

# Meath County Council Procurement Policy



**November 2018**

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## 1 Introduction

The purpose of this policy is to ensure that procurement throughout Meath County Council is consistent with European and National legislation, policy and guidance. There is an onus on public bodies to ensure that the public procurement function is discharged honestly, fairly and in a manner that secures best value for money.

Procurement in Meath County Council is largely a devolved function, where individual departments are responsible for ensuring their sourcing requirements are met while operating to best procurement practice and compliance with relevant legislative, regulatory and policy requirements.

The Procurement Section is based in the Finance Department and the role of the Section under the guidance of the Procurement Officer is to provide co-ordination, support and oversight in respect of procurement activities across the organisation.

All staff engaged in any part of the procurement process should ensure that they adhere to this Policy

## 2 Definitions

**Procurement** – the acquisition, whether under formal contract or not, of works, supplies and services. It ranges from the purchase of routine supplies or services to formal tendering and the placing of contracts for large infrastructural projects

**Public Contract** – a contract, in writing, between economic operators and contracting authorities, having as their objective the execution of works, the supply of products or the provision of services within the meaning of the EU Directives

**Work** – building / civil engineering design and execution

**Supply** – purchase, lease or rental of a good or product (e.g. vehicles, IT, stationery)

**Service** – provision of services (e.g. financial, legal, management consultancy)

**Framework Agreement** – an agreement between one or more contracting authorities and one or more suppliers which establishes some or all of the terms on which contracts for supplies, works or services can be entered into during the period of the agreement without further advertisement

**RFQ** – Request for Quotations

**RFT** – Request for Tenders

**Mini-Competition** – a competitive procurement process conducted under the terms of a framework agreement

**DPS** – Dynamic Purchasing System is an electronic process that contracting authorities use to procure commonly available goods, works or services from pre-qualified suppliers. Currently available on SupplyGov for plant hire and road marking supplies and services

### 3 Purpose & Scope

The purpose of this document is to set out the policy for the procurement of Supplies, Services and Works by Meath County Council and its subsidiaries. It also applies to framework agreements.

The policy sets out the governing principles of best practice in public procurement and the regulatory framework under which public procurement activities must operate. This policy applies to all Meath County Council employees as well as contractors or consultants working for and/or on behalf of Meath County Council.

### 4 Public Procurement Principles

The Treaty of Rome on the functioning of the EU applies to all procurement activity regardless of value. The procurement of supplies, services or works in the public sector must comply with the Treaty's fundamental procurement principles:

**Transparency:** All procurement activities are open and transparent with necessary information provided to all. Procurement intentions and decisions should be advertised publicly.

**Equal treatment and Non Discrimination:** The same rules apply to all with equal rights of access. Decisions are to be based on objectivity and fairness.

**Proportionality:** All measures used must be both necessary and appropriate in relation to the objective i.e. the award of contract. No excessive or disproportionate conditions, criteria, or rules are to be applied.

**Mutual Recognition:** Equal validity is to be given to qualifications / standards applicable in other Member States.

## 5 Regulatory Framework

Meath County Council's Procurement policies and procedures are governed by:

- EU Directives
- National Legislation and Public Procurement Policy / Guidance
- National Public Procurement Policy Framework
- Public Procurement Guidelines for Goods and Services
- Case law
- All Departmental Circulars in relation to Procurement
  - DPER Circular 10/14: Initiatives to assist SME's in Public Procurement
  - DPER Circular 16/13: Revision of Arrangements concerning the use of Central Contracts put in place by the National Procurement Service

## 6 Contracting Authority

Chief Executive Order CEO MISC 2270/2018 dated 2<sup>nd</sup> November 2018 sets out the approval levels and associated staff grade and authorisation thresholds. Table 1 - Goods/Supplies & Services Contracts and Table 2 – Works & Related Services Contracts set out the relevant requirements and procedures to be followed under this Policy (**Appendix 1**).

All Council employees are required to obtain appropriate approval in accordance with the provisions of Chief Executive Order CEO MISC 2270/2018 prior to making any formal or informal commitments to suppliers.

Responsibility for compliance with EU Directives, National legislation / guidance and internal policies / procedures rests with all Council staff who are involved in the procurement process.

Employees should be satisfied when approving the acceptance of quotations or tenders for the purchase of goods, services or works that multiple lower value contracts are not being awarded to circumvent more appropriate approval limits and prescribed procurement threshold values.

Employees are required to ensure that there is appropriate segregation of duties in respect of the requisitioning and approval of purchase orders to suppliers.

## **7 Business Engagement including Local Enterprise Office and Economic Development**

Meath County Council is committed to assisting prospective suppliers to understand the Council's procurement and purchasing processes. In this respect, DPER Cir 10/14 must be consulted prior to undertaking procurement activities. The Circular is aimed at structuring competitive processes for public contracts which facilitates increased participation by SMEs (small and medium enterprises), while continuing to ensure that public sector purchasing is carried out in a manner that is legal, transparent, and secures optimal value for money.

## **8 Online Portals - E-Tenders and SupplyGov**

The e-Tenders procurement website ([www.eTenders.gov.ie](http://www.eTenders.gov.ie)) has been developed as part of the Irish Government's Strategy for the Implementation of e-Procurement in the Irish Public Sector. The site is designed to be a central repository for all public sector contracting authorities to advertise procurement opportunities and award notices. The website also provides functionality during the different stages of the procurement process.

Meath County Council will comply with legislation by publishing tender notices on the e-Tenders website, thereby meeting national advertising requirements. The website has the functionality to allow the publication of EU threshold notices which will then be sent to the OJEU automatically. The website offers the opportunity to widen the net of potential suppliers. There is no further obligation to supplement e-Tenders advertising with advertising in other media. The new EU directives cover electronic tendering. From October 2018, e-submission will be mandatory for all contracting authorities and all procurement procedures. This means from October 2018 all tenders must be received electronically via the tender box facility on the e-Tenders website.

The Local Government Operational Procurement Centre (LGOPC) based in Kerry hosts the procurement platform SupplyGov. SupplyGov is another portal used for the procurement of goods/services/works. The LGOPC issues new frameworks and DPS's on this portal for use across all Local Authorities.

## **9 Collaborative Procurement/ Office of Government Procurement (OGP)**

Meath County Council employees are expected to use collaborative opportunities during the procurement process whenever available. It is recognised that collaborative procurement can yield financial savings, improved compliance and reduced administration. Meath County Council will work with the Office of Government Procurement (OGP), the Local Government Sector and other Public Bodies to achieve the benefits of collaborative procurement in accordance with

national policy. Where collaborative procurement is not used, a detailed explanation will be required.

Collaborative Procurement agreements which Meath County Council is eligible to use must be activated by way of Executive Order approved by the Head of Finance.

## **10 Corporate Procurement Plan**

The Meath County Council's Corporate Procurement Plan 2016 – 2018 includes a number of strategic, organisational and operational objectives, which are necessary in achieving a more focused value for money approach to procurement. The Plan will be reviewed annually and updated on a continuous basis.

## **11 Procurement Ethics & Related Party Disclosures**

All employees involved in procurement activity must act in accordance with the ethical framework contained in the Local Government Act 2001 and the Code of Conduct for Employees. Members of a tender evaluation team should sign a Declaration of Confidentiality and a Conflict of Interest form prior to the tender evaluation process commencing. Employees must disclose any beneficial interest that they or a connected person has in relation to procurement decisions conducted by the employee on behalf of the Council.

## **12 Freedom of Information and GDPR**

FOI applies to Meath County Council. Information may be requested on records relating to a tendering procedure under the Freedom of Information Act 2014. Some records may be exempt under the provisions of the Act on grounds of confidentiality or commercial sensitivity. The Freedom of Information Officer should be consulted where any issue arises.

A new General Data Protection Regulation (GDPR) came into effect on 25<sup>th</sup> May 2018. This regulation covers all organisations involved in data processing of any sort. The new GDPR emphasises transparency, security and accountability by data controllers and processors while at the same time standardising and strengthening the right of European citizens to data privacy.

## **13 National Frameworks/Contracts**

Frameworks/Contracts have been established at national level by the Office of Government Procurement (OGP) for the procurement of certain items. These include Energy, Advertising, PPE, Stationery, Cleaning Supplies, Travel, Fleet, ICT Consumables, Waste Services etc. It is Government policy that public bodies, where possible, should make use of all such central arrangements, DPER Circular 16/13.

When internal procurement contracts are under consideration for renewal, national contracts / frameworks will be required to be examined accordingly, the use and compliance with the frameworks is mandatory unless there is a compliant, value for money reason, why not using them can be demonstrated.

Full lists of the Frameworks are available on the OGP Webpage: [www.procurement.ie](http://www.procurement.ie). This list should be checked and verified prior to using the frameworks.

## 14 European Threshold Values

Thresholds (exclusive of VAT) above which advertising of contracts in the Official Journal of the EU is obligatory. Applicable from **01 January 2020**

<b>Works</b>		
Contract Notice	€5,350,000	Threshold applies to Government Departments and Offices, <b>Local and Regional Authorities</b> and other public bodies.
<b>Supplies and Services</b>		
Contract Notice	€139,000	Threshold applies to Government Departments and Offices
Contract Notice	€214,000	Threshold applies to <b>Local and Regional Authorities</b> and public bodies outside the Utilities sector.
<b>Utilities</b>		
Works Contracts / Prior Indicative Notice	€5,350,000	For entities in Utilities sectors covered by GPA (Government Procurement Agreement)
Supplies and Services	€428,000	For entities in Utilities sectors covered by GPA

## 15 Whole Life Cycle Costs- Awarding Tenders using MEAT Criteria

The EU public procurement directives offer the possibility to award contracts either on the basis of the lowest price or on the basis of the most economically advantageous tender (**MEAT**) criteria. Where the award of contract is based on MEAT, the buyer, must consider the whole life-cycle costs and not just the tendered rate. This allows buyers to take account of various elements relating to the subject-matter of the contract, including, for example quality, technical merit, functional characteristics, running costs, energy efficiency costs, cost effectiveness, after-sales service and technical assistance, maintenance costs, etc. Where appropriate buyers should seek whole life-cycle costing solutions in their tender documents.



## 16 Company Branding and 3<sup>rd</sup> Party Logos

Company branding and 3<sup>rd</sup> party logos are not permissible on tender documentation being uploaded to the online portals. Acknowledgement of 3<sup>rd</sup> party company/consultancy work will be included where appropriate. Use of pro-forma 3<sup>rd</sup> party company/consultancy templates/documents is not permissible.

## 17 Timescales

As per Directive 2014/24/EU, the latest date for clarification queries is 10 day prior to the closing date of the tender. The latest date for Meath County Council responses to queries is 7 days prior to the response date of the tender.

If any responses are issued after the 6<sup>th</sup> day prior to the closing date, the date must be extended. This will apply to all tenders being uploaded to the e-Tenders website regardless of their value. In the unlikely event of responses having to be issued within 7 days of the response date there will be an obligation to extend the closing date of the tender.

## 18 Receipt of Tenders and Evaluations

Procurement must be notified of upcoming tender receipt and evaluations. This applies for all procurements including national & EU level tenders, quotes received and SupplyGov. Competition documents are required to be reviewed by Procurement including all letters to be issued. Procurement have a suite of LGMA approved template letters to be used.

## 19 Non-Competitive Process

The use of the non-competitive process is discouraged. This type of process is not covered by the regulations that govern public procurement and is not considered an appropriate method of complying with Meath County Council objectives.

## 20 Payment Methods

All payments need to be processed on Agresso MS4 with relevant documentation attached where necessary or with the use of purchase cards. Where appropriate for centralised contracts, purchase cards may be used.

## 21 Limits for one quote

National Guidelines outline that single quotes can be obtained from suppliers and service providers for less than €5,000. Meath County Council guidance is that one written quotation is required for items less than €2,500, provided the Authorised Officer is satisfied that the price is reasonable and that the Council is getting value for money. A minimum of three written quotations are required for greater than €2,500.

## 22 Documents required for Agresso

From Q4 2018 proof of the quotes received will be required on Agresso MS4. These must be attached and a requisition will not be approved unless they are included. One quote is required for under €2,500 and a minimum of three will be required for up to €25,000 for services and supplies and €50,000 for works and work related services.

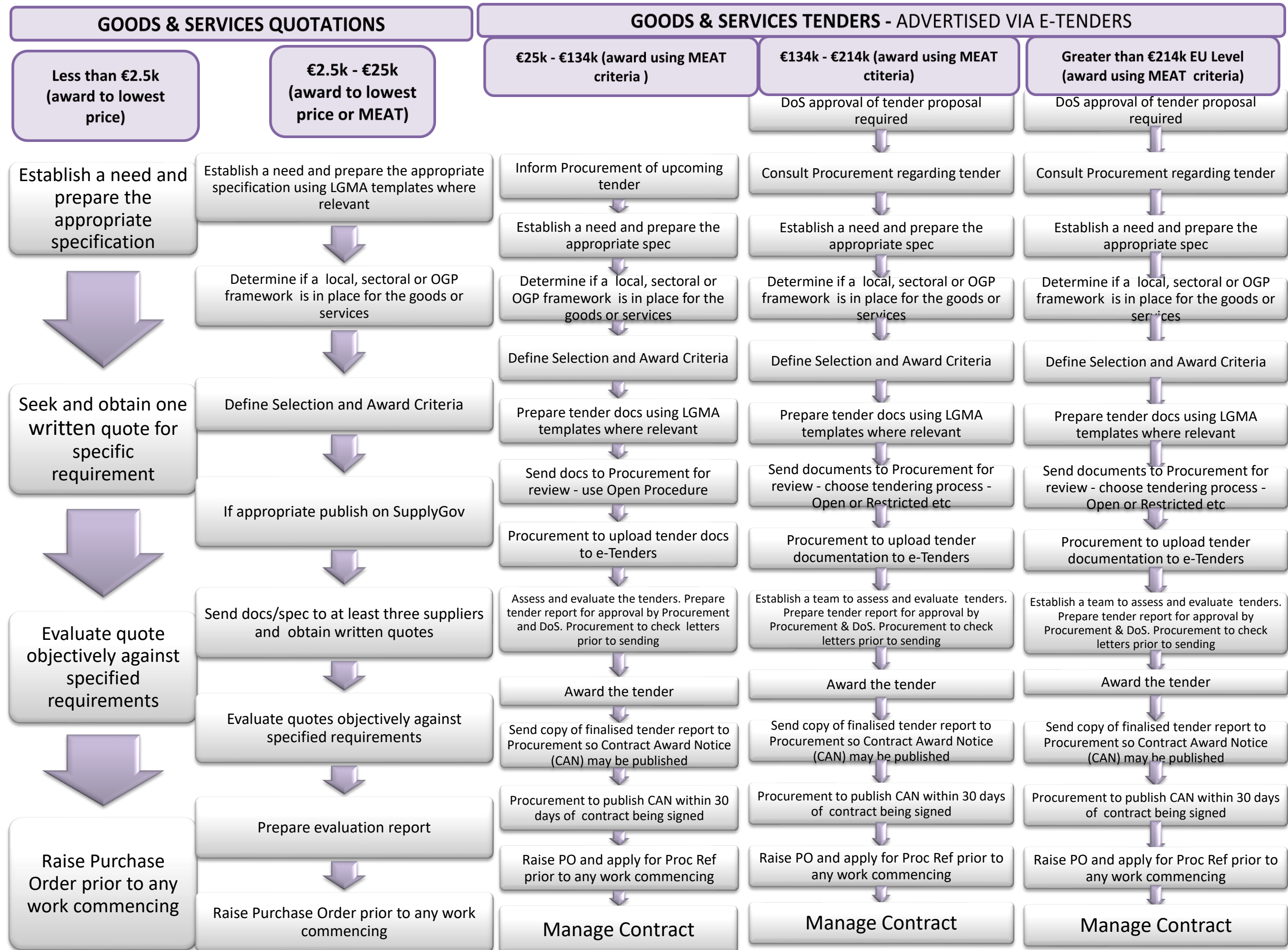
## 23 Purchase Order Approval Limits

<b>Approver Grades:</b>	<b>Approval Limit per order:</b>
Staff Officer, Assistant Engineer & analogous	<b>Up to €2,500</b>
Senior Staff Officer, Executive Engineer & analogous	<b>Up to €10,000</b>
Administrative Officer, Senior Executive Engineer & analogous	<b>Up to €50,000</b>
Senior Executive Officer & Senior Engineer & analogous	<b>Up to €75,000</b>
Director of Services	<b>Up to €500,000</b>
Chief Executive	<b>Above €500,000</b>

## Appendix 1



**Table 1**



**Table 2**

