

Forward Procurement Planning Guideline

Purpose

This Guideline details the requirements for public authorities to report all known forecast procurements, within scope, to Procurement Services SA (PSSA) in accordance with *Treasurer's Instructions 18 Procurement* (TI 18) and the *Procurement Governance Policy*. Procurement Services SA will then use that information to publish a Forward Procurement Plan on behalf of all public authorities to inform prospective suppliers about future procurement opportunities.

This Guideline also details the responsibilities of public authorities, public authority Chief Executives (or equivalent), PSSA and the Procurement Review Committee (PRC) in regards to reporting procurement activities for publication on the Forward Procurement Plan.

Scope

TI 18 requires that by 1 July of each calendar year, public authorities provide to PSSA, through the Procurement Activity and Reporting System (PARS)¹, a description of all known forecast procurements:

- valued above \$55,000, for the next 24-month period
- for construction projects² valued above \$10 million, for the next 36-month period.

For the year 2023 only, all reporting on construction projects must be completed by 31 March 2023. This is because construction projects were not previously covered in the government's Forward Procurement Plan.

TI 18 requires procurements to be reported to PSSA at least 3 months before an approach to market is made for a procurement, unless the Chief Executive (or authorised person) approves that the procurement is an urgent pressing need that could not have been foreseen.

Please note: Construction projects valued above \$165,000 are not currently within scope of the *Procurement Governance Policy*, *Procurement Planning Policy*, *Sourcing Policy* or *Contract Management Policy*. However, they have been addressed in this Guideline given that they are required to be reported to PSSA in accordance with TI 18.

Responsibilities

The **Chief Executive** (or equivalent) of a public authority is responsible for:

- ensuring their public authority meets its reporting requirements under TI 18 and the *Procurement Governance Policy*

¹ PARS is the software platform and associated systems and databases administered by Procurement Services SA for the collection, analysis and disclosure of data relating to procurement by public authorities (as defined by TI 18).

² Refer to TI 18 for the definition of 'construction works'.

Forward Procurement Planning Guideline

- determining what constitutes an “urgent pressing need that could not have been foreseen” and determining whether they will delegate authority to approve a procurement as being identified as such.

The Chief Executive of a public authority that is undertaking a major project³ must also ensure that the project is released within 30 days of funding being available for the project, as far as practicable.⁴

PSSA is responsible for ensuring the PARS is available and accessible to public authority users.

Public authorities are responsible for publishing and retracting procurement activities to the Forward Procurement Plan and ensuring the information provided is accurate and up to date.

The **PRC** will review the planned procurement activities of public authorities to identify procurements that require their oversight and/or review by PSSA (for example, procurements that are of high risk, high value or of public interest).

Forward Procurement Planning

The publication of Forward Procurement Plans increases transparency of government’s procurement activities and provides opportunities for suppliers to prepare for procurement opportunities. Public authorities are also able to view the Forward Procurement Plan of other public authorities, assisting in the opportunity to leverage new efficiencies and economy of scale and benefit from the lessons learned of others.

To increase the reliability of information available to prospective suppliers about future procurement opportunities, PSSA has made the PARS available, providing public authorities with the ability to publish their own 24-36 month forward procurement plan, setting intentions and probable timing, with an indication of the certainty of the progression of intended procurements.

In accordance with the *Procurement Governance Policy*, Forward Procurement Plans must include a forecast of total secondary procurements from across-government panels; as well as contracts due for expiry and/or renewal within the coming 24-month horizon (or 36-month period for construction projects valued above \$10million), where there is an ongoing procurement need at conclusion of the contract.

Public authorities are responsible for ensuring the currency of the reported information, on an ongoing basis, and should undertake regular (e.g. monthly) reviews of published plans for accuracy and completeness.

³ A ‘major project’ is a construction project valued at more than \$50million (as defined by TI 18).

⁴ See section below on ‘release of major projects’ for further details.

Forward Procurement Planning Guideline

Procurements valued above \$55,000 must be recorded on the Forward Procurement Plan, through the PARS, at least 3-months prior to the public authority approaching the market, unless the procurement is an urgent pressing need that could not have been foreseen. If a new procurement becomes known after submission of the Forward Procurement Plan, it must be reported to PSSA and published on the Forward Procurement Plan as soon as practicable once the public authority becomes aware of the need.

A link to the published Forward Procurement Plan in PARS is publicly available on the PSSA website.

The *Procurement Governance Policy* provides limited circumstances in which a public authority may withhold certain procurements from public disclosure in the Forward Procurement Plan.

Wherever possible, the published Forward Procurement Plan should be updated to reflect significant variations (i.e. cancellation or short notice additions of planned activities).

Release of Major Projects

The South Australian Government is committed to releasing all major projects within 30 days of funding being available for the project, as far as practicable.

It is important to note that this does not necessarily mean “release” an approach to market within 30 days of the funding being available (i.e. open the tender on SA Tenders and Contracts within the 30 day period). The actions taken to meet this commitment may include for example:

- publishing information regarding the major project to the Forward Procurement Plan
- commencing industry engagement
- establishing the project team to commence planning.

Public authorities are still required to undertake thorough planning, including industry engagement, and to publicise all government procurements valued above \$55,000, including construction projects, at a minimum of 3 months prior to approaching the market.

Further Information

For information on how to create and publish individual planned procurement activities in the PARS, and what data is to be collected, please refer to *PARS User Guide – Module 2 – New Activity Plan*.