Introduction to Procurement

Digital Planning

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Hi, we are Johnny and Tolu, working at PUBLIC - a specialist advisory firm working with UK and European governments on digital and commercial projects.

We work a lot at the intersection of innovation and procurement, working with public bodies (CCS, MHCLG, DSIT, Cabinet Office and more) to support their commercial functions. We have also helped vendors in the UK to improve how they engage with government.

Johnny was a member of the government's advisory board on the new Procurement Act, and continues to advise the Cabinet Office on its implementation.

Key points to cover today

1. An introduction to the procurement stages
2. Key considerations in the procurement process
3. An overview of routes to market and frameworks
4. Tips for getting the most of your procurements and contracts
5. How the Procurement Act might change things

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The procurement lifecycle

The Sourcing Playbook - the main guidance for procurement teams and buyers - contains the following broad stages and activities. This is supplemented by a number of key policies and procedures that need to be implemented at each stage.

Define	Procure	Manage
Preparation	Publication	Implementation
Planning	Selection	
	Evaluation & Award	

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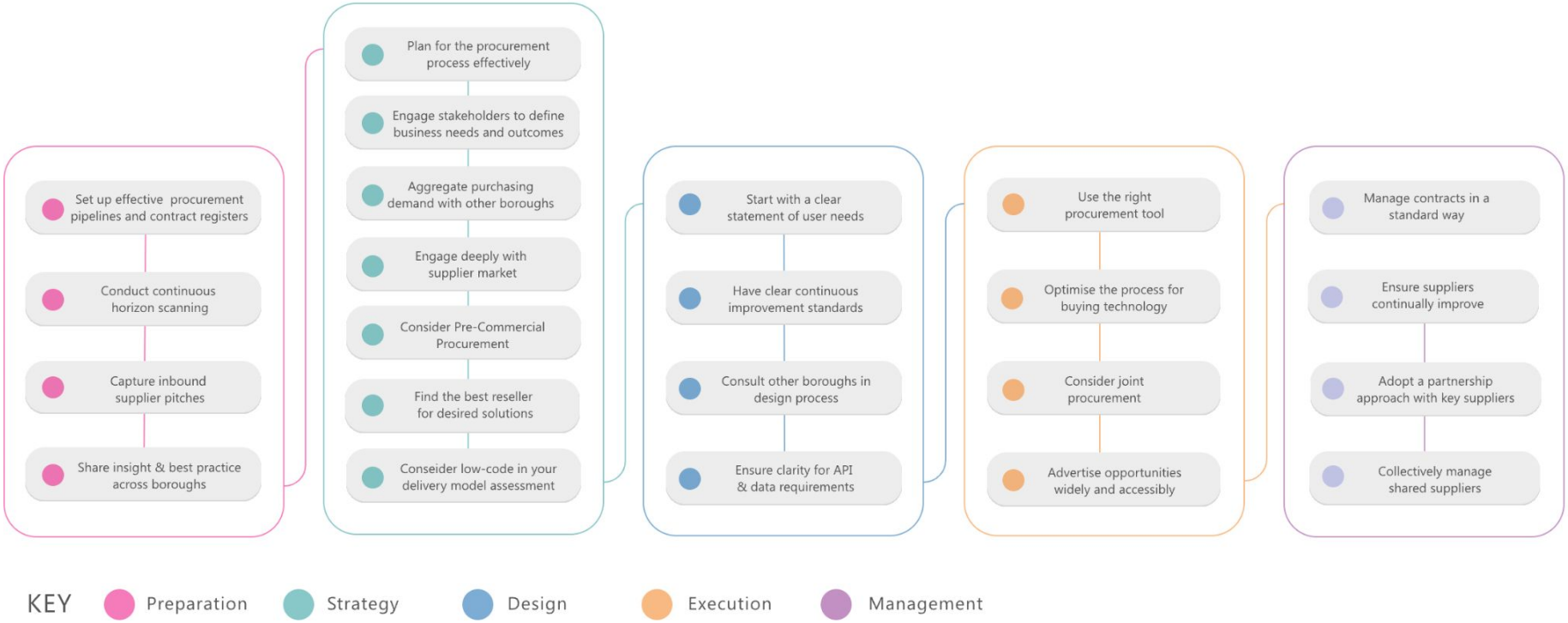
The procurement lifecycle

We have also created a toolkit for procurement teams, in partnership with some London Boroughs and LOTI, which provides additional guidance for buying tech.



A procurement requires lots of considerations

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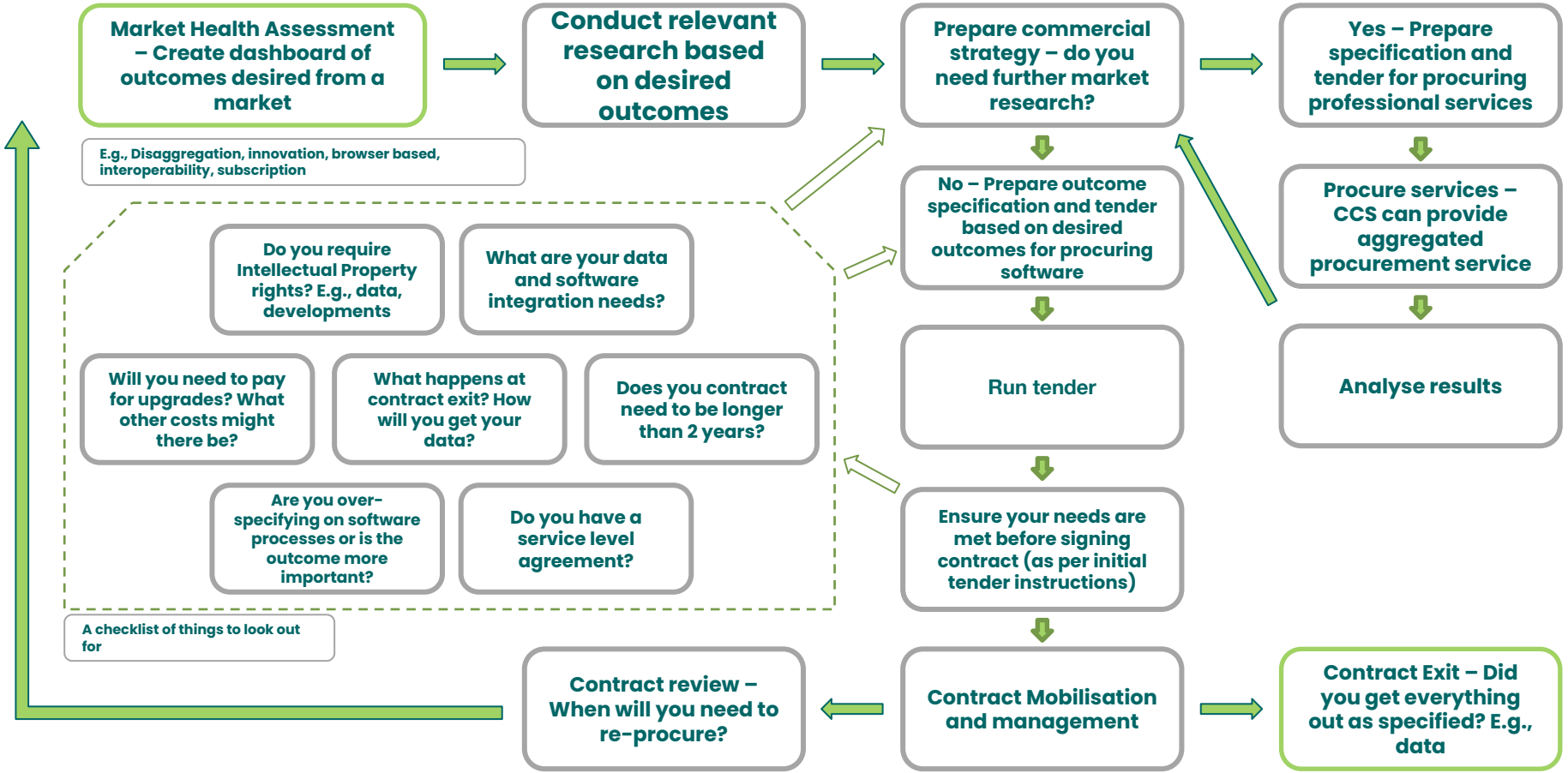

Considering your different procurement routes

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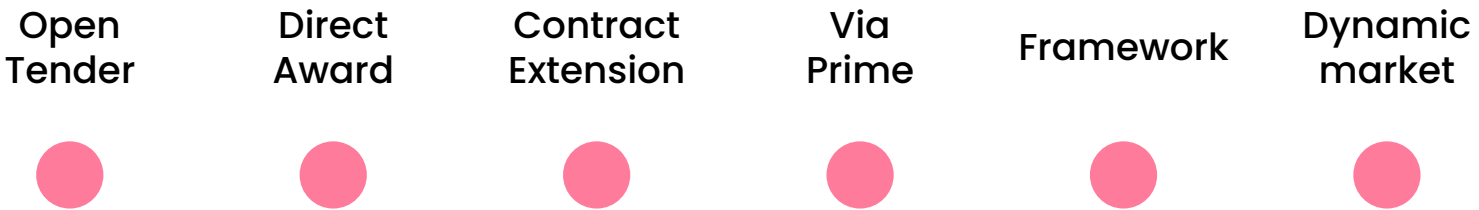

There are a number of digital frameworks available

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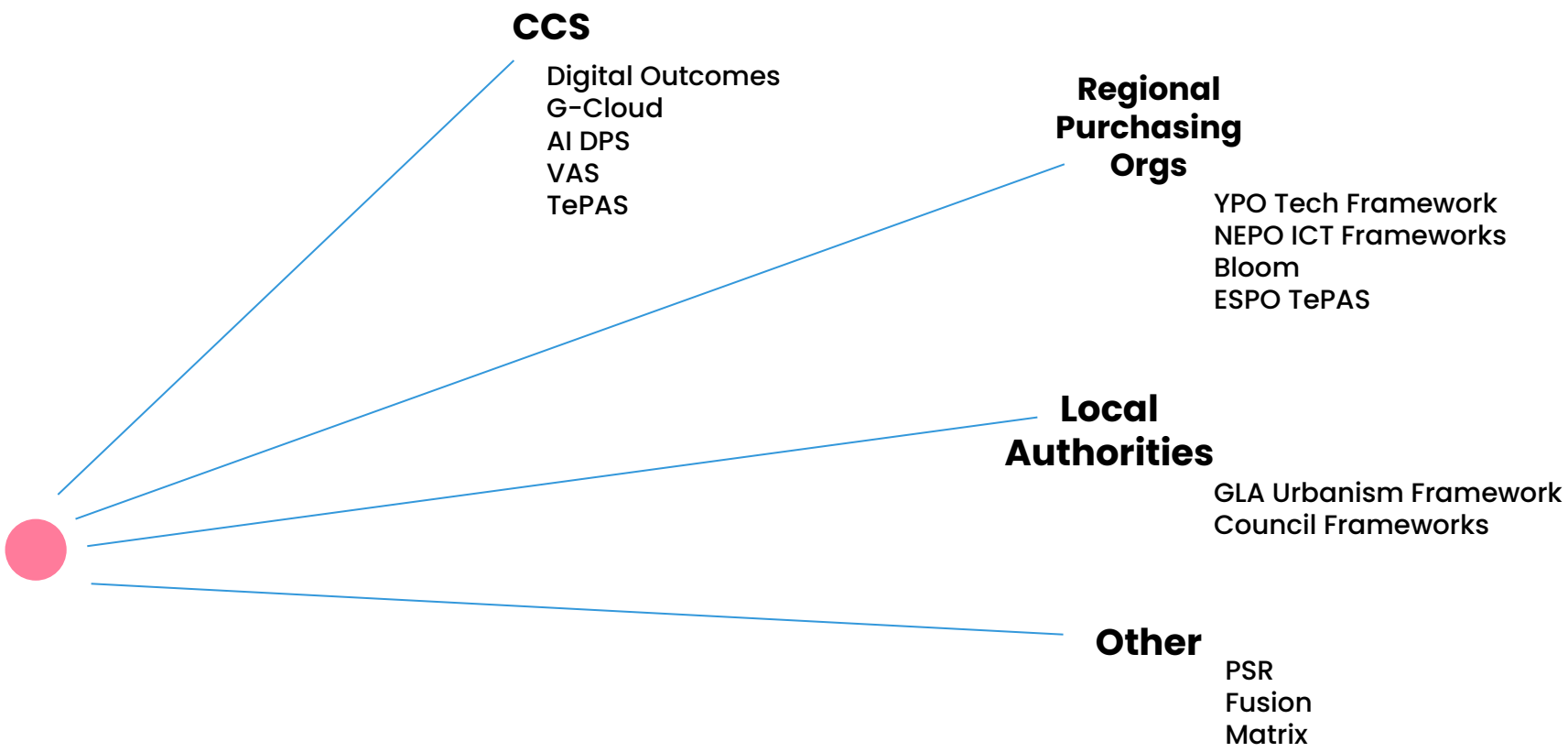

Considerations for maximising value from contracts

Interoperability-by-design. Interoperability is key to 'future-proofing' your systems and enabling additional services to be built around it flexibly.

- *We recommend you utilise the contract terminology created by LOTI on Data Access and API Availability.*
- *We recommend you assess your interoperability requirements fully - our guidance on interoperability can help.*
- *You could an enforcement clause that penalises suppliers for not enabling integration with suppliers.*

Collaborate. Large suppliers will provide better value if demand is aggregated in a clear commercial construct.

- *We recommend that you talk to other authorities who you know are working with the same supplier.*

Unified Performance Standards. There are a range of performance management approaches and standards - see our basic overview here.

- *We recommend establishing common 'best practice' performance standards and KPIs, and co-creating them with suppliers (particularly for standardised cloud-based services, as unrealistic service credit schedules will simply be priced in as 'risk'.*

Embed continuous improvement. Formal continuous improvement clauses can be agreed and embedded, though may increase price. An informal approach enables more flexibility, though is less outcomes oriented. See our guidance on this topic.

- *If formally, we recommend you negotiate a continuous improvement plan, and insert it into the contract.*
- *If informally, we recommend you require an allocation of 'developer days' to prioritise common feature development.*

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The new Procurement Act

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The UK public sector has new procurement rules

So?

The UK Government spends £350-400bn per year on public procurement. It represents about 12% of the UK's GDP. It also governs the entire way many businesses work and interact with government.

Why?

We have adopted these rules because we have moved away from the EU's rules (EU Procurement Directives / UK PCR 2015). But there is (mostly) consensus that this is a politically neutral law, and Brexit has been used as an opportunity to shake something up long overdue.

When?

The new rules have been passed, after about 3 years of drafting, consultation and parliamentary scrutiny.

Changes at a high level

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There is a new Competitive Flexible Procedure

MEAT has become MAT

There are now Open Frameworks and Dynamic Markets

There is a huge new transparency and data push

Authorities have to publish pipelines of future spend

Authorities have to ‘think more about the barriers faced by SMEs’

Key changes across the procurement process

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Pre-procurement

Need to publish one of the new mandatory **Preliminary Market Engagement** notices.

Prior Information Notices are replaced by **Planned Procurement Notices** and remain voluntary

Authorities are able to procure via the open procedure or the new **Competitive Flexible Procedure.**

Tendering

If an Authority decides to cancel a procurement, they will need to publish one of the new **Procurement Termination Notices.**

There is a new **debarment list**, Authorities need to check that bidders are not on the list.

Award

Authorities should provide bidders with an Assessment Summary. Then publish a **Contract Award Notice.** Upon awarding the contract, authorities should publish the new **Contract Details Notice**.

Contract management

Ahead of a relevant contract change, publish a **Contract Change Notice**.

Publish **Contract Performance Notices**, to, for example, flag failures to remedy poor performance.

At contract end, publish a **Contract Termination Notice**

Key planning and proptech frameworks

Framework/DPS	Provider	Example suppliers	Considerations
G-Cloud	CCS	Verna Earth Digital Urban	Direct award only Pricing is fixed to what is advertised 4 year limit to call-offs
Vertical Application Solutions (Lot 3)	CCS	Idox Statmap	Direct award or mini competition. No maximum length for call offs.
Space Enabled and Geospatial Services DPS	CCS	Astun Bluesky International	Mini competition only
Spark DPS	CCS	Commonplace Urban Intelligence	Mini competition only
Architecture + Urbanism	GLA	Rcka	Built environment consultancy