

BAE Systems Australia Limited
A.B.N. 29 008 423 005

Registered Office: Level 2, 80 Flinders Street,
Adelaide SA 5000 Australia

www.baesystems.com/en-aus/home

PUBLIC AUSTRALIAN INDUSTRY CAPABILITY PLAN

DDG Transition Support Period Service Contract

1. COMPANY DETAILS

Company Name: BAE Systems Australia Limited (ABN 29 008 423 005)

Location: Registered Office: Level 2, 80 Flinders Street, Adelaide SA 5000 Australia

Website Details: www.baesystems.com/en-aus/home

2. EXECUTIVE SUMMARY

Background

The Commonwealth of Australia (Commonwealth) awarded BAE Systems Australia Limited (BAE Systems) the DDG Transition Support Period Services Contract (TSP) as the Managing Contractor (MC) to develop and implement an Asset Management Sustainment System consistent and aligned with ISO 55000/1 and to deliver Management Services ensuring that the execution of Sustainment and Enhancement Services for the three Royal Australian Navy Hobart Class Guided Missile Destroyers (DDG) and their associated Shore Based Support Systems are undertaken to a standard not less than best practise.

Contract Duration

The Initial TSP Term refers to a 6 month phase-in and 5 year Target Budget Estimate (TBE) periods developed annually to support the transition of the DDGs from the Acquisition Program in Osbourne to steady-state Sustainment undertaken at Fleet Base East Garden Island.

The Initial Term was extended by 2 further years to include TBE 6 and 7 concluding at the end of FY 23/24.

The Annual Work Plan (AWP) and Annual Work Schedule (AWS) accompanied by the TBE are developed annually by the MC as part of a rolling Five Year Planning Cycle. The sum of each annual TBE during the TSP Term equates to the Total Contract Estimate (TCE).

The TSP is currently delivering TBE 7.

Contract Price

The current forecast TCE is \$783.91 million (ex. GST) which is based upon realised actual, planned and forecast expenditure as demonstrated in Table 1.

TBE Period	Total LIA Value (ex GST)
TBE 1 (FY 17/18)	\$24.2 million (Actuals)
TBE 2 (FY 18/19)	\$61.0 million (Actuals)
TBE 3 (FY 19/20)	\$74.56 million (Actuals)
TBE 4 (FY 20/21)	\$109.69 million (Actuals)
TBE 5 (FY 21/22)	\$154.55 million (Actuals)
TBE 6 (FY 22/23)	\$178.93 million (Actuals)
TBE 7 (FY 23/24)	\$180.98 million (Contracted)

Table 1: The Annual Target Budget Estimate (TBE) Periods

The MC is the Trusted Advisor to the Commonwealth, providing Managing Contractor Services including:

- Enterprise Management Services;
- Engineering Management Services;
- Maintenance Management Services;
- Supply Management Services;
- Support and Enabling Services;
- Verification and Validation Services;
- Quality Management Services; and
- Definition and Scheduling of Tasked Services.

Through the AWP and corresponding AWS the MC defines and schedules the Tasked Services to be completed during the relevant TBE both directly through the engagement of Approved Suppliers and also through other associated parties including other Commonwealth organisations or product schedules.

Tasked Services, as identified in the TSP may include:

- Engineering Delivery Services a component of Engineering Support;
- Maintenance Delivery Services component of Maintenance Support; and
- Supply Delivery Services component of Supply Support.
- Ship Repair & Maintenance activities;
- Combat System Integration for the Hobart Class including Engineering, Maintenance and Supply Support;
- Platform System Support including Engineering & Supply Activities; and
- Asset Enhancement activities in support of Asset Management.

All Tasked Services (including Ad Hoc Services) are allocated out to Approved Suppliers based on a selection criteria, including measuring against Australian Industry (AI) contribution and the derivation of LIA, where appropriate.

The MC supports those Approved Suppliers that are able to deliver value for money within the Australian marketplace whilst ensuring Navy Capability requirements are continually maintained

Current work packages within the TSP for Australian Industry (AI) are detailed below and includes the current TBE 7 Approved Subcontractors (FY23/24):

Company Name	Annual TBE Period	Scope of Services	Work Location	AIC Plan Required
BAE Systems Australia Limited	1, 2, 3, 4, 5, 6, 7	Managing Contractor Services	Garden Island, NSW	Yes
Thales Australia Limited	1, 2, 3, 4, 5, 6, 7	Ship Repair & Maintenance	Garden Island, NSW	Yes
Raytheon Australia Pty Ltd	1, 2, 3, 4, 5, 6, 7	Combat System Integrator	Garden Island, NSW	Yes
Navantia Australia Pty Ltd	1, 2, 3, 4, 5, 6, 7	Platform System Support	Garden Island, NSW	Yes
BAE Systems Limited (DDGPSI)	1, 2, 3, 4, 5, 6, 7	Platform System Support	Garden Island, NSW	No
ASC Shipbuilding Pty Ltd	2	Platform System Support	Osbourne Shipyard SA	No
Capability Partners	1, 2, 3, 4, 5, 6, 7	Asset Management	Garden Island, NSW	No
Deloitte Consulting Pty Ltd	1	Asset Management	Garden Island, NSW	No
Indigenous Defence & Infrastructure Consortium	2, 3	Platform Systems Support	Sydney, NSW	No
Systra Scott Lister	3	Managing Contractor Services	Garden Island, NSW	No
Tracey Brunstrom & Hammond Pty Ltd	3	Managing Contractor Services	Garden Island, NSW	No
Planning & Management Pty Ltd	4	Managing Contractor Services	Garden Island, NSW	No
RAI Commercial Pty Ltd trading as RM4C	4	Managing Contractor Services	Garden Island, NSW	No
KPMG	3, 4	Managing Contractor Services	Garden Island, NSW	No
Taylor Brothers Engineering Services	2, 3, 4, 5, 6, 7	Platform System Support	Garden Island, NSW	No
Holistic Asset Management Pty Ltd	3, 4, 5, 6	Asset Management	Garden Island, NSW	No
Systecon Pty Ltd	3, 4, 5, 6, 7	Asset Management	Garden Island, NSW	No
EGIS (was INDEC)	4, 5, 6, 7	Safety Engineering Support	Sydney, NSW	No
AMOG Pty Ltd	3, 4, 5, 6, 7	Safety Engineering Support Asset Management	Notting Hill, Vic	No
LBE Technology	3, 4, 5, 6, 7	Engineering Support	Sydney, NSW	No
Accenture	4, 5, 6, 7	Asset Performance Support	Melbourne, Vic	No
Penske	4, 5, 6, 7	Supply Warehousing	Sydney, NSW	No

Company Name	Annual TBE Period	Scope of Services	Work Location	AIC Plan Required
Chief Fluid Systems	4, 5, 6, 7	Maintenance and Engineering Support	Sydney, NSW	No
Logistic Engineering Services Pty Ltd	3, 4, 5, 6	Supply Support	Melbourne, Vic	No
Verico	4, 5	Asset Performance Support	Warabrook, NSW	No
NVMS Solutions	4, 5, 6, 7	Hardware Hire	Sydney, NSW	No
Think One Team	4, 5, 6, 7	Managing Contractor Services	Sydney, NSW	No
Hi Fraser	4, 5, 6, 7	Maintenance and Engineering Support	Sydney, NSW	No
Mechsight	5, 6, 7	Asset Performance Support	Sydney, NSW	No
Bastion	7	Managing Contractor Services	Sydney, NSW	No
Thornton Tomasetti Pty Ltd	7	Engineering Support	Perth, WA	No
TR Pty Ltd	6, 7	Supply Management Services	Rocklea, QLD	No

Table 2: Current Work Packages

3. FUTURE OPPORTUNITIES FOR INDUSTRY ENGAGEMENT

BAE Systems is committed to working with its industry partners to increase AI commitment where opportunity exists throughout the Life Cycle of the DDGs.

AI partners who would like to make representation of their ability, innovations and value towards the development of the DDG delivery and in support of increasing Australian Industry Capability (AIC) should register their interest via the AIC Manager as detailed below:

Contact: Procurement & Subcontract Manager
 Position: Procurement & Subcontractor Manager – DDG Program
 Email: DDGMCProcurement@au.baesystems.au

Authorised by:

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 Craig Armstrong, Managing Contractor DDGSPO Senior Commercial Manager

10 January 2024

This Public AIC Plan is endorsed by the Contractor Representative as per CASG/SHIP/CONTRACT135/16