

Post Brexit Procurement

26th April 2017

Bangor University



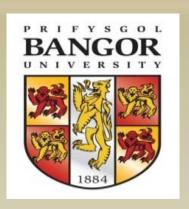


Chris Davies

Chair North Wales Best Practice Club







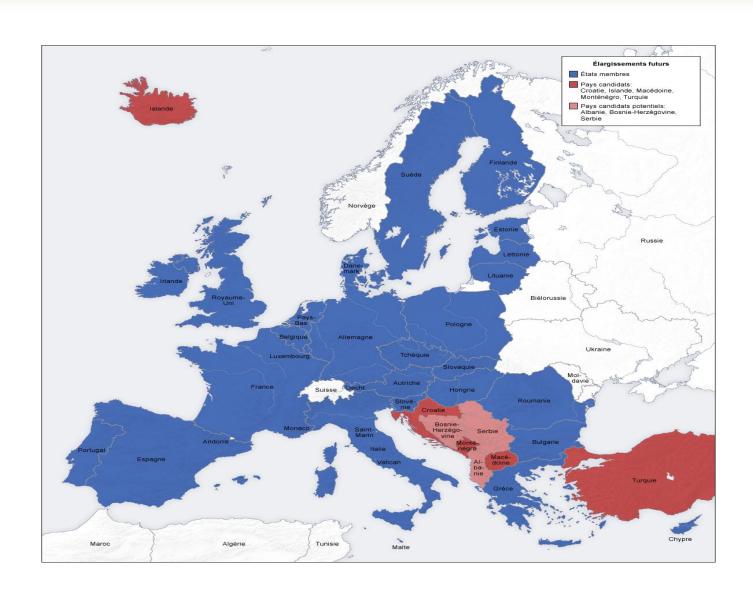
Post-Brexit Procurement - What might it look like?

Professor Dermot Cahill,
Chairman of the Institute for Competition &
Procurement Studies &
Dean of Bangor University Law School

Procurement Week



Map of the EU



BREXIT - Challenges for Your Industry

 <u>Soft BREXIT:</u> UK no longer EU Member, but remains part of the European Economic Area (i.e., UK Law remains subject to EU Law, meaning that EU Non Discrimination provisions continue to apply in UK, so UK purchasers cannot give domestic preferences to UK construction industry...nor could UK law discriminate against EU workers...nor against EU competitors seeking to win business in the UK

Hard Brexit....Leaving the EU totally...and no EU Law

- Hiring Workers...points based immigration system?
 Do you have the expertise? (increased costs and capacity challenges)
- Increased importation costs: what if EU (or UK) imposes tariffs on building materials?
- What if Public Social Value Act is given teeth (BUY UK inputs only?)

Hard Brexit continued...

- What if Procurement becomes less rather than more transparent?
- What if EU retaliates against UK plc?....maybe UK will be "forced" to follow Current EU procurement rules in order to allow UK companies "stay in the game" in the EU 27
- What if Procurement is used to drive social agendas (Hire UK first / or only?)



Hard Brexit



Soft Brexit



Remain

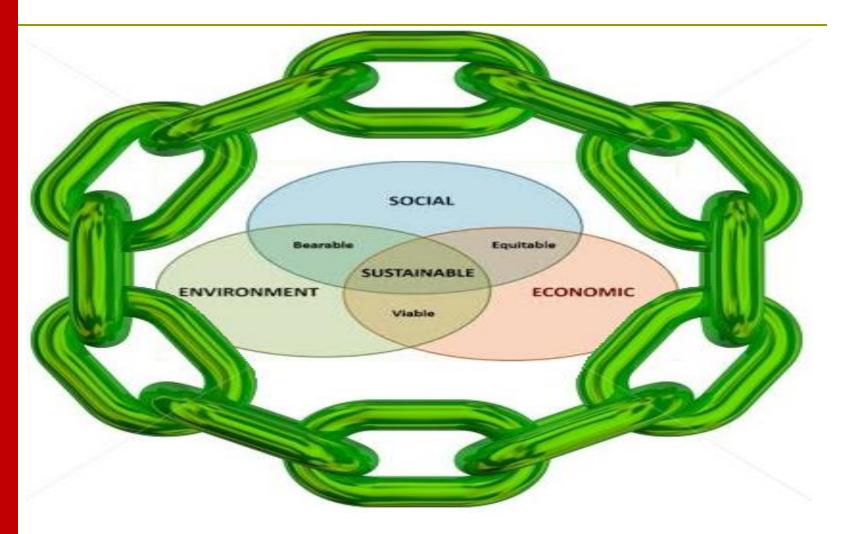




Procurement and Sustainability

Dr Ama Eyo School of Law, Bangor University

Sustainable Procurement Pillars

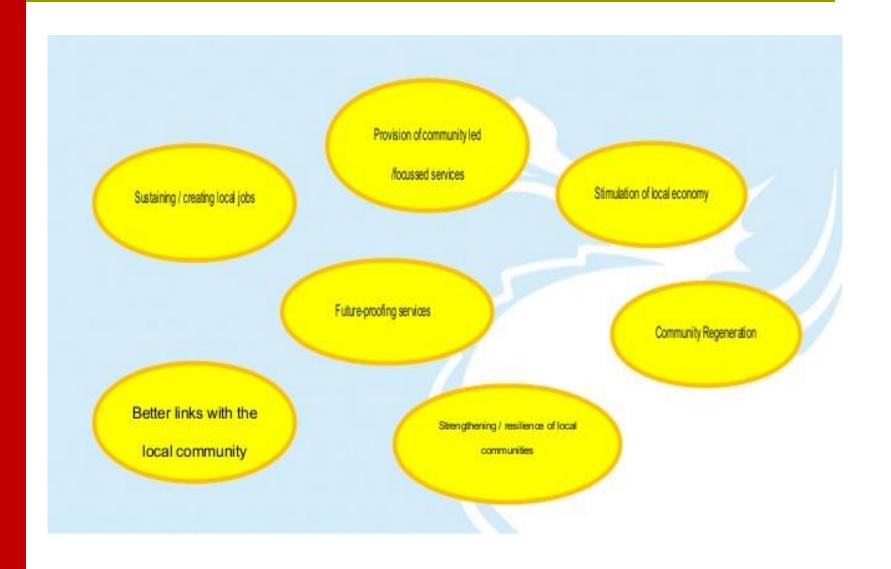


Sustainability, Procurement and the Construction Sector – what does this entail?

- Design and management of buildings;
- Materials performance;
- Construction technology and processes;
- Energy and resource efficiency in building, operation and maintenance;
- Robust products and technologies;
- Long-term monitoring;
- Adherence to ethical standards;
- Socially-viable environments;
- Stakeholder participation;
- Occupational health and safety and working conditions;
- Innovative financing models;
- Improvement to existing contextual conditions;
- Interdependencies of landscape, infrastructure, urban fabric and architecture;
- Flexibility in building use, function and change; and
- The dissemination of knowledge in related academic, technical and social contexts.

Source https://www.lafargeholcim-foundation.org/AboutPages/what-is-sustainable-construction

Procurement and Sustainability in Wales

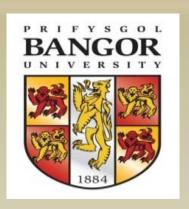


Increased scope for sustainability in the Procurement rules

- Technical specifications Art 42
 - Characteristics of the product; or
 - Production process or method
- Selection criteria Art 57
 - Violation of environmental, social and labour law obligations,
 - Non-payment of taxes or social security contributions
 - Grave professional misconduct, which renders EO's integrity questionable
- Award criteria and life cycle costing Art 67 and 68
 - MEAT
 - Cost effectiveness approach such as life-cycle costing and best price-quality ratio assessed on basis of criteria including qualitative, environmental and/or social aspects linked to the SM of the contract
- Contract conditions/Performance clauses Art 70
 - May relate to economic, innovation-related, environmental, social or employmentrelated considerations







The Tender Review Service – how can it help your business?

Ceri Evans (MCIPS),
Senior Procurement Specialist,
Institute for Competition & Procurement Studies,
Bangor University

Tender Review Service (TRS) Rationale, Objectives & Target Market

Why was the TRS established?

Lack of meaningful feedback

TRS Mission

Help suppliers learn from previous unsuccessful PQQ / tender submissions

Who is the service targeted at?

- Those relatively new to tendering
- Those more experienced in tendering, but who are not happy with their success rate
- 3. Those who have been successful in tendering, but who are now bidding for larger contracts than they have historically tendered for

OR, anybody who cannot understand why they haven't been successful with a particular tender or PQQ!

What does the TRS do for suppliers?

- ✓ Advises suppliers how each element of their response can be optimised
- ✓ Helps suppliers to:
 - See things through the procurer's eyes:
 - "We now know we cannot bluff our way through PQQs and tenders."
 - Understand the procurer's expectations:
 - > "We now have a much better idea of the level of detail we need to provide and of the need to provide sufficient evidence and substance."
 - Understand what the procurer was looking for:
 - "The report has really helped me understand the hidden code behind procurer's questions."

What content does the TRS cover?

- ✓ Experience & Expertise
- ✓ Proposed Approach / Methodology Statement
- ✓ Risk Management
- ✓ Supply Chain and sub-contractor issues
- ✓ Project Management issues
- ✓ <u>OR</u>, anything else that might be relevant to your tender / PQQ!

TRS Client Feedback

What <u>suppliers</u> think about the TRS...

"Our immediate reaction to the Review was one of realisation —
we initially thought we'd done a good job on our tender, but the
Report enlightened us as to how we could have done much better.
We liked the way the Review was honest and accurate - if
something needed to be called a spade, the Review did just that!
We look forward to applying the lessons learnt!"

Mark Roberts, Director, Civil Engineering Solutions Ltd.

What <u>procurers</u> think about the TRS...

"We, at Carmarthenshire County Council, are all for raising tendering skills of suppliers — the great thing about the Tender Review Service is that it is an in-depth, bespoke and high quality service, thus giving suppliers the perfect opportunity to raise their tendering skills significantly in one swift move. We cannot recommend it highly enough!"

Alan Aitken, Procurement Manager, Carmarthenshire County Council

Want more information?

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