

Infrastructure Advisory Standard Commercial Framework

Performance and Management Services Scheme SCM0005
(Engagement type 15 - Infrastructure Services)

Effective 1st November 2022


Commercial in Confidence

Infrastructure Advisory Standard Commercial Framework Overview

There are 3 key elements and 3 enablers under the Infrastructure Advisory Standard Commercial Framework

| | Commercial Framework | Description |
|--------------|-----------------------------|--|
| Key Elements | Capped Daily Resource Rates | Maximum Daily Rates per Service and Resource Type |
| | | Daily rate capped on the basis of standard 8-hour day |
| | Discount Structure | Volume discounts based on contract value (including variations) |
| | | Discounts applicable to secondments where NSW Government uses IA services to augment current teams |
| | Expenses Policy | Defined standards on what expenses are billable |
| | | Standard cap on disbursements as a percentage of total engagement cost |
| Enablers | Resource Type | NSW Government standard 7 resource type definitions for Infrastructure Advisory Services. Suppliers are to provide rates as per NSW Government resource type definition guide. |
| | Service Type | NSW Government standard 55 service type definitions for Infrastructure Advisory Services |
| | Resource Mix Guide | Provides resource mix guidance to all IA buyers and suppliers |

Resource Type and Definitions Guide

NSW Government has set standard industry based Resource Types to ensure like-for-like comparison of resources and rates across supplier responses

| Resource Type | Description | Minimum years of relevant experience |
|---|--|--------------------------------------|
| Graduate / Analyst | Performs data gathering and analysis with technical skills. Low level of industry knowledge. Works under supervision by more senior team members. | 0-2 |
| Professional / Consultant | Higher level technical skills, broader experience base, business process & industry knowledge. Requires limited supervision and may lead analyst/ graduate. | 2-4 |
| Senior Professional / Senior Consultant | Field team leadership role, moderate level of technical and subject matter expertise. Further competencies include critical thinking and comms skills and ability to lead simple engagements | 4-8 |
| Associate / Manager | Junior management level, specialist technical and subject matter expertise; leads more complex engagements and manages assignment schedules and resource allocation. Ability to lead at client meetings and choose an appropriate solution in responding to a client's needs. Authors proposals and pitches. | 8+ |
| Principal / Senior Manager | Senior employee with significant specialist expertise and team leadership capabilities. Practice lead with project management, consulting and facilitation skills and high quality written comms skills including proposals, reports, contractual letters and project plans. | 10+ |
| Senior Principal / Director | Management member and experienced practitioner within the industry. Provides strategic and technical advice and leads technical teams. Key in sales activity and client relationship management Alternately: SME / Domain expert with deep technical skills but limited leadership responsibility | 15+ |
| Executive/ Partner | Senior Management member and highly experienced practitioner with a broad range of experience within the industry. Provides strategic advice and manages overall commercial strategy. Manages senior client relationships at a strategic level. | 15+ |

Capped Daily Resource Rates

Maximum recommended capped daily resource rates applicable to Engagement Type 15 - Infrastructure services

| Performance Management Services Scheme SCM0005 (Engagement type 15) Sub-engagement Types | Infrastructure Advisory Service Type | NSW Government Resource Types and Maximum Capped Daily Resource Rates (excl GST) | | | | | | |
|--|--|--|---------------------------|---|---------------------|----------------------------|-----------------------------|---------------------|
| | | Graduate / Analyst | Professional / Consultant | Senior Professional / Senior Consultant | Associate / Manager | Principal / Senior Manager | Senior Principal / Director | Executive / Partner |
| Strategy and Planning | Service Strategy and Planning | \$1,085 | \$1,340 | \$1,750 | \$2,100 | \$2,600 | \$3,000 | \$3,600 |
| | Business Case and Economics | \$1,085 | \$1,340 | \$1,750 | \$2,100 | \$2,600 | \$3,000 | \$3,600 |
| Risk | Risk Management | \$1,050 | \$1,370 | \$1,580 | \$1,890 | \$2,240 | \$2,480 | \$2,710 |
| Major Project Procurement/Delivery and Project Management | Program and Project Management | \$1,080 | \$1,360 | \$1,500 | \$1,650 | \$1,890 | \$2,070 | \$2,410 |
| | Project Control and Scheduling | \$1,100 | \$1,300 | \$1,500 | \$1,690 | \$1,890 | \$2,090 | \$2,430 |
| | Project Governance | \$1,040 | \$1,230 | \$1,620 | \$1,910 | \$2,150 | \$2,430 | \$2,920 |
| | Design Management | \$760 | \$870 | \$1,270 | \$1,610 | \$1,880 | \$2,120 | \$2,300 |
| | Transaction Management | \$1,085 | \$1,285 | \$1,700 | \$2,100 | \$2,550 | \$2,900 | \$3,500 |
| Contracting | Contract and Financial Management | \$1,085 | \$1,285 | \$1,700 | \$2,100 | \$2,550 | \$2,900 | \$3,500 |
| Communication | Communication and Stakeholder Engagement | \$890 | \$1,210 | \$1,510 | \$1,810 | \$2,100 | \$2,390 | \$2,670 |

For the Capped Daily Resource Rates and Definitions of all 55 Infrastructure Advisory service types, please refer to the Infrastructure Advisory Services category page on [buy.nsw](https://buy.nsw.gov.au)

Discount Structure

The discount structure is recommended for contract size (including variations) above \$5M

| | | |
|--|--|---|
| <p>1</p> <p>Resource based discount</p> <p>Secondments refer to engagements where NSW Government is responsible for the management of the resource while the supplier is responsible for providing resources with the right skills, processes and systems and the payments are linked to days worked. Risk of delivery of output is borne by NSW Government</p> | Recommended Minimum Secondment Discount | |
| | 10% | |
| <p>2</p> <p>Volume based discount</p> <ul style="list-style-type: none"> NSW Government recommends a separate Contract Size Discount upfront To minimise the administrative overhead, the Contract Size Discounts will be expected to be incorporated upfront into the resource rates based on contract size estimates, and highlighted separately at the proposal stage | Contract Size (excl GST) | Recommended Minimum Contract Size Discount |
| | ≤ \$5m | 0% |
| | > \$5m + | 7% |

Fees reduced to reflect project risk residing with NSW Government

Leveraging suppliers economies of scale on large engagements

- Notes:**
- Contract Size includes the initial Contract value plus any additional Variation costs.
 - For any Secondment with NSW Government for IA services, suppliers is recommended to discount the daily capped rate by at least 10%, in addition to any applicable Contract Size Discount.
 - Suppliers must classify the engagement as an Assignment or Secondment explicitly up-front in their proposals and subsequent Contracts.

Expenses Policy

The expenses policy can be used to limit and manage expenses during service delivery

| Cost Element | | Expenses 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 |

Resource Mix Guide

This can be used when considering the optimal mix of resources for a particular engagement type

| Performance Management Services Scheme SCM0005 (Engagement type 15) Sub-engagement Types | Standardised NSW Government Resource Type | | | | | | |
|--|---|---------------------------|---|---------------------|----------------------------|-----------------------------|---------|
| | Graduate / Analyst | Professional / Consultant | Senior Professional / Senior Consultant | Associate / Manager | Principal / Senior Manager | Senior Principal / Director | Partner |
| Strategy and Planning | 9% | 16% | 21% | 20% | 15% | 15% | 5% |
| Risk | 5% | 19% | 17% | 22% | 20% | 15% | 2% |
| Contracting | 5% | 19% | 17% | 22% | 20% | 15% | 2% |
| Communication | 4% | 12% | 19% | 28% | 18% | 15% | 3% |
| Major Project Procurement/Delivery and Project Management | 5% | 19% | 17% | 22% | 20% | 15% | 2% |

For the Resource Mix Guide by Infrastructure Advisory Service Type, please refer to the Infrastructure Advisory Services category page on [buy.nsw](https://buy.nsw.gov.au)

Infrastructure Advisory Service Type Definitions (1/2)

These are the definitions of the Infrastructure Advisory Service Types applicable to Sub-engagement Types of Engagement Type 15 – Infrastructure Services

| Performance Management Services Scheme SCM0005 (Engagement type 15) Sub-engagement Types | Infrastructure Advisory Service Type | Definitions |
|--|---------------------------------------|---|
| Strategy and Planning | Service Strategy and Service Planning | The consultant in this capability will demonstrate the ability to establish a strategic planning vision that can be actioned through strategic plans and government policy frameworks. Propose and test strategic planning scenarios that recognise current conditions and anticipate long term change. Identify services needs and performance outcomes to be delivered by single or multiple assets, by asset portfolios or through masterplans (includes master planning services) at a range of scales. Communicate with diverse stakeholders to develop strategic planning proposals. Undertake peer review assessment and research as required. |
| | Business Case and Economics | Evaluates prospective alternatives to meet the service need, comparing alignment with objectives, socio-economic impact, feasibility, financial appraisal and funding alternatives, delivery model and risks. Includes the definition of project objectives, scope, purpose, deliverables and peer review assessment. |
| Major Project Procurement/Delivery and Project Management | Program and Project Management | Establishes program/project leadership and executes program/project plans, monitoring and controlling the development of the program/project according to Cost Management plans and Stakeholders and Communication Management plans. The service also includes project initiation, contract management and administration and peer review assessment. |
| | Project Control and Scheduling | Monitors cost and schedules, including conducting lifecycle cost analysis, Critical Path Method analysis and scheduling. It reviews and monitors project activities, generates progress against planned reports and recommends actions to recover schedule or improve efficiency. Contributes to planning and project management activities within a larger project or program. Includes peer review assessment. |
| | Project Governance | Designs and establishes a framework for decision making in Infrastructure Programs and Projects. Includes approval pathways, quality assurance mechanisms, stakeholder management approaches, points of accountability. Includes executing processes to oversee program and project progress, and providing peer review assessment. |
| | Design Management | Manages the design process including planning and initiating a design, managing and controlling the design process to meet specifications, budget and time constraints. Contributes to planning and project management activities within a larger project or program. Includes peer review assessment. |
| | Transaction Management | Plans, executes and manages the procurement process required for successful project delivery across diverse delivery models including Design & Construct (D&C), Construct-only and PPP, by undertaking EOI management, evaluation and shortlisting, tender document preparation, bid and tender evaluation, negotiation and award. Includes peer review assessment |

Infrastructure Advisory Service Type Definitions (2/2)

These are the definitions of the Infrastructure Advisory Service Types applicable to Sub-engagement Types of Engagement Type 15 – Infrastructure Services

| Performance Management Services Scheme SCM0005 (Engagement type 15) Sub-engagement Types | Infrastructure Advisory Service Type | Definitions |
|--|--|---|
| Risk | Risk Management | Identifies, evaluates and manages project risks by designing the risk management strategy and executing risk management plans. Includes identifying, implementing and monitoring mitigation measures needed to prevent exposure to risk, managing and operating risk register and ensuring appropriate communication to project stakeholders. Contributes to planning and project management activities within a larger project or program, and provides peer review assessment. |
| Contracting | Contract and Financial Management | Manages the contract post-establishment including administering contract requirements on behalf of the client, interpreting and enforcing contract terms and conditions, monitoring contract progress, identifying and resolving any contract issues and managing the termination or renewal of the contract upon its expiration. Also included contract negotiation wherever required. Forecasts and manages the expenditures of the project, monitoring finances and identifying potential cost risks to prevent spend over budget by collaborating with both internal and external parties, from clients to stakeholders, and provides peer review assessment. |
| Communication | Communication and Stakeholder Engagement | Advises in management of organisational reputation with the external media or general public, reviewing and developing public relations strategies and planning. Develops community and stakeholders engagement plans, speeches and presentations for internal/external use including technical writing and graphic design activities such as brochures, reports, maps and infographics and provides facilitation services. Develops responses and communication plans for the management of issues. Also includes workshop facilitation and report preparation. |

Contact

For general enquiries and help:



buy.nsw@customerservice.nsw.gov.au



1800 679 289

Disclaimer

Email: communications@treasury.nsw.gov.au

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