Shaping the Requirement

You should ensure all research conducted is collated and reviewed as a whole. A poorly scoped and researched requirement can present major risks to the project. Records should be kept of any discussions with potential suppliers.

The following areas are key:

- Ensuring customer requirements are met and balanced with value for money
- Challenging the end users' requirement. This ensures a balance between whole life costing and quality
- Keeping your options open: avoid 'zeroing in' on particular options; allowing bidders to make suggestions
- Considering business models: looking at options for how customers and potential suppliers work together e.g. organisationally, financially and in relation to risk management
- Considering how the wider supply chain might affect the project
- Considering whether requirements should be grouped together to reflect market structure. For example procuring computer hardware desktops/laptops separately from maintenance; breaking down a cleaning contract into geographical lots rather than procuring a single national contract. This should be reflected in your strategy when you are considering using lots
- Incorporating sustainability requirements from the beginning i.e. including sustainable procurement into your specification, and using a whole life costing approach as a minimum
- Considering the application of **Life Cycle Costing**. You would therefore include all costs associated with buying, using, maintaining and end of life/disposal of any product or service. You must be able to calculate any environmental costs from a non-biased source
- Consider how relevant **Fair Work practices** are to your requirements. This includes subcontracting requirements (if relevant).

- Consider any cyber risks, with reference to the Scottish public sector **Guidance Note on Supplier Cyber Security**
- Considering demand management: reduce your consumption, consolidate spend, improve your specification
- Considering how demand fluctuations will be managed and forecasted and how (if possible) they can be reduced. More extensive demand management guidance can be found on the **Managing & Improving Performance station** .

Checklist

Checklist

Costs to Consider

Cost	Included?
Small/short term funding and larger/long-term funding	
Whole life costs including set up, running and decommissioning costs	
The cost of meeting all regulatory requirements	
Additional costs related to location e.g. rural location results in extra transport costs, import/export taxes, etc.	
The complexity of the service	
Training and continuing development of staff	
Potential costs of staff transfers under **TUPE regulations**	
Additional costs of inflation, and	
Any commitments to three year funding cycles (or longer) where appropriate	

Blank rows are provided for your use e.g. to add additional checklist items.

An organisation should also:

- Consider whether its own systems and practices are adding to costs and whether changes be made. For example could using differing administration technology reduce costs?
- Assess if and how a service needs to change to meet individual needs and intended outcomes. How can services be improved?
- Assess the need for service continuity.

Care and Support Services

Open or close

For additional guidance for Care and Support Services see Benefits and Risks to People who use Services and Service Delivery below.

Any documents you need are listed below

Benefits and risks to people who use services and service delivery

(file type: docx)