Australian Government
Department of Finance

Mandatory use of the Commonwealth Contracting Suite for procurement under $200,000

Resource Management Guide No. 420

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Contact us

Please direct questions or comments about the guide to:

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Internet: *http://www.finance.gov.au/procurement-and-grants/procurement/tools/commonwealth-contracting-suite*

The words '**must**', '**required**', '**requires**' and '**requiring**' denote mandatory compliance by accountable authorities/officials. The use of the words 'could', 'may', 'encouraged' or 'consider' convey non-mandatory guidance. The guidance to which these words relate may or may not be applied by accountable authorities/officials in their approach to resource management, depending on the operating circumstances of the entity and its appetite for risk.

Audience

This guide is relevant to all non-corporate Commonwealth entities (NCEs).

Corporate Commonwealth entities (CCEs) are encouraged to apply this policy.

Key points

This guide:

- reflects the Government's policy on the use of the Commonwealth Contracting Suite (CCS) when conducting procurement
- uses terms as defined in the Commonwealth Procurement Rules (CPRs)
- outlines the mandatory components of the CCS
- explains when the CCS is mandatory.

Resources

This guide is available on the Department of Finance website at *www.finance.gov.au*.

The CCS online smart-forms are available on the Department of Finance website at: *https://www.finance.gov.au/procurement-and-grants/procurement/tools/commonwealth-contracting-suite*.

For any queries regarding this guide or the CCS email: *CCSDesk@finance.gov.au*.

Introduction

1. The CCS is designed to minimise the burden on businesses contracting with the Commonwealth Government and to streamline and simplify procurement processes for Commonwealth entities.
2. The **mandatory** components of the CCS are:
    - the Approach to Market (ATM) (incorporating the Glossary, the Commonwealth ATM Terms and the Response to the ATM) and
    - the Commonwealth Contract (incorporating the Glossary and the Commonwealth Contract Terms).
3. The CCS also includes a range of **non-mandatory** documents.
4. The CCS Decision Tree, available at *https://ccs.finance.gov.au* guides you through relevant considerations to assess whether the CCS is right for your procurement.

Part 1 – Policy

5. NCEs **must** use the CCS when purchasing goods or services valued under $200,000 (GST inclusive) where a formal contract is required, except as outlined in Part 2 of this guide.
6. For procurements valued between $200,000 and $1,000,000 (GST inclusive), use of the CCS is encouraged consistent with this guide.
7. This policy does not apply to other forms of financial arrangements such as grants, disposals and investments; refer to Resource Management Guide No. 411 Grants, Procurements and Other Financial Arrangements, available at: *https://www.finance.gov.au/procurement-and-grants/procurement/procurement-guidance/rmg-411-grants-procurements-and-other-financial-arrangements*.

Part 2 – Guidance

8. To ensure the official documentation contains relevant content and is tailored to your procurement, officials need to generate new documents by use of the online smart-form for each new procurement activity undertaken.

9. NCEs **must** use the CCS when purchasing goods or services valued under $200,000 (GST inclusive) **except when**:

    - no formal approach to market and/or contract is required (for example when a telephone quote is sought or a procurement is valued below $10,000 and consistent with Resource Management Guide No. 417 Supplier Pay On-Time or Pay Interest Policy available at *https://www.finance.gov.au/procurement-and-grants/procurement/procurement-guidance/rmg-417-supplier-pay-time-or-pay-interest-policy* payment is made via payment card)
    - it is industry practice to use the supplier's terms and conditions, and any resulting risks are acceptable to the Delegate and subsequently managed
    - using a mandated whole-of-government arrangement or standing offer arrangement that prescribes particular contractual arrangements
    - purchasing information and communication technology (ICT) goods and services (Digital Sourcing contract templates are available for this purpose at: *https://www.dta.gov.au/help-and-advice/ict-procurement*)
    - conducting a procurement for construction works, specialist scientific equipment or specialist military goods or services
    - the procurement utilises paragraph 2.6 of the CPRs
    - a formal risk assessment indicates that a bespoke contract is required to manage specific risks of the individual procurement
    - the procurement is significantly impacted by Prescribed Terms, that is, terms, conditions, guarantees and warranties implied by law into contracts which cannot be excluded, restricted or modified by agreement (for example lease agreements)
    - both procurement and delivery will take place outside Australia.