

# Issues facing Public Procurement

The Balancing Act for the Public Sector Buyer



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# From Commercial Directors to Procurement Officers

- The public buyer works in an incredibly challenging and demanding environment
  - The spotlight is on the profession to make savings for the public purse
  - Pressure is on procurement to deliver and drive economic recovery
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# Keeping on track and in scope

- The constraints and demands on the public buyer are many and diverse
- The challenges are multi faceted
- The rewards for success are often more of the same?

# Ever Changing Legislation

- EC Procurement Law
- EC Directives
- New Social Value Bill

# Policy Drivers

- Third sector/SME engagement in Public Sector Supply Chain
- Public procurement as a lever to regenerate business in communities
- The multiplier effect?

# Savings

Increasing demands to save money and get 'best value'



# Doing more with less

- Less resource
- Interim professionals being replaced by inexperienced and lower cost public servants
- Cooperating across government is not easy

# Some dilemmas for Public Procurement

- Quick wins or savings vs.
- Longer term strategy





# End to End target

Planning/ Business Case	Going to market	Calling for EOIs/ shortlisting	Evaluation/ negotiation	Contract award	Contract Management	Evaluation and review
<b>← 120 Days →</b>						

# Scrutiny – Public Procurement is increasing under the microscope



A screenshot of the Guardian website. The header includes the Guardian logo and navigation links for News, Sport, Comment, Culture, Business, Money, and London 2012. A secondary navigation bar highlights 'News', 'UK news', and 'Ministry of Defence'. The main article title is 'Weapons procurement could fall to private sector under new proposals' with a sub-headline: 'Ministers consider involving private sector in purchasing decisions to bring an end to overspending at Ministry of Defence'.

## The Telegraph

A screenshot of The Telegraph website's navigation menu. The top bar includes links for HOME, NEWS, SPORT, FINANCE, COMMENT, BLOGS, CULTURE, TRAVEL, LIFESTYLE, FASHION, and TECH. A secondary bar highlights 'UK', 'World', 'Politics', 'Obituaries', 'Education', 'Earth', 'Science', 'Defence', 'Health News', 'Royal Family', and 'Celeb'. A third bar lists 'Conservatives', 'Liberal Democrats', 'Labour', 'Political Parties', 'Scottish Politics', 'Local Elections', and 'UK Political Datab'.

HOME » NEWS » POLITICS » COUNCILSPENDING

### Council bosses use credit cards for lavish lifestyles

Council bosses presiding over the deepest cuts since the Second World War are using their taxpayer-funded expenses and credit cards to fund a lavish lifestyle of five-star hotels, Michelin-starred restaurants and retreats at exclusive golf resorts and spas, The Daily Telegraph can disclose.

# Bigger area, big society what does this mean for the public buyer?

Legislation	Policy	Economic drivers	Impact of third sector	Inputs/ decisions for buyers?
Localism Act EC Directives	Reduce risk	Reduce cost with less resource	Engage Community based NGOs in public procurement	????? Priorities?

# The Public Procurement Juggler

Managing the multitude...



# View from the Institute 1

- The public buyer bears a heavy load



# View from the Institute 2

- However public sector procurement is delivery against an incredibly difficult set of diverse requirements
- 25% of our membership is from the public sector
- Our public sector membership keeps us informed of the issues
- But we would like to hear from more of you on how we can help

# View from the Institute 3

- There needs to be more commentary and support for the public buyer
- Access to information, solutions and tools
- In order to underpin and promote the professional job they are delivering

# Think Objective first and inputs/process second

*Find a way through the legislation and policy to achieve best procurement outcomes*





# Constant challenges

They Come

- And stay for a while



They go (or do they?)

- Often presenting uncertainty with artificial spending...



# But playing the strategic long game by focusing on core excellence

- Keeps you on top and ahead of the game



# So when we have the current economic growth and constraints

- When solutions are needed
- When innovation and creativity is imperative
- Who do we call upon?

# What is CIPS doing to try and help public procurement?

- The CIPS CEO is a non executive advisory member on the Procurement Executive Board for Central Government
- More focused engagement with wider Government including local, regional and devolved Government plus public procurement networks
- Working with UK Government to lobby the Commission on public sector procurement modernisation
- Working with others to develop a solution for Commissioning

# We would like to do a lot more with and for you

- Case studies
- Issues
- Suggestions and solutions
- Tools and skills development

# Help us to help you so we can define what good looks like

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Come and join us

[www.cips.org](http://www.cips.org)