

ONLINE MATERIAL

VOLUME 2

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CHAPTER 3

Outcome Performance

STATUS OF PREVIOUSLY REPORTED TOP 30 PROJECTS

Table W1.1 provides an update on the status of major projects reported in the last five financial years. These projects dropped below the top 30 expenditure threshold.

Table W1.1 Status of previously reported Top 30 projects

	Project number	Financial year(s) reported in Top 30	Approved project expenditure (\$m)	Cumulative expenditure to 30 June 2007 (\$m)	Actual 2007-08 (\$m)	Status Report
Aerospace Systems Division						
Hornet Upgrade Project - Target Designation System	AIR 5376 Phase 2.4	2006-07	144	51	35	The project has accepted the final deliveries of the Northrop Grumman Litening targeting pods and in June 2008 begun integrating a data link with the pods; this will be complete by January 2009.
P-3C Update Implementation	AIR 5276 Phase 2	2003-04 2004-05	904	851	13	The project was substantially complete at end of 2007-08. The remaining acoustic rectification deliverables are expected to be completed by end 2009-10. The prime contractor for this activity is General Dynamics Canada. Integration and installation activities will be completed by the end of 2010-11.
F/A-18 Hornet Structural Refurbishment Program	AIR 5376 Phase 3.1	2004-05	125	84	16	The project is in the production phase, installing the Structural Refurbishment Program Stage 1 modifications. Phase 3.1 began in January 2004 and should be complete by early 2012. A total of 43 aircraft, or 62 per cent of the fleet, have currently been refurbished.
Strategic Air Lift Capability	AIR 5216 Phase 1	2005-06	1,046	1,015	7	Remaining project activity relates to deliveries of some components of outstanding spares procurement.
Amphibious Ships						
Maritime Operations Support Capability	SEA 1654 Phase 2A	2005-06 2006-07	144	126	3	Project scheduled for full transition to in-service support agency December 2008. Installation of Replenishment at Sea Enhancement scheduled to be completed early 2009

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New Air Combat Capability						
New Air Combat Capability	AIR 6000 JSF SDD	2003-04 2004-05 2005-06 2006-07	209	173	13	Australia joined the System Development and Demonstration (SDD) phase of the US led Joint Strike Fighter (JSF) program in 2002. Participation in this program continues to afford Australia access to valuable information needed to support a government decision on the JSF as a potential replacement solution for legacy air combat systems. Australia will continue to make payments to the JSF SDD program until 2011, with the SDD program itself running through to 2013.
Electronic Systems Division						
Jindalee Radar Network	JP 2025 Phase 3 & 4	2003-04 2004-05 2005-06 2006-07	1,247	1,226	-1	A 46-month maintenance and support contract expired on 17 February 2007. Subsequent maintenance contracts are managed from Sustainment (Output 1.2). The residual activities on this project relate to the finalisation of the support environment for the capability. The remaining risk to the acquisition project is rated as low because the network is in operational service. Actual 2007-08 achievement is due to a diesel fuel rebate tax ruling by ATO resulting in a return of previously paid funds to Defence.

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	Project number	Financial year(s) reported in Top 30	Approved project expenditure (\$m)	Cumulative expenditure to 30 June 2007 (\$m)	Actual 2007-08 (\$m)	Status Report
MILSATCOM Ground Infrastructure	JP 2008 Phase 3E	2004-05 2005-06	210	157	30	<p>Progress of the four sub projects:</p> <ol style="list-style-type: none"> 1. Primary Injection Facility - Initial Operational release was achieved in March 2007, Operational Release is expected first half of 2009, 2. Maritime Terminals - 14 of the required 15 terminals have been installed and are at varying stages of acceptance. Initial Operational Release for the remaining terminals expected by mid 2009. Installation is nearing completion with Phase 1 of the contract to be completed by December 2009, Contract extension to incorporate 8 terminals SEA4000 (AWD) and JP2008 (LHD) projects to be completed by December 2008, 3. 26 Compact Transmit and Receive Terminals (Land) delivered September 2008, remaining two terminals to be delivered by end 2008, 4. Theatre Broadcast Software deployment expected to be completed by end 2008. <p>JP2008 Phase 3E Phase 1 In Service Date remains December 2009.</p>
Explosive Ordnance Division						
Air to Air Weapons Capability	AIR 5400 Phase 1/2	2003-04 2004-05	315	280	6	<p>The project has acquired Within and Beyond Visual Range Air-to-Air missile capabilities for the F/A-18A/B aircraft. The project has been identified as overdue for closure, with the majority of Materiel Acquisition Agreement requirements completed; responsibility for remaining activities is being transferred to various sustainment organisations. Final Assets Under Construction closure action is being progressed. Guidance Transfer action is also being progressed and is expected to be completed November 2008.</p>

Table W1.1 Status of previously reported Top 30 projects

	Project number	Financial year(s) reported in Top 30	Approved project expenditure (\$m)	Cumulative expenditure to 30 June 2007 (\$m)	Actual 2007-08 (\$m)	Status Report
Air to Air Weapons Follow-On Buy	AIR 5400 Phase 3	2003-04 2004-05	175	142	1	The project acquired additional stocks of AIR 5400 Ph 1/2 missiles. The majority of project requirements are complete. Project closure is underway in parallel with Ph1/2. Final Assets Under Construction closure action is being progressed. Guidance Transfer action is also being progressed and is expected to be completed by November 2008.
Air to Surface Stand-Off Weapon Capability	AIR 5398	2003-04 2004-05	445	398	1	The project acquired the AGM-142 missile for use on F-111 aircraft. Final Operating Capability (FOC) was declared on 29 October 2007. Transition into service activities is complete. Final Assets Under Construction closure action is being progressed. Guidance Transfer action is also being progressed and is expected to be completed by December 2008.
Lightweight Torpedo Replacement	JP 2070 Phase 2	2003-04 2004-05 2005-06 2006-07	335	161	34	Australia successfully completed factory acceptance testing of the first batch of torpedoes in July 2007, which were delivered to Australia in February 2008. On 18 June 2008, the ANZAC class frigate HMAS Toowoomba successfully fired a Exercise Torpedo which tracked and acquired a target as planned. In mid-2008 the new MU90 lightweight ASW Torpedo Maintenance and Integration Facility was commissioned at HMAS Stirling W.A. Work on air integration of the torpedo has been suspended pending release of the Defence White Paper 2008.

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	Project number	Financial year(s) reported in Top 30	Approved project expenditure (\$m)	Cumulative expenditure to 30 June 2007 (\$m)	Actual 2007-08 (\$m)	Status Report
Helicopter Systems Division						
Anzac Ship Helicopter	SEA 1411 Phase 1	2003-04 2004-05 2005-06 2006-07	1,108	947	6	<p>The project was to acquire 11 Super Seasprite maritime combat helicopters for the Anzac-class frigates to provide an enhanced capability for surface surveillance, anti-ship warfare, contact investigation and maritime utility tasks. The acquisition was to also include a full mission flight simulator and software support centre.</p> <p>On 5 March 2008, the Minister for Defence announced the Government's intention to cancel the Seasprite program and enter into negotiations with the Contractor, Kaman Aerospace Corporation, in relation to the legal and financial arrangements necessary to terminate the contract.</p> <p>On 20 March 2008, the Australian Government and the Contractor reached mutual agreement to cancel the project. Under the agreement, which has some confidential aspects and is subject to US Government approval, the project deliverables including the aircraft, training equipment and spare parts would be returned to the Contractor for sale on the open market. The Australian Government and the Contractor would share in the profits of any subsequent sales.</p> <p>The project did not achieve its 2007-08 budget estimate because of the cancellation.</p>

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	Project number	Financial year(s) reported in Top 30	Approved project expenditure (\$m)	Cumulative expenditure to 30 June 2007 (\$m)	Actual 2007-08 (\$m)	Status Report
Land Systems Division						
Direct Fire Guided Weapon	LAND 40	2004-05	142	103	20	Achieved Full Operational Capability on 12 March 2008. Javelin weapon system currently being transitioned to sustainment fleets.
Ground Surveillance Radar	LAND 53 Phase 1E	2004-05	81	81	0	This project delivered the full capability and has transitioned to fleet.
Australian Light Armoured vehicles	LAND 112 Phase 3	2003-04 2004-05 2005-06	679	583	5	Crew Procedural Trainer has been introduced into service and the remaining work is to establish a through life support contract. Work on surveillance project prototype testing restarted in March 2008 after a delay caused by damage to the surveillance unit sustained in July 2007.
General Service Field Vehicles - Overlander	LAND 121 Phase 2	2005-06	92	51	5	Project comprising the following sub-projects: <ul style="list-style-type: none"> • Purchase of six Bulk Liquid Tankers (2.626m) - Complete • Upgrade of 64 Heavy Recovery Vehicles (33.535m) - Complete • Passenger and Cargo Separation Modules - Gun Tractor Fleet(9.553m) - Complete • Mack Noise reduction Modification (5.892) - In-contract • Passenger and Cargo Separation Modification to the Land Rover Regional Force Surveillance variant (3.733M)- In-Contract • Passenger and Cargo Separation Modification to the Land Rover Fitted For Radio Variant - To be removed from project scope. • Land Rover Handling Upgrade Modification - To be removed from scope.

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	Project number	Financial year(s) reported in Top 30	Approved project expenditure (\$m)	Cumulative expenditure to 30 June 2007 (\$m)	Actual 2007-08 (\$m)	Status Report
Maritime Systems Division						
New Heavyweight Torpedo	SEA 1429 Phase 2	2003-04 2004-05 2005-06 2006-07	432	190	26	System capability was proven in the first installation. The program will now progress further installations.
Collins Class Reliability and Sustainability Improvements	SEA 1439 Phase 3	2003-04 2004-05 2005-06 2006-07	396	209	34	A number of separate modifications have been progressed. Rescheduling of implementation and trials has been required to allow for changes to the schedule of availability by Navy.
Underwater and Surface Warfighting Upgrade Program	SEA 1348 Phase 3	2003-04 2004-05	160	131	1	Installation in HMAS <i>Perth</i> is rescheduled to its next maintenance period in 2009. All other ships have had Harpoon installed fully.
Evolved SeaSparrow Missile	SEA 1428 Phase 2B/ 3	2003-04 2004-05	276	244	1	The Evolves Sea Sparrow missile has been integrated into all of the ANZAC Class ships. The Intermediate Level Maintenance Facility has received full certification. The remaining scope of the project is the receipt of missiles.
Total			9,302	7,558	262	

CHAPTER 7

Enabling our Business

LOCATION OF DMO SYSTEM PROGRAM OFFICES

System Program Office Name	Location
Aerospace Systems Division	
Aerospace Equipment	RAAF Williams - Laverton, VIC
Air Lift	RAAF Richmond, NSW
Aerospace Simulators and Special Purpose Aircraft	Canberra, ACT
Common Services	RAAF Williams - Laverton, VIC
Heavy Lift (C-17)	RAAF Amberley, QLD
Maritime Patrol	RAAF Edinburgh, SA
Strike Reconnaissance	RAAF Amberley, QLD
Tactical Fighter	RAAF Williamtown, NSW
Training Aircraft	RAAF East Sale, VIC
Airborne Early Warning & Control Aircraft	
Airborne Early Warning & Control Program	RAAF Williamtown, NSW
General Manager Corporate	
Materiel Information Systems	Melbourne, VIC
Electronic Systems	
Airborne Self Protection	Canberra, ACT; Oakey, QLD; Richmond, NSW; Edinburgh, SA
Battlespace Communications	Canberra, ACT
Combat & Operational Support	Canberra, ACT; Melbourne, VIC; Sydney, NSW; Townsville, QLD; Adelaide, SA; Darwin, NT
Command & Intelligence Support Systems Office	Canberra, ACT; Sydney, NSW
Ground Telecommunications Equipment	Canberra, ACT; Brisbane, QLD; Williamtown, NSW; Laurel, USA
Information Assurance	Canberra, ACT
Intelligence & Security	Canberra, ACT; Edinburgh, SA; Perth, WA
Land Self Protection	Canberra, ACT; Melbourne, VIC
Maritime Electronic Warfare	Canberra, ACT; Washington, USA
Military Geographical Information	Canberra, ACT
Navigation Warfare	Canberra, ACT
Over The Horizon Radar	Canberra, ACT; Edinburgh, SA
Radio Frequency	Canberra, ACT; Brisbane, QLD
Satellites Communications Sustainment	Canberra, ACT

System Program Office Name	Location
Satellites Communications Terminal	Canberra, ACT
Satellites Space Systems	Canberra, ACT; Victoria Barracks, VIC
Tactical Electronic Warfare	Canberra, ACT; Cabarlah, QLD; Melbourne, VIC; Nowra, NSW; Edinburgh, SA
Tactical Information Exchange Integration Office	Canberra, ACT; Melbourne, VIC
Explosive Ordnance Division	
Non Guided Explosive Ordnance	Orchard Hills, NSW, Sydney, NSW
Guided Weapons In-service Sustainment Office	Orchard Hills and Sydney, NSW; Perth, WA
Helicopter Systems Division	
Army Aviation	Oakey, QLD
Navy aviation	HMAS Albatross Nowra, NSW
Land Systems Division	
Armaments	Victoria Barracks, VIC
Clothing	Victoria Barracks, VIC
Combat Support	Victoria Barracks, VIC
Engineer	Victoria Barracks, VIC
Health	Victoria Barracks, VIC
Land Vehicle	Victoria Barracks, VIC
Soldier Modernisation	Victoria Barracks, VIC
Armoured Fighting Vehicle	Victoria Barracks, VIC
Combat Support Vehicle	Victoria Barracks, VIC
Surveillance and Simulation	Victoria Barracks, VIC
Maritime Systems Division	
Amphibious & Afloat Support	Sydney, NSW
Anzac	Rockingham, WA
Collins	Garden Island, WA; Adelaide, SA
Submarine Combat	Canberra, ACT; Rockingham
FFG	Garden Island, Sydney, NSW
Hydrographic	Cairns, QLD
Maritime Ranges	Canberra, ACT
Mine Warfare & Clearance Diving	Sydney, NSW
Pacific Patrol Boat	Canberra, ACT
Patrol Boat	Darwin, NT

APPENDIX 9

Contracts & consultants

Table W9.1 shows a breakdown of the 129 consultancy services by method of procurement and as a percentage comparison.

Table W9.1 Breakdown of consultancy services

Method of Procurement	Number of Contracts	Contract Value (\$)	Percentage
Direct Sourcing	67	5,618,654	52
Open Tender	13	958,483	10
Panel	23	2,959,303	18
Select Tender	26	4,349,956	20
Total	129	13,886,396	100

Table W9.2 provides details of the consultancy contracts and reason for engagement that were let in 2007-08 that had a total individual contract value of \$10,000 or more (inclusive of GST). The value of those contracts was \$13.83m.

Table W9.2 Consultancy service let during 2007 08, of total contract value of \$10,000 or more (inclusive of GST)

Division	Description	Company Name	Total Contract Value (GST Inclusive)	Selection Process	Justification
AEWC	Technical performance assessment study	CEA Professionals Services	66,000	Direct Sourcing	B
ASD	Recruitment process advice and report	Alpha Omega Consulting	17,600	Direct Sourcing	B
ASD	Legal support	DLA Phillips Fox	30,019	Select Tender	B
ASD	Logistics support	Sigma Bravo	97,292	Panel	B
ASD	Tender evaluation	SME Gateway	112,943	Open Tender	B
ASD	Legal support	Allens Arthur Robinson	1,499,949	Select Tender	B
AWD	Independent probity advice	Sir Laurence Street	60,500	Direct Sourcing	C
EOD	Legal support	DLA Phillips Fox	10,441	Direct Sourcing	A

Table W9.2 Consultancy service let during 2007 08, of total contract value of \$10,000 or more (inclusive of GST)

Division	Description	Company Name	Total Contract Value (GST Inclusive)	Selection Process	Justification
EOD	Recruitment services	Australian Safety Services Pty Ltd	10,450	Select Tender	B
EOD	Engineering services	Qinetiq consulting Pty Ltd	13,585	Direct Sourcing	B
EOD	Project management	APP Corporation Pty Ltd	18,999	Direct Sourcing	A
EOD	Engineering services	Novare Professional Services	20,350	Direct Sourcing	B
EOD	Engineering services	Qinetiq Consulting Pty Ltd	22,750	Direct Sourcing	A
EOD	Engineering services	Jacobs Australia	26,145	Direct Sourcing	A
EOD	Engineering services	Novare Professional Services	30,909	Direct Sourcing	A
EOD	Engineering services	Novare Professional Services	30,975	Direct Sourcing	B
EOD	Engineering services	Novare Professional Services	30,975	Direct Sourcing	B
EOD	Engineering services	Novare Professional Services	31,001	Direct Sourcing	A
EOD	Engineering services	Nova Aerospace	32,771	Select Tender	B
EOD	Recruitment services	Hudson Global Resources (Aust) Pty Ltd	33,634	Open Tender	A
EOD	Recruitment services	Future train Pty Ltd	33,700	Direct Sourcing	B
EOD	Engineering services	Jacobs Australia	34,860	Direct Sourcing	B
EOD	Communication services	Nu Teck Communications	35,244	Select Tender	B
EOD	Recruitment services	Active Recruitment	36,000	Open Tender	A
EOD	Engineering services	Qinetiq Consulting Pty Ltd	36,249	Select Tender	B
EOD	Engineering services	Novare Professional Services	37,547	Direct Sourcing	B
EOD	Engineering services	Jacobs Australia	39,761	Direct Sourcing	B
EOD	Engineering services	Novare Professional Services	40,312	Direct Sourcing	A
EOD	Engineering services	Qinetiq Consulting Pty Ltd	41,625	Direct Sourcing	B
EOD	Engineering services	Novare Professional Services	42,500	Select Tender	B
EOD	Recruitment services	Max Shaday	42,955	Direct Sourcing	B
EOD	Engineering services	Jacobs Australia	42,994	Select Tender	B
EOD	Engineering services	Novare Professional Services	43,077	Direct Sourcing	A

Table W9.2 Consultancy service let during 2007 08, of total contract value of \$10,000 or more (inclusive of GST)

Division	Description	Company Name	Total Contract Value (GST Inclusive)	Selection Process	Justification
EOD	Engineering services	Novare Professional Services	43,077	Direct Sourcing	A
EOD	Recruitment services	Compass Business Solutions	43,560	Select Tender	B
EOD	Engineering services	Novare Professional Services	43,780	Direct Sourcing	B
EOD	Engineering services	Novare Professional Services	45,979	Select Tender	B
EOD	Engineering services	Qinetiq Consulting Pty Ltd	46,156	Direct Sourcing	B
EOD	Engineering services	Qinetiq Consulting Pty Ltd	47,503	Direct Sourcing	B
EOD	Engineering services	Qinetiq Consulting Pty Ltd	48,908	Direct Sourcing	B
EOD	Engineering services	Novare Professional Services	51,788	Select Tender	B
EOD	Engineering services	Novare Professional Services	53,772	Direct Sourcing	B
EOD	Recruitment services	Saha International Limited	53,900	Direct Sourcing	B
EOD	Engineering services	Novare Professional Services	54,834	Select Tender	B
EOD	Engineering services	Novare Professional Services	62,194	Direct Sourcing	B
EOD	Engineering services	Kaz Group Pty Ltd	65,549	Select Tender	B
EOD	Recruitment services	Howard Recruitment	66,000	Direct Sourcing	B
EOD	Engineering services	Kaz Group Pty Ltd	68,849	Direct Sourcing	B
EOD	Engineering services	Kaz Group Pty Ltd	72,549	Direct Sourcing	A
EOD	Engineering services	Novare Professional Services	72,699	Direct Sourcing	A
EOD	Project management	APP Corporation Pty Ltd	73,810	Direct Sourcing	B
EOD	Recruitment services	Winning Attitudes & Solutions	74,746	Panel	B
EOD	Recruitment services	Winning Attitudes & Solutions	78,000	Open Tender	B
EOD	Engineering Services	Nova Aerospace	79,200	Direct Sourcing	B
EOD	Engineering services	Novare Professional Services	83,776	Direct Sourcing	B
EOD	Engineering services	Novare Professional Services	86,680	Direct Sourcing	A
EOD	Engineering services	Novare Professional Services	87,830	Direct Sourcing	A
EOD	Engineering services	Nova Aerospace	88,233	Select Tender	B

Table W9.2 Consultancy service let during 2007 08, of total contract value of \$10,000 or more (inclusive of GST)

Division	Description	Company Name	Total Contract Value (GST Inclusive)	Selection Process	Justification
EOD	Engineering services	Nova Aerospace	94,379	Select Tender	B
EOD	Management services	UXC Limited	96,800	Panel	B
EOD	Engineering services	Nova Aerospace	101,065	Select Tender	B
EOD	Engineering services	Nova Aerospace	106,633	Direct Sourcing	B
EOD	Project management	UXC Limited	125,598	Direct Sourcing	B
EOD	Engineering services	Product Lifecycle Management Services Pty Ltd	135,642	Select Tender	B
EOD	Engineering services	Novare Professional Services	165,000	Select Tender	B
EOD	Logistics services	JAAM Contracting Pty Ltd (trading as James McNeil Simpson)	178,145	Direct Sourcing	A
EOD	Engineering services	Jacobs Australia	204,659	Select Tender	B
EOD	Recruitment services	Saha International Limited	215,761	Select Tender	B
EOD	Consultancy services	Pacific Aerospace Consulting Inc	224,989	Direct Sourcing	B
EOD	Engineering services	Nova Aerospace	254,593	Direct Sourcing	B
EOD	Engineering services	Nova Aerospace	269,140	Direct Sourcing	B
EOD	Engineering services	Nova Aerospace	281,956	Direct Sourcing	B
EOD	Engineering services	Novare Professional Services	311,580	Direct Sourcing	B
EOD	Engineering services	Jacobs Australia	440,364	Select Tender	B
EOD	Engineering services	Kaz Group Pty Ltd	510,859	Select Tender	A
ESD	Engineering services	Infocus Australia	15,619	Direct Sourcing	B
ESD	Engineering services	Ross Human Directions	25,401	Direct Sourcing	B
ESD	Logistic services	MAP Coaching	61,463	Select Tender	B
ESD	Engineering services	Locheed Martin Australia Pty Ltd	62,432	Open Tender	B
ESD	Technical assessment of equipment	Locheed Martin Australia Pty Ltd	68,800	Direct Sourcing	B
ESD	Engineering services	Remote Pty Ltd	142,052	Select Tender	B

Table W9.2 Consultancy service let during 2007 08, of total contract value of \$10,000 or more (inclusive of GST)

Division	Description	Company Name	Total Contract Value (GST Inclusive)	Selection Process	Justification
ESD	Technical assessment of equipment	Ross Human Directions	164,310	Direct Sourcing	B
ESD	Engineering services	Lockheed Martin Australia Pty Ltd	187,818	Open Tender	B
ESD	Engineering services	Booz & Company (Aust) Pty Ltd	198,219	Select Tender	B
ESD	Engineering services	Communications Design & Management	213,177	Panel	B
ESD	Engineering services	Lockheed Martin Australia Pty Ltd	237,693	Panel	B
ESD	Logistics services	Ross Logic Pty Ltd	259,325	Panel	A
ESD	Engineering services	Codarra Advanced Systems	279,999	Panel	B
ESD	Logistics services	SME Gateway Ltd	368,416	Panel	A
ESD	Logistics services	Votech System Engineers and Developers	1,260,000	Direct Sourcing	A
HSD	Legal services	Deacons	29,945	Panel	B
HSD	Earned value management support	SYPAQ Systems Pty Ltd	106,175	Direct Sourcing	B
LSD	Earned value management support	Terra Firma Pty Ltd	47,900	Direct Sourcing	A
LSD	Earned value management support	Terra Firma Pty Ltd	52,288	Panel	A
LSD	Airworthiness certification activities	Kellogg, Brown & Root Pty Ltd	140,839	Panel	B
LSD	Airworthiness compliance findings	Kellogg, Brown & Root Pty Ltd	140,840	Panel	A
LSD	Public relations consultancy	Baldwin Boyle Group Pty Ltd	181,500	Open Tender	B
MSD	Probity advice	TressCox Lawyers	12,930	Panel	B
MSD	Financial services	KPMG	18,332	Panel	B
MSD	Engineering support	AMOG Consulting	25,045	Panel	B
MSD	Project management support	Terra Firma Pty Ltd	28,281	Open Tender	B
MSD	Legal services	DLA Phillips Fox	29,955	Panel	B
MSD	Legal services	Minter Ellison	34,269	Open Tender	B
MSD	Legal services	Minter Ellison	34,269	Open Tender	B
MSD	Engineering support	AMOG Consulting	34,986	Open Tender	A

Table W9.2 Consultancy service let during 2007-08, of total contract value of \$10,000 or more (inclusive of GST)

Division	Description	Company Name	Total Contract Value (GST Inclusive)	Selection Process	Justification
MSD	Technical support	BMT Defence Services (Australia)	35,720	Direct Sourcing	C
MSD	Training services	ENS International	41,250	Direct Sourcing	B
MSD	Project management support	Kellogg, Brown & Root Pty Ltd	77,361	Panel	B
MSD	Procurement advice	Aviation Fuel Associates (Aust) Pty Ltd	83,600	Direct Sourcing	B
MSD	Legal support	Australian Government Solicitors	100,000	Panel	B
MSD	Performance reporting	Booz & Company (Aust) Pty Ltd	108,350	Panel	B
MSD	Technical support	SYPAQ Systems Pty Ltd	115,976	Panel	A
MSD	Engineering services	GHD Pty Ltd	132,425	Open tender	A
MSD	Engineering services	BMT Defence Services (Australia)	183,017	Direct Sourcing	B
MSD	Accounting advice	Deloitte Touche Tohmatsu	220,000	Panel	B
MSD	Engineering support	AMOG Consulting	257,400	Panel	B

Reasons for engagement

- A. Skills currently unavailable within agency
- B. Need for specialised or professional skills
- C. Need for independent research or assessment

Methods of Procurement

Open Tender: A procurement procedure in which a request for tender is published inviting all businesses that satisfy the conditions for participation to submit tenders. Public tenders are sought from the marketplace using national and major metropolitan newspaper advertising and the Australian Government AusTender internet site.

Select Tender: A procurement procedure in which the procuring agency selects which potential suppliers are invited to submit tenders. Tenders are invited from a short list of competent suppliers.

Direct Sourcing: A form of restricted tendering, available only under certain defined circumstances, with a single potential supplier or suppliers being invited to bid because of their unique expertise and/or their special ability to supply the goods and/or services sought.

Panel: An arrangement under which a number of suppliers, usually selected through a single procurement process, may each supply property or services to an agency as specified in the panel arrangements. Tenders are sought from suppliers that have prequalified on the agency panels to supply to the government. This category includes standing offers and supplier panels where the consultant offers to supply goods and services for a pre-determined length of time, usually at a pre-arranged price.