



**An Ghníomhaireacht um  
Leanaí agus an Teaghlach**  
Child and Family Agency

# **TUSLA Financial Regulation 01**

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***‘PURCHASE TO PAY’***

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Financial Regulation 01 Easy guide printout



## Preface

The Child and Family Agency (hereafter known as “the Agency” or “TUSLA”) is committed to achieving value for money in the procurement of supplies and services essential to support its work in providing high quality service to the public in a cost effective and efficient manner.

Procurement by the Agency takes place in the context of the EU Directives and the Public Procurement Guidelines. The guiding principles are transparency and openness of competition, in striving to achieve a public procurement function that is discharged honestly, fairly and in a manner that secures best value for public money. The Agency strives to be cost effective and efficient in their use of resources while upholding the highest standards of probity and integrity. The Agency wishes to ensure that there is an appropriate focus on good practice in purchasing and, where there is a significant procurement exercise, that procedures are in place to ensure compliance with all relevant guidelines

The Agency participates fully in on-going initiatives of the Office of Government Procurement (OGP) and HSE HBS Procurement, focusing especially at achieving procurement savings, including the use of shared framework agreements for the provision of an increasing number of categories of supplies and services.

All invitations to tender must be advertised on Government e-tenders website [www.etenders.gov.ie](http://www.etenders.gov.ie)

**On the creation of the Agency (On the 1<sup>st</sup> January 2014) all HSE National Financial Regulations (NFRs) were adopted. This document supersedes the HSE NFR 1 effective from 1<sup>st</sup> July 2017.**

**All references in other documents/ other National Financial Regulations to HSE National Financial Regulation 1 shall now refer to the applicable section of this document effective from 1<sup>st</sup> July 2017.**

## 1.1 Overview

- The regulations within this document are intended to set out the primary financial control requirements for all non-pay expenditure (i.e. expenditure not processed through the payroll system). It is an aid to ensure that all purchasing occurs within the procurement rules as dictated by this Agency, Government Circulars, the Office of Government Procurement (OGP) and the EU Directives.
- The “Purchasing to Pay” (PTP) process has 4 fundamental stages:

STAGE	CONDUCTED BY:
1. Pre Purchasing	TUSLA Staff
2. Purchasing	TUSLA Staff HSE HBS Procurement (if value of spend is greater than or equal to €25,000)
3. Receiving	TUSLA Staff
4. Payment	HSE HBS Accounts Payable / Local Office (In permitted locations only)

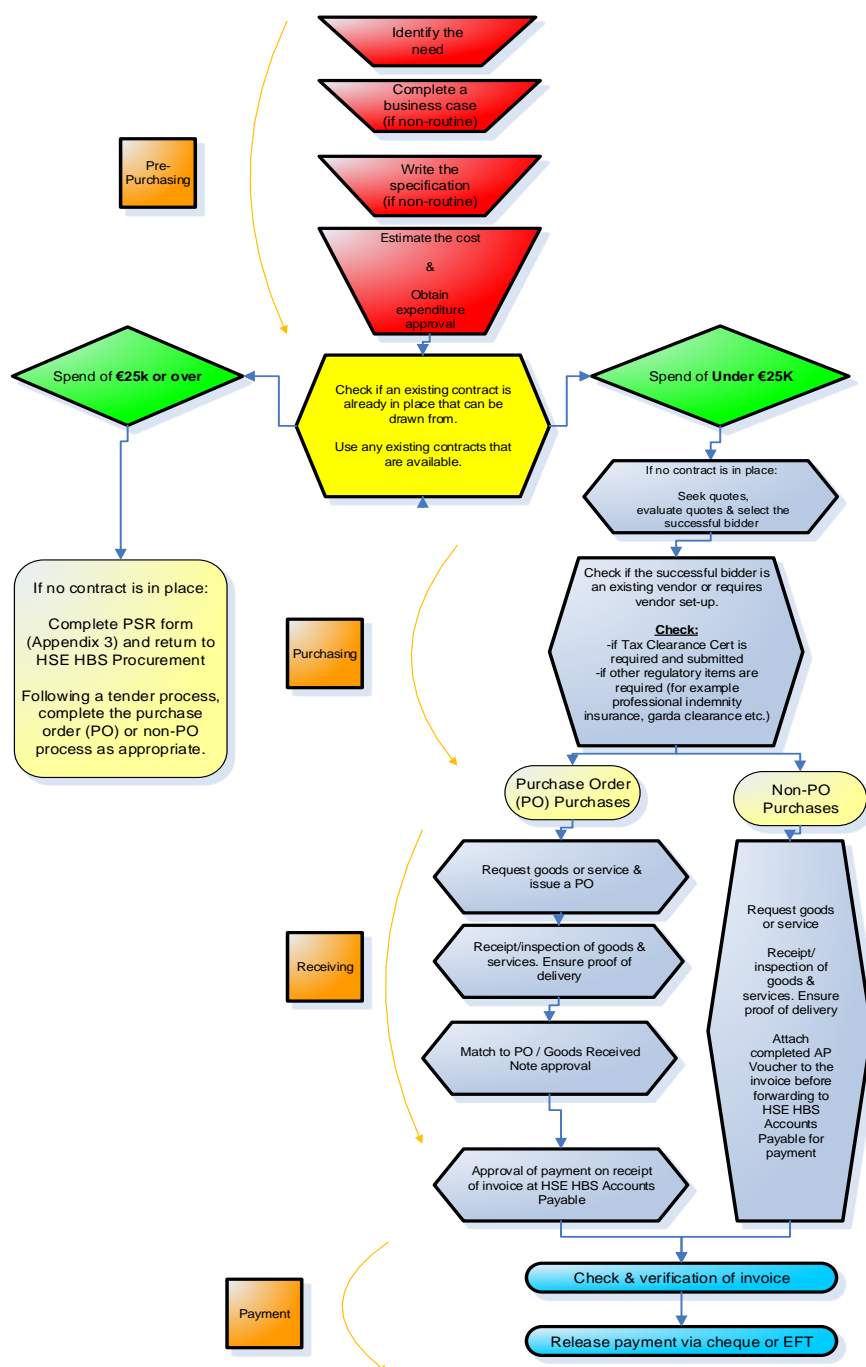
- Unless explicitly approved by the Director of Finance all TUSLA staff must adhere to the procedures and regulations contained within this document, which includes the use of HSE HBS Procurement when expenditure is equal to or greater than €25,000.

## 1.2 Roles & responsibilities in relation to the purchasing process

ROLE	RESPONSIBILITIES
Budget Holder (Area Manager / Service Director / Assistant National Director / National Director / Regional Manager etc.)	<ul style="list-style-type: none"><li>• Responsible for all expenditure within the Budget allocated to their area of accountability. (May delegate this responsibility)</li></ul>
HSE HBS Procurement	<ul style="list-style-type: none"><li>• Complete tender process on behalf of the Agency for expenditure of €25,000 or over.</li></ul>
All TUSLA Staff	<ul style="list-style-type: none"><li>• Adhere to procurement rules &amp; Financial Regulations.</li><li>• Achieve value for money (VFM) in relation to Agency expenditure.</li><li>• Retain proper records.</li><li>• Incur expenditure only for the purposes of fulfilling the functions of the Agency as outlined in the Child and Family Agency Act 2013.</li></ul>
HBS Accounts Payable	<ul style="list-style-type: none"><li>• Process accounts payable invoices and payments (As per the Service Level Agreement) and provide other ancillary services.</li></ul>

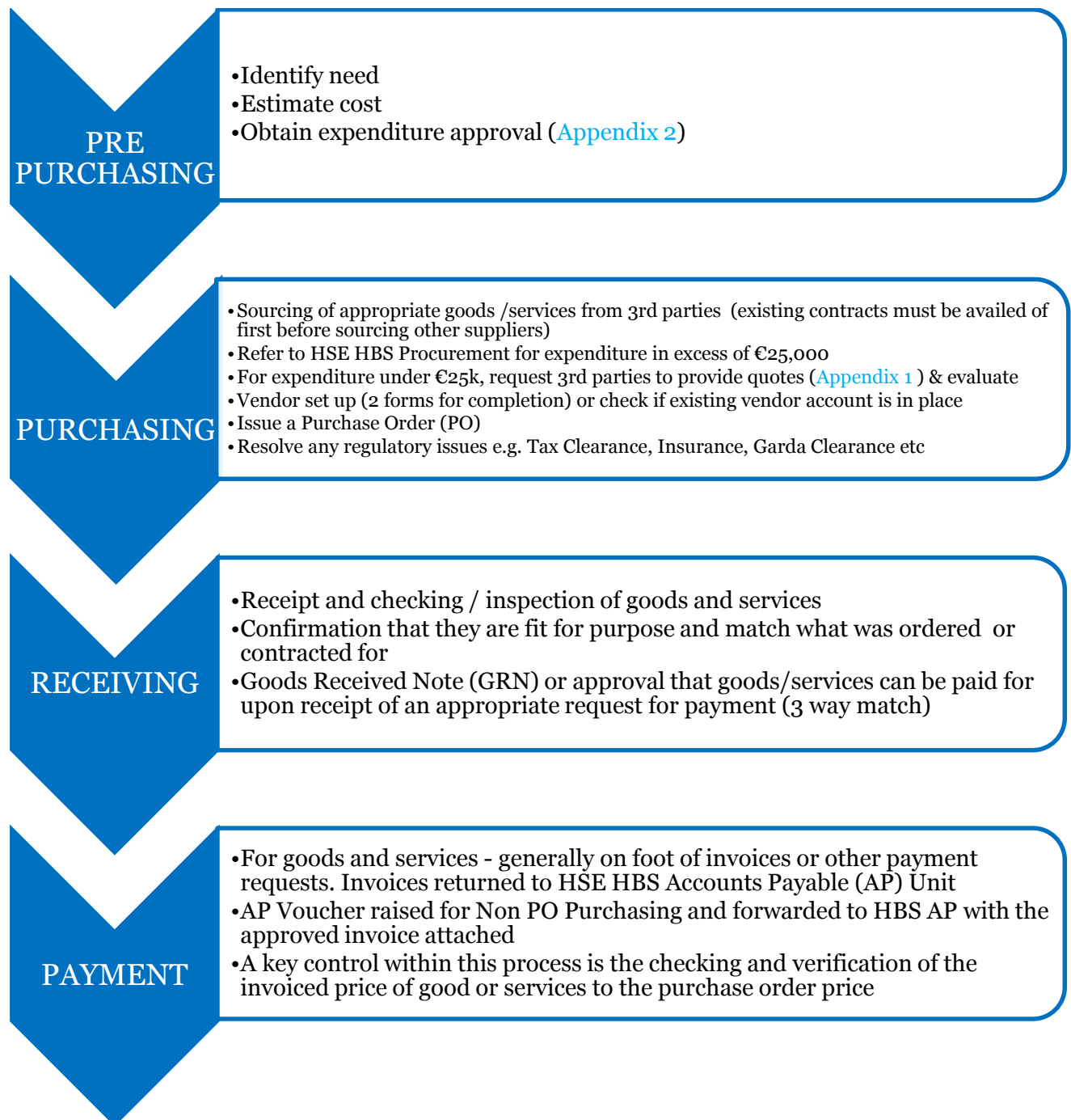
## 1.3 Illustrative Guide to the Purchase to Pay (PTP) process

- The diagram below illustrates the complete Purchase to Pay (PTP) process which should be followed within the Agency.
- Any TUSLA staff who require clarification of any stage should contact Finance / the appropriate Regional Finance Manager (RFM) for further guidance.





## 1.4 Overview of the four stages of the Purchase to Pay process



## Purchase to Pay (General Topics)

The regulations within this document are intended to set out the primary financial control requirements for all non-pay expenditure (i.e. expenditure not processed through the payroll system).

### 2.1 The objectives of the Financial Regulations

The objectives of the Financial Regulations in respect of the Purchase to Pay Process are to ensure the Agency, its Budget Holders, Managers and Staff;

- Comply with Government and EU Procurement requirement and Government Circulars and ensure that the procurement process is open and competitive.
- Properly assess the Agency's procurement requirements on a periodic basis to enable proper procurement planning.
- Demonstrate full accountability and probity as well as the highest ethical standards in respect of the public funds expended in the purchasing process.
- Acquire goods and services that are most appropriate and represent best value for money for the Agency in terms of full life-cycle costs.
- Make best use of the purchasing power of the Agency through procurement by entering into contracts including national contracts, wherever appropriate.
- Review the national aggregate demand to optimise the Agency's purchasing power.
- Obtain formal approval from the appropriate Budget Holder or their nominee before requesting the provision of any goods, services or works.
- Do not engage in purchasing above the limits of the budget available.
- Operate the purchase to pay process in an efficient and effective manner that facilitates the timely production of accurate and comprehensive Annual Financial Statements (AFS).
- Properly manage their contacts with suppliers and provide full clarity to suppliers as regards what is expected of them in relation to all aspects of the PTP process.
- Consistently apply high standards with respect to evidencing and recording of receipt of goods/services and custody of goods.
- Only acquire goods and services that are for the purposes of fulfilling the functions of the Agency, as outlined in the Child and Family Agency Act 2013, and are aligned to the purposes to which the Department of Children and Youth Affairs (DCYA) grant funding to the Agency.

### 2.2 These regulations establish the minimum requirements

These regulations set out what are minimum requirements around many aspects of the purchasing process, which includes:

- Approval levels.
- Sourcing options (depending on the value of the expected purchase).
- Value thresholds for the different sourcing options.

## 2.3 Other expenditure protocols

The requirements set out in this Financial Regulation relate to non-pay expenditure. In addition, there are other requirements that arise due to the specific nature of expenditure and which are governed by separate protocols. These include:

- Capital Projects – No asset acquisitions can occur without TUSLA Estates approval.
- ICT expenditure over €2,000 must be pre-approved by the TUSLA ICT Directorate (unless it consists of routine expenditure like laptops, PCs, screens etc. which are ordinarily purchased through the HSE Service Desk).
- Purchase of motor vehicles/modular buildings/fixed assets and other capital expenditure over €7,000 must be pre-approved by TUSLA Estates.
- Legal Expenditure & Guardian Ad Litem expenditure must be routed through the TUSLA Legal Department.
- Pre-approval is required from the Director of Finance (or their delegate) before disposals of assets can occur.
- Fixed asset acquisition and disposal forms (**Appendix 5**) must be completed in relation to ICT assets valued over €2,000 and all other assets valued over €7,000. Notification of these acquisitions/disposals should also be given to the Finance Department for appropriate updating of the fixed asset register.

Note: Capital spends outlined in the Capital Plan will be financed from the Capital Budget.

## 2.4 Scope of these regulations

These regulations cover the whole of the Agency which is a large and very diverse organisation. It is not practical to cover all potential situations or scenarios that may exist. If any doubt arises as to the correct procedures to follow or if breaches of this regulation have been identified, clarification should be sought from the Regional Finance Manager or the Finance Department for direction and guidance.

## 2.5 Four key elements for each purchasing transaction

It is clear that each and every purchasing transaction will have the following elements:

1. Identification and notification of need. (Pre Purchasing)
2. Confirmation of availability of funds and approval to spend. (Pre Purchasing)
3. Sourcing of supplier(s) to provide goods or services. (Purchasing)
4. Issue of Purchase Order to the supplier or Creation of AP Voucher. (Purchasing)

## 2.6 Locally documented purchasing arrangements

Budget Holders must ensure that there are documented purchasing arrangements in place for managers and users for each respective location/main category of spend.

## 2.7 Purchasing regulations to organisations funded by the Agency

**2.7.1** Where an organisation is more than 50% funded by the Exchequer, public procurement rules are obliged to be followed.

**2.7.2** Budget Holders must ensure that relevant voluntary, not for profit or other such organisations are aware of this requirement and it should be included as part of any Service Level Agreement (SLA) or other contract with such organisations.

Refer to NFR-31 Grants to Outside Agencies for further details.

## **MANDATORY CONTROLS WITHIN PURCHASING**

These regulations prescribe the following mandatory controls within the purchasing process:

- Segregation of duties within purchasing (See **2.8**)
- Procurement planning (See **2.9**)
- Identification and notification of need (See **2.10**)
- Confirmation of availability of funds and approval to spend (See **2.11**)
- Resolution of regulatory issues (See **2.12**)
- Sourcing of suppliers to provide goods and services (See **2.13** to **2.24**)
- End of the purchasing stage & issue of a PO/creation of AP voucher (See **2.25** to **2.27**)
- Contract management (See **2.28**)

### **2.8 Segregation of duties is a key element of a financial control framework**

In the context of the purchasing process the following requirements are mandatory:

**2.8.1** At the decision stage a **minimum of two** staff members must be involved.

This must be evidenced by signatures appearing on purchasing documents e.g. Requisition, Purchase Orders or through the SAP Purchase Order (PO) electronic audit trail. Signature stamps are not permitted on any purchasing related documentation.

**2.8.2** No manager (or staff member) should have the final decision regarding the issue of a Purchase Order or contract for any goods or service that is for their own individual usage in the workplace.

**2.8.3** There must be a clear separation of tasks between:

1. The person raising/creating a Purchase Order.
2. The person approving/releasing a Purchase Order.
3. The person recording the receipt of the respective goods/service.

A minimum of **two different people** must be involved in this part of the process.

**2.8.4** There is a mandatory requirement to obtain appropriate professional procurement input (from HSE HBS Procurement) where the value of purchases is equal to or exceeds €25,000 per annum. This is initiated through the Procurement Service Request (PSR) Form (See **Appendix 3**).

**2.8.5** One of the two required staff must have expenditure authority equal to the estimated value of the total contract or otherwise have it approved by an appropriate TUSLA staff member with the required approval limit when evaluating quotes (See **Appendix 2**).

**2.8.6** If a member of staff has a conflict of interest (or a perceived conflict of interest) they should formally communicate this to their manager clearly stating the details. The staff member must immediately withdraw from any involvement in the purchase.

## **2.9 Procurement Planning**

The Agency must put in place a National Procurement Plan, which incorporates input from HSE HBS Procurement, TUSLA Estates, TUSLA ICT Unit & TUSLA Operations as appropriate to address:

- 1.** Appropriate categorisation and rationalisation of suppliers.
- 2.** Contracts to be renewed or terminated/allowed to lapse and their timeframes.
- 3.** Additional contracts to be put in place.
- 4.** Main service developments (new legislation, new services, service expansions, service reductions) likely to impact on procurement over the following 12 months.
- 5.** Any other relevant matters.

**2.9.1** Each budget holder must comply with the procurement planning process.

**2.9.2** The budget holder must ensure to notify the procurement team of any future or pending spends (that may have an impact on the procurement planning process) as soon as they become aware of same.

**2.9.3** A National Procurement Plan should be updated annually and replaced every 3 years.

**2.9.4** Given the need for obtaining value for money and making best use of staffing resources there is a requirement to co-ordinate and aggregate procurement activity across all regions. Procurement planning and competitive tendering competitions should always consider the national spend levels and service requirement.

**2.9.5** It is a mandatory requirement that the procurement plan identifies any likely purchases which will require the use of a tendering process, based on the value thresholds.

**2.9.6** In addition to the Procurement Plan, the Head of ICT is required to provide a breakdown of all ICT expenditure planned for the forthcoming year and submit it to the Department of Finance by 30<sup>th</sup> November each year. By the end of January each year the Agency must submit a further statement to the Department of Finance detailing the actual ICT expenditure in the previous year, explaining any significant variance from the Start of Year Submission.

**2.9.7** In addition to the Procurement Plan the Director of Finance shall prepare an annual report in compliance with the Circular 40/02 “Public Procurement Guidelines” to identify contacts above €25k which have been awarded without a competitive process.

## **2.10 Identification of need**

Managers and staff who identify and communicate needs for goods and services must satisfy themselves and be in a position to demonstrate that the need:

1. Is genuine and is appropriate to their service.
2. Takes account of prevailing policies and constraints (including statutory compliance requirements) together with resource constraints under which their service is operating.
3. Has been identified following a review of existing goods and services that may already be available to the service.
4. Is for the purposes of fulfilling the functions of the Agency as outlined in the Child and Family Agency Act 2013.

**NB:** The person approving expenditure must be aware of cost/value of items/service required and have knowledge of the budget available.

**2.10.1** In communicating the need for goods or services to the relevant Budget Holder, or their nominee, the manager or staff member must:

**For routine expenditure:**

1. Fully comply with the formal documented purchasing arrangements put in place by or on behalf of the Budget Holder.
2. Fully comply with additional requirements of their own manager, providing they comply with this regulation.

**For non-routine expenditure:**

1. In addition to the above, clearly explain the need in written form.

**For expenditure on Capital:**

1. Receive TUSLA ICT Approval for Expenditure on ICT > €2,000.
2. Receive approval from TUSLA Estates for expenditure on all other assets > €7,000.

## 2.11 Availability of funds

It is the responsibility of the Budget Holder to ensure that there are funds available within the budget for all planned expenditure.

Expenditure approval thresholds are set out in [Appendix 2](#).

## 2.12 Minimum Controls for Budget Holders

**2.12.1** Budget Holders must document the accountable nominees in their own area with regards to expenditure approval.

**2.12.2** Regulatory and compliance issues must be resolved prior to the issuing of a purchase order or contract. Such issues may include the following: (This is not intended to be an exhaustive list)

1. Any licensing issues.
2. All statutory permissions or requirements (including health & safety).
3. Tax clearance certificates /tax status issues.
4. Insurance e.g. professional indemnity, employer's liability etc.
5. Compliance with 'Children First' requirements & garda vetting of staff interacting directly with children or vulnerable service users.
6. Satisfaction that the intended purchase is for the purposes of fulfilling the functions of the Agency, as outlined in the Child and Family Agency Act 2013.

## 2.13 Budget Holder's responsibility in relation to Sourcing

Budget holders and their nominees must;

**2.13.1** Monitor their purchasing activity on an on-going basis. They must identify opportunities for appropriate extension of centralised contracting. Any extension of a contract must be pre-approved by the Procurement Team.

**2.13.2** Document their sourcing procedures as part of their formal local purchasing arrangements and all such sourcing procedures must comply with the National Financial Regulations.

**2.13.3** Have regard to the need to avoid ordering excess quantities of goods– it is important to balance the requirement to ensure goods are available when needed against the issues associated with over ordering including:

1. Lack of appropriate storage.
2. Excess goods may not last and have to be scrapped.

**2.13.4** These requirements should be addressed in the context of meeting the need for procurement planning as set out above.

### **1. 1st required preference; Source from Existing Contract**

## 2.14 Utilising existing contracts

It is a specific responsibility of each Budget Holder to ensure, to the greatest extent practicable and where consistent with achieving value for money, that as many purchases of goods and services are from existing valid contracts.

## 2.15 Requirement to utilise contracts that are in place and still valid

**2.15.1** It is the responsibility of all staff to establish whether an existing contract is already in place and, if so, to utilise this contract. Staff should contact the Procurement Team for a current listing of existing contracts.

**2.15.2** The terms of any given contract must make clear the extent to which the Agency commits to purchasing from the suppliers who have been awarded the contract. The terms must also make clear the goods and services governed by the contract and the rates that are applicable.

**2.15.3** Any required negotiation of the contract must be managed by the Agency's Procurement Team and HSE HBS Procurement. The Budget Holder must communicate to them their requirements.

**2.15.4** Particular consideration must be given to Agency locations or services that may have low volume or low value requirements or may be geographically remote.

**2.15.5** The non-use of an existing valid contract, other than what is permitted under the existing contract, must be approved by the Agency's Procurement Team.



## **2. 2nd required preference; Invitation to 3rd Party Supplier to supply**

### **2.16 Value thresholds for sourcing of suppliers - general**

**2.16.1** In instances of large value purchases or anticipated large value purchasing over an extended period of time for goods/services, the Budget Holder must check with the Procurement Team if the Procurement Plan takes account of this.

**2.16.2** Value thresholds are applied to determine the level of managerial approval required in respect of any given purchase order/contract or expenditure.

**2.16.3** In applying the value thresholds for sourcing, managers must take into account requirements for the same or similar goods/services in as wide an area of the overall TUSLA service as practically possible for the remainder of the financial year.

**2.16.4** If there is any uncertainty as to which value range the required goods/services fall into (See: **2.18**) then the next highest range should be assumed and the sourcing options required for that value range are to be utilised.

**2.16.5** All values should be applied **excluding VAT** unless otherwise stated.

- 1. Goods/Services**– The threshold should be applied in respect of the need for the same or similar goods for the remainder of the current financial year, in a bid to prevent any unnecessary continuous procurement processes.
- 2. Works** – The threshold relates to specific construction works. Authorisation of Capital Projects, and the related expenditure approval and sourcing of supplies and services must be undertaken and managed by the Agency's Estates Unit.

**2.16.6** Prohibition on “Splitting of Purchases” to avoid value thresholds.

“Splitting of Purchases” occurs where a staff member separates what is in effect one requirement into two or more separate lots for the purpose of applying a lower than appropriate value threshold.

This practice represents a very serious breach of the Financial Regulations and is strictly prohibited.

### **2.17 Value Thresholds for Sourcing represent the minimum control levels**

The Budget Holder can opt for a tender process (even if the threshold does not dictate that it is mandatory) if they believe that it will achieve greater value for money over simply requesting quotations. However, the Budget Holder should complete a simple Cost Benefit Analysis to weigh up the additional time and cost required to complete a full tender process versus the further economic benefit achieved on the good/services provided.



## 2.18 Sourcing Options

The table below sets out the requirements with regard to sourcing of suppliers where acquiring from an existing contract is not possible. This applies to goods and services.

Spend Bands	Method of Sourcing	No of Quotes Required	Form of Quote	Min Time for Receipt of Quote	Sourcing Completed By
Up to €4,999	Direct Approach	Minimum of 1	Verbal / Written  NB: Purchaser must be able to demonstrate that value for money was achieved	None	TUSLA Staff
€5,000 to €24,999	Direct Approach	Minimum of 3	Written	None up to €10,000, 2 days thereafter	TUSLA Staff
€25,000 or over	Full Formal Tender Procedure	Refer to HSE HBS Procurement	Full Formal Tender Procedure	Minimum 10 Days	Refer to HSE HBS Procurement

*The thresholds above are in line with the EU Procurement Directives and the Public Procurement Guidelines- Competitive Process issued by the Department of Finance.*

## 2.19 Authorisation to seek quotes/tenders

Each Budget Holder or their nominee must provide authorisation to the TUSLA staff member prior to seeking quotes or initiating the tender process with HBS Procurement.

## 2.20 Issue of quote forms/documentation

A record/file must be kept of each request for a quote and documentation retained detailing when received, when responded to and the documentation issued. This should be easily accessible for audit and checking purposes.

## 2.21 Minimum time to be allowed for receipt of quote

**2.21.1** The times specified in the table above are the minimum allowed. Managers are required to allow additional time where doing so could be considered reasonably necessary.

**2.21.2** Additional time should be allowed if it is considered necessary to secure the minimum number of quotes/tenders or to achieve best value for money.

**2.21.3** Real time constraints that may exist around meeting service needs must be taken account of when considering allowing additional time.

## 2.22 Receipt of less than the required number of quotes

**2.22.1** The receipt of less than the minimum required number of quotes means that there is a requirement for the next level up of authorisation to approve the resulting purchase order or contract.

*For example* - ordinarily these regulations provide that a Grade V can approve purchase orders up to €10,000 for routine expenditure but in the event that only 2 quotes are obtained for goods costing €9,000 then the approval of a Grade VI is required.

**2.22.2** The relevant manager is required to consider whether the objective of achieving best value for money would be better served by restarting the quotation process in an effort to achieve the required minimum number of quotes.

## 2.23 All potential suppliers must have equal access to information

**2.23.1** All potential suppliers must be informed in a fair and consistent way as to any criteria that may be used to evaluate their quotes.

**2.23.2** TUSLA staff must not give any real or perceived advantage to any potential supplier.

**2.23.3** It is essential that any information or clarification provided to one potential supplier is provided in the same format and at the same time to all potential suppliers regardless of whether they have requested it or not.

## 2.24 Evaluation of Quotes & Notification

**2.24.1** Quotes should be evaluated using one of the two following methods:

### **1. Most Economically Advantageous Tender (MEAT)**

The M.E.A.T principle enables due regard in the evaluation and award process to be given to factors such as:

- Full cost price over complete life cycle of goods, services or works.
- Match to specification issued with quote documents.
- Capacity (technical and financial) of suppliers to satisfy the full requirements.
- Demonstrated relevant experience and competence.
- Level of after-sales service.
- Technical assistance available.
- Technical merit and general suitability of goods, services or works.
- Acceptance of Agency's standard contract terms.

### **2. Lowest Priced Tender**

This is appropriate for a high evaluation weighting to be assigned to cost where goods, services or works are:

- Relatively standard.
- Closely comparable in terms of specification and any after sales support etc.

**2.24.2** A clear record should be kept of the evaluation of all quotes - in particular where the lowest priced quote is not accepted. The reasons for this must be recorded and retained for future audit or inspection.

**2.24.3** Information regarding the acceptance of any quote can only be given to unsuccessful suppliers after the relevant Budget Holder has approved the expenditure and the award of the contract.

## **2.25 Expenditure Approval**

It is essential that every person within the Agency that signs off on expenditure is fully aware of the meaning of that action and aware that they will be held accountable for same.

**2.25.1** This applies to any form of expenditure approval including approval for:

- The issue of a purchase order (Must be sent to supplier once issued).
- The issue of a contract.
- Expenditure by any other means (i.e. through the AP Voucher process).

**2.25.2** Only the Agency Contract for Services/Terms & Conditions is to be utilised by staff (see **Appendix 4**). If any supplier requires a 3<sup>rd</sup> Party contract to be signed, there is a requirement for the contract to be reviewed by the Legal Directorate and for approval by the Procurement Unit.

**2.25.3** Purchase Orders are the required default means of requesting any supplier to provide goods or services and should be utilised in all situations, unless specifically mentioned in the pre-determined list of allowable non-purchase order acquisitions covered in **Appendix 6**. Anything outside this list will require the approval of the Director of Finance (or their delegate).

Purpose of a Purchase Order:

- Provides a clear request to the supplier with all the necessary details to assist them in meeting the Agency's requirements and for future reference.
- Forms part of documentation of the legal contract between the Agency as purchaser and the supplier.  
*NB: The Agency may still avail of a "cooling-off period" which is granted under consumer law.*
- Establishes a control whereby purchase orders should not be issued until expenditure is approved following confirmation of budget availability.
- Establishes a reference point for the purpose of accurate accounting where commitments can be recorded and later the expenditure and liability (accrual) is recorded when goods are received.
- Provides a permanent record to the Agency of what was ordered to facilitate:
  - Notification to receipting location of a delivery.
  - Checking what was delivered against what was ordered.
  - Checking of invoice against what was ordered.
  - Checking in case of later dispute.
  - Checking price agreed at time of order with subsequent invoice.

Who should get copies of a Purchase Order:

1. The supplier.
2. The person(s) expected to receive the goods/services.
3. The person responsible for approving the expenditure i.e. approving the issue of the order or their nominee.

**2.25.4** Purchase Orders must be created for the full anticipated value of the goods/services required. Under no circumstances should an order be raised with the sole intention of merely generating a Purchase Order Number for a supplier.

## **2.26 Financial Limits by Grade (See Appendix 2)**

**2.26.1** The Director of Finance must approve the derogations from the financial limits by grade.

**2.26.2** Such departures must be treated as exceptional and must be reviewed at least annually and formally re-approved if they are required to continue.

**2.26.3** Contingency arrangements should be prepared to cover short term gaps that require temporary departure from financial limits. For example procedures to be put in place to address holiday and sickness cover and derogations obtained (where necessary).

## **2.27 Record Retention**

**2.27.1** There is a mandatory requirement to ensure that sufficient documentation is retained for a minimum of 7 years to facilitate any future review of expenditure.

**2.27.2** For purchases below €25,000 appropriately filed and accessible copy letters, requests, quotes etc. will provide sufficient documentation to meet this requirement.

**2.27.3** The approval of the appropriate manager must be clearly noted and dated with their signature on a purchase order or other relevant documentation. Signature stamps are not permitted on any purchasing related documentation.

**2.27.4** For expenditure of €25,000 or above, evidence of a formal decision/approval must be retained along with any other decisions/approvals or instructions of the relevant manager.

## **2.28 Contract management**

Where a contract is for a continuing service or on-going provision of goods, it will require continuous management, to ensure that the quality of provisions remains at a consistently high standard.

The TUSLA staff member who engages the 3<sup>rd</sup> party is responsible for managing the provision of those goods/services.

If the contract has been awarded through the HSE Framework or is an OGP National Contract, a “Contract Manager” will be appointed by the contracting authority. All quality issues should be flagged and routed through this manager.

**2.28.1** It is the Budget Holder's (or their nominee) responsibility to challenge the supplier on any deliverables that are substandard or non-compliant with the agreed terms and conditions, as well as document and agree on any changes or amendments required.

It is essential that Budget Holders ensure that suppliers are clearly advised as to:

- Locations where goods or services are to be delivered.
- The Agency's requirements around proof of delivery documentation.
- The Agency's requirements around information needed on invoices (in particular the need to quote the purchase order number for all amounts invoiced) and where invoices are to be sent to.

**2.28.2** It is the responsibility of each Budget Holder to manage relationships with suppliers, either directly or through their staff, to ensure that invoices are received promptly and contain all the necessary prescribed information.

**2.28.3** Ultimately suppliers that persistently fail to meet the Agency's requirements above should not be utilised.

## **2.29 Exceptional Circumstances/Urgency**

**2.29.1** Given the range of services provided to some of society's most vulnerable, the Agency realises that emergency situations will arise where compliance with the Financial Regulation in relation to the purchase to pay process is not the priority.

**2.29.2** These exceptions are only permitted where it can be clearly demonstrated as necessary to prevent material adverse impact to:

- clients
- members of the public
- staff
- the service generally
- property or other assets of the Agency

**2.29.3** It is very important to be aware that the circumstances giving rise to the "Urgency" must have been unforeseeable and should not have arisen due to lack of planning or action on the part of the Agency.

Examples of exceptional circumstances are:

- **Proprietary Materials** – the goods or services are available from only one source (to be periodically market tested, at least annually).
- **Emergencies**– urgent purchasing required where immediate action by the Agency is required to ensure the safety of service users and/or safeguard the assets of the Agency.
- **Additional Deliveries** –if a change of supplier would result in incompatibility or disproportionate technical difficulties.
- **Bargain Purchases** – or purchases under particularly advantageous conditions e.g. liquidation sale.
- **Confidential Contracts** – which are required to be placed as such due to particular sensitivity or special strategic importance to the Agency.
- **Statutory Type Purchases** – items of expenditure such as commercial rates, water charges, planning permissions etc.
- **Capital Project** – project approved under the Capital Programme/Plan where an urgent requirement has been identified and justified.

**2.29.4** All exceptions must be clearly documented for future audit and must be rectified by obtaining the necessary approval on the next available working day.

## **2.30 Receiving process & inspection of goods**

Goods or services must be inspected and checked on a timely basis. This should take place at the time of delivery or, in exceptional circumstances, as soon as possible after actual delivery of goods or services. Delivery of goods or services must be inspected and checked in respect of:

- I. **Match to specification** i.e. was it what was ordered in terms of quantity, type etc.
- II. **Defects** – i.e. are there any obvious defects to the product etc.
- III. **Match to price** indicated on the purchase order or contract.

**2.30.1** The Key control within the receiving process is to ensure that the quantity and quality of goods specified have been satisfactorily delivered to meet the customer requirements.

## **2.31 Segregation of Duties for the receiving of goods and services**

**2.31.1** No manager can both make the decision to issue a purchase order or contract and also sign-off on the receipt of the goods or service.

**2.31.2** There must a clear separation of duties between the Purchase Ordering and Receiving.

## **2.32 Written Decisions for Receipts of Goods, Services and Works**

**2.32.1** A dual sign off at the appropriate level on the satisfactory receipt of goods or services is required where the value received is in excess of €100,000 for Non Routine expenditure.

## 2.33 Responsibility of Managers who sign-off on receipt of Goods/Services

**2.33.1** It is essential that every manager who signs off on the receipt of goods or services is fully aware of the meaning of that action as they will be held accountable for same.

**2.33.2** In effect, once a Goods Received Note (GRN) has been created on SAP which matches to a purchase order, the person who has approved the GRN has triggered a decision to pay, subject to receipt of a valid invoice.

**2.33.3** The approval of the GRN on SAP will be reflected in the Budget Holders spend against their allocated budget for the Financial Year.

## 2.34 Payment is the final stage of the 'Purchase to Pay' process.

**2.34.1** Payment should only occur after proper sign-off of the satisfactory receipt of goods, services or works. Payment clears the Agency's liability to the supplier.

## 2.35 Payment - General

No staff member can raise a Purchase Order, complete a GRN and then process the invoice for payment. A minimum of three individuals must be involved in the end to end process i.e. order through to payment.

**2.35.1** By the time the purchasing and receipt stages have been properly completed the Agency will have:

- Approved expenditure via the issue of a purchase order or contract.
- Signed off that satisfactory receipt has been achieved and payment is in order once a proper payment request (usually an invoice) is received.

**2.35.2** The control issues at payment stage are around confirming that the above actions have taken place and that the payment request (usually an invoice) agrees with same, particularly in terms of price.

## 2.36 Payment Requests

These regulations require that the Agency move as quickly as possible to a situation where the bulk of payment requests (usually invoices) are:

### **Where a Purchase Order has been raised, the invoice is:**

- Received centrally within the HSE HBS Shared Services Centre at Parkgate Street, Dublin
- Automatically matched to the PO and GRN
- Automatically approved for payment once a three way match is achieved  
**(3 way match = 1. Purchase Order + 2. Goods Received Note + 3. Invoice)**
- Routed via 'workflow' to the relevant staff member for resolution if auto matching fails
- Scanned so that it can be retrieved at a later date to settle queries or for audit purposes



**Where an Accounts Payable (AP) Voucher is being used, the invoice is:**

- Received centrally within the HSE HBS Shared Services Centre at Parkgate Street, Dublin.
- Attached to the AP Voucher. The AP Voucher contain 2 signatures of appropriate authorisation level and the values match. Signature stamps are not permitted on any purchasing documentation.
- Scanned so that it can be retrieved at a later date to settle queries or for audit purposes.
- Given a locally generated PO number and entered onto a local invoice log in excel format.
- Charged to the correct spend type (GL Codes/Cost Centre).

NB: The vendor must exist on the SAP system in order for the above steps to be followed (2 vendor forms for completion).

## 2.37 Invoice contents

An invoice must contain the following information;

**All invoices:**

- Supplier Name, Address, phone number/e-mail address
- Invoice Number and Invoice Date/ Tax point
- Purchase order number or equivalent agreed number
- Delivery details, reference number, delivery date and delivery address
- Description of goods or services being purchased
- Unit Price & total invoice amount

**If applicable:**

- Supplier Value Added Tax (VAT) registration number (if VAT registered)
- VAT Exclusive Amount, VAT amount by VAT Code and total invoice amount (if VAT registered)
- Certification information required e.g. engineering certification of work (if applicable for capital projects)
- Whether the supplier is subject to PSWT
- Whether VAT is to be accounted for by the principal contractor i.e. if RCT applies to the supplier

## 2.38 Tolerance Levels - (When Matching Invoices to PO/GRN)

These regulations permit a general price tolerance level of €25 or 2% (whichever is the lower) when matching the total value of an invoice to the relevant amount on the purchase order/ GRN.

**2.38.1** Quantities delivered in excess of the purchase order quantity should not be accepted and should be taken back by the supplier at no extra cost to the Agency.

Where a decision is taken, in exceptional circumstances, to accept additional quantities, this requires the approval of a new purchase order and/or an approved amendment to the original purchase order.

**2.38.2** Price differences - All matching differences above €25 or 2% require the invoice to be referred to the appropriate local staff member for resolution.



## 2.39 Authorisation Levels for Payment

**2.39.1** HBS Accounts Payable manage the payment stage of the process. Any exceptions to this must be pre-approved by the Director of Finance. No other bank/financial institution account may be used to make payments to suppliers other than the account(s) designated by the Director of Finance (or their delegate) which are in use by HSE HBS Accounts Payable.

**2.39.2** Provided the purchase and receipt stages of the process have been carried out in full compliance with these Financial Regulations, it is not a requirement to assign any particular authorisation grade level to the payment stage of the process.

## 2.40 Supplier Statement Reconciliation

**2.40.1** Budget Holders must ensure that any supplier statements received are forwarded to HBS Accounts Payable with notification of any known issues.

## 2.41 Supplier Remittances

**2.41.1** Staff members creating Purchase Orders must ensure sufficient and accurate details are recorded on SAP as part of the purchasing process to enable HSE HBS Accounts Payable to efficiently produce remittance advices for suppliers. Remittance advices to suppliers should provide them with clear details of what invoices our payments relate to.

## PURCHASE TO PAY – SPECIFIC TOPICS

### 3.1 Approved “non-purchase order payments”

The Director of Finance (or their delegate) must, at least annually; review the list of approved “non- purchase order payments” and renew them where deemed appropriate ([Appendix 6](#)).

### 3.2 Principles for the use of “non-purchase order payments”

**3.2.1** The Director of Finance (or their delegate) will give consideration to approving the use of “non-purchase order payments” where it can be demonstrated that:

1. A specific contract is in place for the ongoing receipt of a service for example:

- Utility Bills (electricity, central heating, water charges, mobile phone costs etc.)
- Child Care Home Subvention/Capitation fees
- Grants to outside organisations
- Foster/ Aftercare payments

2. They relate to internal payments, for example:

- Payroll related deductions
- Payments to staff (including expenses)
- Petty Cash/Imprest Recoupments
- Payment for staff seconded to the Agency

3. Payments that do not involve receipt of any goods or services by the Agency but relate to operation of a scheme for the benefit of service users.
4. The sole purpose of issuing a purchase order would be to enable a payment to be made.
5. SAP usage in a region/location is at a level where the use of AP Vouchers is necessary to expedite payments to suppliers in a timely manner.

### 3.3 Prompt payment of accounts & prompt payment interest

**3.3.1** In putting in place formal documented arrangements for the operation of the purchase to pay process in their areas, Budget Holders must have specific regard to the need to ensure that these arrangements:

- Comply with statutory prompt payment requirements (SI No 580 of 2012).
- Facilitate payment of Prompt Payment Interest (PPI) where it is due to be paid.
- Minimise the occurrence of late payments and therefore of late payment interest.

**3.3.2** The statutory requirements are set out in the Prompt Payment Accounts Act 2012 effective from 16/03/2013.

### 3.4 Responsibility and Legal Requirement

**3.4.1** Budget Holders and relevant managers and staff are obliged to be fully aware of and compliant with the statutory prompt payment requirements.

**3.4.2** Compliance with the Purchase to Pay Financial Regulations will largely ensure that payments are processed promptly and that late payment interest is minimised.

**3.4.3** Compliance with the regulation requires that the Agency pay the appropriate interest in relation to late payments as it falls due.

**3.4.4** While incurring prompt payment interest is therefore not a breach of the statutory requirement, it is a mandatory requirement of these Financial Regulations that Budget Holders ensure that the purchase to pay process is operated efficiently so as to eliminate late payments and interest to the greatest extent possible.

### 3.5 Key elements in reducing/eliminating prompt payment interest:

Budget Holders and relevant managers and staff must ensure that they are aware of the payment terms that apply to the various suppliers they utilise.

The Agency's 'Standard Payment Terms' are generally the later of:

1. 30 days from date of receipt of request for payment (usually invoice). This is recorded by using a date stamp when received.
2. 45 days from date of receipt of request for payment (usually invoice) as detailed in the standard purchase order.

A number of areas have in place existing Standard Payment Terms of 45 days from date of receipt of invoice. Therefore the current standard terms in operation will range between 30 and 45 days. These supplier accounts will continue to operate with their respective terms until such time as there is a specific comprehensive programme to review, revise and consolidate vendor terms.

**3.5.1** The standard terms may only be varied (upwards or downwards) with the specific or general approval of the Director of Finance.

**3.5.2** The Procurement Team may, as part of a commercial decision, put in place a central contract with a supplier with payment terms other than the standard terms of 30- 45days. These must be pre-approved by the Director of Finance.

**3.5.3** Other approved 'Non-Standard Payment terms' will be in operation. For example:

- Public Utilities
- Grants to outside agencies – no invoice, paid in accordance with contract or SLA
- Capital Project expenditure

**3.5.4** Payment terms must be quoted on all of the following;

- Invitations to quote/tender notices
- Tender documentation
- Contracts and/or Purchase orders
- Other relevant documentation

## **3.6 Proper record keeping and document handling**

**3.6.1** The Agency is only liable to pay late payment interest where we are responsible for the delay in making the payment.

**3.6.2** The Agency is required to calculate and pay late payment interest for every commercial transaction not paid by the relevant payment date.

**3.6.3** It is essential that proper records are kept so that it is possible to differentiate delays in payment caused by the Agency from those caused by suppliers or other parties.

**3.6.4** In most cases the payment term of 30-45 days (or other approved period) will begin to run when the invoice is received. Where the date of receipt of invoice is uncertain or before receipt of goods/services then the date of receipt will apply.

**3.6.5** Invoices must be date stamped immediately upon receipt. If it transpires that the invoice was received prior to receipt of the goods then the date received should be amended to the later date.

**3.6.6** Queries or issues with invoices need to be:

- Identified quickly
- Clearly noted on the invoice for HSE HBS AP for non-application of prompt payment interest
- Notified without delay to the supplier
- Recorded and followed up effectively to ensure late payment calculations are correct

### **3.7 Disputed invoices with suppliers**

**3.7.1** A record must be kept of all disputed invoices with sufficient information to facilitate tracking, follow up and closure once the issue that gave rise to the dispute is addressed.

**3.7.2** A formal notification that the invoice or specified elements of it are in dispute must be sent immediately to the supplier with a copy of the invoice.

**3.7.3** For practical purposes the 30–45 days (or other approved period) in which payment must be made stops running when the Agency notifies a supplier of a “dispute” in respect of an invoice.

**3.7.4** The payment period starts to run again from the date the supplier provides the information requested or amends the invoice etc. The date that the dispute is resolved becomes the receipt date for the purposes of calculating the interest penalty.

### **3.8 Pay promptly anything not in dispute**

**3.8.1** Any goods or services that have been signed off as having been appropriately received should be paid for within the applicable payment terms.

**3.8.2** Where part of an invoice is in order but an element of it is in dispute then the whole invoice should be withheld from payment until the dispute is resolved in order to prevent double payment of these parts of the invoice.

### **3.9 Track and report on prompt payment interest incurred**

Each Budget Holder must monitor and review instances of prompt payment interest for their area of responsibility and must:

- Investigate any payment that was more than **10 days late**
- Review and amend arrangements to address any matters uncovered by these investigations
- Report to the Director of Finance/Area Manager or Service Director as appropriate on the above
- Report on overall trends by late interest amount and days late for their areas of responsibility in such format as may be specified by the Director of Finance

## 4.0 PURCHASE TO PAY – TENDERING (Purchasing of €25k or more)

### 4.1 Tendering (Basic information on EU thresholds)

**4.1.1** The thresholds for EU Procurement have been set out below. These values are based upon the **VAT exclusive value** of expected spend.

Spend Bands	Method of Sourcing	No of Quotes Required	Form of Quote	Min Time for Receipt of Quote	Sourcing Completed By
<b>Below EU Threshold</b>					
<b>€25,000 - €209,000*</b> (Supplies & Services)	Open or Restricted/ Abridged with Public Advertisement. Negotiated in exceptional circumstances.	Minimum of 5 sealed Tenders to be sought	Formal Full Tendering Process	Minimum 10 working days	Refer to HBS Procurement
<b>€25,000 - €525,000*</b> (Works only)	Open or Restricted/ Abridged with Public Advertisement	Minimum of 5 sealed Tenders to be sought	Formal Full Tendering Process	Minimum 10 working days	Refer to HBS Procurement
<b>Above EU Threshold</b>					
<b>€209,000+*</b> (Supplies & Services)	Public Advertisement in EU journal	Minimum of 5 sealed Tenders to be sought	EU Formal Full Tendering Procedure	As dictated by EU Directives	Refer to HBS Procurement
<b>€525,000+*</b> (Works only)	Public Advertisement in EU journal	Minimum of 5 sealed Tenders to be sought	EU Formal Full Tendering Procedure	As dictated by EU Directives	Refer to HBS Procurement

\*Thresholds applicable up to 31<sup>st</sup> December 2017

**4.1.2** Reasonable estimates must be used when estimating the likely value of a tender to determine if the EU thresholds are likely to be reached.

**4.1.3** The estimates must be:

- I. Properly arrived at
- II. Based on appropriate professional/technical input
- III. Properly documented and recorded

**4.1.4** In the event that an estimate was used to decide that EU Procurement Procedures were not necessary and this subsequently turns out to be incorrect, the procurement process remains valid provided the original estimate was **reasonable in all respects** and stands up to audit scrutiny.

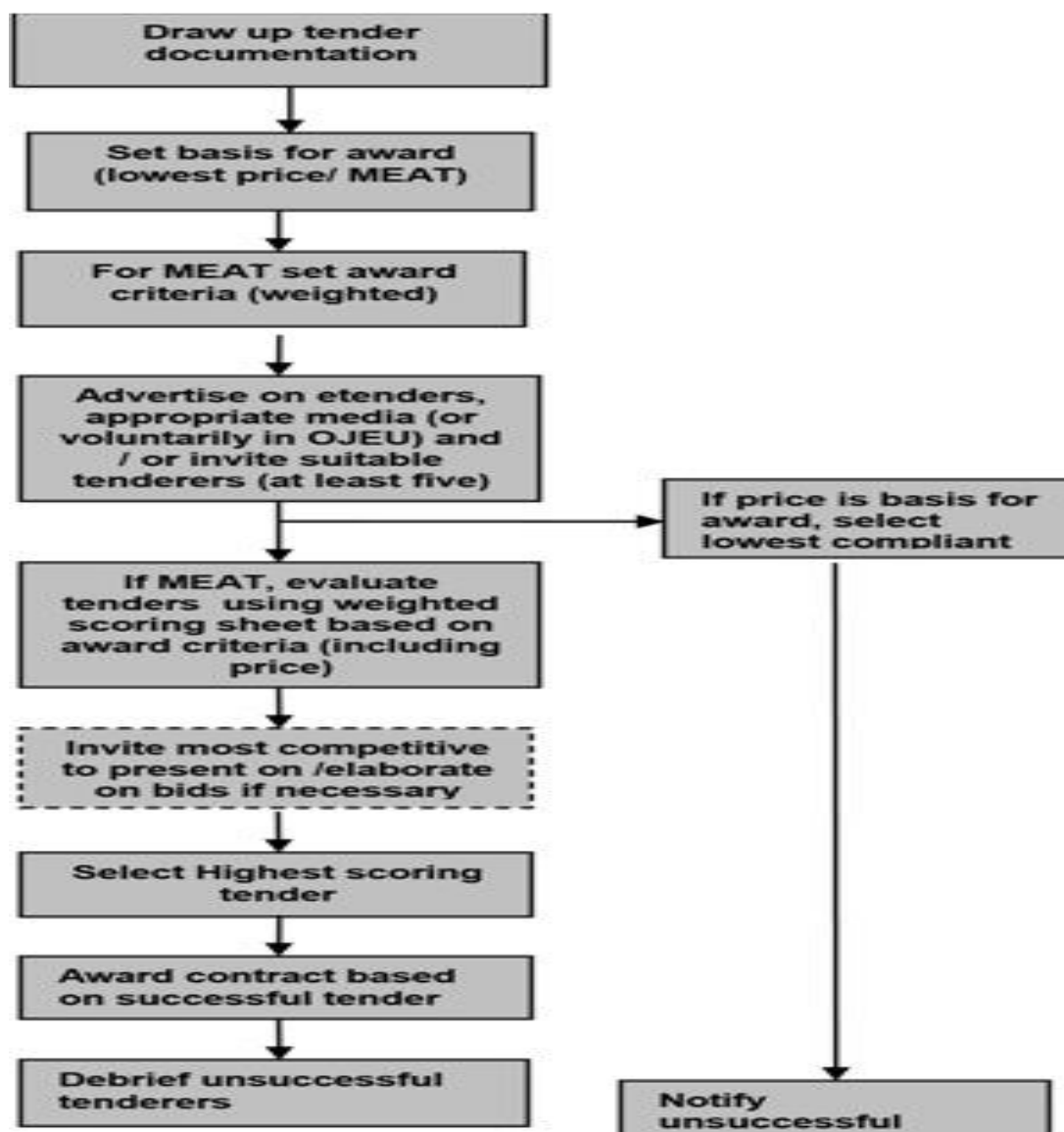
**4.1.5** If there is a reasonable expectation that the EU threshold will be reached there is a requirement to utilise EU procurement procedures.

**TUSLA staff are NOT to go beyond this point in the Procurement Process. The Agency outsources all tendering to HSE HBS Procurement. Staff wishing to procure goods/services which require a tender process (i.e. Goods/Services that will accumulate to €25,000 or over per annum) must complete and submit the PSR Form (Appendix 3) and return to HSE HBS Procurement to initiate the process.**

## 4.2 TENDERING (Purchasing of €25k or more)

This is the current tendering process as completed by HBS Procurement per HSE NFR 01: Purchase to Pay Process, Version 4.0 (20/12/2013).

### 4.2.1 The tender Process up to EU Threshold (Source: OGP)



**4.2.2** The general purchase to pay regulations must be fully complied with in relation to tenders unless specifically provided for in this section.

**4.2.3** This regulation is intended to expand on and clarify the general purchase to pay regulations in relation to tendering and must always be read in conjunction with those regulations.

### **4.3 Professional Input to Tendering**

**4.3.1** Every manager sourcing a supplier has an obligation to ensure that they are in a position to accurately and clearly specify their requirements to potential suppliers, regardless of the value threshold.

**4.3.2** Appropriate and necessary procurement input and/or technical & clinical input must be obtained by the manager sourcing suppliers for values of €25,000 or above.

**4.3.3** This input applies to the various stages of the process which can be summarised as:

- I. Identification of need and specification of requirements to meet that need
- II. Assessing and evaluating potential suppliers
- III. Conduct of tendering process
- IV. Evaluation and award of tender plus notification to unsuccessful tenderers
- V. Supervision of supply of goods, services or works (in some cases project management)
- VI. Sign-off on satisfactory receipt/completion of goods, services or works

### **4.4 Works - Tenders for Construction Works and Related Services**

**4.4.1** It is a mandatory requirement that the provisions of the purchase to pay process regulations be fully complied with as regard works and related services unless specifically indicated otherwise in this section.

**4.4.2** It is also a mandatory requirement that the provisions of Capital Projects regulations are fully complied with regard to works and related services, unless specifically indicated otherwise in this section.

#### **Public Advertisement**

**4.4.3** Compliance with the requirement for public advertisement involves publication on the government tendering web site [www.etenders.gov.ie](http://www.etenders.gov.ie)

Other advertising media such as national newspaper should be utilised in addition to the website if considered necessary to attract a sufficient number of bidders.

**4.4.4** Only the Director of Finance can approve a departure from the requirement for public advertisement (€25,000 and above for goods/services or €500,000 and above for works), but only in exceptional circumstances.

**4.4.5** This approval must be co-signed by the Head of HSE HBS Procurement.

#### **Aggregation of Tenders and Tender Coverage**

**4.4.6** It is the policy of HSE HBS Procurement to move to a situation where the level of aggregation of purchasing is increased consistent with full compliance with EU Procurement requirements and achievement of Value for Money.

**4.4.7** These regulations require that pending the completion of the change process outlined above, the following “Procedure for Tender/Contract Approval (issued in March 2005 by Regional Materials Management Group) will apply.



**4.4.8** This pre-tender procurement aggregation process (tender/contract approval procedure) applies to proposed tender processes with an estimated contract value in excess of the high values (currently €25k or above) defined in the procurement policy.

## **Non-EU Tenders – Forms of Tender Process**

Used where values are below the EU Thresholds (€209,000\* Supplies and Services, and Works €5,225m\*)

\*These thresholds are applicable until 31<sup>st</sup> December 2017

### **4.5 Non EU tendering processes**

The 4 options for Non EU tendering processes are:

1. Open Tendering (Non EU)
2. Restricted Tendering (Non EU)
3. Abridged (Selective) Tendering (Non EU)
4. Negotiated Tendering (Non EU)

**4.5.1** The general requirement is to ensure that any tendering process utilised by the Agency is conducted fairly, honestly and in a transparent manner.

**4.5.2** The objective is to ensure, to the greatest extent practical, that a sufficiently wide field of competition is attracted to the process to provide assurance that the best value for money can be achieved.

**4.5.3** It is important to stress that any dialogue with bidders, that could be construed as “post tender negotiation” on price or which may result in significant changes in the published tender specifications must be avoided.

**4.5.4** Such dialogue is only permitted in the limited circumstances in which the Non EU negotiated procedure is appropriate – *see below*.

### **4.6 Public Advertisement**

The public advertisement of the tender notice is for one of the following purposes:

- Inviting potential tenderers to submit tenders,
- Inviting potential tenderers to submit details so they can be qualified for inclusion on a specific (restricted tendering) pre-approved tenderer list,
- Inviting potential tenderers to submit details so they can be qualified for inclusion on a general (abridged/selective tendering) pre-approved tendering list,

**4.6.1** Departure from the public advertisement requirement is only permitted in the case of genuinely exceptional circumstances.

**4.6.2** The nature of, and steps within, the chosen tendering process must be made clear to all potential tenderers. This includes clarity on any pre-qualification process.

## 4.7 Non-EU forms of tender process summary

	OPEN TENDERING	RESTRICTED TENDERING	ABRIDGED TENDERING	NON EU NEGOTIATED
VALUE	All up to EU threshold*	All up to EU threshold*	€25K for goods & services & up to €500k for works	All up to EU threshold*
WHO CAN TENDER?	All interested parties	Pre-approved list only based on qualification criteria applied to all expressions of interest made. Those approved are invited to submit tenders	Pre-approved list of potential tenderers which can be used for a number of tenders over the lifetime of the list. All on the list or a random selection may be invited to tender	Process used in exceptional circumstances where open or restricted tendering has failed to identify suitable tenderers or where the nature of the requirement is so complex as to not facilitate overall pricing without negotiation
SUPPLIERS NOTIFIED HOW?	Public advertisement	Public advertisement stating it is restricted	Public advertisement being replaced at least every 2 years	Only to be used following a public advertisement of a tender notice most likely involving a pre-qualification process as with restricted tendering
CAN BE SHORTLISTED?	Yes, if criteria is publically stated	By nature	By nature	n/a
CRITERIA FOR SHORTLISTING	Personal Situation Financial Capacity Technical Capacity Relevant Experience Expertise and Competency	Personal Situation Financial Capacity Technical Capacity Relevant Experience Expertise and Competency	Personal Situation Financial Capacity Technical Capacity Relevant Experience Expertise and Competency	n/a
VOLUME OF TENDERS EXPECTED TO BE RECEIVED	Not so many as to place an undue staff or time burden on the Agency	The Agency decides in advance that there is a need to short list to limit numbers to a manageable level	Small relevant number	Unsuitable few
CONTRACTS BEST SUITED TO?	Lower value / less complex	High value / more complex	High value with scarce expertise required at short notice	High value / more complex
WHO MUST BE NOTIFIED OF RESULTS	All those short listed from full evaluation	Those not selected for approved list must be advised of such. In addition, those approved must be notified if successful / unsuccessful in getting contract	All those invited to tender from the pre-approved list	All originally pre - selected to tender but must be notified as unsuccessful before this process commences.

\*EU threshold values for 1/1/2016 – 31/12/2017 are Supplies of goods & services greater than €209,000 and works greater €5,225,000.

## **4.8 Open Tendering (Non-EU)**

### **Used for all value thresholds up to EU levels**

**4.8.1** All potential interested parties may submit a tender. This method of tendering will be the quickest to produce completed tender submissions.

**4.8.2** Potential suppliers (tenderers) will have become aware of the tender from the public advertisement of the tender notice.

**4.8.3** Consideration should be given to whether it may be necessary to shortlist the tenderers depending on the volume of tenders received. In such cases only the tenders submitted by those who have been shortlisted will be fully evaluated.

**4.8.4** Shortlisting can only be used if the publicly advertised tender notice has made it clear that the Agency reserves the right to do so.

**4.8.5** The criteria for shortlisting must be included in the tender notice and must be limited to any or all of the following:

1. Personal Situation
2. Financial Capacity
3. Technical Capacity
4. Relevant Experience
5. Expertise and Competency

**4.8.6** ‘Open tendering’ should be the norm where the goods, services or works being tendered for are of lower value and/or are less complex in nature.

**4.8.7** In such cases, the combination of the likely number of tenders that will be received and the required effort to properly evaluate them is not expected to place an undue staff or time burden on HSE HBS Procurement.

**4.8.8** The general requirement to notify tenderers of the results of the tendering process applies to advising any tenderers who have been short-listed from the full evaluation process.

## **4.9 Restricted Tendering (Non-EU)**

### **Can be used for all value thresholds up to EU Level**

**4.9.1** With restrictive tendering you prepare a pre-approved list of potential tenderers for each specific tender process.

**4.9.2** The tender notice must make clear that the Agency is using a restricted tendering process and must set out the meaning of this.

**4.9.3** The list of potential tenderers must be created following public advertisement of the tender notice and the qualification criteria for inclusion on the list the same as that for ‘open competition’.

**4.9.4** The initial tender notice in the restricted process is often referred to as a:

- Request for proposals or
- Request for expressions of interest

**4.9.5** The list of potential tenderers is prepared by applying the qualification criteria to all valid proposals/expressions of interest received. Those on this approved list are then invited to submit their full tenders.

**4.9.6** Those not selected for the approved list must be advised of this fact.

**4.9.7** Restricted tendering is used where the Agency/HBS Procurement has decided in advance that there is a need to have an initial pre-qualification/short listing process in order to limit the number of tenders to be fully evaluated, to a manageable level.

**4.9.8** Restricted tendering is suitable where the goods, services or works being tendered for are of larger value and/or are more complex in nature.

#### **4.10 Invitation to Tender (Under EU Threshold Values only)**

Direct invitations may be used for values under EU thresholds. It is possible to 'invite' suitable suppliers or service providers to compete for contacts below the EU thresholds.

**4.10.1** Invitations to suitably qualified suppliers for a specific project can be used where there is limited number of qualified suppliers. Invitation from the list established must be in an open and objective basis.

**4.10.2** A sufficient number of potential suppliers to ensure adequate competition (minimum five is strongly recommended) should be invited to tender. Suppliers must be selected on an objective and non-discriminatory basis & should be invited to tender.

**4.10.3** Approval to proceed with restricted tender process for tenders greater than €25,000 should be obtained in advance from the Area Manager or Senior Management Team (SMT) and co-signed by the Director of Finance (or their nominee).

**4.10.4** Only after notices are published may one approach a particular suppliers directly.

#### **4.11 Abridged/Selective Tendering (Non-EU)**

**Can be used up to €25k for goods/services and up to €500k for works**

**4.11.1** Abridged tendering involves the creation and maintenance of a pre-approved list of potential tenderers for related goods, services or works which can be used for a number of tenders over the lifetime of the list.

**4.11.2** Lists of pre-approved potential tenderers must be prepared following public advertisement and must be replaced at least every two years.

**4.11.3** An extension of one additional year may be obtained upon approval by the Director of Finance (or their nominee).

**4.11.4** When selecting potential bidders for inclusion on a pre-approved list only the qualification criteria should be the same as that as open competition.

**4.11.5** Where there is a requirement to tender for goods or services, suppliers on the pre-approved list are:

- All invited to submit tenders, or
- Selected at random and invited to submit tenders or
- Selected by rotation to submit tenders

**4.11.6** Care must be taken not to unfairly or inappropriately discriminate against potential bidders in preparing and maintaining pre-approved lists.

## **4.12 Acceptable use of this tender process**

This form of tender process is acceptable where:

- There is a high volume of procurement activity expected in a given area
- It is necessary as a means to ensure that scarce procurement expertise is appropriately managed
- There is a need to be ready at short notice to complete a tendering process without disruption to services

**4.12.1** Under no circumstances can the Agency or any of its officers depart from the need for public advertisement in preparing a list of pre-approved tenderers for use in abridged tendering.

**4.12.2** Abridged or selective tendering represents a departure from the normal competitive tendering process which is why it is limited in terms of value threshold.

**4.12.3** It may only be used with the specific written approval of the relevant Area Manager or SMT and must be co-signed by the Head of Procurement (or their nominee). Notification should be sent to the relevant Director of Finance.

## **4.13 Non-EU ‘Negotiated’ Procedure**

### **Can be used up to EU Threshold Values**

**4.13.1** This process may only be used in **exceptional circumstances** and with the approval of the Director of Finance.

**4.13.2** The standard requirement is that dialogue with bidders that could be construed as “post tender negotiation” on price, or which may result in significant changes in the published tender specifications must be avoided.

**4.13.3** The negotiated procedure should only be used where one or more of the very exceptional circumstances below apply:

- The open or restricted procedure has **failed to identify any suitable tenderers** or
- Where the nature of the requirement is **so complex** as to not facilitate overall pricing without negotiation or
- Where it is not possible to specify requirements with sufficient precision to enable potential tenderers to respond with priced tenders

**4.13.4** Negotiated tendering must only be used following a public advertisement of a tender notice most likely involving a pre-qualification process as for restricted tendering.

**4.13.5** Negotiated Tendering must only be used with the specific written approval of the Director of Finance.

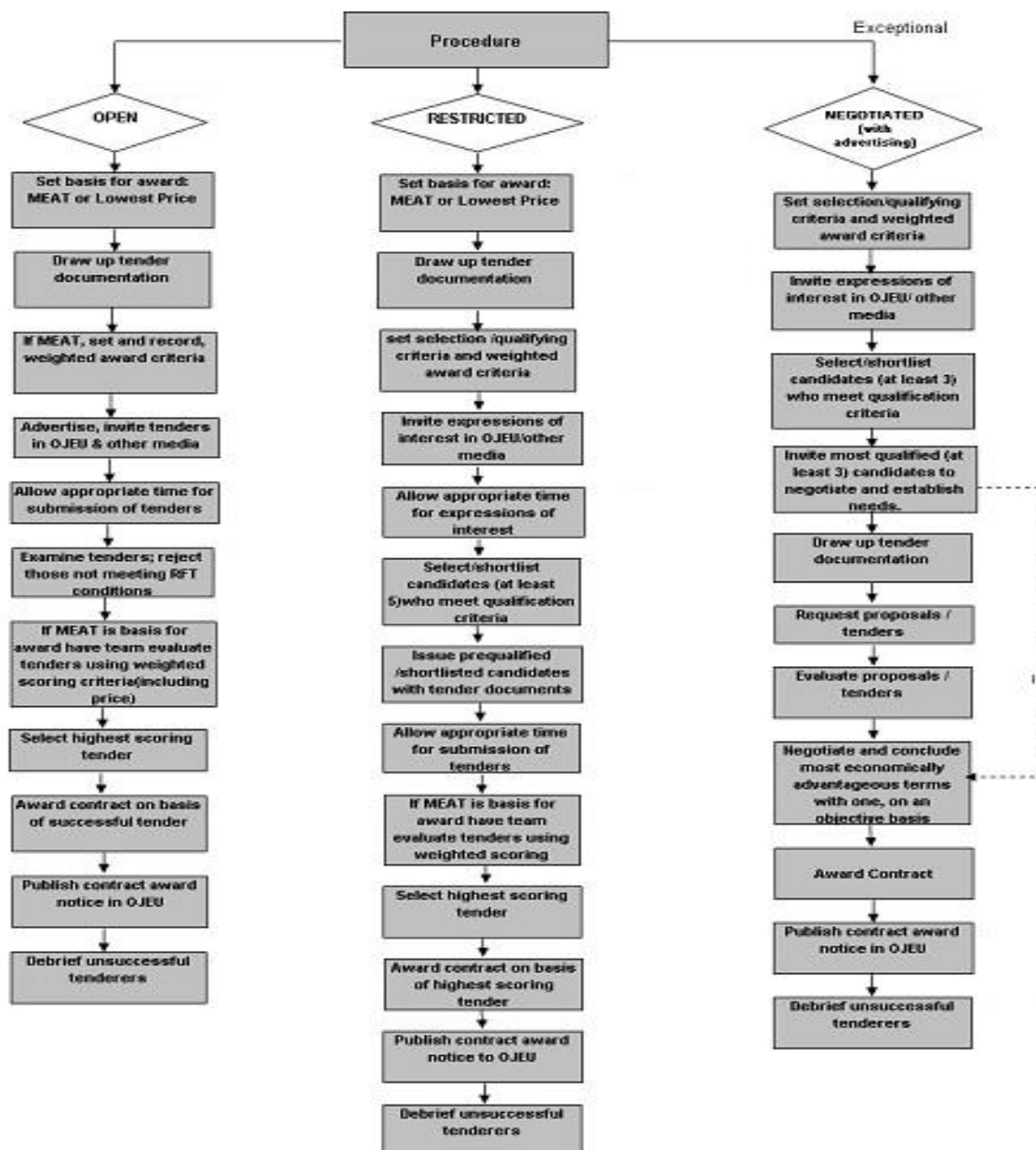
#### **4.14 Tenders which require use of EU Procurement Procedures**

The EU Threshold Values that currently apply (**from 1-Jan-2016 to 31-Dec-2017**) are:

- Supplies or service greater than € 209,000
- Works greater than €5,225,000

**The EU Procurement Directives have the force of law in Ireland and must be fully complied with in all respects**

**Steps in conducting a Competitive Process for contracts above EU Thresholds**  
**(Source OGP)**



**4.14.1** The Budget Holder or nominee must notify the procurement function of all purchases that fall within the EU Thresholds.

**4.14.2** Procurement will appoint a Commercial Evaluator who ensures that procurement is in line with current policies and procedures and will co-ordinate and lead the tendering process.

**4.14.3** The importance of the Procurement Planning Process is very clear when it comes to situations where the EU Procurement Procedures must be used.

**4.14.4** In a number of cases, the relatively long notice periods required under the EU procedures can be shortened where a sufficiently detailed and specific Prior Indicative Notice (PIN) has been published in advance.

**4.14.5** Procurement planning will facilitate the placing of EU PIN's as appropriate. It is recommended that PINs be known for aggregated procurement supplies or services requirements in excess of €750, 000. They are intended as an aid to transparency and are for the benefit of suppliers.

**4.14.6** It is neither intended nor practical to seek to set out in these regulations the level of detail that is required to comply with the EU Procurement Directives.

#### **4.15 Additional assistance**

In the first instance, the HBS Procurement staff seeking to ensure compliance should refer to the document: **“Public Procurement Guidelines – Competitive Process”** published in 2004 by the National Public Procurement Policy Unit (NPPPU) of the Department of Finance following consultation with the Government Contracts Committee (GCC).

#### **4.16 Professional Procurement engagement**

Professional procurement must lead the tendering process when engaging in an EU tendering Process.

### **TENDER PROCESS – GENERAL REQUIREMENTS**

#### **4.17 Equal access to information**

All potential suppliers must have equal access to information

#### **4.18 Tenders Receipt and Handling**

Tenders should be sent in sealed envelopes addressed to the nominated manager in accordance with the detail of these regulations in paragraph.

#### **4.19 Tender Deposit**

Any tender deposit charged must be limited to the estimated marginal cost associated with producing the tender documents and getting them to each extra potential tenderer (i.e. printing/photocopying plus postage/courier etc).

#### **4.20 Receipt of less than the required number of tenders**

Above the €25,000 threshold the receipt of less than the required number of tenders means that the approval of the relevant Service Director/Area manager is required.



#### 4.21 Minimum time to be allowed for receipt of quotes/tenders

The provisions set out below must be complied with as a minimum:

Value of Purchase	Method of Sourcing Suppliers	No of Quotes	Form of Tender	Min time for receipt of Tenders
€209,000+ (Service/ Supplies)	Public Advertisement in EU Journal	Minimum 5 sealed tenders to be sought	EU Formal Full Tendering Procedure	As dictated by EU Directives
€5,225,000+ (Works Contracts)	Public Advertisement in EU Journal	Minimum of 5 sealed tenders to be sought	EU Formal Full Procedure	As dictated by EU Directives

#### 4.22 Tenders received late

Late tenders should not be opened and should therefore not be evaluated. They should be logged and returned to sender.

#### 4.23 Custody and Opening of Tenders

Above the €25,000 threshold, sealed tenders are required and must be processed in accordance with procedure set out in 4.26.

#### 4.24 Tender Evaluation

The criteria used to evaluate any tender must be objective and the evaluation process must be transparent and fair and disclosed to potential tenderers prior to them completing their tender documents.

The relevant Budget Holder must nominate the person(s) to evaluate any tenders that are received. See also: Requirement for Tender Evaluation Report - **4.26**.

#### 4.25 Acceptable Basis for Award for the Contracts

The following are the accepted bases of evaluation for the award of tender contracts:

##### **Most Economically Advantageous Tender (MEAT)**

The M.E.A.T principle enables due regard in the evaluation and award process to be given to factors such as:

- Full cost price over complete life cycle of goods, services or works.
- Match to specification issued with tender documents.
- Capacity (technical and financial) of suppliers to satisfy the full requirements.
- Demonstrated relevant experience and competence.
- Level of after sales service.
- Technical assistance available.
- Technical merit and general suitability of goods, services or works.
- Acceptance of the Agency's standard contract terms.

##### **Lowest Priced Tender**

This is appropriate for a high evaluation weighting to be assigned to cost where goods, services or works are:

- Relatively standard.
- Closely comparable in terms of specification and any after sales support etc.

## **4.26 Requirement for Tender Evaluation Report (€25,000 or above)**

**4.26.1** Tender reports are required in respect of each tender following receipt and evaluation of tenders. They must be retained as part of the documentation supporting the final purchase order/contract.

**4.26.2** The value and complexity of the specific tender will determine the precise format and amount of detail necessary to accurately report on the tender.

As a minimum, tender reports must record or refer to readily accessible and preferably attached documents that record:

- Description of goods or services tendered for
- List of tenderers/bidders
- All relevant dates in process including
  - Date of advertisement/invitations to tender
  - List of tenders received and dates
  - Deadline for receipt of tenders
  - Date tenders opened
  - Date(s) tenders evaluated and by whom
- Details of any late tenders
- Details of any invalid tenders
- Comparable prices per valid tender following any adjustments necessary to compare like for like
- Evaluation based on criteria utilized, marked on a score sheet
- The evaluation score sheet must provide sufficient detail to enable full understanding of why the lowest tender may not have been accepted
- Results of evaluation and a recommendation by the evaluators as to which tender should be accepted and on what basis
- Signatures of persons who carried out the tender evaluations and prepared tender report (Signature stamps are not permitted on any purchasing documentation)

**4.26.3** A minimum of 2 staff, one of whom must be at least at Grade VIII must be involved in the evaluation of all tenders.

**4.26.4** The award of the contract is subject to the evaluation and recommendation by the relevant manager(s).

## 4.27 Restrictions on Award of Tenders/Contracts

Before the award of any tender/contract the following must be addressed:

- **Risk Management** - Potential risks associated with the supply of any goods or services are where possible identified and dealt with prior to award of tender/contract including Quality/Reliability & Insurance.
- **Statutory Provisions** – Tenders can only be awarded to organisations that confirm they are complying with all applicable statutory provisions including those relating to:
  - Payment of minimum wage
  - Employment Law generally
  - Taxation
  - Health & Safety Issues
- **Conflicts of Interest** – anyone involved in contract requirements/tender evaluation/expenditure approval/award of tender must confirm in writing that the tender has no potential conflicts of interest that might affect in any way their ability to act with impartiality in relation to any aspect of the tender process.

The Budget Holder must decide whether the potential conflict of interest requires the exclusion of the person from the process.

- **Collusive Tendering** – Staff involved in any tendering process must be vigilant in order to prevent collusion between potential tenderers or any other anti-competitive practices.
- **Criminal Convictions** – public contracts cannot be awarded to persons convicted of:
  - Organised crime
  - Fraud
  - Corruption
  - Money Laundering

The successful bidder will be obliged to notify the Agency in writing of any change to the status of this compliance statement that may occur during the period of the contract.

## 4.28 Tender/Contract Award

The award of a contract or issue of a purchase order following a tender process is an approval of expenditure and requires a formal written decision.

## 4.29 Standard Terms of Contract

The use of a Standard Terms and Conditions of Contracts is mandatory.

The standard Terms and Conditions of Contract should only be varied, in exceptional circumstances with the agreement of the HSE HBS Head of Procurement or the Director of Finance or their nominee.

## 4.30 Notification of Results of Tendering Process

All tenderers, including those who are not successful, should be informed of the result of the tender process without undue delay.

**4.30.1** A contract is not formally awarded before an interval has elapsed during which an unsuccessful tenderer can seek a review of the decision if s/he feels that the process has been unfair or unlawful.

**4.30.2** Any notification to the successful tenderer during this interval must be provisional and must not constitute a contractual arrangement.

## 4.31 Documents to be held on every tender file

**4.31.1** Documentation relating to a tender file should be retained for the later of:

- I. The end of the contract (plus 5 years) and
- II. The end of the audit period for which the final invoice relating to a contract has been posted (plus 5 years).

**4.31.2** The following must be retained in respect of each tender process:

- Original requisition or memo etc. setting out need
- Specifications/description of work
- Copies of all notices and documents published or issued to potential tenderers
- Any correspondence from or to potential tenderers
- Conditions of Tendering
- Details of marking scheme used as part of MEAT evaluation
- Terms of Contract
- Qualifications/short listing report
- Copies of all tenders received and accompanying documents
- Commercial/Technical/Clinical evaluation reports appropriately signed
- Minutes of any meeting whether internal or with potential suppliers
- Details of those involved in the processes e.g. tendering opening, evaluation and approval
- Copies of any letters to unsuccessful tenderers or debriefing notes
- Tender Evaluation Report
- Expenditure approval decision
- Copy of final awarded order or contract and any award notice

## 5. CAPITAL EXPENDITURE, CAPITAL PROJECTS AND PROPERTY TRANSACTIONS

### 5.1 Definition (Capital Projects)

Capital Projects encompasses all construction, works, refurbishments, building fit-outs, equipping etc. funded from the capital allocation.

### 5.2 Definition (Capital Expenditure)

Capital expenditure encompasses all expenditure from the capital allocation whether or not that expenditure creates a final asset or is a work-in-progress.

### 5.3 Capital Plan

The Agency Business plan contains a Capital Plan outlining the capital budgeted spend for the forthcoming year, as approved by the Board.

### 5.4 Other Regulations

This Financial Regulation must be followed as well as the *Public Spending Code* <http://publicspendingcode.per.gov.ie/wp-content/uploads/2016/08/Public-Spending-Code-Consolidated-Document.pdf>

The *Public Spending Code* is maintained by the Capital Expenditure Evaluation Unit (CEEU) of the Department of Public Expenditure (DPER) and was formally notified to the public service through Circular 13/13.

All capital procurement exercises must be in line with the reform initiatives and the guidance, regulations and circulars as detailed by DPER on the *Construction Procurement Reform* website: <http://constructionprocurement.gov.ie/>

## Capital Projects Approval Protocol

### 5.5 Project Proposal

Budget holders are responsible for proposing Capital Projects. Each Capital Project must be approved, with the support of the TUSLA Estates function that also provides project administration, technical expertise and project management.

### 5.6 Capital Projects Approval Bands

**5.6.1** Projects are divided into three different Bands which have incremental requirements. The three bands are;

- A. **Projects less than €25,000** - PO Process
- B. **Projects between €25,000 and €500,000** - Fully compliant tender process conducted with the assistance of HSE Estates
- C. **Projects greater than €500,000** – Fully compliant tender process conducted with the assistance of HSE Estates after TUSLA Board and Ministerial approval

**This approval is subject to the following conditions:**

1. Expenditure on the list of projects cannot exceed the allocation for that year.
2. Any redirecting of capital funds for other projects on the list must be agreed with the Director of Finance and the Director of Estates.
3. Any variation on projects must be approved by Director of Estates. If any variation on a project (in Band C above) results in the project exceeding its budget, the project must be re-approved by the TUSLA Board.
4. All public procurement directives/guidelines must be complied with.
5. All stages of the projects must be agreed and approved by the Director of Estates.

## **5.7 Capital Projects- Financial Regulations**

**5.7.1** The general principles of the National Financial Regulations (such as balanced budgets, sourcing options, expenditure approval, receiving of goods & segregation of duties) apply to all areas of non-pay expenditure including capital projects and capital expenditure.

## **5.8 Capital Projects Approval and Contract Approval**

**5.8.1** Procurement/tendering and award of contract or purchase order may not be considered approved unless formal notification has been provided.

**5.8.2** Project funding is not available until the project has been approved in accordance with the protocol and that approval is then notified to the relevant project manager and project sponsor.

## **5.9 Capital Projects- Main Requirements**

### **Project Proposals**

- Each Capital Project has to be fully appraised, evaluated and approved. The relevant stakeholders or subject matter experts must be involved in this process, particularly where the Capital Project is of a specialist nature.
- Only fully costed capital project proposals are individually included in the Capital Plan (Minor capital costs are consolidated). The costing must include the complete cost of the project to completion/in use stage and must be prudent to take account of any likely or anticipated variations.
- The inclusion of a Capital Project in an approved Capital Programme/Plan **does not in itself signify that the project has been authorised.** Project approvals i.e. approvals to progress projects and eventually incur expenditure on same are needed for each individual project or group of projects and this requirement is separate to the Capital Plan.
- Any preliminary work carried out with regard to project evaluation or appraisal must be agreed in advance by TUSLA Estates.

## Project Approval and Authorisation to Commence

- A Capital Project cannot be considered ‘approved’ and must not commence until formal notification of the project’s approval has been provided by the Director of Estates.
- The future recurring revenue cost and WTE impact of each Project must be validated and signed off by the Director of Estates. Projects must be approved in advance of a contract/purchase order being awarded.
- Tendering procedures (including EU procedures) must be complied with.
- Capital Projects with a contract value greater than €500,000 must be approved in advance by the Agency’s Board of Directors and also by the Minister.

## Project Management and Report

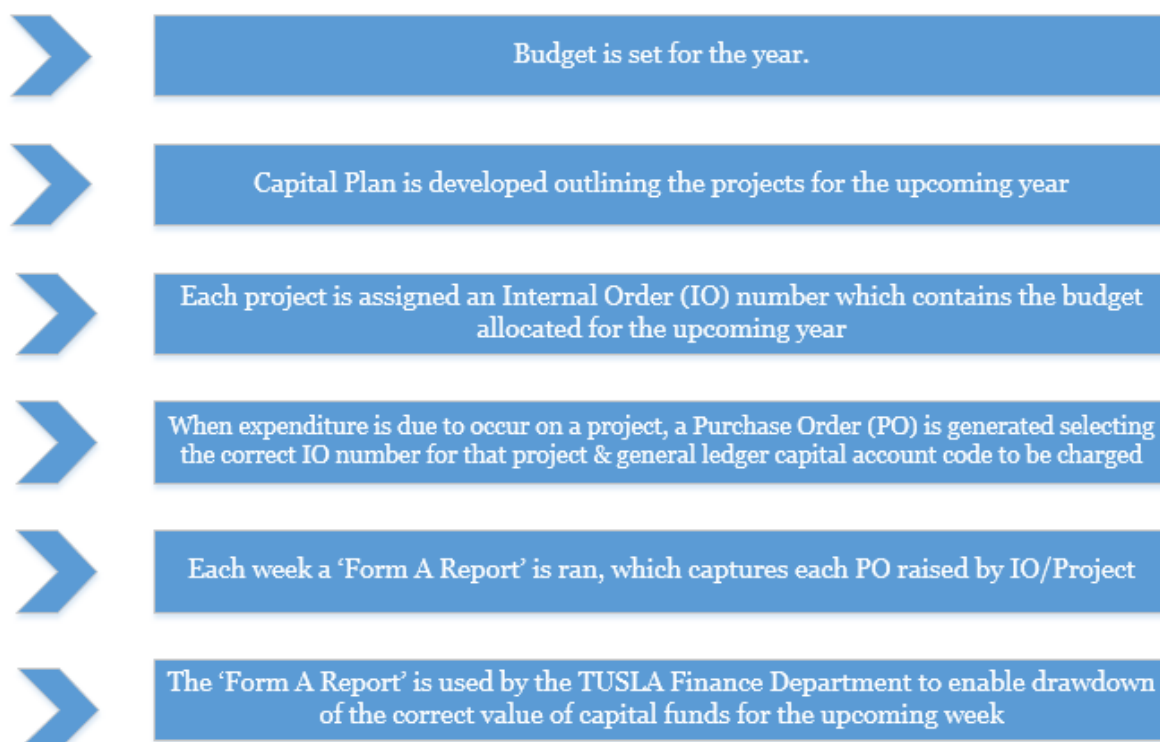
Project Cost ‘Variations’ must be approved by Director of Estates. If any variation on a project (in Band C above) results in the project exceeding its budget, the project must be re-approved by the TUSLA Board.

### 5.10 Leases & Property Transactions

All leases must be routed through TUSLA Estates in the first instance. No property transactions should be entered into without the input and approval of the TUSLA Estates Unit.

### 5.11 Cash drawdown for Capital Projects

The process can be explained in the following flow chart:



## **5.12 Controls within Capital Projects**

### **(i) Segregation of Duties**

- Independent project evaluation and appraisal.
- Certification of Work completed for construction contracts.
- Budget holder within service, project management in Estates Directorate.

### **(ii) Capital approval procedure**

- Specific Capital Projects approval procedures within predefined bands.
- Full costing prepared, including future revenue and staffing commitments.
- Cost variation approval and reporting.

### **(iii) Sourcing of Goods/Services for Capital projects**

- Tendering Process.
- Certification of Work completed for construction contracts.

### **(iv) Project Management**

- Project Expenditure – monitoring and review.
- Capital Plan approval by senior management and the Board.



## APPENDIX 1: SOURCING OF SUPPLIERS VALUE THRESHOLDS



The table below sets out the requirements with regard to Sourcing of Suppliers where acquiring from an existing contract is not possible. This applies to goods and services.

Spend Bands	Method of Sourcing	No of Quotes Required	Form of Quote	Min Time for Receipt of Quote	Sourcing Completed By
<b>Up to €4,999</b>	Direct Approach	Minimum of <b>1</b>	Verbal / Written <b>NB:</b> Purchaser must be able to demonstrate that value for money was achieved	None	TUSLA Staff
<b>€5,000 to €24,999</b>	Direct Approach	Minimum of <b>3</b>	Written	None up to €10,000, 2 days thereafter	TUSLA Staff
<b>€25,000 or over</b>	Full Formal Tender Procedure	Refer to HSE HBS Procurement	Full Formal Tender Procedure	Minimum 10 Days	Refer to HSE HBS Procurement

***The thresholds above are in line with the EU Procurement Directives and the Public Procurement Guidelines - Competitive Process issued by the Department of Finance.***

## APPENDIX 2: APPROVAL LIMITS BY GRADE



GRADE / EQUIVALENT SALARY GRADE OR POSITION	NON ROUTINE EXPENDITURE	ROUTINE EXPENDITURE
<b>Grade III</b>	NIL	NIL
<b>Grade IV</b>	NIL	Up to €5,000
<b>Grade V</b>	NIL	Up to €10,000
<b>Grade VI</b>	Up to €10,000	Up to €25,000
<b>Grade VII &amp; Social Worker Team Leader</b>	Up to €20,000	Up to €50,000
<b>Grade VIII &amp; Principal Social Worker</b>	Up to €40,000	Up to €100,000
<b>General Manager</b>	Up to €70,000	Up to €250,000
<b>Area Manager</b>	Up to €100,000	Up to €500,000
<b>Service Director</b>	Up to €500,000	Up to €2,500,000
<b>Assistant National Director / National Director TUSLA</b>	Up to €500,000	Up to €2,500,000
<b>COO / CEO</b>	Up to €2,000,000	Up to €10,000,000

The approval limits above are the minimum controls in place. Approval limits may be reduced at the discretion of local managers. These approval limits are only effective where the staff member has been delegated the relevant level of authority by the budget holder. Approval limits may be increased only with the approval of the Director of Finance and completion of an annual derogation form.

### Note:

**All Capital expenditure in excess of €500k must obtain DCYA Ministerial approval and must also be approved by the TUSLA Board in advance.**

**All expenditure (Revenue or Capital) in excess of €1m must also be approved by the TUSLA Board in advance.**

## APPENDIX 3: PROCUREMENT SUPPORT REQUEST (PSR)

This form is completed by TUSLA to initiate a tender process & request professional procurement assistance from the HSE HBS Procurement Unit. This should be completed for all procurements of €25k+

The full form is available on TUSLA Hub:

<http://hsenet.hse.ie/childfamilyagency/Finance - Procurement.html>



### Procurement Support Request

Assistant National Director, Head of Sourcing and Contracts  
Health Business Services

Requestor	
Directorate/Organisation Description	
Requestor's Title	
Contact No.	
Contact Email	
Date of request	

*\*Please ensure that this form is completed in detail to the appropriate standard for the expected level of expenditure.  
Please expand the boxes below, as necessary.*

Project Number:  
(HBS office use only)

Title of Project:

--

1. Brief Description of Type of Goods/Services required e.g. Service, Purchase, Implementation, Training, consultancy.
2. If this is a Service requirement, please outline if any aspect of the service should be delivered using the Irish language.
3. Organisation Name e.g. Department, Sector, Agency, Hospital Group, Community Healthcare Organisation, etc.

--

4. Geographic Scope - Location(s) at which the service or good is required.

--

5. Is there a current supply arrangement for this service? Provide the following: names of current suppliers, contract arrangement (written or verbal), date of expiry or termination of contract/agreements, details of arrangement or contract S.L.A. to be attached, etc.

--

6. Estimated Budget – (Please confirm Budget Source/GL code)

	Budget Source/GL Code:
--	------------------------

7. Benefit Realisation Expectation (this information will assist in the prioritisation of projects)

Non Pay Benefits	
Pay/Work Flow Benefits	
Quality Benefits	
Compliance	

8. Please specify staff available to work on with Procurement on this request

Name	Title	Role	% availability	Contact Details

In order to ensure efficient processing of this request at least one resource is required to assist with any clarifications needed with regard to this request.

9. Is This a Once off or Recurring Requirement?

10. Are there any Specific Known Risks Attached with this Request? (e.g. deadline, urgency etc.)

11. Budget Holder Sign –Off / Confirmation of Authority under National Financial Regulations (NFR)

Name (Please Print)	Title	Date

Budget Holder Signature \_\_\_\_\_

**Notes**

1. It is the budget holder's responsibility to ensure that all appropriate budgets and approvals are in place. Particular attention is drawn to new financial regulations (details available from the Finance Directorate) and that certain goods/services also require prior approval by the HSE Corporate Management Team/Department of Finance e.g. certain ICT projects (details available from the ICT Directorate). *Please note copy of the approval may be required for audit purposes.*
2. Management Consultancy Services which are anticipated to cost in excess of €200,000 will require the prior specific approval of the Department of Health and Children and the Department of Public Expenditure and Reform. A schedule of summary details of all HSE management consultancies must be provided to the DOH and DPER on a quarterly basis. *Please refer to HSE NFR – 9 for further information regarding engaging Management Consultants.*

*This completed form should be returned to: [deirdre.osullivan2@hse.ie](mailto:deirdre.osullivan2@hse.ie)*

*This is a Guidance document; it is not intended to be definitive and if there is any procurement related issue that requires clarification it should be raised with the Procurement Lead for the specific process in the first instance.*

## APPENDIX 4: CONTRACT FOR SERVICES

The standard services contracts are available on TUSLA Hub:

<http://hsenet.hse.ie/childfamilyagency/Legal%20Services%20-%20Contracts.html>

### Services Contract



TUSLA - Child and Family Agency

and

#### **AGREEMENT**


Relating to the Provision of Services pursuant to  
Request for Tenders for the Provision of the **(Insert service here)**

Service RPT/2015/00622/SHVCV1/2015

## APPENDIX 5: ASSET ACQUISITION/DISPOSAL FORMS

The asset acquisition/disposal forms are available on TUSLA Hub:

[http://hsenet.hse.ie/childfamilyagency/Fixed\\_Assets\\_.html](http://hsenet.hse.ie/childfamilyagency/Fixed_Assets_.html)



An Ghnóimhaireacht um  
Leanaí agus an Teaghlach  
Child and Family Agency

**ASSET ACQUISITION FORM (as per NFR-06)**

(COPY OF INVOICE/GRN TO BE ATTACHED TO THIS FORM)

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**WHAT IS THE ASSET:**

Understandable description of asset make/model: (Layman's Terms not Technical)			
Serial/Registration No.:	ICT Tag No:	Estimated Useful Life:	

**FINANCIAL INFORMATION:**

Purchase Order Number: (If no P/O No. complete the following details below)	
Vendor:	
Cost centre/Internal Order No. charged to:	
Cost element charged to:	
Company Code:	
Date of Acquisition:	
Cost of Acquisition:	

**WHERE IS THE ASSET LOCATED** (please state precise location, i.e. room/ward no, dept etc.)

Location address:	<div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px; margin-bottom: 5px;"></div> <div style="border-bottom: 1px solid black; height: 15px;"></div>
-------------------	---

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**FOR OFFICE USE ONLY**

DATE RECEIVED	ASSET NO	DATE POSTED TO SAP

---

Return Address: HSE Finance Dept, Asset Accounting Section, Block D, Parkgate Street, Dublin 8.  
Tel: 01-6352910/6352961 Fax: 01-6352826  
Copy also to be sent to: Peter O'Brien, TUSLA Corporate Finance, Floor 3, Brunel Building, Heuston South Quarter,  
Dublin 8 Ph: (01) 7718603

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**ASSET DISPOSAL / TRANSFER FORM (as per NFR-06)**

**WHAT IS THE ASSET:**

Understandable description of asset: (Layman's Terms not Technical)	
Serial/Registration/Tag No.:	
Year acquired (If known or approx age of asset):	

**WHERE WAS THE ASSET LOCATED:**

Old Location address, Cost Centre/Internal Order No. & Company Code (If available):	_____
	_____
	_____

**REASON FOR DISPOSAL/TRANSFER:**

_____
-------

**FINANCIAL INFORMATION:**

Approximate Purchase Price:	
Scrapped Value (If any):	
Sale Value (If any):	
Receipt No. (If any):	

**WHERE WAS THE ASSET TRANSFERRED TO (LOCATION):**  
(If applicable)

New Location address or Cost Centre (If available):	_____
	_____
	_____

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**FOR OFFICE USE ONLY**

DATE RECEIVED	ASSET NO	DATE POSTED TO SAP

*Return Address: HSE Finance Dept, Asset Accounting Section, Block D, Parkgate Street, Dublin 8.  
Tel: 01-6352910/6352961 Fax: 01-6352826*

*Copy also to be sent to: Peter O'Brien, TUSLA Corporate Finance, Floor 3, Brunel Building, Heuston South Quarter,  
Dublin 8 Ph: (01) 7718603*

## APPENDIX 6: NON-PURCHASE ORDER ACQUISITIONS

- **Non PO Purchases:** Includes the following:

- Agency staff
- Fuel
- Insurance
- Private Foster Care (except DML, where this is channelled via PO)
- Private Residential Care (except DML, where this is channelled via PO)
- Professional services (i.e. where PSWT applies)
- Rent, Rates & Leases
- Telephone
- Training & Education
- Utilities (i.e. gas/electricity/water)

- **Grants:** all grants, without exception, to be paid via TUSLA Finance –

**No POs to be raised- no use of the AP Voucher process.**

- **Foster Care/Aftercare:** all payments via HSE HBS Accounts Payable upload process
- **Legal costs:** all legal costs are to be routed via TUSLA Legal Dept – under no circumstances are these to be paid locally via the PO/AP Voucher process
- **Capital Expenditure:** IT spend >€2k to be routed via TUSLA ICT Directorate and all asset disposals to be approved by the TUSLA Director of Finance (or their nominee)
- **Procurement Cards:** Via Procurement Card Procedures issued by the Finance Directorate
- **Petty Cash:** Vouchers and receipts to be sent to HBS Accounts Payable, who will process and issue the requisite cheque



## APPENDIX 7: TIPS FOR PREPARING REQUEST FOR TENDER (RFT) DOCUMENTS

N.B: This is for information only. This process is currently managed by HSE HBS Procurement on behalf of TUSLA.

### ***Format of Request for Tender (RFT) Documents***

RFTs generally contain the following sections (this is not a prescriptive or exhaustive list):

- Background and summary of requirements
- Financial and invoicing arrangements
- Contact details for further information and query handling – as well as rules relating to same
- General instructions in relation to submission of quotes
- Required format of quote responses
- Specifications (comprehensive and unambiguous descriptions) of the services, goods or works required
- Conditions applicable to the contract including, for example, time for delivery, payments schedule, liability for defects, insurance provisions, settlement of disputes etc
- Examination and evaluation of quotes - the RFT must state all of the criteria being applied in the award process
- Obligations and restrictions imposed by the contracting authority

Source: etenders.gov.ie

### ***Tips for Request for Tender (RFT) Documents***

1. Be very clear in what you are looking for to ensure that you get quotes that fit your needs.
2. Avoid using ambiguous phrases that may be misinterpreted by the suppliers. Address in the RFT any possible questions that may arise. If appropriate, ask someone not involved in the project to read the documentation and ensure it is clear. You will have a better chance of getting what you want if you are very specific in stating exactly what you want.
3. It can be helpful to include a return check list (with tick-boxes) for suppliers so that they can be sure that they have satisfied all requirements mentioned in the documents. This can also be helpful to the buyer in summarising what they need from suppliers.
4. Include any timescales associated with the project early in the notice. This includes the latest date for submission of queries relating to the project, the closing date and time for submission of quotes, etc. Many buyers only state the closing date; however, suppliers often like to know when the evaluation might be completed or when the contract is likely to take effect.
5. Contracting authorities may also include a statement in the RFT prohibiting the RFT being passed to a third party without the authorities' permission. Candidates will automatically receive any clarifications or additions to the original documentation. If the documentation is passed on by a third party to a supplier, that supplier may miss out on important additional information.

## GLOSSARY OF TERMS

**Aggregate Demand (Aggregation)** - term used to describe the maximum potential quantity/value that could be considered when sourcing particular goods or services.

**Budget Holder** - Person responsible for the expenditure relating to the drawdown of the budget he/she has been allocated in their area of accountability for a financial year.

**Business Case** - A justification for a proposed project or undertaking on the basis of its expected commercial benefit.

**Contingency Arrangements** - procedures to be put in place to address what actions should be taken for unforeseen events e.g. if someone was out on unplanned leave and departure from regulations were required.

**Financial Information System (FIS)** - the computerised accounting system used for recording financial transactions and balances. The system used by the Agency is SAP.

**Goods Received Note (GRN)** - A goods received note is a record that documents the receipt of Goods or Services received from external sources. A goods received note may be a manual (hardcopy) record or entry within the Financial Information System. A GRN record should be supported by a supplier's 'Proof of Delivery', Professional Valuation/Certification.

**Line manager** – A person with direct managerial responsibility for a particular employee(s).

**M.E.A.T** - The “Most Economically Advantageous Tender” evaluation principle.

**Nominated Receipting Location** - This refers to the physical location where it has been agreed that goods are delivered. This could be a stores location, direct delivery to a client, or delivery to the requester.

**Purchase to Pay (PTP)** - often abbreviated to PTP, refers to the business processes that cover activities of requesting (requisitioning), purchasing, receiving, paying for and accounting for goods and services.

**Prior Indicative Notice** - is an EU Tender procedure relating to publication of information in advance of actual tender publication. PIN can be published (normally at the beginning of financial period) either on the OJEU or E-Tenders website, setting out categories of products/services. Publication of a PIN reduces the minimum time required for tendering.

**Procurement** - the act of acquiring/buying goods, services or works from an external source, often via a tendering or bid process.

**Prompt Payment Interest** - The Agency is required to calculate and pay late payment interest for every commercial transaction not paid within the Relevant Payment Date.

**Proof of Delivery (POD)** - is a notification (normally paper based) of advice or other document generated by the vendor that records the delivery of goods. In recent times, some suppliers rely on couriers to deliver and record evidence of receipt of goods – the advice/POD may be in the form of an electronic tracking number. The POD is a key document which, when properly signed provides evidences receipt of Goods or Services.

**Routine versus Non Routine Expenditure** – Routine expenditure relates to good/services consumed by the Agency on a daily basis to support the provision of services. In general terms it can be considered all non-pay expenditure except that excluded. Note that expenditure approval is not the same as contract approval where a procurement contract may be put in place for a number of years.

*Routine expenditure excludes;*

- (i) Capital Projects – Capital funded expenditure plus non routine Revenue funded expenditure above €500k should be dealt with in accordance with the Capital Approvals Protocol
- (ii) Property Transactions – dealt with under Property Transactions Protocol
- (iii) Non Routine Expenditure

*Non Routine expenditure - primarily relates to;*

- (i) Commissioning new or expanded services within the Agency from other Public/private or voluntary providers
- (ii) Purchase of new equipment that is paid out of revenue funds
- (iii) Construction type work (building/extension/repairs/ refurbishment) paid for out of revenue funds which goes beyond ordinary day to day maintenance /repairs  
Above €500k revenue funded works should be dealt with in accordance with the Capital Approvals Protocol

Examples of Routine Expenditure; (a) Provision of existing level of service (b) Renewal of voluntary provider SLA for existing level of services (c) Amendments to voluntary provider (d) Approval of price increases for existing home help hours, home care packages, foster care places etc. (e) Repairs/servicing of equipment (f) Normal maintenance (g) Stock (normal) (h) Demand led schemes

Examples of NON Routine Expenditure; (1) Provision of a new service (direct or via voluntary provider (2) Expansion of a service (direct or via voluntary provider (3) Additional home help hours, home care packages, foster care places, private nursing home beds etc. (4) Purchase of equipment (5) Construction/refurbishment/backlog maintenance beyond the limits of routine expenditure (6) Expenditure which acquires or creates an asset or significantly enhances the value and/or useful economic life of an existing asset.

**Tax Clearance Certificate (TCC)** - This is required to be provided by all suppliers, who provide the Agency with goods/services in excess of €10,000 in any financial year, to confirm their tax affairs are in order.

## SIGN-OFF SHEET

Managers should ensure that all staff who have a role or responsibility in the purchase to pay process have been furnished with a copy of this National Financial Regulation or provided with a link to same.

### Individual Sign-off (sign & print name)

I \_\_\_\_\_ have read and understood TUSLA Financial Regulation 01. I am aware of my responsibilities in relation to the purchase to pay process within TUSLA.

Date: \_\_\_\_\_

**Or**

### Team Sign-off (sign & print names)

I have read and understood TUSLA Financial Regulation 01. I am aware of my responsibilities in relation to the purchase to pay process within TUSLA.

	Signature	Print Name	Date:
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____
11.	_____	_____	_____
12.	_____	_____	_____
13.	_____	_____	_____
14.	_____	_____	_____
15.	_____	_____	_____

## Financial Regulation 01 QUICK GUIDE PRINTOUT

Spend Bands	Method of Sourcing	No of Quotes Required	Form of Quote	Min Time for Receipt of Quote	Sourcing Completed By
<b>Up to €4,999</b>	Direct Approach	Minimum of <b>1</b>	Verbal / Written <b>NB:</b> Purchaser must be able to demonstrate that value for money was achieved	None	TUSLA Staff
<b>€5,000 to €24,999</b>	Direct Approach	Minimum of <b>3</b>	Written	None up to €10,000, 2 days thereafter	TUSLA Staff
<b>€25,000 or over</b>	Full Formal Tender Procedure	Refer to HSE HBS Procurement	Full Formal Tender Procedure	Minimum 10 Days	Refer to HSE HBS Procurement

GRADE / EQUIVALENT SALARY GRADE OR POSITION	NON ROUTINE EXPENDITURE	ROUTINE EXPENDITURE
<b>Grade III</b>	NIL	NIL
<b>Grade IV</b>	NIL	Up to €5,000
<b>Grade V</b>	NIL	Up to €10,000
<b>Grade VI</b>	Up to €10,000	Up to €25,000
<b>Grade VII &amp; Social Worker Team Leader</b>	Up to €20,000	Up to €50,000
<b>Grade VIII &amp; Principal Social Worker</b>	Up to €40,000	Up to €100,000
<b>General Manager</b>	Up to €70,000	Up to €250,000
<b>Area Managers</b>	Up to €100,000	Up to €500,000
<b>Service Director</b>	Up to €500,000	Up to €2,500,000
<b>Assistant National Director / National Director TUSLA</b>	Up to €500,000	Up to €2,500,000
<b>COO / CEO</b>	Up to €2,000,000	Up to €10,000,000

Asset purchases (ICT): Contact TUSLA ICT Unit  
 Asset purchases (All other): Contact TUSLA Estates Unit  
 Asset disposals: Contact TUSLA Finance Unit/Estates Unit

Keep a record of all quotes sought/received  
 Refer all tendering (€25k or more) to HSE HBS Procurement Unit  
 If in doubt, ask for assistance from TUSLA Finance Unit or Regional Finance Managers