



Department of  
**Finance**  
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**CPD**

Procurement Guidance Note

**PGN 03/09**

(as amended)

# **Procedures and Principles for Application of Threshold Limits as Part of the Gateway Review Process**

Reissued: 31 May 2016



## PROCUREMENT GUIDANCE NOTES

[Northern Ireland Public Procurement Policy \(NIPPP\)](#) was approved by the Northern Ireland Executive in 2002. In approving the policy, the Executive took the decision that legislation was not necessary to ensure that Departments, their Agencies, Non-Departmental Public Bodies and Public Corporations complied with the policy. Instead, it considered that compliance could be achieved by means of administrative direction.

Procurement Guidance Notes (PGNs) are the administrative means by which Departments are advised of procurement policy and best practice developments. They apply to those bodies subject to NIPPP and also provide useful guidance for other public sector bodies.

PGNs are developed by the Central Procurement Directorate (CPD), in consultation with the Centres of Procurement Expertise (CoPEs), and are subject to the approval of the Procurement Board.

Once endorsed by the Procurement Board, they are issued to the Departments for implementation and copied to CoPEs to develop, if necessary, underpinning procedures supporting the implementation of this guidance in their particular sector. PGNs are also published on the [Department of Finance \(DoF\) website](#).

**The following PGN was endorsed by the Procurement Board with effect from 12 November 2009 for use by those bodies subject to NIPPP.**

<b>Revision History</b>	
First issued as a Procurement Guidance Note	12 November 2009
Hyperlinks updated and reissued in new format	28 October 2015
Reissued to reflect the restructuring of the Northern Ireland Government departments	31 May 2016

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### Definition of Terminology

The term **Department** has been used to refer to those bodies subject to Northern Ireland Public Procurement Policy including Departments, Non-Departmental Public Bodies and Public Corporations. A full list of such bodies is available in Annex A of the [Northern Ireland Public Procurement Policy](#).

## 1 PURPOSE

This guidance should be read in conjunction with [PGN 01/09: Procedures and Principles of Best Practice in Programme/Project Management](#). This sets out the *de minimis* for the completion of the Risk Potential Assessments (RPAs) in cases where the Accounting Officer does not make a specific ruling. It also sets the value limit for capital expenditure above which the Gateway Review Process is mandatory.

## 2 BACKGROUND

All programmes and projects are required to complete an RPA which enables predetermined areas of risk to be assessed. This categorises programmes and projects into areas of low, medium or high risk and determines whether they should be subject to a Gateway Review or to an Internal Peer Review (IPR) conducted in line with Gateway principles.

## 3 DETERMINATION OF THRESHOLDS

- 3.1 Departments and organisations may decide on a *de minimis* cut off point below which an RPA may not be required. These limits should be approved by the Accounting Officer in conjunction with the Central Procurement Directorate (CPD) or relevant Centre of Procurement Expertise (CoPE). However, for those cases where Accounting Officers do not make a specific ruling the *de minimis* limit to be applied will be £500,000.
- 3.2 Gateway Reviews shall be mandatory for:
- infrastructure programmes and projects with a capital value of £20 million or more;
  - other programmes and projects with a whole life total central government costs of £20 million

In these cases, the RPA will be used to assess the level of risk.

## 4 ACTION

Departments are asked to ensure that this letter is drawn to the attention of:

- all those responsible for or have a role in programmes and projects;  
and
- those bodies for which Departments are responsible; including agencies, Non-Departmental Public Bodies (NDPBs), Government Companies (GoCos) and Arms Length Bodies (ALBs).

## 5 FURTHER INFORMATION

Any queries on this guide should be addressed to:

Centre of Expertise for Programme/Project Management  
Central Procurement Directorate  
2<sup>nd</sup> Floor East  
Clare House  
303 Airport Road West  
Belfast, BT3 9ED  
Phone: 028 9081 6476  
Email: [coe.cpd@finance-ni.gov.uk](mailto:coe.cpd@finance-ni.gov.uk)