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Procurement in Property and Construction - A review of practises under taken by a medium size contractor in Ireland

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Executive Summary

3B Contracting Limited is a privately owned building and civil engineering firm on the east coast of Ireland. The company works predominately within the east Leinster region. The company falls into the category of being a small to medium size contracting company.

The procurement function is carried out by a number of small departments. Procurement is a key function for securing value for money and ensuring the successful continuation of the company. Most projects tendered are done so using the traditional method of design-bid-build and as a result the subsequent sub-contract packages are secured in a similar manner. All plant and materials are procured by the purchasing department.

Currently the existing strategy lacks a cohesive strategic approach whereby different departments carry out separate elements of the procurement function and the function can be handled differently by different individuals due to the lack of procedural guidance. The main reason for this lack of cohesion is due to the procurement function not being centralised.

The proposals contained within this document have arisen due to the need for a centralised procurement function which would provide a collaborative, cohesive and consistent approach to procurement within the firm. This would be aided by the introduction of a sub-contractor and supplier database including a performance related review mechanism.

The competitive nature of the construction industry in Ireland highlights the need for a firm procurement strategy. 3B have opportunities to improve competitiveness by researching existing and emerging client based procurement routes. This familiarity will help to make 3B less risk adverse. Another area which will aid the company in gaining a competitive edge is to formulate a more formal strategy for sustainable procurement. New government driven initiatives will also be of benefit in this regard. Such a strategy would benefit the company and its profile which in turn would be of great importance in developing a competitive advantage over its competitors.

Introduction

This report set out to critically review the existing procurement strategy of 3B Construction Limited (3B). The company is seeking to increase its market share and feels that a review of its procurement strategy will may provide a competitive advantage.

Organisational Background

3B is a small to medium size contractor working in the Leinster area of Ireland. The company was formed by 3 brothers and an engineer who initially formed a partnership 30 years ago for a single project. The company undertakes all forms of construction and small civil engineering works for a range of private and public clients on projects ranging in value up to €80,000,000.00. When first established the directors of the company also had the vision of having a development division. However, this has not fully materialised due to a set back during a previous recession in the late 1980s.

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The only benefit of this initial attempt at development has meant that 3B have a reasonable sized land bank amassed over the last few decades.

3B employs approximately 30 full time staff. This number includes managerial, administration staff and site based staff. There are 5 directors on the board. This consists of the 4 forming members and a commercial director.

The managing director oversees all operations. There is a construction director who oversees all projects on site. The commercial director is responsible for seeking and tendering for work. The remaining directors have reduced shareholdings and act as project managers for specific projects. All directors' functions are supported by various departments. Examples include finance, surveying, estimating, purchasing and health & safety.

3B is presently a main contracting firm who sublets many of the domestic works packages to sub-contractors. A&S employs many local sub-contractors and staff on its projects.

Procurement Methods currently in Use

3B have two roles in the procurement process. The first role is where A&S tender to the client as the contractor. The second role is where 3B invite sub-contractors to tender for the works. As a result of this duality 3B procurement strategy is defined by the client's requirement. The figure below outlines how A&S are situated between these two roles and the direction of flow of procurement enquiries.

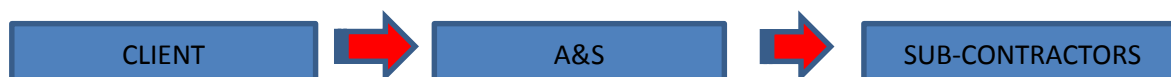


Fig. 1: 3B Procurement roles.

The current procurement function is broken up into materials & plant and labour. The purchasing department collects all quotations for the hire and purchase of materials and plant. The estimating department collects quotations for all sub-contractor packages at tender stage.

At contract stage the project quantity surveyor is responsible for procuring all sub-contract packages. All orders for the hire or purchase of services are issued by the purchasing department. The functions described above are quite separate.

A&S as a company has been involved in many different construction project and as a result has had exposure to various forms of procurement as noted below.

Traditional procurement:

The traditional procurement model is the preferred procurement route of many of 3B clients. In this procurement model the client engages the services of a design team who prepare all pre-contract documentation including drawings, specification, contracts and bills of quantities where required. This is also known as Design-Bid- Build. Given the size and scope of projects over the last number of

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decades and the methods of financing projects it is commonly accepted that the *“amount of work carried out using the conventional procurement method has declined”* (Masterman, 2002, p.52)

In this scenario the contractor prices the documents provided by the clients design team. The successful contractor (tenderer) is awarded the contract (RICS, undated). The tender is usually awarded on the basis of cost. The successful contractor is responsible for all trades and sub-contractors required during the course of the works and the scheduling of the works during the project construction period.

Design and Build procurement:

Design and build falls in to the category of integrated procurement systems. This system integrates the *“design and construction”* responsibilities of *“the project”* (Ashworth, 2001). The Industry as a whole has unanimously interpreted and defined design and build as being an arrangement where a contracting organisation takes on the sole responsibility, normally on a fixed price lump sum basis, for the design and construction of a client’s project as specified.

There are several variations on the principle. Some of these involve the client engaging the design team at conception and the team as a whole being novated to the successful contractor on the awarding of the contract. Others involve the successful contractor being responsible for all work from design through to the completion and handover of the works to the client.

Framework Agreements:

Framework agreements are used to procure goods or services which are to be carried out over a period of time. The Department of Public Expenditure and Reform defined a framework agreement as

“an agreement between a Sponsoring Agent and one or more works contractors which sets out terms and conditions under which specific purchases can be made during the term of the agreement.” (CWME, 2012, p.32)

E-procurement:

Traditionally the tender process involved the production and printing of multiple copies of the relevant contract documentation. As a result the construction sector, however, *“lags behind other business sectors in harnessing the greater potential of ICT”* (Thomas and Hore 2003, Gunnigan, Orr and Hore, 2004, & Hore and West, 2005).

The use of e-procurement generally allows for a reduction of labour costs, postage and increases the efficiency for the production and circulation of tender documentation. This also allows for speedier returns of the completed tenders due to the instantaneous nature of electronic communication. Whilst a range of purpose made software packages are available the majority of companies tend to use services such as www.dropbox.com.

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In Ireland all government tenders are issues via an online repository (www.etenders.gov.ie). This portal provides a forum for advertising and issuing tender documentation. It also provides important links to government guidelines, legislation and templates.

While e-procurement can provide benefits such as “*cost savings to a firm*” (Wisner, 2003, cited Vaidyanathan & D’Arcy, 2012, p.437) others have raised concerns around security of files. These issues and more are commented on by the Royal institute of Chartered Surveyors in their e-procurement guidance note.

Critical Analysis of Key issues with Existing Strategy

The company’s existing procurement strategy has been developed over the life of the company due to the increase in turnover and the need for accountability. This section of the report details area where the current procurement systems within the company fail.

Until relatively recently 3B did not have a quality management system. This became an issue in relation to prequalification questionnaires. As a result all procedures were documented and highlighted areas where additional input would be required. The general procurement area was left in the hands of the surveyor. The quality management system did not outline the specific of the tender procedures. Individual quantity surveyors are responsible for the procurement on their respective projects. Given the family nature of the management structure some senior managers like to operate their projects according to their requirements. This occurs due to a lack of guidance at all levels in relation to the procurement of sub-contract services.

Materials and plant operate in a different manner due to the necessity of many suppliers to have a written order or order number which can only be provided centrally.

Going forward this issue has been resolved, in part, by Irish Tax and Customs. All sub-contractors must be accounted for by the principal contractor on each project on which they are engaged. This hopefully will discourage sub-contractors form engaging on projects where they have not been officially contracted.

Strategic approach to procurement:

A procurement strategy does exist in relation to the procurement of materials and plant by the purchasing department. Where specified suppliers are not required the purchasing department will look for a minimum of three quotations for all items required. However, suppliers in the locality of the 3B headquarters are generally given preference at tender stage. Whilst this may result in lower purchase prices it can also lead to higher logistic costs dependant on the location of the works. This has the consequence of rendering the benefits redundant.

The quantity surveyor takes responsibility for the procurement of sub—contractor procurement. This includes defining the sub-contract packages. Given the organisational structure of the company most labour is sourced local to the base of operations and more senior project / contract managers can be

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insistent on employing certain contractors. This can lead to delays in procurement and poor communications between members of the management team. During busy construction periods this can be the source of dispute due to sub-contractors being over stretched on multiple projects. The benefit which could be derived from using such familiar sub-contractors may be reduced or lost at this stage.

The existing procurement strategy lacks guidance for the procurement sub-contractors other than the need to obtain an order number from the purchasing department for the works package in question prior to issuing a formal contract. The quantity surveyor responsible for procuring the subcontractors must sign off all appointments with the managing surveyor prior to issuing the formal order.

Preferred Contractors and Suppliers:

The purchasing department has a list of suppliers whom it has used or may be aware of. There is no mechanism for reporting or assessing the suitability of the supplier.

In relation to sub-contractors it is surprising that there is no shared database. As a result there is no record of past performance or the profile of the subcontractor. This leads to an inability to suitably assess individual sub-contractors. Members of management are not always aware of the projects on which sub-contractors are employed and so are unable to judge the ability of the sub-contractor to fulfil their obligations regarding quality and programme.

The project team may be insistent on particular suppliers or sub-contractors irrespective of how the project was tendered. This may lead to conflict within the construction team.

Central monitoring of procurement:

Presently there is no central monitoring of the procurement function. Whilst the procurement of sub-contractors is signed off by the managing surveyor it is noted that the review is limited and is guided purely by the requirements of the works package in question.

In the absence of clear guidelines it is the responsibility of the project quantity surveyor to ensure that a correct procedure has been used in the procurement of sub-contract services. The level of input from senior management will depend on the project team on each project.

Risk:

3B offers an annual prize for innovative ideas which could benefit the company. The rules of the competition are vague and no record exists of a winner over the 10 years of the competition. Those who try to alter or offer improvement to specific areas are usually met with disdain. As a result A&S operates in much the same way it did at its conception. It is a limited company which operates in a similar manner to a small family operated construction firm.

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Even though the company had land banks during the Celtic Tiger years it never commenced development in the residential sector due to the failed attempt of the 1980s. The firm itself is generally risk adverse outside of the standard types of projects it normally tenders.

Proposals for improvement to the procurement strategy

Due to the downturn in the economy 3B, many surviving Irish contractors, has shrunk in size and capabilities. The firm has maintained many of its commercial clients albeit at a lesser scale. In other cases it has lost clients to previous sub-contractors who are more competitive. Other clients have fallen to the downturn of the economy.

Guidelines on collaborative procurement:

Studies have shown that *“traditional procurement processes reinforce socio-cognitive barriers that hinder team efficiency”* (Forgues & Koskela, 2009). The study goes further to comment on how the use of new procurement forms can alter the dynamics of the clients and supply chain relationship. With this in mind it could be the opportune time for A&S to draft and implement new guidelines regarding procurement. These guidelines should include collaboration at each level of the project team and support functions.

It has previously been noted that all functions of procurement are being carried out based on the 3B traditional model. However, it is also noted that these functions are fragmented and disproportionate as well as being subject to other influences outside of the norm.

At tender stage the collaborative function between the estimating and purchasing departments works well. Estimating takes the lead and manages the process regarding the flow and return of information. The one area here which requires further collaboration is the guidelines for the selection of suppliers and sub-contractors.

Once 3B have been awarded the contract it becomes apparent that not all of the suppliers and sub-contractors used at tender stage will be suitable for carrying out the works. This may be due to unavailability, reduced resources or general unsuitability for the works.

One proposal which will overcome this issue is the compilation of a database of contractors and suppliers outlining their area of business or expertise, location, availability, indication of turnover, tax compliance, insurances, compliance with health and safety. Another benefit of this system is that it can be combined with the existing quality assurance system in order to review performance of the supplier or contractor on past 3B projects. Databases such as this will enable 3B to collect and retain previously irretrievable tacit knowledge. Experts state that *“managing knowledge effectively is critical to the advance and survival of a company, especially in project based industries such as construction”* (Kivral et al, 2008, p.87-95).

The compilation and implementation of this database will require senior management to manage the input from each department. It is imagined that the estimating and purchasing departments will be the first point of contact for new suppliers and sub-contractors offering their goods and services. At this

point a questionnaire should be provided which captures predefined information with will allow for an assessment of suitability to be carried out. This is along the lines of a pre-qualification questionnaire. The Department of Public Expenditure and Reform issued guidelines in 2012 for the assessment of suitability of works contractors. These guidelines offer templates which could be of benefit going forward. The guidelines introduced by the Irish government were “introduced in order to achieve better value for money” and to “ensure that only those works contractors that qualify against certain (objective and transparent) criteria progress to the next stage of procurement” (GN 2.3.1, 2012).

Another aid in the assessment of sub-contractors is the recent introduction by the Construction Industry Federation (CIF) of the Construction Industry Register of Ireland. This is currently described as “a new resource to help all those who wish to engage competent construction companies, practitioners and builders” (CIRI, 2014). Suitability for inclusion on the register requires the contractor to meet certain criteria but not limited to current insurances, tax clearance, strong health and safety record, proof of satisfactory relevant industry experience. Presently this is a voluntary register but plans are in motion to have inclusion on the register made compulsory, by law, for all contracting firms and individuals within the construction sector by the end 2015. Inclusion of the register in law will further compliment and strengthen the Building Control Amendment Regulations 2014 which have been described as being the next step to “provide owners with an assurance and security that their new home have been built to specified standards” (Hayden, 2014).

Central procurement manger:

Presently there is a commercial manager and a surveying manager within the management team. There is a certain amount of overlap within the functions but neither party has control of the central procurement function. This is not apparent in the quality assurance document as no sub-contractor or supplier assessment is included and hence does not require management. The introduction of such a form into the system would require the assessment document to be assigned to one of these managers. This in effect will necessitate one taking control of the function under ISO9001:2008 which provides a framework for many quality management principals including a “*process approach to management*” (Certification Europe, 2008).

One manager overseeing both the compilation and management of the database could advise other team members of sub-contractors availability and suitability for particular projects based on scope, scale and timeframe. This manager could also be tasked with reviewing the assessment at procurement stage to ensure that cost criteria are met. As a result the database is updated on a real time basis. Guidelines should also be introduced which outline how the purchasing department and the quantity surveying department interact once 3B have been awarded a project. This will include a review of all supplier prices received at tender stage.

Identification of new and existing markets

3B, like many firms in the construction sector, needs to look at the areas where it excels and identify whether or not there are opportunities for growth in each of these or in new areas. These areas are outlined in the Table 1.

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Sector	Opportunities / Drivers	Threats
Fit out - Retail	Strong reputation and proven track record with key players in sector	Some past clients have maintained ties with project management team members who now work for competitors
One off Housing	Strong reputation locally and the housing market is recovering.	Limited number of clients with sufficient funds for such projects due to the economic crash.
Refurbishment	Strong reputation on a provincial basis (Leinster). Involvement in award winning projects both in community and religious order funded projects. Requirement in the near future for more such projects.	Limited investment currently.
Pharmaceutical	On-going works in a number of facilities for a number of clients. Time was spent in developing relationships in local manufacturing facilities. Once established within there is a continued workload. Other manufacturing firms within the sector are entering the Irish market	Existing firms are downsizing and leaving the Irish market. A fresh drive is required to maintain a presence let alone the current position. More specialist firms available for clean room style projects.
Healthcare	Irish population is an aging one. There is a need for more healthcare facilities for the elderly. Also the east coast has a large number of people with disabilities both physical and mental. A&S has a long and proven record in the construction and alteration of such facilities.	Number of other contractors in the market.
Maintenance	Private clients have continued to use A&S for maintenance over the years. Government and semi-state agencies are now looking more to maintaining and improving existing stock where it is to be retained. Government is looking to implement new framework agreements in the coming year for works by local authorities etc.	Private clients have reduced preventative maintenance spending in line with the economic down turn. Government contracts do not suit the risk adverse contractors. However a review is to be undertaken in 2014/15.
Civils	Experience in light civils and small marine civils.	Workload was limited before government funding reduced. Competitive market with international competitors.

Table 1: Growth – Opportunities and Threats

The sectors noted within Table 1 hold many opportunities for 3B as it exists currently. However, in the emerging market clients demand more. They demand value. This value is defined as time, quality and cost.

Awareness of Procurement Strategies:

As noted previously 3B are considered to be a traditional construction firm. This means that they are predominately involved in traditional procurement models. As a result the firm is not as practically aware of the various models of procurement in use by clients in the market. Currently, Ireland is experiencing an influx of foreign direct investment by large multinationals such as Facebook and Google. When large companies such as these enter an economy smaller and newer companies tend to take note and flock to their side. With this influx of new business comes the need for construction services and new contractual relationships.

The centralised procurement function will allow for the other senior manager to research the various arrangements available and report back in the form of an internal formal continued professional development (CPD) capacity. This also fulfils some of the CPD requirements of CIRI (CIRI, 2013) and provides essential information to members of staff and management.

Sustainable Procurement:

In the absence of a formal strategy 3B have an unwritten policy of using local labour and suppliers since the company's formation. Many of the sub-contractors have served their time as apprentices with the company or have previously been employed directly by 3B.

However the need to extend the geographical reach of the company due to the current economic situation will mean that 3B will need to develop a strategy in this regard. Some clients pride themselves on social inclusion within their business and those firms which they employ. Some of these even enter into agreements to "*ensure 20% local labour*" (DDDA, 2008).

Sustainable procurement is not only about employing local firms it also includes providing opportunity for locals to join or rejoin the work force or to upskill. 3B should review the benefit it could receive from government employment schemes such as JobBridge.

"The aim of JobBridge is to assist in breaking the cycle where jobseekers are unable to get a job without experience, either as new entrants to the labour market after education or training or as unemployed people wishing to learn new skills. The initiative will give people a real opportunity to gain valuable experience to bridge the gap between study and the beginning of their working lives."
(Welfare, 2013)

It is also worthwhile to engage with the Department of Education and Skills regarding the skillsets which A&S will require potential staff to have as the industry recovers. Initiatives such as Springboard will provide funding in higher education "*at certificate, degree and masters level leading to qualifications in areas where there are employment opportunities in the economy*" (Springboard, 2014).

Previously 3B has committed labour and materials at cost and in some cases for free, to local projects. These foster a sense of pride in the community and give others the drive to maintain a locality. The

most recent example was the provision of a memorial garden for loved ones lost at sea. Whilst this project was financed during a period of economic plenty there are still other initiatives which the company could get involved with such as aiding with the periodic maintenance of similar area or providing training for local groups in carrying out similar works. Much of this can be done through the local chamber of commerce.

Another area which will require review with regard to sustainable procurement is the existing culture of waste management on construction project. Some experts have noted that cost gains made due to refined procurement strategies were being *“threatened by the level of waste tolerated on site”* (McDonnell, 2013). Segregation of waste is one way to limit the amount of construction waste going to landfill. Another is the introduction of stricter guidelines for ordering and controlling materials on site.

Case studies have shown that *“sustainable procurement policy has supported the achievement of strategic objectives, created competitive advantage, controlled costs and in some cases, actually created markets”* (BITC, undated)

E-procurement strategy:

3B currently have progressed from posting and faxing tenders to sub-contractors to circulating tenders via cloud technology, namely the use of site servers such as www.dropbox.com. Moving forward the Irish construction sector is likely to follow in the footsteps of the UK and introduce a strategy for implementing Building Information Modelling (BIM) on government funded projects. The practice has been incorporated onto some large scale projects such as the current works at the Intel plant in Leixlip, Co. Dublin. Factors such as cost may reduce investment in such systems by small and medium size firms but many see BIM as *“the new way of operating and it is gaining momentum; the industry simply cannot turn a blind eye to the technology or it will be left behind. The industry must therefore adapt and change current working practices in order to compete with other established and recognized BIM nations”* (Deeney, Hore and McAuley, 2013).

Management of Avoidance of Risk:

It was noted earlier that A&S had dabbled in an unsuccessful residential development in its early days. The company still has some land banks in the locality of its offices but has allowed these to lie ideal throughout the latest boom period. This was a very risk adverse move in the time of the Celtic Tiger and given the current situation regarding the need for new residential units there is a fear that 3B may once again miss a strong opportunity.

This is also the case in changing the operating procedures within the company. As previously mentioned the company has a prize fund which is awarded to employees who propose changes which positively change the operations or element of the operations of the company. The competition rules are vague and it is not widely advertised within the company. Given the pace of change and resistance of some members of the senior management it has to be question as to whether or not any suggestion for change would be entertained.

“In an environment characterised by ever-increasing global competition and customer expectations, change management has become a key factor in the quest by organisations to stay ahead of the competition”

(Erdogen, Anumba, Bouchlaghem and Nielsen, 2005).

Overall 3B should review their current business strategy and consider taking a more proactive approach to risk.

Impact of the Proposed Strategy

A draft implementation programme is detailed in Appendix 3. The resources are within the company to delegate the functions noted in the recommendations. The first, and probably most important, function is the central procurement function. It has been noted that this could be part of one of two existing roles within the company. The role is required to provide expertise and guidance in regard to all procurement functions within the company. This function will also have control of the sub-contractor and supplier database. This will be a useful tool in the avoidance of risk in projects going forward.

A collaborative approach to procurement within the firm is a significant impact as it requires the production of guidelines for each function which defines the areas where co-operation is required for effective procurement. E-procurement could simplify some of these functions from conception through construction and onto completion of projects. These approaches could save time in relation duplication of functions and as a result provide a more cost efficient model for procurement.

The impact of sustainable procurement is minimal and could be used to aid in the implementation of other areas of new strategy. Initiatives such as the JobBridge allow employers to employ suitable candidates for a specified period on an intern based contract. The cost to the employer is €50 per week which is paid to the intern as a top up to their social welfare payment. This allows A&S to employ a person to aid management in administering the new strategy and may in turn create a new full time role. The risk is minimal both financially and in relation to commandeering existing staff to the process.

As with any other business in a recovering economy 3B should be looking at growing its market share. By addressing the matters noted with this report 3B will be in a position to grow existing relationship with clients and to enter into new ones. The new strategies will make the company more productive and more attractive to existing and perspective clients.

Competitive Advantage

As a main contractor tendering in an already constructed economy 3B are at a disadvantage with their existing procurement strategy. Like many contracting firms in Ireland they have chosen to stay away from the Public works forms of contract due to the biased risk transfer imposed. Until now this has resulted in the company needing to compete against smaller contractors with lower overheads. 3B have also been lucky to retain large commercial clients who required periodic maintenance on existing building stock albeit at lower rates. Given the slight upturn in the market to date and that focused by

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both the Society of Chartered Surveyors Ireland it is safe to say that now is the time to cement your company's position in the emerging market.

Foreign direct invest by technological and pharmaceutical firms is at an all-time high. However the procurement routes used by these clients are generally fast tracked compared to those 3B would generally be used to. By researching the various forms preferred by companies looking to base themselves in Ireland 3B can combine their past experience on similar projects with their new found procurement knowledge.

The new procurement strategy should also aid 3B to accept risk as an everyday part of business. With that in mind the company should seek to extend itself into the emerging residential development market.

Conclusion

To date the existing limited and somewhat fractured strategy of the company has held the progression of the company. The company already has the key staff to carry out the functions required but guidance has always been lacking. With the central procurement function in place consistency across all departments can be achieved. This is a key driver in implementing efficiencies is to understand the main function of the business. In this case, as in most, the main function is to make money. This is achieved by producing a product, a building, to the client's specification in line with the terms of the contract. 3B already prides itself on being able to produce the product at a reasonable cost, within the required timeframe and to the required standard of the client. This new strategy will allow 3B to do all of these things but with more efficiency and allow the company to expose itself to a new range of client organisations.

The cohesive nature of the strategy described will also give management the opportunity to enter into relationships with a wider range of suppliers and sub-contractors without distracting from existing successful relationships.

The implementation of the supplier and sub-contractor database and its links back to existing and incoming legislation will motivate others within the entire supply chain to strive for excellence.

"If you can't fly then run, if you can't run then walk, if you can't walk then crawl, but whatever you do you have to keep moving forward."

Martin Luther King Jr. (Circa 1963)

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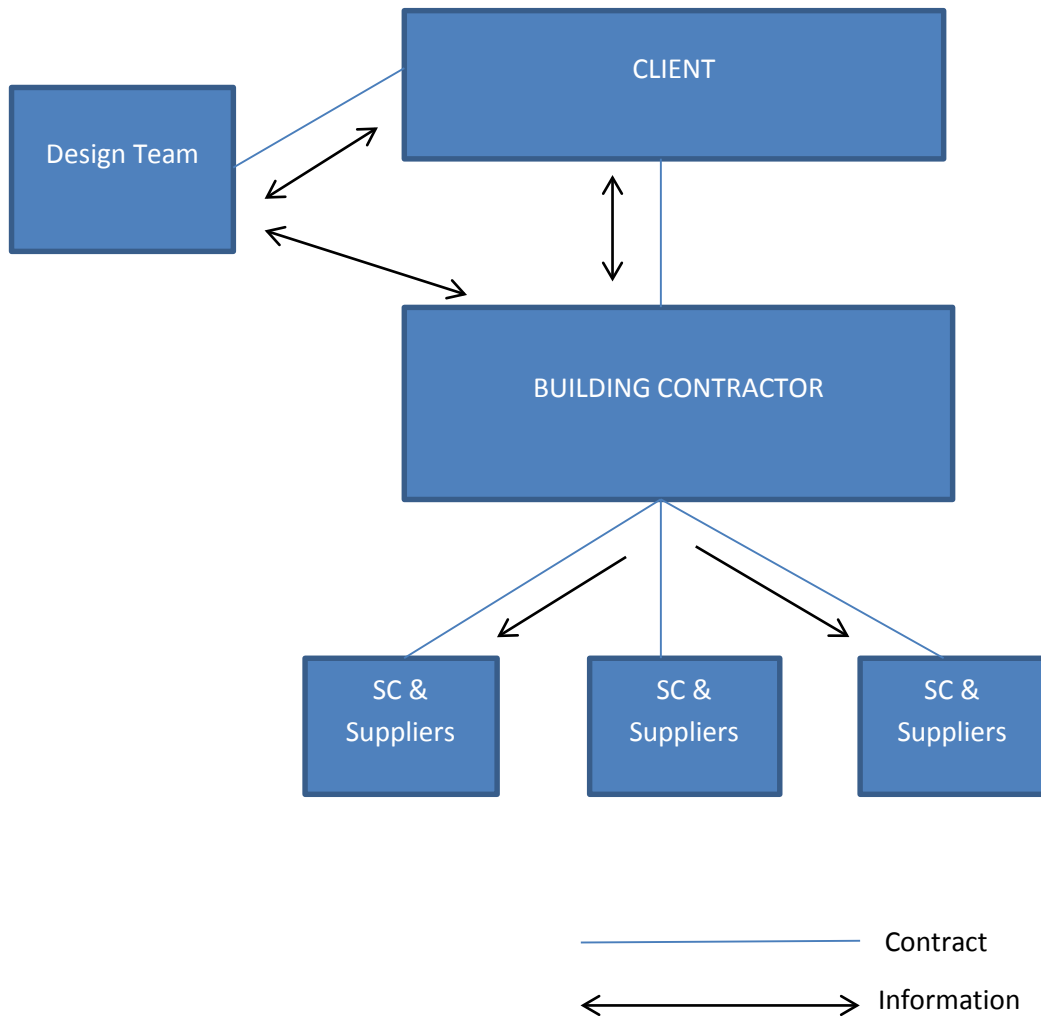
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Appendix 1 – Contractual Relationships

Traditional Procurement Relationship



Appendix 2 – Proposed Implementation Plan

Proposed Strategy to Achieve Desired Results

Priority / Strategy: Central Procurement Function

TASK	ACTIVITY	PERSON(S) RESPONSIBLE	START	END	STATUS
1	Define Central Procurement function	Board of Directors	January 2015	February 2015	To Commence
2	Develop job description	Commercial Director and Surveying Director	February 2015	February 2015	To Commence
3	Incorporate function into existing role	New procurement manager (either of above)	March 2015	May 2015	To Commence

Priority / Strategy: Consistency in Procurement Approach

TASK	ACTIVITY	PERSON(S) RESPONSIBLE	START	END	STATUS
1	Development of new procurement guidelines	Central procurement manager	April 2015	June 2015	To Commence
2	Separation of routine purchases from development / construction purchases	Central procurement manager / finance	April 2015	June 2015	To Commence
3	Development of new sub-contractor and supplier databases	Central procurement / board	April 2015	June 2015	To Commence
4	Approval of procedures	Board	July 2015	July 2015	To Commence
5	Implementation of procedures	All	July 2015	Ongoing	To Commence

Priority / Strategy: Management of Risk and Issues

TASK	ACTIVITY	PERSON(S) RESPONSIBLE	START	END	STATUS
1	Review all live projects and tenders to identify risks	Central procurement function	July 2015	September 2015	To Commence
2	Development of risk register template for use on all projects	Central procurement function	July 2015	July 2015	To Commence
3	Management review of project risks	Central procurement /	-	-	On-going

Priority / Strategy: Community Benefits / Sustainable Procurement

TASK	ACTIVITY	PERSON(S) RESPONSIBLE	START	END	STATUS
1	Identify community benefits included within Client tender documents	Central Procurement	March 2015	-	
2	Identify suitable local schemes which may be of benefit	Central Procurement			On-going
3	Identify National Initiatives which may be of benefit	Central Procurement / HR			On-going