



Rásaíocht Con Éireann/Greyhound Racing Ireland

RCÉ– Procurement Policy & Procedure Document

A Guide to RCÉ Procurement Policy & Procedure

Document Owner: RCÉ Procurement Office

Version 1	Date: 28 March 2014	Author: M Kearney
Revision: 1	Date: 01 June 2019	Revised By: S Gaule
Revision: 2	Date: 06 Nov 2020	Revised By: M Cussen

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Overview:

RCÉ Procurement office is actively involved in developing the role of procurement and establishing the infrastructure to effectively deliver "Best value for money" throughout the RCÉ.

The Procurement office is focusing its efforts in developing policies and procedures which outline the role of procurement, that ensure compliance with government guidelines and EU legislation are consistent with best practice while, at the same time, in alignment with the management philosophy of Rásaíocht Con Éireann:. The approach is to involve the department and or user of the goods or services in the tender process through collaboration via a 'procurement sub group' consisting of procurement personnel and key users. The sub group process is being used successfully and effectively to complete a number of tenders.

Mission Statement:

The mission of the Procurement Office is to consistently obtain goods and services at best value for money through the optimum combination of whole-life cost and quality that meets the Rásaíocht Con Éireann: requirements. This will enable RCÉ to deliver its product and services to the highest level of excellence. The Procurement Office is committed to listening, teaching, sharing, collaborating and developing skills and confidence in the field of procurement.

Co-operating with its budget holders, departments, key personnel and suppliers, RCÉ's Office of Procurement, aims to become the centre of knowledge, expertise and excellence in the supply of goods and services to Rásaíocht Con Éireann.

Introduction to the Rásaíocht Con Éireann:

Greyhound Racing Ireland/ Rásaíocht Con Éireann: was established by the Greyhound Industry Act 1958 (renamed in the Greyhound Racing Act 2019). RCÉ is a commercial semi-state body charged with responsibility for the control, regulation and development of the Irish Greyhound Industry. The Board's powers include the licensing of tracks, the issuing of permits to Officials, Bookmakers, Trainers and the implementation of the rules of racing. The Board currently has licensed a total of fourteen tracks in the State (Republic of Ireland), of which nine are fully owned and /or controlled by the Board. The remainder are privately owned and operated. The Board is licensed to operate Totalisator facilities at all Greyhound Stadia and applies an on-course levy on Bookmakers' betting. These levies together with gate receipts and other income fund the industry and allow the Board to:

- Supplement prize money at all levels of Greyhound Racing
- Provide funding to Greyhound Tracks in order to enable them to improve facilities.
- Advertise and market the Industry .
- Develop and improve greyhound Stadia nationwide
- Operate and manage Greyhound Stadia.

Foreword:

Scope of the Procurement policy

- The procurement policy covers the management and control of all non-pay expenditure.
- This document has been designed to reflect the RCÉ's organisational structure whereby Management responsibility is devolved to Department Heads and Budget holders. In the interest of clarity the document refers throughout to departments and personnel who for the purposes of this document cover all areas, and individuals who spend funds on behalf of RCÉ.
- The document sets out the formal RCÉ procurement policy. The aim is to benefit all departments in the expenditure of non-pay budgets and ensure best practice.

Purchasing objective: To ensure that all funds committed to purchase goods and services obtain optimum quality, service, and value for money including delivery, customer service, and overall supplier performance.

The objective will be fulfilled by:

- Informing and guiding all personnel and departments of RCÉ policies and procedures for the purchase of goods and services.
- Developing and implementing a value for money consciousness throughout the purchasing process.
- Developing and implementing the means by which departments may measure and improve their purchasing performance.
- Pursuing and developing co-operative relationships between the Office of Procurement, RCÉ departments and other Irish procurement organisations.

Adherence to Irish Law and EU Directives: RCÉ places great emphasis on accountability, efficiency, transparency and value for money. This is in line with Government policy in the public service. In accordance with this policy the government published guidelines on public procurement as published on the e-tenders website, outlines the national procedures to be followed by all persons involved in the award of contracts. It is RCÉ procurement policy that all procurement activity shall adhere to the Government Procurement Guidelines.

The following principles must be complied with:

- Competitive tendering must be used, unless exceptional circumstances apply.
- Tax clearance certificates are obligatory in all cases where orders or cumulative orders exceed €10,000 in any twelve month period.
- National guidelines apply, not only to formal, written contracts, but also to all procurement disposals and revenue from services provided by RCÉ.
- If the value of the contract exceeds the current financial threshold in the EU directive, the contract shall be open for competition across the EU and shall be advertised in the Official Journal of European Union (OJEU). The threshold figure for the OJEU is based on total RCÉ expenditure on any one item, collective product grouping, (i.e. consumables, chemicals, etc) or service. The EU threshold is **exclusive** of VAT and expenses, and does not only apply to individual departmental spending but includes the total collective purchases across RCÉ.
- EU Public Procurement Directives have legal force and shall be followed.

If you are in any doubt about how to proceed in any matter relating to the purchase or disposal of goods or services contact the Chief Procurement Officer.

Environmental Practices

As RCÉ is a large consumer of goods and services, it has an impact on the environment. By using its purchasing power to opt for goods and services that respect the environment, RCÉ can make an important contribution towards sustainable development.

RCÉ Procurement recognises that it should take a positive lead, by carrying out its Procurement activities in an environmentally responsible manner.

Through this Environmental Policy RCÉ Procurement is making a commitment to reducing its impact on the environment and is working in a responsible manner. The aim of this policy is to ensure that purchased goods and services are manufactured, delivered, used, managed and disposed of through environmentally responsible approaches.

Purchasing

Our Policy is to as far as possible, purchase products and services that will have minimal impact on the environment and encourage others to do the same. We also encourage, in so far as commercially viable, the supply of environmentally friendly products and services.

We also seek to ensure that we assess the environmental impact of any new processes or products we intend to introduce in advance.

Waste Management

The Waste Management (Waste Electrical and Electronic Equipment) Regulations came into force on 13th August 2005. The purpose of the Waste Electrical and Electronic Equipment Regulations (WEEE Regulations) is to ensure the environmentally sound management of waste electrical and electronic equipment (WEEE).

Under the Waste Management Acts (2005/2008) compulsory obligations are in place for Producers (Manufacturers, importers etc.) and distributors (retailers).

Enforced by these acts are a number of Producer Responsibility Initiatives (PRI's) which require Producers to ensure that when placing goods on the market there are systems present ensuring the goods are managed at the end of life in an environmentally sound manner.

When procuring goods our Procurement Officer seeks to ensure the goods life cycles are taken into account. This also includes the costs of managing them in an environmentally sound manner at the end of their life cycle:-

Therefore, our Procurement Officer when procuring goods considers:

- Compliance with regulatory requirements and procure goods from only registered producers where PRI's exist.
- Consider the costs of managing products in an environmentally sound manner when they reach the end of life

- Are aware of the risk to their organisation of having to finance the environmentally sound management of its waste, in accordance with prescribed treatment standards, as a result of procuring goods from a non-compliant producer or distributor.

Under the Waste Management (Waste Electrical and Electronic Equipment) (Amendment) Regulations 2008, Producers placing electrical equipment (EEE) on the market in the State must be registered with the WEEE (waste electrical and electronic equipment) Register Society Ltd. (WEEE Register). Producers who are not in possession of a valid "Certificate of Registration" issued by the WEEE Register are prohibited from placing EEE on the market.

All WEEE must be

- Recycled, and
- Treated in accordance with prescribed standards.

Our Procurement Officer may request a copy of the producer's current "Certificate of Registration" or "Certificate of Renewal of Registration", prior to engaging in negotiations.

Section 1:

Policies and Procedures

- Procurement Guidelines
- Procurement Policy
- Detailed Procurement Policy
- Procurement Procedure
- Departmental Stocks and Stores
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- Competition
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- Receiving Tenders
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- Guidelines on writing specifications
- Procurement Policy Changes
- Invoices
- Contract Award
- Post Award Contract Management
- Procurement Policy Changes

Procurement Guidelines

- **Purchasing Thresholds**

This is a flowchart outlining the steps to be taken based on the total cost of the purchase, excluding VAT.

Need to Purchase	Requirements
under €5,000	Verbal quotations required
€5,000 - €25,000	Minimum Three (3) written quotations
€25,000 - €214,000	National Tender Procedure
€214,000>	EU Tender Procedure

Authorisation Limits are set at a practical level and will ensure the proper use of RCE's financial resources and satisfy RCÉ's requirement for accountability, internal control and the management of financial risk.

- **Authorisation Limits for Purchase Order Approval**

This flowchart delineates the authorisation limits for Purchase Order Approval.

Authorisation Limits	Approval Requirement
0 to €1,000	Procurement Officer, Financial Officer or Department Head
€1,000 to €10,000	Chief Financial Officer
€10,000 to €25,000	Chief Financial Officer and Chief Executive Officer

Authorisation Limits greater than €25K	Included in Budget Approved By Board	Not Included in Budget Approved by Board
€25,000 to €100,000 Tender Process	Chief Financial Officer & Chief Executive Officer	Subject to Board consideration
All Revenue/Capital Expenditure and Projects including Works Projects over €100,000	Board Approval Required Tender Process	Board Approval Required Tender Process

Emergency Projects:

- Approval by CEO with Justification for emergency
- The matter is presented at next board meeting for retrospective approval with explanation for the nature of the emergency.

Approval Procedures

This flowchart delineates the proper steps to follow for departmental expenditure and purchases, based on the total cost.

To Approve a Purchase based on A/L	Approved By
Ancillary Budgets	Department Head -Procurement Officer -- CFO - CEO
Capital Budgets	Department Head - Procurement Officer - CFO – CEO - Board
Recurrent Budgets	Department Head - Procurement Officer - CFO - CEO
Research Budgets	Department Head - Procurement Officer - CFO - CEO
All Travel Budgets	Department Head - Procurement Officer - CFO - CEO

- **Retention of Quotes and Supporting Documents**

It is the responsibility of the Head of Department to ensure that all quotations and supporting documents are retained by the department for a minimum period of six years from the date of purchase.

Procurement Policy

Introduction

Approval: This document is pending approval by the Board and Internal Audit Committee of RCE, which is committed to the pursuit of excellence and recognises the importance of good purchasing practice in obtaining value for money and in ensuring that the funds of RCÉ are best optimised.

Scope of the Procurement policy

- The procurement policy covers the management and control of all non-pay expenditure.
- This document has been designed to reflect RCE's organisational structure whereby Management responsibility is devolved to Department Heads and Budget holders. In the interest of clarity the document refers throughout to departments and personnel who for the purposes of this document cover all areas, and individuals who spend funds on behalf of RCÉ.
- The document sets out the formal RCE procurement policy. The aim is to benefit all departments in the expenditure of non-pay budgets and ensure best practice.

Purchasing objective: To ensure that all funds committed to purchase goods and services obtain optimum quality, service, and value for money including delivery, customer service, and overall supplier performance.

The objective will be fulfilled by:

- Informing and guiding all personnel and departments of RCE's policies and procedures for the purchase of goods and services.
- Developing and implementing a value for money consciousness throughout the purchasing process.
- Developing and implementing the means by which departments may measure and improve their purchasing performance.
- Pursuing and developing co-operative relationships between the Office of Procurement, RCÉ departments and other Irish procurement organisations.

Detailed Procedure Policy

Authority to Purchase: The Board of RCÉ is responsible for all funds of Ra irrespective of the source or however generated. The Board delegates authority to purchase from these funds to the CEO, CFO, CPO and Department Heads.

Adherence to Irish Law and EU Directives: The RCÉ places great emphasis on accountability, efficiency, transparency and value for money. This is in line with Government policy in the public service. In accordance with this policy the government published guidelines on public procurement as published on the e-tenders website, outlines the national procedures to be followed by all persons involved in the award of contracts. It is RCÉ procurement policy that all procurement activity shall adhere to the Government Procurement Guidelines.

The following principles must be complied with:

- Competitive tendering must be used, unless exceptional circumstances apply.
- Tax clearance certificates are obligatory in all cases where orders or cumulative orders exceed 10,000 euro in any twelve month period.

- National guidelines apply, not only to formal, written contracts, but also to all procurement disposals and revenue from services provided by RCÉ.
- If the value of the contract exceeds the current financial threshold in the EU directive, the contract shall be open for competition across the EU and shall be advertised in the Official Journal of European Union (OJEU). The threshold figure for the OJEU is based on total RCÉ expenditure on any one item, collective product grouping, (i.e. consumables, chemicals, etc) or service. The EU threshold is **exclusive** of VAT and expenses, and does not only apply to individual departmental spending but includes the total collective purchases across RCÉ.
- EU Public Procurement Directives have legal force and shall be followed.

If you are in any doubt about how to proceed in any matter relating to the purchase or disposal of goods or services contact the Chief Procurement Officer.

Please note; Departments must be aware that the Auditors of RCE and the staff of the Comptroller and Auditor General's office have full, free and unrestricted access to all procurement records within RCÉ. On receipt of any observations resulting from any such audit, the Head of the Department concerned shall be responsible for ensuring that replies are furnished to the relevant audit action.

Procurement Procedure:

Purchase orders

Verbal orders

User Groups

Authorisation of Orders

Financial regulations

Approved suppliers

Fair competition

EU Law

EU Thresholds

EU Tendering Procedures Overview

Public sector collaboration

Evaluation of offers

Conditions of Purchase

Code of Ethics

Purchase orders: RCÉ Purchasing and Procurement Procedure (Appendix I of this document) outlines the procedure to be followed regarding Purchase orders.

Official purchase orders shall be issued for the provision of **all** goods and services.

- Where a procurement competition has been completed under RCÉ procurement policy, approved by the procurement office and a valid contract for supply has been approved and signed.
- In the case of approved subscriptions/memberships of professional and corporate bodies.
- Where an authorised purchasing card can be utilised.
- Where items can be ordered through the web with suppliers approved by RCÉ for this purpose.

Verbal orders: Where verbal orders are necessarily raised as a matter of urgency, at the time of placement of requirement the supplier shall also be given the official order number, the name of the person raising the order and, the name and address of the section to which the goods should be addressed. The official order must be issued within twenty-four hours and the order should be marked "confirmation of verbal/telephone order - do not duplicate".

User Groups: The co-ordinated approach will be facilitated via the creation of a number of user groups, consisting of staff involved in purchasing significant expenditures of a particular commodity. User groups will be involved in initiating and completing competitive tendering activities for a particular commodity, and this process will be co-ordinated through the Chief Procurement Officer.

- All staff involved in user groups and procurement activities shall be offered appropriate training in procurement best practices.
- The importance of effective management information relating to procurement cannot be over-emphasised. Staff and user groups should obtain the following information (which will be available from the finance department):
 - o list of expenditure by commodity group
 - o list of expenditure by commodity group by department
 - o list of expenditure by suppliers by commodity group
 - o list of expenditure by suppliers by department

This will enable staff and user groups to obtain appropriate information, which will provide the basis for identification of targets by supplier or by commodity group. In addition the analysis by department will provide the basis for the identification of common purchases between departments and provide for the selection of the appropriate staff to participate in the user groups.

The Procurement Officer shall work with the user group to identify those instances where aggregation could result in cost savings. If appropriate, the relevant user group shall nominate a Project Leader to work with the Procurement Officer to implement an RCÉ wide contract in respect of that commodity or supplier.

Authorisation of orders: All purchase orders shall be authorised in accordance with RCÉ Purchasing Procedure and Finance Regulations.

Financial regulations: The Scheme of Delegation reflects the requirements detailed by Financial Regulations and must include the following parameters:

- All purchase orders dependent on value must be authorised by the Procurement Officer, Financial Officer, Head of Department, CFO, CEO and the Board as applicable.
- All purchases must be authorised by the Head of Department, or his delegated manager as defined in the Scheme of Delegation.

For other purchases the Head of Department should formally approve a list of delegated authority bearing in mind both the operational requirements of the department and the need to safeguard good financial management.

Approved suppliers: Purchases must be made from Contracted or Approved suppliers unless there are compelling reasons approved by the Head of Department, or his nominated manager. Staff must retain the approval on the record for inspection for six years. Contracted and Approved Suppliers are defined in RCÉ Supplier Management Policy.

Fair competition: In order to ensure that all purchases are made at the most advantageous cost consistent with required quality, fair competition shall prevail, and purchasers shall further ensure that value for money is obtained by one of the following:

- For purchases above 214,000 Euro an EU tender is required. The Procurement Officer must be consulted and full details of the tender process recorded centrally, on behalf of RCÉ
- For purchases between €25,000 and €214,000: By inviting formal tenders within the procedure laid down in EU Directives for Tendering Procedures.

- For purchases between €5,000 and €25,000: By inviting written quotations within the procedure laid down in RCÉ Procurement Policy and Purchasing Procedures.
- For other purchases under €5,000 Euro written quotations are not required. Records of Verbal quotations obtained are to be recorded.
- The thresholds are mandatory and represent minimum requirements. For particular purchases it may be appropriate to use stricter limits where this could lead to improved value for money. (For example, to seek tenders, rather than quotations, for high specification equipment costing less than €25,000.) Under no circumstances should requirements be split to bring purchases under a particular threshold.
- On rare occasions there may be only one supplier of a particular item and no alternative is available ("sole source"). Sometimes an item has to be purchased from a particular supplier, usually to ensure compatibility with existing goods or servicing arrangements ("single source"). In absolute emergencies there may not be time to seek competitive bids. If any of the forgoing occurs, staff should make a full, written justification for approval by the Head of Department and Procurement Officer for the decision not to seek competitive bids. Such approvals must be retained on the record for six years after the end of the financial year in which they occurred. The User and/or the Head of Department may find it advisable to consult with the Procurement Office on such occasions.

EU Law: RCÉ as a commercial semi state body is subject to requirements arising from EU Law with regard to Public Procurement and hence the EU Directives. Non-adherence to EU directives can result in serious legal and financial sanctions for RCÉ.

There are three different types of contracts identified in EU Directive 2004/18/EC:

- **Supply Contract** - Purchase or hire of goods (including installation services where appropriate)
- **Services Contract** - Provision of services, including maintenance.
- **Works Contract** - Building and civil engineering work, demolition, installation of plumbing, heating or electrical equipment and building completion work (e.g. plastering, papering and tiling).

All types of procurement fall within one of these three categories above and EU directives are in place for all three categories. Any contract placed by RCÉ, if it exceeds the relevant financial threshold in the Directive, must be processed and awarded in accordance with the procedures of the Directive, unless it is covered by a clearly defined exception.

The EU Public Procurement Directives must be followed where a project is wholly or partly (more than 50%) financed by EU institutions.

EU Thresholds

The financial thresholds in the Directives are given in Euros. The European Commission, under the terms of the Directives, usually at two yearly intervals, revises the equivalent values in national currencies.

The Department of Finance informs all public authorities of changes to the thresholds as they occur.

The thresholds exclude VAT.

The thresholds apply to the total value or quantity of an individual contract and include:

1. Overall cost (including residual value).
2. The 'adjusted' value of previous 12 months.

3. The value estimated over the full term if greater than 12 months.

The thresholds for bodies governed by public law in Euro's are as follows:

Services	€214,000
Supply	€214,000
Works	€5,350,000

The EU directives are based on the principle that, if the total value of a contract exceeds the financial threshold in the relevant EU directive, the contract must be open for competition across the European Union and must be advertised in the Official Journal of the European Union (OJEU).

EU Tendering Procedures - Overview

The EU directives have legal force in Ireland and compliance is essential. EU Directives 2004/18/EC and 2007/17/EC recognise four types of tendering *procedures*:

Tender Procedure	Description
OPEN	All interested suppliers are invited to express an interest and may submit a tender
RESTRICTED	Only suppliers invited by the contract authority may submit tenders
COMPETITIVE DIALOGUE	Designed to provide more flexibility in the tendering process for more complex contracts, for example public private partnerships (PPPs). Contracting authorities must advertise their requirements and enter dialogue with interested parties, (pre - qualified on the same basis as for restricted procedure, described above). Through the process of dialogue with a range of candidates, a contracting authority may identify arrangements or solutions which meet its requirements.
NEGOTIATED	The contract authority consults suppliers of their choice and negotiates the contract terms with one or more of them. Used in very limited circumstances and as a rule not permitted to be used routinely. <i>The Procurement Officer can provide more detail regarding this procedure.</i>

The European Commission has a strong preference that the open tendering procedure is used to ensure the greatest possible competition, transparency and objectivity.

Public sector collaboration: Whenever possible, procurement contracts made available by public sector collaboration should be supported, provided always that a value for money can be demonstrated. These include arrangements made by a collaboration group, government department or agency contracts. Individual department purchasing arrangements should be made available for the use of all other departments.

Evaluation of offers: Evaluation of offers shall take account of all relevant costs relating to operational needs, acquisition, servicing, performance and disposal.

Official orders and internal requisitions shall indicate clearly the nature and quality of the goods or services required, RCÉ's credit period and any contract, conditions of use, quotation or agreed price relating thereto. Purchasing Card transactions shall be recorded as laid down in the appropriate procedure.

Conditions of Purchase: Unless other arrangements are approved by the Procurement Officer, all purchase orders shall be placed on the basis of RCÉ's Standard Conditions of Purchase, which are detailed in Schedule A. Staff purchasing must advise suppliers that RCÉ's Standard Conditions of Purchase will always take precedence. Purchasers are required to examine a supplier's Conditions of Sale carefully and where these are in conflict with RCÉ's Standard Conditions of Purchase, advice must be sought from the Procurement Officer.

RCÉ Standard Conditions of Purchase stipulate that payment should not be made prior to the receipt of goods or services. Should prior payment exceeding 25,000 Euro be requested by a supplier special conditions of contract, designed to safeguard RCÉ interests, must be approved by the Procurement Officer.

Wherever possible purchasers should liaise with the Office of Procurement and other users to achieve standardisation of those products which among other things will produce benefits in negotiating the most competitive terms, achieve value for money and simplify arrangements for repairs/services. Fragmentation of ordering amongst a wide range of suppliers for similar goods/supplies will usually reduce the scope for competitive tendering and for improving product quality and availability.

Quotation and Tender documents must be kept for at least six years after the end of the financial year in which the contract is finally completed. All action taken during the course of competitive tendering activities must be recorded and documented by the responsible person.

Where goods or services are used by more than one department, the key user(s) or the person with relevant expertise should be involved in any competitive tendering activities on behalf of RCÉ in consultation with the Procurement Officer and other users. The Office of Procurement will keep a list of the major users and persons with relevant expertise.

Where goods and services are available from only a limited number of suppliers or from appointed agents where a manufacturer controls the price structure, competition should be encouraged by actively inviting potential competitors to enter the market, adjusting specifications where possible to assist this goal.

The Office of Procurement has been delegated the responsibility of ensuring that the procedures outlined in this document have been carried out throughout the RCÉ. All procedures will be monitored on an ongoing basis. The Procurement Officer shall continuously review all procurement procedures and will prepare a regular report for the Chief Financial Officer.

Orders shall not be raised for part requirements in such a manner as to avoid the provisions of this procurement policy.

All purchase orders must include an exact price or unit cost. If exact pricing is not possible then estimated costs must be indicated unless there are good reasons for not doing so (the reasons for which must be recorded and made available for inspection on request). The purchaser must record details of the source of the price quoted as a brief note.

Code of Ethics:

- Any personal interest which may impinge or might reasonably be deemed by others to impinge upon impartiality in any matter relevant to procurement duties should be declared to the Procurement Officer for recording, and approval by the CEO before conducting the business.
- The confidentiality of information received in the course of duty should be respected and specific details of suppliers' offers must not be divulged to competitors. Information given in the course of duty should be true and fair and never designed to mislead and should never be used for personal gain.
- While bearing in mind the advantages to RCÉ of maintaining a continuing relationship with a supplier, any arrangement that might in the long term, prevent the effective operation of fair competition should be avoided.
- Gifts, other than items of very small intrinsic value such as business diaries, calendars, telephone pads etc, should not be accepted. Items for personal use should be declined. Modest hospitality is an accepted courtesy of a business relationship. However, the recipients should not allow a position to be reached whereby they might be or might be deemed by others to have been influenced in making a business decision as a consequence of accepting such hospitality. The frequency and scale of hospitality should not be significantly greater than RCÉ would be likely to provide in return.
- When it is not easy to decide between what is and is not acceptable in terms of gifts or hospitality, the offer should be declined or advice sought from the Procurement Officer.
- Personal inducements in any form from suppliers of goods and services to employees are forbidden. Any instances of such inducements being offered must be advised immediately to the Procurement Officer.

Departmental Stocks and Stores:

Departmental stocks held at or near the point of use are to be identified and kept to a practical minimum. Shelf life, stock level, rate of consumption and ordering lead-time should be monitored to reduce wastage and stock holding. Departments should hold stock complying with the following criteria:

- **Bulk Purchased Supplies**
Items of sufficient demand in common use which offer a reduction in cost over direct supply taking account of all stock holding costs.
- **Instant Access**
Only those items whose immediate availability is considered important to maintain a Service.

Division of Responsibility

To ensure that responsibilities relating to purchases are divided, at least two people shall be involved in authorising the stages of purchasing goods and services. The stages are the PO requisition and the

purchase order. Authorising shall be undertaken either by signature or by electronic means within RCÉ Financial System.

Tenders and Quotations:

The primary basis for providing evidence of value for money is to be able to show that what was offered by the selected supplier provided better value for money than offered from any other potential supplier. This can only be reasonably achieved by inviting competitive tenders (for high value or unique specification equipment) or quotations (for low value or standard "off the shelf" specifications). It is rarely the case that there is only one possible supplier but this can be the case in relation to very specific goods and services.

Competition:

Without competition RCÉ has less purchasing power. Competition may secure better value even where one supplier's equipment is strongly preferred on technical or compatibility grounds.

Definitions of Quotations and Tenders:

For the purposes of this procurement policy a quotation is a procedure for seeking a price and delivery time for goods which are easily specified. A tender is the more formal and detailed exercise of obtaining sealed bids for goods where the value is high and/or the specification is detailed or complex and/or special terms and conditions may apply.

Receiving Tenders:

The procedures for dealing with quotations and tenders are available from the Procurement Office with guidelines for use. National procedures for opening tenders are also outlined in the Department of Finance Green Book.

Framework Agreements and Public Private Partnerships:

Guidance and procedures for establishing frameworks, types of frameworks (single supplier, multiple suppliers), participation in National Framework Agreements, Public Private Partnerships and procedure for award of contracts based on frameworks are available from the Procurement Office.

Relationships with Suppliers:

General: The selection of suppliers will be based on sound business principles which recognise amongst others factors, the quality of the goods and services offered, relevant experience and reputation, financial stability and the ability to perform the contract in a timely manner.

Sourcing: In general procurement policy, RCÉ does not seek to restrict its sources of supply unduly. Where economic, strategic or technological benefits may accrue, the Office of Procurement will endeavour to approve three sources of supply.

In cases of strategically important goods and services where sources are limited and security of supply is critical, the Office of Procurement will actively work to develop alternate sources and/or achieve 'most favoured customer' status.

Nationality: The Office of Procurement will consider any source regardless of origin.

Fairness: All dealings with suppliers should be handled in a prompt and courteous manner. Every effort should be made to treat suppliers fairly and equally, and in bid situations to furnish all with the same adequate information. Reasonable efforts should be made to ensure that bid lists only comprise of those suppliers who are financially sound and who have a realistic chance of winning the business.

Confidentiality: Bids and offers should be solicited on the basis that they will remain confidential both before and after the business is placed. Equally, suppliers are obliged to ensure that any privileged information regarding the operations of RCÉ is kept strictly confidential and divulged only on a need-to-know basis. Suppliers and their employees, agents and sub-contractors, should sign a confidentiality agreement.

Guidelines on Writing Specifications:

A specification can be defined as a description of the physical or functional characteristics, or of the nature of a supply, service, or construction item; the requirements to be satisfied by a product, material, or process indicating, if appropriate, the procedures to determine whether the requirements are satisfied. In essence a specification is a statement of the attributes of a product, process or service a user wishes to purchase, and consequently, which the supplier is expected to supply. As far as practicable, it is desirable that the requirements be expressed numerically in terms of appropriate units together with their limits.

Specifications have two basic functions:

- 1) **Communicate:** When prepared by the purchaser, specifications inform the supplier what is required. When prepared by the supplier they provide a prospective purchaser with a description of the attributes of a product.
- 2) **Compare:** Specifications also provide criteria against which the products and services supplied or available can be compared.

TYPES OF SPECIFICATIONS:

There are basically 3 types of specifications:

1. **Functional Specifications:** A functional specification is a clear indication of the purpose, function, application and performance expected of the supplied material or service, whereby the supplier is allowed or encouraged to provide an appropriate product. These specifications describe the capabilities that the article where applicable, performance specifications are to be selected as they allow wider competition and enable suppliers to suggest new or improved ways of meeting the requirement. Tests or criteria are developed to measure a product's ability to perform and to last, as required.

2. **Technical / Design Specifications:** This specification details the characteristics of the product to be purchased, it is so detailed that it describes how the product is to be manufactured, detailing the physical dimensions of the product and materials to be used etc. (Most often used for building contracting and roads)

3. **Combination:** These specifications include both design and functional features. Characteristics of both are used as prerequisites and as limiting factors in developing the specification.

A specification should be sufficiently detailed so that the product or service will fit the user's requirements. It should not be so explicit that it prevents negotiation or discourages buyers or suppliers from using their expertise to propose alternative solutions that may offer better value for money.

Preparation of a specification should involve close communication between the user and the Procurement Officer and, if required, assistance from technical experts. Involvement of potential suppliers may also be helpful in developing a specification. **If supplier input is required it must not result in adoption of a specification that favours one particular supplier.** This is a requirement, not only of the national Regulations, but also of the EU Treaty under Article 30.

When preparing a specification the following should be considered:

Use both functional and performance criteria where possible.

- Any technical specifications should be defined by reference to any European, International, National and quality assurance requirements, which are relevant.
- References, which have the effect of favouring or eliminating particular suppliers, contractors, products or services, should be avoided.
- It is not normally permitted to use brand names, sources of supply, trade-marks, patent types, origins or other means of production when writing product specifications. The exception is when the goods and services cannot otherwise be described by reference to technical specifications, which are sufficiently precise and intelligible to all suppliers. **In these cases, the brand names etc. must be accompanied by the words "or equivalent".**

There are, however, instances where it is permissible to derogate from the prescribed hierarchy of specifications. Again, like other exceptions, these are clearly defined. For example, where there exists a statutory duty in relation to, say, health and safety; technical reasons of conformance; incompatibility or disproportionate technical differences or disproportionate costs; or innovative reasons.

Invoices

All suppliers must be instructed to submit invoices addressed to the Accounts Department. Invoices will be passed for payment in accordance with RCÉ Financial Procedures.

Invoices must quote an RCÉ generated purchase order number.

If you are in any doubt please contact the Accounts Payable Department for clarification.

Contract Award

On completion of the tender Evaluation, when the decision has been made as to the successful tenderer(s) the contract should be agreed, finalised, approved and signed. It is good practice to produce two copies and sign both before sending to the supplier and requesting that the supplier signs both and retains one and returns the other copy.

The unsuccessful tenderers should be advised that they have not been awarded the contract on this occasion. This should be communicated by letter with the option of debrief as appropriate. RCÉ believes that debriefing suppliers that have failed tenders develops better relationships with these suppliers and may result in opportunities with these suppliers at a later date.

Post Award & Contract Management

- All original tenders (unsuccessful as well as successful), and completed evaluation records, should be kept on a registered file for the required period of time (in accordance with the directives Records Management and retention policy) to form a proper audit trail. Other parties may subsequently need to refer to the procurement records, and they should therefore be kept as clear as possible. All relevant issues should have been documented, for ease of following the trail. However, it is not necessary to keep every draft of every document, as this can be confusing.
- RCÉ's nominated Contact and the Supplier's Contact shall liaise on a regular basis to address any issues arising which may impact on the performance of the Contract/Agreement and to agree milestones, compliance schedules and operational protocols as required by the Customer from time to time. If requested in writing by RCÉ the Supplier shall meet formally with the Customer to report on progress and shall comply with all written directions of RCÉ.
- Procurement Office involvement usually ends with the debriefings. Thereafter, it is the task of the user Department to manage and review the contract. It is important to consider the likely implications of contract management at the earliest opportunity within the Procurement Cycle, usually at the time when the Specification is developed. This is because there are likely to be future resource and management implications that need to be agreed. Contracts do not manage themselves and require input from the user Department on a regular basis. VFM must be managed over the life of the contract, not just at the tender stage. The scope of contract management will obviously differ from contract to contract, but it needs to be agreed and in place before the contract is awarded. Nevertheless, if any contractual issues should subsequently arise, the Procurement Officer will be available for guidance, advice and support.

Procurement Policy Changes

All changes to the procurement policy shall be subject to the approval of the Procurement Officer, CFO, CEO, Internal Audit Committee and the Board of RCÉ.

This Procurement Policy will be subject to revision in line with any changes to European Procurement Directives.

Capital Project Appraisal and Evaluation:

A capital project can be a new build, acquisition of land or property, lease of property, the refurbishment of an existing building or the purchase of equipment or system(s) (also includes upgrades to existing equipment or systems).

All Capital Projects greater than €25,000 will be required to provide a completed Project Appraisal for Board consideration to decide on approval and a Post Project Evaluation Report will be commissioned for all such approved capital projects.

Pre -Approval Project Appraisal:

Project Appraisal - is about achieving the best deal from expenditure. It is a key tool for achieving value for money and satisfying public accountability requirements. It is a systematic process for examining alternative uses of resources, focusing on assessment of needs, objectives, options, costs, benefits, risks, funding, affordability and other factors relevant to decisions.

Project Appraisal is designed to assist in defining problems and finding solutions that offer the best value for money (VFM).

PA is a way of thinking expenditure proposals through, right from the emergence of the need for a project through to its implementation.

PA is an established vehicle for planning and approving expenditure.

The framework for this appraisal and project management process is set out by the Department of Public Expenditure and Reform in guidelines applicable to all public bodies. The key stages in the process are:

Control process for capital expenditure programmes Stage Requirement Appraisal

- Preliminary and detailed appraisal to assess the benefits of the project
- Detailed planning and costing of a project
- Risk assessment & sensitivity analysis
- In all instances, where Land or Buildings are to be purchased, an up to date independent valuation report is to be obtained

Implementation Clear arrangements for monitoring progress and cost control securing project standards and timely delivery

Post project review

- A review to confirm whether project objectives have been met, the project has been delivered to required standard, on time and within budget and to ensure that experience gained can be used on other projects and possibly in the continued use of the new asset

(Source: Public Spending Code, Department of Public Expenditure and Reform)

Note: The guidelines recognise that, in practice, the appraisal and planning stages may overlap as good detailed appraisal will require some design and planning work.

All public bodies are obliged, under the terms of the Code of Practice for the Governance of State Bodies to comply with the capital appraisal and management guideline requirements.

Guidance and advice on Performance Appraisal is available from the Procurement Office.

Post Project Evaluation:

Post project evaluation (PPE) work is undertaken on all Capital projects greater than €25,000 on a timetable of planned reviews to evaluate the completed project to identify the objectives that were successful and what could be improved upon.

A Post Project Evaluation should be conducted by the delegated Project Manager aided by the Project Team Members and end user group.

A post Project Evaluation Template is available from the Procurement Office and includes the following:

Part 1: Background

Provide a brief description of the assignment including:

- What was the purpose of the assignment?
- What was the need for the assignment?
- Who was the appointed consultant and when were they appointed?

Part 2: Assessment of Costs

This part should provide a comparison of the actual costs of the external consultancy with the agreed contract value.

Where there is a variation (upwards or downwards) between agreed contract value and actual costs The Board, CEO and CFO must be informed. In cases where the actual cost exceeds the cost approved by The Board an explanation must also be provided.

Initial Approval Cost	<input type="text"/>	Contract Award Cost	<input type="text"/>
		Actual Cost	<input type="text"/>
Percentage variation between the Contract Award cost and the actual cost.	<input type="text"/> %		

Explanation of variation in costs

Part 3: Assessment of Deliverables

This part should provide detail on what was delivered by the consultants. The extent to which projected deliverables, as outlined in the Terms of Reference, were met by the consultants, and the quality should be assessed.

Part 4: Assessment of Benefits

This part should provide detail on the benefits provided by the consultancy assignment. For example:

- Were the deliverables achieved within the timescale specified in the contract?
- Reasons for any delays and the impact on expected benefits should be explained.
- Was the consultancy assignment used for the purpose originally intended?
- How were the outputs delivered by the assignment used?

Part 5: Assessment of Project Management Arrangements

This part should provide an assessment of the project management arrangements. For example:

- Were the monitoring arrangements put in place to manage the consultant's satisfactory?
- Was there an opportunity to influence performance interim stages?
- Was the project managed effectively?

Part 6: Conclusions and Recommendations**Conclusions**

Provide a summary of what value was added by this assignment and assess whether, on balance, value for money was achieved.

Recommendations

Provide a summary of the lessons learnt and provide details on how and to whom these will be disseminated.

Appendix II of this policy Document outlines procedure in relation to analysis of Capital and Revenue Expenditure in excess of €10,000 on income generating and non income generating projects.

Section 2

Information for Suppliers

This section is designed to give intending suppliers further information on:-

- Tenders currently in progress
- Contact Detail for RCÉ Procurement Office and Chief Procurement Officer

Open Tenders

Click on or input the link below to see all open tenders as advertised on E-tenders

<https://irl.eu-supply.com/ctm/supplier/publictenders>

RCÉ Procurement Office – Contact Information:

Rásaíocht Con Éireann - Procurement Office

Greenpark

Dock Road

Limerick

Telephone – 061-448000. Direct Line 061 - 448036

Extension 2084

Fax – 061 – 303788

www.grireland.ie

Michael Cussen

Procurement Officer

E-mail: Michael.Cussen@grireland.ie

Telephone: Direct Line 061 - 448036

Useful Links

- [E-Tenders](#)
- [Simap](#)
- [Tenders Electronic Daily](#)
- [Freedom of Information Act](#)
- [Revenue Commisioner](#)
- [Prompt Payment of Accounts Act 1997](#)
- [European Union Law](#)
- www.per.gov.ie

Schedule A:

Rásaíocht Con Éireann - Standard Conditions of Purchase:

- Interpretation
- Basis of Purchase
- Specifications
- Price of goods and services
- Terms of Payment
- Delivery
- Risk and Property
- Warranties and Liability
- Termination
- General
- Health and safety
- Law

1. INTERPRETATION:

1.1 In these Conditions:

"**Buyer**" means Rásaíocht Con Éireann hereinafter referred to as "RCÉ"

"**Conditions**" means the standard conditions of purchase set out in this document and (unless the context otherwise requires) includes any special terms and conditions agreed in writing between the Buyer and the Seller.

"**Order**" means the Buyer's purchase order to which these Conditions are annexed.

"**Services**" means the services (if any) described in the Order.

"**Goods**" means the goods (including any instalment of the goods or any part of them) described in the Order.

"**Contract**" means the contract for the sale and purchase of the Goods and the supply and acquisition of the Services on the Conditions.

"**Delivery Address**" means the address stated on the Order.

"**Price**" means the price of the Goods and/or the charge for the Services.

"**Seller**" means the person so described in the Order.

"**Specification**" includes any plans, drawings, data or other information relating to the Goods or Services.

"**Writing**" includes telex, cable, facsimile transmission and comparable means of communication.

1.2 Any reference in these Conditions to a statute or a provision of statute shall be construed as a reference to that statute or provision as amended, re-enacted or extended at the relevant time.

1.3 The headings in these Conditions are for convenience only and shall not affect their interpretation.

2. BASIS OF PURCHASE:

- 2.1 The Order constitutes an offer by the Buyer to purchase the Goods and/or acquire the Services subject to the Conditions.
- 2.2 These Conditions shall apply to the Contract to the exclusion of any other terms and conditions on which any quotation has been given to the Buyer or subject to which the Order is accepted or purported to be accepted by the Seller.
- 2.3 RCÉ reserves the right to cancel the Order unless unconditionally accepted by the Seller in writing within 28 days of its date.
- 2.4 No variation to the Order or these Conditions shall be binding unless agreed in Writing between the authorised representatives of the Buyer and the Seller.

3. SPECIFICATIONS:

- 3.1 The quantity, quality and description of the Goods and the Services shall, subject as provided in these Conditions, be as specified in the Order and/or in any applicable Specification supplied by the Buyer to the Seller or agreed in Writing by the Buyer and the Seller.
- 3.2 Any Specification supplied by the Buyer to the Seller or specifically by the Seller for the Buyer, in connection with the Contract together with the copyright, design rights or any other intellectual property rights in the Specification, shall be the exclusive property of the Buyer. The Seller shall not disclose to any third party or use any such Specification except to the extent that it is or becomes public knowledge through no fault of the Seller, or as required for the purpose of the Contract.
- 3.3 The Seller shall comply with all applicable regulations or other legal requirements concerning the manufacture, packaging, packing and delivery of the Goods and the performance of the Services.
- 3.4 The Seller shall not unreasonably refuse any request by the Buyer to inspect and test the Goods during manufacture, processing or storage at the premises of the Seller or any third party prior to despatch, the Seller shall provide the Buyer with all facilities reasonably required for inspection and testing.
- 3.5 If, as a result of inspection or testing, the Buyer is not satisfied that the Goods will comply in all respects with the Contract, and the Buyer so informs the Seller within 7 days of inspection or testing, the Seller shall take such steps as are necessary to ensure compliance.
- 3.6 The Goods shall be marked in accordance with the Buyer's instructions and any applicable regulations or requirements of the carrier, and properly packed and secured so as to reach their destination in an undamaged condition in the ordinary course.

4. PRICE OF GOODS AND SERVICES:

- 4.1 The Price of the Goods and the Services shall be as stated in the Order and, unless otherwise so stated, shall be:
 - 4.1.1 exclusive of any applicable value added tax (which shall be payable by the Buyer subject to receipt of a VAT invoice); and
 - 4.1.2 Inclusive of all charges for packaging, packing, shipping, carriage, insurance and delivery of the Goods to the Delivery Address and any duties, imposts or levies other than value added tax.

4.2 No increase in the Price may be made (whether on account of increased material, labour or transport costs, fluctuation in rates of exchange or otherwise) without the prior consent of the Buyer in Writing.

4.3 The Buyer shall be entitled to any discount for prompt payment, bulk purchase, or volume of purchase customarily granted by the Seller, whether or not shown on its own terms and conditions of sale.

5. TERMS OF PAYMENT:

5.1 The Seller shall be entitled to invoice the Buyer on or at any time after delivery of the Goods or performance of the Services, as the case may be, and each invoice shall quote the number of the Order.

5.2 Unless otherwise stated in the Order, the Buyer shall pay the Price of the Goods and the Services within 30 days after the end of the month of receipt by the Buyer of a valid invoice or after acceptance of the Goods or Services in question by the Buyer whichever is the later. The Buyer shall pay the Price of the Goods and the Services after the acceptance of the Goods or Services in question and on receipt of a valid invoice. Payments will only be made under the terms of the Prompt Payment of Accounts Act, 1997 unless other invoicing arrangements have been agreed.

5.3 The Buyer shall be entitled to set off against the Price any sums owed to the Buyer by the Seller.

6. DELIVERY:

6.1 The Goods shall be delivered to and the Services shall be performed at the Delivery Address on the date or within the period stated in the Order, in either case during the Buyer's usual business hours.

6.2 Where the date of delivery of the Goods or of performances of the Services is to be specified after the placing of Order, the Seller shall give the Buyer reasonable notice of the specified date.

6.3 The time of delivery of the Goods and of performance of the Services is of the essence of the Contract.

6.4 A packing note quoting the number of the Order must accompany each delivery or consignment of the Goods and must be displayed prominently.

6.5 If the Goods are to be delivered or the Services are to be performed by instalments, the Contract will be treated as a single contract and not severable.

6.6 The Buyer shall be entitled to reject any Goods delivered which are not in accordance with the Contract, and shall not be deemed to have accepted any Goods until the Buyer has had a reasonable time to inspect them following delivery or, if later, within a reasonable time after any latent defect in the Goods has become apparent.

6.7 The Seller shall supply the Buyer in good time with any instructions or other information required, enabling the Buyer to accept delivery of the Goods and performance of the Services.

6.8 The Buyer shall not be obliged to return to the Seller any packaging or packing materials for the goods, whether or not any Goods are accepted by the Buyer.

7. RISK AND PROPERTY:

7.1 Risk of damage to or loss of the Goods shall pass to the Buyer upon delivery to the Buyer in accordance with the Contract.

7.2 The property in the Goods shall pass to the Buyer upon delivery, unless payment for the Goods is made prior to delivery when it shall pass to the Buyer once payment has been made and the Goods have been appropriated to the Contract.

8. WARRANTIES AND LIABILITY:

8.1 The Seller warrants to the Buyer that the Goods:

8.1.1 Will be of satisfactory quality and fit for any purpose held out by the Seller or made known to the Seller in Writing at the time the Order is placed;

8.1.2 Will be free from defects in design, material and workmanship;

8.1.3 Will correspond with any relevant Specification or sample; and

8.1.4 Will comply with all statutory requirements and regulations relating to the Sale of the goods

8.2 The Seller warrants to the Buyer that their Services will be performed by appropriately qualified and trained personnel, with due care and diligence and to such high standard of quality as it is reasonable for the Buyer to expect in all the circumstances.

8.3 Without prejudice to any other remedy, if the Goods or Services are not supplied or performed in accordance with the Contract, then the Buyer shall be entitled:

8.3.1 To require the Seller to repair the Goods or to supply replacement Goods or Services in accordance with the Contract within 7 days; or

8.3.2 at the Buyer's sole option, and whether or not the Buyer has previously required the Seller to repair the Goods or to supply any replacement Goods or Services, to treat the Contract as discharged by the Seller's breach and require the repayment of any part of the Price which has been paid.

8.4 The Seller shall indemnify the Buyer in full against all liability, loss, damages, costs, claims and expenses (including legal expenses) awarded against or incurred or paid by the Buyer as a result of or in connection with:

8.4.1 Breach of any warranty given by the Seller in relation to the Goods or Services;

8.4.2 Any claim that the Goods infringe, or their use or resale infringes the patent, copyright, design right or trade mark or other intellectual property rights of any other person, except to the extent that the claim arises from compliance with any Specification supplied by the Buyer;

8.4.3 Any liability under the Consumer Protection Act 1987 in respect of the Goods;

8.4.4 Any act or omission of the Seller or its employees, agents or sub-contractors in supplying, delivering and installing the Goods; and

8.4.5 Any act or omission of any of the Seller's personnel in connection with the performance of the Services.

8.5 In respect of any injury, damage or loss caused to third parties or their property by the Goods there shall be no automatic right of indemnity due from the Buyer to the Seller. Any clause in the Seller's standard terms and conditions of sale purporting to establish a right of indemnity from the

Buyer to the Seller in the event of any injury, damage or loss caused to third parties or their property shall not be incorporated into this Contract.

9. TERMINATION:

9.1 The Buyer shall be entitled to cancel the Order in respect of all or part only of the Goods and/or the Services by giving to the Seller at any time prior to delivery or performance in which event the Buyer's sole liability shall be to pay the Seller the Price for the Goods or Services in respect of which the Buyer has exercised its right of cancellation, less the Seller's net saving of cost arising from the cancellation.

9.2 The Buyer shall be entitled to terminate the Contract without liability to the Seller by giving notice to the Seller at any time if:

9.2.1 the Seller makes any voluntary arrangement with its creditors (within the meaning of the Insolvency Act 1986) or (being a company) becomes subject to an administration or goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction); or

9.2.2 An encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Seller;

9.2.3 The Seller ceases, or threatens to cease, to carry on business; or

9.2.4 The Buyer reasonably apprehends that any of the above events is about to occur in relation to the Seller and notifies the Seller accordingly.

10. GENERAL:

10.1 The Order is personal to the Seller and the Seller shall not assign or transfer or purport to assign or transfer to any other person any of its rights or sub-contract any of its obligations under the Contract.

10.2 Any notice required or permitted to be given by either party to the other under these Conditions shall be in Writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.

10.3 No waiver by the Buyer of any breach of the Contract by the Seller shall be considered as a waiver of any subsequent breach of the same or any other provision.

10.4 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provision in question shall not be affected thereby.

11. HEALTH AND SAFETY:

11.1 The Seller shall comply with the requirements of Irish and international legislation and agreements relating to the supply, packaging, labelling and carriage of hazardous goods.

11.2 The Seller shall ensure that Goods comply with current health and safety legislation and the legislation implementing any relevant EC Directive. The Buyer may require the Seller to show that the Goods bear a CE mark and may ask for a copy of the EC Declaration of Conformity.

12. LAW:

12.1 The construction, validity and performance of the Contract shall be governed by Irish Law. The Contract shall be deemed to have been made in Ireland and the parties to the Contract hereby submit to the exclusive jurisdiction of the Irish Courts.

Important Notice:

While all reasonable steps have been taken to ensure that the information set out in this document is accurate and up to date, no representation or warranty, express or implied, is or will be made or given in relation to the accuracy or the completeness of any information contained in the document or otherwise provided by or on behalf of RCÉ (in writing or otherwise) to any interested party or its advisers. No responsibility or liability for any loss or damage arising as a result of reliance on these documents, or for the information contained in this document, or for any omission is or will be accepted by RCÉ or by any of its officers, employees, agents or professional advisers. No officer, employee, agent, or professional adviser of the company has any authority to give or make any representation or warranty, express or implied, in relation to such information. RCÉ officers, employees, agents and professional advisers expressly disclaim any and all liability arising out of such documentation or information and any errors or omissions in or from the documents and information.

APPENDIX I

Rásaíocht Con Éireann /Greyhound Racing Ireland

Purchasing/Procurement Procedure

The purchasing/procurement function will be strictly controlled and will work hand in hand with all Departments, creditors, contractors and auditors. All orders for supply of goods or provision of services must use a Purchase Order authorised by Financial Accountant, CPO, Commercial Director, CFO or CEO depending on the relevant authorisation limits and current procurement thresholds.

As a semi state commercial body RCÉ are required to follow National Procurement Regulations and EU Directives. All aspects of RCÉ purchasing are governed by these regulations. RCE's purchasing procedure is linked directly to our profitability and as such will be monitored and controlled tightly.

Purchasing and Procurement Procedure to be strictly adhered to at all times:

Purchase Threshold	Requirements
under €5,000	Three (3) verbal quotations required
€5,000 - €25,000	Three (3) written quotations required
€25,000 - €214,000	National Tender Procedure
€214,000>	EU Tender Procedure

The Above Table shows the Purchase Threshold and associated requirement.

Purchases from €0 - €5,000 and from €5,000 - €25,000

1. Each Originator/Department sources goods/services, obtains prices and selects best value for money Supplier in accordance with RCE Procurement Procedures.
2. Originator/Department completes Purchase Order Requisition Form (typed) ensuring that Department name is included and Contract Supplier Box is ticked Yes or No.
3. For purchases under the €5000 threshold, confirm that the supplier is either contracted or that verbal quotes were received from minimum three suppliers. In the Audit Trail Section include details of Contact Date, Company Name, Contact Person, Price Quoted (ex VAT), Nature of quote (Verbal) and Quote accepted (Yes or No). (See Example 1 Draft RCÉ PO Request Form attached)
4. For purchases in the €5000 - €25000 threshold, confirm that the supplier is either contracted or that written quotes were received from minimum three suppliers. In the Audit Trail Section include details of Contact Date, Company Name, Contact Person, Price Quoted (ex VAT), Nature of quote (Written) and Quote accepted (Yes or No). (See Example 2 Draft RCÉ PO Request Form attached)
5. Once a quote has been accepted populate the top section of the PO Requisition Form with Supplier Name and Address, Description of Goods; Delivery Date Details, Cost.

6. In the case where a purchase is being made from a contracted supplier, check the contract supplier box Yes. Populate the top section of the PO Requisition Form with Supplier Name and Address, Description of Goods; Delivery Date Details, Cost. (Audit Trail section does not need to be completed in the case of a contracted supplier).
7. Send **Completed Purchase Requisition** to Procurement Office for approval. Where required ensure copy of written quotes are attached. (Copy of e-mail quote is acceptable)
8. Procurement office will check Purchase Requisition for compliance, and Supplier for Tax Clearance. If Purchase requisition is compliant, Procurement will forward to CFO /CEO for approval. If Purchase requisition is not compliant it will be returned to originator/Department.
9. On approval an **Official Purchase Order number** is issued and order can be placed
10. Failure to follow procedure or non-compliant Purchase Order requisition forms will result in non-approval of purchase.
11. **Official Purchase Order Number must be issued before order can be placed.**

Cumulative expenditure for the provision of particular goods and services between €5,000- €25,000 are subject to RFQ and CE that exceeds €25,000 in a 12 month period will be subject to full tender process.

The above Purchasing Procedure will be subject to revision pending the Implementation of an Automated Purchase Order, Purchase to Pay (P2P) and/or a Centralised Accounts Payable System.

Purchases from €25,000 - €214,000 and Greater than €214,000

All purchases in the €25,000 to €214,000 Threshold will be subject to tender process as per National Procurement Regulations. All Purchases over the €214,000 threshold will be subject to EU Directive and EU Procurement regulations. The approach adopted by RCÉ is to involve the Department and user of the goods or services in the tender process through collaboration via a 'procurement sub-group' consisting of procurement officer and key personnel/users.

Authorisation limits for PO's are as follows;

Authorisation Limits	Included in Budget Approved By Board	Not Included in Budget Approved by Board
0 to €1,000	Procurement Officer Financial Officer Department Head	
€1,000 to €10,000	Chief Financial Officer	
€10,000 to €25,000	Chief Financial Officer Chief Executive Officer	
€25,000 to €100,000 Tender Process	Chief Financial Officer Chief Executive Officer	Subject To Board Consideration
All Revenue/Capital Expenditure and Projects including Works Projects over €25,000	Board Approval Required Tender Process	Board Approval Required Tender Process

Example 1 Draft RCÉPO Request Form

DEPARTMENT NAME :	Any	Contract Supplier	Yes	No	
				X	
Supplier Name & Address	Nature of Order	Expected Cost EX VAT	Expected date of order	Approved purchase order Number	Finance approval
Company 2	Miscellaneous	€95	05/01/2014	10001	Yes
AUDIT TRAIL					
Date	Supplier Called/Emailed	Contact Person	Price Quoted EX VAT	Quote Format Written/Verbal	Quote Accepted
01/01/2014	Company 1	Tom	€100	Verbal	No
01/01/2014	Company 2	Dick	€95	Verbal	Yes
01/01/2014	Company 3	Harry	€120	Verbal	No
DEPARTMENT SIGNATURE :	Joe Bloggs		DATE :	01/01/2014	
APPROVAL : Procurement	MK		DATE :	01/01/2014	
APPROVAL : Finance	MM		DATE :	01/01/2014	

Example 2 Draft RCÉ PO Request Form

DEPARTMENT NAME :	Any	Contract Supplier	Yes	No	
				X	
Supplier Name & Address	Nature of Order	Expected Cost EX VAT	Expected date of order	Approved purchase order Number	Finance approval
Company 2	Miscellaneous	€9,500	05/01/2014	1001	Yes
AUDIT TRAIL					
Date	Supplier Called/Emailed	Contact Person	Price Quoted EX VAT	Quote Format Written/Verbal	Quote Accepted
01/01/2014	Company 1	Tom	€10,000	Written	No
01/01/2014	Company 2	Dick	€9,500	Written	Yes
01/01/2014	Company 3	Harry	€12,000	Written	No
Attach Copy of Written Quotes					
DEPARTMENT SIGNATURE :	Joe Bloggs		DATE :	01/01/2014	
APPROVAL : Procurement	MK		DATE :	01/01/2014	
APPROVAL : Finance	MM		DATE :	01/01/2014	

Appendix II

Expenditure Analysis on all Capital and Revenue Expenditure

RCÉ Departments are required to provide an Expenditure analysis on all Capital and Revenue Expenditure of €10,000 Euro and over. (€10,000 being the cumulative total for the project being considered)

Expenditure Analysis is now an official requirement under;

- RCÉ Procurement Policy
- Department of Public Expenditure and Reform, Code on Public Spending,
- RCÉ Procurement Internal Audit and External Audit, conducted by C&AG;

One of the key priorities set out in this RCÉ Procurement Policy in line with the Public Service Reform Plan, is to reduce costs and achieve better value for money through reform of public procurement and as such pre approval appraisal and post project evaluation are now required as a matter of process.

Purchase Order requests for all Capital/Revenue expenditure greater than €10,000 will be required to contain a completed Spend Analysis (Model Attached) for consideration to decide on approval. This is to include:

- Preliminary and detailed appraisal to assess the benefits of the project
- Detailed planning and costing of a project

The attached Spend analysis Model is to be used for this purpose. It can be used for both revenue generating and non-revenue generating projects.

The KPI's calculated on the attached are

1. Return on investment
2. Payback period
3. NPV

In the case of non revenue generating projects, the benefits of the project are to be listed along with the costing's.

In relation to the model –

- Model will open on Revenue Expenditure Sheet – If Project is Capital, please open the Capital Project Tab on the model.
- Populate Orange shaded cells where required
- Formula cells: Totals are calculated and filled in automatically in grey shaded cells

Following approval, a Post Project Evaluation Report will be commissioned for all such approved capital/revenue projects including

- A review to confirm whether project objectives have been met, the project has been delivered to required standard, on time and within budget
- A review to confirm Targets have been achieved

Also Just to reiterate - CapEx and OpEx: All Capital and Operational Expenditure is subject to approval by The CFO and CEO.

- Expenditure up to €25,000 requires approval of CEO and CFO

- Expenditure of €25k - €100k requires approval of CEO and CFO and subject to Board Consideration.
- Expenditure in excess of €100K is subject to Board Approval

Assistance from the Procurement Office is available in relation to the populating of the Spend Analysis Model.

Example 3 Draft of Capital/Revenue Expenditure Analysis Model

**IGB
Revenue Income Generating Projects — Spend Review Model**

Key
 Populate Orange shaded cells where required
 Formula cells: Totals are calculated and filled in automatically in grey shaded cells

Investment overview
 Project Name:
 Project Lead:
 Date of request:
 General description of Project:

Benefits	YEAR			
	0	1	2	3
Total annual benefits		€0	€0	€0
% of benefits that will be realised - contingency factor if required				
Total benefits realised		€0	€0	€0

Costs	Year 0	Year 1	Year 2	Year 3
Total	€0	€0	€0	€0

Benefits	Year 0	Year 1	Year 2	Year 3
Annual benefit flow	€0	€0	€0	€0
Cumulative benefit flow	€0	€0	€0	€0

Discounted benefit flow	Year 0	Year 1	Year 2	Year 3
Discounted costs	€0	€0	€0	€0
Discounted benefits	€0	€0	€0	€0
Total discounted benefit flow	€0	€0	€0	€0
Total cumulative discounted benefit flow	€0	€0	€0	€0

Costs - Initial Investment & on going costs	Year 0	Year 1	Year 2	Year 3
Total costs	€0	€0	€0	€0

ROI measures				
Cost of funding	3.5%			
Net present value	€0			
Return on investment		#DIV/0!	#DIV/0!	#DIV/0!
Payback (in years)	After Year 3			

Notes
Cost of Funding - To be given by Procurement/Finance Dept and will be based on current borrowing rate
Return on Investment - Measures the profitability of the project
NPV - Difference between the present value of the future cash flows from an investment and the amount of investment.
Payback in Years - How long to get original investment repaid