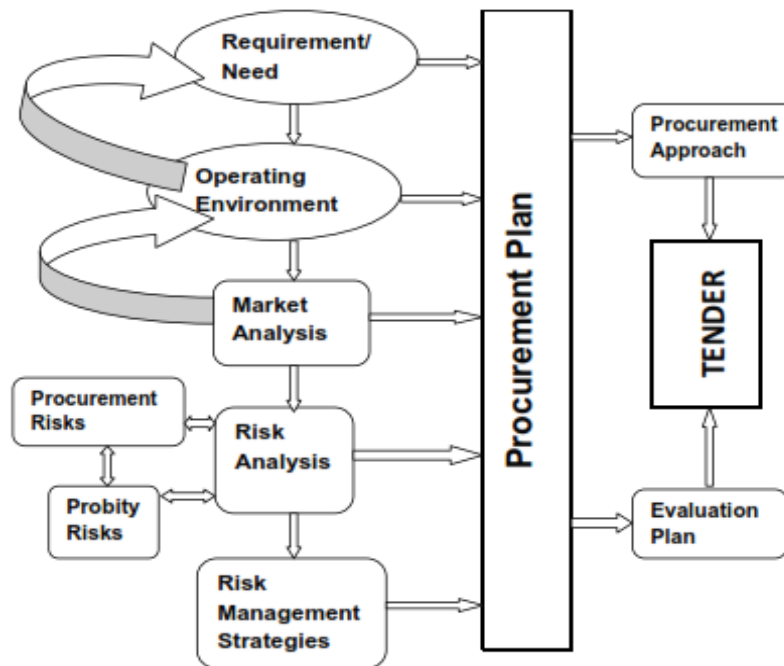




Procurement Planning Guide

Effective planning for procurement is the key to more successful procurement outcomes.



Topics:

Procurement planning and any written Plans should address at least the following matters:

- The Background and Purpose
 - the need,
 - user requirement (broadly):
 - In scope, and
 - Out of scope.
 - the rationale or analysis,
 - any related procurement or projects, and
 - any special terminology.
- The Objectives
 - Statement of the procurement objectives/ outcomes sought,
- The Essential Compliance Requirements
 - Any technical specifications,
 - Essential functional requirements,
 - Essential Standards, and
 - Any licensing/licences
- The Supply Market
 - Nature,
 - Characteristics,
 - Market analysis,
 - Competition,
 - Supplier characteristics/behaviour,
 - Demand analysis,
 - Indicative market pricing, and
 - Position and influence of the buyer/procurement/project.
- Governance
 - Decision and approval hierarchy,
 - Committees and reference bodies, and



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- Responsibilities and Management
- Timelines
- Stakeholders
 - Internal and external, including related interests.
- Financial
 - Budget, and
 - Approval(s)
- Procurement Options
 - Options including Strengths and weaknesses of each option,
 - Preferred option and rationale,
 - Strategies,
 - Procurement approach,
 - Action plan, and
 - Appointments.
- Risk Assessment
 - Procurement risks:
 - Supplier Risks
 - Timeline risks,
 - 'Client' influence/risks/environment,
 - Market failure,
 - Resourcing,
 - Contract risks, and
 - Financial risks.
 - Probity risks:
 - Accountability,
 - Transparency,
 - Consistency,
 - Fair dealing and good faith,
 - Conflicts of Interest,
 - Undue influence,
 - Objectivity,
 - Confidentiality, and
 - Security of information and records.
- Evaluation
 - Evaluation options and methods,
 - Preferred evaluation method and rationale.
- Contract
 - Contract type (including any options and analysis of the options),
 - Payment options and type,
 - Performance management:
 - Milestones,
 - Reporting,
 - Performance measures, and
 - Performance reporting and management,
 - Special contract/contracting characteristics,
 - Contract negotiation requirements, including Deal Breakers,
 - Contract management, and
 - Closure and payment.
- Close-out
 - Reporting,
 - Financial closure,
 - Documentation closure, and
 - Review and lessons learnt.