

MEATH COUNTY COUNCIL

CORPORATE PROCUREMENT PLAN
2016 - 2018



Table of Contents

1	INTRODUCTION	3
1.1	Background	3
1.2	Mission, Vision & Values.....	4
	Mission Statement	4
1.3	National Oversight and Audit Commission (NOAC).....	5
1.4	Approval and Implementation of the Plan	5
2	PROCUREMENT OVERVIEW	6
2.1	Spend Analysis	6
2.1.1	Significant Messages	7
2.1.2	Supplier Positioning	7
2.1.3	Interpretation of Results.....	9
3	PROCUREMENT ANALYSIS.....	11
3.1	Transactional Analysis	11
	Recommendation 1:	12
3.2	Supplier Analysis	12
	Recommendation 2	13
4	ORGANISATIONAL PROCUREMENT PRINCIPLES, HIGH LEVEL GOALS AND OBJECTIVES.....	14
4.1	Procurement Principles	14
4.2	High Level Goals & Objectives.....	14
	Procurement Framework & Structures	14
	Compliance	15
	Collaboration	16
	E-Procurement	16
	Training	16
	Sustainable Public Procurement	17
	Environmental / Green Procurement	17
	Economic	17
	Social	17
5	IMPLEMENTATION PLAN.....	18
Appendix 1-	Account Element 70000 (Materials) - Product Code Transactional Analysis **	20
Appendix 2 -	Procurement Analysis Recommendations	21
Appendix 3 -	Procurement Unit Roles and Responsibilities	21
	Role.....	21
	Key tasks.....	21
	Key Strategic Objectives	22

1 Introduction

The Report of the Local Government Efficiency Review Group¹ highlighted potential savings of €70m through procurement reform across the Local Government Sector. The Public Service Reform Plan² seeks to *deliver greater value for money through increased use of common procurement frameworks, increased professionalism and more innovative use of technology* through procurement reform. Public Service Procurement Reform is well underway, and the Government have set a savings target of €500m over three years, starting in 2014.

Meath County Council is committed to fulfilling its obligations to assist in meeting these targets. This Corporate Procurement Plan 2016-18 will ensure that the procurement function formally supports the Council's key corporate objectives and is focused on delivering value for money outcomes through purchasing strategies that are consistent with EU and National procurement rules. This will require an undertaking to improve procurement structures and expertise in the Council on an on-going basis, ensuring that purchasing practices are professional and that staff have the necessary capabilities to operate in line with best practice in procurement. The Plan will assist in the identification and review of the current procurement profile and practices of Meath County Council. It will determine future needs and link procurement to the Council's strategic objectives. It provides an opportunity to communicate to staff the direction of procurement management reform within the Council and to contribute to its development. The overall aim of the Corporate Procurement Plan is to deliver effective, professional and well-managed procurement. It provides clear and challenging aims for procurement and defines the future direction and vision for the procurement function within Meath County Council. The Management Team shall play a lead role in the implementation of this policy and promote a culture of efficiency, effectiveness and economy within their areas of delegated responsibility.

1.1 Background

The Corporate Procurement Plan is required under the National Public Procurement Policy Framework³. It has also been prepared against a backdrop of severe fiscal difficulties and great financial challenge at a time of unprecedented change and reform in local government. The implementation of the goals and objectives over the lifetime of this Plan will assist in the delivery of the keys goals of Meath County Council's Corporate Plan and future plans.

¹ Report of the Local Government Efficiency Review Group – July 2010

² Public Service Reform Plan – August 2011

³ National Public Procurement Policy Framework – July 2005

The Plan seeks to reinforce the Council's commitment to the effective and efficient delivery of services to the local communities in a manner that optimises value for money. Implementation of the Plan will require clear strategic leadership and a well trained and highly motivated staff in order to deliver maximum benefit under each objective. The Plan will be subject to ongoing review in light of changes within the local government and public procurement sector. Interim progress reports will be produced on a regular basis in accordance with the reporting requirements of the Plan.

The establishment of a formal Procurement Function within Meath County Council is a relatively recent occurrence with the appointment of a Procurement Officer in 2015. To date, the main influence on procurement has been compliance, the need to meet obligations laid down by national and EU rules, rather than a desire to achieve value for money. The primary focus of the Plan is to develop a procurement structure appropriate to the organisation and to identify the processes, procedures and information required to develop a strategic approach to procurement and a procurement function that will lead change, deliver savings and add value to the Council.

The Corporate Procurement Plan has been prepared on the basis of the following:

- High level analysis of the goods and services procured by the Council in 2015
- Analysis of the way in which the purchasing/procurement function currently operates

1.2 Mission, Vision & Values

Mission Statement

The Procurement Function of Meath County Council is committed to the procurement of supplies, services and works in the most efficient and effective way to achieve the lowest cost consistent with quality that meets or exceeds end user requirements in the delivery of services to the citizens of County Meath.

Vision Statement

To be a value added Procurement Function that is strategically aligned to the business needs of Meath County Council and is valued by the organisation.

Values

The Procurement Function of Meath County Council shall operate in accordance with the following values:

- Compliance with all relevant European, National and local procurement legislation and guidelines.

- Value for Money – to achieve the optimum balance of quality and whole life cost to meet the business needs of the Council.
- All procurement shall have regard to the principles of European public procurement: freedom of movement, freedom of establishment and freedom to provide services; and the basic principles therein of transparency, equal treatment, proportionality and mutual recognition.
- To minimise the Authorities exposure to procurement risk by the adoption of the appropriate risk management strategies.

1.3 National Oversight and Audit Commission (NOAC)

The National Oversight & Audit Commission is a statutory body established by Ministerial order under section 126B of the Local Government Act 2001, to oversee the local government sector.

The NOAC's statutory functions are wide, and specifically the Commission is required to:

- Scrutinise performance of any local government body against relevant indicators as selected by NOAC (to include customer service) or as prescribed in Ministerial regulations;
- Scrutinise financial performance, including Value for Money, of any local government body in respect of its financial resources;
- Support best practice (development and enhancement) in the performance of their functions by local government bodies;
- Monitor and evaluate adherence to Service Level Agreements entered into by any local government body;
- Oversee how national local government policy is implemented by local government bodies;
- Monitor and evaluate public service reform implementation by any local government body or generally;
- Monitor adequacy of corporate plans prepared by Regional Assemblies and councils and evaluate implementation of the plans by any local government body or generally;
- Take steps under its other functions for the purpose of producing any report requested under the Act as well as produce reports under its own initiative; and
- Carry out any additional functions conferred by Ministerial order.

1.4 Approval and Implementation of the Plan

The Corporate Procurement Plan was approved by the Chief Executive and Management Team on **20th December 2016**. Overall responsibility for the implementation of the Plan is assigned to the Head of Finance supported by the Procurement Function of the Council.

Progress on key deliverables of the Plan will be monitored and will be reviewed regularly at Finance Directorate meetings. Progress reports will be submitted to the Management Team half yearly. A full review of the plan will be conducted in the

second quarter of 2018 with a view to having a new plan in place for 2019, or earlier if deemed necessary.

2 Procurement Overview

Meath County Council completed a comprehensive review of procurement with a view to identifying opportunities for improvement in the context of the procurement management reform.

The review looked at two key elements:

- A comprehensive expenditure review based on the Council's expenditure data for the 2015 financial year. This approach provided a profile of expenditure including an accurate picture of expenditure by category, by supplier and identified the supplier base in terms of its size and its dependency upon the Council's business. These factors will be important in the development of the Council's future procurement strategies. The analysis also provided a payment profile, identifying the volumes and values of invoices which, in turn, provides a picture of the transactional activity and indicates where process efficiencies may be achieved.
- A separate review looked at the actions of staff involved in procurement and purchasing activities. **Procurement** is defined here as **the sourcing** work completed before an order is created on the Agresso MS4 financial management system. **Purchasing** is defined as the actual process of **doing the buying**, i.e., when the procurement information is used to create the Agresso MS4 purchase order.

The findings of both exercises informed the development of this CPP and the key findings are presented here.

2.1 Spend Analysis

The purpose of the spend analysis was to:

- Inform the drafting of the CPP
- Support the high level strategies for the identified categories of spend
- Identify opportunities for improvement in terms of saving costs
- Identify opportunities for working in a more efficient manner
- Identify a number of Key Performance Indicators that can be used to monitor review the impact of implementing the CPP

Supply positioning is a planning and decision support tool to help segment expenditure and determine the most effective way forward in sourcing and supplier management. A supply positioning matrix consists of four boxes and measures

relative annual expenditure on the horizontal axis and the degree of market difficulty or supply risk on the vertical axis.

The Council's total procurement expenditure for the last financial year, 2015, was analysed. The total value examined was €26,275,869 of which 7,655 invoices were raised against 1,352 core trade suppliers.

2.1.1 Significant Messages

The headline messages that were drawn from the initial expenditure analysis were that in 2015:

- 1.11% of suppliers were paid 45.9% of the expenditure
- 64.72% of the suppliers were paid less than a total of €1,000 during the year of which 30.55% of suppliers were paid less than €200
- 5,021 invoices (65.59%) were for less than €1,000 of which over 2,528 (33.02%) were for less than €200

Total Payment per Invoice	No of Invoices	Expenditure	% of invoices	% of spend	No of Suppliers	% of Suppliers
<€200	2,528	€224,145	33.02%	0.85%	413	30.55%
€201-€1,000	2,493	€1,255,838	32.57%	4.78%	462	34.17%
€1001-€10,000	2,199	€6,108,887	28.73%	23.25%	318	23.52%
€10,000-€50,000	301	€6,095,944	3.93%	23.2%	74	5.47%
€50,000-€100,000	14	€910,536	0.18%	3.47%	13	0.96%
>€100,000	24	€12,061,635	0.31%	45.9%	15	1.11%
Invoices/Cr Notes with Credit Values	55	(€381,116)	0.72%	-1.45%	32	2.37%
Invoices with NIL Values (DR & CR entries)	41	0	0.54%	0	25	1.85%
Total	7,655	€26,275,869	100%	100%	1,352	100%

2.1.2 Supplier Positioning

The completed expenditure analysis resulted in it being allocated to more than 14 account elements:

Acc element	Acc element(T)	Total
65500	Minor Contracts- Trade Services & other works	€16,610,335.19
71000	Insurance	€2,580,791.22
69000	Hire (Ext) - Plant/Transport/Machinery & Equipment	€2,380,519.16
70000	Materials	€1,774,621.87
69260	Repairs & Maint - Other Equip	€868,251.87

69200	Repairs & Maint - Plant	€407,838.28
69250	Repairs & Maint - Computer Equip	€354,924.34
68000	Non-Capital Equip Purchase - Office Equip/Furn	€306,017.17
75000	Computer Software and Maintenance Fees	€281,380.82
71550	Library Book Purchases	€266,469.86
66500	Non-Capital Equip Purchase - Fire Services	€209,153.01
67500	Non-Capital Equip Purchase - Computers	€167,235.24
69150	Repairs & Maint - Buildings (excl. LA Housing)	€36,062.83
66000	Non-Capital Equip Purchase - Civil Defence	€32,268.44
	Total	€26,275,869.30

The top five expenditure categories accounted for €24,214,519 (92%) of the expenditure. The highest spend accounted for €16,610,335.19 (63.22%) of the expenditure.

The 14 expenditure categories were analysed using the Supplier Positioning Matrix and judgements made on the risks associated with their supplier base. The following picture emerged (**Diagram 1**, see overleaf):

Diagram 1



2.1.3 Interpretation of Results

The expenditure in **Quadrant 1** refers to routine expenditure with a relatively low proportion of the total expenditure on purchased items. However, they represent a high proportion of the purchasing transactions carried out by Meath County Council. Individual transactions are of low value and the goods and services are readily available. There is usually little opportunity to aggregate demand in order to improve purchasing power. As a result, transactional costs associated with the purchasing these items are usually high, relative to the value of the items

themselves. These costs need to be contained to ensure value for money. As the goods and services are readily available, buying from competitive suppliers is often an effective strategy for reducing transactional costs.

Quadrant 2 relates to goods and services that are generally commodity items available from stable supply markets. Thus while the value of expenditure is high relative to other quadrants, the risk in relation to suppliers is low and so the Council may be able to exercise some leverage over suppliers. Expenditure in this quadrant generally relates to items that are commonly used across the organisation, often in high volumes and with the individual transactions being of low value. Supply strategies often focus on aggregating demand with a few suppliers to gain volume discounts. As there are often many low value purchases made against the engagements, having simple buying practices that reduce transactional costs is advantageous.

Quadrant 3 refers to a relatively low level of spend but also where the market is constrained and there are a limited number of suppliers. These items collectively make up a very small proportion of the total expenditure on purchased items. Goods and services in this category are usually highly specialised and there are often very few potential suppliers. Purchasing strategies for securing supply in this category generally focus on reducing the organisation's exposure in the market. Strategies for doing this include actively identifying alternative sources of supply, changing the demand requirements or developing stronger relationships with key suppliers.

Finally, **Quadrant 4** deals with high risk and high value items. Goods and services in this category are often a complex package of services and goods that are critical to the organisation's service delivery. Long-term relationships with suppliers are common and therefore effective contract management practices are essential for obtaining full value from the agreement.

Obviously individual procurement methods will vary by contract, but the overall priorities of how we approach procurement within the Council should be based on these four key principles. **Diagram 2** below demonstrates possible purchasing methods for the four quadrants discussed above.

out in sequence, for instance, where an incorrect amount is noted on the invoice or where invoices are submitted without a purchase order number.

During the 2015 financial year, a total of 1,352 suppliers were paid for goods and services with regards to the expenditure categories examined, however, some suppliers were engaged to supply goods / services across two or more expenditure categories. One account element was further examined and some of the findings are detailed below:

Account Element	Number of Purchase Orders	Number of Transactions	Number of Suppliers
70000	535	1876	509

75 various product codes used on the account element which was examined (70000 materials) – see **Appendix 1**.

Recommendation 1:

- a) Ensure that all new suppliers are paid by EFT
- b) Ensure that all staff comply with the purchase to pay cycle in accordance with Agresso MS4 procedures
- c) Continue to promote the use of the Council’s low value purchase cards where suitable and applicable to do so.

3.2 Supplier Analysis

The supplier analysis was carried out in order to gain an understanding of the relationship that the Council has with its suppliers. Specifically, it concentrates on identifying the number of suppliers, the value of business with each supplier, the range of goods and services supplied by each supplier and the number of transactions that are conducted with each supplier. It is important to understand the nature of the supply market for particular goods and services from the perspective of Value for Money and Security of Supply.

Supplier analysis can be used to reduce or increase the number of suppliers where appropriate, to aggregate purchasing of similar goods across departments to maximise purchasing power, and to examine invoicing arrangements with a view to achieve process efficiencies and cost reductions.

To date, supplier management has not been a feature of procurement practices within Meath County Council. Emphasis has been on compliance with purchasing guidelines and obtaining quotations to get the best value for money. This approach has led to a situation where individual departments deal separately with a large number of suppliers, yet no department has responsibility for managing the

performance of any supplier on an on-going basis. The exception to this are large works contracts.

Total Payments	No of Suppliers	% of Suppliers
< €200	413	30.55%
€200 - €1,000	462	34.17%
€1,000 - €10,000	318	23.52%
€10,001 - €50,000	74	5.47%
€50,001 - €100,000	13	0.96%
> €100,000	15	1.11%
Cr Note/Invoices < €0	32	2.37%
Nil values	25	1.85%
Total	1,352	100%

As indicated in the above table, 1,352 suppliers received payments, of which 30.55% were payments for €200 or less.

Analysis of these payments has shown that there is scope for increasing the amount of contracted procurement taking place. One-off or ad-hoc procurement usually results in higher prices and less favourable terms and conditions.

Recommendation 2

- a) The number of suppliers should be reviewed with a view to reducing the number supplying the same goods and services. This will lead to optimisation of supplier base
- b) Efforts should be made to reduce the amount of ad-hoc one-off payments to suppliers
- c) Develop a supplier management policy to include the evaluation of performance of suppliers.
- d) Introduce a specific Meath County Council policy in relation to the use of OGP national frameworks, to increase the volume and value of contracted goods and service being acquired by the Council.

4 Organisational Procurement Principles, High Level Goals and Objectives

4.1 Procurement Principles

Meath County Council will ensure that the procurement function formally supports the Council's key corporate objectives and is focused on delivering value for money through purchasing strategies that are consistent with EU and National procurement rules.

This requires an undertaking to improve procurement structures and expertise in the Council on an on-going basis, ensuring that procurement practices are professional and that the staff have the necessary capabilities to operate in line with best practice. Management of the procurement function will be carried out in accordance with the following principles:

- *Compliance* – all procurement shall be carried out in a manner consistent with European, National and local procurement law, rules and guidelines.
- *Value for Money* – to achieve the optimum balance of quality and whole life cost to meet the business needs of the Council
- *Risk Management* – to identify and manage risk in the procurement process so as to avoid unfavourable outcomes
- *Procurement Aggregation & Collaboration* – to reduce cost through leveraging public sector demand at local, regional and national levels and by collaborating with other local authorities and public sector bodies on procurement initiatives
- *Capacity Building* – to build organisational capacity to strategically manage procurement in order to achieve measurable savings and benefits
- *Training and Education* – to develop procurement skills among employees which are necessary to achieve sustainable improvements in procurement measurements
- *Economic Development* – to ensure that procurement activity supports the participation of the SME sector subject to legal requirement
- *E-procurement* – to improve efficiency through targeted use of technology which support procurement

4.2 High Level Goals & Objectives

Procurement Framework & Structures

Develop a framework that will deliver a coherent and consistent approach to procurement across Meath County Council which will support the introduction of best practice in procurement.

The development of practical, realistic procurement strategies must be planned for.

This goal will be implemented through the following objectives:

- *Ensure that procurement reform is fully supported by Senior Management*
 - Corporate Procurement Plan be adopted by Management Team
 - Procurement Management Reform to be included in Management Team Plan and Directorate Team Plans
 - Ensure that the CPP supports and is recognized within the Council's future Corporate Strategies
 - Responsibility of implementation of the Plan to be assigned to a member of the Management Team supported by the Procurement Function of the Council
 - Progress reports on the implementation of the Procurement Plan to be presented to Management Team half yearly

- *Establish a Procurement Unit to manage the Procurement Function of the Council*
 - Set up a Procurement Unit within the Finance Department with appropriate staff resources
 - Assign a Procurement Officer to the Procurement Unit
 - Assign a Procurement Assistant to the Procurement Unit
 - Agree the roles and responsibilities of the Procurement Unit
 - Nominate a Procurement Resource within each department to support the implementation of the process and liaise with the Procurement Unit

Compliance

To ensure that all procurement is carried out in accordance with appropriate local, national and EU rules by developing a comprehensive procurement information management structure with procurement policies and procedures available to all staff involved in the procurement process.

This goal will be implemented through the following objectives:

- The creation of a document library of policies, procedures and guidance documents, and other relevant procurement documentation
- Ongoing review of the Purchasing Procedures Manual to ensure it specifies the appropriate procedures to be followed in a clear and unambiguous manner.
- The preparation of standard template documents and correspondence to be used in the procurement process.
- Providing up-to-date details of Office of Government Procurement and Regional contracts available in a timely manner
- Development of a central register of contracts (tender tracker) to identify on-contract, off-contract and non-contract spend; and to inform procurement strategy in relation to the categories identified.

Collaboration

Participation of public sector procurement initiatives at national and regional level. This will also include e-procurement initiatives and aggregation.

This goal will be implemented through the following objectives:

- Implementation of the Office of Government Procurement contracts, where appropriate
- Participation in future Office of Government Procurement contracts where appropriate and value for money can be shown
- Active participation in the Regional Procurement Network initiatives to identify categories for aggregation
- Identify categories for local cross-departmental aggregation

E-Procurement

Maximise the use of IT and other technologies to improve procurement efficiency and drive down cost in the procurement cycle.

This goal will be implemented through the following objectives:

- The use of Framework Agreements on SupplyGov
- Use of SupplyGov for the purchase of supplies and services below the thresholds of circular 10/14 where appropriate
- Use of eTenders for all tenders above the thresholds of circular 10/14
- Review and streamline category and product coding on Agresso MS4 and consider a complete move to align Meath County Council with the national product codes developed by the OGP.

Training

Develop and implement a training programme to improve procurement skills and knowledge across the Council. This training should be appropriate to the individual's role in the procurement process.

This goal will be implemented through the following objectives:

- Provide in-house training on SupplyGov
- Provide in-house training on procurement rules
- Provide in-house training on the tender process
- Provide in-house training on eTenders
- Procurement Unit staff to identify personal training needs and receive training as appropriate including attendance at conferences and seminars

Sustainable Public Procurement

Encourage the use of award criteria in tenders that promote sustainable procurement through the inclusion of environmental, economic and social criteria in the procurement of goods, services and works.

Environmental / Green Procurement

Promote methods of production that are more environmentally friendly and stimulate greater supply of “green” goods and services through the use of environmental criteria in procurement procedures.

This goal will be implemented through the following objectives:

- Use of “ultimate cost” and not price in award criteria to promote “life-cycle” thinking in procurement
- Ensure procurement is in compliance with all relevant environmental legislation

Economic

Support increased participation by SMEs in public procurement

This goal will be implemented through the following objectives:

- Where appropriate and practical and without compromising efficiency and value for money, the Council will consider dividing contracts into Lots
- Facilitate more SMEs in competing for procurement opportunities by ensuring the pre-qualification criteria (e.g., turnover, insurance, experience) for procurement contracts are proportionate to the contract in question
- At the time of tendering, allow tenderers to self-declare that they have the relevant and proportionate capacity necessary to undertake the contract
- Provide public procurement training for suppliers
- Participate in “meet the buyer” events where appropriate

Social

To include social considerations in public procurement, where possible, in order to support social policies in relation to employment opportunities, compliance with social and labour rights, social inclusion, equal opportunities and accessibility.

This goal will be implemented through the following objectives:

- The use of award criteria that support social policies

5 Implementation Plan

Goal No	Description	Objective	Target Date	Measure of Delivery	Owner
1	Develop a framework that will deliver a coherent and consistent approach to procurement across Meath County Council which will support the introduction of best practice in procurement	<ol style="list-style-type: none"> 1. Corporate Procurement Plan to be adopted by Management Team 2. Procurement Management Reform to be included in Management Team Plan and Directorate Team Plans 3. Ensure that the CPP supports and is recognised within the Council's future Corporate Strategies 4. Responsibility of implementation of the Plan to be assigned to the Head of Finance supported by the Procurement Function of the Council 5. Progress reports on the implementation of the Plan to be presented to the Management Team half yearly 6. Set up a Procurement Unit within the Finance Department 7. Appoint a Procurement Officer to the unit 8. Appoint a Procurement Assistant to the unit 9. Agree roles and responsibilities of the Procurement Unit 10. Nominate a Procurement Resource within each department 	<p>Q4 2016</p> <p>2017</p> <p>2017</p> <p>Q4 2016</p> <p>Q2 2017</p> <p>Complete</p> <p>Complete</p> <p>Complete</p> <p>Q1 2017</p>	<ol style="list-style-type: none"> 1. Plan approved by Management Team 2. Team plans amended to include procurement reform 3. New Corporate Plan amended to include Procurement as a corporate strategy 4. Responsible Manager assigned 5. Dates for presentations agree 6. Procurement Unit established 7. Procurement Officer appointed 8. Procurement Assistant appointed 9. Roles & responsibilities agreed 10. Procurement resources nominated 	<p>Mgt Team</p> <p>Mgt Team</p> <p>Mgt Team</p> <p>CE</p> <p>Mgt Team/ Proc Unit</p> <p>Department Heads</p>
2	Develop a procurement information management structure to ensure procurement is carried out in accordance with appropriate local, national and EU rules	<ol style="list-style-type: none"> 1. Develop a procurement document library on intranet 2. Review procurement policy and purchasing procedures manual 3. Prepare template procurement documents 4. Publish details of OGP & Regional contracts 5. Develop a register of contracts (tender tracker) 	<p>Ongoing</p> <p>Complete 2017</p> <p>Ongoing 2017</p>	<ol style="list-style-type: none"> 1. Document library established and updated regularly 2. Revised manual complete 3. Template documents prepared 4. Details available to staff 5. Register developed and used 	<p>Proc Unit</p> <p>Proc Unit</p> <p>Proc Unit</p> <p>Proc Unit</p>
3	Participate in public sector procurement initiatives at national and regional level, including e-procurement initiatives and aggregation	<ol style="list-style-type: none"> 1. Implement current OGP contracts 2. Participate in future OGP contracts 3. Participate in Regional Procurement initiatives 4. Complete detailed spend analysis for cross-departmental aggregation 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<ol style="list-style-type: none"> 1. No of contracts implemented 2. No of contracts implemented 3. No of meetings attended 4. Spend analysis completed on a monthly basis 	<p>Proc Unit</p> <p>Proc Unit</p> <p>Proc Unit</p> <p>Proc Unit</p>

4	Maximise the use of IT and other technologies to improve procurement efficiency and drive down cost in the procurement cycle	<ol style="list-style-type: none"> 1. Full utilisation of framework agreements on SupplyGov 2. Full utilisation of SupplyGov for the purchase of supplies and services below the threshold circular 10/14 where appropriate 3. Full utilisation of eTenders for all purchases above circular 10/14 thresholds 4. Review and streamline category and product coding on Agresso MS4 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Q3 2017</p>	<ol style="list-style-type: none"> 1. Number of RFTs/RFQs raised. Reduction in maverick spend 2. No of RFTs/RFQs raised. Reduction in maverick spend 3. No of tenders published on eTenders. Reduction in maverick spend 4. Coding streamlined 	<p>All areas</p> <p>All areas</p> <p>All areas</p> <p>Proc Unit / Agresso team</p>
5	Develop and implement a training programme to improve procurement skills and knowledge across the Council appropriate to individuals roles	<ol style="list-style-type: none"> 1. Provide in-house training on SupplyGov 2. Provide in-house training on procurement rules 3. Provide in-house training on tender process 4. Provide in-house training on eTenders 5. Develop training plan for procurement unit 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<ol style="list-style-type: none"> 1. No of people trained 2. No of people trained 3. No of people trained 4. No of people trained 5. Completion of PDPs 	<p>Proc Unit</p> <p>Proc Unit</p> <p>Proc Unit</p> <p>Proc Unit</p> <p>HoF/Proc Unit</p>
6	Encourage the use of award criteria that promotes sustainable procurement through the inclusion of environmental, economic and social criteria in the procurement of goods, services and works.	<p>Environmental / Green Procurement</p> <ol style="list-style-type: none"> 1. Use of Ultimate Cost to promote life-cycle thinking 2. Ensure procurement is in compliance with relevant environmental legislation <p>Economic</p> <ol style="list-style-type: none"> 1. Where appropriate and practical and without compromising VFM, the Council will consider dividing contracts into Lots. 2. Facilitate more SMEs in competing for procurement opportunities by ensuring pre-qualification criteria for procurement contracts are proportionate to the contract in question 3. At time of tendering, allow tenderers to self-declare that they have the relevant and proportionate capacity necessary to undertake the contract 4. Provide public procurement training for suppliers 5. Participate in "Meet the Buyer" events <p>Social</p> <ol style="list-style-type: none"> 1. Use award criteria that supports social policies 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>2017</p> <p>2017</p> <p>Ongoing</p>	<ol style="list-style-type: none"> 1) Use of MEAT award criteria including ultimate cost 2) Provide guidance on environmental legislation <ol style="list-style-type: none"> a. No of tenders divided into Lots b. Provide guidance on proportionate values c. Provision made for self-declarations in tender documents d. No of people trained e. No of events attended 1) No of tenders that include social criteria in award criteria 	<p>All areas</p> <p>Proc Unit</p> <p>All areas</p> <p>Proc Unit</p> <p>Proc Unit</p> <p>Proc Unit/ LEO</p> <p>Proc Unit/LEO</p> <p>All areas</p>

Appendix 1- Account Element 70000 (Materials) - Product Code Transactional Analysis **

Product	Description	Trans	Product	Description	Trans	Product	Description	Trans
ASH01	ASPHALT TO CL. 905, TABLE 9/4, 30% ST	2	HSG05	DOOR FITTINGS	3	RST05	CRUSHED ROCK, CL804, 75MM DOWN	312
BIT04	BITMAC TO CL. 903, 10MM	177	HSG07	FIRE GRATES AND FITTINGS	1	RST13	QUARRY SCREENINGS	7
BIT06	BITMAC TO CL. 903, 6MM	6	HSG14	LOCKS - VARIOUS	5	SDC01	SURFACE DRESSING CHIPS, CL1, 10MM	68
BIT07	BITMAC TO CL. 904, 10MM	20	HSG15	PLUMBING MATERIALS	2	SDC02	SURFACE DRESSING CHIPS, CL1, 14MM	3
BIT09	DELAY SET MACADAM	44	HSG17	ROOFING MATERIALS	1	SDC04	SURFACE DRESSING CHIPS, CL 2, 10MM	72
BIT12	CATIONIC BITUMEN EMULSION- TAR	134	HSG20	TIMBER - PLANED	1	SDC08	SURFACE DRESSING CHIPS, CL 2, 6MM	22
CBL01	CONCRETE BLOCKS	1	HSG23	WINDOWS & FITTINGS	2	SGN01	ROAD CONES	5
CHEM02	CHLORINE BUFFER	1	HSG25	GENERAL HARDWARE (AMOUNT)	14	SGN04	SIGN PLATES	6
CHEM17	SODIUM HYPOCHLORITE	1	LAB01	LABORATORY CHEMICALS	2	SGN07	SIGNS - HAZARD	2
CHEM18	WEEDKILLER	17	LAB17	LABORATORY CONSUMABLES	4	SGN08	SIGNS - HEAVY DUTY (TRAFFIC)	2
CHEM19	SULPHURIC ACID	9	OFF48	Brochures	2	SGN09	SIGNS - OTHER	140
CHEM21	CHEMICALS OTHER	4	OFF49	Design Graphics	35	SSM08	FILTER SAND	14
CMS06	CONCRETE KERBS, 900 X 250 X 125	5	PNT03	PAINT - GLOSS/EMULSION ETC	38	SSM12	GULLEY COVERS	9
CMS09	CONCRETE PRODUCTS OTHER	2	PNT04	PAINT - MARKING	2	SSM13	GULLY BOX	3
CMS10	CEMENT (BAGS)	8	RGL01	PIT RUN GRAVEL PASSING 150MM CRUSHED GRAVEL, CL. 803, 75MM	1	SSM16	MANHOLE COVER	6
FEN11	FENCING - GENERAL	28	RGL03	DOWN	5	SSM21	PIPE BENDS	1
FEN13	POSTS - TIMBER	1	RGL05	SHARP SAND FOR GRITTING	74	SSM23	PIPING - PVC	5
FEN19	STEEL RAILINGS/FENCING	14	RGL06	WASHED SAND FOR PLASTERING	7	SSM31	SANITARY SERVICES FITTINGS	10
GEN03	BATTERIES	7	RGL07	WASHED GRAVEL FOR CONCRETE	7	SSM44	MANHOLE RINGS	1
GEN09	GENERAL HARDWARE (PRICE PER UNIT)	320	RGL08	WASHED PEBBLE, 10MM	13	TRAV16	REFUND STAFF OUT-OF-POCKET EXPENSES	3
GEN11	SAND BAGS	4	RGL14	DECORATIVE STONE	5	VET01	VETERINARY MEDICALSUPPLIES	8
GEN14	PLANTS SHRUBS & TREES	46	RMX01	READY MIX CONCRETE MIX 20:1	4			
GEN16	HORTICULTURAL PRODUCTS	5	RMX02	READY MIX CONCRETE MIX 10:1	3			
GEN24	DELIVERY CHARGE - MATERIAL	69	RMX06	READY MIX CONCRETE MIX 20N	11			
GEN38	TOPSOIL	13	RMX07	READY MIX CONCRETE MIX 25N CRUSHED ROCK, WELL GRADED,	1			
GEN70	Hire of items for Presentation	3	RST01	100MM CRUSHED ROCK, WELL GRADED,	3			
HSG02	CENTRAL HEATING FITTINGS	1	RST04	50MM	7			

** The above figures do not take into consideration any transaction made on the Low Value Purchase Cards (LVPC's)

Appendix 2 - Procurement Analysis Recommendations

Recommendation 1:

- a) Ensure that all new suppliers are paid by EFT
- b) Ensure that all staff comply with the purchase to pay cycle in accordance with Agresso MS4 procedures
- c) Continue to promote the use of the Council's low value purchase cards where suitable and applicable to do so.

Recommendation 2

- a) The number of suppliers should be reviewed with a view to reducing the number supplying the same goods and services. This will lead to optimisation of supplier base
- b) Efforts should be made to reduce the amount of ad-hoc one-off payments to suppliers
- c) Develop a supplier management policy to include the evaluation of performance of suppliers.
- d) Introduce a specific Meath County Council policy in relation to the use of OGP national frameworks, to increase the volume and value of contracted goods and service being acquired by the Council.

Appendix 3 - Procurement Unit Roles and Responsibilities

Role

- a. To effect the purchase of all goods and services for the Meath County Council in accordance with Government Regulations, EU Legislation, current procedures and best practice.
- b. To ensure the Meath County Council secures best value for money in respect of price, quality and continuity of supply
- c. To actively identify and achieve savings through appropriate collaboration and strategic procurement

Key tasks

- a. To develop and implement purchasing policies in accordance with existing corporate procedures, best operating practices and public procurement guidelines
- b. To ensure the purchase of all goods and services for the Meath County Council in accordance with Government Regulations, EU Legislation, current procedures and best practice.
- c. To ensure compliance with tendering requirements and expenditure authorisation levels as agreed within the Meath County Council
- d. To identify opportunities to apply appropriate procurement strategies such as collaboration, optimising buyers, suppliers and products
- e. To assist where required in securing competitive prices through tender processes, selecting suppliers and resolving queries associated with the procurement process
- f. To maintain appropriate records on the goods and services contracts entered into by the Meath County Council
- g. To develop and maintain relationships with internal and external customers
- h. To report to management in relation to expenditure profiles and breaches of purchasing procedures
- i. To keep Management apprised of developments in the public procurement area

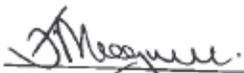
Key Strategic Objectives

- a. Accurate data on category spend
- b. Well trained and experienced buyers
- c. Cross-functional team approach
- d. Challenge process for specifications and strategy
- e. Good knowledge of supply market
- f. Aggregation of requirements across the organisation
- g. Collaboration with other procurement units / functions
- h. Well developed sourcing strategy
- i. Good risk assessment and management process
- j. Contract management process is well developed
- k. Procurement performance is measured against targets

Appendix 4 - Chief Executive Order

Chief Executive Order signed on 21st December 2016 and adapted from this date.

Meath County Council - Chief Executive Order

Ref Number	CEO MISC 1184/2016 (Finance)
Subject	Corporate Procurement Plan 2016-2018
Submitted	Meath Co Co Corporate Procurement Plan 2016-2018, Approved by the Management Team at a meeting held on the 20/12/2016. See attached document recommended by Adrian Hobbs, Procurement Officer.
Order	By the powers conferred on me under Section 151 of the Local Government Act, 2001, as amended by the Local Government Reform Act, 2014, I hereby order as follows: Meath Co Co Corporate Procurement Plan 2016-2018 is hereby adapted from today's date
Signed By	 Chief Executive CEO MISC 1184/2016 (Finance)
Date Signed	<u>21/12/16</u> Date Signed - CEO MISC 1184/2016 (Finance)
Created By Caroline Rooney	Checked By _____ CEO MISC 1184/2016 (Finance)