

A photograph of three business professionals (two men and one woman) sitting around a table in a modern office or cafe at night. They are looking at laptops and talking. The scene is lit with warm indoor lights, and the background shows a city view through large windows. The 'geldards' logo is overlaid in the top right corner.

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Geldards Public Sector: Procurement Update

18th February 2025

Clare Hardy, Matthew Williams

Agenda

- Update
- Procurement Act Overview
- Preparations
- Transitional Arrangements

National Procurement Policy Statement

- Presented to Parliament under section 13 Procurement Act 2023 – 13 February 2025
- Comes into effect 24 February 2025
- Sets out Government's priorities relating to procurement
- Contracting authorities must have regard to NPPS

National Procurement Policy Statement - Priorities

- Contracting authorities should drive economic growth and strengthen supply chains by giving SMEs and VCSEs a fair chance at public contracts, creating high quality jobs and championing innovation
- Contracting authorities should deliver social and economic value that supports the Government's missions, including by working in partnership across organisational boundaries

National Procurement Policy Statement - Priorities

- Contracting authorities should ensure the right commercial capability and standards are in place to procure and manage contracts effectively and to collaborate with other contracting authorities to deliver best value

Guidance: Electronic Invoicing and Payment

- Legal framework: Sections 67, 68, 73 and 88 Procurement Act 2023
- Key points and policy intent
 - Implied term requiring contracting authorities to accept electronic invoices
 - Implied payment terms

[Guidance: Electronic Invoicing and Payment \(HTML\) - GOV.UK](#)

Guidance: Electronic Invoicing and Payment

- Notices
 - Payment compliance notice
- Other guidance relevant to this topic area
 - Payments compliance notices

Guidance: Payments Compliance Notices

- Legal framework: Section 69 Procurement Act 2023, Regulation 38 Procurement Regulations 2024
- Key points and policy intent
 - Calculating payment periods
 - Reporting on compliance
 - Payment types and methods

[Guidance: Payments Compliance Notices \(HTML\) - GOV.UK](#)

Guidance: Payments Compliance Notices

- Other guidance relevant to this topic area
 - Electronic Invoicing and Payment
 - Central digital platform and publication of information
 - Thresholds

Procurement Policy Note: SME and VCSE procurement spend targets

- Action Note 001 February 2025
- Applies to central government departments, executive agencies and non-departmental public bodies
- Other contracting authorities may choose to apply its approach
- In-scope organisations should set a three year target for direct spend with SMEs and a two year target for direct spend with VCSEs and should publish results annually

[PPN 001: SME and VCSE procurement spend targets - GOV.UK](#)

Taking account of social value in the award of central government contracts

- Action Note 002 February 2025
- Applies to central government departments, executive agencies and non-departmental public bodies
- Other contracting authorities may choose to apply its approach
- In-scope organisations must apply a minimum 10% weighting of the total score for social value

Taking account of social value in the award of central government contracts

- When taking account of social value benefits, you must ensure unnecessary burdens are not placed on suppliers
- You must have regard to barriers to participation by voluntary, community and social enterprises and small and medium-sized enterprises

[PPN 002: Taking account of social value in the award of contracts - GOV.UK](#)

Guidance for reconciling publication requirements of Procurement Act 2023 and Local Government Transparency Code 2015

- Code requires publication of information about procurements above £5,000
- Recommended publication on Find a Tender to streamline publication
- Local authorities should publish a statement on their website directing interested parties to Central Digital Platform

Guidance: Welsh Digital Platform

- Welsh Government Guidance February 2025
- Regulation 5 Procurement (Wales) Regulations 2024
- Devolved Welsh authorities must use Welsh Digital Platform to publish a notice required under Procurement Act 2023
- Online system known as Sell2Wales
- [Sell2Wales: Welcome to Sell2Wales - Sell2Wales](#)

Welsh Government Guidance

- Notice, sequencing and flowcharts – January 2025
- [Procurement Act 2023 guidance: notice sequencing and flowcharts | GOV.WALES](#)
- Utilities Contracts – January 2025
- [Procurement Act 2023 guidance: utilities contracts | GOV.WALES](#)

Welsh Government Guidance

- Contract award notices and standstill – January 2025
- [Procurement Act 2023 guidance: contract award notices and standstill | GOV.WALES](#)

Procurement Act Overview

- An Act about Procurement
 - Part 1 – Key Definitions
 - Part 2 – Principles and Objectives
 - Part 3 – Award of Public Contracts and Procedures
 - Part 4 – Management of Public Contracts
 - Part 5 – Conflicts of Interest
 - Part 6 – Below Threshold Contracts

Procurement Act Overview

- Part 7 – Implementation of International Obligations
- Part 8 – Information and Notices
- Part 9 – Remedies for breach of statutory duty
- Part 10 – Procurement Oversight
- Part 11 – Appropriate Authorities and Cross-Border Procurement

Covered Procurement

- A contracting authority may not enter into a public contract unless it is awarded in accordance with:
 - Section 19 (competitive award)
 - Section 41 (direct award in special cases)
 - Section 43 (direct award after switching procedures)
 - Section 45 (award under frameworks)

Covered Procurement Objectives

- In carrying out a covered procurement, a contracting authority must have regard to the importance of:
 - Delivering value for money
 - Maximising public benefit
 - Sharing information
 - Acting with integrity
 - Removing barriers to participation by SME's
- Must treat suppliers the same unless difference justifies different treatment

Transparency

- Publication of Notices:
 - New notices required at all procurement lifecycle stages, including contract management
- Central Digital Platform:
 - Introduction of an enhanced Find a Tender (FTS) and new Supplier Information System

Preparation

- Has your authority updated its Contract Procedure Rules?
- Has your authority registered on the Central Digital Platform
- Have you prepared or accessed templates for procurement documents and notices?
- Has everyone involved in procurement received appropriate training?
- Have you planned timescales and resources for procurements under the Procurement Act 2023

Transitional and Saving Arrangements

- Manage transition from previous procurement laws to the Procurement Act 2023
- Ensure minimal disruption to ongoing procurements and awarded contracts
- Define rules for procurements straddling the implementation date
- Established under sections 122(3)(d) and 127(2) of the Act

Key Points and Policy Intent

- Procurements starting after the Act must follow new rules
- Ongoing procurements under previous legislation continue under those rules
- Contracts awarded before the Act remain governed by previous laws until they end
- Modifications must follow old legislation (e.g., PCR regulation 72)

Awards Under the Act

- All new procurements must comply with the Act
- Authorities must plan ahead to ensure compliance with:
 - National Procurement Policy Statement (NPPS)
 - Procurement objectives
 - Conflict of interest rules
 - Record-keeping and KPIs
- Below-threshold contracts are also covered under Part 6 of the Act

Competitive Procurements Commenced Under Previous Legislation

- Competitive procurement commences if:
 - Before 26 May 2023 a PIN was used as a call for competition
 - A contract notice was submitted under previous laws
 - A below-threshold opportunity was published under PCR regulation 110
 - A utilities notice was published as a call for competition under UCR regulations

Negotiated Procedure Without Prior Publication ('Direct Award')

- Applies when a contracting authority contacts a supplier directly under:
 - PCR Regulation 32
 - UCR Regulation 50
 - DSPCR Regulation 16
- If intent to award was communicated before the Act, negotiations continue under previous legislation.
- Prior voluntary transparency notice can indicate intent but is not required.
- Ensures consistency with competitive procurements.

Pipeline Notices

- Pipeline notices show upcoming procurements for contracting authorities
- Previously optional, now a legal requirement for authorities spending over £100 million annually
- Must list all contracts over £2 million expected to be tendered in the next 18 months
- Applies from 1 April 2025 onwards

Prior Information Notice

- Used under previous laws to signal upcoming procurements
- Unless used as a call for competition before 26 May 2023, it does not determine procurement commencement
- If published before the Act but not followed by a contract notice, procurement must follow the new Act

Commercial Tools

- Includes framework agreements, dynamic purchasing systems (DPS), and qualification systems
- Contracts awarded under previous tools remain governed by old legislation
- All DPS and qualification systems must end by 23 February 2029 (or earlier, as set when established)
- Extensions after the Act's enforcement only allowed in the first 12 months and cannot exceed 23 February 2029

Payments Compliance Notice

- Applies only to contracts awarded under the new Act
- PCR regulation 113(7) reporting requirements continue for pre-Act contracts
- Transition to six-monthly reporting under transitional provisions

Key Performance Indicators

- KPIs under the new Act apply only to contracts awarded after its enforcement
- No requirement to retroactively apply KPIs to pre-Act contracts
- Section 52 of the Act defines thresholds for KPI requirements

Direct Award for Additional Works & Services

- Schedule 5, Paragraph 8 of the Act allows direct awards for additional works/services
- Can be used for contracts awarded under previous legislation if:
 - The original tender notice stated the intention for a future direct award
 - The original contract was awarded via a competitive process
- Aligns with similar rules under PCR Regulation 32, UCR Regulation 50, and DSPCR Regulation 16

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Clare Hardy

Partner

+44 (0) 29 2039 1766

clare.hardy@geldards.com



Matthew Williams

Solicitor

+44 (0) 29 2038 6520

matthew.williams@geldards.com

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Thank You

www.geldards.com
info@geldards.com