



Oifig Luachála
Valuation Office

Valuation Office

Procurement Policy

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Author: Gerard Kelly

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Change History

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4-00	Gerard Kelly	September 2021	Minor Amendments and updated document to comply with Audit recommendations regarding contract end
3-03	Len Smith	May 2018	Updated Head of Corporate Services and Chief Information Officer titles.
3-02	Len Smith	April 2018	Add Contract Termination clause.
3-01	Len Smith	April 2018	Updated document retention period to comply with GDPR policy.
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2	Catherine English	November 2015	
1	Mary Smyth	December 2011	

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Introduction

This document outlines Valuation Office policy in relation to the Procurement of supplies and services, ranging from the procurement of routine supplies or services to formal tendering and placing of contracts.

The Policy covers all procurement, whether under formal contract or not; and it outlines the appropriate national and EU requirements depending on the value of the contract.

The document includes information on the Procurement Unit and its functions as well as details of related purchasing and payment processes and purchasing limits.

While only a limited number of staff may be involved in procurement at any stage it is important that staff generally are aware of the Policy.

Procurement Guidelines

In the first instance, procurement should be through relevant Office of Government Procurement (OGP) Frameworks or draw-down Agreements. Where a relevant OGP Framework or draw down Agreement exists but is not being used, the Purchasing Manager / Budget Holder must document the reasons why in the Business Case Assessment. The Procurement Unit can assist you in finding the list of up-to-date OGP Framework Agreements.

In accordance with Government policy, and also in relation to SME participation in competing for contracts, an open procedure of competitive tendering is the norm for all contracts. This is in line with DPER Circular 10/14: Initiatives to Assist SMEs in Public Procurement 2014 and the 2016 Regulations which contain several provisions to make it easier for businesses and in particular SMEs to tender for Public Sector procurement contracts.

The type of process will depend on the value and nature of the requirement.

As well as complying with this Policy, all staff involved with procurement must ensure that national and EU rules and guidelines are followed.

The Procurement Officer has responsibility for Procurement Policy and will be available to advise on specific procurement issues. The main national and EU guidelines are available from the [OGP Website](#).

The Procurement Unit will also assist in the preparation of tender documents and contracts, as appropriate.

Principles

The Valuation Office as a contracting authority is subject to EU Directive 2014/24/EU as implemented in Ireland by the European Union (Award of Public Authority Contracts) Regulations 2016 (SI No. 284 of 2016), (the “Regulations”), in respect of the procurement of services, supplies and works above certain values (the “EU Thresholds”). The principles underpinning the Regulations are equal treatment, non-discrimination, mutual recognition, proportionality, and transparency. Where the Regulations do not apply – either because the value of the procurement

is below the EU Thresholds or falls outside of the Regulations – the Valuation Office policy is to adopt a competitive process designed to obtain the best value for money that can be achieved in a manner that is both fair and transparent.

Authority and responsibility for spending allocated budgets lies with the Purchasing Managers/Budget Holders.

The Head of Corporate Services retains overall responsibility for procurement.

Contracts should be awarded on the basis of lowest price or on Most Economically Advantageous Tender (MEAT) principles.

Scope

This Policy relates to all procurement in the Valuation Office.

Objectives of this policy

- To ensure that procurement policy and procedures comply with all statutory requirements.
- To ensure value for money in all purchasing activity through robust procurement practices.
- To outline the roles and responsibilities of the Procurement Unit and of the Purchasing Units.

Contract Value - Limits and Procedures

Where no relevant OGP Framework or draw down Agreement is in place, the following procedures based on contract value are to be used.

Contract value up to €5,000 (exclusive of VAT)

Where the value of supplies or services is **less than €5000** (exclusive of VAT), three quotes must be obtained from competitive suppliers. The quotations must be in writing; however, Email quotations are acceptable.

Contract value between €5,000 and €24,999 (exclusive of VAT)

Where the value is **between €5,000 and €24,999** (exclusive of VAT), a specification must be issued either by fax, in writing or by email to at least three suppliers seeking written quotations. The etenders.gov.ie website may be considered as an advertising medium.

Contract value greater than €25,000 (exclusive of VAT)

- (A) Where the value is **greater than €25,000** (exclusive of VAT), the Request for Tenders must include details of the basis on which the contract will be awarded. The Request for Tender must be advertised on the etenders.gov.ie website.
- (B) Approval for all expenditure in **excess of €50,000** (exclusive of VAT) must be obtained in advance from the Commissioner of Valuation.

Contract value greater than € 139,000 (exclusive of VAT)

- (A) Approval for all expenditure in **excess of €50,000** (exclusive of VAT) must be obtained in advance from the Commissioner for Valuation.
- (B) Where the value of the contract is **€139,000** (exclusive of VAT) **or greater**, the Request for Tenders must be advertised in the Official Journal of the European Union. It must include details of the basis on which the contract will be awarded.

In all cases the contract value is calculated as the full lifetime cost of the goods or services for the duration of the contract, including all possible options and extensions, exclusive of VAT.

Contracts without a fixed term should generally be valued based on four years anticipated supply.

Required Documentation

- Adequate documentation must be retained in relation to all procurement processes.
- All procurement competitions where the contact value is less than €5,000 (exclusive of VAT) must be documented on a procurement file which is retained in the Purchasing Unit (e.g. Facilities Management Unit, ICT Unit or other Purchasing Units).
- A competition reference number must be obtained for each new procurement initiative with a value of €5,000 (exclusive of VAT) or more. This number should be used in all documentation and communications relating to the procurement. The Facilities Management Unit issue the reference numbers – Special File References ('S' numbers).
- The Procurement Officer will maintain a register of all procurement competitions with a value of €5,000 (exclusive of VAT) or more.
- All contracts with a value greater than €25,000 (exclusive of VAT) must be advertised on the etenders.gov.ie website. Documentation relating to such competitions must be retained on a centrally registered file in the Procurement Unit and this file must be available for inspection on request by Accounts, the Head of Corporate Services, the Internal Auditors and the staff of the Comptroller and Auditor General.
- Documentation relating to each procurement competition must be kept for six years from the completion of the procurement process.

Tax Clearance

A Tax Clearance Certificate or electronic confirmation of a valid Tax Clearance Certificate is required from all suppliers or contractors providing goods or services in excess of €10,000 (including VAT) within any 12-month period and must be provided before the contract award, where the contract value warrants it.

Prior to award of a contract, the successful tenderer is required to supply their Tax Clearance Access Number and Tax Reference Number to facilitate online verification of tax status by the contracting authority. Accounts Unit maintain a file of existing suppliers Tax Clearance Access Codes and will notify each supplier when their Tax Clearance Access Code expires.

Contract Extensions

Where a contract contains an option to extend the term, and the Purchasing Manager/Budget Holder wishes to invoke the extension, the Purchasing Manager/Budget Holder is responsible for formally agreeing the extension with the contractor and keeping adequate records of the extension. Where the contract value is greater than €5,000 the Purchasing Manager/Budget Holder must inform the Procurement Officer of the new contract end date.

Contract Termination/Discontinued

If it is necessary for the Valuation Office to terminate or otherwise discontinue a contract, it is the responsibility of the Project Sponsor/Project Manager, with the approval of the Management Board, to bring about such termination or discontinuation in accordance with the terms and conditions of the contract.

Contract End/Extension/Value of Contract Exhausted

A reminder email of a contract ending will be issued by the Procurement Unit to the Contract Manager 4 months before the contract is due to end. The Procurement Unit will need to be advised by the Contract Manager if a contract will end or will be extended. The Contract Manager will be provided with a template letter for Contract Ending/Extension for issue to the Vendor. A copy of this letter should be sent to the Procurement Unit. The Contract Register will then be updated with this information.

When 75% of the value/number of specified days of the contract has been spent, the Accounts Unit will inform the Contract Manager (and send a copy to the Procurement Unit and Budget Holder) to alert him/her to prepare the appropriate necessary measures. When the total value of the contract has been spent, the Contract Manager must then end the contract or provide for an extension outside of the contract. Such an extension will require sign off at Management level. The Procurement Unit will need to be advised by the Contract Manager if a contract will end or will be extended outside of the contract. The Contract Manager will issue a letter for Contract Ending/Extension to the Vendor. A copy of this letter should be sent to the Procurement Unit. The Contract Register will then be updated with this information, if necessary - See Payments section, P. 12.

Derogations

Details of any contracts which exceed €25,000 (exclusive of VAT) in value and which are not subject to a competitive process must be entered on a central register, which is maintained by the Procurement Officer. Such contracts must be subject to independent review by Internal Audit or by a member of the Management Board who was not involved in the procurement process. **It is not envisaged that any such contracts will arise other than in the most exceptional circumstances and, should any case arise, advance approval to proceed is required from the**

Commissioner of Valuation. Realistic estimates of the total cost of the contract over its full life must be prepared in assessing the need to comply with various procurement requirements and thresholds.

Under the Dept. of Finance Circular 40/02 an Annual Report (signed by the Accounting Officer) in respect of contracts above a €25,000 threshold (exclusive of VAT) which have been awarded without a competitive process should be completed by the Finance Officer, signed by the Accounting Officer, and forwarded to the C&AG by 31 March of the year following the year that is being reported on. This should be copied at the same time to the Policy Unit of the Office of Government Procurement (email: returns@ogp.gov.ie).

The Procurement Unit

The Procurement Unit will advise on the correct policies and procedures in relation to Procurement.

Procurement above a value of €5,000 (exclusive of VAT)

In general, Procurement competitions with a contract value greater than €5,000 (exclusive of VAT) will be managed by the Procurement Unit, on behalf of the Purchasing Unit.

The Purchasing Unit will retain responsibility for:

- Business Case Assessment and budgetary approval
- The specification of the goods or services required
- For Contract values < €25,000, providing potential suppliers details
- Setting the Award Criteria and their respective weighting
- Answering queries and requests for clarification in relation to the goods or services requested
- Managing potential Conflicts of Interest
- Evaluating tenders
- Contract signing
- On-going contract management
- Raising purchase orders and managing receipt of the goods or services

The Procurement Unit will be responsible for:

- Producing and Issuing the Request for Tenders documentation
- Answering queries and requests for clarification in relation to the tender process
- Managing queries and requests for clarification
- Managing potential Conflicts of Interest
- Opening tenders
- Assisting with Tender qualification/selection and evaluation if required
- Tenderer management
 - Successful / Unsuccessful Letters
 - Tenderer debrief

- Contract preparation
- File retention
- Contracts Register

Procurement below a value of €5,000

Procurement of goods or services with a value below €5,000 will be conducted in the Purchasing Unit. While the procedures will be less onerous, the same principles will apply, and the following records should be kept.

- Business Case Assessment and budgetary approval
- The specification of the goods or services required
- The Award Criteria and their respective weighting (may be cost only)
- Producing and issuing the Request for Tenders documentation
- Answering queries and requests for clarification
- Opening tenders
- Evaluating tenders
- Tenderer management
 - Successful / Unsuccessful Notices
 - Contract preparation
- Contract signing (if applicable)
- File retention
 - Budget approval
 - Request for Tenders
 - Submissions
 - Evaluation record
 - Approval for decision to award
 - Contract (if applicable)
- On-going contract management

OGP Frameworks and Drawdown agreements

The Office of Government Procurement (OGP) was established 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.

The OGP have put in place a number of purchasing Framework Agreements with suppliers of goods and services, which are common across the Public Service. There are two main types of Frameworks:

1. Single Supplier Agreements: Public Bodies can draw down goods or services directly from a single supplier under contracts put in place by the OGP. These draw-down agreements are typically used for lower value, routine purchases. To use them the Purchasing Unit typically needs to complete an Agreement Form and submit it to the relevant supplier. The Procurement Unit will assist in accessing the appropriate documentation.

2. Multi Supplier Agreements: A panel of potential suppliers have been approved for goods or services. Access to these is by way of a 'mini-competition' where a Supplemental Request for Tenders (SRFT) is submitted by the Contracting Authority to the OGP who issue it on their behalf to the panel members via the eTenders website. These Frameworks are used where more complex and/or more expensive goods or services are required.

Where a framework exists, the Procurement Unit will work with the Purchasing Unit and the OGP to complete the SRFT and other documentation.

Purchasing and Payment procedures

Purchase Orders

Only the designated Purchasing Officers may raise Purchase Orders.

A Purchase Order must be raised by the Purchasing Officer on the Accounts IDocs system for all goods/services and for all types of purchases in advance of an order being placed. The Purchase Order number must be quoted on all orders for goods/services.

Each order must be submitted to the supplier, by letter, email, or fax. Goods received/delivery notes must be matched against the Purchase Order by the Purchasing Officer.

The order must clearly show:

- the nature and quantity of the goods/services ordered,
- contract terms,
- conditions of use,
- quotation or agreed price and
- Cost centre against which the order will be charged.
- The Purchasing Officer must receipt the goods or services.
- Once received, the supplier's Invoice should be emailed to accounts_payable@valoff.ie, quoting the Valuation Office Purchase Order number.

Credit Card Usage

A Credit Card Usage Policy has been adopted by the Valuation Office and all purchases using the credit card must comply with this Policy.

Orders placed using the credit card must follow the normal procurement procedure.

On-line Ordering

Orders placed on the internet, by the Purchasing Manager/Purchase Holder, must follow the normal procurement procedure. Foreign purchases are subject to VAT. The total price including VAT liability should be calculated when considering a purchase.

Accounts Unit will make VAT return to Revenue.

Authorisation of Orders

Each Purchasing Manager / Budget Holder is responsible for purchase orders made from his/her budget. The purchase must be authorised in accordance with purchasing limits before a purchase order is placed.

The Budget Holder (at Principal Officer/Director level) must, if necessary, present the business case to the Commissioner of Valuation/Management Board to obtain any necessary approval to spend.

Payments

In all cases where a procurement competition has been advertised on the e-tenders website and a contract subsequently issued, the Procurement Officer should be informed by the officer responsible for management of the contract of all payments associated with the contract where the payments threaten to exceed the original value of the contract.

PSWT

Suppliers of professional services are subject to Professional Service Withholding Tax (PSWT) on relevant services. This tax will be deducted by the Office and paid to the Revenue Commissioners.

VAT

VAT is payable on purchases, where applicable, including foreign purchases. HEO/EO in Accounts Unit should be consulted in advance of placing any orders with foreign suppliers to establish the appropriate VAT treatment. All Purchase Orders, if applicable must include the cost of VAT.

Purchasing Officers and Approval Value Limits

Unit	Input Officers	€ 10k Limit	€ 25k Limit	€ 50k Limit
Facilities Management	Designated CO/EO: Facilities Management	HEO: Facilities Management	APO: Facilities Management, Training, Human Resources	Head of Corporate Services
Training	Designated CO/EO: Training	HEO: Training		
Human Resources	Designated CO/EO: Human Resources	HEO: Human Resources		
Management Support	Designated CO/EO: Management Support	HEO: Management Support	APO: Management Support, Finance, Public Office, Valuation Admin Services	
Finance	Designated CO/EO: Finance	HEO: Finance		
Public Office	Designated CO/EO: Public Office	HEO: Public Office		
Library	Designated EO: Valuation Admin Services	HEO: Valuation Admin Services		
Valuation Services	Designated EO: Valuation Admin Services	HEO: Valuation Admin Services	APO: Valuation Admin Services	Head of Valuation Services
ICT/GIS	Designated CO/EO: ICT	HEO: ICT	APO: ICT	Chief Information Officer
Data Management	Designated CO/EO: Data Management	HEO: Data Management	APO: Data Management	
Valuation Tribunal	Designated CO/EO Valuation Tribunal	HEO: Valuation Tribunal	Registrar, Valuation Tribunal	Head of Corporate Services

Expenditure over the value limit amounts above must be endorsed by next level authoriser or the Commissioner of Valuation.

All expenditure over € 50,000 (exclusive of VAT) must be authorised by the Commissioner of Valuation.

Purchasing Managers / Budget Holders

Declan Lavelle, Head of Valuation Services	Valuation Services
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Mary Smyth, Head of Corporate Services	Human Resources, Facilities Management, Management Support, Training & Development,
Liam Butler, Chief Information Officer	ICT, GIS, Data Management
Brendan Buggy, Registrar Valuation Tribunal	Valuation Tribunal

Head of Corporate Services – Mary Smyth

Procurement Officer – Gerard Kelly