

Procurement Bill

“Public sector procurement will be simplified to provide new opportunities for small businesses.”

The purpose of the Bill is to:

- Take advantage of the benefits of Brexit by reforming the UK’s public procurement regime to create a simpler and more transparent system that better meets the country’s needs, rather than being based on transposed EU directives.
- Boost business by making public procurement more accessible for new entrants such as small businesses and voluntary, charitable and social enterprises, enabling them to compete for public contracts.

The main benefits of the Bill would be:

- Taking back control of the rules that govern how public money is spent and cutting red tape. Now that we no longer have to abide by bureaucratic EU rules and regulations, our intention is to create a simpler regime that works better for the UK, reducing costs and improving productivity. For example, by establishing a single digital platform for supplier registration, businesses will only have to submit their data once to qualify for any public sector procurement.
- Introducing new arrangements to buy at pace when needed to protect life, health, or public order, so we can easily replicate the great success of the Vaccine Taskforce now we are outside the EU.
- Giving public sector buyers more freedom and flexibility by allowing them to better negotiate with suppliers and to design the buying process to meet the needs of their specific procurement.
- Making it easier, especially for small and medium-sized businesses, to bid for public sector contracts.
- Enabling smaller contracts to be restricted to UK suppliers, as permitted by World Trade Organization rules, and ensuring that procurement activities aid jobs and innovation.
- Helping buyers to disqualify suppliers who are unfit to bid for public contracts because of past misconduct, corruption or poor performance.
- Saving time for public bodies, as a result of new streamlined procedures, meaning better commercial outcomes that deliver greater value for money for taxpayers.

The main elements of the Bill are:

- Enshrining in law the objectives of public procurement including: delivering value for money, maximising public benefit, treating suppliers equally and without discrimination, and acting, and being seen to act, with integrity.
- Requiring buyers to have regard to the Government's strategic priorities for public procurement as set out in the National Procurement Policy Statement.
- Introducing new, clearer arrangements for how contracting authorities can buy at pace if necessary to protect life or health, public order or safety, with strengthened safeguards for transparency.
- Tackling unacceptable behaviour and poor performance through new exclusion rules and giving buyers the tools they need to properly take account of a bidder's past performance.
- Providing a number of sector-specific features where necessary, including tailored rules to better suit defence and security procurement in order to protect our national interests.
- Reforming the Single Source Contract Regulations to ensure we continue to pay fair prices on single source defence contracts while providing value for money.

Territorial extent and application

- The Bill will extend and apply to England, Wales and Northern Ireland, with some provisions extending and applying across the UK. The Scottish Government has decided not to implement these reforms for devolved bodies in Scotland.

Key facts

- Amounting to around £ 300 billion, public procurement accounts for around a third of all public expenditure every year. By improving the way public procurement is regulated, the Government can not only save the taxpayer money but drive social, environmental and economic benefits across every part of the UK.
- The new regime will also ensure compliance with our international obligations including the World Trade Organization Government Procurement Agreement, which gives British businesses guaranteed access to £ 1.3 trillion in public procurement opportunities overseas.