1.0 Aim of the Policy

The aim of the Purchasing & Supplies Policy is to outline clear and accurate procedures and guidelines of the Procurement functions within The National Maternity Hospital.

2.0 Scope

The Purchasing & Supplies Policy refers to all Procurement, Supplies and Materials Management procedures in The National Maternity Hospital ("**NMH**") and applies to all staff working within this function. All NMH employees have a responsibility to be aware of the procedures within this policy. All Suppliers and Contractors to The NMH must adhere to the procedures referring to the delivery, collection and introduction of products, equipment and services to the Hospital.

3.0 Definitions

3.1 Definition of a Medical Device

A medical device is generally described as any instrument, apparatus, appliance, material or other article, whether used alone or in combination, including any software necessary for proper application as intended by the manufacturer; to be used for the purpose of:

- diagnosis, prevention, monitoring, treatment or alleviation of disease;
- diagnosis, monitoring, treatment, alleviation of or compensation for an injury or handicap;
- investigation, replacement or modification of the anatomy or of a physiological process;
- control of conception;

and which does not achieve its principal intended action in, or on the human body by pharmacological, Immunological or Metabolic means, but which may be assisted in its function by such means.

3.2 Definition of Reusable Invasive Medical Device -RIMD

Any Medical Device as defined above that is Cleaned, Disinfected and Sterilised (free from live bacteria or other micro-organisms and their spores) to be reused.

3.3 The CE Mark

The CE Mark is the public representation of the manufacturer's claim that his device satisfies the relevant Essential Requirements in the Directives; is fit for its intended purpose and, where required, has been independently assessed by a Notified Body. All devices, covered by the scope of the relevant directives, should bear the CE Mark when received in the Hospital. There are no exemptions.

3.4 Definition of Capital Expenditure

Capital expenditure includes any expenditure incurred on additions, replacements, extensions or improvements to items such as medical equipment, instruments, buildings, land, plant and machinery, general equipment, computers, road vehicles, etc. that are generally bought for long term requirements costing in excess of €5,000 as per HSE Procurement Policy.

3.5 Purchasing & Procurement

This is the term universally used and understood to encompass all the tasks, functions, activities and routines concerning the procurement of external goods and services for the Hospital and the administration of same. In other words, it is the discipline, which integrates Requisitioning, Purchasing, Storage, Stock Management & Control distribution and Use.

3.6 Stock item

A product is considered a stock item for the following reasons:

- It is held within the Central Stores for regular issue.
- It is frequently used by an individual Department. It is held on a shelf location within the Department.
- It is identifiable for requisitioning on Department specific stock sheet.
- It is used by multiple Wards / Departments.

3.7 Non-Stock Item

A product is considered non-stock for the following reasons:

- it is required only occasionally;
- it would be uneconomical to hold in stock (high cost etc.);

- it is a once off purchase;
- it has a short shelf life;
- the purchase order may stipulate that the supplier must deliver directly to user.

3.8 Product Code

A product code is a unique Hospital number given to each product for identification, ordering, reporting and cost purposes.

3.9 Unit of Measure (UOM)

The unit of measure (UOM) is the agreed minimum number of a product that can be purchased or issued on request, and at all items will be purchased or issued in multiples of this number.

3.10 Stock Level (Maximum-Minimum)

Maximum Stock levels are the agreed amounts of each stock item to be stored in agreement with stock management. The quantity stored should never rise above the maximum stock level set for the stock item.

Minimum Stock Levels are the agreed amounts items are allowed to reduce to, before reordering back to maximum levels.

3.11 Specifications – (the most detailed description of an item).

Once a requirement for a product has been established, a comprehensive description (specification) of the item must be provided to prospective suppliers.

3.12 New, Replacement and Additional items

A new item is a consumable item or piece of equipment that is not currently purchased or used in the Hospital. A replacement item is a consumable item or piece of equipment that is required to directly replace a similar item which has been used or is out of service. An additional item may be an increase of quantity for regularly used products, extra sizes of a current type used, or additional equipment to carry out a particular function, etc.

3.13 Medical Care Equipment

Any item of equipment used for delivery of care to the patient (e.g. Diagnostic Equipment/Reusable Invasive Medical Device) or with which the patient may come in contact (e.g. wheelchairs, furniture or fixtures used in clinical areas).

4.0 Related Policies and Procedures or Guidelines

4.1. Hospital Purchasing

4.1.1 Aims and Objectives of Hospital Purchasing

The NMH will purchase on the best terms available from the most suitable supplier. Its purchasing actions will reflect its position as a leading and respected institution in the Irish Health Care sector. Its aim is to achieve Value for Money whilst meeting the needs of the Hospital and dealing with suppliers and potential suppliers in an equitable manner.

4.1.2 Supplier Selection

The NMH has a responsibility to its patients and service providers to find the best supplier for each and every one of its requirements. The supplier selected will be the one who offers best overall value.

It is the policy of The NMH to obtain greater efficiency, by reducing the numbers of suppliers providing service to an acceptable level.

The general criteria, which will be considered for supplier selection, are quality, price, terms, delivery and service and adherence to life cycle cost and environmental disposal.

Any action, which is likely to compromise The NMH or detract from its reputation in any way, will be avoided.

4.1.3 Value for Money

Hospital staff will endeavour to secure value for money in all of its purchasing actions. Staff are encouraged to seek Value for Money by way of open, fair and competitive Tendering, negotiation, and aggregating group requirements where possible. In obtaining value for money The NMH will ensure the requirements of National legislation and E.U. Directives are fully complied with.

4.1.4 Payment

The NMH is fully compliant with the Prompt Payment of Accounts Act, 1997.

4.1.5 Purchasing & Supply Arrangements

Purchasing & Supply arrangements focus on Minimum Total Cost to The NMH, rather than simply on price. In this respect NMH staff will do all they can to minimise stock levels.

Just in time approaches to purchasing are not always suitable for Hospital requirements, staff will use techniques designed to minimise stock levels such as: planned deliveries, supplier stockholding and consignment stock, where these provide the least Cost Option, while ensuring proper service levels are maintained.

The NMH will at all times consider any recognised procurement and best commercial practices which may or can assist in lowering the overall cost of orders placed such as Blanket / Call-off Orders, Standing Orders, Consignment Stock, E-commerce/EDI etc.

4.1.6 Purchasing Documentation

All commitments entered into by The NMH should have the following minimum documentation.

a. Relevant evaluation and tendering documents where appropriate.
b. Signed Contract or Order.
c. A quotation via email from listed supplier.

4.2 Purchase Orders and Supplier Communications

4.2.1 Departments Authorised to Issue Purchase Orders

All Purchase Orders for goods and services must be placed by the Purchasing & Supplies Department; Catering Department for food stuff, Engineering Department for Building works and Environmental services, I.T Department for ICT requirements, Clinical Engineering for parts and maintenance of equipment, Pharmacy Department for Drugs and Pharmaceutical products and the Laboratory Department for Laboratory products, exceptions to this can only be authorised by the Financial Controller/ Master/ Secretary & General Manager. All required medical equipment

must be validated and approved by the Clinical Engineering Department prior to being approved for purchase.

4.2.2 Orders for Goods & Services

No goods or services, with the exception of purchases made with petty cash or credit card shall be ordered without an official Hospital order number being raised.

4.2.3 Purchase Order Information

Official orders raised must show the following information:

- Supplier name and address.
- Date of order.
- Full description, size, weight, measure unit and quantity of the item required.
- The unit price, VAT, other charges, total costs and any discounts.
- Area/Department where goods are to be delivered.
- Delivery instructions.
- Any Quotation or Contract Reference Number.
- Any other information pertinent to the order.

4.2.4 Signing of Purchase Orders – Issuing Verbal Requests

Excepting Drugs & Pharmaceuticals, Laboratory, Engineering, IT, Clinical Engineering and Catering Departments; all official orders must be signed by an authorised officer from the Purchasing & Supplies Department, or another officer designated by the Financial Controller/ Master/ Secretary & General Manager.

Where verbal requests to supply goods or services are unavoidable, such as cases of emergency or urgent necessity, these requests shall include the appropriate official order number to the supplier the official order showing such number shall be completed forthwith and clearly marked: “Confirmation”.

In exceptional circumstances when it becomes necessary for an authorised member of NMH staff to request goods or services without an official order number, (e.g. emergency or urgent need demanded by clinical necessity outside normal working hours) all details and supporting documentation for the request must be given to the Purchasing & Supplies Manager on the next working day after the request is made.

Under no circumstance is it permissible for any member of NMH staff to request goods or services from any supplier or outside crediting agency during normal working hours unless officially authorised as per section 4.2.1.

4.2.5 Adding items or Amendments to a Purchase Order

All additions or amendments to an official purchase order may only be made by the authorised officer who signed and issued the original order, or in his/her absence, by the Purchasing & Supplies Manager or other Purchasing or Supplies Officer instructed by him/her.

Under no circumstances may any member of NMH staff add to, delete, amend or alter in any way, an official order issued, or communicate any such alterations, deletions or changes to an order directly to any supplier. A breach of this policy will be considered as gross misconduct.

4.2.6 Provision within Budget

No order shall be issued, or commitment entered into, for any item for which there is not financial provision in the authorised Hospital budget, without the prior written approval of the Financial Controller/ Master/ Secretary & General Manager.

4.2.7 Contacting Suppliers

NMH staff are not permitted to give Order Commitments directly to a supplier. These must be channelled through, and placed by an authorised Purchasing Official. Exceptions to this will only be as outlined under section 4.2.5.

All requests for quotations, price lists, etc. must be issued by the Purchasing & Supplies Department, Pharmacy, Laboratory, Engineering, IT and Clinical Engineering Departments. Exceptions to this will only be as directed and authorised by the Financial Controller/ Master/ Secretary & General Manager. Authorised Hospital users may discuss with supplier's technical or other product/service applications related to the use or performance of such product or service.

All invitations to supplier's representatives to visit NMH Departments in connection with products they supply or commercial activity must be channelled through an authorised Purchasing Officer.

4.2.8 Trialling of Products and Equipment

Products offered or requested for evaluation should comply with the provisions of Section 4.11 Medical & Surgical Product Evaluation.

Product Evaluation Request and Result forms must be initiated, completed and submitted for the results to be considered and any decisions taken. These forms are available from the Purchasing & Supplies Department.

Arrangements for equipment to be received for evaluation may not be made with any Supplier/Manufacturer without prior notification to the Purchasing & Supplies Manager, Clinical Engineering, Chief Pharmacist, Technical Services Manager; where appropriate. Exceptions to this will only be as authorised by the Financial Controller/ Master/ Secretary & General Manager.

The results of any such equipment evaluation will be recorded on an equipment Evaluation Form provided for evaluation and/or will be subject to critical review or analysis by the Clinical Engineering Manager or other appropriate staff authorised by the Financial Controller/ Master/ Secretary & General Manager.

When equipment/products are to be used for direct patient care it is the responsibility of the user arranging the evaluation to ensure that the equipment/product is compatible with the decontamination methods already in use in the Hospital and can be de-contaminated in accordance with the Infection Control Policy. All medical care equipment must be evaluated by the Infection Prevention and Control Team. Where necessary the involvement of Health & Safety, Risk Management, HSSD, Technical Services and Clinical Engineering Departments will be sought.

4.2.9 Visits to Hospital Area by Suppliers

It is the responsibility of the relevant Head of Department to ensure that the Purchasing & Supplies Manager/ Chief Pharmacist/ Laboratory Manager/ Technical Services Manager/ Clinical Engineering, or as applicable, are notified of all invitations to suppliers to visit the Department to discuss matters outlined under paragraph 4.2.9, or any products and equipment being considered for evaluation purposes.,

Exceptions to this will only be as authorised by the Financial Controller/ Master/ Secretary & General Manager.

Under no circumstances are unsolicited visits by supplier representatives in connection with their business allowed. Hospital staff who becomes aware of such a

visit to their Department should direct the supplier representative to the relevant Department Manager.

All Suppliers are expected to comply with any Visitor Identification or Record System, which the NMH operates as part of this policy.

Suppliers must present for Health and Safety Induction prior to commencing installation work for New Equipment such as Storage Units etc. Induction accreditation is required once only.

4.3 Purchasing Procedures

4.3.1 All purchasing in The National Maternity Hospital must be carried out using one of the following procedures:

- Formal Tender
- Request for Quotation
- Stock Replenishment Order
- Small Value Order/Credit Card Order

4.3.2 Formal Tender (High Value Purchases)

The formal tender procedure requires suppliers or contractors to submit sealed hard copy tenders or soft copy tenders via the eTenders website, or a combination of both, by a given date and time. These are then opened by at least two authorised officers nominated by the Financial Controller/ Master/ Secretary & General Manager.

This procedure must be used for all contracts and purchases with an estimated value, excluding VAT, equal to or greater than €25,000.

Where possible a minimum of three competitive quotations are required. Tenders subject to EU Directives will be processed as per Section 4.6.

4.3.3 Request for Quotation (Medium Value Purchases)

Supplies or services contracts between €5,000 and €25,000 in value may be awarded on the basis of responses to specifications sent by email/phone or via the eTenders website to at least three suppliers of service providers.

4.3.4 Stock Replenishment Order

Stock replenishment items may be ordered from approved suppliers by issuing of official orders.

4.3.5 Small Value Order/Credit Card Order

Supplies or services **less than €5,000** in value may be purchased on the basis of verbal quotes from one or more competitive supplier. Quotations may be received by telephone.

Orders must be placed with approved suppliers. Confirmation of price details may also be received in writing by Fax, E-mail or post to support transactions.

An approved supplier is one who has been vetted for necessary compliance by the Purchasing & Supplies Manager, Chief Pharmacist or other officer authorised by the Financial Controller/ Master/ Secretary & General Manager, and approved for entry on the Supplier Register in Finance Department.

Credit Card Purchases are mostly used for non-recurring small value purchases with a maximum limit of €1,000.00 per transaction. Details of these requests are held until goods, delivery dockets and invoices are reconciled with the monthly bank statements, which are approved by finance.

4.3.6 Exceptional Circumstances

Only in exceptional circumstances will the requirement for a minimum of three competitive quotations for contracts and purchases over €5,000 not apply.

In such circumstances certification from the requester and the approval of the Financial Controller/ Master/ Secretary & General Manager or other officer deputised will be required. Examples of what constitutes “Exceptional Circumstances” are:

- Need for Compatibility and Standardisation with existing equipment/product
- Sole Supplier
- Urgent Requirement
- Proprietary Materials
- Confidentiality Needs
- Statutory Essential Services
- Clinical decision based on Patient Need

4.3.7 Contract Value

When determining which procedure to use, the maximum possible value/total life cycle cost of a contract must be taken into account. Under no circumstances may a contract be split in order to alter or circumvent the procedure to be used.

4.3.8 Capital Purchases

The Procedures for dealing with transactions under capital funding are outlined in Section 4.8.

4.3.9 Leasing of Goods

Purchasing of goods in the longer term is generally the best option and provides better value than leasing.

If leasing is considered the only option, the lifecycle of the project including commercial and tax implications should be considered. Special note should be taken of escape clauses.

Under no circumstances may a lease arrangement be entered into without the prior written authorisation of the Finance Controller.

4.4. Authority Levels

4.4.1 Authority Level Stages

The NMH requisition, tendering and purchasing processes involves different stages, in respect of which different authority levels apply. These are:

- Authority to requisition.
- Approval for requisitions.
- Requisition Validation.
- Budgetary Approval.
- Authority to issue tender enquiries and seek quotations.
- Authority to open tenders.
- Authority to approve award of contracts.
- Authority to sign and issue orders or formal contracts.

Authorisation procedures for Capital Expenditure are outlined in Section 4.8. The Authorisation Policy outlined in this section will be subject to amendment in the light of any financial constraints or emergencies, which might arise.

4.4.2 Authority to Requisition

With the exception of approved items, which may be part of any call-off order, requests for all goods and services must be submitted on an official requisition form by the head of Department or other designated officer.

Requests must be made in writing on the correct requisition documents issued for such goods, and in sufficient time for the purchasing process to be carried out correctly.

4.4.3 Approval for Purchases

Because of the need to ensure all expenditure is kept within approved budget allocations it is essential that all requisitions submitted must be properly signed and authorised as per agreed limits for sign-off

a. Master / Secretary & General Manager
b. Purchasing & Supplies Manager

4.4.4 Justification and Validation for Certain Requests

For certain requisitions a letter of justification or requisition validation may be necessary for the item necessity, e.g.

- Requests for Electro Medical Equipment and Services, also requires certification and Validation from the Head of Department, Medical Physics and Clinical Engineering.
- Requests for Computer Hardware and Software must be validated by the Director of I.C.T.
- Requests for repairs or replacement of general equipment, ward furniture, etc., must be validated and supported by the Technical Services Officer/Deputy Technical Services Officer.

The Purchasing & Supplies Manager or other authorised officer, when considered necessary or appropriate may request written justification, validation, clinical

evaluation report or supporting documentation for a requisition for any product or service.

The contents of this paragraph will also apply where the provisions of section 6.11 are not relevant or not possible at the time.

4.4.5 Research and Training Budgets

Equipment bought from Research and Training Budgets must comply with Hospital standards with regard to Consumables, Maintenance, Infection Prevention and Control and Health and Safety.

4.4.6 Budgetary Approval

It's a General Principle that all supplies and services approved must have a budget allocation to meet the purchase.

Therefore all requests for non-stock supplies and services must be within set budgets before an official purchase order is issued.

Where a request is in excess of budgets available it must first have approval from the Financial Controller/ Master/ Secretary & General Manager before an official purchase order is issued.

4.4.7 Authority to Issue Tender Enquiries and Seek Quotations

It is the responsibility of the Budget Holders to identify their respective purchasing requirements, and to ensure a budget allocation for same.

However, authority to issue tenders and requests for quotations rests with the Purchasing & Supplies Manager, for general supplies and services, Laboratory items with the Chief Medical Scientist, Pharmaceutical items with the Chief Pharmacist, Building and Environmental services the Engineering Manager, ICT requirements the IT Manager and the maintenance the parts for equipment the Clinical Engineering Manager.

Unless delegated but the above persons no other member of NMH staff may contact suppliers or companies to seek quotations or discuss price information, unless authorised to do so by the Financial Controller/ Master/ Secretary & General Manager.

On occasion it may be acceptable for Budget Holders to request estimates to allow them determine if a requirement is within their budget allocation.

4.4.8 Authority to Open Tenders

The Purchasing & Supplies Manager shall authorise persons to open formal tenders. A list of persons so authorised and samples of their signatures, must be retained by the Purchasing & Supplies Manager.

4.4.9 Authority to Approve Award of Contracts

The award of contracts shall only be made by the Purchasing & Supplies Manager or an Officer of the Hospital authorised to do so by the Financial Controller/ Master/ Secretary & General Manager.

Under no circumstances are non-authorised staffs permitted to communicate or indicate to a supplier the intention or decision of the NMH in relation to any contract being determined.

4.4.10 Authority to Sign and Issue Orders or Formal Contracts

Only the Purchasing & Supplies Manager or other officer deputised has the authority to sign and issue formal contracts on behalf of The NMH.

Excepting Laboratory products, Drugs and Pharmaceuticals, all official orders must be signed and issued by an authorised officer from Purchasing & Supplies, or such other officers designated by the Financial Controller/ Master/ Secretary & General Manager as may be decided.

4.4.11 Formal Contracts in place between Suppliers of Goods and Services to the Hospital

- Nursing Agency Service Level Agreement
- Pharmacy Service Level Agreement
- Blood Bank Service Level Agreement

Formal Contracts in place will be reviewed by external regulatory accreditation bodies.

4.5 Risk Management

4.5.1 Minimisation of Risk

One of the primary objectives of any contract entered into on behalf of The NMH should be the minimisation of risk to the Hospital. To ensure this the following principles should be applied.

4.5.2 Quality and Reliability

The supply of materials, which are critical to safety, should be sourced only from suppliers who have appropriate quality systems in place. Prior to award of contract and where necessary critical materials should be trialled.

4.5.3 Equipment Standards

All equipment purchased, trialled or loaned to the Hospital for reasons of use, evaluation, education and training must comply with all relevant E.U. Standards and Guidelines, and the use of such equipment and any consumables or parts used in the operation of this equipment must meet with all policies and procedures applicable under Infection Prevention and Control, Health & Safety and Occupational Health regulations.

4.5.4 Infection Prevention and Control

Purchase of equipment or goods and services must conform to the HIQA National Standards for the Prevention and Control of Healthcare Associated Infections.

Any change or introduction of new Medical Care Equipment (including Reusable Invasive Medical Devices) must be evaluated by the Infection Control Team, prior to approval to purchase, evaluate, trial, hire, demonstrate or loan to ensure that the item can be adequately decontaminated.

Any change or introduction of new products used for cleaning and disinfection (e.g. Antiseptics, wipes, disinfectants, etc.) and for waste disposal must be evaluated by Infection Prevention and Control prior to approval for purchase.

4.5.5 Health and Safety and Occupational Health

Purchase of supplies and services should conform to the Health and Safety, Occupational Health Regulations and Hospital Policies regarding same. Regarding

Materials for cleaning and disinfection, e.g. antiseptics, wipes, disinfectants, etc., and items for waste disposal:

Any planned change or introduction of new products should be referred to the Health & Safety/Occupational Health Team.

Medical Equipment: All equipment must come with complete instructions from the manufacturers relating to decontamination, disposal and environmental impact, and prior to purchase should be assessed by the Hygiene Services/Health & Safety/Infection Prevention and Control and Occupational Health Teams.

Single use items: The Hygiene Services/Health & Safety/Infection Prevention and Control and Occupational Health Teams should be notified of any proposed change or introduction of these products.

4.5.6 Compliance with Regulations for Use of Medical Devices

The manufacture, packaging, supply and use of medical devices to and within The NMH must comply with the European Medical Devices directives, and the regulations governing CE marking, outlined in paragraph 4.5.8.

All Users of Medical Devices should ensure they comply with the appropriate directives particularly in relation to the reporting of adverse incidents concerning medical devices.

4.5.7 Regulations Governing Medical Devices.

There are three European Directives governing medical devices as follows:

a) The Active Implantable Medical Devices Directive (90/385/EEC) which came into force on 01 January 1995. An example of an active implant is a Pacemaker.

b) The Medical Devices Directive (93/42/EEC), which came into force in June 1998, and covers the large majority of Medical Devices. This directive was amended in Directive 2000/70 and 2001/104 to extend its scope to those devices incorporating stable derivatives of human blood or human plasma.

c) The In-Vitro Diagnostic Medical Devices Directive (98/79/EC), which came into force in June 2000 but with a 5-year transitional period. This directive

covers any Reagent, Reagent Product, Calibrator Control Material Kit, Instrument, Apparatus, Equipment or System intended for use in the in-vitro examination of specimens, including blood and tissue donations, derived from the human body.

4.5.8 Conditions of Contract

Contracts entered into shall comply with the National Standards for the Prevention and Control of Healthcare Associated Infections, the Hospital's Standard Terms and Conditions of Contract; The Department of Health Standard Agreement and Conditions of Contract for the Supply of Equipment in Hospitals (Minor Contract), or a contract specially prepared for a particular order, the terms and conditions of which must be approved by the Financial Controller and/or legal representatives selected by The NMH.

4.5.9 Insurance

Contractors and suppliers must, at a minimum have adequate Public and Employer's Liability Insurance. An order should not be placed with a contractor until the relevant insurance documents have been approved.

4.5.10 Government Regulations

Contractors and Suppliers to The NMH must comply with all relevant Governmental regulations including Tax Clearance Requirements, Constructions Procedures and Safety and Employment legislation and regulations.

4.5.11 Managing the Contract

It is the responsibility of the Head of Department/Service to manage the contract during its duration. The performance of awarded contracts should be monitored by the Head of Department/Service, using pre agreed criteria or KPI's and any concerns should be brought to the attention of the Purchasing & Supplies Manager. Complaints in relation to the conduct of the contract should be dealt with speedily, and brought to the attention of the contractor or supplier for any necessary action. Where considered appropriate, review meetings to include the contractor or supplier should be held during the term of the contract.

4.5.12 Vendor Qualification

Suppliers, Contractors and Service Providers who are expected to carry out business with The NMH to a value in excess of €5,000 should be prequalified and should meet the following minimum criteria:

- They must be registered for VAT
- They should have at least one year's relevant experience in the areas in which they wish to do business with the Hospital.
- They must be in possession of a valid C2 or Tax Clearance Certificate.
- They must hold satisfactory levels of insurance.
- They must provide at least three satisfactory reference sites for their business.
- They should complete any company profile document issued and required by the Hospital.

Exceptions to above, e.g. a new supplier set up to deal with the supply and service of new critical equipment, will be decided by the Purchasing & Supplies Manager following consultation with the relevant user, etc.

4.6 Formal Tender Procedure

Unless specifically sanctioned by the Financial Controller/ Master/ Secretary & General Manager, formal tender procedures must be used for contracts or purchases in excess of €25,000 (Exclusive of VAT) as follows:

4.6.1 Invitation to Tender

Where applicable; tender invitations should be issued to a minimum of three suppliers. All invitations to tender and requests for quotations must be issued through the Purchasing & Supplies Manager. All tenders/advertisements will specify where the tender documents may be obtained and should indicate a tender reference and a specific closing Date and Time. Instructions on the required format for returning hard copy tenders, if any, must also be provided.

4.6.2 Tenders Subject to EU Regulations

Thresholds - Where the value of the tender exceeds or is expected to exceed the following thresholds the Invitation to Tender must be advertised in the Official Journal of the European Union. These thresholds apply from 1 January 2016 and are subject to review every two years. They are also Exclusive of VAT.

The main thresholds (exclusive of VAT) are as follows:

Works Contracts:-

- €5,225,000.00 (For Government Departments and Offices, Local and Regional Authorities and public bodies).

Supplies and Services Contracts:-

- €135,000.00 (for Government Departments and Offices).
- €209,000.00 (for Local and Regional Authorities and other public bodies outside the Utilities sector).

Utilities:-

- €418,000.00 (for contracting entities in Utilities sector).

Publication of a Prior Indicative Notice (PIN) is no longer obligatory. Authorities with a significant procurement function (the Directives indicate in excess of €750,000 for supplies and services) are encouraged to publish a PIN as an aid to transparency and informing markets. Publication of a PIN (or Buyer Profile) with the relevant information, entitles authorities to avail of shortened times for submission of tenders.

If there are circumstances where competitive tendering is not used, prior approval to award the contract must be obtained from the Government Contracts Committee.

4.6.3 General Rules Applicable To Formal Tenders

Tender documentation/specifications and award criteria should be clearly identified and expressed and should not give rise to ambiguity. No changes can be made to the tender documents once the tender has been advertised.
Tax clearance procedures are obligatory in all cases. All contracts for pecuniary interest must be in writing.

Where an omission has occurred in the tender documentation it should be amended and all participants expressing interest in the tendering process informed. Where the

omission significantly alters the nature of the tender process the tender may have to be re-advertised.

Open-ended contracts should not be entered into. The contract should have a commencement date and a termination date.

Details of the tender process should be recorded in writing on file. A mechanism must exist in contracts to terminate in the event of non compliance/non-performance. Fees must be agreed in advance for service contracts and the price must be agreed in advance for goods contracts and the amounts should be specified in Euro. A current Tax Clearance Certificate must be obtained for all contracts with a value of €6,000 or over (inclusive of VAT), in any 12 month period.

For EU contracts – notification of the contract and the award of the contract must appear in the Official Journal of the European Union (O.J.E.U.). Dis-aggregation or contract splitting to avoid the E.U. tendering process is illegal, and may not be practised.

4.6.4 Extension of Closing Date

Extension of the closing date for receipt of tenders shall only be permitted when authorised in advance by the Financial Controller/ Master/ Secretary & General Manager. All tenderers must be advised of the extension.

4.6.5 Receipts, Custody and Opening of Tenders

On receipt, tenders must be held unopened, locked in a safe place, until the formal opening date. On or after the formal opening date all tenders must be opened together, in the presence of two authorised officers. It is the responsibility of the Purchasing & Supplier Manager to nominate and maintain a list of authorised officers. Each tender must be stamped with the date and time of opening, and signed by the authorised officers present. Particulars of the tenders received will be entered in a Register of Tenders, which is signed by the authorised officers present.

Verbal or Faxed tenders may not be accepted under any circumstances.

4.6.6 Late Tenders

Tenders received after the appointed date or time for the receipt of tenders should not be accepted and should be returned unopened to the relevant tenderers

4.6.7 Tender Evaluation

Commercial Evaluation - The Purchasing & Supplies Manager or other authorised officer will carry out a commercial assessment, using the agreed evaluation model and award criteria of the tenders, for preparation of a commercial recommendation.

Technical Evaluation - A technical evaluation, when required, must be completed by Clinical Engineering or other appropriate body, as may be necessary. This evaluation report is sent to the Purchasing & Supplies Manager for consideration in conjunction with the Commercial assessment.

Evaluation Team - In some circumstances it may be appropriate to set up a joint evaluation team. As an example this team could comprise representatives of the Purchasing, Technical and user Departments, along with other groups felt appropriate such as Infection Control, Health & Safety, Clinical Specialist, Nurse Specialist etc.

Post Tender Evaluation - Any decision on, Post Tender Negotiation/Clarification, should be taken by the Purchasing & Supplies Manager.

Purchase Approval - Purchase approval must be received from the appropriate Hospital authority. No Order, Letter of Intent, or other written or verbal instruction to proceed may be issued prior to the purchase approval being received.

4.6.8 Issuing of Order

All purchases must be made by means of The NMH official purchase order form/paper, and must be signed by the appropriate Hospital officer authorised to do so. Un-priced orders should not be issued unless for essential reasons and must be authorised by the Purchasing & Supplies Manager. An example of this would be an order to a service provider to undertake a repair when the final cost is unknown.

4.6.9 Performance Monitoring

The performance of awarded contracts should be monitored by the appropriate function manager, e.g. Supplies Manager for Stock Items, General Services Manager for Cleaning Services, Chief Medical Scientist for Laboratory items, etc.,

using pre agreed criteria or KPI's and any concerns should be brought to the attention of the Purchasing & Supplies Manager.

4.6.10 Notification of Contract Award

The Purchasing & Supplies Manager should notify Tenderers in writing of the award of the contract as soon as possible after a contract has been formally approved by the relevant authorised authority. Letters of regret should be issued to those unsuccessful parties at least 14 days prior to notifying the successful party.

In the case of contracts subject to EU regulations a Notice containing details of the contract, the award procedure, and the identity of the successful tenderer must be sent for publication in the Official Journal of the European Union within two months of the contract award.

4.6.11 Electronic Procurement

Section 4.6 may be subject to change in light of any e-procurement guidelines or directives, which may be issued.

4.7 Request for Quotation (RFQ) Procedure

4.7.1 Requesting

Requests for quotation must be used for Purchases with an estimated value greater than €5,000.00 and less than €25,000.00, excluding VAT. The number of quotations sought will be as outlined in paragraph 4.7.4.

4.7.2 Notification of Requirement

User Departments should notify the Purchasing & Supplies Manager of any purchase requirement using the appropriate requisition form issued for that purpose.

4.7.3 Requests for Quotation

All requests for quotation must include a sufficient and clear description of the materials/services required, or works to be carried out.

4.7.4 Issuing an R.F.Q.

All requests for quotation must be issued through the Purchasing, Laboratory, Pharmacy, Catering, Engineering IT or Clinical Engineering Department (where applicable). Exceptions will only be as authorised by the Financial Controller/ Master/ Secretary & General Manager.

All requests for quotations must be marked returnable to the Purchasing & Supplies by Post or E-Mail. Sufficient time should be allowed to permit suppliers to prepare and submit a competitive quotation.

A minimum of three quotations must be sought for all purchases estimated in excess of €5,000 in value (excluding VAT). Exceptions to this will only be as outlined in Section 4.3 paragraph 4.3.6 (Exceptional Circumstances).

4.7.5 Quotations

Competitive quotations may be obtained from any approved supplier on the NMH vendor list. (See section 4.3, Paragraph 4.3.5. for definition of approved supplier) Quotations shall:

a) be invited from at least three suppliers, except as provided in Section 4.3 Paragraph 4.3.5 and 4.3.6.

b) include all charges, VAT rates, discounts

c) be submitted to the Purchasing and Procurement Manager, Laboratory Manager, Chief Pharmacist, Clinical Engineering Manager, IT Manager or the Engineering Manager or other Officer authorised by the Financial Controller/ Master/ Secretary & General Manager, to receive such quotations.

d) Following receipt all quotations must be held on file

4.7.6 Late Quotations

A quotation received after the specified closing date or time may only be considered in the absence of three other quotations, and only with the express approval of the Purchasing & Supplies Manager.

4.7.7 Issue of Purchase Order

All purchases must be made by means of an official purchase order, which must be signed by the appropriate authorised officer.

4.7.8 Un-priced Orders

Un-priced purchase orders may not be placed except in exceptional circumstances e.g. items for repair.

4.8. Capital Expenditure

Special purchasing procedures apply to expenditure incurred in respect of Capital Contracts.

4.8.1 Definition

Capital expenditure generally includes any expenditure incurred on Additions, Replacements, Extensions or Improvements to items such as Medical Equipment, Instruments, Buildings, Land, Plant and Machinery, General Equipment, Computers, etc. that are generally bought for long term requirements costing in excess of €5,000 as per HSE Procurement Policy.

4.8.2 Authorisation Procedures

Any Capital Expenditure, whether obtained through lease rental or outright purchase is subject to the following authorisation procedures.

4.8.3 Capital Grant

Total expenditure for The NMH in any year must be kept within the Capital Grant as issued by the HSE. Any single contract with a capital cost exceeding €5,000 is subject to the financial criteria set out in Department of Health Guidelines and the HSE procurement policy. Authorisation levels for Capital Projects €200,000 or greater (Project A) and less then €200,000 (Project B) are outlined in 4.8.4 and 4.8.5.

4.8.4 Project A – Cost €200,000 or greater

The NMH board must approve in advance all Capital projects with a cost of €200,000 or more (exclusive of VAT).

In exceptional circumstances, (e.g. extreme urgency) where it is not possible to obtain prior Board approval, the Financial Controller/ Master/ Secretary & General Manager has the authority to approve projects, which have previously been notified

to the Board, provided that the Board is notified of all such projects at the next scheduled Board meeting.

4.8.5 Project B – Cost less than €200,000

Projects with a cost not in excess of €200,000 (exclusive of Vat) must be approved by the Financial Controller/ Master/ Secretary & General Manager. Projects under €5000 (VAT exclusive) may be approved by the Budget Holder.

4.8.6 Conditions of Contract

Contracts entered into should be

a. The Department of Health & Children Standard Agreement and Conditions of Contract for the Supply of Equipment in Hospitals, or

b. A contract specially prepared for a particular order, the terms and conditions of which must be approved by the Financial Controller/ Master/ Secretary & General Manager.

Where appropriate, contracts specially prepared, or submitted by a supplier or contractor for approval, may be submitted to The NMH legal representatives for appraisal.

4.8.7 Disposal of Equipment

Authorisation from the relevant budget holder must be received for the disposal of all equipment. When equipment has been sanctioned for disposal the holder of the Asset Register being the Finance Department and the Purchasing & Supplies Department, Technical Services and General Services must be informed prior to the disposal taking place.

4.9. Procedures for receiving, Issuing and Returning of Goods

Under the terms of the Prompt Payment of Accounts Act 1997, The NMH is held responsible for ensuring compliance of the Act and that Suppliers are paid within time-limits set. As failure to carry out the procedures for receiving of goods correctly would prevent the Hospital meeting payments within these time-limits, the procedures laid out under this section will be strictly adhered to by all staff.

4.9.1 Goods Delivery Location

All goods delivered to The NMH must arrive and be processed through the Goods Inwards Section of the Central Stores.

Authority to receive goods through any other Department/Ward must be approved by a Purchasing Official or Supplies Officer. In the circumstances when goods may have to be delivered directly to a user Department via the main Hospital entrance. (e.g. an urgent delivery made outside of normal working hours), the process is also subject to section 4.9.2. In this eventuality it is the responsibility of the Budget Holder of such user Department to ensure delivery documentation is correctly checked against goods delivered, signed, and submitted to the Purchasing & Supplies Manager/Supplies Officer on the next working day following such delivery, and that authority is received as per 4.9.1.

4.9.2 Goods Delivered Outside Normal Working Hours

Only in exceptional circumstances (e.g. urgent requirement) may goods be requested for delivery outside normal working hours. Any such delivery should only be made on foot of an Official Purchase Order issued by an authorised officer as per Section 4.2.4 of the purchase order procedures.

4.9.3 Delivery Documentation

All goods delivered from Suppliers must be accompanied by a Delivery Note for retention by the Hospital. Each Delivery Note should contain as a minimum:

- A Serial Number
- Suppliers Name
- Purchase Order Number
- List of items being delivered to include Quantity, Size, Description etc.
- Section for Signature of person receiving

Couriers delivering goods on behalf of a supplier should present a goods receipt note from the supplier. This safeguard's against disputes over "Proof of Delivery".

4.9.4 Checking Goods Inwards

Receipt of Goods - All Delivery Notes are to be checked against the Official Purchase Order for the following:

a. Correct order and Delivery address

b. Quantity ordered agrees with Delivery Note.

c. Items are as specified on Purchase Order

4.9.5 Checking of Goods

The person receiving goods must check the goods at point of entry to Hospital to ensure correct Item, quantity, Type, Size, etc. All Receipts/Delivery Dockets must be signed by the receiving officer at the time of receipt after the goods have been checked. The receiving officer must ensure that the quantity advised on the delivery docket agrees with the quantity delivered. Any discrepancies found, or any other matters to be noted must be recorded immediately on the Delivery Docket and signed by the Person Receiving and the Person Delivering.

In exceptional circumstances when sufficient time is not available to adequately examine the consignment, the delivery document should be signed and endorsed "Not Checked". Subsequent shortages/ damages/ differences discovered must be notified to Supplier immediately.

4.9.6 Dealing with Discrepancies

When shortages in quantity, or incorrect goods or size are received, or goods are damaged or missing, or any other discrepancies are found, the Carrier and Supplier must be notified immediately. Delivery documents must be amended and endorsed with details of same. If goods have been received "Not Checked" and discrepancies as above are subsequently discovered upon checking, or if the discrepancy is found after previous Receipt and checking, the Supplies Officer or designated officer will, within five days of the receipt of goods, notify the supplier by phone/in writing of any such damage, shortage or incorrect delivery. All discrepancies found must also be notified to the Purchasing & Supplies Manager.

4.9.7 Rejection of Goods

When goods are rejected for reasons of Damage, Shortage, Incorrectness etc., the Supplies Officer or designated officer shall, within five days of discovering the fault, notify the supplier in writing of the reasons for the rejection.

Rejected goods must be kept isolated from other stocks until collected by the supplier. A goods rejected/damage report should be completed and issued to Purchasing, Accounts, and if appropriate the relevant user Department by the Supplies Officer.

4.9.8 Dealing with Goods in Excess

When goods are received which are found to be in excess of the quantity ordered on the official purchase order, it must be brought to the attention of the relevant Purchasing Officer immediately.

If the Purchasing Officer authorises acceptance of the goods in excess, the purchase order must be amended prior to receiving and signing of delivery documentation. If the Purchasing Officer does not authorise acceptance of the goods in excess, the excess quantity must be rejected and returned to the supplier, and delivery documentation amended to show correct quantity and signed by both the Hospital officer receiving and supplier delivery staff.

4.9.9 Data Recording

All Receipts/Delivery Dockets will be recorded on the Hospitals computerised Purchasing & Supplies Management system, immediately after receipt. The following information should be recorded:

- Date of Receipt, Supplier, GRN Serial Number
- Purchase Order Number, Item Code and Description
- Quantity Received (Undamaged), Excess Quantities
- Person Authorising

4.9.10 Post Receipt of Goods

After goods have been checked and cleared for receipt into the Hospital Warehouse, the Supplies Officer or designated officer will store the goods for transfer to appropriate destination as follows:

Stock Items

Stock items should be marshalled into stock marshalling area until placed into Correct Location within Central Stores. This should be on day of receipt.

A FIFO (First in, First Out) system is in place for stock items within the Stores Department, which ensures that previously held stock is rotated to the front of the appropriate Location and newly delivered goods, are placed at the back. This eliminates the possibility of stock going out of date.

Non-Stock Items

Non-Stock Items should be placed into designated locations until delivery to appropriate requisitioning Department.

Issue documentation should be prepared immediately after recording receipt of goods on system, and delivery to user should take place as per delivery schedule.

Equipment

Where appropriate, the relevant technical or clinical staff must check equipment upon receipt to certify it meets with specification requirements, and functions properly in use.

4.9.11 Responsibility of User Departments

Where goods are received in a user Department as authorised under 4.9.2 and 4.9.3 it is the responsibility of the budget holder to ensure that the procedures outlined under Section 4.9 are adhered to in full.

4.10 Requisitioning

4.10.1 Procedure for Requisitioning Goods

The following are the procedures applied for requesting the supply of stock and non-stock goods from the Purchasing & Supplies Department. Requisitions may only be submitted for categories or services, which are authorised for use in the requisitioning Department, and must be approved as per Section 4.4.3.

4.10.2 Process for Requesting Stock Items

The responsibility for requesting stock items lies with the individual Department.

All requests must be submitted in writing on the agreed web basket template approved by the Department manager in conjunction with the Supplies Department and in accordance with agreed scheduled days and times.

Where appropriate, requisitions must be emailed to the Supplies Staff at the time agreed with the Purchasing & Supplies Manager for any such arrangements, in sufficient time to allow necessary processes to take place.

Requests should be made in accordance with agreed stock levels unless otherwise arranged with the Purchasing & Supplies Manager. Requests will not be processed if they are not submitted on the official prescribed requisition, or are unclear or incorrectly filled in.

All goods will be requisitioned and issued by using multiples of the unit of measure set for the particular item (see 3.0 Definitions). Completed Requisition Forms must be signed by the Head of Department, Ward Sister, or other deputy authorised to sign on their behalf, before being submitted to the Central Stores.

Each Head of Department must ensure that all requisitions submitted should:

a. Have the Department/Area Code entered.
b. Clearly indicate the type and quantity of the goods required.
c. Have the item product code entered, if available.
d. Be correctly signed, authorised and dated.
e. Request the minimum quantity required to avoid over ordering.
f. Not have product categories mixed, e.g. stationery items included with medical items.
g. Be the correct requisition document allocated for the purpose.

Requisitions received, which do not comply with above, will be returned to the relevant Department without being processed.

4.10.3 Process for Requesting Non-Stock Items

The responsibility for requesting Non-Stock items lies with the individual Department as and when required. Any new item of medical care equipment (including Reusable Invasive Medical Devices) must be evaluated by the Infection Control Team prior to approval for purchase. Requests for Non-Stock items must be made in writing on the Official Non-Stock Requisition Form available on the Hospitals intranet provided

for such purposes, and in sufficient time for the procurement process to be carried out correctly.

All requisitions must be submitted to the Purchasing & Supplies Manager by email who is responsible for the correct application of the procurement process. In exceptional circumstances (e.g. after hours Urgent Emergency) where goods are sought by a user directly from a supplier, a written report, along with all relevant delivery and other documentation must be delivered to the Purchasing & Supplies Manager on the next working day.

Requests for non-stock items will not be processed if they are not submitted on the official prescribed requisition, or are unclear or incorrectly filled in. When requesting non-stock or special items not held in stores the Head of the Requesting Department should provide the following information in order that the requisition can be processed more speedily.

a. Be as specific as possible when writing the Description/Specification of the item.
b. Clearly state the quantity required.
c. Where possible give the catalogue or Manufacturers product number if known.
d. The Supplier, if known

Requisitions for Non-Stock or special items should indicate whether it is a New, Replacement, or Additional Item – see Definitions for New, Replacement and Additional items. For New and Additional items, these will have a financial impact on the Hospital; therefore requests must be accompanied by written justification for the request (product evaluation procedure applies). For consumable items which would be considered low value and required for a once off procedure, or for items which are part of an already established Medical or Surgical procedure, e.g. specialist dressing, the critical need may be outlined on the requisition. For Non-Stock items required as a replacement justification for same will also be required, along with a report on the item being replaced by the appropriate service Department, i.e. Clinical Engineering, Technical Services etc. (product evaluation procedure applies).

A request for a product different to one currently issued for the same procedure must be supported by evidence for the need to change. (Product evaluation procedure

applies). Under no circumstances are Hospital staff permitted to give order commitments directly to a supplier. These must be channelled through, and placed by an authorised Purchasing Officer. Section 4.2.8 (Contacting Suppliers) applies. All goods will be requisitioned and issued by using multiples of a Unit of Measure for the particular item (as per Section Definitions – Unit of Measure). Requisitions submitted for Non-Stock items must be signed by the Head of Department, or other deputy approved to sign on their behalf or submitted on the agreed web basket template available for that Department. Each Head of Department must ensure that all requisitions submitted comply with the provisions of Section 4.10.2 and 4.10.3 in regard to completion.

4.10.4 Requirement Planning – New Staff

All budget holders should ensure that following the appointment of new Consultants, Clinicians, etc., and prior to them taking up their positions, arrangements are made for them to meet with the Purchasing & Supplies Manager, in sufficient time to discuss their requirements and allow any necessary purchasing processes to take place within appropriate timescales.

4.10.5 Requesting items which may contain a Medicinal Product

If an item contains a medicinal product, even if it is licensed as a Medical Device, it is the responsibility of the Head of the requesting Department to ascertain whether it is appropriate for it to be purchased by the Pharmacy or Purchasing & Supplies Department.

4.11. Medical & Surgical Product Evaluation

The following procedures and policy will apply to the evaluation of products intended for use in The NMH.

4.11.1 Policy

A Product Evaluation Policy must be operated within the framework of the overall Hospital purchasing policy as stated in Section 6.1, particularly on the need to rationalise on the number of similar products and suppliers to the Hospital, and the principal aim of achieving best value for money.

If the Purchasing & Supplies Manager identifies a product which it is felt is similar to and could replace a product currently in use (without compromising quality and patient and staff safety) and which would achieve cost savings, reduced bed days, reduced procedure time etc, he may arrange for the product to be evaluated.

If a Hospital user wishes to obtain a new product for regular use or a replacement product for one currently in use which will not achieve cost savings they must complete a product evaluation form and submit to the Purchasing & Supplies Manager.

Recommendations for the method to be used for dealing with the products to be replaced should also be given. Personal preference of a clinician, nursing staff, or other user shall not be a criterion for requesting or undertaking an evaluation of a product.

4.11.2 Product Evaluation Group

A product evaluation group (P.E.G.) shall be established to oversee the conduct of product evaluation trials requested by the Purchasing & Supplies Manager, who will decide whether the evaluation needs or does not need the P.E.G. involvement. The group will be empowered to make final recommendations on all product changes submitted. The final decision on changes will however be subject to budget approval by the Finance Controller and authorisation by the relevant Budget Holder.

Cost implications of the proposed changes should be established and given to the Purchasing & Supplies Manager to facilitate the final decision. Disputes over any decision will be referred to the Financial Controller/ Master/ Secretary & General Manager.

- The group will comprise of the following as a Core Group:
- Purchasing & Supplies Manager
- Purchasing Officer
- Stores Officer
- Tendering Officer
- Infection Prevention and Control Representative
- Director of Nursing
- Nursing Representatives appointed by Director of Nursing
- Theatre Manager ADOM

- Financial Accountant
- Occupational Health
- Risk Management
- Health & Safety
- Consultant Anaesthetist
- Paediatrics Nominee
- Other specialist clinical/nursing, paramedical users as decided from time to time.
- Hygiene Services / Decontamination as required

4.11.3 Evaluation Procedure

The product evaluation management function is the responsibility of the Purchasing & Supplies. It is not acceptable for a supplier to conduct a trial and then present the results to Purchasing.

Product evaluation request forms will be initiated by the authorised user and submitted to the Purchasing & Supplies Manager. The form must be signed by the Head of Department or Clinical Nurse Manager, or other appropriate senior manager.

For new reusable products, cleaning/reprocessing instructions for the product must be obtained from the supplier and must be compatible with decontamination methods already in use in the Hospital. The instructions must also be approved by the Infection Prevention and Control Team and/or the Manager of the Hospital Sterile Services Department, prior to a product being evaluated.

If a product is identified for evaluation under paragraph 4.11.1 the Purchasing & Supplies will make arrangements for the trial with the Supplier and relevant user(s), and will initiate and issue a Product Evaluation Result Form for completion. (re forms) Requests for product evaluation under paragraph 4.11.1 should be made to the Purchasing & Supplies Manager who will arrange to bring to the attention of the Product Evaluation Group if considered appropriate under Paragraph 4.11.2.

The Purchasing & Supplies Manager will make arrangements to agree the length of the product trial with both users and supplier. Before commencing the evaluation process all existing stocks of product should, where possible, be removed from the area(s) where the evaluation is taking place. At the end of the evaluation exercise

the evaluation forms will be completed and returned to the Purchasing & Supplies Manager, who may present the results and recommendations to the Product Evaluation Group for consideration as deemed appropriate.

If a decision to introduce the new product is taken all existing stocks of product being replaced must be issued and used before introduction of the new item. Any existing supplier contracts, which apply, must be adhered to. Generally the new product may not be introduced until the expiry of existing contract, if any.

Any new hygiene related products would be notified to the Hygiene Services Committee. Supplier representatives who visit areas and offer a product for trial should be directed to the Purchasing & Supplies Department before any undertaking is given to carry out such trial. Under no circumstances should suppliers be requested to supply products for evaluation without prior notification to the Purchasing & Supplies Manager or nominee. Following a decision to introduce a new product, a New Product Approval form must be signed by the Purchasing & Supplies Manager.

4.12. Code of Ethics

4.12.1 General Policy

It is the policy of The NMH to maintain its high reputation for ethical behaviour and transparency and fair dealing in the conduct of its business. In many cases decisions as to what is ethical or fair are clear-cut and will be obvious to any reasonable person. In some situations, however, there may be circumstances where an element of doubt or ambiguity arises. To help in these circumstances and to protect and guide individual employees of the Hospital, it is necessary to have a written code of ethics.

It is not possible to provide for every situation in the code of ethics. If there is doubt about the probity of any particular situation the Purchasing & Supplies Manager or the Financial Controller/ Master/ Secretary & General Manager must be consulted by the individual concerned.

4.12.2 Staff to Whom Applicable

The Code of Ethics applies to all the employees of The NMH and to those contracted by the Hospital and who are engaged in the purchase and evaluation, negotiation,

placement of contracts, and approval of payments for goods or services including those involved in advisory and decision making capacities.

NMH Employees outlined in paragraph 4.12 shall never use their authority of office for personal gain and shall seek to uphold and enhance the reputation of The NMH.

a) Maintaining an unimpeachable standard of integrity in all their business relationships both inside and outside the Hospital.

b) Fostering the highest possible standards of professional competence amongst those for whom they are responsible.

c) Optimising the use of resources for which they are responsible.

4.12.3 Principles of the Code of Ethics:

The guiding principles of the Code of Ethics can be summarised under five headings:

- Disclosure of Interest
- Confidentiality and accuracy of information
- Integrity
- Legality
- Competition

Disclosure of Interest

a) Any personal interest, which may impinge or might reasonably be deemed by others to impinge on a member of staff's impartiality in any matter relevant to his or her duties, should be disclosed.

b) Where a conflict of interest situation could arise for an employee, he/she must desist from dealing with the contract, giving rise to that situation, and may not attempt in any way to influence the Hospitals decision on the matter.

Confidentiality and Accuracy of Information - The confidentiality of information received in the course of duty should be respected and should never be used for personal gain. Information given in the course of duty should be true and fair and never designed to mislead.

Integrity - Each employee of The NMH, including those contracted, are expected to observe the highest standards of honesty and integrity in all business dealings.

The employee must therefore:

a. Refuse bribes, gifts or Hospitality which may affect the ability to make independent judgement, and report any such approaches to the Director of Finance/Director of Operations or the Purchasing & Supplies Manager.

b. Avoid misrepresenting one's position within the Hospital or being ambiguously misleading

c. Reject any business practice, which might reasonably be deemed to be improper

d. Not misuse one's position in the Hospital for personal gain

Legality - In order to ensure that The NMH complies in its business dealings with all National and European Legislation employees are required to:

a. Fulfil all regulatory and supervisory obligations imposed on the Hospital.

b. Co-operate with relevant regulatory and supervisory bodies.

c. Avoid false, inaccurate or miss-leading entries in records.

d. Ensure that all relevant legislation is upheld.

e. Ensure one's actions comply with relevant contractual obligations.

f. Encourage effective and fair competition at all times.

g. Comply with all purchasing and tendering procedures and with prescribed levels of authority for sanctioning any relevant expenditure.

h. Avoid engaging in any illegal or criminal activities.

Competition - While recognising the advantages to the Hospital of staff maintaining a continuing relationship with a supplier, any arrangement, which might in the long term prevent the effective operation of fair competition, should be avoided.

Gifts, Sponsorship and Hospitality - some suppliers may offer gifts, Hospitality or entertainment to named employees with whom they have contact as a result of business dealings.

Gifts - Employees may accept gifts from suppliers, or contractors who have worked for the Hospital, provided the gift is:

- Unsolicited.
- Of very small intrinsic value (e.g. diary, calendar, bottle of wine/spirits, meal vouchers etc)
- Disclosed to that employee's immediate superior.

Sponsorship - Sponsorship requested has to be in the interest of patient care with no positive gain to be had on behalf of the individual seeking the sponsorship. Any such sponsorship must be within Hospital protocols or guidelines. In no other circumstances should any member of The NMH staff, acting in a personal capacity or on behalf of a Department, club, group, society, etc. within the Hospital, solicit or request a donation, gift, support or sponsorship from suppliers or contractors to the Hospital, unless authorised to do so by the Director of Finance/Director of Operations.

Hospitality - Modest Hospitality may be accepted, provided:

- The frequency and scale of Hospitality is not more than the Hospital might be expected to give in return.
- The number of Hospital staff availing of the Hospitality is kept to a minimum.
- Invitations do not include the provision of travel or overnight accommodation and availing of the Hospitality does not identify the Hospital in a public way with any particular supplier or contractor.

When it is not easy to decide between what is and what is not acceptable in terms of gifts/ sponsorship or Hospitality the offer should be declined or advice sought from the Director of Finance/Director of Operations.

Note: Breaches of the Code of Ethics will be regarded as Misconduct and will be dealt with in accordance with the disciplinary code.

4.13 Issuing and Returning of Goods

The following are the procedures for issuing and return of goods to the Purchasing & Supplies Department and Hospital areas to the Suppliers.

4.13.1 Issuing Processes Used

All issues of goods made from the Purchasing & Supplies Department for stock and non-stock items will be made by one of the following methods:

- Issuing of Stock goods on foot of Requisition.
- Issuing of Non-Stock goods requisitioned by user Department and received from suppliers.

4.13.2 Issuing of Stock Items

Requisitions received for stock goods should be emailed to the Stores Department in accordance with scheduled days and times. Stock will be picked and issued to the requesting Department.

Stock goods issued must be signed for receipt by the authorised person receiving the goods.

4.13.3 Issuing of Non-Stock Goods

Non-Stock goods received from Suppliers must be accompanied by a Delivery Note, which is used to enter the receipt on the Purchasing System (See Section 4.9 for Receipt Policy).

Following receipt of non-stock goods, they will be issued to the relevant user Department in accordance with the agreed scheduled days and times. All processes involved in the issue of non-stock goods must comply with all Hospital and Procurement policies and procedures.

Non-Stock Requests

a. All requests for non-stock goods must be submitted, via email to the Purchasing & Supplies Manager, on a non-stock requisition form available on the intranet. Non-stock goods received from Suppliers following issue of a Purchase Order will, following receipting in Goods Inwards as per policy under Section 4.9.4, be issued to user Department.

b. It is The NMH policy to have proper management and consolidation of purchase orders issued to suppliers to ensure all transactions are cost effective. To help achieve this, the aim must be to reduce the number

of orders issued to individual suppliers each week, and to reduce the number of low value orders, therefore requests will be consolidated and issued, or ordered through the Hospital's credit card to such suppliers. Raising Ad Hoc orders for single items should be avoided as much as possible.

Consignment Stock - Consignment stock is a vendor owned inventory management system, where a supplier places and manages agreed levels of stock in designated Departments. The stock is replenished once used, through the placement of a Purchase Order with the supplier and it is only at this stage that the supplier can invoice for payment. Lot numbers of each product are recorded on each Purchase Order for tracking purposes.

4.13.4 Returning Goods from User Departments

It is the responsibility of the Head of Department to ensure that no items of goods or equipment are returned to the Purchasing & Supplies Department without prior notice to, and authorisation from, the Supplies Officer or Purchasing & Supplies Manager.

Heads of Department should arrange with the Supplies Officer, Purchasing & Supplies Department, goods, which have been authorised for return to stores or to a supplier. Under no circumstances may Departments dispatch goods to the stores without the consent in advance of the Supplies Officer.

Heads of Departments will ensure that the details of the goods to be returned are recorded on a Goods Return Docket available from the Supplies Department, and that this document accompanies the goods for receipt in Central Stores.

Where goods have to be returned to a Supplier for credit, replacement or other disposal, the Purchasing & Supplies policy regarding the return must be strictly adhered to. Under no circumstances may goods be returned to a Supplier without an authorised "Goods Returns Note" which must be completed in full. Goods authorised for Return to Supplier must be stored, prior to collection by the Supplier, in an area designated for such goods, which should be separated from stock holding areas.

4.13.5 Transportation of Goods

All goods delivered from the Central Stores to Requisitioning Departments are transported on designated warehouse trolleys.

4.14 Commissioning, Decommissioning and Disposal

4.14.1 Commissioning Equipment

New equipment purchased shall conform to the highest quality standards expected, from reputable manufacturers and shall be installed in a professional manner. The supplier is ultimately responsible for the installation and validation of all equipment purchased.

The Clinical Engineering Department will test all new electro-medical equipment for safety validation, recording on the asset register and labelling with an asset label prior to being delivered to the user Department.

4.14.2 Decommissioning Equipment

All electro-medical equipment that has reached its end of life should be decommissioned by the Clinical Engineering Department. A decommissioning form together with a decontamination form should accompany the relevant piece of equipment. Equipment is removed and placed in the waste marshalling yard.

4.14.3 Disposal of Equipment

All equipment for disposal is placed in the waste marshalling yard and dealt with as per waste management policy, available on QPulse. It is the responsibility of each Head of Department to ensure the correct procedure is followed as per waste management policy when disposing of any Equipment.

5.0 Responsibilities

Responsibility for Receipt of Stock - It is the responsibility of the Supplies Officer in conjunction with the Purchasing & Supplies Manager to ensure that goods are receipted and handled in accordance with policy and that all documentation is properly checked and processed.

The responsibility for requesting both stocked and non-stock items lies with the individual Department as and when required.