



The Procurement Act 2023

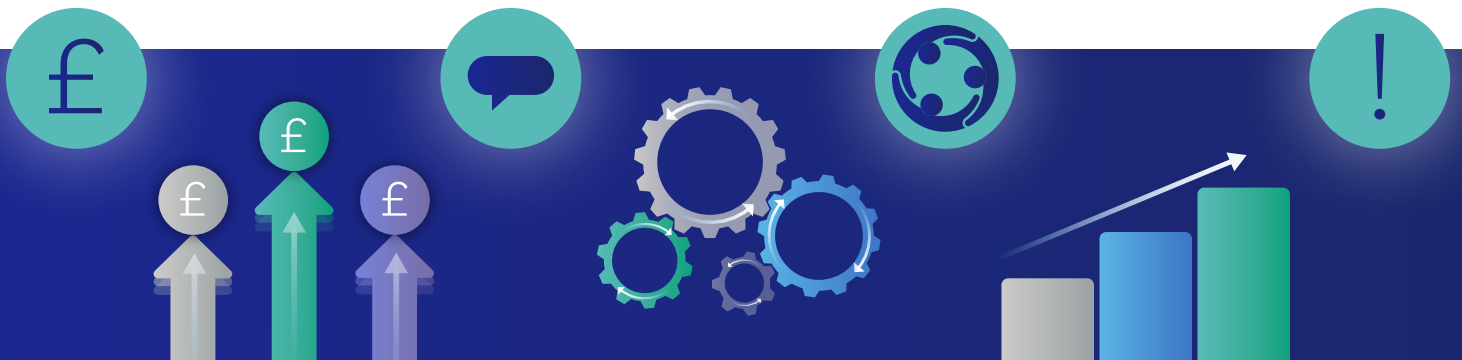
– a short guide for senior leaders

The rules governing public procurement are changing - the new Procurement Act will improve the way procurement is done, so that every pound goes further for our public services.

This transformation of public procurement represents a big change for all public bodies, which between them spend £300bn per year. It will create simpler, more flexible and effective procurement. The Procurement Act brings a range of benefits, including:

- creating a simpler and more flexible commercial system that better meets our country's needs while remaining compliant with our international obligations
- opening up public procurement to new entrants such as small businesses and social enterprises so that they can compete for and win more public contracts. Further details at gov.uk/government/publications/benefits-for-prospective-suppliers-to-the-public-sector
- taking tougher action on underperforming suppliers and excluding suppliers who pose unacceptable risks
- embedding transparency throughout the commercial lifecycle so that the spending of taxpayers' money can be properly scrutinised

We expect the new regime will go live in October 2024, following a notice period of at least 6 months.



The Cabinet Office will be rolling out a comprehensive programme of learning and development for procurement and commercial teams and other staff whose work touches on procurement need to be aware of the changes - including contract managers, finance teams, service commissioners, legal advisers and reporting teams. In order to take full advantage of the new regime, organisations should treat this as an organisational change programme.

We have asked procurement and commercial teams to:

- think about future pipelines of work and which procurements in 12 months+ would benefit from new flexibilities
- review commercial strategies including planning, governance, assurance and resources to enable the implementation of the new regime
- consider who will attend funded training and work with us on operational rollout
- share the aims of reform widely with senior stakeholders and change makers
- help us communicate the changes with suppliers and encourage the market to come with us

There is a great opportunity to make procurement processes better to deliver outcomes for taxpayer - this needs support from budget holders and policy designers. Senior leaders can support the process by encouraging:

- a named individual in their organisation to take responsibility for co-ordinating and championing the change, including within their wider organisational family where appropriate
- early engagement by policy with commercial teams - this is key to delivering innovation and getting the most from the market
- use of the new flexibilities in procurement and champion this change across government and wider public sector - in order for this reform to be effective, we need to drive behavioural change
- commercial teams to take time for the learning and development when available

The Procurement Act has the potential to make a huge difference, and your engagement is essential to the outcomes we all want to see. Make sure your organisation is ready to grasp the opportunity.

The Transforming Public Procurement landing page provides further information about the new regime and the L&D, guidance and support that Cabinet Office is providing. We will continue to add material here, and share resources with our network of interested parties, as we move towards go-live. See [gov.uk/government/collections/transforming-public-procurement](https://www.gov.uk/government/collections/transforming-public-procurement)



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