

Delivering Sustainable Procurement Savings



Oifig um Sholáthar Rialtais
Office of Government Procurement

About the OGP

A key element of the Public Service Reform agenda is to reduce costs and achieve better value for money, through the reform of public procurement. Leaving aside the Government's spending on capital works and infrastructure projects, the public service spends in the order of €8.5bn every year on goods and services - that is roughly €23m per day.

We need to ensure that the taxpayer gets value for money. We also need to ensure that our procurement approach supports growth.

The Government established the Office of Government Procurement (OGP) to:

- Deliver better value and sustainable savings for the taxpayer
- Integrate procurement policy, strategy and operations
- Enable consistency and standardise the approach to public procurement
- Deliver broader policy goals in a consistent fashion
- Strengthen procurement spend analytics and data management

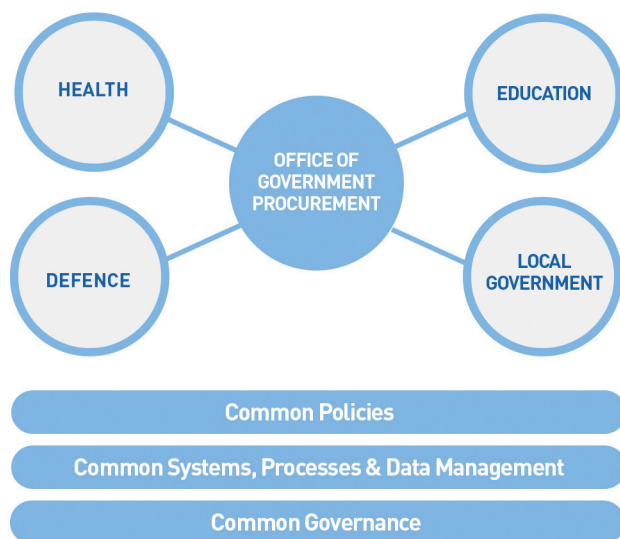
How is procurement changing?

The reform of the public procurement system is a key element of the reform programme for the public service. Prior to the establishment of the OGP, procurement activity was carried out by thousands of State-funded bodies in the public service. Amongst other things, these fragmented procurement arrangements enabled suppliers to charge different public service bodies different prices for the same goods and services.

The OGP, together with four key sectors (Health, Local Government, Education and Defence), is taking responsibility for sourcing goods and services on behalf of the public service. This will eliminate duplication and take advantage of the scale of public procurement to best effect.

What does reform look like?

The diagram below illustrates the new model:



Who will buy what?

The goods and services currently bought by the public service can be grouped into 16 categories.

Eight of these categories cover goods and services that are common across the public service (such as ICT, energy, consultancy and legal). The OGP is putting in place contracts and framework agreements so that public bodies can buy these categories of goods and services.

The other eight categories of goods and services are predominantly sector-specific. These categories will be sourced by the relevant sector sourcing organisations. For example, the Health sourcing organisation will source Medical Professional Services on behalf of the public service.

Capital Works Management Framework (CWMF)

The Capital Works Management Framework (CWMF) suite of guidelines, standard contracts and generic template documents will continue to apply to works and works related services, as set out in Circular 6/10. They are available to download from:

www.constructionprocurement.gov.ie

The focus of OGP's operations is on buying quality goods and services at the right price. In order to ensure that savings are sustainable in the medium to long term, an analysis of markets is undertaken by procurement staff to ensure that markets are not distorted by the actions of the State and that the markets remain competitive.



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Find out more about the OGP: www.procurement.ie

Register as a supplier and find tendering opportunities: www.etenders.gov.ie

Find more information about works and works-related services: www.constructionprocurement.gov.ie

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