

## Procurement Plan

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**Purpose** The primary uses of the document are to:

- Define the procurement activity, to form the basis of its management and assessment of overall success;
- Bring together the strategy for the procurement and prior analysis into an operational plan to carry out the procurement and select a supplier/s; and
- Record approval for the procurement to proceed on the basis set out in this plan.
- To ensure consideration has been given to the optimal procurement strategy, methodology and outcomes at a local, regional and national level.
- To deliver an end to end Procurement solution for the Council.

## Guidance Notes

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### When to use

This Procurement Plan is intended for use for procurements which are either between \$50,000 and \$250,000 with a low to medium risk rating, for procurement over \$250,000 or any procure with a high risk rating.

### How to use

All sections within the Core Information Section must be completed for procurement over \$50,000 regardless of risk rating. For those projects over \$250,000 or of any value with a high risk rating the Additional Information Section must also be completed.

NB: If you are using a Business Case or Project Plan the information provided within these documents must be equivalent to the sections required for completion in the Procurement Plan.

In some cases, a Business Case or Project Plan will be required. It is acceptable to use it in lieu of a Procurement Plan subject to the following:

1. All the elements that must be completed in the Procurement Plan (this will vary dependent on whether or not it over or under \$250,000 and the risk level) are completed fully in the Business Case or Project Plan (this is detailed above);
2. That the appropriate Delegated Authority levels are prepared to sign off the Procurement Plan requirements as part of the Business Case or Project Plan;
3. All aspects of Procurement Policy remain complied with. (For example if a Procurement exemption would be required, this still gets completed as part of the process);
4. The Business Case or Project Plan Checklist page and the Approval Page of the Procurement Plan are to be completed and the Business Case or Project Plan, plus any supporting documentation are included in the Procurement Plan appendices.

For clarity, a checklist has been provided with the requirements.

## Business Case or Project Plan Checklist

Documentation Checklist	
CORE INFORMATION	Check the box if complete
<b>Procurement Information including:</b> <ul style="list-style-type: none"> <li>• Procurement information</li> <li>• General information</li> <li>• Procurement scope</li> <li>• Proposed contract details</li> <li>• Estimate of value</li> </ul>	<input checked="" type="checkbox"/>
<b>Procurement Methodology including:</b> <ul style="list-style-type: none"> <li>• General procurement strategy statement</li> <li>• Procurement Method</li> </ul>	<input checked="" type="checkbox"/>
<b>Procurement Exemption Information</b>	N/A
<b>Risk Information including:</b> <ul style="list-style-type: none"> <li>• General risk management</li> </ul>	<input checked="" type="checkbox"/>
<b>Supplier Information including:</b> <ul style="list-style-type: none"> <li>• Current supplier / contracts</li> </ul>	N/A
<b>Stakeholder Information including:</b> <ul style="list-style-type: none"> <li>• Consultation checklist</li> </ul>	<input checked="" type="checkbox"/>
<b>Procurement Timeframe including:</b> <ul style="list-style-type: none"> <li>• Basic timeframe</li> </ul>	<input checked="" type="checkbox"/>
<b>Evaluation Information including:</b> <ul style="list-style-type: none"> <li>• Evaluation Methodology</li> <li>• Evaluation Panel</li> </ul>	<input checked="" type="checkbox"/>
<b>Procurement team including:</b> <ul style="list-style-type: none"> <li>• Team Members basic</li> </ul>	<input checked="" type="checkbox"/>
APPENDICIES	Check the box if complete
<b>All appendices included – e.g. Business Case, Project Plan, Procurement Exemption, Conflicts of Interest and Confidentiality, HSE approval and Capex.</b>	<input checked="" type="checkbox"/>

# Approvals

<b>Approval</b>	<ul style="list-style-type: none"> <li>This Procurement Plan has been reviewed and approved by the Council staff noted below</li> </ul> <p>s7(2)(i) has been earmarked from the ICT budget for this project. Other projects are underway and if further funds are required for the ICT budget an Out Of Cycle (OOC) request will be sought. The procurement and selection of a supplier should proceed based on the information in this plan.</p>
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<b>The following document is being used to seek approval</b>	<b>Procurement Plan</b>
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Proposed by	Signature	Decision date
Ian Morton Business Owner / Project Manager	DocuSigned by: s7(2)(a) 6CAE5E22116F43C...	26/6/24
Supported by	Signature	Decision date
Jan Richardson IT Activity Manager / Budget Holder	DocuSigned by: s7(2)(a) 6EEB1C79C2864CB...	25/6/24
Approved by (delegated authority holder)	Signature	Decision date
Donna Harvey CE (or designate)	DocuSigned by: s7(2)(a) 3150BB1E4DFF4D0...	<del>26/4/24</del> 27/06/24

## Table of Contents

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<b>CORE INFORMATION SECTION .....</b>	<b>5</b>
<b>1. PROCUREMENT INFORMATION.....</b>	<b>6</b>
1.1. Procurement Information.....	6
1.2. General Information.....	6
1.3. Procurement scope .....	7
1.4. Proposed contract details.....	7
1.5. Estimate of value .....	7
<b>2. PROCUREMENT METHODOLOGY .....</b>	<b>8</b>
2.1. General procurement strategy statement.....	8
2.2. Procurement Method.....	8
<b>3. PROCUREMENT EXEMPTION.....</b>	<b>8</b>
<b>4. RISK.....</b>	<b>8</b>
4.1. General Risk Management .....	8
<b>5. SUPPLIER INFORMATION.....</b>	<b>8</b>
5.1. Current suppliers/contracts .....	8
<b>6. STAKEHOLDERS.....</b>	<b>9</b>
<b>7. PROCUREMENT TIMEFRAME.....</b>	<b>9</b>
7.1. Basic Timeframe .....	9
<b>8. EVALUATION PLAN .....</b>	<b>9</b>
8.1. Evaluation methodology .....	9
8.2. Evaluation panel.....	10
<b>9. PROCUREMENT TEAM.....</b>	<b>11</b>
9.1. Team Members Basic .....	11

## CORE INFORMATION SECTION

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This must be completed for all procurement over \$50,000 with a low or medium risk rating.

## 1. Procurement Information

### 1.1. Procurement Information

Procurement Initiative	Project Management Tool		
Reference #	n/a	Date:	20/06/2024
Procurement manager	Jan Richardson – Chief Information Officer		
Sponsor	Donna Harvey – Group Manager Corporate Services		
Author/s	Ian Morton		
Conflicts & Confidentiality	Have all Conflicts of Interest and Confidentiality documents been completed?		Yes

### 1.2. General Information

TCDC have agreed to progress a project management improvement approach. To date TCDC executives have approved the PM Methodology document which outlines the PM approach moving forward.

To support the PM improvement approach a digital software PM tool is required.

Initially TCDC were looking to implement Project Online, an existing tool that had been implemented previously at TCDC in 2018 as required by the council.. This tool although implemented was not actively being used by the business due to the lack of business buy in to the tool / approach at that time. PM's currently use a range of excel spreadsheets / word documents to manage their projects, each PM uses different templates.

In January 2024 the Acting GM Infrastructure advised that they wanted TCDC to progress with Project Online as the preferred solution. A decision paper was prepared to support this approach & is available.

In April 2024, it was identified that Project Online would be decommissioned in 2027, this resulted in a re-think of the use of this tool. An assessment between Project Online and the new Microsoft product (PowaPPM) was completed in May 2024 and it was agreed to progress with Powa PPM mainly due to the simplicity, ease of reporting and user interface. A decision paper was prepared to support this approach & is available.

**s7(2)(i)**

(who delivered the initial Project Online tool) were engaged to progress discovery work on PowaPPM. Tool requirements were prepared, although some gaps were identified during the discovery session. At this discovery workshop 17 June 2024 concerns were raised by the users around (i) complexity, (ii) cost of this as a solution – **s7(2)(i)** and (iii) potential that users will not adopt this as a solution.

As a result of the above, it was agreed that we should go out to the market and assess what PM tools are available, noting that TCDC are looking for a simple PM tool.

The current PM improvement focus is on Capital Delivery. TCDC deliver on average \$50M per annum on capital delivery projects. This is a mix of BAU / simple projects and more complex projects. For 24/25 (Year 1 2024-34 LTP) there are :

- 16 Highly complex / higher risk projects
- 11 Medium complexity / Medium risk projects and
- 74 low complexity / low risk projects

The intent of this PM improvement process is to increase Capex delivery from 60% (Average delivery of overall capex programme between 2020 – 2023) to 85% going forward. This aligns with a new CEO KPI that has been approved by council.

### 1.3. Procurement scope

The intent of this procurement exercise is to deliver a simple digital Project Management tool that aligns with the approved PM Methodology. See attached detailed requirements for this tool.

### 1.4. Proposed contract details

Proposed Contract	<p>It is anticipated the costs for the implementation of a PM Tool will consist of the following :</p> <p><u>Phase 1</u></p> <ul style="list-style-type: none"> <li>- Implementation &amp; configuration (Including testing / user acceptance testing/training) of tool. This will enable TCDC to : <ul style="list-style-type: none"> <li>o Load in project baselines including scope, programme milestones and budgets (Currently being developed &amp; approved in excel)</li> <li>o Produce project status reporting by project, programme and portfolio (Note : Need to include reports for council / community boards)</li> <li>o Enable PM's to input regular monthly updates on status</li> <li>o Ability to carry out financial forecasting at project level and pull in actuals from CashTrack</li> <li>o [See Tool Requirements – Must Have]</li> </ul> </li> </ul> <p><u>Phase 2</u></p> <ul style="list-style-type: none"> <li>- Further enhancements to the tool – next 6-12 months, this will include additional risk reporting, workflows, idea generation &amp; approval (ready for FY25/26 AP) <ul style="list-style-type: none"> <li>o [See Tool Requirements – Could/Should Have]</li> </ul> </li> </ul> <p><u>Ongoing costs</u></p> <ul style="list-style-type: none"> <li>- Ongoing licence / support costs for tool</li> </ul>
Any additional contractual terms or issues	n/a
Length of the arrangement	The proposed term is be a short term contract for implementation and an annual contract for licencing & maintenance.

### 1.5. Estimate of value

Expected \$ value of the contract / purchase	\$120,000 for implementation	
Budget details	Has the funding been approved?	Yes
	Is funding required from other agencies (e.g. NZTA)?	No
	<p>As noted above, an allocation of \$120,000 has been assigned to this project for 24/25. Other large projects are being delivered by the ICT team. If there are additional funds required an OOC request will be sought.</p> <p>Due to the changes in the Tool decision making additional effort will be required from Lorenzo Canal / Ian Morton. This is provided for under professional services contracts through Glen McIntosh budget.</p>	

## 2. Procurement Methodology

### 2.1. General procurement strategy statement

This will be run as an open tender process for RFP's through GETS.

### 2.2. Procurement Method

The Method for the first or only phase	RFP
The Method for the second phase	N/A

## 3. Procurement Exemption

Procurement Exemption	Is this a request for a procurement exemption?	No
	Running an RFP is in line with the procurement process for a contract of \$120,000	
	n/a	

## 4. Risk

### 4.1. General Risk Management

Risk Description	Risk Level (Low/Medium/High/Extreme)	Proposed Action (manage/mitigate/accept) and Risk Owner
Changes to the agreed contract – scope change as a result of undefined requirements	Medium	Through the RFP process any clarifications will be shared with all vendors. Before contracting all relevant queries will be addressed.
Requirement changes occur after contract award	Medium	Detailed requirements available & will work through this in advance of contracting where possible. Need to include some contingency for potential variations – normal practice (15%)
Lack of internal resource to support rollout	Medium	PM's / Finance / IT teams are busy, impact the rollout timeline. Need to ensure all relevant internal resources are identified and float added into the schedule.
Integration with Cashtrack could be problematic	Medium	Included in the requirements & we will ask for clear proposal through the RFP.

## 5. Supplier Information

### 5.1. Current suppliers/contracts

N/A – There is no current suppliers in place.



Current supplier	n/a
Current contract #	n/a
Current contract expiry date	n/a
Current annual expenditure	n/a
Relevant history	n/a

## 6. Stakeholders

Key stakeholders for this are the business owners (PM Team, Activity managers and GM's), IT and finance support teams plus process improvement team. All have been involved in the PM improvement project to date.

Consultation Checklist	
Impact	Yes/No
Is this procurement liable to impact on the reputation of the Council?	No
Does this procurement involve any security issues, building alterations, building space requirements, environmental impacts, staff relocation, electrical services, essential power requirements, compressed air, hot or cold water or any other service connection?	No- Need to comply with council requirements for security
Does this procurement involve any hardware or software that needs to be connected to or to operate on our network or be supported by IS? Does it involve any telecommunications equipment or services? <b>If yes, you must inform IT and involve them in the assessment of the options.</b>	Yes
Does this procurement involve a significant hazard (something that can cause serious harm)?	No
Does the procurement impact the community/external users/industry?	No

## 7. Procurement Timeframe

### 7.1. Basic Timeframe

Milestone	Due date
Approve Procurement Plan	26 Jun 24
Proposed date to go to market	1 Jul 24 – 29 Jul 24 (4w open tender process)
Evaluation date	31 Jul 24 – 2 Aug 24
Negotiation date	5 – 9 Aug 24
Award date	12 Aug 24
Contract start date	19 Aug 24

## 8. Evaluation Plan

See Details below.

### 8.1. Evaluation methodology

Evaluation Method	A weighted attribute approach will be used in assessing RFP's.
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Criteria & Weightings	See attached evaluation criteria / scoring.	
Evaluation Process	<p>When evaluation panels are scoring submissions, our top of mind focus must always be on ensuring our individual and collective behaviours meet appropriate standards of probity.</p> <ul style="list-style-type: none"> <li>• Everyone involved in the evaluation must have completed/signed a Conflict of Interest &amp; Confidentiality Agreement.</li> <li>• Confidentiality must be respected and maintained throughout the process</li> <li>• Contact with suppliers - the Project Manager is the only person permitted to comment to outside parties about the evaluation process and outcome. The panel should not discuss any element of the process with work colleagues or any other party.</li> </ul> <p><b>Conflict of Interest / bias:</b> The evaluation process must be free of bias and any perception of bias. Any conflicts of interest (Actual, potential or perceived) and possible issues of bias must be disclosed and discussed with the Project Manager before commencement of this stage</p> <p>There are a number of principles that should be applied when you are evaluating the supplier submissions:</p> <ul style="list-style-type: none"> <li>• Each evaluator must carry out an independent evaluation. Individual scores will then be reviewed and debated as a panel. Either a consensus will be arrived at or panel members will be asked to carry out a 'second pass' of their evaluations, taking into account the panel discussions.</li> <li>• Proposals must be evaluated in accordance with the criteria enclosed/attached to these instructions.</li> <li>• Only information contained in the tender submission is to be evaluated. You may also take into account information obtained from any early stage of the process. No extraneous views, supposition or assumptions should influence your evaluation.</li> <li>• You must evaluate each submission on its own merit and not in comparison to another submission. While moderation will involve naturally comparing the evaluation of scores across tenders, evaluators should keep any such comparison to a minimum.</li> <li>• Clear, succinct but comprehensive notes are required in support of your scores. All evaluation notes and material must be retained for audit purposes.</li> </ul> <p>Once the panel members have completed their evaluations a panel review meeting will be held. Each panel member will table their proposed scoring and their rationale.</p> <p>Following this discussion if a panel member wishes to update their scoring, this needs to be documented with clear rationale.</p> <p>All details will be collated and a final decision made by consensus on the preferred supplier.</p>	
Evaluation Matrix	Has an evaluation matrix been completed and appended to the document?	Yes

## 8.2. Evaluation panel

The evaluation panel will comprise of Council representatives listed as evaluation panel members in the Procurement Team – See Section 9.1.

## 9. Procurement Team

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See Below.

### 9.1. Team Members Basic

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Name	Title
Ian Morton	Project Manager
Jan Richardson	Chief Information Officer
Luke Archbold	Programme Delivery Manager
7(2)(a)	Engineering Project Manager