



Chairperson,
Public Accounts Committee,
Leinster House,
Dublin 2.
By email: pac@oireachtas.ie

10 February 2021

Re: SO175 PAC33

Dear Chairperson,

I refer to your correspondence of 2 February regarding the Annual Financial Statements of LOETB for 2019.

I enclose a response to same setting out the elements of non-compliance with procurement guidelines, the context and reasons for non-compliance, and the action taken by LOETB in each case to improve the effectiveness of our procurement practices.

Please do not hesitate to contact me should you require further information.

Yours sincerely,

Joe Cunningham
Chief Executive





Laois and Offaly Education and Training Board
2019 Annual Financial Statements

Non-compliance with procurement rules in respect of Plant and Machinery amounting to €370,792

Context: In 2019 LOETB incurred expenditure of €370,792 in relation to leasing of Plant and Machinery. The Contract was entered into in March 2017 and arose following a review and feasibility study of Plant and Machinery requirements at the National Construction Training Centre, Mount Lucas, Co. Offaly. The review concluded that the Plant and Machinery was out of date, not suitable for training, and should be replaced. Given the pressing need to have the new Plant and Machinery in place for new and existing training programmes and the indicative timeline involved for procurement of this nature, LOETB engaged Holden Plant Rentals to dispose of the old P&M and to supply new equipment on a lease basis. This was in line with the Section 6 (Exceptional Circumstances) of the LOETB Purchasing and Tendering Policy and Procedures.

Action: LOETB issued a Request For Tender in early 2020 and a contract was awarded to the successful tenderer with effect from 1 September 2020 to 31 August 2022, with an option of two 12-month extensions thereafter.

Non-compliance with procurement rules in respect of Stationery amounting to €56,954

Context: A national framework for stationery, put in place by the Office of Government Procurement (OGP), was due to expire on 4 June 2019. The OGP was working on a framework but, unfortunately, were unable to put a new framework in place at that time.

Action: LOETB immediately advised schools and centres to seek three quotations for stationery purchases. LOETB then completed its own tender early in 2020 and a contract was awarded with effect from 1 June 2020 to 31 May 2021, with two 6-month extension options thereafter. LOETB is still awaiting a national framework to be put in place.

Non-compliance with procurement rules in respect of Printed Matter amounting to €125,966

LOETB commenced a procurement process in December 2019 for printed matter and school journals/diaries. A contract for printed matter was awarded with effect from 1 March 2020 to 28 February 2021, with two one-year extension options thereafter. However, the tender process for school journals/diaries was unsuccessful. LOETB went to tender again at the end of 2020 and the evaluation of the tenders took place on 2 February 2021. It is expected that a contract will be in place with the successful tenderer by 28 February 2021.

Non-compliance with procurement rules in respect of Signage amounting to €22,015

Context: LOETB review purchases across the scheme on a quarterly basis. While purchases of Signage complied with tender processes on an individual school/centre basis, as an amalgam across the organisation, it amounted to in excess of €20,000.

Action: LOETB went to tender for the procurement of suppliers of signage and have 3 suppliers in place on a drawdown basis with effect from October 2019.