

[REDACTED]
Boston Consulting Group
GPO Box 2418
Canberra ACT 2600

**REQUEST FOR QUOTATION (RFQ)
PROVISION OF A REVIEW OF CURRENT BUSINESS ACTIVITIES OF THE NATIONAL
DISABILITY INSURANCE AGENCY (NDIA)**

Dear [REDACTED]

The National Disability Insurance Agency (NDIA) is seeking a service provider for the provision of a review of the business and activities of the NDIA.

We would like to invite Boston Consulting Group to provide a quotation for the services described in the Statement of Requirement at Attachment A to this RFQ.

It is anticipated that the services will be required between 27 November 2013 and 28 February 2014.

Broadly the requirement of the services is to review the core and non-core business and activities of the NDIA to:

- determine what efficiencies could be gained by outsourcing non-core activities;
- the most efficient way for NDIA to purchase non-core activities; and
- identify opportunities for NDIA to provide services to others, such as its actuarial function.

A more detailed description of the requirement, along with the evaluation criteria to be used for evaluating your quotation, is provided in Attachment A.

The Agency reserves the right to:

- (a) vary the process and timetable relating to this process in its absolute discretion;
- (b) vary the terms of the RFQ;
- (c) cease the RFQ process;
- (d) accept or reject any Quotes whether or not they are compliant;
- (e) seek additional information or clarification from Respondents (including their sub-contractors or agents);
- (f) select and negotiate with more than one Respondent; or
- (g) cancel, add to or amend the information, requirement, terms, procedures or processes set out in this RFQ.

Neither the issue of this RFQ by the Agency or any response to it by any party commits, obligates or otherwise creates a legal relationship between the Commonwealth and that party.

The Agency does not guarantee, warrant or otherwise represent that any business, revenue or other benefit or any minimum volume or value of business, revenue or other benefit will be earned or received by the successful respondent(s).

Your response is to be submitted to the following address: procurement@ndis.gov.au

Responses are to be received by 2.00 pm, Canberra local time, Monday, 25 November 2013. If you have any queries on this matter, please contact David Bowen, Chief Executive Officer on (02) 6146 3164.

Yours sincerely



15 November 2013

STATEMENT OF REQUIREMENT

A1 Background

The National Disability Insurance Scheme represents a significant reform agenda widely supported by the community and resulting in important structural reform across jurisdictions and the sector. While the Scheme overall represents a very significant budget commitment for the Commonwealth and States and Territories it also will result in significantly improved outcomes for people with a disability and efficiencies across the service system over the longer term.

The funding for the new National Disability Insurance Agency (NDIA) is provided by the Commonwealth as part of the Intergovernmental Agreement has been based on comprehensive modelling of expected numbers of participants, average support package cost per participant and the expected workload and productivity of NDIA staff. Assumptions for administrative costs have been drawn from other similar systems and are to be tested in launch.

NDIA Operational costs over the forward estimates assume significant productivity and efficiency savings built in over the launch and transition period, reducing to less than seven per cent of NDIS expenditure by full scheme in 2019-20, which is considerably less than private insurance companies, Commonwealth and State accident compensation schemes and the legacy disability systems. In 2019-20, 93 per cent of NDIA expenditure will be funding participant support packages in a contestable market.

A2 Contract Services/Outcomes Required

The requirements of the contract are for the successful supplier to review the core and non-core business and activities of the NDIA to:

1. determine what efficiencies could be gained by outsourcing non-core activities;
2. the most efficient way for NDIA to purchase non-core activities; and
3. identify opportunities for NDIA to provide services to others, such as the actuarial function.

To achieve this, the successful supplier will be required to research NDIA including meeting with relevant NDIA National Office staff in Canberra to understand the business and activities of NDIA.

A3 Timeframe for completion of the Contract Services

The contract will commence on 27 November 2013 and work will be finalised by 28 February 2014. It is proposed to include one (1) option to extend until 30 June 2014, this clause can only be exercised at the total discretion of NDIA.

The successful supplier will be required to provide a draft written report including initial recommendations from the review by 2pm (Canberra local time) Monday, 13 January 2014 and a final written report on the outcomes of the review by 2pm (Canberra local time) Friday, 14 February 2014.

A4 Applicable Service Levels and Standards

Ability to meet the timeframes required.

Experience working with service delivery agencies.

A5 Reporting Requirements

The successful supplier will be required to provide fortnightly verbal reports to the contact officer on the progress of the review.

A6 Evaluation Criteria

The responses will be evaluated against the following criteria:

1. Demonstrated understanding of the services and requirements.
2. Ability to provide the services within the timeframes required.
3. Experience and skills of specified personnel.
4. Price.

Please provide a list of at least two (2) customers (other than the Agency) to which you have provided services similar to those described in this RFQ within the last three (3) years. The evaluation process may involve discussions with the nominated references.

A7 Fees, Expenses and Costs

Fees, expenses and costs should be summarised as a total overall all inclusive cost and also broken down into segments of work, such as research, drafting report etc, any expected travel and administrative expenses, and hourly and daily rates for specified personnel. All fees, expenses and costs should be GST inclusive.

Payments will be made in two instalments:

1. 50% upon delivery of the draft report on 13 January 2014; and
2. 50% upon delivery of the final report on 14 February 2014.