



The Business Services Association
130 Fleet Street,
London.
EC4A 2BH

The Procurement Act: What Next?

Reflections by BSA Head of Policy Piers Neill 24.2.25

Today marks an important moment for public procurement in this country. The implementation of the Procurement Act 2023 introduces significant changes to procurement practices, which have the potential to fundamentally reshape public service delivery.

The collaborative efforts of the Business Services Association (BSA), our members, and the Government have set the stage for a more dynamic and responsive procurement system. Fostering this partnership approach will be essential in both addressing any challenges and seizing the opportunities that this new legal framework presents.

The new regime looks to increase the delivery of innovative solutions throughout our public services. It aims to encourage creative and effective ways of meeting public needs through streamlining processes, fostering innovation, and enhancing transparency across all public procurement activities. If the ambitions of government are realised then, through these reforms, procurement can become a catalyst for change, promoting the development and application of new technologies and solutions in order to deliver better services for citizens.

The reforms the Act is intended to spark are more than administrative adjustments; they represent a fundamental change to procurement in this country. They also signal an intention to move from prescriptive, input-based specifications to an outcome-focused approach. This is not just a procedural change but a cultural one. Whether it is through proactively engaging with the market, or by encouraging organisations to submit innovative bids that focus on the desired outcome rather than rigid specifications, the public sector can foster an environment where innovation is actively sought and new service offerings delivered.

We should be clear, however, that today does not represent an end to the process of reform but rather the beginning of a new chapter. Going forwards the onus must be on industry and its public sector counterparts to build upon the good work that has led us to this point in order to unlock the transformative potential of this new regime. But how did we get here, and what can we expect moving forward?

Background and Journey Through Parliament

The journey of the Procurement Act 2023 through Parliament involved careful drafting, debate, and revision. Policy makers and industry partners worked together to address the complexities and rigidities of the previous regime by introducing a more flexible approach that could adapt to market and technological changes. From the initial Green Paper in 2020, to the publication of the revised National Procurement Policy Statement (NPPS) last week, the Act's progress has been closely watched by the wider procurement community, with each step scrutinising the details to ensure the new regime would be robust and adaptable.

Throughout this legislative process, the BSA was proud to have played a crucial role. The BSA's engagement with both Cabinet Office Ministers and the then-Shadow Cabinet Office Ministers was important in shaping the dialogue around the Act. By facilitating discussions and providing expert insights, BSA members helped align government intentions with industry expectations.

E: bsa@bsa-org.com W: www.bsa-org.com [@THEBSASSOC](https://twitter.com/THEBSASSOC)

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The BSA organised several roundtables and events that brought together members from various industries impacted by public procurement. These sessions were instrumental in gathering feedback on the proposed changes and contributed to a more inclusive legislative process. The insights gained from these discussions were extremely valuable to policymakers and ensured that BSA members could prepare for the upcoming changes.

Moreover, the BSA's collective responses to the Green Paper, the consultation on the NPPS, and other insight gathering exercises were critical in highlighting the practical implications of the proposed legislative changes. These responses helped refine the Act, focusing on simplifying the procurement process, ensuring value for money, and improving access for small and medium-sized enterprises (SMEs) amongst other proposals. We at the BSA are very grateful to all those who contributed to these efforts throughout the last five years.

What Next After 'Go Live'?

Now that the new regime is live, the real work begins. Implementation is key and will require continuous engagement and adaptation by all stakeholders. For BSA members and others in the procurement community, it will be crucial to stay informed and actively participate in sharing their experiences as both suppliers and buyers navigate the new regime together.

The collaborative approach that has led us to this moment has set the scene well, but there is more to be done here. It is critical that the good work of initiatives such as the various Playbooks and the concepts that these represent are driven forwards under the new regime. For example, there must be an ongoing commitment to publish timely and accurate pipelines of works across the public sector. By being transparent about future procurement opportunities, a competitive atmosphere is created, which can lead to better value solutions. This transparency allows suppliers to prepare their supply chains, onboard and upskill their staff, and customise their potential solutions, thereby promoting innovation and cost-effectiveness. In addition to this, early engagement with potential suppliers helps clarify the objectives and desired outcomes, enabling suppliers to better align their proposals.

Beyond this, the focus should now shift towards ensuring that the benefits promised by the Act are realised. This includes leveraging new powers such as the Competitive Flexible Procedure to foster innovation, improve service delivery, and drive economic growth. Additionally, with the increased emphasis on transparency and accountability, organisations involved in public procurement will need to enhance their compliance mechanisms to align with the new requirements.

The benefits of these reforms also extend beyond achieving value for taxpayers' money. They pave the way for greater participation from SMEs and voluntary, community, and social enterprise (VCSE) sectors in public procurement. The Act and accompanying NPPS place welcome emphasis on pre-market engagement, opening up the playing field for a more diverse range of suppliers and encouraging a more vibrant and competitive supply chain.

The Act is therefore not just a legislative change but a significant shift that has the potential to reshape public procurement in this country. As we navigate through this new regime, the continued engagement and proactive approach of all stakeholders will be vital in ensuring that the goals of the Act are fully achieved, ultimately benefiting the economy and wider society.

Ongoing Challenges

With these opportunities come specific challenges. One of the most significant hurdles is overcoming longstanding reservations regarding risk tolerance and funding allocations. Innovation carries a certain level of risk, and the public sector must foster a risk-aware culture that can manage these challenges and offer reasonable reward in respect of the level of risk undertaken.



Effective implementation of these reforms will also require a concerted effort to upskill both public and private procurement teams. We in industry must therefore continue to call on the Government to invest in human capital and digital solutions to ensure that commercial functions across the public sector are adequately resourced. Upskilling in procurement and contract management will be critical to realising the full potential of the proposed changes.

As we embrace this new procurement regime, it is crucial that contracting authorities are empowered to navigate this new terrain effectively. Funding for procurement and contract management teams is an investment in the future of public service delivery. These teams are essential in ensuring that the public sector can benefit from innovation while delivering efficient and responsive services.

The BSA will continue to raise these and other challenges through ongoing engagement with the Cabinet Office and other stakeholders. We will also continue to champion the adoption of Playbook principles across the public sector, particularly those related to risk allocation and the publication of timely and accurate pipelines of work.

In summary, the 'go live' of the Procurement Act 2023 is more than a regulatory update; it is a commitment to excellence in public service. As we look to the future, let us work collaboratively as industry to ensure that this new procurement regime delivers on its promise of a better, more transparent, and more innovative future for public procurement in this country.