



National Treasury Management Agency

PROCUREMENT POLICY

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DOCUMENT CONTROL

1.1. Revision History

Version	Date	Supersedes	Status	Summary of Changes
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1.2. Next Scheduled Review

September 2018

1.3. Distribution

Location	Audience
NTMA Policies and Procedures Register	All NTMA staff, excluding staff assigned to NAMA

1.4. Approval

This document was approved by the Chief Executive with effect from 20/09/2016

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1. INTRODUCTION

This document sets out the policy which applies, subject to section 2, to the National Treasury Management Agency (NTMA) when procuring services, supplies or works.

2. SCOPE

This Policy applies to all services, supplies and works procured directly by the NTMA on its own behalf.

In addition, this Policy applies to:

- the procurement of frameworks of professional advisers by the NTMA when performing its functions under Part 4 of the National Treasury Management Agency (Amendment) Act 2014 as the National Development Finance Agency (NDFA), and when performing its functions under Part 2 of the National Treasury Management Agency (Amendment) Act 2000 and Part 5 of the National Treasury Management Agency (Amendment) Act 2014 as the State Claims Agency.
- all services, supplies and works procured on behalf of the Strategic Banking Corporation of Ireland (SBCI) where the procurement process is managed by the NTMA Procurement and Legal Units.

This Policy replaces and supersedes all other policy documents relating to the procurement of services, supplies and works.

3. DEFINITIONS AND INTERPRETATION

3.1 Definitions

Business Units

For the purposes of this Policy only, Business Units refer to all units and corporate functions within the NTMA.

CFOO

Chief Financial & Operating Officer, NTMA

CLO

Chief Legal Officer, NTMA

Directive

Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC.

eTenders

Ireland's national procurement website www.etenders.gov.ie, the central facility for all public sector contracting authorities to advertise procurement opportunities and award notices.

EU Thresholds

The thresholds (**exclusive of VAT**) set out in the Directive/Regulations. These thresholds are revised every two years (see procurement procedures for details).

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Framework Agreement

An agreement between a contracting authority and one or more economic operators, the purpose of which is to establish the terms governing contracts that may be awarded during a given period.

OGP

Office of Government Procurement

OJEU

Official Journal of the European Union - The publication in which all relevant public sector tenders valued above the EU Thresholds must be published. Advertising on OJEU is done via the eTenders platform.

Regulations

The European Union (Award of Public Authority Contracts) Regulations 2016 (SI No. 284 of 2016), which implement the Directive in Ireland.

Senior Executive

For the purposes of this Policy only, Senior Executive refers to: a) Directors of the NTMA; b) Heads of Function who report directly to the Chief Executive; and c) the Head of HR.

3.2 Interpretation

All references to contract values in this Policy are exclusive of VAT.

4. REQUIREMENTS

4.1 Procurement Processes

Contracts for services, supplies or works with an estimated value (over the total life of the contract) that is greater than or equal to the EU Thresholds must be advertised in the OJEU, and the procurement process must be conducted in accordance with the Directive/Regulations.

Where the estimated contract value of the services, supplies or works required is above €5,000 but below the EU Thresholds, a competitive process should be undertaken to ensure value for money is achieved. The Procurement Unit must be informed in advance about all procurements where the estimated value is above €5,000.

Whilst in principle the relevant contract value for the purposes of the EU Thresholds is the value of each individual contract, in certain cases, the value of a number of similar contracts should be aggregated. Should the aggregated value exceed the EU Thresholds, the Regulations will apply to the procurement of each of those contracts. Similarly if it is likely that a number of contracts may be awarded to the same service provider, then the likely combined value of such contracts should be taken into account in determining the most appropriate procedure.

Where the possibility of cross-border interest exists in respect of contracts that are not otherwise covered by the Directive/Regulations (e.g. contracts valued below the EU Thresholds) the advertising requirements may need to be considered. *Cross-border interest* is where potential suppliers in another EU Member State may be interested in the relevant contract.

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4.2 Approval and Execution of Contracts

Contracts submitted to the Chief Executive or relevant authorised signatory for signing (following a procurement process) must be accompanied by a memorandum from the NTMA Legal Unit.

4.3 Records Management

The requirements of the NTMA Records Management Policy must be adhered to in respect of all records relating to procurement processes.

Typically the Procurement Unit will be the repository for all documentation in respect of the procurement process, save for signed contracts. The Legal Unit will typically be the repositories for original contracts signed on foot of a procurement process that is within the scope of this Policy.

Where applicable, further details of the above requirements are set out in the procedure document associated with this Policy.

4.4 Confidentiality and Conflicts of Interest

Unless specified in the procurement procedures associated with this Policy or otherwise authorised by the NTMA, an NTMA staff member must not communicate with any third party outside the NTMA regarding any actual (historic or ongoing) or proposed tender competition or disclose information contained in a tender.

Staff members are reminded that they are obliged at all times (including when involved in a tender competition) to comply with the Code of Practice and Professional Conduct Undertaking.

The highest standards of integrity, objectivity and independence must be applied by all staff members involved in a procurement process.

4.5 Breach of Policy

Any breaches of this Policy will be escalated to the CFOO and/or Chief Executive.

5. RESPONSIBILITY

5.1 Business Units

Business Units are responsible for:

- complying with the Procurement Policy and associated procedures
- preparing and submitting an annual procurement plan each year to procurement@ntma.ie. The plan should set out the Business Unit's planned and potential procurements where the contract value of any such procurement is expected to be in excess of €25,000 for the following year
- identifying the procurement needs of their unit and scoping the services, supplies and/or works required

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- preparing a business case and risk assessment, if required by the Third Party Risk Policy, in respect of significant third party relationships. The definition of a significant third party relationship is set out in the Third Party Risk Policy
- the administration of all contracts awarded following the conclusion of the procurement process including supplier performance and contract monitoring
- providing the Procurement Unit with access to documentation held by the Business Unit that is relevant to procurement processes

5.2 Procurement Unit

The Procurement Unit is responsible for:

- monitoring compliance by Business Units with the Procurement Policy and associated procedures
- preparing a Corporate Procurement Plan each year.
- providing advice and guidance to Business Units on the Procurement Policy and associated procedures
- co-ordinating the preparation, review and issue of relevant tender documents and managing communications with tendering parties
- maintaining a register of all procurements (in excess of €5,000) and a register of all approved exceptions to the procurement policy and procedures
- analysing and categorising spend, and meeting with the Finance Function no less than four times per annum to review financial expenditure reports
- undertaking the appropriate training to develop its capabilities and competencies
- reviewing the Contract Register on at least a quarterly basis, to identify contracts maturing and/or contracts that need to be re-tendered

5.3 Legal Unit

The Legal Unit is responsible for:

- providing legal advice on procurement issues
- conducting a legal review of relevant tender documents
- managing the contract process in conjunction with Business Units
- providing the Procurement Unit with access to signed contracts

5.4 Finance Function

The Finance Function is responsible for:

- providing the Procurement Unit with a weekly Purchase-to-Pay system report of purchase order commitments by service provider
- providing the Procurement Unit with a monthly year to-date report of expenditure in excess of €25,000 by service provider
- meeting with the Procurement Unit no less than four times per annum to review financial expenditure reports

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- collaborating with the Procurement Unit on the Corporate Procurement Plan to ensure consistency with Business Unit’s expenditure budgets and forecasts

5.5 CFOO

The CFOO is responsible for ensuring that this document is kept up to date. Any proposed changes to this document must be reviewed by the CFOO and CLO and approved by the Chief Executive before they come into effect.

6. POLICY

The procurement of all services, supplies and works shall be undertaken in a manner which aims to comply with applicable public procurement rules, regulations and to ensure that best value for money is achieved while meeting the requirements of Business Units.

Competitive tendering shall be the normal practice except in justifiable exceptional circumstances as provided for below. Tender competitions shall be conducted in a fair and transparent manner, with probity and integrity.

Corporate and/or OGP Framework Agreements shall be utilised, where feasible, for the procurement of common services/supplies.

Tender documentation shall be drafted in a manner that maximises competition and facilitates access by Small and Medium Enterprises (SMEs) to procurement opportunities.

Without prejudice to the Directive/Regulations and any exceptions thereunder, all procurements shall be carried out in accordance with the requirements of this Policy and the associated procedures.

The following approval for a departure from this Policy must be obtained:

- For all new contracts (or extensions to existing contracts) valued in excess of €5,000 and below the EU Thresholds, approval must be obtained from the relevant Senior Executive, the CFOO and the CLO. For the avoidance of doubt, the Chief Executive may also approve a departure from this Policy for all contracts (or extensions to existing contracts) valued in excess of €5,000 and below the EU Thresholds.

If a Business Unit considers that a departure from this Policy is necessary in respect of any new contract (or extension to any existing contract) that is valued in excess of the EU Thresholds, the Business Unit must consult the Legal Unit in the first instance in relation to the proposed basis for the departure and the approval of the CFOO and the CLO must be obtained in respect of any such departure.

Examples of exceptional circumstances where a departure from this Policy or associated procedures may be required are provided below for illustrative purposes only:

- the contract may only be awarded to a particular service provider, supplier or contractor, for technical reasons or for reasons connected with the protection of exclusive rights;
- the time limits for a tender process cannot be complied with for reasons of extreme urgency brought about by events that were unforeseeable by the Business Unit (where the

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circumstances invoked to justify the extreme urgency are not attributable to the Business Unit).

All requests for approval prepared under this section must be submitted in draft to the Legal Unit for review and finalisation in advance of being submitted for final approval.

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