



B-1

PROCUREMENT



NATIONAL FINANCIAL REGULATIONS

Version 1.2.9
Effective 03 April 2025

This policy covers:

- guidance on the procedures and controls used for procurement including sourcing, tendering, purchasing, receiving and making third party payments on behalf of the HSE
- guidance in relation to key controls and processes that must be in place when making purchases, making payments or entering into financial contractual commitments
- guidance on capital expenditure and property transactions

Ideally, you should read this document online as we link to other guidelines you also need to know. Additional accessibility functions are also available such as the interactive Table of Contents where you can click on any section of the table and be brought directly to that content. While browsing the document, you can click the button at the bottom of the page at any time to return to the Table of Contents.

To help you take note of these links and other features of this policy, we use the icons below.

B-1 ICON SET



Highlighting Important Information



Download Form



Contact Details or Connection Point



Legal Reference

Who needs to read this policy?

The National Financial Regulations (NFRs) apply to all staff in all divisions, Community Health Organisations (CHOs) and Hospital Groups (HGs) where services are provided on behalf of the HSE. This includes permanent, temporary and agency staff. Equivalent controls should also be implemented by Section 38 and Section 39 providers where services are being provided on behalf of the HSE or where HSE grant aid funding is being received.

How we keep the policy up to date – and how you can help

There is a change control process in place for the NFR documents to ensure they are kept up to date with current practice and guidelines. All change control requests and feedback should be submitted using the [change control form](#).

If you have to create a local procedure document

If you are responsible for developing a local procedure document, you might find the following resources useful:

- the [key control checklist](#) on [page 50](#) as it lists required key controls which you must have in place
- a [sample local procedures template](#)

Frequently Asked Questions (FAQs)

You can find answers to some of the most common queries related to the NFRs on our [FAQs page](#) on the HSE website.

Table of contents

(Interactive table, click to access specific section of interest)

At a glance	6
1. Introduction	7
2. Core requirements	7
2.1 HSE purchasing control requirements	7
2.2 Segregation of duties	8
2.3 HSE procurement compliance policy statement	9
2.4 Fundamental principles based on EU Law	10
2.5 HSE procurement objectives	10
2.6 The key purchasing controls	11
2.7 Tax considerations	13
3. Overview of the P2P processes	14
3.1 Upstream procurement activities	15
3.1.1 Procurement planning	15
3.1.2 Tendering	15
3.1.3 Contract award Notification	16
3.1.4 Contract management	16
3.2 Downstream procurement activities	16
4. Steps for operational expenses (revenue expenditure)	19
4.1 Identification and notification of need	20
4.2 Confirmation of availability of budget and approval to spend	21
4.3 Sourcing of suppliers	21
4.4 Expenditure approval and issue of a purchase order	23
4.5 Expenditure bands and approval levels	23
4.6 Departure from expenditure approval limits	25
5. Tendering	26
5.1 Estimated value	26
5.2 Contracts below EU thresholds	26
5.3 Contracts above EU thresholds	28

5.4	Conflict of interest	30
5.5	Sourcing options in exceptional circumstances	30
6.	Receiving process	31
7.	Invoice, matching and payment processes	33
7.1	Invoicing	33
7.2	Matching	34
7.3	Payment process	34
7.3.1	Non-PO payments	35
7.4	Prompt payment of interest policy and reporting	35
7.5	Price differences between PO, GRN and invoice	37
7.6	Quantity differences between PO, GRN and invoice:	37
7.7	Standard payment terms and variations	37
7.8	Disputed invoices with suppliers	38
8.	Roles and responsibilities	39
8.1	All staff	39
8.2	Approvers and Budget Holders	39
9.	Capital expenditure	39
10.	Property transactions	40
11.	General procurement guidelines	42
12.	Glossary of terms	44
13.	Acronyms and abbreviations	48
14.	Key control checklist	50

At a glance

Document at a glance	
<ul style="list-style-type: none"> This document sets out the procedures and controls used for the procurement process including sourcing, tendering, purchasing, receiving and making third party payments on behalf of the HSE. Guidance on capital expenditure and property transactions is also provided. 	
Key users	Key concepts
<ul style="list-style-type: none"> All staff involved in the procurement process: sourcing, requisitioning, ordering, receipting, payment and disposal. All staff in administrative, management, clinical, and financial departments. All staff involved in invoice approval or invoice payment process. 	<ul style="list-style-type: none"> The Purchase to Pay (P2P) process. Tendering process. Sourcing and contracting activities. Goods receipt and payment. Capital projects and property transactions.
Key objectives of this document	Key relevant links
<ul style="list-style-type: none"> To provide an understanding of the fundamental standards required to be met by all staff. To ensure all staff are aware of the key controls and regulations in place for making purchases, financial and contractual commitments on behalf of the HSE. To provide guidance on appropriate controls for all stages of procurement. 	<ul style="list-style-type: none"> OGP Guidelines for Procurement eTenders Procurement Site HSE Procurement Policy HSE National Contract List (HSEPASS) OGP Circular 40/2002 HSE Corporate Procurement Plan DPER Circular 05/2023
Key contacts	
<ul style="list-style-type: none"> Control Queries – Contact Governance and Compliance – govn.compliance@hse.ie Procurement or Tendering Queries – Contact Procurement – procurement.helpdesk@hse.ie Capital Queries – treasuryrevenue@hse.ie Property and Estates Queries – Contact property@hse.ie Tax Queries – Contact Tax – taxqueries@hse.ie 	

1. Introduction

This document sets out guidance in relation to:

- the procurement and tendering process
- the receipt of goods and services
- making payments
- [capital expenditure](#)
- property transactions

The HSE is one of the largest purchasers in the state, annually spending taxpayers' money on goods, services and works. [Public procurement](#) is a highly regulated practice governed by detailed legislation, codes, circulars, internal procedures, and guidelines.

It is crucial that key controls are followed during the full purchase to pay (P2P) process.

The basic public procurement principle is that procurement decisions are made openly and fairly.

This document is particularly relevant to staff involved in the procurement process, invoice approval or invoice payment process, those in administrative and management, clinical, and financial departments.

It is important that you are aware of the key controls and procedures relevant to your work and the support materials and contacts available to help you.

We have included a [glossary of terms](#) and a [list of acronyms and abbreviations](#) on pages 44 and 48 respectively. You may find it helpful to refer to it as you read.

2. Core requirements

2.1 HSE purchasing control requirements

The following key control requirements are set for all procurement activities in the HSE:

- processes are in place to approve and control expenditure
- segregation of duties exists in approving, ordering, accepting, and paying for assets, goods, and services. Each Budget Holder should have a step-by-step procedure for their area of responsibility to show clear lines of accountability. It is important that a single individual cannot request and approve a transaction and that no single individual can complete the entire

P2P process. For more on local procedures see [NFR A - Internal Controls Framework and Principles](#)

- expenditure is approved by authorised staff, including those with delegated authority, in accordance with budgetary constraints and statutory or contractual requirements
- value for money in the acquisition and usage of assets, goods and services is achieved
- compliance with relevant tax legislation. For more, see [Section 2.7](#)
- [Irish](#) and [EU](#) legislative and procurement requirements are always met
- competitive and ethical procurement practices are observed
- all records are managed in line with [HSE Data Protection](#) and [Record Retention Policies](#). For more see [NFR A - Internal Controls Framework and Principles](#).
- transactions are promptly processed to enable internal and external reporting
- ensure that transactions enable responsibility and accountability requirements to be satisfied
- transactions are supported by readily accessible records and documentation to maintain audit trails



2.2 Segregation of duties

Segregation of duties is a key concept within internal control which aims to prevent fraud, theft, and error by requiring more than one member of staff approving or participating in various steps in a process. It is required to eliminate the potential of one employee having sole control over the whole process and to ensure appropriate oversight.

Key requirements for effective segregation of duties:

- no employee can approve a request that is for their own use
- the employee identifying the initial need to make the purchase (creating the requisition) must be different to the employee who issues the purchase order (PO) to purchase what is needed
- the employee creating or approving a PO must be different from the employee recording the receipt of the goods or services ordered
- a PO cannot be approved by the same employee who raised it
- [non-PO purchases](#) must be approved under the same thresholds that govern PO approvals outlined in [Section 4.5](#)

- for non-PO purchases, the employee who approved the expenditure request, cannot certify receipt or approve payment
- for purchasing over €50,000, you must obtain professional procurement input. For HSE Procurement queries, please contact procurement.helpdesk@hse.ie
- for creating and evaluating tenders less than €50,000, a minimum of two staff must be involved in both the opening and evaluation of all tenders



2.3 HSE procurement compliance policy statement

It is HSE policy to comply with all relevant legal and regulatory requirements and Government Policies that underpin and govern public procurement in Ireland.

These include EU Treaty Principles, EU Directives, Irish Statutory Instruments, Government Policies and Circulars and [Office of Government Procurement \(OGP\) Guidelines](#). Please see [Section 11](#) for a list of useful procurement guidelines.



There is a responsibility on public bodies to ensure that the procurement is conducted honestly, fairly and in a transparent manner, that secures best value for money.

It is a basic principle of public procurement that an open, fair, and competitive process should be used unless there are justifiable [exceptional circumstances](#) for not doing so.

It is crucial that the procurement process throughout the HSE to be consistent with [European](#) and [Irish](#) legislation, policy and guidelines.



Individual procurement departments are responsible for ensuring their sourcing requirements are met while operating to best procurement practice and compliance with relevant legislative, regulatory and policy requirements.

The HSE has established a “P2P Process Council” which is responsible for the design of the ‘Purchase-To-Pay’ processes within the organisation. The HSE Head of Procurement is nominated as the main P2P process custodian and chairs the P2P Process Council.

[HSE Procurement](#) sits within the National Finance Division and the role of HSE Procurement is to provide co-ordination, professional support and oversight in respect of procurement activities across the organisation.

Where a Budget Holder requests HSE Procurement to undertake the procurement process on their behalf, the Budget Holder must complete and submit a [Procurement Support Request](#).

It is the responsibility of **all staff** engaged in any part of the procurement process to ensure that they adhere to the HSE [Procurement Policy](#) and this NFR.

HSE Employees who are making a purchase within the HSE should be familiar with:

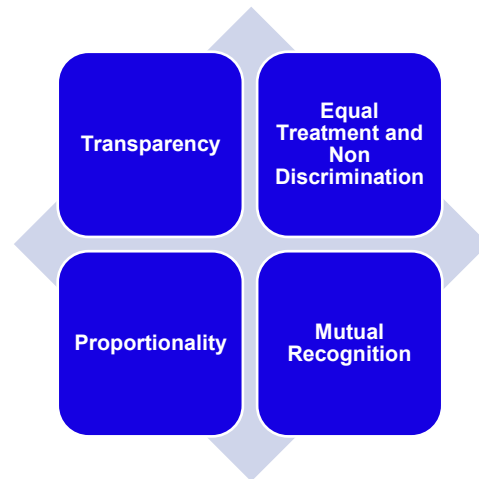
- tendering self-service (under the [Office of Government Procurement \(OGP\)](#))
- the capabilities of purchasing systems and platforms in use in local HSE areas

2.4 Fundamental principles based on EU Law

The Treaty on the Functioning of the European Union ([TFEU](#)) applies to all procurement activity regardless of its value.

The procurement of supplies, services, or works in the public sector must comply with the Treaty's fundamental procurement principles.

These are:



Transparency:

- all procurement activities must be open and transparent with necessary information available to all interested parties. Procurement intentions and decisions must be advertised publicly by [eTenders](#)

Equal treatment and non-discrimination:

- the same rules must apply to all with equal rights of access. Decisions must be based on equality and fairness

Proportionality:

- all measures used must be both necessary and appropriate in relation to the objective such as the award of contract. No excessive or disproportionate conditions or rules are to be applied

Mutual recognition:

- equal weight must be given to qualifications and standards in other Member States

2.5 HSE procurement objectives

HSE procurement policies, procedures and guidance are designed to ensure that the highest standards of honesty, lawfulness and confidentiality are practiced in all HSE procurement activities.

All relevant procurement regulations should be applied to ensure:

- an open and fair competition is promoted
- value for money is secured
- equal access to publicly funded contracts is afforded to all competent, qualified tax compliant suppliers
- openness and transparency is assured

Where relevant, HSE procurement decisions should take account of current social and environmental ethical standards.

Objectives of HSE procurement policy

The [primary objectives](#) of the HSE procurement policy are to ensure that all transactions:

- meet the requirements of customers
- give the best value for money
- make the best use of the HSE's [purchasing power](#)
- are totally open, transparent, and proportional
- provide equal access to qualified suppliers
- are formally contracted
- are fully compliant with Government Guidelines and EU Directives applicable to state bodies
- are undertaken in a professional manner

2.6 The key purchasing controls

All staff purchasing on behalf of the HSE must follow the key purchasing controls below.

Advertising Requirements	<ul style="list-style-type: none"> ▪ It is HSE policy that all procurement decisions should be based on appropriate competition to ensure fair award of contracts (such as open competitions, restricted competitions, framework agreements, dynamic purchasing systems). ▪ Exceptions to this must be legally permitted by the Budget Holder and the business risk associated with compliance must be greater than the procurement risk associated with non-compliance. ▪ Purchases greater than €50,000 (exclusive of VAT) and below the EU threshold must be advertised on eTenders.
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Formal Written approval of expenditure in writing	<ul style="list-style-type: none"> Expenditure must be formally approved in writing in line with the authorisation limits set out in this document. See Section 4.5 for approval thresholds and Section 5.2 and Section 5.3 for EU tendering thresholds. Confirm availability of funds with the Budget Holder before purchase.
Segregation of Duties	<ul style="list-style-type: none"> The employee who creates a requisition or purchase order (PO) must be different to the employee who approves it. Segregation of duties must also exist between the acceptance of receipt and approval of purchase. See NFR A - Internal Controls Framework and Principles and Section 2.2 for further explanation on segregation of duties.
Tax Compliance	<ul style="list-style-type: none"> The impact of tax must be considered for each transaction. This includes evaluating purchases from outside the EU. See Section 2.7 for more details
Documentation	<ul style="list-style-type: none"> All correspondence on purchasing decisions must be documented, and records of procurement must be maintained to provide evidence of compliance and assist audit. See NFR A - Internal Controls Framework and Principles for reference to Audit Requirements.
HSE Standard Terms for Services and Supplies	<ul style="list-style-type: none"> HSE Standard Terms for Services and Supplies or equivalent should be used in all procurements to protect the HSE's commercial interests.
Conflicts of Interest	<ul style="list-style-type: none"> Conflicts or potential conflicts of interest must be declared in writing to the Line Manager. See NFR A - Internal Controls Framework and Principles for further explanation of Conflicts of Interest.
Procurement Planning	<ul style="list-style-type: none"> Support the Corporate Procurement Planning process in line with your role. For more see Section 3.1.1.
Procurement Non-Compliance Reporting	<ul style="list-style-type: none"> Report all non-compliant procurement expenditure under self-assessment guidelines for local HSE areas to HSE Procurement.

IT Systems Used Effectively	<ul style="list-style-type: none"> ▪ Use HSE IT finance and procurement systems to give appropriate visibility and control of spend. ▪ Use relevant IT systems.
Supplier Qualification	<ul style="list-style-type: none"> ▪ Controls must be in place at a local level to ensure only suitably sourced, qualified, and compliant trade vendors are enabled on finance and procurement systems.
Audit	<ul style="list-style-type: none"> ▪ Monitor procurement compliance to feature in the HSE annual audit plans.
Environmental Requirements	<ul style="list-style-type: none"> ▪ All contract award criteria must include a specific weighting for environment. For more information, please see HSE Green Procurement.

2.7 Tax considerations

If staff have any concerns they are advised to seek appropriate advice from the HSE Tax department at taxqueries@hse.ie.



It is important that all staff take due care and seek appropriate advice relating to taxation when:

- engaging an individual provider, like a consultant, to provide services
- purchasing goods and services
- certifying and signing off on certain staff travel and expense claims

Please note, the above is not an exhaustive list.

When engaging an individual to provide services

Take care around the taxation treatment of the payment of individual service providers. It is very important that the terms of the agreement for services are documented by the purchaser.

Taxes to be considered when purchasing goods and services include:

▪ Value Added Tax (VAT)

VAT is a cost to the HSE and must be factored in when budgeting and looking for funding.

Staff should:

- always factor in the VAT cost before purchasing or budgeting
- ensure the correct VAT rate is used on the PO

▪ Relevant Contracts Tax (RCT)

RCT is a withholding tax, deducted from payments to suppliers in certain industries such as construction services. Construction services is wide-ranging and not solely related to building works. RCT is not an additional cost to the HSE however penalties can apply if not operated correctly. It is the HSE's responsibility to find out when it should be applied and to apply the appropriate rate. The operation of RCT also requires that the HSE Self Account for the VAT which arises on Construction Services

▪ Professional Services Withholding Tax (PSWT)

PSWT is a withholding tax, deducted from payments to suppliers of professional services. Similar to RCT, PSWT is not an additional cost to the HSE however penalties can apply if not operated correctly. It is the HSE's responsibility to decide whether it is receiving a "professional" service and apply the appropriate tax.

▪ In both areas (RCT and PSWT), staff should:

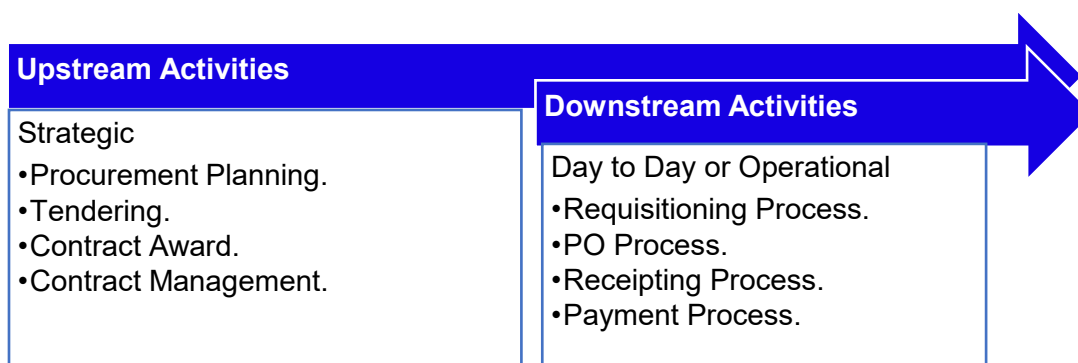
- consider the service being provided when agreeing contracts
- provide sufficient information on vendor set up forms
- keep a copy of the contract or Service Level Agreement on file

▪ Customs duties

Customs duties is a tax that must be paid when importing certain goods and services from outside the EU and Northern Ireland. This means the HSE may have to pay customs duties when importing goods and services from the UK (excluding Northern Ireland), US and other non-EU (or European Economic Area (EEA) countries). It is important to be aware of this when making purchase decisions and factor duties into the total cost.

3. Overview of the P2P processes

Procurement activities can be broken down into two main areas – Upstream Activities and Downstream Activities as shown below:



3.1 Upstream procurement activities

3.1.1 Procurement planning

Responsibilities of National Director of Procurement

National Director of Procurement must maintain a [rolling](#) three-year [corporate procurement plan](#), which is updated annually.

Responsibilities of Budget Holders

Budget Holders must:

- review and analyse likely purchasing requirements on a regular basis as part of their budgeting needs
- put in place a procurement plan (to be updated annually), in conjunction with [HSE Procurement](#), [HSE Capital and Estates](#) and the Office of the Chief Information Officer (OoCIO) to address:
 - categorise and rationalise suppliers appropriately
 - contracts to be renewed, terminated or due to expire and their timeframes
 - additional contracts to be put in place
 - main service developments (new services, service expansions, service reductions) likely to impact on procurement over the following 12 months and future years
- at least annually, communicate procurement requirements to the National Director of Procurement to include in the corporate procurement plan

Requirements should be accumulated to the greatest extent possible consistent with timely delivery of procurement plans.

3.1.2 Tendering

This phase in the procurement activities will differ depending on whether the procurement is subject to HSE procurement policy or EU rules, but it generally involves:

- the preparation of tender documents
- an advertisement or call for competition requesting expressions of interest or tenders
- the evaluation of expressions of interest or published tenders according to [Selection and Award Criteria](#)
- the notification to bidders of the outcome of the procedure and contract award

3.1.3 Contract award Notification

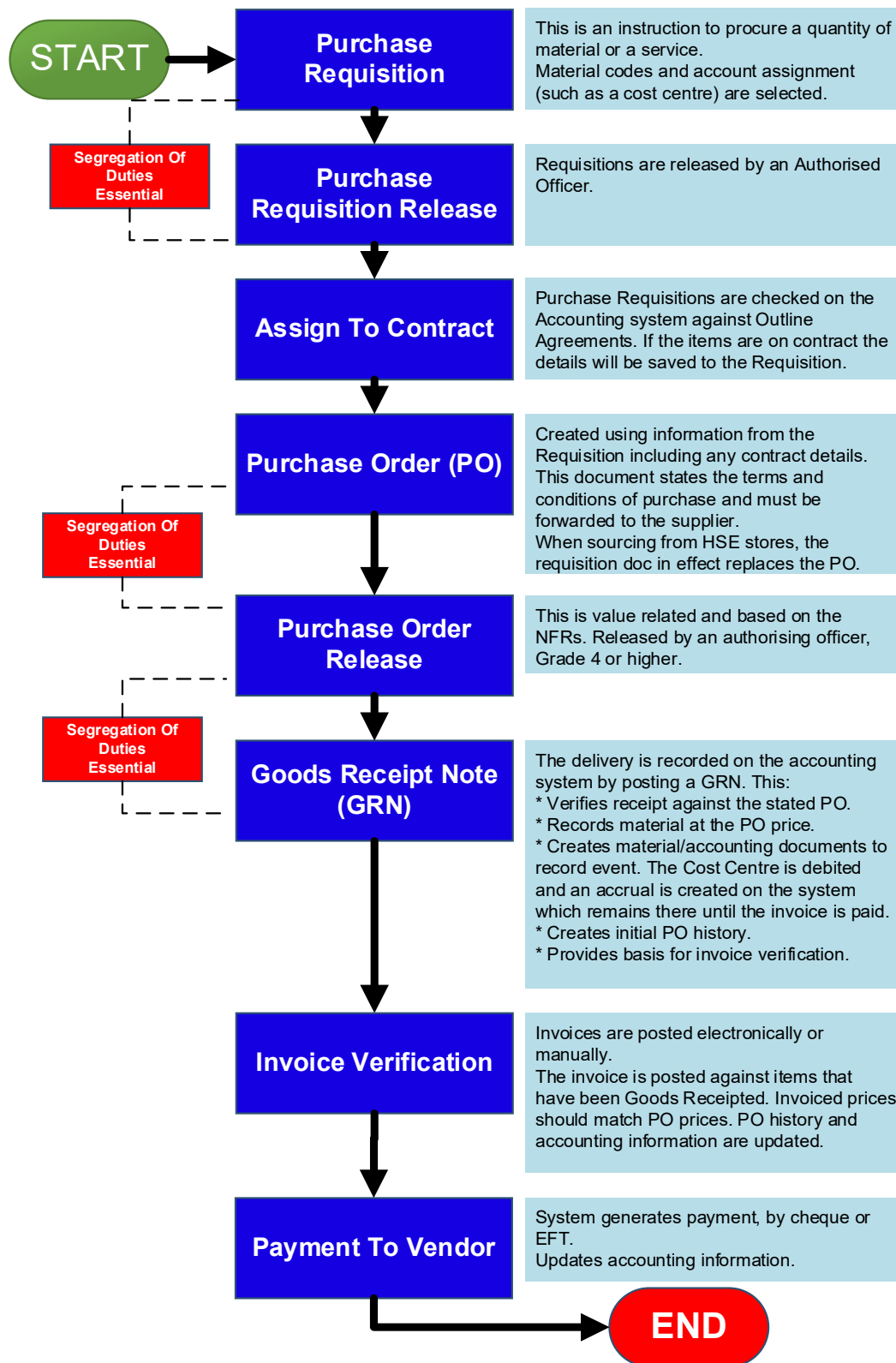
Contract award falls within the tendering phase. Under [DPER Circular 05/2023](#) buyers are required to publish Contract Award Notices for all contracts over €25,000 (exclusive of VAT) on [eTenders](#) on completion of the award. For details on how to publish, see [section 5.2 Contracts below EU thresholds](#).

3.1.4 Contract management

This involves executing, managing, and monitoring the awarded contract.

3.2 Downstream procurement activities

Downstream activities are more day-to-day and operational in nature. The process map below provides an overview of these downstream activities:



Please note the following elements regarding these downstream activities:

Requisitioning

- The general principles of the P2P process apply to [requisitioning](#). There are two types of requisitions within the HSE:

- a requisition identifying expenditure before a Purchase Order (PO) is issued (this is standard, as shown in the above flowchart)
 - a requisition to receive stock from a store. The requisition document in effect replaces the PO when sourcing goods from stock in stores (such as no PO is required, but the requisition becomes a key document and requisition approval becomes a key control)
- Segregation of duties also applies to requisitioning goods from stock in stores, for more see [NFR A - Internal Controls Framework and Principles](#). The employee who signs off on the requisition should not be responsible for checking and confirming that the goods received match the requisition and are in good order.
 - An appropriate approach will be necessary for Budget Holders when identifying and documenting what staff or grades of staff may approve requisitions from stores. The staff member approving the requisition must satisfy themselves that the need is appropriate. They must ensure the budget is available to cover the cost of what is being requisitioned.
 - Budget Holders will need to specify which staff or grades of staff may make a requisition from the stores that supply their area and to set any restrictions that may apply. Such restrictions may apply to certain goods or categories of goods where, for example, the store stocks high-value items such as surgical implants. A higher grade of staff may be required to approve such higher value goods.
 - Requisitions must not be split for the purposes of avoiding the correct application of approval of financial thresholds in these regulations.
 - For non-stock related (standard) requisitions, it is a mandatory requirement that the Line Manager 'signing off' expenditure requisitions must be in accordance with the financial limits set out in [Section 4.5 below](#). Once a requisition is complete and approved, a PO should be raised (see below).
 - Keep requisition forms for future reference and audit, in line with [document retention policy](#).

PO process

- Once an appropriate supplier has been sourced, the final stage in the tendering and selection process is to obtain approval for the expenditure and then to formally request the supplier(s) to provide the required goods, services or works.
- A PO should be raised and approved in line with limits set out in [Section 4.5 below](#).
- Once the PO is approved, the purchaser normally issues the PO to the supplier requesting them to provide the goods or services.

Receipting

- [Receipt of goods \(receipting\)](#) is a **key control stage** in the P2P process. The employee who receipts the goods must be different to the employee who approves the requisition or PO. Please see [Section 6](#) for full details on the receiving process.



Non-PO purchases

Non-PO purchases may be facilitated where it is clear that the use of a PO is not practicable (such as utility bills, taxi costs, staff expenses, voluntary payments (section 38 and 39 providers), disability- or welfare allowances).

The principles remain the same. Request for the purchase must still be sent for approval in line with approval bands outlined in [Section 4.5](#) and approval retained for audit trail purposes using email or other means as dictated by local procedures.

Once goods are received (if applicable), they must be matched against a [Goods Received Note \(GRN\)](#) by a different employee than the one who approved the purchase.

Payment procedures for non-PO items are outlined under 'Non-PO payments' in [Section 7.3](#).



When goods are receipted, the individual who receipts them is, in effect deciding to pay for the goods and services provided an appropriate payment request (invoice) is subsequently received.

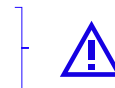
As such, goods receipting is a key control in the procurement process.

4. Steps for operational expenses (revenue expenditure)

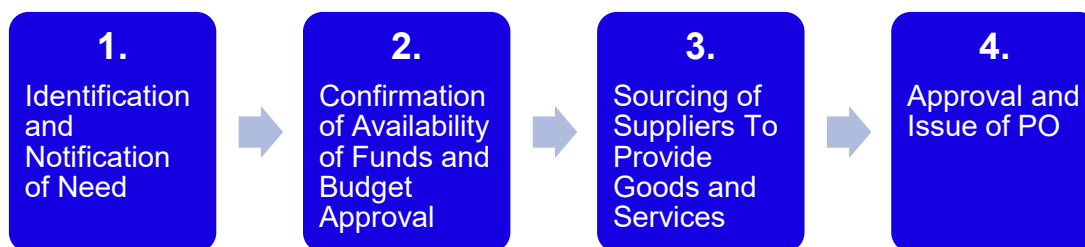
Operational expenditure, which is also referred to as "Revenue expenditure", typically relates to short-term expenses used in the current period or within one year. It includes the expenses required to meet the ongoing operational costs of running the HSE.

Examples of operational expenditure	
1.	Office supplies.
2.	Maintenance and repairs.
3.	Insurance.

Budget Holders must ensure that there are documented purchasing arrangements in place for their area or department.



There are four elements of each purchasing transaction:



Once the [Purchase Order \(PO\)](#) is issued, the process then continues in [Section 6](#) – Receiving process.

For local area questions, contact your local procurement support team.

4.1 Identification and notification of need

Checklist for employees and Line Managers	
What to consider when buying goods and services	
The need is genuine and appropriate to your service.	<input type="checkbox"/>
You are aware of the cost of the item, tax implications and whether there is available budget.	<input type="checkbox"/>
You have considered existing goods or services that are already available to the service.	<input type="checkbox"/>
You have considered any policy constraints which the service is operating under.	<input type="checkbox"/>

The request to buy the goods or services must be documented for audit trail purposes.

Please refer to [NFR A - Internal Controls Framework and Principles](#) for more on audit trails.

4.2 Confirmation of availability of budget and approval to spend

Local purchasing arrangements must set out who can approve expenditure. Before issuing a PO or contract, the Budget Holder should confirm there is available funding and the appropriate approval to spend has been agreed.

Maintain a record of the approval for audit trail purposes.

Please refer to [NFR A - Internal Controls Framework and Principles](#) for more on the audit trails.

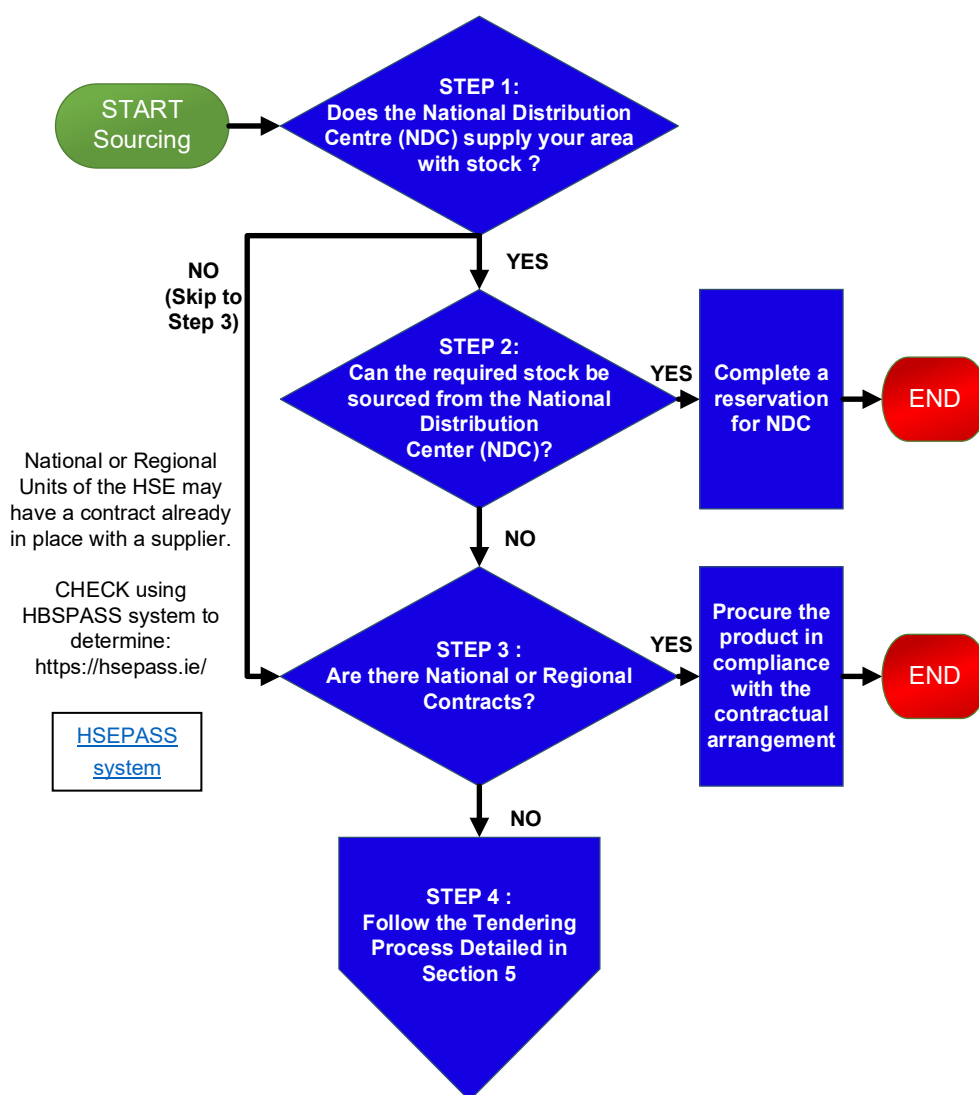


4.3 Sourcing of suppliers

Any HSE purchasing should be based on an open and fair process. Submit any queries on tendering to HSE procurement at procurement.helpdesk@hse.ie.

When sourcing a supplier, the flowchart below outlines the steps that should be followed:





For details of all HSE and Office of Government Procurement (OGP) contract information, please see [HSE Pass](#).

If a need to set up a new supplier on HSE financial payment systems is identified, staff requests for set up must confirm the details in the table below. Vendor set up forms can be accessed at the following location:

- [Vendor Setup Form – Vendor](#)
- [Vendor Setup Form - Location](#)

What you must confirm in a request for set up of a new supplier on the HSE financial payments systems – checklist	
The requirement is not covered by an existing HSE vendor and contract.	<input type="checkbox"/>
The supplier has agreed to HSE Standard Terms for Services and Supplies or equivalent.	<input type="checkbox"/>
There is no conflict of interest. For more please see Managing Conflict of Interest in the Public Sector – A Toolkit .	<input type="checkbox"/>
The proposed supplier has been sourced in accordance with all relevant procurement regulations.	<input type="checkbox"/>
Approved at Grade 6 level or above.	<input type="checkbox"/>

4.4 Expenditure approval and issue of a purchase order

Expenditure approval is a key control within the P2P process. Expenditure approvals must:

- not be artificially divided up or “split” to avoid expenditure approval limits
- not divide expenditure for goods or services provided over a period of time into multiple expenses. (for example a 6–month service contract)



Approval of an annual grant for the year and any subsequent adjustments to that grant are deemed to be one expenditure approval decision. The total expenditures will determine the expenditure approval required. The processing of the monthly and quarterly grant payments are not expenditure approval decisions but do require appropriate sign off as per the approval [threshold table](#), in terms of satisfactory receipt of services.

4.5 Expenditure bands and approval levels

Set out below are the standard approval levels for a range of purchasing values (split into bands) based on a hierarchy of grades or salary equivalent for:

- operational expenditure (Revenue Expenditure)
- procurement contracts

Please note the bands shown are **inclusive of VAT**.

To access approval thresholds related to service arrangements or grant aid agreements please refer to [NFR B6 – Section 38 and 39 Arrangements](#).

Operational expenditure (Revenue expenditure)		
Band	Staff Title, or Salary Equivalent	Revenue Expenditure(including VAT)
1	Grade 4	Up to €5,000
2	Grade 5	Up to €10,000
3	Grade 6	Up to €25,000
4	Grade 7	Up to €50,000
5	Grade 8	Up to €100,000
6	General Managers	Up to €250,000
7	Head of Service/Functions, CHOs	Up to €500,000
8	Assistant National Director Assistant Chief Financial Officers Chief Officers CHOs Chief Financial Officer Hospital Groups	Up to €2,500,000
9	National Directors	Up to €10,000,000
10	HSE Chief Executive Officer	Greater than €10,000,000

Procurement contract approval		
Band	Title	Financial Authority
1 to 6	Grade 4 to General Manager – approval level is the same as that for Operational Expenditure (Revenue Expenditure) for respective grades.	
7	Head of Service or Head of Function, CHOs	Up to €1,000,000
8	Assistant National Director Assistant Chief Financial Officers Chief Officers CHOs Chief Financial Officer Hospital Groups	Up to €5,000,000
9	HSE Chief Executive Officer National Directors HSE Chief Financial Officer Chief Executive Officer Hospital Groups	Up to €10,000,000
10	HSE Board/nominated member	Above €10,000,000

Please note: When approving a [PO](#), the approver is confirming that the P2P steps have been followed.

Approval of capital projects and acquisition or disposal of property is dealt with within their respective protocols which can be obtained from [HSE Capital and Estates](#). See [Section 9](#) and [Section 10](#) for more details.

4.6 Departure from expenditure approval limits

Contingency arrangements should be prepared where a temporary departure from financial limits is needed. The Assistant Chief Financial Officer, Finance Specialists must approve such arrangements.

For example: Arrangements for alternative approvers should be put in place to address holiday and sickness cover.

Departures from limits only apply to Grade 4 and above. Such departures must be treated as exceptional and must be reviewed at least annually and formally re-approved if they are required to continue.

Please refer to [NFR A - Internal Controls Framework and Principles](#) which provides the policy for NFR departures or derogations.



5. Tendering

5.1 Estimated value

You must have a realistic estimate of how much the total cost will be for all phases of a service or good that is being purchased. This will determine the rules that need to be followed for the procurement procedure. It is also important for budgeting purposes. Budget approval must be obtained before tendering.

The estimate of the total contract value must be made at the date of publication of the [Contract Notice](#). This estimate must be **exclusive of VAT** and take the entire term of the contract into consideration, such as, assuming that all extensions and all options under the contract are used. Contracts without a fixed term should generally be valued based on four years anticipated supply.



The financial value of any project or purchase may not be split or sub-divided to prevent it coming within the scope of the National Guidelines or EU Directives.

The valuation of [Framework Agreements](#) and [Dynamic Purchasing Systems](#) must consider the value of all potential [call-off contracts](#) under these agreements or systems over their lifetime. Where a project or purchase involves separate lots, the value of all lots must be included in estimating the value of the contract.

Tenders should be evaluated using Most Economically Advantageous Tender ([MEAT](#)) principles.

5.2 Contracts below EU thresholds

For contracts valued below EU Thresholds, you must follow the tendering rules set out in [The Public Procurement Guidelines for Goods and Services](#) and there are **no exemptions** from the directive.

Time limits

There are no prescribed time limits for contracts below the EU Thresholds. However, you must allow sufficient time to prepare and submit tenders for genuine competition and Small and Medium Enterprises (SMEs) to take part in the tender process. When putting a time limit on the receipt of tenders, the complexity of a contract must be considered.

Larger contracts

For larger contracts (with an estimated value of €50,000 and above), HSE Procurement would evaluate the tender. You can contact HSE Procurement at procurement.helpdesk@hse.ie.



Criteria for evaluating tenders

The successful tender bid is chosen using a transparent and unbiased method that includes comparing all tender bids. This exercise involves the use of weighted criteria across a number of areas such as price, technical skills, relevant experience, resources and so forth. There is discretion in determining what award criteria to apply to a procurement exercise. The result of this process should be communicated to all tenderers as soon as possible.

Tendering process table

Value of contract (exclusive of VAT)	Tendering process type
Less than €5,000	<ul style="list-style-type: none"> Can be awarded on the basis of one written quote but it is preferred if you get three quotes by email.
€5,000 – €50,000	<ul style="list-style-type: none"> Can be awarded on the basis of responses to written specifications (such as sent by email) to at least three suppliers or service providers. Contract award information for contracts valued greater than €25,000 must be published by completing the attached form or Can be awarded on the basis of responses to at least three quotations obtained using the electronic request for quotes facility on eTenders (currently called quick quotes). Access to the eTenders portal is restricted to authorised and certified personnel or Can be awarded on the basis of a formal tendering process by advertising on eTenders.
€50,000 and up to the value of the EU thresholds	<ul style="list-style-type: none"> Must be advertised as part of a formal tendering process on eTenders in line with DPER Circular 05/2023 Evaluation should be done by HSE Procurement with the budget holder in the local area.

The tendering processes above are in line with the [Office of Government Procurement Guidelines](#).

Receipt of less than the required number of quotes or tenders

When making purchases between €5,000 - €100,000, the receipt of less than the required number of quotes/tenders means that the approval of a Grade 8 (or equivalent salary scale) or above is required.

When making purchases above €100,000, the receipt of less than the required number of quotes or tenders means that the approval at the next level up is required.

Assisting Small and Medium Enterprises in Public Procurement

The HSE knows that the procurement framework can be difficult to understand and follow for some SMEs.

The HSE is committed to helping these prospective suppliers to understand the HSE's procurement and purchasing processes.

In this respect, guidance by [DPER Circular 05/2023](#) must be consulted prior to undertaking procurement activities. The Circular is aimed at structuring competitive processes for public contracts in a manner that facilitates increased participation by SMEs while continuing to ensure that public sector purchasing is carried out in a manner that is legal, transparent, and secures optimal value for money.

To promote SME participation, contract opportunities must be advertised for all contracts. Contract Award Notices must be published for all contracts valued above €25,000 (exclusive of VAT) – to help see how many SMEs were awarded contracts.

5.3 Contracts above EU thresholds

It is a legal requirement that contracts with estimated values equal to or above the EU thresholds must be advertised in the [Official Journal of the European Union](#) (OJEU) which may be accessed using [eTenders](#).

Before undertaking any procurement in this category, you must submit a [Procurement Support Request](#) to HSE Procurement.

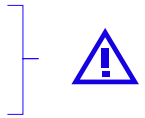
EU above thresholds table

Thresholds (exclusive of VAT) above which advertising of contracts in The Official Journal of the EU is obligatory, applicable from 1 January 2024	Value	Who it applies to
Works		
Contract Notice	€5,538,000	Government Departments and Offices, Local and Regional Authorities and Public Bodies.
Goods and Services		
Contract Notice	€143,000	Government Departments and Offices.
Contract Notice	€221,000	Local and Regional Authorities and public bodies outside of the Utilities Sector.
Contract Notice	€750,000	All services concerning social and other specific services listed in Annex XIV of the EU Directive 2014/24/EU .
Utilities		
Works contracts Prior Indicative Notice	€5,538,000	For entities in Utilities sector covered by GPA
Goods and Services	€443,000	For entities in Utilities sector covered by GPA
Thresholds are revised every two years. Full and up-to-date thresholds can be checked on the OGP website .		

Find more details on the different procurement award procedures which may be used when awarding contracts in this category in the [Public Procurement Guidelines for Goods and Services](#).

5.4 Conflict of interest

A conflict of interest is any situation where a staff member has directly or indirectly any financial, economic, or other personal interest which might be considered to compromise their impartiality and independence in the context of the procurement procedures. This definition stems from the [Public Procurement Guidelines for Goods and Services](#).



We are required to take 'appropriate measures' to prevent, identify and remedy conflicts of interest when procuring goods and services.

This requires HSE staff to declare if they hold such a conflict of interest to their Line Manager. The Line Manager will decide the appropriate measures to remedy any conflicts. This may include the removal of the staff member from the procurement process.

5.5 Sourcing options in exceptional circumstances

It is a mandatory requirement that a competitive procurement process should be used unless there are justifiable exceptional circumstances.

In exceptional circumstances, it may not be possible to follow standard public procurement procedures and the sourcing options relevant to the value thresholds above may not apply or may not apply fully.

These circumstances include:

- **urgency** – where necessary to avoid significant and immediate risk to employees, property, the HSE and its services

This provision includes capital projects approved under the Capital Programme or Plan where an urgent requirement has been identified and justified

Note: The urgency must be brought about by unforeseeable events and circumstances where the HSE is not at fault. Reasons must be properly detailed and documented

The urgency clause does not apply where it arises from a reasonable failure to plan a procurement procedure at an earlier period of the year

- **Proprietary materials** – the goods or services are available from only one source. It should be market tested, at least annually, for example, vaccinations
- **additional deliveries** – items previously sourced in compliance with the normal requirements if a change of supplier would result in incompatibility or disproportionate technical difficulties

- **bargain purchases** – or purchases under particularly advantageous conditions such as liquidation, sale and so on
- **confidential contracts** – which are required to be placed as such due to sensitivity or special strategic importance to the HSE

In all cases, the application and justification for the use of exceptional circumstances should be documented and submitted for sign via the [exceptions template](#). The [exceptions template](#) must be signed off at a minimum by the relevant General Manager or equivalent grade for the service making the purchase. For purchases exceeding the expenditure band and approval levels of a General Manager, the form must be signed off by the relevant grade in accordance with [section 4.5 Expenditure Bands and approval levels](#). The relevant CHO Chief Officer, Hospital Group CEO, REO or National Director must also approve the application for sourcing in exceptional circumstances. The National Director of Procurement must be notified in writing of such instances. The use of the digital form ensures that this notification will take place.

In the case of statutory-type purchases however (items of expenditure such as water charges, planning permissions, commercial rent rates) these are procured from authorised single sources without competition, i.e. they do not require formal tender or three quotes.

Even if full standard public procurement procedures were not followed, HSE Procurement is required to publish a contract award notice detailing the order within 30 days of signing the contract.

There are no circumstances that allow exceptions from EU Procurement Procedures – these are to be complied with in all instances.

For further direction and advice regarding use of the Exceptional Circumstances Procedure noted above, please contact HSE Procurement at procurement.helpdesk@hse.ie.



6. Receiving process

The receiving process involves:

- receipting and checking of the goods and services received
- confirming that the goods are fit for the purpose they were bought for
- matching what was ordered with what was received
- entering the GRN into the financial system and signing the GRN

The above steps are necessary for the [invoice](#) to be paid.

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.



Receipting

[Receipt \(receipting\)](#) is a key control stage in the P2P process. To receipt goods, the individual must enter the GRN into the financial system and sign the GRN. System entries must be made promptly after the receipt of goods to accurately reflect goods movement.



Where goods received are from stocks, the GRN should be matched against a requisition.

Where goods are received for a Non-PO purchase, the GRN should be matched against the purchase request and approval documentation, see [Section 3.2](#) for more details.

Segregation of duties

No one employee can approve a PO or contract and sign off on the receipt of the goods or services. There must be clear Segregation of Duties between the purchase ordering and receiving. For more information on segregation of duties, see [Section 2.2](#) and [NFR A - Internal Controls Framework and Principles](#).

Responsibility rests with the relevant Budget Holder to ensure appropriate receiving procedures are in place to enable compliance with these regulations.



It is essential that goods and services are properly 'Goods Receipted' on the Financial Information System (FIS) when provided and delivered by the supplier. This is typically done by posting a Goods Receipt Note ([GRN](#)).

This will ensure that any mismatch between the PO and GRN is quickly identified and resolved.

This will simplify the process of matching the invoice to the already matched PO and GRN.

Prompt entry of the GRNs on the Financial Information System (FIS) is also essential to ensure expenditure is recorded at the proper time, that is, when it is incurred.



7. Invoice, matching and payment processes

7.1 Invoicing

Payment for goods or services is generally made on the receipt of an [invoice](#).

You must include the following information on an invoice where possible	
Unit price (exclusive of tax, discounts and rebates (partial refund) which should all be detailed separately).	<input type="checkbox"/>
Quantity where relevant.	<input type="checkbox"/>
Supplier name and address.	<input type="checkbox"/>
Supplier VAT and registration number where relevant.	<input type="checkbox"/>
Invoice number and date or tax point (date which VAT applies).	<input type="checkbox"/>
Correct customer name (including local HSE area where appropriate), details and address.	<input type="checkbox"/>
PO number or equivalent agreed number.	<input type="checkbox"/>
Delivery details, reference number, delivery date and delivery address.	<input type="checkbox"/>
Description of goods or services being purchased.	<input type="checkbox"/>
Amount excluding VAT, VAT amount, VAT rate and total invoice amount.	<input type="checkbox"/>
Certification information required where appropriate such as a building compliance certificates .	<input type="checkbox"/>
Commodity code .	<input type="checkbox"/>

Goods and services should be checked at the [GRN](#) stage, and the invoiced price and quantity of the goods or services matched to the purchase order price and quantity.

Local procedures should be in place to ensure that the invoice is only paid once.

Invoices are reviewed promptly once received and contain all information to allow the invoice to be approved and processed for payment on time and to comply with

the requirement of prompt payment legislation. See [Section 7.4](#) for further details on prompt payment interest.

7.2 Matching

Payment is made following receipt and matching of a payment request (usually an invoice) to what was ordered on the PO and satisfactorily received (the GRN).

This is termed ‘the 3–Way–Match’ and is the trigger to enable payment to occur.

Where the local financial system does not allow for automated 3–way–matching or automated payment release, the above procedure must be carried out manually by the receptor before issuing a payment.

7.3 Payment process

The payment process is the final stage of the ‘P2P’ process and is managed by Payment Services.

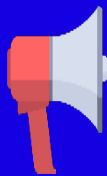
- Payment only happens after proper ‘sign off’ of the complete receipt of goods, services or works. Sign off is performed by entering the GRN into the financial system. This is completed by the Service areas.
- Payment only happens after the Tax Clearance Status has been confirmed by Payment Services. Threshold of €10,000 in 12 months applies. There are some exclusions where Tax Clearance status is not required as outlined in section 4 of [circular 43/2006](#), for example, payments by one public sector body to another public sector body and grant payments to public sector bodies.
- If applicable – Relevant Contract Tax (RCT) deduction authorisation has been obtained by Payment Services.
- If applicable – Professional Services Withholding Tax (PSWT) is deducted at the point of payment by Payment Services.
- Authorise payment requests at the point of payment.
- Payment clears the approved value to the supplier. Disputed amounts may remain until resolved in line with local policy. It is the responsibility of Payment Services to clear the payment, but the Service Area is responsible for resolving any disputed amounts.

To complete a payment, the previous steps of the process must have been completed correctly and all documents recorded in the financial system and retained. It is important that all the steps include an appropriate level of detail and are completed fully by local areas.

7.3.1 Non-PO payments

- Non-PO payments can be made where it is clear that the use of a PO is not practicable (such as utility bills, taxi costs, staff expenses, disability, or welfare allowances and so forth). Expenditure must still be approved in line with [Section 4.5](#).
- Where non-PO payments are approved, a flag will be placed on this supplier on the financial system allowing processing of an invoice without a purchase order number, IFMS system generated (where applicable).
- The relevant Assistant Chief Financial Officer must approve any proposed addition to the categories of suppliers paid under non-PO payments.
- All other applicable payment process controls outlined above also apply to non-PO payments.

For any tax queries (including VAT, RCT, PSWT) please email: taxqueries@hse.ie.



Provided the purchasing and receipt stages of the process have been carried out in full compliance with NFR B1 Procurement, it is not a requirement to assign any authorisation grade level to the payment stage of the process as this stage is generally automated or follows pre-established local guidelines.

It is crucial therefore that the importance of the purchasing and receipt stages is fully understood by all relevant managers and staff.

Prompt entry of the GRNs on the Financial Information System (FIS) is also essential to ensure expenditure is recorded at the proper time, that is, when it is incurred.



7.4 Prompt payment of interest policy and reporting

The HSE is committed to meeting supplier payments in an efficient and timely manner in keeping with Prompt Payment Legislation.

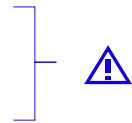
Under current EU regulations the late payment of an invoice incurs penalties in the form of late payment interest. The current rates are included in the link below.

For more, please see [HSE Prompt Payment of Interest Policy](#).

Budget Holder responsibilities

You must monitor and review all prompt payment interest for your area. You must also:

- **investigate all instances where late payment occurs, irrespective of amount or the number of days late**
- address the reasons causing payments to be late
- report on a monthly basis to the relevant Assistant National Director
- report on the overall monthly trend of late interest amount and days late for their area



Record keeping

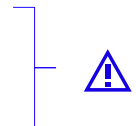
It is essential that proper records are kept in order to separate delays in payment caused by the HSE from those caused by suppliers or other parties.

HSE liability

We are only liable to pay late payment interest where we are responsible for the delay in making the payment. We are required to calculate and pay late payment interest for every commercial transaction not paid before the payment date.

Invoices

Invoices must be date stamped immediately upon receipt. If the invoice was received before the [receipt of the goods](#), then the date received should be amended for Prompt Payment Interest calculation to the goods received date. This is the baseline date from which the 30-day period for payment of an invoice commences.



If an invoice is being disputed, the 30-day period is paused until the dispute can be resolved. Payment should be made after the dispute is resolved.

To avoid potential penalties and maintain good relationships with suppliers, queries or issues with invoices need to be:

- identified quickly
- notified in writing without delay to the supplier
- recorded and followed up effectively to ensure late payment calculations are correct

Non-commercial payments

Non-commercial payments are payments to an organisation or individual, where the payment is for a non-profit purpose. Examples include grants, welfare payments and staff refunds. Non-commercial payments are not subject to late payment

interest as EU regulations only apply to invoices for goods or services for business purposes.

7.5 Price differences between PO, GRN and invoice

A general price tolerance level of **€25 or 2%** (whichever is the lower) is allowed when matching the total value of an invoice to the relevant amount on the purchase order and [GRN](#).

All matching differences above **€25 or 2%** require resolution before payment is made.

Budget Holders must review these reports and provide an account on a quarterly basis to the relevant Assistant Chief Financial Officer as regards any trends in the occurrence of matching differences.

7.6 Quantity differences between PO, GRN and invoice:

Invoice quantity greater than order quantity

If the invoice quantity is greater than the ordered quantity, the invoice should be returned.

Quantity delivered greater than order quantity

If the quantity delivered is greater than the quantity ordered, the excess should not be accepted. These should be taken back by the supplier at no extra cost to the HSE.

Quantity delivered less than order quantity

If the quantity delivered is less than the quantity that was ordered, notify the supplier immediately and request to deliver the additional quantity as soon as possible.

If a supplier does not deliver the balance of the goods within a reasonable time, they must be formally notified that the goods are no longer required and the PO should be amended accordingly.

7.7 Standard payment terms and variations

Budget Holders and relevant managers and staff must be aware of the payment terms that apply to the various suppliers.

The HSE 'Standard Payment Terms' are the later of:

30 days from the date of receipt of invoice

OR

The HSE 'Standard Payment Terms' are the later of:

30 days from confirmation of satisfactory goods or services



The standard terms **may be varied** with the approval of the relevant Assistant Chief Financial Officer. You can only use derogations from the NFRs in exceptional circumstances. For more on the derogation process, please see [NFR A - Internal Controls Framework and Principles](#).

Payment terms must be stated on the contract and PO.

7.8 Disputed invoices with suppliers

Disputes normally occur due to incorrect pricing on invoices or issues regarding quantities delivered and so on. These disputes are normally managed locally by Service Areas.

A register (list) must be kept of all disputed invoices. You must include sufficient information to facilitate tracking, follow up and closure once the issue that caused the dispute is addressed.

You must send details of the dispute and a copy of the invoice to the supplier as soon as the issue occurs to help resolve the dispute. Ensure details of the dispute are kept on file locally.

The relevant payment terms (such as standard 30 days or other as determined by the contract) is paused when the HSE notifies the supplier of the dispute. They resume when the supplier responds with the missing information or amends the invoice.

If only part of an invoice is in dispute, then the remainder of the invoice should be paid within the payment timeframe.

Upon the resolution of an invoice dispute, the invoice should be paid as per the terms of the contract, or within 10 days if the timeframe set out in the contract has been exceeded as a result of the dispute.

8. Roles and responsibilities

8.1 All staff

- Follow the guidelines and controls as set out in this document and accompanying local procedures.
- Follow invoicing, ordering, receipting, matching and payment processes as set out in this document.
- Follow statutory [prompt payment requirements](#).
- Ensure that the P2P process is operated efficiently to eliminate late payments and interest to the greatest extent possible. This is a **mandatory requirement**.
- Advise suppliers on:
 - where to deliver goods
 - requirements around delivery documentation
 - information needed on invoices. For more see [Section 7.1](#)

8.2 Approvers and Budget Holders

- Ensure that any expenditure being approved is appropriate and all details are accurate and recorded appropriately.
- Ensure the P2P process is operated effectively, and all key controls are completed in a timely manner.
- Ensure segregation of duties is complied with.
- Monitor the use and availability of funds.
- Facilitate payment of compensation payments **on the receipt of a written request** from the supplier.
- Liaise with suppliers who are not compliant and manage all discussions with suppliers, which could have a substantial impact on the contract.

9. Capital expenditure

Capital projects include the following items funded from capital funds:

- all construction
- works
- refurbishments
- building fit out
- equipping and so on

The **Capital Projects Manual and Approvals Protocol** outlines the actions necessary to deliver capital projects in line with the Public Spending Code. It is a toolkit to deliver capital projects in the capital plan and sets out rules to appraise, start, manage, and administer all capital projects.

Capital Expenditure Approval Levels		
Band	Grade or Grade Equivalent	Financial Authority
1	Grade 4	Up to €5,000
2	Grade 5	Up to €10,000
3	Grade 6	Up to €50,000
4	Grade 7	Up to €250,000
5	Grade 8	Up to €500,000
6	General Manager	Up to €2,500,000
7	Assistant National Director Assistant Chief Financial Officers Chief Officers, CHOs Chief Financial Officer, Hospital Groups	Up to €5,000,000
8	National Directors	Up to €10,000,000
9	HSE Chief Executive Officer	Greater than €10,000,000

Projects of a capital nature which are funded using non-capital monies (such as paid for out of revenue budgets) where the value of the project value is greater than €500,000 must be treated as capital projects.

For capital queries, email treasuryrevenue@hse.ie.



10. Property transactions

The [Property Protocol](#) sets out the procedure to follow when the HSE:

- acquires or disposes of any interest in property (land or buildings)
- enters into any arrangement which diminishes or alters its interest in a property

- submits proposed property transaction to the Property Review Group (PRG) for evaluation and assessment prior to approval in accordance with the thresholds below

The approval levels which apply to property transactions are as follows:

Value of property transaction	Approval level
Category 1 transactions Greater than €2 million (exclusive of VAT and any service charge)	HSE Board
Category 2 transactions Equal or less than €2 million (exclusive of VAT and any service charge)	National Director of Capital and Estates

HSE Board approval is required for the following property transactions:

- are over €2m in value
- are above market value acquisitions, or below market value disposals
- disposals valued at over €150,000 where an auction or competitive bidding process has not been used, before negotiations start, and again before disposal of the asset
- where an auction or competitive tendering process takes place and the highest bid is not the bid accepted

For property queries, please contact property@hse.ie . Please also refer to [NFR B7 – Property and Equipment](#) for additional guidance.



The HSE Property Protocol can be found on the [HSE Website](#).

11. General procurement guidelines

Below is a list of useful procurement guidance, circulars, and other information.

[OGP Public Procurement Guidelines for Goods and Services](#) promotes best practice and consistency of application of the public procurement rules in relation to the purchase of goods and services.

[OGP Guidance on Framework Agreements](#) outlines the procedures for establishing frameworks, types of frameworks (single supplier, multiple suppliers) and procedures for award of contracts based on frameworks.

[Capital Works Management Framework](#): developed to deliver the Government's objectives in relation to public sector construction procurement reform. It consists of a suite of best practice guidance, standard contracts, and generic template documents.

[EU Commission Public Procurement Guidance for Practitioners](#) to avoid the most common errors in projects funded by the European Structural and Investment Funds (EC)

[National Disability Authority \(NDA\) Guidance on Procurement and Accessibility](#) (2012) guidance is for staff in public bodies responsible for carrying out and managing the procurement of services and goods.

[Buying Innovation: The 10 Step Guide to SMART Procurement and SME Access to Public Contracts](#) sets out the range of actions that should be considered at each step of the procurement process with the aim of stimulating innovation in the economy and better solutions to public service needs.

[European Commission Buying Green Handbook](#) (2016) guidance to public authorities on how environmental considerations can be included at each stage of the procurement process in the current EU legal framework (adopted in 2014) including practical examples.

[Green Public Procurement](#) (2021) Environmental Protection Agency (EPA) guidance and accompanying criteria supporting the inclusion of sustainable and green practices into public sector procurement procedures.

[Green Tenders – An Action Plan on Green Public Procurement](#) (2012) objective is to assist public authorities to successfully plan and implement green public procurement (GPP) by highlighting existing best-practice and outlining further actions to boost green public procurement.

[Buying Social – A Guide to Taking account of Social Considerations on Public Procurement](#) (European Commission)(2021)The purpose of this document is to raise public buyers' awareness of the potential benefits of Socially Responsible Public Procurement (SRPP) and to explain in a practical way the opportunities offered by the EU legal framework.

[Guidelines for the engagement of consultants and other external support by the civil service](#) (2006) covering business case approval, the procurement process, and contract management.

[Ethics in Public Procurement](#) (2005) provides information to assist public sector buyers to conduct purchasing in a way that satisfies auditable and accountability requirements.

[Guidelines for Fighting Bid Rigging in Public Procurement](#) (OECD) includes details on: common types of bid rigging; industry characteristics that support collusion; tips to reduce risks including the importance of staff awareness

[Managing Conflict of Interest in the Public Sector – A Toolkit](#) (OECD) provides a set of practical solutions for developing and implementing ways to manage conflicts of interest.

[Application of Concession Contracts Information Note](#) (OGP 2018) distinguishes between the new Concessions Directive 2014/23/EU intended for large scale, long term, complex contracts predominately in infrastructural development with significant risk transfer, such as Public Private Partnerships and the normal service type concession contract such as a canteen service at a facility covered in the main Classic regime (Directive 2014/24/EU).

12. Glossary of terms

Term	Meaning
Award Criteria	The conditions (criteria) on which a tender is evaluated for example Most Economically Advantageous Tender (MEAT) .
Building Compliance Certificates	These are required for all new build work and for all alterations, additions or extension work to an existing property to ensure that all works have been carried out in accordance with any Planning Permission granted and the Building Regulations. Certificates can be provided by an architect, surveyor or engineer, to certify that they have supervised the construction project and that it has been built in compliance with Building and Planning Regulations.
Call-Off Contract	These are specific, individual contracts with their own terms and conditions that fall under a wider framework agreement . Typically, call off contracts are used for the purchase of materials.
Capital Expenditure	These are funds used by a company to purchase, improve, and maintain physical assets such as property, plants, buildings, technology, or equipment.
Commodity Codes	Commodity codes are standard classification codes to group similar products and services and can be used to analyse the purchasing history of each commodity code.
Common Procurement Vocabulary (CPV)	The common procurement vocabulary (CPV) establishes a single classification system for public procurement aimed at standardising the references used by contracting authorities and entities to describe procurement contracts.
Contract Notice	This is generally used as the means of calling for competition in respect of all procedures and is published in the Official Journal of the European Union (OJEU), which may be accessed using eTenders . Contract

Term	Meaning
	Notices set out the key details of the procurement process and the type of contract being advertised.
Dynamic Purchasing System DPS	A Dynamic Purchasing System (DPS) is unlike a traditional framework for the supply of goods, works or services. A DPS is an electronic system which suppliers can join at any time. An 'open market' solution, a DPS is designed to give buyers access to a pool of pre-qualified suppliers.
Framework Agreement	<p>An agreement between one or more contracting authorities (like the HSE) and one or more supplier. The purpose of this is to establish the terms that govern contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity.</p> <p>The most appropriate use of a Framework Agreement is where a contracting authority has a repeated requirement for goods or services, but the exact quantities are unknown.</p>
Goods Receipt Note GRN	A document that validates that goods received are exactly per the Purchase Order (PO) raised and serves as an internal document for proof of the physical receipt of goods from the supplier. The information on the GRN must match to the actual goods received in good condition.
Invoice	A bill issued to the purchaser of goods or services which indicates details such as quantities and prices.
Most Economically Advantageous Tender MEAT	<p>This is a criterion used to select the winning tender. This typically means a combination of price and quality. Quality might include factors such as delivery date or period of completion, delivery process, running costs, aesthetic and functional characteristics, accessibility, and technical merit.</p> <p>It is the tender that is the most beneficial to the purchaser and represents value for money. It may include the best</p>

Term	Meaning
	price to quality ratio, or instead may use lowest price alone.
National Guidelines	The Public Procurement Guidelines for Goods and Services . – These guidelines aim to promote best practice in line with the public procurement rules when purchasing goods and services.
Non–PO payments	Non–PO payments can be made in cases where it is clear that the use of a PO is not practicable (such as utility bills, taxi costs, staff expenses, Section 38 grants, disability, or welfare allowances and so forth). Expenditure must still be approved in line with Section 4.5 .
Public Procurement	Public procurement refers to the process by which public authorities, such as government departments or local authorities, purchase work, goods or services from companies.
Purchase Order PO	A legal document that a buyer sends to a supplier to confirm a purchase. Internally, the PO must be completed and approved prior to sending to the supplier. It includes purchase details such as product description, quantity and so on.
Purchasing Power	This is the ability to achieve economies of scale through bulk buying and in turn, this lowers the per unit cost of products.
Quick Quote	An online quotation facility which allows purchasers to obtain competitive quotes electronically for low value requirements. Details of the Quick Quote are created on the portal on eTenders and distributed to a select list of suppliers.
Receipt of goods (Receiving process)	Accepting the incoming goods that have been ordered. The process must also include checking the goods

Term	Meaning
	against a Goods Receipt Note (GRN) and verifying that the goods are as ordered and in good condition.
Requisition	A request for purchase of goods or services. It identifies a need for expenditure.
Restricted competition	Restricted competition is a procurement method that limits the request for tenders to a select number of suppliers, contractors or service providers.
Rolling plan	A plan which is designed to continue over a period of time and is regularly reviewed and updated.
3-Way-Match	Trigger to enable payment to be made following receipt and matching of a payment request (usually an invoice) to what was ordered on the PO and satisfactorily received (the GRN).

13. Acronyms and abbreviations

Term	Meaning
CVP	Common Procurement Vocabulary
DPER	Department of Public Expenditure and Reform
DPS	Dynamic Purchasing System
EEA	European Economic Area
EPA	Environmental Protection Agency
FIS	Financial Information System
GRN	Goods Received Note
MEAT	Most Economically Advantageous Tender
OGP	Office of Government Procurement
OJEU	Official Journal of the European Union
OoCIO	Office of the Chief Information Officer
P2P	Purchase to Pay
PO	Purchase Order
PPI	Prompt Payment of Interest
PRG	Purchase Review Group
PSWT	Professional Services Withholding Tax
RCT	Relevant Contracts Tax

Term	Meaning
SME	Small and Medium Enterprise
SRPP	Socially Responsible Public Procurement
TFEU	Treaty on the Functioning of the EU
VAT	Value Added Tax

14. Key control checklist

Please click the icon below to view the NFR B1 key control checklist.

