

Ref: DPE033/005/12

28 September 2013

**To: Heads of Departments / Offices**

**Circular 16/13: Revision of arrangements concerning the use of Central Contracts put in place by the National Procurement Service**

(This Circular replaces Circular 06/12 concerning Public Procurement (Framework Agreements))

A Dhuine Uasail

**Purpose**

1. The purpose of this Circular is to inform all public bodies the importance of maximising the value for money achievable when procuring any commonly acquired goods or services. In this regard the central procurement frameworks and contracts established by the Office of Government Procurement (OGP) / National Procurement Service (NPS) are designed to optimise benefits to the public service through the strategic aggregation of its buying power.

2. Public bodies are reminded that such central procurement frameworks are targeted at securing best value for money and facilitating contracting authorities to deliver services within their budgetary constraints. In this regard, public bodies should encourage and promote the use of central frameworks by the public bodies under their remit. The benefits arising from these central procurement frameworks include: cash savings; administrative savings from reduced duplication of tendering; greater purchasing expertise; improved consistency; enhanced service levels and legal certainty. Officials are also reminded that it is Government policy that public bodies, where possible, should make use of all such central arrangements.

**Role of Accounting Officers and Accountable Persons**

3. Accounting Officers and Accountable Persons are reminded that systems of internal control within public service bodies should support compliance with the requirements of this Circular. Procurement practices are subject to audit and scrutiny under the Comptroller and Auditor General (Amendment) Act 1993 and Accounting Officers are publicly accountable for expenditure incurred. Management in Government Departments and Offices should ensure that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines.

4. Where public bodies do not utilise central procurement frameworks they should be in a position to provide a value for money justification. Value for money justifications should take into account the full costs of running a public procurement competition. Public bodies must comply with their obligations under national law and guidelines.

5. The functions of the NPS and the National Public Procurement Policy Unit are to transition to the OGP on 1 January 2014. The OGP will embark on a series of reforms aimed at assisting the wider Public Sector to deliver much needed public services in an efficient and cost effective manner. In this regard, the OGP will be issuing further Circulars on aggregated arrangements such as central procurement frameworks, as these measures are put in place.

### **Dissemination**

6. You are requested to bring this Circular to the attention of –

- all staff in your Department/Office who might be involved in procurement of goods and services, and,
- all contracting authorities under the aegis of your Department/Office and to ensure that arrangements are put in place to implement its terms in the areas under the aegis of your Department/Office.

### **Queries**

7. Any queries in relation to the operation of this circular should be addressed to the OGP helpdesk which can be contacted at [nps@opw.ie](mailto:nps@opw.ie). Queries in relation to specific central procurement frameworks should be channelled through [www.procurement.ie](http://www.procurement.ie). Any issues in relation to the policy underpinning this Circular should be addressed to the Department of Public Expenditure and Reform at [procure@per.gov.ie](mailto:procure@per.gov.ie).

Mise le meas,

Paul Quinn  
Chief Procurement Officer