

R0948 PAC33

30 November 2021

Ms Éilis Fallon
Committee Secretariat
Committee of Public Accounts
Leinster House
via e-mail only PAC@oireachtas.ie

Ref: S0604 PAC33

Dear Ms Fallon,

Thank you for your letter of 15th November 2021. We wish to assure the Public Accounts Committee that the University takes matters relating to compliance with procurement guidelines seriously. We have taken significant steps to address non-compliance, going from €4.45M of reported non-compliance in 2017/2018 to €2.9M in 2018/2019 and €1.1m in 2019/2020. We are committed to ensuring procurement compliance in the longer term.

We are herewith providing the information that you have requested.

As you note in your letter, in the period 2019/2020, the University incurred expenditure of €1.1m that was found to be non-compliant with procurement guidelines. This procurement activity was in respect of 32 suppliers where the procedures employed did not comply with procurement regulations. Appendix 1 sets out in tabular form the contracts that were non-compliant with procurement guidelines in 2019/2020, the associated expenditure, goods/services, supplier(s) and the reason(s) for the non-compliance.

The table below summarises the actions that the University is taking to address the reported non-compliance:

	Tendered	Tender in progress	Service no longer required	Exemption	Total
No. of Suppliers impacted	8	4	1	4	17
Value	€290k	€109k	€28k	€155k	€580k

The procurement activity with the remaining 15 suppliers falls into two categories:

- Procurement with suppliers that will not recur, therefore putting a contract in place at this juncture would not be appropriate.
- Procurement with suppliers where individual spend is less than the €25K procurement threshold, but the aggregate of spend with the supplier, across a number of contracts, exceeds



the €25K procurement threshold. The University would like to note that in this category the individual procurements were carried out in line with procurement regulations however the aggregate of procurement with the supplier exceeded €25K and, as a result, a different procurement methodology should have been employed.

The University would also like to note additional steps that it has taken to improve its level of compliance with the procurement regulations. These steps have included:

- The Compliance Office is arranging compliance testing in the form of sampling throughout the financial year.
- Procurement policies and procedures are being reviewed and updated to ensure that they are in line with the latest guidelines.
- Investment in IT systems to support the execution of procurement in line with regulations.
- Close engagement with the Office of Government Procurement and the Educational Procurement Service to adopt, and also support the development of, national and sectoral contracts to maximise compliance levels.

Thank you to you and to the Public Accounts Committee for your continued work to enhance and strengthen public accountability.

Should you require additional information, please do not hesitate to contact us.

Yours sincerely,

Professor Ciarán Ó hÓgartaigh
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Uachtarán, OÉ Gaillimh, President, NUI Galway

c.c. Chief Operating Officer, NUI Galway
Head of Compliance, NUI Galway



Appendix 1: Non-Compliant Procurement 2019/2020

Supplier	Value of non-compliance for 2019/20 (excl. VAT)	Goods/ Service/ Works	Reason for Non-Compliance
Translational Testing & Training Laboratoireis Inc Dbá T3 Labs	€76k	Service	The procurement process used was incorrect at the time for a contract of this value.
MAPS LTD	€76k	Service	The contract had expired.
P & J Kennedy Carpentry & Building Services Ltd	€8k	Works	The procurement process used was incorrect at the time for a contract of this value.
John Wiley & Sons Ltd	€21k	Service	The total contract value exceeded the tendered value.
Gentian Consultancy Services Ltd	€8k	Service	The procurement process used was incorrect at the time for a contract of this value.
BIOS IT	€34k	Goods	The procurement process used was incorrect at the time for a contract of this value.
ABCAM (Netherlands) BV	€3k	Goods	This spend is comprised of an aggregation of smaller procurements that exceed €25k when the aggregate spend on the category of product or services is examined over a 12 month period, thus rendering the procurement of the overall service as non-compliant.
Bio-Techne Ltd	€43k	Goods	The procurement process used was incorrect at the time for a contract of this value.
MDPI AG	€8k	Service	This spend is comprised of an aggregation of smaller procurements that exceed €25k when the aggregate spend on the category of product or services is examined over a 12 month period, thus rendering the procurement of the overall service as non-compliant.
Springer Nature	€8k	Service	This spend is comprised of an aggregation of smaller procurements that exceed €25k when the aggregate spend on the category of product or services is examined over a 12 month period, thus rendering the procurement of the overall service as non-compliant.
Henderson Fire & Safety Ltd	€8k	Service	The procurement process used was incorrect at the time for a contract of this value.



The Waterboys Ltd	€36k	Goods	The procurement process used was incorrect at the time for a contract of this value.
Classic Software Manufacturing Ltd	€11k	Service	The total contract value exceeded the tendered value.
Novogene	€36k	Service	The procurement process used was incorrect at the time for a contract of this value.
Wild Island Pictures	€35k	Service	This spend is comprised of an aggregation of smaller procurements that exceed €25k when the aggregate spend on the category of product or services is examined over a 12 month period, thus rendering the procurement of the overall service as non-compliant.
DC Biosciences Ltd	€35k	Service	The procurement process used was incorrect at the time for a contract of this value.
Synecco Ltd	€33k	Service	The procurement process used was incorrect at the time for a contract of this value.
Proviz Ltd	€31k	Service	This spend is comprised of an aggregation of smaller procurements that exceed €25k when the aggregate spend on the category of product or services is examined over a 12 month period, thus rendering the procurement of the overall service as non-compliant.
Airthings AS	€30k	Goods	The total contract value exceeded the tendered value.
PC Specialist Ltd	€28k	Goods	The procurement process used was incorrect at the time for a contract of this value.
Hays Specialist Recruitment	€28k	Service	The contract had expired.
Ethos Ltd T/A Energy-Wise	€28k	Service	The procurement process used was incorrect at the time for a contract of this value.
Student Counsellor A	€27k	Service	The total contract value exceeded the tendered value.
Bigo Creative Ltd	€27k	Service	The procurement process used was incorrect at the time for a contract of this value.
Biomed Central	€27k	Service	This spend is comprised of an aggregation of smaller procurements that exceed €25k when the aggregate spend on the category of product or services is examined over a 12 month period, thus rendering the procurement of the overall service as non-compliant.



Fisabio Foundation Para El Fomento De La Investigacion	€27k	Goods	The procurement process used was incorrect at the time for a contract of this value.
PFH Technology Group	€26k	Service	This spend is comprised of an aggregation of smaller procurements that exceed €25k when the aggregate spend on the category of product or services is examined over a 12 month period, thus rendering the procurement of the overall service as non-compliant.
Student Counsellor B	€26k	Service	The total contract value exceeded the tendered value.
Q4 Public Relations	€26k	Service	The contract had expired.
Student Counsellor C	€25k	Service	The total contract value exceeded the tendered value.
Air Photon	€25k	Goods	The total contract value exceeded the tendered value.
IWA Publishing Ltd	€16k	Service	The procurement process used was incorrect at the time for a contract of this value.