



Procurement Policy

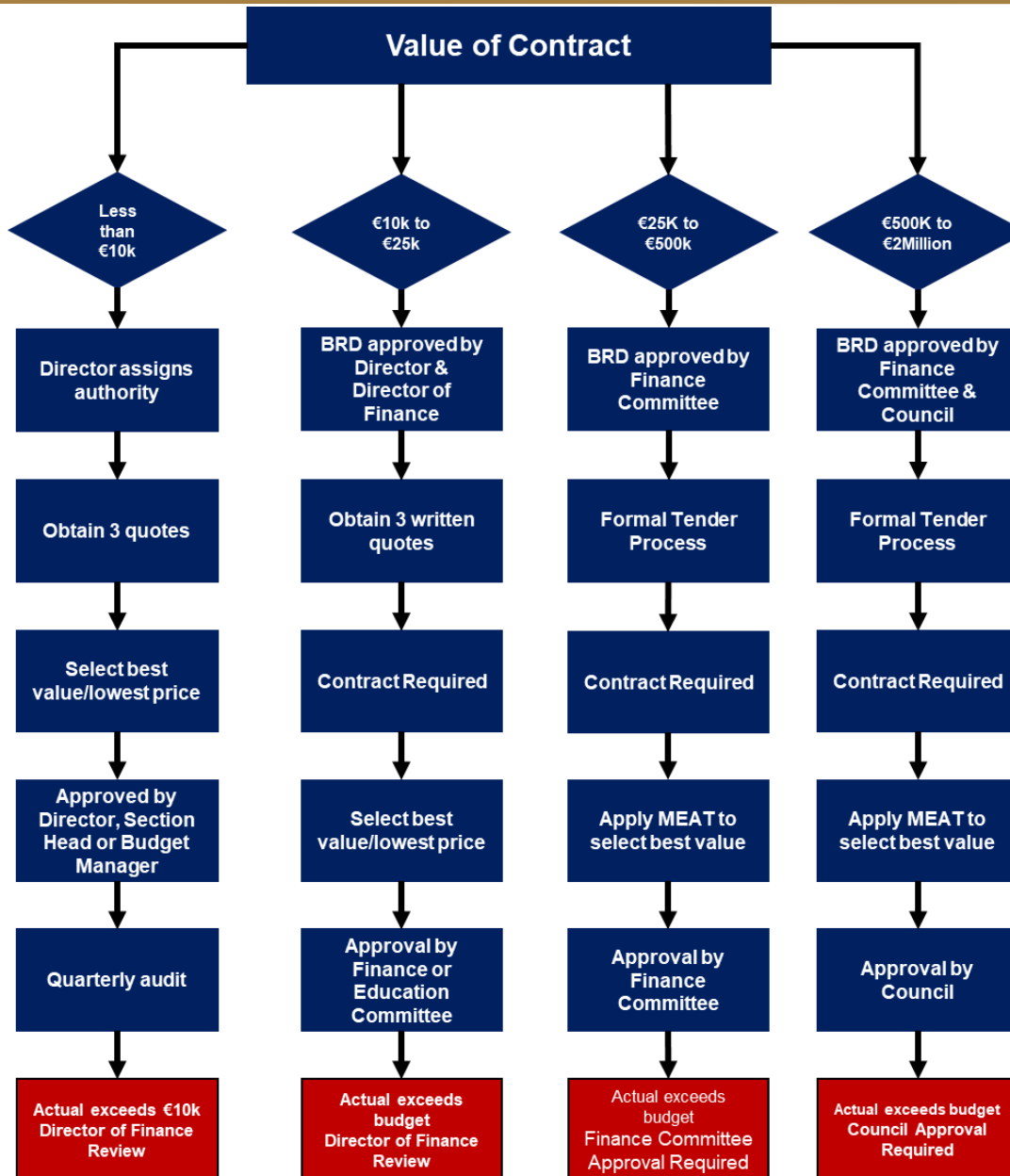
November 2022

Objectives



- All expenditure (inc. VAT) is properly authorised, recorded and monitored and meets agreed business requirements
- All goods/services offer **Value for Money** ('VFM') and deliver satisfactory quality
- Agreed and approved budgets are not exceeded
- Minimise risk & fraud
- Maximise discounts through aggregation and approved providers
- Clear communication of requirements to suppliers/advisors
- Conflicts of interest avoided
- Ongoing monitoring of contracts
- Professional best practice and financial discipline
- Business Requirement Documents ('BRD') align to strategic objectives
- Highlight good performance

Procurement Routes



Procurement Requirements



Less than €10k

- Three quotes & Director approval. Each Director can assign authorities within their sections, quarterly audit by F&O

€10k to €25k

- Business Requirement Document ('BRD') and Director of Finance & Operations approval, contract required, final approval at the next Finance or Education Committee Meeting

€25k to €500k

- BRD, tender process (using Request for Proposal ['RFP']), Finance Committee approval, contract required

€500k to €2m

- BRD, tender process, Council approval, contract required

€2m and above

- BRD, tender process, Member approval at AGM, contract required

If expenditure exceeds budget, review by Director of Finance & Operations before project can proceed

Procurement Rationale & Audit



- All costs are **inclusive** of VAT as Society unable to reclaim
- Procurement routes selected following review of Society expenditure and comparable organisations
- Thresholds will be constantly reviewed

Quarterly audit

- Expenditure under €10k
- Education Committee approvals
- BRDs
- **80%** of all Society invoices under €1k
- 15% - €1k to €5k
- Ensures policies and disciplines maintained
- Prevents fragmentation of costs to avoid thresholds
- Supports budget and contract management

Documentation Required



Business Requirement Document ('BRD')

- business rationale and alignment with Society strategy
- Scope & objectives
- proposed budget
- key performance indicators (KPIs)

Request for Proposal ('RFP')

- BRD as basis
- Comprehensive and clearly written specifications
- Delivery timescales
- Deliverables by which performance will be measured (KPI's etc)
- Criteria for awarding the contract
- Environmental/sustainability statement
- References

Other key aspects



Business Critical approval route available

- Urgent repairs
- Discount for early purchase
- Essential to business and service continuity
- BRD submitted to Director General, Director of Finance & Operations and Chair of Finance Committee
- Pre-approval based on merits and business need
- BRD then submitted to approving body during regular course of business

Less than three quotes permissible

- Only if business justification provided
- Limited market options
- Specialist service
- Preferred supplier available
- Recurring expenditure

Contract Management



Contracts/Budget proactively managed

- Programme of checking against the contract specification
- Maintain record of supplier performance and procedures to remedy
- Regular review of scope
- Reviewing performance versus market – minimum every 12 months
- Consistent and proactive engagement with provider

Length of contract

- Recommended maximum length 3 years
- Full review and tender at this stage
- Exceptions if required by regulation, guidance, legislation or complexity

Post contract evaluation

- Within 3 months of conclusion
- Report to approving body (if requested)
- Contracts register and preferred supplier list created

Training & Support



Full suite of templates/tools provided

- Training
- BRD
- RFP
- MEAT ('Most Economically Advantageous Tender')
- Decreasing Balance Budget Tool
- Scorecards
- Previous tenders
- Detailed guidance notes

Informal Budget Managers network

- Support, guidance and suggestions
- Identify good performance