

(Insert company name)

Procurement Plan

Note: This template has been developed as a guide for developing a procurement plan. Further assistance can be provided by the Special Purpose Vehicle Unit, within the Department of Infrastructure and Planning.

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1 Purpose

Outline the purpose of the procurement plan. This should include information on procurement principles, objectives and practices in all business endeavours.

1.1 Scope

Outline the scope of the procurement plan. This may include procurement accountabilities and protocols for reviewing and changing procurement practices.

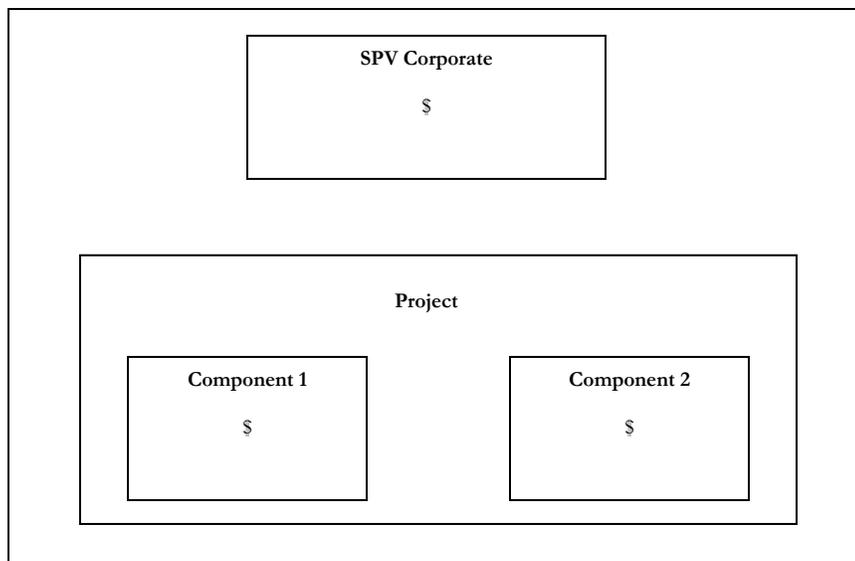
1.2 Objectives

Develop a set of objectives. Objectives may include: achieving value for money; protecting the respective interests of all parties to the shareholder agreement; and ensuring probity and accountability. Information for the shareholder agreement is provided in 1_3_IS Shareholder Agreement.

2 Procurement

2.1 Activities

Provide the overall procurement activities for the Special Purpose Vehicle (SPV) at the corporate and project levels. Identify the period and the values. The diagram below is an example:



2.2 Framework

Consider and document the legislation and policies that need to be, or are desirable to be, adhered to e.g. Australian Accounting Standards, *Queensland State Purchasing Policy* etc.

2.3 Practices

Specify the internal authorities under which the procurement practices are to be determined and implemented. This may include the delegations structure and/or the code of conduct. Templates for the delegations structure is provided in 1_12_T Delegations Structure. Guiding principles for codes of conduct are available at 1_16_GP Code of Conduct / Ethics.

3 Overview of corporate procurement

3.1 Procurement profile

Document and analyse past, current and future expenditure to develop a procurement profile. Useful inputs into collecting this data include: financial accounts; budgets/forecasts; and business plans. A procurement planning workshop is useful forum to capture information and discuss opportunities for improvements. The table below is a guide:

Rank	Goods and services	Value of expenditure
1.	Enter description	Enter budget value
2.		
3.		
4.		
5.		
6.		

Outline the SPV's methods of purchasing goods and services. The table below is a guide:

Goods and services	Procurement method
	Examples: Panel of providers Knowledge of Supply market Recruitment Expression of interest Tenders Quotes

3.2 Procurement supply

Document and analyse the availability, source and sustainability of supply for significant goods and services. Document any specific characteristics or circumstances that may affect supply in the future. The table below is a guide:

Goods and services	Supply locations	Supply positioning
Consultant staff (Specialist skills / knowledge)	Local / National / International	Limited supply Critical to business Influenced by attractiveness of project

3.3 Procurement strategies

Develop strategies to ensure continued supply. These should be reviewed regularly. The table below is a guide.

Goods and services	Strategies
Consultant staff (Specialist skills / knowledge)	<i>Reduce risk and manage cost by:</i> Leveraging existing agreements Maintaining supplier relationships Managing supplier performance Using market intelligence to source supply

4 Overview of corporate procurement

4.1 Procurement management function

Document the procurement responsibilities and delegated authorities covering corporate and project procurement activities. The table below is a guide. Guiding principles for delegations is provided in 1_1_GP Delegations.

Role	Responsibility
Board of Directors	Approves instrument of delegation Performs within instrument of delegation
Chief Executive Officer	Proposes instrument of delegation Approves annual corporate procurement plan Performs within project procurement governance and leadership Performs within instrument of delegation
Chief Financial Officer	Selects procurement management systems and staff Approves procurement processes Deliver corporate procurement plan Performs within instrument of delegation Ensures compliance and improvement of procurement systems and processes
Chief Operations Officer	Performs within project procurement governance and leadership Performs within instrument of delegation
Chief Technical Officer	Performs within project procurement governance and leadership Performs within instrument of delegation
Communications Director	Performs within instrument of delegation
Project Financial Accountant	Operates and maintains procurement systems and procedures Performs within instrument of delegation Ensures compliance and improvement of procurement systems and processes
Accounts Officer	Performs procurement procedures Ensures compliance and improvement of procurement systems and processes

4.2 Instrument of delegation

Design an instrument of delegations that provides delegated limits of financial and general authorities for procurement. A template for an instrument of delegations is provided in 1_11_GP Delegations.

4.3 Procurement systems and processes

Develop the SPV's procurement system, including practices and processes. Where there are complex decisions, the SPV should develop a decision tree. An example of a decision tree is provided in Appendix 1.

5 Continuous improvement

Identify the channels for capturing improvements. These may include: reviews of the procurement plan; feedback from audits; and staff feedback.

5.1 Responsibilities and accountabilities

Document improvements and assign them to a position to be managed. The table below is a guide.

Source of Improvement	Position responsible for actioning
Development of procurement plans	Chief Financial Officer
Regular review of procurement plans	Chief Financial Officer
Regular review of procurement processes	Project Accountant

Audit feedback	Chief Financial Officer
Staff recommendation	Chief Financial Officer
Procurement training	Chief Financial Officer

Appendix 1

Please note that this is a guide only.

