



Fáilte Ireland
National Tourism Development Authority

Fáilte Ireland

Procurement Policy and Procedures Handbook

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1. Introduction

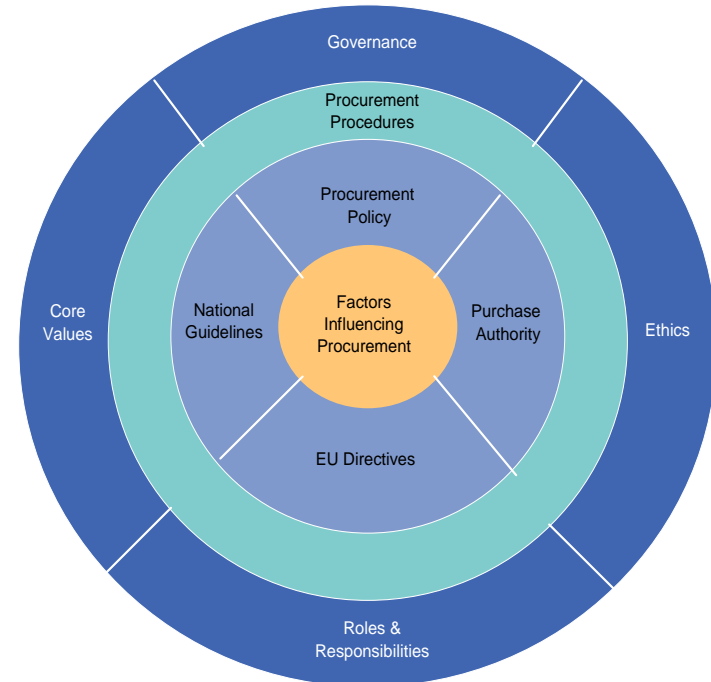
The objective of this document is to define the purchasing policies and procedures for Fáilte Ireland. This document includes a statement of working practices for both the Procurement function and for the business owners for the purchase of all goods and services. These guidelines should be followed by all those participating in purchasing on behalf of Fáilte Ireland.

The stated procedures are based on good practice and are designed to assist Fáilte Ireland comply with its regulatory obligations, including EU Directives and the National Procurement Guidelines. The procedures have been designed to facilitate a common approach to purchasing throughout the organisation, to enable value for money for Fáilte Ireland through strategic sourcing, and to ensure that all transactions are transparent and offer equal opportunity to all qualified suppliers.

Key Factors Influencing the Purchasing Function include:

- Governance
- Core Values
- Roles and Responsibilities
- Ethics
- Procurement Policy
- Procurement Procedures
- National Guidelines
- EU Directives
- Purchase Authority

Each of these elements have been considered in developing this detailed policies and procedures manual for the purchasing function at Fáilte Ireland.



2. Policy Statement

Fáilte Ireland seeks to obtain value for money in its purchasing activities whilst balancing the considerations of specification, quality, price, safety, health, welfare, ethics and service support.

Purchasing shall be discharged with probity, transparency and accountability in a manner that secures value for money.

All individuals wishing to purchase goods and / or services shall ensure that they have clearly defined the specification of requirements and have sufficient budget prior to commencing any quotation/tendering procedure.

Fáilte Ireland has agreed thresholds and authorisation limits which determine the particular quotation or tendering procedures to be followed, and the authorisation required before the organisation commits to spend; this must be followed for all purchases.

National Procurement Guidelines and EU Directives apply, not only to formal written contracts, but to all purchasing activities. Fáilte Ireland seeks to ensure that its practices and procedures are open, objective and transparent. In this respect the published National Procurement Guidelines and EU Directives must be followed.

Fáilte Ireland must also comply with the provisions of current legislation e.g. Prompt Payment of Accounts Act 1997 and the Late Payment in Commercial Transactions 2002, and Safety Health and Welfare Regulations (where applicable).

If you are in any doubt about how to proceed in any matter relating to purchasing, please contact the Procurement Unit procurement@failteireland.ie 01 884 7888

3. Procurement Objectives & Governance

Fáilte Ireland has the following procurement objectives:

- To meet the requirements of its internal customers;
- To ensure Fáilte Ireland purchasing power through aggregation of requirements;
- To ensure optimum quality and service is achieved;
- To ensure value for money is achieved;
- To purchase as efficiently as possible through quality vendors;
- To ensure compliance with all relevant European and National legislation and regulations;
- To operate in a fair, open, transparent and non-discriminatory manner;
- To ensure that all dealings are carried out in accordance with best professional practices and ethical codes of conduct; and
- To ensure that all suppliers are formally contracted (where appropriate);
- To manage and minimise exposure to contractual risks.

Public procurement requires appropriate and transparent governance arrangements to be in place. Fáilte Ireland's governance arrangements can be summarised as follows:

- All purchasing activities are governed by the approved Fáilte Ireland Procurement Policy and Procedures Handbook.
- Individuals involved in the purchasing of goods and services in Fáilte Ireland are responsible for ensuring compliance with internal and external policies and procedures governing the procurement of goods and services.
- Fáilte Ireland has specific rules governing delegated authority and thresholds beyond which individuals can not commit the organisation.
- Violations of these policies and procedures could ultimately give rise to serious legal and financial sanctions for the organisation and / or responsible individual.

4. EU Contract Law

EU Contract Law

Within the European Union, the Procurement Directive 2004/18/EC (known as the Procurement Consolidated Directive) exists to promote fair and open competition.

The EU directives are based on the principle that if the total value of a contract (excl. VAT) exceeds the financial threshold in the relevant EU directive, the contract must be open for competition across the European Union and must be advertised in the Official Journal of the European Union (OJEU). This requires public authorities such as Fáilte Ireland to publish details of contracts they intend to enter into which are above specified thresholds, and to follow other specified procurement procedural rules (such as compliance with timescales). Failure to comply with this legislation carries severe penalties for which Fáilte Ireland would be held accountable.

They are published in Official Journal L 134 of 30 April 2004 and can be accessed on the EU Publications Office portal at <http://europa.eu.int/eur-lex/en/index.html>, or on the EU public procurement website <http://simap.eu.int>, which has a link on www.etenders.gov.ie.

The Treaty of Rome applies to all public procurement, regardless of whether the Procurement Directive specifically applies to any individual requirement (e.g. goods/services below the current threshold and some service requirements). In essence, this prohibits any discriminatory treatment of suppliers and may, for example, require requirements below the threshold to be advertised appropriately.

The Directives impose obligations on contracting authorities to:

- Advertise their requirements in the Official Journal of the European Union (OJEU);
- Use procurement procedures that provide open and transparent competition;
- Apply clear and objective criteria, notified to all interested parties, in selecting tenderers and awarding contracts;
- Use broadly based non - discriminatory technical specifications; and
- Allow sufficient time for submission of expressions of interest and tenders.

It is a legal requirement that contracts with estimated values above the thresholds set out in the Directives (apart from some defined exceptions) be advertised in the OJEU and that these contracts are awarded in accordance with the provisions of the Directives. Contracting authorities covered by the public sector Directive must also ensure that most works contracts and related services contracts, which they subsidise by 50% or more, are awarded in accordance with the provisions of that Directive. Any infringement of the terms of the Directives can give rise to serious legal or financial sanctions brought against Fáilte Ireland.

The Directives have been adapted to modern market conditions by providing for measures such as the use of electronic means of procurement and tendering (eProcurement), providing for framework arrangements and for more flexible procedures for awarding complex contracts, such as public private partnership projects (PPPs), in the public sector.

The EU Directives cover contracts for

- Works - buildings and civil engineering contracts
- Supplies - purchasing of goods and supplies
- Services - all of the most commonly procured services, including advertising, property management, cleaning, management consultancy, financial and ICT related services

Thresholds are revised every two years. Full and up to date thresholds can be checked on the EU public procurement website <http://simap.eu.int>. The current EU Thresholds (exclusive of VAT) above which advertising of contracts in the Official Journal of the EU is obligatory are applicable from 1st January 2016 to 31st December 2017.

EU Thresholds			
Works	Contract Notice / Prior Indicative Notice*	€5,186,000	Threshold applies to Government Departments and Offices, Local and Regional Authorities and other public bodies.
Supplies & Services	Contract Notice	€209,000	Threshold applies to Local and Regional Authorities and public bodies outside the Utilities sector.
Utilities	Works Contracts / Prior Indicative Notice*	€5,186,000	For entities in Utilities sectors
Utilities	Supplies and Services	€414,000	For entities in Utilities sectors

**Publication of a Prior Indicative Notice (PIN) is no longer obligatory. Authorities with a significant procurement function are encouraged to publish a PIN as an aid to transparency and informing markets. Publication of a PIN (or Buyer Profile) with all of the relevant information, entitles authorities to avail of shortened times for submission of tenders.*

4. EU Contract Law

EU Procurement Procedures

The revised EU public sector Directives permit four tendering procedures:

- Open Procedure
 - Under this procedure all interested parties may submit tenders. Information on tenderers' capacity and expertise may be sought and only the tenders of those deemed to meet minimum levels of technical and financial capacity and expertise are evaluated. If there are minimum requirements it is important that they be made clear in the notice or the request for tenders (RFT) to avoid unqualified bidders incurring the expense of preparing and submitting tenders.
- Restricted Procedure
 - Under this procedure there must be a sufficient number of participants to ensure competition.
 - As a first step, the requirements of the contracting authority are set out through a contract notice in the OJEU and expressions of interest are invited from potential tenderers. The contract notice may indicate the relevant information to be submitted or the information may be sought via a detailed questionnaire to interested parties.
 - The Directives require that a number sufficient to ensure adequate competition is invited to submit bids and indicate a minimum of five (provided there is at least this number who meet the qualification criteria) and up to a total of 20.
 - As a second step those parties who meet the "minimum standards" are invited to tender. It is important to note that, as a basis for pre - qualifying candidates, only the criteria relating to personal situation, financial capacity, technical capacity, relevant experience, expertise and competency of candidates set out in the revised Directive (Articles 45 to 48 of 2004/18/EC) are permissible.
 - The European Court of Justice and the EU Commission have ruled clearly on this.
- Negotiated Procedure
 - This is an exceptional procedure, which may be used only in the limited circumstances set out in Articles 30 and 31 of the revised public sector Directive.
 - The Negotiated Procedure may be used mainly:
 - where the nature of the requirement does not permit overall pricing;
 - where it is not possible to specify requirements for a service with sufficient precision to enable tenderers to respond with priced tenders; and
 - where an open, restricted or competitive dialogue procedure has not attracted acceptable tenders.

- Competitive Dialogue
 - This procedure is designed to provide flexibility in the tendering process for more complex contracts, for example public private partnerships (PPPs). Through the process of dialogue with a range of candidates, the contracting authority may identify arrangements or solutions, which meet their requirements. In order to reduce the field of competition, award criteria must be published in the "descriptive documentation" and or advertisement / contract notice. As with previous tendering procedures, candidates will be scored using the published award criteria.
 - There must be equal treatment and respect for the intellectual property rights of all candidates. Once the contracting authority has ascertained that their requirements have been met then a minimum of 3 candidates should be invited to submit tenders.
 - The most economically advantageous tender will then be selected. Aspects of tenders may be clarified or fine tuned provided that there is no distortion of competition or discrimination against any tenderer.



4. EU Contract Law

Minimum time-limits

Minimum time-limits are set down for the different stages of the particular contract awarding procedure chosen. In all cases, the times specified in days relate to calendar days. When fixing the timescale for submitting expressions of interest / requests to participate or tenders, take account of the complexity of the contract and allow sufficient time for submitting the necessary information and preparing tenders. Whilst you can not reduce the minimum timeframe it may be appropriate to allow extra time for complex tenders.

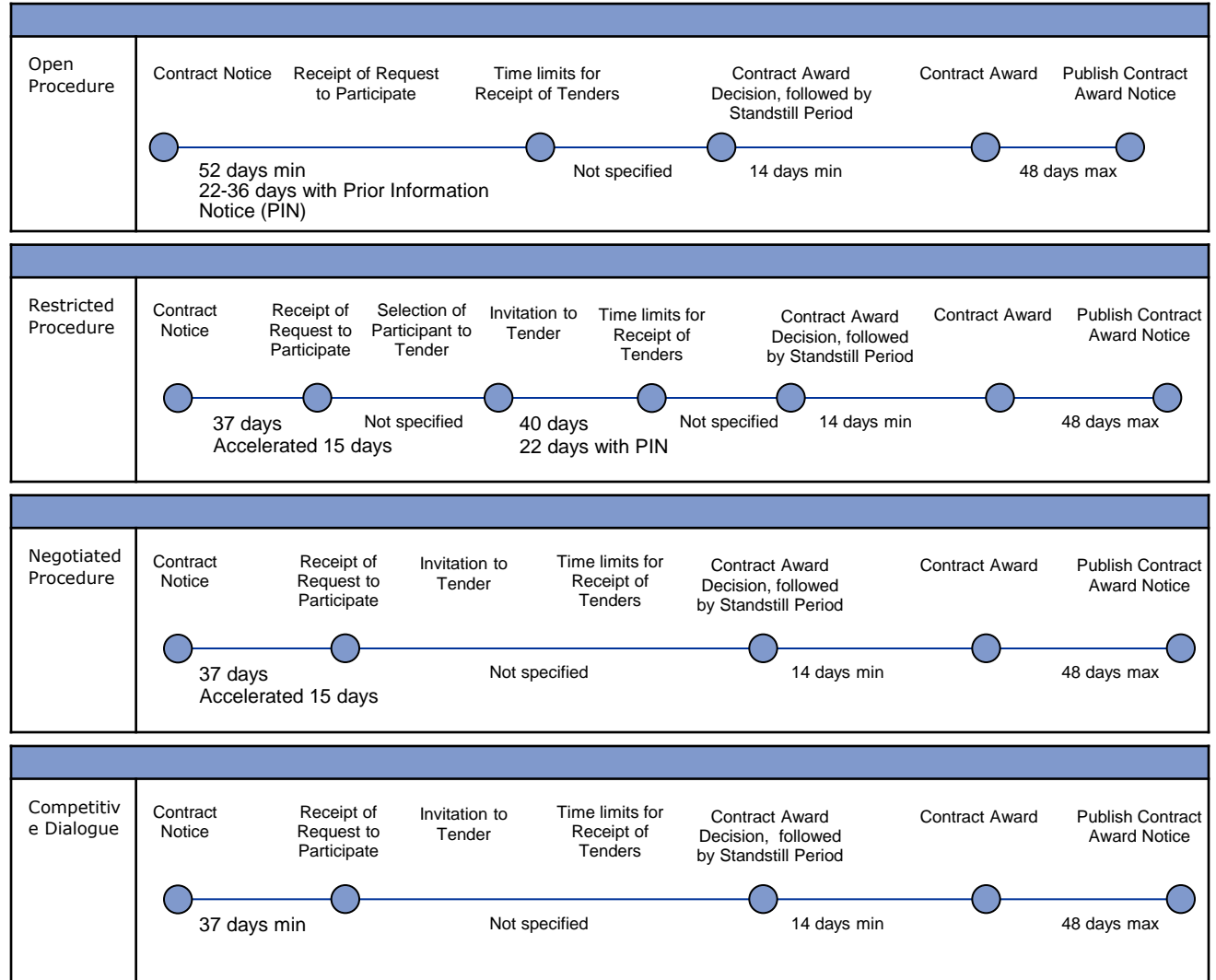
The day-count starts on the day after the notice is dispatched to the OJEU. The main minimum time-limits, which are calculated and are illustrated in the tables.

The minimum timescales can be reduced:

- By using electronic notices in SIMAP format (<http://simap.eu.int/>), time limits for the Open Procedure, "receipt of tenders" and "receipt of requests to participate" in all other procedures may be reduced by 7 days.
- By enabling electronic access (e.g. via a web-site) to all contract documentation timescales for open and restricted procedure 'tender receipt' may be reduced by 5 days.

The use of the urgent or accelerated procedures, as referred to in the Directives, must be justified and have been caused by unforeseeable events outside the control of Fáilte Ireland. The EU Commission and ECJ interpret 'urgency' very strictly.

Delay or inaction is not sufficient reason for applying exceptional procedures.



4. EU Contract Law

Guides (<http://simap.eu.int/>)

In this section we provide a brief summary of some of the Directives and Guides available for download from <http://simap.eu.int/>. Please refer to the website for further details on the following:

Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004

- Coordination of procedures for the award of public works contracts, public supply contracts and public service contracts (30.04.2004).

Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004

- Coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors (30.04.2004).

Communication from the Commission

- List of services regarded as excluded from the scope of Directive 93/38/EEC (pursuant to Article 8 thereof) (30.04.2004).

Guides (www.etenders.gov.ie)

In this section we provide a brief summary of the Guidance Notes available for download on www.etenders.gov.ie. Please refer to the website for further details on the following:

Current EU Thresholds

- Thresholds (exclusive of VAT) above which advertising of contracts in the Official Journal of the EU is obligatory, applicable from 1 January 2016 to 31 December 2017.

Public Procurement Guidelines - Competitive Process

- 2004 Guidelines on conducting an appropriate competitive process under national rules and revised EU public procurement Directives. These largely replace the provisions of the 1994 Guidelines.

Notifying Tenderers and Disclosure of Information

- Information on the obligations of contracting authorities to notify tenderers and to provide information on public contracts covered by the EU procurement Directives, as well as general guidance on voluntary debriefing of unsuccessful tenderers.

Circular 10-10 Facilitating SME Participation in Public Procurement and Circular 10-14 Initiatives to assist SMEs in Public Procurement

Guidelines on Use of Generic ICT Specifications

- Guidelines for contracting authorities on the use of generic specifications for ICT contracts. This has been the subject of discussion, correspondence and EU investigation. These guidelines may be expanded or modified in the light of any further developments.

Construction Contract Guidelines (PDF)

- Implementation of the strategic review of the construction industry's procurement recommendations applicable to public funded construction contracts.

Capital Appraisal Guidelines (PDF)

- 2005 Capital Appraisal Guidelines for the evaluation, approval and management of capital expenditure, particularly within the context of the multi-annual investment framework announced in Budget 2004.

Guidance Note on engaging Advertising, Public Relations and Creative Design Services

- Guidance for public bodies on an approach to engaging advertising and creative design services. This is a PDF version.

Ethics in Public Procurement

- General guidance to assist public sector buyers to conduct purchasing in a way that satisfies probity and accountability requirements.

"Buying Green" Handbook

- "Buying Green!", a handbook on environmental public procurement which includes details of many interesting initiatives throughout the EU that stimulate green public procurement and practical information to help public authorities successfully in launching a green purchasing policy.

Environmental Considerations in Public Procurement

- Guidance and clarification for public bodies on how environmental considerations may be taken into account and promoted in public procurement. Produced by the Government Contracts Committee in February 2004.

5. Quotation & Tendering Procedures

5.1 Introduction

The considerations and procedures set out in this section will form the basis for putting in place formal purchasing and contractual agreements for items purchased. When there is a requirement to purchase, the individual who wishes to purchase an item must check whether sufficient budget exists and must establish whether an existing contract is already in place before proceeding. If a contract exists it must be used.

The maximum value of purchase should be carefully estimated, including the cumulative spend, to ensure the appropriate authorisation is sought. Authorisation levels apply to all purchases. Authorisation should be sought as soon as the relevant cost and other necessary information is available.

Where no formal purchasing agreement is in place the procedures outlined below must be followed:

In exceptional circumstances, where a purchase exceeds the estimated value threshold, a memo must be prepared by the Head of Division clearly explaining (and outlining) the reason.

Individuals involved in purchasing must be aware of the timeframes involved with particular procurement processes. High value procurements have set time frames which cannot be reduced, hence early planning is critical.

Please refer to the Procurement Check List, which is available on My Fi, prior to beginning any tender process.

In this section we detail the steps which must be followed for each purchasing procedure.

Value of Purchase	Quotation/Tender Procedure
Between €1 & €5,000	Low Value Procedure. Seek written quotation.
Between €5,001 & €25,000	Medium Value Procedure. At least 3 written quotations.
Between €25,001 & €50,000	Advertise on Government Procurement Website. Formal Tendering – National Procurement Guidelines.
Between €50,001 & €100,000	Advertise on Government Procurement Website. Formal Tendering – National Procurement Guidelines.
Between €100,001 & €209,000	Advertise on Government Procurement Website. Formal Tendering – National Procurement Guidelines.
Over €209,000	EU Procedures - Open, Restricted or Negotiated (EU Procurement Directives apply).

5. Quotation & Tendering Procedures

5.2 Low Value Purchase

This procedure must be used for once-off purchases with an estimated value less than €5,000.

Value of Purchase	Approved by	Minimum Requirement	Time Limit
Between €1 & €5,000	Level 5 or higher	One Quotation (written)	No

Consideration

- Check whether there is sufficient budget available to meet this need and that project has been approved at planning stage, where applicable.
- Does a contract or framework already exist to meet the requirement? If so, use the contracted supplier.

Steps in the Procedure

- One written quotation is required. *To ensure value for money is obtained, you may find it useful to seek more than one quote.*
- Select supplier based on - Most Economical Advantageous Tender (MEAT)
- Obtain approval from level 5 employee or higher.
- Forward quotation details to Integra requisitioner
- Enter details on system as requisition
- Email alert approval received by requisitioner
- Create PO following approval and forward to supplier

5. Quotation & Tendering Procedures

5.3 Medium Value Purchase

This procedure must be followed for purchases with an estimated value between €5,001 and €25,000.

Value of Purchase	Approved by	Minimum Requirement	Time Limit
Between €5,001 & €25,000	Level 3 (Manager) or higher	At least 3 written quotations. Complete tender threshold form	No, unless using e-Tenders

Considerations

- Check whether there is sufficient budget available to meet this need and, where applicable, that the project is included in Divisional project plans.
- Have I allocated sufficient time to get approval from my Budget Manager and/or Head of Division?
- Consider advertising on eTenders or other relevant media.
- Does a contract or framework already exist to meet the requirement? If so, use the contracted supplier.

Steps in the Procedure

- Identify and document in detail your requirements.
- Seek approval from a level 3 manager or higher.
- Confirm scope of work in writing including award criteria (Lowest price or MEAT*).
- Send invitation for quotation/tender to at least three known competent suppliers or service providers and/or consider advertising on eTenders or other relevant media.
- Evaluate quotations/tenders objectively against specified requirements and select suitable supplier according to the award criteria.
- Inform successful suppliers of the outcome of the competition (Award Letter & Fáilte Ireland standard Terms & Conditions).
- Complete tender threshold form.
- Inform unsuccessful suppliers of the outcome of the tender process (letter of regret).
- Create PO and send to supplier once buyer approval passed by the procurement unit.
- File all quotation and tender related documentation for audit and Freedom of Information purposes.

*MEAT - Most Economical Advantageous Tender

5. Quotation & Tendering Procedures

5.4 High Value Purchase

This procedure must be followed for purchases with an estimated value between €25,001 and €50,000. This process must be conducted in conjunction with the Procurement Unit.

Value of Purchase	Approved by	Minimum Requirement	Time Limit
Between €25,001 & €50,000	Level 2 (Head of Division/General Manager) or higher	Advertise on Government Procurement Website. Formal Tendering – National Procurement Guidelines.	Yes

Considerations

- Check whether there is sufficient budget available to meet this need and, where applicable, that the project is included in Divisional project plans
- Have I allocated sufficient time to get approval from my Budget Manager and/or Head of Division?
- Consider advertising on eTenders or other relevant media.
- Does a contract or framework already exist to meet the requirement? If so, use the contracted supplier.

Steps in the Procedure

- Notify the Procurement Unit in the first instance that a tendering process is being undertaken and seek legal advice (if appropriate).
- Identify and document in detail your requirements/specification including award criteria.
- Prepare formal tender documentation and advertise on the Government tender website www.etenders.gov.ie and/or invite suitable tenders (at least five).
- Open sealed tenders only on the prescribed date communicated to tenderers.
- Shortlist and ask for presentations from short listed suppliers (if appropriate).
- Evaluate offers objectively against specified requirements and according to the agreed award criteria.
- Inform successful suppliers of the outcome of the competition (Award Letter & Fáilte Ireland standard Terms & Conditions).
- PO created and sent to supplier once buyer approval passed by the Procurement Unit.
- Requisitioner informed by email alert from Procurement Unit.
- Inform unsuccessful suppliers of the outcome of the tender process (letter of regret).
- Debrief unsuccessful suppliers (if appropriate).
- File all quotation/tender related documentation for audit and Freedom of Information purposes.

*MEAT - Most Economical Advantageous Tender

5. Quotation & Tendering Procedures

5.5 Low Corporate Procurement Process €50,001 to €100,000

This procedure must be followed for purchases with an estimated value between €50,001 and €100,000. This process must be conducted in conjunction with the Procurement Unit.

Value of Purchase	Approved by	Minimum Requirement	Time Limit
Between €50,001 & €100,000	Director or higher	Formal Tendering – National Procurement Guidelines. Advertise on Government Procurement Website.	Yes

Consideration

- Check whether there is sufficient budget available to meet this need and, where applicable, that the project is included in Divisional project plans
- Have I allocated sufficient time to get approval from my Budget Manager and/or Head of Division?
- Have I allocated sufficient time to advertise on eTenders and in other relevant media (if appropriate)?
- Does a contract or framework already exist to meet the requirement? If so, use the contracted supplier.

Steps in the Procedure

- Notify the Procurement Unit in the first instance that a tendering process is being undertaken and seek legal advice (if appropriate).
- Identify and document in detail your requirements/specification including award criteria.
- Prepare formal tender documentation and advertise on the Government tender website www.etenders.gov.ie and/or invite suitable tenders (at least five).
- Open sealed tenders only on the prescribed date communicated to tenderers.
- Shortlist and ask for presentations from short listed suppliers (if appropriate).
- Evaluate offers objectively against specified requirements and according to the agreed award criteria.
- Inform successful suppliers of the outcome of the competition (Award Letter & Fáilte Ireland standard Terms & Conditions).
- PO created and sent to supplier once buyer approval passed by the Procurement Unit.
- Requisitioner informed by email alert from Procurement Unit.
- Inform unsuccessful suppliers of the outcome of the tender process (letter of regret).
- Debrief unsuccessful suppliers (if appropriate).
- File all quotation/tender related documentation for audit and Freedom of Information purposes.

*MEAT - Most Economical Advantageous Tender

5. Quotation & Tendering Procedures

5.6 High Corporate Procurement Process €100,001 to EU threshold (€209,000)

This procedure must be followed for purchases with an estimated value between €100,001 and €209,000. This process must be conducted in conjunction with the Procurement Unit.

Value of Purchase	Recommended by	Approved by	Quotation/Tender Procedure	Time Limit
Greater than €209,000	Management Advisory Committee (MAC)	Authority	EU Procedures – Open, Restricted or Negotiated (EU Procurement Directives apply)	Yes

Consideration

- Check whether there is sufficient budget available to meet this need and, where appropriate, that the project is included in Divisional project plans.
- Have I allocated sufficient time to get approval from my Budget Manager and/or Head of Division?
- Have I allocated sufficient time to advertise on eTenders and in other relevant media (if appropriate)?
- Does a contract or framework already exist to meet the requirement? If so, use the contracted supplier.

Steps in the Procedure

- Notify the Procurement Unit in the first instance that a tendering process is required to be undertaken and seek legal advice (if appropriate).
- Identify and document in detail your requirements/specification including award criteria.
- Prepare formal tender documentation and advertise on the Government tender website www.etenders.gov.ie.
- Open sealed tenders only on the prescribed date communicated to tenderers.
- Evaluate offers objectively against specified requirements and according to the agreed award criteria.
- (Award Letter & Fáilte Ireland standard Terms & Conditions).
- Select highest scoring tender and following approval at the appropriate level, award the contract based on successful tender. Inform successful/unsuccessful suppliers of the outcome of the competition Following the expiry of the 14 day standstill period, publish a Contract Award Notice in OJEU..
- File all relevant tender documentation for audit and Freedom of Information purposes.

*MEAT - Most Economical Advantageous Tender

5. Quotation & Tendering Procedures

5.7.1 Corporate Procurement Process Greater than EU threshold (€209,000)

This procedure must be followed for purchases with an estimated value greater than the EU Threshold (currently these thresholds are set at €209,000 for Goods & Services and €5.186m for Capital Works). These thresholds are revised every two years and up-to-date thresholds can be checked on the EU public procurement website <http://simap.eu.int> which can be accessed via a link on www.etenders.gov.ie.

Value of Purchase	Recommended by:	Approved by	Quotation/Tender Procedure	Time Limit
Greater than €209,000	Management Advisory Committee (MAC)	Authority	EU Procedures - Open, Restricted or Negotiated (EU Procurement Directives apply).	Yes

Typically Fáilte Ireland will follow the Restricted or Open Procedure. The European Union has a strong preference that the Open Procedure is used in order to ensure the greatest possible competition, transparency and objectivity. As it may not always be the case that the Open Procedure provides the greatest competition, Procurement Unit will provide advice on a contract-by-contract basis.

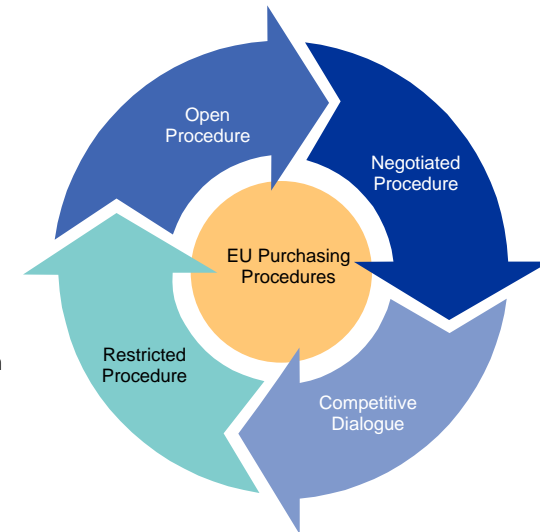
The current EU public sector Directives permit Fáilte Ireland to use four tendering procedures:-

- Open Procedure - this procedure is often used where the requirement is highly specialised and the number of competitors in the market is small or unknown.
- Restricted Procedure - this procedure is normally used where the requirement is widely available and where there are numerous competitors in the market.
- Negotiated Procedure - this procedure should only be used in extraordinary/limited circumstances, as outlined in the EU Directive.
- Competitive Dialogue - this procedure should only be considered when the contract is of considerable magnitude and where there are no rigid time constraints.
- In addition, framework agreements should be considered in the case of repetitive purchases to choose certain vendors who will be able to meet your needs, when the time comes.

Procurement Unit must be contacted prior to any EU Procurement. It is a legal requirement that contracts with estimated values above the thresholds set out in the Directives (apart from some defined exceptions) be advertised in the OJEU. These contracts must be awarded in accordance with the provisions of the Directives.

The Directives impose obligations on Fáilte Ireland to:

- Advertise requirements in the Official Journal of the European Union (OJEU);
- Use procurement procedures that provide open and transparent competition;
- Apply clear and objective criteria in selecting tenderers and awarding contracts, notifying all interested parties;
- Use broadly based non - discriminatory technical specifications; and
- Allow sufficient time for submission of expressions of interest and tenders.



5. Quotation & Tendering Procedures

5.7.2 Time Limits EU Purchasing Procedure

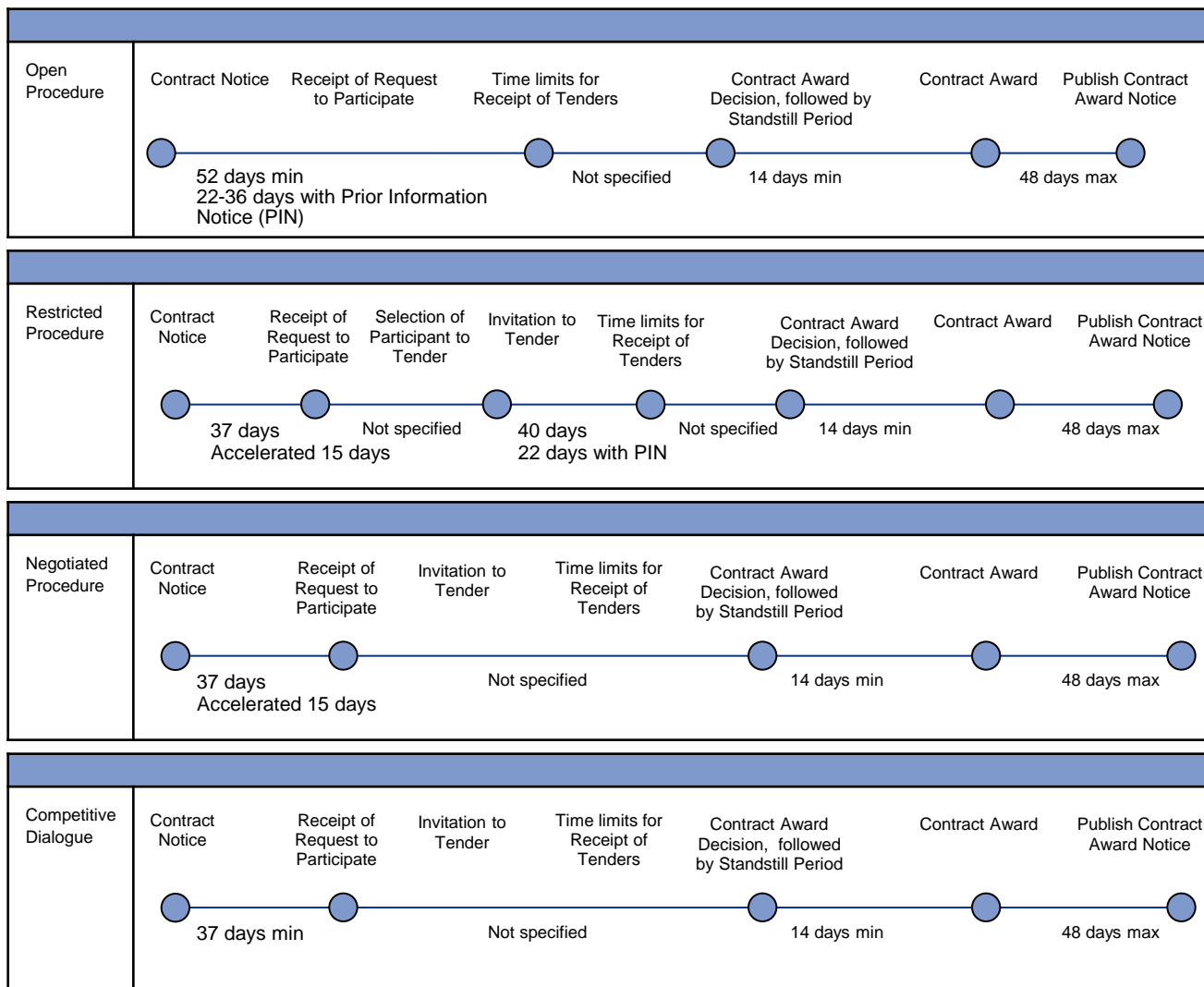
Minimum time-limits are set for the different stages of the particular contract awarding procedure chosen. In all cases, the times specified in days relate to calendar days. The day-count starts on the day after the notice is dispatched to the OJEU. The main minimum time-limits which are calculated, and are illustrated in the tables on the right

When fixing the timescale for submitting expressions of interest / requests to participate for tenders, consideration should be given to the complexity of the contract and sufficient time should be allowed for preparing tender documentation, submitting the necessary information and the evaluation and approval process. Whilst you can not reduce the minimum timeframe, it may be appropriate to allow extra time for complex tenders.

Please note that the preparation of tender documents and the evaluation process can have a significant impact on the overall estimated time to complete the tender process.

As outlined above, there are a number of steps in the process which do not have specified time limits. If the normal timelines of the Directives are applied, it is usually possible to complete the Open Procedure in 3 months and the Restricted Procedure in 4 months. However, this would be contingent on the type of tender, having a good procurement plan in place, and executing a well managed and timely tender evaluation and approval process. Please contact Procurement Unit for further information.

The use of the urgent or accelerated procedures as referred to in the Directives must be justified and have been caused by unforeseeable events outside the control of Fáilte Ireland. The EU Commission and ECJ interpret 'urgency' very strictly. Procurement Unit must be contacted immediately if either of these options are being considered.



5. Quotation & Tendering Procedures

5.7.3 EU Purchasing Procedure – Open Procedure

Under this procedure all interested parties may submit tenders, Information on tenderers capacity and expertise may be sought and only the tenders which are deemed to meet minimum levels of technical and financial capacity and expertise are evaluated. If there are minimum requirements it is important that they be made clear in the notice or the request for tenders (RFT) to avoid unqualified bidders incurring the expense of preparing and submitting tenders.

Value of Purchase	Approved by	Quotation/Tender Procedure	Time Limit
Greater than the EU Threshold (€209,000 for Goods & Services)	Management Advisory Committee (MAC)	Formal EU Procurement Procedure must be followed - Procurement Unit must be informed (EU Directives apply)	Yes

- Have I allocated enough time to get approval from the Authority where the estimated cost of the contract is greater than €209k?
- The following minimum time limits apply to the Open Procedure
 - For receipt of tenders = 52 days
 - If a PIN (Prior Indicative Notice) was published in the case of works, services and supplies = 36 days

Steps in the Procedure

- Identify and document in detail your requirements/specification.
- Inform Procurement Unit and seek legal advice (if appropriate).
- Draw up tender documentation in conjunction with the Procurement Unit. Set the basis for award, lowest price or most economically advantageous basis (MEAT). The tender documents must state all of the criteria being applied in the award process, giving the relative weightings for each criterion.
- Seek authorisation to proceed from the relevant Head of Division and, where applicable, confirm that the project is included in Divisional project plans.
- Finalise the tender documentation in preparation for advertising.
- Publish tender notice in OJEU (Official Journal of the European Union) - tender notice will be published within 12 days of receipt.
- There is a minimum of 52 days for receipt of tenders, however this time limit is generally reduced to 36 days and can be reduced to a minimum of 22 days if a PIN has been published between 52 days and 12 months in advance.
- Allow appropriate time for submission of tenders.
- Examine tenders and reject those not meeting the conditions set out in the published tender document. If MEAT is the basis for award, have a team evaluate tenders using weighted scoring criteria (including price).
- Select highest scoring tender and following approval at the appropriate level, award the contract based on successful tender. Following the expiry of the 14 day standstill period, publish a Contract Award Notice in OJEU after the selection of a successful candidate.
- File all relevant tender documentation for audit and Freedom of Information purposes.

*MEAT - Most Economical Advantageous Tender

5. Quotation & Tendering Procedures

5.7.4 EU Purchasing Procedure – Restricted Procedure

This is a two-stage process where only those parties who meet minimum requirements with regard to professional or technical capability, experience, expertise and financial capacity to carry out a project are invited to tender.

- As a first step, the requirements of the contracting authority are set out through a contract notice in the OJEU and expressions of interest are invited from potential tenderers. The contract notice may indicate the relevant information to be submitted or the information may be sought via a detailed questionnaire to interested parties.
- The second step involves issuing the complete specifications and tender documents (ITT) with an invitation to submit tenders only to those who possess the requisite level of professional, technical and financial expertise and capacity. It is important to note, that as a basis for pre-qualifying candidates only the criteria relating to personal situation, financial capacity, technical capacity, relevant experience, expertise and competency of candidates set out in the revised Directive (Articles 45 to 48 of 2004/18/EC) are permissible. The European Court of Justice and the EU Commission have ruled clearly on this.

Contracting authorities may opt to shortlist qualified candidates if this intention is indicated in the contract notice along with the number or range of candidates. Shortlisting of candidates who meet the minimum qualification criteria must be carried out by non - discriminatory and transparent rules with criteria made known to candidates. The Directives require that a number sufficient to ensure adequate competition is invited to submit bids and indicate a minimum of five (provided there is at least this number who meet the qualification criteria) and up to a total of 20.

5. Quotation & Tendering Procedures

5.7.4 EU Purchasing Procedure – Restricted Procedure

Value of Purchase	Approved by	Quotation/Tender Procedure	Time Limit
Greater than the EU Threshold (€209,000 for Goods & Services)	Management Advisory Committee (MAC) Authority	Formal EU Procurement Procedure must be followed in conjunction with Procurement Unit (EU Directives apply)	Yes

Considerations

- Have I allocated enough time to get approval from the MAC where the estimated cost of the contract is greater than €209k?
- The following minimum time limits apply to the Restricted Procedure
 - Minimum 37 days elapsed time before Invitation to Participate/Expression of Interest Notice
 - Minimum of 40 days elapsed time before receipt of tender

Steps in the Procedure

- Identify and document in detail your requirements/specification.
- Draw up an Expression of Interest Notice in conjunction with the Procurement Unit.
- Set the selection/qualification criteria and weighted procedure, the Expression of Interest notice document must state all of the criteria being applied in the award process, giving the relative weightings for each criterion.
- Seek authorisation to proceed from the relevant Head of Division and, where applicable, confirm that the project is included in Divisional project plans.
- Finalise the documentation in preparation for advertising.
- Invite expressions of interest in OJEU/other Media, and allow appropriate time for expressions of interests to be submitted - for receipt of expressions of interest this is 37 days.
- Select/shortlist candidates (at least 5) who meet qualification criteria.
- Seek legal advice (if appropriate) and issue pre-qualified/short listed candidates with tender documents - for receipt of tenders under restricted procedures: 40 days from date of issue of invitation to tender if a PIN has been published: as a general rule the minimum time for receipt of tenders under the restricted procedure may be reduced to 36 days but in no circumstances less than 22 days (no reduction in times for receipt of expressions of interest).
- Allow appropriate time for submission of tenders.
- Examine tenders, reject those not meeting the conditions set out in the published tender document, if MEAT, is basis for award have team evaluate tenders using weighted scoring criteria (including price).
- Select highest scoring tender and following approval at the appropriate level, award the contract based on successful tender. Following the expiry of the 14 day standstill period, publish a Contract Award Notice in OJEU after the selection of a successful candidate.
- File all relevant tender documentation for audit and Freedom of Information purposes.

5. Quotation & Tendering Procedures

5.7.5 EU Purchasing Procedure – Negotiated Procedure

This is an exceptional procedure, which may be used only in the limited circumstances set out in Articles 30 and 31 of the revised public sector Directive.

The Negotiated Procedure may be used mainly:

- where the nature of the requirement does not permit overall pricing;
- where it is not possible to specify requirements for a service with sufficient precision to enable tenderers to respond with priced tenders; and
- where an open, restricted or competitive dialogue procedure has not attracted acceptable tenders.

There are two types of Negotiated Procedure:

- Contracting authorities advertise and negotiate the terms of the contract. This process should normally involve the submission of formal tenders by at least three candidates (pre-qualified on the same basis as for the restricted procedure, provided there are at least this number who meet the minimum qualification criteria) with negotiation on final terms in a competitive process.
- Contracting authorities negotiate, without advertising, the terms of the contract directly with one or more parties. This is a departure from the core principles of openness, transparency and competition and is a very exceptional procedure.

The main instances where this procedure may be used are:

- in cases of extreme urgency;
- when, for technical or artistic reasons or due to the existence of special or exclusive rights;
- when there is only one possible supplier or service provider;
- when an open or restricted procedure has not attracted appropriate tenders (provided all those who submitted tenders are included in the negotiations and the specifications of the requirement are not altered substantially);
- extension of existing contracts and repeat contracts subject to certain conditions; and
- for the purchase of supplies on particularly advantageous terms, from either a supplier definitively winding up a business or the receiver or liquidator of a bankruptcy, an arrangement with creditors or similar legal or regulatory procedure.

Fáilte Ireland should ensure that the precise circumstances justifying the use of the negotiated procedure, as set out in the EU Procurement Directives, exist before deciding on its use. It should be noted that definitions of 'exceptions' and 'urgency' are strictly interpreted by the Commission and the Courts. Factors giving rise to urgency must be unforeseeable and outside the control of Fáilte Ireland. Where one of these exemptions is invoked, the contracting authority must be able to justify the use of the exemption. Candidates must always be treated fairly and objectively in negotiations.

5. Quotation & Tendering Procedures

5.7.5 EU Purchasing Procedure – Negotiated Procedure

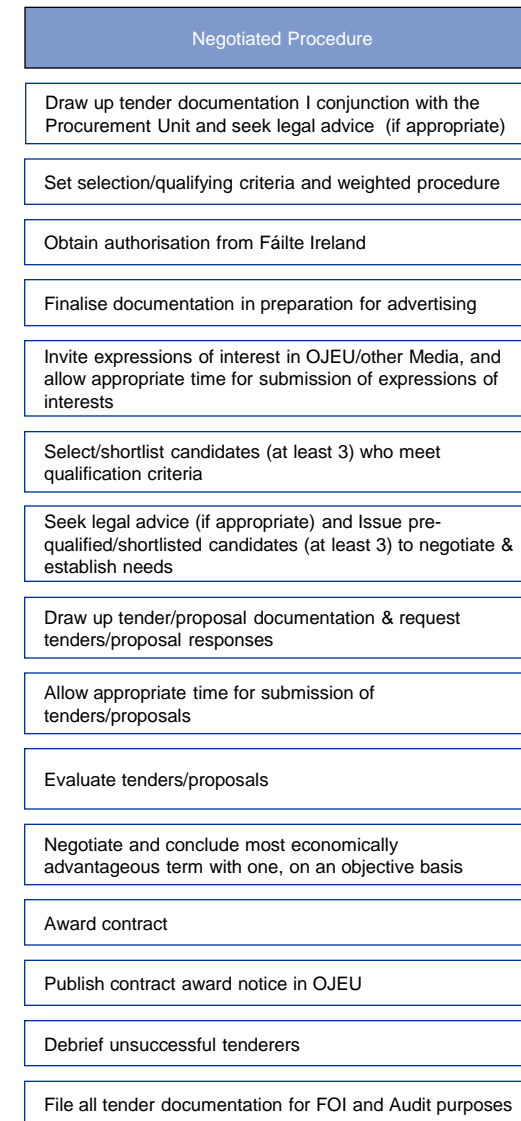
Value of Purchase	Approval by	Quotation/Tender Procedure	Time Limit
Greater than the EU Threshold (€209,000 for Goods & Services)	MAC Authority	Formal EU Procurement Procedure must be followed - Procurement Unit must be informed (EU Directives apply)	Yes

Considerations

- Have I allocated enough time to get approval from the MAC where the estimated cost of the contract is greater than €209k?
- Before using this procedure it is important that the precise circumstances as set out in the Public Sector Directive justifying the use of the Negotiated Procedure exist.

Steps in the Procedure

- Identify and document in detail your requirements/specification (incl. documentation supporting use of Negotiated Procedure).
- In conjunction with the Procurement Unit draw up an Expression of Interest notice.
- Set the selection/qualification criteria and weighted procedure, the Expression of Interest notice document must state all of the criteria being applied in the award process, giving the relative weightings for each criterion.
- Seek authorisation to proceed from the relevant Head of Division and, where applicable, confirm that the project is included in Divisional project plans.
- Finalise the documentation in preparation for advertising.
- Invite expressions of interest in OJEU/other media, and allow appropriate time for expressions of interests to be submitted.
- Select/shortlist candidates (at least 3) who meet qualification criteria.
- Seek legal advice (if appropriate) and issue pre-qualified/short listed candidates (at least 3) with tender/proposal documents to negotiate and establish needs.
- Allow appropriate time for submission of tenders/proposals – the time allowed may be agreed between the parties involved.
- Evaluate tenders/proposals.
- Negotiate and conclude most economically advantageous terms with one, on an objective basis.
- Award contract.
- Publish a Contract Award Notice in OJEU after the selection of a successful candidate.
- Debrief unsuccessful tenders (as appropriate).
- File all relevant tender documentation for audit and Freedom of Information purposes.



5. Quotation & Tendering Procedures

5.7.6 EU Purchasing Procedure – Competitive Dialogue

This is a procedure, introduced under Article 29 of the revised public sector Directive 2004/18/EC, designed to provide more flexibility in the tendering process for more complex contracts, for example public private partnerships (PPPs). Procurement Unit should be contacted in advance of any division/department considering this procedure.

Fáilte Ireland must advertise their requirements and enter into dialogue with interested parties, (pre – qualified on the same basis as for restricted procedure). Through the process of dialogue with a range of candidates, Fáilte Ireland may identify arrangements or solutions which meet its requirements. Provided its intention is indicated in the contract notice or in descriptive documents supplied to candidates, Fáilte Ireland may provide for the procedure to take place in successive stages in order to reduce the number of solutions or proposals being discussed. The reduction must be achieved by reference to the award criteria for the contract.

In conducting the dialogue, Fáilte Ireland must ensure equality of treatment and respect for the intellectual property rights of all candidates. When satisfied about the best means of meeting its requirements, the contracting authority must specify them and invite at least three candidates to submit tenders. The most economically advantageous tender will then be selected. Aspects of tenders may be clarified or fine tuned provided that there is no distortion of competition or discrimination against any tenderer. This type of procedure can add considerable additional time to the tender/award process and should only be considered in limited circumstances where the contract is of some magnitude and where time is not of the essence.

5.7.7 EU Purchasing Procedure – Framework Agreements

Framework Agreements allow Fáilte Ireland to contract with single or multiple suppliers for the provision of goods and services over a defined period of time. Under Article 32, 2004/18/EC, the uses of Framework Agreements are discussed. It is suggested that Framework Agreements are most suitable in the case of repetitive purchases, to choose certain vendors who will be able to meet the purchaser's needs.

Effectively Fáilte Ireland go through the same procurement process, but instead of doing it for each project a panel of approved suppliers are created who provide specific services. Mini competitions are held between the approved suppliers to choose which one gets which piece of work. The terms of the agreement laid down at the time of the original tender cannot be changed substantially during the term of the contract. Pricing mechanisms will have been agreed as part of the framework agreement.

Types of Frameworks include:-

- Single Supplier Framework;
- Multi-supplier Virtual Catalogue;
 - Normally used where exact requirements can be determined - where the item does not change and has a fixed price. Lists of agreed products with fixed pricing can be displayed and purchases made by consulting the lists. Examples of products best suited would be stationery and computer consumables, etc.
- Multi-supplier Panel with mini-competitions;
 - Normally used where the exact requirements are not clear, for example print and design appoint approved suppliers on to a panel and they quote for each job as a separate “mini competition”. Thereby constantly generating competition between the approved vendors. This is like running a mini-tender process each time with a written specification and a set closing date etc.

There are a number of limitations to Framework Agreements, including the following:-

- Maximum duration of 4 years.
- For the “Multi-supplier” Frameworks (i.e. virtual catalogue and panel) there must be a minimum of three approved vendors. Two vendors are only permitted in instances where they are the only vendors to meet the “minimum selection / award criteria”.
- In relation to the Multi-supplier panel with mini competitions, Awarding Authorities are obliged to have mini competitions each time there is defined requirement. It is insufficient to get a quotation from one of the approved vendors on the panel, quotations must be sought from all approved vendors.

6. Authorisation Thresholds & Approvals

6.1 Introduction

Authorisation levels apply to all purchases. Authorisation should be sought as soon as the relevant cost and other necessary information is available. The maximum value of the purchase should be carefully estimated (the cumulative spend) to ensure the appropriate authorisation is sought. This should in practice be well advanced or completed before tender documents containing the agreed specification are issued. Under no circumstances may a contract be artificially split to circumvent the procedures outlined in this manual.

The Board of Management has overall responsibility for purchasing in Fáilte Ireland. However, authority has been delegated to Budget Managers and Heads of Division throughout the organisation. It is the responsibility of the Heads of Division to ensure that all staff involved in purchasing under their authority are aware of, and use, this Procurement Policy and Procedures Manual.

Individuals involved in purchasing must be aware of the timeframes involved with particular procurement processes. High value procurement requiring National and EU advertising have set time frames which cannot be reduced, hence early planning is critical.

This section details the authorisation required and subsequent quotation/tendering procedure which must be followed based on the estimated value of the purchase.

6.2 Between €1 and €5,000

- One written quotation is required. *To ensure value for money is obtained you may find it useful to seek more than one quote, for comparison purposes.*
- No tender form is required.
- Following approval, the quotation is passed to an Integra requisitioner who enters the details
- The requisitioner receives confirmation of approval by an email alert
- A Purchase Order is then created and should be issued to the supplier by the requisitioner.
- Where an existing contract is not already in place to meet this requirement, an individual purchase with a value of less than €5,000, ex VAT, must be approved by a Level 5 employee or higher.

Authorisation Thresholds & Approvals Process – Effective 1st January 2012

Type of Purchase	Value of Purchase	Approved by	Quotation/Tender Procedure
Goods/ Services	Between €1 & €5,000	Level 5 or higher	Low Value Procedure. Seek written quotation.
	Between €5,001 & €10,000	Level 5 or higher	Medium Value Procedure. At least 3 written quotations.
	Between €10,001 & €25,000	Level 3 (Manager) or higher	High Value Procedure. At least 3 written quotations.
	Between €25,001 & €50,000	Level 2 (Head of Division/General Manager) or higher	Formal Tendering – National Procurement Guidelines. Advertise on Government Procurement Website.
	Between €50,001 & €100,000	Director	Formal Tendering – National Procurement Guidelines. Advertise on Government Procurement Website.
	Between €100,001 & €209,000	Management Advisory Committee (MAC)	Formal Tendering – National Procurement Guidelines. Advertise on Government Procurement Website.
	Over €209,000 <i>(Note: €209,000 is EU threshold)</i>	Management Advisory Committee (MAC) Authority	EU Procedures - Open, Restricted or Negotiated (EU Procurement Directives apply).
Capital Works	Greater than EU Threshold (€5.186m for Capital Works)	Management Advisory Committee (MAC) Authority	EU Procedures - Open, Restricted or Negotiated (EU Procurement Directives apply)

The Procurement Unit must be contacted prior to any National EU and Capital Works purchasing. EU thresholds are revised every two years and up-to-date thresholds can be checked on the EU public procurement website <http://simap.eu.int>, which can be accessed via a link on www.etenders.gov.ie

6. Authorisation Thresholds & Approvals

6.3 Between €5,001 and €10,000

- A minimum of three written quotations are required.
- Tender threshold form must be completed and passed to an Integra Requisitioner for input to the system.
- The requisitioner receives confirmation of approval by an email alert.
- A Purchase Order is then created through the buyer authorisation process and should be issued to the supplier by the requisitioner.
- All supporting documentation must be filed for Audit and Freedom of Information purposes.
- Where an existing contract or Framework is not already in place to meet this requirement, purchases of between €5,001 and €10,000, ex VAT, must be approved by a Level 5 or above when the purchase is within his/her budget.

6.4 Between €5,001 and €25,000

- A minimum of three written quotations are required.
- Advertising on eTenders.gov.ie and national media should be considered (if appropriate).
- Tender threshold form must be completed and passed to an Integra Requisitioner for input to the system.
- The requisitioner receives confirmation of approval by an email alert.
- A Purchase Order is then created through the buyer authorisation process and should be issued to the supplier by the requisitioner
- All supporting documentation must be filed for Audit and Freedom of Information purposes.
- Where an existing contract or Framework is not already in place to meet this requirement, purchases of between €5,001 and €25,000, ex VAT, must be approved by a Level 3 (Manager) or above when the purchase is within his/her budget.

6.5 Between €25,001 and €50,000

- The process must be conducted in conjunction with the Procurement Unit.

- The contract must be advertised on the Government Procurement Website.
- Once the tender threshold form has been completed the Procurement Unit notify the requisitioner with confirmation of approval by forwarding a copy of the documentation to them.
- Details are then entered as a requisition followed by an email alert of approval to the requisitioner.
- All supporting documentation must be filed for Audit and Freedom of Information purposes.
- The Procurement Unit through buyer authorisation will process the purchase order.
- Once the purchase order has been created it should be issued to the supplier by the requisitioner.
- When an existing contract or Framework is not already in place to meet this requirement, purchases between €25,001 and €50,000 must be approved by a Level 2 (Head of Division) or above when the purchase is within his/her budget.

6.6 Between €50,001 and €100,000

- The process must be conducted in conjunction with the Procurement Unit.
- The contract must be advertised on the Government Procurement Website.
- Once Tender threshold form has been completed the Procurement Unit notify the requisitioner with confirmation of approval by forwarding a copy of the documentation to them.
- Details are then entered as a requisition followed by an email alert of approval to the requisitioner.
- All supporting documentation must be filed for Audit and Freedom of Information purposes.
- The Procurement Unit through buyer authorisation will process the purchase order.
- Once the purchase order has been created it should be issued to the supplier by the requisitioner.
- When an existing contract or Framework is not already in place to meet this requirement, purchases between €50,001 and €100,000 must be approved by a Director or higher.

6. Authorisation Thresholds & Approvals (contd.)

6.7 Between €100,001 and Current EU Threshold (€209,000)

- The process must be conducted in conjunction with the Procurement Unit.
- The contract must be advertised on the Government Procurement Website.
- Once the tender threshold form has been completed the Procurement Unit notify the requisitioner with confirmation of approval by forwarding a copy of the documentation to them.
- Details are then entered as a requisition followed by an email alert of approval to the requisitioner.
- The Procurement Unit must then obtain buyer approval before creating a Purchase Order and again notify the requisitioner with email approval.
- A Purchase Order is then created and should be issued to the supplier by the requisitioner.
- All supporting documentation must be filed for Audit and Freedom of Information purposes.
- When an existing contract is not already in place to meet this requirement, purchases between €100,001 and €209,000 must be approved by the Management Advisory Committee (MAC)

6.8 Greater than the Current EU Threshold (€209,000 for Goods & Services and €5.186m for Capital Works)

- The process must be conducted in conjunction with the Procurement Unit.
- The contract must first be advertised on the EU tender website and also the Government Procurement Website.
- A tender threshold form should be completed for such purchases and the Procurement Unit will notify the requisitioner of approval by forwarding a copy of the documentation to them.
- Details are then entered as a requisition followed by an email alert of approval to the requisitioner.
- All supporting documentation must be filed for Audit and Freedom of Information purposes.
- The Procurement Unit through buyer authorisation will process the purchase order.
- Once the purchase order has been created it should be issued to the supplier by the requisitioner.
- Where an existing contract is not already in place to meet this requirement, purchases amounting to greater than the EU Threshold of €209,000 (Goods/Services) and €5.186m, ex VAT (Capital Works) may be recommended by the Management Advisory Committee (MAC) and must be approved by the Authority.

7. Roles & Responsibilities

7.1 Introduction

Within the purchasing process, there must be clear roles and responsibilities which recognise and are inclusive of the key participants, and cohesively allow for best procurement practice outcomes. All individuals involved in purchasing goods and services on behalf of Fáilte Ireland are responsible for ensuring compliance with internal and external (National and EU) procurement policies and procedures.

Best practice indicates that purchasing policies are centrally controlled but also that authority should be delegated to selected user departments in the interests of efficiency and service to the users.

In this section we detail the roles and responsibilities of the individuals involved in the purchasing and procurement process:

- Requisitioner;
- Cross Functional Teams;
- Finance;
- Procurement Unit;
- Budget Manager/Head of Division (Purchase Approver);
- Management Advisory Committee (MAC)
- Director

7.2 Role of the Requisitioner

The role of the Requisitioner includes the following key activities:

- Plan and define/specify requirements.
- Check whether contracts already exists to meet requirements.
- Be aware of stock items held in storage thereby avoiding unnecessary procurements.
- Ensure the purchase requests receive the appropriate authorisation/approval depending on the estimated value of the purchase.
- Inform the Procurement Unit in circumstances where their participation is required.
- Ensure there is adequate time allowed for the procurement process.
- Participate, as required, in the quotation/tendering process.
- Participate in specification teams as required.
- Ensure compliance with National Procurement Guidelines/Regulations and EU Directives (as appropriate).
- File all quotation and tender documentation for audit and Freedom of Information purposes.

7. Roles & Responsibilities

7.3 Role of the Cross Functional Teams

Cross Functional Teams are groups of individuals brought together from throughout the organisation with particular technical/subject matter/user and procurement expertise required for particular purchases. The role of the **Cross Functional Teams** includes the following key activities:

- Plan/define/specify requirements and investigate purchasing options.
- Co-ordinate the tendering and purchasing cycles for specific major EU or annual contracts.
- Provide technical and subject matter expertise with regard to purchasing (e.g. IT, Digital & eBusiness).
- Decide on the most appropriate tender process and participate as required in the procurement process.
- Assist in the drawing up of tender documentation (including weighting award criteria).
- Assist in the evaluation of tenders against award criteria.
- Ensure compliance with National Procurement Guidelines/Regulations and EU Directives (as appropriate).
- Publish contract award notification and debrief supplier (as appropriate).

7.4 Role of Finance

The role of Finance includes the following key activities:

- Review the appropriateness of budget codes selected by the Budget Manager.
- Create new budget codes as required.
- Provide reporting information for Budget Manager, Senior Management and the Board as appropriate.
- Payment for goods or services which have been properly receipted on the system.

7.5 Role of Procurement Unit

The role of the Procurement Unit includes the following key activities:

- Ensure that Fáilte Ireland achieves value for money in the purchase of all goods and services without compromising the quality and service levels required.
- Ensure compliance with National Procurement Guidelines/Regulations and EU Directives.
- Tender Advisor, advise and recommend the most appropriate quotation/tendering procedure, as required.
- Get involved at the initiation stage of all contracts where advertising is required.
- Draft and place notices in the supplement to the EU Journal where thresholds demand.
- Manage the selection and scoring and tendering process.
- Co-ordinate the set-up and purchasing activities of the Cross Functional Teams.
- Be responsible for managing and negotiating major contracts in consultation with user departments.
- Provide training and support where appropriate to throughout the organisation.
- Purchase centrally sourced items and services.
- Alert Project managers to the cumulative spend by supplier when levels are approaching the thresholds.
- Supplier contract reviews
- Retain tender documentation required under EU and FOI regulations.

7. Roles & Responsibilities

7.6 Role of the Budget Manager / Head of Division

The Budget Manager and Head of Division have prime responsibilities to ensure that each purchasing activity is in full compliance with internal/external purchasing thresholds and procedures, National Procurement Guidelines & EU Directives and to ultimately ensure that value for money is achieved.

The Role of the Budget Manager / Head of Division includes the following key activities:

- Establish appropriate procedures to ensure accountability and the covering of expenditure approvals within the cost centre.
- Ensure that adequate internal operational controls exist in relation to procurement.
- Ensure compliance with National Procurement Guidelines and EU Regulations/Directives.
- Review procurement plan.
- Assist with requirements specification.
- Contact Procurement Unit where their participation is required (i.e. where advertising is required).
- Ensure the tendering process is effectively managed, where appropriate with Procurement Unit involvement.
- Assist with tender evaluation and communicating the decision to all suppliers.
- Approve purchases as per authorisation authority.
- Review all proposed purchases that exceed original expenditure approval.
- Obtain formal financial approval where estimated costs exceed the Budget Manager / Head of Division authorisation level.
- Create/develop purchase orders, SLAs, and formal contracts and manage the necessary approvals process.
- Check pricing on the invoice against the PO and ensure on timely payment of all supplier invoices that correspond with the written PO.
- Conduct day to day evaluation and management of supplier performance.
- Retain quotation tender documentation required under EU or Freedom of Information directives and regulations and ensure that copies are sent to Procurement Unit as appropriate.

7.7 Role of the Director

The role of the Director includes the following key activities:

- Review all proposed expenditure up to €100,000 (ex VAT).
- Authorise the planned expenditure, if appropriate.

7.8 Role of the Management Advisory Committee (MAC)

The role of the Operations Group includes the following key activities:

- Review all proposed expenditure greater than €100,000 (ex VAT).
- Authorise the planned expenditure, if appropriate.

Review all expenditure greater than €209,000 (ex VAT) before the proposal is brought before the Authority for final review and authorisation.

7.9 Training

All Fáilte Ireland staff who require access to the Integra financial system must receive Procurement and Integra Training before access can be granted. This training is delivered by the Procurement Unit. Separate training on budget management is available from the Finance Division.

In addition a training module covering Procurement only, is offered to all staff. This training is particularly relevant to staff involved in procurement processes in the course of their role. Staff should contact the Procurement Unit to arrange this training or include it on their Personal Development Plan (PDP) of their PMDS.

The training programmes are regularly updated to reflect changes to Procurement regulations and procedures.

A Procurement Check-list, covering the stages in a standard formal procurement process, is available on My Fi. Staff are advised to read this before commencing a procurement process.

7. Roles & Responsibilities

7.10 Buyer Authorisation Function (Procurement Unit)

The Buyer Authorisation function for requisitions with a value over €1,000 (ex. VAT) is run daily by the Procurement Unit. All requisitions with a value above €1,000 (ex. VAT) appear on this report.

The purpose of the Buyer Authorisation Function is as follows:

•Compliance with Procurement Policies & Procedures

Compliant requisitions that are under €5,000 in value (one quote required) are authorised. Compliant requisitions with a value between €5,000 and €25,000 (three quotes required) are authorised once the “3 quote” option is selected. All requisitions with a value over €25,000 should be subsequent to a competitive tender process handled in conjunction with the Procurement Unit.

•Tax Clearance Certificate Compliance

A Tax Clearance Certificate (TCC) is required for suppliers where payments equal or exceed €10,000 including VAT in any 12 month period. Publicly funded bodies such as colleges, Government Departments and other Public Bodies are exempt as well as organisations which have received Charitable Status from Revenue and now are in possession of a CHY number.

If TCC details have expired and a requisition for €10,000 or over is entered or if cumulative payments exceed this threshold in a 12 month period, this requisition is rejected and the requisitioner will be required to resubmit via the Requisition Amend function once new TCC details have been updated on Integra.

•Category Checking

All requisitions are checked to ensure the correct category has been selected. Any requisitions raised using an incorrect category are rejected. The requisitioner is required to amend the requisition, using the correct category, and re-submit.

In addition category reviews are undertaken by the Procurement Unit on an ongoing basis.

•Linking to Contracts

All requisitions entered, subsequent to a National or EU tender process, must be linked to a contract and this is checked at Buyer stage in order to ensure spend stays within the value approved. Any contracted requisitions not linked are rejected and the requisitioner must cancel these and re-raise using the Contract Tab. In addition, requisitions are checked to ensure they are within the scope of the contract.

All queries in relation to any of the above are made by e-mail to the requisitioner. All supporting documentation is filed with the buyer report on day of issue of the Purchase Order.

Monitoring

A number of non-contracted requisitions below €25,000 will be checked daily and copies of quotes requested.

All requisitions with a value over €25,000 are checked to ensure compliance and investigated if necessary.

All supporting documentation is filed with the buyer report on day of issue of the Purchase Order. Ultimately it is the business unit’s responsibility to maintain all quotes for audit purposes.

There will also be ongoing monitoring of spend on supplier accounts to ensure multiple low value requisitions are not being raised in an unreasonable fashion and to monitor cumulative spend.

Exceptions Report

If a requisitioner fails to follow the procedures as outlined above, an escalation process takes place where approval is required, by e-mail, by their Head of Division. This then appears on the Exceptions Report which is submitted monthly to the MAC.

Possible exclusions to the above

Including but not limited to: rent, maps provided by the Ordnance Survey; subscriptions to organisations, bodies, and membership; specific events which take place (for example, stand space or the cost of attending events); niche/trade advertising outside Ireland, the engagement of some individuals to chair or participate in certain groups or fora, for example, by ministerial appointment; instances where there is no alternative, for example, where compatibility with a certain technology is required or an occasional situation where there are no genuine alternatives in the market; Grant, Sponsorship and Trade & Conference Support type payments.

8. Formal Tendering Process

In this section we detail the procedures to be followed when a formal tendering process is undertaken, including the following:

- Specification of requirements
- Selection of potential suppliers
- Developing tendering documentation
- Developing award criteria
- Delivery and opening of tenders
- Post tender clarification meetings
- Evaluation of tenders and contract award
- De-briefing un-successful suppliers
- Contract management and supplier performance management
- Filing and storage of tender documentation
- Risk Management

A number of templates to guide and assist with the formal tendering process have been developed by the Procurement Unit, including:

- Invitation to Tender Template (ITT)
- Tender Record Sheet
- Tender Evaluation Matrix
- Successful / Unsuccessful Template Letter

8.1 Specification of requirements

Prior to any quotation or tender being sought, it is important that a clear and comprehensive list of all requirements is compiled, agreed and set out. Each element should be checked to ensure that the stated need is clearly defined, that it matches the actual requirement and that it is neither over or under specified. Care should be taken also to ensure that the wording of the stated requirement is not drafted in such a way, or construed to be drafted in such a way as to limit the number of potential suppliers.

Consolidation should be given to ensuring the whole life cycle cost of the contract is included in the estimated tender value.

There are basically 3 types of specifications:

- Functional Specification:
 - This is a clear indication of the purpose, function, application and performance standards expected of the supplied material or service during its operational life.
- Technical / Design Specification:
 - This details the characteristics of the product to be purchased. It can also include how the product is to be manufactured, and details the physical dimensions including the materials to be used. (Most often used in Capital Works contracts).
- Combination
 - This will include both Functional and Technical features. This is the recommended type that should be used for the purchase of goods/services.

Technical specifications must afford equal access for tenderers and not create unjustified obstacles to competition. Specifications should be formulated by reference to recognised standards or in terms of performance or functional requirements. The scope of requirements should include the actual deliverables and thereby define the supplier's responsibilities, The use of trade or brand names should be avoided as this too could serve to limit the number of potential suppliers and stifle competition.

8.2 Selection of potential suppliers

Commonly required goods and services are most likely to be on contract, having gone through a competitive tendering process. Individuals purchasing should check first with the Procurement Unit to determine whether an existing contract or framework agreement exists. Where contracts already exist to meet requirements orders should be placed with these suppliers at the agreed contract price.

If there are no suitable contracted suppliers available the purchaser must obtain quotations and request tenders from other suppliers and follow the quotation and tendering procedures outlined earlier in this manual.

8.3 Developing tendering documentation

The procedure for seeking tenders is designed to not only obtain value for money for Fáilte Ireland, but also to protect Fáilte Ireland in the event of any subsequent dispute/action by a disappointed supplier. Fáilte Ireland policy is to ensure all potential suppliers are given an equal and fair opportunity to win business with the organisation. Therefore particular attention should be given to the criteria for qualification and award of contract. Tender documents are usually put together by the Budget Manager/Head of Division, Project Teams and the Procurement Unit. Standard tender documents often include/request the following information:

- An overview of the organisation and any relevant background information to the requirement;
- Contact details for query handling/clarifications and the rules relating to both;
- The specification or statement of requirements;
- Instructions to the tenderers in relation to the response and the required format, often including document templates for tenderers to complete in their response;
- Requests for detailed information from tenderers across several areas (i.e. products, technological capabilities, project management, services, methodologies, approach, experience and references etc.);
- A request for pricing from suppliers on the product(s) /service(s) for tender and specific instructions on completing the pricing sections (often suppliers are requested to fill a pricing template);
- Details of the tender award criteria, methodology and weighting for each criterion;
- Details of the method of evaluation (shortlisting, call for presentation);
- Conditions applicable to the contract and any obligations and restrictions imposed by Fáilte Ireland

Where EU quotation/tendering procedures apply, in particular the Restricted Procedure, please refer to the detailed steps laid out in Purchasing Policies and Procedures Manual and seek assistance from Procurement Unit. The above list is representative of the type of information required and requested in a standard tender document. This list is not exhaustive.

8. Formal Tendering Process

8.4 Award criteria

In developing award criteria it is important to assess each supplier's offering and capabilities across a broad range of criteria. Price is only one of the three major factors which include service capabilities, fit and analysing supplier responses to stated requirements. Contracts should be awarded only to suppliers who can demonstrate the necessary qualifications, capabilities and experience.

Contracts should be awarded on the basis of "the lowest price" or the "most economically advantageous tender" (MEAT). The criteria selected to identify the most economically advantageous tender should adequately address:

- Price (incl. total life-cycle cost of proposal);
- Capacity and capability of the tenderer;
- Quality of supplies, works or services;
- Technical and functional characteristics;
- After sales service and technical assistance;
- Environmental impact.

The award criteria and weighting will vary depending on the nature of the purchasing. Award criteria must be determined and agreed prior to selection and evaluation.

8.5 Delivery and opening of tenders

The process of receiving, opening and recording tenders must be conducted in a manner that ensures the integrity of the tendering process.

Late tenders have the potential to:

- Bring into question the integrity of the tendering process especially where the 'late tender' is received after bids have been opened.
- Disadvantage other tenderers by affording the 'late tenderer' additional time to prepare a bid and accordingly cannot be considered.

Fáilte Ireland tender delivery instructions must be clear and explicated to all prospective tenderers at the invitation to tender stage; the tender receipt arrangements are to be made as fail-safe as possible.

Tenders should be opened as soon as possible after the closing date and time, and should be opened by at least two authorised Fáilte Ireland personnel.

8.6 Post tender clarification meetings

Post-tender clarification meetings with the provisionally successful tenderer, or with short-listed suppliers, should be used for fine tuning or clarification purposes.

Dialogue with tenderers that could be construed as "post tender negotiation" on price, or could result in significant changes to the published tender specifications must be avoided.

Government and EU Directives are very clear on this and to do so would put Fáilte Ireland at risk to formal challenges and complaints from other unsuccessful bidders or criticism from both Comptroller and Auditor Generals and Internal Audit.

If the outcome of such a meeting is considered to have materially altered the contract, or to have deprived another tenderer of an equal opportunity to win the contract, the process could be rendered invalid. Please contact Procurement Unit for advice in this matter.

8.7 Tender evaluation and contract award

Evaluation of tenders in Fáilte Ireland must be carried out by a suitably competent individual or a team with considerable knowledge of the goods or services and procurement expertise. Procurement Unit shall provide assistance as required.

The evaluation and award process must be demonstrably objective and transparent and based solely on the published award criteria. A scoring system based on all the relevant weighted criteria should be used in scoring all formal tenders as this will easily indicate a comparative assessment of tenders under each criteria. Total life-cycle costs must be calculated at evaluation stage and should include estimated cost of disposal where relevant. The standard **Fáilte Ireland Evaluation matrix** must be used for all tender evaluations. Please contact Procurement Unit for further details. Minutes should be kept of all tender evaluation meetings. There should be a consensus among the evaluation team as to which tender was successful and the supplier which should be awarded the contract, taking full account of the objective results of using the evaluation method advertised. If there is no such consensus, the Head of Division responsible for the contract should adjudicate. Each participant to the tender evaluation team should sign-off on their agreement on the final decision of award.

It is important that all tender evaluation decisions are in writing and are filed for audit and Freedom of Information purposes.

8. Formal Tendering Process

8.8 Contract management and supplier performance management

Proper records and files must be maintained for all procurement activities. It is the responsibility of the Budget Manager/Head of Division or his/her nominee to maintain these records and files in a safe and secure place for audit and Freedom of Information purposes. Having access to this contractual information plays a large role in assisting Fáilte Ireland:

- Reduce organisation risk;
- Make informed decisions on budgets and forecasts;
- Consolidate expenditure and avoid unnecessary expenditure.

Procurement Unit must have a view at all times on what contracts are in place, being negotiated and are about to expire. All contracts are issued by the Procurement Unit.

Contracts must be managed through conception, negotiation, signature, implementation and renewal or renegotiation by the business unit.

A contract is only useful if it is correctly enforced in line with the agreed terms and conditions. To achieve this, an organisation must monitor and manage supplier performance. The Budget Manager/Head of Division with overall responsibility for a particular contract must:

- Ensure Key Performance Indicators (KPIs) have been met in accordance to the mutually agreed contract;
- Ensure that Service Levels have been met (if applicable); and
- Track supplier compliance over the lifetime of the contract to get a holistic view of supplier performance.

Contract Extensions

Contract expiry dates are captured on the tender box file list (daily working document).

It is preferable, where possible, to have the full value of a contract approved at tender award stage at the appropriate level.

Upcoming tenders approaching their expiry date are reviewed regularly by the Procurement Unit. If there is an option to extend the contract, Procurement will discuss with the project manager the requirement for the extension and request a contract review.

If not already approved at tender award stage, approval for the contract extension value is sought at the appropriate level. Once this is received a contract addendum is issued to the supplier by the Procurement Unit.

8. Formal Tendering Process

8.9 Filing and storage of all tender related documentation

Quotation, tender and contract files should be stored in a safe and secure location for audit and Freedom of Information purposes. Quotation, tender and contract files should include records of the following:

- Documentation relating to Fáilte Ireland purchase approval;
- Invitation to Tender (ITT) Contains the following
 - Documentation relating to the specifications/description of work;
 - Pass Fail Criteria;
 - Information relating to award criteria;
 - Information relating to instructions to potential tenderers including the conditions of contract and award criteria;
- Tender Record Sheet;
- Copies of tenders or quotations received;
- Minutes of negotiation/clarification meetings, where appropriate;
- Minutes from tender evaluation meetings and contract sign-off where appropriate;
- Letters to successful and unsuccessful tenderers;
- Signed contract;
- Contract Award notice;

8.10 Risk Management

Risk is defined as 'the chance of something happening that will have an impact on objectives'. It is measured in terms of consequence and likelihood. Examples of the types of procurement risks which should be considered include the following:

- The evaluation process fails to identify the best value for money supplier or supplier who is most economically advantageous;
- Fáilte Ireland is unable to agree favourable terms with the supplier;
- Financial risk;
- Risk of service failure/under performance/poor service delivery;
- Loss of key project management/procurement staff;
- Insufficient resources and skills;
- Funding cannot be secured/authorised for the full period of the contract;
- Economic/market risk (inflation, downturn in the economy);
- Contract Law and National EU Regulatory risk (New legislation, loss of intellectual property rights);
- Organisational /management factors (e.g. lack of support, poor processes); and
- Environmental/health & safety risks.

We expect suppliers to assist Fáilte Ireland to reduce some of the risks outlined above where possible and we may expect the supplier to accept or share the risk.

The key activities in procurement risk management are as follows, to:

- Track, manage and report risks associated during all aspect of the quotation and tendering phase;
- Following the evaluation/selection process, identify any additional risks arising prior to contract award and any likely to occur during the contract implementation phase; and
- Develop possible mitigation/contingency strategies where appropriate

Appendix A - Freedom of Information

The EU Treaties set out the principles of fairness and openness in public procurement. EU Public Procurement Directives establish particular legal obligations on Contracting Authorities where the value of the contract is over specified thresholds. The guiding principles of openness, fairness and transparency will always apply however, irrespective of the value of the particular contract.

With the introduction of the Freedom of Information Act, public bodies are not in a position to give guarantees of confidentiality. It is suggested instead that public bodies should be proactive in taking measures to enable them to effectively manage the tendering process in an FOI context.

According to FOI guidelines, Fáilte Ireland is advised to:

- Develop a policy setting out the information that would be routinely released regarding the tender process, outside of Freedom of Information.
- Be careful not to introduce bias into the specification of requirements.
- Be specific about the criteria against which applications will be evaluated. Advertisements or tender documents should clearly indicate the following:
 - Qualitative selection criteria (i.e. minimum mandatory requirements) - these might include evidence of financial standing, technical capability.
 - Award criteria - this may be either the lowest price or the most economically advantageous tender (i.e. using various criteria such as price, period for completion, running costs, technical merit, etc.)
- Document carefully the decision making process in relation to the selection of the successful tender. Where feasible, allocate weighting to the award criteria.
- Give good detailed reasons for decisions to unsuccessful tenderers.
- Inform all potential suppliers at the outset:
 - About FOI when issuing requests for tenders or placing advertisements in the newspapers; and
 - Of Fáilte Ireland policy regarding information it intends to release outside of the FOI Act.
- Ask applicants to identify sensitive information when forwarding material to you.
- Consult with the person or company concerned before making a decision on an Freedom of Information request by a third party.

Appendix B - Withholding Tax & Tax Clearance Certificates

Various Finance Acts have provided regulations relating to procurement which are specific to the public sector. Fáilte Ireland is therefore affected by regulations concerning withholding tax, and tax clearance certificates.

Withholding Tax

Under the Taxes Consolidation Act 1997 withholding tax must be deducted from payments made by Public Sector Bodies in respect of professional services. Under the legislation, Fáilte Ireland is obliged to deduct tax at 20% from payments to certain suppliers.

The tax applies to payments in respect of professional services including accountancy, auditing, legal, IT, economic and marketing services and any relevant expenses. This list is not exhaustive.

Please contact Accounts Payable / Finance and visit www.revenue.ie for further information regarding Withholding Tax.

Tax Clearance Certificates

All payments for supplies or services above €10,000 (inclusive of VAT) come within the scope of the Tax Clearance Scheme. The threshold applies to individual payments or to cumulative payments over any 12-month period. In general, Fáilte Ireland is prohibited from transacting business above this threshold with anyone who does not hold a valid Tax Clearance Certificate.

Please contact Accounts Payable / Finance and visit www.revenue.ie for further information regarding Tax Clearance Certificates.

Appendix C - Responsible Purchasing

Introduction

Fáilte Ireland is committed to purchasing responsibly. This means:

- Effectively meeting the purchasing needs of the internal customers in the organisation;
- Taking into consideration the impact decisions made on people and the environment both now and in the future;
- Ensuring Fáilte Ireland acts ethically at all times in its dealings with colleagues, stakeholders, suppliers, and potential suppliers;
- Complying with financial and procurement regulations both internal and external (National Procurement Guidelines and EU Directives) while taking reasonable steps to ensure that others act accordingly.

In this section we outline Fáilte Ireland policy with regard to responsible purchasing. In the following paragraphs we outline in more detail the various aspects of this policy:

- Ethical standards
- Environmental impact
- Green Procurement
- Equalities considerations
- Health & safety
- Ethical sourcing
- Accessibility

Ethical Standards

Fáilte Ireland has a corporate responsibility to develop and protect its reputation for ethical behaviour and fair dealing in the context of its business. This is never more important or potentially risky than when it engages in purchasing activities. Full details of Fáilte Irelands Ethics Policy are available on My Fi.

At a minimum all suppliers must be treated fairly & equitably at all times and individuals involved in the purchasing process must act with integrity and honesty.

The Government has published a guide on ethics in public procurement and this is available to download on the eTenders website at the following link <http://www.e-tenders.gov.ie/guides>. **[Note: Authorisation access required]**

Environmental Impact

It is Fáilte Ireland policy to minimise adverse impacts on the environment, improve sustainability and act as a role model by carrying out its purchasing activities in an environmentally responsible manner. Fáilte Ireland aims to continually improve its environmental purchasing performance by:

- Complying with all relevant statutory regulations that impact on procurement and requesting that suppliers (and their supply chain) do the same.
- Detailing sustainable and environmentally responsible products or services within specifications (where possible and appropriate).
- Including sustainable and environmental criteria within the process for supplier appraisal, contract award and supplier performance management, as appropriate.
- Ensuring that ample opportunity is given to suppliers to submit various sustainable and environmentally responsible bids at tender stage.

A handbook entitled "Buying Green!" discusses environmental public procurement is available on the eTenders website at the following link <http://www.e-tenders.gov.ie/guides>. The guide details the many initiatives throughout the EU that promote green public procurement and provides practical information to help public authorities successfully in launching a green purchasing policy.

Appendix C - Responsible Purchasing

Green Procurement

Green procurement is an approach that aims to integrate environmental considerations into all stages of the Fáilte Ireland purchasing process. Green procurement for example may cover the purchase of energy efficient computers, office equipment made from environmentally sustainable timber or recycled products, other materials that are easily recycled and buying energy from renewable resources. If a procurement is deemed necessary, it will generally include stages that are governed by certain rules. Each stage offers opportunities to take environmental issues into account. The following main points should be considered during purchasing;

- Develop green purchasing strategies
- Assess environmental impacts
- Consider life cycle costs of a contract and sustainable patterns of behaviour
- Consider costs and availability of environmentally superior alternatives.

Equality Considerations

It is Fáilte Ireland policy that appropriate equality considerations be incorporated into the production of specifications, evaluation of tenders, and supplier performance evaluation. As such, Fáilte Ireland will:

- Comply with all relevant statutory regulations that relate to equal opportunities, racial equality and disability and request that suppliers (and their supply chain) do the same.
- Include equality issues within specifications (where possible and appropriate).
- Include equality criteria in the process for supplier appraisal, contract award and supplier performance management, as appropriate.
- Equality considerations will be particularly relevant when a contract requires, or is likely to require:
 - A supplier to provide staff to work on Fáilte Ireland premises.
 - Supplier's staff to interact with Fáilte Ireland staff on a frequent or on-going basis.
 - A supplier to provide services to members of the public, or to other organisations, on behalf of Fáilte Ireland.

Further information on the Government and EU Policy on Equality is available from the Equality Authority website, www.equality.ie.

Appendix C - Responsible Purchasing

Health & Safety

It is Fáilte Ireland policy that all suppliers working for Fáilte Ireland, or within their offices, abide by the Fáilte Ireland Health and Safety procedures and all relevant Health & Safety legislation.

Fáilte Ireland aims to continually improve its Health and Safety performance by:

- Complying with all relevant statutory regulations that relate to Health and Safety and obliging suppliers (and their supply chain) to do the same.
- Ensuring that suppliers abide by Fáilte Ireland policy and procedures when working within the organisations premises.
- Including Health and Safety issues within specifications (where possible and appropriate).
- Including Health and Safety criteria in the process for supplier appraisal, contract award and supplier performance management (where possible and appropriate).
- Implementing assessment and control measures to eliminate or reduce any potential risks associated with work carried out by Fáilte Ireland and/or its suppliers.

Further information on the Government and EU Policy on Health & Safety in the workforce is available from the Health & Safety Authority website www.hsa.ie.

Ethical Sourcing

It is Fáilte Ireland policy to actively support and encourage suppliers to create and maintain an ethical supply chain for the direct procurement of goods, services and capital works.

Accessibility

Before you embark on a procurement, it is a good idea to be aware of some of the basic principles underlying accessibility and how best to achieve an accessible solution:

- Focus on service quality and consider the access needs and requirements of suppliers,
- Apply universal design principles,
- Assess the ease of use and involve end users in specification design,
- Drive forward an accessibility policy.
- The most efficient and cost effective way to deliver a service is usually to do it in a single way that caters flexibly for everyone's needs. Individual adaptations tend to be costly.
- The time to start considering accessibility is before the design stage. When accessibility is considered too late in the design lifecycle, it is often not possible or too costly to address fundamental barriers.

Appendix C - Responsible Purchasing

Value for Money

The main aim of any policy on procurement is to achieve value for money having regard to probity and accountability. While price is very important in determining value for money outcomes in procurement and for certain categories of purchases in particular, it is not the only variable that needs to be considered. Value for money also encompasses non-cost factors. When making purchases of goods or services, consideration should be given to whether they are fit for the purpose for which they are intended, whether the goods or services provided are of sufficient quality and whether the level of service or support provided meets the requirements. There are other issues that should also be considered including whole-of-life and transaction costs associated with acquiring, using, holding, maintaining and disposing of the goods or services. Value for money in procurement is, therefore, the optimum combination of whole-life costs and/or price, where appropriate, and quality (or fitness for purpose) to meet the user's requirements.

Under section 4(f) and (g) of the Public Service Management Act (PSMA) 1972, departments and scheduled offices are required to provide cost effective public services, achieve better use of resources and comply with the requirements of the Comptroller and Auditor General (Amendment) Act 1993. Similar rules, which require value for money outcomes, apply to bodies which are audited by the Comptroller and Auditor General.

Lifecycle costing

Defining the price of a contract is difficult and whole life costing is one solution. The UK Chartered Institute of Purchasing and Supply suggests that Whole Life costing should cover:

- purchase and all associated costs (delivery, installation, commissioning, etc).
- operating costs, including energy, spares, and maintenance.
- end of life costs, such as decommissioning and removal.

These costs should be factored in the award stage to ensure that they are taken into account when determining the most economically advantageous tender. This will help you get a product with a better environmental performance, as the process will reveal costs of resource use and disposal that may not otherwise have received proper attention.

Value for money requires taking into account whole life costs to the greatest extent possible. That includes all aspects of cost, such as running and maintenance costs, disposal cost and other indirect costs as well as the initial purchase price.

Appendix D – Glossary of Useful Terms & Useful Websites

Glossary of Terms

- Public Contract : a contract for the provision of works, supplies or services to a contracting authority. It includes all procurements, not just those which are undertaken on the basis of a full tendering process and formal signing of a contract
- ITT (Invitation to Tender) : all the documentation related to the tendering process. It normally includes a general overview of the tender requirements, a detailed specification of requirements, the format and structure for submission of tenders, how tenders will be examined and the criteria on which they will be evaluated, and some general conditions of tendering. The RFT should normally include a set of conditions for a contract which will be concluded with the successful tenderer.
- Direct Tendering : (sometimes referred to as restricted or selective tendering) a tendering process where a number of suitable contractors, suppliers or service providers are invited to submit tenders for contracts below EU thresholds without public advertising.
- Restricted Procedure : a procedure under EU procurement Directives whereby expressions of interest are invited through a notice in the OJEU (and other appropriate media) and only those who meet certain qualification criteria are issued with the full tender documentation and invited to submit tenders.
- Qualification Criteria : exhaustive criteria (set out in Articles 45 to 48 of Directive 2004/18/EC) to be used in pre-qualifying / pre-selecting candidates who are invited to submit tenders. The criteria relate to a candidate's professional conduct and standing, professional or technical expertise, financial or economic standing, general capacity and competency, i.e. criteria which relate to a candidate's character and capability to perform a particular contract. Proposals in relation to a particular project are not sought and are not a consideration at this stage.
- OJEU : Official Journal of the European Union.
- Award Criteria : criteria, set out in tender documentation, on which tenders will be evaluated and the award of the contract will be based, i.e. relating to how a tenderer addresses and proposes to perform or deliver the object of the contract and at what cost.
- Prior Indicative Notice (PIN) This is a statement of intent by public sector bodies of planned expenditure. This notice does not oblige the public bodies to seek tenders in any particular case and is not mandatory.
- A 'framework agreement' is an agreement between one or more contracting authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged.
- An 'electronic auction' is a repetitive process involving an electronic device for the presentation of new prices, revised downwards, and/or new values concerning certain elements of tenders, which occurs after an initial full evaluation of the tenders, enabling them to be ranked using automatic evaluation methods.

Useful Websites

- National Public Procurement at www.etenders.gov.ie.
- Department of Finance at www.finance.gov.ie
- Irish Statute Book at www.irishstatutebook.ie
- EU Procurement Information <http://simap.europa.eu/>
- Office of Government Procurement www.procurement.ie