



Public Procurement Review Service Progress Report 2023/24

Trends from 6 April 2023 to 5 April 2024

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1. Public Procurement Review Service (PPRS) Highlights

PPRS sits within the Cabinet Office and allows public sector suppliers and potential government suppliers to raise concerns, with the option to remain anonymous, where they believe that there has been poor public sector procurement practice. PPRS also accepts cases raised by suppliers concerning the late payment (i.e. not paid within 30 calendar days or as stated in the contract terms) of valid and undisputed invoices on a public sector contract.

The Progress Report highlights the main trends the service has seen from 6 April 2023 to 5 April 2024. It includes a comparison of procurement issues within the different sectors. It also addresses the outcome of feedback provided from user surveys and has a forward look for the financial year 2024/25.

PPRS received 119 cases in this financial year (plus 12 cases carried forward from the previous year) which represented a 30.8% increase from 91 cases in 2022/23. Over half (57.3%) of the cases were received from new service users. There were 16,850 contract opportunities posted to Contracts Finder during this period.

The top 5 reported issues to PPRS this year were:

- 'Payment'
- 'Evaluation'
- 'Use of framework'
- 'Feedback'
- 'Communication'

PPRS unblocked £3,469,265.75 in late payments in 2023/24 on behalf of suppliers and we continue to maintain a 100% success rate in releasing valid overdue and undisputed invoices. There was a year on year increase in the number of payment cases of 13.6% and a large increase in the value of unblocked payments from £230,000.00 in the previous year. The total amount PPRS has unblocked since the service began is £13.2m.

88.5% of cases were resolved within 2 months of receipt for issues relating to a central government body, or within 3 months of receipt for issues relating to the wider public sector (for example in local government).



2. Background

PPRS is one of a range of measures designed to make government easier to work with, helping suppliers (particularly Small and Medium-sized Enterprises (SMEs) and Voluntary, Community and Social Enterprises (VCSEs), and levelling the playing field for those who want to supply to the Government.

We welcome enquiries from all suppliers who have concerns about the conduct of a procurement process that they have been part of, or which they wish to participate in. An enquiry must relate to a specific procurement. The issue must have taken place in the last two years and concern a procurement process run by an in-scope contracting authority as defined by the Public Contract Regulations 2015 (PCR 2015). We also handle cases concerning the late payment (i.e. not paid within 30 calendar days or as stated in the contract terms) of valid and undisputed invoices on a public sector contract. If the supplier has not followed the correct action, or understood the process, our work would involve providing advice and guidance rather than a recommendation to the contracting authority.

We work with central government departments (CG) and wider public sector (WPS) to help them understand concerns raised and to highlight best practice. Serious or persistent issues are escalated within contracting authorities and can be raised with the Small Business Crown Representative in addition to our investigations.

In some cases, our work leads to live procurements being adjusted. In other cases, we ensure that lessons are learned, leading to improvements in the way government sources future goods and services and ensuring suppliers are paid in accordance with Prompt Payment Policy. The majority of our cases are summarised and published¹ naming the contracting authorities whilst businesses that reported the cases remain anonymous.

It should be noted that trends are based on the type of complaint that has been investigated at the closure stage and does not always indicate that an incorrect procurement process has been identified.

Our scope and remit can be viewed on GOV.UK².

¹ Publication wording is published once agreed with the contracting authority. Where multiple complaints are received simultaneously we publish a joint summary of our findings. In the interest of transparency the supplier has sight of the wording prior to publication.

²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/773861/Public_Procurement_Review_Service_Scope_and_Remmit_v1.1.pdf



3. Promoting PPRS

It is our aim that all suppliers and potential suppliers are aware of the service we offer and how we will operate within the new Procurement Review Unit.

In terms of existing communications, PPRS is advertised online on Contracts Finder³ which allows suppliers to search for information about public sector opportunities. Contracts Finder published 60,584 award notices in 2023/24. PPRS is also advertised on Find a Tender⁴ service that allows organisations to search and apply for high value contracts (usually above £118,000) in the UK's public and utilities sectors. Find a Tender service published 20,589 award notices in 2023/24. PPRS is also promoted on the SME Hub⁵ on GOV.UK and the Service is referenced within the commercial playbooks.

We have a promotional video on the GCF YouTube channel that has been shared with key stakeholders, along with a brochure that outlines our processes and trends. We continue to promote our marketing material through the Cabinet Office's SME Panel and Crown Representatives.

We also continue to work with the Small Business Commissioner, similar services in the Devolved Administrations⁶ and the VSCE Crown Representative to identify trends and share experience of best practices. Additionally, we have engaged with the new SME Crown Representative.

We are working closely with colleagues across the new Procurement Review Unit, to raise awareness of the new and existing services, and to ensure our services are accessible.

³ <https://www.gov.uk/contracts-finder>

⁴ <https://www.gov.uk/find-tender>

⁵ <https://www.gov.uk/guidance/small-and-medium-business-hub>

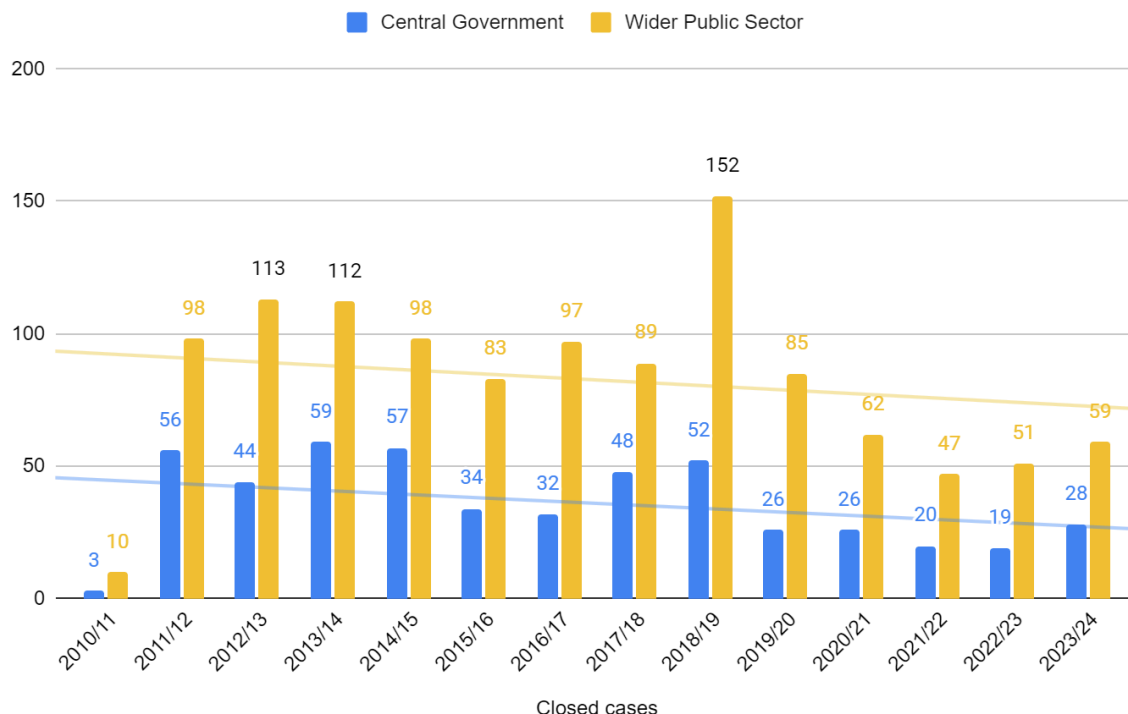
⁶ Other services exist in: Northern Ireland - CPD Charter: <https://www.finance-ni.gov.uk/publications/cpd-supplier-charter/> / Scotland - Single Point of Enquiry: <http://www.gov.scot/Topics/Government/Procurement/Selling/supplier-enquiries> / Wales - Supplier Feedback Service: <https://gov.wales/topics/improving-services/bettervfm/supplier-feedback-service/?lang=en>



4. Cases Received and Sectors Involved

In the reporting year ended 5 April 2024, 119 new cases were received and a further 12 cases were carried forward from the previous year. This report focuses on the trends for the 87 cases handled through to closure; the remaining cases were either collapsed or rejected once further information was received. Cases are rejected if new evidence is identified that the complaint raised falls outside our scope and remit, we collapse cases if we lose contact with a supplier, they request to withdraw from the service, or they request to work directly with the contracting authority. 21 cases were carried forward to 2024/25.

Chart 1: Sectors we have received concerns about since the service started (closed only):



The number of complaints received for CG has increased from 19 cases in 2022/23 to 28 cases in 2023/24. There has been an increase in the number of cases received for WPS, from 51 cases in 2022/23 to 59 in 2023/24.

Although there has been an increase this year compared with recent years, case numbers continue at a historically low rate. The generally low rate is most likely due to the public sector buyers' familiarity with the current regulations.



Non-case Enquiries

PPRS continually reviews its processes and identifies areas for improvement. We track enquiries received to understand the volume that does not transpire to a full case. Often these are of a general nature seeking further information, or enquiries that could be handled directly by contracting authorities without the need to establish a case. We handled 156 enquiries to 5 April 2024, compared to 139 enquiries handled by the same point the previous year. We have also classified the nature of the enquiry to see if there are any further trends to support our ongoing spot check programme. 93 enquiries were not related to procurement processes and were signposted appropriately. 15 enquiries were outside our scope and remit, 43 did not respond to our requests for further information needed to establish a case, and 5 were referred to the Devolved Administrations. The remainder were answered by PPRS.



5. Main Issues Raised

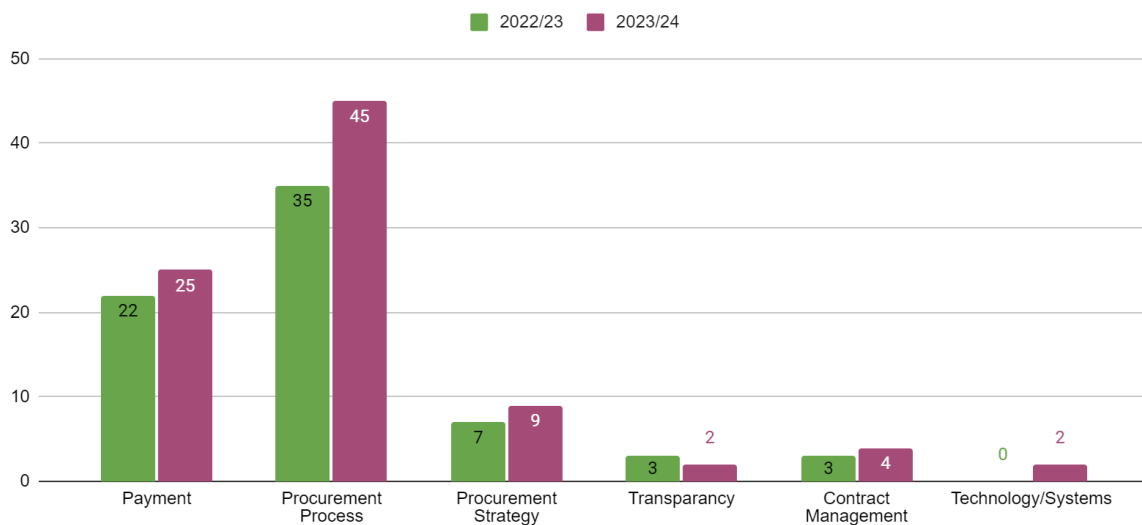
High Level Classification

We classify enquiries by the overarching nature of the issue. The types of concerns we investigate are categorised at the closure stage of the investigation. These fall under 7 categories:

- Procurement Strategy (the approach to achieving what the contracting authority requires from the procurement)
- Procurement Process (issues relating to the submission or evaluation of tenders),
- Late Payment,
- Transparency (where the process was not clear)
- Technology/Systems (e.g. broken links or issues with eTendering Portals)
- Contract Management (problems at any stage of the contract management process)
- Bureaucracy of the Process (procurement red tape)

This high level classification enables us to produce and analyse trends around the main issues received.

Chart 2: Types of Issues raised - High Level - 2023/24 comparison against previous year:



In 2023/24 there was an increase in 'Payment' cases to 25 cases (28.7% of all cases) compared to 2022/23 where 'Payment' cases accounted for 22 cases (31.4%).

PPRS routinely reminds contracting authorities of their obligations under the Prompt Payment Policy and the PCR 2015 regulation 113⁷.

⁷<http://www.legislation.gov.uk/ukssi/2015/102/regulation/113/made>



‘Procurement Process’- still represents half of cases this year after an increase in cases from 35 in 2022/23 (50%) to 45 in 2023/24 (51.7%).

‘Procurement Strategy’ - there has been a slight increase in cases from seven cases in 2022/23 (10%) to 9 cases in 2023/24 (10.3%).

‘Transparency’ - there was a slight decrease in cases from three (4.3%) in 2022/23 to two in 2023/24 (2.3%).

‘Contract Management’ - there was a slight increase in cases from three cases (4.3%) in 2022/23 to four cases (4.6%) in 2023/24.

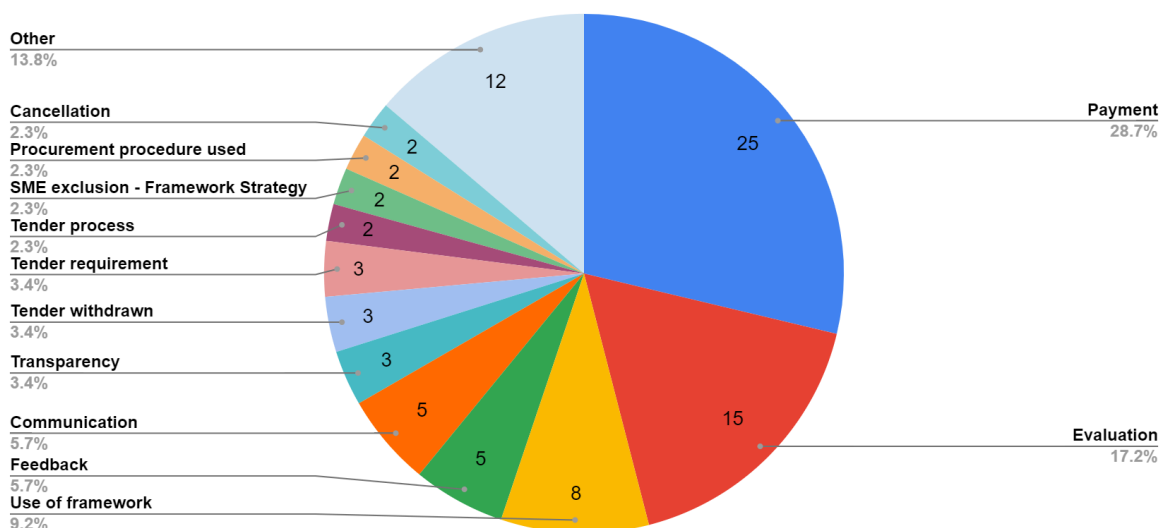
‘Technology/Systems’ - there were two cases (2.3%) in 2023/24 where there were zero in 2022/23.

There were zero cases classified as ‘Bureaucracy of the Process’.

Sub Level Classification

Closed cases are further classified to provide a more granular level of detail to enable us to identify and analyse trends. Within this report we have grouped issues where a single case has been received as ‘Other’.

Chart 3: Types of Issues raised - Sub Level 2023/24





Late payment accounted for more than a quarter (28.7%) of all issues reported to PPRS this year with 25 cases, compared to just under a third, 22 cases (31.4%), of all cases the previous year. Two payment cases were not upheld.

The next highest sub-issues are classified as follows:

- 'Evaluation' 15 cases, 17.2%, with three complaints upheld.
- 'Use of framework' eight cases, 9.2%, with two complaints upheld.
- 'Feedback' five cases, 5.7%, with four complaints upheld.
- 'Communication' five cases, 5.7%, with two complaints upheld.

The concerns recorded under 'Other' include: 'Technical issue with e-portal', SME exclusion - Financial requirement', SME exclusion', Pricing Mechanism', Out of scope extension', Flowdown of terms', Conflict of Interest', Competition', Competition', Change of scope', Award', Advertisement', and 'Abnormally low bid'.



6. Top Issues and Action

The main areas of complaints received against contracting authorities are outlined in the table below. 'Upheld' represents cases where we have made recommendations for change in the contracting authority's process and provided signposting to published guidance. 'Not upheld' refers to cases where the contracting authority has followed the correct procedure and we were able to educate suppliers. There was an increase in the number of complaints acknowledged by contracting authorities where they acknowledged improvements could be made in the future.

MAIN TRENDS		
Issue	Context	Action
<p>'Payment'</p> <p>25 cases raised</p> <p>CG two cases (all upheld); WPS - 23 cases (all upheld)</p> <p>(payment complaints are closed at the point where the supplier receives payment)</p>	<p>All of the cases concerned non-payment of valid and undisputed invoices.</p> <p>Where public sector invoices are not paid within 30 days and are not disputed, interest becomes liable as set out in the Late Payment of Commercial Debts (Interest) Act 1998. In addition, under the PCR 2015, public sector buyers must publish the amount of interest paid to suppliers due to late payment. Payment policy PCR 2015 regulation 113.</p> <p>https://www.gov.uk/guidance/prompt-payment-policy</p>	<p>We unblocked £3,469,265.75 in late payments on behalf of suppliers.</p> <p>We remind contracting authorities of their obligations under the PCR 2015⁸, including PPN 02/20⁹ and PPN 04/20¹⁰ that sets out information and guidance for public bodies on payment of their suppliers to ensure service continuity during the coronavirus outbreak.</p>

⁸<http://www.legislation.gov.uk/uksi/2015/102/regulation/113/made>

⁹<https://www.gov.uk/government/publications/procurement-policy-note-0220-supplier-relief-due-to-covid-19>

¹⁰<https://www.gov.uk/government/publications/procurement-policy-note-0420-recovery-and-transition-from-covid-19>



<p>'Evaluation'</p> <p>15 cases raised</p> <p>CG - three cases (one upheld)</p> <p>WPS - 12 cases (two upheld)</p>	<p>Concerns were raised on how the evaluation process was run, including the evaluation criteria and potential conflicts of interest within the evaluation panel.</p>	<p>For the majority of cases, where complaints were not upheld, PPRS was able to confirm a fair and transparent process had been followed that aligned with the advertised opportunity.</p> <p>Where complaints were upheld, PPRS recommended that contracting authorities provide clear guidance on the way in which answers will be evaluated, to ensure all opportunities meet the PCR 2015 regulation¹⁸, Principles of Procurement¹¹.</p> <p>Where improvements could be made in the future PPRS recommended that the Authority should consider the Sourcing Playbook¹² when planning future evaluations to achieve maximum effectiveness when calculating the most economically advantageous tender and delivering the best price to quality ratio and test before implementation.</p> <p>PPRS also followed-up with the Authority as appropriate to review the implementation of this recommendation.</p>
<p>'Use of framework'</p> <p>Eight cases:</p> <p>CG - seven cases (two upheld)</p> <p>WPS - one case</p>	<p>Suppliers were concerned that frameworks were being used for procurements that were out of the scope of that framework or lot.</p>	<p>Where the complaint was not upheld we were able to assure the supplier that the procurement was in scope.</p> <p>Where complaints were upheld, we advised the customer to consult with the framework authority to ensure</p>

¹¹<https://www.legislation.gov.uk/uksi/2015/102/regulation/18/made#:~:text=18..or%20of%20artificially%20narrowing%20competition>

¹²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/987353/The_Sourcing_Playbook.pdf and Bid Evaluation Guidance

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/987130/Bid_evaluation_guidance_note_May_2021.pdf



(not upheld)		framework procurements would be in scope going forward.
<p>'Feedback'</p> <p>Five cases: CG - three cases (all upheld) WPS - two cases (one upheld)</p>	<p>Suppliers were concerned with either a lack of feedback after submitting a tender, or that the feedback was low quality.</p>	<p>High quality feedback is essential to maintaining transparency, and ensuring that unsuccessful suppliers remain engaged with the public sector market.</p> <p>It also ensures suppliers can improve their tenders over time.</p> <p>In the majority of cases, these complaints were upheld, and best practice guidance was given to customer authorities.</p>
<p>'Communication'</p> <p>Five cases: CG - four cases (two upheld) WPS - one case (not upheld)</p>	<p>Suppliers were concerned about a lack of transparency in public sector procurements, and that communication was either late or not clear enough.</p>	<p>In most cases, customers had met their transparency requirements and we helped the supplier to understand the obligations of customer authorities.</p> <p>In the upheld cases, we were able to encourage customer authorities to improve their supplier communications.</p>



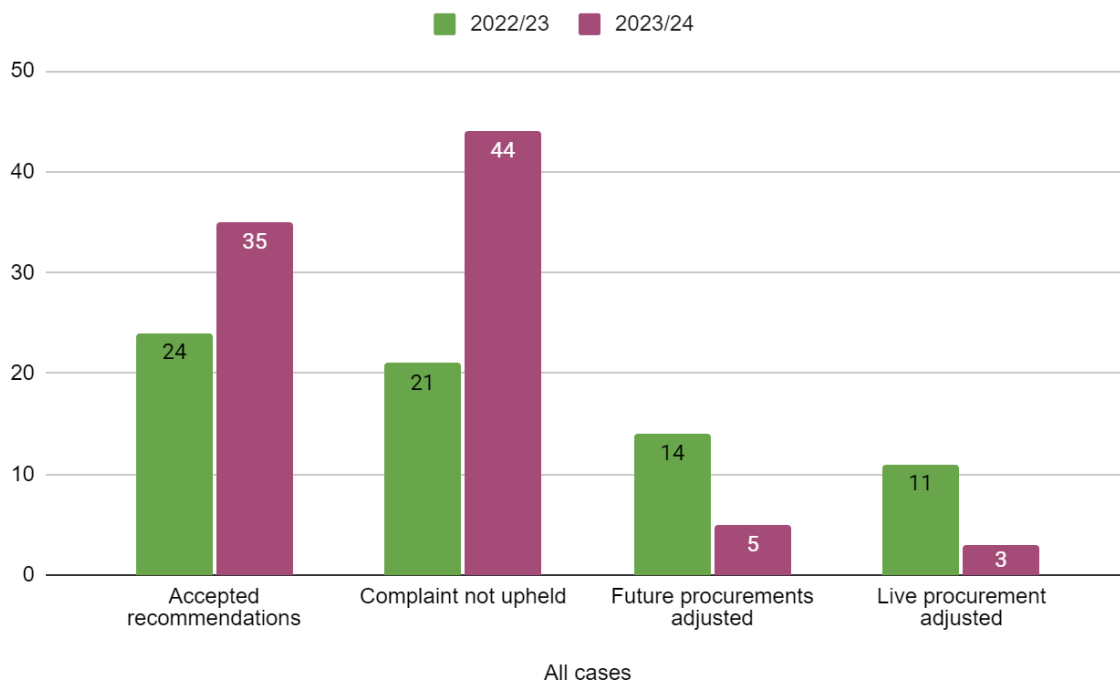
7. Case Outcomes

We make recommendations to the contracting authority on how to remedy the specific issue raised. If we consider that the issues raised might have wider applicability to general public procurement practice, we work with policy colleagues in the Cabinet Office to issue general guidance to all public bodies, for example through a PPN. This year, the majority of cases have seen us direct people to existing guidance rather than driving new policy.

Serious or persistent issues are escalated within contracting authorities and can be raised with the SME Crown Representative in addition to our investigations.

Working at pace resulted in changes being made to three live procurements. We handled 44 cases where the correct procedure had been followed by the contracting authority and were able to offer advice to the supplier to help them understand what had happened and why. This represented an increase from 21 cases the previous year.

Chart 4: Outcome of closed cases - 2023/24 comparison against previous year



Collapsed and rejected cases

Out of 110 cases managed, eight cases were rejected and 15 cases were collapsed. This compared to 17 cases (seven rejected, 10 collapsed) in the previous year. Cases are rejected if new evidence is identified that the complaint raised falls outside our scope and remit. We collapse cases if we lose contact with a supplier, they request to withdraw from the service, or they request to work directly with the contracting authority.



8. Service Satisfaction Surveys

We aim to handle CG cases within 60 days and WPS cases within 90 days. In 2023/24 88.5% of cases were managed through to conclusion within this service level agreement (SLA).

Feedback surveys are sent directly to suppliers and contracting authorities following case closure. Feedback from suppliers has shown that we have a positive impact on public sector procurement by recommending changes in contracting authorities' procurement activities.

Supplier Feedback

A total of 72 surveys have been sent to suppliers. We had 34 responses, giving a 47.2% response rate, up from 45.1% the previous year.

- 97.1% agreed it was easy to find information on PPRS, which has increased from 78.3% the previous year,
- 94.1% agreed the process and outcome was explained, which has increased from 91.3% the previous year,
- 90.9% were satisfied with the service provided, which has remained the same as the previous year,
- 97.1% would use the service again, which has increased from 91.2% the previous year, and
- 91.2% would recommend the PPRS to others, which has increased from 79.3% the previous year.

Contracting Authority Feedback

A total of 60 surveys have been sent to contracting authorities that have been contacted by PPRS and we have received 20 responses giving a response rate of 33.3%, a slight increase from 31.3% the previous year.

- 100% agreed the process and case outcome was explained, which has remained the same as the previous year,
- 90% agreed that the advice received and recommendations were useful, which has increased from 80% the previous year, and
- 95% agreed that PPRS is a helpful route to question procurement practice, which has decreased from 100% the previous year.

Actions in response to Feedback

We rely on the surveys to give us information to help improve the service we provide going forward. We received a lot of positive feedback from both suppliers and contracting authorities, some of the comments include:



Cabinet Office

- “The service was extremely professional, prompt and thorough. It was also hugely appreciated - as a freelancer it is almost impossible to hold local authorities accountable for payment issues!”
- “Good communication and updates. Achieved the best outcome. Thank you.”
- “Very quick to step in to help us with a challenge within a live procurement.”
- “What you did well: Your intervention successfully resulted in a change to the Local Authority's method of structuring their tender evaluation method statements across two Lots, resulting in a fairer process for all bidders.”
- “The advice was clear and concise and explained the outcome fully.”

In terms of making improvements to the service we have taken on the constructive feedback received below:

You Said	Our response
<i>“Area for Improvement: The information provided online for the service gives a telephone number, but this goes through to colleagues in a different department.”</i>	We will review our existing web site and look to correct any out of date contact information.
<i>“The only thing I wasn't impressed with is that... a link with regards to SMEs pointed here: https://single-market-economy.ec.europa.eu/smes/sme-fundamentals/sme-definiton_en Shouldn't the fact that we've left the EU be reflected in your working practices?”</i>	In the future, we will direct suppliers to UK Government definitions of SMEs, such as that found in the SME Action Plan: https://assets.publishing.service.gov.uk/media/6731e5cff8ac0a8bd93d138a/Supplementary_Guidance_-_Defining_Small_and_Medium_Sized_Enterprises_FINAL.pdf
<i>“You addressed the specific case, but not the recurring problem”</i>	The new Procurement Review Unit will have the scope to address recurring procurement issues.
<i>“We submitted a very detailed critique of the procurement process and were a little disappointed that all the issues were not interrogated by the service and findings made on each point as we think it is in the detail where authorities will learn from their mistakes. We could not immediately find a published report in</i>	PPRS has started holding kick-off meetings with suppliers where the scope of the review is agreed explicitly. This should ensure suppliers are satisfied with the scope of our review, and will understand if any of the elements they have raised fall outside of PPRS's powers.



relation to the finding and we think it is really important that findings are published so that authorities can be challenged by the findings by their publics.”



9. Forward Look for 2024/25

The service is continually evolving to reflect Government policy aims in procurement. Cases vary and can range from the structure of the procurement to the tender process and late payment of suppliers. We will adapt the service outputs in line with policy, feedback, trends and issues.

The new Procurement Review Unit (PRU) will go live in February 2025 to support implementation of the Procurement Act 2023. The existing functions of the PPRS are to continue, with the PPRS being included into the new PRU.

During Q4 2024/25 PPRS will align with the new PRU, and support its launch and operation.

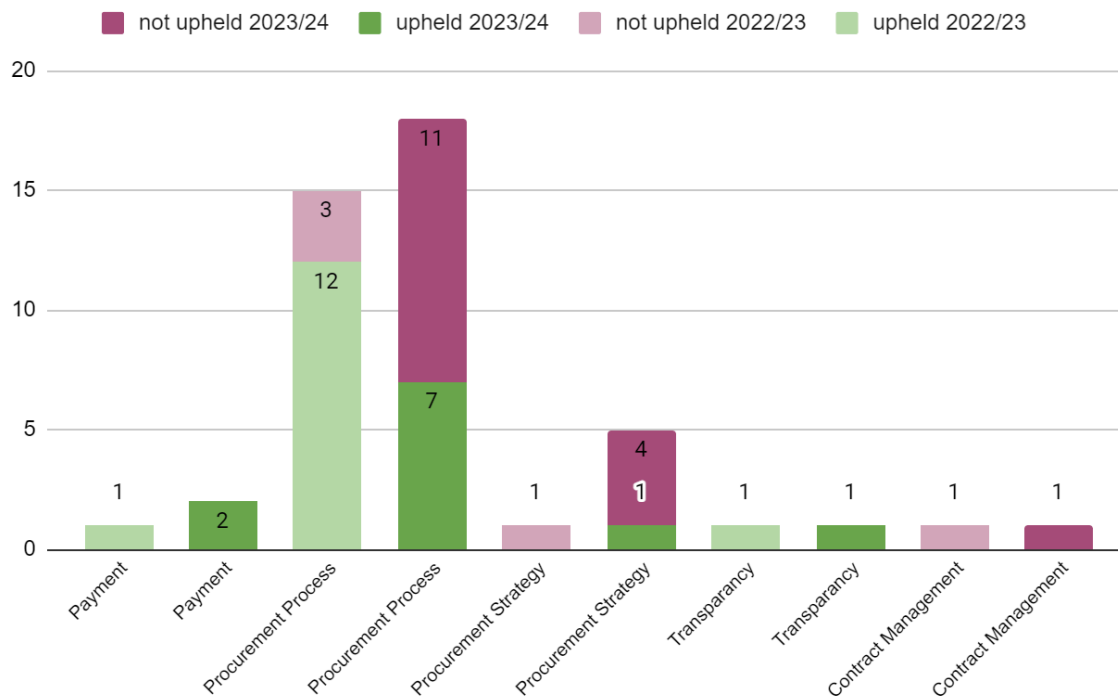
Our priorities for 2024/25 include:

- Ensure our staff are fully familiar with the new Procurement Act through training and development
- Support suppliers to understand the new Procurement Review Unit and its services.
- Providing an active feedback loop to suppliers and customer authorities to accelerate the adoption of the new Procurement Act once it goes live:
 - Continue to work with suppliers through the transition to ensure that their concerns are heard and responded to.
 - Continue to work with contracting authorities through the transition to ensure that recommendations are taken forward in future procurements.
 - Continue to work with teams across the GCF to feedback on the issues that are raised to improve commercial capability.
 - Share the lessons learned from our reviews more widely in order to increase the quality of public sector procurements.



Annex A - Main Trends for Central Government

Chart 5: Issues investigated with CG - High Level - 2023/24 comparison against previous year



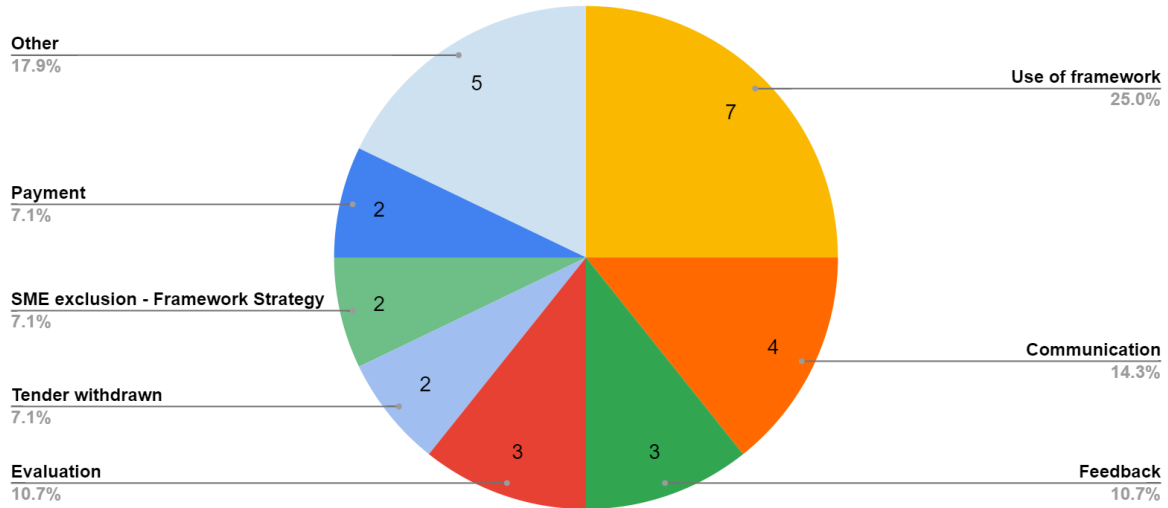
We investigated 28 cases classified as CG in 2023/24, an increase from 19 the previous year. Cases classified as ‘Procurement Process’ had the highest number of complaints with 18 cases, an increase from 15 the previous year, 7 complaints were upheld, which is a decrease from 12 cases upheld in 2022/23. Cases categorised under ‘Procurement Strategy’ significantly increased in this sector this year, accounting for five cases, where one was upheld, compared to a single case that was not upheld in the previous year.

The Sourcing Playbook¹³ was designed to improve how the government works with industry and deliver better public services; the latest version includes a chapter specifically focussing on building and maintaining successful relationships with suppliers. They have worked closely with CG departments to upskill and share best practice throughout the commercial life cycle.

¹³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/987353/The_Sourcing_Playbook.pdf



Chart 6: Issues investigated with CG - Sub Level - 2023/24



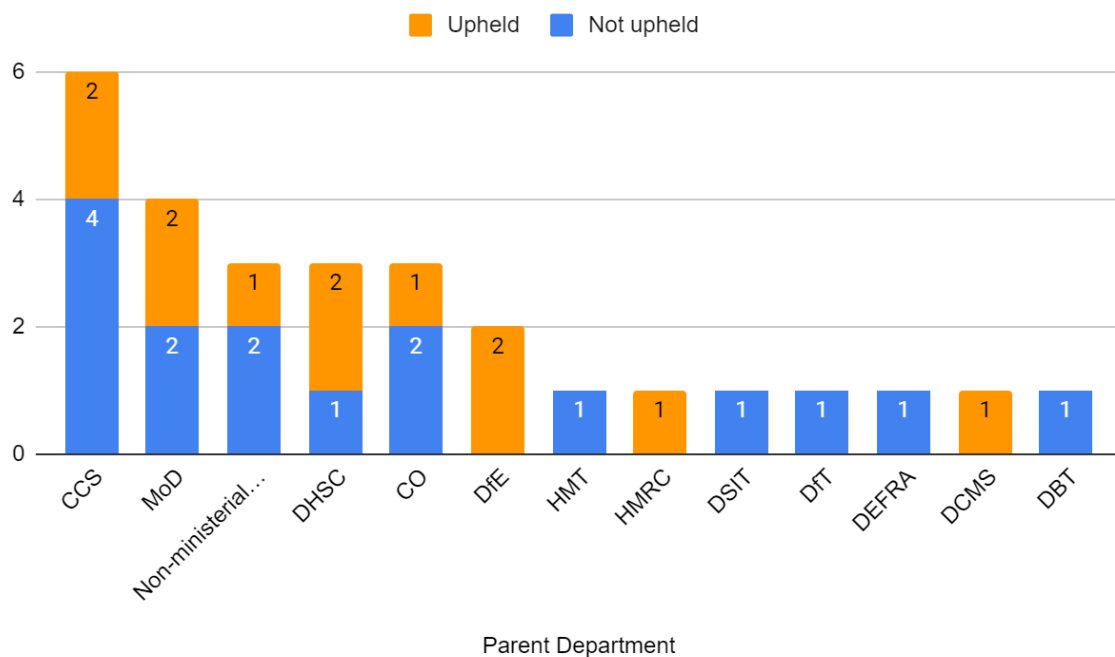
‘Use of framework’ and ‘Communication’ were the highest reported issues for CG. Two ‘Use of framework’ complaints were upheld, one where the authority agreed to change their strategy in the future and one case where the department refused to accept the recommendations. Two ‘Communication’ cases were upheld, both where the authority agreed to change their strategy in the future. ‘Feedback’ and ‘Evaluation’ both received three complaints, and ‘Tender withdrawn’, ‘SME exclusion - Framework strategy’ and ‘Payment’ received two complaints.

In the previous year the highest reported issues were regarding ‘Evaluation’ with five cases, and ‘Feedback’ with two cases.

Individual complaints were received regarding Transparency, Tender requirements, Competition, Change of scope and an Abnormally low bid.



Chart 7: CG department split of cases not upheld and upheld 2023/24

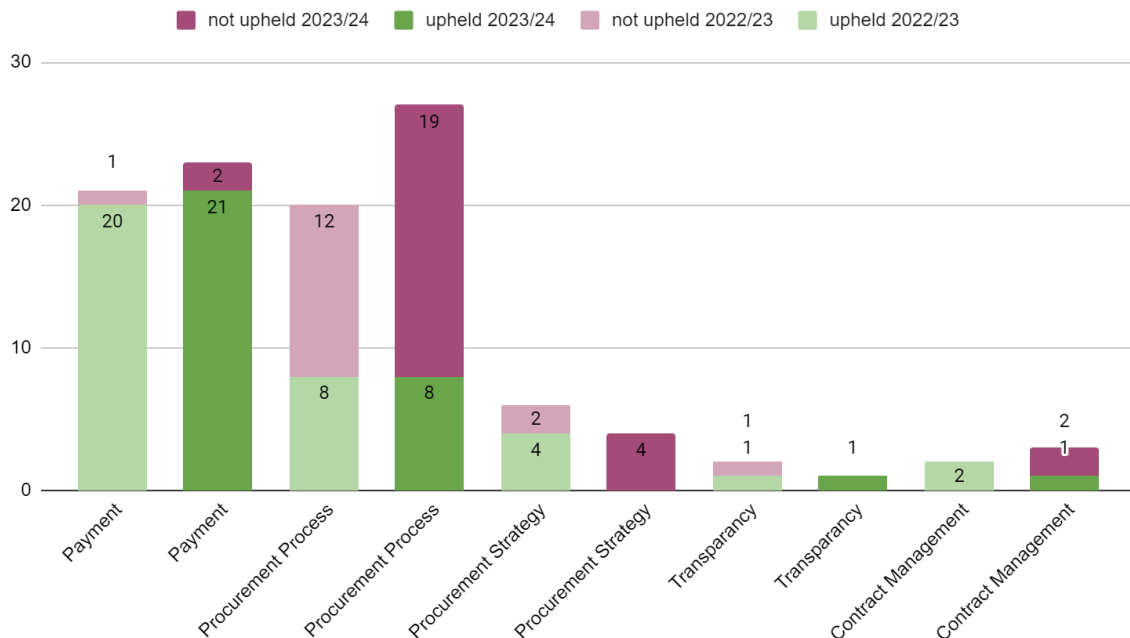


42.9% (12 cases) of the complaints made on CG cases were upheld in 2023/24 a large decrease from 73.7% (14 cases) of complaints that were upheld in 2023/24. A detailed breakdown of complaints upheld can be seen in Section 6: Top Issues and Action above (page 10).



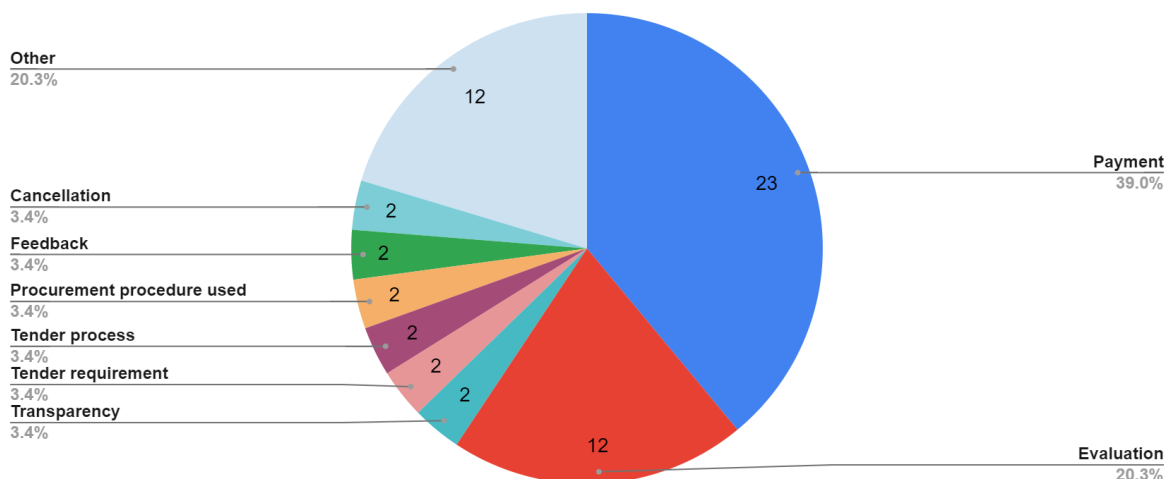
Annex B - Main Trends for Wider Public Sector

Chart 8: Issues investigated with the WPS - High Level - 2023/24 comparison against previous year



The WPS continued to account for just over two thirds of cases, the number of complaints closed increased from 51 in 2022/23 to 59 this year. In 2023/24 'Procurement Process' received the highest number of complaints, 27 cases, an increase from the 20 cases closed the previous year. 'Payment' cases continued to be prevalent with 23 cases, an increase from 21 cases the previous year.

Chart 9: Issues investigated with the WPS - Sub Level 2023/24



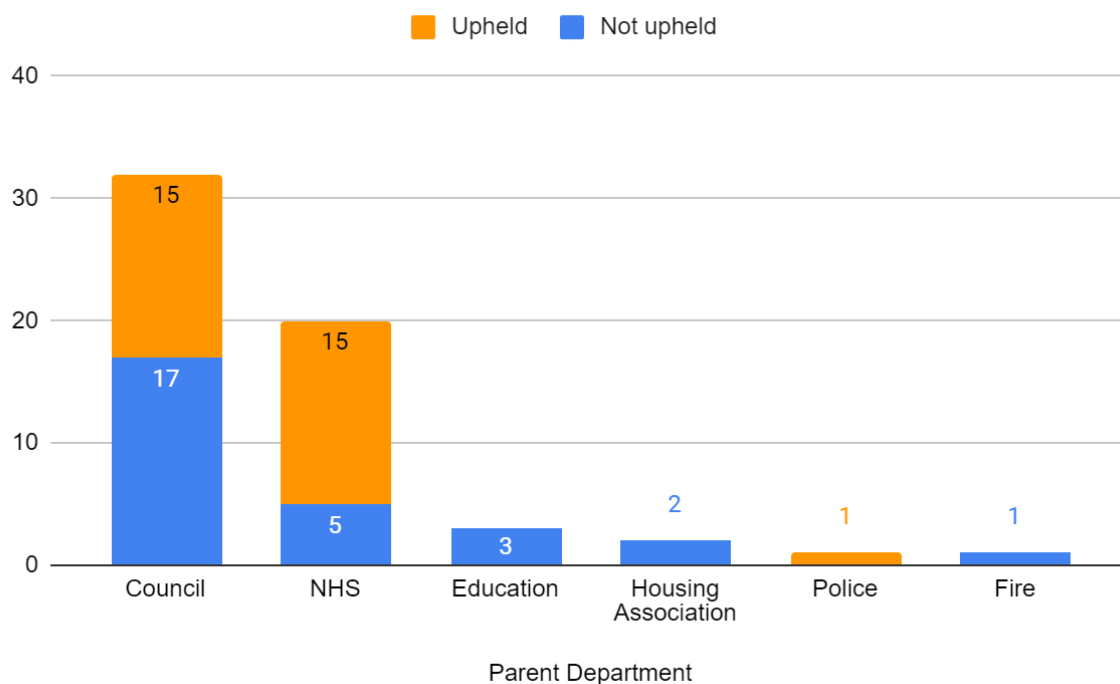


Late payment accounted for 39.0% (23 cases) of all WPS issues reported to PPRS in 2023/24. This is similar to the previous year where 'Payment' represented 41.2% (21 cases) of WPS complaints. 'Evaluation' at 20.3% is also similar to the previous year at 19.6%, representing the second highest number of WPS complaints in both years. 'Transparency', 'Tender requirement', 'Tender process', 'Procurement procedure used', 'Feedback' and 'Cancellation' received two complaints.

In the previous year the highest reported issues were regarding 'Payment' with 21 cases, 'Evaluation' with 10 cases, 'Use of framework' and 'Tender process' with three cases, and 'Transparency' with two cases.

The concerns recorded under 'Other' include issues raised with; 'Use of framework', Tender withdrawn', 'Technical issue with e-portal', 'SME exclusion - Financial requirement', 'SME exclusion', 'Pricing mechanism', 'Out of scope extension', 'Flowdown of terms', Conflict of Interest', Communication', 'Award' and 'Advertisement'.

Chart 10: WPS - sector split of cases not upheld and upheld 2023/24



The majority of WPS complaints were upheld. As a large portion of cases relate to late payments, the complaint is always upheld once payment has been made. Overall 31 out of 59 WPS cases (52.5%) were upheld in 2023/24 representing a decrease in complaints upheld compared to 2022/23 where 35 cases (68.6%) were upheld.



In the previous year the NHS was the subject of 13 cases, where nine were upheld. Councils were the subject of 32 cases where 23 were upheld.