ICT Consulting Commercial Framework

Applicable from 15th March 2020

April 2023

Digital NSW

NSW GOVERNMENT

ICT Commercial Framework

The ICT commercial framework provides a common basis for all ICT Consulting engagements across NSW Government

	Commercial Framework	Element	Description
Key Elements	Professional Fees	Capped Daily Rates	• Maximum daily rates per engagement and role type • Daily rate capped on the basis of standard 8-hour day and in AUD ex GST
	Discounts	Engagement Size	• Discount applicable to assignments based on total cost of the project
	Other costs	Disbursements	• Defined standards on what expenses are billable • Standard cap on disbursement as a percentage of total engagement cost
	Resource Mix		• Provides resource mix guidance to all ICT buyers and suppliers
Enablers	Role Profile	Role Definitions	• Aligns supplier role definitions with NSW Government standard role definitions
		Categories Type Definition	• Sets standard definitions for all key categories types for NSW Government
	Monthly Reporting		• Transaction level reporting to track spend including: resources, fees and disbursements

Procurement Board Direction 2021-03 definition

The ICT Consulting commercial framework applies to the ICT Consulting engagement type

Procurement Board Direction 2021-03	Interpretation	Common Examples
'A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or professional advice to assist decision-making by management. Generally it is the advisory nature of the work that differentiates a consultant from the other contractors.'	From an ICT Consultancy perspective – we focus on where the output is report, advice, strategic plan or audit as opposed to actual implementation, or 'doing'.	A person or firm engaged to assist the development of an information technology strategic plan and / or to assist with the development of specifications for the systems and / or to provide advice on implementation is a consultant A person or firm engaged to undertake implementation in accordance with the specifications, for example, supplying or writing the software and constructing the systems, would **NOT** be a consultant

ICT Consulting Engagement Type

The ICT Consulting commercial framework applies to ICT Consulting engagement type

Engagement type	Sub engagement types	Description
ICT Consulting – *where the output is report, advice, strategic plan or audit as opposed to actual implementation, or 'doing'.*	ICT Strategy, Planning and Design	Align technology with business goals; conduct internal capability and external benchmark analysis; identify gap and provide suggestions; develop strategic objectives and technology roadmaps; create integrated technology designs that support business needs.
	ICT Risk Management, Compliance and Security	Conduct assessments on ICT threats such as fraud, security and spam etc.; outline the risks, identify gaps and provide mitigation recommendations to reduce risks; develop long term roadmaps on improving ICT compliance / security.
	ICT Policy	Develop specific ICT policies and governance structures that are aligned with the overall ICT strategy & vision statement; improves efficiency and sustainability.
	ICT Audits	Perform examination and evaluation of ICT infrastructure, policies and operations; determines whether IT controls protect corporate assets, ensures data integrity and are aligned with business' overall goals. (Including software compliance audit).
	ICT Change Management	Provide advice that standardised methods and procedures required for efficient and prompt handling of all changes to control IT infrastructure; ensure changes are managed and timely communicated with stakeholders to optimise risk exposure and minimise impact and disruption.
	ICT Project Management	Provide service to plan, organise, lead and control the development / implementation / testing / optimisation of an IT solution and ensure project timely delivery, resources and budget.
	ICT Training and Development	Organise and facilitate learning and development. Expedite acquisition of the knowledge, skills, and abilities required for effective job performance.

Resource Types

Resource types and definitions apply to ICT Consulting engagement. Suppliers are to use these in proposals. This makes easier to compare quotes from multiple suppliers and resources

Resource type	Description	Relevant Years of Experience
Partner	Senior Management member	12+
Director	Management member with deep expertise	10-12
Senior Manager	Senior employee with significant specialist expertise and team leadership capabilities	8-10
Manager	Junior level of entity management, specialist technical and subject matter expertise; manages assignment schedules and resource allocation	6-8
Senior Consultant	Field leadership role, moderate level of technical and subject matter expertise; provides business system advice and consulting services	4-6
Consultant	Performs detailed data and systems analysis, identifies risks, gathers additional data, interprets data and provides recommendations for improvement. Higher level technical skills, broader experience base, business process & industry knowledge and requiring less supervision than an analyst	2-4
Analyst	Entry level position, performs specific tasks under the supervision from more senior members such as gather and analyse data, summarise findings into reports etc.	0-2

Capped Daily Rates

The Capped Daily Rates [1-5] are set as the ceiling rate for any given sub-engagement type and role combination, effective from 15th March 2020

Engagement Type	Standardised NSW Government Role Type						
	Partner	Director	Senior Manager	Manager	Senior Consultant	Consultant	Analyst
ICT Consulting							

Notes:
1. Capped Rates are exclusive of GST ;
2. Capped Rates are for **Assignments** (risk based for supplier)
3. Daily Rate is based on a standard 8 hours of work
4. Non-compliant rates need secretarial approval and a reason for not using capped rates
5. Please login to Supplier Hub for the actual Capped Rates

Discount structure

Four tiered discount structure dependent on the engagement size and risk responsibility

Leveraging suppliers economies of scale on large engagements

Engagement Size	Minimum Assignment Discount
≤$250k	0%
>$250k - $500k	2%
>$500k - $1m	5%
>$1m	7%

Disbursements Policy

Disbursements policy sets to limit and manage expenses during consulting service delivery

Cost Element		Disbursements Policy
Disbursements Cap		All disbursements will be capped at 7% of engagement fees
Couriers		At Cost
Database and Market Research		No Charge
Airfares		Lowest available fare of the day
		Maximise advance bookings
		Economy only at cost
		At Cost, using Contract 1008 Travel Management Services through FCM, or lower using other means
Car Hire		At Cost, using Contract 1008 Travel Management Services through FCM, or lower using other means
Accommodation		At Cost, using Contract 1008 Travel Management Services through FCM, or lower using other means
Other Travel		At Cost
Meals - Breakfast		At Cost <$30/day
Meals - Lunch		No Charge
Meals - Dinner		At Cost < $50/day
Taxi		At Cost - prior approval for circumstances other than to/from airports, leaving office after 8 pm, meetings where multiple sites are used
Tips & Gratuities		No Charge
Room Hire & catering		At Cost
Stationery & postage		No Charge
Photocopying		No Charge
Telephone & Fax		No Charge
Wireless Internet Fees	On (NSW Govt) Site	At Cost
	Off Site	No Charge
Secretarial & clerical		No Charge

8

Resource Mix Guide

Resource mix guide[1] by engagement type set as guidance for buyers and suppliers

Engagement Type	Standardised NSW Government Role Type						
	Partner	Director	Senior Manager	Manager	Senior Consultant	Consultant	Analyst
ICT Consulting Guide	6%	6%	6%	20%	19%	24%	19%

Note:

1. Meant to serve as a reference guide only for buyers and suppliers

Exception processes

A more stringent approval process is required for each engagement that does not comply with any element of the ICT Consulting Commercial framework

Included are the following scenarios:
- An engagement with a supplier that has not accepted the Standard Commercial Framework. (OSCF Supplier)
- Where the engagement proposal is not compliant with the Standard Commercial Framework.

Secretary approval:
- In addition to cluster-specific Procurement delegation approval requirements, engagements of OSCF Suppliers require Secretary approval prior to any contract sign off with the supplier.
- Agencies must seek Secretary approval and keep a record of all engagements approved by the Secretary that do not comply with the Standard Commercial Framework, both from OSCF suppliers and from suppliers who have accepted the Standard Commercial Framework.

Reporting:
- OSCF Suppliers must report all their engagements with NSW Government to NSW Procurement. NSW Procurement shall report these engagements at least annually to the Procurement Board.
- Agencies are no longer required to report non-compliant engagements on the Major Supplier Portal, however, Agencies are required to keep internal records of engagements with OSCF suppliers and SCF suppliers that do not comply with any element of Standard Commercial Framework