



MINUTE

DEPUTY SECRETARY

Cc:

Shane Bennett, A/g Deputy Secretary, Social Security
Andrew Harvey, Chief Finance Officer

**SUBJECT: RECOMMENDED CONSULTANT FOR MID-TERM REVIEW OF THE
DISABILITY EMPLOYMENT SERVICES (DES) PROGRAM**

Recommendations:

1. That you **sign** the attached Evaluation Report, approving the recommendation to award a contract to Boston Consulting Group for the mid-term review of DES at a price of up to \$999,999 (GST inclusive).

SIGNED NOT SIGNED

Catherine Rule, Deputy Secretary:

s 47F

17/04/2020

Issues:

1. Following a Request for Quote issued to three members of the Business Services Advisory panel for a mid-term review of the DES program, the Evaluation Committee evaluated the responses and recommend awarding the contract to Boston Consulting Group (BCG).
2. In summary, the Evaluation Committee considered BCG and s47E(d) provided the stronger applications, demonstrating a sound understanding of the requirements of the project. s47E(d)
3. Attached is the evaluation report outlining the evaluation process and the analysis to support the recommendation.

Background:

4. On 6 March 2020, you signed a minute (reference EC20-000203) agreeing to an evaluation of the efficiency, effectiveness and appropriateness of the DES program and endorsing the procurement plan.
5. s47C and 47E(d)

Summary of Attachments:

A – Evaluation Report, with two attachments – Tender Evaluation Committee Briefing and the Evaluation Score Scale

Financial Implications:

6. BCG provided a fixed price of \$999,999.00 (GST incl.) inclusive of all expenses. They are co-contributing to the value of s47G
7. s47C and 47E(d)

Deregulation Impacts:

8. There are no regulatory impacts.

Consultation:

9. The Evaluation Committee consisted of selected branch managers from the Disability and Carers Stream, the Social Security Stream and the Department of Education, Skills and Employment.
10. A number of referees were contacted including s47F

George Sotiropoulos
Group Manager
Disability, Employment and Carers Group
April 2020

EVALUATION REPORT

SUBJECT: Evaluation Report in relation to Request for Quote DSS70013416, titled: a mid-term review of the Disability Employment Services (DES) program.

1 Evaluation summary

Contract Title	A mid-term review of the Disability Employment Services (DES) program.
Scope	Engage a consultant to undertake a review of the DES program and recommend options to improve the cost-effectiveness of the program.
Contract Term	<ul style="list-style-type: none"> Initial: 6 months Extension options: 3 months
Recommended or Preferred Supplier/s	Boston Consulting Group
Total Contract Value	\$999,999.00 (GST inclusive)
Pre-Supplier Estimate	\$1,000,000.00 (GST inclusive)
Price Basis	Fixed for 6 months
Anticipated contract commencement date	28/4/2020
Contract Management Plan delegate	s 47F [REDACTED], Director, Disability Employment and Carer Reform Branch

2 Purpose

To obtain your approval, as the relevant Spending Delegate, to the Evaluation Committee's recommendation to award a contract to Boston Consulting Group for the provision of a mid-term independent review of the Disability Employment Services (DES) program.

3 Background

A suite of reforms were made to the Disability Employment Service (DES) program on 1 July 2018. A mid-term review of the DS program will evaluate the impact of the reforms and the performance of the program.

The Delegate approved the procurement plan on 6 March 2020 and the RFQ was released to three members of the Business Advisory Services Panel on 16 March 2020.

A risk assessment is reviewed, at least, monthly for risks associated with the procurement process, and the project.

The Review is managed by the Disability Employment and Carers Group and stakeholders include the Department of Education, Skills and Employment, Services Australia, DES providers and participants, employers, and peak bodies for people with disability, employers and employment service providers.

3.1 Indigenous Procurement Policy (IPP)

The procurement is to be made through the Business Advisory Services Panel; a panel arrangement that is specified as an exclusive purchasing arrangement.

As the funding for this procurement exceeds \$200,000 and the services will not be delivered in a remote locality, the Indigenous Procurement Policy does not apply to this procurement.

3.2 Evaluation Committee

The Evaluation Committee consisted of the following members:

Name	Position title	Group/Branch/Company	Role
Phil Brown	Branch Manager	Disability and Carer Reform Branch, DSS	Chair
Tarja Saastamoinen	Branch Manager	Disability Employment Services Branch, DSS	Team member
Kath Paton	Branch Manager	Participation and Supplementary Payments Branch, DSS	Team member
Peter Deakin	A/g Branch Manager	Policy Strategy and Investment Branch, DSS	Team member
Erin Rule	Assistant Secretary	Evaluation, Research and Evidence Branch, Department of Education, Skills and Employment	Team member

with additional assistance provided by the following advisers:

Name	Title	Team or Organisation
s 47F, probity advisor	Principal Lawyer	Legal Services Branch
s 47F, probity advisor	Lawyer	Legal Services Branch
s 47F, secretariat	Director	Disability Employment and Carer Reform Branch
s 47F	Director, Strategy and Policy	Disability Employment Services Branch

Specialist advice to assist the evaluation team may be drawn from the Department of Social Services, the Department of Education, Skills and Employment and Services Australia.

3.3 Integrity of the process

The Committee members have indicated in the Evaluation Plan that they have identified no conflict of interest with regard to any part of the evaluation of this RFQ.

All documents were strictly handled in a manner to ensure confidentiality. All dealings with potential suppliers were undertaken by Phil Brown, Branch Manager, Disability and Carer Reform Branch, or in accompaniment with, s47F.

4 Request for quote process

4.1 Invitation to suppliers

The following supplier(s) were approached through an RFQ emailed to the relevant contact person on the panel matrix. They were selected based on their demonstrated experience in delivering similar review activities across government and their anticipated ability to have the necessary resources required to undertake the review within the timeframe:

Supplier Name	Deed number	Supplier ABN
s 47E(d)		
s 47E(d)		
The Boston Consulting Group	60002618	70 007 347 131

4.2 Timetable

Below is an indicative the timetable of events, comprising actual times achieved and estimates:

Event	Estimated Date	Actual Date Achieved
RFQ issued or advertised	16/03/2020	16/03/2020
Closing date of RFQ	31/03/2020	31/03/2020
Evaluation of quotes commenced on	01/04/2020	01/04/2020
Spending Delegate approval of this Report by	15/04/2020	Not yet complete
Proposed date for contract signature	23/04/2020	Not yet complete
Proposed date for contract commencement	28/04/2020	Not yet complete

4.3 Issue of RFQ document

Requests for Quotes were emailed from the DSSReview@dss.gov.au mailbox to the relevant contact person listed on the Business Services Advisory panel at 3:45 pm on Monday 16 March 2020.

4.4 Industry briefing

Suppliers were invited to attend an Industry Briefing held via teleconference and in person on Monday 23 March 2020. All suppliers sent at least one representative and received a copy of the briefing.

4.5 Questions about the RFQ

Questions about the RFQ were permitted up until 4:00 pm on Wednesday 24 March 2020. Suppliers asked six questions about ethics approval, available DES data, the estimated budget for the review, KPIs, referees and the size of the response document. Responses were prepared in consultation with subject matter experts and cleared by the Chair before being provided to all suppliers approached in the RFQ.

4.6 Responses received

The closing time for quotes was 6:00 pm AEDT Tuesday 31 March 2020, at which time three valid tenders had been received from all of the suppliers approached. The responses and associated correspondence are available for your reference if required.

5 Evaluation process

5.1 Evaluation Criteria

Prior to evaluation commencing the Committee was briefed on their obligations (see [Attachment A](#)).

The Evaluation Criteria, which provided the basis for a systematic assessment of tenders, adopted for this procurement were as follows:

Number	Evaluation Criteria
1.	<p>Demonstrated ability and experience in project delivery.</p> <ul style="list-style-type: none"> Organisational ability, experience and track record of effectively and successfully managing and delivering projects of similar size, scope and complexity.
2.	<p>Demonstrated understanding of the required services.</p> <ul style="list-style-type: none"> Suitability of proposed methodology in meeting the requirements of the RFQ and to inform the overall assessment of DES against its objectives (e.g. research type, subject matter, cohort, sensitivities, etc.) Understanding of the required services and relevant issue(s), context and policies Clear understanding of the requirements of the RFQ.
3.	<p>Demonstrated capacity to deliver the required services.</p> <ul style="list-style-type: none"> Resourcing to be allocated as part of the services, including backup staff. Suitability of proposed methodology in meeting the requirements of the RFQ within the given timeframe, including contingencies. Reports of nominated referees on the supplier's experience, competence and capability
4.	<p>Technical skills and knowledge to successfully deliver the required services.</p> <ul style="list-style-type: none"> Individual proposed project team members' demonstrated knowledge, experience and qualifications in relation to the methodology and requirements of the RFQ. Methodology demonstrates ability to provide the services in a manner that is technically sound, rigorous, practical, ethical and appropriate to the cohort/subject matter.
5.	<p>Strong stakeholder engagement capability.</p> <ul style="list-style-type: none"> Ability to understand, negotiate and operate within a range of contexts - political, social, cultural, geographical and personal. Ability to successfully identify and effectively engage with a broad and diverse range of stakeholders, including DES participants, DES providers, employers and representatives from key Australian Government agencies and peak bodies, to deliver the required services.
6.	<p>Ability to deliver clear and high quality reports.</p> <ul style="list-style-type: none"> Clarity and quality of information (consistency, spelling, grammar, departmental information represented, acronyms explained) as demonstrated by the response to the RFQ. Accessibility of information by technical and non-technical audiences as demonstrated by the response. Ability to comply with WCAG 2.0 requirements.

Number	Evaluation Criteria
7.	<p>Whole of life costs to be incurred by the Customer.</p> <ul style="list-style-type: none"> • An assessment of the costs that the Customer will incur as a result of accepting the Potential Supplier's Response. These additional costs arise from the Supplier's requirements for work to be undertaken by the Customer. • Note reverse scale: i.e. no cost = 10, highest customer cost = 0)

5.2 Evaluation methodology and findings

A qualitative assessment method was used to assess each tender against the Evaluation Criteria as stated in the RFQ. Each response was evaluated and a value for money determination derived for the responses were ranked relative to the value for money each offers.

Step 1 – Assessment of compliance with lodgement instructions

Tenders were assessed on the basis of whether they were lodged in accordance with the instructions contained in the Request for Tender. That they were lodged:

- at the correct place;
- by the tender closing time;
- in the manner requested (e.g. no of copies etc.).

There were no late tenders and all tenders complied with lodgement instructions.

Step 2 – Initial assessment - compliance against qualifications and experience

Members of the Tender Evaluation Committee individually reviewed the tenders and provided an initial assessment of qualifications and experience.

s47E(d)

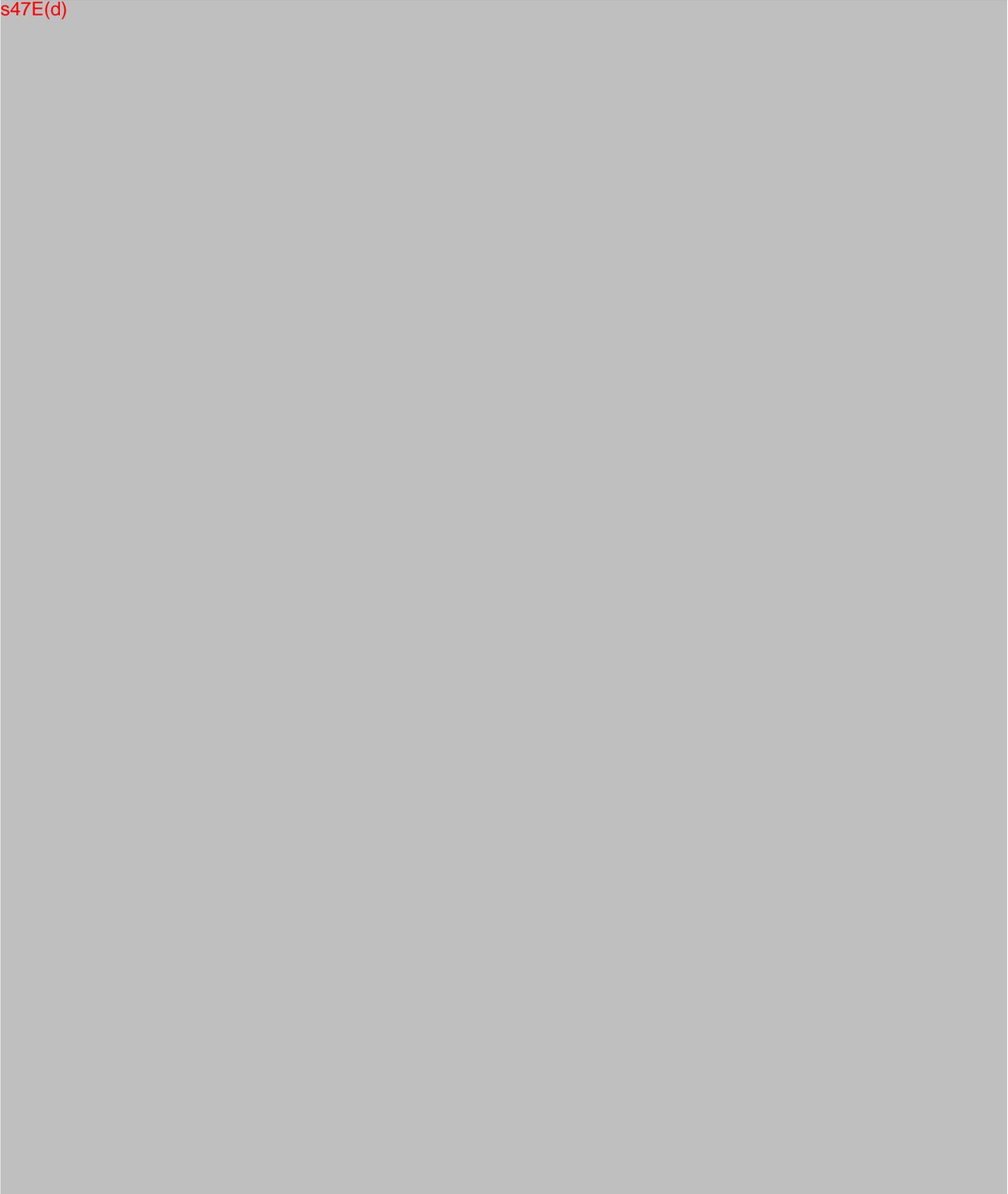


Step 3 – Assessment against the Evaluation Criterion

The Committee then:

- a. completed an individual evaluation score sheet using the evaluation scoring scale at [Attachment B](#) to rate and score each tender in relation to how well it satisfied each of the evaluation criteria; and
- b. consulted with referees to confirm experience, competence and capability of each tenderer – where the results of this consultation affected the scores determined during the previous step, the scores were reconsidered and adjusted accordingly.

s47E(d)



s47E (d)

The table below details the scores by each criterion.

Criterion		Score: 10 – exceptional, 0 – non-compliant
1	Demonstrated ability and experience in project delivery	s47E(d)
2	Demonstrated understanding of the required services	
3	Demonstrated capacity to deliver the required services	
4	Technical skills and knowledge to successfully deliver the required services	
5	Strong stakeholder engagement capability	
6	Ability to deliver clear and high quality reports	

7 Recommendation

That you approve the Evaluation Committee's recommendation to award a contract to Boston Consulting Group, subject to contractual negotiations, for the provision of a mid-term review of the Disability Employment Service (DES) program.

APPROVED / NOT APPROVED

s 47F

Name: Catherine Rule

Title: Deputy Secretary

On _17_ / 04 / 2020

[Attachment A](#): Tender Evaluation Committee Briefing

[Attachment B](#): Evaluation Score Scale

Evaluation Committee Briefing – Guidelines

Purpose

The purpose of this document is to assist members of the Evaluation Committee (Committee) to understand their responsibilities with regard to evaluating tender RFQ70013416, titled, a mid-term review of the Disability Employment Services (DES) program.

Evaluation requirements

Evaluation principles

The fundamental principles to be adhered to during the tender evaluation are:

- Value for Money
- Probity
- Confidentiality
- Ethics and Fair Dealing; and
- Accountability.

Value for money

Value for Money will be assessed by comparing the tender against the advertised criteria:

- Capacity
- Capability
- Risk
- Price, including:
 - bid price - that is, the price tendered
 - likely contract price, for example, consequences of any adjustments that may be made due to proposed options; and
 - probable project cost, that is, the implications for the bid in generating unique other costs to the Commonwealth, such as payment spreads, and their implications, and financial risk exposure of the Commonwealth.

As a minimum, the value for money assessment must present:

- compliance and risk assessments of all tenderers against the evaluation criteria, including the relative ranking of tenderers
- an explanation of where the key areas of difference lie between tenderers
- a presentation of bid prices and likely contract cost

- the ability of the projects' projected expenditure to accommodate the tenderers proposed payment schedule
- an overall assessment of the risks associated with each bid and an explanation of the risk management strategies that are indicated as being necessary
- a preferred ranking of tenderers; and
- an explanation of the actions necessary to enter into a contract.

Maintenance of ethics and fair dealing

Personnel involved in the evaluation of the tender response are to be alert to any actual or perceived conflict of interest, either before the tender closes or arising during evaluation, between their public duty and their private interests.

They are to disclose any such conflict in writing to the Committee chairperson and withdraw from the evaluation process immediately. Personnel are to take steps to avoid situations where a conflict of interest may arise, financial or otherwise.

Also, evaluation personnel should exercise the utmost discretion in all dealings with the tenderer or their representatives during the tendering phase. They should ensure that they do not accept any hospitality or gifts, which later could be interpreted as hampering their independence, or may become subject to criticism by the public or other potential commercial competitors.

Departmental employees are required to be familiar with and maintain the [APS Values](#) and comply with the [APS Code of Conduct](#).

More information: [Ethical behaviour – information and advice](#)

Confidentiality

The following procedures are to apply to the management of all documentation related to the tender evaluation:

- the originals of all response documentation are to be held by **s 47F**, **Director, Disability Employment and Carer Reform Branch**. Documents are to be treated as Commercial-in-Confidence regardless of other lesser handling classifications. They are not to be left unattended and are to be secured after each use. All relevant parties are to be aware that the information dealt with during the process will be commercially sensitive to both Industry and the Commonwealth, and must be handled and protected accordingly.
- access to any part of the tender responses is to be strictly on a need to know basis and Commercial-in-Confidence markings are to be applied to all documentation. Personnel acting for the Department, and in possession of information which is of a sensitive nature, should exercise the utmost discretion in the dissemination of such information. The confidentiality of the evaluation is paramount to ensure the Departments' negotiating position is not compromised.

More information: [Confidentiality and Conflict of Interest Deed](#)

Communication with tenderers

All communication with tenderers is to be managed by the Committee chairperson, **Phil Brown, Branch Manager, Disability Employment and Carer Reform Branch**. A record is to be

kept of all formal and informal communications, both written and oral, with tenderers. Meetings with tenderers are to be approved by the Committee Chairperson, restricted in frequency, have at least two departmental officers in attendance and are to be documented.

Risks

The Committee is to consider any risk inherent to the tender response. Any uncertainties should be analysed for potential effects on cost, schedule or performance. Where possible the Committee should recommend risk management strategies.

Late tenders

Any tender received after the closing time is a late tender.

Late submissions must not be accepted unless the submission is late as a consequence of agency mishandling. An agency must not penalise any potential supplier whose submission is received after the specified deadline if the delay is due solely to mishandling by the agency¹.

Agency mishandling does not include mishandling by a courier or mail service provider engaged by a potential supplier to deliver a submission. It is the responsibility of the potential supplier to ensure that the submission is dispatched in sufficient time for it to be received by the agency by the deadline².

Late tenders will be returned unopened to the tenderer. The chairpersons' endorsement is to be sought before late tenders are returned to the tenderer. Advice will also be obtained from the Procurement Helpdesk.

Approach

The Committee is to use a structured approach, as outlined in the Tender Evaluation Plan, to assist in the evaluation of tenders (Attachment A).

Tender validity period

The tenders will remain valid for 180 days from the tender closing time. A tender constitutes an 'offer', so this essentially means that the tenderer's offer remains valid, and is able to be accepted by the Department, for 180 days from the tender closing time. It is therefore important that the Request for Tender (RFQ) process is concluded in this 180 day timeframe.

Evaluate compliance

Tenders will be evaluated against the evaluation criteria as listed in the Evaluation Plan.

Short-listing

Short-listing of tenders will not be undertaken for this tender process because of the number of potential suppliers and the time available for the evaluation.

Assessment policy

Value for money assessments must, in the first instance, be made against the tender evaluation baseline, and an order of ranking of tenders established accordingly. Ranking is to take into account risk assessment of offers.

Comparative assessment

The following terms and definitions are to be used in the assessment

¹ [Commonwealth Procurement Rules](#) – 10.28

² [Commonwealth Procurement Rules](#) – 10.28

- **Exceeds:** the tendered solution exceeds the requirement specified in the RFQ in a manner which offers significant benefit(s) to the Department
- **Compliant:** the tendered solution meets the requirement specified in the RFQ, or where it exceeds this, there is no significant extra benefit(s)
- **Deficient:** the tendered solution does not meet the requirement specified in the RFQ. Deficiencies are to be assessed as follows:
 - Critical: a deficiency of such significance as to seriously prevent the endorsed capability or principal project requirements from being achieved and the nature of the deficiency is such that it cannot readily be remedied (Critical deficiencies are only applicable to Essential or Very Important requirements)
 - Significant: a deficiency that has the potential to prevent an element or group of elements of the endorsed capability or principal project requirements from being achieved (Significant deficiencies are applicable to Essential, Very Important and Important requirements) or
 - Minor: a deficiency which has no substantial implications for the particular requirement against which it is identified and is acceptable without remedial action (applicable to Essential, Very Important, and Important requirements).

Detailed evaluation

Individual detailed evaluations will occur in accordance with the Evaluation Plan. The basis of this evaluation is a rating of the tenderers response against each of the RFQ requirements.

If during evaluation it becomes evident that a tender is highly unlikely to be competitive, the Committee might decide to set aside that tender from further evaluation.

In setting aside tenders, there must be a high level of confidence that remaining tenders do provide value for money and that there are no serious impediments to achieving an executable contract. Setting aside does not need separate endorsement by delegates as these tenders are not formally declined and could be reconsidered before finalising preferred tenderer if necessary.

Tenders can only be excluded with the approval of the Chairperson. The method and shortcomings of the tender are to be documented to address why evaluation has been halted. The Evaluation Report is to provide sufficient detail to support setting aside that tender from further evaluation.

Comparative evaluation

Comparative Evaluation of Tenders includes:

- ranking of tenders in the evaluation of categories
- setting aside of clearly uncompetitive tenders
- determination of value for money; and
- final ranking of tenders.

The evaluation narratives will be the principal means available to the Committee to perform its assessment, and as such information from them will be included in the Evaluation Report as justification for Committee recommendation. The narrative is to include discussions of the

strengths and weaknesses of the individual offers in the categories of assessment. They should include:

- What is offered (a brief description)
- Expansion on compliance, rating and risk assessments
- Discussion on the advantages and disadvantages of the proposal
- Assessment of the tenderers ability to perform the task
- Identification of any deficiencies; and
- Identification of any areas where more information might assist the evaluation process.

A summary narrative should be included to review those features that will form the basis of the final assessment.

Evaluation report

The Evaluation report will be prepared by the Committee Chairperson and secretariat.

The findings of the Committee will be used to prepare the Evaluation Report. The report will reflect the technical merit and value for money decisions made during the evaluation process and a recommendation will be made to the Delegate.

The Delegate makes the final decision and awards the contract. Where the Delegate decides to award a contract the successful tenderer/s will be invited to negotiate a contract.

Debriefing

All tenderers will be offered the opportunity for a verbal debriefing. The verbal debrief will be against the evaluation criteria and details for arranging the debriefing will be given to Tenderers in writing at the conclusion of the RFQ process. That is, after the Department has finalised a contract with any successful Tenderer.

Tenderers will be debriefed against the evaluation criteria contained in the RFQ. It is important in conducting the debriefing that no other Tenderer's confidential information is disclosed, except for publicly available information and except in so far as comparative statements can be made without breaching confidentiality.

Complaints

The Department's policy about complaints, and the procedure to be followed, is contained in the [Procurement Policy](#).

Evaluation scoring scale

Rating Scale	Score
<p>Exceptional Specification requirements significantly exceeded in all areas. Claims are fully substantiated. Unequivocal support from referees. Extremely Low Risk.</p>	10
<p>Outstanding Specification requirements are exceeded in most key areas & addressed to a very high standard in others. Most Claims are fully substantiated with others very well substantiated. Unequivocal support from referees. Very low risk.</p>	9
<p>Very Good Specification requirements met to a very high standard in all areas. All Claims are well substantiated. Very strong support from Referees. Some manageable risks with strategies. Very Low risk.</p>	8
<p>Good Specification requirements met to a high standard in all areas. Claims are well substantiated in key areas. Strong support from referee with minimal or no reservations. Low risk – all key risks covered well.</p>	7
<p>Fair Specification requirements are addressed well in all areas. Claims are well substantiated in most areas. Credible strategies that fully address all minimum requirements and exceed requirements in some areas. Some minor shortcomings. Sound referee support. Most key risks are covered well. Medium risk</p>	6
<p>Acceptable Specification requirements addressed to a consistent acceptable standard with no major shortcomings. All claims are adequately substantiated. Some proposals questionable. Support from referees is adequate. Medium risk.</p>	5
<p>Marginal Specification requirements not fully met and additional information/ deficiencies not adequately overcome by Supplier’s clarification. Some claims unsubstantiated; others only adequate. Some proposals unworkable. Referees report adequate with minor reservations. Medium/High Risk</p>	4
<p>Poor Specification requirements poorly addressed in some areas or not at all. Claims largely unsubstantiated. A number of proposals unworkable. Strong referee reservations. High risk.</p>	3
<p>Very Poor Specification requirements inadequately dealt with in most or all areas. Claims almost totally unsubstantiated. A number of proposals unworkable with a high probability of service failure. Referees cannot recommend. Very High risk.</p>	2
<p>Unacceptable Specification requirements not met. Claims unsubstantiated and unworkable. Significant adverse referee comments. Extreme Risk.</p>	1
<p>Non-Compliant Tenderer completely failed or refused to provide a response.</p>	0

s47F

From: SOTIROPOULOS, George
Sent: Wednesday, 15 April 2020 2:13 PM
To: s47F
Cc: s47F
Subject: RE: FOR ACTION: DES Review - tender evaluation report - due COB Tuesday 14 April [SEC=OFFICIAL:Sensitive]
Attachments: EC20-000733 - Minute to Secretary.docx; DES Review 2020 - Evaluation Report v1.1.DOCX

Thanks s47F

I'm happy with the attached, noting that s47C

Once all the comments and mark-ups are removed happy for these to progress to Catherine Rule.

Cheers, George

George Sotiropoulos
Group Manager
Disability, Employment and Carers
Department of Social Services
P: s47F
EA: s47F

The Department of Social Services acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures, and to Elders both past and present.

From: s47F
Sent: Wednesday, 15 April 2020 1:57 PM
To: SOTIROPOULOS, George s47F
Cc: s47F
Subject: RE: FOR ACTION: DES Review - tender evaluation report - due COB Tuesday 14 April [SEC=OFFICIAL:Sensitive]

Thanks George

Please find attached the amended minute and evaluation report. s47C and 47E(d)

Regards

s47F

From: SOTIROPOULOS, George s47F
Sent: Tuesday, 14 April 2020 5:43 PM
To: s47F

Cc: s47F

Subject: RE: FOR ACTION: DES Review - tender evaluation report - due COB Tuesday 14 April
[SEC=OFFICIAL:Sensitive]

Thank you s47F

I have very few minor comments on the report s47C
and minute.

Happy to discuss if needed.

Kind regards
George

George Sotiropoulos
Group Manager
Disability, Employment and Carers
Department of Social Services
P: s47F
EA: s47F

The Department of Social Services acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures, and to Elders both past and present.

From: s47F
Sent: Thursday, 9 April 2020 2:34 PM
To: SOTIROPOULOS, George s47F
Cc: s47F
Subject: FOR ACTION: DES Review - tender evaluation report - due COB Tuesday 14 April [SEC=OFFICIAL:Sensitive]

Hi George

Please find attached the tender evaluation report and draft minute to the Secretary regarding the recommendations of the tender evaluation for the DES Review.

For your comments/approval please before I submit it through in PDMS.

Happy to discuss.

regards

s47F
Director
Disability and Carer Reform Branch
Department of Social Services
P: s47F

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MINUTE

SECRETARY

Through:

Catherine Rule
Deputy Secretary, Disability and Carers

Cc:

Shane Bennett, a/g Deputy Secretary, Social Security
Andrew Harvey, Chief Finance Officer

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DISABILITY EMPLOYMENT SERVICES (DES) PROGRAM**

Recommendations:

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SIGNED / NOT SIGNED

Secretary:..... / /2020

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Group Manager
Disability, Employment and Carers Group
April 2020

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s47C

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COMMERCIAL-IN-CONFIDENCE

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Tarja Saastamoinen	Branch Manager	Disability Employment Services Branch, DSS	Team member
Kath Paton	Branch Manager	Participation and Supplementary Payments Branch, DSS	Team member
Peter Deakin	A/g Branch Manager	Policy Strategy and Investment Branch, DSS	Team member
Erin Rule	Assistant Secretary	Evaluation, Research and Evidence Branch, Department of Education, Skills and Employment	Team member

with additional assistance provided by the following advisers:

Name	Title	Team or Organisation
§ 47F, probity advisor	Principal Lawyer	Legal Services Branch
§ 47F, probity advisor	Lawyer	Legal Services Branch
§ 47F, secretariat	Director	Disability Employment and Carer Reform Branch
§ 47F	Director, Strategy and Policy	Disability Employment Services Branch

Specialist advice to assist the evaluation team may be drawn from the Department of Social Services, the Department of Education, Skills and Employment and Services Australia.

3.3 Integrity of the process

The Committee members have indicated in the Evaluation Plan that they have identified no conflict of interest with regard to any part of the evaluation of this RFQ.

All documents were strictly handled in a manner to ensure confidentiality. All dealings with potential suppliers were undertaken by Phil Brown, Branch Manager, Disability and Carer Reform Branch, or in accompaniment with, §47F.

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4 Request for quote process

4.1 Invitation to suppliers

The following supplier(s) were approached through an RFQ emailed to the relevant contact person on the panel matrix. They were selected based on their demonstrated experience in delivering similar review activities across government and their anticipated ability to have the necessary resources required to undertake the review within the timeframe:

Supplier Name	Deed number	Supplier ABN
§ 47E(d)	§ 47E(d)	§ 47E(d)
§ 47E(d)	§ 47E(d)	§ 47E(d)
The Boston Consulting Group	60002618	70 007 347 131

4.2 Timetable

Below is an indicative the timetable of events, comprising actual times achieved and estimates:

Event	Estimated Date	Actual Date Achieved
RFQ issued or advertised	16/03/2020	16/03/2020
Closing date of RFQ	31/03/2020	31/03/2020
Evaluation of quotes commenced on	01/04/2020	01/04/2020
Spending Delegate approval of this Report by	15/04/2020	Not yet complete
Proposed date for contract signature	23/04/2020	Not yet complete
Proposed date for contract commencement	28/04/2020	Not yet complete

4.3 Issue of RFQ document

Requests for Quotes were emailed from the DSSReview@dss.gov.au mailbox to the relevant contact person listed on the Business Services Advisory panel at 3:45 pm on Monday 16 March 2020.

4.4 Industry briefing

Suppliers were invited to attend an Industry Briefing held via teleconference and in person on Monday 23 March 2020. All suppliers sent at least one representative and received a copy of the briefing.

4.5 Questions about the RFQ

Questions about the RFQ were permitted up until 4:00 pm on Wednesday 24 March 2020. Suppliers asked six questions about ethics approval, available DES data, the estimated budget for the review, KPIs, referees and the size of the response document. Responses were prepared in consultation with subject matter experts and cleared by the Chair before being provided to all suppliers approached in the RFQ.

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4.6 Responses received

The closing time for quotes was 6:00 pm AEDT Tuesday 31 March 2020, at which time three valid tenders had been received from all of the suppliers approached. The responses and associated correspondence are available for your reference if required.

5 Evaluation process

5.1 Evaluation Criteria

Prior to evaluation commencing the Committee was briefed on their obligations (see [Attachment A](#)).

The Evaluation Criteria, which provided the basis for a systematic assessment of tenders, adopted for this procurement were as follows:

Number	Evaluation Criteria
1.	Demonstrated ability and experience in project delivery. <ul style="list-style-type: none">Organisational ability, experience and track record of effectively and successfully managing and delivering projects of similar size, scope and complexity.
2.	Demonstrated understanding of the required services. <ul style="list-style-type: none">Suitability of proposed methodology in meeting the requirements of the RFQ and to inform the overall assessment of DES against its objectives (e.g. research type, subject matter, cohort, sensitivities, etc.)Understanding of the required services and relevant issue(s), context and policiesClear understanding of the requirements of the RFQ.
3.	Demonstrated capacity to deliver the required services. <ul style="list-style-type: none">Resourcing to be allocated as part of the services, including backup staff.Suitability of proposed methodology in meeting the requirements of the RFQ within the given timeframe, including contingencies.Reports of nominated referees on the supplier's experience, competence and capability
4.	Technical skills and knowledge to successfully deliver the required services. <ul style="list-style-type: none">Individual proposed project team members' demonstrated knowledge, experience and qualifications in relation to the methodology and requirements of the RFQ.Methodology demonstrates ability to provide the services in a manner that is technically sound, rigorous, practical, ethical and appropriate to the cohort/subject matter.
5.	Strong stakeholder engagement capability. <ul style="list-style-type: none">Ability to understand, negotiate and operate within a range of contexts - political, social, cultural, geographical and personal.Ability to successfully identify and effectively engage with a broad and diverse range of stakeholders, including DES participants, DES providers, employers and representatives from key Australian Government agencies and peak bodies, to deliver the required services.
6.	Ability to deliver clear and high quality reports. <ul style="list-style-type: none">Clarity and quality of information (consistency, spelling, grammar, departmental information represented, acronyms explained) as demonstrated by the response to the RFQ.Accessibility of information by technical and non-technical audiences as demonstrated by the response.Ability to comply with WCAG 2.0 requirements.

COMMERCIAL-IN-CONFIDENCE

Number	Evaluation Criteria
7.	Whole of life costs to be incurred by the Customer. <ul style="list-style-type: none">• An assessment of the costs that the Customer will incur as a result of accepting the Potential Supplier's Response. These additional costs arise from the Supplier's requirements for work to be undertaken by the Customer.• Note reverse scale: i.e. no cost = 10, highest customer cost = 0)

5.2 Evaluation methodology and findings

A qualitative assessment method was used to assess each tender against the Evaluation Criteria as stated in the RFQ. Each response was evaluated and a value for money determination derived for the responses were ranked relative to the value for money each offers.

Step 1 – Assessment of compliance with lodgement instructions

Tenders were assessed on the basis of whether they were lodged in accordance with the instructions contained in the Request for Tender. That they were lodged:

- at the correct place;
- by the tender closing time;
- in the manner requested (e.g. no of copies etc.).

There were no late tenders and all tenders complied with lodgement instructions.

Step 2 – Initial assessment - compliance against qualifications and experience

Members of the Tender Evaluation Committee individually reviewed the tenders and provided an initial assessment of qualifications and experience.

s47E(d)

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Step 3 – Assessment against the Evaluation Criterion

The Committee then:

- a. completed an individual evaluation score sheet using the evaluation scoring scale at [Attachment B](#) to rate and score each tender in relation to how well it satisfied each of the evaluation criteria; and
- b. consulted with referees to confirm experience, competence and capability of each tenderer – where the results of this consultation affected the scores determined during the previous step, the scores were reconsidered and adjusted accordingly.

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The table below details the scores for each criterion.

Criterion		Score: 10 – exceptional, 0 – non-compliant	
		EY	BCG
1	Demonstrated ability and experience in project delivery	s47E(d)	
2	Demonstrated understanding of the required services		
3	Demonstrated capacity to deliver the required services		
4	Technical skills and knowledge to successfully deliver the required services		
5	Strong stakeholder engagement capability		
6	Ability to deliver clear and high quality reports		

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Z	Whole of life costs to be incurred by the Customer	s47E(d)
	TOTAL SCORE	

s47E(d)

5.3 Assessment of Value for Money

The following table details the final ranking of assessed tenders on the basis of best Value for Money:

s47E(d)

6 Evaluation Committee

Committee members:

Chair

Name: Phil Brown Signature: *electronically approved* Date 8/4/2020

Member

Name: Tarja Saastamoinen Signature: *electronically approved* Date 8/4/2020

Member

Name: Kath Paton Signature: *electronically approved* Date 8/4/2020

Member

Name: Peter Deakin Signature: *electronically approved* Date 8/4/2020

Member

Name: Erin Rule Signature: *electronically approved* Date 8/4/2020

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7 Recommendation

That you approve the Evaluation Committee's recommendation to award a contract to Boston Consulting Group, subject to contractual negotiations, for the provision of a mid-term review of the Disability Employment Service (DES) program.

APPROVED/NOT APPROVED

Name: Kathryn Campbell

Title: Secretary

On ____ / ____ / 2020

[Attachment A](#): Tender Evaluation Committee Briefing

[Attachment B](#): Evaluation Score Scale

Evaluation Committee Briefing – Guidelines

Purpose

The purpose of this document is to assist members of the Evaluation Committee (Committee) to understand their responsibilities with regard to evaluating tender RFQ70013416, titled, a mid-term review of the Disability Employment Services (DES) program.

Evaluation requirements

Evaluation principles

The fundamental principles to be adhered to during the tender evaluation are:

- Value for Money
- Probity
- Confidentiality
- Ethics and Fair Dealing; and
- Accountability.

Value for money

Value for Money will be assessed by comparing the tender against the advertised criteria:

- Capacity
- Capability
- Risk
- Price, including:
 - bid price - that is, the price tendered
 - likely contract price, for example, consequences of any adjustments that may be made due to proposed options; and
 - probable project cost, that is, the implications for the bid in generating unique other costs to the Commonwealth, such as payment spreads, and their implications, and financial risk exposure of the Commonwealth.

As a minimum, the value for money assessment must present:

- compliance and risk assessments of all tenderers against the evaluation criteria, including the relative ranking of tenderers
- an explanation of where the key areas of difference lie between tenderers
- a presentation of bid prices and likely contract cost

- the ability of the projects' projected expenditure to accommodate the tenderers proposed payment schedule
- an overall assessment of the risks associated with each bid and an explanation of the risk management strategies that are indicated as being necessary
- a preferred ranking of tenderers; and
- an explanation of the actions necessary to enter into a contract.

Maintenance of ethics and fair dealing

Personnel involved in the evaluation of the tender response are to be alert to any actual or perceived conflict of interest, either before the tender closes or arising during evaluation, between their public duty and their private interests.

They are to disclose any such conflict in writing to the Committee chairperson and withdraw from the evaluation process immediately. Personnel are to take steps to avoid situations where a conflict of interest may arise, financial or otherwise.

Also, evaluation personnel should exercise the utmost discretion in all dealings with the tenderer or their representatives during the tendering phase. They should ensure that they do not accept any hospitality or gifts, which later could be interpreted as hampering their independence, or may become subject to criticism by the public or other potential commercial competitors.

Departmental employees are required to be familiar with and maintain the [APS Values](#) and comply with the [APS Code of Conduct](#).

More information: [Ethical behaviour – information and advice](#)

Confidentiality

The following procedures are to apply to the management of all documentation related to the tender evaluation:

- the originals of all response documentation are to be held by [s 47E\(d\) Director, Disability Employment and Carer Reform Branch](#). Documents are to be treated as Commercial-in-Confidence regardless of other lesser handling classifications. They are not to be left unattended and are to be secured after each use. All relevant parties are to be aware that the information dealt with during the process will be commercially sensitive to both Industry and the Commonwealth, and must be handled and protected accordingly.
- access to any part of the tender responses is to be strictly on a need to know basis and Commercial-in-Confidence markings are to be applied to all documentation. Personnel acting for the Department, and in possession of information which is of a sensitive nature, should exercise the utmost discretion in the dissemination of such information. The confidentiality of the evaluation is paramount to ensure the Departments' negotiating position is not compromised.

More information: [Confidentiality and Conflict of Interest Deed](#)

Communication with tenderers

All communication with tenderers is to be managed by the Committee chairperson, [Phil Brown, Branch Manager, Disability Employment and Carer Reform Branch](#). A record is to be

kept of all formal and informal communications, both written and oral, with tenderers. Meetings with tenderers are to be approved by the Committee Chairperson, restricted in frequency, have at least two departmental officers in attendance and are to be documented.

Risks

The Committee is to consider any risk inherent to the tender response. Any uncertainties should be analysed for potential effects on cost, schedule or performance. Where possible the Committee should recommend risk management strategies.

Late tenders

Any tender received after the closing time is a late tender.

Late submissions must not be accepted unless the submission is late as a consequence of agency mishandling. An agency must not penalise any potential supplier whose submission is received after the specified deadline if the delay is due solely to mishandling by the agency¹.

Agency mishandling does not include mishandling by a courier or mail service provider engaged by a potential supplier to deliver a submission. It is the responsibility of the potential supplier to ensure that the submission is dispatched in sufficient time for it to be received by the agency by the deadline².

Late tenders will be returned unopened to the tenderer. The chairpersons' endorsement is to be sought before late tenders are returned to the tenderer. Advice will also be obtained from the Procurement Helpdesk.

Approach

The Committee is to use a structured approach, as outlined in the Tender Evaluation Plan, to assist in the evaluation of tenders (Attachment A).

Tender validity period

The tenders will remain valid for 180 days from the tender closing time. A tender constitutes an 'offer', so this essentially means that the tenderer's offer remains valid, and is able to be accepted by the Department, for 180 days from the tender closing time. It is therefore important that the Request for Tender (RFQ) process is concluded in this 180 day timeframe.

Evaluate compliance

Tenders will be evaluated against the evaluation criteria as listed in the Evaluation Plan.

Short-listing

Short-listing of tenders will not be undertaken for this tender process because of the number of potential suppliers and the time available for the evaluation.

Assessment policy

Value for money assessments must, in the first instance, be made against the tender evaluation baseline, and an order of ranking of tenders established accordingly. Ranking is to take into account risk assessment of offers.

Comparative assessment

The following terms and definitions are to be used in the assessment

¹ [Commonwealth Procurement Rules](#) – 10 28

² [Commonwealth Procurement Rules](#) – 10 28

- **Exceeds:** the tendered solution exceeds the requirement specified in the RFQ in a manner which offers significant benefit(s) to the Department
- **Compliant:** the tendered solution meets the requirement specified in the RFQ, or where it exceeds this, there is no significant extra benefit(s)
- **Deficient:** the tendered solution does not meet the requirement specified in the RFQ. Deficiencies are to be assessed as follows:
 - Critical: a deficiency of such significance as to seriously prevent the endorsed capability or principal project requirements from being achieved and the nature of the deficiency is such that it cannot readily be remedied (Critical deficiencies are only applicable to Essential or Very Important requirements)
 - Significant: a deficiency that has the potential to prevent an element or group of elements of the endorsed capability or principal project requirements from being achieved (Significant deficiencies are applicable to Essential, Very Important and Important requirements) or
 - Minor: a deficiency which has no substantial implications for the particular requirement against which it is identified and is acceptable without remedial action (applicable to Essential, Very Important, and Important requirements).

Detailed evaluation

Individual detailed evaluations will occur in accordance with the Evaluation Plan. The basis of this evaluation is a rating of the tenderers response against each of the RFQ requirements.

If during evaluation it becomes evident that a tender is highly unlikely to be competitive, the Committee might decide to set aside that tender from further evaluation.

In setting aside tenders, there must be a high level of confidence that remaining tenders do provide value for money and that there are no serious impediments to achieving an executable contract. Setting aside does not need separate endorsement by delegates as these tenders are not formally declined and could be reconsidered before finalising preferred tenderer if necessary.

Tenders can only be excluded with the approval of the Chairperson. The method and shortcomings of the tender are to be documented to address why evaluation has been halted. The Evaluation Report is to provide sufficient detail to support setting aside that tender from further evaluation.

Comparative evaluation

Comparative Evaluation of Tenders includes:

- ranking of tenders in the evaluation of categories
- setting aside of clearly uncompetitive tenders
- determination of value for money; and
- final ranking of tenders.

The evaluation narratives will be the principal means available to the Committee to perform its assessment, and as such information from them will be included in the Evaluation Report as justification for Committee recommendation. The narrative is to include discussions of the

strengths and weaknesses of the individual offers in the categories of assessment. They should include:

- What is offered (a brief description)
- Expansion on compliance, rating and risk assessments
- Discussion on the advantages and disadvantages of the proposal
- Assessment of the tenderers ability to perform the task
- Identification of any deficiencies; and
- Identification of any areas where more information might assist the evaluation process.

A summary narrative should be included to review those features that will form the basis of the final assessment.

Evaluation report

The Evaluation report will be prepared by the Committee Chairperson and secretariat.

The findings of the Committee will be used to prepare the Evaluation Report. The report will reflect the technical merit and value for money decisions made during the evaluation process and a recommendation will be made to the Delegate.

The Delegate makes the final decision and awards the contract. Where the Delegate decides to award a contract the successful tenderer/s will be invited to negotiate a contract.

Debriefing

All tenderers will be offered the opportunity for a verbal debriefing. The verbal debrief will be against the evaluation criteria and details for arranging the debriefing will be given to Tenderers in writing at the conclusion of the RFQ process. That is, after the Department has finalised a contract with any successful Tenderer.

Tenderers will be debriefed against the evaluation criteria contained in the RFQ. It is important in conducting the debriefing that no other Tenderer's confidential information is disclosed, except for publicly available information and except in so far as comparative statements can be made without breaching confidentiality.

Complaints

The Department's policy about complaints, and the procedure to be followed, is contained in the [Procurement Policy](#).

Evaluation scoring scale

Rating Scale	Score
Exceptional Specification requirements significantly exceeded in all areas. Claims are fully substantiated. Unequivocal support from referees. Extremely Low Risk.	10
Outstanding Specification requirements are exceeded in most key areas & addressed to a very high standard in others. Most Claims are fully substantiated with others very well substantiated. Unequivocal support from referees. Very low risk.	9
Very Good Specification requirements met to a very high standard in all areas. All Claims are well substantiated. Very strong support from Referees. Some manageable risks with strategies. Very Low risk.	8
Good Specification requirements met to a high standard in all areas. Claims are well substantiated in key areas. Strong support from referee with minimal or no reservations. Low risk – all key risks covered well.	7
Fair Specification requirements are addressed well in all areas. Claims are well substantiated in most areas. Credible strategies that fully address all minimum requirements and exceed requirements in some areas. Some minor shortcomings. Sound referee support. Most key risks are covered well. Medium risk	6
Acceptable Specification requirements addressed to a consistent acceptable standard with no major shortcomings. All claims are adequately substantiated. Some proposals questionable. Support from referees is adequate. Medium risk.	5
Marginal Specification requirements not fully met and additional information/ deficiencies not adequately overcome by Supplier's clarification. Some claims unsubstantiated; others only adequate. Some proposals unworkable. Referees report adequate with minor reservations. Medium/High Risk	4
Poor Specification requirements poorly addressed in some areas or not at all. Claims largely unsubstantiated. A number of proposals unworkable. Strong referee reservations. High risk.	3
Very Poor Specification requirements inadequately dealt with in most or all areas. Claims almost totally unsubstantiated. A number of proposals unworkable with a high probability of service failure. Referees cannot recommend. Very High risk.	2
Unacceptable Specification requirements not met. Claims unsubstantiated and unworkable. Significant adverse referee comments. Extreme Risk.	1
Non-Compliant Tenderer completely failed or refused to provide a response.	0

EVALUATION REPORT

SUBJECT: Evaluation Report in relation to Request for Quote DSS70013416, titled: a mid-term review of the Disability Employment Services (DES) program.

1 Evaluation summary

Contract Title	A mid-term review of the Disability Employment Services (DES) program.
Scope	Engage a consultant to undertake a review of the DES program and recommend options to improve the cost-effectiveness of the program.
Contract Term	<ul style="list-style-type: none"> Initial: 6 months Extension options: 3 months
Recommended or Preferred Supplier/s	Boston Consulting Group
Total Contract Value Pre-Supplier Estimate	\$999,999.00 (GST inclusive) \$1,000,000.00 (GST inclusive)
Price Basis	Fixed for 6 months
Anticipated contract commencement date	28/4/2020
Contract Management Plan delegate	§ 47F [REDACTED], Director, Disability Employment and Carer Reform Branch

2 Purpose

To obtain your approval, as the relevant Spending Delegate, to the Evaluation Committee's recommendation to award a contract to Boston Consulting Group for the provision of a mid-term independent review of the Disability Employment Services (DES) program.

3 Background

A suite of reforms were made to the Disability Employment Service (DES) program on 1 July 2018. A mid-term review of the DS program will evaluate the impact of the reforms and the performance of the program.

The Delegate approved the procurement plan on 6 March 2020 and the RFQ was released to three members of the Business Advisory Services Panel on 16 March 2020.

A risk assessment is reviewed, at least, monthly for risks associated with the procurement process, and the project.

The Review is managed by the Disability Employment and Carers Group and stakeholders include the Department of Education, Skills and Employment, Services Australia, DES providers and participants, employers, and peak bodies for people with disability, employers and employment service providers.

3.1 Indigenous Procurement Policy (IPP)

The procurement is to be made through the Business Advisory Services Panel; a panel arrangement that is specified as an exclusive purchasing arrangement.

As the funding for this procurement exceeds \$200,000 and the services will not be delivered in a remote locality, the Indigenous Procurement Policy does not apply to this procurement.

3.2 Evaluation Committee

The Evaluation Committee consisted of the following members:

Name	Position title	Group/Branch/Company	Role
Phil Brown	Branch Manager	Disability and Carer Reform Branch, DSS	Chair
Tarja Saastamoinen	Branch Manager	Disability Employment Services Branch, DSS	Team member
Kath Paton	Branch Manager	Participation and Supplementary Payments Branch, DSS	Team member
Peter Deakin	A/g Branch Manager	Policy Strategy and Investment Branch, DSS	Team member
Erin Rule	Assistant Secretary	Evaluation, Research and Evidence Branch, Department of Education, Skills and Employment	Team member

with additional assistance provided by the following advisers:

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§ 47F, probity advisor	Lawyer	Legal Services Branch
§ 47F, secretariat	Director	Disability Employment and Carer Reform Branch
§ 47F	Director, Strategy and Policy	Disability Employment Services Branch

Specialist advice to assist the evaluation team may be drawn from the Department of Social Services, the Department of Education, Skills and Employment and Services Australia.

3.3 Integrity of the process

The Committee members have indicated in the Evaluation Plan that they have identified no conflict of interest with regard to any part of the evaluation of this RFQ.

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4 Request for quote process

4.1 Invitation to suppliers

The following supplier(s) were approached through an RFQ emailed to the relevant contact person on the panel matrix. They were selected based on their demonstrated experience in delivering similar review activities across government and their anticipated ability to have the necessary resources required to undertake the review within the timeframe:

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s 47E(d)	s 47E(d)	s 47E(d)
The Boston Consulting Group	60002618	70 007 347 131

4.2 Timetable

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4.3 Issue of RFQ document

Requests for Quotes were emailed from the DSSReview@dss.gov.au mailbox to the relevant contact person listed on the Business Services Advisory panel at 3:45 pm on Monday 16 March 2020.

4.4 Industry briefing

Suppliers were invited to attend an Industry Briefing held via teleconference and in person on Monday 23 March 2020. All suppliers sent at least one representative and received a copy of the briefing.

4.5 Questions about the RFQ

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4.6 Responses received

The closing time for quotes was 6:00 pm AEDT Tuesday 31 March 2020, at which time three valid tenders had been received from all of the suppliers approached. The responses and associated correspondence are available for your reference if required.

5 Evaluation process

5.1 Evaluation Criteria

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The Evaluation Criteria, which provided the basis for a systematic assessment of tenders, adopted for this procurement were as follows:

Number	Evaluation Criteria
1.	<p>Demonstrated ability and experience in project delivery.</p> <ul style="list-style-type: none"> Organisational ability, experience and track record of effectively and successfully managing and delivering projects of similar size, scope and complexity.
2.	<p>Demonstrated understanding of the required services.</p> <ul style="list-style-type: none"> Suitability of proposed methodology in meeting the requirements of the RFQ and to inform the overall assessment of DES against its objectives (e.g. research type, subject matter, cohort, sensitivities, etc.) Understanding of the required services and relevant issue(s), context and policies Clear understanding of the requirements of the RFQ.
3.	<p>Demonstrated capacity to deliver the required services.</p> <ul style="list-style-type: none"> Resourcing to be allocated as part of the services, including backup staff. Suitability of proposed methodology in meeting the requirements of the RFQ within the given timeframe, including contingencies. Reports of nominated referees on the supplier's experience, competence and capability
4.	<p>Technical skills and knowledge to successfully deliver the required services.</p> <ul style="list-style-type: none"> Individual proposed project team members' demonstrated knowledge, experience and qualifications in relation to the methodology and requirements of the RFQ. Methodology demonstrates ability to provide the services in a manner that is technically sound, rigorous, practical, ethical and appropriate to the cohort/subject matter.
5.	<p>Strong stakeholder engagement capability.</p> <ul style="list-style-type: none"> Ability to understand, negotiate and operate within a range of contexts - political, social, cultural, geographical and personal. Ability to successfully identify and effectively engage with a broad and diverse range of stakeholders, including DES participants, DES providers, employers and representatives from key Australian Government agencies and peak bodies, to deliver the required services.
6.	<p>Ability to deliver clear and high quality reports.</p> <ul style="list-style-type: none"> Clarity and quality of information (consistency, spelling, grammar, departmental information represented, acronyms explained) as demonstrated by the response to the RFQ. Accessibility of information by technical and non-technical audiences as demonstrated by the response. Ability to comply with WCAG 2.0 requirements.

Number	Evaluation Criteria
7.	<p>Whole of life costs to be incurred by the Customer.</p> <ul style="list-style-type: none"> • An assessment of the costs that the Customer will incur as a result of accepting the Potential Supplier's Response. These additional costs arise from the Supplier's requirements for work to be undertaken by the Customer. • Note reverse scale: i.e. no cost = 10, highest customer cost = 0)

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- at the correct place;
- by the tender closing time;
- in the manner requested (e.g. no of copies etc.).

There were no late tenders and all tenders complied with lodgement instructions.

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Step 3 – Assessment against the Evaluation Criterion

The Committee then:

- a. completed an individual evaluation score sheet using the evaluation scoring scale at [Attachment B](#) to rate and score each tender in relation to how well it satisfied each of the evaluation criteria; and
- b. consulted with referees to confirm experience, competence and capability of each tenderer – where the results of this consultation affected the scores determined during the previous step, the scores were reconsidered and adjusted accordingly.

s47E(d)



s47E (d)

The table below details the scores by each criterion.

Criterion		Score: 10 – exceptional, 0 – non-compliant
1	Demonstrated ability and experience in project delivery	s47E(d)
2	Demonstrated understanding of the required services	
3	Demonstrated capacity to deliver the required services	
4	Technical skills and knowledge to successfully deliver the required services	
5	Strong stakeholder engagement capability	
6	Ability to deliver clear and high quality reports	
7	Whole of life costs to be incurred by the Customer	
TOTAL SCORE		

s47E(d)



5.3 Assessment of Value for Money

The following table details the final ranking of assessed tenders on the basis of best Value for Money:

s47E(d)



6 Evaluation Committee

Committee members:

Chair

Name: Phil Brown Signature: *electronically approved* Date 8/4/2020

Member

Name: Tarja Saastamoinen Signature: *electronically approved* Date 8/4/2020

Member

Name: Kath Paton Signature: *electronically approved* Date 8/4/2020

Member

Name: Peter Deakin Signature: *electronically approved* Date 8/4/2020

Member

Name: Erin Rule Signature: *electronically approved* Date 8/4/2020

7 Recommendation

That you approve the Evaluation Committee's recommendation to award a contract to Boston Consulting Group, subject to contractual negotiations, for the provision of a mid-term review of the Disability Employment Service (DES) program.

APPROVED/NOT APPROVED

Name: Kathryn Campbell

Title: Secretary

On ____/____/2020

[Attachment A](#): Tender Evaluation Committee Briefing

[Attachment B](#): Evaluation Score Scale

Evaluation Committee Briefing – Guidelines

Purpose

The purpose of this document is to assist members of the Evaluation Committee (Committee) to understand their responsibilities with regard to evaluating tender RFQ70013416, titled, a mid-term review of the Disability Employment Services (DES) program.

Evaluation requirements

Evaluation principles

The fundamental principles to be adhered to during the tender evaluation are:

- Value for Money
- Probity
- Confidentiality
- Ethics and Fair Dealing; and
- Accountability.

Value for money

Value for Money will be assessed by comparing the tender against the advertised criteria:

- Capacity
- Capability
- Risk
- Price, including:
 - bid price - that is, the price tendered
 - likely contract price, for example, consequences of any adjustments that may be made due to proposed options; and
 - probable project cost, that is, the implications for the bid in generating unique other costs to the Commonwealth, such as payment spreads, and their implications, and financial risk exposure of the Commonwealth.

As a minimum, the value for money assessment must present:

- compliance and risk assessments of all tenderers against the evaluation criteria, including the relative ranking of tenderers
- an explanation of where the key areas of difference lie between tenderers
- a presentation of bid prices and likely contract cost

- the ability of the projects' projected expenditure to accommodate the tenderers proposed payment schedule
- an overall assessment of the risks associated with each bid and an explanation of the risk management strategies that are indicated as being necessary
- a preferred ranking of tenderers; and
- an explanation of the actions necessary to enter into a contract.

Maintenance of ethics and fair dealing

Personnel involved in the evaluation of the tender response are to be alert to any actual or perceived conflict of interest, either before the tender closes or arising during evaluation, between their public duty and their private interests.

They are to disclose any such conflict in writing to the Committee chairperson and withdraw from the evaluation process immediately. Personnel are to take steps to avoid situations where a conflict of interest may arise, financial or otherwise.

Also, evaluation personnel should exercise the utmost discretion in all dealings with the tenderer or their representatives during the tendering phase. They should ensure that they do not accept any hospitality or gifts, which later could be interpreted as hampering their independence, or may become subject to criticism by the public or other potential commercial competitors.

Departmental employees are required to be familiar with and maintain the [APS Values](#) and comply with the [APS Code of Conduct](#).

More information: [Ethical behaviour – information and advice](#)

Confidentiality

The following procedures are to apply to the management of all documentation related to the tender evaluation:

- the originals of all response documentation are to be held by [s 47E\(d\)](#), [Director, Disability Employment and Carer Reform Branch](#). Documents are to be treated as Commercial-in-Confidence regardless of other lesser handling classifications. They are not to be left unattended and are to be secured after each use. All relevant parties are to be aware that the information dealt with during the process will be commercially sensitive to both Industry and the Commonwealth, and must be handled and protected accordingly.
- access to any part of the tender responses is to be strictly on a need to know basis and Commercial-in-Confidence markings are to be applied to all documentation. Personnel acting for the Department, and in possession of information which is of a sensitive nature, should exercise the utmost discretion in the dissemination of such information. The confidentiality of the evaluation is paramount to ensure the Departments' negotiating position is not compromised.

More information: [Confidentiality and Conflict of Interest Deed](#)

Communication with tenderers

All communication with tenderers is to be managed by the Committee chairperson, [Phil Brown, Branch Manager, Disability Employment and Carer Reform Branch](#). A record is to be

kept of all formal and informal communications, both written and oral, with tenderers. Meetings with tenderers are to be approved by the Committee Chairperson, restricted in frequency, have at least two departmental officers in attendance and are to be documented.

Risks

The Committee is to consider any risk inherent to the tender response. Any uncertainties should be analysed for potential effects on cost, schedule or performance. Where possible the Committee should recommend risk management strategies.

Late tenders

Any tender received after the closing time is a late tender.

Late submissions must not be accepted unless the submission is late as a consequence of agency mishandling. An agency must not penalise any potential supplier whose submission is received after the specified deadline if the delay is due solely to mishandling by the agency¹.

Agency mishandling does not include mishandling by a courier or mail service provider engaged by a potential supplier to deliver a submission. It is the responsibility of the potential supplier to ensure that the submission is dispatched in sufficient time for it to be received by the agency by the deadline².

Late tenders will be returned unopened to the tenderer. The chairpersons' endorsement is to be sought before late tenders are returned to the tenderer. Advice will also be obtained from the Procurement Helpdesk.

Approach

The Committee is to use a structured approach, as outlined in the Tender Evaluation Plan, to assist in the evaluation of tenders (Attachment A).

Tender validity period

The tenders will remain valid for 180 days from the tender closing time. A tender constitutes an 'offer', so this essentially means that the tenderer's offer remains valid, and is able to be accepted by the Department, for 180 days from the tender closing time. It is therefore important that the Request for Tender (RFQ) process is concluded in this 180 day timeframe.

Evaluate compliance

Tenders will be evaluated against the evaluation criteria as listed in the Evaluation Plan.

Short-listing

Short-listing of tenders will not be undertaken for this tender process because of the number of potential suppliers and the time available for the evaluation.

Assessment policy

Value for money assessments must, in the first instance, be made against the tender evaluation baseline, and an order of ranking of tenders established accordingly. Ranking is to take into account risk assessment of offers.

Comparative assessment

The following terms and definitions are to be used in the assessment

¹ [Commonwealth Procurement Rules](#) – 10.28

² [Commonwealth Procurement Rules](#) – 10.28

- **Exceeds:** the tendered solution exceeds the requirement specified in the RFQ in a manner which offers significant benefit(s) to the Department
- **Compliant:** the tendered solution meets the requirement specified in the RFQ, or where it exceeds this, there is no significant extra benefit(s)
- **Deficient:** the tendered solution does not meet the requirement specified in the RFQ. Deficiencies are to be assessed as follows:
 - Critical: a deficiency of such significance as to seriously prevent the endorsed capability or principal project requirements from being achieved and the nature of the deficiency is such that it cannot readily be remedied (Critical deficiencies are only applicable to Essential or Very Important requirements)
 - Significant: a deficiency that has the potential to prevent an element or group of elements of the endorsed capability or principal project requirements from being achieved (Significant deficiencies are applicable to Essential, Very Important and Important requirements) or
 - Minor: a deficiency which has no substantial implications for the particular requirement against which it is identified and is acceptable without remedial action (applicable to Essential, Very Important, and Important requirements).

Detailed evaluation

Individual detailed evaluations will occur in accordance with the Evaluation Plan. The basis of this evaluation is a rating of the tenderers response against each of the RFQ requirements.

If during evaluation it becomes evident that a tender is highly unlikely to be competitive, the Committee might decide to set aside that tender from further evaluation.

In setting aside tenders, there must be a high level of confidence that remaining tenders do provide value for money and that there are no serious impediments to achieving an executable contract. Setting aside does not need separate endorsement by delegates as these tenders are not formally declined and could be reconsidered before finalising preferred tenderer if necessary.

Tenders can only be excluded with the approval of the Chairperson. The method and shortcomings of the tender are to be documented to address why evaluation has been halted. The Evaluation Report is to provide sufficient detail to support setting aside that tender from further evaluation.

Comparative evaluation

Comparative Evaluation of Tenders includes:

- ranking of tenders in the evaluation of categories
- setting aside of clearly uncompetitive tenders
- determination of value for money; and
- final ranking of tenders.

The evaluation narratives will be the principal means available to the Committee to perform its assessment, and as such information from them will be included in the Evaluation Report as justification for Committee recommendation. The narrative is to include discussions of the

strengths and weaknesses of the individual offers in the categories of assessment. They should include:

- What is offered (a brief description)
- Expansion on compliance, rating and risk assessments
- Discussion on the advantages and disadvantages of the proposal
- Assessment of the tenderers ability to perform the task
- Identification of any deficiencies; and
- Identification of any areas where more information might assist the evaluation process.

A summary narrative should be included to review those features that will form the basis of the final assessment.

Evaluation report

The Evaluation report will be prepared by the Committee Chairperson and secretariat.

The findings of the Committee will be used to prepare the Evaluation Report. The report will reflect the technical merit and value for money decisions made during the evaluation process and a recommendation will be made to the Delegate.

The Delegate makes the final decision and awards the contract. Where the Delegate decides to award a contract the successful tenderer/s will be invited to negotiate a contract.

Debriefing

All tenderers will be offered the opportunity for a verbal debriefing. The verbal debrief will be against the evaluation criteria and details for arranging the debriefing will be given to Tenderers in writing at the conclusion of the RFQ process. That is, after the Department has finalised a contract with any successful Tenderer.

Tenderers will be debriefed against the evaluation criteria contained in the RFQ. It is important in conducting the debriefing that no other Tenderer's confidential information is disclosed, except for publicly available information and except in so far as comparative statements can be made without breaching confidentiality.

Complaints

The Department's policy about complaints, and the procedure to be followed, is contained in the [Procurement Policy](#).

Evaluation scoring scale

Rating Scale	Score
<p>Exceptional Specification requirements significantly exceeded in all areas. Claims are fully substantiated. Unequivocal support from referees. Extremely Low Risk.</p>	10
<p>Outstanding Specification requirements are exceeded in most key areas & addressed to a very high standard in others. Most Claims are fully substantiated with others very well substantiated. Unequivocal support from referees. Very low risk.</p>	9
<p>Very Good Specification requirements met to a very high standard in all areas. All Claims are well substantiated. Very strong support from Referees. Some manageable risks with strategies. Very Low risk.</p>	8
<p>Good Specification requirements met to a high standard in all areas. Claims are well substantiated in key areas. Strong support from referee with minimal or no reservations. Low risk – all key risks covered well.</p>	7
<p>Fair Specification requirements are addressed well in all areas. Claims are well substantiated in most areas. Credible strategies that fully address all minimum requirements and exceed requirements in some areas. Some minor shortcomings. Sound referee support. Most key risks are covered well. Medium risk</p>	6
<p>Acceptable Specification requirements addressed to a consistent acceptable standard with no major shortcomings. All claims are adequately substantiated. Some proposals questionable. Support from referees is adequate. Medium risk.</p>	5
<p>Marginal Specification requirements not fully met and additional information/ deficiencies not adequately overcome by Supplier’s clarification. Some claims unsubstantiated; others only adequate. Some proposals unworkable. Referees report adequate with minor reservations. Medium/High Risk</p>	4
<p>Poor Specification requirements poorly addressed in some areas or not at all. Claims largely unsubstantiated. A number of proposals unworkable. Strong referee reservations. High risk.</p>	3
<p>Very Poor Specification requirements inadequately dealt with in most or all areas. Claims almost totally unsubstantiated. A number of proposals unworkable with a high probability of service failure. Referees cannot recommend. Very High risk.</p>	2
<p>Unacceptable Specification requirements not met. Claims unsubstantiated and unworkable. Significant adverse referee comments. Extreme Risk.</p>	1
<p>Non-Compliant Tenderer completely failed or refused to provide a response.</p>	0

s47F

From: DEAKIN, Peter
Sent: Tuesday, 7 April 2020 12:00 PM
To: PATON, Kath; s47F; SAASTAMOINEN, Tarja;
s47F; BROWN, Philip
Cc: s47F
Subject: RE: DES RFQ - individual assessments [SEC=OFFICIAL:Sensitive]

Thanks from me as well s47F – I am happy with write ups and approach.

Peter

From: PATON, Kath s47F
Sent: Sunday, 5 April 2020 3:59 PM
To: s47F; SAASTAMOINEN, Tarja
s47F; s47F; DEAKIN, Peter
s47F; BROWN, Philip s47F
Cc: s47F
Subject: RE: DES RFQ - individual assessments [SEC=OFFICIAL:Sensitive]

Hi s47F

Thanks for the write ups. I agree with these assessments and have no other comments to add.

Kath

Kath Paton
Branch Manager
Participation and Supplementary Payments
Participation Payments and Families Group
Department of Social Services
P: s47F | **M:** s47F | **E:** s47F

DSS acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to elders both past and present.

From: s47F
Sent: Friday, 3 April 2020 11:22 AM
To: SAASTAMOINEN, Tarja s47F; PATON, Kath s47F;
s47F; DEAKIN, Peter s47F; BROWN, Philip
s47F
Cc: s47F
Subject: DES RFQ - individual assessments [SEC=OFFICIAL:Sensitive]

Hi all

Please find attached draft individual assessments for s47E(d) BCG based on yesterday's meeting. Please let me know if you have any comments/changes.

Phil and I will try and get referee comments on Mon/Tue next week and then discuss the comments with you to make a final decision on the recommended tenderer next Wed.

I'll also work on the tender evaluation report and the write up for s47E(d) by Monday morning.

Kind regards and I hope many of you get a break over the weekend.

s47F

Director

Disability and Carer Reform Branch

Department of Social Services

P: s47F

The Department of Social Services acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures, and to Elders both past and present.

s47F

From: RULE,Erin s47F
Sent: Tuesday, 7 April 2020 9:00 AM
To: SAASTAMOINEN, Tarja; s47F; PATON, Kath; DEAKIN, Peter; BROWN, Philip
Cc: s47F
Subject: RE: DES RFQ - individual assessments [SEC=OFFICIAL:Sensitive]

OFFICIAL: Sensitive

Hi s47F

The write-up looks good and I have no comments or changes to suggest.

Thanks
Erin

Erin Rule
Assistant Secretary

Evaluation, Research and Evidence Branch
Quality, Integrity and Evidence Division
Australian Government Department of Education, Skills and Employment
P s47F

www.dese.gov.au

From: SAASTAMOINEN, Tarja s47F
Sent: Monday, 6 April 2020 3:28 PM
To: s47F; PATON, Kath s47F; RULE,Erin s47F; DEAKIN, Peter s47F; BROWN, Philip s47F
Cc: s47F
Subject: RE: DES RFQ - individual assessments [SEC=OFFICIAL:Sensitive]

Thanks, these look fine to me so far. Will be interested in the referee comments.

Tarja Saastamoinen
Branch Manager
Disability Employment Services Branch
Department of Social Services
P: s47F

The Department of Social Services acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures, and to Elders both past and present.

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Sent: Friday, 3 April 2020 11:22 AM
To: SAASTAMOINEN, Tarja s47F; PATON, Kath s47F;
s47F; DEAKIN, Peter s47F; BROWN, Philip
s47F
Cc: s47F
Subject: DES RFQ - individual assessments [SEC=OFFICIAL:Sensitive]

Hi all

Please find attached draft individual assessments for s47E(d) BCG based on yesterday's meeting. Please let me know if you have any comments/changes.

Phil and I will try and get referee comments on Mon/Tue next week and then discuss the comments with you to make a final decision on the recommended tenderer next Wed.

I'll also work on the tender evaluation report and the write up for s47E(d) by Monday morning.

Kind regards and I hope many of you get a break over the weekend.

s47F
Director
Disability and Carer Reform Branch
Department of Social Services
P: s47F

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Tenderer: **BCG**

Evaluation Criteria

	Criterion	Comments	Score: 10 – exceptional, 0 – non-compliant
1.	Demonstrated ability and experience in project delivery. <ul style="list-style-type: none">Organisational ability, experience and track record of effectively and successfully managing and delivering projects of similar size, scope and complexity.	s47E(d)	

Tenderer: **BCG**

	Criterion	Comments	Score: 10 – exceptional, 0 – non-compliant
2.	Demonstrated understanding of the required services. <ul style="list-style-type: none">• Suitability of proposed methodology in meeting the requirements of the RFQ and to inform the overall assessment of DES against its objectives (e.g. research type, subject matter, cohort, sensitivities, etc.)• Understanding of the required services and relevant issue(s), context and policies• Clear understanding of the requirements of the RFQ.	s47E(d)	

Tenderer: **BCG**

	Criterion	Comments	Score: 10 – exceptional, 0 – non-compliant
3.	Demonstrated capacity to deliver the required services. <ul style="list-style-type: none">• Resourcing to be allocated as part of the services, including backup staff.• Suitability of proposed methodology in meeting the requirements of the RFQ within the given timeframe, including contingencies.• Reports of nominated referees on the supplier's experience, competence and capability	s47E(d)	

Tenderer: **BCG**

	Criterion	Comments	Score: 10 – exceptional, 0 – non-compliant
4.	Technical skills and knowledge to successfully deliver the required services. <ul style="list-style-type: none">• Individual proposed project team members' demonstrated knowledge, experience and qualifications in relation to the methodology and requirements of the RFQ.• Methodology demonstrates ability to provide the services in a manner that is technically sound, rigorous, practical, ethical and appropriate to the cohort/subject matter.	s47E(d)	

Tenderer: **BCG**

	Criterion	Comments	Score: 10 – exceptional, 0 – non-compliant
5.	Strong stakeholder engagement capability. <ul style="list-style-type: none">• Ability to understand, negotiate and operate within a range of contexts - political, social, cultural, geographical and personal.• Ability to successfully identify and effectively engage with a broad and diverse range of stakeholders, including DES participants, DES providers, employers and, representatives from key Australian Government agencies and peak bodies, to deliver the required services.	s47E(d)	

Tenderer: **BCG**

	Criterion	Comments	Score: 10 – exceptional, 0 – non-compliant
6.	Ability to deliver clear and high quality reports. <ul style="list-style-type: none">• Clarity and quality of information (consistency, spelling, grammar, departmental information represented, acronyms explained) as demonstrated by the response to the RFQ.• Accessibility of information by technical and non-technical audiences as demonstrated by the response.• Ability to comply with WCAG 2.0 requirements.	s47E(d)	

Tenderer: **BCG**

	Criterion	Comments	Score: 10 – exceptional, 0 – non-compliant
7.	Whole of life costs to be incurred by the Customer. <ul style="list-style-type: none">• An assessment of the costs that the Customer will incur as a result of accepting the Potential Supplier's Response. These additional costs arise from the Supplier's requirements for work to be undertaken by the Customer.• Note reverse scale: i.e. no cost = 10, highest customer cost = 0)	s47E(d)	

Total score: s47E(d)

General comments:

Evaluation scoring scale

Rating Scale	Score
Exceptional Specification requirements significantly exceeded in all areas. Claims are fully substantiated. Unequivocal support from referees. Extremely Low Risk.	10
Outstanding Specification requirements are exceeded in most key areas & addressed to a very high standard in others. Most Claims are fully substantiated with others very well substantiated. Unequivocal support from referees. Very low risk.	9
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Unacceptable Specification requirements not met. Claims unsubstantiated and unworkable. Significant adverse referee comments. Extreme Risk.	1
Non-Compliant Tenderer completely failed or refused to provide a response.	0

s47F

From: DEAKIN, Peter
Sent: Thursday, 2 April 2020 12:31 PM
To: BROWN, Philip
Cc: s47F
Subject: General Comments [SEC=OFFICIAL:Sensitive]
Attachments: General Comments.docx

Some written comments – I will dial in around 3:00 once finished with the MO s22

Peter

General

S47E (d)

BCG

S47E (d)

S47E (d)

s47E(d)



EVALUATION REPORT

SUBJECT: Evaluation Report in relation to Request for Quote DSS70013416, titled: a mid-term review of the Disability Employment Services (DES) program.

1 Evaluation summary

Contract Title	A mid-term review of the Disability Employment Services (DES) program.
Scope	Engage a consultant to undertake a review of the DES program and recommend options to improve the cost-effectiveness of the program.
Contract Term	<ul style="list-style-type: none"> Initial: 6 months Extension options: 3 months
Recommended or Preferred Supplier/s	Boston Consulting Group
Total Contract Value Pre-Supplier Estimate	\$999,999.00 (GST inclusive) \$1,000,000.00 (GST inclusive)
Price Basis	Fixed for 6 months
Anticipated contract commencement date	28/4/2020
Contract Management Plan delegate	s47F [REDACTED], Director, Disability Employment and Carer Reform Branch

2 Purpose

To obtain your approval, as the relevant Spending Delegate, to the Evaluation Committee's recommendation to award a contract to Boston Consulting Group for the provision of a mid-term independent review of the Disability Employment Services (DES) program.

3 Background

A suite of reforms were made to the Disability Employment Service (DES) program on 1 July 2018. A mid-term review of the DS program will evaluate the impact of the reforms and the performance of the program.

The Delegate approved the procurement plan on 6 March 2020 and the RFQ was released to three members of the Business Advisory Services Panel on 16 March 2020.

A risk assessment is reviewed, at least, monthly for risks associated with the procurement process, and the project.

The Review is managed by the Disability Employment and Carers Group and stakeholders include the Department of Education, Skills and Employment, Services Australia, DES providers and participants, employers, and peak bodies for people with disability, employers and employment service providers.

3.1 Indigenous Procurement Policy (IPP)

The procurement is to be made through the Business Advisory Services Panel; a panel arrangement that is specified as an exclusive purchasing arrangement.

As the funding for this procurement exceeds \$200,000 and the services will not be delivered in a remote locality, the Indigenous Procurement Policy does not apply to this procurement.

3.2 Evaluation Committee

The Evaluation Committee consisted of the following members:

Name	Position title	Group/Branch/Company	Role
Phil Brown	Branch Manager	Disability and Carer Reform Branch, DSS	Chair
Tarja Saastamoinen	Branch Manager	Disability Employment Services Branch, DSS	Team member
Kath Paton	Branch Manager	Participation and Supplementary Payments Branch, DSS	Team member
Peter Deakin	A/g Branch Manager	Policy Strategy and Investment Branch, DSS	Team member
Erin Rule	Assistant Secretary	Evaluation, Research and Evidence Branch, Department of Education, Skills and Employment	Team member

with additional assistance provided by the following advisers:

Name	Title	Team or Organisation
§47F, probity advisor	Principal Lawyer	Legal Services Branch
§47F, probity advisor	Lawyer	Legal Services Branch
§47F, secretariat	Director	Disability Employment and Carer Reform Branch
§47F	Director, Strategy and Policy	Disability Employment Services Branch

Specialist advice to assist the evaluation team may be drawn from the Department of Social Services, the Department of Education, Skills and Employment and Services Australia.

3.3 Integrity of the process

The Committee members have indicated in the Evaluation Plan that they have identified no conflict of interest with regard to any part of the evaluation of this RFQ.

All documents were strictly handled in a manner to ensure confidentiality. All dealings with potential suppliers were undertaken by Phil Brown, Branch Manager, Disability and Carer Reform Branch, or in accompaniment with, §47F.

4 Request for quote process

4.1 Invitation to suppliers

The following supplier(s) were approached through an RFQ emailed to the relevant contact person on the panel matrix. They were selected based on their demonstrated experience in delivering similar review activities across government and their anticipated ability to have the necessary resources required to undertake the review within the timeframe:

Supplier Name	Deed number	Supplier ABN
s47E(d)	s47E(d)	s47E(d)
s47E(d)	s47E(d)	s47E(d)
The Boston Consulting Group	60002618	70 007 347 131

4.2 Timetable

Below is an indicative the timetable of events, comprising actual times achieved and estimates:

Event	Estimated Date	Actual Date Achieved
RFQ issued or advertised	16/03/2020	16/03/2020
Closing date of RFQ	31/03/2020	31/03/2020
Evaluation of quotes commenced on	01/04/2020	01/04/2020
Spending Delegate approval of this Report by	15/04/2020	Not yet complete
Proposed date for contract signature	23/04/2020	Not yet complete
Proposed date for contract commencement	28/04/2020	Not yet complete

4.3 Issue of RFQ document

Requests for Quotes were emailed from the DSSReview@dss.gov.au mailbox to the relevant contact person listed on the Business Services Advisory panel at 3:45 pm on Monday 16 March 2020.

4.4 Industry briefing

Suppliers were invited to attend an Industry Briefing held via teleconference and in person on Monday 23 March 2020. All suppliers sent at least one representative and received a copy of the briefing.

4.5 Questions about the RFQ

Questions about the RFQ were permitted up until 4:00 pm on Wednesday 24 March 2020. Suppliers asked six questions about ethics approval, available DES data, the estimated budget for the review, KPIs, referees and the size of the response document. Responses were prepared in consultation with subject matter experts and cleared by the Chair before being provided to all suppliers approached in the RFQ.

4.6 Responses received

The closing time for quotes was 6:00 pm AEDT Tuesday 31 March 2020, at which time three valid tenders had been received from all of the suppliers approached. The responses and associated correspondence are available for your reference if required.

5 Evaluation process

5.1 Evaluation Criteria

Prior to evaluation commencing the Committee was briefed on their obligations (see [Attachment A](#)).

The Evaluation Criteria, which provided the basis for a systematic assessment of tenders, adopted for this procurement were as follows:

Number	Evaluation Criteria
1.	<p>Demonstrated ability and experience in project delivery.</p> <ul style="list-style-type: none"> Organisational ability, experience and track record of effectively and successfully managing and delivering projects of similar size, scope and complexity.
2.	<p>Demonstrated understanding of the required services.</p> <ul style="list-style-type: none"> Suitability of proposed methodology in meeting the requirements of the RFQ and to inform the overall assessment of DES against its objectives (e.g. research type, subject matter, cohort, sensitivities, etc.) Understanding of the required services and relevant issue(s), context and policies Clear understanding of the requirements of the RFQ.
3.	<p>Demonstrated capacity to deliver the required services.</p> <ul style="list-style-type: none"> Resourcing to be allocated as part of the services, including backup staff. Suitability of proposed methodology in meeting the requirements of the RFQ within the given timeframe, including contingencies. Reports of nominated referees on the supplier's experience, competence and capability
4.	<p>Technical skills and knowledge to successfully deliver the required services.</p> <ul style="list-style-type: none"> Individual proposed project team members' demonstrated knowledge, experience and qualifications in relation to the methodology and requirements of the RFQ. Methodology demonstrates ability to provide the services in a manner that is technically sound, rigorous, practical, ethical and appropriate to the cohort/subject matter.
5.	<p>Strong stakeholder engagement capability.</p> <ul style="list-style-type: none"> Ability to understand, negotiate and operate within a range of contexts - political, social, cultural, geographical and personal. Ability to successfully identify and effectively engage with a broad and diverse range of stakeholders, including DES participants, DES providers, employers and representatives from key Australian Government agencies and peak bodies, to deliver the required services.
6.	<p>Ability to deliver clear and high quality reports.</p> <ul style="list-style-type: none"> Clarity and quality of information (consistency, spelling, grammar, departmental information represented, acronyms explained) as demonstrated by the response to the RFQ. Accessibility of information by technical and non-technical audiences as demonstrated by the response. Ability to comply with WCAG 2.0 requirements.

Number	Evaluation Criteria
7.	<p>Whole of life costs to be incurred by the Customer.</p> <ul style="list-style-type: none">• An assessment of the costs that the Customer will incur as a result of accepting the Potential Supplier's Response. These additional costs arise from the Supplier's requirements for work to be undertaken by the Customer.• Note reverse scale: i.e. no cost = 10, highest customer cost = 0)

5.2 Evaluation methodology and findings

A qualitative assessment method was used to assess each tender against the Evaluation Criteria as stated in the RFQ. Each response was evaluated and a value for money determination derived for the responses were ranked relative to the value for money each offers.

Step 1 – Assessment of compliance with lodgement instructions

Tenders were assessed on the basis of whether they were lodged in accordance with the instructions contained in the Request for Tender. That they were lodged:

- at the correct place;
- by the tender closing time;
- in the manner requested (e.g. no of copies etc.).

There were no late tenders and all tenders complied with lodgement instructions.

Step 2 – Initial assessment - compliance against qualifications and experience

Members of the Tender Evaluation Committee individually reviewed the tenders and provided an initial assessment of qualifications and experience.

s47E(d)



Step 3 – Assessment against the Evaluation Criterion

The Committee then:

- a. completed an individual evaluation score sheet using the evaluation scoring scale at [Attachment B](#) to rate and score each tender in relation to how well it satisfied each of the evaluation criteria; and
- b. consulted with referees to confirm experience, competence and capability of each tenderer – where the results of this consultation affected the scores determined during the previous step, the scores were reconsidered and adjusted accordingly.

s47E(d)



S47E (d)

6 Evaluation Committee

Committee members:

Chair

Name: Phil Brown Signature: *electronically approved* Date 8/4/2020

Member

Name: Tarja Saastamoinen Signature: *electronically approved* Date 8/4/2020

Member

Name: Kath Paton Signature: *electronically approved* Date 8/4/2020

Member

Name: Peter Deakin Signature: *electronically approved* Date 8/4/2020

Member

Name: Erin Rule Signature: *electronically approved* Date 8/4/2020

7 Recommendation

That you approve the Evaluation Committee's recommendation to award a contract to Boston Consulting Group, subject to contractual negotiations, for the provision of a mid-term review of the Disability Employment Service (DES) program.

APPROVED/NOT APPROVED

Name: Kathryn Campbell

Title: Secretary

On ____/____/2020

[Attachment A](#): Tender Evaluation Committee Briefing

[Attachment B](#): Evaluation Score Scale

Evaluation Committee Briefing – Guidelines

Purpose

The purpose of this document is to assist members of the Evaluation Committee (Committee) to understand their responsibilities with regard to evaluating tender RFQ70013416, titled, a mid-term review of the Disability Employment Services (DES) program.

Evaluation requirements

Evaluation principles

The fundamental principles to be adhered to during the tender evaluation are:

- Value for Money
- Probity
- Confidentiality
- Ethics and Fair Dealing; and
- Accountability.

Value for money

Value for Money will be assessed by comparing the tender against the advertised criteria:

- Capacity
- Capability
- Risk
- Price, including:
 - bid price - that is, the price tendered
 - likely contract price, for example, consequences of any adjustments that may be made due to proposed options; and
 - probable project cost, that is, the implications for the bid in generating unique other costs to the Commonwealth, such as payment spreads, and their implications, and financial risk exposure of the Commonwealth.

As a minimum, the value for money assessment must present:

- compliance and risk assessments of all tenderers against the evaluation criteria, including the relative ranking of tenderers
- an explanation of where the key areas of difference lie between tenderers
- a presentation of bid prices and likely contract cost

- the ability of the projects' projected expenditure to accommodate the tenderers proposed payment schedule
- an overall assessment of the risks associated with each bid and an explanation of the risk management strategies that are indicated as being necessary
- a preferred ranking of tenderers; and
- an explanation of the actions necessary to enter into a contract.

Maintenance of ethics and fair dealing

Personnel involved in the evaluation of the tender response are to be alert to any actual or perceived conflict of interest, either before the tender closes or arising during evaluation, between their public duty and their private interests.

They are to disclose any such conflict in writing to the Committee chairperson and withdraw from the evaluation process immediately. Personnel are to take steps to avoid situations where a conflict of interest may arise, financial or otherwise.

Also, evaluation personnel should exercise the utmost discretion in all dealings with the tenderer or their representatives during the tendering phase. They should ensure that they do not accept any hospitality or gifts, which later could be interpreted as hampering their independence, or may become subject to criticism by the public or other potential commercial competitors.

Departmental employees are required to be familiar with and maintain the [APS Values](#) and comply with the [APS Code of Conduct](#).

More information: [Ethical behaviour – information and advice](#)

Confidentiality

The following procedures are to apply to the management of all documentation related to the tender evaluation:

- the originals of all response documentation are to be held by **s47F**, **Director, Disability Employment and Carer Reform Branch**. Documents are to be treated as Commercial-in-Confidence regardless of other lesser handling classifications. They are not to be left unattended and are to be secured after each use. All relevant parties are to be aware that the information dealt with during the process will be commercially sensitive to both Industry and the Commonwealth, and must be handled and protected accordingly.
- access to any part of the tender responses is to be strictly on a need to know basis and Commercial-in-Confidence markings are to be applied to all documentation. Personnel acting for the Department, and in possession of information which is of a sensitive nature, should exercise the utmost discretion in the dissemination of such information. The confidentiality of the evaluation is paramount to ensure the Departments' negotiating position is not compromised.

More information: [Confidentiality and Conflict of Interest Deed](#)

Communication with tenderers

All communication with tenderers is to be managed by the Committee chairperson, **Phil Brown, Branch Manager, Disability Employment and Carer Reform Branch**. A record is to be

kept of all formal and informal communications, both written and oral, with tenderers. Meetings with tenderers are to be approved by the Committee Chairperson, restricted in frequency, have at least two departmental officers in attendance and are to be documented.

Risks

The Committee is to consider any risk inherent to the tender response. Any uncertainties should be analysed for potential effects on cost, schedule or performance. Where possible the Committee should recommend risk management strategies.

Late tenders

Any tender received after the closing time is a late tender.

Late submissions must not be accepted unless the submission is late as a consequence of agency mishandling. An agency must not penalise any potential supplier whose submission is received after the specified deadline if the delay is due solely to mishandling by the agency¹.

Agency mishandling does not include mishandling by a courier or mail service provider engaged by a potential supplier to deliver a submission. It is the responsibility of the potential supplier to ensure that the submission is dispatched in sufficient time for it to be received by the agency by the deadline².

Late tenders will be returned unopened to the tenderer. The chairpersons' endorsement is to be sought before late tenders are returned to the tenderer. Advice will also be obtained from the Procurement Helpdesk.

Approach

The Committee is to use a structured approach, as outlined in the Tender Evaluation Plan, to assist in the evaluation of tenders (Attachment A).

Tender validity period

The tenders will remain valid for 180 days from the tender closing time. A tender constitutes an 'offer', so this essentially means that the tenderer's offer remains valid, and is able to be accepted by the Department, for 180 days from the tender closing time. It is therefore important that the Request for Tender (RFQ) process is concluded in this 180 day timeframe.

Evaluate compliance

Tenders will be evaluated against the evaluation criteria as listed in the Evaluation Plan.

Short-listing

Short-listing of tenders will not be undertaken for this tender process because of the number of potential suppliers and the time available for the evaluation.

Assessment policy

Value for money assessments must, in the first instance, be made against the tender evaluation baseline, and an order of ranking of tenders established accordingly. Ranking is to take into account risk assessment of offers.

Comparative assessment

The following terms and definitions are to be used in the assessment

¹ [Commonwealth Procurement Rules](#) – 10.28

² [Commonwealth Procurement Rules](#) – 10.28

- **Exceeds:** the tendered solution exceeds the requirement specified in the RFQ in a manner which offers significant benefit(s) to the Department
- **Compliant:** the tendered solution meets the requirement specified in the RFQ, or where it exceeds this, there is no significant extra benefit(s)
- **Deficient:** the tendered solution does not meet the requirement specified in the RFQ. Deficiencies are to be assessed as follows:
 - **Critical:** a deficiency of such significance as to seriously prevent the endorsed capability or principal project requirements from being achieved and the nature of the deficiency is such that it cannot readily be remedied (Critical deficiencies are only applicable to Essential or Very Important requirements)
 - **Significant:** a deficiency that has the potential to prevent an element or group of elements of the endorsed capability or principal project requirements from being achieved (Significant deficiencies are applicable to Essential, Very Important and Important requirements) or
 - **Minor:** a deficiency which has no substantial implications for the particular requirement against which it is identified and is acceptable without remedial action (applicable to Essential, Very Important, and Important requirements).

Detailed evaluation

Individual detailed evaluations will occur in accordance with the Evaluation Plan. The basis of this evaluation is a rating of the tenderers response against each of the RFQ requirements.

If during evaluation it becomes evident that a tender is highly unlikely to be competitive, the Committee might decide to set aside that tender from further evaluation.

In setting aside tenders, there must be a high level of confidence that remaining tenders do provide value for money and that there are no serious impediments to achieving an executable contract. Setting aside does not need separate endorsement by delegates as these tenders are not formally declined and could be reconsidered before finalising preferred tenderer if necessary.

Tenders can only be excluded with the approval of the Chairperson. The method and shortcomings of the tender are to be documented to address why evaluation has been halted. The Evaluation Report is to provide sufficient detail to support setting aside that tender from further evaluation.

Comparative evaluation

Comparative Evaluation of Tenders includes:

- ranking of tenders in the evaluation of categories
- setting aside of clearly uncompetitive tenders
- determination of value for money; and
- final ranking of tenders.

The evaluation narratives will be the principal means available to the Committee to perform its assessment, and as such information from them will be included in the Evaluation Report as justification for Committee recommendation. The narrative is to include discussions of the

strengths and weaknesses of the individual offers in the categories of assessment. They should include:

- What is offered (a brief description)
- Expansion on compliance, rating and risk assessments
- Discussion on the advantages and disadvantages of the proposal
- Assessment of the tenderers ability to perform the task
- Identification of any deficiencies; and
- Identification of any areas where more information might assist the evaluation process.

A summary narrative should be included to review those features that will form the basis of the final assessment.

Evaluation report

The Evaluation report will be prepared by the Committee Chairperson and secretariat.

The findings of the Committee will be used to prepare the Evaluation Report. The report will reflect the technical merit and value for money decisions made during the evaluation process and a recommendation will be made to the Delegate.

The Delegate makes the final decision and awards the contract. Where the Delegate decides to award a contract the successful tenderer/s will be invited to negotiate a contract.

Debriefing

All tenderers will be offered the opportunity for a verbal debriefing. The verbal debrief will be against the evaluation criteria and details for arranging the debriefing will be given to Tenderers in writing at the conclusion of the RFQ process. That is, after the Department has finalised a contract with any successful Tenderer.

Tenderers will be debriefed against the evaluation criteria contained in the RFQ. It is important in conducting the debriefing that no other Tenderer's confidential information is disclosed, except for publicly available information and except in so far as comparative statements can be made without breaching confidentiality.

Complaints

The Department's policy about complaints, and the procedure to be followed, is contained in the [Procurement Policy](#).

Evaluation scoring scale

Rating Scale	Score
<p>Exceptional Specification requirements significantly exceeded in all areas. Claims are fully substantiated. Unequivocal support from referees. Extremely Low Risk.</p>	10
<p>Outstanding Specification requirements are exceeded in most key areas & addressed to a very high standard in others. Most Claims are fully substantiated with others very well substantiated. Unequivocal support from referees. Very low risk.</p>	9
<p>Very Good Specification requirements met to a very high standard in all areas. All Claims are well substantiated. Very strong support from Referees. Some manageable risks with strategies. Very Low risk.</p>	8
<p>Good Specification requirements met to a high standard in all areas. Claims are well substantiated in key areas. Strong support from referee with minimal or no reservations. Low risk – all key risks covered well.</p>	7
<p>Fair Specification requirements are addressed well in all areas. Claims are well substantiated in most areas. Credible strategies that fully address all minimum requirements and exceed requirements in some areas. Some minor shortcomings. Sound referee support. Most key risks are covered well. Medium risk</p>	6
<p>Acceptable Specification requirements addressed to a consistent acceptable standard with no major shortcomings. All claims are adequately substantiated. Some proposals questionable. Support from referees is adequate. Medium risk.</p>	5
<p>Marginal Specification requirements not fully met and additional information/ deficiencies not adequately overcome by Supplier’s clarification. Some claims unsubstantiated; others only adequate. Some proposals unworkable. Referees report adequate with minor reservations. Medium/High Risk</p>	4
<p>Poor Specification requirements poorly addressed in some areas or not at all. Claims largely unsubstantiated. A number of proposals unworkable. Strong referee reservations. High risk.</p>	3
<p>Very Poor Specification requirements inadequately dealt with in most or all areas. Claims almost totally unsubstantiated. A number of proposals unworkable with a high probability of service failure. Referees cannot recommend. Very High risk.</p>	2
<p>Unacceptable Specification requirements not met. Claims unsubstantiated and unworkable. Significant adverse referee comments. Extreme Risk.</p>	1
<p>Non-Compliant Tenderer completely failed or refused to provide a response.</p>	0

RFQ 70013416 – Tender Evaluation Team – Meeting notes

Meeting date: Wednesday 1 April 2020

Attendees: Phil Brown (Chair), Peter Deakin (member), Kath Paton (member), Tarja Saastamoinen (member), Erin Rule (member), s 47F (secretariat), s 47F (subject matter expert)

Meeting opened 3:00pm. The first meeting of the Tender Evaluation Team was held via teleconference due to recently introduced working from home arrangements.

Kath Paton had to leave the meeting due to urgent work priorities.

Also due to conflicting work priorities and the short time since the responses were provided to members, a few evaluation team members had not yet reviewed the tender responses. It was agreed that s 47F would provide an overview of the RFQ requirement and the requirements from the tender evaluation at this meeting. No details of any of the responses were to be discussed to allow the evaluation team an opportunity to read, and possibly independently assess, the responses.

s 47F asked if anyone had any conflict of interests to declare now that the tender responses were received. There were none.

s 47F provided an overview of the requirements from the RFQ, the evaluation criteria and the scoring scale. She had provided team members with a document they could use to make notes of as they read the responses.

s47E (d)

The evaluation team will meet again from 2pm Thursday 2 April and discuss the responses in detail.

The team noted expected absences / breaks in Thursday's meeting to attend other meetings.

The meeting closed at 3:35 pm.



Procurement Plan – procurement from Panel

Procurement of: Consultancy services to conduct an independent review of the Disability Employment Services (DES) program and recommend options to improve the cost effectiveness of the program (the Review)

1. Procurement aim and justification

The DES program plays an important role in improving employment outcomes for people with disability. The program was significantly changed and expanded in 2018 with the new arrangements applying for grants to providers for a five year period from July 2018. The major changes to the program were:

- improved choice and control for participants in the services they receive;
- increased provider competition and contestability, in particular by removing market share arrangements;
- improved financial incentives for providers through a new DES funding model that has outcome fees based on the difficulty in placing the participant into sustainable employment; and
- indexation of provider payments to retain their real value.

Since the new arrangements were implemented, there has been very strong growth in participants. Factors potentially explaining this growth include the tightening of Disability Support Pension eligibility and improved geographic coverage by providers. There are 200 newly serviced postcodes and 2,299 new sites out of a total of 4,207. It is currently unclear whether the new arrangements have had a beneficial or detrimental impact on employment outcomes for participants.

Expenditure has also been growing strongly. Based on a revised DES budget model, developed in conjunction with actuarial firm, **s47G**, expenditure in the 2022-23 financial year is estimated to be more than double the current estimate of \$810.235 million. To date, employment outcomes have not kept pace with growth in expenditure. It is unclear what longer-term impact the new arrangements will have on employment outcomes for participants and the quality of services they receive.

The magnitude of the changes to DES and good practice program administration warrant a robust and independent review of the program. This should assess how well it is meeting its objectives, whether it is meeting government and community expectations and whether the current model is effective and appropriate to support people with disability to find and retain employment. The Review should also identify areas of good practice, nationally and internationally, and the findings would inform the design of a future model to improve the outcomes of people with disability.

The statement of requirement will indicate that the Review is to assess how well DES is meeting its objectives and recommend options to improve the cost effectiveness of the program.

It will include an assessment of whether the current model is an appropriate model for:

- **Participants**, to support them to identify and find employment that suits their skills and ability to work and to sustain ongoing employment, while ensuring participants comply with their mutual obligations.
- **Employers**, resulting in mutually beneficial relationships with DES providers that encourage the recruitment of people with disability, support the referral of suitably skilled jobseekers with disability to vacancies and allow appropriate support for employees with disability and their employers.

- **Providers**, to ensure they focus on the needs of participants and employers to maximise employment participation by people with disabilities; conduct their role in supporting participants to meet their mutual obligations; and operate in a financially viable model.
- **Government**, by delivering a positive return on investment and value for money service that boosts employment participation of people with disability and raises the productive capacity of the workforce.

It will also identify areas of good practice, both nationally and internationally, in supporting people with disability into supported and/or open employment.

Key issues for consideration during the Review are at **Attachment 1**.

The successful Supplier will be expected to work with the department to:

- finalise the Review strategy, in particular the details of component projects that will provide the evidence base to inform the overall assessment of DES against its objective and the key issues for consideration by the Review;
- undertake and report on the component projects, with reporting to include details on the methodology, findings and potential implications of the component project;
- provide a presentation to the department of preliminary findings from fieldwork, research and analysis; and
- prepare a final report on the Review with recommendations for improving the efficiency, effectiveness and appropriateness of DES.

To support the Review within the timeframe, the successful supplier will be assisted by departmental subject matter experts and have access to readily available program and expenditure data, and recent research and analysis on the program.

2. Estimated procurement timetable

The timetable is designed to enable an approach to Government at Budget 2021-22.

Milestone (major procurement milestones highlighted)	Date, by
Secretary approval of spending minute and Procurement Plan	21 February 2020
Draft Procurement documents: <ul style="list-style-type: none"> • Short-list potential suppliers on the Business Advisory Services panel • Draft Risk Assessment • Draft Procurement Plan • Draft Request for Quotation (under Panel) • Draft Evaluation Plan 	21 February 2020
Distribution of RFQ to Selected Panel Members	24 February 2020
Briefing session for interested suppliers	3 March 2020
Cut-off date for questions from potential suppliers	4 March 2020
Final Departmental responses to questions from potential suppliers	6 March 2020
Closing Date and Time for RFQ Responses	6:00 pm 11 March 2020 (ACT local time)
Evaluation of Quotations commences – compliance check, initial assessment and detailed assessment	12 March 2020

Milestone (major procurement milestones highlighted)	Date, by
Response Evaluation Completed	25 March 2020
Delegate to approve Evaluation recommendation	31 March 2020
Successful Supplier notified	1 April 2020
Negotiate and finalise Work Order	8 April 2020
Contract Start Date	14 April 2020
Project Inception Meeting in Canberra	15 April 2020
Project Plan finalised (including a stakeholder engagement strategy in collaboration with the department)	8 May 2020
Review of survey / focus group instruments	29 May 2020
Fieldwork, research and analysis	9 June – 31 July 2020
Presentation of preliminary findings from fieldwork, research and analysis to departmental stakeholders	7 July 2020
Draft Review Report submitted to department for comment	31 July 2020
Presentation of key findings for component projects to departmental stakeholders	19 August 2020
Final Review Report submitted to department	2 October 2020
Contract End Date	30 October 2020

Contract Term: 7 months

Extension Option: Up to 3 months

3. Detailed estimate of Costs

The estimated expenditure for the contract term is \$1,500,000 inclusive of GST. The proposed contract will include the potential for a three month extension of time to complete the project, if required.

The expenditure is proposed as follows:

Financial Year	Amount
2019-20	\$750,000.00
2020-21	\$750,000.00
Total Estimated Expected Maximum Value	\$1,500,000.00

The expenditure will be funded from:

Cost Centre Name: Disability Evaluation

Cost Centre Code: 4690

4. Indigenous Procurement Policy

The procurement is to be made through a panel arrangement that is specified as an exclusive purchasing arrangement.

5. Procurement method

The Goods and Services will be procured through a Request for Quotation from selected service providers from the Business Advisory Services Panel.

As the funding for this procurement exceeds \$200,000 and the services will not be delivered in a remote locality, the Indigenous Procurement Policy does not apply to this procurement.

The following supplier(s) will be approached. They have been selected based on their demonstrated experience in delivering similar review activities across government and their anticipated ability to have the necessary resources required to undertake the review within the timeframe:

s47E(d)



If no suitable responses are received, this Procurement Plan will be reassessed and an alternative process will be considered.

6. Stakeholder consultation

The Review will be managed by the Disability Employment and Carers Group in the department.

Key stakeholders with an interest in this procurement are:

- Minister for Families and Social Services
- Minister for Employment, Skills, Small and Family Business
- Minister for Government Services
- DES providers
- DES participants
- Employers
- Peak bodies for people with disability, employers and employment service providers
- Department representatives from disability policy, payment and evaluation areas
- Representatives from the Department of Education, Skills and Employment
- Representatives from Services Australia

7. Risk engagement

No outstanding or potential issues or risks requiring mitigation have been identified at this time. Risks will continue to be monitored and reported as appropriate.

8. Document distribution and receipt

Panel documentation will be distributed by email, and responses will be received via email.

9. Evaluation team

The Evaluation Team will assess responses to determine the best value for money outcome for the Commonwealth.

The Evaluation Team possess the necessary mix of technical/subject matter skills to effectively assess the submission. An evaluation report will be provided to the appropriate delegate.

The proposed Evaluation Team is as follows:

Name	Position title	Group/Branch/Company	Role
Phil Brown	Branch Manager	Disability Employment Taskforce, DSS	Chair
Tarja Saastamoinen	Branch Manager	Disability Employment Services Branch, DSS	Team member
Kath Paton	Branch Manager	Participation and Supplementary Payments Branch, DSS	Team member
Peter Deakin	A/g Branch Manager	Policy Strategy and Investment Branch, DSS	Team member
Erin Rule	Assistant Secretary	Evaluation, Research and Evidence Branch, Department of Education, Skills and Employment	Team member

Specialist advice to assist the evaluation team may be drawn from the Department of Social Services, the Department of Education, Skills and Employment and Services Australia.

Evaluation Criteria (equally weighted)

Number	Evaluation Criteria
1.	Demonstrated ability and experience in project delivery. <ul style="list-style-type: none">Organisational ability, experience and track record of effectively and successfully managing and delivering projects of similar size, scope and complexity.
2.	Demonstrated understanding of the required services. <ul style="list-style-type: none">Suitability of proposed methodology in meeting the requirements of the RFQ and to inform the overall assessment of DES against its objectives (e.g. research type, subject matter, cohort, sensitivities, etc.)Understanding of the required services and relevant issue(s), context and policiesClear understanding of the requirements of the RFQ.
3.	Demonstrated capacity to deliver the required services. <ul style="list-style-type: none">Resourcing to be allocated as part of the services, including backup staff.Suitability of proposed methodology in meeting the requirements of the RFQ within the given timeframe, including contingencies.Reports of nominated referees on the supplier's experience, competence and capability
4.	Technical skills and knowledge to successfully deliver the required services. <ul style="list-style-type: none">Individual proposed project team members' demonstrated knowledge, experience and qualifications in relation to the methodology and requirements of the RFQ.Methodology demonstrates ability to provide the services in a manner that is technically sound, rigorous, practical, ethical and appropriate to the cohort/subject matter.

Number	Evaluation Criteria
5.	<p>Strong stakeholder engagement capability.</p> <ul style="list-style-type: none"> • Ability to understand, negotiate and operate within a range of contexts - political, social, cultural, geographical and personal. • Ability to successfully identify and effectively engage with a broad and diverse range of stakeholders, including DES participants, DES providers, employers and, representatives from key Australian Government agencies and peak bodies, to deliver the required services.
6.	<p>Ability to deliver clear and high quality reports.</p> <ul style="list-style-type: none"> • Clarity and quality of information (consistency, spelling, grammar, departmental information represented, acronyms explained) as demonstrated by the response to the RFQ. • Accessibility of information by technical and non-technical audiences as demonstrated by the response. • Ability to comply with WCAG 2.0 requirements.
7.	<p>Whole of life costs to be incurred by the Customer.</p> <ul style="list-style-type: none"> • An assessment of the costs that the Customer will incur as a result of accepting the Potential Supplier's Response. These additional costs arise from the Supplier's requirements for work to be undertaken by the Customer. • Note reverse scale: i.e. no cost = 10, highest customer cost = 0)

Probity

Prior to the assessment of responses, Evaluation Team members will be briefed on their obligations with regard to evaluation of responses to the RFQ, with reference to the DSS Assessment Committee Briefing Guidelines. Evaluation Team members will sign a briefing acknowledgement to confirm this briefing.

A Probity Adviser will be available for the Evaluation Team and present at the Industry briefing.

All Evaluation Team members and others consulted during this process will complete a deed of confidentiality and conflict of interest forms that will be filed accordingly within **ARC ref: EF20/999**.

10. Contact officer

Date completed	Contact name	Position title	Group/Branch	Contact phone
14 February 2020	s47F	Director	Disability Employment Taskforce	s47F

11. Endorsing Officer

Name: Kathryn Campbell

Position title: Secretary

Endorsed / NOT Endorsed

Signature

Date

Attachments:

1. Key issues for consideration by the Review

Key issues for consideration by the Review

A. What is the nature of the service system that has arisen from the current approach to disability employment services?

- 1) What impact has the current approach, particularly the July 2018 reforms, had on:
 - a) the types of providers delivering services (e.g. the distribution of specialist/non-specialist providers; for profit/not for profit providers; single government contract/multi-government contract providers; provider size; geographic footprint of providers, adequacy of geographic coverage by providers, etc.);
 - b) the operations of providers (e.g. what operational constraints does the funding model place on provider operations); and
 - c) the types/mix of assistance providers make available to jobseekers with disability (e.g. job search and resume advice; skills assessment; job preparation and training; rehabilitation assistance; job design/carving; employment placement; support with workplace modification)?
- 2) To what extent are there providers who specialise in assisting people with particular types of disability or from particular backgrounds (e.g. indigenous, CALD)? How do their services differ from generalist DES providers? Does the current approach have any significant benefits or detriments for their operations?
- 3) Are participants actively exercising choice of provider to improve the quality of DES services they receive?

B. Is the current service system effective in supporting people with disability to obtain ongoing income from meaningful work?

- 1) What aspects of the DES program help participants get a job?
- 2) How effective is the 'one size fits all model' of DES in securing income and employment for participants? Are these outcomes sustained over time?
- 3) Are there identifiable better practice approaches by DES providers that increase their success in securing income and employment for participants?
- 4) How do DES providers respond to differences in geographic location and/or the local labour market conditions to maximise employment outcomes?
- 5) How do specialist providers compare with other providers to secure employment outcomes and what aspects of their service model contribute to better outcomes?
- 6) To what extent does DES support the transition of people with disability from supported to open employment?
- 7) How does DES compare to other programs, nationally and internationally, in terms of cost effectiveness, return on investment and results for achieving employment outcomes for people with disability?
- 8) How do DES providers support students to transition from school to work, including supporting part-time work?
- 9) Do participants find the development of job plans useful? Do they think they are getting a plan that is tailored to them?

C. Does the current service system promote the supply of job opportunities for people with disability?

- 1) Do DES providers meet the needs of employers, for example by referring suitably skilled jobseekers with disabilities to available job vacancies and/or by appropriately supporting education and training of DES participants to meet current and future labour force needs?
- 2) Are DES providers engaging and building effective relationships with employers allowing them to identify labour demand and training opportunities and to better meet employers' current and future labour force needs?
- 3) What factors, such as the geographical location of a DES site, influence the quality of DES provider / employer relationships?

- 4) Are DES providers improving employer knowledge and awareness in ways that support the employment of people with disability?
- 5) Do employers receive the support they require to employ people with disability from DES providers – both at an individual employee level and at an organisational level (for example, assistive technology, physical workplace adjustments, disability awareness training and assistance on human resource matters)?

D. Does the current funding model provide the most cost effective approach to improving income / employment outcomes for people with disability across different disability cohorts?

- 1) Is the structure of the current funding model (i.e. the split of service and outcome fees, the level of the various fees and the interrelationships between the various fees) the most cost-effective way of securing income / employment outcomes for people with disability?
- 2) Should there be changes to program coverage? If yes, who should obtain assistance, what type of assistance and what level of assistance?
- 3) Does the current funding model have unintended and/or perverse consequences in respect of jobseekers with disability obtaining access to the services and support they require to secure income and employment?
- 4) Does the funding model advantage or disadvantage the provision of particular services required by different disability cohorts (such as young people, mental health or episodic conditions, people from indigenous or CALD backgrounds) to help them secure income / employment?
- 5) Are outcome payments to providers the most cost effective way of supporting employers with the objective of improving employment outcomes for people with disability?
- 6) How could the current funding model be made more cost effective? For example, would it be more cost-effective to have an hourly rate to providers based on actual hours of work or removing the need for a streaming tool?

E. What changes or alternative approaches could be made to the current configuration of employment assistance for people with disability to improve employment outcomes?

- 1) What is the most useful role for government and what activities should it fund?
- 2) Is the current approach to the provision of employment services for people with disability (i.e. the configuration of employment assistance, income support activity requirements and non-DES employment support programs, including jobactive) the most appropriate way to achieve the objective of improving employment outcomes for people with disability?
- 3) How effectively does the current approach balance employment consultancy services by DES providers, such as job search and resume advice, with other forms of employment assistance (such as job preparation and training; rehabilitation assistance; job design/carving)?
- 4) What are the benefits and detriments of involving DES providers in the administration and enforcement of mutual obligation requirements for activity-tested income support payments and combining it with their role in the provision of employment assistance?
- 5) How do DES providers develop job plans and ensure they are tailored to the individual, particularly with regard for the views and employment goals of participants? Do job plans go beyond basic requirements for compliance with income support activity requirements?
- 6) Are there barriers or impediments to DES providers utilising the various wage subsidy programs, the Employment Assistance Fund, the Disability Employment National Panel of Assessors and other services operating through the JobAccess contract?
- 7) Can employers be more active in finding, and supporting, people with disability, such as through a hybrid model similar to other recruitment firms/activities?
- 8) How can the Australian government build partnerships with employment services, such as Seek, Jora, Indeed and CareerOne, in supporting the employment of people with disability?
- 9) What is the appropriate role of work experience and supported employment (outside of supported employment in Australian Disability Enterprises)?



Minute

TO: George Sotiropoulos, Group Manager, Disability, Employment and Carers Group
FROM: s47F [REDACTED], Director, Disability Employment Taskforce
THROUGH: Phil Brown, Branch Manager, Disability Employment Taskforce
DATE: February 2020
SUBJECT: Independent Review of Disability Employment Services (DES)

1. Purpose

To seek your approval for the Request for Quotation (RFQ) Evaluation Plan, at Attachment A, prior to the commencement of the evaluation of the RFQ.

2. Issues

The Disability Employment Services (DES) program underwent significant changes and expansion in 2018. An independent Review of DES is required to assess how well DES is meeting its objectives.

The attached RFQ Evaluation Plan is intended to ensure a robust evaluation process, that roles and responsibilities are clear and that the evaluation process is transparent and will withstand external scrutiny. It will be used to provide probity and risk management guidance to the evaluation panel.

3. Recommendation

That you approve the RFQ Evaluation Plan for the Independent Review of Disability Employment Services (DES).

APPROVED/NOT APPROVED

Delegate

On

Attachment A: RFQ Evaluation Plan

Attachment B: RFQ Evaluation Score Sheet

Evaluation Plan - Request for Quotation for Independent Review of DES

1. Procurement Method

The procurement method will be a select Request for Quotation to suppliers on the Department's Business Advisory panel.

2. Process

Processes that the committee members will undertake prior to the detailed evaluation of quotations and the assessment of value for money include:

- Ensuring that committee members (including the Chair) and specialist advisers are clear on their roles and responsibilities;
- identification of any conflicts of interest and determination of how they will be managed;
- consideration of the extent to which suppliers meet any mandatory requirements in the approach to market document; and
- individual assessment of the responses before convening as a committee.

2.1. Evaluation Committee

The following team will evaluate the requests for quotation:

Name	Position title	Group/Branch/Company	Role
Phil Brown	Branch Manager	Disability Employment Taskforce, DSS	Chair
Tarja Saastamoinen	Branch Manager	Disability Employment Services Branch, DSS	Team member
Kath Paton	Branch Manager	Participation and Supplementary Payments Branch, DSS	Team member
Peter Deakin	A/g Branch Manager	Policy Strategy and Investment Branch, DSS	Team member
Erin Rule	Assistant Secretary	Evaluation, Research and Evidence Branch, Department of Education, Skills and Employment	Team member

2.2. Specialist Advice

Specialist advice to assist the evaluation team may be drawn from the Department of Social Services, the Department of Education, Skills and Employment and Services Australia.

2.3. Probity

Staff involved in the RFQ evaluation exercise will be briefed on the probity issues surrounding the RFQ process and requested to review the department probity and conflict of interest guidelines. A probity advisor from Legal Services Branch has been appointed to provide on-going advice and assistance throughout the evaluation process to ensure assessments are conducted fairly and consistently, are defensible and can withstand scrutiny.

Prior to the assessment of responses, Evaluation Team members will be briefed on their obligations with regard to evaluation of responses to the RFQ, with reference to the DSS

Assessment Committee Briefing Guidelines. Evaluation Team members will sign a briefing acknowledgement to confirm this briefing.

A Probity Adviser will be available for the Evaluation Team and present at the Industry briefing.

All Evaluation Team members and others consulted during this process will complete a deed of confidentiality and conflict of interest forms that will be filed accordingly within **ARC ref: EF20/999**.

2.4. Conflict of Interest

Staff involved in the RFQ process are to avoid situations that could compromise or be seen to compromise the fair and even handling of the RFQ evaluation. Any perceived or actual conflict of interest must be declared immediately to the panel Chair who must report the matter to the Delegate and any proposed course of action must be approved by the Delegate.

2.5. Security Requirements

The potential supplier's compliance, or the ability to comply, with the security requirements as set out in the RFQ will be assessed as part of the evaluation process.

Requirements will include:

- a. all personnel and Subcontractors who will or may have access to official information to execute a conflict of interest declaration;
- b. all personnel and subcontractors who will or may have access to official information to obtain a security clearance to, at minimum, the Baseline level;
- c. information must be stored in a Class B safe;
- d. all personnel and subcontractors who will or may have access to official information to attend security awareness training, at the time and location required by the Department.

2.6. RFQ Lodgement Procedure

RFQ responses must be lodged via email to DESReview@dss.gov.au quoting reference number 70013416 before the Closing Time and in accordance with the response lodgement procedures in the RFQ document.

2.7. Late Requests for Quotation

Any RFQ response received at any departmental location other than the place of lodgement and/or which is lodged after the closing time is a late response.

The panel may take into account whether there is any evidence of mishandling by the Department prior to omitting a RFQ response from the evaluation. Requests for quotation not received by the closing time (and which were not received late solely to due to mishandling by the Department) will be returned unopened to the supplier.

2.8. Confidentiality

The confidentiality of the evaluation is important to ensure the Departments' negotiating position is not compromised. Staff and advisors involved in the RFQ evaluation are prohibited from discussing any part of the evaluation with any person who is not part of the evaluation exercise. All information and documentation relating to the RFQ including RFQ responses, evaluation material and internal and external correspondence will be stored in a secure location in accordance with the [Records Management Policy](#).

Documents will be treated as For Official Use Only (FOUO) regardless of other lesser handling classifications. They will not be left unattended and will be secured after each use. All relevant parties will be made aware that the information dealt with during the process will be commercially sensitive to both Industry and the Commonwealth, and must be handled and protected accordingly.

Access to any part of the RFQ responses will be strictly on a need to know basis and FOUO markings will be applied to all documentation. Personnel acting for the Department, and in possession of information which is of a sensitive nature, will exercise the utmost discretion in the dissemination of such information.

2.9. Contact with Suppliers

Any contact with suppliers during the opening, registration and evaluation phase must be approved by the panel Chair and be conducted in writing or, when conducted verbally, a second panel member must be present and a signed file note kept of the conversation.

2.10. Meetings

All panel meetings will be minuted and signed by the panel Chair and meeting minutes will be filed as part of an audit trail of the evaluation process.

2.11. Timeframe for Evaluation

Activity	Start Date	Finish Date
Registration of requests for quotation	24 February 2020	6:00 pm 11 March 2020
Initial meeting of Evaluation Committee	16 March 2020	16 March 2020
Detailed assessment	17 March 2020	19 March 2020
Draft evaluation report	17 March 2020	20 March 2020
Preparation of final report	23 March 2020	25 March 2020
Report approved by Delegate	26 March 2020	31 March 2020

3. Evaluation

3.1. Conduct of Evaluation

Prior to the evaluation, all requests for quotation will be reviewed for compliance with RFQ Conditions, including the conditions for participation, minimum content and mandatory requirements. If a RFQ is non-compliant it may be excluded from further consideration.

3.2. Evaluation Method

The evaluation method to be used is outlined in Section A.A.6 of the RFQ. Each RFQ will be evaluated and a value for money determination will be derived. RFQs will be ranked relative to the value for money each offers. A copy of the assessment rating/scoring method is attached to this plan.

3.3. Report and Recommendations

The RFQ evaluation report is to be forwarded to the Delegate for consideration and approval. The report will include the panel's decision with regard to each RFQ and will make a recommendation as to the preferred supplier. The report will state the reasons for the panel's decision in relation to each RFQ response and will highlight any issues or concerns that are to be resolved during negotiations with the preferred supplier.

3.4. Debriefing of unsuccessful suppliers

The Delegate must approve the evaluation report recommendations. The contract negotiations with the successful supplier must have commenced prior to the unsuccessful suppliers being notified of the outcome. Unsuccessful suppliers are to be notified in writing and consideration is to be given to the second and third ranked suppliers being advised that the Department would like to reserve the right to contact them should the contract negotiations with the successful supplier fail.

All suppliers will be offered the opportunity for a verbal debriefing following the conclusion of the RFQ process. The debrief will be against the evaluation criteria.

3.5. Audit Trail

All panel meetings will have a set agenda and be minuted and all related decisions will be substantiated, documented and filed. All correspondence and contact with potential suppliers will be documented and filed and a clear audit trail will be maintained throughout the evaluation process.



Request for Quotation – from Panel

Reference ID: 70013416

Request for Quotation (RFQ) under the Deed of Standing Offer for Business Advisory Services Panel dated November 2015 (the Deed).

The Commonwealth as represented by the Department of Social Services (the Customer) is seeking submissions for the provision of the services (the Requirement) as described in this RFQ.

This RFQ is for the provision of: professional services to conduct an independent review of the Disability Employment Services (DES) program and recommend options to improve the cost effectiveness of the program (the Review).

Statement of Requirement

A.A.1 Key Dates and Times

Event	Details
RFQ Closing Date:	11 March 2020
RFQ Closing Time:	6:00 pm AEDT
Industry Briefing, Canberra:	3 March 2020
Question Closing Date and Time:	Questions will be permitted up until 4:00 pm AEDT 4 March 2020
Expected Contract Execution Date:	14/04/2020
Expected Contract End Date:	The Contract will terminate on 30/10/2020
Contract Extension Option:	The Contract will include the following extension option(s): 1 x extension for 3 month
Site Inspection:	Unless otherwise notified by an addendum, there are no site inspections for this RFQ.

A.A.2 The Requirement

The Customer seeks a quotation from selected service providers from the Business Advisory Services Panel in accordance with the relevant Deed.

Background

The Disability Employment Services (DES) program plays an important role in improving employment outcomes for people with disability. The program was significantly changed and expanded in 2018 with the new arrangements applying for grants to providers for a five year period from July 2018. The major changes to the program were:

- improved choice and control for participants in the services they receive
- increased provider competition and contestability, in particular by removing market share arrangements
- improved financial incentives for providers through a new DES funding model which has outcome fees based on the difficulty in placing the participant into sustainable employment; and

- indexation of provider payments to retain their real value.

Since the new arrangements were implemented there has been very strong growth in participants. Factors potentially explaining this growth include the tightening of DSP eligibility and improved geographic coverage by providers. There are 200 newly serviced postcodes and 2,299 new sites out of a total of 4,207. Expenditure has also been growing strongly. It is currently unclear whether the new arrangements have had a beneficial or detrimental impact on employment outcomes for participants.

The magnitude of the changes to DES and good practice program administration warrant a robust and independent review of the program. This should assess how well it is meeting its objectives, whether it is meeting government and community expectations and whether the current model is effective and appropriate to support people with disability to find and retain employment. The Review should also identify areas of good practice, nationally and internationally, and the findings would inform the design of a future model to improve the outcomes of people with disability.

The department requires provision of the Services described below, within the timeframe and in accordance with the specifications detailed below.

Requirement

The Customer is seeking quotations from Suppliers to undertake an Independent Review of the Disability Employment Services (DES) program and to recommend options to improve the cost-effectiveness of the program.

The review will include an assessment of how well the DES is meeting the objective of helping people with a disability, injury or health condition to secure and maintain sustainable employment in the open labour market. It will recommend options to improve the cost-effectiveness of the program. It will assess whether the current model is an appropriate model for:

- **Participants**, to support them to identify and find employment that suits their skills and ability to work and to sustain ongoing employment, while ensuring participants comply with their mutual obligations.
- **Employers**, resulting in mutually beneficial relationships with DES providers that encourage the recruitment of people with disability, support the referral of suitably skilled jobseekers with disability to vacancies and allow appropriate support for employees with disability and their employers.
- **Providers**, to ensure they focus on the needs of participants and employers to maximise employment participation by people with disabilities; conduct their role in supporting participants to meet their mutual obligations; and operate in a financially viable model.
- **Government**, by delivering a positive return on investment and value for money service that boosts employment participation of people with disability and raises the productive capacity of the workforce.

It will also identify areas of good practice, both nationally and internationally, in supporting people with disability into supported and/or open employment.

Key issues for consideration during the Review are at **Attachment 1**.

The successful Supplier will be expected to work with the Customer to:

- (i) finalise the Review strategy, in particular the details of component projects that will provide the evidence base to inform the overall assessment of DES against its objective and the key issues for consideration by the Review;
- (ii) undertake and report on the component projects, with reporting to include details on the methodology, findings and potential implications of the component project;
- (iii) provide a presentation and draft report to the Customer of preliminary findings from fieldwork, research and analysis; and
- (iv) prepare a final report on the Review with recommendations for improving the efficiency, effectiveness and appropriateness of DES.

To support the Review within the timeframe, the successful Supplier will be assisted by departmental subject matter experts and have access to readily available program and expenditure data, and recent research and analysis on the program.

Suppliers should detail, in their response proposed requirements, of the Customer and/or work that they propose be undertaken by the Customer during the course of the Review (for example provision of data, analysis of data, extraction of survey samples). The whole of life costs to be incurred by the Customer are included as one of the evaluation criteria (see Section A.A.6 below)

A.A.2(a) Standards

The Supplier must ensure that any goods and services proposed comply with all applicable Australian standards (or in its absence an international standard) including any requirements or standards specified in this Statement of Requirement. Potential Suppliers should note that they may be required to enable the Customer, or an independent assessor, to conduct periodic audits to confirm compliance with all applicable Australian or international standards.

Web Content Accessibility

The Supplier must ensure that any website, associated material and/or online publications (where applicable) complies with the Web Content Accessibility Guidelines available at:

<https://www.w3.org/WAI/intro/wcag>.

Publications

Publications and reports (if any) must be drafted to comply with the current version of the Commonwealth's [Style Manual](#).

Key Performance Indicators

None specified.

A.A.2(b) Security Requirements

Security Requirements include:

- All Personnel and Subcontractors who will or may have access to official information to execute a conflict of interest declaration; and
- All Personnel and Subcontractors who will or may have access to official information to obtain a security clearance to, at minimum, the Baseline level.

The cost of obtaining each security clearance will be borne by the Supplier. The Supplier must ensure that its Specified Personnel promptly provide to the Customer relevant details to assist with the security clearance process, and the Supplier must notify the Customer promptly in writing of any change in circumstances which is likely to affect the Customer's assessment of the Specified Personnel's entitlement to hold a security clearance.

Current AGSVA Vetting Fees and Charges can be found at <http://www.defence.gov.au/AGSVA/corporate-industry-policy.asp>.

A.A.2(c) Workplace Health and Safety

Prior to commencement of the Contract, the Customer's Contract Manager and the Supplier's Contract Manager will identify any potential workplace health and safety issues anticipated to arise during the term of the contract and assign management of each issue identified to the party best able to manage it. The Supplier will provide the Customer with a plan for approval.

A.A.2(d) Delivery and Acceptance

The Customer must accept or reject any deliverables under the Order in accordance with the Deed.

Milestone Description	Delivery Location	Due Date
Project Inception Meeting	Canberra	15 April 2020
Project Plan (including a stakeholder engagement strategy in collaboration with the department)	Canberra	8 May 2020
Review of survey / focus group instruments	Canberra	29 May 2020
Fieldwork, research & analysis		9 June – 31 July 2020
Presentation of preliminary findings from fieldwork, research and analysis to departmental stakeholders	Canberra	7 July 2020
Draft Review Report submitted to department for comment	Canberra	31 July 2020
Presentation of key findings for component projects to departmental stakeholders	Canberra	19 August 2020
Final Review Report submitted to department	Canberra	2 October 2020

A.A.2(e) Meetings

The Supplier will be required to attend meetings with relevant representatives of the Customer throughout the Review, as part of managing the process, as well as to meet the Requirement of this RFQ.

The Supplier may liaise with the Customer to arrange any required meetings.

A.A.2(f) Facilities and Assistance Offered by the Customer

The Customer will make any facilities or assistance available to the Supplier as required to perform the Review as outlined in the Supplier's Response to this RFQ.

A.A.2(g) Customer Material

The supplier will have access to program and expenditure data, and recent research and analysis on program developments. This will include a data set containing information on providers, their client characteristics and service and outcome fees/payments.

A.A.3 RFQ Distribution

Email Distribution

Any questions relating to this RFQ must be directed to the *Customer Contact Officer* at A.A.5. Updates to this RFQ will be distributed via email.

A.A.4 Lodgement Method

Email

Responses should be lodged via email to DESReview@dss.gov.au quoting reference number 70013416 by the closing time specified above.

Response File Format, Naming Convention and Size

The Customer will accept Responses lodged in the following formats:

- Word Doc (.docx)
- Rich Text Format (.rtf)
- Excel Workbook (.xlsx)
- PDF (.pdf)

The Response file name/s should:

- a) incorporate the Potential Supplier's full legal organisation name; and
- b) reflect the various parts of the bid they represent (where the Response comprises multiple files).

Response files should not exceed 20 pages and a combined file size of 10 megabytes per email.

Responses must be completely self-contained. No hyperlinked or other material may be incorporated by reference.

A.A.5 Customer's Contact Officer

For all matters relating to this RFQ, the Contact Officer is:

Name/Position: §47F, Director, Disability Employment Taskforce

Email Address: DES.Review@dss.gov.au

Note: Question Closing Date and Time is set out at item A.A.1 [Key Dates and Times].

A.A.6 Evaluation Criteria (weighted equally)

Number	Evaluation Criteria
1.	<p>Demonstrated ability and experience in project delivery.</p> <ul style="list-style-type: none"> Organisational ability, experience and track record of effectively and successfully managing and delivering projects of similar size, scope and complexity.
2.	<p>Demonstrated understanding of the required services.</p> <ul style="list-style-type: none"> Suitability of proposed methodology in meeting the requirements of the RFQ and to inform the overall assessment of DES against its objectives (e.g. research type, subject matter, cohort, sensitivities, etc.) Understanding of the required services and relevant issue(s), context and policies Clear understanding of the requirements of the RFQ.
3.	<p>Demonstrated capacity to deliver the required services.</p> <ul style="list-style-type: none"> Resourcing to be allocated as part of the services, including backup staff. Suitability of proposed methodology in meeting the requirements of the RFQ within the given timeframe, including contingencies. Reports of nominated referees on the supplier's experience, competence and capability
4.	<p>Technical skills and knowledge to successfully deliver the required services.</p> <ul style="list-style-type: none"> Individual proposed project team members' demonstrated knowledge, experience and qualifications in relation to the methodology and requirements of the RFQ. Methodology demonstrates ability to provide the services in a manner that is technically sound, rigorous, practical, ethical and appropriate to the cohort/subject matter.
5.	<p>Strong stakeholder engagement capability.</p> <ul style="list-style-type: none"> Ability to understand, negotiate and operate within a range of contexts - political, social, cultural, geographical and personal. Ability to successfully identify and effectively engage with a broad and diverse range of stakeholders, including DES participants, DES providers, employers and, representatives from key Australian Government agencies and peak bodies, to deliver the required services.
6.	<p>Ability to deliver clear and high quality reports.</p> <ul style="list-style-type: none"> Clarity and quality of information (consistency, spelling, grammar, departmental information represented, acronyms explained) as demonstrated by the response to the RFQ. Accessibility of information by technical and non-technical audiences as demonstrated by the response. Ability to comply with WCAG 2.0 requirements.
7.	<p>Whole of life costs to be incurred by the Customer.</p> <ul style="list-style-type: none"> An assessment of the costs that the Customer will incur as a result of accepting the Potential Supplier's Response. These additional costs arise from the Supplier's requirements for work to be undertaken by the Customer. Note reverse scale: i.e. no cost = 10, highest customer cost = 0)

If requested by the Customer, the Potential Supplier must be able to demonstrate its ability to remain viable over the Contract Term and must promptly provide the Customer with such information or documentation as the Customer reasonably requires.

The Customer reserves the right to contact the Potential Supplier's referees, or any other person, directly and without notifying the Potential Supplier.

The Customer will notify unsuccessful Potential Suppliers of the final decision and, if requested, will debrief Potential Suppliers following the award of a contract.

Key issues for consideration by the Review

A. What is the nature of the service system that has arisen from the current approach to disability employment services?

- 1) What impact has the current approach, particularly the July 2018 reforms, had on:
 - a) the types of providers delivering services (e.g. the distribution of specialist/non-specialist providers; for profit/not for profit providers; single government contract/multi-government contract providers; provider size; geographic footprint of providers, adequacy of geographic coverage by providers, etc.);
 - b) the operations of providers (e.g. what operational constraints does the funding model place on provider operations); and
 - c) the types/mix of assistance providers make available to jobseekers with disability (e.g. job search and resume advice; skills assessment; job preparation and training; rehabilitation assistance; job design/carving; employment placement; support with workplace modification)?
- 2) To what extent are there providers who specialise in assisting people with particular types of disability or from particular backgrounds (e.g. indigenous, CALD)? How do their services differ from generalist DES providers? Does the current approach have any significant benefits or detriments for their operations?
- 3) Are participants actively exercising choice of provider to improve the quality of DES services they receive?

B. Is the current service system effective in supporting people with disability to obtain ongoing income from meaningful work?

- 1) What aspects of the DES program help participants get a job?
- 2) How effective is the 'one size fits all model' of DES in securing income and employment for participants? Are these outcomes sustained over time?
- 3) Are there identifiable better practice approaches by DES providers that increase their success in securing income and employment for participants?
- 4) How do DES providers respond to differences in geographic location and/or the local labour market conditions to maximise employment outcomes?
- 5) How do specialist providers compare with other providers to secure employment outcomes and what aspects of their service model contribute to better outcomes?
- 6) To what extent does DES support the transition of people with disability from supported to open employment?
- 7) How does DES compare to other programs, nationally and internationally, in terms of cost effectiveness, return on investment and results for achieving employment outcomes for people with disability?
- 8) How do DES providers support students to transition from school to work, including supporting part-time work?
- 9) Do participants find the development of job plans useful? Do they think they are getting a plan that is tailored to them?

C. Does the current service system promote the supply of job opportunities for people with disability?

- 1) Do DES providers meet the needs of employers, for example by referring suitably skilled jobseekers with disabilities to available job vacancies and/or by appropriately supporting education and training of DES participants to meet current and future labour force needs?
- 2) Are DES providers engaging and building effective relationships with employers allowing them to identify labour demand and training opportunities and to better meet employers' current and future labour force needs?
- 3) What factors, such as the geographical location of a DES site, influence the quality of DES provider / employer relationships?

- 4) Are DES providers improving employer knowledge and awareness in ways that support the employment of people with disability?
- 5) Do employers receive the support they require to employ people with disability from DES providers – both at an individual employee level and at an organisational level (for example, assistive technology, physical workplace adjustments, disability awareness training and assistance on human resource matters)?

D. Does the current funding model provide the most cost effective approach to improving income / employment outcomes for people with disability across different disability cohorts?

- 1) Is the structure of the current funding model (i.e. the split of service and outcome fees, the level of the various fees and the interrelationships between the various fees) the most cost-effective way of securing income / employment outcomes for people with disability?
- 2) Should there be changes to program coverage? If yes, who should obtain assistance, what type of assistance and what level of assistance?
- 3) Does the current funding model have unintended and/or perverse consequences in respect of jobseekers with disability obtaining access to the services and support they require to secure income and employment?
- 4) Does the funding model advantage or disadvantage the provision of particular services required by different disability cohorts (such as young people, mental health or episodic conditions, people from indigenous or CALD backgrounds) to help them secure income / employment?
- 5) Are outcome payments to providers the most cost effective way of supporting employers with the objective of improving employment outcomes for people with disability?
- 6) How could the current funding model be made more cost effective? For example, would it be more cost-effective to have an hourly rate to providers based on actual hours of work or removing the need for a streaming tool?

E. What changes or alternative approaches could be made to the current configuration of employment assistance for people with disability to improve employment outcomes?

- 1) What is the most useful role for government and what activities should it fund?
- 2) Is the current approach to the provision of employment services for people with disability (i.e. the configuration of employment assistance, income support activity requirements and non-DES employment support programs, including jobactive) the most appropriate way to achieve the objective of improving employment outcomes for people with disability?
- 3) How effectively does the current approach balance employment consultancy services by DES providers, such as job search and resume advice, with other forms of employment assistance (such as job preparation and training; rehabilitation assistance; job design/carving)?
- 4) What are the benefits and detriments of involving DES providers in the administration and enforcement of mutual obligation requirements for activity-tested income support payments and combining it with their role in the provision of employment assistance?
- 5) How do DES providers develop job plans and ensure they are tailored to the individual, particularly with regard for the views and employment goals of participants? Do job plans go beyond basic requirements for compliance with income support activity requirements?
- 6) Are there barriers or impediments to DES providers utilising the various wage subsidy programs, the Employment Assistance Fund, the Disability Employment National Panel of Assessors and other services operating through the JobAccess contract?
- 7) Can employers be more active in finding, and supporting, people with disability, such as through a hybrid model similar to other recruitment firms/activities?
- 8) How can the Australian government build partnerships with employment services, such as Seek, Jora, Indeed and CareerOne, in supporting the employment of people with disability?
- 9) What is the appropriate role of work experience and supported employment (outside of supported employment in Australian Disability Enterprises)?

RESPONSE

Specific questions about this RFQ should be directed to the *Customer's Contact Officer* [Item A.A.5].

If successful your organisation will be offered a contract which includes the Terms and Conditions under the Deed.

Submit the form as required in *Lodgement Method* [Item A.A.4].

You MUST use this form to submit your Response. The form is set out to facilitate evaluation of responses.

Participation in this ATM is at your sole risk and cost. This is a competitive process, and you should note that your organisation may incur costs in responding, if you are unsuccessful you will be unable to recoup these costs.

Be as **concise** as possible while including all information that your organisation wants the evaluation team to consider. Do not assume that the evaluation team has any knowledge of your organisation's abilities or personnel.

Before completing your Response read the Customer's Request for Quotation (RFQ) distributed with this Response form and decide whether your organisation has the **necessary skills and experience** to meet the Customer's requirement.

The Customer will evaluate all valid Responses received by the Closing Time [Item A.A.1] to determine which Potential Supplier has proposed the best value for money outcome for the Customer.

The successful Supplier will have demonstrated its ability to provide the best value for the Customer. This will not necessarily be the lowest price.

If your organisation is **unsuccessful** with this submission, you may request feedback to assist with future submissions. The Customer's Contact Officer [Item A.A.5] can arrange this for you.

Part 1 – Potential Supplier's Details

DRAFTING NOTE

The following details will appear in the Order should your Response be successful.

Full Legal Organisation Name as per Deed of Standing Offer:		
Australian Business Number (ABN)		
Has your organisation ever had a judicial decision about employee entitlements or engaged in practices that have been found to be dishonest, unethical or unsafe?	<input type="checkbox"/> Yes, see below. <input type="checkbox"/> No	
If yes, what was the date of discharge? <i>The Supplier acknowledges that the giving of false or misleading information to the Commonwealth is a serious offence under section 137.1 of the schedule to the Criminal Code Act 1995 (Cth).</i>	(dd-mm-yyyy)	<i>Note: The Customer cannot enter a contract with a supplier who has an undischarged judicial decision relating to employee entitlements.</i>

Contact Officer

For matters relating to this Response contact:

Name	
Position Title	
Telephone	
Mobile	
Email Address	
Postal Address	

Address for Notices (if different from the Contact Officer)

DRAFTING NOTE

Complete with "AS ABOVE" if same as Contact Officer.

Name	
Position Title	
Email Address	
Postal Address	

Contract Manager (if different from the Contact Officer)

DRAFTING NOTE

Provide the requested details of the person you propose will be the Contact Manger if your Response is successful and a contract is awarded.

Complete with "AS ABOVE" if same as Contact Officer.

For matters of a general nature, including acceptance and issuance of written notices contact:

Name	
Position Title	
Telephone	
Mobile	
Email Address	
Postal Address	

Part 2 – Executive Summary

DRAFTING NOTE

You may find it useful to complete this section after you have completed your response.

Provide a brief (less than one page) summary of your Response highlighting its key features. The Executive Summary should not merely replicate information provided elsewhere in your Response. This section brings together all aspects of your proposal and is your opportunity to “sell” its unique features.

Part 3 – Ability to Meet the Requirement

Detailed Proposal to Meet the Customer’s Requirement

DRAFTING NOTE

Your response should address each aspect of the Requirement and explain/demonstrate how your response/solution meets the Requirement.

Provide a detailed description of your proposal to supply the Customer’s requirement, including any delivery methodology. This is your opportunity to convince the evaluation team that your organisation understands the requirement and can deliver it to a high standard. Do not provide general marketing material.

Highlight your competitive advantage as well as special or unique features of your proposal. Depending on the requirement, your response may propose a detailed project plan including project milestones and completion dates, timeframes, quality standards or performance indicators. It may also detail critical issues or key delivery risks of which the Customer should be aware.

If meeting the Customer’s requirement involves reporting, travel or attendance at meetings, you should clearly identify how you will meet these requirements, including details of personnel involved. Do not include any pricing or pricing information in Part 3. You should ensure that you clearly address any costs in your response to Part 5.

Do not rely on your organisation’s reputation. The evaluation team can only consider information you provide in this submission.

Standards

DRAFTING NOTE

Potential Suppliers must provide full details and evidence of compliance with all applicable Australian standards (or in its absence an international standard), and any standards and requirements specified in the Statement of Requirement. Where you do not propose to comply with a standard which has been included in the Statement of Requirement, propose an alternative standard and justify your reasons.

Where no standard has been specified, list any applicable standards with which you propose to comply.

Key Performance Indicators

DRAFTING NOTE

Propose Key Performance Indicators that will clearly demonstrate your performance and progress against the Contract.

The following Key Performance Indicators are proposed:

Part 4 – Potential Supplier’s Demonstrated Capability and Capacity

Statement of Skills and Experience

DRAFTING NOTE

The information you enter here will be used to evaluate your organisation’s proven capacity to meet the customer’s requirement.

Provide clear, concise details of your relevant abilities to deliver what you have proposed.

This is your opportunity to highlight any unique capabilities and prove to the evaluation team that you can meet the requirement to a high standard.

Depending on the requirement, this could include a detailed description of recent relevant experience in successfully supplying a similar requirement. It could also include your organisation’s expertise in this field, brief information on relevant personnel (highlighting relevant expertise and experience), details of relevant intellectual property or unique products used.

You may also attach brief supporting information specific to the requirement including tailored CVs for Specified Personnel.

Do not include any pricing or pricing information in this Part. All pricing information should be included in Part 5.

Specified Personnel

DRAFTING NOTE

Only propose Specified Personnel where your proposal has referenced the skills of specific personnel and you reasonably expect them to perform the roles nominated. Include their role, the percentage of the project they will complete, and if relevant, their current Commonwealth Government security clearance. Add extra lines to the table as required.

Where there is a number of staff who could perform a particular role, include details of the position/role and the percentage of project time which this role will perform. In these circumstances it would not be necessary to name the person.

Include details for subcontractor personnel if applicable. You will need to give additional details for subcontractors in the next section.

If no Specified Personnel are proposed, insert “Not Applicable”.

Name	Position/Role	Current Security Clearance Level [#]	Percentage of Total Project Time
Total personnel time			100%

if requested at A.A.2(b)

Subcontractors

DRAFTING NOTE

The Customer is required to publicly disclose information about subcontractors. Provide details for each subcontractor organisation you will use below.

If no subcontractors are proposed insert "Not Applicable"

Full Legal Name:	
Postal Address:	
ABN / ACN / ARBN:	
Is this subcontractor registered on Supply Nation or 50% or more Indigenous owned?	

Scope of Works to be subcontracted

DRAFTING NOTE

If no subcontractors are proposed insert "Not Applicable".

Provide details of the roles (or specific parts of the contract) each subcontractor will perform.

The Supplier is solely responsible for all obligations under the contract, including subcontractor performance and management. The Supplier must ensure that any subcontract arrangement that is entered into imposes necessary obligations on the subcontractor.

Conflicts of Interest

DRAFTING NOTE:

Public officials have an obligation to disclose conflicts of interest under section 29 of the [Public Governance, Performance and Accountability Act 2013](#) (PGPA Act). Suppliers to Commonwealth entities need to assist the Customer to meet its obligations by complying with the same standard of conduct.

Conflicts can be actual, perceived or potential. The perception of a conflict can be just as damaging to public confidence in public administration as an actual conflict based on objective facts.

It is important that if, after the response has been submitted or during the Contract period, any actual, perceived or potential conflicts arise they are reported to the Customer without delay.

If you are aware of a conflict (real or perceived) that could arise as a result of entering into a contract with the Customer (and Subcontractor where applicable) include full details and strategies to manage below, or for complex issues, attach a Conflict of Interest Management Plan detailing your proposed approach.

If no conflicts of interest were identified, type "Nil".

Pre-existing Intellectual Property of Potential Supplier

DRAFTING NOTE

List your pre-existing Intellectual Property (if any) noting that:

The Supplier grants to, or in the case of Third-Party Material, must obtain for, the Customer a non-exclusive, irrevocable, royalty-free, perpetual, world-wide licence (including the right to sub-licence) to exercise the Intellectual Property Rights in all Pre-existing Material and Third- Party Material incorporated into the Material to enable the Customer to receive the full benefit of the Goods and/or Services and the Material and to exercise its rights in relation to the Material.

If no pre-existing Intellectual Property is proposed insert "Not Applicable".

Confidentiality of Potential Supplier's Information

DRAFTING NOTE

Identify any aspect of the Response, or any aspect of the proposed Contract, that you consider should be kept confidential, with reason.

The Customer will only agree to treat information as confidential in cases that meet the Commonwealth's guidelines and which the Customer considers appropriate. In the absence of the Customer's agreement, the Customer has the right to disclose any information contained in the Contract.

Add extra lines to the table as required.

Information to assist you to assess whether the Customer is able to treat particular information as confidential is available at: <http://www.finance.gov.au/procurement/procurement-policy-and-guidance/buying/contract-issues/confidentiality-procurement-cycle/practice.html>.

If none, type "Not Applicable".

Information to be kept Confidential	Reasons for Confidentiality Request

Proven Ability to Meet Regulatory Considerations

DRAFTING NOTE

Provide a brief statement of how you propose to comply with all relevant regulations (including but not limited to labour and ethical employment practices, workplace health and safety, and environmental impacts). Alternatively, you can attach any relevant policy documents or plans which demonstrate your organisation's ability.

Part 5 – Total Costs to be incurred by the Customer

DRAFTING NOTE

The information you provide in this section will be used to assess the total costs the Customer will incur under your proposal.

Pricing

Fixed Price (including all expenses)

DRAFTING NOTE

Complete the following table including fixed prices for each item. Fixed prices must include taxes, duties and other government charges which may be imposed or levied in Australia and overseas, and all other costs associated with providing the services, including delivery fees where applicable.

Make sure you include, costs of any reporting and attending necessary meeting as well as any travel, accommodation and associated costs.

Add additional lines to the table as required.

Due Date	Item Description	Quantity	Unit Price GST Exclusive	Total Price GST Exclusive	GST Component	Total Price GST Inclusive
Total Fixed Price for Goods						

Due Date	Milestone Description	Total Price GST Exclusive	GST Component	Total Price GST Inclusive
Total Fixed Price for Services				

Proposed Payment Schedule

DRAFTING NOTE

Complete the table below if you propose that progress payments be made.

Do not propose a payment schedule that reflects more than the value of the milestones or deliverables you have delivered at any stage.

This payment schedule is for the Fixed Fees and Charges portion of the arrangement only. Variable costs will only be reimbursed after they have been incurred and invoiced.

Note: The Customer may propose alternative payment arrangements.

If you are not proposing any progress payments type "Not Applicable".

Due Date	Milestone Description	Total Price (GST Exclusive)	GST Component	Total Price (GST Inclusive)
Total Milestone Payments				

Additional Facilities and Assistance

DRAFTING NOTE

Should you require the Customer to provide facilities and assistance, in addition to that stated at *Facilities and Assistance Offered by the Customer* [Clause A.A.2(f)], provide details here. If no additional facilities or assistance required insert "Not Applicable".

If the pricing provided above is based on the provision of Additional Facilities and Assistance this should be stated below.



MINUTE

SECRETARY

Through:

Deputy Secretary, Disability and Carers

Cc:

Nathan Williamson, Deputy Secretary, Social Security
Shane Bennett, Group Manager, Participation Payments and Families
Andrew Harvey, Chief Finance Officer

SUBJECT: CONSULTANCY TO REVIEW DISABILITY EMPLOYMENT SERVICES (DES)

Recommendations:

1. That you **agree** to the approach outlined in the Minute to undertake a review of the efficiency, effectiveness and appropriateness of Disability Employment Services.

NOTED / PLEASE DISCUSS

2. That you **sign** the attached Procurement Plan to engage an independent consultant to undertake the review.

SIGNED / NOT SIGNED

Deputy Secretary:..... / /2020

Issues:

1. The Disability Employment Services (DES) program was reformed in 2018 with the new arrangements applying for a five year period from 1 July 2018. Evaluations were planned to occur at the mid-contract point (2.5 years, around December 2020) and at the completion of the five year period, in June 2023. The evaluations would inform any changes to the structure of outcome payments to ensure the DES program, as a whole, is maximising the number of employment outcomes it can generate.
2. Expenditure on the DES program is exceeding the initial estimates, largely due to a significant influx of participants. The appropriation for the current financial year was increased at MYEFO, but adjustments are yet to be agreed for subsequent financial years. While administrative changes are being made to tighten settings and policy proposals are being developed for consideration, more fundamental structural change will be necessary to significantly reduce expenditure and improve results.
3. In light of the unanticipated increased program expenditure, without the corresponding increase in employment outcomes, it is proposed that the mid-contract review be bought

forward and commence as soon as possible and include an assessment of whether the program is the most effective and appropriate model to support people with disability to find work. This will help ensure that the department has options with a sound evidence base to change the current model and enable the government to improve employment outcomes and manage forward program expenditure.

4. s47C 
5. The proposed Procurement Plan is included for your signature at **Attachment A**. Consultants to undertake the review would be engaged through a Request for Quote (RFQ) to providers selected from the Business Advisory panel.

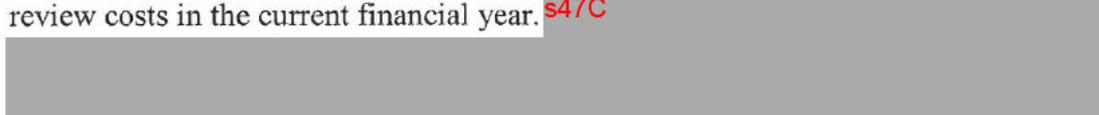
Background:

6. s47C 
7. The last evaluation of DES covered the period 2010-13, cost \$1.6 million and was undertaken over three years.

Summary of Attachments:

A – Procurement plan for independent review of DES.

Financial Implications:

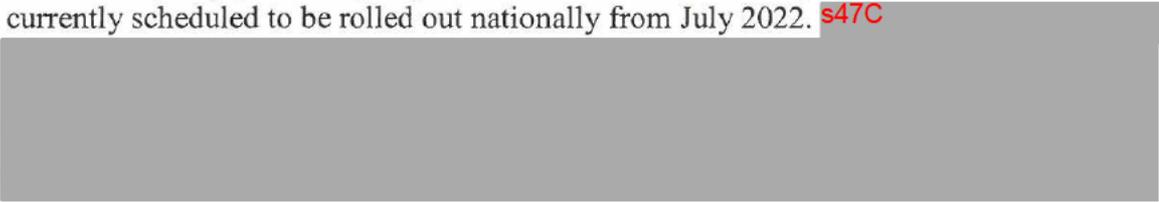
8. The review is expected to cost up to \$1.5 million (GST incl.).
9. The Financial and Services Group has been consulted and the Disability Employment Services appropriation has sufficient funds available for evaluation to meet expected review costs in the current financial year. s47C 
10. Preliminary findings from the review are expected to be available by end July 2020 and the review to be completed by end October 2020.

Deregulation Impacts:

11. There are no regulatory impacts.

Consultation:

12. The procurement helpdesk has reviewed the attached Procurement Plan.
13. Officials from the Departments of the Prime Minister and Cabinet and Finance are aware that a review is being planned.
14. Consultation on the focus and scope of the review has been undertaken across the Disability, Employment and Carers Group, the Social Security stream and the Policy Strategy and Investment Branch.

15. The Department of Education, Skills and Employment (DESE) has also been consulted, and have highlighted that findings from the review, and any subsequent changes to the DES model, may potentially impact the mainstream New Employment Services Model currently scheduled to be rolled out nationally from July 2022. s47C
- 

16. The review will be managed by the Disability Employment Taskforce within the Disability, Employment and Carers Group, engaging with stakeholders from within the department, the Department of Education, Skills and Employment, the disability and employment sectors and the employment service provider sector.



s47F

George Sotiropoulos
Group Manager
Disability, Employment and Carers Group

14 February 2020



Evaluation Committee Briefing – Guidelines

Purpose

The purpose of this document is to assist members of the Evaluation Committee (Committee) to understand their responsibilities with regard to evaluating tender RFQ70013416, titled, a mid-term review of the Disability Employment Services (DES) program.

Evaluation requirements

Evaluation principles

The fundamental principles to be adhered to during the tender evaluation are:

- Value for Money
- Probity
- Confidentiality
- Ethics and Fair Dealing; and
- Accountability.

Value for money

Value for Money will be assessed by comparing the tender against the advertised criteria:

- Capacity
- Capability
- Risk
- Price, including:
 - bid price - that is, the price tendered

- likely contract price, for example, consequences of any adjustments that may be made due to proposed options; and
- probable project cost, that is, the implications for the bid in generating unique other costs to the Commonwealth, such as payment spreads, and their implications, and financial risk exposure of the Commonwealth.

As a minimum, the value for money assessment must present:

- compliance and risk assessments of all tenderers against the evaluation criteria, including the relative ranking of tenderers
- an explanation of where the key areas of difference lie between tenderers
- a presentation of bid prices and likely contract cost
- the ability of the projects' projected expenditure to accommodate the tenderers proposed payment schedule
- an overall assessment of the risks associated with each bid and an explanation of the risk management strategies that are indicated as being necessary
- a preferred ranking of tenderers; and
- an explanation of the actions necessary to enter into a contract.

Maintenance of ethics and fair dealing

Personnel involved in the evaluation of the tender response are to be alert to any actual or perceived conflict of interest, either before the tender closes or arising during evaluation, between their public duty and their private interests.

They are to disclose any such conflict in writing to the Committee chairperson and withdraw from the evaluation process immediately. Personnel are to take steps to avoid situations where a conflict of interest may arise, financial or otherwise.

Also, evaluation personnel should exercise the utmost discretion in all dealings with the tenderer or their representatives during the tendering phase. They should ensure that they do not accept any hospitality or gifts, which later could be interpreted as hampering their independence, or may become subject to criticism by the public or other potential commercial competitors.

Departmental employees are required to be familiar with and maintain the [APS Values](#) and comply with the [APS Code of Conduct](#).

More information: [Ethical behaviour – information and advice](#)

Confidentiality

The following procedures are to apply to the management of all documentation related to the tender evaluation:

- the originals of all response documentation are to be held by **s47F**, **Director, Disability Employment Taskforce**. Documents are to be treated as Commercial-in-Confidence regardless of other lesser handling classifications. They are not to be left unattended and are to be secured after each use. All relevant parties are to be aware that the information dealt with during the process will be commercially sensitive to both Industry and the Commonwealth, and must be handled and protected accordingly.
- access to any part of the tender responses is to be strictly on a need to know basis and Commercial-in-Confidence markings are to be applied to all documentation. Personnel acting for the Department, and in possession of information which is of a sensitive nature, should exercise the utmost discretion in the dissemination of such information. The confidentiality of the evaluation is paramount to ensure the Departments' negotiating position is not compromised.

More information: [Confidentiality and Conflict of Interest Deed](#)

Communication with tenderers

All communication with tenderers is to be managed by the Committee chairperson, **Phil Brown, Branch Manager, Disability Employment Taskforce**. A record is to be kept of all formal and informal communications, both written and oral, with tenderers. Meetings with tenderers are to be approved by the Committee Chairperson, restricted in frequency, have at least two departmental officers in attendance and are to be documented.

Risks

The Committee is to consider any risk inherent to the tender response. Any uncertainties should be analysed for potential effects on cost, schedule or performance. Where possible the Committee should recommend risk management strategies.

Late tenders

Any tender received after the closing time is a late tender.

Late submissions must not be accepted unless the submission is late as a consequence of agency mishandling. An agency must not penalise any potential supplier whose submission is received after the specified deadline if the delay is due solely to mishandling by the agency¹.

¹ [Commonwealth Procurement Rules](#) – 10.28

Agency mishandling does not include mishandling by a courier or mail service provider engaged by a potential supplier to deliver a submission. It is the responsibility of the potential supplier to ensure that the submission is dispatched in sufficient time for it to be received by the agency by the deadline².

Late tenders will be returned unopened to the tenderer. The chairpersons' endorsement is to be sought before late tenders are returned to the tenderer. Advice will also be obtained from the Procurement Helpdesk.

Approach

The Committee is to use a structured approach, as outlined in the Tender Evaluation Plan, to assist in the evaluation of tenders (Attachment A).

Tender validity period

The tenders will remain valid for 180 days from the tender closing time. A tender constitutes an 'offer', so this essentially means that the tenderer's offer remains valid, and is able to be accepted by the Department, for 180 days from the tender closing time. It is therefore important that the Request for Tender (RFQ) process is concluded in this 180 day timeframe.

Evaluate compliance

Tenders will be evaluated against the evaluation criteria as listed in the Evaluation Plan.

Short-listing

Short-listing of tenders will not be undertaken for this tender process because of the number of potential suppliers and the time available for the evaluation.

Assessment policy

Value for money assessments must, in the first instance, be made against the tender evaluation baseline, and an order of ranking of tenders established accordingly. Ranking is to take into account risk assessment of offers.

Comparative assessment

The following terms and definitions are to be used in the assessment

- **Exceeds:** the tendered solution exceeds the requirement specified in the RFQ in a manner which offers significant benefit(s) to the Department
- **Compliant:** the tendered solution meets the requirement specified in the RFQ, or where it exceeds this, there is no significant extra benefit(s)
- **Deficient:** the tendered solution does not meet the requirement specified in the RFQ. Deficiencies are to be assessed as follows:

² [Commonwealth Procurement Rules](#) – 10.28

- Critical: a deficiency of such significance as to seriously prevent the endorsed capability or principal project requirements from being achieved and the nature of the deficiency is such that it cannot readily be remedied (Critical deficiencies are only applicable to Essential or Very Important requirements)
- Significant: a deficiency that has the potential to prevent an element or group of elements of the endorsed capability or principal project requirements from being achieved (Significant deficiencies are applicable to Essential, Very Important and Important requirements) or
- Minor: a deficiency which has no substantial implications for the particular requirement against which it is identified and is acceptable without remedial action (applicable to Essential, Very Important, and Important requirements).

Detailed evaluation

Individual detailed evaluations will occur in accordance with the Evaluation Plan. The basis of this evaluation is a rating of the tenderers response against each of the RFQ requirements.

If during evaluation it becomes evident that a tender is highly unlikely to be competitive, the Committee might decide to set aside that tender from further evaluation.

In setting aside tenders, there must be a high level of confidence that remaining tenders do provide value for money and that there are no serious impediments to achieving an executable contract. Setting aside does not need separate endorsement by delegates as these tenders are not formally declined and could be reconsidered before finalising preferred tenderer if necessary.

Tenders can only be excluded with the approval of the Chairperson. The method and shortcomings of the tender are to be documented to address why evaluation has been halted. The Evaluation Report is to provide sufficient detail to support setting aside that tender from further evaluation.

Comparative evaluation

Comparative Evaluation of Tenders includes:

- ranking of tenders in the evaluation of categories
- setting aside of clearly uncompetitive tenders
- determination of value for money; and
- final ranking of tenders.

The evaluation narratives will be the principal means available to the Committee to perform its assessment, and as such information from them will be included in the Evaluation Report as justification for Committee recommendation. The narrative is to include discussions of the strengths and weaknesses of the individual offers in the categories of assessment. They should include:

- What is offered (a brief description)

- Expansion on compliance, rating and risk assessments
- Discussion on the advantages and disadvantages of the proposal
- Assessment of the tenderers ability to perform the task
- Identification of any deficiencies; and
- Identification of any areas where more information might assist the evaluation process.

A summary narrative should be included to review those features that will form the basis of the final assessment.

Evaluation report

The Evaluation report will be prepared by the Committee Chairperson and secretariat.

The findings of the Committee will be used to prepare the Evaluation Report. The report will reflect the technical merit and value for money decisions made during the evaluation process and a recommendation will be made to the Delegate.

The Delegate makes the final decision and awards the contract. Where the Delegate decides to award a contract the successful tenderer/s will be invited to negotiate a contract.

Debriefing

All tenderers will be offered the opportunity for a verbal debriefing. The verbal debrief will be against the evaluation criteria and details for arranging the debriefing will be given to Tenderers in writing at the conclusion of the RFQ process. That is, after the Department has finalised a contract with any successful Tenderer.

Tenderers will be debriefed against the evaluation criteria contained in the RFQ. It is important in conducting the debriefing that no other Tenderer's confidential information is disclosed, except for publicly available information and except in so far as comparative statements can be made without breaching confidentiality.

Complaints

The Department's policy about complaints, and the procedure to be followed, is contained in the [Procurement Policy](#).

Tender Evaluation Committee Briefing Acknowledgement

The Tender Evaluation Committee Briefing Acknowledgement must be signed by each Committee member. The acknowledgement forms will be retained on an official file.

Tender Evaluation Committee Briefing Acknowledgement

With regard to Tender: RFQ70013416, titled a mid-term review of the Disability Employment Services (DES) program, I acknowledge that I have been briefed on my responsibilities and understand my obligations as a member of the Tender Evaluation Committee.

Signature _____

Name _____

Title _____

Date/...../.....



Value for Money Evaluation

This document describes the evaluation process used to determine value for money for a procurement. The findings and recommendations of an evaluation process are recorded below.

Background

On 16 March 2020, we approached six (6) suppliers by email for a mid-term review of the Disability Employment Services (DES) program. [#] quotes were received.

The process followed for this procurement has complied with Division 1 of the *Commonwealth Procurement Rules* for procurements. The number of potential suppliers approached complies with the Procurement Policy.

Evaluation Methodology

The submissions were evaluated to determine the best value for money. The evaluation panel consisted of:

Name	Position title	Group/Branch/Company	Role
Phil Brown	Branch Manager	Disability Employment Taskforce, DSS	Chair
Tarja Saastamoinen	Branch Manager	Disability Employment Services Branch, DSS	Team member
Kath Paton	Branch Manager	Participation and Supplementary Payments Branch, DSS	Team member
Peter Deakin	A/g Branch Manager	Policy Strategy and Investment Branch, DSS	Team member
Erin Rule	Assistant Secretary	Evaluation, Research and Evidence Branch, Department of Education, Skills and Employment	Team member

with additional assistance provided by the following advisers:

Name	Title	Team or Organisation
§47F, probity advisor	Principal Lawyer	Legal Services Branch
§47F, probity advisor	Lawyer	Legal Services Branch
§47F, secretariat	Director	Disability Employment Taskforce

Evaluation Rating

Very Good	The Offer satisfies the Selection Criterion to a very high standard and presents minimal or no risk to the Commonwealth and its claims are fully supported by the information provided.
Good	The Offer satisfies the Selection Criterion to a high standard and/or presents limited risk to the Commonwealth. The Respondent's claims, in the view of the Evaluation Panel (EP), are supported by the information provided.
Satisfactory	The Offer satisfies the Selection Criterion to a satisfactory degree and/or presents an acceptable level of risk to the Commonwealth. In the view of the EC, there are some minor deficiencies and shortcomings in the information provided.
Poor	The Offer barely satisfies the Selection Criterion and/or presents some degree of unacceptable risk to the Commonwealth. In the view of the EC, there are major deficiencies in the information provided.
Unsatisfactory	The Offer does not satisfy the Selection Criterion and/or presents an unacceptable level of risk to the Commonwealth. A 'Poor' or 'Unsatisfactory' rating for one or more Selection Criteria will exclude the Respondent from being recommended. The Selection Criteria are not weighted.

The submissions were evaluated as set out in the RFQ to determine the best value for money.

S47F

Criteria		
The extent to which the respondent's offer met the requirement set out in the RFQ, including respondent's capacity to provide the requirement	The total costs to be incurred by the Department	Overall i.e. Value for Money (VFM)
[Insert Rating and further detail where possible]	[\$[Insert total cost]]	[Insert Rating and further detail where possible]
[Insert Rating and further detail where possible]	[\$[Insert total cost]]	[Insert Rating and further detail where possible]
[Insert Rating and further detail where possible]	[\$[Insert total cost]]	[Insert Rating and further detail where possible]

Compliance of Offers

[#] offers received were fully assessed and found to be compliant with the request.

[#] were non-compliant ([insert reason]) and, in accordance with the RFQ were not further considered.

offers are not compliant if they do not meet mandatory conditions or minimum requirements

Cost (when using a panel arrangement – delete if not applicable)

The rates quoted by the suppliers were compared against those in the Panel Deeds. It is confirmed they were either the same or lower.

Findings of the Evaluation

In the Evaluation Panel's opinion, [insert recommended supplier] provided an offer that was comparable to other offers in terms of quality but was [insert percentage number] lower in price.

In the Evaluation Panel's opinion, [insert recommended Supplier] provided an offer that was comparable to other offers in price but offered better quality supplies.

In the Evaluation Panel's opinion, [insert recommended supplier] provided an offer that was comparable to other offers in price but provided a better quality in terms of its proposed personnel.

In the Evaluation Panel's opinion, [insert recommended supplier] provided an offer that was clearly better in terms of both quality and price.

Use one of the four listed options or insert alternative text that is more specific to your process. Delete the other options.

Recommendation

The Evaluation Panel unanimously recommends that [insert Recommended Supplier] be contracted for [insert total amount] GST inclusive to provide [insert Supplies]. This decision is based on the evaluation panel's assessment that the offer from [insert recommended Supplier] provides the best value for money outcome for the Department.

[Insert Signature]	[Insert Signature]	[Insert Signature]	[Insert Signature]	[Insert Signature]
Phil Brown	Tarja Saastamoinen	Kath Paton	Peter Deakin	Erin Rule
Evaluation Panel Chair	Evaluation Panel Member	Evaluation Panel Member	Evaluation Panel Member	Evaluation Panel Member
Date: [Insert Date]	Date: [Insert Date]	Date: [Insert Date]	Date: [Insert Date]	Date: [Insert Date]

Contact Officer Details

Name: s47F

Phone no: s47F

Delegate Details

APPROVED / NOT APPROVED

Kathryn Campbell

Secretary

.../.../...
On



MINUTE

SECRETARY

Through:

Deputy Secretary, Disability and Carers

Cc:

Nathan Williamson, Deputy Secretary, Social Security
Shane Bennett, Group Manager, Participation Payments and Families
Andrew Harvey, Chief Finance Officer

SUBJECT: CONSULTANCY TO EVALUATE THE DISABILITY EMPLOYMENT SERVICES (DES) PROGRAM

Recommendations:

1. That you **agree** to the approach outlined in the Minute to undertake an evaluation of the efficiency, effectiveness and appropriateness of the Disability Employment Services program.

AGREED / NOT AGREED

2. That you **sign** the Procurement Plan at **Attachment A** to engage an independent consultant to undertake the review.

SIGNED / NOT SIGNED

Secretary:..... / /2020

Issues:

1. The Disability Employment Services (DES) program was reformed, with effect from 1 July 2018. While eligibility requirements were not changed, expenditure is exceeding initial estimates, largely driven by a significant growth in participants, up by 41 per cent (or 78,879 participants) from 1 July 2018 to 31 December 2019.
2. The other major factor responsible for the growth in expenditure has been a significant increase in the number and value of education outcomes, largely driven by an emerging trend where participants assigned to a higher funding level are being channelled into education activities as opposed to employment. This has resulted in an increase in expenditure on education outcomes from \$32.2 million in the 2017-18 financial year to \$101.8 million in the 12 months from 1 January 2019 to 31 December 2019 (when 26-week outcomes under the new program became available).

3. The Group has taken action on several fronts to remediate the increased expenditure. This includes tightening operational requirements and locking down IT systems to ensure providers cannot influence participant eligibility for education outcomes. The department is also undertaking targeted compliance activities to high-risk areas.
4. Several administrative actions are also being progressed following the deep dive with the Minister in January 2020. s47C [REDACTED]
[REDACTED]
[REDACTED]
5. Policy options to reform the program have also been costed, s47C [REDACTED]
[REDACTED] While such changes would reduce expenditure, there would be implementation risks. These include provider criticisms about policy changes so soon after significant reforms to the program, and the risk changes are seen as piecemeal and not part of a coherent strategy to improve the employment outcomes of people with disability.
6. Consequently, it is proposed the mid-contract evaluation, flagged as part of the DES reforms, be brought forward to be completed this calendar year, with the aim of informing the department's submission to MYEFO. This will enable a thorough assessment of the DES program reforms, including in the context of other government employment services, such as jobactive, and development of the Disability Employment Strategy. Findings from the evaluation would provide evidence to inform the design of a future disability employment services model.
7. The proposed Procurement Plan is included for your signature at **Attachment A**. Consultants to undertake the review would be engaged through a Request for Quote (RFQ) to providers selected from the Business Advisory panel.

Background:

8. The last evaluation of DES covered the period 2010-13, cost \$1.6 million and was undertaken over three years.

Summary of Attachments:

A – Procurement Plan for independent review of DES.

Financial Implications:

9. The review is expected to cost around \$1 million (GST incl.) but may cost up to \$1.5 million. The Deputy Secretary will be involved in negotiations on the cost with the preferred supplier.
10. The Finance Group has been consulted. The DES appropriation has funds available for evaluation for the expected costs in the 2019-20 and 2020-21 financial years. A separate request is being put forward through the mid-year internal budget review process to use available department funds in 2019-20, and reduce the expected overspend on the DES administered appropriation.

Deregulation Impacts:

11. There are no regulatory impacts.

Consultation:

12. The procurement helpdesk has reviewed the attached Procurement Plan.
13. Officials from the Departments of the Prime Minister and Cabinet and Finance are supportive of bringing the review forward to inform deeper reforms to the DES program.
14. Consultation on the focus and scope of the review has been undertaken across the Disability, Employment and Carers Group, the Social Security stream and the Policy Strategy and Investment Branch.
15. The Department of Education, Skills and Employment (DESE) has also been consulted, and have highlighted that findings from the review, and any subsequent changes to the DES model, may potentially impact the mainstream New Employment Services Model currently scheduled to be rolled out nationally from July 2022.
16. The review will be managed by the Disability, Employment and Carers Group, engaging with stakeholders from within the department, DESE, the disability and employment sectors and the employment service provider sector.

George Sotiropoulos
Group Manager
Disability, Employment and Carers Group
March 2020



Procurement Plan – procurement from Panel

Procurement of: Consultancy services to conduct an independent review of the Disability Employment Services (DES) program and recommend options to improve the cost effectiveness of the program (the Review)

1. Procurement aim and justification

The Australian Government provides a range of services to help people with disability to find and keep a job. The Disability Employment Services (DES) program, managed by the Department of Social Services (the department), plays an important role in improving employment outcomes for people with disability, injury or health conditions. The DES program complements the mainstream employment service program, jobactive, managed by the Department of Education, Skills and Employment (DESE). People with disability, injury or health conditions are referred to the most appropriate program following an assessment of their vocational and non-vocational barriers to finding and maintaining employment, their work capacity and ongoing support needs.

The DES program was significantly changed and expanded in 2018 with the new arrangements applying for grants to providers for a five year period from July 2018. The major changes to the program were:

- improved choice and control for participants in the services they receive;
- increased provider competition and contestability, in particular by removing market share arrangements;
- improved financial incentives for providers through a new DES funding model with outcome fees based on the difficulty in placing the participant into sustainable employment; and
- indexation of provider payments to retain their real value.

Since the new arrangements were implemented, there has been very strong growth in participants and expenditure. However, employment outcomes have not kept pace with this growth. It is currently unclear what impact the new arrangements have had on employment outcomes for participants and the quality of services they receive.

A robust and independent Review of the program should assess how well DES is meeting its objectives, whether it is meeting Government and community expectations and whether the current model, and how it complements other employment service programs, is effective and appropriate to support people with disability to find and retain supported and/or open employment. The Review should also identify areas of good practice, nationally and internationally.

It is expected the Review findings will inform the future design of the DES program, with a focus on improving the employment outcomes of people with disability while demonstrating value for money.

The successful Supplier will be expected to work with the department to assess how well DES is meeting its objectives, identify areas of good practice and recommend options to improve the performance and cost effectiveness of the program.

It will include an assessment of whether the current model is an appropriate model for:

- **Participants**, to support them to identify and find sustainable employment suited to their skills and ability to work, while ensuring participants comply with their mutual obligations.
- **Employers**, resulting in mutually beneficial relationships with DES providers that encourages the recruitment of people with disability, supports the referral of suitably skilled jobseekers with disability to vacancies and provides appropriate support for employees with disability and their employers to facilitate the ongoing employment of people with disability.

- **Providers**, to ensure they focus on the needs of participants and employers to maximise employment participation by people with disabilities; conduct their role in supporting participants to meet their mutual obligations; and operate a sound business model.
- **Government**, by boosting the employment participation of people with disability and raises the productive capacity of the workforce, delivering a positive return on investment and value for money service.

The following questions are intended to guide the successful Supplier to undertake the Review, however should not be taken as an exhaustive list.

Effectiveness

1. How effective is the current program at helping people with disability to find and retain ongoing employment that suits their skills and ability to work?
2. How effectively are DES providers identifying labour market demand and matching participants to appropriate employment opportunities?
3. How cost-effective is the current funding model to meet the objective of improving employment outcomes for people with disability? How could the current funding model be made more cost-effective?
4. How does DES compare with other programs, nationally and internationally, in terms of cost-effectiveness, return on investment and maximising employment outcomes for people with disability? Are there opportunities to better integrate DES with other employment service programs, such as jobactive, or with non-government services, such as Seek or JORA?

Efficiency

1. Are there identifiable better practice approaches that increase success in securing income and employment for people with disability?
2. How could DES be transformed to make it more efficient?

Quality

1. What factors of a DES provider's business model impact the quality of services supporting people with disability to find and sustain suitable employment?
2. What factors influence the quality of relationships between DES providers, participants and employers?

The successful Supplier will:

- (i) provide a detailed project plan of an approach and methodology proposed to meet the objectives of the Review;
- (ii) review and analyse literature, research, analysis and data. This includes information either publicly available or -available to the department;
- (iii) conduct field studies, surveys and/or focus groups with relevant stakeholders, including DES providers and participants, peak bodies and interested government agencies;
- (iv) provide preliminary findings from the Review to the department and key government stakeholders by mid-July 2020;
- (v) provide a final report on detailed findings and recommended options from the Review to the department and key government stakeholders by late-October 2020.

To support the Review within the timeframe, the successful Supplier will be assisted by departmental subject matter experts and have access to readily available program and expenditure data, and recent research and analysis on the program.

2. Estimated procurement timetable

The timetable is designed to enable an approach to Government at Budget 2021-22.

Milestone (major procurement milestones highlighted)	Date, by
Secretary approval of spending minute and Procurement Plan	9 March 2020
Draft Procurement documents: <ul style="list-style-type: none"> • Short-list potential suppliers on the Business Advisory Services panel • Draft Risk Assessment • Draft Procurement Plan • Draft Request for Quotation (under Panel) • Draft Evaluation Plan 	9 March 2020
Distribution of RFQ to Selected Panel Members	10 March 2020
Briefing session for interested suppliers	18 March 2020
Cut-off date for questions from potential suppliers	20 March 2020
Final Departmental responses to questions from potential suppliers	24 March 2020
Closing Date and Time for RFQ Responses	6:00 pm 27 March 2020 (ACT local time)
Evaluation of Quotations commences – compliance check, initial assessment and detailed assessment	30 March 2020
Response Evaluation Completed	9 April 2020
Delegate to approve Evaluation recommendation	17 April 2020
Successful Supplier notified	20 April 2020
Negotiate and finalise Work Order	24 April 2020
Contract Start Date	28 April 2020
Project Inception Meeting in Canberra	29 April 2020
Project Plan finalised (including a stakeholder engagement strategy in collaboration with the department)	15 May 2020
Review of survey / focus group instruments	29 May 2020
Fieldwork, research and analysis	9 June – 31 July 2020
Presentation of preliminary findings from fieldwork, research and analysis to departmental stakeholders	7 July 2020
Draft Review Report submitted to department for comment	31 July 2020
Presentation of key findings for component projects to departmental stakeholders	19 August 2020
Final Review Report submitted to department	2 October 2020
Contract End Date	30 October 2020

Contract Term: 6 months

Extension Option: Up to 3 months

3. Detailed estimate of Costs

The estimated expenditure for the contract term is \$1,500,000 inclusive of GST. The proposed contract will include the potential for a three month extension of time to complete the project, if required.

The expenditure is proposed as follows:

Financial Year	Amount
2019-20	\$500,000.00
2020-21	\$1,000,000.00
Total Estimated Expected Maximum Value	\$1,500,000.00

The expenditure will be funded from:

Cost Centre Name: Disability Evaluation

Cost Centre Code: 4690

4. Indigenous Procurement Policy

The procurement is to be made through a panel arrangement that is specified as an exclusive purchasing arrangement.

5. Procurement method

The Goods and Services will be procured through a Request for Quotation from selected service providers from the Business Advisory Services Panel.

As the funding for this procurement exceeds \$200,000 and the services will not be delivered in a remote locality, the Indigenous Procurement Policy does not apply to this procurement.

The following supplier(s) will be approached. They have been selected based on their demonstrated experience in delivering similar strategically focused review activities across government and their anticipated ability to have the necessary resources required to undertake the review within the timeframe:

s47E(d)



If no suitable responses are received, this Procurement Plan will be reassessed and an alternative process will be considered.

6. Stakeholder consultation

The Review will be managed by the Disability Employment and Carers Group in the department.

Key stakeholders with an interest in this procurement are:

- Minister for Families and Social Services
- Minister for Employment, Skills, Small and Family Business

- Minister for Government Services
- DES providers
- DES participants
- Employers
- Peak bodies for people with disability, employers and employment service providers
- Department representatives from disability policy, payment and evaluation areas
- Representatives from the Department of Education, Skills and Employment
- Representatives from Services Australia

7. Risk engagement

No outstanding or potential issues or risks requiring mitigation have been identified at this time. Risks will continue to be monitored and reported as appropriate.

8. Document distribution and receipt

Panel documentation will be distributed by email, and responses will be received via email.

9. Evaluation team

The Evaluation Team will assess responses to determine the best value for money outcome for the Commonwealth.

The Evaluation Team possess the necessary mix of technical/subject matter skills to effectively assess the submission. An evaluation report will be provided to the appropriate delegate.

The proposed Evaluation Team is as follows:

Name	Position title	Group/Branch/Company	Role
Phil Brown	Branch Manager	Disability Employment Taskforce, DSS	Chair
Tarja Saastamoinen	Branch Manager	Disability Employment Services Branch, DSS	Team member
Kath Paton	Branch Manager	Participation and Supplementary Payments Branch, DSS	Team member
Peter Deakin	A/g Branch Manager	Policy Strategy and Investment Branch, DSS	Team member
Erin Rule	Assistant Secretary	Evaluation, Research and Evidence Branch, Department of Education, Skills and Employment	Team member

Specialist advice to assist the evaluation team may be drawn from the Department of Social Services, the Department of Education, Skills and Employment and Services Australia.

Evaluation Criteria (equally weighted)

Number	Evaluation Criteria
1.	<p>Demonstrated ability and experience in project delivery.</p> <ul style="list-style-type: none"> Organisational ability, experience and track record of effectively and successfully managing and delivering projects of similar size, scope and complexity.
2.	<p>Demonstrated understanding of the required services.</p> <ul style="list-style-type: none"> Suitability of proposed methodology in meeting the requirements of the RFQ and to inform the overall assessment of DES against its objectives (e.g. research type, subject matter, cohort, sensitivities, etc.) Understanding of the required services and relevant issue(s), context and policies Clear understanding of the requirements of the RFQ.
3.	<p>Demonstrated capacity to deliver the required services.</p> <ul style="list-style-type: none"> Resourcing to be allocated as part of the services, including backup staff. Suitability of proposed methodology in meeting the requirements of the RFQ within the given timeframe, including contingencies. Reports of nominated referees on the supplier's experience, competence and capability
4.	<p>Technical skills and knowledge to successfully deliver the required services.</p> <ul style="list-style-type: none"> Individual proposed project team members' demonstrated knowledge, experience and qualifications in relation to the methodology and requirements of the RFQ. Methodology demonstrates ability to provide the services in a manner that is technically sound, rigorous, practical, ethical and appropriate to the cohort/subject matter.
5.	<p>Strong stakeholder engagement capability.</p> <ul style="list-style-type: none"> Ability to understand, negotiate and operate within a range of contexts - political, social, cultural, geographical and personal. Ability to successfully identify and effectively engage with a broad and diverse range of stakeholders, including DES participants, DES providers, employers and, representatives from key Australian Government agencies and peak bodies, to deliver the required services.
6.	<p>Ability to deliver clear and high quality reports.</p> <ul style="list-style-type: none"> Clarity and quality of information (consistency, spelling, grammar, departmental information represented, acronyms explained) as demonstrated by the response to the RFQ. Accessibility of information by technical and non-technical audiences as demonstrated by the response. Ability to comply with WCAG 2.0 requirements.
7.	<p>Whole of life costs to be incurred by the Customer.</p> <ul style="list-style-type: none"> An assessment of the costs that the Customer will incur as a result of accepting the Potential Supplier's Response. These additional costs arise from the Supplier's requirements for work to be undertaken by the Customer. Note reverse scale: i.e. no cost = 10, highest customer cost = 0)

Probity

Prior to the assessment of responses, Evaluation Team members will be briefed on their obligations with regard to evaluation of responses to the RFQ, with reference to the DSS Assessment Committee Briefing Guidelines. Evaluation Team members will sign a briefing acknowledgement to confirm this briefing.

A Probity Adviser will be available for the Evaluation Team and present at the Industry briefing.

All Evaluation Team members and others consulted during this process will complete a deed of confidentiality and conflict of interest forms that will be filed accordingly within **ARC ref: EF20/999**.

10. Contact officer

Date completed	Contact name	Position title	Group/Branch	Contact phone
4 March 2020	s47F	Director	Disability Employment Taskforce	s47F

11. Endorsing Officer

Name: Kathryn Campbell

Position title: Secretary

Endorsed / NOT Endorsed

Signature

Date



Request for Quotation – from Panel

Reference ID: 70013416

Request for Quotation (RFQ) under the Deed of Standing Offer for Business Advisory Services Panel dated November 2015 (the Deed).

The Commonwealth as represented by the Department of Social Services (the Customer) is seeking submissions for the provision of the services (the Requirement) as described in this RFQ.

This RFQ is for the provision of: professional services to conduct a mid-term review of the Disability Employment Services (DES) program and recommend options to improve the cost effectiveness of the program (the Review).

Statement of Requirement

A.A.1 Key Dates and Times

Event	Details
RFQ Closing Date:	31 March 2020
RFQ Closing Time:	6:00 pm AEDT
Industry Briefing, Canberra:	23 March 2020
Question Closing Date and Time:	Questions will be permitted up until 4:00 pm AEDT 25 March 2020
Expected Contract Execution Date:	28/04/2020
Expected Contract End Date:	The Contract will terminate on 30/10/2020
Contract Extension Option:	The Contract will include the following extension option(s): 1 x extension for 3 month
Site Inspection:	Unless otherwise notified by an addendum, there are no site inspections for this RFQ.

A.A.2 The Requirement

The Customer seeks a quotation from selected service providers from the Business Advisory Services Panel in accordance with the relevant Deed.

Background

The Australian Government is focused on increasing employment opportunities and improving employment outcomes for people with disability. Increasing access to employment is a key way to improve the economic security and personal wellbeing of people with disability and their families. There is also a recognised value proposition for organisations that are inclusive and diverse, and who employ people with disability, including improved productivity, performance and innovation and improved organisational reputation.

Notwithstanding the social and economic benefits, the labour force participation rate of people with disability has largely remained the same for over 20 years (53.4 per cent, compared to 84.1 per cent for people without disability). The unemployment rate for people with disability is approximately twice the national average.

The Australian Government provides a range of services to help people with disability to find and keep a job. The Disability Employment Services (DES) program, managed by the Department of Social Services (the department), plays an important role in improving employment outcomes for people with disability, injury or health conditions.

There are approximately 280,000 people registered on the DES program, which complements the mainstream employment service program, jobactive, managed by the Department of Education, Skills and Employment (DESE). People with disability, injury or health conditions are referred to the most appropriate program following an assessment of their vocational and non-vocational barriers to finding and maintaining employment, their work capacity and ongoing support needs.

On 1 July 2018, a suite of reforms were made to the DES program, including:

- improved choice and control for participants in the services they receive;
- increased provider competition and contestability;
- a new DES funding model, including risk-adjusted outcome fees based on the participant's probability of achieving an employment outcome.

It is anticipated that the findings of the Review will inform future policy decisions regarding the DES program.

The department requires provision of the Services described below, within the timeframe and in accordance with the specifications detailed below.

Requirement

The Customer is seeking quotations from Suppliers to undertake a mid-term review of the Disability Employment Services (DES) program.

A mid-term review of the DES program will evaluate the impact of the reforms and the performance of the program in relation to:

- delivering the Government's policy objectives to improve the employment outcomes of people with disability
- supporting people with disability to find and retain supported and/or open employment
- the full array of disability needs and supports, including episodic and psychosocial needs
- contestability of service delivery in regional and remote Australia
- other existing and complementary employment service programs, and
- national and international best practice.

It will include an assessment of whether the current model is an appropriate model for:

- **Participants**, to support them to identify and find sustainable employment suited to their skills and ability to work.
- **Employers**, to ensure there are appropriate supports, including from DES providers, to recruit and retain suitably skilled jobseekers with disability; and
- **Service Providers**, to ensure the focus is appropriately on the needs of participants and employers to maximise employment outcomes for people with disabilities.
- **Government**, by boosting the employment participation of people with disability, raising the productive capacity of the workforce and delivering a positive return on investment and value for money service.

The following questions are intended to guide the successful Supplier to undertake the Review, however they should not be taken as an exhaustive list:

1. How effective is the current program at helping people with disability to find and retain ongoing employment that suits their skills and ability to work?
2. How effectively are DES providers identifying labour market demand and matching participants to appropriate employment opportunities?
3. Is the current funding model providing value for money?
4. Is the DES program addressing the requirements for all disability types, including episodic or psychosocial conditions?
5. Have incentives in the program related to supporting education and training been effective in lifting employment outcomes?
6. What delivery mechanism is best suited for thin markets (ie. regional and remote areas)?
7. How does DES compare with other programs, nationally and internationally, in terms of value for money, appropriateness of criteria, and maximising employment outcomes for people with disability?
8. Are there opportunities to better integrate DES with other employment service programs, such as jobactive, other existing or complementary employment programs or projects, or with non-government services, such as Seek or JORA?
9. What alternative approaches are there to improve the employment outcomes for people with disability?
10. What factors impact on the efficacy of the DES program?
11. What other reforms could be made to the DES program to make it more efficient?

The successful Supplier will:

- (i) provide a detailed project plan of an approach and methodology proposed to meet the objectives of the Review;
- (ii) review and analyse literature, research, analysis and data. This includes information publicly available and available internally to the department;
- (iii) engage with relevant stakeholders, including employers and participants; employer, disability and provider peak bodies; DES providers and interested government agencies;
- (iv) provide preliminary findings from the Review to the department and key government stakeholders by 7 July 2020;
- (v) provide a final report on detailed findings and recommended options from the Review to the department and key government stakeholders by 2 October 2020.

To support the Review within the timeframe, the successful Supplier will be assisted by departmental subject matter experts and have access to readily available program and expenditure data, and recent research and analysis on the program.

In their response, suppliers should detail proposed requirements of the Customer and/or work that they propose be undertaken by the Customer during the course of the Review (for example provision of data, analysis of data, extraction of survey samples). The whole of life costs to be incurred by the Customer are included as one of the evaluation criteria (see Section A.A.6 below)

A.A.2(a) Standards

The Supplier must ensure that any goods and services proposed comply with all applicable Australian standards (or in its absence an international standard) including any requirements or standards specified in this Statement of Requirement. Potential Suppliers should note that they may be required to enable the Customer, or an independent assessor, to conduct periodic audits to confirm compliance with all applicable Australian or international standards.

Web Content Accessibility

The Supplier must ensure that any website, associated material and/or online publications (where applicable) complies with the Web Content Accessibility Guidelines available at: <https://www.w3.org/WAI/intro/wcag>.

Publications

Publications and reports (if any) must be drafted to comply with the current version of the Commonwealth's [Style Manual](#).

Key Performance Indicators

None specified.

A.A.2(b) Security Requirements

Security Requirements include:

- All Personnel and Subcontractors who will or may have access to official information to execute a conflict of interest declaration; and
- All Personnel and Subcontractors who will or may have access to official information to obtain a security clearance to, at minimum, the Baseline level.

The cost of obtaining each security clearance will be borne by the Supplier. The Supplier must ensure that its Specified Personnel promptly provide to the Customer relevant details to assist with the security clearance process, and the Supplier must notify the Customer promptly in writing of any change in circumstances which is likely to affect the Customer's assessment of the Specified Personnel's entitlement to hold a security clearance.

Current AGSVA Vetting Fees and Charges can be found at <http://www.defence.gov.au/AGSVA/corporate-industry-policy.asp>.

A.A.2(c) Workplace Health and Safety

Prior to commencement of the Contract, the Customer's Contract Manager and the Supplier's Contract Manager will identify any potential workplace health and safety issues anticipated to arise during the term of the contract and assign management of each issue identified to the party best able to manage it. The Supplier will provide the Customer with a plan for approval.

A.A.2(d) Delivery and Acceptance

The Customer must accept or reject any deliverables under the Order in accordance with the Deed.

Milestone Description	Delivery Location	Due Date
Project Inception Meeting	Canberra	29 April 2020
Project Plan (including a stakeholder engagement strategy in collaboration with the department)	Canberra	15 May 2020
Review of survey / focus group instruments	Canberra	29 May 2020
Fieldwork, research & analysis		9 June – 31 July 2020

Presentation of preliminary findings from fieldwork, research and analysis to departmental stakeholders	Canberra	7 July 2020
Draft Review Report submitted to department for comment	Canberra	31 July 2020
Presentation of key findings for component projects to departmental stakeholders	Canberra	19 August 2020
Final Review Report submitted to department	Canberra	2 October 2020

A.A.2(e) Meetings

The Supplier will be required to attend meetings with relevant representatives of the Customer throughout the Review, as part of managing the process, as well as to meet the Requirement of this RFQ.

The Supplier may liaise with the Customer to arrange any required meetings.

A.A.2(f) Facilities and Assistance Offered by the Customer

The Customer will make any facilities or assistance available to the Supplier as required to perform the Review as outlined in the Supplier's Response to this RFQ.

A.A.2(g) Customer Material

The supplier will have access to program and expenditure data, and recent research and analysis on program developments. This will include a data set containing information on providers, their client characteristics and service and outcome fees/payments.

A.A.3 RFQ Distribution

Email Distribution

Any questions relating to this RFQ must be directed to the *Customer Contact Officer* at A.A.5. Updates to this RFQ will be distributed via email.

A.A.4 Lodgement Method

Email

Responses should be lodged via email to DESReview@dss.gov.au quoting reference number 70013416 by the closing time specified above.

Response File Format, Naming Convention and Size

The Customer will accept Responses lodged in the following formats:

- Word Doc (.docx)
- Rich Text Format (.rtf)
- Excel Workbook (.xlsx)
- PDF (.pdf)

The Response file name/s should:

- a) incorporate the Potential Supplier's full legal organisation name; and
- b) reflect the various parts of the bid they represent (where the Response comprises multiple files).

Response files should not exceed 20 pages and a combined file size of 10 megabytes per email.

Responses must be completely self-contained. No hyperlinked or other material may be incorporated by reference.

A.A.5 Customer's Contact Officer

For all matters relating to this RFQ, the Contact Officer is:

Name/Position: §47F, Director, Disability Employment Taskforce

Email Address: DESReview@dss.gov.au

Note: Question Closing Date and Time is set out at item A.A.1 [Key Dates and Times].

A.A.6 Evaluation Criteria (weighted equally)

Number	Evaluation Criteria
1.	<p>Demonstrated ability and experience in project delivery.</p> <ul style="list-style-type: none"> Organisational ability, experience and track record of effectively and successfully managing and delivering projects of similar size, scope and complexity.
2.	<p>Demonstrated understanding of the required services.</p> <ul style="list-style-type: none"> Suitability of proposed methodology in meeting the requirements of the RFQ and to inform the overall assessment of DES against its objectives (e.g. research type, subject matter, cohort, sensitivities, etc.) Understanding of the required services and relevant issue(s), context and policies Clear understanding of the requirements of the RFQ.
3.	<p>Demonstrated capacity to deliver the required services.</p> <ul style="list-style-type: none"> Resourcing to be allocated as part of the services, including backup staff. Suitability of proposed methodology in meeting the requirements of the RFQ within the given timeframe, including contingencies. Reports of nominated referees on the supplier's experience, competence and capability
4.	<p>Technical skills and knowledge to successfully deliver the required services.</p> <ul style="list-style-type: none"> Individual proposed project team members' demonstrated knowledge, experience and qualifications in relation to the methodology and requirements of the RFQ. Methodology demonstrates ability to provide the services in a manner that is technically sound, rigorous, practical, ethical and appropriate to the cohort/subject matter.
5.	<p>Strong stakeholder engagement capability.</p> <ul style="list-style-type: none"> Ability to understand, negotiate and operate within a range of contexts - political, social, cultural, geographical and personal. Ability to successfully identify and effectively engage with a broad and diverse range of stakeholders, including DES participants, DES providers, employers and, representatives from key Australian Government agencies and peak bodies, to deliver the required services.
6.	<p>Ability to deliver clear and high quality reports.</p> <ul style="list-style-type: none"> Clarity and quality of information (consistency, spelling, grammar, departmental information represented, acronyms explained) as demonstrated by the response to the RFQ. Accessibility of information by technical and non-technical audiences as demonstrated by the response. Ability to comply with WCAG 2.0 requirements.
7.	<p>Whole of life costs to be incurred by the Customer.</p> <ul style="list-style-type: none"> An assessment of the costs that the Customer will incur as a result of accepting the Potential Supplier's Response. These additional costs arise from the Supplier's requirements for work to be undertaken by the Customer. Note reverse scale: i.e. no cost = 10, highest customer cost = 0)

If requested by the Customer, the Potential Supplier must be able to demonstrate its ability to remain viable over the Contract Term and must promptly provide the Customer with such information or documentation as the Customer reasonably requires.

The Customer reserves the right to contact the Potential Supplier's referees, or any other person, directly and without notifying the Potential Supplier.

The Customer will notify unsuccessful Potential Suppliers of the final decision and, if requested, will debrief Potential Suppliers following the award of a contract.

RESPONSE

Specific questions about this RFQ should be directed to the *Customer's Contact Officer* [Item A.A.5].

If successful your organisation will be offered a contract which includes the Terms and Conditions under the Deed.

Submit the form as required in *Lodgement Method* [Item A.A.4].

You MUST use this form to submit your Response. The form is set out to facilitate evaluation of responses.

Participation in this ATM is at your sole risk and cost. This is a competitive process, and you should note that your organisation may incur costs in responding, if you are unsuccessful you will be unable to recoup these costs.

Be as **concise** as possible while including all information that your organisation wants the evaluation team to consider. Do not assume that the evaluation team has any knowledge of your organisation's abilities or personnel.

Before completing your Response read the Customer's Request for Quotation (RFQ) distributed with this Response form and decide whether your organisation has the **necessary skills and experience** to meet the Customer's requirement.

The Customer will evaluate all valid Responses received by the Closing Time [Item A.A.1] to determine which Potential Supplier has proposed the best value for money outcome for the Customer.

The successful Supplier will have demonstrated its ability to provide the best value for the Customer. This will not necessarily be the lowest price.

If your organisation is **unsuccessful** with this submission, you may request feedback to assist with future submissions. The Customer's Contact Officer [Item A.A.5] can arrange this for you.

Part 1 – Potential Supplier's Details

DRAFTING NOTE

The following details will appear in the Order should your Response be successful.

Full Legal Organisation Name as per Deed of Standing Offer:		
Australian Business Number (ABN)		
Has your organisation ever had a judicial decision about employee entitlements or engaged in practices that have been found to be dishonest, unethical or unsafe?	<input type="checkbox"/> Yes, see below. <input type="checkbox"/> No	
If yes, what was the date of discharge? <i>The Supplier acknowledges that the giving of false or misleading information to the Commonwealth is a serious offence under section 137.1 of the schedule to the Criminal Code Act 1995 (Cth).</i>	(dd-mm-yyyy)	<i>Note: The Customer cannot enter a contract with a supplier who has an undischarged judicial decision relating to employee entitlements.</i>

Contact Officer

For matters relating to this Response contact:

Name	
Position Title	
Telephone	
Mobile	
Email Address	
Postal Address	

Address for Notices (if different from the Contact Officer)

DRAFTING NOTE

Complete with "AS ABOVE" if same as Contact Officer.

Name	
Position Title	
Email Address	
Postal Address	

Contract Manager (if different from the Contact Officer)

DRAFTING NOTE

Provide the requested details of the person you propose will be the Contact Manger if your Response is successful and a contract is awarded.

Complete with "AS ABOVE" if same as Contact Officer.

For matters of a general nature, including acceptance and issuance of written notices contact:

Name	
Position Title	
Telephone	
Mobile	
Email Address	
Postal Address	

Part 2 – Executive Summary

DRAFTING NOTE

You may find it useful to complete this section after you have completed your response.

Provide a brief (less than one page) summary of your Response highlighting its key features. The Executive Summary should not merely replicate information provided elsewhere in your Response. This section brings together all aspects of your proposal and is your opportunity to “sell” its unique features.

Part 3 – Ability to Meet the Requirement

Detailed Proposal to Meet the Customer’s Requirement

DRAFTING NOTE

Your response should address each aspect of the Requirement and explain/demonstrate how your response/solution meets the Requirement.

Provide a detailed description of your proposal to supply the Customer’s requirement, including any delivery methodology. This is your opportunity to convince the evaluation team that your organisation understands the requirement and can deliver it to a high standard. Do not provide general marketing material.

Highlight your competitive advantage as well as special or unique features of your proposal. Depending on the requirement, your response may propose a detailed project plan including project milestones and completion dates, timeframes, quality standards or performance indicators. It may also detail critical issues or key delivery risks of which the Customer should be aware.

If meeting the Customer’s requirement involves reporting, travel or attendance at meetings, you should clearly identify how you will meet these requirements, including details of personnel involved. Do not include any pricing or pricing information in Part 3. You should ensure that you clearly address any costs in your response to Part 5.

Do not rely on your organisation’s reputation. The evaluation team can only consider information you provide in this submission.

Standards

DRAFTING NOTE

Potential Suppliers must provide full details and evidence of compliance with all applicable Australian standards (or in its absence an international standard), and any standards and requirements specified in the Statement of Requirement. Where you do not propose to comply with a standard which has been included in the Statement of Requirement, propose an alternative standard and justify your reasons.

Where no standard has been specified, list any applicable standards with which you propose to comply.

Key Performance Indicators

DRAFTING NOTE

Propose Key Performance Indicators that will clearly demonstrate your performance and progress against the Contract.

The following Key Performance Indicators are proposed:

Part 4 – Potential Supplier’s Demonstrated Capability and Capacity

Statement of Skills and Experience

DRAFTING NOTE

The information you enter here will be used to evaluate your organisation’s proven capacity to meet the customer’s requirement.

Provide clear, concise details of your relevant abilities to deliver what you have proposed.

This is your opportunity to highlight any unique capabilities and prove to the evaluation team that you can meet the requirement to a high standard.

Depending on the requirement, this could include a detailed description of recent relevant experience in successfully supplying a similar requirement. It could also include your organisation’s expertise in this field, brief information on relevant personnel (highlighting relevant expertise and experience), details of relevant intellectual property or unique products used.

You may also attach brief supporting information specific to the requirement including tailored CVs for Specified Personnel.

Do not include any pricing or pricing information in this Part. All pricing information should be included in Part 5.

Specified Personnel

DRAFTING NOTE

Only propose Specified Personnel where your proposal has referenced the skills of specific personnel and you reasonably expect them to perform the roles nominated. Include their role, the percentage of the project they will complete, and if relevant, their current Commonwealth Government security clearance. Add extra lines to the table as required.

Where there is a number of staff who could perform a particular role, include details of the position/role and the percentage of project time which this role will perform. In these circumstances it would not be necessary to name the person.

Include details for subcontractor personnel if applicable. You will need to give additional details for subcontractors in the next section.

If no Specified Personnel are proposed, insert “Not Applicable”.

Name	Position/Role	Current Security Clearance Level [#]	Percentage of Total Project Time
Total personnel time			100%

[#] if requested at A.A.2(b)

Subcontractors

DRAFTING NOTE

The Customer is required to publicly disclose information about subcontractors. Provide details for each subcontractor organisation you will use below.

If no subcontractors are proposed insert "Not Applicable"

Full Legal Name:	
Postal Address:	
ABN / ACN / ARBN:	
Is this subcontractor registered on Supply Nation or 50% or more Indigenous owned?	

Scope of Works to be subcontracted

DRAFTING NOTE

If no subcontractors are proposed insert "Not Applicable".

Provide details of the roles (or specific parts of the contract) each subcontractor will perform.

The Supplier is solely responsible for all obligations under the contract, including subcontractor performance and management. The Supplier must ensure that any subcontract arrangement that is entered into imposes necessary obligations on the subcontractor.

Conflicts of Interest

DRAFTING NOTE:

Public officials have an obligation to disclose conflicts of interest under section 29 of the [Public Governance, Performance and Accountability Act 2013](#) (PGPA Act). Suppliers to Commonwealth entities need to assist the Customer to meet its obligations by complying with the same standard of conduct.

Conflicts can be actual, perceived or potential. The perception of a conflict can be just as damaging to public confidence in public administration as an actual conflict based on objective facts.

It is important that if, after the response has been submitted or during the Contract period, any actual, perceived or potential conflicts arise they are reported to the Customer without delay.

If you are aware of a conflict (real or perceived) that could arise as a result of entering into a contract with the Customer (and Subcontractor where applicable) include full details and strategies to manage below, or for complex issues, attach a Conflict of Interest Management Plan detailing your proposed approach.

If no conflicts of interest were identified, type "Nil".

Pre-existing Intellectual Property of Potential Supplier

DRAFTING NOTE

List your pre-existing Intellectual Property (if any) noting that:

The Supplier grants to, or in the case of Third-Party Material, must obtain for, the Customer a non-exclusive, irrevocable, royalty-free, perpetual, world-wide licence (including the right to sub-licence) to exercise the Intellectual Property Rights in all Pre-existing Material and Third- Party Material incorporated into the Material to enable the Customer to receive the full benefit of the Goods and/or Services and the Material and to exercise its rights in relation to the Material.

If no pre-existing Intellectual Property is proposed insert "Not Applicable".

Confidentiality of Potential Supplier's Information

DRAFTING NOTE

Identify any aspect of the Response, or any aspect of the proposed Contract, that you consider should be kept confidential, with reason.

The Customer will only agree to treat information as confidential in cases that meet the Commonwealth's guidelines and which the Customer considers appropriate. In the absence of the Customer's agreement, the Customer has the right to disclose any information contained in the Contract.

Add extra lines to the table as required.

Information to assist you to assess whether the Customer is able to treat particular information as confidential is available at: <http://www.finance.gov.au/procurement/procurement-policy-and-guidance/buying/contract-issues/confidentiality-procurement-cycle/practice.html>.

If none, type "Not Applicable".

Information to be kept Confidential	Reasons for Confidentiality Request

Proven Ability to Meet Regulatory Considerations

DRAFTING NOTE

Provide a brief statement of how you propose to comply with all relevant regulations (including but not limited to labour and ethical employment practices, workplace health and safety, and environmental impacts). Alternatively, you can attach any relevant policy documents or plans which demonstrate your organisation's ability.

Part 5 – Total Costs to be incurred by the Customer

DRAFTING NOTE

The information you provide in this section will be used to assess the total costs the Customer will incur under your proposal.

Pricing

Fixed Price (including all expenses)

DRAFTING NOTE

Complete the following table including fixed prices for each item. Fixed prices must include taxes, duties and other government charges which may be imposed or levied in Australia and overseas, and all other costs associated with providing the services, including delivery fees where applicable.

Make sure you include, costs of any reporting and attending necessary meeting as well as any travel, accommodation and associated costs.

Add additional lines to the table as required.

Due Date	Item Description	Quantity	Unit Price GST Exclusive	Total Price GST Exclusive	GST Component	Total Price GST Inclusive
Total Fixed Price for Goods						

Due Date	Milestone Description	Total Price GST Exclusive	GST Component	Total Price GST Inclusive
Total Fixed Price for Services				

Proposed Payment Schedule

DRAFTING NOTE

Complete the table below if you propose that progress payments be made.

Do not propose a payment schedule that reflects more than the value of the milestones or deliverables you have delivered at any stage.

This payment schedule is for the Fixed Fees and Charges portion of the arrangement only. Variable costs will only be reimbursed after they have been incurred and invoiced.

Note: The Customer may propose alternative payment arrangements.

If you are not proposing any progress payments type "Not Applicable".

Due Date	Milestone Description	Total Price (GST Exclusive)	GST Component	Total Price (GST Inclusive)
Total Milestone Payments				

Additional Facilities and Assistance

DRAFTING NOTE

Should you require the Customer to provide facilities and assistance, in addition to that stated at *Facilities and Assistance Offered by the Customer* [Clause A.A.2(f)], provide details here. If no additional facilities or assistance required insert "Not Applicable".

If the pricing provided above is based on the provision of Additional Facilities and Assistance this should be stated below.



Minute

TO: George Sotiropoulos, Group Manager, Disability, Employment and Carers Group
FROM: s47F, Director, Disability and Carer Reform
THROUGH: Phil Brown, Branch Manager, Disability and Carer Reform
DATE: 19 March 2020
SUBJECT: Independent Review of Disability Employment Services (DES)

1. Purpose

To seek your approval for the Request for Quotation (RFQ) Evaluation Plan, at Attachment A, prior to the commencement of the evaluation of the RFQ.

2. Issues

The Disability Employment Services (DES) program underwent significant changes and expansion in 2018. A mid-term review of DES is required to assess how well DES is meeting its objectives.

The attached RFQ Evaluation Plan is intended to ensure a robust evaluation process, that roles and responsibilities are clear and that the evaluation process is transparent and will withstand external scrutiny. It will be used to provide probity and risk management guidance to the evaluation panel.

3. Recommendation

That you approve the RFQ Evaluation Plan for the Independent Review of Disability Employment Services (DES).

APPROVED/NOT APPROVED

Delegate

On

Attachment A: RFQ Evaluation Plan

Attachment B: RFQ Evaluation Score Sheet

Evaluation Plan - Request for Quotation for Independent Review of DES

1. Procurement Method

The procurement method will be a select Request for Quotation to suppliers on the Department's Business Advisory panel.

2. Process

Processes that the committee members will undertake prior to the detailed evaluation of quotations and the assessment of value for money include:

- Ensuring that committee members (including the Chair) and specialist advisers are clear on their roles and responsibilities;
- identification of any conflicts of interest and determination of how they will be managed;
- consideration of the extent to which suppliers meet any mandatory requirements in the approach to market document; and
- individual assessment of the responses before convening as a committee.

2.1. Evaluation Committee

The following team will evaluate the requests for quotation:

Name	Position title	Group/Branch/Company	Role
Phil Brown	Branch Manager	Disability and Carer Reform, DSS	Chair
Tarja Saastamoinen	Branch Manager	Disability Employment Services Branch, DSS	Team member
Kath Paton	Branch Manager	Participation and Supplementary Payments Branch, DSS	Team member
Peter Deakin	A/g Branch Manager	Policy Strategy and Investment Branch, DSS	Team member
Erin Rule	Assistant Secretary	Evaluation, Research and Evidence Branch, Department of Education, Skills and Employment	Team member

2.2. Specialist Advice

Specialist advice to assist the evaluation team may be drawn from the Department of Social Services, the Department of Education, Skills and Employment and Services Australia.

2.3. Probity

Staff involved in the RFQ evaluation exercise will be briefed on the probity issues surrounding the RFQ process and requested to review the department probity and conflict of interest guidelines. A probity advisor from Legal Services Branch has been appointed to provide on-going advice and assistance throughout the evaluation process to ensure assessments are conducted fairly and consistently, are defensible and can withstand scrutiny.

Prior to the assessment of responses, Evaluation Team members will be briefed on their obligations with regard to evaluation of responses to the RFQ, with reference to the DSS

Assessment Committee Briefing Guidelines. Evaluation Team members will sign a briefing acknowledgement to confirm this briefing.

A Probity Adviser will be available for the Evaluation Team and present at the Industry briefing.

All Evaluation Team members and others consulted during this process will complete a deed of confidentiality and conflict of interest forms that will be filed accordingly within **ARC ref: EF20/999**.

2.4. Conflict of Interest

Staff involved in the RFQ process are to avoid situations that could compromise or be seen to compromise the fair and even handling of the RFQ evaluation. Any perceived or actual conflict of interest must be declared immediately to the panel Chair who must report the matter to the Delegate and any proposed course of action must be approved by the Delegate.

2.5. Security Requirements

The potential supplier's compliance, or the ability to comply, with the security requirements as set out in the RFQ will be assessed as part of the evaluation process.

Requirements will include:

- a. all personnel and Subcontractors who will or may have access to official information to execute a conflict of interest declaration;
- b. all personnel and subcontractors who will or may have access to official information to obtain a security clearance to, at minimum, the Baseline level;
- c. information must be stored in a Class B safe;
- d. all personnel and subcontractors who will or may have access to official information to attend security awareness training, at the time and location required by the Department.

2.6. RFQ Lodgement Procedure

RFQ responses must be lodged via email to DESReview@dss.gov.au quoting reference number 70013416 before the Closing Time and in accordance with the response lodgement procedures in the RFQ document.

2.7. Late Requests for Quotation

Any RFQ response received at any departmental location other than the place of lodgement and/or which is lodged after the closing time is a late response.

The panel may take into account whether there is any evidence of mishandling by the Department prior to omitting a RFQ response from the evaluation. Requests for quotation not received by the closing time (and which were not received late solely to due to mishandling by the Department) will be returned unopened to the supplier.

2.8. Confidentiality

The confidentiality of the evaluation is important to ensure the Departments' negotiating position is not compromised. Staff and advisors involved in the RFQ evaluation are prohibited from discussing any part of the evaluation with any person who is not part of the evaluation exercise. All information and documentation relating to the RFQ including RFQ responses, evaluation material and internal and external correspondence will be stored in a secure location in accordance with the [Records Management Policy](#).

Documents will be treated as For Official Use Only (FOUO) regardless of other lesser handling classifications. They will not be left unattended and will be secured after each use. All relevant parties will be made aware that the information dealt with during the process will be commercially sensitive to both Industry and the Commonwealth, and must be handled and protected accordingly.

Access to any part of the RFQ responses will be strictly on a need to know basis and FOUO markings will be applied to all documentation. Personnel acting for the Department, and in possession of information which is of a sensitive nature, will exercise the utmost discretion in the dissemination of such information.

2.9. Contact with Suppliers

Any contact with suppliers during the opening, registration and evaluation phase must be approved by the panel Chair and be conducted in writing or, when conducted verbally, a second panel member must be present and a signed file note kept of the conversation.

2.10. Meetings

All panel meetings will be minuted and signed by the panel Chair and meeting minutes will be filed as part of an audit trail of the evaluation process.

2.11. Timeframe for Evaluation

Activity	Start Date	Finish Date
Registration of requests for quotation	16 March 2020	6:00 pm 31 March 2020
Industry Briefing to potential suppliers	12:00 pm 23 March 2020	2:00 pm 23 March 2020
Compliance check	1 April 2020	1 April 2020
Detailed assessment	1 April 2020	2 April 2020
Draft evaluation report	1 April 2020	2 April 2020
Preparation of final report	3 April 2020	8 April 2020
Report approved by Delegate	8 April 2020	15 April 2020

3. Evaluation

3.1. Conduct of Evaluation

Prior to the evaluation, all requests for quotation will be reviewed for compliance with RFQ Conditions, including the conditions for participation, minimum content and mandatory requirements. If a RFQ is non-compliant it may be excluded from further consideration.

3.2. Evaluation Method

The evaluation method to be used is outlined in Section A.A.6 of the RFQ. Each RFQ will be evaluated and a value for money determination will be derived. RFQs will be ranked relative to the value for money each offers. A copy of the assessment rating/scoring method is attached to this plan.

3.3. Report and Recommendations

The RFQ evaluation report is to be forwarded to the Delegate for consideration and approval. The report will include the panel's decision with regard to each RFQ and will make a recommendation as to the preferred supplier. The report will state the reasons for the panel's decision in relation to each RFQ response and will highlight any issues or concerns that are to be resolved during negotiations with the preferred supplier.

3.4. Debriefing of unsuccessful suppliers

The Delegate must approve the evaluation report recommendations. The contract negotiations with the successful supplier must have commenced prior to the unsuccessful suppliers being notified of the outcome. Unsuccessful suppliers are to be notified in writing and consideration is to be given to the second and third ranked suppliers being advised that the Department would like to reserve the right to contact them should the contract negotiations with the successful supplier fail.

All suppliers will be offered the opportunity for a verbal debriefing following the conclusion of the RFQ process. The debrief will be against the evaluation criteria.

3.5. Audit Trail

All panel meetings will have a set agenda and be minuted and all related decisions will be substantiated, documented and filed. All correspondence and contact with potential suppliers will be documented and filed and a clear audit trail will be maintained throughout the evaluation process.



Australian Government
Department of Social Services

Ref: EC20-000203

MINUTE

SECRETARY

Through:

Catherine Rule, Deputy Secretary, Disability and Carers

Catherine Rule 5/3/2020

Cc:

Nathan Williamson, Deputy Secretary, Social Security
Shane Bennett, Group Manager, Participation Payments and Families
Andrew Harvey, Chief Finance Officer

SUBJECT: CONSULTANCY TO EVALUATE THE DISABILITY EMPLOYMENT SERVICES (DES) PROGRAM

Recommendations:

1. That you **agree** to the approach outlined in the Minute to undertake an evaluation of the efficiency, effectiveness and appropriateness of the Disability Employment Services program.

AGREED / ~~NOT AGREED~~

George
Have we alerted MO?
We need to do that BEFORE we release the plan.

2. That you **sign** the Procurement Plan at Attachment A to engage an independent consultant to undertake the review.

SIGNED / ~~NOT SIGNED~~

[Signature]
Secretary:..... 6 MAR 2020

Issues:

1. The Disability Employment Services (DES) program was reformed, with effect from 1 July 2018. While eligibility requirements were not changed, expenditure is exceeding initial estimates, largely driven by a significant growth in participants, up by 41 per cent (or 78,879 participants) from 1 July 2018 to 31 December 2019.
2. The other major factor responsible for the growth in expenditure has been a significant increase in the number and value of education outcomes, largely driven by an emerging trend where participants assigned to a higher funding level are being channelled into education activities as opposed to employment. This has resulted in an increase in expenditure on education outcomes from \$32.2 million in the 2017-18 financial year to \$101.8 million in the 12 months from 1 January 2019 to 31 December 2019 (when 26-week outcomes under the new program became available).

3. The Group has taken action on several fronts to remediate the increased expenditure. This includes tightening operational requirements and locking down IT systems to ensure providers cannot influence participant eligibility for education outcomes. The department is also undertaking targeted compliance activities to high-risk areas.
4. Several administrative actions are also being progressed following the deep dive with the Minister in January 2020. s47C [REDACTED]
5. Policy options to reform the program have also been costed, s47C [REDACTED] While such changes would reduce expenditure, there would be implementation risks. These include provider criticisms about policy changes so soon after significant reforms to the program, and the risk changes are seen as piecemeal and not part of a coherent strategy to improve the employment outcomes of people with disability.
6. Consequently, it is proposed the mid-contract evaluation, flagged as part of the DES reforms, be brought forward to be completed this calendar year, with the aim of informing the department's submission to MYEFO. This will enable a thorough assessment of the DES program reforms, including in the context of other government employment services, such as jobactive, and development of the Disability Employment Strategy. Findings from the evaluation would provide evidence to inform the design of a future disability employment services model.
7. The proposed Procurement Plan is included for your signature at **Attachment A**. Consultants to undertake the review would be engaged through a Request for Quote (RFQ) to providers selected from the Business Advisory panel.

Background:

8. The last evaluation of DES covered the period 2010-13, cost \$1.6 million and was undertaken over three years.

Summary of Attachments:

A – Procurement Plan for independent review of DES.

Financial Implications:

9. The review is expected to cost around \$1 million (GST incl.) but may cost up to \$1.5 million. The Deputy Secretary will be involved in negotiations on the cost with the preferred supplier, with the aim to ensure the procurement is under \$1 million (GST incl.).
10. The Finance Group has been consulted. The DES appropriation has funds available for evaluation for the expected costs in the 2019-20 and 2020-21 financial years. A separate request is being put forward through the mid-year internal budget review process to use available department funds in 2019-20, and reduce the expected overspend on the DES administered appropriation.

Deregulation Impacts:

11. There are no regulatory impacts.

Consultation:

12. The procurement helpdesk has reviewed the attached Procurement Plan.
13. Officials from the Departments of the Prime Minister and Cabinet and Finance are supportive of bringing the review forward to inform deeper reforms to the DES program.
14. Consultation on the focus and scope of the review has been undertaken across the Disability, Employment and Carers Group, the Social Security stream and the Policy Strategy and Investment Branch.
15. The Department of Education, Skills and Employment (DESE) has also been consulted, and have highlighted that findings from the review, and any subsequent changes to the DES model, may potentially impact the mainstream New Employment Services Model currently scheduled to be rolled out nationally from July 2022.
16. The review will be managed by the Disability, Employment and Carers Group, engaging with stakeholders from within the department, DESE, the disability and employment sectors and the employment service provider sector.

George Sotiropoulos
Group Manager
Disability, Employment and Carers Group
March 2020



Procurement Plan – procurement from Panel

Procurement of: Consultancy services to conduct an independent review of the Disability Employment Services (DES) program and recommend options to improve the cost effectiveness of the program (the Review)

1. Procurement aim and justification

The Australian Government provides a range of services to help people with disability to find and keep a job. The Disability Employment Services (DES) program, managed by the Department of Social Services (the department), plays an important role in improving employment outcomes for people with disability, injury or health conditions. The DES program complements the mainstream employment service program, jobactive, managed by the Department of Education, Skills and Employment (DESE). People with disability, injury or health conditions are referred to the most appropriate program following an assessment of their vocational and non-vocational barriers to finding and maintaining employment, their work capacity and ongoing support needs.

The DES program was significantly changed and expanded in 2018 with the new arrangements applying for grants to providers for a five year period from July 2018. The major changes to the program were:

- improved choice and control for participants in the services they receive;
- increased provider competition and contestability, in particular by removing market share arrangements;
- improved financial incentives for providers through a new DES funding model with outcome fees based on the difficulty in placing the participant into sustainable employment; and
- indexation of provider payments to retain their real value.

Since the new arrangements were implemented, there has been very strong growth in participants and expenditure. However, employment outcomes have not kept pace with this growth. It is currently unclear what impact the new arrangements have had on employment outcomes for participants and the quality of services they receive.

A robust and independent Review of the program should assess how well DES is meeting its objectives, whether it is meeting Government and community expectations and whether the current model, and how it complements other employment service programs, is effective and appropriate to support people with disability to find and retain supported and/or open employment. The Review should also identify areas of good practice, nationally and internationally.

It is expected the Review findings will inform the future design of the DES program, with a focus on improving the employment outcomes of people with disability while demonstrating value for money.

The successful Supplier will be expected to work with the department to assess how well DES is meeting its objectives, identify areas of good practice and recommend options to improve the performance and cost effectiveness of the program.

It will include an assessment of whether the current model is an appropriate model for:

- **Participants**, to support them to identify and find sustainable employment suited to their skills and ability to work, while ensuring participants comply with their mutual obligations.
- **Employers**, resulting in mutually beneficial relationships with DES providers that encourages the recruitment of people with disability, supports the referral of suitably skilled jobseekers with disability to vacancies and provides appropriate support for employees with disability and their employers to facilitate the ongoing employment of people with disability.

- **Providers**, to ensure they focus on the needs of participants and employers to maximise employment participation by people with disabilities; conduct their role in supporting participants to meet their mutual obligations; and operate a sound business model.
- **Government**, by boosting the employment participation of people with disability and raises the productive capacity of the workforce, delivering a positive return on investment and value for money service.

The following questions are intended to guide the successful Supplier to undertake the Review, however should not be taken as an exhaustive list.

Effectiveness

1. How effective is the current program at helping people with disability to find and retain ongoing employment that suits their skills and ability to work?
2. How effectively are DES providers identifying labour market demand and matching participants to appropriate employment opportunities?
3. How cost-effective is the current funding model to meet the objective of improving employment outcomes for people with disability? How could the current funding model be made more cost-effective?
4. How does DES compare with other programs, nationally and internationally, in terms of cost-effectiveness, return on investment and maximising employment outcomes for people with disability? Are there opportunities to better integrate DES with other employment service programs, such as jobactive, or with non-government services, such as Seek or JORA?

Efficiency

1. Are there identifiable better practice approaches that increase success in securing income and employment for people with disability?
2. How could DES be transformed to make it more efficient?

Quality

1. What factors of a DES provider's business model impact the quality of services supporting people with disability to find and sustain suitable employment?
2. What factors influence the quality of relationships between DES providers, participants and employers?

The successful Supplier will:

- (i) provide a detailed project plan of an approach and methodology proposed to meet the objectives of the Review;
- (ii) review and analyse literature, research, analysis and data. This includes information either publicly available or -available to the department;
- (iii) conduct field studies, surveys and/or focus groups with relevant stakeholders, including DES providers and participants, peak bodies and interested government agencies;
- (iv) provide preliminary findings from the Review to the department and key government stakeholders by mid-July 2020;
- (v) provide a final report on detailed findings and recommended options from the Review to the department and key government stakeholders by late-October 2020.

To support the Review within the timeframe, the successful Supplier will be assisted by departmental subject matter experts and have access to readily available program and expenditure data, and recent research and analysis on the program.

2. Estimated procurement timetable

The timetable is designed to enable an approach to Government at Budget 2021-22.

Milestone (major procurement milestones highlighted)	Date, by
Secretary approval of spending minute and Procurement Plan	9 March 2020
Draft Procurement documents: <ul style="list-style-type: none"> • Short-list potential suppliers on the Business Advisory Services panel • Draft Risk Assessment • Draft Procurement Plan • Draft Request for Quotation (under Panel) • Draft Evaluation Plan 	9 March 2020
Distribution of RFQ to Selected Panel Members	10 March 2020
Briefing session for interested suppliers	18 March 2020
Cut-off date for questions from potential suppliers	20 March 2020
Final Departmental responses to questions from potential suppliers	24 March 2020
Closing Date and Time for RFQ Responses	6:00 pm 27 March 2020 (ACT local time)
Evaluation of Quotations commences – compliance check, initial assessment and detailed assessment	30 March 2020
Response Evaluation Completed	9 April 2020
Delegate to approve Evaluation recommendation	17 April 2020
Successful Supplier notified	20 April 2020
Negotiate and finalise Work Order	24 April 2020
Contract Start Date	28 April 2020
Project Inception Meeting in Canberra	29 April 2020
Project Plan finalised (including a stakeholder engagement strategy in collaboration with the department)	15 May 2020
Review of survey / focus group instruments	29 May 2020
Fieldwork, research and analysis	9 June – 31 July 2020
Presentation of preliminary findings from fieldwork, research and analysis to departmental stakeholders	7 July 2020
Draft Review Report submitted to department for comment	31 July 2020
Presentation of key findings for component projects to departmental stakeholders	19 August 2020
Final Review Report submitted to department	2 October 2020
Contract End Date	30 October 2020

Contract Term: 6 months

Extension Option: Up to 3 months

3. Detailed estimate of Costs

The estimated expenditure for the contract term is \$1,500,000 inclusive of GST. The proposed contract will include the potential for a three month extension of time to complete the project, if required.

The expenditure is proposed as follows:

Financial Year	Amount
2019-20	\$500,000.00
2020-21	\$1,000,000.00
Total Estimated Expected Maximum Value	\$1,500,000.00

The expenditure will be funded from:

Cost Centre Name: Disability Evaluation

Cost Centre Code: 4690

4. Indigenous Procurement Policy

The procurement is to be made through a panel arrangement that is specified as an exclusive purchasing arrangement.

5. Procurement method

The Goods and Services will be procured through a Request for Quotation from selected service providers from the Business Advisory Services Panel.

As the funding for this procurement exceeds \$200,000 and the services will not be delivered in a remote locality, the Indigenous Procurement Policy does not apply to this procurement.

The following supplier(s) will be approached. They have been selected based on their demonstrated experience in delivering similar strategically focused review activities across government and their anticipated ability to have the necessary resources required to undertake the review within the timeframe:

s47E(d)



If no suitable responses are received, this Procurement Plan will be reassessed and an alternative process will be considered.

6. Stakeholder consultation

The Review will be managed by the Disability Employment and Carers Group in the department.

Key stakeholders with an interest in this procurement are:

- Minister for Families and Social Services
- Minister for Employment, Skills, Small and Family Business

- Minister for Government Services
- DES providers
- DES participants
- Employers
- Peak bodies for people with disability, employers and employment service providers
- Department representatives from disability policy, payment and evaluation areas
- Representatives from the Department of Education, Skills and Employment
- Representatives from Services Australia

7. Risk engagement

No outstanding or potential issues or risks requiring mitigation have been identified at this time. Risks will continue to be monitored and reported as appropriate.

8. Document distribution and receipt

Panel documentation will be distributed by email, and responses will be received via email.

9. Evaluation team

The Evaluation Team will assess responses to determine the best value for money outcome for the Commonwealth.

The Evaluation Team possess the necessary mix of technical/subject matter skills to effectively assess the submission. An evaluation report will be provided to the appropriate delegate.

The proposed Evaluation Team is as follows:

Name	Position title	Group/Branch/Company	Role
Phil Brown	Branch Manager	Disability Employment Taskforce, DSS	Chair
Tarja Saastamoinen	Branch Manager	Disability Employment Services Branch, DSS	Team member
Kath Paton	Branch Manager	Participation and Supplementary Payments Branch, DSS	Team member
Peter Deakin	A/g Branch Manager	Policy Strategy and Investment Branch, DSS	Team member
Erin Rule	Assistant Secretary	Evaluation, Research and Evidence Branch, Department of Education, Skills and Employment	Team member

Specialist advice to assist the evaluation team may be drawn from the Department of Social Services, the Department of Education, Skills and Employment and Services Australia.

Evaluation Criteria (equally weighted)

Number	Evaluation Criteria
1.	<p>Demonstrated ability and experience in project delivery.</p> <ul style="list-style-type: none"> Organisational ability, experience and track record of effectively and successfully managing and delivering projects of similar size, scope and complexity.
2.	<p>Demonstrated understanding of the required services.</p> <ul style="list-style-type: none"> Suitability of proposed methodology in meeting the requirements of the RFQ and to inform the overall assessment of DES against its objectives (e.g. research type, subject matter, cohort, sensitivities, etc.) Understanding of the required services and relevant issue(s), context and policies Clear understanding of the requirements of the RFQ.
3.	<p>Demonstrated capacity to deliver the required services.</p> <ul style="list-style-type: none"> Resourcing to be allocated as part of the services, including backup staff. Suitability of proposed methodology in meeting the requirements of the RFQ within the given timeframe, including contingencies. Reports of nominated referees on the supplier's experience, competence and capability
4.	<p>Technical skills and knowledge to successfully deliver the required services.</p> <ul style="list-style-type: none"> Individual proposed project team members' demonstrated knowledge, experience and qualifications in relation to the methodology and requirements of the RFQ. Methodology demonstrates ability to provide the services in a manner that is technically sound, rigorous, practical, ethical and appropriate to the cohort/subject matter.
5.	<p>Strong stakeholder engagement capability.</p> <ul style="list-style-type: none"> Ability to understand, negotiate and operate within a range of contexts - political, social, cultural, geographical and personal. Ability to successfully identify and effectively engage with a broad and diverse range of stakeholders, including DES participants, DES providers, employers and, representatives from key Australian Government agencies and peak bodies, to deliver the required services.
6.	<p>Ability to deliver clear and high quality reports.</p> <ul style="list-style-type: none"> Clarity and quality of information (consistency, spelling, grammar, departmental information represented, acronyms explained) as demonstrated by the response to the RFQ. Accessibility of information by technical and non-technical audiences as demonstrated by the response. Ability to comply with WCAG 2.0 requirements.
7.	<p>Whole of life costs to be incurred by the Customer.</p> <ul style="list-style-type: none"> An assessment of the costs that the Customer will incur as a result of accepting the Potential Supplier's Response. These additional costs arise from the Supplier's requirements for work to be undertaken by the Customer. Note reverse scale: i.e. no cost = 10, highest customer cost = 0)

Probity

Prior to the assessment of responses, Evaluation Team members will be briefed on their obligations with regard to evaluation of responses to the RFQ, with reference to the DSS Assessment Committee Briefing Guidelines. Evaluation Team members will sign a briefing acknowledgement to confirm this briefing.

A Probity Adviser will be available for the Evaluation Team and present at the Industry briefing.

All Evaluation Team members and others consulted during this process will complete a deed of confidentiality and conflict of interest forms that will be filed accordingly within **ARC ref: EF20/999**.

10. Contact officer

Date completed	Contact name	Position title	Group/Branch	Contact phone
4 March 2020	s47F	Director	Disability Employment Taskforce	s47F

11. Endorsing Officer

Name: Kathryn Campbell

Position title: Secretary

Endorsed / ~~NOT Endorsed~~



Signature



Date

s47F

From: BROWN, Philip
Sent: Tuesday, 24 March 2020 3:19 PM
To: DES Review
Subject: RE: DSS RFQ Question: Independent review of the DES program [SEC=OFFICIAL]

agreed

From: DES Review
Sent: Tuesday, 24 March 2020 3:14 PM
To: BROWN, Philip
Cc: DES Review
Subject: FW: DSS RFQ Question: Independent review of the DES program [SEC=OFFICIAL]

Hi Phil

Please see the questions below regarding the RFQ. Are you happy with my draft responses, which I will send to all tenderers? Questions close 4pm tomorrow.

Q – The RFQ notes a 20 page maximum for the response file. Does this include attachments?

Responses to the RFQ should not exceed 20 pages per file, including attachments, which should not exceed 20 pages per attachment. However, note the combined file size of the response should not exceed 10 megabytes per email. The Department’s email system is unable to accept emails of greater than 10 megabytes.

Q - Are referees required as part of the response. If so, how many?

As part of Evaluation Criterion 3 – demonstrated capacity to deliver the required services, the last dot point includes “Reports of nominated referees on the supplier’s experience, competence and capability’. There is no limit on the number of referees provided in the response. The Department reserves the right to contact the nominated referees as well as any other person.

Regards

s47F



S22



s47F

From: DES Review
Sent: Wednesday, 25 March 2020 9:10 AM
Cc: BROWN, Philip; DES Review
Subject: Further DES Review RFQ questions [SEC=OFFICIAL]

Good morning

Please find some further questions and responses below, including more information in regards to the response file (highlighted in yellow).

Q – What is the estimated budget for this review?

A – The estimated budget for this Review is \$1 million. The Department are seeking proposals that demonstrate value for money.

Q – Does the Department have any Key Performance Indicators?

A – The Department has not specified any Key Performance Indicators in the RFQ. Responses will be assessed based on the Evaluation Criteria at section A.A.6 of the RFQ. Tenderers may provide their own Key Performance Indicators as part of their response.

Q - The RFQ notes a 20 page maximum for the response file. Does this include attachments? **Can CVs for Specified Personnel be sent through in a separate email.**

A – Responses to the RFQ should not exceed 20 pages per file, including attachments, which should not exceed 20 pages per attachment. However, note the combined file size of the response should not exceed 10 megabytes per email. The Department's email system is unable to accept emails of greater than 10 megabytes. **If required, the Department will accept responses of up to three (3) separate email(s) to provide the response to the RFQ, CVs for Specified Personnel and/or evidence to support the potential supplier's capacity to meet the requirements.**

Q – Has the Department commenced an ethics application with an approved Human Research Ethics Committee to undertake research of participants, as per Section 4 of the [National Statement on Ethical Conduct in Human Research](#)

A – No, the Department has not commenced an ethics application but will support the successful tenderer in this process, as required. Please note that during the COVID-19 pandemic, the Department will not require any research involving contact with DES participants as part of this Review.

Regards

s47F

From: DES Review
Sent: Tuesday, 24 March 2020 3:26 PM
Cc: DES Review ; BROWN, Philip
Subject: DES Review RFQ questions [SEC=OFFICIAL]

Hi all

I've received some questions about the RFQ. Please find below the questions and responses.

Q – The RFQ notes a 20 page maximum for the response file. Does this include attachments?

A – Responses to the RFQ should not exceed 20 pages per file, including attachments, which should not exceed 20 pages per attachment. However, note the combined file size of the response should not exceed 10 megabytes per email. The Department’s email system is unable to accept emails of greater than 10 megabytes.

Q - Are referees required as part of the response. If so, how many?

A – As part of Evaluation Criterion 3 – demonstrated capacity to deliver the required services, the last dot point includes “Reports of nominated referees on the supplier’s experience, competence and capability’. There is no limit on the number of referees provided in the response and the Department reserves the right to contact the nominated referees as well as any other person.

If you have any further questions, please do not hesitate to contact me or the mailbox. Questions close 4pm Wednesday 25 March.

Regards

s47F
Director
Disability and Carer Reform Branch
Department of Social Services
P: s47F

The Department of Social Services acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures, and to Elders both past and present.

s47F

From: BROWN, Philip
Sent: Thursday, 26 March 2020 1:58 PM
To: DES Review
Subject: RE: Further DES Review RFQ questions [SEC=OFFICIAL]

approved

From: DES Review
Sent: Thursday, 26 March 2020 12:25 PM
To: BROWN, Philip
Cc: DES Review
Subject: FW: Further DES Review RFQ questions [SEC=OFFICIAL]

Hi Phil

There are two final questions re the RFQ. Are you happy with the draft responses below? I've run the data question past s47F

Q – Has the Department commenced an ethics application with an approved Human Research Ethics Committee to undertake research of participants, as per Section 4 of the [National Statement on Ethical Conduct in Human Research](#)

A – No, the Department has not commenced an ethics application but will support the successful tenderer in this process, as required. Please note that during the COVID-19 pandemic, the Department will not require any research involving contact with DES participants as part of this Review. **This includes contact via any channel, e.g. face-to-face, mail, digital etc.**

Q – What DES data is available regarding interventions or activities by providers?

A – Available DES data includes:

- Information from the participant's Job Plans, used to record the activities the participant has agreed they should do to meet their Mutual obligation requirements.
- Details of the activities undertaken to meet their Mutual obligation requirements, e.g. hours worked, job search efforts, training activities, volunteering etc.
- Appointment data, used to record when a participant attends an appointment or an activity.
- Information from an ESAt/JCA on the participant's barriers and medical conditions.

Note, all the available data are sourced from the Employment Services System (ESSWeb) managed by the Department of Education, Skills and Employment and used by all employment service providers. A provider may not record all instances of interventions or activities in ESSWeb.

Thanks

s47F

s22

s22

From: DES Review <DESReview@dss.gov.au>
Sent: Wednesday, 25 March 2020 9:10 AM
Cc: BROWN, Philip [s47F](#); DES Review <DESReview@dss.gov.au>
Subject: Further DES Review RFQ questions [SEC=OFFICIAL]

Good morning

Please find some further questions and responses below, including more information in regards to the response file (highlighted in yellow).

Q – What is the estimated budget for this review?

A – The estimated budget for this Review is \$1 million. The Department are seeking proposals that demonstrate value for money.

Q – Does the Department have any Key Performance Indicators?

A – The Department has not specified any Key Performance Indicators in the RFQ. Responses will be assessed based on the Evaluation Criteria at section A.A.6 of the RFQ. Tenderers may provide their own Key Performance Indicators as part of their response.

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Regards

s47F

From: DES Review <DESReview@dss.gov.au>

Sent: Tuesday, 24 March 2020 3:26 PM

Cc: DES Review <DESReview@dss.gov.au>; BROWN, Philip s47F

Subject: DES Review RFQ questions [SEC=OFFICIAL]

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Regards

s47F

Director

Disability and Carer Reform Branch

Department of Social Services

P: s47F

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s22