Procurement Policy Note – Published guidance on implementing requirements for greater transparency in central Government procurement and contracting
Information Note 02/11 18 January 2011

#### Issue

- 1. Guidance on publishing all new central government contracts (including ICT) in full from January 2011 is now available for departments, to help them meet the transparency requirements set out by the <a href="Prime Minister">Prime Minister</a> in relation to procurement and contracting. This guidance replaces previous guidance issued by the Cabinet Office Efficiency and Reform Group (ERG) on the publication of new central government ICT contracts from July 2010.
- 2. The <u>practical guidance</u> published by Cabinet Office (ERG) sets out common principles which departments should follow to help ensure consistency of approach across central government in meeting these requirements.
- 3. Where departments are using non-governmental terms and conditions, such as model contracts owned by a third party (for example, NEC, JCT and PPC 2000 model contracts) and protected by copyright owned by that third party, departments should seek advice from the <a href="Transparency in Procurement and Contracting Team">Transparency in Procurement and Contracting Team</a> before publishing.
- 4. The Minister for the Cabinet Office has set a separate requirement with effect from 1<sup>st</sup> January 2011, for departments to publish their estimated and actual procurement timescales (i.e. the time taken from placing the contract advertisement/OJEU notice/ [or other notification of procurement] to contract award) for new procurements with a contract value of above £10,000. Further detail on how to do this can be found in the Cabinet Office (ERG) guidance on publishing tender documents and contracts over £10,000.

## **Publication arrangements:**

5. All new tender documents and contracts (including ICT) over £10,000 should now be published on Contracts Finder. Contracts Finder is the government's single platform providing access to public sector procurement related information and documentation, including the facility to publish both tender and contract documents in a single place. Contracts Finder is now live and can be found at: www.businesslink.gov.uk/ContractsFinder.

- **6.** Departments can also use Contracts Finder to publish all other new (including ICT) contracts awarded between 1st September 2010 and 1st January 2011 to align with the publication of tender documents from September 2010. Details of how to register can be found in the transparency section of the website.
- 7. From January 2011 departments are required to state which contracts have been awarded to a small or medium enterprise (SME). Initially, departments will need to use the "Title of the contract" field in the Contract Award Notice and add the following text to the field, after the existing title text "- awarded to an SME". By the end of March 2011, a dedicated flag will be added to the Contract Award Notice which can be selected if the contract has been awarded to an SME. If departments are calling off a Buying Solutions framework, Buying Solutions will be able to advise whether a contract has been awarded to a SME.

### Dissemination:

**8.** These requirements apply to all central government departments including their agencies, all non-departmental public bodies, NHS bodies and trading funds. Please circulate this Procurement Policy Note (PPN) accordingly within your organisation and any other relevant bodies for which you are responsible, drawing particular attention to those with purchasing and communications roles.

### Contact:

**9.** Enquiries about this paper should be addressed to the <a href="Service Desk">Service Desk</a>.

## **Background:**

- 10. Government has set out the need for greater transparency across its operations to enable the public to hold public bodies and politicians to account. This includes commitments relating to public expenditure, intended to help achieve better value for money.
- 11. The transparency agenda as a whole is being overseen by the Public Sector Transparency Board, which has been established in the Cabinet Office. The Board is chaired by Francis Maude, the Minister for the Cabinet Office. The Board's role will include providing support to departments as they deliver the Government's transparency commitments.
- **12.** The commitments in relation to procurement and contracting include:
  - All new central government ICT contracts to be published online from July 2010.
  - All new central government tender documents for contracts to be published on a single website from September 2010, with this information to be made available to the public free of charge.
  - All new central government contracts to be published in full from January 2011.

Note: A £10,000 threshold has been set for all three commitments.

13. Departments are expected to publish relevant information in full, although redactions are permitted in line with the exemptions provided by the Freedom of Information Act (for example, this may include national security, protection of personal data, commercially sensitive material, amongst other things). Departments should refer to existing guidance on Freedom of Information Act exemptions, which can be found at: <a href="http://www.justice.gov.uk/guidance/foi-">http://www.justice.gov.uk/guidance/foi-</a>

# exemptions-guidance.htm.

**14.** Departments are reminded of their responsibility for meeting this commitment and for completing and returning the <u>monthly reporting template</u>.