

Core& Agreement (Low Risk) - Guidelines

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Introducing the Core& Agreement (Low Risk)

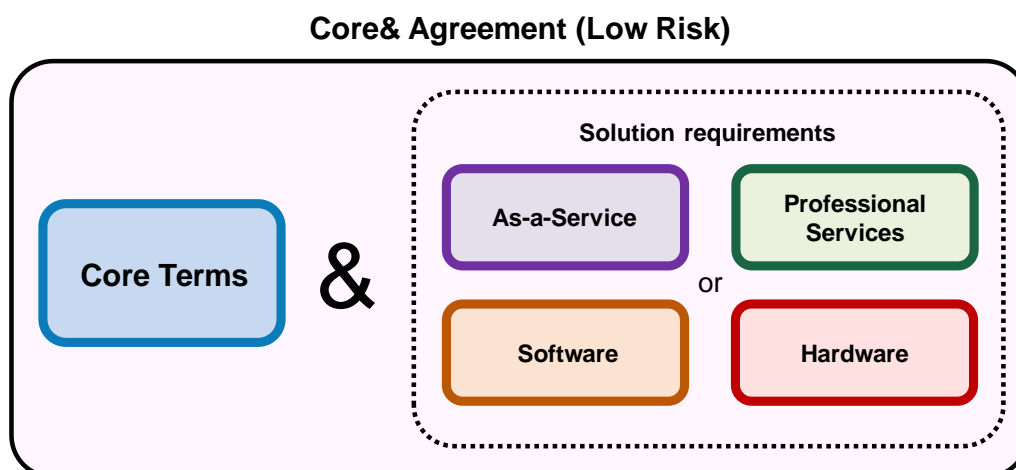
The Department of Finance Services & Innovation (DFSI) is modernising the contracting framework for procurement in NSW Government. The [Core& Agreement \(Low Risk\)](#) is now available for low risk procurement involving expenditure of up to \$500,000:

- for ICT goods and services
- and for professional services

It's called **Core&** because it's built around a set of [Core Terms](#):

- they contain NSW Government's minimum legal terms
- they combine with your [Solution Requirements](#) to create the [Core& Agreement \(Low Risk\)](#)

You build your [Solution Requirements](#) by completing the appropriate template: [Professional Services](#), [As-A-Service](#), [Licensed Software](#) and [Hardware](#) templates are available.



Core& Agreement (Low Risk) is part of the [Procure IT framework](#). NSW Government agencies must use the [Procure IT Framework](#) to buy information and communications technology (ICT) related goods and services. This is mandated by [Procurement Board Direction 2017-02](#).

Core& Agreement (Low Risk) Guidelines

How do I use the Core& Agreement (Low Risk)?

Follow these steps to create a Core& Agreement (Low Risk)

Step 1: Assess risk and estimate the contract value.

- Is the procurement low risk?
- Does the total contract value fall within the \$500,000 threshold (excluding GST)?

If yes: continue to Step 2.

If no: if your procurement falls outside these parameters, please continue to use the agreement type specified by the prequalification scheme you have selected

Step 2. Choose the [Solution Requirements](#) template that matches your procurement needs from the following options:

- (i) [Professional services](#): this template is for services performed by personnel, based on the buyer's requirements. It is available for both ICT and non-ICT professional services.

NB: Professional services do not include resources provided under the direction, control and supervision of the Customer – this type of external labour is covered by the Contingent Workforce Prequalification Scheme.

- (ii) [As-a-service](#): this template is for services delivered 'off premises' from outside the buyer's environment via a service stack (including software/hardware components). Characteristics of as-a-service commonly include:
- services are shared, delivered to multiple clients
 - pricing is subscription or consumption-based
 - solution requirements are focused on service performance and outcomes, rather than how the supplier manages back-end service delivery
- (iii) [Software](#): this template is for licensing software that is hosted in the buyer's environment, with options for software maintenance and support.
- (iv) [Hardware](#): this template is for the supply of ICT hardware.

Step 3. Complete and sign the [Solution Requirements](#) template.

- Each [Solution Requirements](#) template you fill out and sign creates a separate [Core& Agreement \(Low Risk\)](#) incorporating the [Core Terms](#).
- The [Core Terms](#) govern performance of that [Core& Agreement \(Low Risk\)](#), including how the solution described in the solution requirements will be supplied. They take priority over your [Solution Requirements](#).
- The [Solution Requirements](#) reference the version date of the online [Core Terms](#), so you don't need to print the [Core Terms](#) and annex them at the time of signing – they are incorporated by reference.

Core& Agreement (Low Risk) Guidelines

When can I use the Core& Agreement (Low Risk)?

The [Core& Agreement \(Low Risk\)](#) is for low risk procurement where the contract value is up to \$500,000 (excluding GST). All agencies have the onus of conducting a risk assessment for each procurement.

By way of guidance:

- The [Core& Agreement \(Low Risk\)](#) is not suitable for procuring ICT solutions which:
 - are critical inputs to other projects with a higher risk profile
 - could severely or critically affect an agency's functions or service delivery
 - involve “Personal Information” being stored or transferred off-shore, or being accessed remotely from offshore by persons who are not authorised
 - involve the performance of services or access to classified environments which require security or police clearances
 - involve multiple specialists from different vendors, increasing risks around coordination and the provision of deliverables within a budget
 - could attract publicity or media attention, increasing the likelihood of additional probity or risk management requirements or political scrutiny
- For ICT procurement please refer to our current [Risk Assessment Guidelines](#) available in the ICT Services Scheme. **Please note:** these guidelines are not designed to replace a comprehensive risk assessment and do not override Agency policies on risk management or procurement (contracting) requirements.

DFSI will continue to work on an integrated contracting framework with the flexibility to address higher risk scenarios. Until this is released, please continue to use the agreement type specified by the prequalification scheme you have selected for higher risk scenarios.

Is it mandatory?

Summary of implementation dates

The new [Core& Agreement \(Low Risk\)](#) is available for use from 1 August 2018.

From 1 November 2018, the [Core& Agreement \(Low Risk\)](#) will become mandatory for low risk procurement involving expenditure of up to \$500,000:

- for ICT goods and services
- and for professional services

Contracts entered into before this date will continue on their current terms.

Core& Agreement (Low Risk) is part of the [Procure IT framework](#) as per Procurement Board approval obtained on 18 July 2018. NSW Government agencies must use the [Procure IT Framework](#) to buy information and communications technology (ICT) related goods and services. Refer to: [Procurement Board Direction 2017-02](#).

Can I change the Core& Agreement (Low Risk)?

Government agencies are not permitted to vary the [Core& Agreement \(Low Risk\)](#) without the written approval of the Department of Finance, Services and Innovation (DFSI), except in the case of beneficial variations as specified below. This is as per [Procurement Board Direction 2017-02](#). The Department will approve variations that are reasonable and necessary to accommodate unique features of a particular procurement.

Beneficial variations: Government agencies are not required to seek DFSI approval for beneficial variations which clearly improve the customer's contractual position. For example, amendments improving or adding to the customer's legal rights and amendments imposing additional obligations on the Contractor.

However, government agencies must provide prior written notification of such variations to DFSI Legal, supported by legal advice confirming the variations are beneficial in nature.

Am I able to provide feedback?

We'd love to hear from you

If you have any comments or questions about the new [Core& Agreement \(Low Risk\)](#), or would like to receive updates about the development of the new procurement contracting framework, please email us at ICTServices@finance.nsw.gov.au