



Dún Laoghaire Rathdown
County Council

Corporate Procurement Plan
2018 to 2020

26 November 2018

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1. Introduction

1.1 Dún Laoghaire-Rathdown County Council Corporate Plan 2015 - 2019

The Dún Laoghaire-Rathdown County Council Corporate Plan 2015 - 2019, provides a strategic framework for Dún Laoghaire-Rathdown to deliver its core functions and services. The Vision Statements Dún Laoghaire-Rathdown - The County “A smart vibrant county which is attractive, inclusive and accessible” and Dún Laoghaire-Rathdown – The Council “A Council that shapes a better future for our County and all its communities” are supported by three Strategic Themes focusing on creating an environment for economic growth, driving quality of life for all and transforming how we work.

1.2 The Vision for Procurement

The Council’s procurement of goods, services and works facilitates the development of critical infrastructure, community services and improved environmental quality. The Principles underpinning this Corporate Procurement Plan set out how Dún Laoghaire-Rathdown intends to achieve effective and efficient procurement that will support the Council’s corporate objectives:

- **Equal Treatment / Non-discrimination**
Dún Laoghaire-Rathdown will strive to ensure that its procurement processes and procedures are designed and applied to ensure equal treatment and non-discrimination for all suppliers.
- **Transparent**
Dún Laoghaire-Rathdown will conduct the procurement process in a manner that is open and transparent and is fair to all suppliers.
- **Collaborative**
Dún Laoghaire-Rathdown will engage with other public bodies in procurement arrangements to maximise collaboration.
- **Competitive**
Dún Laoghaire-Rathdown will procure works, goods and services in the most competitive way to attract high quality suppliers through a process which is compliant with public procurement rules and regulations.
- **Accessible and Sustainable**
Accessibility along Initiatives will continue to be considered and promoted as part of the procurement process.
- **Value for Money**
In achieving better value for money, Dún Laoghaire-Rathdown will ensure that purchasing is carried out in a compliant; collaborative and strategic manner.

- **Compliant**

Dún Laoghaire-Rathdown will ensure that its procurement processes and procedures are compliant with public procurement rules and regulations.

- **Sustainable and Green Procurement**

Dún Laoghaire-Rathdown County Council will ensure it uses the EPA Green Procurement Guidance for the Public Sector and toolkit to support the inclusion of sustainable and green practices into public procurement procedures in areas such as: Construction, Transport, Energy, Cleaning products, Paper and IT equipment.

2. Context

The Public Service Reform Plan published by the Government in 2011 identified public procurement reform as one its key priorities to reduce costs and achieve better value for money across the entire Public Sector. A target procurement saving of €500m was set for the public sector for the period 2014 to 2016. As part of these reforms the Department of Public Expenditure & Reform (DPER) established the Office of Government Procurement (OGP) to centralise public sector procurement arrangements for common goods and services. Our Public Service 2020, published in December 2017, seeks to embed the centralised procurement model for goods and services in order to achieve greater professionalisation in public procurement, reduce risk for the State, promote and enhance compliance with procurement rules and strengthen data-gathering and analysis thus leading to better informed procurement processes, and enabling better value for money for the taxpayer. The OGP leads on this action, working with its sectoral partners in Health, Education, Defence and Local Government as well as with Offices and Departments across the public service.

The OGP has adopted a Category Council Model with sixteen (16) Category Councils comprising representatives from the various sectors, each operating to address a particular category of spend across the public sector. The role of each Category Council is to develop the management strategy including policy setting, demand management, sourcing strategy and executive decision-making on strategic initiatives, including implementation and compliance measurement.

| OGP Led Categories | Sector Led Categories |
|---|---|
| <ul style="list-style-type: none"> • Professional Services • Facilities Management and Maintenance • Utilities • ICT and Office Equipment • Marketing, Print and Stationary • Travel and HR Services • Fleet and Plant • Managed Services | <ul style="list-style-type: none"> • Local Government <ul style="list-style-type: none"> – Minor Building Works and Civils – Plant Hire • Health <ul style="list-style-type: none"> – Medical Professional Services – Medical and Diagnostic Equipment and Supplies – Medical, Surgical and Pharmaceutical Supplies • Defence <ul style="list-style-type: none"> – Defence and Security • Education <ul style="list-style-type: none"> – Veterinary and Agriculture – Laboratory, Diagnostics and Equipment |

Figure 1: Public Sector Category Councils

The Local Government Operational Procurement Centre (LGOPC) based in Kerry County Council leads two categories on behalf of the public sector – Minor Works and Plant Hire.

While the establishment of the OGP provides for greater use of centralised contracts and frameworks by the Public Sector, the procurement of supplies, services and works not covered by centralised procurement arrangements will remain with Dún Laoghaire-Rathdown and as such it is imperative that the Council ensures it has suitable policies, procedures and systems in place to ensure compliance, achieve value for money and manage risks related to procurement while supporting service delivery.

The Corporate Procurement Plan 2018 – 2020 provides Dún Laoghaire-Rathdown with an opportunity to identify procurement objectives and outline how they will be delivered over the lifetime of the plan.

3. Overview of Dún Laoghaire-Rathdown CC Corporate Procurement Plan 2018 - 2020

3.1 Requirement for a Corporate Procurement Plan

The National Public Procurement Policy Framework requires all public bodies to develop a Corporate Procurement Plan to set out the strategic aims and objectives for improved procurement outcomes and identify and implement appropriate measures to achieve these aims over the lifetime of the plan.

Dún Laoghaire-Rathdown's Corporate Procurement Plan 2018 – 2020 will ensure that the procurement function formally supports the Council's key corporate objectives and is focused on delivering better value for money outcomes through purchasing strategies that are consistent with EU and National procurement legislative and/or policy requirements.

3.2 Objectives of the Corporate Procurement Plan

A number of critical high level objectives were identified to inform actions of this Plan:

Strengthened Governance & Procurement Framework

A robust governance framework is critical to procurement and this Plan ensures it is given the highest priority. To achieve this, Dún Laoghaire-Rathdown proposes to establish a Procurement Steering Group together with appointing an Administrative Officer assigned to a newly established Procurement Support & Compliance Unit dedicated to overseeing and monitoring the implementation of this Plan. Clearly defined and communicated procurement rules and thresholds coupled with training will ensure all staff are aware of and adhere to good procurement practice.

Compliance

Ensuring Dún Laoghaire-Rathdown complies with Public Procurement Directives, Legislation, Circulars and other legal requirements is central to this Plan. Promoting the use of Collaborative Procurement Arrangements (CPAs) will reduce the risk of non-compliance with procurement regulations and will maximise opportunities for efficiencies and savings. Using all available CPAs will reduce the time and costs associated with the procurement process by offering a facility that has already been competitively tendered. Ensuring the use of correct product codes and monitoring purchase orders will allow for increased accuracy in reporting, greater compliance with procurement thresholds and provides better information to analyse and plan for spend across the organisation.

Value for Money across Costs and Contract Performance

A critical objective of this Plan is to achieve efficiencies and savings through ensuring compliance and making improvements where appropriate. In achieving better value for money, the Council will ensure that purchasing is carried out in a collaborative and strategic manner by promoting the use of national, sectoral and regional collaborative procurement arrangements. Good contract management will ensure the actual performance of suppliers is as set out in the requirements, service and quality specified in contracts. Efficiencies and adherence to standards will be monitored through annual reporting on performance.

Collaborative Approach

Procurement in Dún Laoghaire-Rathdown will be approached in conjunction with the Office of Government Procurement and local government structures. National, sectoral and regional frameworks will be prioritised over stand-alone local procurement to ensure that all opportunities are maximised.

Business Engagement

As part of Dún Laoghaire-Rathdown's commitment to the development of enterprise, we will look to improve supplier and market engagement. Improved information resources on procurement will be made available to suppliers on

www.dlrcoco.ie and information briefings will be provided to improve awareness of our procurement processes in collaboration with the Local Enterprise Office (LEO). Requirements in tendering will be proportional and reasonable ensuring that there are no unnecessary barriers for suppliers particularly Small and Medium Enterprises (SMEs). Promoting greater use of open procedures, sub-dividing of contracts into Lots and the use of electronic tendering as recommended in government guidelines (Circular 10/14) will be used where practicable to ensure all opportunities to participate are maximised for SMEs.

Sustainable Procurement

Dún Laoghaire-Rathdown will work within the local government sector to participate in green procurement initiatives that reduce Climate Change impacts, reduces energy consumption, stimulates eco-innovation, resource efficiency and green growth, by using award criteria in calls and tenders that pay particular attention to environmental considerations, as part of a procurement cost-benefit and the whole of life cost model.

It is Dún Laoghaire-Rathdown's objective to progressively reduce the environmental impact of the goods and services it purchases by working alongside its suppliers and encouraging them to measure, monitor and improve their environmental performances. Dún Laoghaire-Rathdown will measure its effectiveness in achieving this objective by adopting two basic metrics;

1. The percentage of its suppliers with a credible environmental certification
2. The percentage of its annual spend which goes to these suppliers

Dún Laoghaire-Rathdown will aim to improve on both these metrics year-on-year.

This objective will be in addition to any specific environmental requirements that may be placed upon the goods and services purchased. To achieve this objective Dún Laoghaire-Rathdown will;

- Request confirmation from its existing and new suppliers as to their environment certification status
- Progressively apply the above metrics to its suppliers as contracts are tendered
- Offer guidance and support to suppliers (particularly smaller suppliers) who wish to improve the environmental sustainability of their operations

It is envisaged that suppliers will achieve cost-savings rather than cost increases when improving their sustainability. Dún Laoghaire-Rathdown will take a pragmatic view on what constitutes a credible environmental certification, including allowing suppliers to propose their own preferred certification

We will engage with the Department of Communications, Climate Action and Environment on the GPP4Growth project.

We will ensure we use and consult the EPA Green Procurement Guidance for the Public Sector.

Accessible Procurement

Consideration will be given to the principles of accessibility when purchasing works; goods and/or services unless it is not practicable to do so. All purchasing staff must ensure they have regard to the National Disability Authority's Procurement &

Accessibility Guidelines. Accessibility toolkit is available on the National Disability Authority website www.nda.ie.

Social Clauses / Community Benefit Clauses

The general position in relation to social considerations in public procurement is set out in the OGP Public Procurement Guidelines for Goods and Services published in July 2017. These can be accessed on the OGP website at <http://ogp.gov.ie/public-procurement-guidelines-for-goods-and-services/>. These guidelines include a link to the relevant European Commission document in this area called “Buying Social – A Guide to Taking Account of Social Considerations in Public Procurement”. The OGP are currently finalising more detailed guidance in the area of social considerations and hope to publish this in the coming months.

3.3 Approval and Implementation of the Corporate Procurement Plan 2018 – 2020

Following preparation of a draft Corporate Procurement Plan for the period 2018 to 2020, a consultation process was carried out with the Procurement Steering Group made up of representatives involved in procurement activities across all directorates. The Steering Group recommended the draft Corporate Procurement Plan 2018 – 2020 be brought before the Chief Executive and the Management Team for approval. The Corporate Procurement Plan 2018 – 2020 was approved at Management Team meeting dated 13th November 2018.

Overall responsibility for the implementation of the Corporate Procurement Plan is assigned to the Director of Corporate, Communications and Governance who is supported by Procurement Support & Compliance Unit. The Chief Executive and Management Team will play a lead role by promoting a culture of compliance, transparency and best practice in all procurement activities. Annual progress reports will be produced in accordance with the reporting requirements of this Plan.

4. Procurement Framework

4.1 Procurement Hierarchy

A developed procurement framework now exists within local government and the wider public sector. Emerging legislation and guidelines from central government will continue to shape the approach to procurement. This involves a procurement hierarchy prioritising participation in public sector, local government and regional procurement over stand-alone local procurement.

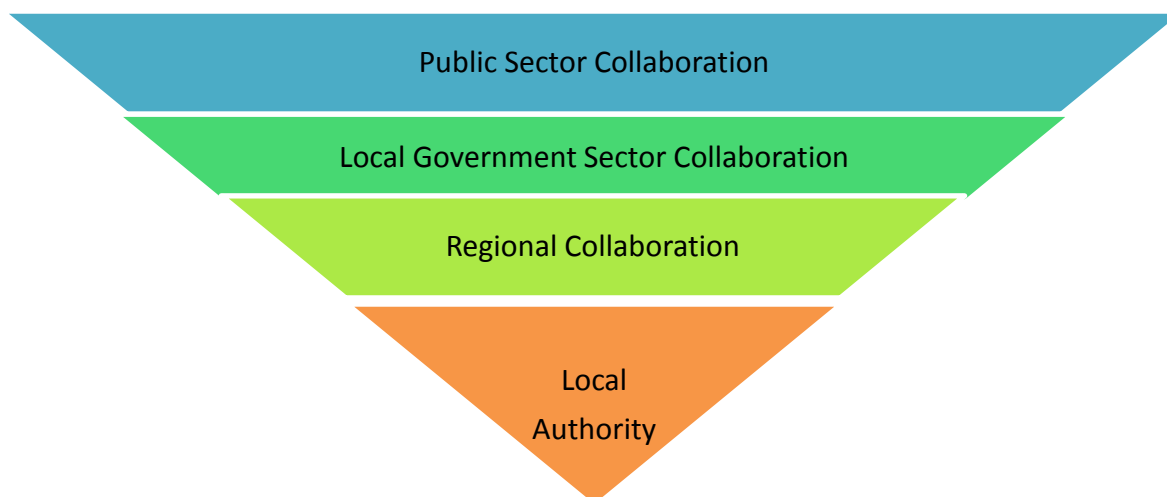


Figure 2: Procurement Hierarchy

At national level, the Office of Government Procurement (OGP) establishes frameworks for use by the whole public sector. The OGP also operates the eTenders.ie procurement website designed to be a central facility for all public sector contracting authorities to advertise procurement opportunities and contract award notices. At local government level, the Local Government Operational Procurement Centre (LGOPC) operates the Supplygov.ie procurement system and leads on two categories: Minor Works and Plant Hire. Each local authority also participates on regional procurement groups to ensure collaboration at regional level where national or sectoral arrangements are not in place or do not meet requirements.

4.2 Procurement Value Thresholds

Procurement rules are in place governing how contracts and frameworks of certain values are to be advertised and these must be followed by all purchasing staff. As at 1st January 2018, all contracts over the value of €221,000 for goods/services and over €5,548,000 for works are subject to European Procurement Directives and must be advertised in the Supplement to the Official Journal of the European Union (OJEU) and on the Irish Government Procurement Portal www.etenders.gov.ie (Thresholds are revised every 2 years). Contracts and frameworks below these thresholds and not subject to European Procurement Directives but above the value of €25,000 for goods/services and over €50,000 for works must be advertised on www.etenders.gov.ie unless existing frameworks are already in place. In addition, the local government sector has developed www.supplygov.ie facility to streamline the procurement process of contracting authorities in respect of the operation of local authority led Category Councils for Plant Hire and Minor Building & Civil Works.

Where possible, the Quick Quotes (QQ) facility on www.etenders.gov.ie and Request of Quotation (RFQ) facility on www.supplygov.ie will be used for direct invitation to tender for contracts between the value of €5,000 and €25,000 for goods/services and between the value of €5,000 and €50,000 for works.

Thresholds for Goods & Services (including Professional Services)

| Value (ex VAT) | Type of Contract | Procedure |
|-------------------------------|---------------------|--|
| €3,000 or less | Supplies / Services | Obtain at least 1 Written Quotation from competitive supplier(s) |
| Between €3,001 and €5,000 | Supplies / Services | Obtain at least 3 Written Quotation from competitive suppliers |
| Between €5,001 and €25,000 | Supplies / Services | Obtain at least 3 Written Quotes through QuickQuotes / SupplyGov |
| Between €25,001 and €144,000 | Supplies / Services | Advertise on eTenders using Non-OJEU Notice (OPEN Procedure – as per Circular 10/14) |
| Between €144,001 and €221,000 | Supplies / Services | Advertise on eTenders using Non-OJEU Notice (Choice of Procedure) |
| Greater than €221,001 | Supplies / Services | Advertise on eTenders using OJEU Notice |

Figure 3: Thresholds for Goods & Services

Thresholds for Works & Engineering Services

| Value (ex VAT) | Type of Contract | Procedure |
|---------------------------------|------------------------------|--|
| €3,000 or less | Engineering Services / Works | Obtain at least 1 Written Quotation from competent and competitive suppliers |
| Between €3,001 and €5,000 | Engineering Services / Works | Obtain at least 3 Written Quotation from competent and competitive suppliers |
| Between €5,001 and €50,000 | Engineering Services / Works | Obtain at least 5 Written Quotes through QuickQuotes / Supplygov (where feasible) |
| Between €50,001 and €250,000 | Works | Advertise on eTenders using Non-OJEU Notice (OPEN Procedure – as per Circular 10/14) |
| Between €250,001 and €5,548,000 | Works | Advertise on eTenders using Non-OJEU Notice (Choice of Procedure) |
| Greater than €5,548,000 | Works | Advertise on eTenders using OJEU Notice (Choice of Procedure) |

Figure 4: Thresholds for Works & Engineering Services

5. Dún Laoghaire-Rathdown County Council Procurement Overview

5.1 Organisational Structure

Procurement in Dún Laoghaire-Rathdown is mainly a decentralised function, where individual directorates / departments are responsible for ensuring their sourcing requirements are met while operating to best practice and compliance with relevant legislative, regulatory and policy requirements.

Procurement responsibility is delegated to many staff members at directorate, departmental and section level throughout Dún Laoghaire-Rathdown. During the procurement process, purchasers must be cognisant of complex public procurement requirements in tandem with strategic value adding procurement activities such as strategic sourcing and contracting.

5.2 Procurement Support & Compliance Unit

The Procurement Support & Compliance Unit situated in the Corporate, Communications and Governance Directorate is responsible for central oversight and performance measurement of procurement activities while providing advice to staff on all aspects of procurement. The Unit also has a role in consolidating purchasing and analysing spend to ensure compliance.

5.3 Procurement Policies & Procedures

5.3.1 European and National Objectives

Dún Laoghaire-Rathdown procurement policies and procedures are in line with European and National objectives for public procurement as set out in the following documents:

European Directives

- Directive 2014/24/EU of the European Parliament and of the Council on public procurement and repealing Directive 2004/18/EC
- Directive 2014/25/EU of the European Parliament and of the Council on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC
- Directive 2014/23/EU of the European Parliament and of the Council on the award of concession contracts
- Directive 2014/55/EU of the European Parliament and of the Council on electronic invoicing in public procurement
- S.I. No. 284/2016 – European Union (Award of Public Authority Contracts) Regulations 2016
- S.I. No. 286/2016 – European Union (Award of Contracts by Utility Undertakings) Regulations 2016
- S.I. No. 203/2017 – European Union (Award of Concession Contracts) Regulations 2017

National Guidelines

- Public Procurement Guidelines for Goods and Services V1 July 2017

- Circular 01/16 - Construction Programme – revision of arrangements for the procurement of public works projects
- Circular 02/16 - Arrangements for Digital & ICT-related Expenditure in the Civil and Public Service
- Circular 10-14 - Initiatives to assist SMEs in Public Procurement
- Circular 16-13 - Revision of arrangements concerning the use of Central Contracts
- Circular 13-13 - The Public Spending Code: Expenditure Planning, Appraisal and Evaluation in the Irish Public Service – Standard Rules & Procedures
- Circular 05/13 - Procurement of Legal Services and Managing Legal Costs
- Circular 1/11 - Model Tender and Contract Documents for Public Service and Supplies Contracts
- Circular 02/11 - Additional Arrangements for ICT Expenditure in the Civil and Public Service
- Circular 10/2018 - Construction Procurement Reform – Amendment to the threshold for the procurement of public works projects using the Short Public Works Contract
- EPA Green Procurement Guidance for the Public Sector
- Department of Public Expenditure and Reform - Green Tenders - An Action Plan on Green Public Procurement.

5.3.2 Revised Approver Limits and Requirements

A revised Chief Executive Order approving procedures and financial limits in respect of contracts to purchase goods, services and works will be introduced in 2018 following a review of the existing requirements of Manager's Order [FIN/309/11](#).

5.3.3 Use of Standardised Documentation

The [Office of Government Procurement \(OPG\)](#) has a standard suite of tender and contract documents. The use of these documents for all contracts publicly awarded by Dún Laoghaire-Rathdown above €25,000 for goods/services and €50,000 for works will be encouraged. The [Local Government Management Agency \(LGMA\)](#) has supplemented these documents with templates for sub-threshold procurement.

5.3.4 Request for Tenders (RFTs)

Contracts or frameworks above the value of €25,000 for goods/services and above €50,000 for works will be procured by seeking tenders advertised on the eTenders website www.etenders.gov.ie and/or OJEU as appropriate.

When considering sourcing options, collaborative arrangements will be used for the purchase of goods/services and works in the following order:

- National
- Local Government Sector
- Regional
- Local

SupplyGov.ie operates two modules for procuring goods, works and services through Requests for Tenders (RFTs) and Requests for Quotations (RFQs). Requests for Tender are supplementary competitions run under Frameworks or Dynamic Purchasing Systems (DPS).

A local process will only be initiated where a collaborative arrangement is not available or proposed. Approval to commence a tender process must be sought from the OGP via Dún Laoghaire-Rathdown's Procurement Support & Compliance Unit. Where approval from OGP is granted, local tender processes will be conducted in accordance with the Council's procurement policies and procedures.

5.3.5 Request for Quotations (RFQ)

Contracts below the value of €5,000 for works, goods or service will be procured by obtaining 3 written quotations from competitive suppliers. Contracts between the value €5,000 and €25,000 for goods/services or €5,000 and €50,000 for works will be procured by seeking quotations through the Quick Quotes facilities on www.etenders.gov.ie or SupplyGov.ie (where feasible).

This Plan introduces measures to strengthen the procedures for seeking quotations at a local level by increasing transparency and reducing organisational risk. The use of Quick Quotes and/or SupplyGov provides an electronic record of quotations and provides a mechanism for better value by increasing the number of suppliers contracting authorities can request quotes from.

5.3.6 Financial Management System

Agresso MS4 Financial Management System will be used to capture procurement information to facilitate governance, analysis and measurement both in respect of compliance with procurement hierarchy and procedures. Suppliers to individual sections and departments across the organisation that are approaching and / or above the various procurement value thresholds will be monitored and reported on by the Procurement Support & Compliance Unit to ensure proper procurement procedures are being adhered to.

5.3.7 National Product Codes

When raising a requisition on MS4 for a purchase order, Product Codes are used to identify the category of supply, service or works that is being purchased. The correct use of Product Codes in MS4 supports greater transparency around "what is being purchased" and "how much it is costing".

In 2015, the Local Government Management Agency (LGMA) published the National Product Code List consolidating over 130,000 local product codes in the local government sector to 406 National Product Codes. These National Product Codes are aligned to 36 sub-categories and the 16 OGP categories.

Each local authority is required to map their local product codes to the 406 National Product Codes on their Financial Management System (FMS). The use of these standard codes will be supported by Dún Laoghaire-Rathdown.

5.3.8 Local Product Codes

The correct use of local product codes and accurate description of purchases on purchase orders (POs) facilitates improved procurement spend analysis; spend comparison and future procurement planning. Responsibility for ensuring correct local product codes and accurate description of purchases on POs rests with approvers.

5.3.9 e-Procurement

e-Procurement has been a long standing objective nationally and within the local government sector. Dún Laoghaire-Rathdown will deliver on closing the remaining gaps for an electronic procurement process which will reduce costs, shorten procurement cycles, aid compliance and promote sustainability. The use of the Request for Quotations (www.supplygov.ie) and/or the Quick Quotes (QQ) facility on www.etenders.ie for purchasing between €5,000 and €25,000 or €5,000 and €50,000 for works will be a significant development in progressing towards e-procurement.

5.3.10 Low Value Purchase Cards (LVPs)

The Council will use Low Value Purchase (LVP) cards for low value expenditure on supplies including those required on a one-off or emergency basis, to minimise the processing costs for these transactions. The use of LVP's will be governed by agreed policies and procedures to ensure that appropriate control measures are in place for all users. The expansion of LVPs across the Council will be subject to audit assurance that existing control measures are enforced and are appropriate.

6. Current Organisational Position – Expenditure Analysis

6.1 Introduction

Understanding how much Dún Laoghaire-Rathdown spends, with whom it is spent and on what it spends is the first step in improving the effectiveness of the procurement process. Expenditure data was extracted from the Council's financial management system (Agresso MS4) for the period 1st January 2014 to 31st December 2017 to enable transaction and supplier analysis to inform this Plan.

6.2 Purpose of Expenditure Analysis

The purpose of this expenditure analysis is to inform the drafting of the Corporate Procurement Plan 2018 -2020. This information can then be used to identify opportunities for improvement in terms of cost savings and working in a more efficient manner.

6.3 Table of Expenditure

| Category | 2014 | 2015 | 2016 | 2017 | Total |
|--|-------------|-------------|-------------|-------------|--------------|
| Minor Contracts- Trade Services & other works | €50,165,844 | €47,382,180 | €35,637,421 | €36,688,679 | €169,874,123 |
| Non-Capital Equip Purchase - Machinery Yard | €8,111 | €3,386 | €83 | €408 | €11,988 |
| Non-Capital Equip Purchase - Computers | €459,419 | €556,949 | €197,443 | €748,111 | €1,961,922 |
| Non-Capital Equip Purchase - Office Equip/Furn | €214,138 | €129,895 | €103,706 | €237,616 | €685,354 |
| Non-Capital Equip Purchase - Other | €758,456 | €583,372 | €724,461 | €316,794 | €2,383,083 |
| Hire (Ext) - Plant/Transport/Machinery & Equipment | €1,657,344 | €1,600,091 | €1,512,200 | €1,445,309 | €6,214,944 |
| Repairs & Maint - Buildings (excl. LA Housing) | €226,322 | €1,230,165 | €432,644 | €366,731 | €2,255,862 |

| | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|---------------------|
| Repairs & Maint - Plant | €483,297 | €417,003 | €500,090 | €393,765 | €1,794,156 |
| Repairs & Maint -Computer Equip | €23,227 | €18,267 | €27,755 | €56,880 | €126,129 |
| Repairs & Maint - Other Equip | €2,143 | €3,954 | €3,829 | €3,435 | €13,360 |
| Repairs & Maint - Parks & Other Areas | €454,791 | €466,321 | €368,048 | €536,921 | €1,826,081 |
| Capital Contracts Expenditure | €9,889,613 | €9,085,432 | €12,692,589 | €20,502,626 | €52,170,260 |
| Other Vehicle Expenses | €90,931 | €70,452 | €85,027 | €87,624 | €334,034 |
| Materials | €1,393,182 | €1,282,459 | €1,700,571 | €1,331,792 | €5,708,004 |
| Arts Activities | €469,754 | €602,077 | €534,275 | €480,510 | €2,086,616 |
| Library Book Purchases | €839,383 | €726,309 | €499,303 | €475,506 | €2,540,502 |
| Community Events | €925,162 | €905,608 | €1,087,176 | €976,789 | €3,894,736 |
| Communication Expenses | €631,541 | €571,092 | €512,129 | €455,468 | €2,170,230 |
| Postage | €187,535 | €186,666 | €198,873 | €240,298 | €813,372 |
| Courier | €13,626 | €23,905 | €12,695 | €44,255 | €94,481 |
| Security - Property | €594,835 | €901,391 | €595,581 | €818,950 | €2,910,756 |
| Security - Cash Delivery | €75,333 | €103,537 | €128,588 | €127,787 | €435,245 |
| Training | €400,788 | €458,045 | €433,877 | €418,188 | €1,710,898 |
| Recruitment Expenses | €126,889 | €41,572 | €51,518 | €226,353 | €446,332 |
| Legal Fees and Expenses | €502,114 | €570,376 | €462,300 | €754,185 | €2,288,975 |
| Consultancy/Professional Fees and Expenses | €2,839,403 | €3,758,138 | €2,379,338 | €3,140,927 | €12,117,806 |
| Advertising | €171,440 | €204,280 | €191,481 | €273,634 | €840,836 |
| Printing & Office Consumables | €558,521 | €704,019 | €763,183 | €640,013 | €2,665,736 |
| Scanning | €76,217 | €66,776 | €66,083 | €134,206 | €343,282 |
| Cleaning | €225,175 | €197,038 | €222,442 | €239,812 | €884,467 |
| Canteen | €137,870 | €184,797 | €166,329 | €184,399 | €673,395 |
| Energy/Utilities | €3,922,356 | €3,924,743 | €3,521,206 | €3,441,132 | €14,809,437 |
| Audit Fee | €7,785 | €176,064 | €94,917 | €90,389 | €369,155 |
| Miscellaneous Expenses | €685,576 | €6,299,716 | €715,172 | €991,268 | €8,691,732 |
| | €79,218,123 | €83,436,074 | €66,622,335 | €76,870,758 | €306,147,289 |

Figure 5: Table of Expenditure 2014 - 2017

6.4 Transaction Analysis

Transaction analysis provides the basis for understanding Dún Laoghaire-Rathdown's interaction with its suppliers and in particular, the ordering and payments process. It involves identifying the overall number of transactions, transactions by supplier and by values. This type of analysis assists in monitoring compliance and in identifying potential opportunities for achieving cost savings by streamlining procurement processes.

6.4.1 Spend per Supplier – Public Procurement Thresholds

The following table shows the number of suppliers by reference to Public Procurement thresholds as outlined in Section 4.2 during the period 2014 to 2017:

| No. Suppliers per Public Procurement Thresholds | | | | | Cumulative |
|---|-------------|-------------|-------------|-------------|-------------|
| Threshold | 2014 | 2015 | 2016 | 2017 | 2014 - 2017 |
| Less than €25,000 | 1975 | 1977 | 1785 | 1671 | 7408 |
| €25,000 to €50,000 | 103 | 94 | 98 | 116 | 411 |
| €50,000 to €209,000 | 113 | 112 | 110 | 119 | 454 |
| €209,000 to €5.225m | 56 | 62 | 60 | 56 | 234 |
| Over €5.225m | 1 | 1 | 0 | 1 | 3 |
| Totals | 2253 | 2246 | 2053 | 1963 | 8510 |

Figure 6: Number of Supplies per Public Procurement Thresholds 2014 - 2017

6.4.2 Number of Purchase Orders per Supplier

The following table shows the number of suppliers by reference to the number of purchase orders raised during the period 2014 to 2017:

| No. of Purchase orders per Supplier | | | | | |
|-------------------------------------|------|------|------|------|-------|
| No. of Purchase Orders | 2014 | 2015 | 2016 | 2017 | Total |
| 1 | 1045 | 1085 | 945 | 864 | 3939 |
| 2 to 10 | 831 | 795 | 728 | 724 | 3078 |
| 11 to 25 | 169 | 154 | 153 | 173 | 649 |
| 26 to 50 | 66 | 71 | 62 | 67 | 266 |
| 51 to 100 | 23 | 25 | 33 | 26 | 107 |
| 101 to 250 | 14 | 13 | 14 | 15 | 56 |
| Over 250 | 3 | 1 | 1 | 2 | 7 |

Figure 7: Number of Purchase Orders per Supplier

6.4.3 Purchase Order by Value

The following table shows details of purchase orders raised by value during the period 2014 to 2017:

| No. of Purchase Orders v Purchase Order Value | | | | | | | | |
|---|---------------|-------------|---------------|-------------|---------------|-------------|---------------|-------------|
| Purchase Order Value | 2014 | | 2015 | | 2016 | | 2017 | |
| Under €99 | 1894 | 14% | 1705 | 13% | 1586 | 12% | 1327 | 10% |
| €100 to €999 | 6426 | 47% | 5965 | 47% | 5985 | 45% | 6033 | 45% |
| €1,000 to €4,999 | 3776 | 29% | 3707 | 29% | 3731 | 28% | 4148 | 31% |
| €5,000 to €9,999 | 781 | 6% | 743 | 6% | 796 | 6% | 951 | 7% |
| €10,000 to €24,999 | 358 | 3% | 369 | 3% | 737 | 6% | 489 | 4% |
| €25,000 to €49,999 | 157 | 1% | 161 | 1% | 148 | 1% | 181 | 1% |
| Over €50,000 | 186 | 1% | 165 | 1% | 195 | 1% | 183 | 1% |
| Total No. of Purchase Orders | 13,578 | 100% | 12,815 | 100% | 13,178 | 100% | 13,312 | 100% |

Figure 8: Purchase Order by Value

6.4.4 Percentage of Suppliers by Reference to the Number of Purchase Orders

The following table shows the percentage of suppliers by reference to the number of purchase orders raised during the period 2014 to 2017:

| No. of Purchase Orders Per Supplier as % of Total No. of Suppliers | | | | | |
|--|------|------|------|------|---------|
| No. of Purchase Orders | 2014 | 2015 | 2016 | 2017 | Average |

| | | | | | |
|------------|-------|-------|-------|-------|--------|
| 0 | 4.7% | 4.5% | 5.6% | 4.7% | 4.875% |
| 1 | 46.3% | 48.3% | 46% | 44% | 46.15% |
| 2 to 10 | 36.9% | 35.3% | 35.5% | 36.9% | 36.15% |
| 11 to 25 | 7.5% | 6.9% | 7.5% | 8.8% | 7.675% |
| 26 to 50 | 2.9% | 3.2% | 3% | 3.4% | 3.125% |
| 51 to 100 | 1% | 1.1% | 1.6% | 1.3% | 1.25% |
| 101 to 250 | 0.6% | 0.6% | 0.7% | 0.8% | 0.675% |
| Over 250 | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% |
| Total | 100% | 100% | 100% | 100% | |

Figure 9: Percentage of Suppliers by reference to the Number of Purchase Orders

7. Key Issues

7.1 National and Regional Frameworks

Dún Laoghaire-Rathdown will increase the proportion of our procurement conducted collaboratively by prioritising the procurement hierarchy. We will only procure at a local level for particular goods, services or works where public sector, local government or regional options are not available or are not suitable. Where this happens we will continue to monitor future developments which may result in such options becoming available. Using all available, appropriate national and regional frameworks and tendering opportunities will ensure maximum benefits and savings accrue to the Council. Staff from purchasing departments and the Procurement Support & Compliance Unit must actively monitor and spot check expenditure to ensure that available procurement options are utilised. It is critical that all purchasing departments within the Council use the procurement procedures required for various levels of spend outlined previously to ensure compliance.

7.2 Quotations

Transparency for purchasing between €5,000 and €50,000 for works or €5,000 and €25,000 for goods and services will be improved by using the Request for Quotations (RFQ) facility on www.supplygov.ie and the Quick Quotes (QQ) facility on www.etenders.gov.ie. This will provide an electronic record of quotations and can deliver better value by increasing the number of suppliers purchasers can request quotations from. Purchasers will use the RFQ and QQ facility to introduce **a minimum of one new supplier each time quotations are being sought from three or more suppliers** (where possible). Purchasers should also seek to regularly rotate the suppliers from whom quotations are sought and to seek quotations from as many suppliers as possible to generate better value.

7.3 Purchase Order

Purchase order procedures will be improved to rationalise the high number POs issued to certain suppliers. Correct coding on purchase orders and inclusion of eTenders RFT ID in the description field will facilitate improved compliance, analysis and procurement planning. The use of the National Product Codes List will be supported by Dún Laoghaire-Rathdown.

7.4 Procurement Pipelines

Each Directorate will prepare annual Procurement Pipelines setting out a timetable of annual anticipated tendering opportunities. A consolidated organisational Procurement Pipeline can then be provided to allow co-ordination with regional, local government and public sector procurement.

7.5 Stakeholder Management

7.5.1 National and Local Government

Procurement will be approached by engaging collaboratively with the Office of Government Procurement and the local government sector at a national and regional level, where appropriate. National and regional frameworks/contracts will

be prioritised over standalone local procurement arrangements to ensure that all opportunities are maximised.

7.5.2 Suppliers

As part of our commitment to the development of enterprise, we will look to improve supplier and market engagement. Improved information resources on procurement will be made available to suppliers on www.dlrcoco.ie and information briefings will be provided to improve awareness of our procurement processes, in collaboration with the Local Enterprise Office (LEO). The use of the Quick Quotes (QQ) facility on www.etenders.gov.ie will increase the number of suppliers Dún Laoghaire-Rathdown can request quotations from for contracts below €25,000 for goods/services.

7.5.3 Small and Medium Enterprises (SMEs)

Dún Laoghaire-Rathdown is committed to helping prospective suppliers to understand the Council's procurement and purchasing processes. Department of Expenditure and Reform (DPER) issued Circular 10/14 (Initiatives to assist SMEs in Public Procurement) which is aimed at structuring competitive processes for public contracts in a manner that facilitates increased participation by small and medium enterprises (SMEs) while continuing to ensure that public sector purchasing is carried out in a manner that is legal, transparent, and secures optimal value for money. Requirements in tendering will be proportional and reasonable ensuring that there are no unnecessary barriers for suppliers and the use of open procedures and the division of frameworks/contracts into lots will be used where practicable.

7.6 Disability and Access

Section 27 (part 3) of the Disability Act 2005 states that "where a service is provided to a public body, the head of the body shall ensure that the service is accessible to persons with disabilities". This includes services and goods. The Council's policy is to include the relevant accessibility requirements for people with disabilities in all stages of the tender process.

Staff in should clearly state accessibility requirements in requests for tenders, contracts, and quotations, where applicable. Staff preparing tenders may need to consult with the Councils Disability Access Officer, the [National Disability Authority's Procurement & Accessibility Guidelines](#), external advisors and people with disabilities in identifying these requirements. Staff may ask suppliers to highlight the features of their product or service that meet accessibility requirements for people with disabilities. If there are no accessibility requirements relevant to the services or goods being procured, or if staff decide that the accessibility requirements are not practicable or that they would cause undue cost or delay, staff should record that fact in a file note.

Staff should give appropriate consideration and weighting to accessibility requirements during the scoring and evaluation stages of procurement. When suppliers are asked to make presentations, they should be asked to discuss accessibility in those presentations.

7.7 e-Procurement

e-Procurement has been a long standing objective nationally and within the local government sector. Dún Laoghaire-Rathdown will deliver on closing the remaining gaps for an electronic procurement process which will reduce costs, shorten procurement cycles, aid compliance and promote sustainability. The use of the Request for Quotations (www.supplygov.ie) and/or the Quick Quotes (QQ) facility on www.etenders.ie for purchasing of supplies / services between the value of €5,000 and €25,000 or between €5,000 and €50,000 for works will be a significant development in progressing towards e-procurement.

8. Key Actions

8.1 Governance

- The Corporate Procurement Steering Group will meet bi-monthly to monitor and ensure the implementation of this Procurement Plan
- A Chief Executive's Order will clearly set out the procurement rules and that are to be adhered to across all thresholds in Dún Laoghaire-Rathdown
- Each directorate will prepare annual procurement pipelines setting out a timetable of anticipated tendering opportunities. This will then be compiled into an annual Corporate Procurement Pipeline and monitored by the Steering Group through the Procurement Support & Compliance Unit
- Organisational capabilities will be regularly assessed through the Steering Group and appropriate training programmes to meet skills gaps in procurement practice and contract management will be put in place.

8.2 Collaboration

- National, sectoral and regional frameworks / contracts will be fully utilised throughout the organisation. This will be co-ordinated by Procurement Steering Group and monitored by the Procurement Support & Compliance Unit
- The Administrative Officer assigned to Procurement Support & Compliance Unit will participate in the Dublin Regional Procurement Forum to monitor and maximise regional opportunities.

8.3 Value for Money on Cost and Contract Performance and Compliance

- Purchasing staff will follow EU, National and local procurement procedures for appropriate value without exception
- On-going expenditure analysis will be conducted at both organisation and directorate level to monitor suppliers approaching procurement thresholds; measure contract/framework expenditure and report on the number of Purchase Orders processed
- Implementation of e-procurement will be progressed by increasing use of electronic tender processes through www.etenders.gov.ie / supplygov.ie
- The Procurement Support & Compliance Unit will monitor use of suppliers on the FMS across the organisation to ensure adherence to procurement thresholds

- The Request for Quotations facility www.SupplyGov.ie and / or the Quick Quotes facility www.etenders.gov.ie will be used for all sub-threshold purchasing
- OGP and LGMA standardised procurement documents will be used where available

8.4 Business Engagement

- Improved information resources on procurement will be made available to suppliers on www.dlrcoco.ie
- Information briefings on procurement will be provided to local businesses through the Local Enterprise Office
- The Procurement Support & Compliance Unit and purchasing departments will encourage supplier registration on both www.etenders.gov.ie and www.SupplyGov.ie in accordance with Circular 10/14

9. Implementation of Corporate Procurement Plan - Measuring & Monitoring

A report on the progress, implementation and achievements of this Corporate Procurement Plan will be produced annually. This report will address all the key actions identified in Section 8 of the plan as follows:

9.1 Annual Reporting Model

Measurement and Monitoring of the implementation of Dún Laoghaire-Rathdown County Council's Procurement Plan 2018 – 2020

| | Key Actions | 2018 | 2019 | 2020 |
|----|--|------|------|------|
| 1. | Number of Procurement Steering Group Meetings and Summary of issues considers | | | |
| 2. | Number of National / Sector / Regional Procedures processes participated in | | | |
| 3. | Number of National / Sector / Regional procurement processes not participated in (outlining reasons for non-participation) | | | |
| 4. | Report on suppliers exceeding procurement threshold / Number of revenue suppliers in the different expenditure thresholds | | | |

| | | | | |
|-----|---|--|--|--|
| 5. | <i>Number of Quotations sought via Request for Quotations (www.supplygov.ie) and QuickQuotes (www.etenders.gov.ie)</i> | | | |
| 6. | <i>Number of new suppliers from whom quotations were sought</i> | | | |
| 7. | <i>Report on Information Sessions for Suppliers</i> | | | |
| 8. | <i>Percentage of tender procedures conducted using open procedures</i> | | | |
| 9. | <i>Report by exception on any use of non-OGP documents / LGMA documents</i> | | | |
| 10. | <i>Update on progress and measures in place to progress implementation of e-procurement</i> | | | |
| 11. | <i>Report on Corporate Capabilities; training & up-skilling</i> | | | |

| | | | | |
|-----|--|--|--|--|
| 12. | <p><i>Report on Green Procurement</i></p> <ul style="list-style-type: none"> a. The number of procurements that deliver on reducing Dlr energy consumption and contribute to the Council climate action plan. b. The percentage of suppliers with environmental certification c. The percentage of annual spend which goes to these suppliers <p>These metrics need to be monitored annually and targets set to improve year on year</p> | | | |
|-----|--|--|--|--|

Procurement Governance Chart

