



CPSMA continues to work on cost saving measures for schools. We have been in discussions with the National Procurement Service (NPS) and the Department of Education and Skills (DES), with a view to effecting savings initially in regard to electricity supplies. Schools can register on line now to get these potential benefits.

The more schools that register for national procurement the greater the potential savings for all.

What is National Procurement?ⁱ

Procurement rules apply to central government departments and bodies under their aegis, including schools. There is a legal obligation therefore on schools to engage in a competitive process for contracts above certain financial thresholds and to award them in accordance with procedures set out in EU Public Procurement Directives. The National Procurement Service (NPS) applies those rules on behalf of schools, government departments etc. and aims to achieve value for money. The Comptroller and Auditor General, in the course of an audit of the government departments, may carry out audits, including audits of grants payable to schools by the DES, to satisfy himself:

- (a) as to whether the amounts expended have been applied by the Department concerned for the purposes for which the appropriation made by the Oireachtas was intended, andⁱⁱ
- (b) whether the transactions recorded in the account conform with the authority under which they purport to have been carried out.ⁱⁱⁱ

What are the relevant financial thresholds and what is the requirement in each case?

EU THRESHOLDS	
Financial Threshold	Requirement
<€1K	BoM must obtain one verbal quote
<€5K	BoM must obtain one written quote
>€5K<€25K	BoM must engage in a formal tender process - minimum 3 quotes by invitation
>€25K<€125K	BoM must advertise on etenders.ie
>€125K	BoM must advertise on etenders.ie and in the Official Journal of European Union (OJEU)

A competitive tendering process should be used for all purchases in excess of €5K (a) where the total value of the goods /services in any one year exceeds or is likely to exceed the amounts outlined and/or (b) in the case of once off purchases in excess of the amounts outlined.

What does registration with NPS mean for your school?

By registering for procurement with NPS, the Board of Management

- 1. Consents to NPS managing a competition to source electricity on its behalf.
- 2. NPS advises that when a Board of Management **registers**, it commits to a contract for a minimum period of one year with the electricity supplier subsequently chosen by NPS.

How does the Board of Management register?

- (1) Log on to 'www.cpsma.ie'
- (2) Go to '[Procurement Registration](#)' located on home page
- (3) Ensure that **all** fields are completed.

Having registered, what happens next?

The NPS, using the information gathered from the registration process will invite energy suppliers to tender for the supply of electricity, as part of a procurement competition.

Having identified an electricity supplier as a result of such a competition, NPS will forward contracts directly to schools by post or e-mail.

How can NPS assist your school now and in the future?

1. NPS can establish a strong bargaining position with potential suppliers, thereby achieving greater savings for individual Boards of Management. The greater the number of schools that register, the greater the potential savings for all.
2. Some schools may currently be on an incorrect tariff. NPS will ascertain whether schools are on the correct tariff. This in itself can potentially result in savings for the Board of Management.
3. Purchasing through NPS ensures that Boards comply with their legal obligation to engage in a competitive process for contracts. [Such an obligation applies, whether contracts are entered into by Boards singly or as part of a group for the purchase of supplies/services.]
4. NPS assists Boards to comply with the implementation of national procurement rules and EU Directives.

What if your school is currently in a contract with an electricity supplier?

Schools, currently in a contract with an electricity supplier, should continue to fulfil the terms of that contract. On the expiration of the contract with the Board's current supplier, it can register with NPS using the procedure set out above. It is presumed that Boards of Management on such contracts adhered to the legal requirements in regard to engaging in a competitive process as already outlined.

What is CPSMA's role in the process?

CPSMA will act as a central contact point for Boards of Management with the NPS and the DES. This will enable the prompt exchange of data and information with suppliers. CPSMA however, will not be a party to any contractual arrangements between the Board and its electricity supplier.

Issues a Board should consider:

The decision as to whether to register with NPS is a matter for each Board of Management and should be considered in the context of:

1. Potential savings for the school
2. The Board's legal obligation to comply with a competitive process whether entering into a contract on its own or as a party to a group scheme for purchasing supplies and/or services
3. Compliance by each Board of Management with national procurement rules and EU Directives.

ⁱ Public procurement policy is informed by European Procurement Directives (2004/18/EC, SI No. 329 of 2006), General Public Sector Directive 89/665/EEC (SI No. 309 of 1994)-the original Remedies Directive, New Remedies Directive 2007/66/EC (the "New Directive") and European Communities (Public Authorities Contracts)(Review Procedures) Regulations 2009 –SI 130 of 2010 (the "Irish Regulations"), SI 151/2011 (Energy Efficient Public Procurement) Regulations 2011.

ⁱⁱ Comptroller and Auditor General (Amendment) Act 1993, Section 3(1)(ii)

ⁱⁱⁱ Comptroller and Auditor General (Amendment) Act 1993, Section 3(1)(iii)