



Spelthorne Borough Council Procurement Policies & Procedures

02_Developing the Procurement Plan

Developing the Procurement Plan

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1. Introduction

This procedure outlines the process for developing a plan for procurement projects across the whole organisation. It outlines the importance of securing procurement project budgets; of planning any proposed procurement activities in good time; involving Corporate Procurement when required and as early as possible in any large, high value, strategic and / or complex procurements; and planning the re-tender of existing contracts to ensure business continuity.

A procurement project is any project which entails the acquisition of goods, works and services from an external third party (supplier).

Procurement projects, depending on their value, require support from Corporate Procurement and / or Legal Services.

2. Purpose

Except where Contract Standing Orders (CSO's) require support from Corporate Procurement or Legal Services¹, responsibility for procuring works, good and services in SBC is largely devolved across the Council. Officers are responsible for carrying out a compliant procurement project and achieving value for money.

To enable Corporate Procurement to adequately support projects as required, as much advance notice as possible should be given of any planned projects. This allows for project planning and resourcing, and also identifies any duplicate projects (groups or teams buying the same kind of thing) which could be combined as one requirement. It also allows sufficient time to understand the market, in order to achieve value for money.

3. Considering and Budgeting for Procurements and Contracts

¹ CSOs state that all projects above £40,000, and those where the opportunity is to be advertised, require support from the Procurement team.

Council teams need to undertake their financial and budget planning well in advance of the coming financial year, in order to align with the budget setting process. Appendix A (Budgeting & Planning of Contracts & Procurement Projects) details a proposed timetable and process for this.

Corporate Procurement will contact Group Heads and their Managers in the early autumn to understand:

- arrangements required to renew expiring contracts, if required;
- proposals for the procurement of any new requirements and contracts;
- exit strategies for major contracts, especially where this may have a financial impact.

Teams will need to ensure that they have approved budgets for any continuing contracts and any new planned procurements they wish to undertake in the next financial year.

Any large unplanned projects (that could reasonably have been foreseen) may risk delay if the Procurement Team is unable provide support in the required timescales

Appendix B has a draft of the form to be used for the Procurement & Contracts discussion.

Once discussions have taken place with all teams across the Council, the draft Procurement Plan, with all procurement and contract intentions will be presented to Management Team for final sign off. This early indication of potential projects will enable the Procurement Team to plan and adequately resource all projects in the most appropriate timescales, allowing contract continuity and market engagement where required.

Appendix C details the process for the drafting of project requirements, the approval process, and the methods by which the Authority will develop and approve its procurement plan for the coming financial year.

4. Procurement Project Savings and Social Value

The early agreement of project and contract budgets and the project plan provides much greater opportunities for market management, which in turn will give greater opportunities for achieving procurement savings. As a general rule, new procurement projects should aim to achieve a 10% saving against the agreed budget.

Early project planning will also provide improved opportunities for the achievement of social value benefits. As a general rule, we should aim to achieve £1 of social value for every £100 of project cost.

5. References to other SBC Policies

Contract Standing Orders
SBC_PP_08 Complying with the Public Contracts Regulations (PCR) 2015

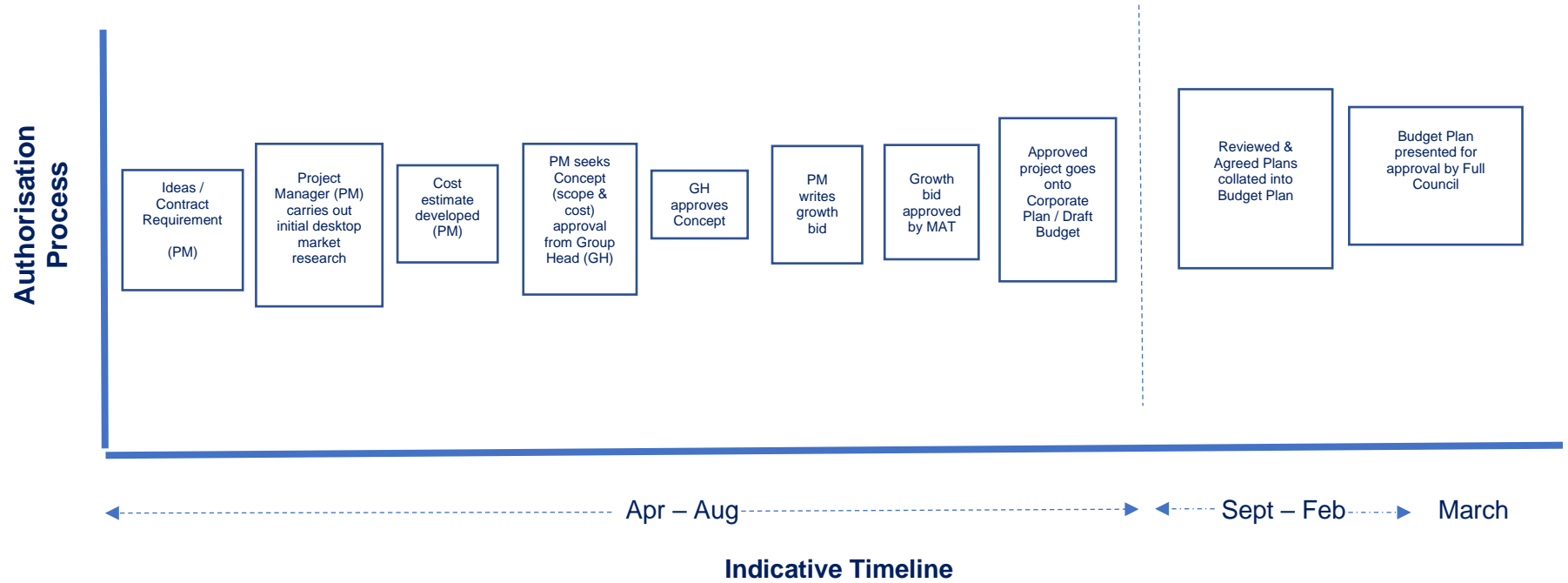
Appendix A – Budgeting and Planning of Contracts and Procurement Projects

Timing	Activity	Responsibility	
August / September	<p>Procurement team contracts Council Teams asking them to review their current contracts and consider any new requirements that they may need with a view to procuring within the next financial year.</p> <p>Some support may be required from the Procurement Team to undertake some initial market sounding to inform cost and procurement approach to be taken.</p>	Group Heads and Team Managers	
August / September	Set up meeting to discuss requirements	Procurement team	
September / October	Joint meeting between Procurement and Council Teams	Group Heads, Team Managers and Procurement Teams	
October	Draft Procurement Plan for following year is put together, and provided to MAT for information and sign off (NB this is not budgetary approval)	Procurement Team	
November - February	Teams put together their budgets, including any requests for anticipated procurement and contracts (Growth Bids)	Group Heads and Team Managers	
November - February	MAT and peer review of requests for budget / Growth Bids	MAT+	
February / March	Team budgets agreed, including the scope and cost of any planned procurements and contracts	MAT, Full Council	
March	Procurement Plan finalised based on agreed project budgets	Procurement Teams	

Appendix B - Procurement & Contracts Review Meeting Template

Procurement & Contracts Review Meeting							
Team				Group Head			
Meeting attendees				Managers			
Details of Existing Contracts							
Contract Name	Supplier	Contract Start Date	Contract End Date	Options for Extension	Are extensions to be used?	Annual Value	Total Contract Value
Details of new Requirements							
Requirement	Estimated Cost	Requirement start date	Growth Bid agreed?	Project Manager	Contract Duration	Annual Contract Value	Total Contract Value
Details of Contract Extensions and / or Variations							

Appendix C - Approval Process for new (non-urgent)² Procurement Projects



² Projects which are planned and can wait for the new financial year planning cycle