



ICT Consulting Commercial Framework (ICTC CF)

Applicable from 15th March
2020

May 2024

ICT Consulting 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Discount applicable to assignments based on total cost of the project
	Other costs	Disbursements	<ul style="list-style-type: none"> Defined standards on what expenses are billable Standard cap on disbursement as a percentage of total engagement cost
	Resource Mix		<ul style="list-style-type: none"> Provides resource mix guidance to all ICT buyers and suppliers
Enablers	Role Profile	Role Definitions	<ul style="list-style-type: none"> Aligns supplier role definitions with NSW Government standard role definitions
		Engagement Type Definition	<ul style="list-style-type: none"> Sets standard definitions for all key engagement types for NSW Government
	Monthly Reporting		<ul style="list-style-type: none"> Transaction level reporting to track spend including: resources, fees and disbursements

Procurement Board Direction 2023-05 definition

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



Procurement Board Direction 2023-05

A consultant is defined as a person or 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 Engagement Type

The ICT Consulting commercial framework applies to ICT Consulting engagement type



Engagement type	Sub engagement types	Description
ICT Consulting – <i>where the output is report, advice, strategic plan or audit as opposed to actual implementation, or 'doing'.</i>	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	\$3,100	\$2,700	\$2,400	\$2,000	\$1,650	\$1,250	\$950

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%

Commercial in Confidence

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

Resource Mix Guide

Resource mix guide¹ 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

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 Standard Commercial 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