



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

Overview and guide

Procurement Support Request (PSR) Process

Introduction

The Procurement Support Request (PSR) provides a structured approach to the management of requests for obtaining Procurement support within the HSE. The PSR process typically involves expenditure in excess of €5K. All PSR's must be completed in full providing sufficient detail and information for the level of expenditure involved and should be forwarded to deirdre.osullivan2@hse.ie for recording on the HSE Procurement Project Management System (PPMS).

Description

A budget holder / requestor is required to complete a PSR form, which gives a high-level overview of the requirement. It gathers the basic details (e.g. budget, anticipated benefit, scope, risks etc) of the request, while gaining a clear commitment and sign off from a budget holder. The PSR will form the basis for decisions in relation to the appropriate category of expenditure and the assignment of the appropriate procurement resources in connection with the new request. It is imperative that all information requested is provided to avoid delay in processing.

Key Objectives

- To ensure compliance with procurement and national financial regulations and policy.
- To facilitate aggregation of requirements and obtain value for money.
- To provide a mechanism for prioritisation and allocation of procurement resources.
- To provide management information to the HSE Corporate Leadership Team and other directorates in terms of requests and outcomes.
- To assist Procurement in developing a Portfolio & Category Management approach.
- To prepare and assist with the procurement planning process.

Outline Process

The following steps are undertaken by Procurement upon receipt of a PSR:

a) For a Request where there is an Existing Contract in place:

- i. If a contract exists the user will be advised of the relevant contract details.
- ii. If a similar request process is already underway the user will be advised if that process will facilitate their requirement and appropriate action will be taken to aggregate the overall requirement.

b) For requests where Framework Agreements (*) are in place:

- i. An appropriate procurement support is assigned to manage the procurement process, support the development of the necessary documentation and participate in the evaluation process.

- ii. The user will be requested to develop the description in the PSR into an **outline briefing note** which can be sent to the suppliers on the framework. (Sample briefing notes will be provided to assist the user).
- iii. The briefing note is then sent to *ALL* suppliers on the framework, asking them to confirm their interest to participate in a mini competition.
- iv. The requester will need to establish a **User Evaluation Group** who will be responsible for drawing up a full specification and undertake the evaluation in conjunction with and under the guidance of the Procurement lead, this group is typically made up of key customers and stakeholders.
- v. A **full specification** for the mini competition should cover, scope, specific requirements and deliverables, detailed timelines (clearly stating any known milestones or deadlines) and award criteria (samples are available).
- vi. The user evaluation group will develop a scoring/evaluation template to be used when tenders are received.
- vii. Evaluation is conducted and an award recommendation is completed.

(*) A framework agreement is effectively a list of pre-approved suppliers who have been qualified through a tender process to participate in restricted mini-competitions for a specified range of products or services. The main advantages to utilising a framework are improved efficiencies (simpler evaluation – mainly focussing on the technical elements) and speed of evaluation (significantly reduced timelines).

c) For Procurement Support Requests where Contracts or Framework Agreements are not in place:

1. If the value of the project is over €5K but under €25k then a minimum of three quotations is required per NFR 1. The quotations must be based on a specification and evaluated using Award Criteria that ensures the procurement process is carried out in an open, fair and transparent manner. (See Appendix 1)
2. If the value of the project is over €25k then a full tender process is required and the Tender Competition must be published on the Government eTenders Website www.etenders.gov.ie . The process is detailed in the procurement policy.
3. For ICT related projects, if the value of the project is over €10k CMOD approval must be sought prior to commencement of a tender competition. This tender competition must be published on the Etenders Website (Circular 02/09)
4. For requirements over €50K the user will need to establish a **User Evaluation Group**, led by Procurement. This group will be responsible for drawing up a full specification and undertake the evaluation in conjunction with and guided by the assigned Procurement lead, this group is typically made up of key customers and stakeholders. (This may also be appropriate in relation to 1 & 2 above)
5. A **full specification** for the tender process will need to be completed and will cover, scope, specific requirements and deliverables, costs, detailed timelines etc. This will typically be a two stage tender process (Restricted Procedure):
 - seeking expressions of interest, agreeing selection criteria and shortlisting of suppliers
 - completing a full specification, agreeing award and evaluation criteria
 - issuing the tender package
 - completing the evaluation of the tender bids.

6. Evaluation is conducted and an award recommendation is completed.

Appendix 1 – Extract: National Financial Regulation 1 - Sourcing of Suppliers – Summary of Value Thresholds

(Thresholds may vary over time and should be checked at the time of commencement of the procurement process)

Health Service Executive
National Financial Regulations

TABLE 1 - SOURCING OF SUPPLIERS – SUMMARY OF VALUE THRESHOLDS

Sourcing of Suppliers

(All Values exclude VAT)

Spend Bands	Value of Purchase (estimated)	Method of Sourcing Suppliers	No of Quotes (required)	Form of Quote	Minimum Time for receipt of Quotes/Tenders
Below EU Threshold (details on page 48)					
Low	Up to € 250.	Direct Approach (verbal or written)	Minimum of One Quotation	Verbal/ written	None
Low	€ 250 to € 5,000.	Direct Approach (written recommended)	Minimum 2 quotes required	Written.	None
Medium	€ 5,000 to € 50,000.	Direct Approach (written)	Minimum 3 quotes required	Written.	None up to €10,000 and 2 working days thereafter
High (details on page 48)	€ 50,000 to € 211,000 (supplies & Services)	Open or Restricted/ Abridged, with Public Advertisement. Negotiated in exceptional circumstances.	Minimum 5 sealed Tenders to be sought	Formal Full Tendering Procedure	Minimum 10 working days
High	€ 50,000 up to €5,278,000 (Works only)	Open or Restricted/ Abridged, with Public Advertisement – see note below	Minimum 5 sealed Tenders to be sought	Formal Full Tendering Procedure	Minimum 10 working days

Above EU Threshold (detail of EU Tender procedures on page 53).		IN ALL CASES OF PROCUREMENT (OTHER THAN CAPITAL PROJECTS, PROPERTY TRANSACTIONS OR GRANTS WHERE SPECIFIC PROTOCOLS EXIST) WHERE VALUE IS GREATER THAN EU THRESHOLD, IT IS A MANDATORY REQUIREMENT THAT THE PROCUREMENT FUNCTION IS NOTIFIED IN ORDER TO TAKE RESPONSIBILITY FOR MANAGING THE 'TENDERING PROCESS'.			
High	€ 211,000 + (Service/ Supplies)	Public Advertisement In EU Journal	Minimum 5 sealed Tenders to be sought	EU Formal Full Tendering Procedure	As dictated By EU Directives
High	€ 5.278m + (Works Contracts)	Public Advertisement In EU Journal	Minimum 5 sealed Tenders to be sought	EU Formal Full Procedure	As dictated by EU Directives
Construction / Works/ Equipping		Sourcing and Expenditure Approval for all Capital Projects (i.e. Capital funded projected per Capital programme/plan and Revenue funded non routine spend greater than €500k) are conducted by Estates/TSO Directorate in accordance with 'Capital Projects Approval Protocol'. Refer to Chapter 5,p54 and related appendices P116-119.			
Property Transactions		Sourcing and Expenditure Approval for all Property Transactions are conducted by the Estates/TSO Directorate in accordance with the 'Protocol for the Acquisition and Disposal of Property'. Refer to Chapter 5 p62 and related appendices P1240-157			

(1) The above table should be read in conjunction with the notes on page 63 & 64.

(2) The above values are not expenditure approval thresholds ; please refer to Table 2 on page 70 which sets out expenditure approval thresholds by grade.

(3) Please refer to section 'The 4 options for Non EU Tendering Processes are:' on page 48 which details the various tendering options available (i.e. Open, Restricted, Abridged and Negotiated) where the value involved is below the EU threshold.

(4) Revenue Funded Capital Works with a value in excess of €500k come under the stewardship of Estates/TSO function and are dealt with in accordance with the Capital Projects Approval Protocol. Contact your local Estates/TSO office.

(5) E-mail / fax are acceptable forms of quote providing it is made clear to potential suppliers that if they provide quotes by email or fax they are accepting that their emailed / faxed quote has the same legal standing as if they were submitted in writing.