

November 2024

The Procurement Act 2023 – a short guide for senior leaders

On 24 February 2025 the rules governing public procurement are changing - the new 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 £385bn per year.

The Procurement Act will bring 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. <u>Further details</u> for suppliers are available on GOV.UK.
- 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.

The Government Commercial Function has rolled out a <u>comprehensive programme of</u> <u>learning and development</u> for people whose work touches on procurement and who 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.

To prepare for the new regime,

procurement and commercial teams have been working closely with the Government Commercial Function to:

- consider future pipelines of work and which procurements, following go-live, would benefit from the new flexibilities.
- review commercial strategies including planning, governance, assurance and resources to enable the implementation of the new regime.
- identify all colleagues who need to access the training and oversee their participation.

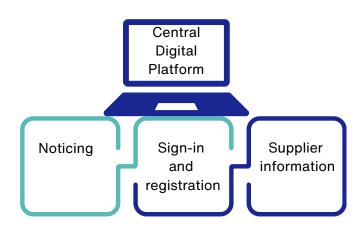
This is a great opportunity to make procurement processes better to deliver outcomes for taxpayers - this needs support from budget holders and policy designers.

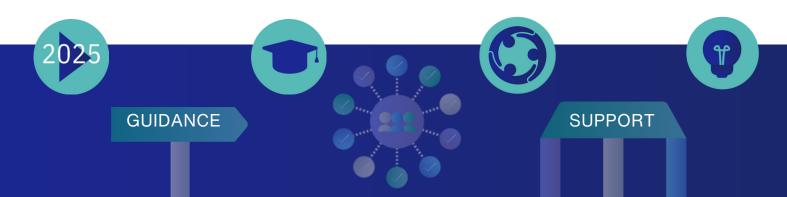
The Procurement Act 2023 also legislates for provision of a central digital platform to facilitate the publishing of required notices and documents in accordance with the new regulations.

The central digital platform will be an enhancement of the existing Find a Tender service and will make it easier to find and bid for contracts, and for buyers to meet their transparency commitments under the Act. It will:

- Feature a simple registration and identification for both suppliers and buyers.
- Store suppliers' core business details that can be used for multiple bids.
- Enable easy management and updating of core information quickly, and shared easily between suppliers, eSenders and buyers.
- Make public procurement opportunities visible making it easier to search at no cost and set up alerts for tenders of interest for suppliers.
- Allow for procurement noticing throughout the procurement lifecycle.
- Capture procurement data and eventually allow creation of dashboards to analyse that data.

The central digital platform (CDP) will be where all UK contracting authorities publish information relating to procurement.





Go-live on 24 February 2025 will mark the beginning of the journey.

Not all the benefits of the new regime will be available from Day 1. However, senior leaders can support the process as we approach go-live and beyond by:

- Checking in, and offering support and encouragement for your commercial and procurement teams who are coordinating the change, and championing their work across the wider organisational family.
- Encouraging early engagement by policy with commercial teams this is key to delivering innovation and getting the most from the market.
- Using the new flexibilities in procurement when appropriate and championing this change across government and wider public sector - in order for this reform to be effective, we need to drive behavioural changes.

The Procurement Act has the potential to make a huge difference.

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, the L&D, guidance and support that Government Commercial Function is providing.

We will continue to add materials, and share resources with our network of interested parties, as we move towards golive. Scan the QR code below or see gov.uk/government/collections/ transforming-public-procurement



Any queries: contact us at

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