



LONGFORD COUNTY COUNCIL  
COMHAIRLE CHONTAE LONGFOIRT

# CORPORATE PROCUREMENT PLAN

JUNE 2008



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# 1. Introduction

## 1.1. Introduction

In July 2005, the Department of Finance issued the National Public Procurement Policy Framework requiring all public bodies to produce Corporate Procurement Plans. The main focus of the analysis and recommendations in this report is in the area of supplies and services procurement. Capital works procurement is largely project-based and cannot easily be considered in isolation from the wider project management and contract management elements. Some of the conclusions and recommendations in this report are applicable to Capital Works. However, the report recommends that further study be undertaken in order to more fully identify the most appropriate procurement processes to be followed when procuring Capital Works. While the report focuses on areas in respect of which it is felt that improvements can be made, it is important to highlight the fact that procurement policy and procedures already exist and are generally adhered to.

The findings and recommendations contained within this report are based on information obtained from interviews with employees, liaising with the different departments, extracting data from the Agresso Financial Management System and from the analysis of documentation and reports relating to procurement activities. Statistical data is applicable from the 1st of January 2006 to the 31st of December 2006. This document seeks not only to satisfy the obligations placed on Longford County Council by the Procurement Policy Framework, but also to reinforce the Council's commitment to effectively and efficiently conduct its procurement processes.

In drawing up this report the following stages were completed:

- a) An analysis was carried out of the purchasing processes and procedures as they currently exist within the Council.
- b) An assessment of the strategies, systems and structures relating to these functions was completed.
- c) An analysis of Purchasing/Spend – Supplier and Transaction Analysis was completed.
- d) A number of specific targets to achieve Value for Money objectives were identified and recommended strategies to ensure that the agreed procedures are followed have been identified.

The procurement process within Longford County Council is heavily decentralised with the exception of the items referred to in Section 2.2.

EU and national regulations and guidelines are adhered to, which promote open and transparent competition as a means of achieving Value for Money. However, the increasing complexity and importance of purchasing decisions by the Council is leading to a need to develop a more strategic focus and improved procurement management process.

A number of recommendations are documented throughout this report and summarised in Section 6. The complexity and associated risk of each recommendation is also outlined. Target completion timescales are allocated to each recommendation. These are largely dependant on the availability of resources and the assumptions listed in Section 6.2.

## 1.2. Objective of the Corporate Procurement Plan

The objective of the Corporate Procurement Plan is to achieve greater Value for Money by:

- Ensuring that purchasing within Longford County Council is carried out in a coordinated and strategic manner.
- Reviewing and where possible streamlining the administration of existing purchasing processes e.g. by using available e-Procurement tools to achieve financial and staffing savings.
- Utilising the combined purchasing power of the Local Government sector to achieve greater Value for Money when purchasing goods and services in the marketplace.

## 1.3. Financial and Non-Financial Benefits

This review has revealed a number of opportunities for improvement. Proposed recommendations are listed throughout the document and summarised in Section 6. Each recommendation requires additional investigation and analysis. Proposed timescales have been allocated to each of the recommendations but these will need to be approved by Longford County Council and prioritised in the most appropriate order of importance by the Council's Management Team.

The implementation of the recommendations outlined in this study will result in savings to the Council. It is anticipated that savings will be achieved both in real money terms and improved employee and process efficiency. Support from the various sections within the Council will be essential to achieve these savings. A clear policy on the calculation, treatment and enforcement of savings needs to be investigated, reported upon, agreed and implemented. All recommendations that are to be implemented should be included in the Operational Plans of the relevant sections.

## 1.4. Change Management and Communications

Most projects encompass process change, system change and cultural change. The implementation of the procurement vision espoused in this report will require significant cultural, process and system change at all levels across the organisation. Achieving this procurement vision will be substantially dependent on having an effective approach to managing the change process. If the change process is to be successfully completed it will be necessary for the Council to have robust mechanisms in place for communicating and promoting the changes that are proposed. The change management and communications process will involve:

- Increasing awareness on the benefits of the recommended procurement environment amongst employees.
- Promoting a positive attitude towards the new procurement environment among the key stakeholders in the process including Longford County Council's suppliers.
- Promoting a 'Value for Money' culture as one of the primary dimensions of the decision making process in the new procurement environment across the organisation.

It is very important not to underestimate the extent of the changes that will be required. Employees at all levels will be required to engage in adapting to this change. This potentially is the greatest stumbling block to implementing the procurement vision. It will need to be managed with extreme precision and care. Senior level sponsorship is a prerequisite to making it work. In order to achieve the stated aims and objectives, some elements of the Council's existing business infrastructure may need to be re-engineered and realigned.

## 2. Procurement Structures and Practices – Overview and Recommendations

### 2.1. Procurement Practices and Processes

Tendering and Quotation procedures have been published by the Council (see appendix B). A concise one page summary document setting out the procedures for the procurement of goods and services (see appendix A) is available to employees. It is recommended that a review of these documents be carried out. It is also recommended that a comprehensive set of policies and procedures be prepared that deal with all elements of the procurement cycle, from the drawing up of specification requirements right through to the payment of suppliers. The Agresso procedures that are to be followed should be documented. These documents, policies and procedures should be published in a User Manual and circulated to all relevant employees. The appropriate training should then be delivered to the employees who require it.

#### **Recommendation:**

- A detailed set of policies and procedures for the procurement of goods and services should be published. This should be developed so as to complement the Council's Financial Management System and to enable new and existing users to confirm that they are complying with the Council's agreed policies and procedures.
- All employees involved in the procurement process should be familiar with these agreed policies and procedures. Appropriate training as required should be given to all employees involved in the procurement process.
- The policies and procedures should be presented in the format of a User Manual.

### 2.2. Organisation Structures

The following are examples of items that are purchased by individual departments on behalf of the organisation as a whole:

- Longford County Council has a very small central store. The only items procured through this unit are Personal Protective Equipment (PPE) and Bitumen Emulsion. The Council owns only one patching unit and as a result the volume of bitumen emulsion purchased is limited.
- The IT department purchases all of the IT hardware and software that is required across the organisation.
- Fuel for vehicles is procured via Texaco Fuel Cards. An annual tender is sought and this helps to ensure that Value for Money is obtained and regular price comparisons are conducted with local service stations. The tender is based on rebates on the current wholesale schedule price of fuels.
- The Machinery Yard purchases most of the vehicles owned by the Council. Where this is not the case, employees in the Machinery Yard perform an assessment and evaluation on behalf of the relevant department. This process particularly applies in respect of the Environment Department, the Fire Service and the Library Service. Following the making of the recommendations by employees in the Machinery Yard the individual departments independently proceed with procuring the vehicles that are required for use by them.

These centralised purchases represent a relatively small proportion of total purchasing spend within Longford County Council. Designated employees within each department authorise all other purchases. Employees are concerned primarily with regulatory compliance and with obtaining the goods and services as quickly and easily as possible rather than with attaining strategic value adding procurement activities such as strategic sourcing and contracting. Stationery is purchased by individual departments across the organisation from a wide variety of stationery suppliers. Occasionally products are purchased by one department which are already in stock in another department. Orders for heating fuel for office buildings are placed by a variety of departments.

**Recommendation:**

- Stationery is currently procured by each individual section. This process should be streamlined and a system developed that meets the needs of the organisation and users while maximising efficiency. The option of centralising purchasing of stationery using draw-down contracts and preferred suppliers should be considered.
- The introduction of an On-Line Request for Quotation Solution should be considered (Discussed in Section 4.5). Stationery would be a good purchasing category in respect of which to conduct a pilot exercise for On-Line Purchasing.

## **2.3. Purchasing Unit**

Longford County Council has appointed a Procurement Officer who reports to the Director of Corporate Services. This position was created in November 2002.

A number of solutions that have streamlined the procurement process and delivered Value for Money across the Council have been implemented as a result of this position having been created. The use of the national e-tenders website [www.etenders.gov.ie](http://www.etenders.gov.ie) and the seeking of online annual quotations via [www.LAQuotes.ie](http://www.LAQuotes.ie) are examples of areas in respect of which progress has been achieved. One of the main duties of the Procurement Officer is to facilitate and assist employees within the various sections with procurement related issues and queries and to ensure that procurement policies and procedures are being adhered to.

In addition to this resource, vast procurement expertise, knowledge and skills within Longford County Council are dispersed across the organisation. Where possible this knowledge should be documented and shared via procurement information seminars which should be conducted on a regular basis (documented in Section 2.4).

## **2.4. Training**

The introduction of the Agresso Financial Management System has contributed to the formalisation of a reasonably standardised approach to the development of procurement skills in Longford County Council. The continuing need to expand these key skills and to implement effective procurement practices is an on-going challenge. The fact that so many employees in a variety of departments and locations are involved in various procurement activities compounds the situation. The mainly de-centralised procurement structure that operates within the Council and the fact that an extensive amount of procurement knowledge is required within each section means that it is essential that appropriate training is provided to employees on a consistent and regular basis.

To-date Longford County Council has used two principal methods to provide the skills and expertise required to perform procurement activities by its employees.

- On the Job Training (OJT) – this type of training is conducted informally. One of the major deficiencies that could result from providing this form of training is that employees may not receive all of the information that they require during training.
  
- Off-site professional training and on-site professional training is provided by external training organisations regularly to Council employees. A range of suitable procurement courses that are designed for the public sector can be delivered in this way. Providing training of this nature to employees can be quite expensive. A weakness with regard to providing this type of training is the time lapse between attending the course and actually using the information or training that has been provided. In many instances procurement activities may be performed on an infrequent basis. This can result in it being difficult for employees to retain the knowledge they have gained and the cost of providing the training cannot be fully justified as a result of the infrequency of the opportunities that the employee has to put the training into practice.

**Recommendation:**

- Regular in-house procurement information sessions should be provided to employees. The content of these sessions should be based on best practice procurement processes. The objective of providing the sessions is to encourage an awareness of cost consciousness to be applied across the organisation at all times. These sessions should promote and support the development of procurement skill sets and behaviours. Information on new procurement procedures should be relayed to employees and Value for Money initiatives should be discussed. Training sessions should target specific areas of procurement. Case studies that people may relate to, technology, policies and procedures and other relevant material should be included for discussion at the training sessions. It is recommended that these training sessions be hosted at least annually.

## 3. Expenditure Analysis

### 3.1. Expenditure for 2006

Expenditure for the year 2006 on the Revenue Account amounted to € 39,002,036, while Capital Expenditure amounted to € 40,987,796 (see Table 1).

The Revenue Account covers the everyday expenses of the Council, such as maintenance of housing, roads, water and sewerage schemes, land-use planning, administration and support costs, repayment of loan charges, etc.

As a general principle, Capital Expenditure may be described as that which is incurred on the creation of an asset having a life extending beyond the year in which it is provided such as, the purchase of land, house building, major road improvement works, new and improved water schemes, new fire stations, new and improved office buildings, etc. The Combined Expenditure of the Council in 2006 amounted to € 79,989,832.

Revenue Expenditure	€ 39,002,036
Capital Expenditure	€ 40,987,796
<b>Total Expenditure</b>	<b>€ 79,989,832</b>

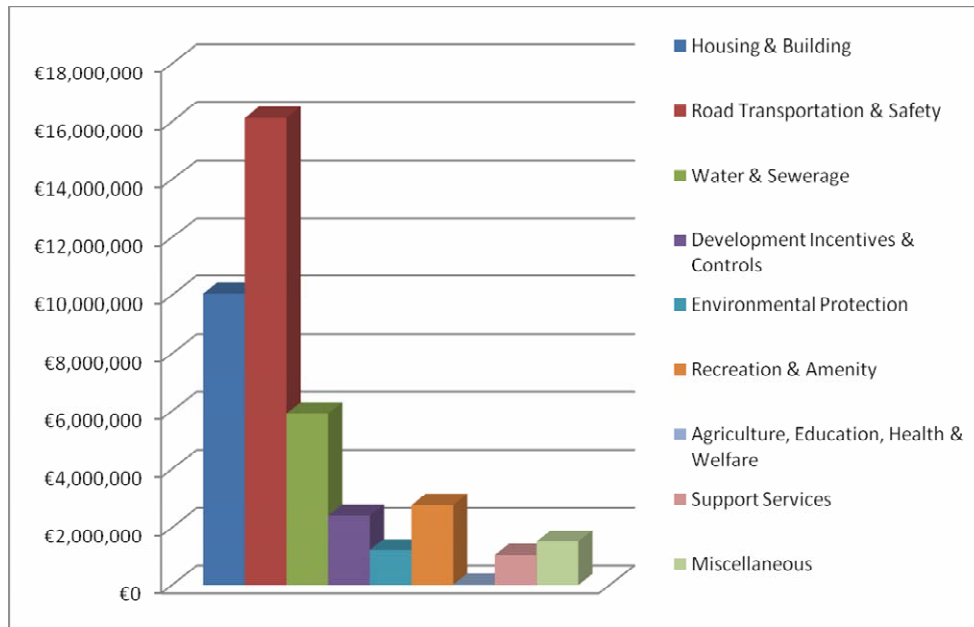
**Table 1**

### 3.2. Expenditure Analysis

For the purpose of compiling this report an analysis based on creditors ledger transactions in 2006 of both a Revenue and Capital nature but excluding certain spend categories such as wages, travel and subsistence, expenses etc was conducted. Table 2 summarises the analysed expenditure during 2006 by Programme Group. More detailed analysis of the 2006 transactions is shown in the subsequent sections of this report.

<b>Programme Group</b>	<b>Expenditure (EUR)</b>	<b>% of Total</b>
Housing & Building	€10,054,697	24.49%
Road Transportation & Safety	€16,127,773	39.27%
Water & Sewerage	€5,922,151	14.42%
Development Incentives & Controls	€2,414,257	5.88%
Environmental Protection	€1,205,716	2.94%
Recreation & Amenity	€2,771,660	6.75%
Agriculture, Education, Health & Welfare	€16,823	0.04%
Support Services	€1,037,228	2.53%
Miscellaneous	€1,513,900	3.69%
<b>Total</b>	<b>€41,064,204</b>	<b>100.00%</b>

**Table 2: Summary of Analysed Expenditure**



**Chart 1: Summary of Analysed Expenditure**

### 3.3. Transaction Analysis

Transaction analysis is used in order to gain a better understanding of the organisation's interaction with its suppliers, and in particular, its ordering and payment processes. It involves identifying the overall number of transactions, the number of transactions per supplier, the number of transactions per expenditure category and the value and frequency of such transactions. This type of data is used to identify possible opportunities for achieving cost savings by streamlining administrative processes. The analysis contained herein looks at the organisation's expenditure and the number of transactions on some product categories for 2006. It presents a simple picture of the organisation's procurement profile. Understanding how much the organisation spends, with whom it is spent and on what it is spent is the first step to improving the effectiveness of the procurement process.

Category	Total Amount	No of PO's	Average PO Value
Advertising	€187,575	318	€590
Canteen	€31,579	108	€292
Capital Contracts Expenditure	€13,995,797	109	€128,402
Cleaning	€119,117	134	€889
Communication Expenses	€194,274	294	€661
Computer Software and Maintenance Fees	€112,497	25	€4,500
Consultancy/Professional Fees and Expenses	€2,535,632	404	€6,276
Courier	€4,769	43	€111
Energy	€672,199	269	€2,499
Hire (Ext) - Plant/Transport/Machinery & Equipment	€1,404,041	723	€1,942
Insurance	€1,141,786	43	€26,553
Legal Fees and Expenses	€469,683	250	€1,879
Library Book Purchases	€126,483	110	€1,150

Materials	€5,002,034	1996	€2,506
Minor Contracts- Trade Services & other works	€10,313,524	928	€11,114
Miscellaneous Expenses	€2,320,894	302	€7,685
Non-Capital Equip Purchase - Civil Defence	€4,731	9	€526
Non-Capital Equip Purchase - Computers	€138,781	80	€1,735
Non-Capital Equip Purchase - Fire Services	€361,088	133	€2,715
Non-Capital Equip Purchase - Office Equip/Furniture	€103,533	65	€1,593
Non-Capital Equip Purchase - Other	€331,479	137	€2,420
Other Vehicle Expenses	€30,915	80	€386
Postage	€24,439	38	€643
Printing & Office Consumables	€243,046	458	€531
Recruitment Expenses	€15,048	9	€1,672
Repairs & Maint - Buildings (excl. LA Housing)	€14,520	23	€631
Repairs & Maint - Other Equip	€235,027	93	€2,527
Repairs & Maint - Plant	€221,743	672	€330
Repairs & Maint -Computer Equip	€184,784	56	€3,300
Scanning	€12,886	5	€2,577
Security - Cash Delivery	€12,798	14	€914
Security - Property	€65,798	34	€1,935
Training	€431,704	449	€961
<b>Grand Total</b>	<b>€41,064,204</b>	<b>8,411</b>	<b>€4,882</b>

**Table 3**

### 3.3.1. Transaction Analysis- Advertising

The table below illustrates how more detailed analysis can be carried out on any account element. Further analysis can be carried out down to Job Code level. (See Appendix C for the full analysis).

Account Element/ Supplier	Amount €
<b>Advertising</b>	<b>187,575.29</b>
BRINDLEY ADVERTISING LTD	64,448.63
LONGFORD LEADER	41,609.47
SHANNONSIDE FM	38,051.77
VELDSTAR LTD (LONGFORD NEWS)	31,204.00
ASHVILLE MEDIA GROUP LTD	2,295.00
ROSCOMMON COUNTY COUNCIL	2,000.02
GOLDEN PAGES (DUBLIN)	1,562.00
CUSPAL LTD	1,300.00
LONGFORD TOWN FC OFFICIAL SUPPORTERS CLUB	900.00
PROBE MARKETING	800.00
CO LONGFORD CITIZENS INFO CENTRE	600.00
IRISH WATER SAFETY	500.00
FIRE BRIGADE JOURNAL	495.00
ROSCOMMON CHAMPION	462.00
WESTMEATH OFFALY INDEPENDENT	342.00

LEITRIM OBSERVER	300.00
WESTMEATH EXAMINER	285.00
ANGLO CELT LTD	200.40
DUBLIN FIRE BRIGADE PIPE BAND	125.00
IRIS OIFIGIUIL	95.00

**Table 4**

**Recommendation:**

- A detailed analysis of all categories of spending should be undertaken. Ongoing statistical analysis should be carried out in order to fully appreciate the value of markets
- Key Performance Indicators (KPI's) should be adopted for categories of expenditure with the aim of achieving Value for Money

### 3.3.2. Low Value Purchases

An analysis of Longford County Council's purchases for 2006 shows that 23.16% of Purchase Orders were for amounts of less than € 100. This 23.16% of Purchase Orders accounted for spending of just € 80,697. In many instances the processing costs associated with individual Purchase Orders exceeded the value of the transaction. Dealing with such transactions consumes valuable resources in the organisation and is also inefficient for suppliers. Research has shown that the cost of processing a single procurement transaction from purchase to payment can vary between €70 and €120 per transaction.

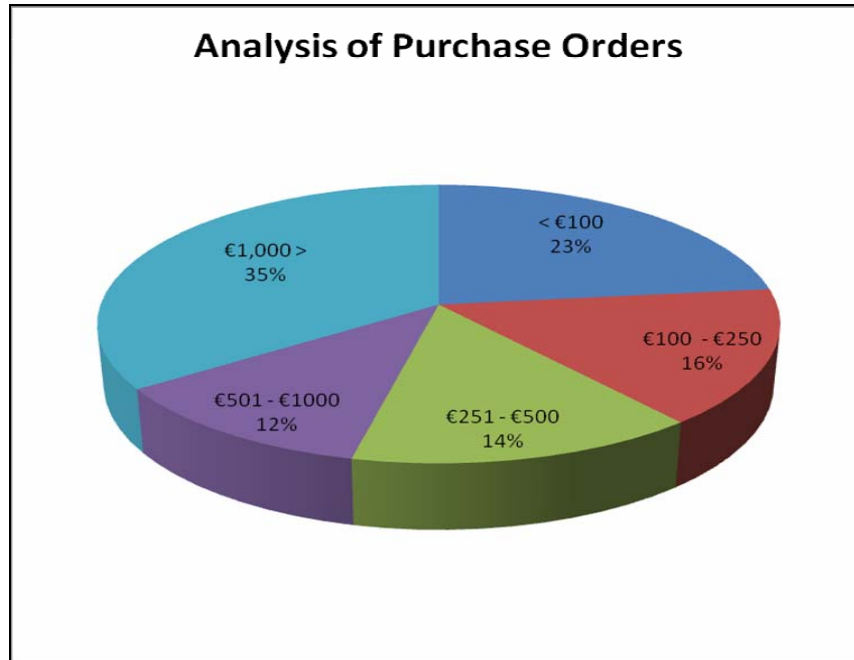
The adoption of a Low Value Strategy for Procurement could help to address this inefficiency. By adopting A Low Value Strategy for Procurement the Council will identify and manage each stage of the procurement cycle relating to these transactions. Thereafter decisions can be made with regard to achieving the most effective use of resources. Solutions may include revising purchasing limits, the putting in place of framework agreements, introducing centralised purchasing, introducing invoice consolidation and introducing the use of Low Value Purchase Cards.

Table 5 shows a breakdown of the number and percentage of Purchase Orders that were raised. The data is broken down into 5 spend categories. 53.57% of Purchase Orders were for amounts of less than € 500.

**OVERALL**

PO's	%	No of PO's
< €100	23.16%	1,948
€100 - €250	15.82%	1,331
€251 - €500	14.59%	1,227
€501 - €1000	11.75%	988
€1,000 >	34.68%	2,917

**Table 5**



An analysis of Purchase Order transactions was also carried out per Programme Group in order to identify particular sections where the percentage of Purchase Orders under €100 exceeded the average. Table 6 shows the breakdown for each Programme Group.

#### ROAD TRANSPORTATION AND SAFETY

PO's	%	No of PO's
< €100	19.58%	508
€100 - €250	11.91%	309
€251 - €500	11.33%	294
€501 - €1000	9.60%	249
€1,000 >	47.57%	1,234

**Table 6**

#### HOUSING AND BUILDING

PO's	%	No of PO's
< €100	20.06%	194
€100 - €250	17.06%	165
€251 - €500	11.69%	113
€501 - €1000	15.20%	147
€1,000 >	35.99%	348

#### WATER SUPPLY AND SEWERAGE

PO's	%	No of PO's
< €100	15.92%	182
€100 - €250	12.77%	146
€251 - €500	11.20%	128
€501 - €1000	11.72%	134
€1,000 >	48.38%	553

**RECREATION AND AMENITY**

PO's	%	No of PO's
< €100	28.11%	165
€100 - €250	21.29%	125
€251 - €500	18.74%	110
€501 - €1000	12.95%	76
€1,000 >	18.91%	111

**DEVELOPMENT INCENTIVES AND CONTROLS**

PO's	%	No of PO's
< €100	23.23%	69
€100 - €250	20.20%	60
€251 - €500	16.50%	49
€501 - €1000	13.80%	41
€1,000 >	26.26%	78

**MISCELLANEOUS SERVICES**

PO's	%	No of PO's
< €100	39.91%	421
€100 - €250	17.82%	188
€251 - €500	12.61%	133
€501 - €1000	9.29%	98
€1,000 >	20.38%	215

**ENVIRONMENTAL PROTECTION**

PO's	%	No of PO's
< €100	30.10%	347
€100 - €250	18.56%	214
€251 - €500	22.03%	254
€501 - €1000	11.10%	128
€1,000 >	18.21%	210

**SUPPORT SERVICES**

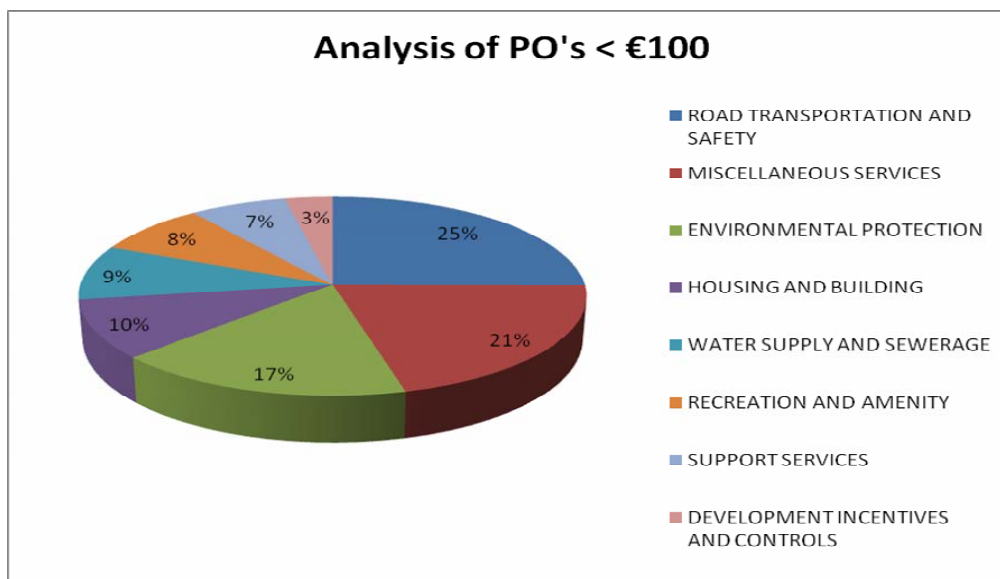
PO's	%	No of PO's
< €100	17.20%	140
€100 - €250	21.13%	172
€251 - €500	21.01%	171
€501 - €1000	18.06%	147
€1,000 >	22.60%	184

**AGRICULTURE EDUCATION HEALTH AND SAFETY**

PO's	%	No of PO's
< €100	0.00%	0
€100 - €250	40.00%	2
€251 - €500	20.00%	1
€501 - €1000	0.00%	0
€1,000 >	40.00%	2

ANALYSIS OF PO's < €100		
PROGRAMME GROUP	No of PO's	%
ROAD TRANSPORTATION AND SAFETY	508	25.07%
MISCELLANEOUS SERVICES	421	20.78%
ENVIRONMENTAL PROTECTION	347	17.13%
HOUSING AND BUILDING	194	9.58%
WATER SUPPLY AND SEWERAGE	182	8.98%
RECREATION AND AMENITY	165	8.14%
SUPPORT SERVICES	140	6.91%
DEVELOPMENT INCENTIVES AND CONTROLS	69	3.41%
AGRICULTURE EDUCATION HEALTH AND SAFETY	0	0
	2,026	100.00%

**Table 7**



**Recommendation:**

It is recommended that the Council adopt a Strategy for the Procurement of low value items in order to determine how it can better manage the procurement cycle for lesser value transactions and ensure the most effective use of resources.

### 3.4. Supplier Analysis

Supplier analysis is used to gain an understanding of the relationship that the organisation has with its suppliers. Specifically, it concentrates on identifying the number of suppliers, the value of business with each supplier, the range of goods 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. For example a supplier analysis can help to determine whether there are too many or too few suppliers. This analysis can be used, for example, to reduce or increase the number of suppliers where appropriate, to co-ordinate the purchasing of similar goods and services used in several areas or departments within the organisation, to maximise purchasing power, and to examine supplier invoicing arrangements with a view to achieving process efficiencies and cost reductions.

Managing suppliers and sustainable procurement are discussed in Sections 5.2 and 5.6. The following are some of the recommended stepping-stones to improve the current procurement process.

**Recommendation:**

- Additional supplier analysis should be carried out in order to manage suppliers with a focus on sustainable procurement.
- A full review of Longford County Council's existing supplier base should be conducted.

#### 3.4.1. Breakdown of frequent Suppliers per Section

The following table illustrates the suppliers most frequently used by individual sections. It identifies suppliers in respect of which more than 20 Purchase Orders were raised during 2006.

Section/Supplier	No of PO's	Amount
<b>DEVELOPMENT INCENTIVES AND CONTROLS</b>		
E C GEARTY (SOLICITOR)	25	€47,311
<b>ENVIRONMENTAL PROTECTION</b>		
MULLEADYS LTD	120	€143,872
M & N NOLAN MOTOR COMPANY LTD	34	€8,824
MACKENS SERVICE STATION	28	€1,740
<b>HOUSING AND BUILDING</b>		
E C GEARTY (SOLICITOR)	145	€229,961
B FALLON HARDWARE LTD	78	€17,628
PROVIDERS HIRE LTD	55	€6,371
LONGFORD HARDWARE DIY	46	€10,423
DALTON AUCTIONEERING	30	€6,900
DOLANS PLANT HIRE	26	€134,250
BORD NA MONA	25	€85,991
LONGFORD WASTE REMOVAL	22	€51,610
FOX & O ROURKE WINDOWS LTD	22	€22,148
<b>MISCELLANEOUS SERVICES</b>		
LONGFORD TYRE SERVICES	96	€15,431
D & E MCHUGH LTD	71	€6,809

CEMEX (READYMIX (ROI) LIMITED)	63	€277,384
HALLS AUTOSPARES	47	€2,773
SEALTEC INDUSTRIAL SUPPLIERS	38	€1,708
BM MOTOR FACTORS	33	€3,437
LONGFORD MOTORS	30	€3,120
M & N NOLAN MOTOR COMPANY LTD	29	€5,153
LONGFORD COUNTY COUNCIL (MTAX)	27	€21,604
KELLY TRUCKS	21	€16,193
<b>RECREATION AND AMENITY</b>		
GRAFTON COURT BOOKS	24	€11,424
<b>ROAD TRANSPORTATION AND SAFETY</b>	<b>2594</b>	
HANLY BROTHERS LTD	183	€600,357
RHYNE ROCK	154	€394,070
ROADSTONE PROVINCES LTD	74	€116,516
LONGFORD HIRE CENTRE LTD	71	€111,819
COLD-CHON GALWAY LTD	71	€809,658
NATIONAL ROADS DESIGN OFFICE	70	€435,115
BRANDRAKE PLANT HIRE LTD	69	€115,051
IRISH TAR & BITUMEN SUPPLIERS	65	€419,662
RENNICKS SIGN MANUFACTURING	64	€252,473
LAKELAND DAIRIES CO OP LTD	61	€7,655
CEMEX (READYMIX (ROI) LIMITED)	52	€21,300
LAGAN ASPHALT LTD	45	€1,852,555
LONGFORD LEADER	43	€14,679
VELDSTAR LTD (LONGFORD NEWS)	37	€11,600
KEARNEYS PETROL AND FUEL SUPPLIES LTD	37	€2,226
B FALLON HARDWARE LTD	36	€62,757
SHANNONSDIE FM	36	€18,794
HIGHWAY MARKINGS LTD	34	€239,109
ALCOM PHONES & ALARMS LTD	33	€4,827
BALLYMAHON OFFICE SUPPLIES	33	€6,456
BRYAN KENNY	30	€57,807
STEPHEN REYNOLDS	27	€63,809
P PLUNKETT LTD	27	€10,304
PATRICK MC CAULEY	26	€69,460
MEL MCKENNA	26	€58,883
PADDY BERRY	25	€53,802
JAMES BRADY	25	€54,088
CARL SULLIVAN	25	€3,382
COLFIX DUBLIN LTD	24	€449,281
LOVELL BROS LTD	24	€15,040
PATRICK MCCORMACK	23	€67,152
J A BROWNE PLANT HIRE	21	€44,814
<b>WATER SUPPLY AND SEWERAGE</b>		
BRYAN KENNY	54	€456,857
CHEMIFLOC LTD	52	€164,067
PATRICK J NUGENT ELECTRICAL LTD	36	€14,936

S W CARTY AND SON LTD	30	€117,781
MULLEADYS LTD	28	€157,228
ALCOM PHONES & ALARMS LTD	27	€7,069
A TO Z CHEMICAL DISTRIBUTORS LTD	24	€63,340
HANLEY CONTROLS LTD	24	€87,676
NICHOLAS O DWYER	23	€437,856
SEALTEC INDUSTRIAL SUPPLIERS	23	€6,754
B FALLON HARDWARE LTD	22	€41,979

**Table 8**

### 3.4.2. Suppliers with the Greatest Number of Purchase Orders

The 10 suppliers listed below accounted for 18.04% of the Purchase Orders raised in 2006. These 10 suppliers accounted for just 5.84% of the total value of Purchase Orders raised in 2006. The data that was analysed for the purpose of compiling this report shows that in 2006, Longford County Council was dealing with in excess of 1,000 Trade Suppliers.

Suppliers	No of PO's	Amount (€)	Average per PO
E C GEARTY (SOLICITOR)	221	€422,547	€1,912
RHYNE ROCK	198	€457,348	€2,310
MULLEADYS LTD	191	€324,184	€1,697
HANLY BROTHERS LTD	187	€638,421	€3,414
B FALLON HARDWARE LTD	143	€124,929	€874
LONGFORD LEADER	130	€41,609	€320
CEMEX (READYMIX (ROI) LIMITED)	120	€299,971	€2,500
LONGFORD TYRE SERVICES	117	€18,213	€156
ALCOM PHONES & ALARMS LTD	113	€29,895	€265
VELDSTAR LTD (LONGFORD NEWS)	97	€31,815	€328

**Table 9**

## 4. Technology and e-Procurement

With regard to procurement in general, developments in the use of the Internet and in the application of electronic solutions are having a profound effect on business processes. There is an increased focus on leveraging the technology to enable overall business and procurement strategies. This represents a change from the situation that previously existed when attempts were made to make the business fit the solution.<sup>1</sup>

It is important to bear in mind that technology by itself is not sufficient for success. The introduction of new technology must be accompanied by the re-engineering of business processes in both client and supplier organisations in order to ensure that the maximum benefit is gained from the change process.

### 4.1. Agresso

The Agresso Financial Management System has been in use in Longford County Council since 2001. It is geared towards improving financial and budgetary control. In order to extract procurement data users must have a detailed knowledge of the system. There is a challenge for the Council to obtain more detailed procurement information and conduct the necessary analysis. The Agresso Financial Management System is the foundation on which a fully complete e-Procurement system will be based.

#### **Recommendation:**

- All sections within the Council should use the Agresso Financial Management System to extract detailed reports indicating patterns of spend, volumes, supplier analysis, etc. Additional templates should be set up and managers should access and review this information on a regular basis.

### 4.2. e-Tenders Website

The first visible evidence of the Government's delivery on e-Procurement is the [www.etenders.gov.ie](http://www.etenders.gov.ie) website. This site pulls all public sector tenders into one location, and facilitates both suppliers looking for opportunities and contracting authorities trying to manage tendering processes. It is designed to advertise tender notices, provide and track tender documents and display contract award notices. Public sector procurement opportunities being advertised currently in publications such as in the Official Journal of the European Union, trade journals, national and local papers are also published on a daily basis on the e-Tenders Website.

During 2006 Longford County Council advertised 15 tenders on the e-Tenders Website.

#### **Recommendation:**

- The current practice of advertising in local and national newspapers should be reviewed. The possibility of gradually moving to a process that uses [www.etenders.gov.ie](http://www.etenders.gov.ie) as Longford County Council's primary means of advertising tenders should be considered. Adopting the e-tenders site as the main advertising method for tenders will result in reduced advertising costs and will deliver process efficiencies.

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<sup>1</sup> A Guide to eProcurement for the Public Sector - Autumn 2002

- The Council should gradually move to a situation where all tenders are advertised only on the e-tenders website.
- The Council should provide additional training for users as required.

### 4.3. Online Annual Quotations

Longford County Council started using the [www.LAQuotes.ie](http://www.LAQuotes.ie) solution in 2006. It is an online annual quotation solution and is being used by 31 Local Authorities in Ireland. The system accepts online quotations from suppliers in the plant hire, tool hire and supplies and services sectors. 385,300 online quotations were received from 2,596 participating suppliers during the four week annual quotation period in 2007.

The system, the first of its kind in the EU, allows suppliers to quote for business online. Use of the system increased by 160% in 2006 and by 72% in 2007. Requesting and administering quotations received from suppliers was a major task for all Local Authorities prior to the introduction of this system. The online process is delivering major benefits for internal workflows and management oversight. It has also resulted in a generally speedier and more efficient system. For suppliers, it is proving to be an easier and speedier method of quoting compared to the traditional paper-based quotation process that had previously been in use.

#### **Recommendation:**

- Ensure that all required documentation is received from suppliers prior to activating them on the LAQuotes system.
- Ensure that all sections abide by the procedures in relation to hiring plant and machinery.

### 4.4. Request for Quotation System

There are a number of online Requests for Quotation solutions available at present. These solutions provide purchasers with a tool to request quotations for goods and services from one or multiple suppliers. Each supplier is pre-registered on the system prior to the system being used. Request for Quotations are generated with one or more lines. The Request for Quotations is then sent to the selected suppliers. Suppliers are prompted via email that the purchaser is looking for a quotation. The suppliers may then logon to the system and complete the quotation before a pre-defined deadline. When a supplier submits a quotation the buyer receives an email alerting them of the response. The buyer may at any stage, depending on the settings selected, logon to the system and view the responses. Reports can be obtained from these systems, which will aid decision-making and provide the necessary audit trails for future references. Buyers can view the details of all the quotations submitted and accept the one that best matches the needs of the organisation. These solutions offer a wide variety of functionality to support an efficient procurement process. Buyers and suppliers can attach documents to provide added information or legal terms and conditions as part of the Request for Quotation process.

A number of benefits can be derived from the use of such systems:

- Efficiency and accuracy in purchasing is promoted by enabling procurement officers to process requests electronically and enabling them to compare prices from several suppliers for instant information access and improved decision-making.
- More responsive to customer quotations.

- Immediate savings
- Reduction in storage requirements.
- More competitive purchasing.
- Real-time product descriptions and pricing – provides a virtual platform for on-line negotiation.
- Reduced administration tasks.
- Web-based purchasing.
- Secure transactions.
- Audit trail.
- Promoting e-Commerce amongst suppliers.
- Excellent instant reporting functionality.
- Simple to use.
- Email notification.
- No additional hardware or software required for buyers or suppliers.
- Option to integrate with Agresso, when creating Purchase Order.

**Recommendation:**

- An Online Request for Quotation Solution should be piloted in some department or area of activity. In this regard consideration should be given to developing a pilot in the area of purchasing office stationery.

#### **4.5. Low Value Purchase (LVP) Cards**

In many organisations the use of Low Value Purchase Cards as a means of acquiring low-value products and/or services is now a standard method of purchase and payment in an end-to-end e-Procurement system. The establishment of transactional, daily and billing cycle spend limits for cardholders and the placing of restrictions in respect of specific product or service categories through merchant category code blocking will ensure that the introduction of Low Value Purchase Cards will deliver efficiencies and economies. These efficiencies and economies are likely to be particularly achieved when dealing with the processing of a myriad of low-value repetitive transactions and pre-identified, specialised, one-off type transactions.

Depending on which study is referenced, results indicate that anywhere from 70% - 90% of the transactions account for only 10% - 30% of the expenditure and the cost of processing low-value transactions can vary between € 70 and € 120 per transaction. 'Processing low-value transactions through a purchasing card can reduce business-to-business purchase costs by as much as 85%'.<sup>2</sup>

A Low Value Purchase Card is a form of charge card specifically designed for the purchase of low value/high volume goods and services. Liability rests with the organisation rather than with the individual cardholder. Low Value Purchase Cards are issued to selected employees, empowering them to purchase certain low-cost goods and services on behalf of the Council. No Purchase Order is required. Low Value Purchase Cards deliver the highest efficiency when they are used in connection with high volume/low value and once off transactions.

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<sup>2</sup> Bridging the Gap – Purchasing Cards and eProcurement with Enterprise Resource Planning Systems by Ken S. Babich

Using the Low Value Purchase Card is relatively simple:

- The purchase can take place by telephone or face-to-face with the cardholder presenting the card details to the supplier.
- The supplier processes the order and requests approval from the bank authorisation centre.
- The bank authorisation centre checks the limits and any other control parameters.
- The supplier delivers the goods or service.
- The bank pays the supplier within 4-5 working days.
- The bank provides a monthly statement to the Local Authority and the cardholder.
- The cardholder reconciles the statement and submits it for approval.
- The Local Authority pays the bank at month-end.
- The bank also provides monthly management information.

**Controls:**

- Overall Council credit limit
- Individual cardholder credit limit (per month)
- Individual cardholder transaction limit
- Supplier category blocking

**Benefits to Buyer:**

- Can reduce bureaucracy and costs.
- Simplified, faster administration and a significant reduction in paperwork and computer time.
- Environmental benefits – less waste.
- Released time across purchasing cycle.
- Elimination of a large number of Purchase Orders.
- Reduction in the number and cost of payments issued to suppliers.
- Devolving transactions to end users.
- Better management information.
- Improved audit trails, (logs, statements).
- Improved relations with end users (empowered).
- Improved relationships with suppliers.
- Frees up buyers to concentrate on value-added source evaluation, selection and negotiation.

**Benefits to a Supplier:**

- Competitive advantage from being Purchasing Card enabled.
- Better cash flow – paid within a couple of days by bank, no bad debts.
- No payments chasing.
- Fewer credit control staff are required.

**Recommendation:**

- It is recommended that Low Value Purchase Cards be introduced for use in some sections of the Council. Based on the analysis in this report, it is recommended to firstly introduce the Low Value Purchase Cards to the Environment Section as 30% of all transactions processed in this section were for under € 100 in 2006.
- Within six months of introducing the Low Value Purchase Cards to pilot section(s) an analysis of Low Value Purchases should be conducted to determine the effects of introducing them. It can be anticipated that the number of Purchase Orders raised for low value amounts should be greatly reduced.

**Note:** In order to maximise the benefits of introducing the use of Low Value Purchase Cards it is advisable to integrate their use with the Agresso Financial Management System.

# 5. Strategy, Systems and Structures

## 5.1. Storage Costs and Stock Control

Partly as a result of the fact that the Council operates a small stores department and that each section procures goods and services as they are required, no great emphasis has been placed on the cost of storing goods to date. By virtue of the fact that items are acquired by individual sections there is virtually no awareness of the levels of stock that are held at any given time. There is no formal process for checking that user specifications are being met or for checking the quality of incoming goods. Quality problems only become evident when the purchased goods are subsequently used. This can in some cases be at a much later time.

## 5.2. Managing Suppliers

Supplier management has not been a feature of procurement practices within Longford County Council to date. The emphasis to date has been principally on satisfying the purchasing guidelines and on obtaining quotations to get the best purchase price for the Council. This approach has resulted in individual departments dealing separately with a large number of suppliers. No department has the responsibility for managing the performance of any supplier on an ongoing basis.

Employees involved in procurement need to establish a 'supplier management process' that will be applied to strategically important and/or high-spend suppliers. Aspects relating to supplier management that need to be monitored include:

- The rigorous application of contractual agreements
- The evaluation of performance on cost, quality, delivery, convenience, flexibility, etc.
- Compliance with Service Level Agreements and the taking of corrective action where difficulties are identified.
- Ease of on-going communication with the supplier.

One of the key issues noted when this review was conducted was the scope that exists for increasing the amount of contracted procurement that takes place. Non-contract procurement (sometimes referred to as once-off or ad hoc procurement) usually results in higher prices and less favourable terms and conditions. Even within the existing policies and procedures (see appendix A) that Longford County Council adheres to, there is room for improvement. A primary method of achieving savings in overall procurement costs is to minimise the amount of non-contract procurement that is conducted.

Supplier management is becoming increasingly important. Purchasers should not only be looking at the typical issues of quality, past delivery performance and financial stability but should also develop an understanding of the supplier's market, market share, trends in the industry and the strategic plans and research investments.<sup>3</sup> Technology will be a key player in effective supplier management, providing the opportunity for the organisation and its suppliers to share real-time and accurate information.

## 5.3. Market Places

Well-established competitive markets exist for many of the routine goods currently bought by Longford County Council. There is scope for improvement in the procurement process, particularly by achieving reduced transaction costs. Greater use of Low Value Purchase Cards and increased use of electronic catalogues would contribute to achieving efficiencies.

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<sup>3</sup> The Supply Management Process by Alan R. Raedels

## 5.4. Quotations/Tenders

There are strict guidelines and procedures in place relating to the seeking of quotations and tenders. These guidelines are abided by in all departments and frequent checks are conducted to ensure that they are complied with. In some cases, the accumulated purchases of an item over a period of a year would exceed the formal quotation/tendering limit, even though the cost of individual purchases would not exceed the limits that have been established.

Longford County Council's procurement is undertaken within the context of the EU Procurement Directives, which establish a framework of rules for the award of certain supplies, works and services contracts. Broadly speaking, public sector contracts are required to be awarded via a process of competitive tendering and there are processes, which must be followed relating to the awarding of contracts that exceed certain values. In 2006, of the 15 tenders that Longford County Council sought only two exceeded the EU Threshold. Advertisements relating to these tenders were placed in the Official Journal of the European Union as is required.

## 5.5. Strategic Procurement

Many large organisations historically have had a narrow transaction-based view of purchasing, with the emphasis being placed on buying goods and services at the lowest possible price. However, organisations are now re-evaluating the role of purchasing and focusing on developing channels of supply at the lowest total cost to the organisation, not just the lowest price. They are taking a wider, more strategic view of how procurement could be used to achieve broader corporate goals.

Strategic sourcing realigns the organisations procurement practices with the aim of focusing the most time and energy on the strategic purchases that can provide advantages in quality, speed and cost effectiveness. It recognises the skills of purchasing professionals and maximises their involvement in purchases of high strategic importance. Rather than taking a blanket approach to securing products and services, strategic sourcing differentiates between items so that the most time and effort is spent on procuring items that have the highest strategic priority.

### **Recommendation:**

- A Strategic Sourcing Model for Longford County Council should be developed in order to provide a framework within which a strategic approach can be taken with regard to procurement.

## 5.6. Sustainable/Green Procurement

Sustainable procurement is about taking social, environmental and economic factors into consideration in an integrated way, alongside financial factors when making procurement decisions. Local Authorities are becoming increasingly conscious of the fact that if they do not take into account factors relating to sustainability now, they may face costs in the future for unsustainable procurement decisions that are made today.

Best Value or Most Economically Advantageous Tender (MEAT) is not about securing the lowest initial cost. It is about achieving the optimum combination of whole life costs and benefits to meet the Local Authority's requirements in procurement decision-making. These benefits may include such things as community safety, good employee management, as well as benefits to local people. Whole life costs include the initial purchase price, together with distribution, running and disposal costs, depreciation, etc. Best Value for money therefore means getting the best deal within the parameters that have been set in the specification of requirements and award criteria.

Protection of the environment for example, can be one of these parameters and can therefore be taken into account as a factor when making decisions relating to the awarding of a contract.

The Public Procurement Regulations which were commenced in 2006 state that environmental characteristics can be taken into account when assessing the most economically advantageous tender. Consideration of whole-life cost of goods, works or services should be a key part of a local authority's sustainable procurement strategy, as well as a key component in achieving Value for Money. Essentially it provides an opportunity to carry out an analysis of the full cost to a contracting authority of meeting a specific requirement. Costs can be divided into three broad categories – Acquisition Costs (e.g. transport costs), Operating Costs (e.g. energy/water consumption) and Disposal Costs (such as refuse collection costs).

Sustainability involves the sensible use of the scarce resources. The aim of sustainable procurement is to shift spending away from goods, services and public works that negatively impact on the environment and society, towards products that are more environmentally sound and socially beneficial. The drive towards more sustainable forms of production and consumption is not only evident at governmental level, but is also noticeable within industry and civil society. Sustainable procurement can therefore make a major contribution to the sustainability objectives of a public organisation. By procuring in a sustainable way, Longford County Council can serve as a role model and make people aware of the practical implications of sustainability.

### **Benefits for Longford County Council from Sustainable Procurement**

The Council can benefit from sustainable procurement by making better choices that positively impact on the local economy, the environment, and the bottom line cost of purchasing goods and services. The following are examples of how this can be achieved:

- **Bottom line benefits:** Lower waste management fees and lower hazardous material management fees. Savings from conserving energy, water, fuel and other resources.
- **Compliance and risk avoidance:** Better compliance with environmental, and Health and Safety Regulations. Demonstrating due diligence and reduced risk of accidents, as well as reduced liability and health and safety costs. Reducing the likelihood of purchasing a problematic product (e.g. a product that offends a customer or contains a toxic chemical).
- **Positive public relations:** Meeting customer demands for sustainable products. Demonstrating a commitment to sustainability. Improving image and goodwill. Improving employee and community health through reduced demand for landfill space, lower demand for resources, enhanced local economic development.
- **Stronger Economy:** Helping to develop markets for sustainable products. Stimulating innovation by working with suppliers to design alternative products with fewer environmental impacts. Enhancing local community and economic development through local purchasing. Reducing material and energy costs which allows expenditures for other purposes.
- **Healthy Environment:** Avoids the generation of waste. Harvesting and using raw materials more efficiently. Reducing or eliminating toxicity, and air and water emissions.
- **Social well-being:** Supports suppliers who have a strong commitment to local communities and social and environmental responsibility. Promotes Health and Safety standards for employees and high quality working conditions. Provides safer and healthier products for consumers.

The above mentioned social and environmental benefits of sustainability do not necessarily mean a higher financial burden for the procuring organisation. When the total costs of ownership of a product are taken into account, even an option that may have a higher initial price can save the organisation

money in the long-term. This means that the cheapest offer is not necessarily the economically most advantageous one. The total cost of ownership concept takes all of the costs associated with the product's life cycle into account. On this basis, a product with a higher initial price might be the economically most attractive option. For example due to ongoing operating cost savings, such as reduced energy consumption and water consumption costs, lower costs of disposal, and reduced health and safety risks, a more expensive product may in the long term prove to be more economically advantageous. When looking at the total cost of ownership of a product, calculations should cover the following:

- Purchase costs and all associated costs: delivery, installation, commissioning etc.
- Operating costs: energy costs, spares, maintenance etc.
- End-of-life-costs: decommissioning, removal costs, disposal costs etc.

By undertaking a simple comparison of products after calculating the total cost of ownership, it is possible to identify products which are more sustainable and therefore less expensive in the long run.

**Recommendation:**

- A sustainable/green procurement policy should be adopted and implemented in Longford County Council.

## 6. The Way Forward

### 6.1. Recommended Work Programme

A number of recommendations which have been highlighted throughout this report are summarised in this section.

	<b>Recommendation</b>	<b>Risk</b>	<b>Complexity</b>	<b>Schedule</b>
1	Produce a detailed set of policies and procedures for the procurement of goods and services. This should be developed so as to complement the Council's Financial Management System and to enable new and existing users to confirm that they are complying with the Council's agreed policies and procedures. All employees involved in the procurement process should be familiar with these agreed policies and procedures. The policies and procedures document should be presented in the format of a user manual.	Low	Low	Q3 2008
2	Pilot an online Request For Quotation Solution in some department or area of activity. In this regard consideration should be given to developing a pilot in the area of purchasing office stationery. Stationery is currently procured by each individual section. The challenge is to streamline this process and to develop a system that meets the needs of the organisation and users while maximising efficiency. The option of centralising purchasing of stationery using draw-down contracts and preferred suppliers should be considered.	Medium	Medium	Q1 2009
3	Provide regular in-house procurement information sessions to employees. The content of these sessions should be based on best practice procurement processes. The objective of providing the sessions is to encourage an awareness of cost consciousness to be applied across the organisation at all times. These sessions should promote and support the development of procurement skills sets and behaviours. Information on new procurement procedures should be relayed to employees and value for money initiatives discussed. These training sessions should target specific areas of procurement. Case studies that people may relate to, technology, policies and procedures and other relevant material should be included for discussion at the training sessions. It is recommended that these sessions be hosted at least annually.	Low	Medium	Q4 2008  Minimum of one per annum

4	Further transaction and supplier analysis should be conducted. Ongoing statistical analysis is required to fully appreciate the value of markets. Monitoring and adopting Key Performance Indicators (KPIs) within categories of expenditure will help achieve value for money.	Low	Medium	On-Going
5	It is recommended that the Council adopt a Strategy for the procurement of low value items in order to determine how it can better manage the procurement cycle for lesser value transactions and ensure the most effective use of resources	Low	Medium	2009
6	All sections within the Council should use the Agresso Financial Management System to extract detailed reports indicating patterns of spend, volumes, supplier analysis, etc. Additional templates should be setup and managers should access and review this information on a regular basis.	Low	Medium	2008
7	Review advertising in local and national newspapers and start using <a href="http://www.etenders.gov.ie">www.etenders.gov.ie</a> as Longford County Council's primary means of advertising tenders. Ensure all tenders are advertised on this website and provide additional training for users if required.	Low	Low	Q3 2008
8	Ensure that all required documentation is received from suppliers prior to activating them on the LAQuotes system and that all sections abide by the procedures in relation to hiring plant and machinery.	Low	Low	On-Going
9	Introduce Low Value Purchase Cards for use in some sections of the Council. Based on the analysis in this report, it is recommended to firstly introduce the Low Value Purchase Cards to the Environment section as 30% of all transactions processed in this section were under € 100 in 2006. Within six months of introducing the Low Value Purchase Cards to the pilot section(s) an analysis of low value purchases should be conducted to determine the effects of introducing them. It can be anticipated that the number of Purchase Orders raised for low value amounts should be greatly reduced.	Medium	High	2009
10	Develop a Strategic Sourcing Model for Longford County Council in order to provide a framework within which a strategic approach can be taken with regard to procurement.	Medium	Medium	2009
11	Adopt and implement a sustainable/green procurement policy for Longford County Council	Low	Low	2009

12	Increased use of contracts - The use of properly constructed written contracts between the authority and its major suppliers is the best method of purchasing goods and services at keenest prices. Contract purchasing, if operated correctly, allows organisations to take full advantage of their purchasing power and to stipulate conditions with regard to delivery, specifications, quality assurance etc.	Low	Medium	On-Going
13	Hiring versus Purchasing –There is a need to secure a much greater level of management information within local authorities if the correct decisions are to be made regarding the optimum mix between hire and ownership. This is an area that should be explored for plant hire and tool hire.	Low	Low	2009
14	Supplier Awareness – provide information to suppliers on 'Doing business with Longford County Council'. Produce a guide or document for suppliers that will give them the necessary information required for liaising with the Council	Low	Medium	Q4 2008

## 6.2. Key Assumptions

The successful implementation of the recommended projects is dependent on a number of assumptions:

- It has been assumed that there will be no delays with implementing the some of the recommendations that have been made.
- In order to implement the recommendations it will be necessary to prepare a separate but linked implementation plan. It has been assumed that it will be possible to implement a number of the recommendations in parallel.
- It has been assumed that the necessary support and co-operation will be forthcoming from the various sections across the organisation.
- It has been assumed that the necessary resources including training will be assigned in order to deliver the individual projects.
- In order to achieve maximum efficiency the active participation and buy in from suppliers will be required.

## 6.3. Key Implementation Challenges

The work programme recommended in this report will see e-Procurement technologies being leveraged to facilitate the introduction of a radically new framework for procurement within Longford County Council. This is in parallel with that proposed in the national and sectoral e-Procurement strategies. While the potential benefits to be derived from the successful implementation of these initiatives are significant, the implementation will present a number of challenges that will need to be addressed if the envisaged benefits are to be realised. Some of these challenges are listed hereunder in no particular order of priority.

**Viewing technology as an enabler and not a solution:** While technology undoubtedly has a key role to play in facilitating the programme of change recommended in this report, experience elsewhere has shown that e-Procurement initiatives that are not based on a foundation of sound procurement practices and processes and appropriate organisational structures are unlikely to deliver the expected benefits. It is crucial therefore that the implementation effort addresses all elements of the procurement framework and does not place an over reliance on technology to deliver the targeted benefits.

**Encouraging the participation of both the Council employees and suppliers:**

A number of the recommendations made in this report depend on the participation of the Council employees who are responsible for purchasing and the suppliers. It is important that the change management and consultation process associated with the implementation of the initiatives makes adequate provision to understand and address the concerns and requirements of both the Council employees responsible for purchasing and the requirements of suppliers.

**Realising and measuring the benefits:**

Without the necessary research and analysis, it is impossible to measure results and understand the operational aspect of the business. Throughout the report, 'continuous improvement' is echoed as the core to achieving value for money. Ongoing analysis will help to measure progress and results. Most of the recommendations contained in this report will require a certain amount of research. While some analysis was conducted as part of this review it is suggested that more in-depth examinations be completed as a separate study, in particular in relation to category and supplier analysis.

The implementation of the proposed programme of change can be justified on the basis that it will facilitate the realisation of significant financial and non-financial benefits to Longford County Council. Monitoring performance against targets is therefore critical. It will be necessary to ensure that efficient and effective measuring systems and processes are in place to provide an accurate picture of the initiatives without placing an unreasonable reporting burden on participating sections. In the case of non-financial benefits, it is essential that their ultimate financial impact is identified through a 'cause and effect' assessment so that it can be incorporated into suitable performance metrics.<sup>4</sup>

**Achieving senior management support:** It is critical that managers at all levels across the organisation and most particularly at senior levels give their wholehearted support to the implementation of the initiatives and recommendations contained in this report. Without this support the change programme will not be successfully implemented.

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<sup>4</sup> Strategy for the Implementation of eProcurement in the Irish Public Sector

# **Appendix A: Current Agreed Procedures for the Procurement of Goods**

The current procedures for the Procurement of Goods became effective on 7<sup>th</sup> September 2006. The following limits are set in respect of the procurement of goods and services which are not included in the annual tenders:

- Purchases of up to €2,000 – at least two verbal quotations must be sought.
- Purchases of between €2,000 and €50,000 – at least three written quotations must be received and submitted with a request for approval to purchase.
- Purchases between €50,000 and €100,000 – quotations must be invited by public advertisement on [www.etenders.gov.ie](http://www.etenders.gov.ie) and submitted with a request for approval. Tenders can be sought, if desired.
- Purchases of over €100,000 and up to the EU thresholds – The formal tendering procedure must be followed as set out in the Agreed Tendering Procedures for all goods and services that are procured with an estimated annual cost greater than €100,000.
- Over E.U. threshold – The prescribed EU tendering procedures must be followed.
- In all cases the employee responsible for the ordering of the goods or services must ascertain in advance the amount of expenditure that the Council will be committed to as a result of the order being placed.

**The above limits are exclusive of VAT.**

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## **Tax Clearance Certificate Procedures:**

Under existing Revenue Regulations a local authority is required to hold a valid Tax Clearance Certificate for each business or individual with whom the value of trade is likely to exceed €10,000 including VAT in any twelve month period.

The Council is obliged to delay payments to, and discontinue trading with, businesses or individuals who fail to produce a current valid Tax Clearance Certificate, once the limit of €10,000 has been reached. In the Agresso Financial Management System Purchase Orders are parked and cannot be approved until a valid certificate is received.

It is important that suppliers are made aware of the requirements relating to the provision of a current valid Tax Clearance Certificate when the supply of goods or services is being initially negotiated.

# **Appendix B: Tendering/Quotation Procedures for Supplies, Services and Works below the relevant EU Thresholds**

The following are the Tendering/Quotation procedures that have been in effect from 7<sup>th</sup> September 2006.

## **TENDERS**

The seeking, reception and examination of tenders by Longford Local Authorities is provided for in Section 229 of the Local Government Act, 2001. It is also necessary to comply with the Health and Safety Regulations and Section 27 of the Disability Act 2005 when procuring supplies, services and works.

## **TENDER SEEKING**

The seeking of tenders and all associated procedures, by Longford County Council, are to be processed by the appropriate Director of Services while those for Longford Town Council are to be processed by the Town Clerk. A formal tendering system is to apply to all goods and services purchased with an estimated annual cost of greater than €100,000. This limit does not preclude any area from seeking tenders for the purchase of goods or services where the annual value is less than €100,000.

Before a Tender Notice is placed the responsible employee must ensure that:

- Copies of Plans, Specifications, Conditions of Contract, Bill of Quantities, Calculation of Bond, Tender Forms and other relevant documentation are available.
- The relevant documentation should, where possible, be available in electronic format.
- The amount of any deposit that is payable must be agreed in advance of any Tender Notice being placed.

It is the policy of Longford County Council and Longford Town Council to use the e-tenders website ([www.etenders.gov.ie](http://www.etenders.gov.ie)) as a means of advertising for tenders and seeking quotations where relevant EU thresholds are not exceeded.

Current EU thresholds (1st January 2008 to 31st December 2009) are detailed on the next page.

**NB.....The use of the e-tenders website will not in any way mitigate the obligations placed on the Council by EU legislation and the requirement to publish Tender Notices in the EU Journal where certain thresholds are exceeded.**

**The current EU Threshold Contract Notice for works is €5,150,000 (excl of VAT).**

**The current EU Threshold Contract Notice for supplies and services is €206,000 (excl of VAT).**

**The Council is obliged to place advertisements in the Official Journal of the European Union (OJEU) for all contracts where these thresholds are exceeded.**

The thresholds that are operative with regard to the requirement to advertise contracts in the Official Journal of the European Union (OJEU) are listed hereunder. These thresholds are operative for the period from 1<sup>st</sup> January 2008 to 31<sup>st</sup> December 2009. The Revised Public Procurement Directives simplified the threshold provisions by abolishing the two tier system that existed under previous Directives and the Government Procurement Agreement (GPA) of the World Trade Organisation.

<b>Works Contracts</b>	
€ 5,150,000	Threshold applies to Government Departments and Offices, Local and Regional Authorities and other public bodies, including the Utilities Sector.
<b>Contracts for Supplies &amp; Services</b>	
€ 133,000	Threshold applies to Government Departments and Offices
€ 206,000	Threshold applies to Local and Regional Authorities and public bodies outside the Utilities sector.
€ 412,000	Threshold applies to Utilities sector.

## **TENDERING GUIDELINES**

The following general guidelines apply with regard to seeking tenders as appropriate. Selective tendering or a pre-selection tendering process can only be used with the prior approval of the Director of Service.

The Director of Service or Town Clerk is to decide on the tender closing time and date and the amount of deposit required. This should be clearly stated on the tender documents. A minimum of 10 clear working days are to be allowed from the placing of the advertisement seeking tenders to the Closing Date for the receipt of tenders.

Tender Forms and Documentation issued by the Council are to be issued by the appropriate Directorate. Tender forms and documentation issued by The Town Council are to be issued from the Town Clerk's Office. Those submitting tenders should state on the envelope that it contains a tender. The project name should also be clearly marked on the envelope containing the tender. Tenders should be addressed to The Director of Services or the Town Clerk as appropriate. The clear marking of envelopes will help to avoid the possibility of Tender Envelopes being opened in error by Council employees.

If additional clarification or information is to be provided it should be forwarded to every party or individual who has requested that Tender Forms and documentation be sent to them. No individual consultation or communication relating to the submission of a specific tender should take place between Council employees and those submitting tenders.

### **NOTE: Freedom of Information Acts**

Reference should be made to the Freedom of Information Acts in all Tender Documentation by insertion of the following paragraph:

*"Longford County Council / Longford Town Council undertakes to use its best endeavours to protect confidential and commercially sensitive information provided by you in this Tender*

*subject to the Council's obligations under law including the Freedom of Information Act, 1997 and Freedom of Information (Amendment) Act, 2003. Should you wish that any of the information supplied by you in this tender should not be disclosed because of its sensitivity, you should, when providing the information, identify same and specify the reasons for its sensitivity. If your tender is successful the tender price will, as a matter of course, be available to the public outside of the scope of Freedom of Information legislation. Longford County Council / Longford Town Council will consult with you about the release of confidential and commercially sensitive information before making decisions on any Freedom of Information request that is received. If, having considered your view, Longford County Council / Longford Town Council is of the opinion that the information should be released in the public interest, you will have the option of appealing the decision to the Information Commissioner. Please note that in the event that no information is identified by you as sensitive, with supporting reasons, then it is likely to be released in response to requests made in line with the provisions of the Freedom of Information Act/s”.*

### **TENDER RECEPTION**

The tender of a person or firm shall be delivered by post or in person by the individual or some other person, other than a Member or employee of the Council, acting for him or her or such firm to the Director of Services or Town Clerk as appropriate.

All tenders should be date stamped and the time at which the Tender Envelope is received should also be recorded where this is appropriate.

If a Tender Envelope is received after the specified time for the receipt of valid tenders, it should be accepted and marked as “LATE”. The time at which it was received should be recorded. In the event that a tender is late it will not be opened.

Receipts showing the date and time at which tenders are received should be issued when a tender is delivered by hand.

A Tender Box should be kept in the office of each Director of Services and in the office of the Town Clerk. Tenders that are received should be placed in the appropriate Tender Box.

### **OPENING OF TENDERS**

A Tenders Opening Meeting should be held on the designated day for the opening of the tenders. The Tender Opening meeting is attended by the members of the Tender Committee and the relevant Director of Services or Town Clerk as appropriate. For the Town Council tenders will be opened by the Town Clerk and Mayor or Nominated Member of the Town Council. Invalid tenders should not be opened at this time.

At a Tender Opening Meeting each valid tender should be removed from the Tender Box and opened. Each valid tender should be then signed and dated by the Director of Services or Town Clerk and one other member of the Tender Committee as appropriate.

The page of quotation containing the total should be signed by each member of the Tender Committee. Tenders should be listed in order of opening in a Tender Book. The Tender Book should be signed and witnessed by those present at the opening of the tenders.

Tenders should be listed in order of value on a Tender Form.

The tendered prices should be listed in ascending order, from the lowest to the highest.

**It should be ensured that all amounts listed are either inclusive or exclusive of VAT.**

The Director of Services or Town Clerk as appropriate should sign the Tender Form.

Invalid tenders should only be opened when the Tender Book has been signed. Contractors who submitted invalid tenders should be notified and should be informed of the reason for which their tender was deemed to be invalid.

At a Tender Opening Meeting, care should be taken to ensure that envelopes are not separated from the documents contained in them. Envelopes should at all times be kept with the relevant tender documents.

A list showing tender totals, in ascending order, is forwarded to all tenderers who submitted valid tenders. This list should not reveal the identity of any contractor who submitted a tender. Tenderers should be advised that the tenders will not have been checked at this time, either for errors or for compliance with the instructions that issued to Tenderers. Deposits should be refunded after the award of the contract where a bona fide tender was submitted before the closing date for the receipt of tenders and the tender was not subsequently withdrawn.

In the normal course, only the Bill of Quantities of the lowest suitable tenderer should be opened. However, the right to open all or any of The Bills of Quantities submitted may be reserved.

In relation to National Roads Authority projects due regard should be had to the NRA Procurement Policy Document issued on August 31<sup>st</sup> 2000. This states that 'An independent check of all Bills of Quantity shall be carried out'. In the case of all contracts for €6.5m or more, this check should be carried out by an external firm of Quantity Surveyors and, in the case of smaller contracts it should be carried out by an independent team, preferably from another Regional Design Office or Local Authority. The Contracting Authority should ensure that those carrying out such checks have adequate Professional Indemnity Insurance Cover. The appropriate minimum level of indemnity is €6.5m for any one claim'.

All tender documentation must be retained for at least ten years, or until the period specified in legislation has expired, and shall be produced for inspection by the Local Government Auditor or Internal Auditor if so required.

The original of each advertisement (National and European Journal) for NRA and EU funded projects must be kept on file for inspection at Audit.

## **SELECTION PROCESS & AWARD OF CONTRACTS**

The Director of Services or Town Clerk, as appropriate, is responsible for examining the tenders and recommending the successful tender. In deciding which tender to accept, a decision may be made on the basis of either:

(a) The lowest price only

OR

(b) The most economically advantageous tender (using various criteria such as price, quality, previous experience, running costs, profitability, technical merit, etc.)

The recommendation to accept a tender should take the form of a report which will set out:

- a) The Method of Tendering
- b) The names and addresses of those who tendered and the amounts involved.
- c) A Statement that:
  - 1. The Contractor holds adequate valid current insurance cover and Tax Clearance Certificates should be included in the report.
  - 2. Evidence of membership of the CIF Pension/Sick Pay Scheme (or equivalent) should be attached to the report where this is appropriate.
- d) A recommendation as to which tender should be accepted and the reason for which the particular tender is being recommended should be included.
- e) Any other comments which are necessary or deemed to be appropriate should be included.

A Manager's Order or Delegated Officers Order should be prepared to cover the awarding of the tender. Where the lowest tender is not successful, the reason for this should be stated in the relevant order.

Appropriate action should then be taken e.g. ordering of goods, signing of contracts etc.

**NB** Tenders must **not** be accepted by fax or e-mail for reasons of confidentiality.

#### **ITEMS FOR WHICH QUOTATIONS ARE INVITED ANNUALLY**

Annual quotations for the hire of plant and machinery, tool hire and in respect of some supplies and services are sought via the LAQuotes system. Goods must be supplied by the supplier who is first on the Suppliers List unless the conditions set out below apply:

- (a) A Supplier is not in a position to supply the materials / services required.  
or
- (b) Due to geographical locations (relates only to the collection of goods) the lowest quotation would not be the most economically advantageous.  
or
- (c) An Engineer, not below level of Executive Engineer, is not satisfied with the quality or availability of materials / services / work provided.  
then
- (d) The Engineer must certify in writing the reason why it is not intended to order goods / services / work from the lowest and particular supplier.  
and
- (e) Confirmation must be received from the Senior Engineer, Roads Department that the next lowest supplier may supply the goods / services.

**Note:** If, for any reason, purchases during the year are made from a supplier other than the suppliers included on the recommended list of suppliers, the reason for so doing must be entered on the Purchase Order notes tab in the Agresso Financial Management System.

## **FURTHER INFORMATION**

Websites:

- [www.etenders.gov.ie](http://www.etenders.gov.ie)
- [www.tender-hub.com](http://www.tender-hub.com)
- [www.nra.ie](http://www.nra.ie)
- [www.eustructuralfunds.ie](http://www.eustructuralfunds.ie)
- [www.ndp.ie](http://www.ndp.ie)

## **Health and Safety Requirements for Procurement**

In order to comply with Health and Safety Legislation, Longford County Council must have regard to:

1. The fact that when contractors are engaged to undertake work on behalf of the Council the contractor must be in a position to comply with conditions set out in the manual for “Managing Contractors Health and Safety”. This document sets out the procedures that must be followed from start-up of project work to the close-out of project work.
2. All necessary certification and documentation must be sought from the supplier of plant and equipment. All necessary records with regard to the plant or machinery must be maintained. (Examples: EU (CE) Marking / Certification, BS Marking / Certification, NSAI Marking / Certification). The supplier must confirm that all necessary items required by legislation are present and functioning and that the safety of Longford County Council’s employees is being protected to the highest degree possible.

## **Construction Regulations Statutory Inspections**

<b>Form No.</b>	<b>Brief Description</b>	<b>Detailed Description</b>
CR.1	Notification to HSA	This form must be completed by the PSCS and displayed on site.
CR.2	Excavators used as crane	When an excavator or loader lifts an item on a chain, hook, sling, rope or other lifting device, it is considered to be a crane. Under these circumstances, it must have a CR.2 certificate of its Safe Working Load (SWL).
CR.3	Certificate of test & examination of crane	All cranes on site must have a valid 4-year test & examination certificate. Excavators used as cranes are excluded from this requirement.
CR.3A	Report of Anchoring & Ballasting	To be completed by a competent person (usually the driver) when a crane (mobile or not) is first erected/placed on site. If the crane is repositioned about the site and any of the equipment on the crane is altered adjusted so as to affect the arrangements for anchoring or ballasting of the crane, the form must be

		completed again
CR.3B	Report automatic Safe Load Indicator Test	Non-mobile cranes must have a test report indicating its ASLI when it is first erected (before the crane is 1 <sup>st</sup> used.) Mobile cranes will also have a test report for their ASLI. Mobile cranes must have a retest of their ASLI when they have been in anyway dismantled in a manner that may affect the operation of the indicator
CR.4	Certificate of test & Examination of Grabs, Winches, Pulley Blocks, Gin wheel or other lifting Device	Grabs/Winches must be tested each 4 years or after any substantial repair or alteration. Pulley blocks and gin wheels must not be used for lifting over 1 metric tonne unless they have been tested and certified. In this instance, other lifting device means any device used to raise /lower people (excluding Mobile Elevated work Platforms) i.e. cranes, excavators etc fitted with man cages
CR.4A	14 month through examination of lifting appliance	All lifting appliances including cranes, excavators, winches, grabs, pulley blocks, gin wheels, sheer legs, etc must undergo a thorough examination every 14 months and have a certificate to state same
CR.4B	Weekly report of Safe Load indicators AND/OR lifting appliances	This report is to be filled out by a competent person (usually the driver) once each 7 days. Again, it applies to cranes, excavators, MEWP's, piling frames, crabs, winches, pulley blocks, gin wheels, hoists. Where a SLI is fitted to a lifting appliance, it too must be inspected and a record of its condition be recorded on this form
CR.5	Certificate of test and examinations of wire rope	All wire rope used for lifting must be tested by a competent person and the results recorded. The SWL must be recorded in this form be available for reference purpose
CR.6	Certificate of test and examination of chains, slings, rings, links hooks, shackles, swivels, eyebolts.	Original certificate to be held in site files
CR.6A	Report of thorough examination of Chains, ropes and lifting gear.	Listed items to be examined every six months by competent person and results to be logged in this form
CR.6B	Report of annealing/heat treatment of chains, ropes lifting gear	In cases of heat treatment to these items, a report of the annealing or other heat treatment of same must be entered heat and kept in site files
CR.7	Hoists- Certificate of test and examination	Covers all devices (Mechanical or not) that have platforms or cages and which move on guides

		(excludes hoists that carry people)
CR.7A	Hoists- 6 monthly examination.	Each hoist having been tested and examined must be re-examined by competent person every six months and a record of any findings recorded herein. This also cover hoists used for carrying people
CR.7B	Report of test and thorough examination	Each MEWP must be thoroughly examined each six months and a CR.7D report filed in the site archives
CR.7C	Certificate of test and examination of mobile Elevated Work Platforms (MEWP's)	Cover scissors lifts, cherry pickers, booms etc.
CR.7D	MEWP- report of 6 monthly thorough examinations.	Each MEWP must be thoroughly examined each six months and a CR.7d report filed in the site archives
CR.8	Report of inspections of scaffolds	A competent person must complete a report of inspections for each scaffold (mobile scaffold towers included)(a) before it is first used, (b) every 7 days, (c) after adverse weather conditions that may affect its stability/ integrity and (d) when it has been substantially altered (excluding usual alterations, add-ons and partial dismantling). Considerations include: stability of ground use and integrity of: sole plates: sole boards, handrails, toe boards, bracing, tie patterns etc.
CR.9	Report of examination of excavations, shafts, earthworks, underground works, tunnels cofferdams and caissons.	This report must be complete (a) each seven days (b) where damage has been sustained by any plant or equipment or temporary works or (c) where there has been any unexpected fall of earth, rock or suchlike. The report must be completed on the day of inspection. Trenches over 2m deep must be visually inspected by a competent person at least once a day. The results do not have to be recorded in this form, but good practice would suggest it is recorded anyway. Excavations under 1.25m deep and with no danger of anything falling into the excavation need not be examined

## **Section 27 Accessibility of services provided to a public body**

Since 31<sup>st</sup> December, 2005 each public body is required to ensure that the goods or services that are supplied to it are accessible to people with disabilities unless it would not be practicable or justifiable on cost grounds to do so or to do so would result in an unreasonable delay. This requirement applies in respect of a wide range of goods and services including equipment, materials, information technology etc.

### **A public body can achieve this by:**

- Reviewing existing procurement policy, procedures, practices, guidelines or templates used or developed by the public body, to establish how they can be revised to build accessibility into the procurement process as a criterion. It would, for example, be important to check whether procurement policies make an explicit statement on accessibility.
- Taking care that, in all public procurement exercises, accessibility is a criterion to be considered throughout the entire tendering process, from the drawing up of tender specifications and the running of tender competitions through tender evaluation and placing of the contract right through to the conclusion of the tendering procedures and review;
- Bringing this requirement to the attention of all relevant employees who will be engaged in the tendering process and guiding them in relation to the circumstances where the requirement will not be appropriate on the grounds specified in paragraphs (a), (b) and (c) in section 27(2) of the Disability Act 2005.

### **Exceptions:**

It is recognised that it might not always be possible to ensure that goods or services purchased by the body are accessible but exceptions should only be made in accordance with the circumstances specified in paragraphs (a), (b) and (c) in section 27(2) of the Act. They provide that the requirement will not apply where:

- It would not be practicable (for example: where the technology is not readily available); or
- It would not be justified having regard to the cost of doing so; or
- It would cause unreasonable delay in making the goods or services available to other persons (for example: where goods or services or both are otherwise available and required by other persons, so that significant delay in supplying them to those other persons would be unfair).

# Appendix C: Category Analysis

## C1 Advertising

Account Element/ Supplier/Job	Amount €
<b>Advertising</b>	<b>187,575.29</b>
<b>BRINDLEY ADVERTISING LTD</b>	<b>64,448.63</b>
2006 N4 STRENGTHENING CLONART BR - SKRY BRIDGE	522.33
2006 N5 LONGFORD STREETS BALLYMAHON - DUBLIN ST	2,659.10
2006 N55 EDGEWORTHSTOWN - BALLYMAHON CBOY- CEDMOND	522.32
2006 N55 GRANARD-ETOWN TONYWARDEN- ARDAGULLION	522.32
2006 N63 KILLASHEE - GRILLAGH	522.32
EDGEWORTHSTOWN SS NUTRIENT REDUCTION	4,817.61
LFD CENTRAL REG WSS STAGE 6	2,752.92
N5 LONGFORD BYPASS - NORTHERN	4,748.40
PRINTING STATIONERY & ADVERTISING	1,543.23
PRINTING, STATIONERY & ADVERTISING	19,758.60
STAFF RECRUITMENT	26,079.48
<b>LONGFORD LEADER</b>	<b>41,609.47</b>
2004 INSTALLATION HEATING INSULATION AND SMOKE ALA	165.00
2004 PURCH 16 HOUSES BALLINAMUCK (MCKENNA)	82.50
2005 PURCH 1 - 41 CASEY COURT KENAGH CO LONGFORD	82.50
2006 N5 LONGFORD STREETS BALLYMAHON - DUBLIN ST	792.00
2006 N55 EDGEWORTHSTOWN - BALLYMAHON CBOY- CEDMOND	330.00
2006 N63 KILLASHEE - GRILLAGH	594.00
2006 N63 LANESBORO - LONGFORD HCRM	264.00
2006 NON NAT LCS2 KNOCKAHAW ARDAGH RD JUNCT	330.00
2006 PURCH 6 HOUSES ARD NA RI ARDNACASSA LONGFORD	21.49
2006 RRRIW 9 RATHARNEY - COLEHILL	132.00
2006 RURAL HOUSE COLLUM LETTERGULLION BALLINALEE	123.75
2006 RURAL HOUSE WILLIAM KENNY AUGHABOY KILLOE	123.75
2006-2007 SG R198 LONGFORD TO ARVA AT GAIGUE	222.75
ANNUAL CHARGES	300.00
AUDIT	132.00
BRING BANKS	396.00
C & E COMMUNITY FORUM	297.00
CONTRIB TO TC & LOCAL COMM - CEMETERIES	165.00
COSTS DEV & LOCAL PLANS	3,786.75
DOG POUND REFURBISHMENT	214.50
EDGEWORTHSTOWN PARKING TRAFFIC CALMING	940.50
ENVIRONMENTAL AWARENESS	175.00

ESTATE MANAGEMENT	158.40
FARM FILM PLASTICS DISPOSAL	1,082.00
HEADQUARTERS LONGFORD	297.00
HEG 2005 2006	264.00
HERITAGE OFFICE PROJECTS	247.50
LFD CENTRAL REG WSS STAGE 6	132.00
N5 LONGFORD BYPASS - NORTHERN	792.00
PRINTING STATIONERY & ADVERTISING	10,743.50
PRINTING STATIONERY & ADVERTISING	1,171.50
PRINTING, STATIONERY & ADVERTISING	5,129.50
PROMOTION & EDUCATION	511.50
PROMOTION OF INTERESTS	400.00
PROVISION - GRANARDKILLE CEMETERY	396.00
PROVISION OF BROADBAND	750.75
RAS OTHER ADMIN COSTS	349.08
RATE ADMIN SALARIES & TRAVEL	486.75
RECYCLING INITIATIVES	990.00
REGISTER OF ELECTORS COSTS	3,115.20
SPRING CLEAN WEEK	1,207.80
STAFF RECRUITMENT	2,345.00
WASTE & ANTI LITTER GRANTS LEPP	297.00
WASTE ENFORCEMENT SALS & EXPENSES	330.00
WATER METER PROJECT	495.00
WEEE DIRECTIVE COSTS	247.50
<b>SHANNONSIDE FM</b>	<b>38,051.77</b>
2006 - 2007 SG R392 FORGNEY	484.00
2006 - 2007 SG R393 TOWNPARKS GLACK & KNOCKAHAW	379.40
2006 LRRIW 11 CARTRONGAR LB TO BALLAGH 3 RDS	205.00
2006 LRRIW 15 FROM BRACKLON 3RDS TO MOSTRIM 3 RDS	148.00
2006 LRRIW 3 FROM TOBER 4 RDS TO BUNLAHY BRIDGE	93.00
2006 LRRIW 4 FROM BALNAGALL 3 RDS TO TOBER 4 RDS	299.00
2006 N5 LONGFORD STREETS BALLYMAHON - DUBLIN ST	3,529.20
2006 N63 KILLASHEE - GRILLAGH	6,662.00
2006 RRRIW 8 BATTERY ROAD LONGFORD	205.00
2006 RRRIW 9 RATHARNEY - COLEHILL	144.00
2006 RRS D 7 KENAGH CREAGH	450.00
2006-2007 SG R198 LONGFORD TO ARVA AT GAIGUE	419.60
ABBEYSHRULE WSS MNTC	434.00
GRANARD WSS MNTC	100.00
HERITAGE OFFICE PROJECTS	131.97
LANESBORO WSS MNTC	186.00
MOSTRIM WSS MNTC	445.00
N4 EDGEWORTHSTOWN INNER RELIEF RD	450.00
NEWTOWNFORBES WSS MNTC	2,376.00
PRINTING STATIONERY & ADVERTISING	5,325.80
PRINTING, STATIONERY & ADVERTISING	364.00

PROMOTION & EDUCATION	1,370.00
PROVISION OF BROADBAND	794.00
RECYCLING INITIATIVES	1,856.80
REGISTER OF ELECTORS COSTS	8,440.00
SPRING CLEAN WEEK	2,760.00
<b>VELDSTAR LTD (LONGFORD NEWS)</b>	<b>31,204.00</b>
2004 INSTALLATION HEATING INSULATION AND SMOKE ALA	231.00
2004 PURCH 16 HOUSES BALLINAMUCK (MCKENNA)	198.00
2006 N5 LONGFORD STREETS BALLYMAHON - DUBLIN ST	429.00
2006 N63 LANESBORO - LONGFORD HCRM	462.00
2006 RRIW 9 RATHARNEY - COLEHILL	198.00
2006 RURAL HOUSE COLLUM LETTERGULLION BALLINALEE	0.00
2006-2007 SG R198 LONGFORD TO ARVA AT GAIGUE	247.50
ANNUAL CHARGES	132.00
AUDIT	181.50
COSTS DEV & LOCAL PLANS	4,063.50
EDGEWORTHSTOWN PARKING TRAFFIC CALMING	1,138.50
ENVIRONMENTAL AWARENESS	130.00
HEG 2005 2006	242.00
HERITAGE OFFICE PROJECTS	210.00
MISCELLANEOUS - WATER	165.00
N5 LONGFORD BYPASS - NORTHERN	563.50
PRINTING STATIONERY & ADVERTISING	8,869.50
PRINTING STATIONERY & ADVERTISING	863.50
PRINTING, STATIONERY & ADVERTISING	3,526.00
PROMOTION & EDUCATION	627.00
PROVISION - GRANARDKILLE CEMETERY	528.00
PROVISION OF BROADBAND	643.50
RATE ADMIN SALARIES & TRAVEL	544.50
RECYCLING INITIATIVES	907.50
REGISTER OF ELECTORS COSTS	2,572.00
SPRING CLEAN WEEK	1,188.00
STAFF RECRUITMENT	1,600.50
WASTE & ANTI LITTER GRANTS LEPP	330.00
WATER METER PROJECT	181.50
WATER QUALITY MONITORING COSTS	231.00
<b>ASHVILLE MEDIA GROUP LTD</b>	<b>2,295.00</b>
OTHER EXPENSES - FIRE	695.00
PRINTING, STATIONERY & ADVERTISING	1,600.00
<b>ROSCOMMON COUNTY COUNCIL</b>	<b>2,000.02</b>
HERITAGE OFFICE PROJECTS	2,000.02
<b>GOLDEN PAGES (DUBLIN)</b>	<b>1,562.00</b>
PRINTING, STATIONERY & ADVERTISING	1,562.00
<b>CUSPAL LTD</b>	<b>1,300.00</b>
BRING BANKS	1,300.00
<b>LONGFORD TOWN FC OFFICIAL SUPPORTERS CLUB</b>	<b>900.00</b>

PRINTING, STATIONERY & ADVERTISING	900.00
<b>PROBE MARKETING</b>	<b>800.00</b>
PRINTING, STATIONERY & ADVERTISING	800.00
<b>CO LONGFORD CITIZENS INFO CENTRE</b>	<b>600.00</b>
C & E COMMUNITY FORUM	600.00
<b>IRISH WATER SAFETY</b>	<b>500.00</b>
WATER SAFETY COSTS	500.00
<b>FIRE BRIGADE JOURNAL</b>	<b>495.00</b>
OTHER EXPENSES - FIRE	495.00
<b>ROSCOMMON CHAMPION</b>	<b>462.00</b>
2004 INSTALLATION HEATING INSULATION AND SMOKE ALA	132.00
PRINTING STATIONERY & ADVERTISING	165.00
PRINTING, STATIONERY & ADVERTISING	165.00
<b>WESTMEATH OFFALY INDEPENDENT</b>	<b>342.00</b>
2004 INSTALLATION HEATING INSULATION AND SMOKE ALA	342.00
<b>LEITRIM OBSERVER</b>	<b>300.00</b>
2004 INSTALLATION HEATING INSULATION AND SMOKE ALA	300.00
<b>WESTMEATH EXAMINER</b>	<b>285.00</b>
2004 INSTALLATION HEATING INSULATION AND SMOKE ALA	285.00
<b>ANGLO CELT LTD</b>	<b>200.40</b>
2004 INSTALLATION HEATING INSULATION AND SMOKE ALA	200.40
<b>DUBLIN FIRE BRIGADE PIPE BAND</b>	<b>125.00</b>
OTHER EXPENSES - FIRE	125.00
<b>IRIS OIFIGIUIL</b>	<b>95.00</b>
PRINTING STATIONERY & ADVERT	42.00
WASTE ENFORCEMENT SALS & EXPENSES	53.00