Procurement Legislation update for the NDA group Supply Chain

The Procurement Bill which will reform existing procurement rules received Royal Assent in October 2023 will apply to all public bodies including the NDA Group:

- Direct Rail Services
- International Nuclear Services
- Nuclear Decommissioning Authority
- Nuclear Restoration Service
- Nuclear Restoration Services Dounreay
- Nuclear Waste Services
- Sellafield Ltd

<u>The Procurement Act 2023</u> is an important piece of legislation, it is hoped it will revolutionise the way we in the NDA Group and the wider public sector buy goods and services offering us the opportunity to realise 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.
- 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 want to make sure our suppliers are aware of these changes and our plans to prepare for go-live.

We expect the new regime to commence in October 2024, and are expecting at least 6 months' advance notice to prepare. The 2015 Public Contracts Regulations (PCRs) will continue to apply for the lifetime of all existing contracts and frameworks awarded under the regime as well as those tenders currently being progressed, provided the tender notice has been issued so the changes will not happen overnight.

For our suppliers, there will be new features which should make it easier to do business with us and the wider public sector:

- A central digital platform 'tell us once' for suppliers to register and store details so that they can be used for multiple bids, and for you to see all opportunities in one place.
- Simplified bidding processes to make it easier to bid, negotiate and work in partnership across the NDA group and the public sector including a new 'competitive flexible' procedure.
- Commercial frameworks will be more flexible, so prospective suppliers are not shut out for long periods of time.

- A new duty on contracting authorities to have regard to the particular barriers facing Small & Medium Enterprises and Voluntary Community and Social Enterprises, and to consider what can be done to overcome them throughout the procurement lifecycle, helping level the playing field for smaller businesses so they can compete for more contracts.
- Strengthened provisions for prompt payment throughout the supply chain enabling SMEs to benefit from 30-day payment terms on a broader range of public sector contracts.
- A stronger exclusions framework will take tougher action on underperforming suppliers.

These changes will drive innovation, deliver better outcomes and embed transparency right through the commercial lifecycle so everyone can access procurement data and see how money is spent.

The Government Commercial College (GCC) is providing a comprehensive training package for procurement practitioners in government departments and public bodies to ensure the benefits of the new regime are quickly realised, and also working with leading business groups and trade associations to make some of this training as well as guidance and support, available for the suppliers.

There is already a range of information and resources about the new regime on the Transforming Public Procurement <u>landing page</u> including a series of <u>'Knowledge Drop' training videos</u> with tailored versions designed specifically for suppliers, including SME and VCSE suppliers.

Materials and further resources will continue to be added, as we move towards go-live.

In the meantime there are actions you can start to take to prepare:

- Familiarise yourself with the Act check out the summary documents and videos on the Transforming Public Procurement <u>landing page</u>, and sign up for regular updates <u>here</u>.
- Discuss the changes with us we are now thinking about our forward pipelines and which procurements might benefit from the new flexible approaches and would be happy to discuss our preparations and timelines with you.
- Familiarise yourself with the supplier and SME dedicated official <u>Knowledge Drops</u> which were published in early December 2023 and provide a high level overview of the changes to the procurement regulations.
- Check out the Transforming Public Procurement <u>landing page</u> for further guidance on procurement reform events taking place and any supplier communications.

To support the preparation and implementation of the new Regulations we have adopted a OneNDA group approach. A Public Reform Board chaired by NDA and a number of subgroups with representatives from each Operating Company have been established.

People and Learning and Development (L&D)

• Working with and through partner organisations across the public sector to support and create an effective, efficient and streamlined means of communication.

Processes and Policies

- Reviewing our commercial strategy including planning, governance, assurance and resources.
- Assessing our commercial lifecycle with an increased emphasis on market engagement and contract management.
- Using our supplier management channels to ensure we have a two-way interaction about the new rules.

Systems

- Familiarising ourselves with the <u>transparency ambition</u> which underpins the Procurement Act 23.
- Working with our e-procurement system (Atamis) sender to understand plans and timetable for getting systems ready.

Transition

- Conducting reviews of our pipelines to identify planned procurement activity.
- Ensuring our contract registers and details are up to date.
- Engaging with suppliers about the new regime [which begins with this communication]

Dedicated information for suppliers, particularly around the Procurement Review Unit and Central Digital Platform will be issued as we approach the 6 months' preparation. In the meantime, if you would like to discuss any aspect of the new Act please contact the dedicated Transforming Public Procurement helpdesk at procurement.reform@cabinetoffice.gov.uk.