

# CORPORATE PROCUREMENT PLAN 2022-2024



Comhairle Contae Thiobraid Árann  
Tipperary County Council

Tipperary County Council  
Procurement Office, Finance

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## Acronyms and Glossary

CAT	Climate Action Team
CCMA	<u>The County and City Management Association</u>
CE	Chief Executive
CPP	Corporate Procurement Plan
DPER	<u>Department of Public Expenditure and Reform</u>
DPS	Dynamic Purchasing System
DoS	Director of Services
GPP	Green Public Procurement
HoF	Head of Finance
OGP	<u>Office of Government Procurement</u>
LGMA	<u>Local Government Management Agency</u>
LGOPC	<u>Local Government Operational Procurement Centre</u>
LGSPC	<u>Local Government Strategic Procurement Centre</u>
MT	Management Team
PC	Procurement Coordinator
PO	Procurement Office
PSG	Procurement Strategy Group
TII	Transport Infrastructure Ireland
TM	Tender Manager

## **Foreword from the Chief Executive**

This corporate procurement plan sets out Tipperary County Council's procurement objectives for the period 2022-2024. The objectives reflect EU, national and local procurement policies and priorities. The plan has been prepared in the context of implementing the procurement reform programme being driven by Government as part of the modernisation of the Public Service. It also reflects the increasing professionalisation of the procurement function.

The Climate Action Plan 2021 requires that every public body has a climate mandate. A key element of that mandate is to use public procurement to deliver change. Ireland has committed to implementing green public procurement (GPP) in all tenders using public funds by 2023.

There are real challenges ahead as the organisation absorbs the requirements of the new Climate Action Plan with its carbon targets and other measures. It will take time to develop the cross-organisational structures and systems necessary to identify and drive the changes that are needed. It will also take time to develop procurement processes that will effectively deliver the organisation's targets.

As Chief Executive, I am committed to delivering on the climate agenda and implementing GPP. I am requesting each Directorate to ensure that measures are implemented within our operations which individually and collectively contribute to the achievement of actions and targets in local and national Climate Action Policies. In doing this I am also highlighting the need for early planning, target setting and decision making for each spend element before reaching procurement stage.

Before there can be measurable GPP success, sections will have to identify initiatives to meet the targets. The Procurement Office will support sections in trying to achieve the initiatives they identify.

All of these challenges must be met whilst making the most effective use of the resources available to the organisation, maintaining service delivery and ensuring compliant, equitable and transparent procurement processes that deliver value for money.

**Joe MacGrath, Chief Executive, Tipperary County Council**

## 1. Introduction

### 1.1 Corporate Procurement Plan

This Corporate Procurement Plan (CPP) identifies the procurement objectives that will be pursued during the three-year period 2022-2024. It has been prepared in accordance with the OGP 'Information Note - Corporate Procurement Plan' December 2020. It has been developed on the basis of a review of the previous plan, identification of priorities and incorporates national procurement reform requirements.

The procurement objectives will support efficient and effective delivery of services by Tipperary County Council. In its Corporate Plan 2020-2025, Tipperary County Council sets out the strategic vision:

*'Tipperary - A vibrant place where people can live, visit and work in a competitive and resilient economy, a sustainable environment and an inclusive and active community'*

This Procurement plan will support the council's policy objectives and is guided by its core values of:

- Quality Service/Customer Focus
- Sustainability
- Collaboration
- Good Governance

### 1.2 Policy basis for procurement plan

The documents that form the policy basis for the procurement plan can be accessed at the links.

Corporate Governance Standard for the Civil Service, Code of Practice for the Governance of State Bodies, Public Spending Code, National Public Procurement Policy Framework, Freedom of Information Act 2014, FOI Model Publications Scheme, Circular 40/2002.

### 1.3 Procurement reform

Since 2011, the public sector has implemented two Public Service Reform Plans and is now into its third. The need for procurement reform to meet changing economic conditions has been prioritised. As part of the reform, the Office of Government Procurement (OGP) has been set up. The OGP has responsibility for national procurement policy and procedures, sourcing systems and data analytics. The local authority sector is represented on the OGP's Interim Procurement Reform Board which was formed in 2018 to oversee how procurement reform is being implemented across the public sector.

## **2. Corporate Procurement Plan 2022-2024**

### **2.1 Purpose**

The Purpose of this CPP is to set out Tipperary County Council's procurement objectives, goals and actions over the lifetime of the plan.

### **2.2 Scope**

The CPP will cover a three-year period from 2022 – 2024 inclusive. Tipperary County Council is the eighth largest local authority in the country. In the three-year period January 2019 to December 2021, the Council had a procurable spend in the region of €350 million (of which €199 million was Revenue spend and €151 million was Capital). A wide range of goods, services and works are tendered for annually.

### **2.3 Tipperary County Council Procurement objectives**

- Develop procurement structures that best support the organisation's procurement needs
- Manage risk in the procurement process
- Facilitate the organisation's environmental, economic, SME and social considerations targets through Green Public Procurement (GPP)
- Embed transparency and accountability in procurement practices
- Provide training and support to Procurement Coordinators working in a complex procurement environment
- Achieve greater value for money
- Identify and acquire electronic data and process management systems to support streamlined collection and collation of data
- Extract data to properly support decision making and meet national reporting requirement

### **2.4 Green Public Procurement**

In the Foreword to this plan, the Chief Executive has indicated his commitment to delivering on the organisation's challenging climate actions, environmental and other social commitments through GPP. Before there can be measurable GPP success, sections will have to identify initiatives to meet the commitments. The procurement office will support sections in trying to achieve the initiatives they identify.

The procurement office will continue to promote the wider use of environmental and social considerations in public procurement as set out in [Circular 20/2019: Promoting the use of Environmental and Social Considerations in Public Procurement](#)

## 2.5 Specific Goals and Action plan 2022-2024

Goal	Actions to Achieve Goal	Target Start Date	Measure of Delivery	Owner <sup>1</sup>
<p>1. Support the organisation to meet its <b>identified targets</b> under</p> <ul style="list-style-type: none"> <li>• Climate Action Policies</li> <li>• Environmental and Social Considerations (Circular 20/2019)</li> <li>• SME initiatives (Circular 10/14)</li> </ul> <p>through GPP</p>	<p>PO to work with CAT and senior staff to develop systems that will track, measure and monitor the progress of <b>identified targets</b> from project initiation, through procurement and on to completion stage.</p> <p>PO will further develop Pre-Tender Compliance documentation to enable TMs record the relevant procurement actions for <b>identified targets</b></p> <p>When relevant training and mentoring programmes are identified during the lifetime of this plan, details will be circulated to DoS and senior staff – to ensure targeted uptake by appropriate staff.</p>	<p>Duration of plan</p> <p>Q2, 2022</p> <p>Duration of plan</p>	<p>System in place to track identified targets through project development and implementation phases</p> <p>Specification and criteria recorded by TMs for each tender at Pre-Tender review stage</p> <p>No. of training and programmes circulated. No. targets identified at Pre-Tender peer-review stage.</p>	<p>MT, CAT, DoS, PSG</p> <p>TMs, PCs, PO</p> <p>PO, DoS, TMs, PCs</p>
<p>2. Develop internal structures, systems and supports to maintain a robust procurement model that meets the organisation's needs</p>	<p>Work with senior staff to continue the embedding of the PC role across the organisation. Support the networking of the PC Group.</p> <p>Work with relevant sections to further develop cross-organisation PC role at an appropriate skills and responsibility levels:</p> <ul style="list-style-type: none"> <li>• Roads</li> <li>• IT</li> <li>• Facilities management</li> <li>• Professional services</li> </ul> <p>Support the development of category specific policies, including GPP, for cross-organisation use</p>	<p>Duration of plan</p>	<ul style="list-style-type: none"> <li>• No. active PCs</li> <li>• PC Responsibility levels</li> <li>• No. &amp; availability of trained PCs for cross-organisation role</li> <li>• No of Directorates with cross-section PC roles</li> <li>• No of PC staff moves</li> <li>• No of compliance procedures carried out</li> <li>• No of Directorates with agreed PC cover and hand-over procedures in place</li> </ul> <p>• Specific policies developed</p>	<p>MT, DoS, PSG, PO, PCs</p> <p>PCs, PO</p>

<sup>1</sup> CAT-Climate Action Team. DoS-Director of Services. HoF – Head of Finance. MT-Management Team. PO-Procurement Office. PC-Procurement Coordinator. PSG-Procurement Strategy Group. TM-Tender Manager  
January 2022

Goal	Actions to Achieve Goal	Target Start Date	Measure of Delivery	Owner <sup>1</sup>
3. Governance and compliance oversight	<p>Procurement Strategy Group (PSG) meets to oversee the implementation of the CPP</p> <p>Procurement Risk Register monitored</p> <p>Continuous review to identify improvements in communications, data systems, documentation and practice</p> <p>In-house, national and legislative recording and reporting requirements met.</p> <p>In-house pretender and pre-award compliance procedures implemented by trained and experienced PCs supporting tender managers.</p>	Duration of plan	<ul style="list-style-type: none"> <li>• 3 PSG meetings annually, with subsequent reports to MT</li> <li>• Effectiveness of actions taken to manage unacceptable risk</li> <li>• Report on measurement and monitoring prepared by PO for each PSG meeting</li> <li>• Actions and output arising from reviews</li> <li>• Procurement Procedures and other documentation updated as required</li> <li>• No. contracts of €25k and over logged</li> <li>• FOI Quarterly reports published</li> <li>• No. of tenders with CANS published on eTenders within 30 days of award</li> <li>• No. of Contracts for Mini-competitions and Standalone Awards CANS published on eTenders [quarterly reporting]</li> <li>• No. awards on SupplyGov</li> <li>• Expenditure reports to LGMA/OGP</li> <li>• No. Regulation 84 reports lodged with procurement office</li> <li>• No. Pre-tender and Pre-Award procedures carried out</li> </ul>	<p>PSG, PO</p> <p>PSG, PO</p> <p>PO</p> <p>PO, PC, PSG</p> <p>PO</p> <p>PO, TM</p> <p>PO</p> <p>TM</p> <p>TM, PO</p> <p>TM, PC</p> <p>PO</p> <p>TM, PO</p> <p>PC, TM, PO</p>



Goal	Actions to Achieve Goal	Target Start Date	Measure of Delivery	Owner <sup>1</sup>
4. Expenditure optimisation	<p>Work with identified sections to implement arrangements for aggregate spend in annual programmes</p> <p>Work with PCs to identify procedures that deliver the organisation's needs more effectively and give better value for money</p> <p>Develop policy for the use of Quick Quotes by trained staff for non-aggregate type quotations</p>	<p>Duration of plan</p> <p>Duration of plan</p> <p>Q4 2023</p>	<ul style="list-style-type: none"> <li>• Estimated procurable spend identified</li> <li>• Estimated volume and value of works contracts awarded extracted</li> <li>• Top expenditure categories of procurable spend (works, services, goods) identified</li> <li>• No. of TCC arrangements in place to cater for aggregate spend categories</li> <li>• Breakdown of procedures used</li> <li>• No. of OGP national arrangements in use</li> <li>• No. of SG national arrangements in use</li> <li>• No. other central purchasing arrangements in use</li> <li>• Quotation policy and system in place</li> </ul>	Each DoS, TMs, PCs, PO
5. Training	<p>Put procurement training and mentoring contracts in place to enable the PO, PCs and individual sections draw down professional procurement training and advice when required.</p> <p>Encourage use of OGP and other procurement training courses being developed nationally</p>	Duration of plan	<ul style="list-style-type: none"> <li>• Contract in place</li> <li>• User guide for use of contract in place</li> <li>• Range of training modules delivered</li> <li>• No. participating in training for more complex procurement procedures.</li> <li>• No of notifications for training events circulated</li> </ul>	HoF, PO  DoS, PO, PC, TM

### **3. Procurement in Tipperary County Council**

Tipperary County Council has 8 Directorates and 5 Districts. Directorates typically have a number of sections. Each directorate is responsible for sourcing goods, services and works required to deliver the public services within their remit. They have devolved responsibility for budgets and delivery of value for money. Decision making in the procurement process as well as the compliant communication and recording of those decisions lies within the responsible section. Procurement training and support for its staff involved in procurement lies with the section. Specialist training for the PC is supported by the Procurement Office.

A Chief Executive's Order lays out the procurement authorisation levels for Authorised Officers. The Chief Executive (CE) has ultimate responsibility to ensure compliant procurement. The CE delegates significant budgetary and procurement responsibilities to Directors of Services (DoS). Each Director has the responsibility to ensure that the budget holders, to whom they in turn delegate, take responsibility for the compliant procurement of all goods, services and works for which they authorise spend.

#### **3.1 Procurement Structure**

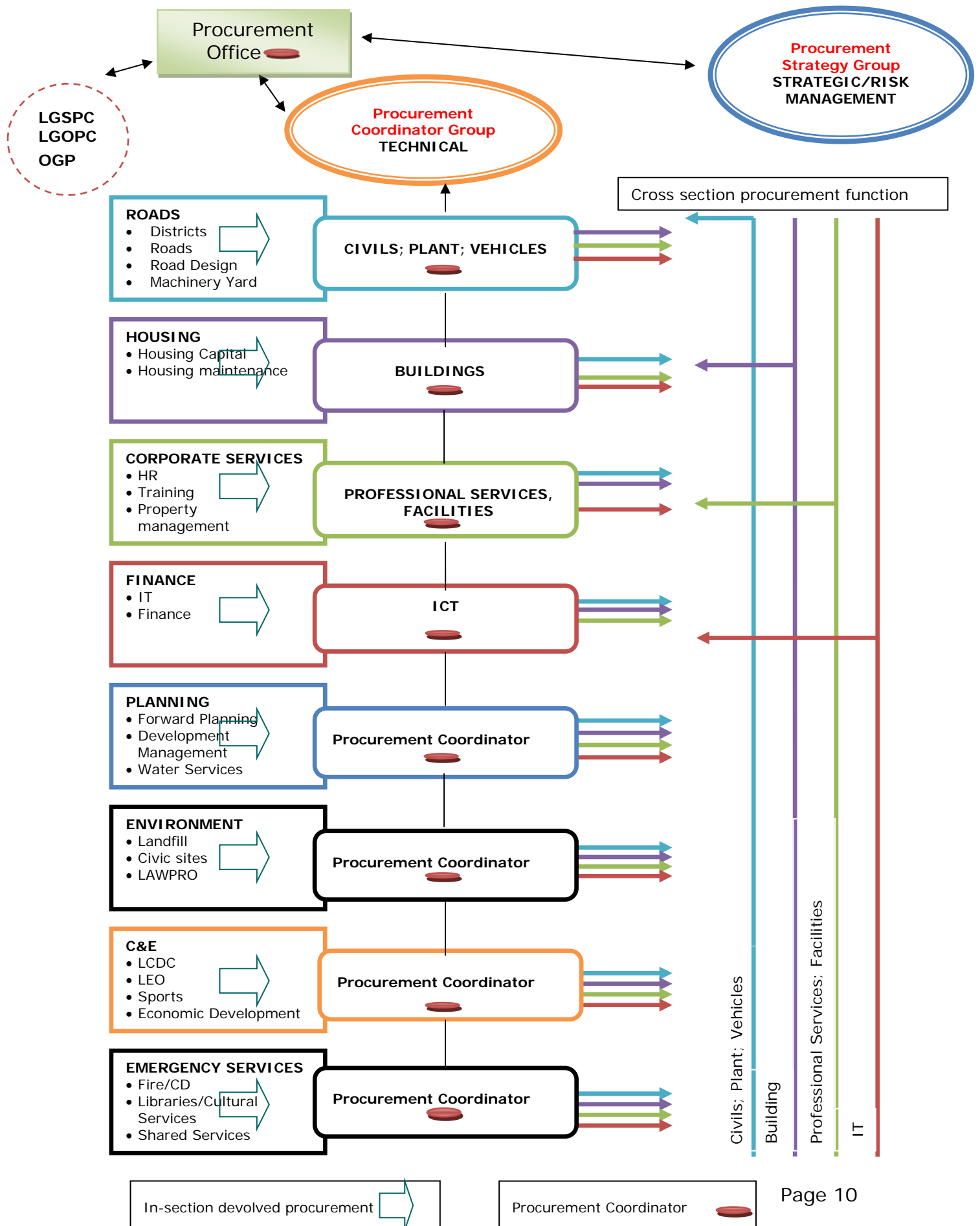
Tipperary County Council operates a primarily devolved procurement system. Procurement is managed by individual budget holders within each directorate and section. The 2019-2021 procurement plan considered a number of options regarding the structure of the procurement function and it was decided to retain the existing devolved structure with adaptations, thereby maintaining the advantages of devolved procurement. The embedding of the adaptations is a long-term objective and will be continued during the lifetime of this plan. The adaptations agreed enable the procurement function to meet evolving national requirements. The organisation is striving to professionalise Procurement Coordinators (PC) in each directorate.

#### **3.2 Procurement Coordinators**

The Procurement Coordinator (PC) role was introduced in the 2019-2021 procurement plan. The PCs are based in directorates across the organisation. Some PCs have a cross-organisation role. The role lies with staff with a range of mid-senior levels of authority, depending on the value, frequency and complexity of the procurement carried out in their respective directorates. They help mitigate the risks inherent in the devolved procurement structure. They support tender managers, through peer reviews, and assist in the collection of the data required to measure performance and compliance across the organisation. With targeted professional training, they are identifying more useful methodologies and putting more suitable arrangements compliantly in place.

The role of the PC is central to driving TCC's success in meeting the requirements of the national reform of public procurement.

### 3.3 Procurement Organisational Structure in Tipperary County Council



### 3.4 Procurement Office

The procurement office is based in Finance section. The Procurement Officer's role is mainly strategic and supportive and includes:

- Liaising with and supporting the owners of actions in this procurement plan to realise goals and actions agreed at management team
- Supporting the procurement strategy group (PSG)
- Supporting the PC function and other procurement personnel across the organisation
- Identification of risk and bring it to the attention of decision makers
- Identify and bring to the attention of decision makers changes being introduced through the procurement reform programme, or other national policies that impact on procurement
- Promoting the use of centralised procurement where appropriate
- Circulating updates and information on procurement to PCs, tender managers and senior management
- Facilitating procurement recording and reporting requirements
- Working at cross-organisation level with other sections to identify more consistent data management systems
- Maintaining the procurement intranet site with current guides, templates and other support documentation
- Pro-actively engaging with procurement agencies at regional and national level

### 3.5 Systems

The procurement office utilises a mix of Agresso, Agresso based CCAS reports, a database, SharePoint and spreadsheets to collate data on procurement. The two national portals, eTenders and SupplyGov are used. It is a cumbersome mix with little connectivity between systems. There is also limited options to manage access rights on in-house systems. One goal during this plan is to obtain suitable contract management software that would record and manage extraction of milestones from project inception to completion.

### 3.6 Processes

Each section identifies, specifies, sources and tenders for its own requirements. The tendering platforms used are eTenders (Works, Goods and Services) and SupplyGov (Minor Buildings Works & Civils; Plant Hire; Road materials). Goods & Services tenders are sought for contracts of €25,000 and over. Works tenders are sought for values of €50,000 and over. National frameworks and DPSs set up by the OGP and the LGOPC are used as well as a range of other arrangements set up by other central purchasing bodies. Tenders advertised on eTenders are logged on a SharePoint tender log. Those published on SupplyGov are logged on another system. All contract awarded are then logged on a database, which is used to track contracts and make spend reports to the LGMA/OGP.

Quotations are sought for one-off Goods & Services contracts with a value of less than €25,000. They are also used for Works with a value of less than €50,000. Quotations

are also sought when there is no suitable national or local aggregate framework available.

### 3.7 Procurement profile. Works, Services, Goods

The procurable expenditure in the 3-year period 2019-2021 was in the region of €350m. In terms of categories of spend, the six highest procurable spend items are listed below.

Time Period 2019 - 2021	Top six expenditure items	
	Estimated spend over 3 years 2019-2021	Percentage of procurable spend over 3 years 2019-2021
<b>Payments to Works contractors</b>	€176 million	50.3%
<b>Professional &amp; Consultancy Fees</b>	€22 million	6.2%
<b>Plant Hire</b>	€13 million	3.8%
<b>Materials (Roads)</b>	€9.6 million	2.7%
<b>Energy</b>	€8.6 million	2.5%
<b>Repairs and Maintenance</b>	€8 million	2.4%

Some of the higher spend goods and services procurable categories are identified here.

Time Period 2019 - 2021	Higher spend goods and services	
	Estimated spend 2019-2021	Estimated % of procurable spend over 3 years 2019-2021
<b>Training</b>	€3.6 million	1.0%
<b>Communication costs</b>	€2.6 million	0.7%
<b>Printing &amp; Stationery</b>	€1.8 million	0.5%
<b>Computer Equipment under €5k</b>	€1.4 million	0.4%

During 2019-2021, an overview of arrangements used include:

- An average of 143 sRFTs each year on SupplyGov using 8 of their DPS and Framework arrangements (minor works, road materials, plant hire)
- An average of 92 bespoke tenders run each year on eTenders (works, works related services, goods and services)
- An average of 150 sRFTs run per year on a training framework
- 32 of the OGP national arrangements (goods, services, works related services)
- 3 TII arrangements – (works and works related services)

During 2019 there were 198 contracts logged on the contract log. In 2020, there were 308 and in 2021, 319.

### **3.8 Proposed spend**

It is anticipated that the pattern of spend will follow the trend of the past 3 years. Proposed spend will depend on budgets, government programmes and other sources of funding. The capital spend may vary more significantly than the revenue. Each section manages their own projections and budgets and plans their procurement accordingly.

### **3.9 Procurement supply and risk**

The PSG has a risk register that considers procurement process risk. Each section manages its own procurement supply risk in light in the specific market in which they operate. The PSG and PO advise of external risks as they arise – examples arising during the last plan included Covid and Brexit.

### **3.10 Governance and approval**

This plan is based on a review of the previous plan and a consultation with staff members involved in the procurement process. There was consultation with senior staff in each directorate regarding the actions and ownership of those actions. The draft Corporate Procurement Plan was submitted to the Procurement Strategy Group for observations during November 2021 and approved at a meeting on 15 December 2021. It then went to the Senior Management Team for approval on January 28, 2022. It has been formally adopted for the period January 1, 2022 to December 31, 2024.

## **4. Measurement of Results**

The Measure of Delivery for each action is set out in the table in section 2.5 - Specific Goals and Action plan 2022-2024. For the duration of the plan, the measures will be reported to the PSG three times a year followed each time by a report to management team.

The plan will be fully reviewed in 3 years and a new plan will be prepared for 2025-2027