

Strategic Procurement Plan

Local Government Victoria
Template





When to develop a Strategic Procurement Plan

A strategic procurement plan can be used for most procurements as a guiding document and can act as a business case/implementation plan. A strategic procurement plan is extremely beneficial when there are a number of parties involved in the procurement as it sets out roles and responsibilities.

Scope of requirement

Outline the scope of the procurement requirement.

EXAMPLE

- What are the requirements for this procurement?
- What is being produced?
- Why is it being procured?

Estimate of value

What is the value of this procurement?

EXAMPLE

It is estimated that the value of this procurement will be \$xxx.xxx

Budget/financial considerations

Outline the financial considerations of this procurement, such as where the money for the procurement is coming from.

EXAMPLE

Council is committed to the procurement of (what is being procured) through (where has council received the funding from this procurement, i.e council budget line, grant, etc)

Background

Give a short overview on the background of this project.

EXAMPLE

Does a current contract exist? When does it expire, what are the details, etc?

Policy matters affecting the procurement

Outline any policies that have an affect on this procurement.

EXAMPLE

Policies that have an affect on this procurement include:

- Councils procurement policy
- Victorian Local Government Act (1898), including section 186
- Council delegation

Market analysis

Describe the current market for the good, service or work to be procured.

EXAMPLE

- Who are the potential suppliers?
- What is the size of the current market?
- What are the current market trends?
- Do any innovations exist that you would like to benefit from?

User/stakeholder expectations

List the stakeholders of this procurement and their expectations.

EXAMPLE

- Who are the stakeholders and what are their expectations?

Note, stakeholders can be both internal and external to the organisation and include potential suppliers and end users.

Acceptance of tender and selection criteria

Set out the evaluation criteria and how tenders will be selected.

EXAMPLE

A. Conformance

Statements of Conformance and Conflict of Interest and Compliance – these must be met and confirm compliance or an absence of conflict of interest. Note, failure of a tenderer to provide information or to confirm compliance or an absence of unresolved conflict of interest will result in the tender being rejected.

B. Mandatory Requirements (Pass/Fail)

1. Occupational Health and Safety
2. Insurance and Industrial Relations
3. Financial Viability

Note, clear pass/fail criteria must avoid unintended consequences. Failing the Mandatory Requirements will require a bid to be set aside and not evaluated. If in doubt, do not add the requirements to Mandatory Requirements, but to the scored criteria.

C. Scored Selection Criteria

Criterion	Description	Measure	Method of measure	Weighting
Level of service/capability (Quality)	Ability to provide the works which meet the specified requirements	Proven track record of specification compliance in past contracts Quality of systems employed	Demonstrate skills, including the ability to manage labour and plant in delivering quality finishes and to identify and manage all risks Proven record of timely completion of all works based on past contractual performance and using referee check Standard Management and Quality Systems	20%
Capacity (Resource)	Ability to supply within the timeframes required	Sufficient resources to ensure reliability of works Ability to carry out work within the required timeframe	Resources committed to the contract, including skills and experience in delivering quality finishes Current intended contractual commitments and extent of non municipal operations, relative to available resources	20%
Financial benefit (Price)	Overall value for money of each proposal to council	Tendered price/s	Comparison with other submitted tender process Local content	60%

Methodology

Evaluation by representatives of the Tender Evaluation Panel using predetermined weightings and a structured scoring system.

Procurement methodology

Set out the procurement methodology

Note, the procurement methodology will differ depending on size and complexity on what council is asking of the market.

EXAMPLE

Pre-tender

A market briefing will be held outlining the procurement process to be undertaken.

Public market approach

Public notice to appear on the council website. All documentation to be made available at the same time to all the potential suppliers (websites, etc).

Evaluation

Decisions to be made on transparent selection criteria made available at the commencement of the public tender process.

Procurement Timeframe

EXAMPLE

Step	Who and target date
Research and project development	
Draft tender documents	
Finalise RFT/RFQ/EOI documentation	
Release RFT/RFQ/EOI documentation to market	
Market briefing	
Closing date for RFT/RFQ/EOI responses	
Evaluation of bids	
Approval of decision and recommendations	
Contract execution	
Evaluate project success	

Tender management

Set out how and who will manage the tender process.

EXAMPLE

- Who will attend the supplier briefing if one is planned?
- Who will answer questions from tenderers during the tender process?
- Who will negotiate with tenders?

Risk management and mitigation issues

Outline the risk management process for this procurement.

Note, risk management is of benefit for every procurement, but especially those of high risk and/or high value.

EXAMPLE

A risk management plan template has been developed and can be found on the LGV website.

Procurement conduct plan

Has a procurement conduct plan been developed, if not, why not?

EXAMPLE

A procurement conduct plan template has been developed and can be found on the LGV website.

Procurement evaluation team details

Name	Position

All team members will be required to submit the following:

- Conflict of interest form
- Deed of confidentiality.

Note, both of these templates can be found on the LGV website.

Reporting and monitoring arrangements

What are the report and monitoring arrangements for this procurement?

Proposed/endorsed

I confirm that Council is agreeable to participate in this project, and:

1. intends to fund the work/s which are the subject of this tender
2. acknowledge that once a contract is awarded Council will be solely responsible for discharging of their obligations under the contract.

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Chief Executive Officer of delegate

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Date