

Audit Report

Procurement Developments



May 2014

Executive Summary

INTRODUCTION

A robust procurement system is an essential requirement for An Garda Síochána to comply with the law and with regulations set down by the Department of Public Expenditure as well as the European Union.

Procurement within An Garda Síochána is a key function in terms of supporting the operational objectives of the Organisation and securing value for money. During 2013 procurement of goods and services within the Organisation totalled €165,032,327¹. On the 31st January, 2014 the Supply Agreement Database (SAD), in Procurement Section, recorded 144 active contracts in place.

Each Garda Division and Specialist Unit is required to have a Procurement Committee with a designated Procurement Officer in place. While in recent years the conducting of tender competitions has been centralised, Procurement Committees have responsibility for monitoring and evaluating the performance of awarded contracts as well as liaising with Procurement Section.

Procurement Section has responsibility for monitoring and supporting Procurement Committees, managing eTenders, the delivery and development of procurement training and awareness programmes, assisting in tender evaluations and monitoring tendering procedures to ensure compliance with EU and Government requirements.

The Office of Government Procurement (OGP) was officially launched in July 2013 and will commence operations during the first half of 2014. This body will oversee procurement across all Government Departments, including An Garda Síochána. GIAS are informed that the OGP have adopted Garda policies and procedures in their tender documentation.

This Report represents an audit of procurement developments during 2013 within An Garda Síochána.

¹ This figure represents expenditure on the following subheads: A03 (Incidental Expenses), A04 (Postal and Telecommunications), A05 (Office Machinery and Other Office Supplies), A06 (Maintenance of Garda Premises), A07 (Consultancy Services), A08 (Station Services), A09 (SMI Implementation), B00 (Clothing and Accessories), D00 (Transport), E00 (Communications and Other Equipment) and F00 (Aircraft)

AUDIT OPINION

It is the overall opinion of the Garda Internal Audit Section that reasonable progress has continued during 2013 and the first quarter 2014 with regard to reaching compliance with obligations and procedures.

In relation to the specific audit objectives;

1. We are not satisfied that in all cases An Garda Síochána is in Compliance with Public Procurement guidelines. However we acknowledge steady progress towards compliance. This represents **high risk**.
2. We are satisfied that An Garda Síochána is reducing instances of large non-contracted expenditure. This represents **medium risk**.
3. We are satisfied that, where undertaken, procurement procedures are open & transparent and are properly documented. This represents **low risk**.
4. We are reasonably satisfied that An Garda Síochána has commenced availing of e-Procurement through the eTenders system and is striving towards greater compliance. This represents **low risk**.
5. We are satisfied that there are processes in place for An Garda Síochána to participate in wider public service initiatives and that opportunities are beginning to be availed of. This represents **low risk**.

MAIN FINDINGS

Steady progress is continuing to be made with regard to achieving compliance with Public Procurement Procedures within An Garda Síochána. The number of contracted services is increasing in an effort to reach compliance with relevant guidelines as well as to reduce costs and drive better value for money. To some extent the pace is determined externally and is being advanced in tandem with the broader Public Service Procurement developments, including the establishment of the Office of Government Procurement.

A number of procurement risk issues identified in our audit sampling, remain to be dealt with and these are described below.

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1. Compliance with An Garda Síochána, Department of Public Expenditure & Reform and EU Guidelines

From the audit sample of payments made to nine suppliers during 2013 (as recorded on Oracle) audit testing highlighted instances where there was no evidence of a competitive process being undertaken and where contracts were not in place for the suppliers in four of the nine suppliers tested.

2. Progress towards the Procurement Strategy Objectives 2013-2015

In relation to services for cleaning, window cleaning, fumigation of cell, towing and vehicle storage, medical services, transport, security, waste and printing processes are in place for contracting these service in compliance with the requirement. However these processes are not completed and current arrangements remain non-compliant with legislation.

Audit Report

This Audit Report considers risks found as a result of the audit testing undertaken. The Report examines the levels of control that exists and offers an overall opinion on the effectiveness of the control systems, so as to provide the necessary assurance to management. This Report recommends corrective actions in order to improve the control systems and to mitigate the risks found. The opinions of management on the findings will be incorporated into the Report.

Audit Methodology and Scope

Methodology

The audit used a risk-based approach to examine the systems of control in place. The audit reviewed a sample of contracts in operation based on a risk assessment. The audit also reviewed audit work previously completed at Divisional/Unit level in relation to the operation of Divisional Procurement Committees. The audit examined compliance with Garda Procurement Policies, Department of Public Expenditure and EU Directives.

Audit Scope

Expenditure on goods and services in 2013 totalled €165,032,327. The audit reviewed a random sample of central contracts. A sample of non-contracted expenditure was also selected at random for audit testing.

Findings from recent internal and external Audit Reports were also examined. Divisional audits conducted throughout 2013 were used to assess the functioning of Divisional Procurement Committees, as well as other procurement issues that arose.

General Audit Objective

To provide assurance to management concerning the adequacy, application and effectiveness of the procurement process in relation to:

- Compliance with An Garda Síochána & Department of Public Expenditure Guidelines and also with EU Directives.

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- Reducing instances of large non-contracted expenditure.
- Progressing towards the strategic objectives of Procurement Strategy 2013-2015 with regard to:-
 - assessing e-Procurement capability of An Garda Síochána;
 - developing a procurement planning framework; and
 - participation in wider public service initiatives.

Nature of Findings

In the course of our work a number of findings came to light and these have been documented in this Report. We have categorised these findings by reference to the level of risk that we found to be attributed to each (See Appendix 1 for the categorisation used).

Main Findings & Recommendations

1. Compliance with An Garda Síochána, Department of Public Expenditure & Reform and EU Guidelines

GIAS are informed that updated Garda Procurement and Tendering Guidelines, which are currently being drafted, will reflect the establishment of the OGP. These draft guidelines will be further updated following the implementation of new EU Procurement Directives later in 2014. GIAS are also informed that the OGP have consulted with Procurement Section and adopted suitable Garda policies and procedures in their tender documentation.

From the audit sample of payments made to 9 suppliers during 2013 (as recorded on Oracle) audit testing highlighted instances where there was no evidence of a competitive process being undertaken and where contracts were not in place for the suppliers listed below:

- [REDACTED] payments totalling €639,882 were made to [REDACTED] an independent company that provides electrical repair and installation, conspicuity fitting repair and other minor works and have operated from the Garda garage for a number of years. GIAS are informed that this supplier operates temporarily under existing financial arrangements, managed from Transport Section. We are further informed that under the recent car maintenance contract between the [REDACTED] Motor Company and An Garda Síochána, [REDACTED] are to become an authorised [REDACTED] agent. Transport Section has advised

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GIAS that this is provided for within the principal contract which allows Ford to sub contract work to authorised [REDACTED] service agents.

- [REDACTED] payments totalling €136,701 were made to [REDACTED] in 2013. Circular 40/02 return (completed in March 2013 in respect of the previous year), listed the reason for not having a competitive process as “expiry of contract/tender in progress”. The current Circular 40/02 return lists ‘Security’. As other companies supply security services to An Garda Síochána further examination of this service should be undertaken by Procurement staff to establish whether the company is in fact a sole supplier/propriety service or whether a competitive process is appropriate.
- [REDACTED] payments totalling €83,697 were made to [REDACTED] for the hire of crush barriers in 2013. GIAS have been informed that Procurement Section is currently developing a barrier tender that will be nationwide.
- [REDACTED] payments totalling €25,556 were made to [REDACTED]. GIAS are informed that these are the sole supplier of newspapers to Garda HQ to meet delivery deadlines for the Press Office, who sourced this supplier. GIAS have been informed that due to operational requirements and value for money it is not feasible to tender for this service.

GIAS finds that this approach is not in line with best procurement practice. This company is not a ‘sole supplier’ and without testing the market it is not valid to assert that this company is the sole supplier of this service. Furthermore, to satisfy any urgent or early/late deadlines, all news is available 24/7/365 on the internet at little or nominal cost. Such service could for example, be instantly directed to senior management smart phones or laptops, etc.

Procurement Section is the office tasked with securing supplies and services on behalf of the Garda organisation. This includes initiating competitive transparent tendering processes and the award of contracts in compliance with legal requirements. It is not appropriate that individual offices engage suppliers or enter into contracts.

Recommendations

Public procurement guidelines must be adhered to for all purchases of goods and services.

It is recommended that [REDACTED] contracts be introduced for each of the [REDACTED]

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above services following a competitive tender process under the current Public Procurement Guidelines.

All Sections/Offices should liaise with Procurement Section to discuss requirements and submit a business case for any required service. Procurement Section will provide advice and assistance in this.

To help promote compliance and ensure appropriate procedures are used, it is also recommended that a report/system or procedure be put in place by the Finance Directorate to flag instances where payments to suppliers are approaching or have exceeded the recommended thresholds over the course of a year and where a competitive tender was not carried out.

In the context of achieving improved value for available finances, as well as addressing compliance issues, the advantage of activating procurement suites on Oracle should also be explored.. It could facilitate contract details being imported on Oracle and would highlight contracts that have expired. As a result, Management information would be enhanced and procurement could be carried out in a more efficient and strategic manner. In the context of the OGP, this would also likely allow ease of access and transfer of information between the two organisations.

Management Response

Procurement Section agrees with the recommendation regarding ORACLE. However, I understand that additional licences are required and it would be for the Department/FSS Killarney to progress the purchases of the licences. The lack of the licences led to the development of the Supply Agreement Database system by the Department. An Garda Síochána has access to this system for recording its contracts. Procurement would be supportive of any initiatives designed to improve spend visibility as regards contracts. All the Justice agencies including An Garda Síochána, Courts Service, Irish Prison Service etc would support having a facility on the ORACLE system designed to record the contract details, thus allowing us to run reports of spend on contract/off contract.

The Department of Public Expenditure and Reform is currently examining ORACLE as part of a review and the issue of obtaining the additional licences has been raised. The Finance Directorate are represented on the inter agency working group. The issue is also of interest to the Office of Government Procurement and they have a section that is responsible for extracting procurement information from payments systems such as ORACLE.



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Up to date position as of 31st December 2015

Interaction with OGP

An Garda Síochána continues to liaise with OGP in relation to tender opportunities. The Table below highlights OGP plans as regards facilities related tenders.

Quarter 4-2015	Quarter 1 - 2016
Pest Control Framework	Commercial Cleaning Framework
Lift Maintenance Framework	Laundry Services Framework
Confidential Shredding	Footwear
Standard PPE	Window Cleaning Framework for whole State
White Goods inc Electrical	Catering Services Framework
Waste Management Mini Competitions DMR and Surrounding Counties ie DMR, Meath, Louth, Kildare and Wicklow	Hospitality Services
	Catering Equipment
	Waste Management Mini Competitions -Lot 3 (Limerick, Carlow, Kilkenny, Cork Tipp, Laois, Wexford, Waterford, Kerry, Clare and Offaly)
	Waste Management Mini Competition Lot 4- (Donegal, Cavan, Monaghan, Longford, Westmeath, Leitrim, Mayo, Sligo, Galway, Roscommon)

Sample of OGP Tenders published recently inc facilities management related tenders that An Garda Síochána will be able to utilise.

- Electrical Goods tender recently published.
- Interpretation tender evaluation 30 November to 3 December –mini competitions expected in Q1-2016.
- Request for Information published on Software Asser Management Services –published on 02 December closing on 15 January 2016
- Translation tender closes on 16 January, An Garda Síochána to participate in evaluation.
- PIN for Hardware Support published on 15 December – 14 December 2016
- Safety Camera tender published on 18 December closing 11 February
- OPW published a furniture removal/storage/transfer – environmentally friendly service on 21 December 2015, closing 05 February 2016.

3. Progress towards the Procurement Strategy Objectives 2013-2015

○ **Non-contracted/expired contracts**

GIAS are informed that in relation to cleaning, window cleaning and fumigation of cells, in order to address non-contracted spend/expired contracts and as an interim arrangement pending the introduction of OGP contracts in 2014/15, in July 2013 Procurement Section commenced the roll out of a series of short term tenders (12-18 months) covering a number of Divisions/Districts that require contract cleaners. It is planned to have these Divisions tendered for and contracts awarded before the end of Q3 – 2014.

For this reason the current 40/02 return for An Garda Síochána will reflect €1.825 million in respect of cleaning services where the roll out of tenders is currently underway (Table 1).

GIAS are informed that a tender for the provision of medical services for detainees is being progressed with the Tender Office and DMR Traffic and it is expected that this tender will be published in Q1 of 2014. In this instance, the current 40/02 return for An Garda Síochána will reflect €1.995 million in respect of medical services where the roll out of tenders is currently underway and where Procurement is moving from local/individual services to regional and/or national competitive processes (Table 1).

Towing contracts are now awarded per Garda Division. Procurement Section have been progressing these contracts to a stage where all Divisions, with the exception of Clare, Galway, Limerick, Kerry, Mayo and Roscommon/Longford have been tendered/re-tendered for. It is planned to tender for these Divisions by Q2 - 2014.

Circular 40/02 Breakdown			
Category	2012 Amount	2013 Amount	Comment
Medical Services	2,691,936	1,995,074	Tender Expected to be published Q1 2014
Cleaning	1,567,467	1,825,696	It is planned to have these Divisions tendered for and contracts awarded before the end of Q3 - 2014
Towing	1,962,221	1,769,653	It is planned to have all Divisions tendered by 2014.
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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Transport	295,986	579,998	██████████ on whom €520,229 was expended in 2013 is planned to come under the national maintenance contract with ██████████
Waste	358,011	350,776	OGP Waste Management tender published 16/1/14 and will close 3/3/14.
Printing	0	338,594	The tender for FCPS printing was completed and is currently in transition with the new service provider. RFT specification is being drawn up for printing of firearms notices.
Heating Oil	34,206	278,302	Now the subject of a national contract since November 2013.
Other	802,311	539,557	
Total	9,134,969	9,001,943	

- **Assessing e-Procurement capability of An Garda Síochána**

GIAS are informed that Procurement Section is working towards providing a system whereby on-line tendering is the norm rather than the exception. Currently all cleaning tenders are received on-line. eTenders is increasingly being used to advertise tenders for services/goods.

The existing internal on-line system for ordering of Garda uniforms in the DMR is processing an average of 30 requests per day. This has proved to be a successful initiative.

- **Developing a procurement planning framework**

GIAS are informed that key 2014 priorities from the 2013-2015 Procurement Strategy are reflected in the 2014 Procurement Business Plan.

It is also acknowledged that to some extent developing an internal framework and compliance with circulars regarding mandatory framework agreements and contracts will be impacted by the pace of developments in respect of the OGP.

- **Participation in wider public service initiatives**

The Justice Group (comprising representatives from An Garda Síochána, Courts and the Prison Service) has met and exchanged details of

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planned tenders. Following the establishment of the OGP and the Category Councils for the major spend areas, An Garda Síochána is now part of the Defence and Security Category Council. An Garda Síochána is also represented on other OGP Category Councils, which are now being established covering areas such as Facilities Management, Transport, ICT and Utilities. It is expected that these Councils will meet in 2014 and develop work plans and tenders.

In a recent audit on Organisational Support Services, GIAS recommended that consideration should be given to the possible inclusion of An Garda Síochána in future Defence Sector contracts for equine veterinary services and equine feed.

Recommendations

The preparation of a Procurement Strategy with stated and timely objectives is a very positive indicator of the importance of this activity within the Garda organisation.

It is evident from discussions during this audit that An Garda Síochána is actively participating in the transformation of the wider Government Procurement area. While these initiatives are very positive and should ensure better value across many areas of the public service, it will be important to ensure that Garda Procurement Section retains sufficient expertise to initiate projects as well as to monitor internal and larger cross-Department/agency projects for functionality in addition to achieving economies of scale and appropriate value for money.

Management Response

Procurement is targeting the main C40/02 2013 and 2014 returns to the C and AG concerning spend in which there is an expired contract. The principal areas being targeted include

- A. Cleaning*
- B. Towing*
- C. Medical services for detainees.*

Progress is being made in all these areas with tenders being processed throughout last year and this year.

Up to date position as of 31st December 2015

The May 2014 Internal Audit Report reviewed spend and the report below highlights progress made/being made to address the recommendations contained in the Audit Report.

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The response takes account of the work being conducted by Garda Procurement and the Office of Government Procurement whose sourcing work began in earnest in 2015 following the establishment of the office and their recruitment and staff training programmes over 2014.

Circular 40.02 Return 2013

The 2013 return to the C and AG under C 40.02 shows the following non contracted spend

Circular 40/02 Breakdown				
Category	2012 Amount	2013 Amount	2014 Amount	Comment
Medical Services	2,691,936	1,995,074	2,184,434	DMR Tender at contract stage-. After Dublin contracts, the next focus will be on Southern Region to capture Cork and Limerick spend in particular.
Cleaning	1,567,467	1,825,696	1,757,810	Balance to be advertised starting in Q4 2015/Q1 2016 -OGP Frameworks to take over in 2016
Towing	1,962,221	1,769,653	2,495,379	Louth tender completed and at contract stage, DMR West at evaluation stage. Donegal, Sligo-Leitrim and Galway are next to be published by OGP –RFT being drafted to submit to AN GARDA SÍOCHÁNA for final sign off in early 2016.
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Transport	295,986	579,998	48,021	Windscreen repairs to be included future service, repair maintenance contracts.
Waste	358,011	350,776	223,447	DMR, Louth, Kildare, Meath Wicklow mini competitions completed by OGP, Other Divisions to follow in Q1 -2016

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Printing	0	338,594	229,094	.New tender being developed by Finance Directorate
Heating Oil	34,206	278,302		OGP Contracts
Other	802,311	539,557	603,111	Spend being addressed through tender exercises where not covered by security, proprietorial contracts.
Interpretation			1,317,351	OGP Framework evaluation being completed. Mini competitions expected in Q1 -2016
Total	9,134,969	9,001,943	11,080,896	

This spend is being addressed by Garda Procurement /Office of Government Procurement in cooperation with the Divisional Chief Superintendents as part of its commitments under the Garda Procurement Strategy and annual business plans for 2013 and 2015. In 2014/15, cleaning, towing management and medical services for detainees is being specifically targeted which represents a total of €5,590,423 out of the €9,001,943.

This report highlights the action to address this spend as part of its annual procurement business plans.

With regard to cleaning below is a table highlighting the position as of 31 May, 2014

A. CLEANING ETC

Facilities- Cleaning, Window Cleaning, Fumigation of Cells– In order to address, non contracted spend/expired contracts and as an interim arrangement pending the introduction of OGP contracts in 2014/15, a series of short term tenders (12-18 months) covering those Divisions /Districts that require contract cleaners are being rolled out systematically from 12 July, 2013, see update in table below.

For example, in 2014 new contracts for cleaning etc have been put in place covering Clare Division, , DMR South, DMR West and Harcourt Sq so far with other contracts in the pipe line as set out in the table below.

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Cleaning Contracts Project Plan July 2013 as at 30 June 2014				
Draft RFT sent to Divisional Procurement Committee (DPC)	Requirements regarding hours and stations Returned and RFT Finalised	RFT published 2013-2014	Evaluation Completed and Notices to Bidders Issued	Contract Awarded Projected Start date
Cork City	T.004/2013			In Contract
Mayo	T.005/2013			In Contract
Monaghan District	T.027/2013			In Contract
Donegal	T.024/2013			
Waterford	T.031/2013			
DMR North	T.030/2013			In Contract
DMR South	T.032/2013			June,2014
DMR West	T.033/2013			June, 2014
DMR East	T.040/2013			
Meath inc Athlumney House	T.034/2013			J
GISC	T.036/2013			
Clare	T.025/2013			In Contract
Harcourt Sq & Airton Rd	T.043/2013			In Contract
Sligo –Leitrim	T.039/2013			July, 2014
Cavan District	T.025/2014			
Cork North	T.024/2014			
Galway	T.020/2014			
Cork West	T.041/2011			In Contract
Kerry	T.014/2014			
Kildare	T.017/2012 Kildare Dist T053/2011 Naas Dist and T115/2010 Leixlip Dist			In Contract
Laois Offaly	T.003/2014			
Kilkenny Carlow	T.015/2014			
Limerick	T.019/2014			
Louth	T.017/2014			
Roscommon Longford	T018/2012 Ros and Boyle Dist T.117/2010	Division wide tender planned for 2014		In Contract

Ag obair le Pobail chun iad a chosaint agus chun freastal
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	Longford Dist			
Tipperary	T.018/2014			
Westmeath	T.083/2010			In Contract
Wicklow	T.053/2011			In Contract
Wexford	T.012/2014			
DMR Window Cleaning				
Capel Street	T.023/2014			
DMR Cell Fumigation	T.045/2010			In Contract

Note that Divisional contracts excludes areas where there are Department of Justice cleaners employed unless they have left/plan to leave or Divisions/Districts where there is an existing contract with more than a year to run. Note DMR NC and SC have DOJ cleaners so there is no tender planned for contract cleaning in these two Divisions.

In the table above the blue markings indicate progress from an action in Column 1 e.g. DMR East, Kilkenny Carlow, Galway, Louth Wexford, GISC, where the Divisional spend has been analysed, an RFT drafted and sent to the Division for approval to publish right through to Column 5 where a contract has been signed following the conclusion of the procurement exercise e.g. Cork City.

It should be noted that responses to the tenders averages between 7 and 10 replies. All bidders are notified of the results and debriefs offered to those who require same. The contract is prepared by the Tender office and submitted to the Chief and preferred bidder for signing. The results are recorded on e-Tenders Supply Agreement database. Cavan District, Cork North, Limerick, Tipperary, and Capel Street will be targeted over the coming months. Also, a DMR area Window cleaning tender is planned for the whole Region.

T.024/2013 – Cleaning Donegal

- *Tender being evaluated.*

T.031/2013 – Cleaning Waterford

- *Evaluation report completed bidders to be notified of outcome.*

T.032/2013 - Cleaning DMR South

- *Tender evaluation completed, bidders notified on 13 May, contract stage – new contract to start 30 June to allow for transfer of staff TUPE information to new supplier.*

T.033/2013 - Cleaning DMR West

- *Tender evaluation completed, bidders notified on 9 May, contract stage –new contracts to start 30 June to allow for transfer of staff TUPE information to new supplier.*

T.034/2013 Cleaning Meath Division

Awaiting approval from the Divisional Procurement Committee to publish tender.

T.036/2013 Cleaning GISC Offices Castlebar

- *Draft RFT sent to GISC on 19 May for approval to publish on e-Tenders.*

T.039/2013 Cleaning Sligo Leitrim

- *Tender evaluation completed bidders to be notified of results*

T.040/2013 Cleaning DMR East

- *Reminder to Divisional Procurement Committee regarding approval to publish tender.*

T.043/2013 Cleaning Harcourt Sq and Airton Road

- *Contract signed with Derrycourt Cleaning Service (replacing ISS) –start 3 June, 2014*

T.003/2014 - Cleaning - Laois Offaly

- *Evaluation completed –bidders to be notified of results.*

T.012/2014 - Cleaning, Window Cleaning and Garden Maintenance – Wexford Division

- *Reminder to Divisional Procurement Committee regarding approval to publish tender.*

T.014/2014 - Cleaning, Window Cleaning and Garden Maintenance – Kerry Division

- *Draft RFT forwarded to Division on 21 May for approval to publish.*

T.017/2014 - Cleaning - Louth Division

- *Draft RFT being worked on by the Tender Office for submission to Divisional Procurement Committee for approval to publish.*

T.018/2014 –Cleaning –Tipperary Division

- *Draft RFT being worked on by the Tender Office for submission to Divisional Procurement Committee for approval to publish.*

T.019/2014 – Cleaning - Limerick Division

- *Draft RFT being worked on by the Tender Office for submission to Divisional Procurement Committee for approval to publish.*

T.020/2014 – Cleaning – Galway Division

- *Draft RFT being worked on by the Tender Office for submission to Divisional Procurement Committee for approval to publish.*

Up to date position as of 31st December 2015

Cleaning (spend 2014 - €8,351,741 – non contracted spend €1,757,810

The Circular 40.02 report for 2013 and the May 2014 Audit Report highlighted gaps in contracting arrangements covering this category and a plan is being put in place to address non contracted spend. It should be noted that prior to 2011 tendering for cleaning was carried out at Divisional level and this has now been moved to HQ who have developed a systematic plan in place to contract for all Divisions that require this service.

The OGP have taken control of the **sourcing and tendering** for cleaning and other facilities related contracts and a Category Council for facilities is in place and includes Garda representative with the OGP taking the lead in relation to sourcing/tendering for this service.

The latest position with regard to the public service wide tender for cleaning is as follows:

Facilities Management –Contract Cleaning and Waste Management OGP Framework

- **Draft OGP RFT under consideration by Sourcing Team inc An Garda Síochána.**

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- Key issue for An Garda Síochána is that our requirements for deep cell cleaning and fumigation is included especially in relation to rural stations.
- An Garda Síochána to progress its remaining o/s interim tenders asap.

As it is likely that there will be no resulting OGP contracts in place covering 2015/early 2016, therefore, An Garda Síochána as an interim measure is tendering through e-Tenders for Divisional contracts to ensure that we can achieve value for money as well as a quality service from the market. The purpose of the exercise is also to develop a detailed specification for all Divisions /Offices that require this service and will be submitted to OGP in advance of the planned mini competitions under the Framework.

The table below highlights the current progress being made since the present project plan consolidating the various District cleaning contracts into Divisional contracts commenced in July, 2013.

Temporary Cleaning Contracts Project Plan July 2013 as 21 December 2015				
Draft RFT sent to Divisional Procurement Committee (DPC)	Requirements regarding hours and stations Returned and RFT Finalised	RFT published 2013-2015	Evaluation Completed and Notices to Bidders Issued	Contract Awarded Projected Start date
Cork City	T.004/2013			In Contract
Mayo	T.005/2013			In Contract
Monaghan & Carrickmacross Districts	T.027/2013			In Contract
Donegal	T.024/2013			In Contract
Waterford	T.031/2013			In Contract
DMR North	T.030/2013			In Contract
DMR South	T.032/2013			In Contract
DMR West	T.033/2013			In Contract
DMR East	T.040/2013			In Contract
Meath@Athlumney House.	T.034/2013			In Contract
GISC	T.036/2013			In Contract
Clare	T.025/2013			In Contract
Harcourt Sq & Airton Rd	T.043/2013			In Contract
Sligo –Leitrim	T.039/2013			Re Advertise
Cavan Districts	T.025/2014			
Cork North	T.024/2014			In Contract

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Galway	T.020/2014			Re Advertise
Cork West	T.061/2011			In Contract
Kerry	T.014/2014			In Contract
Kildare	T.002/2015			In Contract
Laois Offaly	T.003/2014			In Contract
Kilkenny Carlow	T.015/2014			In Contract
Limerick	T.019/2014			
Louth	T.017/2014			In Contract
Roscommon Longford	T.001/2015			In Contract
Tipperary inc GCVU/FCPO	T.018/2014			
Westmeath	T.016/2014			In Contract
Garda College- Firing Ranges	T.021/2014			In Contract
Wicklow	T.029/2014			In Contract
Wexford	T.012/2014			In Contract
DMR Window Cleaning	T.027/2014			OGP (Q1-2016)
Capel Street /GNIB	T.023/2014			
DMR Cell Fumigation	T.043/2010			In Contract

Note that Divisional contracts **excludes** areas where there are Department of Justice cleaners employed. Note DMR NC and SC have DOJ cleaners so there is no tender planned for contract cleaning in these two Divisions.

It should be noted that over 2013 early 2014 new contracts were placed **for Cork, City Mayo, DMR North, Monaghan Districts, Clare, Donegal, Waterford, DMR South, DMR West, Harcourt Square and Airton Road.**

Galway and Sligo Leitrim to be readvertised in Q1- 2016.

It should be noted that following procurement exercises over 2014 – new contracts for cleaning were put in place covering the following areas **DMR East, Cork North, Kerry, GISC Castlebar, Garda Firearms Ranges, Laois Offaly, Louth, Kilkenny Carlow, Meath Division inc Athlumney House and Wexford Division.** Further interim tenders will be advertised in early 2016 covering the Divisions listed below and those where contracts were put in place in 2013

The position with regard to the outstanding contracts are set out hereunder:

T.016/2014 Cleaning Westmeath

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T.018/2014 Cleaning Tipperary Division inc. GCVU/FCPO –

T.019/2014 Cleaning Limerick Division

T.020/2014 Cleaning Galway Division

T.023/2014 Cleaning -Cavan Districts-

T.027/2014- Window Cleaning DMR Area

T.029/2014 Cleaning Wicklow Division

T.001/2015 Cleaning - Roscommon Longford..

T.002/2015 Cleaning - Kildare Division

Waste Management

The OGP established a Framework Agreement covering waste management services and contracts are being rolled out as follows following mini competitions.

Contracts covering stations in Lot 1 (Dublin City, Fingal, Louth and Meath) and Lot 2 (South Dublin, Dun Laoghaire Rathdown, Kildare and Meath) awarded and are due to commence on 1 February 2016.

Lots 3 (Limerick, Carlow, Kilkenny, Cork, Tipperary, Laois, Wexford, Waterford, Kerry, Clare and Offaly) and **Lot 4** (Donegal, Cavan, Monaghan, Longford, Westmeath, Leitrim, Mayo, Sligo, Galway and Roscommon) will be awarded in 2016 following mini competitions to be held in Q1 -2016.

B. TOWING MANAGEMENT

Towing Management Project and Transport Section Tenders

The up to date position regarding progress in relation to current tendering/contracting is set out below. Blue colour signifies progress made so far.

Towing Management Contracts Project Plan 2013 as at 31/05/2014					
Division	Planning	Published	Evaluation Stage	Contract	Contract Target Period
DUBLIN METROPOLITAN REGION					
DMR North				VTAS *	In Contract

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DMR North Central					In Contract
DMR South					Contract Q3-2014
DMR South Central					Contract Q3-2014
DMR East				VTAS*	In Contract.
DMR West					Awaiting Sanction
NORTHERN REGION					
Donegal					Re Tender Q2-2014
Sligo Leitrim				VTAS *	In Contract
Cavan Monaghan				VTAS *	In Contract
Louth					In Contract
SOUTH EASTERN REGION					
Kilkenny Carlow				VTAS *	In Contract
Tipperary				VTAS*	In Contract
Waterford				VTAS *	In Contract
Wexford				VTAS *	In Contract
EASTERN REGION					
Kildare					Awaiting DPER sanction
Laois Offaly					
Meath					
Westmeath					
Wicklow					
SOUTHERN REGION					
Cork City					
Cork North					
Cork West					In Contract
Limerick					Publish in Q3-14
Kerry					Publish in Q4-14
WESTERN REGION					
Clare					Publish in Q3-14
Galway					Publish in Q3-14
Mayo					Publish in Q4-14
Roscommon -Longford					Publish in Q4-14
Garda HQ					
Fleet Towing					DPER Sanction

Ag obair le Pobail chun iad a chosaint agus chun freastal
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					Received
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**Vehicle Towing Administration System Installed*

T.044/2013 - Lot 2 – Towing Management Cork North

- *Only one tender received, competition to be cancelled as the single response does not meet RFT requirements. Chief Superintendent notified of the position with a proposal that the Tipperary contractor (TRN) take charge on an interim basis until a new competition can be run.*

T.044/2013 - Lot 3 - Towing Management - Cork West

- *DPER sanction to award contract received, Division to arrange contract signing with [REDACTED]*

T.023/2012 - Lot 1 -Towing Management - Tipperary

- *Contract signed on 26 May, 2014 following receipt of DPER sanction, SAD –e-Tenders to be updated*

T.024/2012 – Lot 6 -Towing Management -DMR East

- *Preferred bidder identified, DPER sanction to be sought.*

T.024/2012 Lot 1- Towing Management - Kildare

- *Standstill letters issued on 21 May, 2014- awaiting DPER sanction.*

T.024/2012 - Lot 3 -Towing Management – Meath

- *Draft evaluation report sent to Meath Division on 24 May, 2014 for approval to issue standstills notices. DPER sanction sought*

T.002/2014 - Garda Fleet Recovery

- *DPER sanction received on the 28 May and arrangements are being made with Transport and [REDACTED] to sign the contract.*

It is planned to issue the results Cork City and DMR South and South Central tenders over the coming weeks following finalisation of the evaluation reports. The final batch of tenders covering mainly the Western seaboard will be advertised over Q3 and 4.

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Up to date position as of 31st December 2015

Towing Management Contracts (€2,495,379 non contracted spend out of total 2014 spend €4,365,236)

The up to date position regarding progress in relation to current tendering/contracting is set out below. Areas under towing that required action following the May 2014 are included.

The Blue colour signifies progress made so far.

Towing Management Contracts Roll Out -Project Plan as at 21 December 2015					
Division	Planning	Published	Evaluation Stage	Contract Stage	Contract Target
DUBLIN METROPOLITAN REGION					
DMR North					In Contract
DMR North Central					In Contract
DMR South					In Contract
DMR South Central					In Contract
DMR East					In Contract.
DMR West	T.021/2015	30/09/2015			Evaluation Stage
NORTHERN REGION					
Donegal	T.022/2015				
Sligo -Leit	T.023/2015				
Cavan Monaghan					In Contract
Louth	T.022/2014				Framework Signed
SOUTH EASTERN REGION					
Kilkenny Carlow					In Contract
Tipperary					In Contract
Waterford					In Contract
Wexford					In Contract
EASTERN REGION					
Kildare					
Laois Offaly					In Contract
Meath					
Westmeath					In Contract

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Wicklow					
SOUTHERN REGION					
Cork City					In Contract
Cork North					In Contract
Cork West					In Contract
Limerick					
Kerry					
WESTERN REGION					
Clare					
Galway	T.024/2015				
Mayo					In Contract
Roscommon -Longford					In Contract
Garda HQ					
Fleet Towing					In Contract

Since Audit Report of **May 2014**, following procurement exercises new contracts were put in place covering **Cork City, Cork North, Cork West, Garda HQ re Fleet, DMR East, Laois Offaly, Westmeath, Towing management contracts for Mayo and Roscommon Longford** were added to the **Tipperary Division** and **Westmeath** respectively due to the low value of the contracts and same operator manages Tipperary and Westmeath.

The OGP since 01/01/2015 responsible for **sourcing and tendering** for the towing management contracts and these are included in their service plan. Earlier in the year, the OGP conducted a market engagement exercise and are now working with An Garda Síochána to put contracts in place for the outstanding Divisions requiring towing management services

Over **Q3/4 2015-** the RFT for **DMR West** and a separate RFT covering **Donegal, Sligo Leitrim and Galway** (in 3 Lots) were developed by OGP. Garda requirements for these areas were included along with those of the Revenue Commissioners, and the Road Safety Authority.

Dublin West was published on 30 September following CSSO clearance and it closes for bids on 16 November 2015. This tender is currently at the evaluation stage.

The OGP recently completed the tender exercise for **Louth Division** and the Framework Agreement was signed by the new supplier. We are now in the contract activation phase and the new contract is due to start on 1 January 2016.

Final observations provided to OGP recently in relation to the competition for **Donegal (Lot 1), Sligo Leitrim (Lot 2) and Galway (Lot 3)**. This tender in 3 Lots expected to be advertised by the OGP in Q1 -2016

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Procurement are in discussions with OGP in relation to getting **Clare, Limerick and Kerry, Meath, Kildare and Wicklow** to the market as soon as possible. An Garda Síochána has supplied statistical data and storage requirements in respect of these Divisions.

C. Medical Tender

The current position with this tender is that 2013 statistics for inclusion in the RFT are being compiled for each Division. The plan is to establish a framework agreement for each Region with panels within each Division to ensure that the 24/7 requirement is met. The medical tender will be prioritised in the second half of the year with an initial focus on getting the DMR area out to market.

Up to date position as of 31st December 2015

T.031/2014 - Medical Services for Detainees in the DMR -Multi Supplier Framework Agreement– €1,995,074 non contracted spend *

Since the May 2014 Audit report the medical tender was advertised by An Garda Síochána in OJEU via e-Tenders (31 October 2014). The Tender evaluation is now completed and is at contract stage with a view to commencing the contracts from 1 February.

In house procedures being developed to manage the contract.

Following a short review of the whole process, tenders will issue for the balance of the Regions over 2016, starting with the Southern Region, to include Cork and Limerick. Also, Garda Management is establishing a Contract Management structure to oversee the operation of the service.

Other Tenders

It should be noted that in addition to the above key tenders that the Tendering Office has published tenders for other areas i.e. Crime Policy and Administration ICT, Technical Bureau and Transport for example. These tenders cover areas such as fleet towing contract and the establishment of a network of body shop repair agents for Transport, interpretation services for Crime Policy and Administration, various ICT tenders i.e. Wide Area Network and Skilled Resources.

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The section also processes tenders for prisoner transport and garden maintenance contracts for the Divisions also.

Up to date position as of 31st December 2015

OTHER TENDERS PROGRESSED DURING 2015

T.003/2015- Media Training for Senior Management Press Office*

T.006/2015 -Counselling Services (OGP Tender)*

T.011/2015 Auditing Services RFQ from DJE Framework.

T.014/2015 Rostor and Duty Management *

T.015/2015 Garda Helicopter Maintenance Contract (Defence and Security Category Council of OGP)

T.019/2015 Safety Camera Consultancy

T.027/2015 Pest Control Framework (OGP Tender).

T.028/2015 Supply and Delivery of Stationary*.

T.029/2015- Transport of Detainees Tralee District

T.030/2015 –Mailroom Equipment –OGP Framework

T.031/2015 –Supply of Mountain Bikes including Maintenance*

T.032/2015 - Freedom of Information Basic and Advanced Training OGP Framework *

T.033/2015 - Face to Face Interpretation (OGP Tender)*

T.034/2015 – ID Cards for Garda Members*.

T.035/2015 Drawdown of ICT Skilled Resources from DJE Framework

T.036/2015 Auctioneering Services (OGP Tender)

T.037/2015 - PS011/015/002 Motorcycle Uniform Tender GS and Defence Forces (OGP Tender)

T.038/2015 Tender for the Supply, Delivery and Installation of IP Based Video Custody Management Systems *

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T.039/2015 Supply of Photocopier and Multi Purpose Office Paper (OGP Tender)

T.040/2015 Translation Services (OGP Framework).

T.041/2015 Audio Visual Custody Suite Recording System*

T.042/2015 Learning Management System for ICT Training in An Garda Síochána *

T.043/2015 Research and Advisory Service –Drawdoen from OGP Framework*

T.045/2015 Garda Museum – Textile Conservator Tender *

T.046/2015 Garda Museum – Graphic Design and Copyright Tender*

T.047/2015 Garda Museum – Model Making Tender *

T.048/2015 Supply and Delivery of Electronic Interactive*.

T.049/2015 Supply of Non Standard PC's from OGP Framework

T.050/2015 Supply and Fitting of Window Blinds for Garda Stations OPW Tender

T.051/2015 – OGP Tender for Electrical Goods

T.052/2015 –OGP -Irish Language Interpretation Framework

T.053/2015 Public Order Equipment*

T.054/2015 Sergeants and Inspectors Training

T.055/2015 Supply and Delivery of Multi Media Projectors

T.056/2015 Cleaning Westmeath Division –

Barrier Hire Tender

Where there is a requirement for a service, An Garda Síochána contacts the OGP Customer service section to check if the requirement is met from existing frameworks or is a new requirement which OGP plan to deal with in their service plans. If it is the An Garda Síochána requirements will be built into the tender requirement e.g. planned OGP Counselling Service (T.006/2015) tender includes the Garda requirements. Similarly other OGP tenders such as interpretation and translation services includes the Garda

requirement. If OGP are not in a position to advance the tender, An Garda Síochána conducts its own tender exercise.

NOTE the focus on * urgent tenders affected out third quarter time table to finalise the cleaning contracts referred to at 3 above. Also, Finance Directorate staff have/are participating on the Category Councils/Sourcing Teams working on OGP led tenders which are of benefit to An Garda Síochána and necessitated releasing them to assist OGP Sourcing Teams. The work on the medical tender and gathering of statistical data /analysis for facilities related contracts also impacted on time scales

2. Staffing Levels in Procurement Section

GIAS are informed that while Procurement Section has lost three members of staff at Clerical Officer Grade during 2013, management are satisfied that the quality of work has not suffered unduly. Tender procedures have been streamlined resulting in increased output of tenders/evaluations. In addition, continued development of the on-line facilities of the new eTenders system has speeded up the tender process. The Section has also been working with and contributed to the development of procedures for the OGP.

Recommendations

GIAS is satisfied to note that despite reductions in staff, the overall output and development of tenders has increased. This is in line with the organisational objectives set for Procurement Section and is positioning the organisation better to achieve compliance with guidelines and obligations. GIAS understands that work is being undertaken to prepare for the handover of some procurement areas to the OGP and for the new role that the Garda Procurement Section will then play in procuring goods and services.

Continuing this work with OGP will ensure that the needs of An Garda Síochána are to the fore in this new organisation when some of the Garda procurement is transferred to that body. In the meantime efforts should continue so as to meet our own targets and objectives, achieve compliance and ensure appropriate contracts are in place prior to any transfer to OGP.

Management Response

Procurement is managing to ensure that contracts are being put in place. The lack of EO support is putting additional pressure on the HEO with the result that contract roll out is not as expeditious as we would like. By simplifying the tender procedure, moving to more on line tenders this will assist us, but other public bodies including OGP the main backbone of their procurement sections is EO support.

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The OGP establishment is moving slowly and we do not envisage them putting contracts in place for the facilities related categories this year. Hence our continuing roll out of these contracts to cover 2014 and 2015. Meanwhile we will have the necessary data available that they will require about our needs for all Divisions, including large campuses such as Harcourt Square once we complete our cleaning roll out later this year.

Up to date position as of 31st December 2015

Garda Procurement continues to monitor its staffing levels and is actively seeking additional resources to assist in its work. The establishment of the OGP has had a positive effect in that there are procurements now being conducted by OGP while Garda procurement is also engaged in tendering exercises for services/goods that are currently not in the OGP Service Plan.

4. Recording of contracts

The Supply Agreement Database (SAD) which was provided to An Garda Síochána by the Department of Justice and Equality operates on a standalone laptop located in the Tendering Office. This database is updated as contracts are finalised. In a previous audit of the contracts database the intention was stated to dispense with the inadequate SAD database and move to the Public Service Wide eTenders database. It is disappointing that this has not yet been achieved.

All current contracts, including those with values below €25,000 are being recorded on SAD; this includes contracts put in place by IT & Telecoms, although there can be some delays in transferring this information for recording by Procurement Section, as IT/Telecoms await final contracts before uploading on SAD. GIAS are informed that the eTenders site is increasingly being used to advertise tenders for services/goods with a value below €25,000.

The eTenders system has a contract management suite and details of Garda tenders and contracts are uploaded on that system. The recording of start/finish dates facility on eTenders has not been activated to date and until this is fully operational and available to An Garda Síochána the SAD will continue to be used by Procurement Section.

eTenders has a full audit trail and An Garda Síochána is increasing the range and number of tenders that are submitted on-line.

Recommendations

Tracking start and finish dates, monitoring contract performance and ensuring timely tendering procedures will continue to be key functions of Procurement Section.

GIAS suggests consideration of the early activation of supports on Oracle and eTenders systems. GIAS commends the continuing work towards e-tendering for all appropriate goods and services.

Management Response

Procurement is in agreement with the recommendations. However, changes to ORACLE would involve all the Justice Group stakeholders and DPER who are currently reviewing same.

With regard to ORACLE, this will be a decision for the OGP/DPER as part of their current review programme. Meanwhile, An Garda Síochána are now inputting contract details on the e-Tenders contract management facility. Training was provided to the HEO on the e-Tenders contract management suite and e-Tenders is now being used to record contract start, finish times plus alert systems.

We will also be uploading the current contract details from the SAD system onto e—Tenders, to ensure we have a full integrated record of all our contracts. This will go some way to having a more integrated system from tender publication to contract start/finish date recording. E-Tenders also allows us to publish the contract award notices and OJEU notices for those tenders over €134,000 in value. The Department of Justice are following a similar route with their SAD contracts.

Included as an upload on e -Tenders under the Contract management suites will be the signed contract document, plus winning bidders response including costings.

Up to date position as of 31st December 2015

The May 2014 Audit report highlighted the continued need to record contract details and since the Report there are now over 600 contracts/supply agreements recorded including requests for quotes.

Since the beginning of 2015 over **89** contract details were published on the e-Tenders contract management platform. The e-Tenders system has a built in contract database and includes a reminder system when contracts are due to expire/have expired, and from 2015, all contract details are entered on this databases. Before publishing the results, the tender file is reviewed to ensure all documents e.g. RFT, evaluation report, standstill letters, contracts etc are

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on file, and once everything is in order, e-Tenders is updated with the contract details .

Other e-Procurement initiatives undertaken over 2013-2015 included an internal "on line" uniform application system designed to automate the application system for routine items of operational Uniform. The system was developed in house and utilises the Garda Portal. This system will be updated to include other uniforms and other applications e.g. office equipment etc in the coming years.

Also, developed in house is the Vehicles Towing Administration System which is being rolled out Divisions over recent years as new towing management contracts are being put in place. This system allows the Divisional Towing Offices- who look after towing contracts – to check on vehicles status and the monthly invoice received from the contractor.

5. Activity of Divisional Procurement Committees

Procurement Section now takes a project management approach and leads in relation to procurement within Garda Divisions. Divisional Procurement Committees (DPC) assist in relation to providing statistical details, specifications for the particular Division and with Tender evaluations.

From seven Divisional Audits undertaken by GIAS during 2013, it was found that four Divisional Procurement Committees were active and meeting regularly while three were not meeting on a regular basis.

Recommendations

Procurement Committee's must comply with Statutory Instrument 329/06 European Communities: Award of Public Authorities Contracts 2006 and other regulations.

While the award of contracts is now mainly handled centrally by Procurement Section, the DPC has an important role in liaising with Procurement Section to ensure the timely implementation and active monitoring of contracts. DPC's should ensure that there are no gaps between expiration and renewal dates of contracts and that the service has been satisfactory. To ensure this occurs the DPC should meet at least on a quarterly basis. GIAS has recommended this in audit reports.

The DPC should, prior to the commencement of the budgetary year, review the aggregated requirement for any product area of supplies or services in order to ensure that the Division's procurement obligations are being met. The results of this exercise should be reviewed at periodic intervals throughout the year.

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Meetings of Procurement Committees should be held on a regular basis and evidenced by minutes. A Divisional Procurement Officer should be nominated in all cases, preferably a member of staff (either Garda or Civilian) who is likely to have continuity in the role for some time.

Procurement Section should consider opportunities from time to time to remind DPC's of what is expected of them; update them on general developments regarding procurement best practice, etc. This could be done efficiently through the establishment of a portal location for access to all Procurement information with appropriate e-links. GIAS has previously also recommended DPC networking as an effective means of promoting consistency of approach.

Management Response

DPC are the responsibility of Chief Superintendents within each Division. There is a risk of high levels of staff turnover due to staff transfers, resignations, career breaks etc. There is a considerable cost in time in providing formal training to DPC members, however, the recommendation regarding the use of the Portal as an educational tool for DPC merits consideration.

Procurement section notes the above observations and maintains its interaction with the DPC's. We would agree with the need for DPC to meet regularly and especially at the beginning of the year to review the status of the various Divisional contract and liaise with HQ Procurement in relation to plans for new tenders. The Committees assist Procurement in monitoring the effectiveness of contracts and provide feedback to the Tendering Office for potential future changes to tender specifications to ensure future effective contracts.

Up to date position as of 31st December 2015

As mentioned in the Internal Audit Report, Garda Procurement takes the lead in relation to sourcing on behalf of the Committees and Divisional management. Divisions actively report on contract status and seek contracts renewal, or new tenders when necessary. The Committees provide feedback and personnel to assist with sourcing and tendering for both Garda and OGP tenders e.g. towing management, they provide a representative for the tender evaluation team. The Committees should continue to meet regularly and liaise with Garda Procurement who liaise with OGP representatives when dealing with tenders that come under OGP remit.

Acknowledgement

Garda Internal Audit Section would like to express our gratitude to the staff of Procurement Section, the Finance Directorate and Transport Section for their courtesy, co-operation and assistance during the course of this audit.

Niall Kelly

Head of Internal Audit
Date: 04/06/14