Quick-Guide: GMC-Lite

What does this Quick-Guide cover?
This Quick-Guide is for government agencies. It provides information on how to use the Government Model Contract-Lite template (GMC-Lite). Find the template on our website procurement.govt.nz.

What is GMC-Lite?
GMC-Lite is the government’s template for very low-risk and low-value minor contracts. It complements the standard Government Model Contract (GMC-Standard template). It is designed to be an agency’s default template for purchasing very low-value, extremely low-risk common goods or services.

When should I use GMC-Lite?
Agencies must ensure that they use the GMC-Lite for small purchases. It is for each agency to determine, depending on the scale of their procurement activities, what very-low value, extremely low-risk means. The GMC-Lite is intended to cover items that would normally be contracted for using a purchase order or by agreement over the phone or by email. It could cover such things as a one-off purchase of office equipment, catering or short term contractor support services.

How does this fit with other contract templates?
It is for each agency to determine how the GMC-Lite fits with its other contract templates. To assist, agencies should consider using a scaled approach based on the relative value, risk and complexity.

<table>
<thead>
<tr>
<th>value, risk and complexity</th>
<th>appropriate template</th>
</tr>
</thead>
<tbody>
<tr>
<td>extremely low-risk + very low-value</td>
<td>GMC-Lite</td>
</tr>
<tr>
<td>low/medium risk + low/medium value</td>
<td>GMC-Standard template</td>
</tr>
<tr>
<td>high risk + high value</td>
<td>agency’s own template</td>
</tr>
<tr>
<td>high risk + high value + high complexity</td>
<td>one-off custom built contract developed by legal team</td>
</tr>
</tbody>
</table>

Diagram: How to apply the GMC templates
Is the template for goods or services?
You can use the template to purchase:

- goods
- services
- a combination of goods and services.

You only need to add information in the sections highlighted in yellow. Do not alter the terms and conditions.

What government agencies can use the template?
All Public sector agencies can use the GMC-Lite template. Unlike the GMC-2 standard template there is not a separate version of GMC-Lite for Public Services (Crown agencies) and Public sector agencies (non-Crown) to use.

Can I add new legal conditions?
The legal conditions in GMC-Lite are designed to cover the risk associated with the purchase of very low-value and extremely low-risk common goods and services. Sometimes additional risk can arise in these contracts such as:

- confidentiality
- intellectual property.

Where additional risk arises you can:

- if minor in nature add the additional risk in the 'Specific Standards' box
- consider using the GMC-Standard template.

How do I send the contract for signing?
You can send the GMC-Lite contract for signing by:

- posting it as a letter
- attaching it as a scanned document to an email
- cutting and pasting the contract into the body of an email.

For more information on how to contract by email refer to the Guide to e-commerce on our website.

For more information on Government Model Contracts and templates, visit our website procurement.govt.nz