



A Comprehensive Guide to The Procurement Act 2023 for Suppliers



Contents

1. Introduction
2. Timeline
3. Procurement Act 2023 Changes
4. Expert Insight: What The Procurement Act Means for Defence Suppliers with Alex Holden and Ben English (Ministry of Defence)
5. Procedural Changes
6. Competitive Flexible Procedure
7. Frameworks and Dynamic Purchasing Systems (DPS)
8. Impact on SMEs
9. Preliminary Market Engagement
10. How DCI is Helping Suppliers Manage the Transition to the Procurement Act 2023
11. Free Demo with DCI
12. Summary

Introduction

The Procurement Act 2023 will have a profound impact on the UK public defence sector market. With only five months until it goes live, it is imperative that businesses wanting to improve their public defence sector procurement strategy understand the changes that will come with it.

This guide aims to be comprehensive and offer insights for businesses of all sizes, including relevant timelines, the main changes, and even some exclusive insights from public sector defence procurement experts.

About DCI

DCI is an all in one business intelligence solution which offers tools to help businesses turbocharge their public defence sector win rate.

“

Currently a lot of contracts are under the defence and security public contract regulations. Come October, they will be under one unified legislation. The Procurement Act 2023 helps to create a simpler, faster, more effective procurement system.

Alex Holden,

”

Timeline

Dec 2021
Cabinet Office
publish
government's
response to the
consultation

Jun 2022
Procurement Bill
draft is released
and commences
journey through
House of Lords

Feb 2023
Reviewed at
Committee Stage in
the House of
Commons

Oct 23
Bill achieved Royal
Assent and
secondary
legislation started



**28 October
2024
Go Live**

May 2022
The government
publishes their
draft Procurement
Bill which is at the
start of its
legislative journey

Dec 2022
Procurement Bill is
passed to House of
Commons by
House of Lords

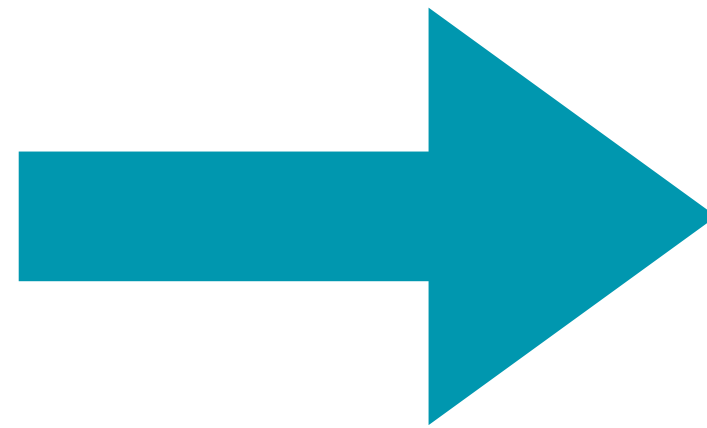
Jun 23
House of Commons
amendments being
considered by
House of Lords

Mar 24
The Procurement
Regulations 2024
published

Procurement Act 2023 Changes

PCR2015 Principles

- Transparency
- Equal treatment
- Non-discriminatory
- Proportionality



Procurement Act 2023 Objectives

- Delivering value for money
- Maximising public benefit
- Sharing information (linked to suppliers understanding policies and decisions)
- Acting with integrity

The Procurement Act 2023 is underpinned by objectives, which commit buyers to acting and procuring in a more stringent way. Value for money and maximising public benefit from spreading are core to the new approach.

Expert Insight: What The Procurement Act Means for Defence Suppliers

Key Changes

- The Act brings together several pieces of legislation into one single unified document.
- Opens up procurement to a broader supplier base, removing barriers to entry for the small and medium enterprises (SMEs).
- Increased transparency in terms of how public procurement is conducted.
- Within the Act there's a new SME section facilitating value for money.
- Big focus on social value - most economic advantage tender to most advantage tender.

Specific defence and security provisions weaved into the act:

- For defence contracting authorities, the ability to directly award. Particularly for operational capabilities and the effectiveness of our Armed Forces, the ability to modify contracts and those on call.
- When changes in the duration of contracts means there are challenges, we've ensured we have a more iterative way to modify the contracts.
- Larger duration of frameworks is also of benefit - increased from seven to eight years.



Alex Holden is (Procurement Regulations Reform) at the Ministry of Defence.

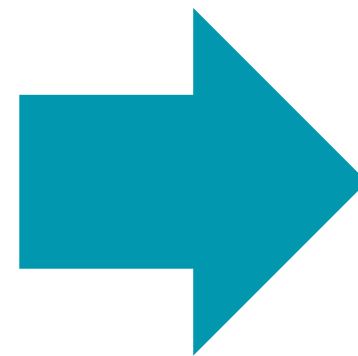


Ben English is Deputy Director at the Ministry of Defence.

Procedural Changes



PCR 2015



Procurement Act 2023

The Procurement Act 2023 sees fewer procedures than under the existing Public Contracts Regulations 2015. However, these are supported by many new and revised notice types which are aimed to increase transparency for suppliers.

Competitive Flexible Procedure

A **competitive tendering procedure** as the contracting authority considers appropriate for the purpose of awarding the public contract

Buyers can design their own procurement process providing it is **fair and proportional** to the procurement. It can include features such as:

Exclusion of suppliers
for stated reasons

Refinement of the
award criteria stated in
the tender

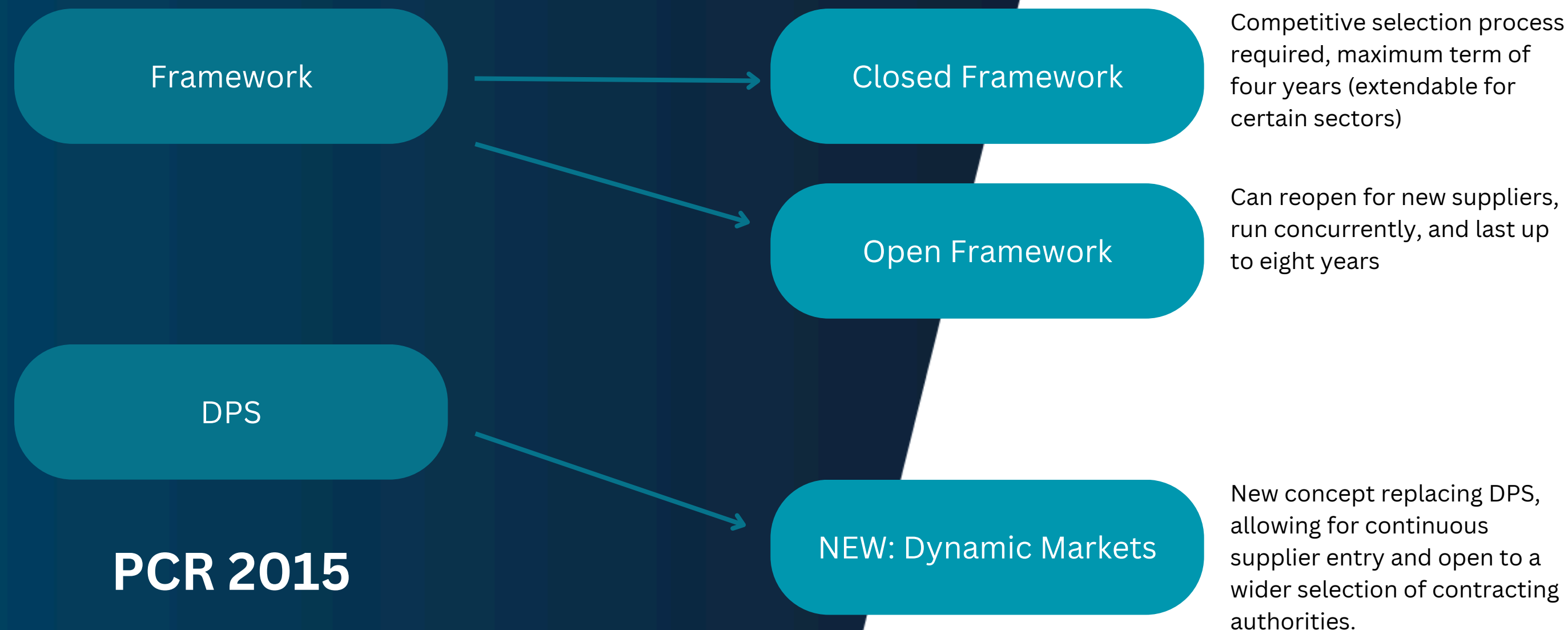
Reducing the number
of candidates
successively

Multiple stages
including negotiations

Production of multiple
versions of tenders

By increasing flexibility in the tendering process it is anticipated that more innovative solutions for requirements can be identified. It will take time for buyers and suppliers to get used to this new procedure.

Frameworks and Dynamic Purchasing Systems (DPS)



The change to frameworks is significant given that these are becoming more widely used across the public sector. Open frameworks allow buyers to add new suppliers, which can be useful in areas where products and services are evolving at pace.

Procurement Act 2023

Impact on SMEs

OPPORTUNITIES

- More accessible market - removal of barriers for SME participation.
- Improved information access - enhanced transparency helps SMEs understand and prepare for opportunities.
- Flexibility in Procedures - CFP allows SMEs to participate in tailored procurement processes.

RESPONSIBILITIES

- Compliance with new regulations - SMEs must familiarise themselves with the new exclusion grounds and procedural changes.
- Regular updates to Supplier Information System (SIS) - maintain up to date information for procurement processes.

STRATEGIES

- Stay informed - regularly check for new guidance and updates on the Central Digital Platform
- Engage early - participate in preliminary market engagement to understand requirements and build relationships.
- Prepare thoroughly - ensure all required documentation is accurate and up to date.
- Leverage technology - use digital tools like Tracker to monitor procurement opportunities and compliance requirements.

“

The relationship we are expecting through early engagement conversations will help make it clearer what we're looking for as an organisation. Those individuals will have a more informed view whether to bid and if they have the ability to meet those demands.

- Ben English, Deputy Director at the Ministry of Defence

”

Preliminary Market Engagement - The Future

In The Procurement Act 2023, specific mention is given to pre-market engagement

“Before publishing a tender notice in respect of a public contract, a contracting authority may engage with suppliers and other persons for the purpose of:”

Developing the authority's requirements and approach to the procurement

Designing a procedure, conditions of participation or award criteria

Preparing the tender notice and associated tender documents

Identifying suppliers that may be able to supply the goods, services or works required

Identifying likely contractual terms

Building capacity among suppliers in relation to the contract being awarded

How DCI is helping suppliers manage the transition to the Procurement Act 2023



- **Regular engagement** with senior stakeholders across government to understand and communicate the changes to our customers.
- Presence at market events such as **Procurex National and Procurement Act Expo** to speak directly with customers and the wider supply chain.
- **DCI platform updates** to ensure it is compliant with both PCR (2015) and Procurement Act (2023) - and including publication of new notice types.
- Access to **webinars, blogs and other content** to support the transition.
- **Discounted rates** on Procurement Act (2023) consultancy and training via PASS.

How to Engage Early with DCI

Ready to get ahead of your competition and win more public sector business?

**BOOK YOUR FREE
PERSONALISED DEMO**

We'll tailor the demo to your specific business needs.

FREE DEMO

Summary

01

The Procurement Act 2023 will come into effect on October 24 2024

02

The new objectives are: Delivering Value for Money, Maximising Public Benefit, Transparency and Integrity

03

The new Act emphasises the importance of social value and early engagement

04

It is recommended that businesses start highlighting social value in their bids now

05

For more insights, or a personalised demo from Tracker, visit our website