



# Public Sector and Utilities Procurement Regulations 2006

**Training from OGC**



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# Contents

- History and summary of changes
- Thresholds, buyer profiles
- Timescales
- Framework agreements
- Central purchasing bodies
- Technical specifications and Sustainability issues
- Selection of tenderers and award criteria
- Competitive dialogue compared with negotiated procedure
- Electronic auctions
- Dynamic purchasing systems
- New reports
- Utilities Regulations

# History of the 2006 Regulations

- Commission Green Paper 1996
- Commission sets out initial ideas 1998
- Commission proposals 2000
- European Parliament (EP) amendments 2003
- Adoption by Council and EP 2004
- Published in OJEU April 2004
- Into UK legislation 31 Jan 2006

UK delivered its Public Sector and Utility Regulations meeting EU timetable for the implementation of the 2004 Procurement Directives



# Use of the Regulations

- Effective from 31<sup>st</sup> January 2006
- The new regulations provide a framework within which public procurement must be conducted
- Provisions are widely drawn to cater for 27 Member States
- Member State Regulations provide further clarification to the EU Directives
- Practice and usability will evolve



# Summary of Changes (1)

## Consolidation of Directives: public sector and utilities

- More consistent treatment of common issues

## Refinements of existing provisions

- Simplified thresholds expressed in Euros (equiv. £ in UK)
- Thresholds updated every 2 years
- Encouragement to use performance specifications
- More emphasis on 'equivalence' of standards and qualifications
- Requirement to publish the relative importance of contract award criteria
- Environmental and social issues addressed
- Electronic means of communicating procurement documentation

# Summary of Changes (2)

## Significant additions

- Competitive Dialogue procedure
- Framework agreements
- Central purchasing bodies
- Mandatory standstill period (Alcatel)
- Electronic auctions
- Dynamic purchasing systems
- Exit criteria for utilities operating in open and competitive markets
- Some changes in coverage of Utilities Regulation



# The Public Sector Regulations

## Changes

### **SI 2006 No. 5 - The Public Contracts Regulations 2006**

**based on Directive 2004/18/EC**

# Thresholds

- The thresholds set out in the directives
- Revised every two years to take account of currency fluctuations (January to December the following year)
- Sterling equivalent thresholds in use
- Current thresholds are available on the OGC website
- Different threshold values depending on procurement type
  - 13 for Public Sector
  - 9 for Utilities



# Buyer Profiles



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Purchasers' websites providing procurement information for suppliers, including for example:

- PINs (provided the European Commission is informed prior to publication on the buyer profile)
  - This allows a reduction in minimum timescales
- Copies of all other notices as required by the Regulation
- Tender specifications and additional documents
- Future procurement requirements
- The purchaser's procurement process
- Contact details



# Timescales

The minimum timescales can be reduced:

- By using electronic notices e.g. Contract Notices in the SIMAP\* format, timescales for open procedure 'tender receipt' and 'requests to participate' in other procedures may be reduced by 7 days.
- By enabling electronic access (e.g. via a web-site) to all contract documentation timescales for open and restricted procedure 'tender receipt' may be reduced by 5 days.

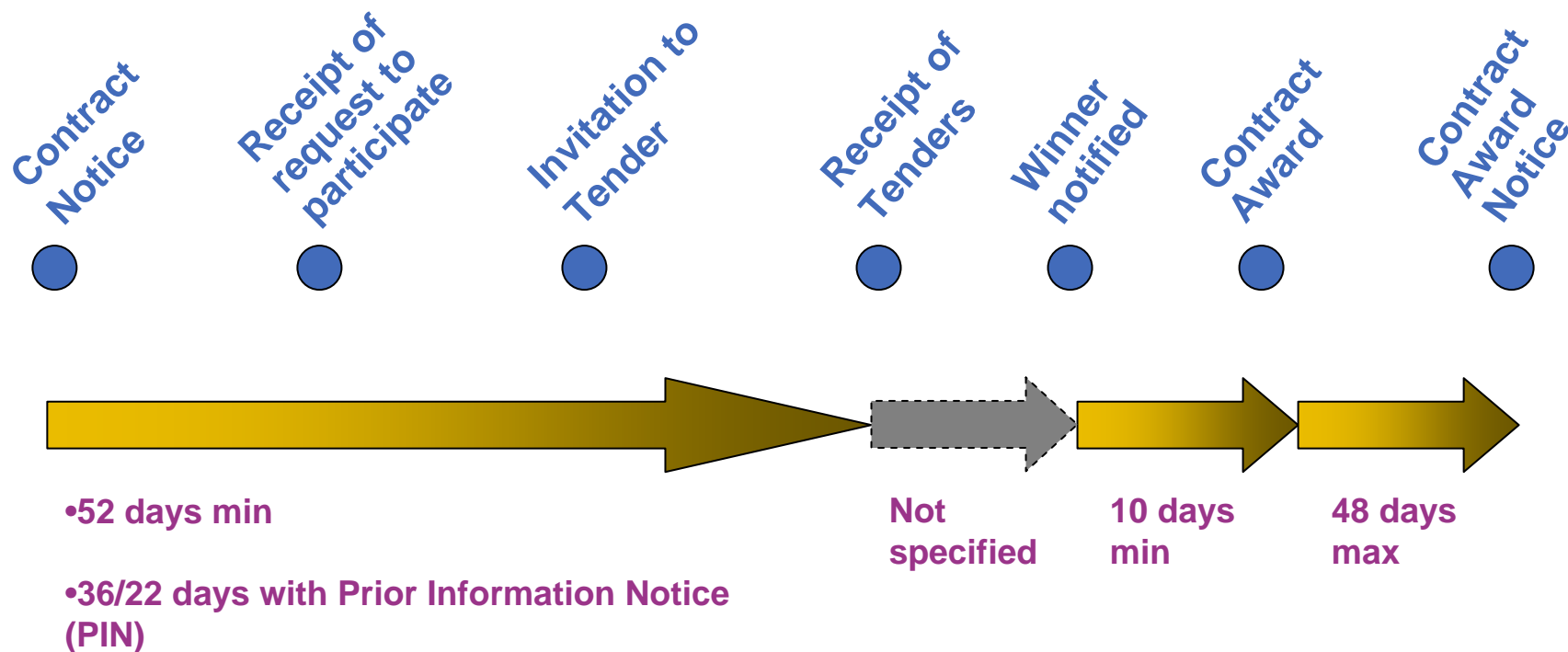
\* see <http://simap.eu.int/>



# Open Procedure minimum timescales

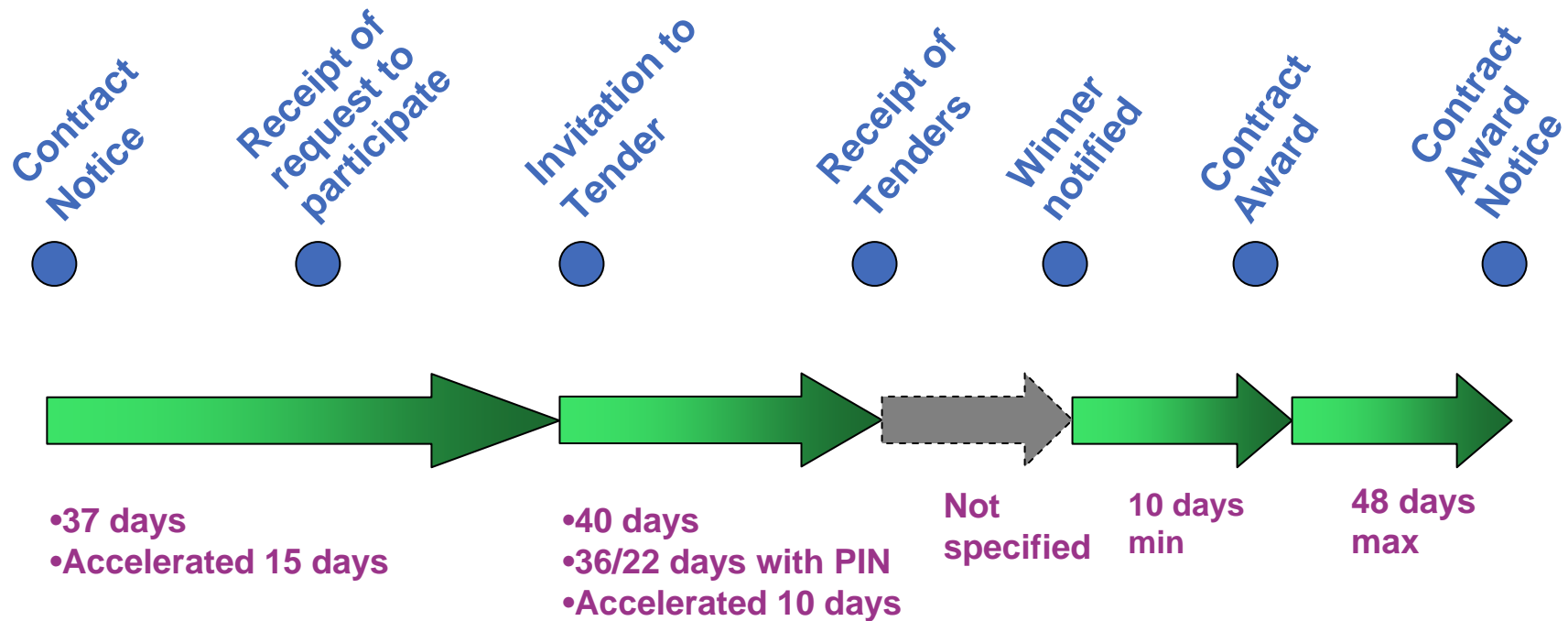


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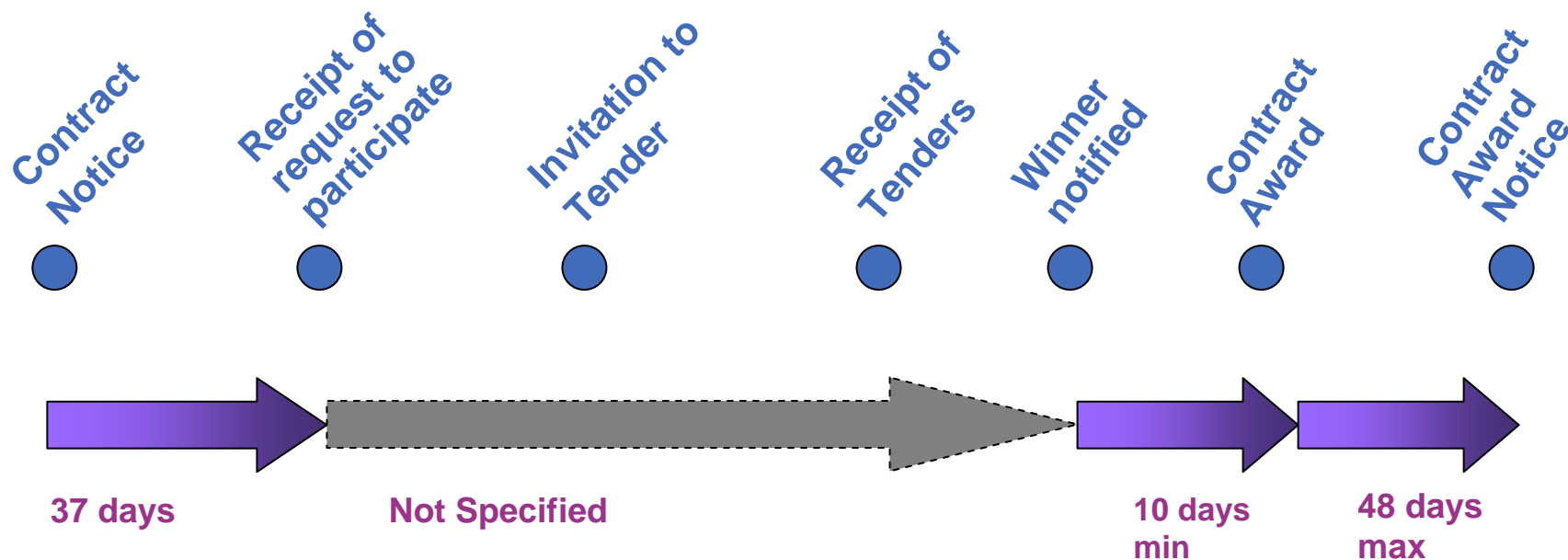
- Electronic communication – 7 day reduction for electronic notices  
5 day reduction for electronic tender docs
- All timescales must be reasonable

# Restricted Procedure minimum timescales



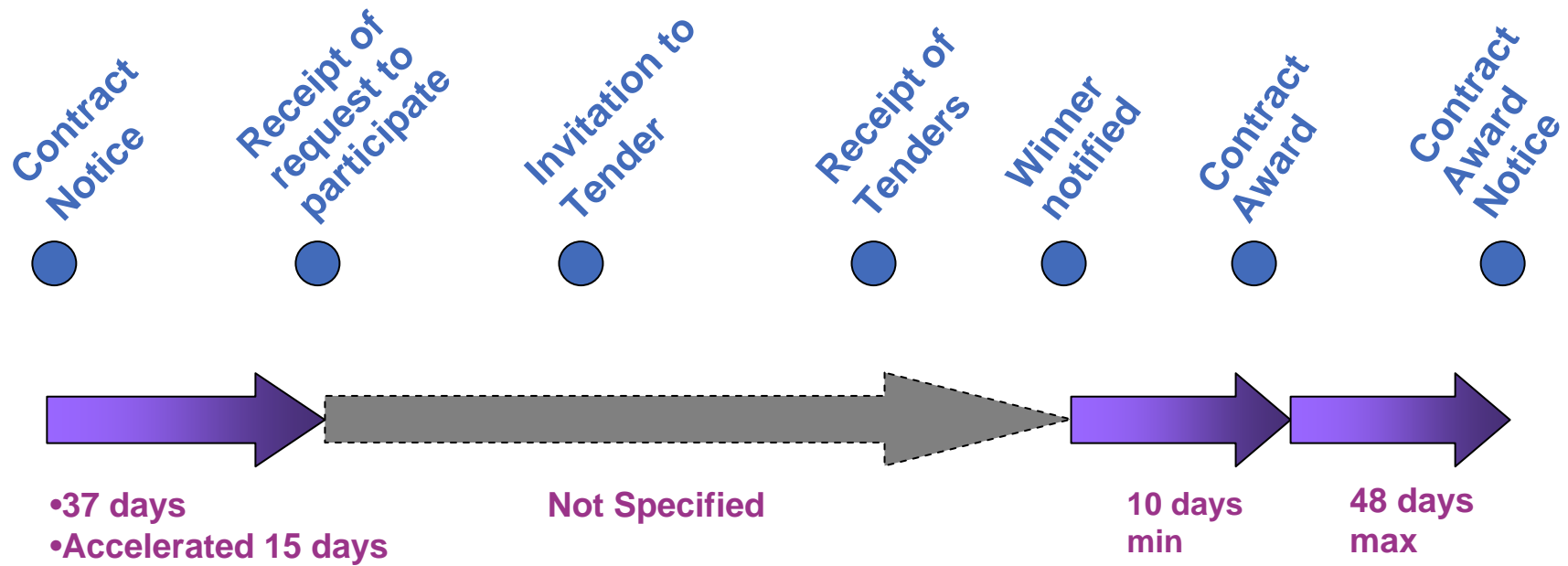
- Electronic communication – 7 day reduction for electronic notices  
5 day reduction for electronic tender docs
- All timescales must be reasonable

# Competitive Dialogue minimum timescales



- Electronic communication – 7 day reduction for electronic notices
- All timescales must be reasonable

# Negotiated Procedure minimum timescales



- Electronic communication – 7 day reduction for electronic notices
- All timescales must be reasonable

# Framework Agreements

# Framework Agreements

## Definition

- Reg 2(1) defines a framework agreement as:
  - *'An agreement or other arrangement between one or more contracting authorities and one or more economic operators which establishes the terms (in particular the terms as to price and, where appropriate, quality) under which the economic operator will enter into one or more contracts with a contracting authority in the period during which the framework agreement applies'*
  
- A framework agreement is **not** a contract.
  
- A 'call off' from a framework agreement **is** a contract.
  
- Frameworks can cover supplies, works and services and can be used in conjunction with the open, restricted, competitive dialogue and negotiated procedures





# Framework Agreements Style

- Maximum duration is four years unless, exceptionally, a longer period can be justified
- Call offs may extend beyond the life of the framework agreement
- Where a call-off duration goes beyond the end of the framework agreement, this must be reasonable and consistent with other call-offs from the same framework agreement
- Frameworks may contain one or three or more suppliers provided, in the latter case, more than three pass the selection criteria
- Note that 2 is not deemed to have represented sufficient competition.

# Framework Agreements Call Offs

For each call off, either:

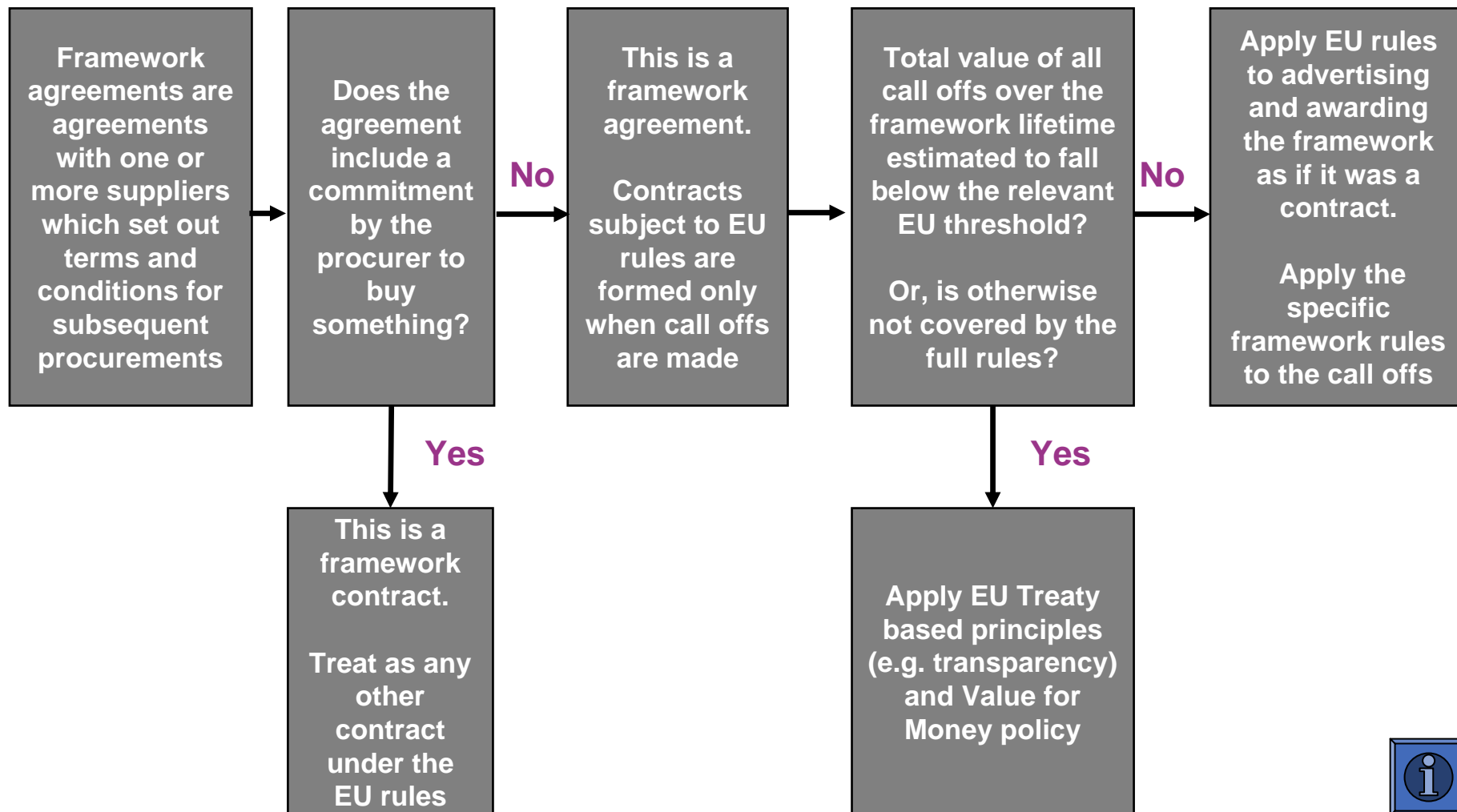
- Award to the single supplier, where only one supplier in framework agreement;

Or

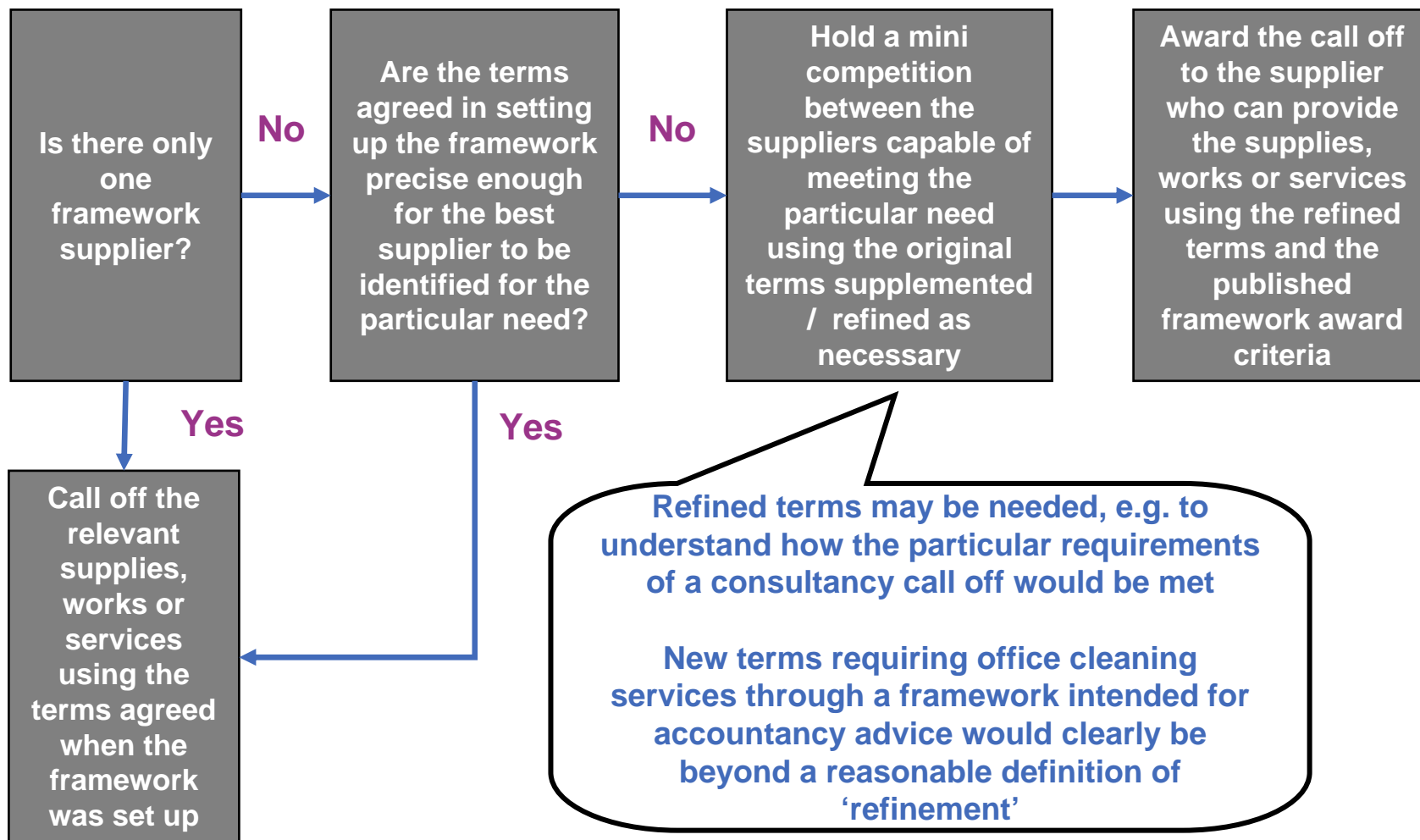
- Hold a mini-competition between all capable suppliers of meeting the requirement
  - Additional award criteria (within framework agreement scope)
  - Do not substantially change the original terms and conditions.
  - Award to the supplier who offers best value for money based on the framework award criteria.



# Framework Agreements Summary



# Framework Call Off Stage Summary



# Central Purchasing Bodies

# Central Purchasing Bodies



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- Reg 2(1) defines a central purchasing body (CPB) as a contracting authority which:
  - a) “acquires goods or services intended for one or more contracting authorities;
  - b) awards public contracts intended for one or more contracting authorities;
  - c) concludes framework agreements for work, works, goods or services intended for one or more contracting authorities”
  
- Purchases may be managed through a CPB
  
- Authorities are deemed to have complied with the Regulations in so far as the CPB itself has complied

# CPBs - examples

- OGC Buying Solutions
- Local Authority purchasing consortia e.g.
  - West Mercia Supplies
  - Central Buying Consortium
- Higher and Further Education purchasing consortia e.g.
  - North West Universities Purchasing Consortium

Note: CPB cannot be a private sector organisation acting as an agent for a contracting authority

# Technical Specifications and Sustainability Issues

# Technical Specifications

- Purchasers are encouraged to use output / outcome based specifications, so as to open up competition and encourage innovation
- Reaffirms existing case law on need to accept standards equivalent to those specified and other offers which meet underlying needs
- Bidders must demonstrate equivalence
- Authority's reason for not accepting equivalence must be provided
- Whenever possible account should be taken of access arrangements for disabled people or design for all users e.g. design of works

# Sustainability Issues



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- Sustainability requirements allowed to be specified, but must be relevant
  
- Must be sufficiently precise to allow bidders to understand the requirement and to allow award of the contract
  
- Green production standards and relevant aspects of eco-labels can be specified but alternatives which demonstrate equivalence must be considered
  
- Special (including environmental and social) conditions relating to the performance of a contract may be specified if:
  - Compatible with Community law
  - Mentioned in contract notice or in the specification
  - Relevant to the contract



# Sustainability Issues Selection Stage

At the selection stage, assessment of capability to undertake works and services contracts may, where appropriate, include:

- Assessment of environmental management measures relevant to the performance of the contract
- Certificates attesting compliance with environmental management standards may be requested but proof of equivalence must be accepted. E.g. EMAS (eco management and audit scheme) certificates

# Sustainability Issues - Variants



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- Use of variants enables purchasers to compare different standards of environmental (and other) performance where related to the subject matter of the contract
- Purchasers may allow variant bids where award is based on most economically advantageous tender (MEAT) criteria
- Minimum requirements for the variants, including environmental (and other) criteria, must be specified
- Variants, such as higher environmental performance or a specific production process, may then be specified



# Sustainability Issues



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- Relevant contracts may be limited to ‘supported’ businesses / employment programmes / factories which employ mostly disabled people unable to gain normal employment – must be stated in the contract notice
- A supplier may be excluded for proven non-compliance with environmental and social legislation relating to professional misconduct or for a poor track record on previous contracts involving environmental or social requirements
- Contract award criteria may include environmental characteristics provided these are linked to the subject matter of the contract and looked at from the point of view of the contracting authority e.g. running costs, energy costs and additional environmental quality (toxic emissions) etc.



# Selection of Tenderers and Award Criteria

# Selection of Tenderers

- Minimum numbers of those invited to tender can be stated in the contract notice, but should be sufficient to ensure genuine competition
  
- Such minimum numbers are
  - 5 for the restricted procedure
  - 3 for the negotiated (with publication of a contract notice) procedure
  - 3 for the competitive dialogue procedure
  
- Those found guilty of organised crime, corruption offences or fraud must be excluded. This requirement is new and supports Community efforts to tackle such issues. Guidance is available on OGC's website.

# Award Criteria



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- Contracts continue to be awarded on the basis of lowest price or most economically advantageous tender (MEAT)
- Contract notices and documentation must provide the relative weighting given to each criterion used to judge MEAT
- Where this is not feasible, award criteria must be stated in descending order of importance
- MEAT award criteria may include environmental characteristics (e.g. energy savings, disposal costs) provided these are linked to the subject matter of the contract



# Competitive Dialogue compared with Negotiated Procedure

# Competitive Dialogue



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Reg 2(1) defines competitive dialogue as “a procedure:

- a) in which any economic operator may make a request to participate; and
- b) whereby a contracting authority conducts a dialogue with the economic operators admitted to that procedure with the aim of developing one or more suitable alternative solutions capable of meeting its requirements and on the basis of which the economic operators chosen by the contracting authority are invited to tender.”

Reg 18(2) describes its use:

- For particularly complex contracts where use of the open or restricted procedures will not allow the award of the contract.

# Competitive Dialogue

- Enables dialogue with selected suppliers to identify and define solutions to meet the need
- Award only on MEAT basis
- All participants and tenderers must be treated equally and commercial confidentiality must be maintained unless the participant agrees that information may be passed to others
- Dialogue may be conducted in successive stages – this must be declared in the contract notice
- During the dialogue those unable to meet the need or provide VFM (as measured against the published award criteria) may be rejected



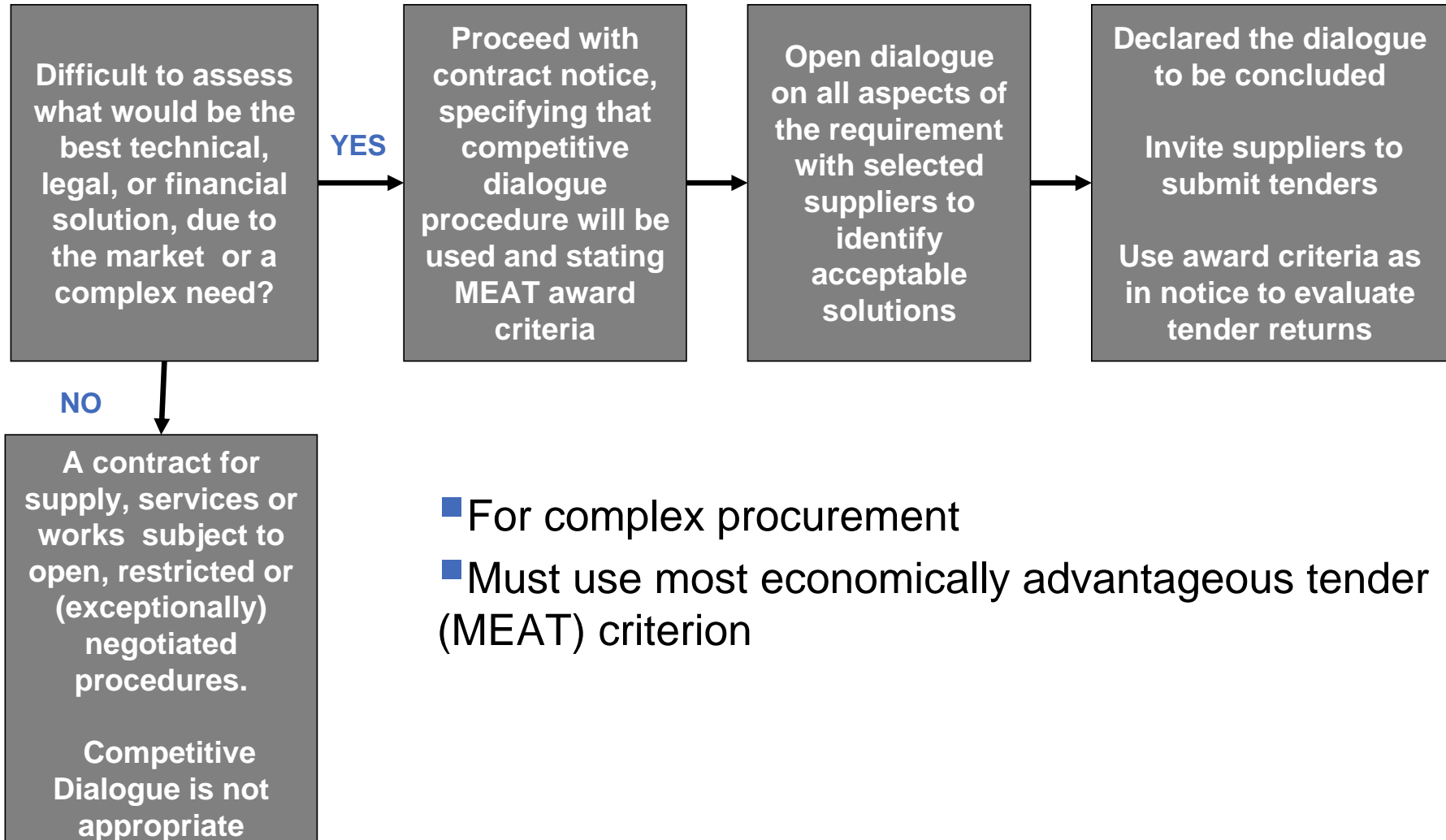
# Competitive Dialogue

- Final tenders are invited from those remaining on the basis of the identified solution or solutions
- Assessment is based on criteria stated in the Contract Notice or accompanying descriptive document (outlining broad needs)
- Clarification of bids can occur pre and post assessment provided this does not distort competition
- Purchasers may specify payments to be made to participants in the dialogue

# Competitive Dialogue Summary



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# Differences (1)

## Competitive Dialogue

- All types of contract where open or restricted not workable
- Used to help define means of achieving broad objectives

## Negotiated Procedure

- Limited to specified circumstances for each type of contract. Intended for use when other procedures will not work
- Used to allow negotiation when:
  - Competition not viable or appropriate
  - Other procedures have not produced an acceptable tender
  - Works are needed for R&D purposes
  - Prior overall pricing is not possible

# Differences (2)

## Competitive Dialogue

- Always involves competitive tender and can only use MEAT
  
- Dialogue embraces all aspects of the procurement for the purpose of identifying solution(s) which meet the needs before seeking tenders

## Negotiated Procedures

- Competitive tender not always required
  
- Can use 'MEAT' or lowest price and, in specified and limited circumstances, can negotiate with a single supplier
  
- Negotiation following advertisement is intended to adapt tenders received in order to better meet the purchaser's specified needs

# Electronic Auctions

# e-Auctions



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Reg 2(1) defines an electronic auction as:

“A repetitive electronic process for the presentation of prices to be revised downwards or of new and improved values of quantifiable elements of tenders including price, which

- a) takes place after the initial evaluation of tenders; and
- b) Enables tenders to be ranked using automatic evaluation methods”

i.e an electronic system enabling suppliers to adjust specified elements of their initial bid and which shows consequent changes in rank immediately

Auctions may be based on price or a combination of quality and price (MEAT award criteria)



# e-Auctions

E-auctions may be used in conjunction with:

- Open or restricted procedures
- Negotiated procedure (with a contract notice) where the open, restricted or competitive dialogue procedures cannot conclude satisfactory
- Mini competitions within a framework
- Competition for contracts to be awarded through a dynamic purchasing system

E-auctions may **not** be used when Intellectual Performance (e.g. design of works) is the subject of the contract

Use of an electronic auction must be stated in the contract notice

# e-Auctions



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Evaluate tenders in accordance with the procedure adopted using the award criteria published in the Contract Notice or tender documents

Invite competent bidders to participate stating (for example):

- Full initial evaluations of the tenders
- Details of the ranking formula to be adopted
- Connection details, date and start / close time
- Number of phases and timescale if relevant
- Conditions of bidding particularly minimum differences required for a new bid

A complete list of information for suppliers is at Reg 21(7)



# e-Auctions



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Quality issues may be addressed as part of an initial evaluation and then through the later auction phase

Each 'quality' aspect of the bid included in the auction phase must be expressed as a single value (figure or percentage) within the published assessment formula

Specification must state any limits to values (arising from the specification) included in the auction



# e-Auctions



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Number of participants may be announced at any time but their identity cannot be revealed

Tenders are first ranked on the basis of an initial evaluation prior to the e-auction

Only those tender aspects capable of being assessed via an e-auction are carried forward to the auction phase

During the e-auction information is communicated in real-time to tenderers to show changes to relative ranking on those aspects subject to auction

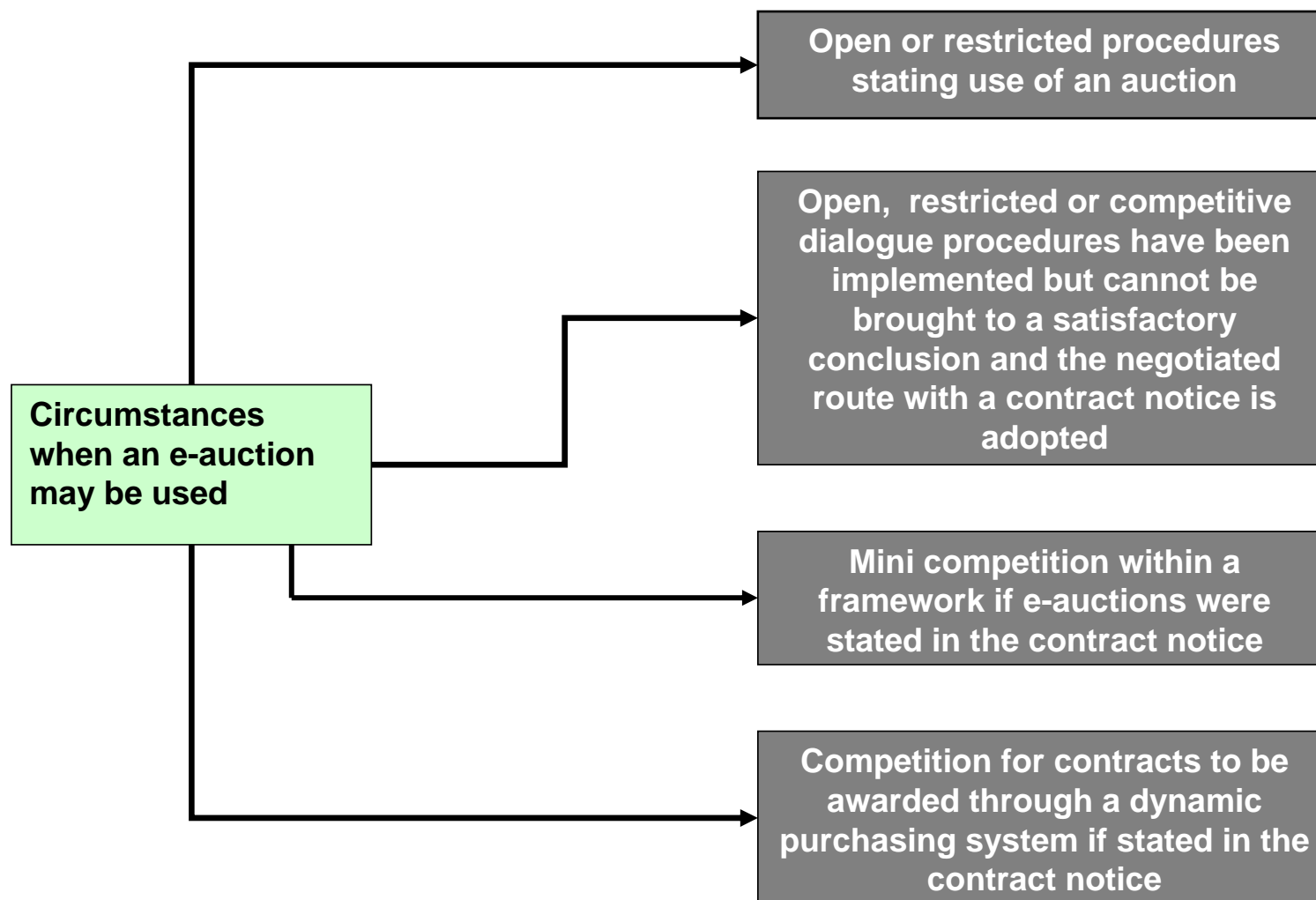
Once the e-auction is declared closed, the initial evaluation of those aspects not subject to auction is combined with changes arising from the auction to identify the winning tender

# e-Auctions

The auction may be closed when:

- Time and date specified at invitation stage is reached
- Prices/ values submitted do not meet minimum difference criteria e.g. insufficient improvement on the last value submitted
- Specified phases are complete

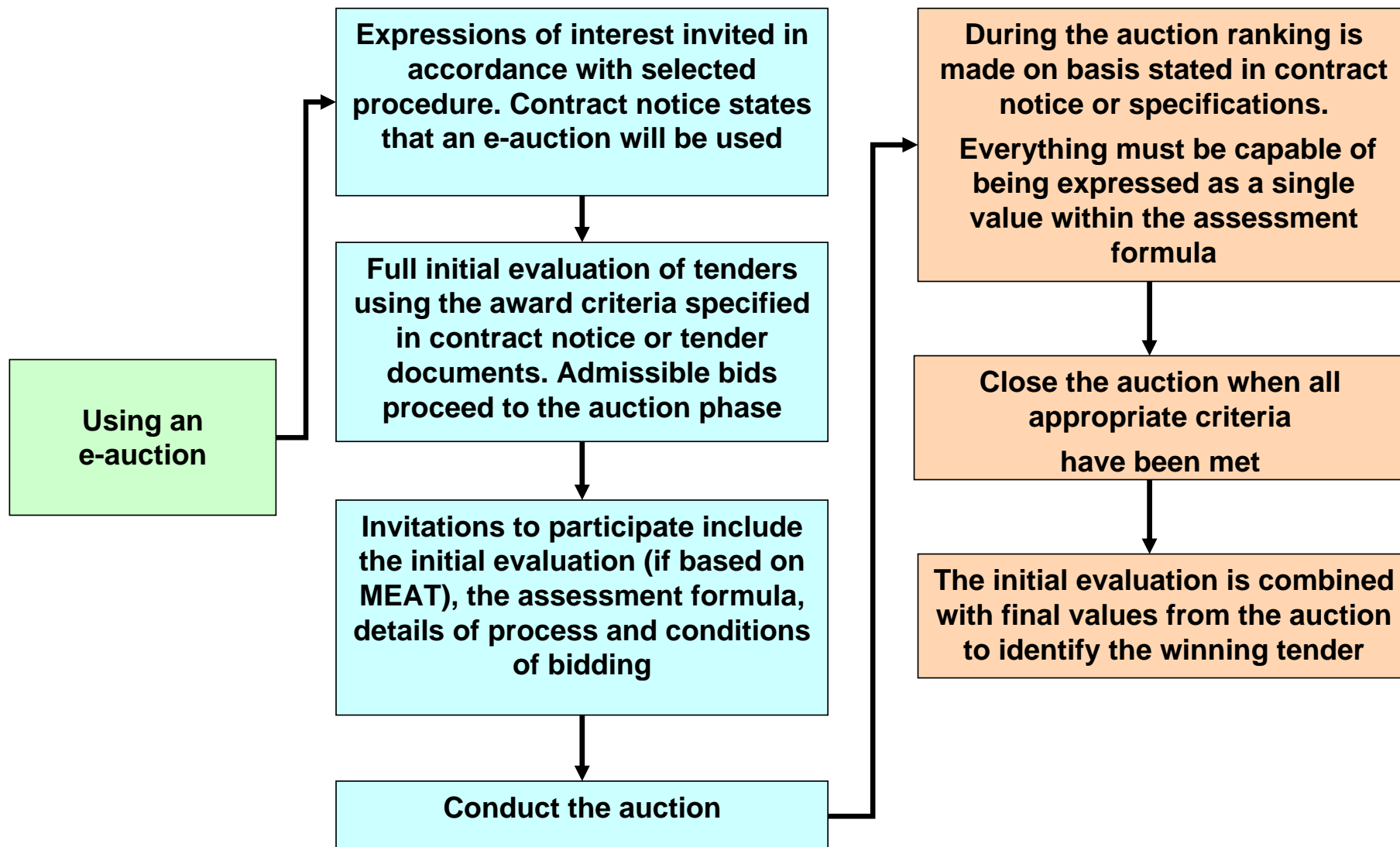
# e-Auctions Summary (a)



# e-Auctions Summary (b)



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# Dynamic Purchasing Systems

# Dynamic Purchasing System



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Reg 2(1) defines a dynamic purchasing system as “A completely electronic system of limited duration which is:

- a) Established by a contracting authority to purchase commonly used goods, work, works or services; and
- b) Open throughout its duration for the admission of economic operators which
  - i. Satisfy the selection criteria specified by the contracting authority; and
  - ii. Submit an indicative tender to the contracting authority or person operating the system on its behalf which complies with the specification required by that contracting authority or person”

# Dynamic Purchasing System



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These are a kind of electronic framework agreement where Indicative Tenders can be made at any time and each call off is subject to competitive tender

The open procedure must be used to invite Indicative Tenders

The contract notice must state the intention to use a dynamic purchasing system. Indicative tender documents and subsequent documentation must be available throughout the life of the system

All those who have submitted a compliant indicative tender and satisfy the selection criteria must be admitted to the system

Indicative tenders may be submitted or improved at any time throughout the life of the system and must be assessed within 15 days, or longer if tenders have not been invited for a 'call off'

# Dynamic Purchasing System



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Each contract (call off) is subject to competitive tender preceded by a simplified contract notice (for the benefit of suppliers who may not be aware of the system)

Tenders for call off contracts cannot be invited until all Indicative Tenders received by the deadline have been evaluated

All admitted suppliers must be invited to tender for each contract within the time specified by the purchaser

Award must be based on the criteria stated in the contract notice which may be refined for the specific tender

# Dynamic Purchasing System



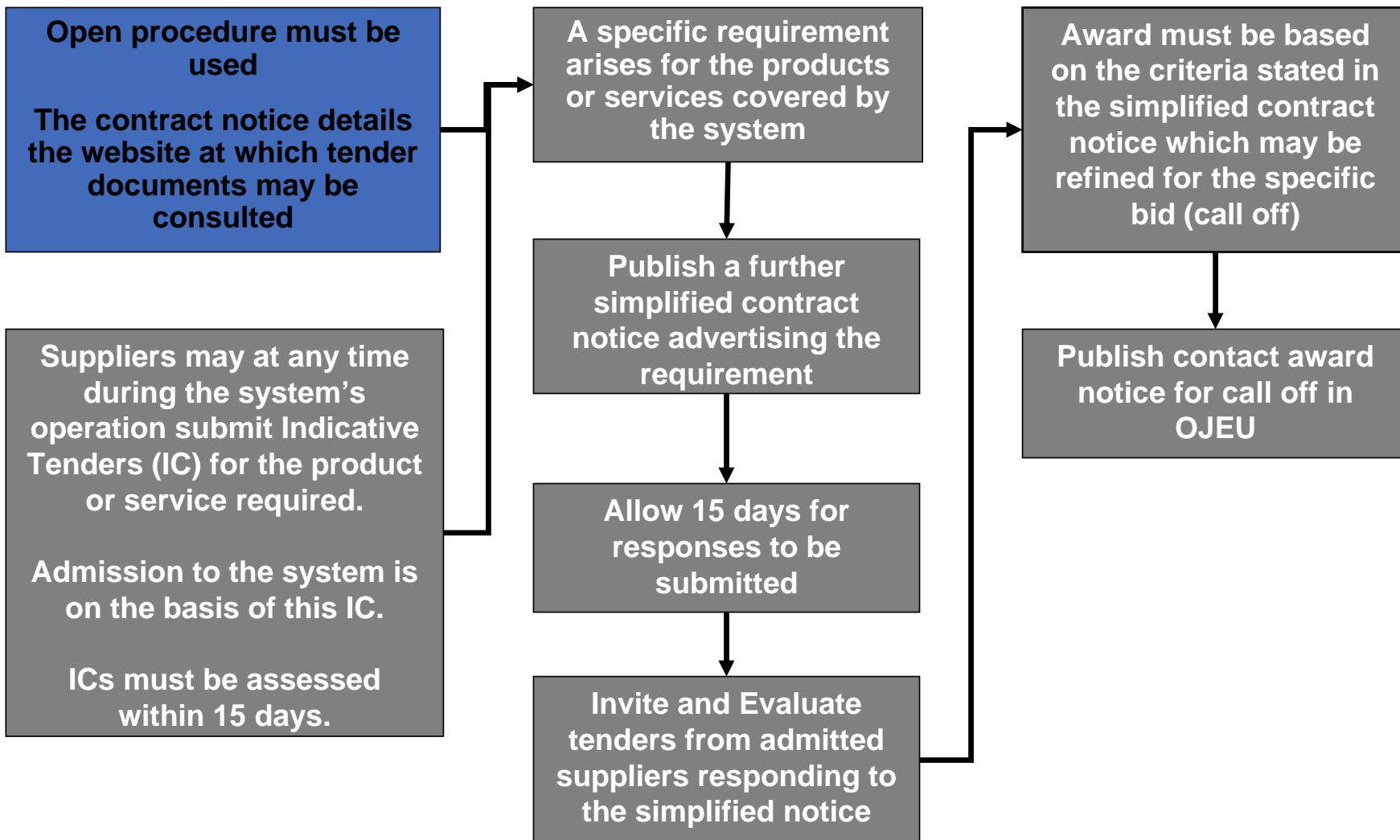
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Contract award notices must be published within 48 days of the award

The system cannot last longer than four years unless exceptionally justified

Suppliers or other parties cannot be charged for establishing and operating the system. The system is funded by the authority

# Dynamic Purchasing Systems Summary



# New Reports

# New Reports



Reg 32(14) sections (a) to (i) require contracting authorities to maintain a comprehensive record of their procurement activities. This will include, for example:

- Contract details – e.g. value
- Selection decisions
- Justification for use of the selected procedure
- Names of tenderers, successful or otherwise
- Reasons for selection
- Reasons for abandoning a procedure

A report based on this record must be provided to OGC upon request

Reg 32 (15) requires a records of progress to be maintained for procedures conducted by electronically means

# The Utilities Regulations

## **SI 2006 No. 6 - The Utilities Contracts Regulations 2006**

**Based on Directive 2004/16/EC**



# Changes common to the regulations

- Many new provisions apply to both Public Sector and Utilities Regulations:
  - Central purchasing bodies
  - Electronic auctions
  - Dynamic purchasing systems
  - Technical specifications
  - Award criteria
  - Ways in which sustainability can be taken into account
- Identical rules apply across the Regulations for these provisions

Telecommunications sector is not subject to the regulations because of effective competition within this sector

Postal services has moved to the Utilities Regulations and away from the stricter regime of the Public Sector Regulations to reflect the increased competition in the postal sector

# Exemption from regulations



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Reg 9 allows a utility exposed to competition in markets to where there is free access exemption from the Regulations.

For example, electricity generators in Great Britain are now exempt from the application of the Utility Regulations

Direct exposure to competition is decided on grounds given by Article 30 of the Utilities Directive:

- Access to the market is presumed to be unrestricted if relevant listed community legislation has been implemented and applied by the member state
- Where free access cannot be presumed the member state must demonstrate that access is free

# Exemption Process



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The process for an Utility to become exempt from the Regulations can be instigated by one of

- The Utility
- OGC
- The Commission

Commission considers all the relevant facts (laws etc and competitive position) and where appropriate takes a view from an independent and competent national authority

The Commission reaches a decision and publishes it in the OJEU

# End of Presentation



# Notes for slide 4

This is an overview of the process and timescales involved in the establishment of the new regulations. These now been published as 4 Statutory Instruments

For England, Wales, N Ireland

- 2006 No. 5 Public Contracts
- 2006 No. 6 Utilities

For Scotland

- 2006(S) No. 1 Public Contracts
- 2006 (S) No.2 Utilities



# Notes for slide 5

The Directive amendments can be split into two categories: Simplification and Significant Additions (see next slide)

## **Directive Simplification**

- Inconsistencies and anomalies between the three previous public sector Directives were removed
- Simplification involved restructuring the existing texts to produce a public sector directive and a utilities directive, each covering supplies, works and services.

## **Regulation Simplification**

- The UK's transposition into its Regulations stayed as close to the Directive text as possible whilst ensuring they worked within the UK legal framework.



# Notes for slide 7

## Additions in response to:

- Modernisation - new technologies and changes in the economic environment
- Case law and emergent understanding on such as frameworks and consortia
- Desire for more flexibility to meet the needs of public purchasers.
- Gradual withdrawal of the State from certain economic activities  
E.g. the telecoms sector is no longer subject to the Utilities Directive. Similarly, the postal sector has transferred from the Public Sector to the Utilities Directive

The Utilities Directive covers water, energy, transport and telecommunications sectors and now permits utilities operating within competitive markets to withdraw from directive compliance.



# Notes for slide 9

The £ (sterling) thresholds are close to the € (euro) equivalent figures in the directives.

This ensures compliance with our international obligations in respect of the World Trade Organisation Government Procurement Agreement (WTO GPA) thresholds.

The thresholds have been simplified by removing all references to the euro equivalent SDR and stating all thresholds in €.

SDR - Special Drawing Rights - the International Monetary Fund “currency” used by the WTO GPA



# Notes for slide 10

Provision for 'Buyer Profiles' is intended to stimulate electronic communication and, generally, to improve communication between purchasers and suppliers.

Regarding official notices, only the Prior Information Notice (PIN) may be published exclusively on the buyer profile provided the European Commission is informed (in a prescribed format) of the publication before or at the same time.



# Notes for slide 12

There are explicit provisions to state that communications and exchange of information may take place through various means, including electronic means according to the choice of the purchaser.

Where notices are compiled and transmitted electronically, timescales for the open procedure receipt of bids and the restricted, competitive dialogue and negotiated (with a contract notice) procedures request to participate may be shortened by 7 days.

A reduction of 5 days to the time limit for receipt of tenders in the open and restricted procedures can be made where unrestricted electronic access to all contract documentation is provided (web site details to be provided in contract notice). Note that in the restricted procedure this applies only to the tender period not receipt of requests to participate.

Reductions also apply to the competitive dialogue procedure which follows the timescales for the restricted procedure.



# Notes for slide 18

This form of "agreement" between purchasers and suppliers is common in the UK (and not many other Member States) but was not specifically addressed by old directives. The new Regulations formalise the understanding reached with the Commission on the use of frameworks and introduces some new detailed provisions.

Framework agreements can range from quite simple (regular commodity purchases) through to sophisticated procurement strategies and have covered legal, ICT, and consultancy services.

Frameworks, in the context of the Regulations, are agreements to agree i.e. they set out terms applicable to contracts formed at the call off stage.



# Notes for slide 20

Mini competitions will only be held where it is not clear that a single supplier can be directly awarded the call off contract.

Where the original framework terms are generic, but there is a need to be more specific in the requirement, then the authority must devise additional criteria to identify all capable suppliers.

Capable suppliers are a sub-set of all the suppliers in the framework agreement who will be known, on the basis of the information available, to be able to meet the requirements defined in the extended criteria.

For example in a general consultancy framework there is a need for audit skills. In this case, the authority will create additional audit based requirement and criteria, and invite all capable suppliers.



# Notes for slide 21

In summary of the framework procurement process.

Framework arrangements can be formulated as contracts which create rights and obligations for both parties. However, in the context of the regulations, frameworks are an administrative mechanism to enable pre-defined transactions to take place over a defined timescale where contracts are formed for each such procurement transaction.



# Notes for slide 22

Mini competitions need only be used in situations where the original framework terms are not sufficiently precise for a particular purchase ('call-off').

Need to take care to anticipate future requirements when drafting framework terms and to segregate distinct requirements in order to avoid unmanageable numbers of suppliers having to be included in mini competitions at 'call-off' stage.

One technique used is to apply categorisation in the framework agreement to identify sub-sets within the suppliers' offerings. Hence, mini competitions would be amongst sub-sets instead of the whole framework.



# Notes for slide 28

Relevant environmental & social requirements may be specified but requirements must be sufficiently precise to allow tenderers to understand the requirement and to allow award of the contract. Eco labels can be referenced as a way to demonstrate conformity with relevant criteria covered by them but alternatives which demonstrate equivalence must be reviewed.

## Guidance

- A note on environmental issues in public procurement is available on the OGC and DEFRA websites
  
- Guidance entitled “Social Issues in Purchasing” is available on the OGC website
  
- See OGC’s ‘Achieving Excellence in Construction’ suite of guidance on its website. Relevant documents are:
  - Achieving Sustainability in Construction
  - Achieving Excellence Guide 7 – Whole Life Costing
  - Achieving Excellence Guide 11 – Sustainability



# Notes for slide 30

The Regulations incorporate Commission interpretative communications regarding environmental and social aspects of public procurement issued in 2001.

Variants may be permitted by the contracting authority to enable the suppliers to demonstrate alternative solutions in their bids to meet the requirement.

The use of variants to compare different standards of environmental and social performance was highlighted in respect of both environmental and social aspects.



# Notes for slide 31

The ability to reserve contracts to “supported” businesses / employment programmes / factories is new although this had been practised for contracts below the EC threshold.

The second bullet point simply makes it clear that, in terms of the Regulations, issues of professional misconduct embrace non-compliance with environmental legislation.

Contract award criteria – both cost and quality criteria when using the most economically advantageous assessment option may include environmental characteristics provided these are linked to the subject matter of the contract.



# Notes for slide 34

Two award options remain – lowest price only or MEAT

For MEAT award criteria these must be listed in the contract notice or the contract documentation, "where possible", in descending order of the importance attached to them by the contracting authority

The Regulations require the relative weighting of each award criterion to be stated in the contract notice or documentation. This is intended to ensure transparency of decision making so that it can be taken into account during the preparation of bids.

MEAT is to be judged 'from the point of view of the contracting authority'.



# Notes for slide 37

With particularly complex contracts, CAs may be well aware of their needs but do not know in advance what is the best technical, legal or financial solution for satisfying those needs. CAs may also wish to allow innovative solutions or may be unable, objectively, to assess what the market has on offer.

Hence it is necessary to have wide ranging dialogue about all aspects of the procurement (process, requirement, solution, contract, etc) between CAs and suppliers.

Such a dialogue is not allowed under the open and restricted procedures.

The government views the competitive dialogue procedure as the most suitable vehicle for Private Public Partnership arrangements such as Private Finance Initiative (PFI) procurements.



# Notes for slide 43

Note the difficulty of dealing with quality issues in an e-auction.

All tenders are evaluated in full before the e-auction phase

The auction then deals with price and any quantifiable whole life cost and quality aspects.

The contract is awarded on the basis of the combined outcome of both stages.



# Notes for slide 45

Tenders will be invited in accordance with one of the allowable procurement procedures.

A full initial evaluation will be made using the award criteria specified in the contract notice or tender documents before the e-auction commences.

Competent tenderers are electronically invited to participate in the auction to update those features which are quantifiable.

The auction cannot start sooner than 2 working days after the invitation.

Where the auction is to be conducted in phases, the invitation to participate must state the number of phases and associated timetable.



# Notes for slide 46

The invitation to participate must be accompanied by the outcome of a full initial evaluation of the tender and the formula to be used in the auction to determine automatic re-rankings for the price and quality values subject to auction.

The formula must be based on the declared weightings which, if initially expressed as a range, must be reduced to a single value.

Separate formulae must be provided for variants where these are permitted.

The award, including the auction phase, must be based on lowest price or MEAT as stated in the contract notice or specifications.



# Notes for slide 59

Changes to the Utilities Regulations are limited but significant.

Thresholds have been simplified but remain very similar to current values and are substantially higher than public sector thresholds for services and supplies.

Provision for frameworks is unchanged so that timescales and call off arrangements are not prescribed in the regulations.

No provision has been made for a Competitive Dialogue procedure in the Utilities Regulations on the basis that there is much greater freedom to use the Negotiated Procedure.

Changes common to the Public Sector and Utilities Regulations are shown on the following slide.

