

BORD OIDEACHAIS AGUS OILIÚNA CHIARRAÍ
KERRY EDUCATION AND TRAINING BOARD

Corporate Procurement Plan

April, 2018 to December, 2019

Introduction

This is Kerry ETB's first corporate procurement plan. This plan sets out Kerry ETB's procurement objectives for the period April 2018 - December 2019. The objectives reflect both national and local procurement policies and priorities. The plan has been prepared in the context of the developing national procurement agenda. We are committed to maximising the best possible use of the resources available and raising awareness of strategic procurement within the organisation. A key driver in the production of this plan is to ensure effective service delivery through equitable and transparent procurement systems and good governance.

The Code of Practice for the Governance of State Bodies states in Section 8.20 "that the Office of Government Procurement Policy framework requires that "all non-commercial state bodies are to complete a Corporate Procurement Plan". This plan aims to address this requirement under the policy framework and sets out practical approaches to be adopted by the Board in carrying out its procurement function.

Public Procurement can be defined as the acquisition, whether under formal contract or not, of works, supplies and services by public bodies. It ranges from the purchase of routine supplies or services to formal tendering and the placing of contracts.

This plan is underpinned by the following procurement principles:

- To achieve best value for money at all times
- To ensure that procurement is carried out in a strategic and co-ordinated manner
- To carry out procurement activities in a manner consistent with EU and National procurement law whilst adhering to official Government policy and guidelines
- To promote an increasing sustainable approach to procurement activities in terms of environment, social and financial considerations within applicable legislative constraints
- To ensure that the best available product or service is sourced within a reasonable timeframe on the most economically advantageous terms, while maintaining the highest standards of probity, transparency and accountability.

Methodology

In preparing this plan the following actions were required:

- Review of expenditure on procurement (goods and services) by Kerry ETB in 2017
- Review of the suppliers being used by Kerry ETB in 2017
- Analyses of the way in which Kerry ETB procurement currently operates
- Identify future procurement needs from an organisation wide perspective
- Linking of procurement plan to Kerry ETB's strategic goals.

The plan aims to set out practical and strategic aims and objectives for improved procurement outcomes over the next 15 months and outlines how appropriate measures to achieve these aims will be implemented. The plan also provides an opportunity to communicate to staff the direction of procurement reform within the ETB and contribute to its development. To date Kerry ETB have not been in a position

to appropriately resource a Procurement Unit and as such it is difficult to meet all procurement requirements. Kerry ETB performed a look back for the year in order to determine if there was expenditure in excess of the tender limits for any supplier for which there isn't a tender in place. If any such suppliers are identified Kerry ETB where necessary will commence a tender process.

Public Procurement

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The Office of Government Procurement (OGP)

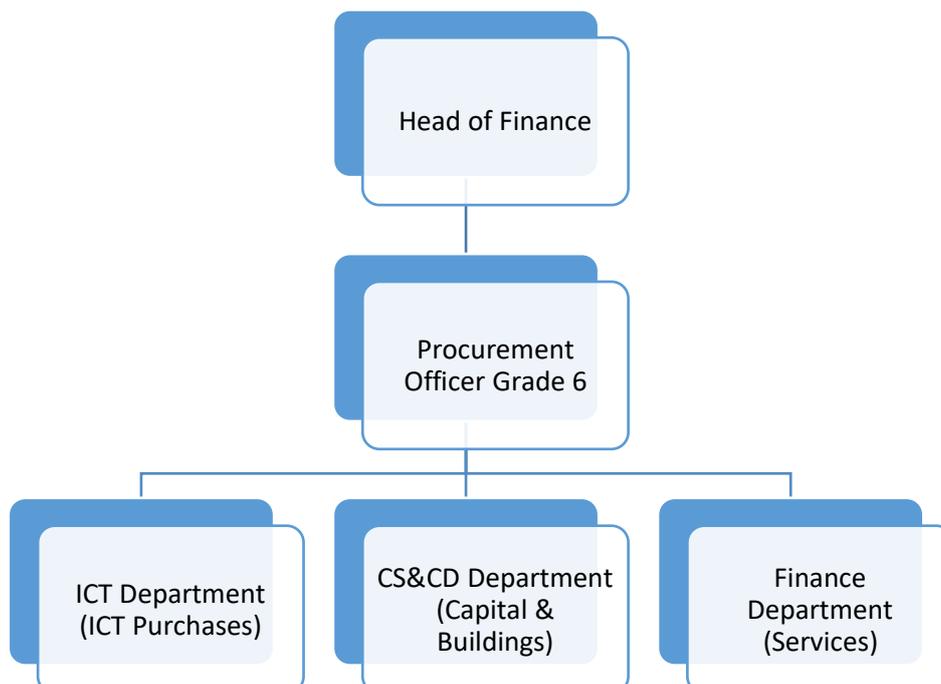
The OGP set up on 01 January 2014, is an office within the Department of Public Expenditure & Reform. It has been tasked with centralising public sector procurement arrangements for common goods and services.

Roles and Responsibilities

Kerry ETB Head Office has responsibility for administering centralised procurement within the Kerry ETB. However, all Kerry ETB Principals, Centre Managers and Programme Managers and other Budget holders are responsible for their local budgets and therefore are responsible for procuring services and supplies for their school, centre, programme or department in line with Kerry ETB procurement procedures. Budget holders have a responsibility to maintain an awareness of good practices in their own area of operation and to ensure that these are followed appropriately.

The responsibility for value for money lies with all members and staff of Kerry ETB and is not restricted to those with resource or financial responsibilities.

Procurement Staff Head Office



Apart from the Procurement Officer the staff, listed above, have additional responsibilities within their respective Departments and therefore are not available to the procurement function on a full time basis.

The role of procurement staff is to support the procurement cycle by working with Principals/Centre & Programme Managers/Budget holders in order to ensure compliance and value for money in line with the Kerry ETB's policies and procedures.

Kerry ETB has detailed procurement policies and procedures in place linked to EU Procurement Directives and National guidelines to ensure that value for money is achieved at all times.

OGP Framework Agreements

In preparing this plan Kerry ETB is aware that the Office of Government Procurement (OGP) has put in place a number of Framework Agreements for use across Government Departments and Public Bodies. It is the Board's policy in the first instance to check if an OGP Framework Agreement already exists by reviewing the information available and ascertaining if the existing framework (if any) satisfies our requirements, prior to the commencement of any tender competition. Kerry ETB is aware that non-use of these Frameworks Agreements must be fully justified and documented in value for money terms. Kerry ETB's Procurement Policies and Procedures are available on the Kerry ETB Policy SharePoint.

In the past year Kerry ETB has availed of the following OGP Framework Agreements:

- Employee Assistance Services
- Stationery and Office Supplies
- Electricity Provision
- Waste Management
- Liquefied Petroleum Gas in Bulk and Cylinder Format
- PC and Laptop Computers for ETBs
- Multi-purpose office paper
- Cleaning Supplies and Equipment
- ICT Consumables
- Irish Language Translation Services
- Canteen Services Training Centre

In Progress:

- Office Furniture
- Bulk Liquid Fuels
- School Books

Annual procurement planning

Kerry ETB has a responsibility to the tax payer to achieve best value for money. Aside from legal obligations, effectively managed public procurement plays a crucial role in accomplishing this goal.

To prioritise value for money Kerry ETB adheres to national procurement policy, using fair and transparent processes and having due regard to the need for probity and accountability. The emphasis in so doing must be on achieving value rather than simply securing the lowest price.

While price is a determining factor in value for money outcomes in procurement, it is not the only variable to be considered. There are other issues which should be taken into account, i.e. goods fit for the purpose for which they were intended, delivery time, expertise of the personnel proposed, quality and the level of service from the supplier.

Planning is key to achieving sustainable savings in procurement and this is a primary consideration in drafting this plan. A process of planning in advance and identifying likely procurement requirements significantly increases the chances of securing an outcome more directly suited to requirements, greater value for money, enhanced levels of compliance and transparency and a more speedy selection process.

At the outset, there must be a clearly identifiable business need for a product or service before a commitment to purchase is entered into with a supplier, on behalf of the Kerry ETB. Principals/Centre and Programme Managers/Budget holders are accountable for all purchase orders/invoices charged against their relevant budget and must operate within their annual budget, monitor variances from budget limits and take corrective action when necessary in consultation with the Finance Department.

Expenditure Profile of Kerry ETB

Kerry ETB has undertaken a comprehensive review of procurement with a view to identifying opportunities for improvement.

The total non-pay expenditure for Kerry ETB in the 2017 financial year amounted to in excess of €23.2 million (excluding salaries, revenue payments, third party legal costs, staff expenses). This expenditure was spread across a wide range of categories of goods and services. The total number of suppliers paid across all general ledger codes in 2017 was approximately 1,890. The largest 20 supplier by total amount paid in 2017 amounted to €8,708,286.78.

In preparing this plan an analysis of expenditure was carried out. There were a number of challenges in completing the analysis due to the fact that there are two different financial systems currently in operation in Kerry ETB. The expenditure analysis informs an in-depth analysis of spend categories to determine if and where improvements to the procurement process can be achieved and efficiencies implemented.

Kerry ETB Contracted Suppliers

In the past year the Board has established and availed of a number of Kerry ETB Etender Contracts in the areas of:

- Health and Safety Consultancy Services
- Human Resource Services (Agency Workers)
- ICT Centralised Support Contract for Schools

In Progress:

- ICT Centralised Support Contract for FET
- Training Centre Network Migration
- Phone System

Kerry ETB Buildings related tenders

A considerable amount of work took place in tendering for capital and buildings related works and services with approximately 48 separate tender processes undertaken throughout 2017 and to date in 2018.

Procurement Goals for the period April, 2018 to December, 2019

No.	Details	Rationale	Actions Required	Timeline
1	Review and update the Kerry ETB Procurement Policy, Procedures and Purchasing Guidelines in light of the recently finalised national ETB Procurement Policy	The existing Kerry ETB Policy and Procedure was developed in the specific context of Kerry ETB and document current operating practices. It also addresses in greater detail procurement outside of Etenders than the Nationally developed policy.	Establish small working group to review both Policies and determine best approach.	Q2 2018
2.	Notification to Budget Holders re. OGP Frameworks currently available for use	All budget holders must be fully informed regarding the OGP Frameworks available for use and how to access.	A schedule of OGP Framework Agreements in place to be provided to all budget holders with instructions on how to avail of same.	Q2
3.	Roll out revised Procurement Policy & Procedure	It is essential that there is a consistent and clear approach to procurement and that all staff are aware of their responsibilities in relation to Procurement.	Roll out the revised Policy and Procedure. Circulate Policy and Procedure utilising CEO's Memo, Policy SharePoint. Deliver Training to Line Managers and key staff.	Q3 & Q4 2018
4.	Resources	Appointment of a dedicated Procurement Officer at Grade 6 level.	Complete recruitment and selection process.	Q3 2018
5	Specialist Procurement Support	In order to progress tenders	Go to tender for a Procurement Specialist for adhoc advice and training.	
6	OGP Frameworks	Kerry ETB will procure supplies and services through drawdown from OGP frameworks: Frameworks which will be progressed in 2018: <ul style="list-style-type: none"> • Legal Services • School Books • Portable Fire Equipment Services • Fire Alarm Maintenance Services • Fire Alarm and Emergency Lighting Maintenance Services 	It is Kerry ETB policy to check if an OGP Framework Agreement is in place prior to commencing any tender competition and to utilise them if they are suitable for its requirements.	

7	Improve Communications with Relevant Staff re. Procurement	Produce regular updates for Schools and Centres to promote compliance and assist Principals and Managers in accessing OGP Frameworks.	Monthly procurement bulletins to be emailed to Schools and Centres. The bulletins will include the most recent OGP Frameworks and centralised contracts. These bulletins will also provide advise on how to access these frameworks.	Q3 2018
8	To prepare annual Operational Procurement Plans for identified areas	<ol style="list-style-type: none"> 1. Bus and Coach Hire 2. Cleaning Contractors 3. School Meals 4. Mobile Devices 5. Mechanical and Electrical Maintenance Contracts 6. Printing Publications 7. Mentor Programme 8. Print Management Services 9. Course Materials Frameworks for Electrical, Plumbing, Engineering, Motor, Carpentry & Welding 	To ensure Kerry ETB can properly plan for the year ahead we will require those involved in each area to provide information on expected requirements for the next 15 months.	
9	Contract Management and Analysis	To ensure that centralised contracts (including SLAs) in operation are proactively managed and monitored to ensure they are performing as expected and that value for money is being achieved.	To continue the development of a contract management function amongst Procurement Staff	Ongoing
10	Monitoring of expenditure on Procurement	Ongoing analysis of expenditure and compliance with Kerry ETB Policy and Procedure, Guidelines and Legislation	Monitoring of compliance will be a significant element of the Procurement Officers role once appointed. Kerry ETB will also continue to highlight nationally the importance of adequate resources for the Procurement function. Governance and Financial Control Framework Document drafted and implemented.	Ongoing
11	Training and Development	Staff involved in Procurement are required to possess the knowledge, skills and competencies necessary to employ best practice	Continue to provide in-house training for Line Managers. Proactively seek out relevant training for staff and	Ongoing

		<p>purchasing techniques in their procurement activity. They must be familiar and fully comply with the Kerry ETB's Procurement Policies, Procedures and in addition have an understanding of relevant EU Directives and National procurement guidelines.</p>	<p>encourage staff to upskill themselves.</p>	
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Conclusion

The Corporate Procurement process has provided Kerry ETB with an opportunity to review current procedures and practices and identify where improvements may be made. The overall objective is to deliver value for money while at the same time ensuring compliance with public procurement law.

A key requirement for Kerry ETB going forward will be the annual procurement planning process. The purpose and benefits of this planning process is to:

- provide a stronger focus on procurement planning
- identify supplies and services to be procured
- agree the required tender process
- provide good governance linked to procurement policies and procedures, achieving objectives and delivering value for money

The Kerry ETB corporate procurement plan and operational procurement plans will be reviewed on an annual basis.

Audit Committee Approval Date

This Corporate Procurement Plan was formally approved by the Kerry ETB Board on 28th May 2018.