



Australian Government

Defence

Quotation Evaluation Plan

FOR

**Procurement of Services for the Design and Development
of the Australian Nuclear-Powered Submarine Safety
Regulator under the Management Advisory Services Panel**



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QEP for Design and Development of the Australian Nuclear-Powered Submarine Safety Regulator
s47E(d)

Document Location

The master soft copy of this document is held in s47E(d)

Preparation

This Quotation Evaluation Plan was prepared by the persons whose signatures appear in the table below and is submitted to the Delegate for approval:

NAME	POSITION	SIGNATURE	DATE
s47E(d)	Assistant Commercial Director	s47E(d) Digitally signed by s47E(d) Date: 2023.06.22 11:56:29 +10'00'	22/06/23

Approval

As the Delegate, I hereby approve/ not approve this Quotation Evaluation Plan:

NAME	POSITION	SIGNATURE	DATE
Katherine Richards	RADM	Katherine RICHARDS Digitally signed by Katherine RICHARDS Date: 2023.06.22 16:55:32 +10'00'	22/06/23
Comments:			

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QEP for Design and Development of the Australian Nuclear-Powered Submarine Safety Regulator
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Contents

1	OVERVIEW	3
1.1	Aim	3
1.2	Background	3
1.3	Key Dates	3
2	QUOTATION EVALUATION CRITERIA	4
2.1	Quotation Evaluation Criteria	4
3	QUOTATION EVALUATION ORGANISATION AND THE DELEGATE	4
3.1	Delegate and Chair	4
3.2	Quotation Evaluation Organisation (QEO)	4
4	QUOTATION EVALUATION PROCESS	5
4.1	QEO Commencement Briefing	5
4.2	Registration and Storage of Quotations	5
4.3	Evaluation	5
4.4	Discretion to Set Aside a Quotation	5
4.5	Source Evaluation Report (SER)	5
5	ETHICS, PROBITY AND FAIR DEALING	6
5.1	Ethics and Probity	6
5.2	Conflicts of Interest	6
5.3	Confidentiality and Security of Documentation	6
6	COMMUNICATIONS	6
6.1	Point of Contact	6
6.2	Communications with Service Providers	6
6.3	Clarification Questions for Service Providers and Unsolicited Information	6
6.4	Notification and Debriefing of Unsuccessful Service Providers	6

Annexes

- A. Key Dates
- B. QEO Structure, Members and Responsibilities
- C. Evaluation Methodology
- D. Conflict of Interest Declaration

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1 OVERVIEW

1.1 Aim

- 1.1.1 In accordance with the requirements of the Commonwealth Procurement Rules (CPRs) and the Defence Procurement Manual (DPM), this Quotation Evaluation Plan (QEP) details the arrangements, framework, methodology and activities to evaluate quotations received in response to the Requests for Quotation for the Design and Development of the Australian Nuclear-Powered Submarine Safety Regulator (Released on 1 June 2023).
- 1.1.2 The aim of this QEP is to assist and guide the Commonwealth to determine the best value for money solution to meet the Commonwealth's requirements in relation to the proposed procurement of Design and Development Services.

1.2 Background

- 1.2.1 On 6 May 2023, Government announced that it would create an 'independent, specialised and dedicated regulator', known as the Australian Nuclear-Powered Submarine Safety Regulator (the Regulator). The purpose of the Regulator is to ensure 'the highest standards of nuclear safety and radiological protection across the lifecycle of Australia's nuclear-powered submarines'. The regulated community will include the Australian Submarine Agency, Navy, and Industry. Legislation will establish the framework to regulate facilities associated with the construction, maintenance and the operation of nuclear-powered submarines in Australia.
- 1.2.2 Legislation and accompanying regulations are into Parliament in 2023 and will be progressively updated by a dedicated team from Defence. Concurrent to this process, the organisation design and the progressive staffing of the Regulator's office is required. Regulatory staff will include dedicated teams of nuclear specialists supported by a multi-disciplinary team of professional enabling support staff with legal, human resources, finance, communications, commercial and general administration skills. It is envisaged the Regulator will maintain a footprint in Canberra, Western Australia and South Australia, with operations directed from Canberra.
- 1.2.3 The intent is to achieve an Initial Operating Capability of the Regulator's office by 1 July 2024, to facilitate early regulatory activities focused on the nuclear facilities and infrastructure required to enable Submarine Rotational Forces – West (SRF-W). Thereafter, the development of the Regulator's office is to occur in a systematic and coherent manner at a tempo, which enables mission achievement, namely:
To provide independent assurance to the public on the safety and environmental performance of the Defence Nuclear Submarine Enterprise.

1.3 Key Dates

- 1.3.1 The evaluation will be conducted in accordance with the indicative schedule of key dates outlined in Annex A to this QEP.

2 QUOTATION EVALUATION CRITERIA

2.1 Quotation Evaluation Criteria

- 2.1.1 The quotation evaluation criteria will form the basis for the evaluation of quotations and the assessment of value for money. This will culminate in a source selection recommendation within the Source Evaluation Report (SER).
- 2.1.2 The quotation evaluation criteria, which are taken directly from the request documentation, are set out in the table below. These criteria are not weighted and are not listed in any order of priority.

Ref	Evaluation Criteria
1	Recent relevant experience in the establishment of regulatory bodies in Commonwealth agencies.
2	The ability to connect with relevant nuclear expertise – in Australia, the US, the UK or broader Nuclear standard setting bodies – in order to support alignment and benchmarking of design product.
3	Strong understanding of the complexities of regulating and operating in the military environment, with relevant military experience highly desirable.
4	Recent relevant experience in working within the existing Defence regulatory environment in the delivery of regulatory products and services. Expertise in Seaworthiness and SubSafe programs is desired due to interfaces with nuclear systems and activities.
5	Excellence in project delivery and organisation design.
6	Demonstrated excellence in report writing and the delivery of supporting staff work and communication products.
7	Highest standards of public accountability, transparency and ethical conduct.

3 QUOTATION EVALUATION ORGANISATION AND THE DELEGATE

3.1 Delegate and Chair

- 3.1.1 The Delegate and Chair for this procurement is:

Delegate/Chair	RADM Katherine Richards
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3.2 Quotation Evaluation Organisation (QEO)

- 3.2.1 Due to the nature of this procurement, the QEO consists of a four members. The members of the QEO and their responsibilities are specified in Annex B.
- 3.2.2 All members of the QEO must:
- be aware of, understand and comply with this QEP;
 - comply with all relevant Commonwealth procurement policies, directives and guidelines;
 - comply with all relevant legislative, regulatory, confidentiality and privacy requirements;
 - as required by the QEO Chair, before the commencement of the evaluation complete a Conflict of Interest Declaration (substantially in the form set out at Annex D for all members of the QEO);
 - conduct evaluation activities in a manner which is ethical and fair; and
 - seek to minimise the costs of evaluation incurred by the Commonwealth.

4 QUOTATION EVALUATION PROCESS

4.1 QEO Commencement Briefing

- 4.1.1 Prior to the receipt of quotations, the QEO Chair will brief all QEO members on the content of this QEP, including the requirements pertaining to:
- a. the quotation evaluation process, tools and required outputs;
 - b. the quotation evaluation schedule and administrative arrangements;
 - c. areas of responsibility for each QEO member (as detailed at Annex B);
 - d. probity, ethics and fair dealing;
 - e. conflict of interest; and
 - f. security, privacy and confidentiality.

4.2 Registration and Storage of Quotations

- 4.2.1 A member of the QEO nominated by the QEO Chair will receipt the quotations and store in a secure folder in Objective.
- 4.2.2 The nominated member of the QEO will ensure the secure storage of all quotations throughout the evaluation process, ensuring a copy of each quotation is made available to each member of the QEO (preferable electronically).

4.3 Evaluation

- 4.3.1 The QEO will assess each quotation against each evaluation criterion. This assessment will utilise the rating scale described in Annex C. Individual Evaluation Templates are provided at Annex C to guide QEO members as to the criteria each provider shall be assessed against. Once individuals have reviewed the responses the QEO will meet to deliberate and combine evaluation outcomes into a Source Evaluation Report in order to document the evaluations completed.
- 4.3.2 The QEO Chair, with the assistance of the QEO members, will produce a value-for-money assessment. This will provide an overall relative positioning of the quotations and identify the best value for money quotation (which, for clarity, does not necessarily need to be the lowest priced quotation). The results of this assessment will be recorded via the use of the Value for Money template in Annex C. When completed, the Value for Money template will be included as part of the Source Evaluation Report.

4.4 Discretion to Set Aside a Quotation

- 4.4.1 If it becomes apparent during the evaluation that a quotation is clearly non-competitive or otherwise has no reasonable prospect of exhibiting the best value for money compared to other quotations, it may be excluded from further detailed evaluation. By considering the extent of the quotation's shortfalls, coupled with the best interests of both the Commonwealth and the relevant Service Provider, the QEO Chair/Delegate may set aside or decline the quotation.
- 4.4.2 The SER will document the justification for the exclusion and, where appropriate, the declining of any quotation that occurs after detailed evaluation has commenced.

4.5 Source Evaluation Report (SER)

- 4.5.1 The QEO will produce an SER to conclude and summarise detailed evaluation of the quotations. The SER will detail and include, as a minimum:
- a. a comparative assessment of the quotations against the combined evaluation criteria; and
 - b. a value for money assessment that evaluates each quotation in terms of its benefit/risk profile against its cost.
- 4.5.2 The SER will additionally serve to record the detailed evaluation results and document an auditable trail for the assessments made in arriving at the source selection recommendation. The SER will be signed by the QEO Chair/Delegate.

5 ETHICS, PROBITY AND FAIR DEALING

5.1 Ethics and Probity

- 5.1.1 Defence officials and person/s engaged under a contract involved with the quotation evaluation must uphold all APS and Defence Values, and additionally ensure that the principles that underpin ethics and probity in Australian Government procurement are applied. APS staff and ADF members are not required to sign personal non-disclosure agreements as they are held accountable under the Public Service Act 1999 (Cth) or the Defence Force Discipline Act 1982 (Cth), as the case may be.
- 5.1.2 As a minimum, the following principles must be demonstrated and adhered to at all times:
 - a. accountability in accordance with the DPM; and
 - b. probity, ethics and fair dealing in accordance with the DPM.

5.2 Conflicts of Interest

- 5.2.1 The QEO, Delegate and, where applicable, expert advisors, are responsible for identifying, reporting, managing and documenting Conflicts of Interest in accordance with the Integrity Policy Manual and the Defence Commercial Framework. Conflicts of Interest must be documented using the appropriate form and retained in accordance with the Defence Integrity Policy Manual and this QEP.

5.3 Confidentiality and Security of Documentation

- 5.3.1 Throughout the evaluation process, all quotation material must be handled appropriately. Information provided by Service Providers will be treated as Confidential, kept secure and not be used for personal gain or to prejudice fair, open and effective competition.

6 COMMUNICATIONS

6.1 Point of Contact

- 6.1.1 The point of contact for all matters relating to the evaluation of quotations is s47E(d) (Assistant Commercial Director).

6.2 Communications with Service Providers

- 6.2.1 QEO members are not permitted to contact any Service Provider during the evaluation process without prior approval from the Delegate. Any contact between a QEO member and a Service Provider, including any unsuccessful attempt to contact a Service Provider, must be notified to the Delegate.
- 6.2.2 All communications relating to quotations will be documented as records of conversation, including the date, time, source and details.

6.3 Clarification Questions for Service Providers and Unsolicited Information

- 6.3.1 The QEO may raise clarification questions to be sent, in writing, to Service Providers to clarify unintentional errors of form in a quotation and/or resolve issues to assist the evaluation process and improve the level of confidence attached to the evaluation outcomes. Such questions, and any other communications between the Commonwealth and Service Providers must be approved for release by the Delegate.

6.4 Notification and Debriefing of Unsuccessful Service Providers

- 6.4.1 Notification of unsuccessful Service Providers must not occur until after the Source Evaluation Report has been approved and signed by the Delegate. As soon as possible after such approval, the QEO is to formally notify Service Providers. In notifying Service Providers, each will be provided with the opportunity for a debriefing. Each debriefing will be based on the assessment of the relevant quotation against the evaluation criteria. Debriefings will not occur before successful negotiations with the preferred Service

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QEP for Design and Development of the Australian Nuclear-Powered Submarine Safety Regulator
s47E(d)

Provider have concluded.

- 6.4.2 The Contact Officer identified in the Request Documentation (Conditions of Quotation) will be the signatory for notifications to Service Providers, unless the QEO Chair/Delegate determines otherwise.

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s47E(d)

ANNEX A

KEY DATES

The quotation evaluation will be conducted in accordance with the following indicative schedule of key dates:

Key Event	Expected Date
Request documentation released to Service Providers	01/06/2023
Industry Briefing	05/06/2023
Closing date for quotations	15/06/2023
QEP approved by Delegate	22/06/2023
QEP briefing for QEO members	22/06/2023
Quotation evaluation commences	22/06/2023
Quotation evaluation concludes	28/06/2023
Panel Deliberation and Source Evaluation Report Preparation	28/06/2023
Delegate Approval	30/06/2023
Section 23 and contract documentation finalised	03/07/2023
Execute Official Order	04/07/2023
Commencement Date	10/07/2023

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ANNEX B

QEO STRUCTURE, MEMBERS AND RESPONSIBILITIES

QEO	<ul style="list-style-type: none">• RADM Katherine Richards (Delegate and Chair)• s47E(d) (Assistant Commercial Director – Trilateral Program Delivery)• Kate van Hilst (Assistant Secretary – Trilateral Program Delivery)• s47E(d) (Director Regulation)	<ul style="list-style-type: none">• Under the stewardship of the QEO Chair, conduct a comprehensive evaluation of each quotation in relation to the evaluation criteria.• Ensure continuous compliance with the RFQ, QEP and relevant Commonwealth and Departmental policies/procedures.• Generate appropriate screening and shortlisting recommendations for endorsement by the Delegate.• Identify any alternative proposals and quoted options and how they are to be treated.• When appropriate, invite attendance by, or consultation with, other authorities on matters relevant to QEO deliberations. Consider input from stakeholders and use such input, as appropriate, to improve the evaluation.• Identify, draft and dispatch any clarification questions (to be asked of the Service Providers) that will improve the quality and/or completeness of the evaluation.• Promptly act on any relevant instruction/direction provided by the Delegate.• Undertake a comparative assessment of the quotations and formulate a defensible value-for-money assessment.• Generate an SER and source selection recommendation(s) for Delegate sign-off.• Control and manage all administrative matters related to the quotation evaluation, including the following tasks.<ul style="list-style-type: none">- Receipt and register all quotations and thereafter maintain all quotation documentation.- Control all evaluation-related records and correspondence. Arrange for any relevant distribution/circulation of such information.- Ensure correct security, confidentiality, and conflict of interest standards and requirements in accordance with Defence policy are maintained at all times.
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ANNEX C**EVALUATION METHODOLOGY****General**

1. An accurate, comprehensive and defensible evaluation of Quotations is of paramount importance for the Commonwealth when attempting to select the optimum value-for-money quotation in relation to any procurement. The methodology set out in this Annex has been designed to assist QEOs to achieve that goal for simple procurements.
2. To ensure a defensible and auditable source recommendation from the evaluation, narratives should be produced by QEO members to support each element of their assessment. Narratives should explain and justify the evaluation outcomes and should be written in 'stand-alone' fashion – i.e. one that is clear and understandable without the reader having to access the Quotation Deliverables for additional information. Any supporting documentation created during the evaluation process, such as a technical or SME analysis, should also be attached to the narrative.

How to rate quotations against the evaluation criteria

3. There are two elements to be considered when rating the quotations against each of the evaluation criteria in accordance with the nominated rating scale shown below. For each separate evaluation criteria these two elements comprise:
 - (i) an assessment of compliance – which can be thought of as a measure of the level to which the quotation meets, or will meet, the requirements of the Commonwealth.
 - (ii) an assessment of risk - which can be thought of as a measure of the negative impact(s) that could be incurred by the Commonwealth due to shortfalls in the quotation.

6.4.3 DEFINITION		
RATING	6.4.3	DEFINITION
Very Good	6.4.4	The quotation satisfies the evaluation criterion to a very high standard and presents minimal or no risk to the Commonwealth. The Service Provider's claims are well supported by the information submitted in the quotation.
Good	6.4.5	The quotation satisfies the evaluation criterion to a high standard and presents only a very low level of risk to the Commonwealth. The Service Provider's claims are adequately supported by the information submitted in the quotation.
Satisfactory	6.4.6	The quotation satisfies the evaluation criterion to a satisfactory degree and presents an acceptable level of risk to the Commonwealth. There are minor deficiencies in the information submitted in the quotation.
Poor	6.4.7	The quotation barely satisfies the evaluation criterion and presents a degree of unacceptable risk to the Commonwealth. There are minor and major deficiencies in the information submitted in the quotation.
Unacceptable*	6.4.8	The quotation does not satisfy the evaluation criterion and presents an unacceptable level of risk to the Commonwealth. There are many major deficiencies in the information submitted in the quotation.

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QEP for Design and Development of the Australian Nuclear-Powered Submarine Safety Regulator
s47E(d)

6.4.9	*	'Poor' or 'Unacceptable' rating for any evaluation criteria must be advised to the QEO Chair without delay - as this may preclude further evaluation of the relevant quotation.
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How to assess price/cost data

4. Price/cost data is the pricing information that relates directly to procuring the goods or services. This includes the pricing section of each quotation, the payment structure, exchange rates, cost growth equations, pricing variation mechanisms, and taxation matters.
5. The evaluation of price/cost data must assess the extent to which prices/costs should be normalised to ensure that a like-for-like comparison is made in relation to the magnitude of each quotation on a whole-of-life basis. In this context, whole-of-life costs to be incurred by the Commonwealth comprise a suite of incremental costs arising from the decision to purchase an item(s) and are incurred in respect of the purchased item(s) over the full life cycle of the item(s) from acquisition, through sustainment, to disposal. Whole-of-life costs can include the initial purchase price, installation costs (including, for example, modification of existing platforms), operating and support costs, cost of spares, licence fees, and disposal costs.
6. In evaluating the normalised whole-of-life cost for each quotation, the appropriate QEO members might need to make some assumptions and numerical forecasts (for example, where the team is provided only a labour rate card, but it must evaluate total cost. Here the total cost will vary depending on volume of labour used, however that volume is not certain and must be estimated). In such cases, evaluators will need to be logical, consistent and clearly document any assumptions relied upon, so that the resultant outcome is capable of withstanding challenge and scrutiny. The evaluators could also conduct sensitivity and scenario analysis in order to test the robustness of assumptions and the validity of the outcomes.

Individual Evaluator Report Template

7. Each member of the QEO (i.e. each separate evaluator) will individually complete the template shown below to assess the quotations received. Following this the QEO members will meet to document combined evaluation ratings in the Source Evaluation Report and agree on the successful Service Provider.

<u>INDIVIDUAL EVALUATOR TEMPLATE</u> (Simple Procurement)	
Procurement Details:	
RFQ Number	
Description	Services for the Design and Development of the Nuclear-Submarine Safety Regulator
Evaluator Details:	
Name	[...INSERT EVALUATOR NAME...]
APS Position	[...INSERT DETAIL...]
Signature	

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QEP for Design and Development of the Australian Nuclear-Powered Submarine Safety Regulator
s47E(d)

Evaluation Criterion	<ul style="list-style-type: none"> Recent relevant experience in the establishment of regulatory bodies in Commonwealth agencies. 	
QUOTATION	Rating	Justification for rating
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]
EY	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT APPROPRIATE RATING FROM TABLE ...]
Summary	[...INSERT A COMPARATIVE SUMMATION OF THE ABOVE FINDINGS IN RELATION TO THIS SPECIFIC EVALUATION CRITERIA...]	

Evaluation Criterion	<ul style="list-style-type: none"> The ability to connect with relevant nuclear expertise – in Australia, the US, the UK or broader Nuclear standard setting bodies – in order to support alignment and benchmarking of design product. 	
QUOTATION	Rating	Justification for rating
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]
EY	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]
Summary	[...INSERT A COMPARATIVE SUMMATION OF THE ABOVE FINDINGS IN RELATION TO THIS SPECIFIC EVALUATION CRITERIA...]	

Evaluation Criterion	<ul style="list-style-type: none"> Strong understanding of the complexities of regulating and operating in the military environment, with relevant military experience highly desirable. 	
QUOTATION	Rating	Justification for rating
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]

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QEP for Design and Development of the Australian Nuclear-Powered Submarine Safety Regulator
 s47E(d)

	TABLE ...]	
EY	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUTION CRITERION...]
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUTION CRITERION...]
Summary	[...INSERT A COMPARATIVE SUMMATION OF THE ABOVE FINDINGS IN RELATION TO THIS SPECIFIC EVALUATION CRITERIA...]	

Evaluation Criterion	<ul style="list-style-type: none"> Recent relevant experience in working within the existing Defence regulatory environment in the delivery of regulatory products and services. Expertise in Seaworthiness and SubSafe programs is desired due to interfaces with nuclear systems and activities. 	
QUOTATION	Rating	Justification for rating
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUTION CRITERION...]
EY	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUTION CRITERION...]
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUTION CRITERION...]
Summary	[...INSERT A COMPARATIVE SUMMATION OF THE ABOVE FINDINGS IN RELATION TO THIS SPECIFIC EVALUATION CRITERIA...]	

Evaluation Criterion	<ul style="list-style-type: none"> Excellence in project delivery and organisation design. 	
QUOTATION	Rating	Justification for rating
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUTION CRITERION...]
EY	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUTION CRITERION...]
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUTION CRITERION...]

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QEP for Design and Development of the Australian Nuclear-Powered Submarine Safety Regulator
s47E(d)

Summary	[...INSERT A COMPARATIVE SUMMATION OF THE ABOVE FINDINGS IN RELATION TO THIS SPECIFIC EVALUATION CRITERIA...]	
Evaluation Criterion	<ul style="list-style-type: none"> Demonstrated excellence in report writing and the delivery of supporting staff work and communication products. 	
QUOTATION	Rating	Justification for rating
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]
EY	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]
Summary	[...INSERT A COMPARATIVE SUMMATION OF THE ABOVE FINDINGS IN RELATION TO THIS SPECIFIC EVALUATION CRITERIA...]	
Evaluation Criterion	<ul style="list-style-type: none"> Highest standards of public accountability, transparency and ethical conduct. 	
QUOTATION	Rating	Justification for rating
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]
EY	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]
s47D	[...INSERT APPROPRIATE RATING FROM TABLE ...]	[...INSERT DETAILS OF THE ANALYSIS OF THE QUOTATION AGAINST THIS SPECIFIC EVALUATION CRITERION...]
Summary	[...INSERT A COMPARATIVE SUMMATION OF THE ABOVE FINDINGS IN RELATION TO THIS SPECIFIC EVALUATION CRITERIA...]	

Value for Money

8. The QEO Chair, with the assistance of the QEO members, will produce a value-for-money assessment as part of the Source Evaluation Report. This will involve comparing the collective individual assessments of each quotation (i.e. a synergy of the outcomes expressed in the Individual Evaluator Reports). This value for money assessment will be included in the SER.

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VALUE FOR MONEY REPORT

(Simple Procurement)

Value for Money Assessment:

This first table contains the QEO's collective ratings for each quotation in relation to each separate evaluation criteria. This outcome was derived from synergistically reviewing the ratings suggested by each individual evaluator in their Individual Evaluation Reports.

Quotation	s47D	EY	s47D
Evaluation Criteria			
Recent relevant experience in the establishment of regulatory bodies in Commonwealth agencies.	[...INSERT AN AGREED COMBINED RATING ...]	[...INSERT AN AGREED COMBINED RATING ...]	etc.
The ability to connect with relevant nuclear expertise – in Australia, the US, the UK or broader Nuclear standard setting bodies – in order to support alignment and benchmarking of design product.	[...INSERT AN AGREED COMBINED RATING ...]	[...INSERT AN AGREED COMBINED RATING ...]	etc.
Strong understanding of the complexities of regulating and operating in the military environment, with relevant military experience highly desirable.	etc.	etc.	etc.
Recent relevant experience in working within the existing Defence regulatory environment in the delivery of regulatory products and services. Expertise in Seaworthiness and SubSafe programs is desired due to interfaces with nuclear systems and activities.			
Excellence in project delivery and organisation design.			

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s47E(d)

Demonstrated excellence in report writing and the delivery of supporting staff work and communication products.			
Highest standards of public accountability, transparency and ethical conduct.			

This second table provides the QEO's suggested overall rating (as such rating is described in the rating table in Annex E of the QEP) for each quotation against all evaluation criteria when combined.

Quotation	s47D	EY	s47D
Overall rating	[...INSERT AGREED OVERALL RATING ACROSS ALL EVALUATION CRITERIA COMBINED...]	[...INSERT AGREED OVERALL RATING ACROSS ALL EVALUATION CRITERIA COMBINED...]	etc.
Justification	[...INSERT A NARRATIVE JUSTIFYING THE OVERALL RATINGS...]		

The QEO value for money analysis (as summarised in this report) concludes that [...INSERT NAME OF 1st QUOTATION...] represents the best value for money to the Commonwealth in relation to RFQ [...INSERT NUMBER...] for the procurement of [...INSERT DETAIL...].

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ANNEX E

CONFLICT OF INTEREST DECLARATION

REFER TO DECLARATION OF NO CONFLICT OF INTEREST AND WEB FORM AE916

SER for the procurement of Design and Development Services of the Australian Nuclear Powered Submarine Safety Regulator

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Australian Government
Defence

Source Evaluation Report

for

**The Procurement of Design and Development Services of
the Australian Nuclear-Powered Submarine Safety
Regulator**

SER for the procurement of Design and Development Services of the Australian Nuclear Powered Submarine Safety Regulator

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Preparation

This Source Evaluation Report was prepared by the members of the Quotation Evaluation Organisation (QEO) (whose signatures appear in the table below).

NAME	POSITION	SIGNATURE	DATE
Katherine Richards	RADM	Katherine RICHARDS	Digitally signed by Katherine RICHARDS Date: 2023.06.29 13:34:29 +10'00'
Kate van Hilst	Assistant Secretary – Trilateral Program Delivery	Kate.Vanhilst	Digitally signed by Kate.Vanhilst Date: 2023.06.29 12:53:20 +10'00'
s47E(d)	Director - Regulation	s47E(d)	Digitally signed by s47E(d) Date: 2023.06.29 14:29:38 +10'00'
s47E(d)	Assistant Commercial Director	s47E(d)	Digitally signed by s47E(d) Date: 2023.06.29 14:32:24 +10'00'

SER for the procurement of Design and Development Services of the Australian Nuclear Powered Submarine Safety Regulator

s47E(d)

Contents

1. Introduction	4
2. Background.....	4
3. Quotation Evaluation Organisation (QEO)	4
4. Evaluation Criteria	4
5. Assessment of Tenders Against the Evaluation Criteria	5
6. Consideration of Service Providers' Conflicts of Interests	8
7. Value for Money Assessment.....	9
8. Source Selection Recommendation	9
9. Security Classification	9

SER for the procurement of Design and Development Services of the Australian Nuclear Powered Submarine Safety Regulator

s47E(d)

References:

- A. Requests for Quotation, dated 1 June 2023 s47E(d)
- B. Quotation Evaluation Plan, dated 22 June 2023 s47E(d)
- C. Endorsement to Proceed and CCOSP, dated 31 May 2023 s47E(d)

1. Introduction

- 1.1. This SER analyses, synthesises and summarises the outcomes of the evaluation of quotations that were received by the Commonwealth in response to the Request for Quotation issued under the Management Advisory Services Panel (Reference A) for the procurement of Design and Development Services regarding the Australian Nuclear-Powered Submarine Safety Regulator. The evaluation of quotations was conducted in accordance with Reference B and endorsement to approach the market was provided by RADM Katherine Richards at Reference C.

2. Background

- 2.1. in accordance with Reference C (Endorsement to Proceed), the Requests for Quotation at Reference A were released on 1 June 2023 to three providers under the Management Advisory Services Panel.
- 2.2. Quotations were received from:

Tender
s47D
s47D
EY

- 2.3. All quotations were received by the designated Quotation Closing Time. s47D attempted to submit a second submission 10 minutes after the closing time, however this submission was declined in the interests of fairness and to ensure no Service Provider was given an unfair advantage.

3. Quotation Evaluation Organisation (QEO)

- 3.1. The Quotation Evaluation Organisation (QEO) for this evaluation comprised of:
 - a. RADM Katherine Richards (Delegate and Chair);
 - b. s47E(d) (Assistant Commercial Director – Trilateral Program Delivery);
 - c. Kate van Hilst (Assistant Secretary – Trilateral Program Delivery); and
 - d. s47E(d) (Director Regulation).

4. Evaluation Criteria

- 4.1. The evaluation criteria are set out in the table below. These criteria were not weighted nor prioritised for the purpose of evaluating the quotations.

Ref	Evaluation Criteria
1	Recent relevant experience in the establishment of regulatory bodies in Commonwealth agencies.
2	The ability to connect with relevant nuclear expertise – in Australia, the US, the UK or

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SER for the procurement of Design and Development Services of the Australian Nuclear Powered Submarine Safety Regulator

s47E(d)

	broader Nuclear standard setting bodies – in order to support alignment and benchmarking of design product.
3	Strong understanding of the complexities of regulating and operating in the military environment, with relevant military experience highly desirable.
4	Recent relevant experience in working within the existing Defence regulatory environment in the delivery of regulatory products and services. Expertise in Seaworthiness and SubSafe programs is desired due to interfaces with nuclear systems and activities.
5	Excellence in project delivery and organisation design.
6	Demonstrated excellence in report writing and the delivery of supporting staff work and communication products.
7	Highest standards of public accountability, transparency and ethical conduct.

5. Assessment of Tenders Against the Evaluation Criteria

- 5.1. QEO members conducted individual evaluations of each quotation against the evaluation criterion, before meeting on 28 June 2023 for QEO deliberations. The QEO agree the following combined assessment:

Evaluation Criterion	<ul style="list-style-type: none"> Recent relevant experience in the establishment of regulatory bodies in Commonwealth agencies. 	
QUOTATION	Rating	Justification for rating
s47D	s47D	
EY		
s47D		

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SER for the procurement of Design and Development Services of the Australian Nuclear Powered Submarine Safety Regulator

s47E(d)

Evaluation Criterion		<ul style="list-style-type: none"> The ability to connect with relevant nuclear expertise – in Australia, the US, the UK or broader Nuclear standard setting bodies – in order to support alignment and benchmarking of design product. 	
QUOTATION	Rating	Justification for rating	
s47D	s47D		
EY			
s47D			

Evaluation Criterion		<ul style="list-style-type: none"> Strong understanding of the complexities of regulating and operating in the military environment, with relevant military experience highly desirable. 	
QUOTATION	Rating	Justification for rating	
s47D	s47D		
EY			

SER for the procurement of Design and Development Services of the Australian Nuclear Powered Submarine Safety Regulator

s47E(d)

	s47D
s47D	

Evaluation Criterion	<ul style="list-style-type: none"> Recent relevant experience in working within the existing Defence regulatory environment in the delivery of regulatory products and services. Expertise in Seaworthiness and SubSafe programs is desired due to interfaces with nuclear systems and activities. 	
QUOTATION	Rating	Justification for rating
s47D	s47D	
EY		
s47D		

Evaluation Criterion	<ul style="list-style-type: none"> Excellence in project delivery and organisation design. 	
QUOTATION	Rating	Justification for rating
s47D	s47D	
EY		

SER for the procurement of Design and Development Services of the Australian Nuclear Powered Submarine Safety Regulator

s47E(d)

	s47D
s47D	

Evaluation Criterion	
<ul style="list-style-type: none"> Demonstrated excellence in report writing and the delivery of supporting staff work and communication products. 	
QUOTATION	Rating
s47D	s47D
EY	
s47D	

Evaluation Criterion	
<ul style="list-style-type: none"> Highest standards of public accountability, transparency and ethical conduct. 	
QUOTATION	Rating
s47D	s47D
EY	
s47D	

6. Consideration of Service Providers' Conflicts of Interests

- 6.1. s47D
- 6.2.

SER for the procurement of Design and Development Services of the Australian Nuclear Powered Submarine Safety Regulator

s47E(d)

7. Value for Money Assessment

- 7.1. The QEO members conducted a joint assessment of the value for money presented by each quotation. The results of that assessment are as follows:

Quotation	s47D	EY	s47D
Overall rating	s47D		
Justification			

8. Source Selection Recommendation

- 8.1. The evaluation conducted to date by the QEO, and summarised in this SER, indicates that EY meets the requirements for the subject procurement activity and represents the best value for money for the Commonwealth. The QEO recommends that EY be selected as the preferred tenderer in relation to Reference A (RFT).

9. Security Classification

- 9.1. All aspects of this SER are to be treated as ~~OFFICIAL- Sensitive.~~

s22

From: s47E(d)
Sent: Monday, 3 July 2023 5:33 PM
To: 'Fedgov@au.ey.com'
Cc: Richards, Katherine RADM; s47E(d)
Subject: 230703:1732 - s47E(d) Fedgov@au.ey.com] Request for Quotation
MASP Update
Attachments: Official order.docx; Statement of Work.docx
Follow Up Flag: Follow up
Flag Status: Completed

Dear Service Provider,

Thank you for submitting your response in relation to the Design and Development of the Australian Nuclear-Powered Submarine Safety Regulator. We are pleased to advise that we would like to proceed with your response.

The following documents are **attached**:

- Official Order
- Statement of Work

Could you please review and insert the ABNs for each of the proposed subcontractors before signing and returning for countersignature. Following return we will send a meeting invite for an initial discussion regarding next steps.

Kind Regards,

s47E(d)

Department of Defence | T: s47E(d) | E: s47E(d)

IMPORTANT: This email remains the property of the Department of Defence. Unauthorised communication and dealing with the information in the email may be a serious criminal offence. If you have received this email in error, you are requested to contact the sender and delete the email immediately.

Schedule 6 – Order for Service

1. Introduction

- 1.1. This Order is issued in accordance with clause 11.3 of the Head Agreement for the Management Advisory Services (MAS) Panel Standing Offer Notice (SON3751667) between the Service Provider and the Department of Finance.

<u>Order for Services</u>	
<i>Service Provider Information</i>	
Service Provider	EY
Australian Business Number	75 288 172 749
Service Provider Representative	Contact: s47F Position: Federal Government Manager Email: Fedgov@au.ey.com Phone: s47F
Service Provider Address for Notices	Contact: s47F Position: Partner Address: EY Level 11/121 Marcus Clarke Street, Canberra ACT 2600 AUSTRALIA Email: fedgov@au.ey.com
<i>Agency Information</i>	
Agency	Department of Defence
Australian Business Number	68 706 814 312
<i>Agency Representative</i>	
Agency Representative	Name: RADM Katherine Richards Position: Head of Nuclear-Powered Submarine Regulatory Design Email: s47E(d) Phone: s47E(d)
Agency Address for Notices	Address: R1-2-C001 Russell Offices, CANBERRA, ACT, 2601 Email: s47E(d)
Agency Address for Invoices	Invoices must be submitted to invoices@defence.gov.au and must contain any other requirements for the invoice e.g. that the purchase order no. must be quoted in the invoice

Agency order information	
Purchase Order Number	TBC
Cost Centre	TBC
Agency contract manager name	s47E(d)
Agency File Reference	s47E(d)
Order Commencement Date and Term	
Order Commencement Date	Monday, 10 July 2023
Order Expiry Date	Sunday, 30 June 2024
Proposed options to extend	Extension 1: One year
Statement of Work	
Service Area	Commercial Management Advisory Services
Service Category	Government Policy
Service Sub-category	Legislation (non-legal)
Detailed Statement of Work	See attached Statement of Work
Milestones	<p>Initial Period of Engagement (10 July 2023 – 08 July 2024)</p> <p>Phase 0: Mobilisation</p> <ul style="list-style-type: none"> • Deliverable: Project Schedule and Execution Plan • Due: Commencement Date + 2 weeks <p>Phase (1A): Preliminary Design Phase</p> <ul style="list-style-type: none"> • Deliverable: Functional Report • Due: Commencement Date + 5 weeks <p>Phase (1B): Preliminary Design Phase</p> <ul style="list-style-type: none"> • Deliverable: Benchmarking Report • Due: Commencement Date + 7 weeks <p>Phase (1C): Preliminary Design Phase</p> <ul style="list-style-type: none"> • Deliverable: The Preliminary Design Report • Due: Commencement Date + 12 Weeks <p>Phase 2: Detailed Design Phase</p>

	<ul style="list-style-type: none">• Deliverable: Detailed Design Report and a Business Operating Model• Due: Commencement Date + 30 Weeks <p>Phase 3: Design Execution</p> <ul style="list-style-type: none">• Deliverable: Interim Quality Management System and Interim Performance and Measurement and Reporting System• Due: Commencement Date + 48 Weeks <p>Phase 4: Conclusion of Year 1 – The First 12 months of operation</p> <ul style="list-style-type: none">• Deliverable: Annual Report• Due: Commencement Date + 52 Weeks
Key Personnel	s47F

	s47F
Subcontractors	s47D
Location	Canberra ACT
Fees	Not to Exceed cap of s47D (GST incl.) to be applied to the contract over 12 months comprising: s47F s47D s47D

	<p>s47F 47D</p> <p>Program Management Office</p> <p>s47F</p> <p>- Digital Program Management establishment (Level 1) - 30 days s47E(d)</p> <p>- Graphic Designer - 10 days s47E(d)</p> <p>Communications and Stakeholder Engagement</p> <p>s47F</p> <p>Functions, Operating Model and Organisational Design</p> <p>s47F</p> <p>- Engineer (Level 4) - 20 days s47E(d)</p> <p>Risk, Performance Metrics, Assurance, Governance and Benchmarking</p> <p>s47F</p> <p>ICT</p> <p>s47F</p> <p>The Agency will receive a s47D discount on any amount invoiced for consultancy services for EY resources. The above amounts for individuals do not include this discount.</p> <p>Subcontractors</p> <p>s47D</p> <p>Travel</p> <p>Up to s47D for travel and disbursements for the period of engagement.</p>
Payment Terms	20 calendar days for all other invoices
Invoicing	Invoices are to be submitted to: invoices@defence.gov.au
Travel	Local travel to locations in and around Canberra to be borne by the Service Provider. Travel and expenses to locations outside of Canberra to be paid by the Agency up to an amount of s47D

Agency Material <i>Agency Material is defined in the clause 1.1.1 of the Head Agreement as any Material provided by an Agency to the Service Provider for the purposes of a Contract, or derived at any time from that Material.</i>	Any advice, submissions, strategies or other documentation provided to the Service Provider in delivering the services set out in the Statement of Work including, but not limited to, the reading list to be provided at Phase 0.
Existing Material	Not Applicable
Contract Material	Any advice, submissions, strategies or other documentation prepared by the Service Provider and delivered to the Agency in delivering the services set out in the Statement of Work.
Restrictions on use of Contract Material	Australian Nuclear-Powered Submarine Safety Regulator to own the intellectual property rights associated with all material developed through the delivery of the Services.
Restrictions on use of Service Provider's name, trade name or logo	Not applicable
Additional requirements	
Confidential Information	Agency Confidential information Agency data, <i>Indefinitely</i> Any Personal Information held by the Agency, <i>Indefinitely</i> Security Classified Information, <i>Indefinitely</i>
Agency Data Storage Requirements	All data to be stored on internal Department of Defence systems.
Security	This clause of the Head Agreement has not been varied.
Additional Requirements - security	Security clearance required: Yes – Baseline
Conditions/Restrictions for Personal Information	This clause of the Head Agreement has not been varied.
Additional or alternate Requirements - insurance	This clause of the Head Agreement has not been varied. The Suppliers current insurance information in accordance with the requirements of <u>Clause 18 of the Head Agreement</u> (either requested or provided in RFQ response)

	can be entered here, to confirm compliance when executing this Schedule 6 Order for Services.
Agency Service Levels	<p>Initial Period of Engagement</p> <p>Phase 0: Mobilisation</p> <ul style="list-style-type: none"> • Deliverable: Project Schedule and Execution Plan • Due: Commencement Date + 2 weeks <p>Phase (1A): Preliminary Design Phase</p> <ul style="list-style-type: none"> • Deliverable: Functional Report • Due: Commencement Date + 5 weeks <p>Phase (1B): Preliminary Design Phase</p> <ul style="list-style-type: none"> • Deliverable: Benchmarking Report • Due: Commencement Date + 7 weeks <p>Phase (1C): Preliminary Design Phase</p> <ul style="list-style-type: none"> • Deliverable: The Preliminary Design Report • Due: Commencement Date + 12 Weeks <p>Phase 2: Detailed Design Phase</p> <ul style="list-style-type: none"> • Deliverable: Detailed Design Report and a Business Operating Model • Due: Commencement Date + 30 Weeks <p>Phase 3: Design Execution</p> <ul style="list-style-type: none"> • Deliverable: Interim Quality Management System and Interim Performance and Measurement and Reporting System • Due: Commencement Date + 48 Weeks <p>Phase 4: Conclusion of Year 1 – The First 12 months of operation</p> <ul style="list-style-type: none"> • Deliverable: Annual Report • Due: Commencement Date + 52 Weeks
Commonwealth Procurement Connected Policy Requirements	
Black Economy Policy	Not Applicable
Indigenous Procurement Policy	Not Applicable
Australian Industry Participation Policy	Not Applicable
Variable Clauses of the Head Agreement	
Internal Working Papers	This clause of the Head Agreement has not been varied.

Intellectual Property	Australian Nuclear-Powered Submarine Safety Regulator to own the intellectual property rights associated with material developed through the delivery of the Services.
Key Personnel Requirements	Standard on-boarding procedures to be completed inclusive of a Conflict of Interest Declaration, Non-disclosure Agreement and probity briefing.
Return of confidential information	All data to be stored on internal Department of Defence systems.
Liability	This clause of the Head Agreement has not been varied.
Service Provider termination right	This clause of the Head Agreement has not been varied.
Termination for convenience costs in relation to Fees for Services calculated on a milestone basis	This clause of the Head Agreement has not been varied.

Signed for and on behalf of
Commonwealth of Australia as
represented by the Department of Defence
68 706 814 312

s47E(d) s47F

name of authorised officer

s47F

s22

Signature of authorised officer s47F
s47F

s47F

title of authorised officer

Signed for and on behalf of EY,

s47F

*name of Service Provider's authorised
representative*

s47F

*title of Service Provider's authorised
representative*

s22

*Signature of Service Provider's authorised
representative*