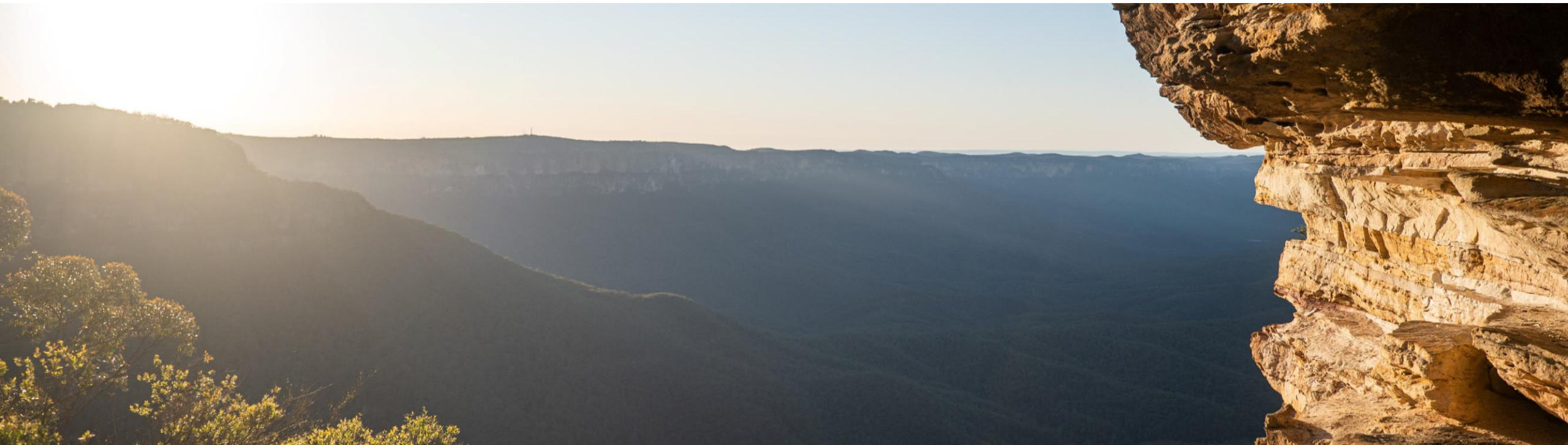


ICT Consulting Commercial Framework (ICTC CF)

Applicable from
01 July 2024

Digital.NSW



Procurement Board Direction 2023-05 definition

NSW Procurement Board approved definition of a **consultant**, its interpretation and some common examples

PBD 2023-05

A consultant is defined as a person, or an organisation engaged to provide recommendations or professional advice to assist decision-making by management. Generally, consultants are distinguished from other professional services contractors by:

- the **advisory** nature of the work
- the output reflects the **independent** view or findings of the consultant
- the consultant's performance of the work is not, or mostly not, under the client's direct **supervision and direction**
- the consultancy being the sole or majority element of the contract in terms of relative value or importance

Interpretation

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'.

Common Examples

A person or firm engaged to develop an information technology strategic plan and / or to develop 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 Commercial Framework

The ICT Consulting commercial framework is applicable to all ICT Consulting engagements via ICT Services Scheme SCM0020

There are 3 key elements and 2 enablers under the ICT Consulting Commercial Framework as per the below description:

	Commercial Framework	Description
Key Elements	Capped Daily Rates	• Maximum daily rates for ICT Consulting engagement per role type
		• Daily rate capped on the basis of standard 8-hour day and in AUD (Excl. GST)
	Discounts	• Discount applicable to assignments based on total cost of the project
	Disbursements	• Defined standards on what expenses are billable
• Standard cap on disbursement as a percentage of total engagement cost		
Enablers	Resource Types	• NSW Government standard 7 resource type definitions. Suppliers to provide rates as per NSW Government resource type definition guide.
	Resource Mix Guide	• Provides resource mix guidance to all ICTC buyers and suppliers

ICT Consulting Commercial Framework



The ICT Consulting commercial framework is applicable to all ICT Consulting engagements via ICT Services Scheme SCM0020

Engagement type	Sub engagement types	Description
ICT Consulting – where the output is a 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 gaps 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, 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; improve efficiency and sustainability.
	ICT Audits	Perform examination and evaluation of ICT infrastructure, policies and operations; determine whether IT controls protect corporate assets, ensure data integrity and are aligned with business' overall goals. (Including software compliance audit).
	ICT Change Management	Provide advice that standardises methods and procedures required for efficient and prompt handling of all changes to control IT infrastructure; provide advice on how changes are to be managed and communicated with stakeholders to minimise risk exposure, impact and disruption.
	ICT Project Management	Provide services to plan, design and develop a project management methodology for an IT solution.
	ICT Training and Development	Independently assess organisational training needs and provide advice on training systems and programs.

Commercial in Confidence

Resource Types

The following **standardised** resource types are to be used to obtain quotes from Suppliers

Resource type	Description	Minimum Years of relevant Experience
Partner	Senior Management member	12
Director	Management member with deep expertise	10
Senior Manager	Senior employee with significant specialist expertise and team leadership capabilities	8
Manager	Junior level of entity management, specialist technical and subject matter expertise; manages assignment schedules and resource allocation	6
Senior Consultant	Field leadership role, moderate level of technical and subject matter expertise; provides business system advice and consulting services	4
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
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 Rates¹⁻⁵ are set as the **ceiling rate** for all ICT Consulting engagements, effective from 1 July 2024



	NSW Government Resource Types and Maximum Daily Rates						
Engagement Type	Partner	Director	Senior Manager	Manager	Senior Consultant	Consultant	Analyst
ICT Consulting	\$3,200	\$2,800	\$2,450	\$2,050	\$1,700	\$1,300	\$1,000


Notes:

1. Capped Rates are in AUD 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 appropriate approvals (see slide 10) and a reason for not using capped rates
5. For engagements that started before 1 July 2024, rates from ICTC CF 2020 apply

Discount structure

Four-tiered mandatory discount structure dependent on the engagement size (including variations)

Leveraging
supplier's
economies of
scale on large
engagements



Total Engagement Size AUD (Ex-GST)	Minimum Assignment Discount
≤\$250k	0%
>\$250k - \$500k	2%
>\$500k - \$1m	5%
>\$1m	7%

Disbursements Policy

Disbursements are capped at 7% of the total engagement cost. This policy is used to manage expenses during ICT consulting engagements

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
Airlines		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

Resource mix **guide**¹ for ICT Consulting engagements set as guidance for buyers and suppliers



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

Note:

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

Governance arrangements for engagements outside ICT Consulting commercial framework

A more stringent approval process is recommended 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 ICT Consulting Commercial Framework (outside SCM0020 via an exemption).
- An engagement with a supplier that has accepted the ICT Consulting Commercial Framework, but the proposal is not compliant with the Framework.

ICT/Digital Sourcing recommends:

- Conducting a higher level of due diligence during procurement process for all engagements that do not comply with the ICT Consulting Commercial Framework.
- Obtaining Secretary approval in addition to cluster-specific Procurement delegation approval requirements prior to any contract sign off with the supplier

Reporting:

- Agencies are required to keep internal records of engagements with suppliers that do not comply with any element of ICT Consulting Commercial Framework
- From January 2024, all agencies are required to report “consultant” engagement data to the Procurement Board through the Principal Department of an affiliated group of agencies as per Procurement Board Direction [PBD 2023-05](#)

For general enquiries and help:

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