



Procurement Act 2023

Overview

The Procurement Act 2023 introduces significant reforms to public sector procurement, aiming to streamline processes, enhance transparency, and promote collaboration with various sectors. For health and social care commissioners, this Act presents new opportunities to improve service delivery and achieve better outcomes for communities. The Act consolidates previous procurement regulations into a unified framework, emphasising flexibility, value for money, and increased opportunities for small and medium-sized enterprises (SMEs) and social enterprises.

Key Objectives of the Procurement Act 2023

Simplification and Flexibility

- Simplifies the procurement process with fewer regulations, making it easier for commissioners to procure services efficiently.
- Introduces greater flexibility, allowing commissioners to design procurement processes that best meet community needs.

2. Transparency and Accountability

- Enhances transparency through improved data reporting requirements.
- Strengthens conflict of interest rules and monitoring of contract performance.

3. Collaboration and Innovation

- Encourages collaboration with the voluntary, community, faith, and social enterprise (VCFSE) sectors.
- Supports innovative procurement methods and diverse service provider engagement.

Key Changes and Provisions

New Procurement Procedures

- **Competitive Flexible Procedure:** Allows authorities to design procurement processes suited to the specific needs of their projects.
- **Open Frameworks:** Introduces more flexible frameworks lasting up to eight years, fostering long-term partnerships.
- **Dynamic Markets:** Expands upon Dynamic Purchasing Systems (DPS) with broader applications and flexible joining rules for suppliers.

Transparency and Reporting

- **Mandatory Publication of Procurement Documents:** Requires public access to notices, contracts, and modifications via a central platform.
- **Enhanced Reporting Requirements:** Mandates contract performance tracking through key performance indicators (KPIs).

Social Value and Community Impact

- Encourages commissioners to consider social value in procurement decisions, supporting community benefits and sustainable practices.
- Facilitates collaboration with VCFSE sectors to enhance community engagement and service delivery.

Implications for Health and Social Care

Building on the Health and Care Act 2022, the Procurement Act 2023 offers a more flexible approach to commissioning healthcare services. Key points include:

Exemption from Competitive Tendering: NHS commissioners can bypass competitive tendering when it does not add value, reducing bureaucracy.

Focus on Localised Decision-Making: Enables commissioners to make decisions based on community needs rather than rigid procurement rules.

Collaboration with VCFSE Sectors: Strengthens partnerships with community organisations to improve health and social care outcomes.

Best Practices for Commissioners

Plan Strategically: Use the new flexible procedures to design bespoke procurement processes that align with community health and social care needs.

Engage Stakeholders: Collaborate with service users, providers, and VCFSE sectors early in the planning stage to ensure inclusive and impactful commissioning.

Prioritise Social Value: Evaluate tenders based on community benefits, sustainability, and social impact.

Ensure Transparency and Compliance: Maintain thorough documentation and publish procurement data as required for public transparency.

Monitor and Evaluate: Regularly assess contract performance using key performance indicators to ensure accountability and value for money.

Implementation and Compliance

Integrated Digital Systems

- A centralised digital platform streamlines supplier management and tendering.
- Commissioners must invest in digital infrastructure and training.

Outcome-Based Procurement

- Emphasises achieving measurable public service improvements.
- Requires defining clear KPIs to assess supplier contributions.

Promoting Social Value and Supplier Diversity

- Encourages procurement decisions that deliver social benefits.
- Simplifies access to public contracts for underrepresented suppliers.

Useful Resources

[Purposeful Collaboration Guide](#) – Practical guidance for commissioning with the VCFSE sector (Local Government Association).

[Cabinet Office Guidance Documents](#) – Implementation resources covering planning, procurement, and contract management (GOV.UK)

[Legislation Overview](#) – Detailed information on the Health and Care Act 2022 (Legislation.gov.uk).

Conclusion

The Procurement Act 2023 empowers health and social care commissioners with more flexibility and strategic tools to procure services effectively. By leveraging the new procedures and fostering collaboration with the VCFSE sector, commissioners can enhance service delivery, achieve better outcomes, and ensure value for money.

