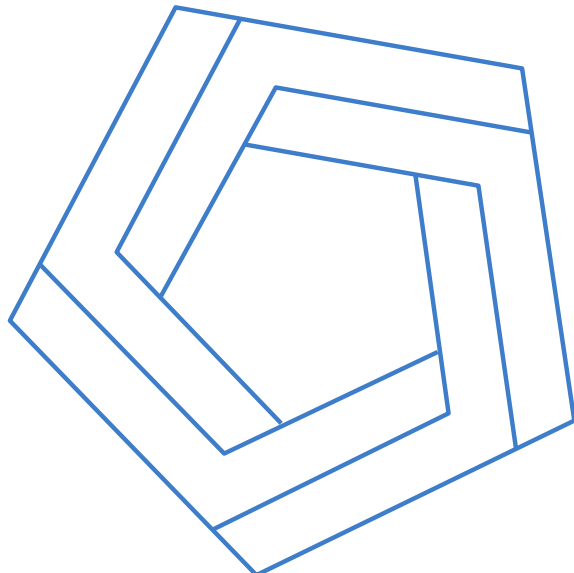
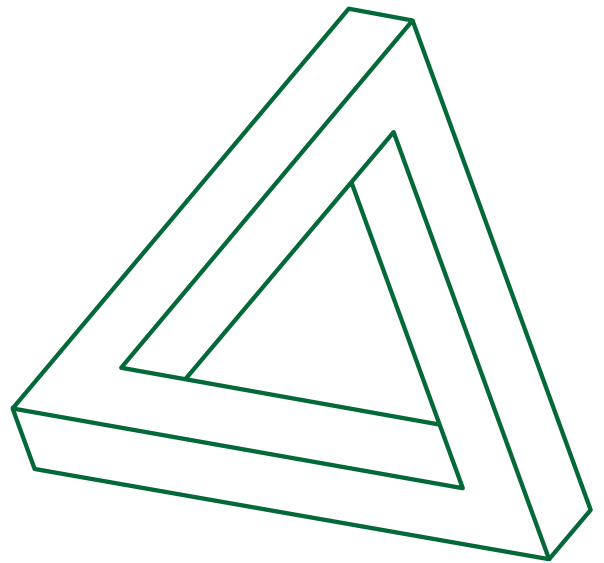




HM Government

Using the Playbook in conjunction with framework agreements

Responsibility for policy
implementation



June 2023



© Crown copyright 2023.

Produced by Cabinet Office.

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

Alternative format versions of this report are available on request from sourcing.programme@cabinetoffice.gov.uk

Designed by Design102.

Policy	Framework provider responsibility	Calling-off contracting authority responsibility
<p>Pipelines</p>	<p>The framework provider must publish the aim to establish a framework within their own departmental pipeline.</p> <p>Joint responsibility.</p>	<p>The calling-off contracting authority must publish the intention to award their calling-off contract within their own departmental pipeline. Depending on the timescales, this can set out the intention to meet the capability gap, rather than a plan to award under a specific framework; a decision which is likely to come later in the process.</p> <p>Joint responsibility.</p>
<p>Market health and capability assessments (MHCA)</p>	<p>The framework provider shall undertake a MHCA before awarding a framework agreement. This should address, for example, the impact of aggregating spend on a particular market as well as the impact of 'locking out' new suppliers for the duration of the framework agreement.</p> <p>Joint responsibility.</p> <hr/> <p>The framework provider should signpost its own market assessment data within any customer guidance provided on use of the framework agreement.</p> <p>Enabler.</p>	<p>Where appropriate, the calling-off contracting authority should carry out an MHCA alongside their delivery model assessment before determining that a framework is the right approach for their requirement. Contracting authorities can use Crown Commercial Service (CCS) market information to support their own MHCAs but this may need to be supplemented.</p> <p>Joint responsibility.</p>
<p>Project Validation Review (PVR)</p>	<p>None.</p> <p>No role.</p>	<p>If relevant, a PVR needs to be done in the very early stages of planning and prior to engaging with the framework provider about using their framework agreement as a route to market.</p> <p>Responsibility.</p>
<p>Delivery model assessment (DMA)</p>	<p>None.</p> <p>No role.</p>	<p>Where appropriate, a DMA should have been carried out by the calling-off contracting authority well in advance of formally approaching the framework provider. The DMA will determine whether any outsourcing is required which then feeds into the procurement strategy which may recommend use of a framework agreement as a route to market.</p> <p>Responsibility.</p>

Policy	Framework provider responsibility	Calling-off contracting authority responsibility
<p>Should Cost Modelling (SCM)</p>	<p>None, although the framework provider may wish to consider developing a SCM when developing framework agreement-level payment mechanisms.</p> <p>No role.</p>	<p>The calling-off contracting authority has responsibility for developing the SCM and using it throughout the procurement lifecycle (e.g. for DMAs, developing evaluation methodologies, confirming affordability and identifying abnormally low tenders).</p> <p>Note: Contracting authorities may use CCS-held data to inform their estimating process, even when they are not using a CCS framework.</p> <p>Responsibility.</p>
	<p>If a centralised purchasing authority (e.g. CCS), the framework provider should be able to provide benchmarking and pricing data to support customers in developing the SCM.</p> <p>Enabler.</p>	
	<p>The framework provider should signpost its own pricing data within any customer guidance provided on use of the framework agreement.</p> <p>Enabler.</p>	
<p>Testing and piloting</p>	<p>The framework provider needs to ensure that the appropriate structure is in place to enable the calling-off contracting authority to implement a pilot. This includes terms and conditions which e.g. enable exit from a pilot or other testing phase.</p> <p>Enabler.</p>	<p>The calling-off contracting authority has responsibility for designing and implementing any testing required as part of their procurement process.</p> <p>Responsibility.</p> <p>They must also check that the framework agreement enables the type of testing they wish to implement and contains the terms and conditions they would wish to use.</p> <p>Obligation to check.</p>

Policy	Framework provider responsibility	Calling-off contracting authority responsibility
KPIs	<p>The framework provider must ensure that the framework agreement includes the terms and conditions that will allow the calling-off contracting authority to both set KPIs and to publish them in accordance with government transparency requirements.</p> <p>Enabler.</p>	<p>The calling-off contracting authority must set and agree the KPIs and determine which are to be published. They should set the service levels and caps appropriate to their contract and are also responsible for performance monitoring and reporting through the life of the contract.</p> <p>Responsibility.</p> <p>If monitoring establishes an issue with performance, the calling-off contracting authority should notify the framework provider.</p> <p>Responsibility.</p> <p>The calling-off contracting authority should ensure that the framework agreement contains the necessary provisions to allow it to fulfil its KPI obligations.</p> <p>Obligation to check.</p>
Risk	<p>The framework provider will identify and allocate risks at framework agreement level, including those common to the specific goods and services under the framework agreement.</p> <p>Joint responsibility.</p>	<p>The calling-off contracting authority must identify and allocate all contract-specific risks and may amend liability clauses if appropriate.</p> <p>Joint responsibility.</p>
Pricing and Payment Mechanisms (PPM)	<p>The framework provider will establish a range of pricing mechanisms that can be used under the framework agreement.</p> <p>Responsibility.</p>	<p>The calling-off contracting authority needs to ensure that the specified mechanisms are appropriate for their risk allocation and incentivisation approach.</p> <p>Obligation to check.</p>

Policy	Framework provider responsibility	Calling-off contracting authority responsibility
Economic and financial standing (EFS)	<p>The framework provider must determine and run the economic and financial standing tests during the framework agreement procurement and include the relevant financial distress clauses. They must take care to select the tests and levels which they believe are appropriate for contracts to be called off under the framework agreement.</p> <p>Responsibility.</p>	<p>The calling-off contracting authority should check that the tests applied at framework agreement selection stage are appropriate and sufficiently robust for their procurement. No different tests may be applied.</p> <p>Obligation to check.</p>
	<p>In the event of new information coming to light on a supplier's economic and financial standing, the framework provider should inform the calling-off contracting authority.</p> <p>Responsibility.</p>	<p>If new information has come to light, the calling-off contracting authority may re-run the same tests applied at framework agreement level.</p> <p>Responsibility.</p>
	<p>Note: Calling-off contracting authorities should be aware that framework providers are unable to continually monitor the economic and financial standing of suppliers on a Dynamic Purchasing System (DPS).</p> <p>Responsibility.</p>	<p>If a framework agreement supplier fails a re-test, the calling-off contracting authority should inform the framework provider.</p> <p>Responsibility.</p>
Resolution planning	<p>If determined that call-off contracts might be critical, the framework agreement needs to enable the calling-off contracting authority to enact the resolution planning process and monitor the supplier's financial standing.</p> <p>Enabler.</p>	<p>The calling-off contracting authority needs to ensure that the framework agreement contains the relevant clauses where they have a critical contract.</p> <p>Obligation to check.</p>
		<p>The calling-off contracting authority must implement the process to agree or amend a service resolution plan and (in conjunction with the Markets, Sourcing and Suppliers team) a corporate resolution plan.</p> <p>Responsibility.</p>
		<p>The calling-off contracting authority needs to monitor the supplier's financial standing regularly through the life of the contract and alert the Markets, Sourcing and Suppliers team to any issues.</p> <p>Responsibility.</p>

