

Food Safety Authority of Ireland

Tender Procedure

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This procedure should be used in conjunction with SOP No. 21 – Purchasing

Each section/division of FSAI is responsible for any tendering undertaken in their area on behalf of the Authority and all related records must be filed, maintained, updated and available for audit.

Section 6.2 of SOP No. 21 states:

- Purchases up to €5,000 must be accompanied by three verbal quotes.
- Purchases of €5,001 but less than €25,000 may be awarded on the basis of written (including email) responses to a specification sent to at least three suppliers.
- Significant purchases of goods or services (exceeding €25,000 but below the EU threshold), **must** be advertised on the Government procurement website – www.etenders.gov.ie with the relevant marking scheme attached. Where possible the use of the Office of Government Procurement Frameworks should be used to procure services.
- Purchases of goods or services which exceed or are likely to exceed the EU threshold must be advertised in OJEU**.
- The supplier, cost and nominal budget code is agreed with the budget holder.
- Any justification / quotes for the purchase should be attached electronically to the purchase requisition.

Total Value

The total value of a purchase is the total amount that will be paid to the supplier over the duration of the contract and is exclusive of VAT. The duration of the contract may extend beyond a single year.

Example:

If you are seeking to appoint a new provider for stationery supplies, over a three year period, then the tender should be advertised in accordance with the rules applicable for estimated value of stationery to be purchased over the three years – e.g. €10,000 per year by 3 years = estimated value of €30,000. This is the total value of the tender. Should the estimated total value of the contract be close to or exceed the EU threshold, then the tender must be advertised on OJEU**.

The reason that VAT is excluded is due to different VAT rates in each jurisdiction of the EU. VAT is effectively paid to the government not the supplier and each tender should be evaluated from the same cost base. VAT rates also differ depending on the goods/services being procured.

***OJEU is the Official Journal of the European Union and tenders which exceed the EU thresholds must be advertised here. The etenders website provides a facility to advertise in OJEU just by clicking a box!*

Current OJEU threshold

Thresholds (exclusive of VAT) above which advertising of contracts in the Official Journal of the EU is obligatory, applicable from 1 January 2022¹:

Works	€	Threshold applies to:
Contract Notice	5,382,000	Government Departments and Offices, Local and Regional Authorities and other public bodies.
Supplies and Services		
Contract Notice	140,000	Central Government Departments and Offices
Contract Notice	215,000	Local and Regional Authorities and public bodies outside the Utilities sector.
Utilities	€	Threshold applies to:
Works Contracts	5,382,000	Entities operating in the water, energy, transport and postal services sectors
Supplies and Services	431,000	

How do I tender?

There are two common ways to tender

- Open Procedure
- Restricted Procedure

Open Procedure – the most commonly used and most efficient method of tendering. The etenders website allows documents to be created and added to the tender notice. This website may also be used for posting notices to the OJEU. All tenders posted to the etenders website should be advertised for the appropriate timeframe, as outlined in the [Public Procurement Guidelines for Goods and Services](#). Generally tenders must be advertised for a minimum of 30 days.

Restricted Procedure – commonly used where you are looking for a specialised person or service, for a short fixed time period and there are only a limited number of providers in the market. A restricted procedure can also be used within OJEU tenders, but requires a pre-qualification questionnaire

Values and procedures outlined are indicative only (except for EU value contracts) and should be adapted as appropriate to suit the nature and scale of the project. Reasons for procedures adopted, including procedures where a competitive process was not deemed appropriate, should be clearly recorded. All contract award procedures should include a verifiable audit trail.

¹ Thresholds are revised every two years. Thresholds set out above may vary for specific public bodies, based on the sector in which they operate.

Conducting a Competitive Tender process

1. Establish the best estimate 'total value' of the contract
2. Based on the expected value and the type of the goods/services being procured, decide on the tendering procedure to be used.
3. Draw up tender documentation. This should include a brief description of FSAI, a detailed description of the goods/services being procured, a comprehensive list of documents expected as part of the proposal.
4. Set basis for award – lowest price or most economically advantageous tender (MEAT)
5. If MEAT is the basis for award then the scoring matrix to be used to evaluate proposals must be included as part of the tender documentation
6. Advertise on etenders (above €25,000), OJEU (above EU threshold) or forward to the prospective suppliers (restricted procedure).
7. Record the date and time of receipt of each proposal. Tenders received after the closing date should not be evaluated. This only applies to hard copy tenders received. The electronic system ensures this does not arise. Tenders should not be opened upon receipt, but should be stored in a secure location until the agreed evaluation meeting when the team should be present to record the opening and evaluation. Tenders should not be evaluated by an individual but by at least 2 people with knowledge of the goods/services being procured. The evaluation sheet must contain the following statement – Members of the evaluation team confirm that they have no interest to declare which is pertinent to the tender/proposed contract being reviewed.
8. If price is basis for award, select lowest compliant bid and notify unsuccessful tenders
9. If MEAT, evaluate tenders using scoring matrix previously established and included as part of the tender documentation.
10. If deemed necessary (and communicated in the tender documentation) invite the most competitive to present on /elaborate on bids. Evaluation team should, if possible and deemed necessary all be present.
11. Select highest scoring tender. All members of the evaluation team should sign and date the scoring matrix.

12. Notify unsuccessful tenders. (For EU tenders you must allow a standstill period of 10 days after notifying unsuccessful tenders and before awarding tender. This is EU law and allows unsuccessful bidders to challenge the procedure/award/scoring etc in court if necessary.) As part of the notification include debrief as to why the bid was unsuccessful and offer to meet for a formal session.
13. Award contract to the successful tender. Contracts should be signed and held in a secure location.
14. For EU contracts, publish contract award notice in OJEU, via etenders.
15. Request a Purchase Order number for the contract.
16. All tender documentation must be retained for 7 years.