements for the Contract.
- Policy:** Nil
- Guidance:** The Support Services Management clause is required in every Contract (Support). Drafters should first tailor SOW clauses 4 to 8 and DSDs to establish the Service requirements, and then define an appropriate level of management through SOW clause 3.
- Related Clauses:** All other clauses within the SOW, DSDs and SOW Annexes.
- Optional Clauses:** Nil

The following diagram shows the data items (and defining DIDs) linked to Support Services Management in SOW clause 3.



- Notes:**
- * ASDEFCON (Strategic Materiel) DIDs.
 - ^ May be requested separately via CDRL.
 - ▨ Set at ED, as an Attachment.

Support Services Management SOW Structure

Note that the AIC Plan is part of the suite of plans but needs to be included in Annex B to Attachment F. Quality, Environmental Management and Health and Safety Management Plans are requested under clauses 11.2, 12.2 and 12.3 respectively, but may be rolled-up into the SSMP in appropriate circumstances. It should also be noted that S&Q forms prepared in accordance with DID-SSM-S&Q (not shown above) include planning for the specific S&Q work activity.

3.1 Support Program Objectives

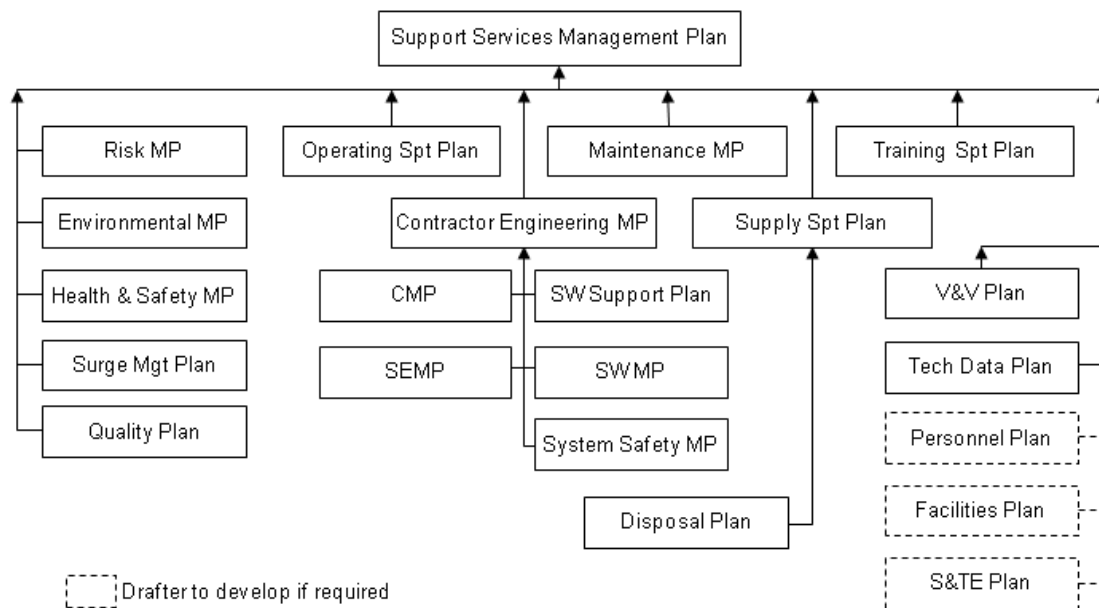
<u>Status:</u>	Core
<u>Purpose:</u>	To set out the overall objectives of the Contract, which underpin the activities to be conducted under the Contract (Support).
<u>Policy:</u>	Nil
<u>Guidance:</u>	<p>The Support Program Objectives under clause 3.1 are generic, in order to apply to a wide range of contracts. Drafters may amend or add objectives applicable to their specific Contract. The aim is to give readers, including tenderers, a concise statement of the outcomes that management of the Contract is trying to achieve.</p> <p>Drafters should be aware of that global objectives for the Contract are specified in clause 1.3 of the COC. Drafters should ensure that any changes to SOW clause 3.1 are consistent with those in the COC. KPIs detailed in Attachment P should also be linked to Defence-required Outcomes; hence, this clause should also be consistent with those Outcomes.</p> <p>Drafters should consult with relevant stakeholders to ensure that objectives are accurately reflected in this clause.</p>
<u>Related Clauses:</u>	<p>COC clause 1.3 sets out the objectives of the parties entering into the Contract.</p> <p>Attachment P identifies Defence's required Outcomes that are related to KPIs.</p>
<u>Optional Clauses:</u>	Nil

3.2 Support Services Planning

<u>Status:</u>	Core
<u>Purpose:</u>	To obtain over-arching planning documents that describe how the Contractor will manage the provision of Services and other work required under the Contract.
<u>Policy:</u>	Nil
<u>Guidance:</u>	<p>This clause identifies the over-arching plans and supporting documents used to demonstrate that the Contractor has the management processes and capabilities necessary to manage the Contract successfully.</p> <p>Support contracts are applied in a wide range of situations, each unique due to:</p> <ol style="list-style-type: none"> the range of environments (maritime, land, aerospace and electronic); different deliverable Services, including from one to five of the SSCCs; different levels of support (eg, one or more depths / grades of Maintenance); differing work allocation to subcontractors and location; the range of technical complexities including Software support, complete platforms, subsystems, or a set of common RIs; and regulatory and assurance requirements. <p>All of these variations result in a need for individual planning, using an appropriate suite of management plans selected for the scope of each contract.</p> <p>For each contract, the Commonwealth should be willing to accept a certain level of risk and apply specific governance arrangements to manage the risk. The visibility needed to ensure appropriate governance, for that level of risk, should be reflected in requirements for Contractor management plans, reports and reviews, by seeking enough detail to provide insight while avoiding excessive management overheads.</p> <p>The Contractor describes how it will manage work in plans and, following Approval, the Contractor is required to work in accordance with the Approved plans. This approach is used by all ASDEFCON materiel acquisition and support templates.</p> <p>Following objectives to reduce the cost of tendering and contracts, drafters should only ask for sufficient plans to achieve the required level of visibility of Contractor processes, and avoid seeking plans that provide minimal value (ie, 'shelf-ware').</p>

Tenderers are asked to submit a limited number of draft plans where a draft usually requires preparing specific sections of final plans, sufficient for the evaluation of competing tenders. Following source selection, some plans may be developed by the preferred tenderer (eg, during ODIA or pre-contract work) for Approval by ED, while others are typically developed between ED and OD. The PHIP (to get the contract started), the SSMP, and plans needed for regulatory approvals are often considered most important and delivered for approval before or just after ED. If the RFT combines acquisition and support (eg, using the *ASDEFCON Linkages Module*) then Contract (Support) work can be delayed pending sufficient progress in acquisition, and the number and detail of Contract (Support) plans to be tendered may be significantly reduced. Finalisation may also occur much later as OD may be a few years after ED (refer to Annex B regarding combined RFTs).

A full set of plans (excluding the Efficiencies Implementation Plan (EIP) and AIC Plan), as required for a 'complex' contract, is shown in the following diagram but many could be rolled-up into the SSMP in simple contracts.



Potential Roll-up of Support Services Planning Documents

High-level plans may refer to sub-plans, which, in effect, form parts of those higher-level plans. Lower-level plans may be 'rolled-up' or incorporated into higher-level plans when the added detail in a stand-alone plan is not warranted. This occurs when the work covered by the lower-level plan is limited in scope and a stand-alone plan is not necessary to describe the relevant management arrangements.

The approach in *ASDEFCON (Support)* allows drafters to roll-up plans into higher-level plans, which enables the number of plans to be reduced while preserving adequate visibility of Contractor processes. The SSMP is the top-level management plan with many other plans able to be 'rolled-up' into it.

In some cases, plans should be stand-alone documents. For example, some key plans that govern particular Services (eg, Engineering and Maintenance) are better managed as stand-alone plans for stakeholder review purposes, or for a different audience. Drafters need to determine and specify which plans should stand-alone.

The Phase In Plan and the Phase Out Plan are always stand-alone because they only apply during a limited period of the Contract. The Quality Plan may be stand-alone to simplify accreditation. The AIC Plan is a stand-alone plan to be attached to the COC.

Drafters have some flexibility to decide on the selection of plans. To cover Contract requirements drafters need to:

- a. determine what plans are required, and which ones should be stand-alone;

- b. determine what draft plans should be tendered, their scope (by identifying clauses from the DID), how they will be evaluated, and the timeframe for their development following selection of a preferred tenderer; and
- c. tailor relevant SOW clauses and CDRL (and DIDs if necessary) to reflect these requirements.

Related Clauses: All other clauses in the SOW and DSDs.

Optional Clauses: Nil

3.2.1 Support Services Management Plan

Status: Core

Purpose: To require the Contractor to produce a plan for efficient management of the required Services at an acceptable level of risk.

Policy: Nil

Guidance: The Support Services Management Plan (SSMP) is the top-level plan for the Contract. It identifies the other Contract plans and describes how they fit together as an integrated management system for all aspects of the Services. Tenderers are to submit a draft SSMP, which may be updated during pre-contract work or ODIA by the preferred tenderer. The SSMP may be developed ready to be Approved 'by ED' (as identified in the CDRL) or otherwise prior to OD.

DID-SSM-SSMP is structured to describe some subordinate plans, should they be rolled-up into the SSMP, without modification to the DID. Conditional clauses in the DID identify that if the SOW requires planning for a particular function to be included in the SSMP, instead of a stand-alone plan, then the SSMP shall address that function. The SSMP includes content requirements for rolled-up plans that are reduced from the DIDs describing the 'full' plans, as there is little point to rolling up full-sized plans to create one large unmanageable plan. If necessary, DID-SSM-SSMP may be amended when specific information is needed in a rolled-up plan.

Related Clauses: All clauses referring to the SSMP, including optional clauses that enable planning functions to be rolled-up into the SSMP.

SOW clause 3.5, Subcontractor Management

CDRL Line Number MGT-100 (for the SSMP)

CDRL Line Numbers that need to be deleted, if plans are rolled-up into the SSMP.

Table G-1 in TDR G-1, Annex G to Attachment A to the COT, Support Services Management.

Optional Clauses: Nil

3.2.2 Support Services Master Schedule

Status: Optional

Purpose: To:

- a. describe the Contractor's planned sequence of activities, milestones and decision points to enable the objectives of the Contract to be met; and
- b. describe the status of scheduled Service events, comparing the current delivery plan for these events with the contracted schedule.

Policy: Nil

Guidance: A Support Services Master Schedule (SSMS) is included in most medium and larger sized contracts, even if the SSMS is simple. The SSMS identifies resource allocations, the scheduling of activities, and informs financial planning. The SSMS should be a stand-alone data item because it changes regularly with schedule and status updates (ie, more frequent updates than for Approved plans).

The SSMS should show Milestones and major activities, which may be scheduled in more detail in subordinate schedules or within particular plans. The SSMS is referenced in various DIDs for management plans (eg, the Contractor Engineering

Management Plan (CEMP) requires a schedule for engineering activities) and these must be consistent with the SSMS.

The SSMS is a dynamic document, which must be updated by the Contractor at regular intervals to show the status of scheduled events. Due to the frequent update cycle, it is often preferable to have the SSMS hosted on the DMS (see clause 2.3).

The SSMS and subordinate schedules may be developed in proprietary software tools such as Open Plan Professional or Microsoft Project. Defence does not limit options to a particular software package. If drafters express preference for a particular software package, drafters should take care that this does not discriminate against some tenderers.

If the preferred tenderer proposes a scheduling software package that is not used by the Commonwealth, the Commonwealth Representative should assess and discuss this alternative with the preferred tenderer during Contract negotiations. Depending upon those discussions, clause 3.2.2.4 may be amended to accord with the agreed outcomes. The tendered price may also be amended as a result.

Related Clauses: Individual management plan DIDs that refer to an SSMS.

SOW clause 2.3, Data Management System

CDRL Line Number MGT-110 (for the SSMS)

DID-SSM-CWBS specifies requirements for a CWBS, which is often used as a basis for defining work activities to be scheduled.

DID-SSM-SSMS specifies the requirements for the SSMS.

DID-CSC-CSCMS specifies requirements for the CSC Master Schedule, if the CSC Module is included in the Contract.

TDR E-3 of the COT, Support Services Master Schedule

Optional Clauses: Nil

3.2.3 Contract Work Breakdown Structure

Status: Optional

Purpose: To obtain a structured breakdown of the activities that the Contractor will perform to meet the requirements of the Contract, including work defined in the SOW.

Policy: Nil for use of a CWBS for support.

Guidance: The Contract Work Breakdown Structure (CWBS) provides the mechanism for decomposing the scope of work that the Contractor is to perform. The CWBS assists with understanding the methodology being employed by the Contractor to meet the requirements of the Contract because it shows the planned decomposition of the work, resource allocations, responsible entities, etc. Where a CWBS is used, the Price and Payment Schedule should be derived from this

Drafters should refer to DEF(AUST)5664A, *Work Breakdown Structures for Defence Materiel Projects*, for general guidance for the development and use of WBSs. However, DEF(AUST)5664A does not, and there is no equivalent does, define a standard CWBS structure for a support contract. Instead, DID-SSM-CWBS links to the breakdown of Recurring Services within the Price and Payment Schedule in Attachment B.

The approach used by the ASDEFCON templates is for Defence to produce a draft Contract Summary Work Breakdown Structure (CSWBS) within the RFT. In *ASDEFCON (Support)*, TDR E-2 of the COT provides a default CSWBS, based around the structure of the draft SOW, with the associated dictionary definitions for these high-level WBS elements included in the Glossary (section 4). In developing the CSWBS, drafters must ensure that the draft CSWBS and the draft SOW are consistent, and provide applicable dictionary definitions for each of WBS element.

Drafters may choose to not require a separate CWBS in the draft SOW, and simply include their CSWBS into the Price and Payments Schedule, in Annex D to Attachment A to the COT, to provide a framework for each tenderer to describe its

price breakdown. This eliminates the need for a separate document; however, it removes one of the key insight documents that can be used by the Commonwealth over the life of the Contract to assist with assessing price changes (eg, in response to changes of scope). As such, it is recommended that a CWBS be included in all but the smallest support contracts.

Related Clauses: CDRL Line Number MGT-120.

DID-SSM-CWBS, which specifies requirements for a CWBS.

TDR E-2 of the COT, Draft Contract Work Breakdown Structure

Glossary section 4, WBS Dictionary for the Contract Summary WBS

Optional Clauses: Nil

3.2.4 Surge

Status: Optional

Purpose: To require the Contractor to plan for managing a Surge in the demand for Services, and to manage the Surge requirements in accordance with that plan.

Policy: Nil

Guidance: Surge is defined as a short to medium-term change to the ROE and is categorised into two types: Exigency and Contingency. Exigency is an urgent demand for a particular occasion. An Exigency, under *ASDEFCON (Support)*, has a definable increase in ROE for a forecast duration, such as an increase in ROE for a military exercise. By contrast, a Contingency under *ASDEFCON (Support)* is considered to have a significant but undefinable increase in ROE for an unknown duration, such as a conflict or peacekeeping operation.

Drafters should refer to Attachment M for definitions of Surge, Exigency and Contingency, which need to be tailored to the requirements of the Contract. Drafters should be aware that, in adjusting these definitions, Defence is providing the baseline against which the Contractor determines the type, size and cost of Surge capacity required.

The drafter's definition for Exigency should be consistent with the ROE description. For example, if the ROE includes a defined minor exercise held every year, then this exercise should not be repeated in the definition of Exigency (the required capacity is already built into the baseline ROE). Exigency requirements might also be expressed as increased availability of the Mission System (eg, for a Patrol Boat fleet, the Exigency requirement may be an additional 50 'at sea' days/month).

If possible, and useful, natural limits of the system should be used to identify limits to Contingency. For example, there is no need to pay a Contractor to have spare systems available if Defence would never have the trained operators to use them.

Drafters should consider Surge as both an increase in normal workload (current routine and ad hoc work) to support an increase in operations, and a broadening of work performed to cover new / unforeseen work, such as battle damage repairs. Possible solutions to meet Surge requirements might be for the Contractor to:

- a. have reserve capacity available on standby (not particularly efficient);
- b. be able to switch capacity from other activities such as commercial work or other Defence work;
- c. call on expanded support from Subcontractors;
- d. implement alternative procedures (eg, extended Maintenance intervals in accordance with applicable Defence policies);
- e. expand facilities or relocate; and/or
- f. expand operations by changing to shift work or through recruitment.

Where the Surge requirements are significant or critical to the operational need, the Contractor should be required to provide a Surge Management Plan (SMP) to describe how the Surge requirements will be met.

In tendering for the Services, Exigency requirements will often need to be included in the tendered pricing to ensure that military exercises and other predictable increases in ROE can be met. Being foreseeable, Exigencies may be treated as a Task-Priced Service and included in the Task-Priced Services table of Attachment B. Alternatively, they may be conducted as an S&Q Service, at least initially, if it is too difficult to predetermine a firm price. Note that, for Exigency, the Contractor may be required to maintain an ongoing 'spare capacity' (eg, additional people) to meet that demand, which could be included in the Recurring Services Fees.

Contingency requirements, having an unknown scope / ROE, are less easy to evaluate, and the SMP will provide more or less of an assessment of the Contractor's capability to increase its work capacity. Being of unknown scope, the support for a Contingency is undertaken as an S&Q Service.

Drafters should ensure that both foreseeable Surge events (ie, Exigency) and unforeseeable Surge events (ie, Contingency) are covered, as appropriate, when specifying the Surge requirements. The parameters of Contractor-provided support during a Contingency are reasonably unknowable in advance (but essential when a Contingency occurs); hence, broad provisions need to be included to provide a basis for tenderers and, subsequently, the Contractor to determine their responses.

For Contracts that are not directly affected by a Surge, this clause may not be required and the drafter can replace the sub-clauses with a single 'Not used'.

If Surge is applicable to the Contract then planning is core. The drafter is to decide whether a stand-alone Surge Management Plan or planning within the SSMP, is the most appropriate, and select from the core option clauses accordingly.

Related Clauses: Attachment M, Glossary, contains definitions of Surge, Exigency and Contingency.

SOW clause 2.2, Rate of Effort

DID-SSM-SMP defines the requirements for an SMP.

DID-SSM-SSMP, for the SSMP, allows for the inclusion of Surge planning if a stand-alone SMP is not required.

CDRL Line Number MGT-1600

TDR G-4, Annex G to Attachment A to the COT, Surge

Optional Clauses: Nil

3.3 Quoting for Survey and Quote Services

Status: Core

Purpose: To:

- a. coordinate the management of Survey and Quote (S&Q) Services;
- b. require the Contractor to justify the proposed work scope, costs and impact of undertaking S&Q Services, for evaluation by the Commonwealth Representative; and
- c. isolate the management costs of preparing quotes from the actual performance of the S&Q Services.

Policy: Nil

Guidance: SOW clause 2.1.3 states that 'unless otherwise expressly stated in Attachment B or this SOW (including Detailed Service Descriptions), all Services are Recurring Services and are included in the Recurring Services Fee. Services to be provided as either S&Q Services or Task-Priced Services are indicated as such within each clause.'

Clause 3.3 is required for those work activities under the SOW that will require the use of S&Q Services, in accordance with COC clauses 3.13 and 3.15, and the rates defined in Annex E of the Price and Payment Schedule at Attachment B. All *ASDEFCON (Support)* contracts will require these provisions. Even if a contract is

well defined, this clause and other S&Q provisions are included for risk mitigation, just in case an unexpected need for S&Q Services arises later in the Contract.

Clause 3.3 operates in conjunction with the COC clauses and DID-SSM-S&Q to define requirements for the provision of requests and quotations for S&Q Services.

ASDEFCON guiding principles⁷ recognise that a firm-priced contract requires a firm (or bounded) scope to enable the Contractor to determine work effort with minimal risk (which would otherwise be passed back to the Commonwealth as increased cost). However, the *ASDEFCON (Support)* template recognises that it is not always possible to scope all activities in advance of signing a contract, thus provisions for S&Q Services, within the terms of the Contract, are always included.

Clause 3.3 should be included in the RFT without amendment.

Related Clauses: SOW clause 2.1.3 (Services are recurring unless stated otherwise).

COC clause 3.13, Ad Hoc Services

COC clause 3.14, Task Priced Services

COC clause 3.15, Survey and Quote Services

COC clause 3.16, Pre-Authorised Ad Hoc Services

Annex E to Attachment B, Price and Payments Schedule

TDR D-1 of the COT, Price and Delivery Schedule, Tables D1-4 and D1-5

DID-SSM-S&Q specifies requirements for S&Q requests, quotations and orders.

Optional Clauses: Nil

3.3.1 Survey and Quote Process

Status: Core

Purpose: To:

- a. identify the Commonwealth Representative as the authority for seeking and Approving S&Q Services, and
- b. set out the process for the Contractor to initiate the requested S&Q Services.

Policy: Nil

Guidance: Clause 3.3.1.1 identifies the Commonwealth Representative as the only person who can initiate S&Q Services. This is essential, as Approval of S&Q Services extends the work and cost of the Contract. This clause does not require tailoring.

Clause 3.3.1.2 is required for Task Priced Services and Pre-Authorised Ad Hoc Services. In the unlikely event that a contract does not include Task Priced Services or Pre-Authorised Ad Hoc Service, this clause may be deleted.

The need for S&Q Services can occur because of a Defect or when the Contractor conducts scheduled Maintenance and discovers a need for an additional repair (eg, corrosion). The purpose of inspections is usually to find what additional repairs are required, but the repair itself is in addition to the inspection unless specifically allowed for. With complex systems, it is common for many minor repairs to be required, which can be included as Recurring Services (with commensurate risk premiums but minimal administration) or handled as Task Priced Services, Pre-Authorised Ad Hoc Services or S&Q Services.

Accordingly, clause 3.3.1.2 requires the Contractor to confirm a task will not be covered by other payment methods before asking the Commonwealth Representative to Approve additional S&Q Services.

Related Clauses: Attachment B, Price and Payments Schedule

COC clause 3.13, Ad Hoc Services

⁷ Refer to Principle 3. Guiding Principles are summarised on page xxii.

COC clause 3.14, Task Priced Services

COC clause 3.15, Survey and Quote Services

COC clause 3.16, Pre-Authorised Ad Hoc Services

DID-SSM-S&Q specifies requirements for S&Q requests, quotations and orders.

Optional Clauses: Nil

3.3.2 Survey and Quote Work Plans

Status: Core

Purpose: To:

- a. set out the requirements for scoping S&Q Services;
- b. set out the Commonwealth's minimum requirements for a work plan for undertaking S&Q Services; and
- c. provide a mechanism to ensure that sufficient appraisal of surveyed work requirements can be undertaken to determine if value for money will be achieved if the quote is Approved.

Policy: CPRs (in relation to value for money)

Guidance: Drafters are to include this clause if clause 3.3 is selected. Drafters should not amend this clause, as it lays out the Commonwealth's minimum requirements for a work plan associated with an S&Q Service.

Related Clauses: COC clause 3.15, Survey and Quote Services

DSD-ENG-SERV includes requirements for work plans supporting Major Changes.

DSD-MNT-SERV includes an optional clause for Minor Changes to be performed as Recurring Services, rather than S&Q Services.

DID-SSM-S&Q specifies requirements for S&Q requests, quotations and orders.

Optional Clauses: Nil

3.3.3 Adverse Impact of Survey and Quote Work

Status: Core

Purpose: To set out the mechanism by which any adverse impacts of S&Q Services can be identified, so that the Commonwealth Representative can take appropriate action.

Policy: Nil

Guidance: The Contractor is required to advise the Commonwealth Representative of any expected adverse impact of undertaking the S&Q Services. Adverse impacts may include delays to other Services or an inability to achieve a level of performance. For Scenario #1 contracts, this may include a reduction in Services that are measured by a KPI (and Performance Relief may be anticipated in advance).

Related Clauses: COC clause 3.15, Survey and Quote Services

COC clause 6.3, Performance Shortfalls

DID-SSM-S&Q requires adverse impacts be documents within the S&Q quotation.

Optional Clauses: Nil

3.4 Support Services Communication Strategy

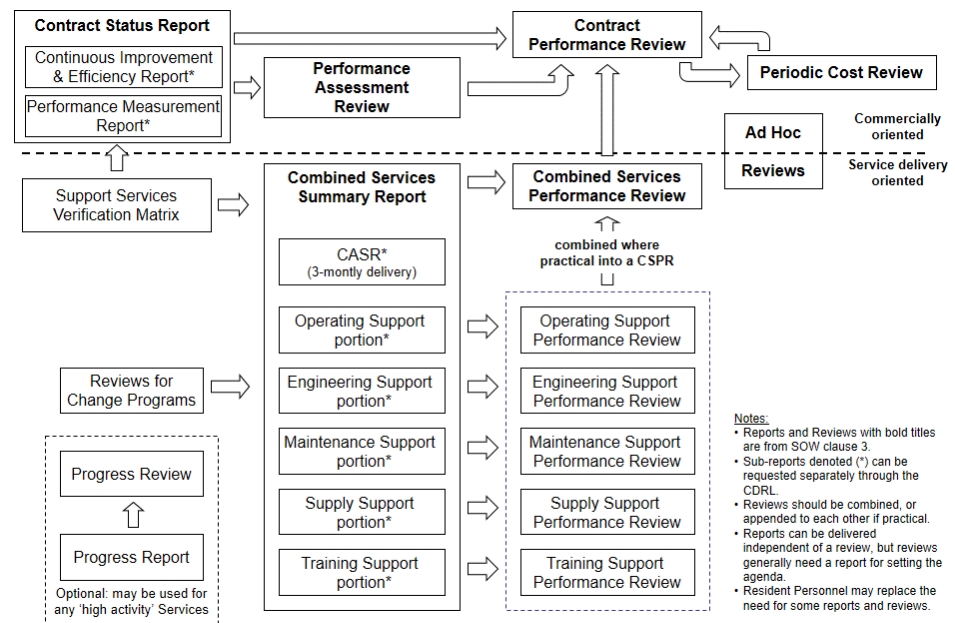
Status: Core

Purpose: To define formal communication channels between the Commonwealth and the Contractor, which provide the Commonwealth with visibility of the Contractor's management activities and the performance of Services.

Policy: Refer to subclauses.

Guidance:

Although different contracts can specify common reporting and review requirements, the communications strategy can be very different from one contract to the next. These clauses were developed to give drafters maximum flexibility for determining how often and how much information is provided from the Contractor through reports and reviews. This clause is inter-related with other clauses, as the communication strategy integrates the reviews and reports for SOW clauses 4 to 8. The following diagram illustrates the key concepts and tailoring options for reports and reviews.



ASDEFCON (Support) uses a single CSSR DID for reporting on the provision of Services – components of the CSSR cover each of the key Service areas (ie, SSCCs) and can be requested and delivered separately through the CDRL.

The Contract Status Report (CSR) provides the avenue for commercial reporting. The SSVM and Performance Measurement Report (PMR) (a portion of the CSR), report performance against Performance Measures and the resulting commercial considerations (eg, KPI performance and performance payments), respectively.

In general, a report may be delivered without the need for a formal review meeting to discuss its contents. However, a report would generally precede and provide necessary information for discussion at a formal review when one is held. For example, the Maintenance Support component of the CSSR could be delivered monthly, but a Maintenance Support Performance Review (MSPR) meeting may only need to be held every three months.

When two or more reviews are to be held at approximately the same time, they should be combined for efficiency, if it is practical to do so. The Combined Services Performance Review (CSPR) encourages this and some or all of the key Service areas may only ever be discussed as part of a CSPR. For example, a 6-monthly CSPR could include every second 3-monthly MSPR and the review of three other SSCCs, while the last SSCC may only need to be addressed annually, at every second CSPR.

Reports and reviews are generally divided along commercial and Service-oriented lines. The separation of commercial discussions (eg, relating to financial payments and compliance with the COC) from discussions regarding the technical aspects to the provision of Services, is generally considered to be good practice. For ease of management and for attendees going to both meetings, it may be possible to schedule Service-related discussions (eg, a CSPR) in the morning and commercial discussions (eg, a Contract Performance Review (CPR) and/or a Performance Assessment Review (PAR)) in the afternoon.

Clauses requiring the delivery of individual components of the CSSR are included in the SOW for each of the key Service areas (ie, clauses 4.2, 5.2, 6.2, 7.2 and 8.2).

These are Core if the applicable Service is required (ie, some level of reporting is required for governance purposes). Related reviews (ie, clauses 4.3, 5.3, 6.3, 7.3 and 8.3) are also Core, and tailoring allows some or all of these reviews be rolled-up into the CSPR, held in accordance with SOW clause 3.4.2.

For high-activity Services, lower level progress reports and progress reviews may be added to the draft Contract. There is no template DID for progress reports as these will be contract-specific and must be developed by the drafter or in the Contractor's plans. Engineering Services for Major changes will also include system reviews to manage Engineering Change Proposals (ECPs) – these reviews are requested through the Engineering DSDs and informed by the 'review package' (eg, specifications and design documents).

Drafters should note that the Commonwealth Asset Stocktaking Report (CASR) is a separate part of the CSSR that can be scheduled separately from the rest of the CSSR. This allows the CSSR to report on Services at a frequency tailored by the drafter, while the CASR must be delivered 3-monthly, as required by policy.

To accommodate expedient processing of Performance Payments under the performance management framework of a PPBC, the PMR portion of the CSR is delivered after each Review Period (for KPIs) and discussed at a PAR – it is not delayed by the preparation of the rest of the CSR. As progress against the CIE Program is also reviewed at the PAR, the CIE Report (also a separate portion of the CSR) may be delivered separately, before the PAR. Both the PMR and CIE Report portions of the CSR are identified separately in the CDRL to allow for separate deliveries. In keeping the separation of commercial and technical discussions, the CSPR and other Services-related reviews may discuss the actual cause of shortfalls in performance and options for rectification, but the technical reviews must not discuss the commercially sensitive issues such as performance relief or Performance Payments.

Drafters must tailor the subclauses of 3.4 and the reporting and review clauses for the individual Service areas (ie, clauses 4 to 8) in a consistent manner that reflects the overall communications strategy. Planning a contract-wide communications strategy, before tailoring these clauses, is highly recommended.

The type, content, and frequency of reports and reviews may be negotiated with the preferred tenderer(s), if necessary, to ensure that reporting is satisfactory for the Commonwealth's needs and efficient in terms of the Contractor's reporting effort.

Related Clauses: All sub-clauses within clause 3.4.

SOW report clauses for SSCCs: clauses 4.2, 5.2, 6.2, 7.2 and 8.2.

SOW review clauses for SSCCs: clauses 4.3, 5.3, 6.3, 7.3 and 8.3.

SOW clause 10.3, Support Services V&V Activities

Draft report and review clauses in DSDs subordinate to clauses 4 to 8.

DID-SSM-CSR defines the requirements for the CSSR.

DID-SSM-CSSR defines the requirements for the CSSR.

Optional Clauses: Nil

3.4.1 Status Review and Reporting

Status: Core

Purpose: To obtain from the Contractor regular reports on, and to discuss the issues regarding, the status of the Contract by covering subjects, such as:

- a. performance against Required Performance Levels and Milestones;
- b. condition of the system / fleet;
- c. activities planned for the next reporting period;
- d. problem areas and risks;
- e. the implementation of Efficiencies and other financial issues;

- f. workload issues over the past reporting period;
- g. long-term forecasts of future workload and activities;
- h. Subcontractor issues;
- i. configuration status;
- j. quality;
- k. Technical Data and Software Rights (including IP); and
- l. AIC.

Policy:

Nil

Guidance:

Clause 3.4.1 outlines the requirements for all reports (CSR, CSSR, etc.) and Periodic Performance Reviews (including the CSPR, CPR, and reviews held to review individual SSCCs, if required). The clause also requires delivery of the CSR.

Clauses 3.4.1.1 to 3.4.1.5 / 3.4.1.6 define requirements applicable to all Periodic Performance Reviews including CPRs, CSPRs and individual Services performance reviews. The clauses cover generic scope, additional information, combining reviews that occur in the same month (to reduce effort and cost) and responsibilities for preparing Agenda and Minutes. Optional clauses (3.4.1.5 and 3.4.1.6) allow drafters to select a default for the preparation of Minutes, which may be overridden by clauses for specific reviews elsewhere in the Contract (eg, if the Commonwealth wants the Contractor to prepare Minutes for all reviews all except for CPRs). Drafters should review these clauses and amend as necessary.

The CSR is the Contractor's principal statement and explanation of the status of the Services and compliance obligations at the end of each reporting period; accordingly, the delivery of CSRs is a core requirement. The CSR includes a number of sub-reports, such as the Finance, AIC, Health Safety and Environment, and Risk reports. If the CSR Financial Report will assist Defence when budgeting, drafters should consider using the CDRL to align the CSR with the Defence budget cycle.

The CSR includes a PMR and a CIE Report, for reporting performance against KPIs (to support claims for Performance Payments) and progress for implementing Efficiencies, respectively. These two sub-reports can be delivered separately, at the end of each Review Period, as both are discussed at the PAR (SOW clause 3.4.5). Other parts of the CSR may be delivered less frequently, or at the same frequency but slightly later, to allow more time to prepare the narrative and forward-looking aspects of the CSR. Clause 3.4.1 includes optional clauses, and the CDRL has additional rows, to allow separate delivery of the PMR and CIE sub-reports.

Clause 3.4.1.10 for the CSSR is a core clause that requires the Contractor to report on the provision of Services, including the level of activity, major events and milestones, the progress of S&Q Services and schedules relevant to future planning. Individual portions of the CSSR (eg, for each SSCC) can be requested at different times through the CDRL, as per the general discussion regarding clause 3.4 (above). The CASR is also part of the CSSR and must be delivered 3-monthly, in accordance with Defence policy – the CASR is requested separately under SOW clause 3.11.6 and within the CDRL.

The Contractor is required to describe the formal communications activities (ie, reporting and reviews) in the SSMP. Accordingly, the reports, reviews, when they are scheduled, and which reviews the Contractor and Commonwealth agree to combine, will be documented in the Approved SSMP.

When determining the need and frequency for formal communications, such as reviews and reports, Drafters should consider the level of informal communications that may occur through working-level planning and coordination meetings, telephone conversations, coordination with Resident Personnel, and any other visits.

Drafters should:

- a. determine the subjects / Services to be reported on, including the components of the CSR and CSSR that should be delivered individually;

- b. tailor/draft the SOW clauses to reflect these requirements, including the optional clauses for the PMR and CIE Report;
- c. decide which party, by default, will prepare Minutes and select the applicable optional clause;
- d. if absolutely necessary, tailor the DIDs for the CSR and CSSR (noting that these are largely 'self-tailoring' for the clauses included in the SOW); and
- e. review and update the delivery requirement for reports in the CDRL, including for the components / sub-reports to be delivered separately.

Related Clauses: All other sub-clauses within clause 3.4.

SOW report clauses for SSCCs: clauses 4.2, 5.2, 6.2, 7.2 and 8.2.

SOW review clauses for SSCCs: clauses 4.3, 5.3, 6.3, 7.3 and 8.3.

SOW clause 3.11.6, which requires the CASR (sub-report).

CDRL Line Number MGT-300 for the CSR.

CDRL Line Number MGT-350 for the CSSR.

DID-SSM-CSR specifies requirements for the CSR.

DID-SSM-CSSR specifies requirements for the CSSR.

DID-SSM-SSMP includes requirements to define the 'communications strategy'.

Optional Clauses: Nil

3.4.2 Combined Services Performance Reviews

Status: Optional

Purpose: To define the arrangements and responsibilities for the CSPR meetings, which are held to discuss the progress and status of the Services.

Policy: Nil

Guidance: Separate CSPRs are advisable for larger support contracts, as per the communications strategy discussed with reference to clause 3.4 in general (above). These reviews, however, may not be required for smaller support contracts (eg, where a single Service such as Maintenance is provided), or larger contracts where there are Resident Personnel and no need for formal review meetings. If there are no CSPRs in a smaller contract, 'Ad Hoc Meetings' can be used to cover any requirement for meetings, in addition to the CPRs. In larger contracts, a CSPR may not be required if all Services performance reviews are conducted individually or, alternatively, CSPRs could be the only type of Services review used under a support contract. For example, quarterly CSPRs could discuss Maintenance and Engineering, while every second CSPR also covers Supply and Training (ie, there would be no reviews for individual SSCCs).

Because circumstances vary, drafters should avoid being too prescriptive in the requirements for meetings. Factors that might influence the type and frequency of meetings include:

- a. the location of the Contractor in relation to the CASG SPO / support agency;
- b. the nature of the work (eg, whether it is routine and relatively straightforward, or Ad Hoc and requiring frequent coordination of S&Q tasks);
- c. the complexity of the work and the need for insight, governance and/or an ADF regulatory / assurance framework;
- d. the critical nature of the Services; and
- e. whether other options, such as written reports, are a satisfactory alternative to more frequent reviews.

The draft clause includes an option that requires the Approved Subcontractors to attend reviews, when appropriate. That is, where they undertake an important part of the Services and their attendance would enhance the review – they may not be

required for every review. On larger contracts, where a significant portion of the work could be subcontracted, drafters should consider including this clause.

Unless the drafter inserts additional clauses that specify otherwise the preparation of Agenda and Minutes for the reviews will be in accordance with clause 3.4.1.

Drafters should also consider the option of using other forms of communication, such as video or telephone conferencing to reduce the cost of meetings.

Related Clauses: All other sub-clauses within clause 3.4.

SOW report clauses for SSCCs: 4.2, 5.2, 6.2, 7.2 and 8.2.

SOW review clauses for SSCCs: 4.3, 5.3, 6.3, 7.3 and 8.3.

CDRL Line Number MGT-500 for review meeting Agenda.

CDRL Line Number MGT-510 for review meeting Minutes.

Optional Clauses: Nil

3.4.3 Ad Hoc Meetings

Status: Core

Purpose: To define the procedures and requirements for Ad Hoc meetings.

Policy: Nil

Guidance: The Ad Hoc Meetings clause is required to specify the arrangements for ad hoc meetings. Even if ad hoc meetings are not expected, the clause is included as core, 'just in case'. These meetings may be required to discuss unforeseen issues that arise at any time during the course of the Contract.

The administrative requirements in the clause for ad hoc meetings make them a suitable basis for the conduct of a number of formal meetings. In these cases, general meeting requirements cross-reference clause 3.4.3, while specific issues, such as who will chair the meeting, are defined for the specific review meeting. Examples of this include the following optional reviews:

- a. Periodic Cost Review; and
- b. Performance Implementation Period (PIP) Completion Review.

This clause can be included in the RFT without amendment.

Related Clauses: All other subclauses within clause 3.4.

SOW report clauses for SSCCs: 4.2, 5.2, 6.2, 7.2 and 8.2.

SOW review clauses for SSCCs: 4.3, 5.3, 6.3, 7.3 and 8.3.

SOW clauses 3.4.1, 3.4.2, and 3.4.4 (related reporting and reviews).

SOW clause 3.4.6, Periodic Cost Reviews

SOW clause 13, CONTINUOUS IMPROVEMENT AND EFFICIENCIES

SOW clause 10.4, Performance Implementation Period Completion Review

CDRL Line Number MGT-500 for review meeting Agendas.

CDRL Line Number MGT-510 for review meeting Minutes.

Optional Clauses: Nil

3.4.4 Contract Performance Reviews

Status: Core

Purpose: To provide a mechanism for addressing commercial issues and obtaining increased visibility of the Contractor's processes as a means of reducing risk.

Policy: Nil

Guidance: The CPR is the top-level review for the Contract as it examines both the Services and operation of the Contract (ie, including compliance) in a holistic sense. CPRs involve senior managers from both customer and supplier organisations.

The CSRs are the primary inputs into the agenda of CPRs, although other matters are addressed, as agreed by the parties. For large contracts, drafters may wish to separate out discrete elements of the CPR; for example, to separate general day-to-day business of performance reporting from Performance Exchange Scorecard discussions.

The CPR provides an opportunity to discuss any changes to the Price and Payment Schedule (Attachment B), including changes to payment types. For example, repeated performance of an S&Q Service may allow a task to be changed into a Task Priced Service or Recurring Service (and may require a change to the SOW if the Services were explicitly identified as S&Q Services).

The CPR may consider proposals for adjusting Performance Measures, including KPIs (eg, as user demand increases or decreases) and the selection and effectiveness of OPMs. These discussions would, generally, only be required on an annual basis, or perhaps every second year, if the CPRs and scheduled more frequently. COC clause 7.15 provides the contractual mechanism for adjustments to the performance management framework. A CPR may follow, perhaps on the same day, a CSPR and/or PAR, where Services and performance measurement results are discussed prior to the commercial aspects being discussed at the CPR.

Drafters are to insert the frequency of CPRs and the approximate numbers of attendees where indicated. Otherwise the clause may be reviewed and refined, if necessary, to suit the individual Contract.

Related Clauses: All other sub-clauses within clause 3.4 (in general).

COC clause 1.9, for discussing pricing for Award Terms / Renewal Terms.

COC clause 7.15, Performance Management Framework Adjustments

SOW clause 3.4.1, which requires delivery of the CSR.

SOW clauses 3.4.1, 3.4.2, 3.4.4 and 3.4.5 (related reporting and reviews).

SOW clause 3.4.6, Periodic Cost Reviews

SOW clause 13, CONTINUOUS IMPROVEMENT AND EFFICIENCIES

CDRL Line Number MGT-500 for review meeting Agenda.

CDRL Line Number MGT-510 for review meeting Minutes.

Optional Clauses: Nil

3.4.5 Performance Assessment Reviews

Status: Core

Purpose: To review Contractor performance in the context of the performance management framework and the Continuous Improvement and Efficiencies program.

Policy: Nil

Guidance: A PAR is conducted to discuss the Contractor's performance, as measured using KPIs, for each Review Period. As *ASDEFCON (Support)* is a template for PPBCs the review of performance measured using KPIs is essential, and the PAR is core. If the Contract is not performance-based then the *ASDEFCON (Support Short)* template may be more suitable.

The aims of the PAR are acknowledged at clause 3.4.5.1, which are to discuss performance results, consider any grounds for performance relief, to agree the amount of the Performance Payment, and to review Efficiencies.

The PAR considers the Contractor' performance measured against KPIs. The KPIs are defined in Attachment P, which also allows different KPIs to have different Review Periods. If the Contract includes KPIs with different Review Periods (eg,

three months and 12 months), then each PAR only addresses those KPIs that have been measured for their full Review Period.

The PAR is informed by a PMR (refer to clause 3.4.1), a sub-report of the CSR that can be scheduled for separate delivery in the CDRL to coincide with the end of each Review Period. The SSVM (see clause 10.3) collects results within the Review Period (eg, monthly), provides raw measurement data, and identifies trends.

The PAR should be held as soon as practicable after the end of each Review Period, in order to minimise any delay to the confirmation and payment of Performance Payments, hence clause 3.4.5.2 requires the PAR to be held no later than 10 Working Days after the Commonwealth receives the PMR (unless agreed otherwise). PARs may be held more frequently to monitor recovery from poor performance, as described in clauses 3.4.5.3 and 3.4.5.4. The PAR would generally be appended to a Combined Services Performance Reviews falling within the timeframe identified in clause 3.4.5.2; however, if this is not suitable the PMR may be held separately by replacing clause 3.4.5.5 with the optional clause below.

Clauses 3.4.5.6 and 3.4.5.7 identify the attendees and chair for the PAR. Use of an IV&V Agent and the maximum numbers of attendees should be inserted for planning purposes.

Achieved Performance results for each KPI, as reported in the PMR, are used to calculate an APS for each KPI, as specified in Attachment P. The APS for each KPI are then used to calculate Performance Payments in accordance with Annex C to Attachment B. Clause 3.4.5.7 is an optional subclause to be included if the Contract includes Performance Incentives; otherwise it should be deleted. The *PPBC Guide for ASDEFCON (Support) V4.0* provides a further explanation.

Any Contractor claims for Performance Relief, under COC clause 6.4, may be discussed at the PAR using details from the PMR and SSVMs. Claims for Performance Relief, if agreed, may amend the APS(s) and the resulting Performance Band and Performance Payment, but not the Achieved Performance (recordings of measured results are to be preserved).

The PAR is also the forum to discuss Remediation Plans that are required if any Achieved Performance result falls into KPI Performance Bands C or D. Performance in these bands represents a significant failing and may incur other remedies under the Contract, although a Remediation Plan is the first step. Additional meetings may be held to review progress against a Remediation Plan, in accordance with clauses 3.4.5.3 and 3.4.5.4.

The PAR discussion includes proposed Efficiencies and the progress made for Approved Efficiencies. Clauses 3.4.5.9 to 3.4.5.11 describe the evaluation process and the assignment of *satisfactory* and *unsatisfactory* ratings, which are used when considering whether to offer an Award Term (refer to COC clause 1.9).

Drafters need to tailor clause 3.4.5 for the performance management framework for the Contract. Optional clauses for Performance Incentives and Efficiencies should be included as required. Drafters may also find the need to add to or reduce the requirements of the PAR, and amend the clause accordingly. Clauses for the review of Efficiencies should be reviewed but, in general, do not require amendment.

Related Clauses: COC clause 1.9, for the evaluation of performance and Efficiencies with respect to offering an Award Term or the scope of a Renewal Term.

COC clause 6.4, Performance Relief and Postponement

COC clause 7.1, Price

COC clause 7.11, Restrictions on Certain Payments

Annex C to Attachment B, Performance Payments

Attachment P, Performance Assessment

SOW clauses 3.4.1, 3.4.2 and 3.4.4 (related reporting and reviews).

SOW clause 13, CONTINUOUS IMPROVEMENT AND EFFICIENCIES

SOW clause 10.3, Support Services V&V Activities, including delivery of the SSVM and requesting Remediation Plans.

Optional Clauses:

Note to drafters: The following clause may be used to replace clause 3.4.5.5 when applicable.

The Performance Assessment Review shall be conducted independently of other Periodic Performance Reviews.

3.4.6 Periodic Cost Reviews

Status: Optional

Purpose: To review the reasonableness of costs incurred under the Contract, and subsequent pricing arrangements, including when considering an extension to the Contract Term.

Policy: Nil

Guidance: A Periodic Cost Review (PCR) will involve a series of cost-investigation activities, culminating in a review meeting. PCRs are a mechanism for evaluating the on-going value for money of the Contract and for ensuring that savings created from Approved Efficiencies are being realised. PCRs, held at appropriate times, are considered essential for contracts with Renewal Terms. PCRs are also applicable to contracts with Award Terms and fixed period contracts, to evaluate on-going value for money.

Renewal Terms are used for contracts in a non-competitive environment and can be used to extend the Contract with Commonwealth discretion regarding possible changes in scope. That is, even though much of the Contract is locked into a single supplier, some elements may be competed and separated from the Contract if including them in the extension no longer represents value for money. A PCR does not need to be conducted for every Renewal Term. Award Term Contracts may also use the results of a PCR when considering the financial arrangements for granting an Award Term.

PCRs involve financial investigations that can be relatively expensive exercises. Accordingly, if PCRs are included they should only be conducted when they offer sufficient benefit. For example, an individual PCR may not be held if the contract is nearing its end and there is limited time or potential benefits remaining.

Clause 3.4.6 supports COC clause 1.11, Periodic Cost Reviews, and the two clauses should be included or 'Not used' as a set.

Clause 3.4.6 contains a number of clauses with optional fields to be amended for the type of Contract Extension offered, either Award Terms or Renewal Terms.

Clause 3.4.6.1 refers to the notification process and requires the applicable type of Contract extension to be inserted.

Clause 3.4.6.2 is an acknowledgement of the aims of the PCR. Drafters are to insert the applicable type of Contract extension as indicated.

Clause 3.4.6.3 includes administrative details for PCR meetings by referencing Ad hoc Meetings under SOW clause 3.4.3. This clause can be retained without change.

Clause 3.4.6.4 requires the Commonwealth to notify the Contractor of PCR results. Drafters need to insert a suitable period, after considering when the information will be used. For example, a PCR may start three months before the end of an Award Assessment Period, and clause 3.4.6.4 allows time for the PCR and to notify the Contractor, before the Award Term Determination Date.

Related Clauses: COC clause 1.9, Term, which includes options for Periodic Cost Reviews within the Award Term and Renewal Term provisions (as selected by the drafter).

COC clause 1.11, Periodic Cost Reviews

COC clause 11.7, Commonwealth Access and Records

SOW clause 3.4.3, Ad Hoc Meetings

SOW clause 13, CONTINUOUS IMPROVEMENT AND EFFICIENCIES

Optional Clauses: Nil

3.5 Subcontractor Management

3.5.1 Subcontractor Planning

Status: Optional

Purpose: To obtain visibility, through the Contractor, of the Approved Subcontractors' processes as a means of reducing Contract risk.

Policy: Nil

Guidance: Drafters should only omit this clause if the Contractor is unlikely to be utilising Approved Subcontractors. Generally, the clause should be retained, even if the initial Contract does not involve Approved Subcontractors, to cover the likelihood that Approved Subcontractors will become applicable at some time during the Contract. If not required, the clause should be replaced with 'Not used'.

Related Clauses: Attachment H, Schedule of Approved Subcontractors
SOW clause 3.2.1, Support Services Management Plan

Optional Clauses: Nil

3.5.2 Subcontractor Status Reporting

Status: Optional

Purpose: To obtain visibility, through the Contractor, of the Approved Subcontractors' processes as a means of reducing Contract risk.

Policy: Nil

Guidance: Drafters should only omit this clause if the Contractor is unlikely to be utilising Approved Subcontractors. Generally, the clause should be retained, even if the initial Contract does not involve Approved Subcontractors, to cover the likelihood that Approved Subcontractors will become applicable at some time during the Contract. If not required, the clause should be replaced with 'Not used'.

Related Clauses: Attachment H, Schedule of Approved Subcontractors
SOW clause 3.4.1, Status Review and Reporting

Optional Clauses: Nil

3.6 Co-ordination and Co-operation

Status: Core

Purpose: To require the Contractor to co-ordinate and co-operate with Associated Parties who may also perform work on the Products Being Supported, or who work on products that interface or interact with the Products Being Supported.

Policy: Nil

Guidance: Clause 3.6.1 requires the Contractor to acknowledge that it will need to consult, co-operate and co-ordinate with the Commonwealth and/or other Commonwealth contractors. The other parties are grouped as either 'Other Capabilities', being parties working with systems that interface or interoperate with the Products, or 'Associated Parties' who work with the same Products as the Contractor, including Commonwealth units and other contractors who are not Subcontractors.

Clause 3.6.2 requires the Contractor to co-operate with all parties that need to interact or interface with the Contractor and/or the Products, such as:

- a. another contractor requiring access to a Mission System being maintained by the Contractor; for example, to install a modification;
- b. the Contractor's Maintenance activities having to be programmed in conjunction with the Commonwealth's operations and operational level Maintenance activities to ensure overall system availability is achieved; or

- c. the Contractor having to coordinate an external interface modification with the support agency for the 'other side of the interface' to ensure that both systems continue to interoperate.

Clause 3.6.2c requires the Contractor to advise the Commonwealth Representative of any causes, or likely causes, which could interrupt the operation of the Mission System or to the performance of the Services due to work by Associated Parties or issues with interfaces to Other Capabilities.

Clauses 3.6.1 and 3.6.2 do not require tailoring as these clauses will have general applicability over the life of any Product being supported.

Optional clauses 3.6.3 to 3.6.6 apply only in the context of Associated Parties. For example, the Commonwealth retains a governance role but another Contractor has system-level responsibilities and the new Contract is for a subsystem hosted on that Mission System. In this case, the Associated Party is likely to have system-level responsibilities for Configuration Management and Materiel Safety, which requires co-ordination with, and certain inputs from, the Contractor.

The optional clauses define the responsibilities of the Associated Party(ies), and require acknowledgement of them, particularly where they affect and/or interact with the Services provided by the Contractor. If this situation is not applicable to the Contract, the optional clauses should be deleted.

When including optional clauses, drafters need to insert the name of the Mission System in several locations. If there are multiple Mission System types, then clause 3.6.3 may need to be modified or repeated for each one. Drafters should identify the system-level responsibilities held by the Commonwealth or Associated Party in the list under clause 3.6.3. Other responsibilities, in addition to those listed, may include:

- a. system availability (ie, coordination of all inputs for availability);
- b. Technical Data management (ie, in relation to the, standards for developing and updating, distribution and control of all Technical Data);
- c. fleet / class Maintenance plan(s);
- d. management of Cannibalisation;
- e. managing Deviations from approved Maintenance processes;
- f. collecting / co-ordinating aircraft weight and balance / ship stability data;
- g. system security;
- h. electromagnetic environmental effects;
- i. reliability, maintainability and testability;
- j. Obsolescence management;
- k. obtaining data for Life Cycle Cost Analysis;
- l. Codification and Cataloguing; and
- m. Disposal of Commonwealth-owned Stock Items.

Drafters should amend the list of responsibilities in clause 3.6.3 as appropriate to the Contract. The remaining optional clauses should require little or no tailoring.

Related Clauses: COC clause 3.17, Co-ordination and Co-operation with other Commonwealth Contractors

SOW clauses 4 to 8, where co-ordination and co-operation are required between contractors or with Defence units in order to provide relevant Services.

SOW clause 12, for consultation, co-ordination and co-operation of WHS issues.

Optional Clauses: Nil

3.7 Risk Management

Status: Core Option

Purpose: To define the Contractor's procedures for managing risks associated with the Contract including the implementation of the Risk Register.

Policy: CASG Project Risk Management Manual (PRMM)

Guidance: The SSMP is to define the Contractor's procedures for managing risks, including identifying, capturing, analysing, assessing, prioritising, monitoring and reviewing risks, and the use of a Risk Register. The Risk Register is a tool used to capture the dynamic elements of the risk-management process. Risk management processes are to apply a recognised international standard; however, emphasis is placed on additional requirements for WHS-related risks.

The requirements for a Risk Register are to be defined in the SSMP, as required by DID-SSM-SSMP. Hence, the Contractor's implementation and ongoing use of the Risk Register should be in accordance with the Approved SSMP.

Drafters should be aware that the CSR and other reports (eg, CSSR components) require top risks to be included in those reports, which should be taken from the Contractor's Risk Register and addressed at the subsequent review meetings.

SOW clause 3.7 includes an optional clause to be included if the Risk Register is not included in the DMS (using a DMS is preferred). Drafters are to include the option if required; otherwise, clause 3.7 may be included without amendment.

Related Clauses: DID-SSM-SSMP, which specifies requirements for risk management planning.

TDR E-5 of the COT, Risk Management

Optional Clauses: Nil

3.8 Issue Management

Status: Core

Purpose: To ensure that day-to-day Contract Issues are being adequately managed.

Policy: Nil

Guidance: Issues in this context do not appear in the Risk Register because they are not risks, or they are either too short-term or too insignificant, or do not represent a cost or schedule risk. Typical Issues include:

- a. action items from meetings;
- b. corrective actions;
- c. Issues arising from the collection and analysis of measurement data;
- d. Issues arising from deviations from expected progress;
- e. Issues arising from reviews of process application; and
- f. Issues arising from correspondence.

The effective management of Issues requires ongoing effort to ensure the continued effective operation of the Contract and the reliable provision of Services.

The aim of this clause is to ensure that the Contractor has a rigorous process in place to address important Issues in a timely manner. The SSMP is to address how the Contractor will manage Issues. The requirement for an Issue Register is defined in DID-SSM-SSMP; hence, the Contractor's implementation of the Issue Register should be in accordance with the Approved SSMP.

SOW clause 3.8 includes an optional clause to be included if the Issues Register is not included in the DMS (using a DMS is preferred). Drafters are to include the option if required; otherwise, clause 3.8 may be included without amendment.

Related Clauses: DID-SSM-SSMP, which specifies requirements for Issue management planning.

Optional Clauses: Nil

3.9 Maintenance of Contractual Documents

3.9.1 Configuration Management of the Contract

Status: Core

Purpose: To require the Contractor to apply strict Configuration Control to contract documents.

Policy: Nil

Guidance: This clause obligates the Contractor to maintain a configured copy of the Contract at all times, which incorporates all approved CCPs, and maintain an archive of all superseded versions of the Contract.

Procurement teams should note that having the Contractor maintain configuration of the Contract does not remove the need for the Commonwealth to do the same. The Commonwealth should also maintain copies of the current and past versions.

SOW clause 3.9.1 may be included in the RFT without amendment.

Related Clauses: Nil

Optional Clauses: Nil

3.9.2 Subcontract Configuration Management

Status: Core

Purpose: To require the Contractor to apply strict Configuration Control to subcontract documents.

Policy: Nil

Guidance: This clause ensures that the Contractor maintains subcontract documents with the same rigour as maintaining Contract documents, noting the requirements for the roll-down of certain contract obligations to Approved Subcontractors.

SOW clause 3.9.2 may be included in the RFT without amendment.

Related Clauses: COC clause 11.9, Subcontracts

Optional Clauses: Nil

3.10 Independent Verification and Validation

Status: Optional

Purpose: To ensure that the Contractor will assist a third-party entity to investigate aspects of the Contractor's performance on the Commonwealth's behalf.

Policy: Nil

Guidance: This clause should only be used for complex contracts (eg, where software-intensive development is being undertaken) and for those with safety-critical aspects, where specialist expertise is essential to determine performance. This clause also facilitates external support for conducting Periodic Cost Reviews.

The Commonwealth may use an Independent V&V (IV&V) agent to:

- a. undertake investigation of the Contractor's performance by a person who has specialist expertise not available to the Commonwealth in-house; and/or
- b. provide objective advice (independent of Commonwealth and Contractor personnel) to the Commonwealth regarding aspects of the work performed by the Contractor.

The scope of IV&V activities must be clearly indicated to enable tenderers to estimate the scope of work imposed to support IV&V activities. If the scope of IV&V activities is unknown, then a work-hour level of effort should be considered (ie, to be refined later and implemented on an S&Q basis).

Drafters should bear in mind that this clause would give an IV&V agent access to IP owned by the Contractor. In some cases, the IV&V agent may be an advisor to an actual or potential competitor to the Contractor. Therefore, drafters should consider

adding clauses that address (or confirm) confidentiality and the safeguard of the Contractor's IP and other Confidential Information, such as knowledge about its internal processes. As a minimum, the Commonwealth would require a deed of confidentiality or similar agreement from the IV&V agent. Clause 11.4 of the COC addresses these issues and it should be reviewed before adding clauses.

Related Clauses: COC clause 11.4, Confidential Information
SOW clause 3.4.6, Periodic Cost Reviews
SOW clause 13.5, TCO IV&V Agent

Optional Clauses:

The Commonwealth may appoint IV&V agent to verify and validate any aspect of the Contractor's activities at any stage of the Contract.

The Contractor shall facilitate the work of the IV&V agent by providing the IV&V agent with access to:

Note to drafters: The following subclauses should be amended for the nature and scope of the Contract and, where known, the areas in which an IV&V agent is likely to be engaged.

- a. the Contractor's facilities;
- b. all documentation regarding the Contract, including work processes and procedures, Approved Subcontracts, Configuration Status Accounts, hardware and software design and test data, Maintenance, engineering, inventory and stocktaking records, performance measurement data and information management systems used for the Services and the management of the Contract;
- c. financial information, including in relation to CCPs, S&Q Services and Efficiencies;
- d. any tools required to review Contract-related data and documentation; and
- e. Contractor staff in order to clarify issues when necessary.

3.11 Contractor Managed Commonwealth Assets

Status: Core

Purpose: To define common work requirements for managing CMCA, including GFM.

Policy: Refer to subclauses.

Guidance: CMCA are items owned by the Commonwealth but held by the Contractor (this includes items leased from a third party but treated as Commonwealth-owned for purposes of the Contract). GFM, CMCA and Commonwealth Property are defined terms with overlapping scope, which sometimes causes confusion. Refer to the Glossary for definitions.

Using examples, GFM is, generally, provided to and held by the Contractor to 'enable' the provision of Services, such as an item of S&TE (GFE), a Maintenance Manual (GFD), or reusable special-to-type Packaging (also GFE when held by the Contractor). CMCA are, generally, Commonwealth materiel items held by the Contractor that are stock-taken, such as Mission Systems, ordnance, RIs waiting for or under repair, functional RIs and Consumables held as spares, and GFE (as a subset of CMCA). Commonwealth Property is a term that has broader scope and includes CMCA, Products that the Contractor supports but does not control (eg, a ship controlled by Navy personnel), GFF, and GFF Licenced Fittings (eg, office furniture and embedded plant).

A reason for confusion is that the general case, illustrated by the examples above, are not the only possibilities and exceptional cases apply in different contexts. For example, an RI may be sent to the Contractor in a modification kit (listed as GFE in an S&Q Order), then the same item could be returned to the Contractor at a later date as an RI needing repair (ie, as CMCA, no longer GFE). Note that a Product Being Supported is only CMCA for the period of time when it is in the Contractor's possession. An item of GFE is also a Product Being Supported if the Commonwealth

needs the Contractor to support it, and some items of S&TE can be classed as GFE or as a GFF Licenced Fittings, depending on whether the item is embedded in the GFF and the system used to account for it.

The template addresses the general cases and allows for exceptions, but the Commonwealth and Contractor still need to recognise the exceptions in context and when the status of an item changes. Drafters can reduce confusion by preparing accurate lists of Products Being Supported, GFE, GFD, GFI, and GFF Licenced Fittings (for each GFF Licence).

Drafter's Action: Refer to subclauses.

Related Clauses: SOW Annex A, Products Being Supported

Attachment E, Government Furnished Equipment and Government Furnished Services

Attachment O, Government Furnished Facilities

3.11.1 Provision and Management of Government Furnished Material

Status: Optional. To be included if GFM is to be provided to the Contractor.

Purpose: To impose contractual obligations on the Contractor for the receipt, inspection and functional testing of GFM.

Policy: DEFLOGMAN Part 2 Volume 5 Chapter 17, *Stocktaking of Defence Assets and Inventory*

CASG WHS Management System (CASSafe)

Guidance: Clause 3.6 of the COC includes the commercial aspects for the provision and management of GFM. SOW clause 3.11.1 covers the associated work, particularly in regards to the initial inspection and test of GFM and reporting deficiencies.

The Commonwealth is to provide the Contractor access to GFM at the places and times stated in Attachment E. If the Commonwealth fails to provide timely access to GFM, COC clause 6.4 may allow the Contractor to claim Performance Relief or a Postponement Event if the shortfall or delay restricts the provision of Services or the achievement of a Milestone, unless the problem was caused by the Contractor or Subcontractors (eg, late changes to delivery times or locations). It is important, therefore, that GFM be provided at the times and places specified.

The 'issue voucher' in clause 3.11.1.3 is generated by the MILIS, to allow for the tracking and accountability of stores. There are options as to how MILIS can be set up and the Commonwealth Representative needs to ensure that correct MILIS accountability processes have been implemented for GFM.

On receipt, and in accordance with clause 3.11.1.4, the Contractor is to inspect the GFM for physical damage, defects and deficiencies (ie, missing items) within the timeframes specified in Attachment E, and report its satisfaction or dissatisfaction to the Commonwealth Representative. Clause 3.11.1.5 reinforces the need for safety by not using any equipment found, on inspection, to be defective.

Clause 3.11.1.6 includes a requirement to carry out functional testing of GFE at least 15 Working Days prior to the first use of each item of GFE, in connection with the provision of the Services. It is important that these inspections and tests be carried out to avoid subsequent delays to the Services if these issues are discovered later. Functional testing 'to the extent feasible', means that the Contractor is not 'in default' if it is not feasible for GFE to be functionally tested beforehand (eg, if the GFE operates with other items that are not yet available). If the Contractor claims Performance Relief or Postponement, under COC clause 6.4, the Contractor's actions would also be taken into account. If the Contractor failed to inspect or carry out functional tests, the Commonwealth may disagree to any claim for Performance Relief or a Postponement Event.

Clause 3.11.1.7 requires any defects or deficiencies, discovered subsequent to the initial inspections and functional testing, to be notified to the Commonwealth.

GFE provided to the Contractor is to be accompanied by information sufficient to inform safety risk assessments (this is also required by COC clause 11.4). Refer to the CASSafe requirement 10.2: supply safe plant, substances, structures and radiation sources. To the extent that safety related information is not contained in existing Technical Data, that information may need to be provided separately as GFI or GFD (as applicable).

Drafter's Action: If required, clause 3.11.1 may be included in the RFT without alteration.

Drafters are to include details at draft Attachment E of GFM that will be offered to the Contractor, including the quantity, date required (ie, made available) if known, location, etc. This list should be updated prior to ED with any final details.

Related Clauses: TDR E-9 requests tenderers to identify the GFM they require, including the quantity, date required, location and intended purpose. TDR D-2 requests tenderers to identify any price increase should any GFM not be made available.

Attachment M contains definitions of GFD, GFE, GFI, GFM and Commonwealth Mandated GFM.

COC clause 3.6, GFM – Provision and Management

COC clause 3.8, Commonwealth Property

COC clause 6.4, Performance Relief and Postponement

Attachment E, Government Furnished Material and Government Furnished Services

SOW clauses 9.3, 9.4, 9.5 and 9.7 are tailored according to the use of GFE.

DID-SSM-S&Q requires the identification of GFE used for individual S&Q Services.

Optional Clauses: Nil

3.11.2 Use of GFM

Status: Core

Purpose: To outline how the Contractor is to use the GFM in a proper manner.

Policy: Nil

Guidance: Although there is no direct policy for this clause, its purpose relates to COC clause 3.8, Commonwealth Property, and to WHS Legislation. COC clause 3.8 requires the Contractor to use Commonwealth Property for the Contract, and in a manner for which the items were designed, unless explicitly permitted to do otherwise (a WHS requirement). This clause captures that intent in the SOW, for the performance of related work.

Clause 3.11.2 should be included in the RFT without amendment.

Related Clauses: COC clause 3.8, Commonwealth Property

3.11.3 Care of Contractor Managed Commonwealth Assets

Status: Core

Purpose: To require the Contractor to take reasonable care of CMCA.

Policy: DEFLOGMAN Part 2 Volume 5 Chapter 17, *Stocktaking of Defence Assets and Inventory*

Guidance: Clause 3.8 of the COC covers the general care of Commonwealth Property, including CMCA. SOW clause 3.11.3.1 requires the Contractor to provide the resources needed to take due care of CMCA, including GFM, and covers the work required in order to comply with COC clause 3.8.

In caring for CMCA the Contractor is required, by clause 3.11.3.2, to report any loss or damage to CMCA. This on-going requirement is in addition to the periodic stocktaking required under clause 3.11.6.

Clause 3.11.3.3 requires the Contractor to carry out Maintenance on items of GFE in accordance with the requirements of the clauses identified. This clause refers to various sub-clauses under SOW clause 9, Support Resources. The sub-clause list

under clause 3.11.3.3 should be updated to remove Support Resources that will not include GFE. For example, if no Training Equipment will be provided, reference to clause 9.4 should be deleted.

Where the responsibility is split between the Commonwealth and the Contractor (eg, the Contractor performs daily / weekly Maintenance and the Commonwealth tasks deeper levels of Maintenance through a common support contract), the drafter should ensure that the entries for each item of GFE in SOW Annex A define the levels of Maintenance that are to be included in the Services.

Drafters need to tailor clause 3.11.3.3, particularly for changes referencing clause 9. Clause 3.11.3.1 and clause 3.11.3.2, do not, generally, require amendment.

Related Clauses: TDR E-9 of the COT requests tenderers identify the GFM required for the Contract.
COC clause 3.6, GFM - Provision and Management
COC clause 3.8, Commonwealth Property
Attachment E, Government Furnished Material and Government Furnished Services
Clause 3.11.6, Assurance and Stocktaking of Contractor Managed Commonwealth Assets
Clause 6, applicable subclauses of clause 9, and SOW Annex A are used to further define the Contractor's responsibilities for supporting GFE.

Optional Clauses: Nil

3.11.4 Shared Government Furnished Material

Status: Optional. To be used when GFM is to be made accessible to the Contractor and that GFM is to be shared with Commonwealth organisations and other contractors.

Purpose: To ensure that the Contractor agrees to a basis for cooperation so that GFM may be utilised by the Contractor, Commonwealth and other users, as applicable.

Policy: DEFLOGMAN Part 2 Volume 5 Chapter 17, *Stocktaking of Defence Assets and Inventory*

Guidance: Some GFM may need to be shared between the Contractor and Defence units or with other contractors. This requirement can apply to high value special-to-type S&TE or Training Equipment used by a Defence unit and one or more contractors, but its utilisation rate does not justify the purchase of additional equipment for each user. If this situation does not apply, the clauses below heading clause 3.11.4 can be replaced with a single 'Not used'.

Clause 3.11.4 is primarily about an establishing an agreement to coordinate and cooperate when sharing GFM, and a resolution process when two (or more) parties require an item of GFM at the same time. Clause 3.11.4.1 ensures that the Contractor acknowledges that GFM may be required for use by others. Clause 3.11.4.2 sets out procedures to be followed if there are competing needs for the use of the shared GFM. The guiding principle is that the Commonwealth Representative is called upon to determine a solution based on the relative operational priority of competing claims. Clause 3.11.4.2 ensures that the Commonwealth Representative's decision is final and binding.

Clause 3.11.4.3 articulates that it is the Commonwealth's responsibility to perform basic Maintenance on the GFM while the GFM is in the Commonwealth's care, custody and control. If this is not the case then the clause may be deleted, noting that this puts the obligation on Defence to ensure that the GFM is available when required by the Contractor to perform Maintenance (this also avoids the Contractor only 'sharing' GFE with the Commonwealth when it is due for Maintenance). The drafter is to insert the applicable level(s) of Commonwealth repair / Maintenance into this clause using the same terminology that is used in SOW Annex A.

Related Clauses: TDR E-9 of the COT requests tenderers identify the GFM required for the Contract.
COC clauses 3.6 and 3.8 contain additional provisions for CMCA, including GFM.

COC clauses 6.4 and 6.5 detail when the Contractor may claim Performance Relief or Postponement, and the possibility to recover Postponement-related costs.

Optional Clauses: Nil

3.11.5 Update of Contract GFM

Status: Optional

Purpose: To update Attachment E and SOW Annex A with additional GFM that has been transferred to the Contractor but not yet recorded within the Contract.

Policy: DEFLOGMAN Part 2 Volume 5 Chapter 17, *Stocktaking of Defence Assets and Inventory*

Guidance: During a Contract, additional GFM may be required for S&Q Services and new items, such as S&TE, may be introduced and supersede the items listed in Attachment E. This clause consolidates the separate lists of GFM (from S&Q Orders) and updates Attachment E, and Annex A to the SOW if applicable. This applies to GFM introduced for an S&Q Service that the Contractor continues to hold after the S&Q Service is complete, for future work of a similar nature. Similarly, GFE may have been introduced by an S&Q Order as part of an ECP that introduced new Products, and which the Contractor must now support using that GFE. For some Contracts, the number of GFM lists will grow over time, with additional S&Q Orders, and it becomes administratively more efficient to consolidate the lists and update Attachment E and the GFE items listed in SOW Annex A. This ensures that the scope of GFM and associated support is accurately captured in the Contract.

This clause requires the Contractor to prepare consolidated lists of GFE. This is included for convenience as a CCP to update Attachment E and SOW Annex A, if applicable, could be undertaken without this clause. If changes to the list is unlikely, or only minor / infrequent changes are likely and will be tracked and updated by Defence, then this clause can be replaced with 'Not used'.

Related Clauses: COC clause 11.1, Change to the Contract

Attachment E, which lists GFM.

SOW Annex A, List of Products Being Supported

DID-SSM-S&Q, which requires GFM to be identified for specific S&Q Services.

Optional Clauses: Nil

3.11.6 Assurance and Stocktaking of Contractor Managed Commonwealth Assets

Status: Core

Purpose: To require the Contractor to undertake the necessary stocktaking and accounting for CMCA.

Policy: DEFLOGMAN Part 2 Volume 5 Section 17, *Stocktaking of Defence Assets and Inventory*, includes directions for contract managers and Contractors.

ESCM Volume 4 Section 10, *Stocktaking*

Guidance: This clause is applicable to all Contracts. CMCA is defined in the Glossary and it includes both GFM and the Products Being Supported when those Items are held by or otherwise within the control of the Contractor.

Clauses 3.11.6.1 to 3.11.6.3 require the Contractor to develop a Commonwealth Assets Stocktaking Plan (CASP) as part of the SSMP, and to perform stocktaking in accordance with the CASP. Clause 3.11.6.4 refers to the identification of periodic stocktaking requirements from the MILIS; depending upon whether or not the Contractor has access to the MILIS. If the items are not included in the MILIS, then clause 3.11.6 requires stocktaking / stock assurance to be undertaken using the methods in DEFLOGMAN (eg, when tracked on systems other than MILIS).

The Commonwealth Asset Stocktaking Report (CASR) is a part of the CSSR, as stated in clause 3.11.6.6. A CASR is to be delivered every three months; hence, within the CDRL these may be delivered separate to the rest of the CSSR.

In clauses 3.11.6.7 to 3.11.6.9 the Commonwealth reviews the CASR and the Contractor is required to investigate any discrepancy. The last of these clauses identifies the thresholds for which the Contractor is to notify the Commonwealth and immediately investigate the deficiency.

Related Clauses: COC clause 3.8, Commonwealth Property

COC clause 3.11, Excess Capacity

Other subclauses of SOW clause 3.11

DID-SSM-SSMP defines the requirements for the CASP.

DID-SSM-CSSR defines the requirements of the CASR.

DSD-SUP-SERV, in relation to the Contractor Supply Management System.

CDRL Line Number MGT-350 Ref c, for the CASR portion of the CSSR.

Optional Clauses: Nil

3.12 Australian Industry Capability Management

Status: Core

Purpose: To place an obligation on the Contractor to comply with AIC requirements.

Policy: *2016 Defence and Industry Policy Statement*
2018 Defence Industrial Capability Plan

Guidance: An AIC Plan is required if the expected value of any resultant Contract is more than \$20 million, over the Term (the Initial Term under an Award Term model), or if the procurement involves Sovereign Industrial Capability Priorities (SICP). Guidance is available from: <http://www.defence.gov.au/SPI/Industry/AIC.asp>

If the contract value is below \$20 million but more than \$4 million, different industry participation requirements apply – clauses for this program will be included in the *ASDEFCON (Support Short)* and other templates. Additionally, where the Contract includes an element of Facilities construction or modification, an Australian Industry Participation Construction Schedule may also be required. Facilities work is normally managed by Defence E&IG rather than being included within a 'materiel' contract; hence, this requirement has not been included in *ASDEFCON (Support)* and must be coordinated separately with E&IG.

The AIC Plan is the principle document that defines the Contractor's commitment and responsibilities for meeting the AIC requirements for the Contract. Under Defence's industry policy, the AIC program aims to:

- a. generate and sustain indigenous industrial capabilities to meet Australia's military self-reliance needs, in support of ADF operational capability; and
- b. create competitive opportunities for local industry to provide goods and services, domestically and internationally, as part of global supply chains, based on best value for money.

Clause 3.12.1 requires the Contractor to comply with the AIC Plan at Annex B to Attachment F (prepared and updated in accordance with DID-SSM-AICP). The public version of the AIC Plan must be revised annually, in accordance with government policy. When required, a change to the AIC Plan is provided in accordance with clause 3.12.2 and CDRL Line MGT-700. Being an Attachment, a CCP is required to update the AIC Plan, and clause 3.12.3 obligates the Contractor to raise this CCP in accordance with COC clause 11.1.

Progress against the AIC Plan is reported in an AIC sub-report of the CSR, in accordance with clause 3.12.4 (and clause 3.4.1). The CSR is submitted for review prior to each CPR, as a minimum, and in some cases more frequently.

Clauses 3.12.6 to 3.12.8 facilitate Commonwealth review of the Contractor's and Approved Subcontractors' progress against the AIC Plan. An initial review may be conducted prior to the first round of AIC reporting. Subsequent reviews may be held annually. This requirement is flowed down to Approved Subcontractors. These

reviews are held as Ad Hoc Meetings as the number may vary annually, particularly if there are large numbers of Approved Subcontractors to be engaged.

Prior to Contract signature, procurement officers must insert the negotiated AIC Plan at Annex B to Attachment F. The tendered AIC information proposed in response to Annex H to Attachment A of the COT (ie, TDR H) forms the basis for the AIC Plan, which may be amended during negotiations.

Clause 3.12 should be reviewed but, in general, can be included in the RFT without change. Drafters should refer to Annex H to Attachment A to the COT (ie, TDR H) for identifying SICP requirements to be addressed in the RFT.

Related Clauses: Annex H to Attachment A of the COT requires tenderers to submit a draft AIC Plan.

COC clause 4 sets the contractual framework for AIC.

Attachment F contains the agreed AIC Plan.

CDRL Line Number MGT-700 defines delivery requirements for the AIC Plan.

SOW clause 3.4.1, Status Review and Reporting

Optional Clauses: Nil

3.13 Technical Data and Software Rights Management

Status: Core

Purpose: To require the Contractor to undertake the work necessary to manage compliance with Technical Data and Software rights, and restrictions, in accordance with COC clause 5.

Policy: *Defence Intellectual Property Policy 2014*

Guidance: Technical Data and Software rights refers to Intellectual Property (IP) rights including the rights and restrictions on the use of copyright material, registered designs, circuit layouts and trademarks. The management of these rights under the Contract needs to be clear, consistent and traceable. Accordingly, COC clause 5 identifies different categories of rights for the Use and Sublicensing of Technical Data and Software and the resulting obligations on both parties. SOW clause 3.13 captures the work associated with managing these obligations.

A support contractor typically uses Technical Data provided as GFI or GFD. These include Maintenance manuals that were acquired under an acquisition contract, and which may have been updated under previous support contracts. In addition, some Technical Data used by Defence, including operator manuals and additional Maintenance manuals, may be Products Being Supported (and may or may not also be GFD or GFI). Software may be a Product Being Supported or GFE (eg, a diagnostic test program). All these items could have restrictions on the Commonwealth's rights to sublicense and how the Contractor may use and sublicense them.

The Contractor's rights to GFM and Products Being Supported that are Technical Data and Software are to be identified (by the Commonwealth) in the Attachments for GFM and the Products Being Supported Restrictions Schedule. In many cases, these will refer to licences held in Configuration Status Accounting (CSA) data.

The Commonwealth's rights to Technical Data and Software created or modified under the Contract are defined by the categories in clause 5 of the COC, with further restrictions (eg, from an IP or Software Licence) documented in the TDSR Schedule at Attachment G. The Technical Data List (TDL), which lists all Technical Data used and created by the Contractor and Subcontractors, identifies and cross-references licences for Commercial Technical Data, and cross-references the TDSR Schedule for details of other restrictions.

Clause 3.13.1 requires the Contractor to plan their activities to manage Technical Data and Software rights within the SSMP. Note that when a Technical Data Management Plan (TDMP) and Software Support Plan (SWSP) are required under the Contract, these plans discuss the management of Technical Data and Software and will cross-reference rights management within the SSMP and TDSR Schedule.

As the TDSR Schedule is an Attachment to the Contract, clause 3.13.2 identifies that changes will require further development, delivery and update of the TDSR Schedule, actioned via a CCP. Under *ASDEFCON (Support)* contracts, changes to the TDSR Schedule may occur as new items of Technical Data and Software (or their components) are introduced through a modification or other configuration change (and also introduce new restrictions with respect to the rights in COC clause 5).

Clause 3.13.3 identifies that reporting on Technical Data and Software rights issues is included within the CSR. The report identifies recent changes in rights, any issues in obtaining rights, and justifies any restrictions for Technical Data and Software expected to be introduced or modified in the future.

Clause 3.13.4 identifies the Commonwealth's ability to conduct reviews / audits. This right is given by the COC while the SOW clause is included to capture the Contractor's work effort to support these reviews. Having the clause also ensures that support to these review activities is included as a Recurring Service.

Where the requirements of clause 3.13 are applicable to relevant (ie, not necessarily all) Approved Subcontractors, clause 3.13.5 requires these requirements to be flowed-down.

Clause 3.13 is to be included in the RFT without alteration. The tailoring effort for Technical Data and Software rights is mostly in the preparation of the Attachments for GFM, the TDSR Schedule, and the Products Being Supported Restrictions Schedule.

Tenderers are required to provide a draft TDL, for Technical Data that the tenderer would bring to any resultant Contract, a draft Software Support Plan (SWSP), details of required GFM and Products, and, if applicable, details for the TDSR Schedule. Procurement teams need to review TDSR Schedule for finalisation prior to ED, and also for the TDL and SWSP, as applicable.

Related Clauses: Annex E to Attachment A of the COT, tender data requirement E-9, for GFM.
Annex F to Attachment A of the COT, tender data requirements for a draft TDL and draft SWSP.
COC Clause 5, Technical Data, Software and Contract Material
Attachment E, Government Furnished Material and Government Furnished Services
Attachment G, TDSR Schedule
Attachment S, Products Being Supported Restrictions Schedule
DID-SSM-CSR, which defines requirements for reporting in relation to Technical Data and Software rights.
DID-TDATA-TDL, which defines requirements for a TDL.
DID-ILS-SW-SWSP, which defines requirements for a Software Support Plan.

Further Reading: DMH (ENG) 12-2-003 – Technical Data Management Handbook
ASDEFCON Technical Data and Intellectual Property Commercial Handbook

3.14 Defence Security Compliance

3.14.1 Defence Security – General Requirements

Status: Core

Purpose: To require the Contractor to plan and implement processes that enable compliance with the security requirements of the Contract.

Policy: *Defence Security Principles Framework*, including Principles 10, 11, 16, 40 and 73

Guidance: This clause requires that the Contractor have all the necessary security procedures, training, facilities, fittings and clearance requests in place in the timeframe to ensure

that security issues do not impede the progress of the work. This clause provides the method for capturing the work involved when complying with COC clause 11.10, for the general requirements regarding Contractor personnel, facilities, and membership of the Defence Industry Security Program (DISP).

Drafters will need to tailor the Contract to ensure that the Contractor has Personnel with the necessary clearances, appropriately cleared Facilities, and procedures for handling classified material and equipment, as applicable to the Contract work requirements – many of these will need to be complete by OD. Drafters should refer to COC clause 11.10, which must be tailored, and develop SOW clauses for any additional security requirements that the Contractor is required to comply with.

Clause 11.10 of the COC covers all Defence security compliance aspects including communication security equipment and Information Systems security. Within the SOW, work effort is divided between clauses 3.14.1, 3.14.2 and 3.14.3 to simplify tailoring and better identify the cost breakdown for the associated work effort.

The 'system' being supported may require a Security Risk Management Plan (SRMP), as the highest-level security plan for that system. The SRMP is generally prepared and maintained by Defence; however, if the Contractor has system-level responsibility (ie, support Scenario #1 or #2 described at Annex A), the Contractor may be tasked to maintain the SRMP by including the optional clause below. If Defence maintains the SRMP, then it, or relevant parts of it, need to be provided to the Contractor in order for them to prepare subordinate security plans and procedures. If maintained by the Contractor, drafters should also add the SRMP to the CDRL and identify a 'maintenance' periodicity.

For information on the DSPF refer to the Program Management CoE, and:
<http://drnet/AssociateSecretary/security/policy/Pages/dspf.aspx>

Also refer to Project Security on the CASG Security website:
<http://drnet.defence.gov.au/DMO/Security/Pages/Project%20Security.aspx>

Related Clauses: COC clause 11.10, Defence Security
 SOW clauses 3.14.2 and 3.14.3.

Optional Clauses:

Note to drafters: Insert the following clause if the Contractor will have a responsibility for maintaining the SRMP.

The Contractor shall maintain, for the duration of the Contract, the Security Risk Management Plan for the Products Being Supported.

3.14.2 Communications Security

Status: Optional

Purpose: To define security management requirements for secure communications and cryptographic equipment.

Policy: *Defence Security Principles Framework*, including Principles 11, 13 and 73
Australian Government Information Security Manual
Australian Communications – Electronic Security Instruction (ASCI) ACSI-104

Guidance: The following optional clauses may be used when the Contractor is required to handle cryptographic equipment, secure communications equipment and related documents. The clauses contain references to plans and other documents developed by the Commonwealth or under the Contract (Acquisition).

Drafters should determine what relevant documents have been generated under the Contract (Acquisition) and which ones should be maintained and followed by the Contractor (Support).

Related Clauses: COC clause 11.10, Defence Security
 SOW clauses 3.14.1 and 3.14.3.

Optional Clauses:

Note to drafters: Amend the following clauses to suit Contract requirements. If the Contract (Support) does not immediately follow a Contract (Acquisition), then 'developed under the Contract (Acquisition)' should be replaced (eg, '... provided as GFD, ...').

The Contractor shall maintain a COMSEC Account with Australian Signals Directorate for the purposes of handling cryptographic equipment, accessing relevant documentation, and negotiating key material generation.

Note to drafters: Insert reference to the plan that defines the COMSEC policy and procedures for the Products Being Supported.

The Contractor shall maintain, for the duration of the Contract, the [...INSERT SYSTEM NAME...] COMSEC Security Practice Procedure, developed under the Contract (Acquisition), for communications security equipment and related materials.

Note to drafters: Insert reference to the relevant document that defines the Information System – Security Practices and Procedures relevant to the Products Being Supported.

The Contractor shall maintain the [...INSERT SYSTEM NAME...] Standard Operating Procedures, developed under the Contract (Acquisition), for secure communications equipment and related materials.

Note to drafters: Insert reference to the relevant document that defines the Key Management Plan relevant to the Products Being Supported. ('Key' in this context refers to both physical keys and software keys.)

The Contractor shall maintain, for the duration of the Contract, the Key Management Plan developed under the Contract (Acquisition).

3.14.3 Information Systems Security

Status: Optional

Purpose: To set out the security management requirements for information systems.

Policy: *Defence Security Principles Framework*, including Principles 11 and 23
Australian Government Information Security Manual (ISM)

Guidance: The clause should be used when the Contractor will have access to Defence information systems, or will be linked to Defence information systems. Security accreditation and certification for an information system will also include security for the Facility (or Facilities) in which the physical components (ie, computers, terminals, routers, etc) will be located. The extent of system security documentation, and the applicable accreditation and certification authorities, depend upon the ownership of the system (ie, contractor system or only for access to Commonwealth Systems such as MILIS), and the security classification of data. The Contractor will also need to be a member of the Defence Industry Security Program. If the Contractor is a foreign entity, further requirements apply.

Drafters need to ascertain the applicable Facility and Information System requirements under the Contract and then seek advice from the Regional Defence Security Authority point of contact.

SOW clauses should be drafted along with COC clause 11.10, whereby the COC clause captures the security compliance requirements while the SOW captures the associated work requirements.

Related Clauses: COC clause 11.10, Defence Security

SOW clauses 3.14.1 and 3.14.2.

Optional Clauses:

Note to drafters: The following clauses may be used as the starting point for further development. Refer to CASG Security for further advice.

The Contractor shall prepare in accordance with the Defence Security Principles Framework (DSPF), and maintain for the duration of the Contract, System Security Plan(s) for the information systems used by the Contractor for this Contract.

The Contractor shall prepare in accordance with the DSPF, and maintain for the duration of the Contract, the Standard Operating Procedures for the information systems used by the Contractor for this Contract.

When requested, the Contractor shall make the Contractor's System Security Plan and [...INSERT SYSTEM NAME...] Standard Operating Procedures available to the Commonwealth Representative.

The Contractor shall ensure that all personnel accessing the [...INSERT SYSTEM NAME...] have read and acknowledged the requirements of the Standard Operating Procedures prior to accessing classified information related to the Contract using the [...INSERT SYSTEM NAME...].

3.15 Maintenance of Support Agreements

Status: Optional

Purpose: To require the Contractor to update the list of organisations with which it needs to maintain support agreements for the purposes of the Contract.

Policy: Nil

Guidance: Agreements with companies, such as OEMs, and other organisations as needed for the support of the Products Being Supported are likely to have been established pre-contract. Such agreements include Technical Assistance Agreements, memoranda of agreement, sub-licences, and supplier or agency agreements. If appropriate, the Contractor may be required to continue these support agreements, or establish equivalents, in order to deliver the Services effectively.

If the Contractor is not required to have support agreements in order to provide Services, then the clauses under the heading can be replaced with 'Not used'.

If this clause is required, then the drafter will need to prepare an appropriate annex to the SOW, listing the companies involved and the agreements that are to be maintained. This may be updated with the preferred tenderer if other relationships exist (eg, one of the required relationships refers to a parent company of the Contractor). Drafters should then insert reference to this annex and the types of agreements into clause 3.15 where indicated.

The Commonwealth may identify particular agreements with nominated vendors for the Contractor to put into effect through clause 3.15. If there are no particular agreements to be specified, this clause may be removed or replaced with 'Not used'. If an agreement is essential and required by OD, then obtaining it should also be listed under COC clause 1.5. Once established, the agreement is maintained in accordance with clause 3.15.4.

Drafters should refer to COC clause 3.5 when using this clause in relation to import / export approvals.

Related Clauses: COC clause 1.5, Operative Date, when agreements are required by the OD.

COC clause 3.4, Authorisations

COC clause 3.5, Imports and Customs Entry

COC clause 5, Technical Data, Software and Contract Material

Optional Clauses: Nil

3.16 Commonwealth Personnel at Contractor or Approved Subcontractor Premises

Status: Optional. To be included if Resident Personnel or MRU are required (ie, Commonwealth personnel located with the Contractor / Approved Subcontractor).

Purpose: To require the Contractor, and/or Approved Subcontractors if applicable, to provide accommodation facilities and other support for Resident Personnel and / or MRU.

Policy: *Defence Safety Manual (SafetyMan)*

WHS Legislation

Defence Security Principles Framework

Commonwealth policy prohibits the inclusion of travel and accommodation costs for Commonwealth Personnel within the Contract payments. Such costs must be separately funded by the Commonwealth. This prohibition does not extend to the allocation of facilities at the Contractor's premises.

Guidance: This clause is likely to be required for larger support contracts supporting a Mission System / fleet (Scenarios #1 and #2) where either or both of the following apply:

- a. one or more representatives from the CASG SPO, their advisors and/or a representative of the Capability Manager, will be resident at Contractor / Subcontractor premises to coordinate work (ie, Resident Personnel); and
- b. where Defence requires ADF personnel to have core skills, usually for the purpose of deployed maintenance and supply support, and these skills are most effectively obtained and maintained by working with/for the Contractor (ie, MRU).

If Resident Personnel or MRU are not required under the Contract, then clauses under the heading should be replaced with a single 'Not used'.

Clause 3.16 includes optional clauses for both Resident Personnel and MRU where either one or both options may be selected. This is followed by a set of common clauses that apply to both groups of Commonwealth Personnel.

If Resident Personnel are required, then:

- a. optional clauses 3.16.1 and 3.16.2 should be retained in the SOW; and
- b. Attachment L should be developed (refer to guidance in Attachment L).

If MRU are required, then:

- a. optional clauses 3.16.3 and 3.16.4 should be retained in the SOW; and
- b. Attachment R should be developed (refer to guidance in Attachment R).

Drafters should refer to Service-specific personnel policies for direction regarding MRU. If not a policy requirement, MRU may still be strongly encouraged for Mission System level support contracts in order to support deployed Mission Systems. The MRU framework may also be used for professional development, including for junior engineering and logistics roles.

If either Resident Personnel or MRU are not required, delete only the option that is not required and retain the subsequent common clauses, clauses 3.16.5 to 3.16.7.

Clause 3.16.5 refers to the standard of accommodation, the working environment, and facilities to be provided to Commonwealth Personnel. This clause cross-references the Work Health and Safety of Commonwealth Personnel in clause 12.3.3, which must be included when clause 3.16 is included in the SOW. When clause 3.16 is included, clause 3.16.5 is to be retained without change.

Clauses 3.16.6 and 3.16.7 defines an agreement to co-operate and co-ordinate administrative issues for Resident Personnel and MRU. When clause 3.16 is used, clauses 3.16.6 and 3.16.7 should be reviewed but, in general, do not require change.

Further issues for Resident Personnel and MRU may need to be considered for the draft Contract, such as when the Contractor's premises include GFF. GFF are provided to the Contractor in accordance with a GFF Licence (refer Attachment O). If the Contractor is required to provide support to Resident Personnel in GFF, drafters may consider identifying, in Attachment O, part of the premises for use by Resident Personnel, such as allocated offices. This is less of an issue for MRU but may apply to an MRU manager. Other facilities required by MRU, in Attachment R, may be less when using GFF (given the proximity to other Defence facilities). Drafters should also refer to COC clause 3.7 for GFF.

If the Commonwealth Representative delegates to Resident Personnel the authority to make decisions about the management of the Contract, that person would be an authorised person under COC clause 2.1, Representatives. In this case, drafters must also satisfy the Commonwealth's obligations under COC clause 2.1 (potentially, by defining their scope of authority in Attachment L, or a 'terms of reference' annexed to Attachment L).

Related Clauses: COC clause 2.1, Representatives (if Resident Personnel are Authorised Persons)
 COC clause 3.7, Government Furnished Facilities
 COC clause 3.10, Members Required in Uniform
 Attachment O, Government Furnished Facilities Licence
 Attachment L, Resident Personnel
 Attachment R, Members Required in Uniform
 SOW clause 2.3, Data Management System
 SOW clause 12.3.3, Work Health and Safety of Commonwealth Personnel on Contractor Premises
 SOW clause 12.4, regarding WHS-related incident reporting.

Optional Clauses: Nil

3.17 Training in Defence Information Systems

Status: Optional

Purpose: To ensure that all relevant employees, agents and Subcontractors are trained in the operation of mandated Defence information systems.

Policy: DEFLOGMAN Part 3 (ESCM) Volume 2 Section 3 Chapter 1 Annex A, *MILIS Ellipse Security and Access*

Guidance: Clause 3.17 is an optional clause, included when the Contractor (and/or Approved Subcontractors) will be required to use Defence information systems and, due to the bespoke nature of the system, or the way it is used, training is to be provided or coordinated through Defence. Several DSDs require use of Defence information systems (as listed in the 'related clauses' listed below). In many cases, these DSDs include options for Contractor or Defence-provided information systems, with the Defence-provided information systems likely to require the training covered by SOW clause 3.17. For example, DSD-SUP-MILIS requires the inclusion of this clause. If no Defence information systems are to be used by the Contractor (or if no training is required), then the clauses under the heading clause 3.17 may be replaced with a single 'Not used'.

Clauses 3.17.3 to 3.17.5 state that the Commonwealth will provide initial training in Defence information systems, and additional training if those systems are updated, but the cost of subsequent training is the responsibility of the Contractor.

Drafters' attention is drawn to COC clause 1.5, Operative Date, which states that the parties have no obligation to perform the Contract until the first day on which a number of events have occurred, except for those activities listed in COC clause 1.5. Accordingly, training in Defence information systems should be considered for inclusion in COC clause 1.5. Training in Defence information systems may also be provided as GFS (refer COC clause 3.9 and Attachment E).

Drafters should include this clause when training of Contractor personnel in Defence information systems is required. Drafters should also address COC clause 1.5 for training required before OD (even though additional details may be contained in the Approved Phase In Plan). Clause 3.17 should be reviewed but, in general, it can be retained in the RFT without change.

Related Clauses: COC clause 1.5, Operative Date
 COC clause 3.9, Government Furnished Services

DSD-OPS-HLPDSK, clause 6.2.2, Service Request Logging
 DSD-ENG-CM, clause 6.2.5, Configuration Status Accounting
 DSD-ENG-SERV, clause 6.2.2, Engineering Information System
 DSD-MNT-MGT, clause 6.2.2, Maintenance Management System
 DSD-MNT-SA, clause 6.2.4, System Event Monitoring
 DSD-MNT-SA, clause 6.2.8, Maintenance of System Records
 DSD-SUP-MILIS, Military Integrated Logistics Information System Use
 DSD-TNG-MGT, clause 6.2.2, Training Information System
 DID-SSM-PHIP defines requirements for the Phase In Plan.
 DID-SSM-RUMP defines requirements for the Ramp Up Management Plan.

Optional Clauses: Nil

3.18 Access to Foreign Military Sales

Status: Optional

Purpose: To provide the Contractor with access to Stock Items that are available via Foreign Military Sales (FMS) and that may not be available commercially.

Policy: DEFLOGMAN Part 2 Volume 5 Chapter 19, *Procurement of Materiel and Services from the United States of America under the Foreign Military Sales Program*

Guidance: Clause 3.18 is an optional clause, included when it is necessary, or may become necessary, for the Contractor to source Stock Items through FMS because those items are not available via commercial means. If access to FMS is not required, clauses under the heading clause 3.18 may be replaced with a single 'Not used'.

Clause 3.18 does not provide automatic access to FMS, and a request to access FMS needs to be initiated by the Contractor. Alternatively, if the Contract follows a Contract (Acquisition) or FMS procurement, and the drafter knows that some Stock Items will only be accessible via FMS, then the clause may be amended to establish a standing arrangement for FMS access.

FMS are usually accessed via the MILIS FMS module, with a link to the United States and order processing conducted under the management of Support Office Foreign Military Sales (SOFMS). Items ordered via FMS must be acquired against an FMS case with the appropriate scope and funding. Depending on the individual requirements, arrangements put in place by the Designated Logistic Manager, and the Contractor's authorised access to MILIS, various options for FMS access may be possible. Advice should be sought from the SOFMS if tailoring this clause.

Related Clauses: DSD-SUP-MILIS

Optional Clauses: Nil

3.19 Government Furnished Facilities

Status: Optional

Purpose: To define the responsibilities associated with Contractor occupancy and use of Government Furnished Facilities (GFF).

Policy: *Civil Use of the Defence Estate Manual (CUDEM)*

Guidance: This clause is applicable when GFF will be offered, or is mandated, for use by the Contractor. If following the tender it is decided that GFF is not required then the GFF Licence (and this clause) may be removed from the Contract before ED. Note that the installation of equipment at Commonwealth Premises can often be performed without Facilities being transferred long-term to the Contractor under a GFF Licence.

The clause is drafted generically to apply the same work-related requirements to all of the GFF detailed in Attachment O, in one or more GFF Licences. Where there is

more than one GFF Licenced Area and requirements differ between them, the clauses may be amended (eg, by the addition of 'as per details in the applicable GFF Licence'). A GFF Licenced Area can include buildings, other structures, fittings, plant and equipment, and surrounding grounds, as described in the licence.

This clause 3.19 addressed work involved in contract management aspects of GFF. For on-going maintenance, refer to the GFF Licence and, for special maintenance requirements, SOW clause 9.6, Facilities and SOW Annex A.

Clause 3.19.1 addresses handing over the GFF to the Contractor. GFF and the Licensed Fittings are to be inspected and/or functionally tested before use. The condition of the GFF is compared to Commonwealth Facilities Condition Reports, provided by E&IG, with any differences noted and issues resolved. The need for functional testing is similar to that for GFE, and mostly applies to embedded plant and equipment (eg, air conditioning, hoists, cranes, etc).

Clause 3.19.2 requires the Contractor to take care of the GFF. These are general obligations as specific Maintenance requirements are captured under clause 9.6, where GFF is treated like other Support Resources.

Clause 3.19.3 requires the Contractor to facilitate inspections of the GFF by the Commonwealth (usually a facilities management contractor assigned by E&IG). These inspections, typically annual, provide an assessment of the condition of the GFF and may highlight any damage considered more than 'fair wear and tear'.

Drafter's Action: If GFF is required, or likely to be required, clause 3.19 should be included in the RFT. Refer to clause 9.6 for tailoring GFF specific maintenance requirements.

For GFF, most of the tailoring effort will be in developing Attachment O. Glossary terms also require update for specific GFF requirements.

Related Clauses: Clause 3.7 of the COC, Government Furnished Facilities

Attachment O, GFF Licence

SOW clause 9.6, Facilities

SOW clause 12 includes WHS and Environmental requirements that apply to GFF.

SOW Annex E is used to advise the Contractor of WHS hazards at Commonwealth premises.

Further Reading: Nil

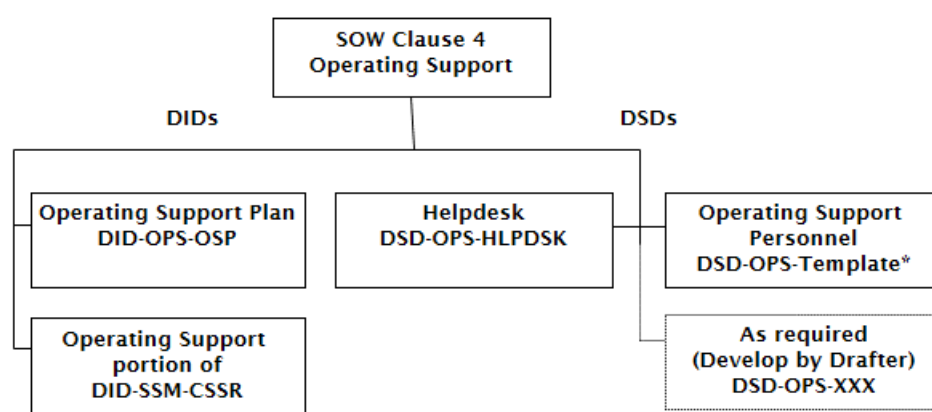
4. OPERATING SUPPORT

<u>Status:</u>	Optional. Included if Operating Support Services are required under the Contract.
<u>Purpose:</u>	To define the requirements for the provision of Operating Support Services, through this clause and associated DSDs.
<u>Policy:</u>	DEFLOGMAN Part 2 Volume 10 Chapter 3, <i>Defence Policy on Integrated Logistic Support</i>
<u>Guidance:</u>	This clause is included if the Contract requires the provision of Operating Support Services. Operating Support Services, in the <i>ASDEFCON (Support)</i> context, include the operation of the Mission System in its intended role by the Contractor, or Services that directly enable operation of the Mission System by a Defence user. Operating Support is not a support element in an ILS context; however, Operating Support utilises Support Resource elements, such as personnel, support equipment, facilities, etc. Operating Support is not Maintenance or Supply activity performed in an area of operations, or 'operational level' Maintenance or Supply.

Examples of Operating Support include (but are not limited to):

- operation of a communications facility, where the Contractor's staff perform operational communications;
- operation of a radar or other surveillance facility, where the Contractor's staff operate the system in its intended role to track and report targets, or operate other surveillance equipment in its operational role;
- provision of meteorological and pre-flight briefings to aircraft pilots;
- provision of a help-desk providing direct advice to system users (ie, not part of a training course);
- preparation of Mission System software libraries with navigation / terrain data; and
- operation of a simulator, such as loading scenarios and activating emergency conditions for simulator users (when the simulator is treated as a Mission System under the Contract).

All of these examples either involve, or directly enable, operation of the Mission System in performing its mission. The following diagram shows the general structure of SOW clause 4 and its associated DSDs and DIDs:



Notes:

- * Template DSD requires extensive development to detail duties of required operating personnel.
- Not included in ASDEFCON (Support) templates.

Operating Support SOW Structure

If the Contract (Support) does not require Operating Support, then the heading should be retained with the words 'Not used' inserted in brackets (eg, 'Operating Support (Not used)'). Lower-level clauses under clause 4 may then be deleted.

Related Clauses: DSD-OPS-HLPDSK
DSD-OPS-TEMPLATE

Optional Clauses: Nil

4.1 Operating Support Management Planning

Status: Core (if Operating Support required)

Purpose: To identify the requirements for the Operating Support planning document.

Policy: Nil

Guidance: The drafter must determine whether Operating Support planning requirements can be included in the SSMP, or if a separate Operating Support Plan (OSP) is required. This decision is discretionary, often dependent upon the scope and complexity of the work, and the need to manage Operating Support functions separate from other Services. Drafters should also refer to the guidance for SOW clauses 3.2 and 3.2.1 regarding the 'roll-up' of management plans.

If the scope of Operating Support is concise (eg, Operating Support Services are relatively straightforward), then embedding planning requirements in the SSMP should be sufficient. If the Contract covers several types of Operating Support activities, then a separate OSP is often more appropriate and practical.

Having determined whether or not a separate OSP is required, Option A or B should be chosen, and the selected plan inserted into the subsequent clauses.

DID-OPS-OSP identifies the content requirements for an OSP, for the management of Operating Support Services. This supports the ASDEFCON guiding principle to work in the Contractor's domain where suitable, by having the Contractor describe their 'best practice' processes in the OSP to plan for the Services. However, if the scope of Operating Support planning has specific requirements that cannot be captured in this manner, then DID-OPS-OSP will need to be tailored to suit.

DID-SSM-SSMP identifies the need to address Operating Support within the SSMP if Operating Support is required by the Contract. If the SOW requires a separate OSP, then the SSMP should include a summary and reference the OSP; otherwise, DID-SSM-SSMP defines generic requirements to be addressed in the SSMP. By default, the DID does not require tailoring; however, if more specific Operating Support planning is needed, then DID-SSM-SSMP will need to be tailored.

Related Clauses: DID-OPS-OSP defines the requirements for an Operating Support Plan.

DID-SSM-SSMP defines the requirements for an SSMP, including Operating Support Services planning when a stand-alone OSP is not required.

CDRL Line Number OPS-100 for the OSP.

Optional Clauses: Nil

4.2 Operating Support Reporting

Status: Core (if Operating Support required)

Purpose: To define the requirements for reporting on the performance of Operating Support Services.

Policy: Nil

Guidance: Operating Support Services reporting is included as a sub-report of the CSSR. This report may be delivered separately from the rest of the CSSR, if required, by tailoring the CDRL. This report would typically be delivered in preparation for a CSPR, or a separate Operating Support Performance Review (OSPR), as requested by clause 4.3. The report considers the Contractor's performance in providing Operating Support Services against the requirements of the Contract.

Reports and reviews do not need to be coordinated on a one-for-one basis (eg, the Operating Support component of the CSSR could be scheduled for delivery every six months with every second report scheduled before an annual OSPR or CSPR).

The frequency for delivery of reports needs to be determined for the level of Operating Support activity expected and visibility required for these Services.

Refer to the guidance for clause 3.4 about rolling-up reports and reviews as part of the communications strategy.

Drafters do not need to amend clause 4.2 but should review and tailor the CDRL line for the CSSR (MGT-350) to schedule separate delivery of the Operating Support component of the CSSR, or only deliver it as part of a combined CSSR.

Related Clauses: DID-SSM-CSSR defines requirements for a CSSR, including the Operating Support sub-report.

SOW clause 3.4.1, Status Review and Reporting, in relation to the CSSR.

SOW clause 4.3, Operating Support Reviews

CDRL Line Number MGT-350 Ref d, for delivery of the Operating Support portion of the CSSR.

Optional Clauses: Nil

4.3 Operating Support Reviews

Status: Core (if Operating Support is required)

Purpose: To define the requirements for the review of Operating Support Services.

Policy: Nil

Guidance: The review of Operating Support may be scheduled separately as Operating Support Performance Reviews (OSPRs) or rolled up into the CSPR. If necessary for larger-scale contracts, two levels of review can be achieved if the CSPR acts as a higher-level review to the OSPR.

Drafters need to determine the appropriate level of review activity for Operating Support. If the OSPRs are always to be rolled up into CSPRs, then Option A should be included and Option B deleted. If separate OSPRs are required, then Option B should be included and the review frequency inserted. Clause 3.4 requires Periodic Performance Reviews to be combined if scheduled for the same month, unless otherwise determined by the Commonwealth Representative. Hence, two levels of review can be implemented if the OSPR clause (Option B) is included and direction is given to keep these reviews separate to the CSPR, with the CSPR acting as a higher-level review of Operating Support and other Services.

Depending on the planning option selected under clause 4.1, drafters should insert the applicable plan where indicated.

Related Clauses: SOW clause 3.4, Support Services Communication Strategy

SOW clause 3.4.2, Combined Services Performance Reviews

SOW clause 4.2, Operating Support Reporting

Optional Clauses: Nil

4.4 Operating Support Services

Status: Core (if Operating Support is required)

Purpose: To define the required Operating Support Services.

Policy: Nil

Guidance: Drafters should be aware that DSDs are often inter-related and that the selection of DSDs, and the creation of any new DSDs, should consider these relationships.

Drafters must tailor the subclauses to clause 4.4 for each group of Operating Support Services to be included in the Contract (Support), as described by a separate DSD listed in the CSRL, SOW Annex B. Details are given below for the draft DSDs included in the *ASDEFCON (Support)* templates.

Help Desk Services. DSD-OPS-HLPDSK provides draft requirements for help desk Services to support operators and other potential users of Information and Communications Technology (ICT) Systems, or any other systems needing a help desk. The DSD may also be used to develop a 'technical services' help desk (eg, for deployed Maintenance staff) with some modification. If these Services are not required then the SOW clause and associated CSRL entry should be deleted.

Help desk activities may be provided in conjunction with Systems Administration (through DSD-MNT-SA) and Software Support Services (through DSD-ENG-SW). Alternatively, those activities could be performed by another party, which means that resolving service requests may cross Contract boundaries. Therefore, DSD-OPS-HLPDSK has been drafted to work when those other activities are performed by the Contractor or another party. As a result, activities to solve a user 'service request' also span DSDs (and may span contracts). Figure 2 (next page) illustrates the process for resolving services requests across DSDs. Drafters should also refer to the guidance in section 1 of DSD-OPS-HLPDSK (and DSDs for Systems Administration and Software Support Services) for further information.

OPS Template. DSD-OPS-Template is a template DSD for Operating Support Services. Refer to the guidance in section 1 of the DSD for further information.

Drafters must add a subclause under clause 4.4, based on the optional clause below, for each additional Operating Support DSD that is required. Once developed, additional DSDs must be listed in the CSRL at SOW Annex B.

Related Clauses: SOW Annex B, CSRL 'OPS' entries

DSD-OPS-HLPDSK, Help Desk Services

DSD-OPS-Template

SOW Annex C, CDRL 'OPS' entries and DIDs referenced from 'OPS' DSDs.

SOW Annex D, for referenced operator manuals used in Operating Support.

Optional Clauses:

The Contractor shall provide [...INSERT SUMMARY DESCRIPTION OF THE REQUIRED OPERATING SUPPORT SERVICES...] Services in accordance with CSRL Line Number OPS-[...INSERT CSRL NUMBER...].

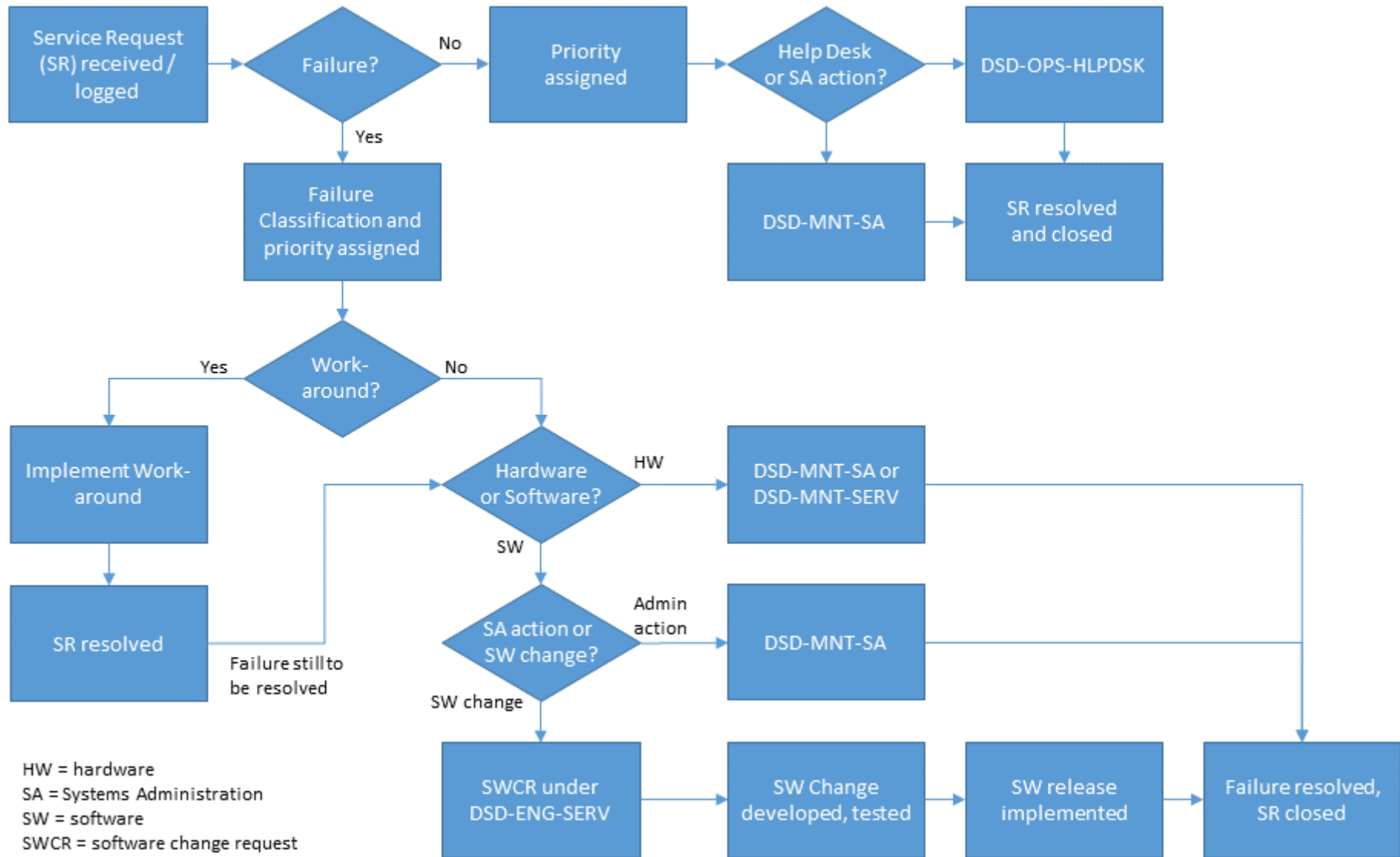


Figure 1: Service Request Resolution Logic

5. ENGINEERING SUPPORT

<u>Status:</u>	Optional. Included if Engineering Services are to be provided under the Contract.
<u>Purpose:</u>	To define the requirements for the provision of Engineering Services, through this clause and associated DSDs.
<u>Policy:</u>	Refer to subclauses.
<u>Guidance:</u>	This clause should be included if the Contract requires the provision of Engineering Services. Some support contracts do not require Engineering Support (eg, if exclusively for the provision of Supply or Training Services); however, a Contract that is primarily for Maintenance Service, will often also require Engineering Services in relation to the investigation of defects, CM, and Deviations.

In-service Engineering Services have a different emphasis to acquisition engineering, and involves such activities as:

- a. Technical Data review (known as a Technical Information Review in the aerospace domain);
- b. configuration baseline management;
- c. Defect management;
- d. failure / reliability monitoring;
- e. Materiel Safety management and analyses;
- f. supportability analyses;
- g. obsolescence management;
- h. change management;
- i. Software support, and
- j. engineering change / modification development.

If the Contract (Support) does not require Engineering Services, then the heading should be retained, but the words 'Not used' should be inserted in brackets at the end (eg, 'Engineering Support (Not used)'). All of the subordinate clauses can then be deleted.

The demand for many Engineering Services can be hard to scope prior to entering into a contract; for example, the number and scope of required modifications will be unknown. Accordingly, many tasks may be managed as S&Q Services. An alternative to some S&Q Services is a Contractor Standing Capability (CSC), managed through a separate DSD (refer clause 5.5). Drafters should consider the optional Contractor Standing Capability (CSC) module when developing clause 5.

The following diagram shows the general structure of SOW clause 5 and its associated DSDs and DIDs.

If the scope of Engineering Support is limited, then including engineering planning within the SSMP may be sufficient. A stand-alone plan is usually preferable for larger Contracts spanning a range of Engineering, Maintenance, and Supply Services, and when a CEMP is needed to demonstrate compliance with an ADF regulatory / assurance framework. Drafters should refer to the applicable policy manuals identified above, and consult their ADF regulatory / assurance authority for further advice.

Having determined whether a separate CEMP is required, Option A or B should be chosen, and the selected plan inserted into subsequent clauses.

DID-ENG-CEMP identifies the content requirements for a CEMP, including those needed to manage Engineering Services in the context of an ADF regulatory / assurance framework. A note at the start of clause 6 of the DID explains how references to the policy manuals have been included for additional guidance. Although further tailoring may not be required, drafters should review DID-ENG-CEMP to ensure that all required planning aspects would be covered.

DSD-ENG-SERV provides a framework for developing system modifications, allowing individual modification programs to be scoped within S&Q activities or CSC tasks. DSD-ENG-SERV includes clauses for a separate Systems Engineering Management Plan (SEMP) and, if ILS practices are required to address Supportability, an Integrated Support Plan (ISP). DIDs for both of these plans are available from the *ASDEFCON (Complex Materiel) Volume 2* template; however, if the drafter would prefer these to be rolled up into the CEMP, then DID-ENG-CEMP and DSD-ENG-SERV will need to be modified accordingly.

Software-specific engineering-management requirements may be captured in the Software Support Plan (SWSP), defined by DID-ILS-SW-SWSP or, if more significant development is required, by a Software Management Plan (SWMP) defined by DID-ENG-SW-SMP (noting that both of these DIDs are available from the *ASDEFCON (Strategic Materiel)* template). The SWSP is called out by DSD-ENG-SW; however, an optional clause allows the function to be rolled-up into the CEMP. DID-ENG-CEMP is 'self-tailoring' to include essential components of an SWSP when a separate SWSP is not requested. The SWMP is also called out by DSD-ENG-SW, but may be rolled-up into the SEMP with appropriate modification.

CM is an important part of Engineering Support that also governs Maintenance and Supply activities. The CM Plan (CMP) can be called out by DSD-ENG-CM; however, it can also be rolled-up into the CEMP. DID-ENG-CEMP is 'self-tailoring' to include essential components of a CMP when a separate CMP is not requested.

In-Service Materiel Safety (System Safety) program planning may also be included within the CEMP or as a separate In-Services Materiel Safety Plan (IMSP). The need for a separate IMSP will depend on the system-level responsibilities of the Contractor and the scale of expected design / configuration changes that are likely to have safety implications. DID-ENG-CEMP is 'self-tailoring' to include essential components of an IMSP when a separate IMSP is not requested.

DID-ENG-CEMP may also need to be tailored to include any other subordinate engineering plans required for ADF regulatory / assurance framework purposes, or to suit other individual requirements of the Engineering Services being sought.

DID-SSM-SSMP identifies the need to address Engineering Support within the SSMP if Engineering Support is required by the Contract. If the SOW requires a separate CEMP, then the SSMP should include a summary and reference the CEMP; otherwise, DID-SSM-SSMP defines generic requirements to be addressed in the SSMP. By default, the DID does not require tailoring; however, if more specific Engineering planning is needed, then DID-SSM-SSMP will need to be tailored.

Related Clauses: DSD-ENG-SERV, which defines Engineering management and other requirements, may be supported by the IMSP, SEMP, ISP and SWMP, as subordinate plans.

DSD-ENG-CM, which defines CM Service requirements, may be supported by a CMP or CM planning requirements rolled up into the CEMP.

DSD-ENG-CSC and associated DIDs, when the CSC Module is included in the Contract.

DID-ENG-CEMP defines the requirements for the CEMP.

DID-SSM-SSMP defines the requirements for an SSMP, including Engineering Support planning when a stand-alone CEMP is not required.

DID-ENG-AEOA, which specifies requirements for information to enable compliance assurance of the Contractor's engineering organisation and systems.

DID-ENG-CMP defines requirements for a Configuration Management Plan (may be rolled-up into the CEMP).

DID-ENG-IMSP defines requirements for an In-service Materiel Safety Plan (may be rolled-up into the CEMP).

DID-ILS-SW-SWSP (*ASDEFCON (Strategic Materiel)*) defines requirements for a Software Support Plan (may be rolled-up into the CEMP).

DID-ENG-MGT-SEMP-2 (*ASDEFCON (Complex Materiel) Volume 2*) defines requirements for a subordinate Systems Engineering Management Plan.

DID-ENG-MGT-ISP-2 (*ASDEFCON (Complex Materiel) Volume 2*) defines requirements for a subordinate Integrated Support Plan.

DID-ENG-MGT-SWMP (from *ASDEFCON (Strategic Materiel)*) defines requirements for a Software Management Plan (may be rolled-up into the SEMP).

Optional Clauses: Nil

5.2 Engineering Support Reporting

Status: Core (if Engineering Support is required)

Purpose: To define the requirements for reporting the performance of Engineering Services.

Policy: Nil

Guidance: Engineering Support reporting is included as a sub-report of the CSSR. This report may be delivered separately from the rest of the CSSR, if required, by tailoring the CDRL. This report would typically be delivered for in preparation for a CSPR or an Engineering Support Performance Review (ESPR), as requested by clause 5.3. The report considers the Contractor's performance in providing Engineering Services against the requirements of the Contract.

Reports and reviews do not need to be coordinated on a one-for-one basis (eg, the Engineering Support component of the CSSR could be scheduled for delivery every six months with every second report scheduled before an annual ESPR or CSPR). The frequency for delivery of reports needs to be determined for the level of Engineering Support activity expected and visibility required for these Services.

Refer to the guidance for SOW clause 3.4 about rolling-up reports and reviews as part of the communications strategy.

Drafters do not need to amend clause 5.2, but should review and tailor the CDRL line for the CSSR (MGT-350) to schedule separate delivery of the Engineering Support component of the CSSR or only deliver it as part of a combined CSSR.

Related Clauses: DID-SSM-CSSR defines requirements for a CSSR, including the Engineering Support sub-report.

SOW clause 3.4.1, Status Review and Reporting, in relation to the CSSR.

SOW clause 5.3, Engineering Support Reviews

CDRL Line Number MGT-350 Ref e, delivery of the Engineering Support portion of the CSSR.

Optional Clauses: Nil

5.3 Engineering Support Reviews

<u>Status:</u>	Core (if Engineering Support is required)
<u>Purpose:</u>	To define the requirements for the review of Engineering Services.
<u>Policy:</u>	Nil
<u>Guidance:</u>	The review of Engineering Support may be scheduled separately as Engineering Support Performance Reviews (ESPRs) or rolled up into the CSPR. For larger-scale contracts, two levels of review can be achieved if the CSPR acts as a higher-level review to the ESPR.

Additional reviews are required for a Systems Engineering design and development cycle (eg, System Requirements Review, System Definition Review, Preliminary Design Review, and Detailed Design Review) and these System Reviews are included in DSD-ENG-SERV, for Major Changes. These System Reviews are separate from ESPRs, but would be summarised in the ESSR or CSSR and, therefore, discussed at the ESPR or CSPR, as applicable.

Drafters need to determine the appropriate level of review activity for Engineering Support. If the ESPRs are always to be rolled up into CSPRs, then Option A should be included and Option B deleted. If separate ESPRs are required, then Option B should be included and the review frequency inserted. Clause 3.4 requires Periodic Performance Reviews to be combined if scheduled for the same month, unless otherwise determined by the Commonwealth Representative. Hence, two levels of review can be implemented if the ESPR clause (Option B) is included and direction is given to keep these reviews separate to the CSPR, with the CSPR acting as a higher-level review of Engineering and other Services.

Depending on the planning option selected under clause 5.1, drafters should insert the applicable plan where indicated.

<u>Related Clauses:</u>	SOW clause 3.4, Support Services Communication Strategy SOW clause 3.4.2, Combined Services Performance Reviews SOW clause 5.2, Engineering Support Reporting DSD-ENG-SERV clause 6.2.10, Conduct of System Reviews
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Optional Clauses: Nil

5.4 Engineering Organisation and System Compliance

<u>Status:</u>	Optional (must be included if ADF regulatory / assurance framework requirements apply to the provision of Engineering Services)
<u>Purpose:</u>	To define the regulatory / assurance requirements associated with providing Engineering Services.
<u>Policy:</u>	AAP 8000.011, <i>Defence Aviation Safety Regulations</i> ANP 3411-0101, <i>Naval Materiel Assurance Publication</i> TRAMM-L or LMSM DEFLOGMAN Part 2 Volume 9, <i>Defence Explosive Ordnance Manual</i>
<u>Guidance:</u>	If the Contractor, as an organisation providing Engineering Services, will be subject to ADF regulatory / assurance framework requirements (eg, for seaworthiness, land materiel technical integrity / mission-worthiness, airworthiness and/or otherwise), then this clause should be included and further developed.

For advice specific to the requirements in each environment, drafters should contact the applicable regulator / assurance authority:

- Defence Aviation Safety Authority (DASA) (Aerospace)
- Director Technical Regulation - Army (DTR-A) (Land)
- Navy Materiel Seaworthiness Assurance Agency (NMSwAA) (Maritime)

- Directorate of Ordnance Safety (DOS) (Explosive Ordnance)

If an ADF regulatory / assurance framework does not apply to the Engineering Services, then the clauses under clause 5.4 can be replaced with a single 'Not used'.

If ADF regulatory / assurance framework requirements do apply to the Engineering Services, drafters should seek advice from the relevant authority to ensure that the draft Contract includes the most up-to-date requirements.

Aerospace: For aerospace systems, the Contractor may need to seek 'Military Design Organisation Approval' or provide similar information so that the Defence engineering organisation can obtain Military Design Organisation Approval, with the Contractor forming an integral part of the broader engineering organisation. The information requirements for organisational approval will change depending on the scope of Contractor engineering responsibilities and the Products Being Supported (ie, aircraft, aircraft components, or 'appliances').

Maritime: For maritime systems, the Defence organisation is usually the Authorised Engineering Organisation (AEO) and the Contractor would be assessed for compliance with the requirements of the Naval Materiel Assurance Publication, representing an integral part of the engineering organisations that support the Defence AEO. The scope of compliance factors and the degree of assessment required can vary based on the scope of Contractor engineering responsibilities and the safety critical nature of the Products Being Supported.

Land: For land systems, there may be a need for the Contractor to become an Accredited Engineering Organisation (AEO) or to be assessed by an AEO as being compliant with the requirements of the TRAMM-L / LMSM. The scope of compliance factors and the degree of assessment required may vary based on the scope of Contractor engineering responsibilities and the safety critical nature of the Products Being Supported.

Explosive Ordnance: Explosive Ordnance Safety Program (EOSP) requirements often need to be adapted for the platform on which the EO is used. Advice should be sought from DOS (whom provide advice on behalf of the Explosive Ordnance Safety Regulator).

All: In each case above, the Contractor will be required to deliver objective quality evidence (a Military Design Organisation Exposition in the case of aerospace) to demonstrate compliance with the applicable ADF regulatory / assurance framework(s). Much of the information required will be included in Contractor plans, such as the CEMP and CMP, and some form of audit or other assurance process may be required, conducted by either the ADF regulatory / assurance 'authority' or the Defence engineering organisation, depending on the situation.

Drafters should consider if other ADF regulatory / assurance frameworks or compliance obligations apply to the Engineering Services, such as for managing access to the radiofrequency spectrum, information systems security and cyber-security, and so on. Where regulatory / assurance policies are stipulated by Defence (ie, in addition to legal obligations⁸) appropriate clauses to apply Defence policies and to provide an assurance of compliance will need to be drafted.

Clause 5.4 requires the drafter to identify the ADF regulatory / assurance framework policy documents that will apply to the required Engineering Services. The list of 'regulations / document sections' should be specific to the Contractor's role, rather than referring to a whole publication as this could imply that the Contractor is to be given much broader responsibility. Note that the list under clause 5.4.1 is referenced from Engineering Services DSDs and DIDs.

The optional clauses 5.4.2 and 5.4.3 allow the Commonwealth to require the Contractor to deliver an application for their engineering organisation to be approved / accredited by either the Defence engineering organisation for the Materiel System, or by the ADF regulatory / assurance 'authority', depending on the situation. DID-

⁸ Although aspects of ADF regulatory / assurance frameworks can be traced to a law (eg, WHS Legislation), Defence policies and 'regulations' are additional and do not become obligations on a contractor unless applied through their contract.

ENG-AEOA defines the requirements for an Application for Engineering Organisation Approval (meaning 'approval' of the organisation in 'recognition of compliance', which is different to the normal meaning of 'Approval' under the Contract). The DID is divided into sections for aerospace, land, and maritime systems. Additional information requirements (eg, specific to EO) need to be added to the DID or sought separately.

Drafters should also consider COC clause 1.5, Operative Date, and the need for the Application for Engineering Organisation Approval to be submitted, and for the a Contractor's Engineering organisation and systems / processes to be assessed for compliance, prior to the OD or otherwise before the commencement of Engineering Services. Note that by using the OD clause, contract termination could be initiated if the Contractor failed to show compliance with the applicable ADF regulatory / assurance framework by the OD. This compliance assessment was one of the original reasons for the OD clause.

In developing this clause, drafters should also consider the relationship with SOW clause 11, Quality Management. The Contractor's QMS will define organisational processes and clauses 11.3 and 11.4 deal with non-conformances.

Related Clauses: DID-ENG-CEMP, which specifies requirements for the CEMP.

DID-ENG-AEOA, Application for Engineering Organisation Approval

COC clause 1.5, Operative Date

SOW clause 6.4, Maintenance Organisation and System Compliance

SOW clause 11, QUALITY MANAGEMENT

Optional Clauses: Nil

5.5 Engineering Services

Status: Core (if Engineering Support is required)

Purpose: To define the required Engineering Services.

Policy: Nil

Guidance: Drafters should be aware that DSDs are often inter-related and the selection and creation of DSDs should consider these inter-relationships.

Drafters must tailor the subclauses to clause 5.5 for each group of Engineering Services to be included in the Contract, as described by a separate DSD and listed in the CSRL, SOW Annex B. Details are given below for the draft DSDs included in the *ASDEFCON (Support)* templates.

Routine Engineering Services. DSD-ENG-SERV contains generic Engineering Services and management functions to be performed for all contracts requiring Engineering Support. While SOW clause 5 is predominantly about planning Engineering Services from a Contract perspective, DSD-ENG-SERV relates to the management of specific engineering work activities. DSD-ENG-SERV includes the essential System Engineering program requirements for more significant modifications undertaken through an S&Q Order or CSC tasking. Accordingly, this DSD is a 'head' DSD for Engineering Support and will almost certainly be required before any other Engineering Services can be undertaken. Drafters should refer to the guidance in section 1 of DSD-ENG-SERV for further information.

If a Contractor is not required to provide on-going Engineering Services (eg, will ONLY provide updates of CM data from a related entity to the Commonwealth, as required), then the SOW clause and the CSRL entry should be deleted.

Configuration Management Services. DSD-ENG-CM contains the requirements for the CM of the Products Being Supported. Drafters should note that CM is fundamental to the effective management of complex Commonwealth assets. Drafters should refer to the guidance in section 1 of DSD-ENG-CM.

If CM is not required (eg, because CM is undertaken by the Commonwealth or an Associated Party), the SOW clause and CSRL entry should be deleted.

Software Support Services. DSD-ENG-SW is specifically intended for the on-going support of Software. Although often referred to as Software ‘maintenance’, Software support is included under Engineering Services because the outcomes are changes to the Software configuration, even if only minor. Software support includes ‘corrective’, ‘adaptive’, ‘preventive’ and ‘perfective’ Software maintenance.

DSD-ENG-SW includes the framework for conducting major Software development and release programs where significant improvements in Software functionality or performance are sought. Software development activities are managed as Software specific requirements under the engineering change program defined in DSD-ENG-SERV (multiple clauses) including the use of ECPs prepared in accordance with DSD-ENG-ECP (an annex defines Software Change Proposals (SWCPs)). Drafters should refer to the guidance in section 1 of DSD-ENG-SW.

Depending on the scope of Services, DSD-ENG-SW may be used in conjunction with DSD-OPS-HLPDSK and/or DSD-MNT-SA. Refer to Figure 2 and guidance for SOW clause 4.4 for an explanation of how a service request can progress to a Software change. Note that clauses from DSD-MNT-SA could be relocated to DSD-ENG-SW if that better suits the Commonwealth’s preference for defining Services.

If Software support is not required, the SOW clause and CSRL entry should be deleted.

Contractor Standing Capability. The purpose of the CSC is to provide an on-going pool of personnel with expertise that can be employed for specialist Engineering, design, and similar Services. The CSC is identified as performing engineering activities but this could be expanded for other activities where:

- a. expertise can be difficult to obtain and maintain (eg, system specific); and
- b. the scope of work is too difficult to define before the contract, making Recurring Services impractical.

If a CSC were not to be implemented, the work would be undertaken as S&Q Services, which usually incurs higher labour charges and reduced skills continuity due to the stop/start nature of S&Q Services. While a CSC should improve efficiency, it is dependent upon a minimum amount of on-going ad hoc work in order to keep personnel busy and achieve value for money. Including a CSC through COC clause 15, SOW clause 5.5, and DSD-ENG-CSC does not add to the scope of Engineering Services, but allows work identified as S&Q Services to be performed by the CSC.

Including a CSC requires changes to this clause, the COT, COC, CSRL, CDRL, and DID-ENG-CEMP, plus the addition of new DIDs and DSD-ENG-CSC. Drafters should refer to the CSC Module guidance document ‘1_Draft CSC General – V[X.X]’ for a detailed explanation of the changes required.

If a CSC is not required (ie, ad hoc Engineering Services will be performed as S&Q Services), reference to the CSC must be left out of the draft Contract.

Other Engineering Services. Drafters will need to add a subclause to clause 5.5 for each additional group of Engineering Services, as described by a separate DSD and listed in the CSRL. Each additional subclause should be in the form of the optional clause shown below.

Related Clauses: Draft SOW Annex B, CSRL ‘ENG’ entries.

DSD-ENG-SERV, Routine Engineering Services

DSD-ENG-CM, Configuration Management Services

DSD-ENG-SW, Software Support Services

DSD-ENG-CSC, from the CSC Module for when a CSC is include in the Contract.

SOW Annex A, List of Products Being Supported

SOW Annex B, CSRL ‘ENG’ entries.

SOW Annex C, CDRL ‘ENG’ entries and associated DIDs.

SOW Annex D, for manuals that describe Engineering Support procedures.

DID-ENG-CEMP, which specifies requirements for the CEMP.

DID-ENG-CMP, which specifies requirements for the CMP.

DID-ENG-AEO, which specifies requirements for an AEO Application.

DID-ENG-MGT-SEMP-2, which specifies requirements for a Systems Engineering Management Plan (from *ASDEFCON (Complex Materiel) Volume 2*).

DID-ENG-MGT-ISP-2, which specifies requirements for an Integrated Support Plan (from *ASDEFCON (Complex Materiel) Volume 2*).

DID-ENG-SW-SWMP, which specifies requirements for a Software Management Plan (from *ASDEFCON (Strategic Materiel)*).

DID-ENG-SWSP, which specifies requirements for a Software Support Plan.

See also SOW clause 9.2 for Technical Data, including Engineering Drawings.

Optional Clauses:

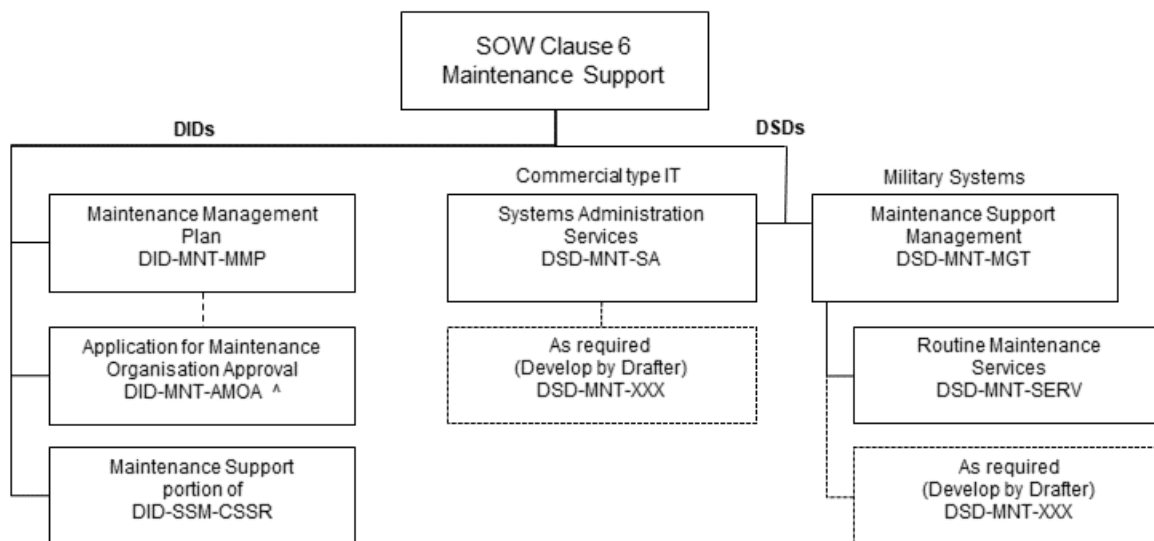
The Contractor shall provide [...INSERT SUMMARY DESCRIPTION OF THE REQUIRED ENGINEERING SERVICES...] Services in accordance with CSRL Line Number ENG-[...INSERT CSRL NUMBER...].

6. MAINTENANCE SUPPORT

- Status:** Optional. Included if Maintenance Services are to be provided under the Contract.
- Purpose:** To define the requirements for the provision of Maintenance Services, through this clause and the associated DSDs.
- Policy:** Refer to subclauses.
- Guidance:** This clause should be included if the Contract requires the provision of Maintenance Services. Some support contracts exclude Maintenance Support, such as those exclusively for the provision of Engineering, Supply, or Training Services, but Maintenance Services are included in most contracts.

If the Contract does not require the provision of Maintenance Services, then the heading should be retained, but the words 'Not used' should be inserted in brackets at the end (eg, 'Maintenance Support (Not used)'). All of the lower-level clauses under clause 6 should then be deleted.

The following diagram shows the general structure of SOW clause 6 and its associated DSDs and DIDs.



Notes:

- ^ MMP informs an Application for Maintenance Organisation Approval.
- Not included in ASDEFCON (Support) templates.

Maintenance Support SOW Structure

Related Clauses: Engineering Support (clause 5), for the activities associated with of Deviations, Non-Standard Repairs, Modification Orders and Technical Instructions.

Supply Support (clause 7), for Supply interfaces (eg, for the delivery of spares).

Optional Clauses: Nil

6.1 Maintenance Support Management Planning

- Status:** Core (if Maintenance Support is required)
- Purpose:** To identify the requirements for the Maintenance Support planning document.
- Policy:** AAP 8000.011, *Defence Aviation Safety Regulations*
ANP 3411-0101, *Naval Materiel Assurance Publication*
Technical Regulation of ADF Materiel Manual – Land (TRAMM-L) or *Land Materiel Safety Manual (LMSM)*
DEFLOGMAN Part 2 Volume 9, *Defence Explosive Ordnance Manual*

DEFLOGMAN Part 2 Volume 10 Chapter 2, *Materiel Maintenance Policy*

DEFLOGMAN Part 2 Volume 10 Chapter 17, *Contingency Maintenance Policy*

Guidance: The drafter needs to determine if Maintenance Support planning can be included in the SSMP or if a stand-alone Maintenance Management Plan (MMP) is required. This decision depends upon the range of Services and the workload, and the need to manage Maintenance Support functions separate from other support functions. Drafters should refer to the guidance for SOW clauses 3.2 and 3.2.1 regarding the 'roll-up' of management plans.

If the scope of Maintenance Support is limited, then including Maintenance planning within the SSMP may be sufficient. A stand-alone MMP will often be preferable for a larger Contract spanning a range of Maintenance activities in various locations, Engineering and Supply Services, and when needed to demonstrate compliance with an ADF regulatory / assurance framework. Drafters should refer to the applicable policy manuals identified above, and consult their ADF regulatory / assurance authority for further advice

Having determined whether a separate MMP is required, Option A or B should be chosen, and the selected plan inserted into subsequent clauses.

DID-MNT-MMP identifies the content requirements for an MMP, including those needed to manage Maintenance Services in the context of an ADF regulatory / assurance framework. A note at the start of clause 6 in the DID explains how references to the policy manuals have been included for additional guidance. Although further tailoring may not be required, drafters should review DID-MNT-MMP to ensure that all required planning aspects would be covered

DID-SSM-SSMP identifies the need to address Maintenance Support within the SSMP if Maintenance Support is required by the Contract. If the SOW requires a separate MMP, then the SSMP should include a summary and reference the MMP; otherwise, DID-SSM-SSMP defines generic requirements to be addressed in the SSMP. By default, the DID does not require tailoring; however, if more specific Maintenance planning is needed, then DID-SSM-SSMP will need to be tailored.

Related Clauses: DID-MNT-MMP defines the requirements for an MMP.

DID-SSM-SSMP defines the requirements for an SSMP, including Maintenance planning when a stand-alone MMP is not required.

DID-MNT-AMOA defines requirements for information to enable compliance assurance of the Contractor's Maintenance organisation and systems.

CDRL Line Number MNT-100

Optional Clauses: Nil

6.2 Maintenance Support Reporting

6.2.1 Maintenance Support Summary Reports

Status: Core (if Maintenance Support is required)

Purpose: To define the requirements for reporting the performance of Maintenance Services.

Policy: Nil

Guidance: Maintenance Support reporting is included as a sub-report for the CSSR. This report may be delivered separately from the rest of the CSSR, if required, by tailoring the CDRL. This report would typically be delivered in preparation for a CSPR or a Maintenance Support Performance Review (MSPR), as requested by clause 6.3. The report considers the Contractor's performance in providing Maintenance Services against the requirements of the Contract.

Reports and reviews do not need to be coordinated on a one-for-one basis (eg, the Maintenance Support component of the CSSR could be scheduled for delivery every six months with every second report scheduled before an annual MSPR or CSPR). The frequency for delivery of reports needs to be determined for the level of Maintenance Support activity expected and visibility required for the Contract.

Refer to the guidance for SOW clause 3.4 about rolling-up reports and reviews as part of the communications strategy.

If more regular Maintenance reporting is required, to assist with on-going coordination and management, then Maintenance Progress Reports should be considered for inclusion (refer clause 6.2.2).

Drafters do not need to change SOW clause 6.2.1, but should review and tailor the CDRL for the CSSR (MGT-350) to schedule separate delivery of the Maintenance Support component of the CSSR or only deliver it as part of a combined CSSR.

Related Clauses: DID-SSM-CSSR defines requirements for a CSSR including the Maintenance Support sub-report.

SOW clause 6.2.2, Maintenance Progress Reports

SOW clause 6.3.1, Maintenance Support Performance Reviews

SOW clause 3.4.1, Status Review and Reporting, in relation to the CSSR.

CDRL Line Number MGT-350 Ref f, for the separate delivery of the Maintenance Support portion of the CSSR, if required.

Optional Clauses: Nil

6.2.2 Maintenance Progress Reports

Status: Optional

Purpose: To define the requirements for more regular Maintenance reports and to assist with the coordination of Defence and Contractor Maintenance-related activities.

Policy: Nil

Guidance: Maintenance Progress Reports are intended to monitor the provision of on-going Maintenance Services that cover a broad scope of Maintenance activities or where considerable activity is expected on a monthly basis (and a monthly CSSR would be inappropriate). Maintenance Progress Reports are particularly useful where there is a high degree of interaction between Defence and Contractor Maintenance activities and the reporting informs regular management planning activities of both Defence and the Contractor, for the next week or few months, as applicable.

There is no DID for this report. Due to the range of Maintenance activities in CASG contracts, a standard DID is not possible. A DID may be proposed by the drafter and refined during contract negotiations, or the contents of the report could be defined in the Contractor's MMP. There are no constraints on the content of the report, although financial and commercial factors should be avoided. The DID may seek Maintenance scheduling information for the forthcoming period as well as a performance summary from the preceding period. Progress on the installation of modifications, completion of S&Q Service tasks, throughput of Maintenance repairs, results or progress of Maintenance investigations, and progress against related performance measures would be typical subjects for this report.

The need for Maintenance Progress Reports may be negated by the inclusion in the Contract of Resident Personnel. Conversely, and if Maintenance activities are geographically dispersed, this report may be defined in a way that assists Resident Personnel.

DMS data (clause 2.3) should be considered as an alternative or supplement to Maintenance Progress Reports, or simply as the method to deliver the required information. It may be possible that on-line access to the Contractor's internal Maintenance reporting through the DMS is sufficient. These types of issues should be discussed during contract negotiations and / or Phase In.

If one level of reporting is required (ie, the Maintenance Support component of the CSSR), then clause 6.2.2 should remain as 'Not used'.

If the drafter determines that a second level of reporting is required (ie, Maintenance Progress Reports), then the drafter should copy the optional clause below into the SOW and tailor as required. The report should be added to the CDRL with applicable

details, taking into account the relationship between Maintenance Progress Reports and any Maintenance Progress Reviews.

Progress reports have been included in the template as an option for Maintenance. However, similar may be used with other SSCCs that have a frequent reporting requirement. To apply progress reports to other SSCCs, the structure of clause 6.2 can be imitated in clauses 4.2, 5.2, 7.2 and 8.2. That is, create two headings, similar to clauses 6.2.1 and 6.2.2, demote the existing clauses to level 4 clause (ie, 4.2.1.1, 5.2.1.1, 7.2.1.1 or 8.2.1.1) and insert a 'progress report' clause similar to that below (as 4.2.2.1, 5.2.2.1, 7.2.2.1 or 8.2.2.1).

Related Clauses: SOW clause 6.3.2, Maintenance Progress Reviews

CDRL, new line to be added by drafter (eg, MNT-120)

Optional Clauses:

The Contractor shall develop, deliver and update Maintenance Progress Reports in accordance with CDRL Line Number MNT-[...INSERT CDRL LINE NUMBER...].

6.3 Maintenance Support Reviews

6.3.1 Maintenance Support Performance Reviews

Status: Core (if Maintenance Support is required)

Purpose: To define the requirements for the review of Maintenance Services.

Policy: Nil

Guidance: The review of Maintenance Support may be scheduled separately as Maintenance Support Performance Reviews (MSPRs) or rolled-up into the CSPR. For larger-scale contracts, two levels of review can be achieved if the CSPR acts as a higher-level review to the MSPR.

For contracts where the on-going co-ordination of Maintenance activities between the Commonwealth and Contractor is required, regular (eg, weekly, fortnightly) Maintenance Progress Reviews may be added using clause 6.3.2.

Drafters need to determine the appropriate level of review activity for Maintenance Support. If the MSPRs are always to be rolled-up into the CSPRs, then Option A should be included and Option B deleted. If separate MSPRs are required, then Option B should be included and the review frequency inserted. Clause 3.4 requires Periodic Performance Reviews to be combined if scheduled for the same month, unless otherwise determined by the Commonwealth Representative. Hence, two levels of review can be implemented if the MSPR clause (Option B) is included and direction is given to keep these reviews separate to the CSPR, with the CSPR acting as a higher-level review of Maintenance and other Services.

Depending on the planning option selected under clause 6.1, drafters should insert the applicable plans where indicated.

Related Clauses: SOW clause 3.4, Support Services Communication Strategy

SOW clause 3.4.2, Combined Services Performance Reviews

SOW clause 6.2.1, Maintenance Support Summary Reports

Optional Clauses: Nil

6.3.2 Maintenance Progress Reviews

Status: Optional (used when regular, on-going Maintenance meetings are required)

Purpose: To define the requirements for regular Maintenance-related review meetings, particularly to monitor the provision of broadly scoped Maintenance Services and to co-ordinate Maintenance activities between the parties.

Policy: Nil

Guidance: Maintenance Progress Reviews are held on a regular basis (eg, fortnightly or monthly) to review the on-going provision of Maintenance Services and provide a

regular forum for planning and scheduling work. These reviews provide the means to discuss the Maintenance Progress Reports, if included in SOW clause 6.2.2, and provide insight into day-to-day Maintenance activities, particularly where coordination with Maintenance activities performed by Defence units is essential.

These reviews are applicable to larger and more active Maintenance contracts that span levels and types of Maintenance (eg, whole of ship or aircraft Maintenance) or where Maintenance is conducted at numerous locations that are remote to the Commonwealth Representative. If Resident Personnel are included, then there may be no need for these reviews. Drafters should be aware that ad hoc meetings (refer SOW clause 3.4.3) can be used to cover intermittent issues if they arise, but these should not be used for regular coordination meetings (being S&Q Services).

If the drafter determines that this review is not required, then the optional Maintenance Progress Review clauses below should not be transferred to the draft SOW, and the existing statement 'Not used' should be retained.

If the drafter determines that a second level of review is required (ie, Maintenance Progress Reviews), then the drafter must copy the optional clauses below to the SOW and tailor accordingly.

Related Clauses: SOW clause 3.4.3, Ad Hoc Meetings

SOW clause 6.3.1, Maintenance Support Performance Reviews

SOW clause 6.2.2, Maintenance Progress Reports

Optional Clauses:

Note to drafters: Insert the frequency of Maintenance Progress Reviews in the clause below.

The Contractor shall convene with the Commonwealth Representative for Maintenance Progress Review meetings every [...INSERT PERIOD IN WORD AND (NUMBER), E.G., ONE(1), THREE(3) AND MONTHS / WEEKS...].

The Contractor shall hold Maintenance Progress Review meetings in accordance with the Approved MMP.

Maintenance Progress Review meetings shall:

- a. discuss the Contractor's performance of Maintenance activities, drawing information from the preceding Maintenance Progress Reports;
- b. identify and determine actions arising from the Contractor's performance of activities in the previous period; and
- c. identify and determine actions for near-term Maintenance and related engineering and supply activities, including coordination with Commonwealth performed Maintenance activities, if applicable.

Review meetings shall be held at the Contractor's Australian facility, and shall be chaired by the Commonwealth Representative.

6.4 Maintenance Organisation and System Compliance

Status: Optional (must be included if ADF regulatory / assurance framework requirements apply to the provision of Maintenance Services)

Purpose: To define the regulatory / assurance requirements associated with providing Maintenance Services.

Policy: AAP 8000.011, *Defence Aviation Safety Regulations*
ANP 3411-0101, *Naval Materiel Assurance Publication*
TRAMM-L or LMSM

DEFLOGMAN Part 2 Volume 10, *Defence Explosive Ordnance Manual*

Guidance: If the Contractor, as an organisation providing Maintenance Services, will be subject to ADF regulatory / assurance framework requirements (eg, for seaworthiness, land

materiel technical integrity / mission-worthiness, airworthiness or otherwise), then this clause should be included and further developed.

For advice specific to requirements in each environment, drafters should contact the applicable regulator / assurance authority:

- Defence Aviation Safety Authority (DASA) (Aerospace)
- Director Technical Regulation - Army (DTR-A) (Land)
- Navy Materiel Seaworthiness Assurance Agency (NMSwAA) (Maritime)
- Directorate of Ordnance Safety (DOS) (Explosive Ordnance)

If an ADF regulatory / assurance framework does not apply to the Maintenance Services, then clauses under clause 6.4 can be replaced with a single 'Not used'.

If ADF regulatory / assurance framework requirements do apply to Maintenance Services, drafters should seek advice from the relevant authorities above to ensure that the Contract can be drafted with the most up-to-date requirements.

For land and maritime systems, the Contractor may not have to be accredited or authorised by the ADF regulatory / assurance framework authority, but may be subject to compliance audit or other assurance activities by the Defence engineering / maintenance organisation. The extent of compliance assessment may change in relation to safety critical nature of the Products Being Supported.

For aerospace systems, a Contractor will usually need to apply for Maintenance Organisation Approval. The extent and nature of this approval varies depending on whether the Contract covers aircraft, aircraft components or 'appliances' (refer DASR 145). In each case, there is generally a need to review Contractor plans, such as the MMP, review the QMS, and to conduct an audit or some other compliance assurance activity.

Clause 6.4 requires the drafter to identify the ADF regulatory / assurance framework policy documents that apply to the required Maintenance Services. The list of 'regulations / document sections' should be specific to the Contract rather than referring to a whole publication / manual, which would include functions that do not apply to the required Maintenance Services. Note that the list under clause 6.4.1 is referenced from Maintenance Services DSDs and DIDs.

The optional clauses allow the Commonwealth to have the Contractor deliver an application for their Maintenance organisation to be approved or accredited by the Defence engineering / maintenance organisation for the Materiel System or the ADF regulatory / assurance authority, depending on the situation. DID-MNT-AMOA defines the requirements for an Application for Maintenance Organisation Approval (meaning 'approval' of the organisation in 'recognition of compliance', which is different to the normal meaning of 'Approval' under the Contract). The DID is divided into sections for aerospace, land, and maritime systems. Additional information requirements (eg, specific to EO) need to be added to the DID or sought separately

Drafters should also consider COC clause 1.5, Operative Date, and the need for the Application for Maintenance Organisation Approval to be submitted, and for the a Contractor's Maintenance organisation and systems / processes to be assessed for compliance against the applicable regulatory / assurance regime, prior to OD or otherwise the commencement of Maintenance Services. Note that by using the OD clause, contract termination could be initiated if the Contractor failed to show compliance with the applicable ADF regulatory / assurance framework by the OD. This compliance assessment was one of the original reasons for the OD.

In developing this clause, drafters should also consider the relationship with SOW clause 11, Quality Management. The Contractor's QMS will define organisational processes and clauses 11.3 and 11.4 deal with Product non-conformances.

Related Clauses: DID-MNT-MMP, which specifies requirements for the MMP.

DID-ENG-AMOA, Application for Maintenance Organisation Approval

COC clause 1.5, Operative Date

SOW clause 5.4, Engineering Organisation and System Compliance

SOW clause 11, QUALITY MANAGEMENT

DSD-MNT-MGT, Generic Requirements for the Management of Maintenance Services

Optional Clauses: Nil

6.5 Maintenance Services

Status: Core (if Maintenance Support is required)

Purpose: To define the required Maintenance Services

Policy: Nil

Guidance: Drafters should be aware that DSDs are often inter-related and the selection and creation of DSDs should consider these inter-relationships.

Drafters must tailor the subclauses to clause 6.5 for each group of Maintenance Services to be included in the Contract, as described in a separate DSD and listed in the CSRL, SOW Annex B. Details are given below for the draft DSDs included in the *ASDEFCON (Support)* templates.

Management of Maintenance Services. DSD-MNT-MGT contains the generic Maintenance management functions to be performed for all Maintenance of military-type equipment (as opposed to commercially oriented ICT Systems that are managed using different systems and tools). This clause and the CSRL entry for this DSD are required whenever Maintenance Services for military 'materiel' is required. The DSD should, once selected, be tailored to the requirements of the individual program. Logically, if this DSD is selected, then at least one other DSD for Maintenance Support must be included (eg, DSD-MNT-SERV, Routine Maintenance Services).

For non-military-specific systems, such as ICT Systems and other systems that are not subject to the rigour of Configuration Control placed on military equipment, DSD-MNT-MGT may not be required. Drafters should refer to the guidance in section 1 of DSD-MNT-MGT for further information.

If the Contractor does not require this style of Maintenance-management Services, then the SOW clause and CSRL entry should be deleted.

Routine Maintenance Services. DSD-MNT-SERV is intended for use when Maintenance of military systems (ie, usually excluding administrative and non-deployable ICT systems) is required under the Contract. In these circumstances, the SOW clause and CSRL entry related to DSD-MNT-SERV will be required. The DSD should, once selected, be tailored cognisant of the overarching management requirements in DSD-MNT-MGT that manage the Services provided through DSD-MNT-SERV. Drafters should refer to the guidance in section 1 of DSD-MNT-SERV for further information.

If these routine Maintenance Services are not required under the Contract, then the SOW clause and CSRL entry should be deleted.

Systems Administration Services. DSD-MNT-SA is intended for the systems administration of ICT Systems where 'Maintenance' is conducted quite differently to the Maintenance of military materiel. Activities include network administration, user account management and system security functions. If required, the DSD should be reviewed and edited for the individual program. Drafters should refer to the guidance in section 1 of DSD-MNT-SA for further information.

Depending on the scope of Services, DSD-MNT-SA may be used in conjunction with DSD-OPS-HLPDSK and/or DSD-ENG-SW. Refer to Figure 2 and the guidance for SOW clause 4.4 for an explanation of how a service request from a user can progress to a systems administration action and to a Software change. Note also that some clauses from DSD-ENG-SW could be relocated into DSD-MNT-SA if that better suits the Commonwealth's preference for defining Services.

If systems administration Services are not required, then the SOW clause and CSRL entry should be deleted.

General. Drafters need to add a subclause to clause 6.5 for each additional group of Maintenance Services to be added to the Contract, as described by a DSD and listed in the CSRL. Each additional subclause should be in the form of the optional clause below.

Related Clauses:

SOW clause 5, Engineering Support, particularly with reference to ADF Regulatory / Assurance Framework requirements.

The incorporation of Modifications and Technical Instructions may depend on the clauses for (engineering/software) change proposals in DSD-ENG-SERV and DSD-ENG-SW.

SOW clause 7, for Supply Support functions related to the conduct of Maintenance.

SOW clause 9.3, for S&TE support.

SOW clause 9.4, for Training Equipment support.

SOW clause 9.6, for Facilities and Contractor Maintained Licensed Fittings.

SOW Annex A, List of Products Being Supported

SOW Annex B, CSRL 'MNT' entries.

SOW Annex C, CDRL 'MNT' entries and associated DIDs.

SOW Annex D, List of Referenced Manuals (for applicable Maintenance manuals or series of manuals).

DSD-MNT-MGT, Generic Requirements for the Management of Maintenance Services

DSD-MNT-SERV, Routine Maintenance Services

DSD-MNT-SA, Systems Administration Services

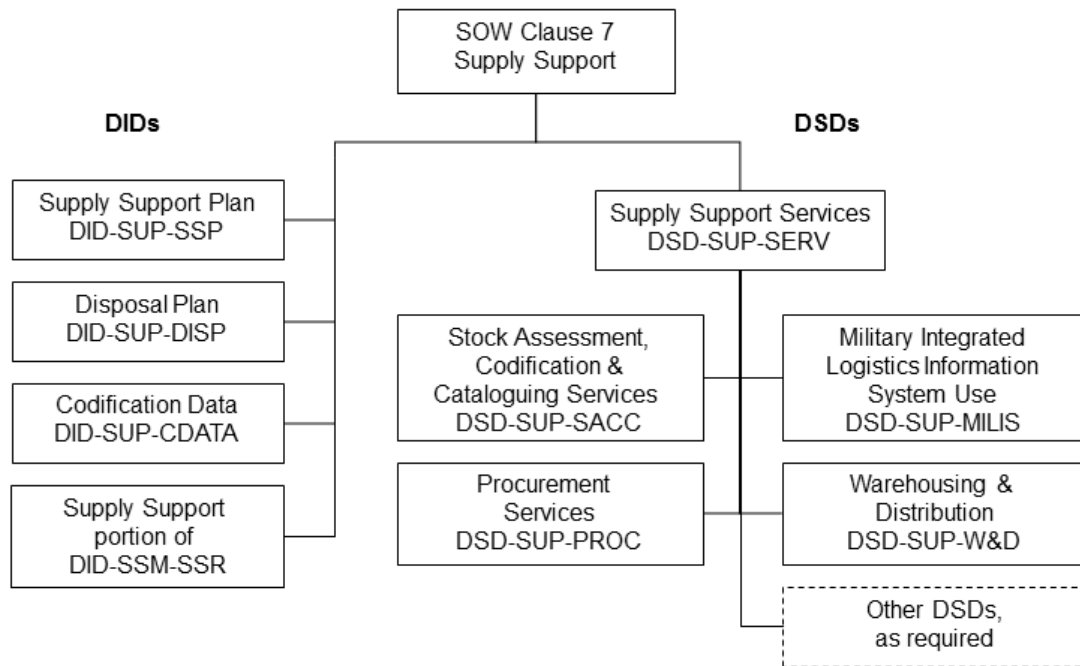
DID-MNT-MMP, Maintenance Management Plan

Optional Clauses:

The Contractor shall provide [...INSERT SUMMARY DESCRIPTION OF THE REQUIRED MAINTENANCE SERVICES...] Services in accordance with CSRL Line Number MNT-[...INSERT CSRL NUMBER...].

7. SUPPLY SUPPORT

<u>Status:</u>	Optional. Included if Supply Services are to be provided under the Contract.
<u>Purpose:</u>	To define the requirements for the provision of Supply Services through this clause and the associated DSDs.
<u>Policy:</u>	<p>Electronic Supply Chain Manual (ESCM)</p> <p>DEFLOGMAN Part 2 Volume 5 Chapter 2, <i>Logistics Management of Defence Materiel</i></p> <p>DEFLOGMAN Part 2 Volume 5 Chapter 3, <i>Australian Defence Force Requirements Determination and Management of Reserve Stocks</i></p> <p>DEFLOGMAN Part 2 Volume 5 Chapter 4, <i>Defence Procurement Routing Rules in support of the MILIS</i></p> <p>DEFLOGMAN Part 2 Volume 5 Chapter 5, <i>Item Identification and Recording of Defence Logistics Assets in support of the MILIS</i></p> <p>DEFLOGMAN Part 2 Volume 5 Chapter 6, <i>Defence Materiel Entitlements</i></p> <p>DEFLOGMAN Part 2 Volume 5 Chapter 7, <i>Defence Policy on Obsolescence Management</i></p> <p>DEFLOGMAN Part 2 Volume 5 Chapter 10, <i>Defence Disposal Policy</i></p> <p>DEFLOGMAN Part 2 Volume 5 Chapter 14, <i>Supply Aspects of Contractor Owned Spares</i></p> <p>DEFLOGMAN Part 2 Volume 5 Chapter 17, <i>Stocktaking of Defence Assets held by Contractors</i></p> <p>DEFLOGMAN Part 2 Volume 5 Chapter 20, <i>Stock Location Policy to support the JLC Storage and Distribution Network</i></p> <p>DEFLOGMAN Part 2 Volume 8, <i>Logistics Support to Operations and Exercise Manual</i></p>
<u>Guidance:</u>	<p>This clause should be included if the Contract requires the provision of Supply Services. Some support contracts exclude Supply Support, such as those exclusively for Engineering or Training Services, or for Maintenance Services where there are no Supply Services provided direct to Defence personnel (ie, Supply activities are only internal enabling functions for Maintenance Support).</p> <p>If the Contract does not require the provision of Supply Services, then the heading should be retained, but the words 'Not used' should be inserted in brackets at the end (eg, 'Supply Support (Not used)'). All of the lower-level clauses under clause 7 should then be deleted.</p> <p>Supply Support is governed by a significant number of policies and manuals, as listed above. While the development of the <i>ASDEFCON (Support)</i> templates accords with these policies, they are subject to change over time. Drafters, therefore, need to confirm that draft SOW is consistent with the latest policies. Drafters should also be aware that the <i>ASDEFCON (Support)</i> template had to be inconsistent with some identified policies. For example, some Supply-related terminology is inconsistent because the terminology used in policy is intended for Defence personnel only, and had to be adapted for use in a contract and, as a result, alternative terms were used.</p> <p>The following diagram shows the general structure of SOW clause 7 and its associated DSDs and DIDs.</p>



Supply Support SOW Structure

Related Clauses: Operating Support (clause 4).

Engineering Support (clause 5), particularly with respect to activities supporting new items introduced under modifications and determination of authority to fit substitute items of Supply.

Maintenance Support (clause 6), for the provision of items used in Maintenance and specifically linked clauses related to items beyond physical or economic repair.

Support Resources (clause 9).

7.1 Supply Support Management Planning

Status: Core (if Supply Support is required)

Purpose: To identify the requirements for the Supply Support planning document.

Policy: Nil

Guidance: The drafter needs to determine if Supply Support planning can be included in the SSMP or if a stand-alone Supply Support Plan (SSP) is required. This decision depends on the range of Services and the workload, and the need to manage Supply Support functions separate from other support functions. Drafters should refer to the guidance for SOW clauses 3.2 and 3.2.1 regarding the 'roll-up' of management plans.

If the scope of Supply Support is limited, then including Supply Support planning within the SSMP should be sufficient. A stand-alone SSP will often be preferable for a larger Contract spanning a range of Supply Support activities in various locations, and including Engineering, Maintenance and/or Training Services where individual plans for each SSCC become more efficient and practical.

Having determined whether a stand-alone SSP is required, Option A or B should be chosen, and the selected plan inserted into the subsequent clauses.

DID-SSM-SSMP identifies the need to address Supply Support within the SSMP if Supply Support is required by the Contract. If the SOW requires a separate SSP, then the SSMP should include a summary and reference the SSP; otherwise, DID-SSM-SSMP defines generic requirements to be addressed in the SSMP. By default, the DID does not require tailoring; however, if more specific Supply planning is needed, then DID-SSM-SSMP will need to be tailored.

Related Clauses: DID-SUP-SSP defines the requirements for the SSP.

DID-SSM-SSMP defines requirements for an SSMP, including Supply Support management when a stand-alone SSP is not required.

CDRL Line Number SUP-100.

Optional Clauses: Nil

7.2 Supply Support Reporting

Status: Core (if Supply Support is required)

Purpose: To define the requirements for reporting the performance of Supply Services.

Policy: Nil

Guidance: Supply Support reporting is included as a sub-report for the CSSR. This report may be delivered separately from the rest of the CSSR, if required, by tailoring the CDRL. This report would typically be delivered in preparation for a CSPR or a Supply Support Performance Review (SSPR), as requested by clause 7.3. The report considers the Contractor's performance in providing Supply Services against the requirements of the Contract.

Reports and reviews do not need to be coordinated on a one-for-one basis (eg, the Supply Support component of the CSSR may be scheduled for delivery every six months, with every second report scheduled before an annual SSPR or CSPR). The frequency for delivery of the reports needs to be determined for the level of Supply Support activity expected and the visibility required for the Contract.

Refer to the guidance for SOW clause 3.4 about rolling-up reports and reviews as part of the communications strategy.

Drafters do not need to change SOW clause 7.2, but should review and tailor the CDRL for the CSSR (MGT-350) to schedule separate delivery of the Supply Support component of the CSSR or only deliver it as part of a combined CSSR.

Related Clauses: DID-SSM-CSSR defines the requirements for a CSSR including the Supply Support sub-report.

SOW clause 7.3, Supply Support Reviews

SOW clause 3.4.1, Status Review and Reporting, in relation to the CSSR.

CDRL Line Number MGT-350 Ref g, for the separate delivery of the Supply Support portion of the CSSR, if required.

Optional Clauses: Nil

7.3 Supply Support Reviews

Status: Core (if Supply Support is required)

Purpose: To define the requirements for the review of Supply Services.

Policy: Nil

Guidance: The review of Supply Support may be scheduled separately as Supply Support Performance Reviews (SSPRs) or rolled up into the CSPR. For larger-scale contracts, two levels of review can be achieved if the CSPR acts as a higher-level review to the SSPR.

Drafters need to determine the appropriate level of review activity for Supply Support. If the SSPRs are always to be rolled up into the CSPRs, then Option A should be included and Option B deleted. If separate SSPRs are required, then Option B should be included and the review frequency inserted. Clause 3.4 requires Periodic Performance Reviews to be combined if scheduled for the same month, unless otherwise determined by the Commonwealth Representative. Hence, two levels of review can be implemented if the SSPR clause (Option B) is included and direction is given to keep these reviews separate to the CSPR, with the CSPR acting as a higher-level review of Supply and other Services.

Depending on the planning option selected under clause 7.1, drafters should insert the applicable plans where indicated.

Related Clauses: SOW clause 3.4, Support Services Communication Strategy
SOW clause 3.4.2, Combined Services Performance Reviews
SOW clause 7.2, Supply Support Reporting

Optional Clauses: Nil

7.4 Supply Services

Status: Core (if Supply Support is required)

Purpose: To define the required Supply Services.

Policy: Nil

Guidance: Drafters should be aware that DSDs are often inter-related and the selection and creation DSDs should consider these inter-relationships.

Drafters must tailor the subclauses to clause 7.4 for each group of Supply Services to be included in the Contract, as described in a separate DSD and listed in the CSRL, SOW Annex B. Details are given below for the draft DSDs included in the *ASDEFCON (Support)* templates.

Routine Supply Services. The Supply Support DSDs are structured to allow Supply Services to be scaled. DSD-SUP-SERV is a 'head' DSD, and Services can be expanded with the four subordinate DSDs. DSD-SUP-SERV contains generic Supply Support functions performed for most Contracts requiring Supply Support. For smaller contracts, the subordinate DSDs may not be necessary because DSD-SUP-SERV includes sufficient scope to cover the more common functions.

DSD-SUP-SERV also contains clauses for maintaining Reserve Stockholding Levels (RSLs) and managing Obsolescence. Drafters should refer to the guidance in section 1 of DSD-SUP-SERV for further information.

The clause for routine Supply Services and the associated DSD and CSRL entry are required in any contract that includes Supply Support, SOW clause 7.

Stock Assessment, Codification and Cataloguing Services. DSD-SUP-SACC is intended for use if the Contractor will be responsible for determining stock holding levels (using reliability-based predictive modelling instead of historical usage), and/or conducting Codification and Cataloguing items in MILIS. Services in DSD-SUP-SACC apply primarily to new or modified items. Drafters should refer to the guidance in section 1 of DSD-SUP-SACC for further information. If these Services are not required under the Contract, then the SOW clause and CSRL entry should be deleted.

Military Integrated Logistics Information System (MILIS) Use. DSD-SUP-MILIS defines the requirements for Contractor use of the MILIS. Drafters should refer to the guidance in section 1 of DSD-SUP-MILIS for further information. If these Services are not required under the Contract, then the SOW clause and CSRL entry should be deleted.

Procurement Services. DSD-SUP-PROC enables the Commonwealth to task the Contractor to buy Stock Items for delivery to Defence, including both higher-value Non-RIs and RIs, in addition to routine MILIS processes for procurements (ie, using established supply contracts). Drafters should refer to the guidance in section 1 of DSD-SUP-PROC for further information. If these Services are not required under the Contract, then the SOW clause and CSRL entry should be deleted.

Warehousing and Distribution Services. DSD-SUP-W&D is for use when the Commonwealth has specific warehousing and distribution needs, such as maintaining a warehouse accessible by Commonwealth staff, the preparation and recovery of items from long-term storage, environmentally controlled storage, and specific distribution requirements. Drafters should refer to the guidance in section 1 of DSD-SUP-W&D for further information. If these Services are not required under the Contract, then the SOW clause and CSRL entry should be deleted.

Drafters must add a subclause to clause 7.4 for each additional group of Supply Services described by a separate DSD and listed in the CSRL. Each additional subclause should be in the form of the optional clause shown below.

Related Clauses: SOW clause 3.11.6, Assurance and Stocktaking of Contractor Managed Commonwealth Assets

SOW Annex A, List of Products Being Supported (for RSLs and Items that the Contractor may be required to procure to deliver to the Commonwealth, as applicable).

SOW Annex B, CSRL 'SUP' entries.

DSD-SUP-SERV, Routine Supply Services

DSD-SUP-SACC, Stock Assessment, Codification and Cataloguing

DSD-SUP-MILIS, Military Integrated Logistics Information System Use

DSD-SUP-PROC, Procurement Services

DSD-SUP-W&D, Warehousing and Distribution Services

DID-SUP-SSP, Supply Support Plan

DID-ILS-TDATA-CDATA, Codification Data (from *ASDEFCON (Strategic Materiel)*)

SOW clause 9.2 Technical Data

SOW clause 9.5, Packaging

Optional Clauses:

The Contractor shall provide [...INSERT SUMMARY DESCRIPTION OF THE REQUIRED SUPPLY SERVICES...] Services in accordance with CSRL Line Number SUP-[...INSERT CSRL NUMBER...].

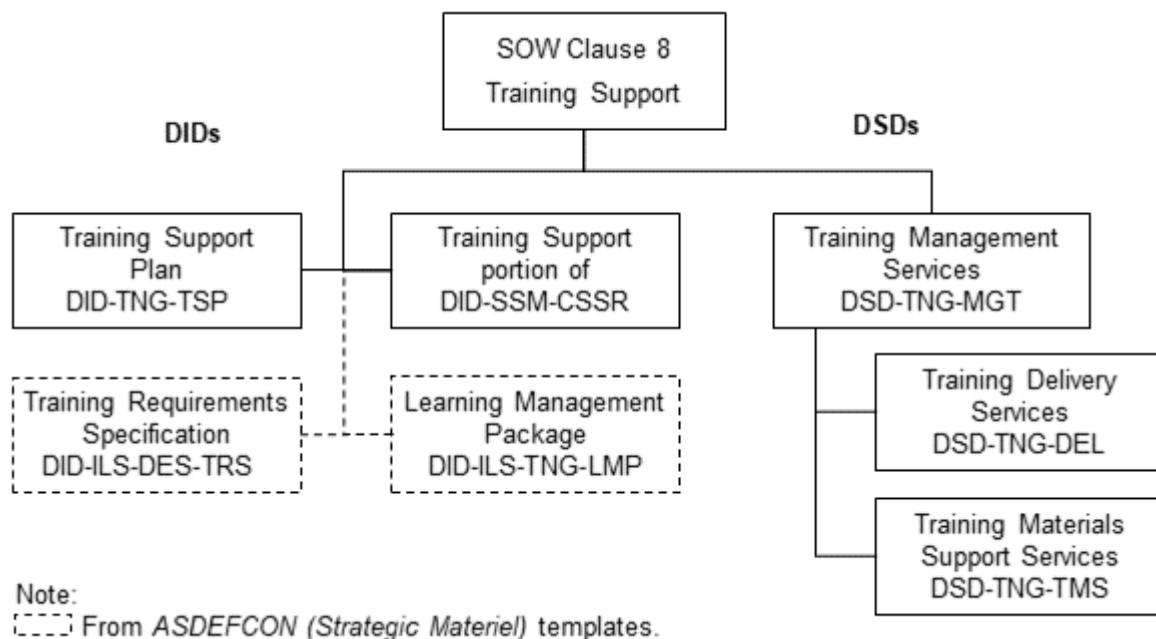
8. TRAINING SUPPORT

- Status:** Optional. Included if Training Services are to be provided under the Contract.
- Purpose:** To define the requirements for the provision of Training Services and related work
- Policy:** DI(G) PERS 05-36, *Implementation of the Defence Training Model in Defence Vocational Education and Training*
Defence Learning Manual chapter 4: the *Systems Approach to Defence Learning Practitioners' Guide* (SADL)
Standards for Training Packages, National Skills Standards Council
Standards for VET Accredited Courses 2012, Australian Skills Quality Authority
 Refer also to single Service Training manuals.
- Guidance:** This clause should be included if the Contract requires the provision of Training Services to Commonwealth Personnel, in relation to the Materiel System. This can include a range of potential Training types including:
- Sustainment Training;
 - Conversion Training; and
 - Continuation Training.

Training Support tasks also include preparation of course materials, management of students, reporting and recording student performance, preparation of assessment materials, and the on-going maintenance of Training Materials.

The DSDs covers general requirements for managing a Training program, the delivery of classroom-type Training, and the maintenance of Training Materials. If computer-based Training or co-ordination of on-the-job training is required, the DSD will need to be expanded or DSDs specific to those requirements will need to be developed by the drafter.

The following diagram shows the general structure of SOW clause 8 and its associated DSDs and DIDs.



Training Support SOW Structure

If the Contract does not require the provision of Training Services, then the heading should be retained, but the words 'Not used' should be inserted in brackets at the

end (eg, 'Training Support (Not Used)'). All of the lower-level clauses under clause 8 should then be deleted.

Related Clauses: Clause 9.4, Training Equipment

Optional Clauses: Nil

8.1 Training Support Management Planning

Status: Core (if Training Support is required)

Purpose: To identify the requirements for the Training Support planning document.

Policy: *Defence Learning Manual*

Guidance: The drafter needs to determine if Training Support planning can be included in the SSMP, or if a stand-alone Training Support Plan (TSP) is required. This decision depends on the range of Services and the workload, and the need to manage Training Support separate from other support functions. Drafters should refer to the guidance for SOW clauses 3.2 and 3.2.1 regarding the 'roll-up' of management plans.

If the scope of Training Support is limited, then including Training planning within the SSMP should be sufficient. A stand-alone TSP will often be preferable for a larger Contract spanning a range of Training Support activities in various locations, and including Engineering, Maintenance and Supply Services where individual SSCC plans become more efficient and practical.

Having determined whether a stand-alone TSP is required, Option A or B should be chosen and the selected plan inserted into the subsequent clauses.

DID-SSM-SSMP identifies the need to address Training Support within the SSMP if Training Support is required by the Contract. If the SOW requires a separate TSP then the SSMP should include a summary and reference the SSP; otherwise, DID-SSM-SSMP defines generic requirements to be addressed in the SSMP. By default, the DID does not require tailoring; however, if more specific Training support planning is needed, then DID-SSM-SSMP will need to be tailored.

Related Clauses: DID-TNG-TSP defines the requirements for the TSP.

DID-SSM-SSMP, Support Services Management Plan

CDRL Line Number TNG-100

Optional Clauses: Nil

8.2 Training Support Reporting

Status: Core (if Training Support is required)

Purpose: To define the requirements for reporting the performance of Training Services.

Policy: Nil

Guidance: Training Support reporting is included as a sub-report for the CSSR. This report may be delivered separately from the rest of the CSSR, if required, by tailoring the CDRL. This report would typically be delivered in preparation for a CSPR or a Training Support Performance Review (TSPR), as requested by clause 8.3. The report considers the Contractor's performance in providing Training Services against the requirements of the Contract.

Reports and reviews do not need to be coordinated on a one-for-one basis (eg, the Training Support component of the CSSR may be scheduled for every six months with every second report scheduled before an annual TSPR or CSPR). The frequency for delivery of the reports needs to be determined for the level of Training Support activity expected and the visibility for the Contract.

Refer to the guidance for SOW clause 3.4 about rolling-up reports and reviews as part of the communications strategy.

Drafters do not need to change SOW clause 8.2, but should review and tailor the CDRL for the CSSR (MGT-350) to schedule separate delivery of the Training Support component of the CSSR or only deliver it as part of a combined CSSR.

Related Clauses: DID-SSM-CSSR defines the requirements for a CSSR including the Training Support sub-report.

SOW clause 8.3, Training Support Reviews

SOW clause 3.4.1, Status Review and Reporting, in relation to the CSSR.

CDRL Line Number MGT-350 Ref h, for the separate delivery of the Training Support portion of the CSSR, if required.

Optional Clauses: Nil

8.3 Training Support Reviews

Status: Core (if Training Support is required)

Purpose: To define the requirements for the review of Training Services.

Policy: Nil

Guidance: The review of Training Support may be scheduled separately as Training Support Performance Reviews (TSPRs) or rolled up into the CSPR. For larger-scale contracts, two levels of review can be achieved if the CSPR acts as a higher-level review to the TSPR.

Drafters need to determine the appropriate level of review activity for Training Support. If the TSPRs are always to be rolled up into the CSPRs, then Option A should be included and Option B deleted. If required, then Option B should be included and the review frequency inserted. Clause 3.4 requires Periodic Performance Reviews to be combined if scheduled for the same month, unless otherwise determined by the Commonwealth Representative. Hence, two levels of review can be implemented if the TSPR clause (Option B) is included and direction is given to keep these reviews separate to the CSPR, with the CSPR acting as a higher-level review of Training and other Services.

Depending on the planning option selected under clause 8.1, drafters should insert the applicable plans where indicated.

Related Clauses: SOW clause 3.4, Support Services Communication Strategy

SOW clause 3.4.2, Combined Services Performance Reviews

SOW clause 8.2, Training Support Reporting

Optional Clauses: Nil

8.4 Training Services

Status: Core (if Training Support is required)

Purpose: To define the required Training Services.

Policy: Nil

Guidance: Drafters should be aware that DSDs are often inter-related and the selection and creation of DSDs should consider these inter-relationships.

Drafters must tailor the subclauses to clause 8.4 for each group of Training Services to be included in the Contract, as described in a separate DSD and listed in the CSRL, SOW Annex B. Details are given below for the draft DSDs included in the *ASDEFCON (Support)* templates.

Training Management Services. DSD-TNG-MGT contains generic Services to be performed for all Contracts requiring the Contractor to manage some aspect of Training Support. This DSD acts as a 'head' DSD for Training Support and is usually required before other on-going Training Services are included in the Contract. Drafters should refer to the guidance in section 1 of DSD-TNG-MGT for further

information. Note that DSD-TNG-MGT includes an evaluation of Training Materials that may lead to updates using DSD-TNG-TMS or by another party.

If a Contractor is not required to manage on-going Training Services (eg, only provides Training courses on an ad hoc basis), then the clause, DSD and CSRL entry can be deleted.

Training Delivery Services. DSD-TNG-DEL identifies course details and delivery requirements, Training Equipment, Training Materials, assessments and course evaluation requirements for each Training course to be delivered. Where courses are defined by Learning Management Packages (LMPs), these may be referred to from the DSD. Drafters should refer to the guidance in section 1 of DSD-TNG-DEL for further information. If Training course delivery is not required, then the SOW clause, DSD and CSRL entry should be deleted.

Training Materials Support Services. DSD-TNG-TMS needs the drafter to identify Training courses for which maintenance of Training Materials and/or whole Learning Management Package applies (noting that Learning Management Packages should be identified as Technical Data Products in SOW Annex A). The DSD includes Services such as analysing Training program changes and updating curriculum, training design documents, and Training Materials within Learning Management Packages. Drafters should refer to DSD-TNG-TMS for further information. If these Services are not required under the Contract, then the SOW clause, DSD and CSRL entry should be deleted.

Drafters may add subclauses to draft clause 8.4 for each new group of Training Services described by a separate DSD and listed in the CSRL. Each additional subclause should be in the form of the optional clause below.

Related Clauses: SOW Annex B, CSRL 'TNG' entries.

DSD-TNG-MGT, Training Management Services

DSD-TNG-DEL, Training Delivery Services

DSD-TNG-TMS, Training Materials Support Services

DID-TNG-TSP, Training Support Plan

DID-ILS-TNG-LMP, Learning Management Package (from *ASDEFCON (Strategic Materiel)*)

DID-ILS-DEF-TRS, Training Requirements Specification (from *ASDEFCON (Strategic Materiel)*)

SOW clause 9.2, Technical Data (which includes Training Materials).

SOW clause 9.4, Training Equipment

Optional Clauses:

The Contractor shall provide [...INSERT SUMMARY DESCRIPTION OF THE REQUIRED TRAINING SERVICES...] Services in accordance with CSRL Line Number TNG-[...INSERT CSRL NUMBER...].

9. SUPPORT RESOURCES

Status: Core

Purpose: To define the responsibilities for providing Support Resources and requirements for the Contractor to maintain the Support Resources.

Policy: Nil

Guidance: Support Resources enable the provision of Management, Operating Support, Engineering, Maintenance, Supply, and Training Services to be provided. Accordingly, this clause must be included in all support contracts. Some individual clauses are optional, depending on the Support Resources required for the Services.

The term 'Support Resources' is defined in the Glossary as 'the physical products (including Spares), equipment, materials, Facilities, Technical Data, Personnel, and any other physical resources required to operate and support all or a particular part of the Mission System as the case requires'.

Drafters should note that a difference exists between:

- a. using Support Resources to provide a Service; and
- b. Support Resources being themselves serviced.

The following table illustrates this difference.

	Providing Services	Being Serviced
Government Furnished Material (GFI, GFD, GFE)	An item of GFM being used by the Contractor to provide a Service to the Commonwealth in accordance with the Contract. These items appear in Attachment E.	An item of GFM being serviced by the Contractor in accordance with the Contract. These items will also appear in Annex A to the SOW (List of Products Being Supported).
Contractor Furnished Material	An item of CFM being used by the Contractor to provide a Service to the Commonwealth in accordance with the Contract.	An item of CFM being serviced by the Contractor in accordance with the Contract. These items may appear in Annex A to the SOW (List of Products Being Supported) if significant enough to the Commonwealth.
Other Commonwealth Owned		A Commonwealth-owned Product, that is not GFM, being serviced by the Contractor in accordance with the Contract. These items will appear in Annex A to the SOW (List of Products Being Supported).

Note that this matrix is equally applicable to the Support Resources of Technical Data (GFI, GFD), S&TE (GFE) and Training Equipment (GFE).

Note that GFM and many 'Other Commonwealth Owned' items are also classified as CMCA.

Service Provision/Use of Support Resources

Related Clauses: SOW clauses 3 through 8 and associated DSDs.

Optional Clauses: Nil

9.1 Personnel

9.1.1 Personnel (General)

Status: Core

Purpose: This clause recognises the Contractor's responsibility in providing the appropriate Personnel to perform the Services.

Policy: Nil

Guidance: Unless explicitly mentioned elsewhere in the Contract, the Contractor is responsible for the training, qualifications, security clearance applications, etc, of their staff. This clause recognises that work effort is associated with these human resource management tasks and, if the SOW is used as the basis of the Contract WBS,

provides a WBS element against which a cost may be assigned, instead of assigning these costs as overheads or costs hidden elsewhere in the Contract.

Related Clauses: COC clause 3.12, Key Persons

Optional Clauses: Nil

9.1.2 Key Persons Management

Status: Core

Purpose: To obligate the Contractor to identify Key Staff Positions, to fill these positions with suitable Key Persons.

Policy: Nil

Guidance: Drafters should understand how the 'Key Persons' clause in the COC interacts with this SOW clause.

Clause 9.1.2 of the SOW requires the establishment of Key Staff Positions to be filled by Key Persons. Key Staff Positions and the Key Persons filling them are detailed in the Approved SSMP. Clause 3.12 of the COC sets out a process for when a Key Person becomes unavailable. The COC clause also allows the Commonwealth to direct that any person be removed (eg, due to security breach).

Key Staff Positions

Key Staff Positions may include positions assigned engineering authority, lead software managers, and explosives / weapons-trained staff and any specialist trade skill that may be unique to the equipment. For example, a Key Staff Position identified in the SSMP may be 'Senior Contracts Officer', required to have 'a Bachelor of Law (Commerce) with 10 years of relevant experience'. Subject to the Commonwealth's satisfaction, anyone possessing relevant qualifications and experience may fill that Key Staff Position. General requirements for personnel, such as holding a security clearance, would also apply.

Key Staff Positions and Key Person requirements are to be flowed down to Approved Subcontractors who will fill Key Staff Positions and whose employees will named as Key Persons (if any).

In relation to clause 9.1.2, tenderers identify in response to TDR E-4 the positions that would be Key Staff Positions, to be filled by themselves or a Subcontractor. If an optional requirement in TDR E-4 is selected, tenderers may need to name individuals who could fill Key Staff Positions (noting that this may be impractical if there is a lengthy period between the tender and Contract work commencing).

If specific skills are difficult to obtain, if only a few people possess the specialised knowledge, or if Defence plans to sponsor individuals to attend overseas training courses to acquire the required skills, then drafters may wish to add a clause to TDR E-4 nominating particular Key Staff Positions to be addressed by tenderers.

Related Clauses: COC clause 3.12, Key Persons

DID-SSM-SSMP includes planning requirements for Key Persons.

DID-ENG-CEMP and DID-MNT-MMP specify requirements for Engineering and Maintenance plans to identify Key Staff Positions and the Key Persons.

TDR E-4 of the COT, Key Staff Positions

Optional Clauses: Nil

9.2 Technical Data

Status: Core

Purpose: To specify the work to be performed by the Contractor to manage the Technical Data supported by, or otherwise used for, purposes of the Contract.

Policy: DEFLOGMAN Part 2 Volume 10 Chapter 5, *Acquisition and Management of Technical Data*

Guidance: Technical Data is required for all support contracts. Drafters will usually need to include a number of the optional clauses under SOW clause 9.2.

The management of Technical Data (including electronic and physical publications) must consider the rights to use and distribute that Technical Data. Accordingly, COC clause 5 plays an important role in Technical Data Management, and it should be reviewed when tailoring SOW clause 9.2. Drafters should also note the need to identify restrictions on Technical Data rights for GFD / GFI when preparing tender requirements.

Before tailoring clause 9.2, drafters should consider the sources of new Technical Data, potential changes to Technical Data, what impact these may have on the Contract, and what requirements can be included into this clause or managed using plans. An example of both new and changed Technical Data is if the Contractor provides Engineering Services, including hardware modifications and Software changes, which require updates to engineering drawings, Software documentation, and Maintenance and/or operator manuals. Maintenance and Supply management systems also generate significant amounts of Technical Data (eg, Maintenance records, supplies demands, receipts, etc) as an output of routine work. The DMS (SOW clause 2.3) should be considered as a mechanism for providing the Commonwealth with access to Contractor-sourced Technical Data, when suitable.

Some aspects of the management of Technical Data are included in DSDs. As examples, Configuration Management data is addressed in DSD-ENG-CM, and Training Materials are updated under DSD-TNG-TMS. Some DSDs require information management system that hold considerable amounts of Technical Data. The drafter needs to be cognisant of these other clauses when tailoring this clause.

Technical Data clauses do not explicitly separate interactive electronic technical manuals from hard copy manuals.

Section 6 of SOW Annex A identifies the Technical Data that the Contractor is required to support as a Service; however, Technical Data is listed in a number of places in the template, including:

- a. Attachment E, 'Government Furnished Material and Government Furnished Services', which identifies GFI and GFD;
- b. Attachment M, 'Glossary', which identifies the Referenced Documents (eg, standards) called up throughout the Contract;
- c. SOW Annex A, 'List of Products Being Supported', can identify the manuals that pertain to the materiel Products Being Supported (or to cross-reference SOW Annex D), as well as the specific Technical Data to be supported by the Contractor at Section 6 of SOW Annex A; and
- d. SOW Annex D, 'List of Referenced Manuals', can be used to list referenced manuals used to support the Products listed in Annex A to the SOW.

Each of these parts of the template have a particular purpose, which may result in individual items of Technical Data being identified in multiple locations (eg, a Commonwealth-provided RI Maintenance manual (GFI or GFD) that the Contractor is required to support, could be identified in Attachment E, SOW Annex A Section 6, and SOW Annex D). Drafters should ensure that each item (or group of items) of Technical Data is identified in each applicable part of the template.

Related Clauses: COC clause 5, Technical Data, Software and Contract Material

Attachment E, Government Furnished Material and Government Furnished Services

SOW clause 2.3, Data Management System

SOW clause 3.13, Technical Data and Software Rights Management

SOW Annex A Section 6, Technical Data

SOW Annex D, List of Referenced Manuals

Optional Clauses: Nil

9.2.1 Technical Data Management Plan

<u>Status:</u>	Core
<u>Purpose:</u>	To require the Contractor to plan for and to manage Technical Data used, modified and created under the Contract.
<u>Policy:</u>	Nil
<u>Guidance:</u>	<p>Planning for Technical Data management is core, however, clause 9.2.1 provides two core options: (Option A) a standalone Technical Data Management Plan (TDMP), or (Option B) to address Technical Data management within the SSMP.</p> <p>Asking the Contractor to prepare and maintain a TDMP, separate to the SSMP, is not necessary for many support contracts (noting that document configuration control is also addressed in the CMP). Management of Technical Data may be included in the SSMP if the on-going task involves minimal change or creation of new Technical Data. However, if the Contract requires a broad scope and large amount of Technical Data, subject to numerous changes, then drafters should consider a separate TDMP.</p> <p>After selecting an option for the governing plan (SSMP or TDMP), drafters need to insert the name of that plan into clause 9.2.1.3, where indicated. If there is no ADF regulatory / assurance framework applying to engineering and/or maintenance activities, then clause 9.2.1.3 should be tailored accordingly.</p>
<u>Related Clauses:</u>	<p>COC clause 5, Technical Data, Software and Contract Material</p> <p>All other sub-clauses in SOW clause 9.2.</p> <p>DID-TDATA-TDMP defines requirements for a TDMP.</p> <p>DID-SSM-SSMP defines requirements for a SSMP, including Technical Data management.</p>

Optional Clauses: Nil

9.2.2 Technical Data List

<u>Status:</u>	Core
<u>Purpose:</u>	To require the Contractor to prepare and maintain a Technical Data List (TDL).
<u>Policy:</u>	Nil
<u>Guidance:</u>	<p>The TDL identifies Technical Data used and/or generated by the Contractor and Approved Subcontractors during the Contract. The TDL documents the version and source of Technical Data, standards, formats, delivery details, and more.</p> <p>The TDL is also used to identify restrictions on rights to use Technical Data (eg, IP licences) and other Authorisations (eg, Export Approvals), by referencing Attachment E for GFM, Attachment G, the TDSR Schedule, and Attachment S, Products Being Supported Restrictions Schedule.</p> <p>Management of the TDL is to be described in the TDMP and SSMP (as per clause 9.2.1). The TDL and this clause are core, due to the need to track Technical Data rights and Authorisations, and for the use and sublicensing of Technical Data.</p> <p>The TDL should be updated following the development of new or modified Technical Data; this is included within DSD-ENG-SERV and should be identified in the scope of each ECP. DSD-SSM-S&Q, which applies to all S&Q work (including ECPs), includes a requirement to identify deliverable Technical Data. Updates to the TDL should capture changes to Technical Data (ie, by version or amendment number), including due to an ECP and other S&Q work. Some changes to the TDL may also require changes to the TDSR Schedule.</p> <p>Drafters should note that the TDL for a Contract (Acquisition) and the TDL for a Contract (Support) have different purposes. The acquisition TDL (part of a 'Master Technical Data List') identifies all Technical Data for the in-service / sustainment phase, including that used by Commonwealth and all support contractors (eg, various components may be supported under separate contracts). Under linked</p>

acquisition and support contracts, the Contract (Support) TDL uses a substantial amount of information from the Contract (Acquisition) TDL.

Clause 9.2.2.1 requires the development, delivery and update of the TDL in accordance with the CDRL, which the drafter should tailor to contract needs.

Clause 9.2.2.2 requires the Contractor to deliver items of Technical Data listed on the TDL. This only applies where delivery is required 'in accordance with' the TDL. In many contracts, particularly in the early stages, much of the Technical Data listed in the TDL will be GFD and GFI, provided by the Commonwealth to the Contractor, and there may be few 'delivery' requirements.

For Technical Data created under the Contract or obtained by the Contractor for use in relation to the Contract, and which has not been identified for delivery to the Commonwealth, clause 9.2.2.3 allows the Commonwealth to view that Technical Data in order to determine if it should be delivered.

If it is determined that the Technical Data is to be delivered to the Commonwealth, the next two clauses facilitate that delivery by updating the TDL and, if applicable, the TDSR Schedule. If delivery of the Technical Data requires the Contractor to acquire additional IP licences, obtain release under an Export Approval, or similar, clause 9.2.2.4 enables this unplanned cost to be included as an S&Q Service.

There is no need for drafters to tailor clause 9.2.2; however, drafters should review and amend the delivery details for the TDL in the CDRL, if required.

Related Clauses: SOW Annex A, Section 6, Technical Data
 SOW Annex D, List of Referenced Manuals
 Attachment E, which includes the lists of GFI and GFD
 Attachment G, Technical Data and Software Rights Schedule
 Attachment M, Glossary, includes a list of Referenced Documents.
 Attachment S, Products Being Supported Restrictions Schedule
 DID-TDATA-TDL, Technical Data List
 CDRL Line SR-100 for the TDL.
 COC clause 5, Technical Data, Software and Contract Material
 SOW clause 3.13, Technical Data and Software Rights Management
 DSD-ENG-ECP, Engineering Change Proposals
 DID-SSM-S&Q, Quote for Survey and Quote Services

Optional Clauses: Nil

9.2.3 Technical Information Library

Status: Optional

Purpose: To require the Contractor to maintain an up-to-date technical information library for any policies, regulations, procedures and task descriptions required for the performance of the Contract.

Policy: Nil

Guidance: The technical information library may include a mix of GFI and GFD, plus other documents identified in the Glossary that are not GFI or GFD (eg, Australian and international standards).

This clause should be considered for use when there is a considerable amount of technical information associated with the Contract work, much of which could be provided by the Commonwealth. While the requirement to provide a technical information library may appear to be a process requirement, and unnecessary in an outcomes-based contract, the clause establishes a minimum standard to be met by the Contractor and acknowledges this as a cost component. Requiring such a library

can be beneficial in situations where it is important to know the standards and procedures in use (eg, for Products subject to a defect investigation or incident).

Drafters should note the linkage to Phase In and the Commonwealth's obligations to provide a sufficient number of copies of Commonwealth documents by OD, to establish the library, in addition to the delivery of GFI and GFD under clause 3.11.1. If there is a Ramp Up period, some documents may not need to be delivered until after OD. Attachment M includes a list of Referenced Documents and drafters should ensure that, prior to the release of the RFT, Attachment M reflects the policy, standards and similar documents referenced in the draft Contract.

Section 6 of SOW Annex A identifies items (or sets) of Technical Data as Products Being Supported by the Contractor, with Annex A clause 6.1 identifying the publications to be supported. Clause 9.2.3.4 of the SOW requires the Contractor to maintain these publications, which includes 'the incorporation of Commonwealth-issued amendments and OEM amendments that have been approved by the Commonwealth'. This last part of the clause refers to those publications for which the Commonwealth has retained publication sponsorship. Drafters should review the requirements of this clause in light of the requirements included under clause 9.2.4, Publication Update Service, and under clause 9.2.5, Publication Sponsorship.

Related Clauses: Attachment M, Glossary, Referenced Documents.

SOW Annex A, List of Products Being Supported

SOW Annex D, List of Referenced Manuals

SOW clause 2.6, Phase In

SOW clause 2.7, Ramp Up

SOW clause 9.2.4, Publication Update Service

SOW clause 9.2.5, Publication Sponsorship

Optional Clauses: Nil

9.2.4 Publication Update Service

Status: Optional

Purpose: To require the Contractor to provide an update service for the publications identified in the list of Products Being Supported.

Policy: Nil

Guidance: A Contractor may be required to provide a Service identifying and incorporating updates to publications issued by OEMs, their representatives and regulators. If this Service is required, clause 9.2.4 should be amended for the specific requirements of the Contract, including any Service-specific and/or ADF regulatory / assurance framework requirements. If this Service is not required, the subordinate clauses should be deleted and replaced with a single 'Not used'.

Unlike clause 9.2.3.4, where the Contractor is to incorporate Commonwealth-issued amendments and OEM amendments, clause 9.2.4 applies when the Contractor is preparing (ie, developing) the updates from the notices or updates provided by the OEMs, other Defence agencies, or from another authority. Once approved, these updates are incorporated.

Updates may also be issued to other parties. Typically, the SPO would be the publication sponsor, issuing the updates prepared by the Contractor. If the Contractor is to perform a publication sponsorship role, through clause 9.2.5, then additional clauses may be required to link the updates in clause 9.2.4 to the publication sponsorship in clause 9.2.5, and identify any additional work required when preparing publication updates as a sponsor. Furthermore, the delivery of publication updates in clause 9.2.4.4, may need to be expanded to include delivery to publication users in the distribution list maintained under clause 9.2.5.1.

Note: where the additional clauses for publications updates and clause 9.2.5 become significant, drafters may consider a Technical Data Services DSD.

Related Clauses: SOW clause 9.2.3, Technical Information Library
 SOW clause 9.2.5, Publication Sponsorship
 SOW Annex A Section 6, Technical Data

Optional Clauses: Nil

9.2.5 Publication Sponsorship

Status: Optional

Purpose: To require the Contractor to perform the services of a publication sponsor for those publications annotated accordingly in the list of Products Being Supported.

Policy: Nil

Guidance: In some circumstances, the Contractor may be required to act as the publication sponsor for Defence publications, which involves responsibilities such as those listed under clause 9.2.5.1. If this service is not required, then the clauses under the heading clause 9.2.5 can be deleted and replaced with a single 'Not used'.

Additional task requirements may need to be developed by the drafter, and inserted into clause 9.2.5.1, to describe any additional Contractor responsibilities as a publication sponsor. Single Service publications can provide a useful source of information for the development of additional clauses. Drafters should ensure that all publications for which the Contractor is required to be a publication sponsor are identified and annotated accordingly in Section 6 of Annex A to the SOW.

Note that if additional clauses for publication sponsorship become significant, drafters may consider compiling a Technical Data Services DSD.

Any additional clauses need to be consistent with related technical publication changes developed through ECPs as part of Engineering Support. The preceding clauses for the 'Publication Update Service' may also require amendment if the Contractor is intended to be a publication sponsor.

Related Clauses: SOW clause 9.2.3, Technical Information Library
 SOW clause 9.2.4, Publication Update Service
 SOW Annex A, Section 6, Technical Data

Optional Clauses: Nil

9.2.6 Engineering Drawings

Status: Optional

Purpose: To require the Contractor to maintain and update engineering drawings for which they have been allocated responsibility.

Policy: DEF(AUST)CMTD-5085C, *Engineering Design Data for Defence Materiel*

Guidance: This clause requires the maintenance of engineering drawings in accordance with DID-ENG-DWGS. If this service is not required, then the clauses under the heading clause 9.2.6 should be deleted and replaced with a single 'Not used'.

In DID-ENG-DWGS and, therefore, this clause, 'engineering drawings' refers to 'technical drawings' (eg, hard copy) and data sets for 3D models and computer-aided design (CAD) systems, without knowing the format of the existing drawings.

DID-ENG-DWGS requires new and updated engineering drawings to be developed in accordance with DEF(AUST)CMTD-5085C. Generally, DID-ENG-DWGS requires that updates and amendments to individual drawings and/or data sets are in or consistent with the existing formats, which are to be detailed in the Approved TDMP. DID-ENG-DWGS, which lists default formats, may be tailored to reflect Contract-specific requirements. Engineering drawing management processes should be addressed in the TDMP or CEMP, as applicable.

New and updated drawings would often be part of an S&Q Service (eg, developed from an ECP). This clause is required where, as part of Engineering Services, the Contractor holds and maintains the applicable design drawings, typically a 'drawings

set' or CAD files, identified in SOW Annex A as Products Being Supported. If newly developed engineering drawings were to be in a different format to the existing drawings / data sets, then this would be specified in the individual S&Q request.

While clause 9.2.6 is simple, and will often not require change, drafters should review the CDRL and DID-ENG-DWGS for the specific needs of the Contract,

Related Clauses: SOW clause 5, Engineering Support

SOW Annex A, Section 6, Technical Data

DID-ENG-DWGS defines requirements for drawings and data set updates.

Optional Clauses: Nil

9.2.7 Technical Data Management System

Status: Optional

Purpose: To require the Contractor to implement and maintain a management system for Technical Data.

Policy: Nil

Guidance: A Technical Data management system is used to maintain the configuration status of Contractor-managed Technical Data and, as such, there are close ties between this clause and the Configuration Status Accounting (CSA) system that would be required under clause 6.2.6 of DSD-ENG-CM (if used). In this instance, the requirements of clause 9.2.7 would simply add a number of requirements (ie, for Technical Data management) to those for the CSA system.

There are also close linkages between clause 9.2.7 and the DMS under clause 2.3; however, this clause 9.2.7 is likely to have different coverage than the DMS because it includes all Contractor-managed Technical Data (as opposed to being limited to the data made accessible to the Commonwealth via the DMS).

A Technical Data management system is optional; however, it should be considered for ASDEFCON (Support) contracts. Typically, the clause would only be omitted:

- a. for support contracts at a low level of complexity;
- b. where there was only a minimal amount of Technical Data; and/or
- c. where the management of Technical Data is suitably covered by the CSA and DMS clauses.

In deciding to include this clause, drafters should consider 9.2.7.1a and the ability to 'reconstruct the configuration status of Contractor-managed Technical Data at any given date'. This requirement is integral to Materiel Safety and may become essential when contributing factors to an accident / incident need to be investigated. This clause 9.2.7 supports clause 9.2.8, Technical Data Investigations.

Related Clauses: All other sub-clauses in SOW clause 9.2.

SOW clause 2.3, Data Management System

DSD-ENG-CM, Configuration Management

Optional Clauses: Nil

9.2.8 Technical Data Investigation

Status: Optional

Purpose: To require the Contractor to take the necessary actions in relation to Technical Data when an investigation is required, such as for an accident investigation.

Policy: Nil

Guidance: If the Products Being Supported are subject to an ADF regulatory / assurance framework it will usually be necessary to include a clause in the SOW enabling the Commonwealth to immediately quarantine all documentation, for the purposes of an accident / incident investigation by the ADF regulator / assurance authority or their

delegate. If such investigations may be required, the clause should be retained. If not required, the clause should be replaced with 'Not used'.

Related Clauses: All other sub-clauses in SOW clause 9.2.

Optional Clauses: Nil

9.2.9 Modification Orders and Technical Instructions

Status: Optional

Purpose: To require the Contractor to incorporate changes to publications, resulting from the development of Modification Orders or Technical Instructions, when authorised to do so by the Commonwealth Representative.

Policy: Nil

Guidance: This clause allows the Commonwealth to control the incorporation of Technical Data changes to ensure that when there is a mixed fleet of modified and unmodified systems, sufficient and accurate Technical Data is available for both sub-fleets. If the Contractor is tasked with Engineering Services that include modifications, or other tasks that generate changes to Technical Data, the SOW clause should be retained. For Materiel Systems where electronic Technical Data is automatically configured for each Mission System from CSA data, this clause would not be required. If not required, the clause may be replaced with 'Not used'.

Related Clauses: DSD-ENG-SERV clause 6.2.5, Developmental Activities for Major Changes, and clause 6.2.6, Technical Instruction Development.

DSD-MNT-SERV clause 6.2.7, Incorporating Modifications, Alterations, and Technical Instructions

Optional Clauses: Nil.

9.3 Support and Test Equipment

Status: Optional

Purpose: To identify requirements for the management and support of S&TE that is required to enable the Services to be provided.

Policy: DEFLOGMAN Part 2 Volume 10 Chapter 19, *Calibration Policy for Support and Test Equipment*
AAP 7001.055, *Support and Test Equipment Logistics Management Manual* (Aerospace)

Guidance: Clause 9.3 will be applicable in most support contracts. This clause specifies the requirements to be met by the Contractor in relation to S&TE, including:

- a. S&TE (used by Defence and listed as a Product Being Supported) for which the Contractor provides Services;
- b. GFE that is S&TE (which may or may not overlap with the items under subparagraph 'a' above – as shared GFE); and
- c. Contractor-owned S&TE that is required to enable provision of the Services.

This clause defines the responsibility for providing, supporting and modifying S&TE. When the SOW is used as the basis for a Contract WBS, this clause provides an element for identifying these costs rather than have the costs hidden (eg, as an overhead of Maintenance).

If there is no S&TE provided as GFE, then the clause will still apply as a statement clarifying that the Contractor is responsible for all S&TE used to provide the Services. In this case, the drafter should delete the draft clauses for S&TE that is GFE (clauses 9.3.5 to 9.3.8).

Clause 9.3.3 refers to calibration of S&TE by a company accredited by the National Association of Testing Authorities (NATA). Defence has an agreement with NATA for calibration (refer to DEFLOGMAN Part 2 Volume 10 Chapter 19). However, if a

different authority accredited the Contractor, and this is suitable for the Products and the purposes of the Contract, then the clause may be amended during negotiations.

In the exceptional case where management and support of S&TE is not required, the drafter may replace all sub-clauses under clause 9.3 with a single 'Not used'.

Drafters should ensure that the GFE applicable to clause 9.3 is listed in Attachment E, and accurately reflects that which is offered to the Contractor. The Contractor's responsibilities in relation to Engineering, Maintenance, and Supply Services for each item of S&TE listed, including GFE, should be included in Section 3 of Annex A to the SOW, 'Support System Repairable Items'.

If specific items of S&TE (eg, a complex suite of Automatic Test Equipment or a Software integration laboratory) are subject to similar CM, reporting and auditing requirements as Mission System(s) or Mission System RIs, then these items of S&TE could be treated as Mission System(s) and included in a separate table in Section 1 of Annex A. If treated as Mission System RIs, then the S&TE should be included in Section 2 of Annex A. This approach ensures that these items of S&TE are subject to the full management requirements of the SOW clauses for Engineering, Maintenance, and Supply Services.

Related Clauses: SOW clause 3.11.3, Care of Contractor Managed Commonwealth Assets

SOW Annex A, List of Products Being Supported

Attachment E, Government Furnished Material and Government Furnished Services.

TDR E-9 of the COT, Government Furnished Material

Optional Clauses: Nil

9.4 Training Equipment

Status: Optional

Purpose: To define the work the Contractor is required to perform in relation to the management and support of Training Equipment.

Policy: Nil

Guidance: Clause 9.4 will be applicable in support contracts where Training Services are provided to Defence (ie, if clause 8 is included then clause 9.4 should be included). This clause specifies requirements to be met by the Contractor in relation to Training Equipment, including:

- a. Training Equipment (used by Defence for internal training and listed as a Product Being Supported) for which the Contractor provides a Service;
- b. GFE that is Training Equipment (which may or may not overlap with the items in subparagraph 'a' above, as shared GFE); and
- c. Contractor-owned Training Equipment that is required to provide the Services (ie, not GFE).

Note that Training course delivery requirements in DSD-TNG-DEL may include a list of Training Equipment, or simply refer to the applicable Learning Management Package. Where multiple lists exist, overlapping with SOW Annex A and Attachment E, the drafter needs to ensure that all lists are consistent.

If there is no provision or support of Training Equipment required for the Contract, then the drafter may replace all sub-clauses under 9.4 with a single 'Not used'.

This clause defines the responsibility for providing, supporting and modifying Training Equipment. The Contractor may use Training Equipment in the provision of Training Services or may simply be responsible for supporting Training Equipment used by the Commonwealth. When the SOW is used as the basis for a Contract WBS, this clause provides an element for identifying these costs rather than have the costs hidden (eg, as a fixed overhead within a variable number of courses).

If Training Equipment is required, the drafter needs to determine if any Training Equipment will be provided as GFE. Drafters should ensure that if GFE is needed

Attachment E accurately reflects that which is offered to the Contractor. Contractor's responsibilities in relation to Engineering, Maintenance, and Supply Services for each item of Training Equipment listed, including GFE, should be included in Section 3 of Annex A to the SOW, 'Support System Repairable Items'.

Clause 9.4 is intended to cover Training Equipment that is relatively simple and supported by straightforward procedures. If specific items of Training Equipment are complex (eg, flight, bridge, air traffic or other mission simulators), these items may have similar CM, reporting, and regulatory requirements as Mission Systems or Mission System RIs. If the items are treated as Mission Systems, then the Training Equipment should be included in Section 1 of Annex A. If the items are treated as Mission System RIs, then the Training Equipment could be included in Section 2 of Annex A. This approach ensures that these items of Training Equipment are subject to the full management requirements of the SOW clauses for Engineering, Maintenance, and Supply Services.

For flight simulators, which are often subject to similar airworthiness / assurance requirements as the aircraft / helicopter, and because the same flight programs and modifications may be tested on the simulator, these may be treated as Mission Systems. In these cases, the flight simulator is added to Section 1 of Annex A. Similar requirements may apply to vehicle, ship, submarine and other simulators or critical and/or hazardous Training Equipment.

Clause 9.4.3 refers to the calibration of Training Equipment, if required. This is equivalent to clause 9.3.3, so refer to guidance for that clause (above).

The drafter should determine the nature of management and the support required for Training Equipment, and add these to the appropriate list in SOW Annex A, so that they are treated accordingly.

The Contractor's management of Training Equipment is included in the TSP, as defined in DID-TNG-TSP.

Related Clauses: SOW clause 3.11.3, Care of Contractor Managed Commonwealth Assets
SOW Annex A, List of Products Being Supported
Attachment E, Government Furnished Material and Government Furnished Services
DID-TNG-TSP, which defines the requirements for the Training Support Plan.
TDR E-9 of the COT, Government Furnished Material

Optional Clauses: Nil.

9.5 Packaging

Status: Core

Purpose: To define Packaging resource requirements.

Policy: DEF(AUST)1000C, *ADF Packaging*
WHS Legislation

Australian Code for the Transport of Dangerous Goods by Road and Rail, edition 7

Guidance: Packaging (as a Support Resource rather than a Service) is a core clause to cover all of the physical Packaging for Deliverables, items in storage and, when applicable, for transporting specific items from Defence to the Contractor and return. If no Packaging will be provided as GFE, drafters should select Option A from the optional clauses. If some Packaging will be provided as GFE, such as special-to-type packaging designed for protecting fragile components or for environmentally controlled storage, drafters should select Option B.

For Packaging provided as GFE, the drafter needs to make applicable entries in Attachment E. Furthermore, if an item of Packaging is an RI (eg, a missile container with built in diagnostics) to be maintained by the Contractor, it needs to be listed in Section 3 of SOW Annex A under clause 3, 'Other Repairable Equipment'.

Clause 9.5.3 of the SOW template highlights that certain legislative requirements apply to Packaging, particularly for the labelling of Dangerous Goods and Hazardous Chemicals, or that must comply with import / export or quarantines regulations. Legislative requirements apply with or without this clause, but it acts as a reminder.

Clause 9.5.4 refers to applicable sections of DEF(AUST)1000C; however, there are a number of options possible from this standard and some aspects (eg, the use of data matrices) are evolving. Drafters need to review DEF(AUST)1000C in order to determine that these clauses are appropriate to current requirements, and update the clause if required. Additional clauses should be drafted if there is a need for radio-frequency identification (RFID).

Related Clauses: SOW clause 7, SUPPLY SUPPORT

SOW clause 3.11.3, Care of Contractor Managed Commonwealth Assets

SOW Annex A, List of Products Being Supported

Attachment E, Government Furnished Material and Government Furnished Services.

TDR E-9 of the COT, Government Furnished Material

Optional Clauses: Nil

9.6 Facilities

Status: Optional

Purpose: To define the Contractor's obligations in relation to Facilities.

Policy: *Civil Use of the Defence Estate Manual (CUDEM)*

Guidance: Facilities used for the Contract may be all Contractor-owned or include GFF. If no GFF will be offered, and the Contractor will be responsible for all Facilities, then as an optional clause, clause 9.6 may be replaced with 'Not used'. Alternatively, the drafter may include Option A to state explicitly that the Contractor is to provide all Facilities. If GFF will be offered, or mandated, the drafter should select Option B.

For GFF, a 'Government Furnished Facilities Licence' is required for the GFF Licenced Area (which may include one or more buildings, part of a building, and surrounding areas). Drafters need to coordinate with E&IG to incorporate the Facilities Licence into Attachment O. Refer to clause 3.19 for the inclusion of GFF, initial inspections, and general care obligations. Clause 9.6 addresses the maintenance of GFF as a Support Resource, including any embedded plant and equipment in the GFF that is not maintained by E&IG.

For GFF, the drafter needs to coordinate with E&IG and ensure that there are no gaps or overlaps between the Contractor Maintained Licenced Fittings list (including plant and equipment), and the S&TE and any Training Equipment provided as GFE (see clauses 9.3 and 9.4).

Option B-1 requires the Contractor to maintain all aspects of the GFF Licensed Area, including the buildings and all fittings.

Option B-2 requires the Contractor to maintain just the Contractor Maintained Licenced Fittings listed in Attachment O. This does not need to include all fittings in the buildings but could include lights, air conditioning, standby power generators, embedded cranes, vehicle lifts, gantries, powered doors, fire suppression systems and so on. In many cases, E&IG have responsibility for the maintenance of buildings and more typical equipment and fittings (particularly for shared Facilities), so Option B-2 is the more common scenario than Option B-1.

At the end of Option B a clause requires the Contractor to comply with all applicable laws, maintenance procedures (eg, provided as GFI) and so on. Drafters need to amend this clause for when it applies to all of the GFF Licenced Area or just the identified list of Contractor Maintained Licenced Fittings.

For complex specialised equipment that is not maintained by the regular trades and services provided by E&IG, or for reasons of practicality (eg, remote location), it may be more efficient for the Contractor to maintain particular equipment. These will be

identified as Contractor Maintained Licensed Fittings; however, due to their specialised maintenance requirements they also need to be treated like an item of complex S&TE (which they may be). In this case, **Option C** will be included (note that either Option B-1 or B-2 should already be included).

If selecting Option C, for specialised support of GFF and Contractor Maintained Licensed Fittings, drafters need to identify the item(s) in section 7 of SOW Annex A, List of Products Being Supported. In this table the item is identified and linked to the Facility where it is located (and GFF Licence), and to the Maintenance publications to be followed; essentially the same process used for an item of S&TE.

Some Facilities (Government-owned or Contractor-owned) may be used to perform test functions (eg, firing ranges, a radar range, pressure chamber, engine build up and test facility, etc) and must be calibrated to enable the provision of Services. Where the Facilities are GFF, the calibration of it or its embedded equipment could be added to the SOW using the optional clauses below, and by making additions to Section 3 of SOW Annex A, 'Other Repairable Equipment') or by adding a 'calibration' column (and any other required columns) to the table in Section 7.

Related Clauses: COC clause 3.7, Government Furnished Facilities
 SOW clause 3.19, Government Furnished Facilities
 SOW clause 9.3, Support and Test Equipment
 SOW clause 9.4, Training Equipment
 SOW Annex A, List of Products Being Supported
 Attachment O, Government Furnished Facilities Licence

Optional Clauses:

If the Facility performs a test and/or calibration function, then include the following clauses in the draft SOW:

The Contractor shall maintain a calibration register that includes GFF employed in calibration, test and/or measurement functions and shall, upon request, provide the Commonwealth Representative or a delegated representative with access to that calibration register.

The Contractor shall ensure that Facilities and Facilities' equipment requiring calibration is calibrated by an organisation accredited by [...INSERT APPLICABLE ACCREDITATION AGENCY...] for the class of testing appropriate to the Facilities and equipment, and in accordance with the applicable technical documentation.

9.7 Computer Support

Status: Optional

Purpose: To define the Contractor's obligations in relation to computer support used in the provision of Services.

Policy: Nil

Guidance: Computer support clauses may be included when computers are required to directly provide the Services (eg software development or a help desk), if required to interface with Defence information systems, or as tools to support the management of Services (eg, Maintenance scheduling). The computer support clause does not include Software Support, which is addressed by DSD-ENG-SW. If support of this nature is not required, the drafter should replace the clauses with a single 'Not used'.

If computing equipment will interface with a Defence information system, hardware and software may be provided and maintained by Defence and this will be detailed through additions to specific DSDs (eg, DSD-SUP-MILIS) and/or as GFS. In this situation, the Commonwealth-provided equipment should be listed as GFM and it will be subject to accounting requirements for Commonwealth-owned assets.

If computer support is a resource to be provided by the Contractor to enable Services, then the drafter may include the optional clause in the SOW as a starting

point to identify computer support requirements. In developing the further requirements, the drafter should consider:

- a. Information System Security (see COC clause 11.10 and SOW clause 3.14);
- b. application programs specific to the Services;
- c. who will be responsible for providing Software;
- d. who will be responsible for procuring Software Updates and annual licences;
- e. are there restrictions on Contractor use of Commonwealth-provided Software; and
- f. how the Contractor will be informed of changes to the Defence Single Operating Environment (SOE).

The optional clause at the end of clause 9.7 is a starting point for requirements related to transferring Contractor-provided Software to the Single Operating Environment (SOE). Further advice from CIOG is required in this instance.

Related Clauses: SOW clause 2.3, Data Management System

SOW clause 3.11.3, Care of Contractor Managed Commonwealth Assets

SOW clause 3.14.3, Information Systems Security

Attachment E, Government Furnished Material and Government Furnished Services

TDR E-9 of the COT, Government Furnished Material

DSD-ENG-SERV, Routine Engineering Services

DSD-ENG-CM, Configuration Management

DSD-ENG-SW, Software Support Services

DSD-MNT-MGT, Generic Requirements for the Management of Maintenance Services

DSD-MNT-SA, Systems Administration Services

DSD-SUP-SERV, Routine Supply Services

DSD-SUP-MILIS, Military Integrated Logistics Information System Use

DSD-TNG-MGT, Training Management Services

Optional Clauses: Nil

10. VERIFICATION AND VALIDATION

<u>Status:</u>	Core
<u>Purpose:</u>	To define the V&V requirements for the Contract, in order to provide an assessment of performance, an indication of future performance, compliance, process efficiency and, if applicable, Materiel System health.
<u>Policy:</u>	Nil
<u>Guidance:</u>	V&V in a support context differs from the application of V&V in acquisition in that Services are assessed, rather than 'supplies'. Accordingly, the objectives are to determine if the Services provided are as required by the Contract (ie, Verification), and if those Services are what the Defence customer needs (ie, Validation). Note that in <i>ASDEFCON (Support)</i> , new / modified Products may also be delivered as outcomes of engineering Services and subject to an Acceptance V&V.

The V&V clause is required when the Contractor's performance is assessed using defined performance measures, including where payments are linked to performance measures, called Key Performance Indicators (KPIs). The V&V clause is required for all Performance Based Contracts (PBCs) and is core to this template. If the required contract is not a PBC, and *ASDEFCON (Support Short)* was not a suitable, advice should be sought from the Commercial Function.

Transactional and Performance Based Contracts

ASDEFCON (Support) is a template for PBCs / Productivity and Performance Based Contracts (PPBCs). In a transaction-based contract, each task performed by the Contractor is a 'transaction' and a payment for it often listed in the Price and Payment Schedule (or calculated by time and materials). For example, if a contractor is paid a fee for each Maintenance task and each item supplied, then all fees are summed together in an invoice. In a PBC, the Contractor is paid for contributing to Defence outcomes even when, from time to time, different numbers of tasks may be performed to achieve those outcomes. The contributory outcomes are represented by performance measures that can vary from high-level 'fleet availability' measures to lower level 'nil stock-outs', 'order response times', or 'average repair time' measures. In a PBC, there are still a number of transaction-based payments, such as S&Q Services and Task Priced Services, and firm-priced Recurring Services not related to KPIs (eg, contract management tasks that are not of interest to the Defence customer).

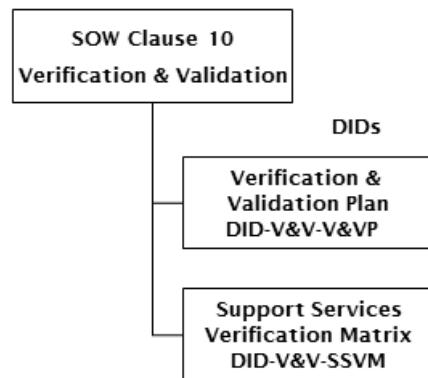
How the Template Works

The following explanation describes how the V&V clause interacts with other parts of the template:

- The V&V Plan defines the Contractor's management of the V&V program. It includes performance measurement and recording systems, data collection and processing, and reporting requirements.
- The SSVM reports against all Performance Measures on a regular basis (eg, monthly). Note that measurement and reporting periods are typically shorter than Review Periods for KPIs (which are often three months). The SSVM also reports on Other Performance Measures (OPMs) defined in Attachment Q.
- Results are reported in the PMR, a part of the CSR (clause 3.4.1), delivered at the end of each Review Period over which KPIs are assessed. For example, the SSVM could report 'daily system availability' on a monthly basis, but the PMR would include a full assessment for the Review Period (ie, identify Performance Bands, the APS, Performance Payment amount, and any Performance Relief sought). Results are calculated using formulae in Annex A to Attachment P and Annex C to Attachment B.
- Results in the PMR are discussed at the PAR (clause 3.4.5).
- Results recorded in the SSVM for OPMs would normally be used for other analyses, or simply used to monitor the state of the Materiel System and Contract, in order to inform future planning activities.

Notably, the V&V clause provides one part of the PBC framework. Further guidance on PPBC in the template is included in the *PPBC Guide for ASDEFCON (Support) V4.0*. Refer also to the guidance for SOW clauses 3.4.1 and 3.4.5, and the notes within Attachment P, Attachment Q, and Annex C to Attachment B.

The following diagram shows the associated DIDs supporting SOW clause 10 (noting that the PMR is called out by clause 3.4.1).



Verification and Validation SOW Structure

Related Clauses:

COC clause 6, Performance, Acceptance and Ownership

COC clause 7.1, Price

Attachment B, Annex C, Performance Payments

Attachment P, Performance Assessments

Attachment Q, Other Performance Measures

SOW clause 3.4.1, Status Review and Reporting

SOW clause 3.10, Independent Verification and Validation

SOW clause 11, QUALITY MANAGEMENT

DID-V&V-V&VP, which specifies requirements for a V&V Plan.

DID-V&V-SSVM, which specifies requirements for a SSVM.

Optional Clauses: Nil

10.1 Verification and Validation Objectives

Status: Core

Purpose: To define the V&V objectives for the Contract.

Policy: Nil

Guidance: This clause needs to be tailored to indicate if OPMs will be used in the Contract. More Contract-specific clauses in relation may be added.

Drafters should tailor Attachment P, which defines the Outcomes that Defence wants, the contribution to these Outcomes made by the Contractor, and the KPIs to measure them. Any further development of this clause should be consistent with Attachment P, or cross-refer to Attachment P.

Related Clauses: All other subclauses under SOW clause 10.

Optional Clauses: Nil

10.2 V&V Planning

Status: Core

Purpose: To require the Contractor to plan the V&V program for the Contract.

Policy: Nil

Guidance: The V&V Plan should define the organisation and processes to be used by the Contractor in order to measure and record the outputs for performance measures.

If the V&V planning required to coordinate the collection and analysis of performance measures may be minimal, the requirements for V&V planning may be included in the SSMP. DID-SSM-SSMP includes requirements to address V&V topics if the SOW requires V&V planning to be included in the SSMP.

Based on the need for a separate V&VP or V&V planning in the SSMP, drafters need to select the required optional clauses and update subsequent clauses with 'V&VP' or 'SSMP' accordingly.

Related Clauses: All other subclauses in SOW clause 10.

Attachment P, Performance Assessment

Attachment Q, Other Performance Measures

COT Attachment A, Annex G, TDR G-2.

DID-V&V-V&VP defines the requirements for a V&VP.

DID-SSM-SSMP includes V&V planning requirements within an SSMP.

Optional Clauses: Nil

10.3 Support Services V&V Activities

Status: Core

Purpose: To define the mechanism by which performance measurement results are reported, and the status of performance, as applicable to each measure, is recorded and delivered to the Commonwealth.

Policy: Nil

Guidance: SOW clause 10.3 captures most of the scope of V&V activity (other than planning). The Contractor is required to measure, analyse and record performance data in accordance with the Approved V&VP or Approved SSMP (as selected at clause 10.2). By referring to the Approved V&V Plan or SSMP, the Contractor is required to undertake the V&V activities described in the selected plan.

Clauses 10.3.2 to 10.3.5 refer to the delivery and use of the SSVM. The SSVM provides a single report to present results against all Performance Measures, including KPIs and OPMs. The SSVM identifies (or cross-references) the method or procedure to measure each Performance Measure and to calculate the results, it records current and historical performance results, provides trend analyses, and identifies reasons for aberrations in collected data. The SSVM can help to group together lower-level Performance Measures to create a meaningful measure of the Services (eg, several measures for the delivery of spares at different order priorities and to different locations may be needed to calculate one Supply Support KPI).

Results from the SSVM are used to prepare the PMR (a part of the CSR that may be delivered separately), which informs the PAR held to review Contractor performance and confirm the Performance Payment amount. Measured results and calculations underpinning the SSVM must be retained and, if necessary, provided to the Commonwealth Representative to support the evaluation of the PMR.

Clause 10.3.5 requires the Contractor to investigate performance shortfalls and prepare a Remediation Plan on any occasion when performance results for any KPI drops into Bands C or D. The Remediation Plan is to detail the Contractor's strategy to recover performance to agreeable levels and, once Approved, the plan becomes the basis for managing that recovery and preventing future shortfalls. The use of Performance Bands in clause 10.3.5 to trigger a Remediation Plan is consistent with other clauses in the Contract. Hence, reference to the Performance Bands should not be changed; rather the way that KPIs are defined in Attachment P should support the use of a Remediation Plan when results fall into Performance Bands C and D.

This is consistent with the generic Performance Band descriptions in clause 2.4 of Attachment P and COC clause 6.12.

To gather long-term trend information, and resolve discrepancies at PARs, SOW clause 10.3.6 requires the Contractor maintain and provide, upon request, measurement data collected through the V&V process.

The drafter needs to insert the selected plan into clause 10.3.1. All other sub-clauses should be reviewed but, in general, do not require amendment.

Related Clauses: COC clause 6.12, Remediation of Performance Problems

Attachment P, Performance Assessment, clauses 1.2 and 2.4.

All other subclauses under SOW clause 10.

DID-SSM-CSR defines requirements for the CSR including the PMR.

DID-V&V-SSVM defines requirements for the SSVM.

DID-V&V-V&VP defines requirement for the V&VP, including preparing the SSVM.

Optional Clauses: Nil

10.4 Performance Implementation Period

Status: Optional

Purpose: To address the work effort involved in the Performance Implementation Period (PIP), including the PIP Completion Review.

Policy: Nil

Guidance: The PIP is an initial period in a PBC when a full performance management regime is suspended while the contract stabilises. This period may include the initial delivery of systems from a Contract (Acquisition) building up to a much larger fleet, abnormal use patterns as platforms undergo Validation activities (eg, user trials), and while the Contractor is still establishing their support capability (eg, adding new functions and inducting newly trained personnel). The PIP also enables the performance measurement methods and reporting systems to be proven while the At Risk Amount (for Performance Payments) is limited or not applied. Parameters for the PIP, including duration and the number of stages, are described in Annex B to Attachment P and Annex C to Attachment B.

To confirm and adjust the performance measurement and reporting system, and the success of the PIP overall, a PIP Completion Review is held just prior to the end of the PIP, in preparation for the commencement of the full / mature performance management framework provisions.

If there is no PIP, then the clause should be replaced with 'Not used'. If a PIP is required then the governing plan, the V&VP or SSMP, should be inserted where indicated. The clause can be expanded for specific work requirements to support the PIP as described by Annex C to Attachment B, or Annex B to Attachment P.

Related Clauses: All other subclauses under SOW clause 10.

Annex B to Attachment B where the Recurring Services Fees are adjusted for a lower initial level of Services, during Ramp Up.

Annex C to Attachment B, Performance Payments, including changes to initial At Risk Amounts for the calculation of Performance Payments during a PIP.

Annex A to Attachment P, Key Performance Indicators

Annex B to Attachment P, Performance Implementation Period, which may adjust the number and calculation of KPIs in Annex A during the PIP.

SOW clause 2.7, Ramp Up

Optional Clauses: Nil

11. QUALITY MANAGEMENT

<u>Status:</u>	Core
<u>Purpose:</u>	To define the Quality-related requirements for the Contract through both this clause of the SOW and the associated DIDs.
<u>Policy:</u>	DEFLOGMAN Part 2 Volume 7 Chapter 1, <i>Defence Supplier Quality Assurance Manual</i> AS/NZS ISO 9001:2016, <i>Quality Management Systems - Requirements</i> AS/NZS ISO 9000:2015, <i>Quality Management Systems – Fundamentals and Vocabulary</i>
<u>Guidance:</u>	All <i>ASDEFCON (Support)</i> contracts are to contain requirements for Quality Management. Drafters need to establish the Quality requirements for the SOW based on the Quality requirements for managing the system as a whole.
<u>Related Clauses:</u>	Nil
<u>Optional Clauses:</u>	Nil

11.1 Contractor Quality Responsibilities

<u>Status:</u>	Core
<u>Purpose:</u>	To define the general Quality-related requirements for the Contract.
<u>Policy:</u>	Refer to guidance for clause 11.
<u>Guidance:</u>	These clauses are to be included as they ensure that: <ul style="list-style-type: none"> a. the Contractor has a suitable Certified QMS in place at the Operative Date; b. Approved Subcontractors have a QMS appropriate to the work required under any Subcontract; and c. the Commonwealth has access to Contractor and Subcontractor facilities for the purposes of Audit and Surveillance activities, if required. <p>If an ADF regulatory / assurance framework applies to the Products and Services, drafters should include the optional clause and reference to the Defence QMS for processes applicable to the whole of the engineering / maintenance organisation (ie, spanning both the Commonwealth and Contractor).</p>
<u>Related Clauses:</u>	COC clause 11.7, Commonwealth Access and Records SOW clause 5.4, Engineering Organisation and System Compliance SOW clause 6.4, Maintenance Organisation and System Compliance
<u>Optional Clauses:</u>	Nil

11.2 Quality Management Planning

<u>Status:</u>	Core
<u>Purpose:</u>	To define the Quality-related planning requirements for the Contract.
<u>Policy:</u>	Refer to guidance for clause 11.
<u>Guidance:</u>	Requirements for the Quality Plan are defined in DID-SSM-QP, which references <i>AS/NZS ISO 10005:2006 Quality management – Guidelines for Quality Plans</i> and <i>AS 3925.1:1994 Software Quality Assurance Part 1: Plans</i> , when the software support is applicable to the Contract. For smaller contracts, it may be possible to roll-up the Quality Plan into the SSMP, which could then refer to an existing Contractor Quality Plan that spans the scope of the Services. Optional clauses A or B should be selected and the applicable plan inserted into subsequent clauses.
<u>Related Clauses:</u>	DID-SSM-QP, which specifies requirements for a Quality Plan. DID-SSM-SSMP specifies requirements for the SSMP, including Quality planning.

Optional Clauses: Nil

11.3 Quality Systems, Process and Product Non-Conformances

<u>Status:</u>	Core
<u>Purpose:</u>	To specify the Quality processes to be followed by the Contractor when non-conformance with respect to Quality Systems, Process or a Product is determined.
<u>Policy:</u>	Refer to guidance for clause 11.
<u>Guidance:</u>	The first two clauses are to be included in all cases. The drafter then needs to determine if the contract could involve a significant technical risk element, such as a significant engineering change or software support program. If significant technical risk elements exist, the option in clause 11.3.3 should be included.
<u>Related Clauses:</u>	DSD-ENG-SERV and DSD-ENG-SW for hardware and software design change programs that may incur significant technical risk.

Optional Clauses: Nil

11.4 Non-Conforming Services

<u>Status:</u>	Core
<u>Purpose:</u>	To specify the Quality approval processes to be followed when non-conforming materials or work in the Services are identified.
<u>Policy:</u>	Refer to guidance for clause 11.
<u>Guidance:</u>	<p>Clause 11.4 describes the interactions between the Contractor and Commonwealth for the submission, review and processing of an Application for a Deviation. An Application for a Deviation is required for non-conforming Services, which applies to the Services and the goods / Products supplied or supported by the Services. These clauses need not be tailored.</p> <p>Clause 11.4.1 requires the Contractor to submit the Application for a Deviation (prepared in accordance with DID-PM-MGT-AFD). DID-PM-MGT-AFD contains a Form SG2 but also allows the Contractor to submit the Application for a Deviation using WebForms (if the Contractor has access to the Defence intranet).</p> <p>Clauses 11.4.2 and 11.4.3 describe the conditions around the Commonwealth's Approval or non-Approval of the Application for a Deviation, while clauses 11.4.4 to 11.4.6 describe the conditions placed on an Approved Application for a Deviation.</p> <p>An Application for a Deviation may refer to either a permanent Deviation (resulting in a permanent design or process change) or a temporary Deviation. Clauses 11.4.7 and 11.4.8 describe the process for closing a temporary Application for a Deviation, while clause 11.4.9 defines the actions of the Commonwealth should a request to close an Application for a Deviation be rejected.</p> <p>Clause 11.4.10 acknowledges that the processing of each Application for a Deviation, as per clause 11.4 is included as a Recurring Service.</p> <p>Drafters should review the CDRL details and DID-PM-MGT-AFD for the delivery of Applications for a Deviation.</p>
<u>Related Clauses:</u>	<p>DID-PM-MGT-AFD, Application for a Deviation (an <i>ASDEFCON (Strategic Materiel)</i> DID)</p> <p>DSD-ENG-CM clause 6.2.5, Configuration Management, with respect to Configuration Control of Deviations.</p> <p>DSD-MNT-SERV clause 6.2.6, Routine Maintenance Services, for Implementing Non-Standard Repairs and Deviations.</p> <p>CDRL Line Number MGT-160 for the Application for a Deviation.</p>

Optional Clauses: Nil

12. HEALTH, SAFETY AND ENVIRONMENT

Status: Core

Purpose: To define the requirements for managing risks to health, safety and the environment in relation to the Products Being Supported and the provision of Services.

Policy: *Australian Radiation Protection and Nuclear Safety Act 1998 (Cth)*
Environment Protection and Biodiversity Conservation Act 1999 (Cth)
Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 (Cth)
Work Health and Safety Act 2011 (Cth)

Refer also to the policy applicable to the individual sub-clauses.

Guidance: The Commonwealth is required by Work Health and Safety (WHS) Legislation to ensure, so far as is reasonably practicable, that the health and safety of workers and other persons are not put at risk by Commonwealth activities. This includes a duty of care for workers 'caused to be engaged' for Commonwealth activities, such as Contractor and Subcontractor staff. All *ASDEFCON (Support)* RFTs and contracts address WHS to enable Defence to comply with obligations under WHS Legislation. Defence policy requirements assist to meet these obligations.

Environmental obligations are driven by Australian legislative requirements for the protection of the environment and the conservation of biodiversity. Defence policies enable implementation and compliance. When applicable, the Commonwealth is to manage the environmental impact of its contracts, consistent with these obligations.

Health, safety and environment clauses in the SOW are to be tailored to the individual Contract, particularly with respect to work on Commonwealth Premises (eg, GFF), work involving Commonwealth Personnel (eg, MRU), work involving the use, storage and handling of Problematic Substances, and work involving Problematic Sources.

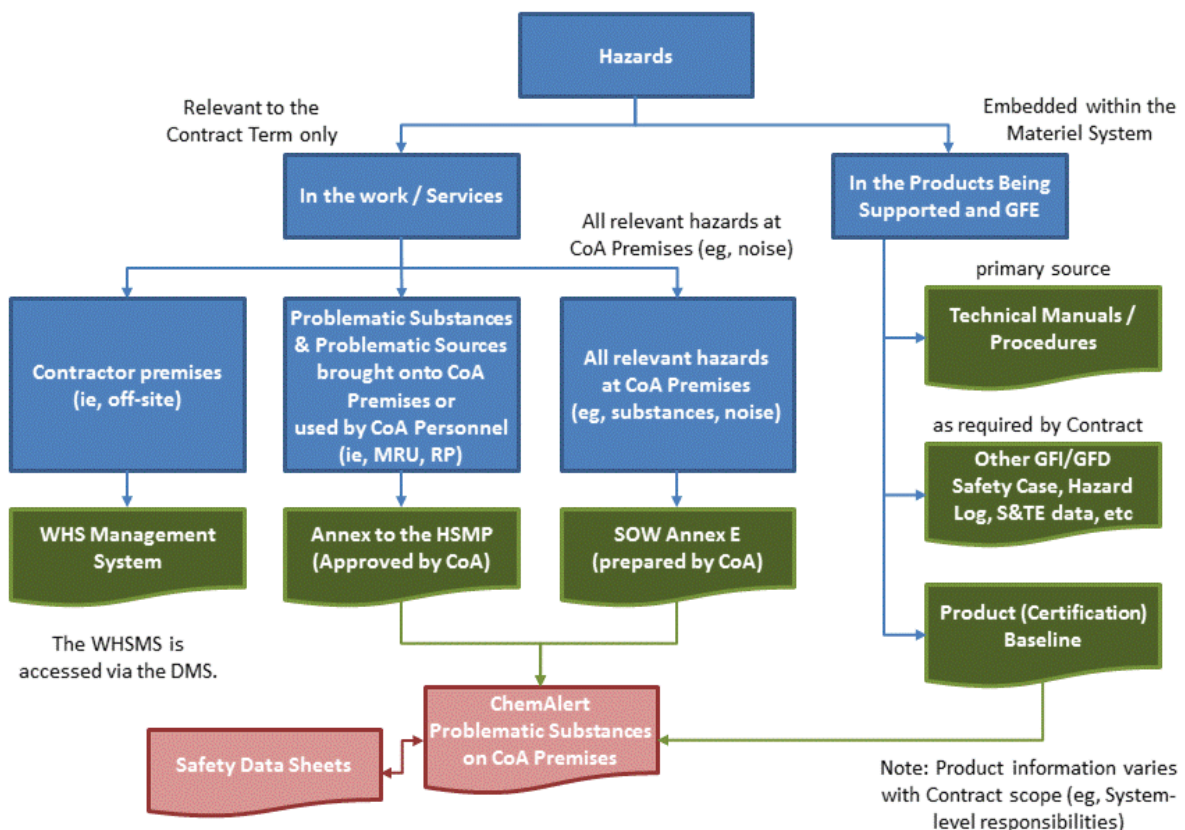


Figure 2: Documenting WHS and Materiel Safety Hazards

As there are numerous sources of hazards and associated risks relating to Products and required Services, hazard and risk information is included in a number of locations within the Contract, in data items, and identified in GFI/GFD. Figure 3 identifies where hazard and risk information is located. A brief explanation follows.

Hazards at Contractor premises should be detailed in the Contractor's WHSMS. Although moving into new premises or performing new work functions will add to this information, a lot of information should exist before the Contract, to enable the Contractor to comply with the WHS Legislation. As this information can be updated frequently, Defence seeks access to the WHSMS via the DMS (SOW clause 2.3).

Problematic Substances and Problematic Sources that the Contractor will bring onto Commonwealth Premises need to be Approved (for Commonwealth to ensure a safe working environment). Problematic Substances and Problematic Sources used, handled or stored by Commonwealth Personnel on Contractor or Approved Subcontractor premises (mostly MRU but may apply to Resident Personnel) must also be Approved.

The Commonwealth is to provide information to the Contractor of hazards on Commonwealth Premises, where Contractor and Approved Subcontractor personnel will work. These include Problematic Substances, Problematic Sources, noise, high voltage electricity, asbestos in buildings, and so on. Generally, details of these hazards do not change often. They are included within SOW Annex E.

Hazards may be present in the Products Being Supported and GFE. The primary source of hazard information should be technical (operator, maintenance and other) manuals, which also contain procedures designed to minimise risk. The Commonwealth may need to pass this information to the Contractor as GFI or GFD.

Related Clauses: COC clause 12.4, Work Health and Safety

COC clause 12.5, Environmental Obligations

Refer to sub-clauses.

Optional Clauses: Nil

12.1 Problematic Substances and Problematic Sources

<u>Status:</u>	Core
<u>Purpose:</u>	To require the management of Problematic Substances and Problematic Sources that may be included in the Products or the provision of Services.
<u>Policy:</u>	<p><i>Australian Code for the Transport of Dangerous Goods by Road and Rail, Seventh Revised Edition (National Transport Commission, 2011) (ADG7)</i></p> <p><i>Australian Radiation Protection and Nuclear Safety Act 1998 (Cth)</i></p> <p><i>Australian Radiation Protection and Nuclear Safety Regulations 1999 (Cth)</i></p> <p><i>Defence Radiation Safety Manual</i></p> <p><i>Defence Safety Manual (SafetyMan)</i></p> <p>DEFLOGMAN Part 2 Volume 3 Chapter 3, <i>Fire Protection</i></p> <p>DEFLOGMAN Part 2 Volume 5 Chapter 10, <i>Defence Disposal Policy</i></p> <p>Capability Acquisition and Sustainment Safety Management System (CASsafe)</p> <p>Environment Protection and Biodiversity Conservation Act 1999 (Cth)</p> <p><i>Globally Harmonized System of Classification and Labelling of Chemicals (GHS), and the (Australian) Hazardous Chemical Information System available at: https://www.safeworkaustralia.gov.au/classifying-chemicals#the-ghs</i></p> <p><i>Guide for Major Hazard Facilities: Notification and Determination (Safe Work Australia)</i></p> <p><i>Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 (Cth)</i></p> <p><i>Work Health and Safety Act 2011 (Cth)</i></p>

Work Health and Safety Regulations 2011 (Cth)

Codes of Practice approved under section 274 of the *Work Health and Safety Act 2011 (Cth)*

Guidance: 'Problematic Substances' is a collective term for:

- Ozone Depleting Substances (ODSs);
- Synthetic Greenhouse Gases (SGGs);
- Dangerous Goods; and
- Hazardous Chemicals.

Dangerous Goods and Hazardous Chemicals need to be managed for WHS purposes. ODS and SGG are detrimental to the atmosphere, and Australia is a signatory to international conventions limiting their use (supported by legislation). In addition, materials and apparatus that are regulated under radiation protection legislation (Problematic Sources) must have an appropriate license.

Defence policy aims to minimise the use of Problematic Substances and Problematic Sources, but elimination is not always possible. Hence, clause 12.1 addresses the management of Problematic Substances and Problematic Sources under the Contract, which helps the Commonwealth to meet its obligations under legislation.

Use of Problematic Substances

Clause 12.1.1 requires the Contractor and Approved Subcontractors not to use a Problematic Substance on Commonwealth Premises unless the substance, and its purpose, have been Approved. If Commonwealth Personnel (eg, MRU and Resident Personnel) will use, handle or store Problematic Substances on Contractor or Subcontractor premises, these Problematic Substances also need to be Approved.

Note that the Commonwealth will have general visibility of Problematic Substances used on Contractor premises via their WHSMS. Additionally, where Commonwealth Personnel are located on Subcontractor premises, those Subcontractors need to be Approved Subcontractors to ensure the flow-down of provisions for WHS.

Approved Substances, Approved Problematic Sources, and their Approved purpose(s) are listed in an annex to the HSMP (or SSMP, if a standalone HSMP is not required). Changes to Approved Substances, Approved Problematic Sources, or their purpose, are managed by Approving an updated HSMP annex (delivered under clause 12.3.2).

Note that Problematic Substances identified in Technical Data, specified by the Commonwealth, are automatically Approved. Furthermore, Approved Substances, by definition, include Problematic Substances specified for use within a Deviation that has been Approved. These Problematic Substances do not need to be included in the annex to the HSMP, which greatly reduces the number of Approvals required.

Information on Problematic Substances should have been included in Technical Data acquired with the Products. If the Contractor is not the supplier, this information may need to be provided as GFI / GFD. Other sources of information include Safety Case Reports, hazard logs and safety baselines used for product certification. Depending on the Contractor's scope of work, different information will need to be provided (eg, maintenance of S&TE will require more information than only operating it).

Defence requires that Problematic Substances on Commonwealth Premises be recorded in the *ChemAlert* database, and this applied to the Contractor through clause 12.1.1.2. If the Contractor has DRN access, they may be given access to *ChemAlert* and enter these details directly. Without DRN access, the information needs to be provided to the Commonwealth Representative / SPO for data entry. This clause is drafted for when the Contractor does not have DRN access.

Clauses 12.1.1.3 and 12.1.1.4 define a process whereby the Contractor notifies the Commonwealth of a new Problematic Substance that is required, or that have been discovered, or of a new purpose for an Approved Substance. These clauses outline the Approval process. Changing supplier of an Approved Substance is the same as

adding a new Problematic Substance as Safety Data Sheet (SDS) information is supplier-specific. 'Discovery' refers to an existing Problematic Substance that has not been Approved (eg, used by a person who was not aware of the Approval requirement). Details of a discovered Problematic Substance, new Problematic Substance being requested, or a new purpose, are to be included in a draft update to the HSMP (annex only) with the applicable SDS and evidence of any Authorisations, if required. In accordance with DID-PM-HSE-SDS, the Contractor does not need to deliver a new SDS if they uniquely identify that SDS in *ChemAlert* (ie, Defence already has a copy of that SDS).

Clause 12.1.1.5 describes the actions and obligations if either party discovers a Problematic Substance in a Product Being Supported or GFE. Discovery may be the result of limited product information obtained during acquisition. The first action is to inform the other party of the hazard to minimise any immediate risk. Consultation will then seek solutions, such as substitution or updated work procedures to reduce the risk – implementing some solutions may require S&Q Services (eg, to develop updates to maintenance manuals).

The final two clauses are general requirements for the Contractor to seek lower-risk substitutes for Approved Substances and to minimise WHS and environmental hazards and risks when introducing new Products or modify existing Products.

Drafters need to determine if work will be performed on Commonwealth Premises or if Commonwealth Personnel will work on Contractor or Approved Subcontractor premises. If so, optional clauses 12.1.1.1 to 12.1.1.4 should be included, otherwise the option should be deleted. Drafters should include the remaining sub-clauses under clause 12.1.1 without change.

Background information

The *Code of Practice for the Preparation of Safety Data Sheets for Hazardous Chemicals* does not mandate (but encourages) SDSs for chemicals that are not classified by the GHS as Hazardous Chemicals. Hence, GHS (Part 4) and sections in the SDS address environmental hazards. By following the GHS-recommended practice of using SDSs, a common approach can be used for managing all Problematic Substances for WHS and Environmental reasons.

Hazardous Chemicals. Hazardous Chemicals are defined by reference to the *Work Health and Safety Regulations 2011* (Cth), which refers to hazard classes within the GHS. The GHS classifications are modified by Schedule 6 of the *Work Health and Safety Regulations 2011* (Cth), which specifies lower concentration thresholds than the GHS for some chemicals. Lower thresholds have implications for imported substances, which may not be classed as a Hazardous Chemical in the country of origin but which are a Hazardous Chemical in Australia. The definition of Hazardous Chemical in the Glossary uses the meaning of **hazardous chemical** in subregulation 5(1) of the *Work Health and Safety Regulations 2011* (Cth).

Dangerous Goods. Dangerous Goods are defined in accordance with ADG7, which includes Australian-specific content such as the *Australian Explosives Code*, and international provisions including the *United Nations Recommendations on the Transport of Dangerous Goods, Model Regulations*. Hence, classification, labelling and procedures should be similar for both local and overseas contractors.

Ozone Depleting Substances and Synthetic Greenhouse Gases. ODSs are identified in Schedules 1 and 3 of the *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989* (Cth). ODSs destroy the atmosphere's ozone layer. SGGs were introduced to replace ODSs but later found to be strong greenhouse gases and have been placed under a similar management and replacement regime as the ODSs that they replaced.

Quotas are imposed on the manufacture and import of ODSs, and organisations handling ODSs and SGGs must be licensed under the *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989* (Cth). The Act applies to organisations performing activities with these substances, not organisations that maintain Products that may host these substances. For example, it applies to a company that maintains fire extinguishers, not a company maintaining the gas-

turbine engine that the extinguisher is fitted to (and which may not be aware of the presence of the ODS or SGG). DEFLOGMAN Part 2 Volume 3 defines Defence requirements in relation to existing equipment and new purchases.

Manifest of Hazardous Chemicals

Under regulation 347 of the *Work Health and Safety Regulations 2011* (Cth), a person conducting a business or undertaking at a workplace must prepare a manifest that is compliant with Schedule 12 of the regulations, if the quantity of Schedule 11 Hazardous Chemicals used, handled or stored exceeds the manifest quantity in Schedule 11, Table 11.1. That manifest must be amended for any change in the type or quantity of the Schedule 11 Hazardous Chemicals or other significant details.

The *Defence Safety Manual* defines 'manifest requirements' for Defence, including Contractors on Commonwealth Premises. *ChemAlert* records Hazardous Chemicals on Commonwealth Premises and assists in the preparation of 'manifest quantity notifications'. By using *ChemAlert*, a manifest is prepared for the whole Defence site and a separate Contractor-only manifest is generally not required.

Clause 12.1.2 is optional and draft clauses are included below. Such quantities of these Hazardous Chemicals would generally only be held by JLC in hazardous goods storage areas, not a Materiel System support contractor. Hence, the clause is not required if the Contractor will not hold Schedule 11 Hazardous Chemicals on Commonwealth Premises at or above manifest quantities. If required, the optional clauses should be copied to the SOW.

If included in the SOW, clause 12.1.2 requires the Contractor to develop, deliver and update a Manifest of Hazardous Chemicals. DID-SSM-MHC requires the manifest to comply with Schedule 12 of the *Work Health and Safety Regulations 2011* (Cth).

Asbestos Containing Material (ACM)

Work involving asbestos is prohibited, subject to the exceptions in WHS Legislation (for example, regulation 419 of the *Work Health and Safety Regulations 2011* (Cth)). While there are exemptions, including for ACM fixed or installed prior to 31 December 2003, the Australian Government has prohibited the incorporation of ACM in Defence materiel and it is Defence policy for in-situ ACM to be removed as soon as reasonably practicable, having regard to maintenance schedules and other regulations.

Clause 12.1.3 creates a framework to manage in-situ ACM, when discovered. Clause 12.1.3 is separated from clauses 12.1.1 and 12.1.2 because asbestos is prohibited and, therefore, ACM cannot be an Approved Substance. This approach is similar to that in the *Work Health and Safety Regulations 2011* (Cth), whereby regulations for asbestos are set out in a separate chapter to Hazardous Chemicals.

ACM known to be in the Products is identified in a Defence Asbestos In-Situ Register (DAIR). Until every instance of ACM in Defence materiel is identified and accurately located in the DAIR, there will be a possibility that in-situ ACM, fixed or installed prior to 31 December 2003, may be discovered. Note that different registers are used for asbestos in buildings that may be offered as GFF. Asbestos in GFF is addressed under clause 12.3.1.3.

DAIR information should be used to inform the Contractor of the location and condition of in-situ ACM within Products Being Supported. In such circumstances, the Contractor must be forewarned and indicate in its HSMP that its workers are competent, and that appropriate procedures in place.

If either party discovers ACM, then clause 12.1.3.1 requires them to inform the other party, and the notice required by clause 12.1.3.2 must include an assessment of the condition and amount of ACM discovered. If the ACM is friable (ie, in a powder form or able to be crumbled, pulverised or reduced to a powder by hand pressure when dry) or likely to become friable (ie, on attempting to remove it), then clause 12.1.3.3 requires the Contractor to make the workplace safe and eliminate the risk of exposure to that ACM. In all other cases, the Contractor shall undertake whatever measures the Commonwealth considers appropriate. Essentially, this requires consultation, coordination and cooperation to determine and implement an appropriate course of action.

Non-friable in-situ ACM within Products must be managed in accordance with the *Work Health and Safety Regulations 2011* (Cth), Defence policy (see the *Defence Safety Manual*), and any relevant code of practice. Products discovered to contain non-friable ACM are to be replaced with alternatives that are asbestos free. Removal could, for example, be undertaken by the Contractor using qualified personnel (as an S&Q Service) or by a third party; following consultation between the parties.

Clause 12.1.3.4 requires the Contractor to remove any ACM that it inadvertently brings onto Commonwealth Premises (at no expense to the Commonwealth).

Clause 12.1.3.5 requires the Contractor to ensure that there is no ACM in new Deliverables or substitute Items, such as those introduced for a modification. Substitute items are, most commonly, non-Repairable Items / consumables to replace obsolete items (eg, replacement gaskets or brake pads). Drafters should also refer to DSD-ENG-SERV, 6.2.3 (Engineering Investigations), and DSD-SUP-SERV 6.2.8, Obsolescence Management.

Clause 12.1.3.5 allows the Commonwealth Representative to request test results of representative sample items such as high temperature / high friction items, including engine gaskets, seals, brake pads/linings, clutch plates, insulation blankets, door seals, safes, temperature probes, aviation fuel hoses, heat shields, adhesives, glues, resins, and paints (historically, these types of items have contained asbestos).

Clause 12.1.3 is optional and may be replaced with 'Not used' if, and only if, it is confirmed that the Products do not contain ACM. Otherwise, the clause should be included without change.

Problematic Sources

Clause 12.1.4 addresses Problematic Sources, which include various materials and apparatus that are sources of radiation that must be licenced by the Australian Radiation Protection and Nuclear Safety Authority (ARPANSA). These include sources of ionising and non-ionising radiation, with specific provisions for non-ionising radiation sources such as lasers and ultraviolet radiation sources. Some sources may be embedded within Products (eg, a laser designator to be maintained) or used to provide Services (eg, x-ray equipment and radioisotopes used for fluoroscopy during non-destructive test).

Clause 12.1.4 recognises the licensing framework governed by ARPANSA, which enforces compliance with radiation protection legislation. To obtain licences, safety plans and procedures must be evaluated by ARPANSA. Defence's Products are covered by a single Defence source licence unless covered by one of the facilities licences. The Defence source licence also covers contracted maintenance, if applicable information is provided and procedures are followed. Contractor-owned Problematic Sources require a licence to be held by the Contractor.

Clause 12.1.4.1 requires the Problematic Sources, and the purposes for which they are used, to be Approved by the Commonwealth Representative and included in an annex to the HSMP (or SSMP). Evidence of a relevant Authorisation (ie, licence) is required for each Contractor-owned Problematic Source. If a Problematic Source at Commonwealth Premises is to be used by the Contractor, it should be listed in SOW Annex E and the Defence source licence or facility licence identified.

Clause 12.1.4.2 requires the drafter to list references applicable to Contract work that will involve a Problematic Source on Commonwealth Premises (from the *Defence Safety Manual*). Other references include standards for laser safety and Defence policies / procedures relevant to the location or work. The *Defence Radiation Safety Manual* addresses ionising, non-ionising, laser and ultra-violet radiation safety, and is applicable to the use of Defence-owned Problematic Sources by Contractors on Commonwealth Premises. If the Contractor will not use Problematic Sources on Commonwealth Premises, this optional clause may be deleted.

Clause 12.1.4.3 enables updates to the list of Problematic Sources by Approval of the new Problematic Source, or use, and update to the HSMP (or SSMP), supported by evidence of the applicable Authorisations (ie, licences).

Clause 12.1.4 is optional and may be deleted if it is confirmed that no Problematic Sources require support or will be used in the provision of Services. Alternatively, if clause 12.1.4 is required but the Problematic Sources are not to be used on Commonwealth Premises, optional clause 12.1.4.2 may be deleted. When applicable, drafters need to tailor the clauses with appropriate references.

Related Clauses: COT TDR E-7 requests tenderers to describe their ability to handle example Problematic Substances (identified by the drafter) applicable to the Services.

Glossary, for definitions of Problematic Substances, Problematic Sources, Approved Substances, Dangerous Goods, Hazardous Chemicals, Ozone Depleting Substances, Synthetic Greenhouse Gases, and Asbestos Containing Material.

COC clause 12.4, Work Health and Safety

COC clause 12.5, Environmental Obligations

SOW clause 12.2, Environmental Management

SOW clause 12.3, Work Health and Safety

SOW Annex E, Known Hazard at Commonwealth Premises

DID-PM-HSE-SDS, Safety Data Sheet (an ASDEFCON (*Strategic Materiel*) DID).

Optional Clauses: Nil

Note to drafters: Insert the following clauses under the heading at clause 12.1.2 when the Contractor (or Approved Subcontractor) may become, or become part of, a Major Hazard Facility on Commonwealth Premises.

Where Approved Substances held by the Contractor or Approved Subcontractors on Commonwealth Premises are Schedule 11 Hazardous Chemicals that exceed, or are likely to exceed, the 'manifest quantities' specified in Schedule 11 of the *Work Health and Safety Regulations 2011* (Cth), the Contractor shall develop, deliver and update a Manifest of Hazardous Chemicals in accordance with CDRL Line Number MGT-1110.

Without limiting clause 12.1.1, if the Contractor becomes aware of a change to the Schedule 11 Hazardous Chemicals such that new Schedule 11 Hazardous Chemicals are to be held at manifest quantities or existing Schedule 11 Hazardous Chemicals are to be removed from Commonwealth Premises, the Contractor shall provide an updated Manifest of Hazardous Chemicals in accordance with CDRL Line Number MGT-1110.

12.2 Environmental Management

Status: Optional

Purpose: To obtain a description of how the Contractor proposes to manage environmental issues and comply with environmental requirements.

Policy: *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act)

Environment and Heritage Manual

Defence Environmental Strategic Plan

Defence National Environment Legal Register

AS/NZS ISO 14001:2004 – *Environmental Management Systems – Requirements with Guidance for Use*

AS/NZS ISO 14031:2000 – *Environmental Management – Environment Performance Evaluation – Guidelines*

Other environmental legislation, such as the *Hazardous Waste (Regulation of Exports and Imports) Act 1989* (Cth).

Guidance: This optional clause is to be included when the Contractor will perform activities on Commonwealth Premises (including ships alongside) and where there are specific environmental requirements that must be managed when working on those sites.

Alternatively, the clause may be replaced if other significant environmental issues may result from using Defence equipment on Contractor premises.

The *Environment and Heritage Manual*, Chapter 2, identifies the requirement for an environmental assessment and approval program in relation to 'activities' that have the potential to cause environmental harm, when an environmental issue may require referral to the Environment Minister, and when an Environmental Clearance Certificate is required. Drafters should contact the Director Environmental Planning, Assessment and Compliance (DEPAC) for advice.

Environmental management requirements through the Contract will not usually be required for work undertaken at Contractor facilities, as the Contractor must still comply with the EPBC Act. However, if work at Contractor premises will potentially involve special environmental issues, draft clauses under 12.2.1 may be replaced with 'Not used' and 12.2.2 replaced by the optional clause at the end of this section.

If no Contract work will be performed on Commonwealth Premises and no special environmental requirements apply to Contractor premises, the draft clauses under 12.2.1 and 12.2.2 may be replaced with 'Not used'. Note that COC clause 12.5, Environmental Obligations, applies even if the SOW clauses are not used.

Where work on Commonwealth Premises is applicable, the drafter should insert the names of the sites into clause 12.2.

Drafters developing contracts for maritime platforms should also refer to the Maritime Activities Environmental Management Plan. Plans for the land and air environments will be released in the future.

Acknowledgement of Environmental Advice. Clause 12.2.1 requires the Contractor to acknowledge the listed environmental reports relevant to 'the applicable Commonwealth Premises'. Drafters should seek advice from the E&IG regarding the reports to be referenced.

Documents referenced at clause 12.2.1 may be provided as GFD or GFI. If the information is essential for the Contractor to comply with legislation, manage liability, or if it contains Defence directions in addition to legislative requirements, then the documents would be GFD. GFD is appropriate if, for example, any inconsistency with legislation was found and Defence would need to provide corrected documents to the Contractor. In other cases, where documents are for information purposes only, they should be included as GFI.

Environmental Requirements. Clause 12.2.2 identifies Defence requirements for the Contract that are in addition to Environmental legislation. Drafters need to identify any Defence and/or location-specific policies applicable to the Contract work. Relevant references may be found from the Defence ENVMS on the DEFWEB. Drafters should refer to sections within referenced documents, not whole documents, unless the whole document applies to the Contract. A Defence / site Environmental Management Plan may also be an applicable reference. DID-SSM-ENVMP and DID-SSM-SSMP (as selected under clause 12.2.2) refer to this list of references.

The need for an Environmental Management Plan (ENVMP) would arise if the Contractor were to meet Defence-specific environmental requirements, including coordination with Defence and local site representatives. A stand-alone ENVMP can provide greater certainty of compliance in situations where there is a reasonably high risk of legislative breach, by ensuring that risk mitigation plans are fully documented.

When the Contract (Support) follows a Contract (Acquisition), environmental issues should have been addressed during the acquisition and previous phases of the life cycle. Drafters should refer to documentation from these phases, such as an Environmental 'impact study' or 'assessment report' prepared for or under the Contract (Acquisition).

The degree of complexity and extent of the environmental management required will depend on the environmental risks involved. To assist in determining environmental management requirements for the Contract, the CASG SPO or relevant authority may need to conduct an 'environmental impact assessment'.

Drafters should consider including a requirement for the Contractor to provide a stand-alone ENVMP in situations where the Contractor may work in an area that is especially sensitive to environmental issues, or at Commonwealth Premises. REOs/DES should be consulted to determine this requirement.

Drafters need to consider a range of factors to determine if a stand-alone ENVMP is required, or if environmental requirements can be managed through the SSMP. The overarching concern is whether there is a risk of significant environmental impact and an Environmental Clearance Certificate is required. Examples where an ENVMP may be required are:

- a. testing of equipment that emits high-intensity electromagnetic radiation;
- b. work that generates high levels of noise;
- c. test and trials involving high energy underwater sonar;
- d. testing of vehicles in an environmentally sensitive area; and
- e. activities that may cause pollution (eg, use of solvents).

If an ENVMP is required, drafters should:

- a. identify if any clearances (Authorisations) are required, including any required for testing and trials;
- b. identify applicable Commonwealth, state and territory laws;
- c. determine if environmental (including heritage) issues are applicable; and
- d. identify the environmental management plans / systems in place at relevant Commonwealth Premises.

If a stand-alone ENVMP is required, drafters should select Option A in clause 12.2.2. If the drafter determines that Environmental management can be 'rolled up' into the SSMP, Option B should be selected. If the Contractor has an existing ENVMS with suitable scope, then the ENVMP or SSMP would refer to the ENVMS for details.

The Commonwealth Government requires all departments and agencies to develop and implement an Environmental Management System (ENVMS) compliant with ISO 14001 requirements. Defence expects contractors to have ISO 14001 certification if applicable to the work on Commonwealth Premises, or be able to demonstrate an equivalent commitment and application of environmental management throughout their organisation, including Subcontractors.

Drafters should note that some tenderers may be pre-qualified, having been assessed by Defence for compliance with Environmental requirements and the suitability of their ENVMS. If this is likely and the tenderer becomes the Contractor, then the SSMP referring to the Contractor's existing ENVMP and ENVMS may be a suitable alternative to a new ENVMP. In this instance, drafters may retain both Options A and B in the draft SOW and replace the 'note to drafters' with a 'note to tenderers' included in the optional clauses below.

Clause 12.2.2.4 allows the drafter to include details for individual Commonwealth Premises as requirements change from base to base (eg, heritage sites and bases in sensitive environmental areas). If the option is included, applicable references should be inserted. The Commonwealth would expect the Contractor to refer to these, and any special requirements, in their ENVMP / ENVMS.

The Contractor is required to have an ENVMS, which can be either Certified to AS/NZS ISO 14001:2004 or not. If the ENVMS needs to be Certified, the optional clause for a Certified ENVMS should be included. Subsequent clauses should be edited consistent with the requirement for a Certified ENVMS, or otherwise. If an ENVMS certified to ISO 14001 is not essential, then the optional clauses may be deleted. An acceptable alternative to a Certified ENVMS is proof by the tenderer of its 'quality environmental process' currently in place to achieve a compliant ENVMS (even if third party certification is not required).

Environmental management issues are reported in the CSR (defined in DID-SSM-CSR as part of the Health Safety and Environment Report).

Drafters should consider if the Contractor will be required to participate in meetings / reviews conducted by the E&IG regional authority. If so, details of these meetings (location and frequency) are to be inserted into the clause under 12.2.2.9.

The Contractor is required to propose changes to the Contract via a CCP if it becomes aware that changes to the Contract are, or will be, necessary to enable compliance with environmental legislation. An optional clause below may be copied to the SOW if this is likely.

There may also be a need for the Commonwealth to conduct surveillance and audits for Environmental purposes, as per in clause 12.5 of the COC. If so, suitable clauses are included in the draft SOW. Note that Defence staff that carry out audit and surveillance activities must be suitably qualified. Suitable qualifications should be determined in consultation with DES.

For GFF, drafters should check for any GFF-specific environmental requirements. Standard requirements are included in the GFF Licence at Attachment O, but drafters should liaise with E&IG for any additional requirements. Tenderers need to be aware of any such requirements that would need to be addressed as the Contractor.

Related Clauses: COC clause 12.5, Environmental Obligations
TDR G-4 of the COT, Environmental Management Statement
SOW clause 12.1, Problematic Substances and Problematic Sources
SOW clause 12.4, Incident Reporting and Remediation

Optional Clauses:

Note to drafters: The following note to tenderers may be used if the need for a stand-alone ENVMP or environmental management within the SSMP will depend on tender responses.

Note to tenderers: The requirement for a stand-alone ENVMP or environmental management included in the SSMP will be determined in response to tenders. Where an existing ENVMS is suitable and accessible to the Commonwealth Representative, the preference will be to refer to that system from the SSMP.

Note to drafters: The following clause may be copied to the SOW, to replace the subclauses under clause 12.2.2, when work under the Contract will not be performed on Commonwealth Premises but when work on Contractor Premises may have significant environmental issues.

The Contractor shall inform the Commonwealth Representative as soon as practicable after becoming aware of required changes to the Contract to enable compliance with changes to environmental legislation and clause 12.5 of the COC.

12.3 Work Health and Safety

Status: Core

Purpose: To require the Contractor to meet Defence Work Health and Safety (WHS) requirements, and enable both parties to discharge duties under WHS Legislation.

Policy: Relevant policy documents are:

Australian Code for the Transport of Dangerous Goods by Road and Rail, Seventh Revised Edition (National Transport Commission, 2011) (ADG7)

Australian Radiation Protection and Nuclear Safety Act 1998 (Cth)

Australian Radiation Protection and Nuclear Safety Regulations 1999 (Cth)

ARPANSA Radiation Protection Series:
<http://www.arpansa.gov.au/Publications/codes/index.cfm>

SafetyMan and CASsafe

Defence Work Health and Safety website: <http://intranet.defence.gov.au/whs/>

DEFLOGMAN Part 2 Volume 3, *Ozone Depleting Substances and Synthetic Greenhouse Gases Manual*

Environment Protection and Biodiversity Conservation Act 1999 (Cth)

Globally Harmonized System of Classification and Labelling of Chemicals (GHS)

Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 (Cth)

Safe Work Australia website: <http://safeworkaustralia.gov.au>

Work Health and Safety Act 2011 (Cth), from: <http://www.comlaw.gov.au>

Work Health and Safety Regulations 2011 (Cth), from: <http://www.comlaw.gov.au>

Codes of Practice approved under section 274 of the *Work Health and Safety Act 2011* (Cth), from:

<http://www.safeworkaustralia.gov.au/Legislation/model-COP/Pages/Model-COP.aspx> and <http://www.comlaw.gov.au/Details/F2011L02804/Download>

Guidance:

Under WHS Legislation, the Commonwealth has a duty of care to ensure, so far as is reasonably practicable, the health and safety of:

- a. workers engaged, or caused to be engaged by the Commonwealth;
- b. workers whose activities in carrying out work are influenced or directed by the Commonwealth; and
- c. any other persons that may be placed at risk from the 'conduct of a business or undertaking' (eg, including a business conducted through contracts).

The CASG is responsible for discharging the Commonwealth's WHS duties in the context of acquisition and support contracts for Defence materiel.

The *ASDEFCON (Support)* templates contain clauses in the COC and the SOW to assist CASG SPOs to ensure that work under the Contract is performed safely and in accordance with the WHS Legislation. Hence, clause 12.3 should be read together with clause 12.4 of the COC. Clause SOW 12.3 is organised into three parts:

- Contractor acknowledgement of safety information, including its responsibility for WHS relating to Contract work performed on Commonwealth Premises.
- Management requirements including planning, a WHS Management System (WHSMS), and to co-ordinate with other parties for site safety activities.
- Requirements for Commonwealth Personnel on Contractor Premises.

Acknowledgement of WHS Advice

Clause 12.3.1 requires the Contractor to acknowledge that hazards within Products and GFE are identified in related Technical Data, such as operator and maintenance manuals listed at SOW Annex D and, if provided as GFI or GFD, in Attachment E. Hazards within Products Being Supported may include Problematic Substances within the Products, Problematic Sources, and hazards that create risks of electric shock, burns from hot surfaces, noise, etc. In practice, while some hazards may be labelled on Products, comprehensive warnings and cautions are found in operator and maintenance manuals, particularly if the hazard becomes apparent during the performance of a task described in a manual.

Clause 12.3.2 requires the Contractor to acknowledge that hazards exist at Commonwealth Premises where Contract work may be performed. The Commonwealth needs to inform the Contractor of these risks so that the Contractor can plan safe work practices and inform Contractor and Subcontractor personnel occupying those Commonwealth Premises (including GFF and ships). Known hazards at Commonwealth Premises are to be listed in SOW Annex E, which includes Problematic Substances, Problematic Sources and any other known hazards. Drafters should refer to the guidance at the start of Annex E.

WHS requirements apply to ships, similar to other Commonwealth Premises. When applicable, the drafter should determine if explicit inclusion of ships is required (ie, by name or class) within Annex E and, if applicable, locations where they will be alongside.

Clauses 12.3.2.1 and 12.3.2.2 requires the Contractor to acknowledge that it retains a responsibility for the safety of work performed at Commonwealth Premises. Furthermore, if the exact location of a hazard is unknown, the Contractor should perform work as if the hazard was present (once it has been informed by the Commonwealth of safety hazards in that area).

If no work is to be undertaken on Commonwealth Premises. the optional clauses may be deleted and replaced with 'Not used'.

Planning for and Management of WHS Duties

Clause 12.3.3 addresses requirements for planning and for management systems for WHS. It also specifies obligations for consultation, cooperation and coordination between the parties, to ensure the safety of work under the Contract.

Drafters are to identify at clause 12.3.3 the Defence policies and procedures applicable to Contract work on Commonwealth Premises, including any that are relevant to individual Products (eg, safety precautions specific to a Materiel System). DID-SSM-HSMP requires the Contractor to describe in their HSMP how they intend to implement the 'required Defence policies and procedures identified in the SOW', which will encompass those at clause 12.3.3.

Typical references for planning and managing WHS Duties include those listed in clause 12.3.3. Drafters should also consider requirements from the *Defence Safety Manual*, CASsafe, the *Defence Radiation Safety Manual* and any location standing orders and system-specific safety instructions / procedures.

Health and Safety Management Plan. The Contractor is required to plan WHS management. Depending on the circumstances, the Contractor may be required to have a stand-alone HSMP or address WHS planning within the SSMP as explained below. These options are included as clauses 12.3.3.2 and 12.3.3.3.

If all work is to be conducted off-site and there are no major Product-specific risks, then WHS may be addressed in the SSMP. In practice, this may result in the Contractor referring to an existing HSMP for its premises, and providing the Commonwealth Representative with access to that HSMP, via the DMS.

A stand-alone HSMP is required where:

- a. work under the Contract (other than office / administrative work) is carried out at Commonwealth Premises on an on-going basis;
- b. work under the Contract includes high risk construction work as defined in the *Work Health and Safety Regulations 2011* (Cth);
- c. the Contractor has been engaged as a principal contractor for a 'construction project' under clause 12.4.14 of the COC;
- d. the Services will require the use, storage or handling of Schedule 15 Chemicals in quantities that will or may exceed the applicable threshold(s);
- e. there will be high risk activities or significant health and safety risks that are specific to the Products Being Supported; or
- f. Commonwealth Personnel will work at Contractor-controlled workplaces.

DPPI NO 4/2012 *Engagement of Principal Contractors under the Work Health and Safety Legislation* provides guidance on the appointment of principal contractors for 'construction projects' (note that this can include ship maintenance).

Typical examples where a stand-alone HSMP is required due to work on the Products including where a contractor is working on-board a ship, or is engaged in hazardous work on an aircraft such as fuel tank de-seal/reseal tasks, and evidence of applying Defence-specified procedures is required.

The drafter is to determine the type of plan required, HSMP or SSMP, and select Option A or B accordingly. The drafter should then insert the name of the selected plan into the following clauses.

WHS Management System. The WHSMS is a system for managing information related to WHS responsibilities. Typically, a system will include the information identified under SOW clause 12.3.2.6. Additional information may include:

- a. details of individuals and groups, within the organisation, who hold WHS-related responsibilities;
- b. procedures for incident reporting and notifications to and from the WHS regulators;
- c. WHS statistics (which may be reported via the CSR); and
- d. copies of incident reports and notifications to and from the WHS regulators.

The full scope of a WHSMS is described by AS/NZS 4801:2001, and drafters may refer to this standard if intending to expand the list under clause 12.3.2.6.

There are essentially two options for a WHSMS within the SOW. The first is for the Contractor to have a WHSMS (not Certified). The second is to have that WHSMS Certified to the AS/NZS 4801:2001 by a Certification agency. Optional clauses 12.3.2.7 and 12.3.2.8 are included if the Commonwealth requires the Contractor to have a Certified WHSMS. Typically, the Commonwealth would have an interest in ensuring that the Contractor's WHSMS is Certified if the Contract involves high risk activities or for Commonwealth Personnel to work at the Contractor's premises.

Although a WHSMS is a separate requirement in the SOW, it may be combined with an ENVMS as part of a 'HSE management system', as the structural requirements of both systems are similar. Furthermore, these systems may be integrated into the Contractor's QMS.

Clause 12.3.3.9 requires Contractor and Subcontractor Personnel to consult, co-operate, and co-ordinate with Commonwealth Personnel, and any other workers, to ensure that work is performed safely. Importantly, this clause imposes a mandatory obligation on the Contractor's representatives to consult, co-operate and co-ordinate with the Commonwealth Representative and the Commonwealth Representative must make themselves available to address WHS issues. The Commonwealth Representative may also initiate the consultation, co-operation and co-ordination process, and the Contractor Representative is required to participate. The *Work Health and Safety Consultation, Co-operation and Co-ordination Code of Practice* provides guidance to duty holders who share a responsibility for WHS matters.

WHS on Commonwealth Premises

Clause 12.3.4 applies when Contractor and Approved Subcontractor personnel are working on Commonwealth Premises on an on-going basis; for example, it is not required for the Contractor to simply pick-up and deliver items from a warehouse. Note that Subcontractors working on Commonwealth Premises need to be Approved Subcontractors in order to flow down Contract WHS provisions. This clause may be deleted if no Contract work will be performed on Commonwealth Premises.

Clause 12.3.4.1 requires the Contractor to ensure that Subcontractors undertaking work on Commonwealth Premises follow the Contractor's WHSMS. In practice, the Commonwealth expects that Subcontractors would align their systems with the Contractor's WHSMS or use the Contractor's WHSMS established for the site.

Before commencing work at Commonwealth Premises, Contractor Personnel are to participate in any safety-related induction training and/or a site safety briefing (clause 12.3.4.2) provided by Defence (note that the definition of Contractor Personnel includes Subcontractor Personnel). Where the Contractor has control of a specific area of Commonwealth Premises (ie, GFF) the Commonwealth expects the Contractor to conduct its own induction training in relation to that workplace.

Clause 12.3.4.3 relates to participation in Defence's WHS management programs, including attending Base WHS meetings and the work necessary to address action items. Drafters need to insert details of Commonwealth Premises, meeting locations and timeframes. If the Contract spans multiple sites, the clause may be repeated with details for each of the applicable Commonwealth Premises.

Clause 12.3.4.4 addresses the discovery of unforeseen hazards at applicable Commonwealth Premises, and the actions to be followed. When necessary, this may require an update of SOW Annex E, via a CCP, to document the new hazard.

WHS of Commonwealth Personnel on Contractor or Approved Subcontractor Premises

Clause 12.3.5 includes requirements relating Commonwealth Personnel located on Contractor and/or Approved Subcontractor premises (ie, Resident Personnel and MRU). If there will be no Resident Personnel or MRU (refer to clause 3.16) then clauses under the heading can be replaced with a single 'Not used'.

Clause 12.3.5 covers four WHS-related issues for Resident Personnel and MRU:

- obligations to ensure a healthy and safe physical work environment;
- pre-work inspections;
- safety awareness training and procedures; and
- monitoring of WHS issues related to the work environment.

In order to enable the Commonwealth to comply with WHS Legislation, the Commonwealth must ensure that the facilities for Commonwealth Personnel, which the Contractor provides, are, so far as is reasonable practicable, without risk to health and safety. This is addressed in two ways. Firstly, in sub-clause a, the work environment is to be in accordance with a code of practice approved under section 274 of the WHS Act, *Managing the Work Environment and Facilities*. Secondly, for contractors outside the jurisdiction of the WHS Act (eg, overseas where Resident Personnel, MRU or any other Commonwealth Personnel may be located), the Contractor is to provide every assistance to allow the Commonwealth to comply with its obligations (as these extend to Commonwealth Personnel overseas).

Drafters tailoring clause 12.3.5 need to ensure that the scope of the clause remains consistent with clause 3.16, Attachment L for Resident Personnel, and Attachment R for MRU.

Related Clauses:

COC clause 12.4, Work Health and Safety

COC clause 3.10 and Attachment R for Members Required in Uniform

Attachment L for Resident Personnel

SOW clause 3.16, Commonwealth Personnel at Contractor or Approved Subcontractor Premises

SOW clause 3.6, Co-ordination and Co-operation

SOW clause 12.1, Problematic Substances and Problematic Sources

SOW clause 12.2, Environmental Management

SOW clause 12.4, Incident Reporting and Remediation

DID-SSM-HSMP defines requirements for a Health and Safety Management Plan.

DID-SSM-SSMP includes requirements for WHS management when planning is rolled-up into the SSMP.

TDR G-5 of the COT, Health and Safety Management Statement

Optional Clauses: Nil.

12.4 Incident Reporting and Remediation

Status: Core

Purpose: To identify the requirements for WHS and Environment incident reporting and remediation efforts.

Policy: *Environment Protection and Biodiversity Conservation Act 1999* (Cth)

Ozone Protection and Synthetic Greenhouse Gas Management Act 1989 (Cth)

Work Health and Safety Act 2011 (Cth)

Work Health and Safety Regulations 2011 (Cth)

Defence Safety Manual (SafetyMan)

DEFLOGMAN Part 2 Volume 3 Chapter 3, *Fire Protection*

Guidance:

This clause implements the incident notification regime in Part 3 of the *Work Health and Safety Act 2011 (Cth)*. It also includes reporting of Environmental Incidents under the *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*.

Notifiable Incidents (WHS)

Under section 38 of the *Work Health and Safety Act 2011 (Cth)*, a person who conducts a business or undertaking must notify their regulator of any *notifiable incident* arising out of the conduct of their business or undertaking. In practice, where a *notifiable incident* occurs in a workplace controlled by the Contractor, for work related to the Contract, the Contractor is to report the incident in accordance with the WHS Legislation and also inform the Commonwealth, because the incident occurred within the 'business or undertaking' of both parties.

In most cases, the Contractor's regulator is the state or territory WHS regulatory authority with jurisdiction over the workplace, although some companies (and Commonwealth-owned entities) have Comcare as their regulator. For Defence / the Commonwealth, the regulator is Comcare.

The Glossary defines Notifiable Incident by reference to sections 35 to 37 of the *Work Health and Safety Act 2011 (Cth)*. Section 35 states that a *notifiable incident* means the death of a person, a serious injury or illness of a person, or a dangerous incident. Section 36 defines, 'serious injury or illness' and section 37 defines 'dangerous incident'. In *SafetyMan*, these are referred to as 'notifiable events' (not all incidents are 'notifiable'). Clause 12.4 addresses incident reporting and notification obligations within the *Work Health and Safety Act 2011 (Cth)* and the processes in *SafetyMan*.

Clause 12.4.1 requires the Contractor to immediately report to the Commonwealth Representative any Notifiable Incidents that involve Commonwealth Personnel, that occur on Commonwealth Premises, or that arise out of the use of GFM or following a 'Commonwealth specified system of work' (eg, a procedure within GFD). Other Notifiable Incidents (not included by clauses 12.4.1a. to 12.4.1c.) are summarised in the WHS sub-report of the CSR.

While a Notifiable Incident may be reported verbally in the first instance, clause 12.4.2 requires a written report, using the Sentinel Event Kiosk (on the DRN) where possible. SPOs receiving a Notifiable Incident report must report these to Comcare in accordance with the *SafetyMan*.

Clause 12.4.3 ensures that the Commonwealth Representative is given copies of notices or other documentation given by the Contractor to their regulator or from the regulator to the Contractor in respect of the Notifiable Incident, including notices from any inspector appointed by the regulator to investigate a Notifiable Incident.

Following a Notifiable Incident, the Contractor is to investigate the circumstances of the event and take all reasonable steps to ensure that the Notifiable Incident does not recur. Subclause 12.4.3d requires the Contractor to present its findings to the Commonwealth within 10 Working Days of the notification.

Clause 12.4.4 places reciprocal obligations on the Commonwealth to assist the Contractor to report on Notifiable Incidents in accordance with WHS Legislation.

Clauses 12.4.1 to 12.4.4 should be included in the Contract without change.

Environmental Incidents

When Environmental Management is included at SOW clause 12.2, Environmental Incidents are to be reported to the Commonwealth Representative. Environmental Incidents are defined as any Environmental Harm or Contamination caused by or in relation to the Contractor's activities. Unlike (WHS) Notifiable Incidents, timeframes

for reporting are not prescribed (by the *Environment Protection and Biodiversity Conservation Act 1999* (Cth)). Drafters should note COC clause 12.5, should the Contractor fail to retain applicable licences and permits.

The *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989* (Cth) and Defence policy require Defence to account for Defence stocks of ODSs and SGGs. Discharge of these substances, by any party, must be reported to the Defence manager. Clause 12.4.6 covers those occasions when the Contractor discharges or suspects discharge of an ODS or SGG (eg, the unintended leak from an air-conditioner or discharge of a turbine engine fire extinguisher retardant). This is primarily intended for non-licensed contractors maintaining related equipment as licensed contractors (eg, holding an Extinguishing Agent Handling Licence) are aware of their legal obligations and this reporting requirement.

If SOW clause 12.2, Environmental Management, is not included in the draft Contract then optional clause 12.4.5 should be removed. If ODS and SGG are not applicable to the Contract, then optional clause 12.4.6 may be removed.

Related Clauses/Documents:

COC clause 6.12, Remediation of Performance Problems

COC clause 12.4, Work Health and Safety

COC clause 12.5, Environmental Obligations

SOW clause 12.1, Problematic Substances and Problematic Sources

SOW clause 12.2, Environmental Management

SOW clause 12.3, Work Health and Safety

Attachment Q, for Other Performance Measures that may be specified in relation to WHS or environmental management performance.

DID-SSM-CSR, defines Health Safety and Environment sub-report for the CSR.

Optional Clauses: None

13. CONTINUOUS IMPROVEMENT AND EFFICIENCIES

<u>Status:</u>	Core
<u>Purpose:</u>	To require the Contractor to identify, analyse and implement Efficiencies, and to share the savings with Defence. The aim is to reduce the Total Cost of Ownership (TCO) to Defence while ensuring that required Outcomes are still achieved.
<u>Policy:</u>	The Continuous Improvement and Efficiencies (CIE) program is a CASG initiative for implementing the Defence Strategic Reform Program.
<u>Guidance:</u>	<p>The CIE Program is part of Defence's long-term strategy to reduce the TCO of Materiel Systems (ie, the portion of Life Cycle Cost (LCC) for the remaining life of the system, including its disposal) so that savings can be reinvested in future Capabilities. Clause 13 and COC clause 3.19 define a default method for managing the CIE Program and sharing in savings under an <i>ASDEFCON (Support)</i> PPBC.</p> <p>Efficiencies may be found by improving Contractor and Commonwealth processes, including by the simplification of tasks, transfer of tasks to the party who can perform them most efficiently, enhancement of the Products Being Supported, or other change. Savings are made by reducing Commonwealth costs, either by reducing the amount paid under the Contract or by shifting responsibilities to the Contractor if the increase in Contract payments is less than the reduction of other Commonwealth costs. Contractor rewards for Efficiencies are Contract extensions such as Award Terms or continued scope for Renewal Terms under COC clause 1.9. Although linked to Contract extensions, a price adjustment for an Approved Efficiency may occur at another time – depending upon the time taken to recoup any investment cost of implementing the Efficiency.</p>
<u>Related Clauses:</u>	<p>COC clause 1.9, Term</p> <p>COC clause 3.19, Continuous Improvement and Efficiencies</p> <p>SOW clause 11, QUALITY MANAGEMENT</p> <p>DSD-ENG-SERV for the evaluation of proposed Materiel System changes on LCC.</p> <p>DID-SSM-EAIR defines requirements for an Efficiencies Analysis and Implementation Report (EIAR).</p> <p>DID-SSM-EIP defines requirements for an Efficiencies Implementation Plan (EIP).</p> <p>DID-SSM-CSR, which includes a CIE report.</p>
<u>Optional Clauses:</u>	Nil

13.1 Acknowledgement

<u>Status:</u>	Core
<u>Purpose:</u>	To require that the Contractor acknowledge the intent of the CIE Program and the associated evaluations and actions that will be taken by the Commonwealth.
<u>Policy:</u>	Nil
<u>Guidance:</u>	<p>The CIE Program seeks to reduce TCO by implementing Efficiencies. To be effective, it is important for the Contractor to acknowledge its obligations under the CIE Program and the Commonwealth's role.</p> <p>If extensions to the Contract, which consider the success of the CIE Program, will not be offered under COC clause 1.9 then drafters should tailor clause 13.1.2 in accordance with the note to drafters.</p>
<u>Related Clauses:</u>	<p>Other clauses under clause 13 of the draft SOW.</p> <p>COC clause 1.9, Term</p> <p>COC clause 3.19, Continuous Improvement and Efficiencies</p> <p>SOW clause 3.4.5, Performance Assessment Reviews</p> <p>DID-SSM-CSR, which includes a CIE report.</p>

Optional Clauses: Nil

13.2 Management of the Continuous Improvement and Efficiency Program

<u>Status:</u>	Core
<u>Purpose:</u>	To require the Contractor to plan, manage and implement the CIE program.
<u>Policy:</u>	Nil
<u>Guidance:</u>	<p>The CIE Program requires the Contractor to seek Efficiencies and to manage the implementation of Approved Efficiencies.</p> <p>Clause 13.2.1 requires the Contractor to implement a CIE Program, subject to the identified objectives.</p> <p>Clauses 13.2.2 and 13.2.3 require the Contractor to prepare an Efficiencies Implementation Plan (EIP), for Approval, and to follow the plan when managing the CIE Program. The EIP spans the CIE Program as a whole, and each Approved Efficiency has an 'implementation plan' included as a separate annex. Annexes for Efficiencies are added to the EIP once the recommendations from an Efficiencies Analysis and Implementation Report (EAIR) are Approved under clause 13.3. Accordingly, in the CDRL, the EIP is updated with each Approved Efficiency.</p> <p>Progress of each Approved Efficiency is reported in the CIE Report, a sub-report of the CSR. In the CDRL, delivery of the CIE Report may be scheduled separate to the rest of the CSR to ensure that it is available at each PAR held in accordance with SOW clause 3.4.5.</p> <p>Clause 13.2 should be reviewed but, in general, can be retained without change.</p>

Related Clauses: All other clauses under clause 13 of the draft SOW.

COC clause 3.19, Continuous Improvement and Efficiencies

SOW clause 3.4.5, Performance Assessment Reviews

SOW clause 11, QUALITY MANAGEMENT

DID-SSM-CSR specifies requirements for the CIE Report.

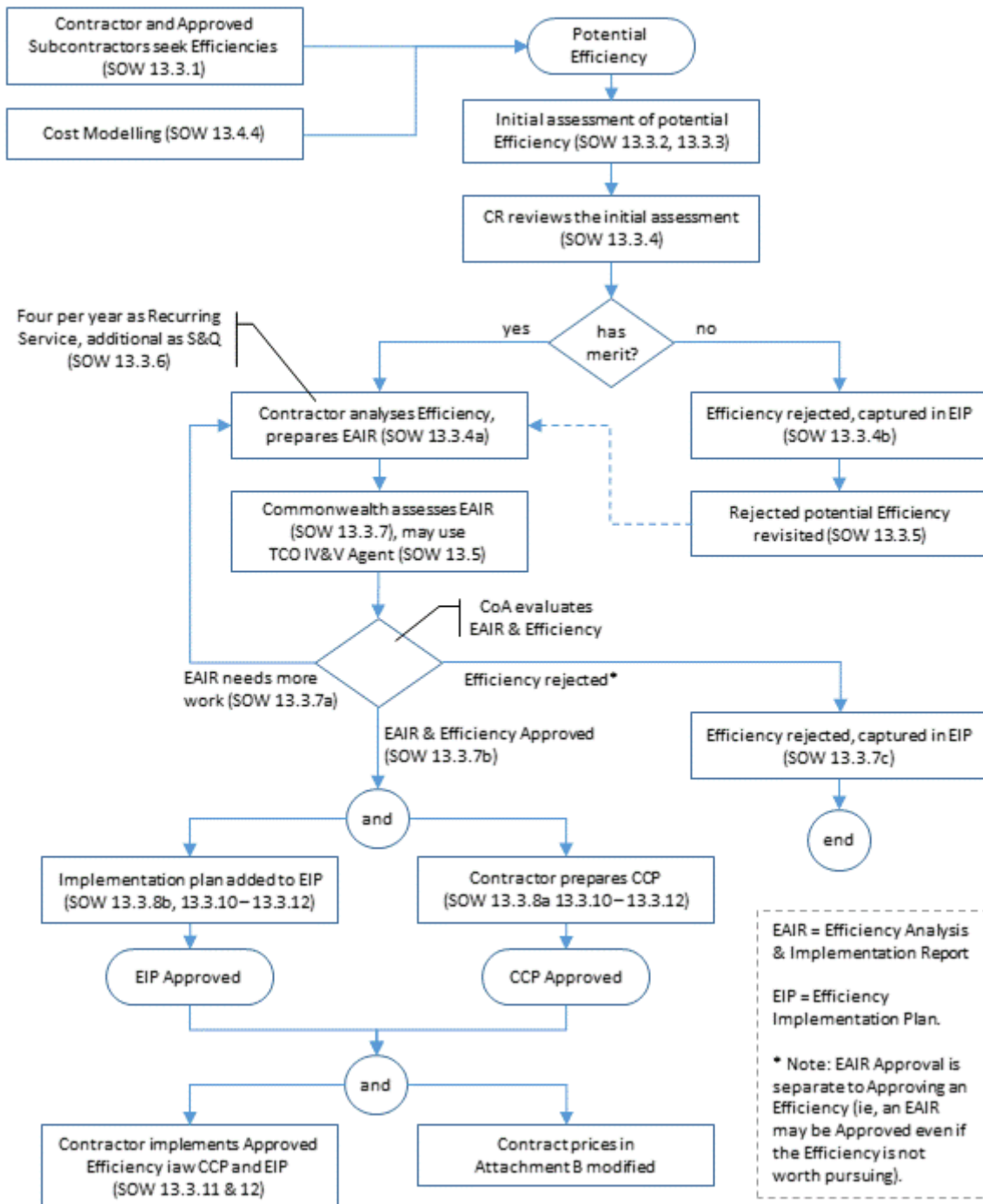
DID-SSM-EAIR specifies the requirements for an EAIR.

DID-SSM-EIP specifies the requirements for an EIP.

Optional Clauses: Nil

13.3 Identifying, Analysing and Implementing Efficiencies

<u>Status:</u>	Core
<u>Purpose:</u>	To require the Contractor to identify and analyse new Efficiencies, to report Efficiencies, and to implement those Efficiencies that are Approved.
<u>Policy:</u>	Nil
<u>Guidance:</u>	<p>This clause describes the process for identifying, analysing, reporting, Approving, and implementing each Efficiency. An overview of the process is shown in Figure 4.</p> <p>Clauses 13.3.1 to 13.3.3 require the Contractor to continuously seek Efficiencies, perform an initial assessment of cost, benefit and risk, and to advise the Commonwealth of these potential Efficiencies. The Contractor is also obliged to engage Approved Subcontractors in the search for Efficiencies.</p> <p>Clause 13.3.4 describes the process whereby the Commonwealth reviews the initial analysis and determines if the Contractor is to conduct a more detailed analysis. Because potential Efficiencies vary in nature, the period for analysing and reporting back to the Commonwealth can also vary; hence, clause 13.3.4 allows the period for the analysis to be agreed on a case by case basis. As a result of clause 13.3.4, a potential Efficiency is either rejected or a decision is made to investigate it further. Further investigation requires the Contractor to report its findings in an EAIR.</p>



potential Efficiency is not worth pursuing (even if the EAIR is Approved) and the Efficiency (only) is therefore rejected.

The viability of a potential Efficiency should be considered based on:

- the investment the Contractor needs to make to implement the Efficiency and the return on investment (ie, savings) generated;
- the time period needed to enable the Contractor to 'break even' (ie, how long it takes for the savings to equal implementation costs);
- the time over which the Contractor will benefit from the Efficiency, considering the time remaining in the current Contract Term;
- the time period over which the Commonwealth will benefit from the Efficiency (eg, from when savings begin to be shared until the PWD);
- any Commonwealth contribution needed to implement the Efficiency; and
- any non-financial benefits.

Clauses 13.3.8 to 13.3.9 describe the actions to be followed by the Commonwealth and Contractor once an Efficiency is Approved. This includes updating the EIP and preparing a CCP to incorporate the Approved Efficiency into the Contract. The EIP is updated to include an implementation plan as an annex (see DID-SSM-EIP). If payments under the Contract will change as the result of an Efficiency (usual), then a CCP is raised when the Efficiency is Approved to amend the Attachment B, the Price and Payment Schedule, and any other part of the Contract that is affected. Note that payments may reduce, or they could increase if the Efficiency involves the Contractor taking on more work at a lower cost than where that work was performed previously. Accordingly, in some cases the CCP may change the scope of work and the SOW. The CCP may also note an initial financial contribution by the Commonwealth, if applicable. As savings are linked to Contract extensions, the CCP may indicate that the change in payments (ie, in Recurring Services tables) will start at the Contract extension (in a CCP that puts the extension into effect). However, in other cases the change may be scheduled to occur sooner, once the initial investment costs are due to be recovered. The Recurring Services Fee in Attachment B is divided into tables for different periods, so changes in payments are scheduled in the applicable table for a future period (eg, the start of a Term extension or a new financial year).

Clause 13.3.13 requires that the Contractor not commence the implementation of the Efficiency until the CCP and plans are in place, while clause 13.3.14 asserts that implementation occur in accordance with the EIP and CCP.

Clause 13.3 should be reviewed and clause 13.3.6 may be amended for the number of EAIRs to be included within the Recurring Services, but in most cases the clauses can be retained without change.

Related Clauses: All other clauses under clause 13 of the draft SOW.

COC clause 1.9, Term

COC clause 11.1, Change to the Contract

COC clause 3.19, Continuous Improvement and Efficiencies

Attachment B, Price and Payments

SOW clause 11, QUALITY MANAGEMENT

DSD-ENG-SERV for the evaluation of proposed Materiel System changes on LCC.

DID-SSM-CSR, which includes a CIE Report.

DID-SSM-EAIR defines requirements for an EAIR.

DID-SSM-EIP defines requirements for an EIP.

Optional Clauses: Nil

13.4 Cost Modelling

<u>Status:</u>	Core
<u>Purpose:</u>	<p>To provide a quantitative basis from which to:</p> <ol style="list-style-type: none"> assist in the Commonwealth's objective to minimise TCO, while providing the required level of capability; and evaluate Efficiencies and the value for money of other changes to the Materiel System proposed by the Commonwealth or the Contractor.
<u>Policy:</u>	DEFLOGMAN Part 2 Volume 10 Chapter 16, <i>Defence policy on Life Cycle Costing Analysis</i>
<u>Guidance:</u>	<p>Cost modelling supports a number of functions for the management of a Materiel System, including the ability to analyse and evaluate potential Efficiencies and ECPs. As potential Efficiencies are to be analysed by the Contractor, the Contractor will need to undertake cost modelling and, as a result, clause 13.4 is a core clause.</p> <p>The TCO model is important for documenting the baseline TCO. This baseline can be used to identify cost drivers, as a way of identifying potential Efficiencies, and acts as the basis from which both implementation costs and savings can be evaluated.</p> <p>Analysis of life-cycle costs enables the CASG to undertake budget planning for the support of a Materiel System. LCC Analysis (LCCA) is used to assess the impact on TCO caused by changes to the Mission System and/or the Support System. For example, when parts become obsolete the Commonwealth may need to consider options for establishing a new maintenance capability, to repair the obsolete items, or to modify the system to use substitute items.</p> <p>Areas where LCCA would be undertaken include:</p> <ol style="list-style-type: none"> the analysis of ECPs, including SWCPs (in DSD-ENG-SERV); Supportability and Engineering Analyses (in DSD-ENG-SERV); assessment of whether RIs should be classified as Beyond Economic Repair (in DSD-MNT-MGT), which is usually linked to a replacement program; obsolescence management (in DSD-SUP-SERV); Support System Supportability Analyses (in DSD-SUP-SERV); and Stock Assessment (in DSD-SUP-SACC). <p>Maintaining the baseline TCO also enables Defence to track LCC, which may be used to inform a decision to replace an existing Capability or extend its life.</p> <p>Clause 13.4.1 identifies that the plan for modelling TCO is included within the Approved EIP, required under clause 13.2.</p> <p>Clause 13.4.2 defines the scope of the TCO model. The drafter needs to insert the name of the applicable LCCA tool / TCO model and the need to 'develop and maintain' a new model (using the LCCA tool), or just 'maintain' an existing model, as indicated by the note to drafters. In some cases, it may be preferable to include a version number for the LCCA tool; however, this could lead to later contract changes. Hence, a note to tenderers may be added to identify the current version for the purposes of tendering.</p> <p>The scope of the TCO model described in clause 13.4.2 should also be reviewed. For example, details of ADF activities may be limited to support and not include operations. To be effective, a TCO model will require Commonwealth cost data. If the Commonwealth cannot provide all applicable cost data, then clause 13.4.2 may need to be tailored to reflect the plausible scope of the TCO model.</p> <p>Clause 13.4.2 should also consider a number of related issues. For example, if the TCO model has been built, will this require the Commonwealth to provide software and documentation, as GFM, and training for the LCCA tool as a 'Defence information system' (under SOW clause 3.17)? If the model is to be developed, to what extent does the Commonwealth need to define requirements for the model, and</p>

will new data items be required? Drafters may refer to TDID-FIN-LCC-TLCCM and DID-PM-LCC-LCCRM from *ASDEFCON (Strategic Materiel)* for ideas if developing DIDs, but there is considerable difference between models used during acquisition and in-service, and these DIDs are not suitable in their current form. Drafters should insert delivery details into the CDRL for a model / report data item; noting that deliveries are already required for EAIRs.

Clause 13.4.3 confirms the commercial nature of the cost data provided by the Commonwealth. Contractor cost data that is commercially sensitive should be identified in Attachment N, Confidential Information.

Clause 13.4.4 outlines the cost modelling activities to be undertaken by the Contractor. In effect, this also describes the purpose for the TCO model.

Clause 13.4.5 applies when the Contractor develops the TCO model or modifies a Commonwealth-provided one. This requires the Contractor to provide all resources necessary for the Commonwealth to review the TCO model and to Verify the results and recommendations made by the Contractor when using the TCO model.

Clause 13.4.6 requires the Contractor to provide all reasonable assistance to the Commonwealth to review, verify, and if necessary use the TCO model held by the Contractor. This allows the Commonwealth to review recommendations and to perform 'what if' analysis, if necessary.

Clause 13.4.7 requires the Contractor to use the TCO model to support EAIRs and other activities considered at the PAR, held in accordance with clause 3.4.5.

Template clauses are drafted so that cost modelling is a Recurring Service. Maintaining the TCO model can require on-going work and this facilitates the continuous search for Efficiencies. As a Recurring Service, this may not include the analysis of ECPs and SWCPs, which are usually S&Q Services. Hence, cost modelling under clause 13.4 may be met by a Recurring Services Fee, while the analysis of system changes, other than for the purpose of Efficiencies, may be S&Q Services, even though the same TCO model is used.

Drafters should review and, as necessary, further develop clauses 13.4.2 and 13.4.4, and develop additional clauses and DIDs, if appropriate.

Drafters are to ensure that the Supportability and Engineering Analysis and Support System Supportability Analysis clauses in DSD-ENG-SERV and DSD-SUP-SERV, respectively, are consistent with this clause.

Related Clauses: All other clauses under clause 13 of the draft SOW.

COC clause 11.4, Confidential Information

Attachment E, for LCCA software, TCO models and related GFI / GFD.

Attachment N, Commercial Information

SOW clause 3.4.5, Performance Assessment Reviews

SOW clause 3.17, Training in Defence Information Systems

DSD-ENG-SERV, for the Supportability and Engineering Analyses clause.

DSD-SUP-SERV, for the Support System Supportability Analysis clause.

DSD-SUP-SACC, which defines the requirement for Stock Assessment, an inter-related cost modelling / optimisation activity.

Optional Clauses: Nil

13.5 TCO IV&V Agent

Status: Optional

Purpose: To define the role of the TCO IV&V Agent and the Contractor's obligations to support the TCO IV&V Agent's cost investigation activities.

Policy: Nil

Guidance: The TCO IV&V agent is appointed by the Commonwealth to audit and confirm the integrity of the TCO model, its data, and its use to identify and evaluate Efficiencies. The TCO IV&V Agent is independent of the Contractor and may be a Commonwealth person (eg, Financial Investigation Services) or a third party engaged by the Commonwealth. Cost investigation can be a detailed process and, therefore, the Contract and Defence program need to be of sufficient scale to justify the use of a TCO IV&V Agent. Accordingly, this clause is optional.

Clause 13.5.1 identifies the Commonwealth's right to appoint a TCO IV&V Agent, and the purpose of having the TCO IV&V Agent.

Clause 13.5.2 requires the Contractor to provide the TCO IV&V Agent with access to TCO data, models and related resources. This clause adds specific details to existing Commonwealth access rights under COC clause 11.7, which applies to 'any person authorised by the Commonwealth Representative'.

Clause 13.5.3 confirms that information accessed by the TCO IV&V Agent shall be treated as Confidential Information. If the TCO IV&V Agent were not a Commonwealth agency, this would require a non-disclosure agreement.

Drafters need to determine if a TCO IV&V Agent will be required. If not required the clauses under the heading can be replaced with a single 'Not used'. If required, the clauses should be reviewed but can generally be included without amendment. Note that if the clause is not included, this does not diminish the Commonwealth's rights under COC clause 11.7.

Related Clauses: All other clauses under clause 13 of the draft SOW.

COC clause 11.4, Confidential Information

COC clause 11.7, Commonwealth Access and Records

Attachment N, Confidential Information

Optional Clauses: Nil

ANNEX A - SUPPORT SCENARIOS AND CONTRACT REQUIREMENTS

Support Services Requirement	Support Scenario #1	Support Scenario #2	Support Scenario #3	Support Scenario #4
Mission System Responsibilities	<ul style="list-style-type: none"> Contractor has total responsibility for supporting the Mission System. Mission System may be handed over to a Defence operator to use (eg, flight simulator), or may be operated by the Contractor for Defence (eg, satellite ground station). Commonwealth has almost no role in supporting the Mission System. 	<ul style="list-style-type: none"> Contractor has responsibility at the Mission System level, which may include meeting availability targets (systems available to Defence) and / or conducting deeper levels of Maintenance. 	<ul style="list-style-type: none"> Contractor has no Mission System responsibilities. Either the Commonwealth has full Mission System responsibility or this responsibility rests with another contractor. The 'Mission System' is a relatively simple item of equipment (not a major platform) and can be treated as a family of Repairable Items. 	<ul style="list-style-type: none"> Contractor has no Mission System responsibilities. Either the Commonwealth either has full Mission System responsibility or this responsibility rests with another contractor.
Possible Template(s)	<ul style="list-style-type: none"> ASDEFCON (Support) 	<ul style="list-style-type: none"> ASDEFCON (Support) 	<ul style="list-style-type: none"> ASDEFCON (Support) where greater governance or more in-depth Services are required. ASDEFCON (Support Short) for more routine contracts, with less governance and a broad but limited depth of Services. 	<ul style="list-style-type: none"> ASDEFCON (Support Short) for lower value contracts with a broad scope of Services. ASDEFCON (Standing Offer for Goods and Maintenance Services) for contracts that require Maintenance and limited Supply Support Services only. ASDEFCON (Support) is only considered if there is a need for a high level of governance or a detailed definition of Services.
Key Support System Responsibilities	<ul style="list-style-type: none"> Contractor manages almost all of the Support System. Commonwealth manages the Contract and any exclusions from the Contract (eg, cryptographic equipment). 	<ul style="list-style-type: none"> Contractor has responsibility for Stock Items in addition to the Mission System. Contractor has responsibility for managing Reserve Stockholdings and for Requirements Determination of Stock Items. 	<ul style="list-style-type: none"> Contractor has responsibility for Stock Items only. Contractor has responsibility for managing Reserve Stockholdings and for Requirements Determination. 	<ul style="list-style-type: none"> Contractor has responsibility for Stock Items only. Commonwealth has responsibility for managing Reserve Stockholdings and for Requirements Determination
Examples	<ul style="list-style-type: none"> Lead-in Fighter where the Contractor was required to provide a set number of available aircraft for student pilots. The Commonwealth provides no Maintenance. JORN. Contractor operated and supported satellite ground stations. 	<ul style="list-style-type: none"> F-111 Weapon System Business Unit (WSBU) where the Contractor was required to provide deeper Maintenance of the aircraft and a range of other services including total support of the flight simulator. For the F-111, the Commonwealth provides forward Maintenance. Patrol Boats, where Navy Maintenance is only 'at sea'. 	<ul style="list-style-type: none"> F-111 Avionics Business Unit (AVBU) where the Contractor was required to provide a range of services relating to Repairable Items. Common support contracts for Repairable Items fitted to larger platforms (eg, communication terminals) or individual equipment. 	<ul style="list-style-type: none"> Any number of Standing Offer arrangements where the Commonwealth feeds the RIs into the Contractor on an 'as required' basis. May also include the provision of Non-RIs to the Commonwealth.
Basis of Performance Measurement	<ul style="list-style-type: none"> Performance measurement for Mission System is based on the availability of the Mission System for Defence use. Performance measurement for Stock Items may include meeting Reserve Stockholding Levels (RSLs). Likely to be additional performance measures for Engineering Support (eg, schedule). Could also be Maintenance Support performance measures, such as for on-equipment Maintenance (eg, response times) or depot Maintenance scheduling effectiveness (as an adjunct to system availability to avoid Maintenance shortcuts). 	<ul style="list-style-type: none"> Performance measurement for Mission System may be through availability of Mission System or through delivery within requisite timeframes (eg, Mission Systems provided within agreed Maintenance schedule). Different types of Mission System performance measures could apply between differing Mission Systems and between peacetime and wartime. Performance measurement for Stock Items (both RIs and Non-RIs) is based on demand satisfaction (eg, delivery within the Scheduled Delivery Date (SDD)) and meeting Reserve Stockholding Levels (RSLs). For Stock Items, demand satisfaction performance measures could include Spares Availability, Average No of Backorders, etc. Likely to be additional performance measures for Engineering Support (eg, schedule). Could also be Maintenance Support performance measures, such as for on-equipment Maintenance (eg, response times). 	<ul style="list-style-type: none"> Performance measurement for Stock Items (both RIs and Non-RIs) is based on demand satisfaction (eg, delivery within the Scheduled Delivery Date (SDD)) and meeting RSLs. For Stock Items, demand satisfaction performance measures could include Spares Availability, Average No of Backorders, etc. Likely to be additional performance measures for Engineering Support (eg, schedule). Could also be Maintenance Support performance measures, such as for on-equipment Maintenance (eg, response times). 	<ul style="list-style-type: none"> For RIs, performance measurement is likely to be based around an RI Turn Around Time (TAT), with the Commonwealth feeding the RIs into the Contractor, as required. TAT is that time under the control of the Contractor; as such, the Contract must be clear on the elements under the control of the Contractor (eg, pick-up point to delivery point). The drafter should be aware of the administrative time, which may be taken getting the item to the pick-up point and from the delivery point. For Non-RIs, performance measurement is likely to be measured by order response times. TATs and order response times would be addressed as part of tender evaluation and subsequent negotiations. While unlikely, there may be Reserve Stockholding requirements under the Contract, in which case, meeting RSLs would also be a requirement. Could also be additional performance measures for Engineering Support (eg, schedule).
General	<ul style="list-style-type: none"> If possible, Commonwealth is not part of the process. There may be a requirement for the Commonwealth to be 'in the process' where common items are involved. Generally, Commonwealth not interested how Contractor meets performance measures (except for regulatory / assurance requirements). Commonwealth does not perform any Maintenance. Deployment of asset not required (in peacetime or wartime) or assets and Contractor can deploy to a safe neighbouring region supporting the area of operations. Surge required (for example) to meet increased operating tempo associated with readiness timeframes (which could include increased training requirements). Surge requirements included in Contract as planning requirements – Contractor's ability to meet Surge requirements assessed during tender evaluation and 	<ul style="list-style-type: none"> Commonwealth conducts forward-levels of Maintenance; hence, Contractor is unable to provide a total support solution (with the Contractor (or a set of Contractors) providing all other Maintenance.) Assets are deployable in both peacetime and wartime. Wherever possible, Commonwealth is not part of the process. May be a requirement for the Commonwealth to be 'in the process' where common items are involved. Surge required (for example) to meet increased operating tempo associated with readiness timeframes. Surge requirements included in Contract as planning requirements – Contractor's ability to meet Surge requirements assessed during tender evaluation and subsequent negotiation. Also needs to be assessed on a 	<ul style="list-style-type: none"> Commonwealth conducts forward-levels of Maintenance. Other contractor(s) responsible for deeper levels of Maintenance. Surge required (for example) to meet increased operational tempo (eg, from 10 items/month to 15 items/month). Surge requirements included in Contract as planning requirements – Contractor's ability to meet Surge requirements assessed during tender evaluation and subsequent negotiation. Also needs to be assessed on a regular basis (eg, annually). Separate Surge Management Plan (SMP) unlikely to be required. 	<ul style="list-style-type: none"> Surge required (for example) to meet increased operational tempo (eg, from 10 items/month to 15 items/month). Surge requirements included in Contract as planning requirements – Contractor's ability to meet Surge requirements assessed during tender evaluation and subsequent negotiation. Also needs to be assessed on a regular basis (eg, annually). Separate Surge Management Plan (SMP) not required.

Support Services Requirement	Support Scenario #1	Support Scenario #2	Support Scenario #3	Support Scenario #4
	<p>subsequent negotiation. Also needs to be assessed on a regular basis (eg, annually). Separate Surge Management Plan (SMP) likely to be required.</p> <ul style="list-style-type: none"> If Maintenance (or other support) is conducted on a Defence establishment, then there may be services that the base needs to provide (eg, disposal, cleaning, phones, security, LAN). 	<p>regular basis (eg, annually). Separate Surge Management Plan (SMP) likely to be required.</p> <ul style="list-style-type: none"> If Maintenance (or other support) is conducted on a Defence establishment, then there may be services that the base needs to provide (eg, disposal, cleaning, phones, security, LAN). 		
Engineering Support	<ul style="list-style-type: none"> ADF Regulatory / Assurance Framework requirements likely to apply. Which Engineering Services are included in the firm-priced portion of the contract as specific line items for which the Commonwealth requires visibility (eg, is the Commonwealth interested in recurring defects?)? Contractor is the configuration manager and holds the master copies of the CSAD and (if applicable) LSAR. Mods & upgrades unlikely to be included in the firm-priced portion of contract. 	<ul style="list-style-type: none"> ADF Regulatory / Assurance Framework requirements likely to apply. All Engineering Services likely to apply, including mods and upgrades (although these may not be included in the firm-priced portion of the Contract). Either the Commonwealth or the Contractor could be the configuration manager and hold the master copies of the CSAD and (if applicable) LSAR. 	<ul style="list-style-type: none"> ADF Regulatory / Assurance Framework requirements likely to apply. Some level of Engineering Services likely to apply, including mods and upgrades for the Stock Items included in the Contract (although these may not be included in the firm-priced portion of the Contract). The Contractor could be the configuration manager for the Stock Items included in the Contract, but, equally, this could be another contractor (including the OEM). Either the Commonwealth or another contractor could hold the master copies of the CSAD and (if applicable) LSAR. 	<ul style="list-style-type: none"> ADF Regulatory / Assurance Framework requirements likely to apply. May be additional requirements for Engineering Services (eg, defect investigation) for the Stock Items included in the Contract.
Maintenance Support: <ul style="list-style-type: none"> Maintenance Planning Maintenance Management Maintenance Services 	<ul style="list-style-type: none"> Contractor conducts all Maintenance, including Maintenance planning. Contractor provides all Non-RIs in support of Contractor Maintenance (but not visible to Commonwealth). All on-equipment Maintenance conducted at 'home base' or port/dock or, in rare cases, deployed to 'safe' location. Cannibalisation unlikely to be an issue. Maintenance of common items will need to be addressed through the relevant item managers (note – Commonwealth is in the process here). 	<ul style="list-style-type: none"> Contractor conducts all Maintenance not conducted by the Commonwealth or another contractor. Contractor likely to provide Non-RIs in support of both Contractor and Commonwealth Maintenance (and, perhaps, Maintenance conducted by other contractors). Contractor conducts Maintenance planning for assigned Maintenance activities, with visibility provided to the Commonwealth because of the implications for Contract price and preparedness. In addition, Maintenance planning may need to feed back into Commonwealth Maintenance planning. Maintenance may be included within the firm-priced portion of the Contract or may be included on an item-priced basis. On-equipment Maintenance may be required in deployed locations during peacetime. Embedded MRU may be required to cover deployed Maintenance during wartime. Cannibalisation may be an issue. Maintenance of common items will need to be addressed through the relevant item managers (note – Commonwealth is in the process here). 	<ul style="list-style-type: none"> Contractor conducts all Maintenance for assigned RIs under the Contract. Contractor likely to provide Non-RIs in support of Contractor and, perhaps, Commonwealth Maintenance. Contractor conducts Maintenance planning for assigned RIs, based on the higher-level Maintenance plan (eg, the Mission System Maintenance plan) provided by the Commonwealth or another contractor. RI Maintenance could be included within the firm-priced portion of the Contract, but more likely to be included on an item-priced basis. On-equipment Maintenance unlikely to be required. Embedded MRU may be required to cover deployed Maintenance during wartime. Maintenance of common items will need to be addressed through the relevant item managers (note – Commonwealth is in the process here). 	<ul style="list-style-type: none"> Commonwealth conducts Maintenance planning. If an RI Maintenance contract, Commonwealth conducts RI requirements determination. Contractor conducts Maintenance of assigned RIs. Contractor may or may not provide Non-RIs in support of this Maintenance. RI Maintenance based on an item-priced basis. On-equipment Maintenance unlikely to be required. Embedded MRU unlikely to be required. Maintenance of common items unlikely to be an issue here.
Supply Support: <ul style="list-style-type: none"> Integrated Supply Chain Planning: Time Phased Replenishment Planning Requirements Determination Plan Supply Plan Contingency Demand Plan Contingency Supply Supply Chain Support Item Life-Cycle Management: Entitlements Introductions & Codifications Defence Catalogue Segmentation Strategic Sourcing Manage Equipment, Assets & RIs: Manage RIs Manage Loans Manage Loan Pools 	<ul style="list-style-type: none"> Integrated supply chain planning would be conducted by Contractor (does the Commonwealth need any visibility into this (eg, for preparedness reasons?)) Commonwealth may not own any Stock Items. Codification and use of MILIS may not be a requirement if no Stock Items are owned by the Commonwealth. ADF Regulatory / Assurance Framework requirements may apply (eg, for traceability and Certificates of Compliance (CofCs)). Contractor conducts RI management and RI pipeline management to meet end-item availability requirements (Commonwealth not interested in this aspect – included in firm price). Contractor provides all Non-RIs to meet Maintenance requirements (Commonwealth not interested in this aspect – included in firm price). Reserve Stock Items managed by the Contractor and not necessarily visible to Commonwealth. 	<ul style="list-style-type: none"> Integrated supply chain planning would be conducted by Contractor, with visibility provided to the Commonwealth because of the implications for Contract price and preparedness. Supply chain between Contractor and Defence may be predefined. Generally, Commonwealth would own those RIs and Non-RIs used by the Commonwealth for its own Maintenance activities (although this does not have to be the case). Commonwealth may own all RIs and Non-RIs if the previous circumstances dictate this approach (eg, through the acquisition contract or through prior ISS arrangements). Contractor likely to be required to conduct procurement of Non-RIs and additional RIs. For Non-RIs provided by the Contractor, Commonwealth owns Non-RIs after Acceptance and payment. Codification required for all Commonwealth-owned Stock Items IAW DEFLOGMAN Part 2 Volume 5 Chapter 5. Therefore, Contractor would be required to provide Codification and Cataloguing data for any new items. Justification for new RIs provided through Stock-assessment tool (eg, OPUS). Contractor likely to use MILIS for inventory management of Commonwealth-owned Stock Items. 	<ul style="list-style-type: none"> Overall integrated supply chain planning would be conducted by the Commonwealth; however, Contractor would need to conduct some level of supply chain planning for assigned RIs and Non-RIs. Generally, Commonwealth would own those RIs and Non-RIs used by the Commonwealth for its own Maintenance activities (although this does not have to be the case). Commonwealth may own all RIs and Non-RIs if the previous circumstances dictate this approach (eg, through the acquisition contract or through prior support arrangements). Contractor may be required to conduct procurement of Non-RIs and additional RIs. For Non-RIs provided by the Contractor, Commonwealth owns Non-RIs after Acceptance and payment. Codification required for all Commonwealth-owned Stock Items IAW DEFLOGMAN Part 2 Volume 5 Chapter 5. Therefore, Contractor would be required to provide Codification and Cataloguing data for any new items. Contractor may or may not use MILIS for inventory management of Commonwealth-owned Stock Items. If not, Commonwealth likely to require visibility of these items. Contractor will require its own inventory-management system for Contractor-owned Stock Items and may also use this system for Commonwealth-owned Stock Items. 	<ul style="list-style-type: none"> Commonwealth conducts integrated supply chain planning. Commonwealth manages supply chain to pick-up point and from delivery point. Commonwealth owns RIs. Commonwealth owns Non-RIs after Acceptance and payment. Contractor will probably not have access to MILIS – Commonwealth will manage RI induction. Contractor would provide Stock Items and some Non-Stock Items such as software to nominated location(s) (eg, DNSDC, 'home' base or 'home' port). Commonwealth manages Item Life-Cycle Management, with the exception of partial involvement of Contractor in RI pipeline management. Contractor would be expected to dispose of Non-RIs arising out of Maintenance, including sullage. Non-RIs used in Maintenance or supplied to the Commonwealth may be subject to ADF Regulatory / Assurance Framework requirements (eg, traceability and COCs).

Support Services Requirement	Support Scenario #1	Support Scenario #2	Support Scenario #3	Support Scenario #4
<ul style="list-style-type: none"> Manage Items, Assets and Item Tracking Write-offs & Disposals Order Fulfilment Customer Service Supply Chain Performance 		<ul style="list-style-type: none"> Contractor will require its own inventory-management system for Contractor-owned Stock Items, and Commonwealth may require visibility of these items. Use of MILIS for procurement may be appropriate. Use of MILIS for Requirements Determination for RIs and Non-RIs may be appropriate (although the Contract will need to ensure that these tools are not mandated – may cut across performance measures). ADF Regulatory / Assurance Framework requirements likely to apply (eg, for traceability and COCs). Contractor conducts RI management and RI pipeline management to meet Contract RI performance measures. The Contractor provides all Non-RIs (except those owned by the Commonwealth) to meet its own Maintenance requirements (Commonwealth not interested in this aspect – included in firm price). RSLs must be maintained by the Contractor, although the Contract will need to address the use of these Stock Items during wartime. Contractor may be required to share assets with other users (eg, GFE may need to be shared with the FEG). Contractor may be required to dispose of items on behalf of the Commonwealth. Contractor would be expected to dispose of Non-RIs arising out of Maintenance, including sullage. Contractor could be required to conduct warehousing and distribution services on behalf of the Commonwealth. Maintenance of items held in store may need to be provided. Management of special items (eg, classified, hazardous and shelf-lived items) may be a requirement. In peacetime, Contractor would provide items of supply to nominated location(s) (eg, DNSDC, 'home' base or 'home' port). 'Home' port could be a variety of locations (eg, refer Pacific Patrol Boats). In wartime, Contractor would not be expected to deliver Items into theatre. This aspect of distribution would be covered by the Commonwealth. Stocktaking of Commonwealth-owned and Contractor-managed items (including GFE) would be a firm requirement IAW DEFLOGMAN Part 2 Volume 5 Chapter 17, <i>Item identification and recording of Defence assets</i>. 	<p>The Commonwealth is likely to require visibility of Commonwealth-owned Stock Items and may require some visibility of Contractor-owned Stock Items.</p> <ul style="list-style-type: none"> Use of MILIS for procurement may be appropriate. Use of MILIS for Requirements Determination for RIs and Non-RIs may be appropriate (although the Contract will need to ensure that these tools are not mandated – may cut across performance measures). ADF Regulatory / Assurance Framework requirements likely to apply (eg, for traceability and COCs). Contractor conducts RI management and RI pipeline management to meet Contract RI performance measures. The Contractor provides all Non-RIs (except those owned by the Commonwealth) to meet its own Maintenance requirements (Commonwealth not interested in this aspect – included in firm price). RSLs may need to be maintained by the Contractor, although the Contract will need to address the use of these Stock Items during wartime. Contractor unlikely to be required to share assets with other users (such as GFE needing to be shared with the FEG). Contractor may be required to dispose of items on behalf of the Commonwealth. Contractor would be expected to dispose of Non-RIs arising out of Maintenance, including sullage. Contractor unlikely to be required to conduct warehousing and distribution services on behalf of the Commonwealth. Maintenance of items held in store may need to be provided. Management of special items (eg, classified, hazardous and shelf-lived items) may be a requirement. In peacetime, Contractor would provide items of supply to nominated location(s) (eg, DNSDC, 'home' base or 'home' port). 'Home' port could be a variety of locations (eg, Pacific Patrol Boats could be at a number of defined locations in the Pacific). In wartime, Contractor would not be expected to deliver Items into theatre. This aspect of distribution would be covered by the Commonwealth. Stocktaking of Commonwealth-owned and Contractor-managed items (including GFE) would be a firm requirement IAW DEFLOGMAN Part 2 Volume 5 Chapter 17. 	
Training Support	<ul style="list-style-type: none"> Contractor may be required to provide training on the operation of the Mission System(s) and/or other items of equipment. Contractor unlikely to be required to provide Maintenance training to the Commonwealth. Commonwealth may need to provide training on Commonwealth Logistic Information Management Systems (LIMS), if used by the Contractor. 	<ul style="list-style-type: none"> Contractor may be required to provide training on the operation of the Mission System(s) and/or other items of equipment. Contractor may be required to provide Maintenance training to the Commonwealth. Commonwealth may need to provide training on Commonwealth Logistic Information Management Systems (LIMS), if used by the Contractor. 	<ul style="list-style-type: none"> Contractor may be required to provide training on the operation of the Mission System(s) and/or other items of equipment. Contractor may be required to provide Maintenance training to the Commonwealth. Commonwealth may need to provide training on Commonwealth Logistic Information Management Systems (LIMS), if used by the Contractor. 	<ul style="list-style-type: none"> Contractor unlikely to be required to provide Maintenance training to the Commonwealth. Commonwealth may need to provide training on Commonwealth Logistic Information Management Systems (LIMS), if used by the Contractor.
Operating Support	<ul style="list-style-type: none"> Contractor may be required to operate the Mission System (eg, satellite communications ground station). 	<ul style="list-style-type: none"> Contractor may be required to operate the Mission System (eg, satellite communications ground station). 	<ul style="list-style-type: none"> No Operating Support requirements. 	<ul style="list-style-type: none"> No Operating Support requirements.
Support Resources	<ul style="list-style-type: none"> Key Persons Management likely to be an issue. Commonwealth may supply strategic or expensive Support Resources (eg, Specialist S&TE). Otherwise, Contractor provides all Support Resources for the scope of work under the Contract. Commonwealth may need to provide any items excluded from the Contract (eg, cryptographic equipment). 	<ul style="list-style-type: none"> Key Persons Management likely to be an issue. Commonwealth may supply strategic or expensive Support Resources (eg, Specialist S&TE). Otherwise, Contractor provides all Support Resources for the scope of work under the Contract. If an outsourcing contract, Commonwealth may provide large quantities of GFE. Commonwealth may provide embedded MRU. Packaging of items that have special Defence requirements must be IAW DEF(AUST)1000C. 	<ul style="list-style-type: none"> Key Persons Management likely to be an issue. Commonwealth may supply strategic or expensive Support Resources (eg, Specialist S&TE). Otherwise, Contractor provides all Support Resources for the scope of work under the Contract. If an outsourcing contract, Commonwealth may provide large quantities of GFE. Commonwealth may provide embedded MRU. Packaging of items that have special Defence requirements must be IAW DEF(AUST)1000C. 	<ul style="list-style-type: none"> Key Persons Management may be an issue. Commonwealth may supply strategic or expensive Support Resources (eg, Specialist S&TE). Otherwise, Contractor provides all Support Resources for the scope of work under the Contract. May not be any special packaging requirements. Packaging of items that have special Defence requirements must be IAW DEF(AUST)1000C.

USE OF ASDEFCON (SUPPORT) STANDALONE OR LINKED TO PRECEDING CONTRACTS

1 DEVELOPING A DRAFT SOW TO FOLLOW A LINKED ACQUISITION CONTRACT

CASG will often release a combined RFT (ie, including both a draft Contract (Acquisition) and a draft Contract (Support)) to ensure that the Contract (Support) is not subsequently awarded to the Contractor (Acquisition) without any form of competition. In this case, the two contracts need to be linked in a way that ensures a smooth transition from acquisition to support and reduces contractual risks for the Commonwealth. Such RFTs may involve two companies submitting a joint bid, or different business entities within the one corporate structure submitting a bid for both contracts, but in both cases there is a requirement for information and supplies / Products to move from one contract to the next in a co-ordinated manner.

The *ASDEFCON Linkages Module (Strategic)* has been developed in order to link a Contract (Acquisition) with a Contract (Support). The *Module* includes the amendments and additional clauses for the COCs and SOWs for both contracts, new DIDs, and checklists needed to link the contracts. The *ASDEFCON Linkages Module (Strategic)* also contains guidance explaining how the components of the module are intended to work together.

If considering linked Contract (Acquisition) and Contract (Support), drafters should refer to the *ASDEFCON Linkages Module (Strategic)* template and guidance from the ASDEFCON DRN website (<http://drnet.defence.gov.au/DMO/Commercial/Commercial%20Policy%20Framework/Pages/ASDEFCON-Linkages-Modules.aspx>).

2 DEVELOPING A DRAFT SOW TO FOLLOW A CONTRACT (ACQUISITION) THAT IS NOT LINKED

Sometimes the Commonwealth chooses not to release a combined RFT but to buy equipment and to seek support separately. This may occur because the items were acquired from overseas without in-country support (eg, as Foreign Military Sales (FMS)) and/or because the system can be supported by many contractors and there is no need for a combined RFT to ensure adequate competition. This situation can also occur when the intended Contract (Support) is an established common support contract, which requires amendment rather than creating a new Contract (Support). These situations usually do not apply to *ASDEFCON (Strategic Materiel)* developmental type acquisitions.

The general concept for transferring Products and information from the acquisition program to the support program still applies, in that the transfer must be co-ordinated. However, instead of the Contractors being responsible for co-ordination, the Commonwealth is responsible for co-ordinating the transfer between the two separate Contractors. Also different, and most important, is that information from the Contract (Acquisition) or the associated tender response needs to be available at the time of drafting the Contract (Support).

The Commonwealth Representative will need to determine what Products and information need to be obtained from the Contractor (Acquisition) and transferred to the Contractor (Support). The Contractor (Support) would be expected to source common Support Resources on its own accord. Hence, the Commonwealth needs to focus on unique aspects, such as access to, and release of, IP, technical manuals, special to type / peculiar S&TE, Training materials, Software and licenses, and unique spare parts. Importantly, the Contractor (Support) may require Products and information that the Commonwealth does not use itself, such as Technical Data and S&TE for deeper levels of Maintenance, which may need to be provided as GFI/D and GFE. Alternatively, the Commonwealth Representative may require that the Contractor (Acquisition) establish an agreement (eg, MOU) with the Contractor (Support) to facilitate the required transfer but this would lack contractual obligation.

With these considerations in mind, the drafter needs to develop the *ASDEFCON (Support)* SOW, and relevant Attachments, with information from the Contract (Acquisition) or its tender response.

3 DEVELOPING A DRAFT SOW TO FOLLOW ANOTHER SUPPORT CONTRACT

With a system that is already in-service, the *ASDEFCON (Support)* contract templates can be used to develop a replacement contract. One of the first questions the drafter should ask is, 'Was the current contract based on *ASDEFCON (Support)*?' If so, then the drafter should attempt to validate if the Services requested and provided by the current contract actually met the users' requirements. If 'valid', then the existing Contract (Support) can make a good template for the new Contract, if the scope is the same; otherwise, shortfalls will need to be addressed. Where there are shortfalls, the current version of the template and this tailoring guide should be consulted in the first instance. The drafter should also

check for all changes between the existing contract and the current template version, as the templates will adopt policy changes that have occurred during the contract period.

If the existing contract was not based on the *ASDEFCON (Support)* template, then the same need for validation arises, but more effort may be required to transfer work requirements into the ASDEFCON structure. Typically, pre-ASDEFCON support contracts used a different philosophy, framework and were often not performance-based. As such, there may be considerable work required to update requirements. In this situation, it is recommended that drafters develop a support concept and support procurement strategy first, to define support requirements and interfaces with the Commonwealth, before starting to tailor the template.

The next question the drafter should ask is, 'What provisions for Phase Out have been included in the existing contract?' If the existing contract used the *ASDEFCON (Support)* template, then it may include a number of activities for Phase Out (clause 2.7) and an Approved Phase Out Plan (PHOP). A PHOP may not need to be delivered until sometime before the end of the current Contract Term (eg, three years). Ideally, this would have been planned in order to inform the drafting of Phase In and Ramp Up requirements for a replacement contract. This requirement is built into the template CDRL and Phase Out provisions of the Contract (COC clause 14).

The PHOP should inform the new contract's PHIP and RUMP, which will help to coordinate the transfer and the Phase In and Ramp Up activities for the new Contract (Support). Example activities that may need coordination include:

- the handover of RIs, in a serviceable state, and a complete stocktake of products held;
- the handover of S&TE and Training Equipment, in a serviceable state;
- the handover of Technical Data, including GFI and GFD;
- the transfer of Commonwealth-owned Software tools (and licences);
- the transfer of Configuration Management data (either directly or via the Commonwealth); and
- the departure of one Contractor (Support) from GFF and the arrival of the next.

The requirement for handover of Items in a serviceable state is important, as the new Contractor (Support) may need to accept Items of GFM, as if they were delivered by the Commonwealth. This may require clause 3.11.1.4, to be amended if it is not possible for the new Contractor (Support) to acknowledge receipt and suitability of GFE within the specified timeframes. Other clauses for GFE, in the SOW and COC, will require careful review and possible amendment.

GFF can have similar challenges, as it is usually difficult for one Contractor (Support) to depart and the next to arrive at the same time, to ensure continuity of Services. In addition to the PHIP and PHOP, the drafter may need to draft, for inclusion in the tender documents, any constraints associated with the transfer of GFF during the Phase In period. GFF licenses for both out-going and in-coming contractors should be reviewed.

The Commonwealth Representative may be required to ensure that the TDSR Schedule (Attachment G) and the Products Being Supported Restrictions Schedule (Attachment S) are up-to-date before Technical Data is transferred, and that the related Technical Data is up-to-date. For example, restrictions applying to the old contractor may not apply to the new contractor if the new contractor was the original author of an item of Technical Data (and vice-versa). These Attachments may change if the scope of the contract changes or if the new contractor brings new Technical Data. Some updates may be possible when drafting the new contract, others changes may need to be drafted by the new Contractor, preferably before ED or by OD.

One advantage of transferring from one Contract (Support) to another is that management plans and procedures for the required Services should be proven and available to inform prospective tenderers (subject to restrictions as Confidential Information). Additionally, performance measures may be established for the existing Contract (Support), which can help validate and define performance measures for the new Contract (Support), including any changes to make the performance measures more effective.

Note that even if the current Contractor (Support) wins the replacement contract, there are still benefits in having a PHOP and a clearly defined transfer process to the new contract, particularly if the scope of work is different and / or the performance-management framework changes.