



Corporate Procurement Plan 2021-2024



Comhairle Chontae Uíbh Fhailí
Offaly County Council

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Acronyms

BPI – Business Process Improvement

CE - Chief Executive

CPP – Corporate Procurement Plan

CWMF - Capital Works Management Framework

DoS - Director of Services

LEO - Local Enterprise Office

LGMA - Local Government Management Agency

LGOPC - Local Government Operational Procurement Centre

LGSPC - Local Government Strategic Procurement Centre

MT- Management Team

OCC - Offaly County Council

OGP - Office of Government Procurement

PO - Procurement Officer

PU –Procurement Unit

ProcRef - Procurement Reference field in Financial Management System (FMS). It identifies the specific contract under which a spend is made

SupplyGov - Procurement System which facilitates the procurement of Plant Hire and Minor Building & Civil Works

1 Introduction

1.1 Overview

This Corporate Procurement Plan (CPP) sets out Offaly County Council (OCC)'s procurement objectives for the period 2021 – 2024 which reflect EU, National and OCC procurement policies and priorities. OCC is committed to making the most effective use of the resources available to our organisation. A fundamental component of this approach is to ensure efficient service delivery using compliant, equitable and transparent procurement processes that deliver value for money.

OCC is fully committed to using local goods and services where possible and procurement plays an important role in achieving this. Procurement has been part of the everyday activities of Local Authorities for many years, and has vastly changed the way OCC does business. This CPP covers a four-year period and will be reviewed annually.

1.2 Definition of Public Procurement

Public Procurement can be seen as “the acquisition, whether under formal contract or not, of works, supplies and services by public bodies. It ranges from the purchase of routine supplies or services to formal tendering and placing contracts for large infrastructural projects by a wide and diverse range of contracting authorities’. EU and Irish public procurement rules govern the purchases by public bodies of works and works related activities, goods and services.

1.3 Corporate Procurement Plan Purpose

This Corporate Procurement Plan (CPP) identifies the procurement actions that will be implemented over the four-year period 2021-2024. This plan has been prepared in accordance with the Office of Government Procurement (OGP) Corporate Procurement Plan Information Note published in January 2019 which provides guidance to contracting authorities in developing a Corporate Procurement Plan.

<https://ogp.gov.ie/information-notes/>

OCC has endeavoured to meet its legal requirements and to strengthen its resolve to ensure effective and efficient procurement. The broad objective of this plan is to support effective value

for money purchasing while ensuring the main principles of procurement (Openness, Transparency, Accountability and Mutual Recognition) are consistently applied.

Government procurement in Ireland is directed by European policies which have been transposed into Irish law. These are supported by National and Local Government structures that support the Government's Procurement Reform Programme.

1.4 Corporate Procurement Plan Review

The previous Corporate Procurement Plan (CPP) 2013-2017 (extended to the end of 2020) achieved several objectives with regards to procurement including:

- The roll out of a Web based procurement model Agresso Milestone 4 (MS4) was successfully implemented across the organisation in March 2017. This module links directly to the Local Authority's Financial Management System.
- In 2017 procurement training on the new system was delivered to all staff and regular refresher training continues to be provided.
- In 2020 alone over 4000 procurement referrals were made to the Procurement officer (to the end of November 2020).
- Over the period of the Plan, numerous Business Process Improvements (BPI) were introduced. In particular, the issue of raising of purchase orders after receipt of invoice, was addressed by the Procurement Officer. Starting from a low compliance rate of 18% in 2014, compliance had risen to 97% by November 2020.

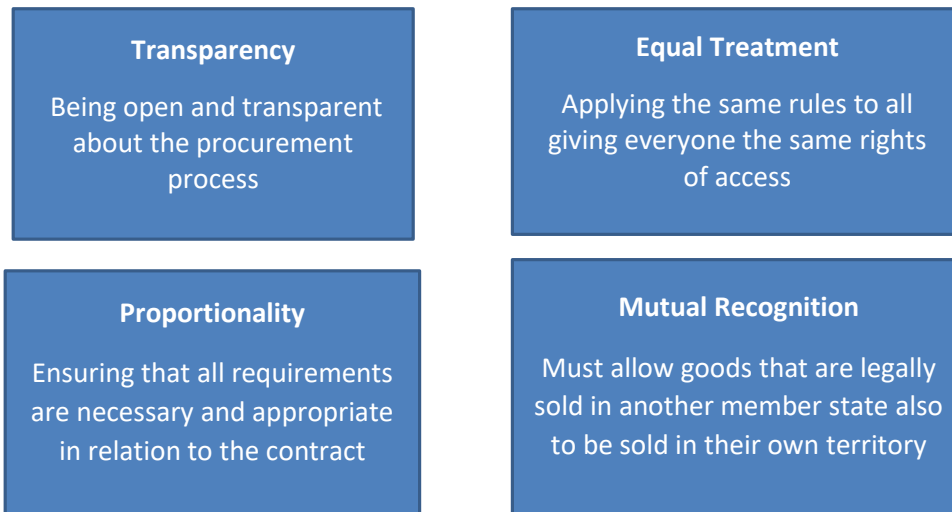
2 European & National Procurement Policies

2.1 European Procurement Policy

The EU Treaty of Rome, signed in 1957, resulted in the establishment of the European Economic Community (EEC), established several principles which should apply when awarding contracts, particularly in relation to:

- The Freedom of movement of goods, Freedom of establishment and Freedom to provide services

The specific procurement principles that derive from these basic principles are:



Central to public sector procurement practice are key guidelines and legislation, founded in EU directives that have subsequently been transposed into Irish Law including;

- Directive 2014/24/EU (Public Sector) transposed by S.I. No. 284 of 2016 (as amended),
- Directive 2014/23/EU (Concessions) transposed by S.I. No. 203 of 2017,
- Remedies Directive 89/665 as amended by Directive 2007/66 transposed by Irish Remedies Regulations S.I. No. 130 of 2010 (as amended),
- European Union (Award of Public Authority Contracts) Regulations 2016 transposed into law by S.I. No. 284 of 2016 - European Union (Award of Public Authority Contracts) Regulations 2016,

2.1 National Procurement Policy

National Public Procurement Policy Framework

The National Public Procurement Policy Framework states that “Public procurement policy aims to achieve value for public money, whether it is grant funding, rates and local property tax or service charges. Value for money in procurement is the optimum combination of whole-of-life

costs and/or price where appropriate and quality or fitness for purpose to meet with the user's requirement."

National public procurement policy and practice are underpinned by certain core principles in particular the need to maximize competition in the market for the goods and services purchased by the State. The core principles are: -

- accountability;
- competitiveness;
- non-discrimination and provide for equality of treatment;
- fairness and transparency; and
- probity and integrity.

The aim or main focus of the EU Directives and national legislation, rules and regulations is to provide guidelines and procedures on how the procurement of goods, services and contract for works is to be conducted in order to ensure that value for public money is achieved, that public /taxpayer's money is spent in their best interest, and ensure that procurement management reform is at the centre of the decision making processes.

Within the context above, this Corporate Procurement Plan (CPP) for the period 2021 to 2024, provides a roadmap with objectives to ensure that the Council's procurement of goods and services operates in accordance with the National Public Procurement Policy Framework and supports effective and efficient allocation of resources and service provision while ensuring transparency and accountability.

<https://ogp.gov.ie/national-public-procurement-policy-framework/>

2.3 National Procurement Structure

One of the key priorities of the Local Government Efficiency Review Group (2010) and the Public Sector Reform Plan (2011) was to generate monetary savings through procurement reform. The reforms, predominantly a transition to greater use of centralised contracts and frameworks by

the public sector, are coordinated and driven by the Office of Government Procurement (OGP) with the support of four key sectors – Local Government, Health, Defence, and Education. The Procurement model divided spending into 16 categories with ‘One Voice’ to the market - 8 managed by the OGP and the remaining 8 divided across the key sector partners.

Office of Government Procurement (OGP)

The OGP commenced operations in 2014 and, together with four key sectors (Health, Defence, Education and Local Government), has responsibility for sourcing all goods and services on behalf of the Public Service. Also, the OGP has full responsibility for procurement policy and procedures. The Office of Government Procurement is responsible for the formulation of the National Procurement Policy based on EU Directives that will impact all Government Institutions.

Capital Works Management Framework (CWMF)

The Department of Public Expenditure and reform is responsible for implementing national policy on public procurement, particularly in relation to construction procurement. This consists of a Capital Works Management Framework which contains an integrated set of contractual provisions, guidance material and technical procedures which covers all aspects of the delivery process of a public works project from inception to final project and review.

www.constructionprocurement.gov.ie

Circulars in relation to construction procurement can be located in Appendix 1.

Local Government Strategic Procurement Centre (LGSPC)

The LGSPC is a strategic procurement centre for the Local Government Sector. It was initially set up as part of the Project Management Office for Local Government Efficiency Review, and now subsumed into the Local Government Management Agency (LGMA). The function of the LGSPC is to lead, co-ordinate and support the local government sector with procurement reform, supporting its efforts within the procurement reform agenda.

Local Government Operational Procurement Centre (LGOPC)

The LGOPC is based in Kerry County Council and provides a lead for categories of expenditure on behalf of the public sector, i.e. Minor Building Works and Civil and Plant Hire. Request for tenders and request for quotations can be run through www.supplygov.ie.

3 Mission Statement

3.1 Offaly County Council Corporate Plan 2019-2024

OCC's Corporate Plan outlines its core values under which it operates and under which it delivers services to the people of Offaly. It is the mission of OCC "To lead sustainable economic, social and community development in Offaly".

3.2 Corporate Procurement Plan Mission Statement

This CPP sets out how to achieve effective and efficient procurement that will support the Council's corporate objectives. The Council's procurement of goods, services and works facilitate the development of infrastructure, community services and improved environmental quality.

"Our mission is to ensure that OCC is committed to the procurement of supplies, services and works to meet our requirements which are compliant with Public Procurement rules and in line with best practice to achieve value for money outcomes in the delivery of services to the citizens of Offaly."

In all its procurement and purchasing activities, the Council and its staff will at all times endeavour to:

- Comply with EU and National Public Procurement requirements,
- Achieve optimum value for money,
- Follow best procurement practice, seeking to achieve Government and Council procurement policy objectives.
- Promote an increasingly sustainable approach to the Council's procurement activities in terms of environmental, social and financial considerations and requirements within applicable legislative constraints.

3.3 Offaly County Council Internal Procedures

OCC's internal procurement policy and procedures are detailed in a separate document. Please see Appendix 3 for details of internal policy and procedures for contract award. Please see Appendix 4 for details of Purchase Order approval limits.

4 Procurement Plan Objectives

The Corporate Procurement Plan provides a framework for OCC to deliver its core functions and services. Personnel that are involved with non-pay related expenditure, whose duties include procurement, should have clear knowledge and understanding of this document. If a best value mindset is to be instilled into the organisation, it is vital that all staff involved in the procurement process demonstrate the following;

- a comprehensive understanding of public sector accountability,
- a comprehensive understanding of public sector legislative requirements and
- best practices in the methods and techniques involved,

Outlined below are the objectives that this Corporate Procurement Plan aims to achieve in 2021-2024:

4.1 Ensure compliance

This Corporate Procurement Plan (CPP) aims to strengthen the procurement function within each department to ensure that staff engaged in procurement are compliant with procurement Directives, Legislation, Circulars, other legal requirements and the Council's procurement policies and procedures. Staff must liaise with Procurement Officer prior to publication of tenders. This will minimize procurement and reputational risk.

4.2 Deliver Value for money

Offaly County Council will aim to achieve greater value for money by ensuring that procurement is carried out in a co-ordinated manner ensuring that competitive processes are used unless there are justifiable exceptional circumstances for not doing so. Reviewing, and where possible, streamlining existing procurement processes and identifying opportunities for aggregation and efficiencies will continue over the lifetime of this plan. Procurement is dependent on the

availability of allocated budgets. To this end it is necessary that staff involved in the procurement process:

- Strive to achieve value for money at every opportunity,
- Consider the ramifications of the expenditure of public funds when they commit to commercial activity,
- Obtain advice from the Procurement Officer prior to significant tendering activity, to determine the procedure in accordance with the EU Directives.

4.3 Supporting small & medium enterprises

This Corporate Procurement Plan aims to support effective service delivery in accordance with the strategic objectives in Offaly County Council's Corporate Plan 2019-2024. The development of small and medium enterprises (SMEs) is very important to the national and local economy and public procurement can be an important source of business for SMEs. However, access to public sector contracts by smaller entities is often seen as a problem, at National and EU level, for many in the sector. OCC will strive to improve participation by:

- Avoiding the use of pre-qualification criteria or award criteria that systematically / needlessly exclude SMEs from contracts.
- Setting out requirements in clear unambiguous tender documentation.
- Being conscious of the potential of, or impact on, SMEs at each stage of the procurement cycle (identifying the need, specifying, the award process etc.)
- By avoiding issuing prescriptive tenders / set out requirements in terms of a deliverable which allows / encourages SMEs to provide creative and innovative solutions
- Consider breaking requirement into lots which could be supplied by small enterprises.
- Advertising new national frameworks/DPS agreements on OCC website and OCC social media.

The Council will engage with business support organisations, such as Local Enterprise Office and Inter Trade Ireland, on the Council's tender opportunities and will promote upskilling programmes for businesses interested in tendering for public sector contracts.

4.4 Facilitate Social & Green improvements:

Offaly County Council (OCC) will aim to facilitate economic, SME, social and environmental considerations through procurement and will include social and/or environmental characteristics of goods/services or works being procured, where feasible.

Sustainable Procurement takes account of how things are produced, ethical origin, energy usage & how they will be disposed of. Whilst respecting public procurement regulations, sustainable procurement will demonstrate high levels of environmental, economic and social value, as well as look to reducing negative environmental and social impacts.

The Department of Public Expenditure and Reform (DEPR) published the government's commitment to promoting green public procurement as part of the implementation of the Climate Action Plan 2019. Circular 20/19 details the promotion the wider use of environmental and social considerations in public procurement All Local Authorities will be obliged to report annually on their progress in relation to green public procurement as part of the Climate Charter.

By procuring in a sustainable way the Council aims to shift spending away from goods, services and works that negatively impact on the environment and society, towards products that are more environmentally sound and socially beneficial.

Social clauses can be used in public procurement in cases where they are targeted at issues such as employment opportunities and social inclusion. The OGP have published an information note on incorporating social considerations into Public Procurement and will assist and advise regarding the appropriate use of social considerations in public contracts e.g. when engaging in works contracts, contractors can be asked to show how 10% of their workforce could be sourced from the Local Live Register of Unemployed. Please visit the OGP website for more information.

<https://ogp.gov.ie/information-notes>.

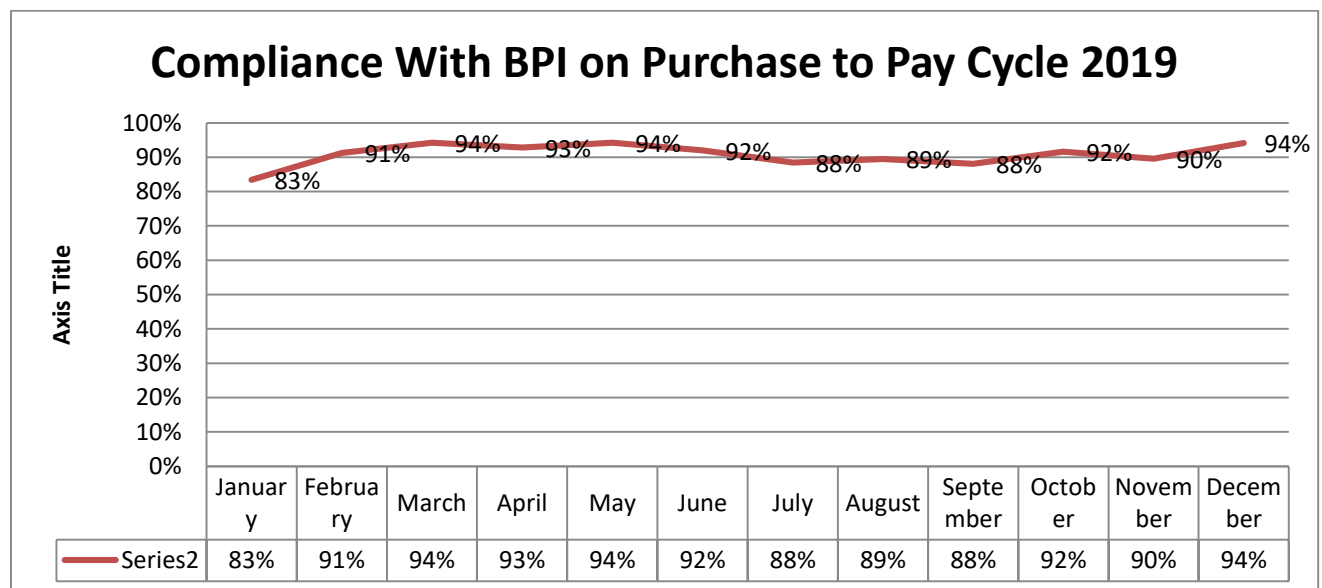
5 Financial Analysis

Overall, revenue expenditure and expenditure on capital projects and programmes has increased significantly over the past number of years. This is predominately driven by the increase in Capital Works as a result of Project Ireland 2040 and significant increase in Government Departmental funding for housing projects. To this end, there is a greater focus on the procurement processes that OCC carry out in order to achieve value for money and compliance with EU and National policies and procedures. Ongoing expenditure analysis will be conducted both at organisational and department levels to monitor items such as;

- suppliers approaching procurement thresholds,
- measure contract/framework expenditure,
- identify further areas for corporate contracts,
- monitoring incidents of off contract spend.

5.1 Business Process Improvement of Purchase to Pay Cycle

The procurement section will continue to monitor and address the issue of raising purchase orders after receipt of Invoice. A high compliance rate was achieved in 2020 and the procurement section will continue to work with sections to continue to achieve high compliance into 2021.



5.2 Purchase Orders by value

The following table shows details of purchase orders raised by value during the period 2017 - 2019. This table shows that the majority of OCC spend goes on smaller cost items e.g. in 2019 88% of purchase orders raised were of a value under €5000. Procurement rules apply across all spending levels.

no of Purchase Orders V Purchase Order Value						
Purchase Order Value	2017		2018		2019	
less than €50	1091	12%	934	9%	1247	11%
€50 to €500	3914	42%	4091	42%	4667	44%
€500 to €1,000	1400	15%	1594	17%	1452	13%
€1,000 to €5,000	1877	21%	1982	21%	2211	20%
€5,000 to €10,000	423	5%	539	5%	535	5%
€10,000 to €20,000	224	2%	295	3%	331	3%
€20,000 to €50,000	189	2%	246	2%	285	3%
over €50,000	118	1%	137	1%	163	1%
Total no of Purchase orders	9236	100%	9818	100%	10891	100%

6 Implementation Plan

The implementation plan below outlines the actions to deliver the Corporate Procurement Plan Objectives.

	Actions	Target/measurement	Responsible
Ensure Compliance & obtain Value for money:			
Strengthen the procurement function within sections to ensure staff involved in Procurement are compliant with Procurement Directives, Legislation, Circulars, other legal requirements and the Council's procurement policies and procedures.	<ul style="list-style-type: none"> - identify areas for Procurement procedures to develop manual. - Staff to consult with procurement officer prior to tendering. - Staff to complete procurement checklist prior to tender process. - Promote use of LGMA & OGP template documents for RFT's & RFQ's. 	<ul style="list-style-type: none"> - select number of procedures developed for manual - ongoing - PU to report quarterly on the No. of RFT's & RFG's that use LGMA template documents. 	<ul style="list-style-type: none"> PO PU Budget Holders Line managers Heads of Departments
Ensure that all personnel adhere to legal requirements with regard to proper tendering procedures.	<ul style="list-style-type: none"> - All relevant staff to receive training / instruction on OCC's Legal Tendering Requirements. -Procurement Officer will host training sessions with individuals and groups from each section upon request. - Promote use of central purchasing systems/frameworks where relevant. 	<ul style="list-style-type: none"> - No. of sections that receive training sessions provided by PO. - Utilise more OGP frameworks where identified by PO (measured by the number of procurement references raised on MS4). - PU to report bi-annually on progress. - Increase the annual number of RFT's/RFQ's placed on supplygov.ie by 10%. 	<ul style="list-style-type: none"> Line Managers PO PU Heads of Departments
Provide up-to-date procurement information, advice and support to all staff within OCC.	<ul style="list-style-type: none"> - PO to attend National & Regional Procurement Officers meetings, OGP, LGMA & LGOPC seminars and meetings. - Continue to update and develop Procurement SharePoint page. - Publish procurement newsletters on quarterly basis. - Continue to promote use of supplygov.ie and OGP frameworks. 	<ul style="list-style-type: none"> - Increase in number of OGP frameworks utilized by OCC by 10%. - Increase in number of RFT's/RFQ's placed on supplygov.ie - Increase in number of procurement references set up on MS4 - PU to report bi-annually on progress 	<ul style="list-style-type: none"> PO

	Actions	Target/measurement	Responsible
Reduced exposure to Financial Risk.	<ul style="list-style-type: none"> - Staff must seek advice from Procurement Officer before publishing tenders. - RFQs and RFTs should contain detailed scope and requirement, standards and specifications, terms and conditions of contract. 	<ul style="list-style-type: none"> - Tender documents to be submitted to PO. Procurement checklists to be submitted to PO prior to publishing. - Report bi-annually on no. of tenders that sent to PO for review. - Reduce number of clarification requests on tenders. - PU to report bi-annually on progress 	Budget holders PO SMG MT
Deliver Corporate Objectives:			
Promote of integration of Procurement Regulations into the day to day operations of all Departments.	<ul style="list-style-type: none"> - To foster a procurement culture across all Departmental in OCC. - Advertise tender opportunities on OCC social media pages and www.offaly.ie 	<ul style="list-style-type: none"> - Provide training to relevant head of sections in procurement planning. - PU to report bi-annually on progress. 	PO Heads of Departments Budget Holders LEO All DOS's
Broaden the base of local suppliers that are invited to quote for the provision of goods and services, considering the value, risk, and complexity of the supply.	<ul style="list-style-type: none"> - Advertise opportunities on OCC website and social media pages. - Encourage departments to broaden their supplier base. - Facilitate any proposed Supplygov and OGP workshops for local suppliers through networking with Offaly Local Enterprise Office and the LGOPC. 	<ul style="list-style-type: none"> - Increase in number of local suppliers and volume of supplies - Increase in number of local suppliers on Supplygov and OGP frameworks. - PU to report bi-annually on progress 	Budget holder LGOPC LEO OGP
Promote events and opportunities for the business community to meet with representatives of OCC in order to develop an understanding of OCC activities, as well as ongoing supplies requirements.	<ul style="list-style-type: none"> - Host specific events to engage local suppliers e.g. OGP Meet the Buyer events. - Promote Inter-trade Ireland presentations and events through OCC website and social media pages. - Advertise OGP Framework opportunities on OCC website & social media pages. 	<ul style="list-style-type: none"> - Increase in number of local suppliers and volume of supplies. - Increase in number of local suppliers on Supplygov and OGP frameworks. - PU to report bi-annually on number of local suppliers 	LGOPC OGP LEO Inter-trade Ireland Budget holders

	Actions	Target/measurement	Responsible
Facilitate Social & Green improvements			
Educate and inform staff in relation to Green Public Procurement.	<ul style="list-style-type: none"> - PO to attend GPP training/presentations. - PO to advise staff of GPP criteria - GPP information available to staff on procurement Sharepoint page. 	<ul style="list-style-type: none"> - Increased use of GPP in tender documentation - report annually on tenders with GPP criteria 	<ul style="list-style-type: none"> PO Budget holders SMG DOS.
Implement green public procurement criteria in requests for tenders and requests for quotations.	<ul style="list-style-type: none"> - Ensure GPP is considered in all public procurement processes in accordance with Circular 20/2019. - Staff must liaise with Procurement Officer prior to publishing of tenders. 	<ul style="list-style-type: none"> - All tender documentation to be reviewed by PO to include an element of green public procurement through specification and/or selection or award criteria, where feasible. -no of tenders with GPP. 	<ul style="list-style-type: none"> Budget Holders PO

7 Conclusion

This Corporate Procurement Plan 2021 – 2024 aims to strengthen the procurement function within OCC, while continuing to promote procurement compliance and value for money savings. The CPP has been developed to ensure that the organisation’s procurement function operates in accordance with best practice. This CPP will ensure that the procurement function formally supports the Council’s key corporate objectives and is focused on delivering value for money outcomes that are consistent with EU and National procurement legislation and policy requirements.

This Corporate Procurement Plan was approved by the Management Team in December 2020.

8 Appendices

Appendix 1 Department Procurement Circulars

Circulars - Goods & Services:

- Circular 40/02** [Public Procurement Guidelines – revision of existing procedures for approval of certain contracts in the Central Government sector](#)
- Circular 10/10** [Facilitating SME Participation in Public Procurement](#) Facilitating SME in Public Procurement. Contracts for Supplies and services with an estimated value of €25,000 are now to be advertised on www.etenders.gov.ie
- DPER 01/11** [Model Tender and Contract Documents for Public \(Service and Supplies\) Contracts](#)
- DPER 06/12** [Public Procurement \(Framework agreements\) Effective 1st September 2012](#)
- Circular 16/13** [Revision of arrangements concerning the use of Central Contracts put in place by the National Procurement Service](#). All Public bodies shall use the centralised arrangements and frameworks put in place by Government Agencies. Any deviation from such arrangements will require a full VFM report explaining reasons for such deviation.
- Circular 10/14** [Initiatives to assist SMEs in Public Procurement](#) This is a revision of 10/10 with regards to facilitating SME in Public Procurement. Contracts for Supplies and services with an estimated value of €25,000 are now to be advertised on www.etenders.gov.ie All tenders should be broken up into smaller lots to encourage more SME participation. There should be reduction of demands on SME's with regard to turnover, previous experience,
- Circular 02/16** [Arrangements for Digital and ICT-related Expenditure in the Civil and Public Service](#)
- Circular 20/19** [Promoting the use of Environmental and Social Considerations in Public Procurement](#)

Circulars - Construction Works

- Circular 33/06** – [Construction Procurement Reform – revision of arrangements for the procurement of public works projects and for the engagement and payment of construction consultants](#)
- Circular 04/08** – [Construction Procurement Reform – additional measures to the revised arrangements for the procurement of public works projects and for the engagement and payment of construction consultants](#)
- Circular 06/10** – [Construction Procurement Reform – the New Capital Works Management Framework](#)
- Circular 07/10** – [Construction Procurement Reform – Construction Contracts and Conditions of Engagement Approval](#)
- Circular 07/13** – [Reduction of the Current Level of Construction Performance Bonds for use with the Public Works Contracts](#)
- Circular 01/16** – [Construction Procurement – revision of arrangements for the procurement of public works projects](#)
- Circular 08/18** – [Construction Procurement Reform – amendments to the Capital Works Management Framework to reflect the introduction of Sectoral Employment Orders in the construction sector and amend the Comparative Cost of Tender exercise.](#)
- Circular 10/18** – [Construction Procurement Reform – Amendment to the threshold for the procurement of public works projects using the Short Public Works Contract \(PW-CF6\) – Circular 04/08 refers](#)
- Circular 24/19** – [Update of the Public Spending Code \(PSC\), Guidelines for the Use of Public Private Partnerships \(PPPs\) and related rules](#)

Appendix 2 EU Directives and Thresholds

Description		Hyperlink to documents
EU Directives 2004/18/EC	Co-ordination of Procedures for the award of public works contracts, public supply contracts and public service contracts.	http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2004:134:0114:0240:EN:PDF
EU Directives 2004/17/EC	Procurement of entities operating in Utilities Sector	http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CONSLEG:2004L0017:20090807:EN:PDF
EU Directive 2007/66/EC	Revised Remedies Directive	http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:335:0031:0031:EN:PDF
EU Directive 2011/1251/EC	Revised Thresholds for procurement	http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:319:0043:0044:EN:PDF
EU Directive 2014/23	First Directive on Concession Contracts	http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32014L0023&from=EN
EU Directive 2014/24/EC	Replacing 2004 / 18/EC above	http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32014L0024&from=EN
EU Directive 2014/25/EC	Replacing 2004/17/EC above	http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32014L0025&from=EN

EU Directives defining Financial Limits and competition limits

Directive 2004/18/EC as amended by 2005/51/EC and amended by 2014/24/EC set procurement guidelines for many service areas. Effective areas include Gas / Electricity and Water Supply. Regulations SI 50/2007 on 31st January 2007.

Regulation EU 1251/2011: Amends previous directives in respect of the application thresholds for the procedures for the awards of contracts. (Effective from 1st January 2012).

Thresholds (exclusive of VAT), above which advertising of contracts in the Official Journal of the EU is obligatory, applicable from 1st January 2020

Works		
Contract Notice	€5,350,000	Threshold applies to Government Departments and Offices, Local and Regional Authorities and other public bodies.
Supplies and Services		
Contract Notice	€139,000	Threshold applies to Government Departments and Offices.
Contract Notice	€214,000	Threshold applies to Local and Regional Authorities and public bodies outside the Utilities Sector.
Utilities		
Works Contracts / Prior Indicative Notice	€5,350,000	For entities in Utilities sectors.
Supplies and Services	€428,000	For entities in Utilities sectors.

Appendix 3 Internal Procedures & Contract award procedures

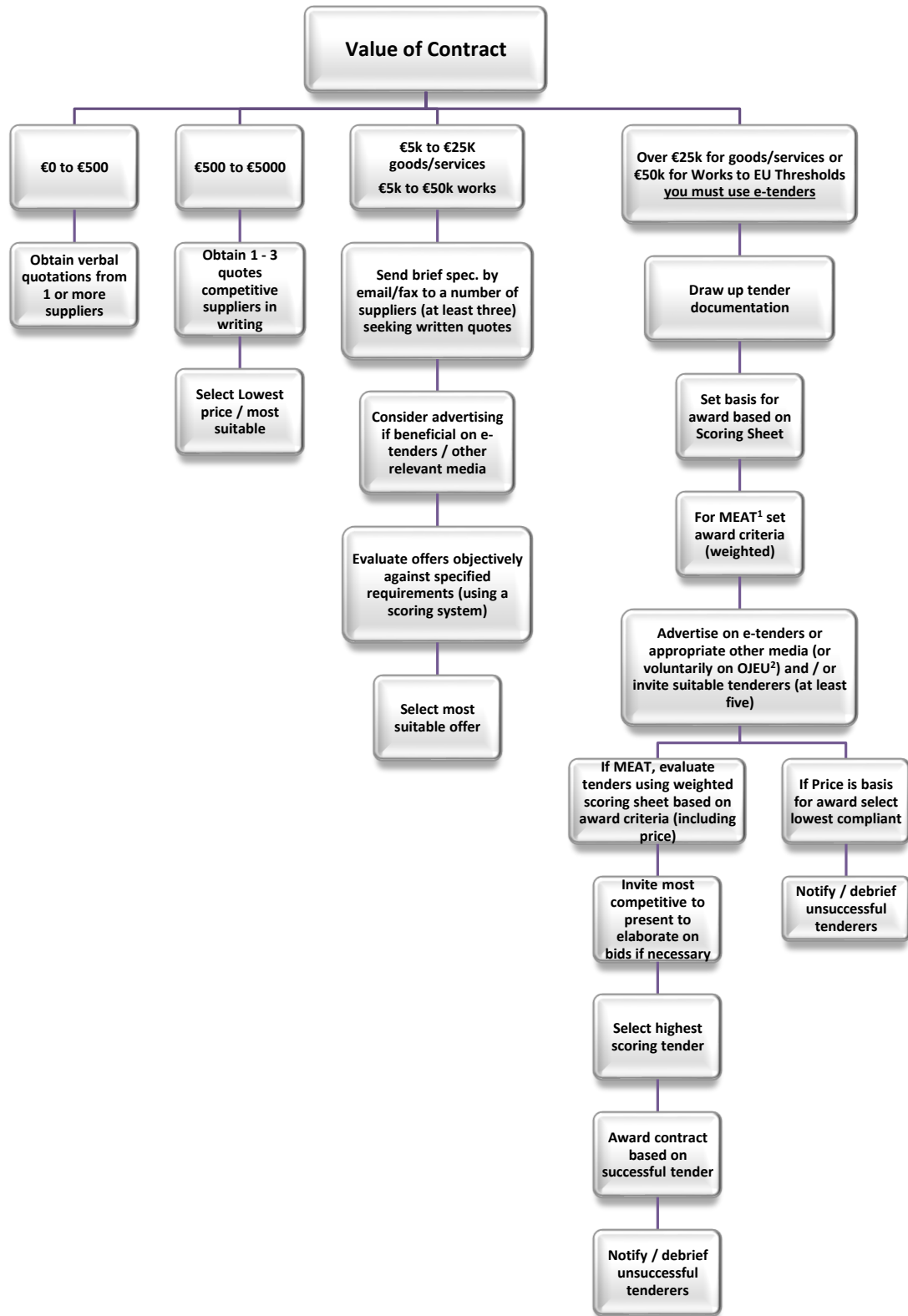
Internal Procedures

Contract Value	Procurement Procedures
0-€500	A Single verbal or written quotation from a supplier must be obtained and documented/filed. * ¹
€500 - €5000	Seek between one to three written quotations in writing. These should be recorded, attached to the requisition on Agresso and kept on file. If there is aggregation of similar goods/services/works, at least 3 quotations must be sought e.g. window repairs or request for quotations can be run through supplygov.ie where the category is allowed.
€5,000 - €25,000 (Goods & Services) €5,000 - €50,000 (Works)	Send brief specification of the goods or services required to at least three suppliers. These should be documented and recorded on file. This can also be done through Etenders or SupplyGov.
€25,001 + (Goods & Services)	Advertise on the government's website (www.etenders.gov.ie) Budget holders to seek advice from Procurement Officer prior to publication.
€50,000 + (Works)	Advertise on the government's website (www.etenders.gov.ie) Budget holders to seek advice from Procurement Officer prior to publication.
€214,000 + as of 01/01/20	Supplies and Services above this value must be advertised on Etenders website and also on the OJEU* ² Budget holders to seek advice from Procurement Officer prior to publication.
€5,350,000 + as of 01/01/20	Works Contracts above this value must be advertised in the OJEU* ² Budget holders to seek advice from Procurement Officer prior to publication.

¹ Only applies for procurement of goods/services when there is no framework/contract or other online procurement portal available (e.g. SupplyGov, eTenders)

² These advertising thresholds are reviewed every two years. The latest thresholds can be found on the EU public procurement website <http://simap.eu.int>

Contract Award Procedures



Note 1: MEAT Most Economically Advantageous Tender. Note 2: OJEU Official Journal of the European Union

Appendix 4 – Chief Executive Order Approval Limits

Register 01/16

COMHAIRLE CHONTAE UÍBH FHAILÍ

CHIEF EXECUTIVE'S ORDER

REF NO.: M4/01/16

SUBJECT: Purchase Order Approval Limits

ORDER: I, Declan Kirrane, Deputy Chief Executive for Offaly County Council by virtue of my powers, functions and duties as Chief Executive under the Local Government Act 2001 (as amended), hereby order as follows: -

That the Purchase Order Approval limits below be effective from 1st August 2016.

Approving Officer/Employee	Limit per Official Order.
Chief Executive	No limit
Head of Finance Director of Service	€400,000
Senior Executive Officer Senior Engineer/Senior Planner/Cognate Head of IS. Financial Management Accountant County Librarian	€100,000
Senior Executive Engineer/Planner/Cognate Administrative Officer Arts Officer	€50,000
Executive Engineer/Planner/Cognate Assistant Chief Fire Officer Chief Technician Senior Staff Officer/Cognate Executive librarian	€20,000
Assistant Engineer/Planner/Cognate Senior Executive Technician Staff Officer Civil Defence Officer	€10,000
Clerk of Works General Services Supervisor Executive Technician Technician Grade 1	€5,000

The above limits only apply to areas, for which. the above grades have direct budgetary responsibility..

Note:

All thresholds are exclusive of VAT unless otherwise stated
All limits are in Euro.
Any other Currencies should be converted to Euro for this purpose.

Financial Provision.

No commitments are to be entered into unless:

- a) Financial provision has been included in the budget or
- b) Departmental Approval has been received in writing or
- c) Source of funding has been clearly identified and agreed or
- d) Chief Executive's Approval has been received in writing.

The following Purchasing Procedures must be adhered to.

Purchase Order must be raised in advance of an order being placed for goods or services except in exceptional and emergency situations.

Where appropriate all purchases must comply with EU Directives.

Any business providing goods or services to the council the aggregate value of which will exceed €10,000 per annum is required to have a Tax Clearance Certificate. While the transaction threshold is €10,000 the policy of Offaly County Council is to request a Tax Clearance certificate from all suppliers of goods and services regardless of value ordered. The Tax Clearance Certificate must be submitted for inspection prior to placing of an order for goods or services.

All goods are to be examined on receipt / delivery to ensure that they are in order and delivery docket should not be signed until goods are checked for

- a) Quality,
- b) Quantity,
- c) As ordered on an Official PO.

Goods ordered should specify delivery location.

The Value for Money principles should be applied to all purchases in accordance with EU requirements.

There possible consideration should be given to the acquisition of environmentally friendly goods and services.

Where the placing of an order exceeds a person's purchasing limit approval will divert to the next Senior Officer. Where a member of staff is acting up to a higher grade and requires an increased approval limit, a copy of the C.E Order which approves their acting up must be forwarded by H.R. Department to Finance Department specifying a start and end date.

It is important that the "notes" tab on the purchase order be used in order to provide as much information as possible to the approver and for any subsequent audit.

Value Limit of goods that do not need a written quotation

€500 or below should only be placed on receipt of at least one verbal quotation. Details of quotations should be recorded. This applies only to goods that are not part of National Government Frameworks. In the case of National Frameworks, Purchase Order should be placed with the approved supplier only.

Value of order €500 to €5000

Obtain 1 — 3 (preferably 3) quotes from competitive suppliers in writing.

Value of Order €5001 to €25,000 Goods and Services (€50,000 for Works)


Send brief Spec in writing to at least three suppliers seeking written quotations. Consider advertising if beneficial on e-tenders or other media. Evaluate offers objectively based on a scoring system Select most suitable offer.

Value of Purchases that must legally be advertised for Tender.

Goods or Services in excess of €25,000 or Works in excess of €50,000 must be advertised in accordance with EU and National Directives. Any tender process must be approved by an Approver with the appropriate level of budget approval.

It is the responsibility of the person approving the order to ensure compliance with the proper procedures. detailed above and ensures that the transaction has been completed correctly. It is the responsibility of the person approving a Purchase Order for contracts to ensure that all proper tender procedures for advertising, opening selection and award of contracts are adhered to. Details of these procedures, if required can be obtained from the Procurement Officer.

Dated this 29th day of July 2016.

_____ . _____


Deputy Chief Executive