Contract Variation

Contract Type

Contract Type * Contract Variation

Original Panel Procurement

Original Procurement Title * PNL2654 - Organisational Design

Original Procurement Form * https://ecm.a1.asic.gov.au/activities/ofppp/Lists/PanelProcurements/DispForm.aspx?ID=2654

Supporting Documents * https://ecm.a1.asic.gov.au/activities/ofppp/SON3751667/PNL2654%20-%20Organisational%20Design

Approval to Vary a Contract

Procurement Title * PRCV50 - Organisational Design - Variation 5

Team * Chief Operating Officer

Endorser/s

CC

Requester * s 22

Background

Background *

The original proposal separates the deliverables into two parts:

Initial commitment for completion of the deliverables under part one is s 47(1)(b) excl GST

It is proposed the part two component will be an option in the contract at the discretion of ASIC. The cost for part two component is s 47(1)(b) excl GST.

We are currently still in phase one of this project.

During part one Nous became aware of significant additional work that they provided over and above the anticipated approach and methodology set out in the contracted Agreement and associated proposal, due to the complexity of the project and the additional consultation required. This additional work was raised by Nous in meetings a number of times, however it was not formalised due to the urgency to deliver.

The total professional fee for the additional services is s 47(1)(b) (excl. GST)

	Value (Excl GST)	Value (Incl GST)	Total (Excl GST)	Total (Incl GST)	Reason for variation
Original Contract	s 47(1)(b)				
Variation 1					Travel to Adelaide for workshop 1
Variation 2					Travel to Melbourne for workshop 2
Variation 3					Travel to Melbourne for workshop 3
Variation 4					Transport costs for workshop 3
Variation 5					Additional work that was created due to the complexity of the project

Risk

Risk *

I confirm that the risks associated with the proposed variation have been reviewed and, if applicable, articulated in the Details and Purpose section and the risk assessment is provided in the supporting file.

(•) Yes ( ) No

Details and Purpose

Details and Purpose *

We require an additional amount of s 47(1)(b) (incl GST) to cover the cost of additional expenses incurred by Nous for additional work that was created due to the complexity of the project and the additional consultation required that was undertaken on ASIC's request during this project. This additional work was raised by Nous in meetings a number of times, however it was not formalised due to the urgency to deliver.

We are seeking to formalise the additional work that was required to be completed in order to get the quality outcome desired due to the complexity that was not forseen. Addtional work is outlined in the table below:

Title	Per Agreement	Additional Work	Fees
Additional Stakeholder Consultations			
1:1 Interviews with Executive Directors	6 x 1 hour	Additional 2 hours (2 x 1-hour interviews with CLO and ED Ops)	s 47(1)(b)
Phase 1.2 Workshops	1 x 2 hours (Co-design) 1 x 1 hour (Findings)	Additional 6 hours in Workshops	
Phase 1.3 Workshops	3 x 1 hour (Implementation design principles, Test and refine, Findings)	(1 x 3 hours for Co-design; 1 x 3 hours for developing Options; and 1 x 3 hours to test and refine Options 1 x 3 hours for Implementation Plan)	
Project Board meetings (referred to as "Steering Committee" in proposal)	1 x 1 hour	Additional 6 hours (6 x 1-hour)	
1:1 Interviews with Project Board Members following Workshop 2	None	Additional 6 hours (6 x 1-hour)	
Focus Groups with Senior Executive Leaders	None	Additional 10 hours (5 x 2 hours)	
Briefing of non-Project Board Commission members	None	Additional 2 hours (2 x 1-hours)	
Organisational Functions Analysis			

Detailed functions analysis for all Groups in the organisation	High-level current and future functions (2 weeks)	Additional 15 days relative to agreed Project Plan	s 47(1)(b)

Construction Services ☐ This is a procurement for Construction Services (related to the construction of buildings and procurement of works as defined by the Public Works Committee Act 1969).

Value of Contract Variation

Value excl. GST *	s 47(1)(b)	*Set out the total GST exclusive value of the contract extension/variation (in AUD).*
Value incl. GST *		*Set out the total GST inclusive value of the contract extension/variation (in AUD).*
Total contract value excl. GST *		*Set out the total GST exclusive value of the contract (in AUD), including the current proposed contract extension/variation*
Total contract value incl. GST *		*Set out the total GST inclusive value of the contract (in AUD), including the current proposed extension/variation*

To calculate the exclusive value from inclusive, divide by 1.1. To calculate the inclusive value from exclusive, multiply by 1.1

Source of Funding

Cost Centre *	Status	Value excl. GST *	Project Code	Cost Centre Owner *
5070 - Workforce Strategy	Active	s 47(1)(b)		s 22

Selection Rationale and Value for Money

Selection Rationale and Value for Money *

The addtional expenses were required for Nous Group consultants to complete additional work that was required over and above the anticipated approach and methodology set out in the contracted Agreement and associated proposal.

Nous Group were superior to all the other providers in a number of areas;

1. Organisation Design expertise - s 47F is a recognised expert in Organisation design. He has published research and articles on the topic and lectures at s 47F on Org Design.

2. Regulatory expertise - Nous Group were the only providers who could demonstrate deep regulatory expertise . s 47F s 47F is well known for her regulatory expertise having undertaken many consulting projects with other regulatory bodies and having actually been in the role of s 47F [redacted] previously.

3. Methodology and previous experience - Nous has a sophisticated well articulated methodology. With numerous examples of having completed similar work with the same or greater scope in other relevant organisations

While Nous Group was not the lowest proposal in terms of fees, due to the reasons above the panel considers Nous to represent value for money. We believe selecting Nouse for this important piece of work will give ASIC the best outcomes.

Supplier Details

Supplier * Nous Group Pty Ltd

☐ No ABN or ACN provided

Supplier ABN * 66 086 210 344

Contingent Liabilities

Contingent Liabilities ☐ Approval of this Section 23 Request to Enter into Contract includes approval of a contingent liability

There is no contingent liability if unamended Commonwealth contract terms are used or accepted. Legal review must be sought for all supplier proposed contract terms.

Recommendation

* By submitting this request, I declare that:

- ☑ I have no known conflict of interest with the proposed procurement;
- ☑ any conflict that may arise will adhere to ASIC's COI declaration process in myRAD; and
- ☑ advice will be sought from the Procurement Advisory or CLO, if required.

It is recommended that you:

1. ◉ approve this proposal to spend relevant money under s.23 of the PGPA Act to vary/extend the Contract as detailed above or
   ○ approve this proposal to spend relevant money under s.23 of the PGPA Act to vary/extend the Contract as detailed above subject to:

And

2. ◉ you sign the contract variation/extension on behalf of ASIC or
   ○ you authorise the following officer to sign the contract variation/extension on behalf of ASIC:

Section 23 Delegate s 22 [redacted]

Approval Details

Approval Details	Submitted to Vary a Contract by Requester on 9/11/2022 Endorsed to Vary a Contract by APC on 16/11/2022 Endorsed to Vary a Contract by APC on 22/11/2022 Approved to Vary a Contract by Section 23 Delegate on 22/11/2022