GUIDANCE PAGES TO BE DELETED WHEN PUBLISHED

ASDEFCON (SUPPORT)

SECTION 1: GUIDANCE for DSD-SUP-PROC

(Procurement Services)

Purpose: Refer to ‘Description and Intended Use’, clause 3.

Policy: DEFLOGMAN Part 2 Volume 5 Chapter 4, Defence Procurement Routing Rules in Support of the Military Integrated Logistics Information System.

Guidance This DSD is for use when the Contract includes procurement Services that will not be implemented through MILIS in accordance with DEFLOGMAN Part 2 Volume 5 Chapter 4. When all Items will be procured through MILIS, the drafter should use DSD-SUP-MILIS and the Contractor is to be instructed to effect procurements using MILIS.

The majority of Items to be procured by the Contractor are expected to be Non-RIs, as the initial outfit of RIs would have been previously established through either a Contract (Acquisition) or previous support activities. Although different circumstances may lead to the procurement of Non-RIs, as opposed to RIs, the procurement process is the same. In both cases, the procurement specification and quantity will have been determined through another process, including through DSD-SUP-SACC or by the Commonwealth using similar means.

The procurement of resources that are consumed internally by the Contractor during the provision of Services to the Commonwealth (eg, to undertake Maintenance Services) is the Contractor’s own responsibility and is typically not included under this DSD (for clarity, this requirement is included under DSD-SUP-SERV). The DSD could be used, however, when the support agency wishes to retain control of total spares procurement, and to manage that procurement under a separate line item (eg, under a separate S&Q (Purchase) Order for a Not-To-Exceed S&Q Service).

The drafter should use this DSD when the Contractor is permitted to effect procurement outside of MILIS. In such circumstances, the Contractor may wish to use the Contractor Supply Management System or another system (ie, the Contractor’s financial management system) – refer to DSD-SUP-SERV. The drafter should note that there may be circumstances where procurements will need to be achieved through both this DSD and DSD-SUP-MILIS for different Stock Items.

Related Clauses/Documents:

Draft SOW clause 7, Supply Support

DSD-MNT-MGT, Management of Maintenance Services

DSD-SUP-SACC, Stock Assessment, Codification and Cataloguing

DSD-SUP-MILIS, Military Integrated Logistics Information Systems Use

DSD-SUP-SERV, Routine Supply Services

AAP 7004.007, Australian Defence Aviation Authorised Spares System (ADAASS)

Other Clauses: None

6.2.2 Purchase of Repairable Items

Status: Optional

Purpose: To provide an option for procuring additional RIs from, or through, the Contractor.

Policy: DEFLOGMAN Part 2 Volume 5 Chapter 4, Defence Procurement Routing Rules in Support of the Military Integrated Logistics Information System

ESCM Volume 6 Section 2 Chapter 4, OPUS – Requirements for Repairable Item Management Optimisation

Guidance: The drafter may wish to include this optional clause to enable the Commonwealth to be able to seek the procurement of additional RIs from the Contractor. When the procurement of RIs from the Contractor is not required, all clauses under the heading can be deleted and replaced with a single ‘Not used’.

The requirement to procure additional RIs can arise for a number of reasons, including due to:

1. new RIs being introduced through an Engineering Change Proposal (ECP);
2. an RI being assessed as either Beyond Economic Repair (BER) or Beyond Physical Repair (BPR) and a decision about replacement being required;
3. a change to the operating environment or ROE;
4. a change to failure rates for Mission System RIs (compared to baseline) or to the Support System characteristics (eg, change in RI turn-around times); and
5. the procurement of new types of equipment (eg, new Training Equipment to enable a change in the Training philosophy) that will need support.

When additional RIs may be required some form of analysis should be performed, by either the Commonwealth or Contractor, to confirm the need for and size of the procurement, hence the optional clause to link to DSD-SUP-SACC for Stock Assessment to be performed by the Contractor. Tools such as OPUS10 and OmegaPS Analyzer are used to analyse the need to procure RIs based on reliability, maintenance concepts and the expected operating and support parameters for the RIs. They also allow assessments when changes in reliability can be forecast.

The option to procure additional RIs may not be possible in certain circumstances. For example, if the Mission System was procured via Foreign Military Sales (FMS) and is supported by a local contractor, then additional RIs may need to be acquired through further FMS purchases if the local contractor is not permitted to procure the Items.

Alternatively, if the Contractor does not have an appropriate agreement with the OEM or agent (who is different to the Contractor), then the Commonwealth may decide only to buy from the OEM and the optional clause would not be necessary.

The clause also includes the option for RIs to be purchased as an S&Q Service. An S&Q Order for this Service may be Approved with a Not-To-Exceed price and operate over an extended period of time, which enables RIs to be procured only when required, up to the Not-To-Exceed price in the S&Q Order.

Related Clauses/Documents:

Draft SOW clause 7, Supply Support

DSD-SUP-SACC, Stock Assessment, Codification and Cataloguing

Optional Clauses: None

6.2.3 Purchase of Non‑Repairable Items

Status: Core

Purpose: To identify Contractor responsibility for the purchase of Non‑RIs.

Policy: DEFLOGMAN Part 2 Volume 5 Chapter 4, Defence Procurement Routing Rules in Support of the Military Integrated Logistics Information System

Guidance: Clause 6.2.3 provides the ability for the Commonwealth to manage the procurement of Non‑RIs. Typically, this requirement will only be needed for Non‑RIs that are not managed through MILIS or where the Commonwealth wishes to exercise greater control over the procurement of Non‑RIs.

Similarly to the equivalent clause for RIs, clause 6.2.3 includes the option for Non‑RIs to be purchased as an S&Q Service. An S&Q Order for this Service may be Approved with a Not-To-Exceed price and operate over an extended period, which enables Non‑RIs to be procured only when required, up to the Not-To-Exceed price in the S&Q Order.

Clause 6.2.3.3 is intended to cater for the situation where some or all Non‑RIs must be authorised for fit. This clause may require amendment or deletion depending on individual circumstances. The drafter may wish to modify this clause to refer directly to the references used in clause 6.2.4. The clause should not be used if clause 6.2.4 is not used.

Related Clauses/Documents:

Clause 6.2.4, Purchase of safety critical parts.

DSD-MNT-MGT, Authority to Fit clause.

Optional Clauses: None

6.2.4 Purchase of Safety Critical Parts

Status: Optional (Must be used for safety critical systems that are subject to specific ADF regulatory / assurance framework requirements for strict parts control (eg, all aerospace systems, submarines, etc)).

Purpose: To ensure that only parts that are identified in the authorised Item Identification List (IIL) or contained in the applicable technical manual / database, are procured for safety critical systems.

Policy: DEFLOGMAN Part 2 Volume 5 Chapter 12, Supply Chain Management of Aeronautical Product

Guidance: If the drafter determines that the system to be supported is subject to an ADF regulatory / assurance framework that requires strict Item and Configuration Control, where all Items must be authorised to be fitted to the system, then an optional clause from below should be transferred to clause 6.2.4 of the DSD.

The drafter should note that safety critical parts can be either RIs or Non-RIs.

For aerospace support, the first optional clause below is given as an example. The IIL will be an Illustrated Parts Catalogue, a listing in ADAASS, or the originating list in a LSAR. The drafter must insert an appropriate reference to the authorised IIL into the clause. If the SOW includes both Maintenance Support and Supply Support, the reference should be the same reference used in the ‘Authority to Fit’ clause of DSD-MNT-MGT.

The second optional clause below is a general, non-aerospace clause, provided as a draft to be amended and inserted into the DSD when required.

Related Clauses/Documents:

DSD-MNT-MGT, Authority to Fit clause

Optional Clauses: **Aerospace.**

The Contractor shall purchase parts that are identified Flight Safety Critical Aircraft Parts (FSCAP), in the respective Technical Maintenance Plans and maintenance manuals, from the OEM or an OEM-approved supplier, where those parts appear on the Item Identification List (IIL) in accordance with […INSERT APPLICABLE REFERENCE TO IIL…].

General.

The Contractor shall only purchase parts identified as safety critical parts, in […INSERT APPLICABLE REFERENCE…], from the OEM or an OEM-approved supplier, as identified in […INSERT APPLICABLE REFERENCE…].

Detailed Service Description

1. DSD NUMBER: -V5.0
2. TITLE: Procurement Services
3. DESCRIPTION AND INTENDED USE

This DSD describes the procurement Services that are to be performed by the Contractor on behalf of the Commonwealth. This DSD is applicable where the Contractor is required to procure Items that will be:

delivered directly to the Commonwealth; or

stored on behalf of the Commonwealth by the Contractor and ultimately delivered to the Commonwealth.

This DSD is applicable where the Contractor is required to provide procurement Services outside of MILIS.

This DSD is not applicable where the Contractor is required to provide procurement Services using MILIS.

1. INTER-RELATIONSHIPS

This DSD forms part of the SOW.

This DSD must be applied in conjunction with Supply Services defined in the Supply Support requirements of the SOW and the other associated DSDs, particularly DSD-SUP-SERV.

1. APPLICABLE DOCUMENTS

The following documents form a part of this DSD to the extent specified herein:

Note to drafters: Edit the list of documents in the table below to suit the requirements of this DSD (ie, include the relevant references that are applicable to procurement Services). Do not include reference to Defence policy (eg, DEFLOGMAN) unless the obligations for contractors are explicitly set out in the referenced policy; otherwise, these types of documents can be open to interpretation within a contract.

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| 1. AAP 8000.011 | 1. Defence Aviation Safety Regulations (DASR) |
| 1. AAP 7004.007 | 1. Australian Defence Aviation Authorised Spares System (ADSS) |
| 1. ANP 3411.0101 | 1. Naval Materiel Assurance Publication |
| 1. LMSM | 1. Land Materiel Safety Manual |

1. SERVICE DESCRIPTION
   1. Introduction
      1. Scope of DSD

Note to drafters: Amend the subclauses to the following clause where the Items can be more accurately grouped and referenced (eg, if identified within the tables in SOW Annex A).

The Contractor shall provide procurement Services, as described in this DSD, for the following types of Items, including those listed in Annex A to the SOW:

RIs; and

Non-RIs.

* 1. Services
     1. General

Note to drafters: If only a portion of the Applicable Documents listed in clause 5 are applicable, then the following clause would need to be modified to ensure that only the applicable portion of each of the documents is mandated on the Contractor.

The Contractor shall provide procurement Services in accordance with the applicable documents listed in clause 5 of this DSD.

The Contractor shall maintain a schedule of known procurement activities, projecting work effort for a period of not less than one year in advance, or until the end of the Term where that period is less than one year.

The Contractor shall provide a copy of the Contractor’s procurement schedule in the format requested and within five Working Days (or other timeframe agreed between both parties) of a request for a copy of this schedule from the Commonwealth Representative.

* + 1. Purchase of Repairable Items

Note to drafters: Include this clause when the Commonwealth wishes to exercise its option to procure additional Repairable Items (RIs) from the Contractor. Drafters are to delete the following clauses if not required, and replace with a single ‘Not used’.

The Contractor shall effect procurement of those RIs that have been Approved for purchase by the Commonwealth Representative.

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| Option: Consider including the following clause when DSD-SUP-SACC is included in the draft Contract.  The parties acknowledge and agree that, for those RIs identified at Annex A to the SOW, the Commonwealth will only Approve procurement of additional RIs based on the outcomes of Stock Assessments performed in accordance with DSD-SUP-SACC. |

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| Option: Include the following clause if the procurement of RIs will be undertaken as an S&Q Service.  The Contractor shall undertake the procurement of RIs under clause 6.2.2.1 as an S&Q Service. |

The Commonwealth reserves the right to purchase RIs from sources other than the Contractor.

* + 1. Purchase of Non-Repairable Items

The Contractor shall effect procurement of those Non-RIs which have been Approved for purchase by the Commonwealth Representative.

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| Option: Consider the following clause when DSD-SUP-SACC is included in the draft Contract.  The parties acknowledge and agree that, for those Non-RIs identified at Annex A to the SOW, the Commonwealth will only Approve procurement of additional quantities of Non-RIs based on the outcomes of Stock Assessments performed in accordance with DSD-SUP-SACC. |

The Contractor shall only procure, for use, Non‑RIs that have been authorised for fit in accordance with DSD-MNT-MGT.

The Commonwealth reserves the right to purchase Non‑RIs from sources other than the Contractor.

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| Option: Include the following clause if the procurement of Non-RIs will be undertaken as an S&Q Service.  The Contractor shall undertake the procurement of Non-RIs under clause 6.2.3.1 as an S&Q Service. |

* + 1. Purchase of Safety Critical Items

Note to drafters: Refer to guidance for this clause.

Not used.