

DUBLIN CITY COUNCIL

ORDER OF THE HEAD OF FINANCE

FINANCE DEPARTMENT

Made on 8th day of January 2018
Order No. H.o.F. 63/2018

This order refers to the procedures for the procurement of Supplies, Services and Works. The order amends the procedures only in so far as they relate to the new EU Procurement Thresholds applicable from 1st January 2018 to 31st December 2019 incl.

- (1) Ordering, Quotation & Tender Advertisement Procedures for Supplies, Services & Works
- (2) Tendering Procedures to facilitate SMEs
- (3) Purchase Order and Invoice Approval Levels
- (4) Computer Hardware, Software & Printers/Photocopiers etc.
- (5) E.U. Procurement Directives

1. ORDERING, QUOTATION & TENDER ADVERTISEMENT PROCEDURES

The procedures for the seeking of tenders and ordering of goods and services were last approved by the Head of Finance on 24th April 2014.

The latest E.U. Public Procurement advertising thresholds are effective from 1st January 2018 to 31st December 2019.

SUPPLIES & SERVICES (As defined by Public Procurement Directive 2004/18/EC)	
VALUE	QUOTATION / TENDER INVITATION
(a) Not exceeding €12,500 (excl. VAT)	One quotation only need be invited and may be accepted if the price is reasonable. Written confirmation of the quotation should be sought where possible.
(b) Over €12,500 (excl. VAT) and not exceeding €25,000 (excl. VAT)	A minimum of three quotations must be sought by circular letter, FAX or email.
(c) €25,000 (excl. VAT) and not exceeding €50,000 (excl. VAT)	By public advertisement (www.etenders.gov.ie) (approval requirement: Senior Executive Officer see section 3 (iii))
(d) Over €50,000 (excl. VAT) (By public advertisement (www.etenders.gov.ie) approval requirement Executive Manager see section 3 (iv)
(e) Over €221,000 (excl.VAT)	By advertisement in the Official Journal of the European Union (OJEU) using (www.etenders.gov.ie)

WORKS (As defined by Public Procurement Directive 2004/18/EC)	
VALUE	QUOTATION / TENDER INVITATION
(f) Not exceeding €50,000 (incl. VAT)	Not less than five quotations must be sought, one of which may be accepted if the price is considered reasonable. Written quotations must always be obtained.
(g) Over €50,000 (incl. VAT) and not exceeding €5,548,000 (excl. VAT)	Must be advertised on the ETENDERS Website (www.etenders.gov.ie) as a minimum.
(h) Over €5,548,000 (excl VAT)	By advertisement in the Official Journal of the European Union (OJEU) and on the eTenders website (www.etenders.gov.ie)

2. TENDERING PROCEDURES TO FACILITATE SMEs

Department of Finance Circular 10/10 dated 13th August 2010, titled "Facilitating SME Participation in Public Procurement", sets out guidance for public contracting authorities regarding the use of tendering procedures.

Circular 10/10 was replaced by Department of Public Expenditure and Reform Circular 10/14, dated 16th April 2014, titled "Initiatives to assist SMEs in Public Procurement". The main elements are shown below:

SUPPLIES & GENERAL SERVICES		
1	Advertised contracts up to €134,000 excl.VAT	<u>OPEN Procedure must be used</u>
2	Contracts over €134,000 excl.VAT	OPEN, RESTRICTED or other appropriate procedures may be used

WORKS & RELATED SERVICES		
This refers to contracts for works, contracts for works contractors' services (e.g. project supervisor for construction stage) and contracts for works-related professional services (e.g. professional construction design services).		
1	Advertised contracts up to €250,000 excl.VAT	<u>OPEN Procedure must be used</u>
2	Contracts over €250,000 excl.VAT	OPEN, RESTRICTED or other appropriate procedures may be used

Publication of Contract Award Notices		
Buyers are required to publish <u>all</u> Contract Award Notices over €25,000 on the etenders website on completion of the award. This is a separate step to publishing on the OJEU and will facilitate SME participation in public procurement.		

3. PURCHASE ORDER & INVOICE APPROVAL LEVELS

- (i) **Orders for supplies/services/works not exceeding a value of €12,500 (excluding VAT)**
Procedure as in (a) above. The Purchase Order/Invoice may be approved by an officer not lower in rank than Senior Staff Officer, professional officer at Executive level or an analogous grade
- (ii) **Orders for supplies/services/works in excess of €12,500 (excluding VAT) but not exceeding a value of €25,000 (excluding VAT)**
Procedure as in (b) above. The Purchase Order/Invoice may be approved by an officer not lower in rank than Administrative Officer, professional officer at Senior Executive level or an analogous grade.
- (iii) **Orders for supplies/services/works with a value of €25,000 (excluding VAT) but not exceeding a value of €50,000 (excluding VAT)**
Procedure as in (c) above. The Purchase Order/Invoice may be approved by an officer not lower in rank than Senior Executive Officer, professional officer at Senior Engineer level or an analogous grade.
- (iv) **Orders for supplies/services/works in excess of €50,000 (excluding VAT) but not exceeding €150,000 (excluding VAT)**
Procedure as in (d) above. The Purchase Order/Invoice may be approved by an officer not lower in rank than Executive Manager or Head of Technical Services (Traffic).

(v) **Orders for supplies & services in excess of €150,000 (excluding VAT)**

Procedure as in (d) & (e) above. Tender Advertisement is required for orders in excess of €25,000. OJEU advertisement is required for orders in excess of €221,000. Managerial approval must be obtained for payment of all invoices in excess of €150,000.

(vi) **Engagement of Consultants**

Orders approving the engagement of consultants require prior approval by one of the following:

- Chief Executive
- Assistant Chief Executive
- Head of Finance
- Head of Human Resources and Corporate Services
- Law Agent

(vii) **Orders for provision of Works**

Procedures as in (f), (g), & (h) above. Managerial approval must be obtained for payment of invoices with a value in excess of €150,000. Otherwise, order approval requirements are as shown in (i) to (v) above.

Construction Procurement reforms were introduced by the Department of Finance in 2007 using fixed-price contracts for construction contracts and for the engagement of consultants on construction projects. Full details are available on the Department of Finance website: www.constructionprocurement.gov.ie

(viii) **Statutory Demands & Payments to Public Utility Companies**

Payments in relation to statutory demands and payments for services provided by public utility companies are excluded from the requirements (i) to (v) above.

Approval levels set out above (i-viii) relate to both the creation of purchase orders and payment of invoices. Only staff at the specified grades who are nominated budget holders may order supplies/services/works and approve payments to the levels set out. I.e. not all staff at the specified grades have purchasing/approval authority.

4. COMPUTER HARDWARE, SOFTWARE, I.T. SYSTEMS PRINTERS/PHOTOCOPIERS AND RELATED SERVICES

It is recommended that the current arrangements regarding the purchase or lease of computer hardware, software or any related items continue to apply as follows:

1. Where a specific contract exists, additional approval by way of managerial order will not be required.
2. Requests/proposals for I.T. systems and services should be referred to the I.S. Department and endorsed by the I.C.T. Manager.
3. All orders for I.T. systems and services should be issued by the I.S. Department.
4. The purchase of computer hardware, software and IT systems and services must be approved by managerial order in accordance with current delegations.
5. The ICT Manager, I.S. Department must approve of the lease of photocopying/printing machines under the current printing/photocopying contract.

5. E.U. PROCUREMENT DIRECTIVES – OJEU TENDER NOTICES ADVERTISING THRESHOLDS

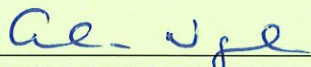
The EU procurement advertising thresholds effective from 1st January 2018 and which were notified to all Executive Managers in January 2018 are summarised as follows:

Tender Thresholds (exclusive of V.A.T.)

CONTRACT		TENDER NOTICE
Works		€5,548,000
Supplies		€221,000
Services		€221,000
Utilities	(Works)	€5,548,000
	(Supplies)	€443,000
	(Services)	€ 443,000

All contracts above the thresholds shown must be advertised in the Official Journal of the European Union (OJEU). Failure to comply creates the possibility of legal proceedings against Dublin City Council and against Ireland in the case of proceedings taken in the European Court of Justice.

NOTE: ALL MEMBERS OF STAFF ARE REMINDED OF THEIR CONTINUING OBLIGATION TO COMPLY FULLY WITH DUBLIN CITY COUNCIL'S PROCUREMENT POLICY AND PROCEDURES MANUAL.


SENIOR EXECUTIVE OFFICER

DATED: 3rd JANUARY 2018

ORDER: Tendering, ordering procedures, and approval levels as recommended by the Senior Executive Officer are hereby approved.

Signed: 
HEAD OF FINANCE

DATED: 8.1.18

To whom the appropriate powers have been delegated by the Dublin City Manager by order dated:

1st September 2017