

Dún Laoghaire Institute of Art, Design and Technology (IADT) Corporate Procurement Plan 2018

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1. Introduction

1.1 National Requirements

The Code of Governance of Irish Institutes of Technology 2018 requires the Institute to develop and publish an annual Corporate Procurement Plan (section 8.18 of the Code). This plan for 2018 has been developed by the Institute Executive, has been reviewed by the Audit and Risk Committee of Governing Body and approved by the Governing Body.

A National Procurement Policy Framework is in place and it requires all public bodies to include Procurement Management Reform as one of the key strategic policies and to develop and update Corporate Procurement Plans in accordance with current best practice. The Office of Government Procurement (OGP) was established in 2014, as part of the Department of Public Expenditure and Reform. It operates in four key sectors (Health, Defence, Education and Local Government) and takes responsibility for sourcing all goods and services on behalf of the Public Service, as well as taking responsibility for procurement policy and procedures. The Education Procurement Service (EPS) based in the University of Limerick has been incorporated into the OGP Model as a Category Management Agency and is now the Education Hub for the OGP. Where the OGP has a framework in place for particular goods or services, the Institute is obliged to purchase under that framework, except where it can be clearly shown that we can procure those goods\services cheaper ourselves.

EduCampus Services has been established to provide and manage a range of Management Information Systems critical to the operation of IADT, these include: Financial Management System, HR & Payroll Records Management System, Library Management System, Shared Services & Student Records System

The objective of this plan is to outline IADT's commitment to efficient procurement practices as well as meeting the obligations under the Code of Governance and the National Policy Framework and in line with the Office of Government Procurement Guidelines.

1.2 Objectives

The principle objective of the National Policy on Procurement is to achieve greater value for money having regard to probity and accountability. In addition the Institute wishes to ensure that its policies and procedures help ensure that all purchasing is done in a strategic and coordinated manner and that the future purchasing needs of the Institute are addressed. While cost is a determining factor in value for money outcomes, other factors to be considered include quality, delivery times, level of services from supplier etc.

1.3 Value for Money

All staff members of the Institute have a responsibility for achieving value for money in procurement and a responsibility for ensuring that the procurement processes in which they are involved comply with IADT and National Procurement Policies. This applies to all spending regardless of the source of funding. All budget holders have a responsibility to ensure that best practice is followed in their own areas and that both they and their staff are aware of and are implementing all updates, in particular that they are aware of all new and upcoming frameworks from the OGP. The Audit and Risk Committee of Governing Body needs to be satisfied that the Institute has adequate structures in place to promote economy, efficiency and effectiveness in its procurement practices as well as ensuring that the guidelines from the OGP are being adhered to.

2. Purchasing Policy and Procedures

2.1 Policies and Procedures

Institutes of Technology are obliged to follow the national policies and procedures as set out in the National Procurement Policy Framework and the Office of Government Procurement (OGP).

IADT has established and implemented a Procurement Policy to reflect the requirements of the National Procurement Policy Framework.

2.2 Purchases Cycle Overview

Purchase orders are raised through the finance system (Agresso) and are approved by the budget holder. They are then reviewed by finance for coding errors and for reasonableness, prior to the orders being printed and posted\e-mailed to the suppliers. When the goods are delivered to stores or the receiving department, a Goods Received Note (GRN) is completed in Agresso and these are printed and forwarded to the creditors section in finance. As invoices are received in finance from the suppliers, they are matched to the GRN's, posted and paid through Agresso.

For a summary of the decisions to be made before making a purchase please see the diagram in Appendix 2.

2.3 Budgets

Each Faculty/Department/Functional Office is allocated a non-pay budget for the calendar year and this assigned to the relevant cost centre (sub-account) in Agresso. As orders are placed by Faculties\Departments\Functional Offices, they are checked against the budget amount less any invoices already posted and other orders placed but not yet matched to invoices for the Faculty\Department\Functional Office. Agresso will not permit orders to be saved in the system where the value of the PO exceeds the available within the budget. Budgets are agreed on a calendar basis and input to Agresso on a periodic basis to ensure that there are sufficient funds available to the Faculties\Departments\Functional Offices for the full calendar year.

3. Spending Profiles

3.1 Current Expenditure Profile

For the year ended 31 August 2017 approximately €4.3m (excluding capital) was spent on goods and services with approximately 500 suppliers. The Institute processed approximately 3,000 invoices for the year. A full breakdown of spend by expense category is provided in Appendix 1.

3.2 Future spending needs

It is planned to award tenders for the following during calendar 2018, these will be published either through the Office of Government Procurement or directly by IADT through e-tenders and/or through direct quotation processes:

- Building Maintenance Minor Works - Framework on behalf of IADT, ITB & ITT
- Catering Services
- Cleaning
- Design and Production of Communication Material
- Disability Services
- Film/TV Studio Equipment Maintenance
- Legal Services
- Lift Maintenance
- Student Support Services (Learning Supports & Individual Student Supports)
- Waste Management

These exclude existing government frameworks due to be renewed during 2018 through the Education Procurement Service, the Office of Government Procurement, EduCampus Services and/or HEAnet.

As a matter of Policy and in order to prevent anti-competitive tendering, IADT does not publish indicative budgets prior to the completion of procurement processes.

4. Strategies to achieve Value for Money Objectives

IADT has implemented a range of strategies to support the achievement of value for money in all of its procurement processes. Wherever possible IADT coordinated expenditure across Departments and Offices to avail of bulk purchasing discounts. IADT engages wherever possible with the Office of Government Procurement, the Education Procurement Service, HEAnet and with other Institutes of Technology to manage Framework contracts to ensure that greater bulk purchasing discounts can be available to IADT. Through these contracts and frameworks, IADT

standardises product purchases to limit the variances in pricing by suppliers. The Institute has the following key contracts in place, arranged by the OGP/EPS/HEAnet:

- Cleaning
- Fire Extinguisher Maintenance
- Grounds Maintenance
- ICT Consumables
- Legal Services
- Library Books
- Library Journals
- Medical Services (Student)
- Paper Supplies
- PC's, Notebooks, Tablets
- Photocopiers
- Print Supplies
- Security
- Server infrastructure
- Stationery
- Student Supports (Individual Student Supports)
- Telephones (Landlines and Mobile)
- Tools and Hardware
- Utilities (Electricity)
- Utilities (Gas)
- Waste Management

The following key operating expenditure contracts are in place which were run by the Institute through E-Tenders and/or through direct quotation processes for contracts below €25,000 in total:

- Building Maintenance
- Catering Services
- Design and Print Services
- Disability Services
- Film/TV Studio Equipment Maintenance
- Financial Services
- Student Supports (Learning Supports)
- Lift Maintenance
- Various Computer Service Contracts
- Mechanical & Engineering Building Maintenance Services

The above excludes capital purchases which do not fall under the remit of the OGP. A Contract Control Database is maintained in respect of all tendered services.

5. Conclusion and Strategy

The Institute has taken a number of measures to ensure its compliance with both the National Procurement Framework Guidelines and the Office of Government Procurement Guidelines.

- Liaison with the Office of Public Procurement (OGP) officials to ensure that we have a better understanding of the processes, roles and responsibilities which both the OGP and the Institute have in the procurement cycle.
- Issued new guidelines for staff involved in procurement activities in the Institute and provided training in same.

Appendix 1 Expenditure for 2016/17 by Category

Below is an analysis of expenditure by category as at 31st August 2017 with comparator 2016 figures

	2017	2016
	€000	€000
Analysis of Expenditure		
Analysis of Other Operating Expenditure:		
Research Expenditure	258	349
Materials and other Consumables	331	339
Equipment	264	182
National Film School	53	98
Stationery and Office Materials	32	21
Hospitality	31	24
Recruitment	55	72
Travel and Subsistence	63	73
Expenditure on Extra Mural Courses	40	43
Books and Periodicals	115	99
Cleaning	264	256
Maintenance	137	123
Security	120	124
Insurance	105	100
Grounds and Landscaping	26	41
Energy and Water	510	437
ICT Maintenance	267	277
Publicity and Promotion	179	124
Enrolment, Exams and Conferring	109	91
Communications	56	62
Legal Fees	(0)	24
External Audit Fees	27	27
Other Professional Fees	111	160
Financial Expenses	19	33
Staff Development	121	123
Subscriptions to Professional Bodies	88	23
Expenditure on Facilities for Hire	113	78
Student Services	363	360
Student Support Funding Income Applied	272	262
Irrecoverable Tuition Fees	42	177
Other	137	61
	4,307	4,263