



**THE UK  
PROCUREMENT  
ACT (PA23)**

FAQ Fact Sheet  
October 2024



THIS FAQ FACT SHEET has been prepared as a handy resource for those who may be unfamiliar with the Procurement Act and what it means for public purchasing.

MORE DETAILED INFORMATION and resources can be found on the APMP UK website.

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[www.apmpuk.co.uk/procurement-act-2023/](http://www.apmpuk.co.uk/procurement-act-2023/)

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## WHAT IS THE PROCUREMENT ACT (PA23)?

IT'S A NEW PIECE OF LEGISLATION which defines the rules for how most public bodies in the UK procure goods and services. It supersedes and combines previous regulations, including the Public Contracts Regulations (PCR 2015). It does not affect business-to-business procurement.

## WHY IS IT BEING INTRODUCED?

LEAVING THE EU PROVIDES THE OPPORTUNITY to refresh UK procurement regulations. PA23 aims to create a simpler and more flexible commercial system. It aspires to open-up public procurement to more small businesses and social enterprises, take tougher action on underperforming and failing suppliers, and embed transparency across the lifecycle of each contract so that public spend can be better scrutinised.

## WHEN DOES IT COME INTO EFFECT?

THE ACT WAS PASSED BY PARLIAMENT IN OCTOBER 2023. Originally scheduled to "go-live" in October 2024, the implementation has been delayed to 24th February 2025. Any public procurements, including new/refreshed frameworks/DPSS, launched from 24th February 2025 will be subject to the new regulations. Procurements, frameworks, and DPSS launched or in place before that date will continue to operate under the current regulations. The Government Commercial Function (GCF) has created a transition decision tree to help buyers select the right procedure.

## WHAT, SPECIFICALLY, IS CHANGING?

REGARDLESS OF PA23, it will still be business as usual in public procurement in most respects, so don't unduly panic.

PA23 will nevertheless bring about several changes, including:

- **COMMERCIAL PIPELINES** will improve market visibility, with buyers publishing a pipeline notice forward look for 18 months for contracts with a value of £2m+, and greater emphasis and clarity in terms of pre-market engagement activity.
- **COMPETITIVE FLEXIBLE PROCEDURES**, replacing restricted and some other current procurement routes, giving buyers more flexibility to design bespoke competitions to best suit their needs (e.g., the number of submission stages, dialogue/-negotiation phases, etc.).
- **MOST ADVANTAGEOUS TENDER (MAT)** becoming the default bid evaluation, rather than the Most Economically Advantageous Tender (MEAT). In other words, buyers will be more empowered to prioritise quality, social value, and public benefit over price when evaluating bids.
- A **CENTRAL DIGITAL PLATFORM** accessible to all buyers. Suppliers can log core organisational information once, rather than needlessly duplicating this for each new competition. PA23 removes other barriers, such as only requiring bidders to hold required insurances upon contract award rather than at the point of bidding and standardising 30-day payment terms across all public contracts. The Supplier Registration Service ([supplierregistration.cabinetoffice.gov.uk](http://supplierregistration.cabinetoffice.gov.uk)) is already live, and suppliers should log in here to set up an account for the new portal.
- **ASSESSMENT SUMMARIES** must be provided by buyers prior to a Contract Award Notice being published, to enable suppliers who have submitted an assessed tender (i.e., bids scored at the final stage of the procurement) to understand why it was successful or unsuccessful. The summary must include the information provided to the preferred bidder explaining how its tender scored and providing transparency on the relative advantages. Standstill periods will only begin once a Contract Award Notice is published.
- **KEY PERFORMANCE Indicators** must be set, reviewed, and publicly reported annually for contracts over £5m. Buyers must publish details of terminations, breaches of contract, or failure to perform within 30 days of a supplier failing to improve poor performance.
- A **DEBARMENT LIST**, and associated provisions, which enable buyers to exclude suppliers from competitions where they have a record of misconduct or serious underperformance in delivering public goods or services, including delivery on behalf of other public buyers. This will involve a formal investigation by the GCFs Procurement Review Unit (PRU), allowing affected suppliers to make representations.



### ● **ADDING GREATER CLARITY AND PARAMETERS TO FRAMEWORK DEFINITIONS:**

- **CLOSED FRAMEWORKS:** a maximum period of 4 years, closed to new suppliers once the framework is live, and no minimum or maximum number of suppliers.
- **OPEN FRAMEWORKS:** allows for successive frameworks on the same terms, a maximum of 8 years (with 2 or more suppliers), reopened at set points for new suppliers to join, and existing suppliers can be carried forward to the next framework.
- **DYNAMIC MARKETS:** replaces DPSs, can be any duration, must relate to specific goods/services, must be open for new suppliers to join at any point.



## HOW COULD THESE CHANGES AFFECT MY ORGANISATION?

IT IS PERHAPS TOO EARLY TO SAY with certainty how PA23 will affect suppliers, but some of the potential impacts may include the following:

- **LONGSTANDING SUPPLIERS** may need to realign their proposal practices to adapt to the new procurement procedures adopted by their buyers. Familiar and established procurement models and formats are likely to be redesigned to some extent.
- **MEASURES TO IMPROVE SIMPLICITY** and market access could see the average number of bidders per opportunity increase. Winning a bid may become statistically harder, especially in markets where there are fewer other barriers to market entry.
- **WHILST VALUE FOR MONEY WILL REMAIN** as an imperative, those who have traditionally prioritised low pricing may need to enhance their quality and social value offers to remain competitive.
- **SUPPLIERS NEED TO BE LESS COMPLACENT** about performance. With greater visibility, there is more pressure on procurers to take KPI achievement into account when awarding contracts.
- **WHILST THERE ARE A LOT OF POSITIVE AMBITIONS** in PA23, the Act doesn't guarantee that procurements will always be less complex or bureaucratic in practice, or that smaller suppliers and social enterprises will necessarily win a greater share of public contracts.

## WHAT DOESN'T PA23 ADDRESS?

WHILST PA23 IS WELCOME on many levels, it won't address every frustration routinely faced by proposal writers and managers. Issues such as the proportionality of word/character counts to questions, the potential of bid rounds over the Christmas holidays, the turn-around time for clarification questions, and many other historic bug bears are likely to persist. APMP will nevertheless continue to lobby and influence on procurement best practices.

## ARE PUBLIC BUYERS READY FOR THESE CHANGES?

SINCE THE LEGISLATION WAS INTRODUCED, the Crown Commercial Service (CCS) has led the development of "Knowledge Drops" and "Communities of Practice" to help the civil service prepare. Less has been done formally to support the supply community, albeit various stakeholders, including APMP, have shared information. Some public buyers have fast-tracked procurements, scheduling them before PA23 goes live, to work within the current regulations.

THE CABINET OFFICE has indicated that recent delay will allow for a new National Procurement Policy Statement (NPPS) to align with the new Government's strategic objectives for public procurement. Whether this means that some of the measures within PA23 will be revised ahead of the new go-live date is not yet fully clear. The GCF has said the new NPPS will "create a mission-led procurement regime" which "meets the challenge of applying the full potential of public procurement to deliver value for money, economic growth, and social value".



## HOW SHOULD I BE PREPARING?

APMP RECOMMENDS that proposal writers and managers keep on top of information coming out from CCS and the public buyers they supply to. You should consider how this might influence the opportunities you contest, your bidding processes, and the knowledge and skills required by your teams. Positive action now may improve your readiness to win once PA23 is fully live.