

# Muiriosa Foundation

<b>Title:</b>	<b>Procurement Policy</b>
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<b>Agreed by: CEO</b>	<u>Brendan Broderick</u>	Date: 15-5-2018



# **Muiríosa Foundation Procurement Policy**

**April 2018**

**10/04/2018**

## **Section 1 Introduction & Scope**

The Muiriosa Foundation's core purpose is to deliver on its mission and vision for people who use its services. Procurement supports the Muiriosa Foundation to achieve its core purpose. In the context of achieving its mission Muiriosa will strive to achieve conformance with the requirements of the Public Procurement Guidelines (PPG).

This document states that the Muiriosa Foundation's policy for the purchase of all goods, services and works is with the objective of ensuring an open, transparent, cost effective and legally compliant approach to procurement, which accommodates Regional and Departmental choice. The document relates to acquisition of goods, services and works in all Regions and Departments.

### **1.1 Procurement Objectives**

Procurement should always be undertaken with the objectives of:

- Securing maximum Value for Money (VFM).
- Complying with the public procurement guidelines.
- Ensuring Office of Government Procurement (OGP) and or HSE contracts are used where possible.
- Complying with all relevant legislation and avoidance of risk to the Muiriosa Foundation.
- All purchases should be approved - at the relevant Central, Regional or Departmental level.

In pursuing these objectives, the Muiriosa Foundation also requires that procedures and processes are in place to ensure that:

- The competitive process is carried out in an open, objective, transparent manner, non-discrimination, equal treatment, mutual recognition, proportionality, freedom to provide service and freedom of establishment.
- Competitive bidding and tender processes are performed.
- Suppliers are appropriately selected and authorised for use.
- Suppliers are monitored for performance.
- Goods/services and works are purchased only with proper authorisation.
- Goods/services and works received are correctly recorded.
- Payments are only made for goods / services / works received and authorised.

For assistance / support, please contact the Muiriosa Foundation procurement officer.

### **1.2 General Principles**

The Procurement Policy recognises that a combination of centralised, Regional and Departmental procurement is the most appropriate method to achieve the procurement objectives within the Muiriosa Foundation. Regions

and Departments must use centrally negotiated framework / contract agreements (where they exist), in order to maximise purchasing power for the whole of Muiriosa Foundation and to obtain optimum value for money. In specialist areas the technical needs of the buying will be through the Region or Department who will determine the specification. The Procurement Officer will then help to arrange competitive quotations / tenders as appropriate, assisting Departments to meet the terms of the Procurement Policy. It is mandatory to use contracts established by the OGP/ HSE. The EU Directives cover contracts for:

- Works - building 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.

### **Section 3: Procurement Policy**

This policy, issued on the 10th April 2018, includes updated procurement procedures and guidelines. The Muiriosa Foundation recognises the importance of good purchasing practice to obtain Value for Money and to ensure the Muiriosa Foundation's funds are used to best effect.

All purchases should comply with this Procurement Policy and the Public Procurement Guidelines. A written record of all procurement contracts and agreements entered into must be maintained within the department for audit purposes, and in case of future contractual challenge. All contracts / agreements will be stored on the I.T storage system.

The procurement of goods, services and works can be purchased by the following methods:

- a). Purchase Order Process
- b). Cheque Request process
- c). Cash process
- d). Registered invoice process
- e). Tender process – See below
- f). Credit Card Process

To enable effective procurement a 3 year procurement plan is prepared by the procurement officer with input from other departments.

#### **3.1 Tendering Thresholds**

The current thresholds for quotations and tenders are as follows (exclusive of vat);

## **PROCUREMENT VALUE THRESHOLDS FOR SUPPLIES, GOODS & SERVICES**

<b><u>&lt; €4,999</u></b>	<b><u>€5,000 - €24,999</u></b>	<b><u>Cumulative or Single Value</u></b> <b><u>€25,000 - €208,999</u></b>	<b><u>Cumulative or Single Value</u></b> <b><u>€209,000</u></b>
Seek one or more written quotations from competitive suppliers.	Seek Three written Request for Tenders based on a specification	<i>National Tender</i> <ul style="list-style-type: none"> <li>• Advertised for a minimum of 21 Working days</li> <li>• Evaluated by the tender team</li> <li>• Awarded subject to standstill period of 16 days</li> </ul>	<i>EU Tender</i> <ul style="list-style-type: none"> <li>• Advertised for a minimum of 30 days</li> <li>• Evaluated by the tender team</li> <li>• Awarded subject to standstill period of 16 days</li> </ul>

Tender values must be based on the cumulate cost of the contract/ agreement.

## **PROCUREMENT VALUE THRESHOLDS FOR BUILDING WORKS**

### **Building works under €50,000 ; (As per Public Procurement Guidelines)**

In relation to works projects below €50,000 (including VAT), while there is no requirement to advertise on e-tenders or elsewhere, the principle of transparency and non-discrimination still needs to be satisfied. Five contractors should be invited to tender with the expectation that five tenders will be submitted. If fewer than five contractors submit tenders, then the project manager can only proceed with the award if they consider that there has been genuine competition and that the tender selected represents value for money.

### **Building works over €50,000 (as per Public Procurement Guidelines)**

In relation to works projects over €50,000 (including VAT), you must advertise on e-tenders.

If professional services are required to assist in the building works project, their costs are not included in the overall cost of the project. These costs fall under goods / services category and are classed as separate to building works.

### 3.1.1 Criteria for Awarding Contracts under the Tender Process

Tenders should be awarded on the basis of:

a) The lowest price tender;

**or**

b) The most economically advantageous tender (specifying, in addition to price, various other criteria including running costs, servicing costs, level of after sales service, technical assistance, technical merit, environmental characteristics).

When a contract is being awarded on the most economically advantageous basis, the notice or the tender document **must** state that all of the criteria being applied in the award process, giving the relative weightings for each criterion. If it is not technically possible to indicate criteria weightings in advance, they must be listed in descending order of importance. New or amended criteria must not be introduced in the course of the contract award procedure.

**Please note that where these procedures are not applied, a justifiable explanation must be documented and signed by the responsible Manager and kept as part of the overall tender process documentation for audit purposes.**

### 3.2 Confidentiality

Confidentiality is a prerequisite of the Muiriosa Foundation's participation in Government, Public Sector, Health sector consortia contract arrangements. Product information and costs of a supplier must not be disclosed to a competitor or used as the basis for a one-off purchase. Although in the short term such negotiation may be advantageous, in the long term it can create a loss of confidence and inhibit future benefits, i.e. it may directly affect the level of future competition.

### 3.3 Conditions of Contract

Muiriosa Foundation Standard Terms and Conditions of Contract (Purchase) (T&C's) must be used when entering into contracts for the supply of goods or services where a centrally negotiated contract does not exist. Purchasers should review carefully a supplier's conditions where these are to be applied and in the case of substantial discrepancy with Muiriosa Foundation T & C's or of doubt about the implications of a supplier's conditions.

### 3.4 References

Specific legislation impacting Muiriosa Foundation Procurement procedures includes (but is not limited to):

- EU Procurement Directives 2014;
- Public Procurement Guidelines;
- Construction Procurement;
- [www.etenders.gov.ie](http://www.etenders.gov.ie) ;
- Late Payment in Commercial Transactions Act 2002;
- Sale of Goods Act 1980;
- Freedom of Information Act 1997 & Amendment 2003;
- Transfer of Undertakings (TUPE) 1980;
- Waste Electrical and Electronic Equipment (WEEE) Directive 2002/96
- Safety, Health & Welfare Act 2005;
- Protection of the Environment Act 2003

### 3.5 EU Directives:

Purchasing within the Muiriosa Foundation is subject to the legislative requirements of EU Regulation and Directives as embodied in (and enforceable via) Irish law. The Muiriosa Foundation is classified as an “Other Public Sector Contracting Authority” under the EU Public Sector and Utilities Procurement Directives due to the way in which it receives funding.

EU Directives require that all purchase requirements (tenders) above “Threshold Values” for the time being in force are open to European Competition. Tenders with a value above the applicable Threshold Value must be published in the supplement to the Official Journal of the European Union (OJEU), and a set process with prescribed timescales for tendering etc. need to be followed. Below the Threshold Values there needs to be competition to satisfy the Irish Government Procurement Rules, and the general principles of Non-Discrimination, Equal Treatment, Transparency, Mutual Recognition and Proportionality need to be demonstrable.