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Procurement ID : 80293 Date Created: 10/03/2026

Procurement Title : Strategic Advisory Support Services for HDPP - July 2026 -June 2027

Status : Section 23 Delegate Approved

Australian Government
Defence

This is a procurement summary and is not to be used for approval. Delegation of this procurement is to be exercised in the My Procurements Application only.

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Method

Proposed Procurement Approach

Standing Offer/Panel Procurement		**Proposed Procurement Approach**	Limited Tender

Condition under CPR 10.3	Yes
Selected Condition	d. when the goods and services can be supplied only by a particular business and there is no reasonable alternative or substitute for one of the following reasons iii. due to an absence of competition for technical reasons;
No. Suppliers Approached	1

Provide Justification as to why a limited tender procurement and how the selected exemption option applies to this procurement.

The work streams underpinning the Henderson Defence initiatives rely on continuity of personnel who possess a detailed understanding of program history, stakeholder relationships, technical artefacts, and interdependencies. Procuring a new provider would require substantial ramp up time, briefing, and knowledge transfer, which would significantly delay delivery and increase program risk, with a number of key lines of activity already close to and/or on the critical path. Continuing with Deloitte ensures Defence maintains operational momentum, preserves critical program knowledge, and avoids disruption at a time when program timelines are compressed and strategic milestones are approaching.

The proposed 12-month arrangement would also bridge the gap to implementation of the new DCSP arrangement becoming available and in an operational state suitable to be used for HDPP to re-test the market at the appropriate time.

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CCOSP - Contractors, Consultants & Outsourced Service Providers

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Brief background for the SES/STAR Delegate to consider as part of their approval process:

Approve to establish a new contract, commencing 1 July 2026, for an initial period of 12 months with the option to extend for a further 12 months. The contract will engage a resource pool of 28 contractors to deliver strategic advice and business improvement solutions across the Henderson Defence initiatives as well as continue the Site Evaluation Tiger Team (SETT) work and Strategic Shipbuilding Agreement (SSA) support. This procurement will undertake through the DSS panel via a limited tender, single source approach to Deloitte.s22

Provide justification for why a CCOSP is the best value for money solution:

1. A single source approach to Deloitte is justified based on continuity of service and the need to avoid on boarding delays that would arise if a new provider were engaged. Deloitte brings established contextual understanding of the Henderson Defence environment, SSA development, and SETT requirements through its ongoing work alongside Defence. Procuring a new provider would require substantial ramp up time, briefing, and knowledge transfer, which would significantly delay delivery and increase program risk. Continuing with Deloitte ensures Defence maintains operational momentum, preserves critical program knowledge, and avoids disruption at a time when program timelines are compressed and strategic milestones are approaching.

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4. The work streams underpinning the Henderson Defence initiatives rely on continuity of personnel who possess a detailed understanding of program history, stakeholder relationships, technical artefacts, and interdependencies. A gap in contracted support would create immediate capability shortfalls and force rework, reducing efficiency and increasing program risk. A new contract with Deloitte preserves continuity,

stabilises delivery, and ensures Defence retains the specialised knowledge required to progress SSA, SETT, and broader consolidation activities while internal APS workforce capability continues to mature.

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Value for Money Considerations

How do you consider this procurement will deliver value for money?

This contract will engage the current resource pool of 28 contractors from the current Service Provide (Deloitte), to continue the delivery of strategic advice and business improvement solutions across the Henderson Defence initiatives. Were an open tender procurement to be performed in place of the limited tender approach recommended, the Commonwealth would risk a greatly increased turn-around time for the required procurement activity, which in turn, would pose a risk to the broader Henderson Defence environment and Strategic Shipbuilding Agreement (SSA) development.

Deloitte brings established contextual understanding of the broader Henderson Defence environment, and SSA development, through its ongoing work alongside Defence. Procuring a new provider would require substantial ramp up time, briefing, and knowledge transfer, which would significantly delay delivery and increase program risk.

By continuing with Deloitte, this ensures Defence maintains operational momentum, preserves critical program knowledge, and avoids disruption at a time when program timelines are compressed and strategic milestones are approaching.

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Procurement Summary

Procurement Method

The proposed procurement is subject to the additional rules for procurements at or above the relevant procurement threshold as detailed in Division 2 of the Commonwealth Procurement Rules (CPRs) and is not subject to an exemption. However, a condition of limited tender under paragraph 10.3 , d. when the goods and services can be supplied only by a particular business and there is no reasonable alternative or substitute for one of the following reasons iii. due to an absence of competition for technical reasons;, of the CPRs is being applied to the procurement process.

Procurement Process Description

This procurement is proposed to be conducted as a Single-Select supplier approach via the DSS Panel (established through an Open Tender process), approaching Deloitte as the preferred vendor due to their established program knowledge, demonstrated capability, and the critical requirement to maintain continuity of services during this phase of delivery.

Value for Money Outcomes

ETP Value for Money Considerations

This contract will engage the current resource pool of 28 contractors from the current Service Provide (Deloitte), to continue the delivery of strategic advice and business improvement solutions across the Henderson Defence initiatives. Were an open tender procurement to be performed in place of the limited tender approach recommended, the Commonwealth would risk a greatly increased turn-around time for the required procurement activity, which in turn, would pose a risk to the broader Henderson Defence environment and Strategic Shipbuilding Agreement (SSA) development.

Deloitte brings established contextual understanding of the broader Henderson Defence environment, and SSA development, through its ongoing work alongside Defence. Procuring a new provider would require substantial ramp up time, briefing, and knowledge transfer, which would significantly delay delivery and increase program risk.

By continuing with Deloitte, this ensures Defence maintains operational momentum, preserves critical program knowledge, and avoids disruption at a time when program timelines are compressed and strategic milestones are approaching.

Value for Money Assessment

This procurement delivers value for money through a single select limited tender engaging the current provider (Deloitte) to sustain critical delivery momentum for strategic advice and business improvement across Henderson Defence initiatives.
An open tender approach would introduce significant procurement lead times, creating delays that would materially impact the Henderson Defence program and the development of the Strategic Shipbuilding Agreement (SSA). Such delays would elevate program and delivery risk, with flow on effects to broader Defence outcomes.
Deloitte offers demonstrated capability and deep, established contextual knowledge of the Henderson environment and SSA development, gained through ongoing support to Defence. This existing familiarity enables immediate continuity of service, avoiding disruption to time critical activities.
In contrast, appointing a new provider would require extensive onboarding, knowledge transfer, and stakeholder familiarisation, resulting in inefficiencies, duplicated effort, and delayed delivery. These factors would increase cost, extend timelines, and heighten risk, undermining value for money.
Accordingly, the single select limited tender approach represents the most efficient, low risk, and cost effective option, ensuring continuity, preserving program momentum, and safeguarding timely delivery of strategic outcomes.

Industry Participation / Economic Benefits Assessment

This procurement provides broader benefits by supporting the development and sustainment of industry capabilities; contributing to the strengthening of key industry sectors with the Department of Defence s Sovereign Defence, thereby enhancing the resilience and long-term capacity of the national Defence industry.

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Australian Government Department of Defence Naval Shipbuilding and Sustainment Group	**DECISION BRIEF FOR DEPSEC NSSG** **APPROVAL TO IMPLEMENT A CONTRACT FOR STRATEGIC ADVISORY SERVICES WITH DELOITTE TOUCHE TOHMATSU (DELOITTE) FOR FY2026/27**
Division/Branch: Henderson Defence Precinct Program (HDPP)	BMO Commercial reference: BMO-2026-0022
Objective Document Reference: BM102195468	Action Required by: 30th April 2026

References:

A. Accountable Authority Instruction 2 (AAI 2) - Spending Defence Money – Procurement – 6 February 2026.
B. Commonwealth Procurement Rules – 17 November 2025
C. Joint SEC-CDF Decision Brief for establishing Henderson Defence Precinct Program (HDPP) (BM76184174).
D. Approved NSSG Decision Brief dated 26 May 2025 BM89985663

RECOMMENDATIONS:

That you:

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c. **Approve** Henderson Defence Precinct Program (HDPP) to approach Deloitte Touche Tohmatsu (Deloitte) through a Single-Select supplier approach through the Defence Support Services (DSS) panel (SON3485107), which was established via an Open Tender approach. s22 [redacted]
s22 [redacted]

APPROVED / NOT APPROVED / PLEASE DISCUSS

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JUSTIFICATION

1. The ongoing provision of strategic advisory services to the HDPP is critical, with any lapse in support posing an unacceptable risk to delivery schedule and daily operations. Finalising a new contract with Deloitte for continuation of services is considered to be the most viable pathway to secure capability delivery continuity and avoid a substantial service gap moving into the FY2026-27 period.

2. A Single-Select supplier approach to Deloitte, via the DSS Panel is proposed to ensure an efficient continuity of service at a critical time for HDPP, and the risk mitigation of on-boarding delays, handovers and transition periods that would arise if a new provider were to be engaged significantly delaying delivery and increase program risk, with a number of key lines of activity already close to and/or on the critical path. Deloitte brings substantial established contextual understanding of the broader Henderson Defence environment and s47E(d)

3. The proposed 12-month arrangement would bridge the gap to implementation of the new Directorate of Capability Support Planning (DCSP) panel arrangement becoming available and in an operational state suitable to be used for HDPP to re-test the market at the appropriate time.

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5. The work streams underpinning the HDPP initiatives rely on continuity of personnel with deep knowledge of program history, stakeholder relationships, technical artefacts, and complex interdependencies. Commencing engagement with a new supplier would introduce unavoidable delays, as time would be required to establish baseline understanding of existing delivery models, governance arrangements, technical artefacts, and Defence expectations, resulting in loss of momentum during a critical ramp up period. Any disruption would s47E(d)

PROCUREMENT STRATEGY

6. This procurement is proposed to be conducted as a single-select supplier approach via the DSS Panel (established through an Open Tender process), approaching Deloitte as the

preferred vendor due to their established program knowledge, demonstrated capability, and the critical requirement to maintain continuity of services during this phase of delivery.

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12. In accordance with AAI2 (Reference A), paragraph 53.b, HDPP will reasonably undertake negotiations, where possible, to achieve a minimum 25% discount off relevant panel rates.

Contact Officer: s47E(d) Deputy Director PMO, HDPP	Contact number: s47E(d)

Commercial Advice:
This DEPSEC NSS Decision Brief, in accordance with AAI2 clauses 53 and 60, is seeking approval for the Henderson Defence Precinct Program (HDPP) to approach Deloitte Touche Tohmatsu (Deloitte) via a single supplier approach through the Defence Support Services (DSS) Panel, which was established through Open Tender.

This engagement of a single supplier will be for 12 months s22
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Considerations
From the information provided commercial advice is that while the proposed approach may be a justifiable, given the continuity of services, conducting a single supplier select approach, the Section 23 (3) Commitment Approval delegate will need to be satisfied that the procurement process has been conducted in accordance with the Defence Commercial Framework and demonstrates how the procurement represents Value for Money in this circumstance.

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HDPP must consider how they will demonstrate the following:

a. to comply with AAI 2 clause 53, justify the proposal to approach less than three potential suppliers and demonstrate the negotiation of a discount off panel rates of at least 25%;
b. compliance with the external workforce management guidelines;
c. compliance with the Public Governance, Performance and Accountability Act 2013 (PGPA Act);
d. compliance with the Commonwealth Procurement Rules including how these procurements will achieve a value for money outcome for Defence;
e. compliance with instructions, policies, processes and guidance under the Defence Commercial Framework; and

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Risks

Whilst the use of the DSS Panel is appropriate, compliance with requirements of **AAI2 paragraph 16** is required to assess the risks represented by the proposed approach to only single potential supplier available from the panel arrangement.

Risk: Engaging a single supplier without a competitive process may attract scrutiny

a. Missed Market Validation: A single supplier select approach limits Defence's ability to test the market for best value, capability, and innovation. This could result in higher costs or suboptimal service delivery compared to what may be available from other DSS Panel providers.
b. Reputational and Assurance Risk: Inadequate justification for sole-sourcing may lead to audit findings or negative perception regarding probity and transparency.
c. In accordance with AAI2 paragraph 52 When procuring from a panel/standing offer arrangement you must, where consistent with the panel Deed of Standing Offer/guidance, use fixed price or outcomes based pricing structures. This proposal is seeking a 30% NTE pricing structure component.

Recommendation

That DEPSEC NSS approve the request to conduct a single supplier select approach via the DSS Panel for provision of strategic advisory services to the Henderson Defence Precinct Program up to 12 months, s22 s22 including the extension option.

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Director Commercial
Business Management Office
Naval Shipbuilding and Sustainment Group

Reviewed/Endorsed by:

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Mr Alex Burns
Assistant Secretary
Henderson Defence Precinct
Naval Shipbuilding and Sustainment Group

Comments:

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Endorsed by:
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Mr Luke Parsons
First Assistant Secretary
Henderson Defence Precinct Program
Naval Shipbuilding and Sustainment Group

Comments:

The services provided by Deloitte are of a high standard and unable to be substituted by s47E(d)

Approved by:

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David Hanley
Deputy Secretary
Naval Shipbuilding and Sustainment Group

Comments:

Approved @ 85% of proposed contract value

Approved by:
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Racheal Kuczma
Acting Deputy Secretary
Capability Acquisition and Sustainment Group

Comments:

suggest strong look at rates, numbers and levels. But understand the requirement.