

**Committee for Finance and Personnel Inquiry into Public Procurement in Northern Ireland**

<b>Recommendation and number</b>	<b>Department Response Accepted / Rejected etc</b>	<b>Implemented?</b>	<b>Department Comments</b>
1. The Committee considers that it is incumbent upon the Executive and the Assembly both to create a public procurement environment that facilitates our smaller enterprises in realising their full potential and which maximises the economic and social impact from expenditure on procurement. (Paragraph 41)	Accepted but for implementation by Executive		A revised definition of "best value for money" was agreed by the Procurement Board on 11 November 2010. This fundamental change will be the subject of a paper to the Executive and will inform the development of the Programme for Government, the Procurement Board's strategic plan and work being taken forward by DFP, CPD and CoPEs. CPD will work with OFMDFM to establish a working definition of, and methodology for measuring, "social value" in Northern Ireland. OFMDFM has advised that the draft Sustainable Development Implementation Plan, under which the definition will be taken forward, will be finalised in the first quarter of 2011.

<p>2. As a prerequisite the existing drivers for public procurement will need to be realigned in support of the Executive's economic, social and environmental priorities. In particular, this will require a more balanced application of the twelve guiding principles governing the administration of public procurement in Northern Ireland, which, in turn, will help achieve "best value for money". (Paragraph 57)</p>	<p>Accepted</p>		<p>The Procurement Guidance Note 02/04 "Evidencing Best Value for Money" which focuses on the 12 principles will be refreshed to support the new definition of best value for money. This will be submitted to the Procurement Board for approval in June 2011.</p>
<p>3. The Committee recommends that the Procurement Board, in conjunction with DETI considers refining the definition of small and medium sized enterprises in the Northern Ireland context, paying particular attention to those currently identified as small, or micro-businesses, when exploring ways of boosting access to procurement opportunities by local businesses. (Paragraph 71)</p>	<p>Rejected</p>		<p>The current definition is consistent with the definition used by DETI and within Europe. However the Procurement Board has agreed proposals which will address the Committee's recommendations in relation to the provision of more robust data on the access of small and micro businesses to public sector procurement opportunities. A business case is currently being developed to support work on taking forward these proposals.</p>
<p>4. The Committee believes that increased participation by indigenous small enterprises in providing services, supplies and works to government in Northern Ireland could encourage their growth and participation in public procurement markets elsewhere, with the added benefits of boosting employment and of raising the level of productivity/Gross Value Added within Northern Ireland. (Paragraph 79)</p>	<p>Accepted</p>		<p>CPD has engaged with DETI. Procurement Guidance Notes to help maximise opportunities for SEEs and SMEs to access public sector contracts were sent to the Committee on 17 January 2011 for comment. Thereafter Procurement Board endorsement will be sought.</p>

<p>5. The Committee calls on the Executive to develop a strategic policy for using public procurement, as far as is permitted under the legislation, as a tool for supporting the development of our smaller enterprises and for stimulating economic growth in the longer term and considers that the implementation of such a policy will require further culture change on the part of government purchasers, which sees a stronger focus on "growing the economy" and creativity in developing procurement solutions which are sensitive to the needs of the economy, whilst also ensuring legal compliance. (Paragraph 81)</p>	<p>Accepted</p>		<p>This policy will be informed by outcome of work on recommendations relating to SMEs and SEEs. The policy will focus on increased facilitation of access through measures in following areas - contract size, prequalification, publicity of opportunities, reducing bureaucracy, supply chain management.</p>
<p>6. The Procurement Board to ensure that the necessary data capture and management information systems are put in place across all the Centres of Procurement Expertise to enable the impact of procurement policy on the small business and social economy sectors to be monitored effectively. (Paragraph 92)</p>	<p>Accepted</p>		<p>The Procurement Board has agreed proposals to implement the Committee's recommendations on data related issues (Recommendation 3 above refers).</p>
<p>7. The Committee further recommends that the criteria used in the accreditation of Centres of Procurement Expertise should take account of the robustness of the data systems in this regard. (Paragraph 92)</p>	<p>Accepted</p>		<p>The Committee's recommendations on data systems were incorporated within the proposals for a new accreditation model. These were presented to the Procurement Board for consideration in a paper issued on 22 December 2010.</p>

<p>8. The Procurement Board should reconsider the distribution of risk within the procurement process and bring forward a policy on risk sharing, which takes account of the barriers to smaller enterprises accessing the supply chain. (Paragraph 115)</p>	<p>Accepted</p>		<p>This work will be informed by the outcome of work on recommendations relating to SMEs and SEEs. Guidance on removing barriers to SMEs and SEEs accessing public sector contracts was sent to the Committee on 17 January for comment.</p>
<p>9. The Committee recommends that large-scale framework agreements should not be used in future unless the Procurement Board can first establish a robust evidence base for following such practice in the Northern Ireland context. (Paragraph 116)</p>	<p>Still under consideration</p>		<p>Data on the use of frameworks across CoPEs is currently being collected. A paper, including recommendations on the way forward, will be submitted to the Procurement Board in June 2011.</p>
<p>10. The Committee recommends that the Procurement Board gives careful consideration to a procurement policy that advocates breaking contracts into lots as the first recourse of any procurement tender. The intention of such action should not be to avoid the application of the appropriate public procurement regulations, but rather to make a conscious effort to reduce barriers to access for small and medium sized enterprises and social economy enterprises. (Paragraph 123)</p>	<p>Still under consideration</p>		<p>This recommendation will be explored as part of the work being taken forward on frameworks.</p>

<p>11. The Committee recommends that, when using framework agreements, the Central Procurement Directorate and the other Centres of Procurement Expertise develop frameworks reflecting various sizes of contracts and opportunities and, where appropriate, give consideration to regional contract variations to increase access to opportunities for smaller enterprises. (Paragraph 127)</p>	<p>Still under consideration</p>		<p>This recommendation will be explored as part of the work being taken forward on frameworks.</p>
<p>12. The Committee recommends that the Procurement Board gives careful consideration to the full range of methods of procurement, including the use of alternatives to frameworks agreements and traditional contracts where appropriate. In particular members are keen to see a flexible approach taken to contract variance. (Paragraph 131)</p>	<p>Still under consideration</p>		<p>This recommendation will be explored as part of the work being taken forward on frameworks.</p>
<p>13. The Committee recommends that the Procurement Board takes steps both to consolidate all Northern Ireland public sector procurement opportunities within the remit of the e-SourcingNI web portal, including local government tender notices, and to integrate tendering opportunities in Great Britain and the Republic of Ireland. (Paragraph 148)</p>	<p>Accepted</p>	<p>Yes</p>	<p>All CoPEs are now using eSourcing NI. In addition, 7 councils are using the system. Suppliers also have access to a wide range of central and local government opportunities, including the devolved administrations and Ireland from CPD's website.</p>

<p>14. The Committee recommends that the provision of timely and accurate information on the e-SourcingNI portal and the Investment Strategy Northern Ireland Delivery Tracking System should be written into both the business plans of each Centre of Procurement Expertise and the personal performance agreements of the responsible officials. (Paragraph 151)</p>	<p>Rejected</p>		<p>While accepting the need for accurate information, it is for Departments to maintain accurate information on the ISNI tracking system and on their respective procurement plans. It is also for Departments to consider the content of Personal Performance agreements.</p>
<p>15. Moreover, Centres of Procurement Expertise should also be required to publish their annual procurement plans on the e-SourcingNI portal to assist small and medium sized enterprises and social economy enterprises in forward planning. (Paragraph 151)</p>	<p>Rejected</p>		<p>Procurement plans are the responsibility of Departments and not CoPEs.</p>
<p>16. Notwithstanding the need for improved data collection by Centres of Procurement Expertise, the Committee believes that the Executive should keep under review the option of setting targets for increased participation by small and medium sized enterprises and social economy enterprises in the public sector supply chain, for possible future use in the event that the other identified policy interventions do not have sufficient impact. (Paragraph 155)</p>	<p>Rejected</p>		<p>Most recent figures show that Northern Ireland has a relatively high uptake on procurement opportunities from SMEs and SEEs (in 08/09 75% of CPD contracts) compared to GB. However the Procurement Board will continue to monitor and keep under review participation by SMEs and SEEs, facilitated by more robust data capture systems.</p>

<p>17. The Committee recommends that the Central Procurement Directorate encourages local small and medium sized enterprises and social economy enterprises to collaborate, where appropriate, by highlighting the benefits of such initiatives and by providing guidance on the legal and practical implications of joining consortia to facilitate joint tendering. (Paragraph 160)</p>	<p>Accepted</p>		<p>The revised guidance for SMEs/SEEs encourages collaboration and includes advice on consortia. The views of the Committee on the revised guidance were sought on 17 January 2011. CPD is also working with Intertrade Ireland in organising two events to be held later this year aimed at publicising public procurement opportunities to SMEs on an all island basis.</p>
<p>18. The Committee recommends that the Procurement Board considers the potential application of this model (CIFNI) to also cover supplies and services and its extension to all Centres of Procurement Expertise. (Paragraph 160)</p>	<p>Accepted</p>	<p>Yes</p>	<p>The Business Industry Forum for Northern Ireland (BIFNI) has been established and includes representatives from a range of business sectors and the social economy. To date 2 meetings have been held on 14 June 2010 and 8 September 2010.</p>
<p>19. The Committee considers that purchasers should give more consideration to the overall supply chain when awarding contracts and calls on the Procurement Board to examine the scope for government to take greater control of sub-contract arrangements in public contracts, with a view to ensuring more open competition and added transparency. (Paragraph 167)</p>	<p>Accepted</p>	<p>Yes</p>	<p>Advertising sub-contracting opportunities is encouraged where appropriate. Notification of contract awards is also required by the 2006 Regulations, which should alert sub-contractors to opportunities. CPD will be producing a Guidance Note on sub-contracting best practice during 2011.</p>

<p>20. The Committee recommends that the Central Procurement Directorate and the other Centres of Procurement Expertise consider the scope both for greater use of up-front and interim payments, within the constraints of government accounting rules. (Paragraph 172)</p>	<p>Rejected</p>		<p>Details of the relevant provisions within Managing Public Money will be circulated to CoPEs. CPD encourages prompt payment as good practice for all contracts.</p>
<p>21. The introduction of a requirement on main contractors to pay sub-contractors within 10 days of receipt of valid invoices, with a view to increasing the borrowing potential and/or easing the cash flow pressures on small and medium sized enterprises and social economy enterprises. (Paragraph 172)</p>	<p>Rejected</p>		<p>The 10 day limit cannot be made a requirement but it will be encouraged. However where the main contractor has benefited from prompt payment it will be expected to pass this on to sub-contractors. CoPEs have agreed to incorporate the Fair Payment Charter in all construction works contracts. Supplies &amp; Services Standard Terms and Conditions ensure that all sub-contractors work to the same conditions as the prime contractor. Terms and Conditions of contract are reviewed to ensure they are in line with best practice.</p>
<p>22. The Committee recommends that the Minister of Finance and Personnel, in conjunction with the Minister of Enterprise, Trade and Investment, gives careful consideration to the establishment of a public procurement brokerage service as identified by the Ulster Community Investment Trust, which could also act as a "one-stop shop" for the social economy sector in terms of availing of public procurement opportunities. (Paragraph 176)</p>	<p>For implementation by another Minister</p>		<p>A Public Procurement Brokerage Service is a matter for DETI. This is being taken forward by the Social Economy Network (SEN) and CPD will support this work.</p>

<p>23. The Committee recommends that the Central Procurement Directorate reviews existing procurement guidance, in conjunction with local stakeholders, with a view to ensuring that it is fit for purpose. (Paragraph 184)</p>	<p>Accepted</p>	<p>Yes</p>	<p>The programme of policy development is reviewed regularly and views of relevant stakeholder are invited in developing/updating specific guidance as necessary.</p>
<p>24. The Committee recommends that the Central Procurement Directorate brings together the reviewed guidance as a central online resource for public sector procurement, which is linked to the sourcing web portal. (Paragraph 184)</p>	<p>Accepted</p>	<p>Yes</p>	<p>Central Procurement Directorate's website hosts links to guidance and to the eSourcing NI portal.</p>
<p>25 Whilst acknowledging that, whenever public funds are at stake, proper audit, monitoring and accounting arrangements are an unavoidable necessity, the Committee recommends that the Department of Finance and Personnel, in conjunction with the Department of Enterprise, Trade and Investment, takes steps to ensure that proportionate monitoring arrangements are applied, which are sympathetic to the ethos and needs of the social economy sector. (Paragraph 188)</p>	<p>Still under consideration</p>		<p>This will be considered within work being taken forward on SME/SEE access to public procurement opportunities.</p>

<p>26. The Committee is strongly of the view that pre-qualification processes and criteria should not be so burdensome as to deny both small and medium sized enterprises and social economy enterprises the opportunity to develop their business and thereby benefit the local economy. As such, the Committee recommends both that the principle of proportionality (i.e. the resources required to bid should be proportional to the size of contract) should be embedded into all public procurement tendering exercises. (Paragraph 198).</p>	<p>Accepted</p>		<p>CPD has developed a standard set of questions within eSourcing NI that can be used to support pre-qualification for a range of different supplies and services' sectors. Work is ongoing on the identification of a suitable model for supplies and services' contracts. The standard PQQ for Construction Works contracts has been adopted by all construction CoPEs and includes proportionate minimum standards for financial standing based on the use of Constructionline.</p>
<p>27. The Committee recommends the next review of Centres of Procurement Expertise, due to take place in 2013, places a particular focus on progress in improving pre-qualification processes. (Paragraph 198)</p>	<p>Accepted</p>		<p>The revised accreditation methodology will include a focus on pre-qualification. The methodology will be shared with the Committee once approved by the Procurement Board.</p>
<p>28. The Committee welcomes the development of a standardised pre-qualification questionnaire for works contracts, which is currently being taken forward by the Construction Industry Forum for Northern Ireland. The Committee recommends that, once an agreed approach has been established, the Procurement Board considers its application to all procurement sectors and across all Centres of Procurement Expertise. (Paragraph 200)</p>	<p>Accepted</p>		<p>CPD has developed a standard set of questions within eSourcing NI that can be used to support pre-qualification to a range of different supplies and services' sectors. Work is ongoing on the identification of a suitable model for supplies and services' contracts. The standard PQQ for Construction Works contracts has been adopted by all Construction CoPEs and includes proportionate minimum standards for financial standing based on the use of Constructionline.</p>

<p>29. In noting that the Construction Industry Forum for Northern Ireland is actively considering the weighting of relevant experience in the assessment process for works contracts, the Committee recommends that the Procurement Board considers the potential for applying any lessons arising from this work across the other Centres of Procurement Expertise and to supplies and service contracts. (Paragraph 204)</p>	<p>Accepted</p>		<p>Supplies &amp; Services CoPEs will review any lessons learnt to see if they are applicable to the range of sectors covered by these CoPEs.</p>
<p>30. The Committee recommends that feedback mechanisms across all the Centres of Procurement Expertise are standardised and aligned with good practice, with greater monitoring to ensure effectiveness. (Paragraph 208)</p>	<p>Accepted</p>	<p>Yes</p>	<p>A guidance note setting out a standardised approach to disclosure of information throughout the procurement process was approved by the Procurement Board in June 2010 and disseminated to Departments and CoPEs.</p>

<p>31. The Committee recommends that the Central Procurement Directorate provides specific guidance and support to government purchasers in relation to the social economy, including on Special Contracts Arrangements. Also, as more social enterprises enter the procurement market, tailored advice should be available to those organisations that would be eligible for supported status (i.e. where more than 50% of employees are registered as severely disabled). (Paragraph 212)</p>	<p>Accepted</p>		<p>Draft guidance for public sector purchasers on the benefits of doing business with SMEs and SEEs has been revised and was sent to the Committee on 17 January 2011 for consideration. This includes reference to Special Contract Arrangements and supported status. The views of stakeholders have been taken into account in this process.</p>
<p>32. The Committee senses a reticence amongst local commissioners and purchasers to pursue social benefit through procurement, which may be linked to a need for greater clarity both on the Executive's policy intention in this area and on the definition and measurement of 'social value'. (Paragraph 244) (See paragraph 245 below)</p>	<p>Accepted</p>		<p>A revised definition of "best value for money" was agreed by the Procurement Board on 11 November 2010, subject to Executive approval. This will be taken forward as an action under the Sustainable Development Action Plan which OFMDFM advises will be finalised in the first quarter of 2011. CPD will work with OFMDFM to establish a definition for "social value" and methodology for measurement.</p>

<p>33. The Committee recommends that the Executive translates its Programme for Government/Public Service Agreement commitments in this area into a clear policy directive on procuring social benefit, which sets out the priorities that should be pursued by the Procurement Board, the Centres of Procurement Expertise and individual commissioners and purchasers. (Paragraph 245)</p>	<p>Accepted</p>		<p>As above.</p>
<p>34. The Committee further recommends that this policy directive, which should be underpinned by the necessary legal guidance, is reflected, as appropriate, in departmental business objectives, in the forthcoming Northern Ireland Public Procurement Handbook and in the personal performance objectives of commissioners and procurement professionals. (Paragraph 245)</p>	<p>Accepted</p>		<p>A revised definition of "best value for money" was agreed by the Procurement Board on 11 November 2010 subject to Executive approval. CPD is working with OFMDFM to establish a definition for "social value". OFMDFM has advised that the draft Sustainable Development Implementation Plan, under which the definition will be taken forward, will be finalised early in 2011. Personal Performance objectives are a matter for individual Departments.</p>
<p>35. The Committee notes the growing body of guidance on procuring social benefit and, in particular, welcomes the practical toolkit which has been published recently on behalf of the Strategic Investment Board. However, the Committee is concerned that this resource will be underutilised without the necessary policy direction from the Executive. (Paragraph 246)</p>	<p>Accepted</p>		<p>A revised definition of "best value for money" was agreed by the Procurement Board on 11 November 2010, subject to Executive approval. It places a greater emphasis on sustainability, including social benefits. The SIB toolkit provides a useful resource to supplement CPD guidance.</p>

<p>36. In the meantime, and given the positive evaluation of the Procurement Board's Pilot Project on Utilising the Unemployed in Public Contracts, the Committee recommends the use of clauses setting quotas for employing apprentices and the long-term unemployed in all suitable public contracts. (Paragraph 247)</p>	<p>Accepted</p>		<p>This has now been agreed for construction and set out in Procurement Guidance Note 06/10.</p>
<p>37. In recognising the need for further empirical evidence on best practice use of social clauses, the Committee recommends that the Central Procurement Directorate makes a rigorous assessment of the social clauses applied in recent construction contracts, with a view to identifying lessons and opportunities for further initiatives in this regard. (Paragraph 247)</p>	<p>Accepted</p>		<p>A survey is being undertaken by CPD to establish the extent to which social clauses have been included in recent contracts.</p>

<p>38. The Committee is strongly of the view that, in future, value-for-money assessments must strike a balance between short-term monetary considerations and longer-term economic, social and environmental costs and benefits. This is especially important in the context of the constrained public expenditure environment, when departments must not lose sight of the Executive's strategic priorities. As such, the Committee calls on the Department of Finance and Personnel to put in place a suitable model for systematically measuring, evaluating and incorporating wider social value considerations within economic appraisals and business cases, and which will inform public procurement processes. (Paragraph 253)</p>	<p>Accepted</p>		<p>A revised definition of "best value for money" was agreed by the Procurement Board on 11 November 2010, subject to Executive approval. CPD is working with OFMDFM to establish a definition for "social value" and a methodology for measuring it. Economic appraisal guidance already includes provision for consideration of social value considerations.</p>
<p>39. Moreover, the Committee recommends that socially responsible procurement should be included as a scored criterion in the next Centre of Procurement Expertise accreditation exercise. (Paragraph 253)</p>	<p>Accepted</p>		<p>A revised definition of "best value for money" was agreed by the Procurement Board on 11 November 2010, subject to Executive approval. Evidence of the achievement of Best Value for Money, in terms of price, quality and sustainability (which includes social value) will be a scored criteria within the new model.</p>

<p>40. The Committee is conscious that capacity building for both purchasers and suppliers will also be vital to maximising the outcomes from public procurement. The Committee is mindful that, whilst the Department of Finance and Personnel, through the Procurement Board, must take the lead in developing the capacity of purchasers, the Department of Enterprise, Trade and Investment has lead responsibility in terms of the small business and social economy sectors. (Paragraph 258)</p>	<p>Accepted</p>		<p>The issue of the capacity of purchasers is being taken forward within the new accreditation process which will also include training arrangements. Work is also ongoing with DETI, which will take this work forward through its existing programme and with IntertradeIreland. This work will be augmented by training to support the development of purchasers which is being taken forward through the Centre of Applied Learning and courses are being developed on key parts of the procurement process.</p>
<p>41. The Committee urges the Procurement Board to consider the possibilities for introducing licentiate arrangements for procurement professionals across the public sector, with a view to ensuring greater uniformity in the professional competencies of purchasing staff. (Paragraph 265)</p>	<p>Accepted</p>		<p>This is being taken forward in the context of the new CoPE accreditation model. A training programme is being developed around the key stages in the procurement process for delivery to procurement professionals in CoPEs and commissioning staff in Departments. Two courses are currently being developed by CAL and another three are with the Training Commissioners seeking approval to take forward to the development stage.</p>
<p>42. In addition, the Committee considers that it is essential that the continual professional development of procurement personnel should include awareness of the benefits of doing business with both the small business and the social economy sectors. (Paragraph 265)</p>	<p>Accepted</p>		<p>The guidance for purchasers has been revised and has reflected the views of key stakeholders; it outlines the benefits of SME/SEE participation in public sector procurement and sets out actions to overcome or reduce barriers to their entry.</p>

<p>43. The Committee calls on the Minister of Finance and Personnel to liaise with the Minister of Enterprise, Trade and Investment to ensure that sufficient funding is in place for measures to build the capacity of smaller enterprises to access the public sector supply chain. (Paragraph 274)</p>	<p>Accepted</p>		<p>CPD has met with DETI officials to discuss capacity which will be taken forward through Invest NI's current programme including the funding measures deemed necessary.</p>
<p>44. The Committee sees a vital role for the Central Procurement Directorate in contributing to procurement training and development for both small and medium sized enterprises and social economy enterprises and will wish to be apprised of plans for taking this forward. (Paragraph 274)</p>	<p>Accepted</p>		<p>CPD has met with DETI officials as above. CPD also participates in Meet the Buyer events organised by various bodies, produces guidance and encourages the use of eSourcing NI.</p>
<p>45. The Committee endorses the concept of a "Procurement Exchange Programme" and urges the Procurement Board to bring forward options on how this might be developed so as to facilitate cross-sectoral training and knowledge transfer across the public sector and the private sector. (Paragraph 277)</p>	<p>Rejected</p>		<p>BIFNI and CIFNI are being used to look at opportunities, knowledge transfer and sectoral contacts. CPD cannot be directly involved in exchange programmes as there could be a conflict of interest.</p>

<p>46. In welcoming moves towards a more collaborative approach to local authority procurement, the Committee considers that, in the event of the proposed new local authority Centre of Procurement Expertise being established, then appropriate linkages should be developed with the central government procurement structures. Whilst recognising the independence and autonomy of local councils, the Committee urges greater synergy between central and local government purchasing policy and practice, with a view to achieving consistency in the application of good practice procurement across the public sector. (Paragraph 287)</p>	<p>Accepted</p>	<p>Yes</p>	<p>CPD officials are in contact with DOE officials responsible for local authority procurement and has provided comment on the Draft Local Government Best Value (Exclusion of Non-commercial Considerations) (NI) Order 2011 consultation document and associated guidance. Seven councils are now using eSourcingNI.</p>
<p>47. The Committee concludes that there is scope for more strategic co-ordination of the public procurement landscape in Northern Ireland to realise efficiencies, not only between central and local government but also in terms of arms-length public bodies. Moreover, the Committee proposes that the Executive explores opportunities to achieve additional efficiencies through collaborative government procurement on a North-South and East-West basis. (Paragraph 295)</p>	<p>Accepted</p>		<p>While there have been a number of successful collaborative arrangements these have been limited due to operational capacity within a number of CoPEs. A PPG sub-group has been set up to develop a NI Procurement Collaboration Strategy that reflects and builds on the experiences to date and to develop a new delivery model that address these issues. It is proposed to present this draft strategy and delivery model to the next Procurement Board in June 2011.</p>

<p>48. The Committee reiterates its call for a new target to be set for achieving further efficiencies from public procurement, to include a monetary value and baseline for such savings, with an associated implementation plan which links to individual departmental efficiency delivery plans. (Paragraph 296)</p>	<p>Accepted</p>		<p>The Procurement Board will explore options for setting value for money targets which will contribute to individual Departmental efficiency savings.</p>
<p>49. In calling for a further efficiency drive through collaborative procurement, the Committee emphasises the need for such collaboration to be co-ordinated at a strategic level by the Procurement Board to avoid counterproductive localised efficiencies being pursued which have an adverse effect on the efficiency of the wider public sector and/or are detrimental to the local economy. (Paragraph 297)</p>	<p>Accepted</p>		<p>A small sub-group within PPG has been tasked to develop a NI Procurement Collaboration Strategy and delivery model proposal to present at the Procurement Board in June 2011.</p>
<p>50. The Committee recommends that, in reviewing the data capture and management information systems within Centres of Procurement Expertise, the Procurement Board also considers the position more widely across departments to ensure that robust systems are in place to facilitate evidence-based decision making in terms of the identification and monitoring of procurement efficiencies. (Paragraph 298)</p>	<p>Accepted</p>		<p>A paper on data capture and management information systems was agreed by the Procurement Board in November 2011. A small sub-group within PPG has been tasked to develop a NI Procurement Collaboration Strategy and delivery model proposal to present at the Procurement Board in June 2011.</p>
<p><b>Litigation and Lessons Learned</b></p>			

<p>51. Given the cost of litigation and the associated disruption to capital projects and other procurement exercises, the Committee believes that a conciliatory approach is needed in resolving procurement conflicts and considers that the absence of an independent mediator between purchaser and supplier is a key deficiency within the procurement process in Northern Ireland. As such, the Committee recommends that the Procurement Board urgently examines the possibility of providing for a "Supply Chain Ombudsman" function in Northern Ireland, which would, amongst other things, fulfil this important mediation role. The Committee also believes that the proposal for licentiate arrangements for procurement professionals could help to reduce the level of litigation arising from failure to meet legal obligations. (Paragraph 312)</p>	Rejected		<p>The Procurement Board is content with the current arrangements for dispute resolution. This view is supported by the NI Ombudsman who has a statutory remit to examine the administrative processes leading to award of contracts. Actions will focus on the greater use of existing complaint arrangements pre contract and mediation/arbitration procedures to deal with conflict post award.</p>
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<p>52. The Committee calls on the Procurement Board to bring forward options for strengthening and formalising the relationship between the Central Procurement Directorate and the other Centres of Procurement Expertise, with a view to ensuring consistency in applying good practice procurement in support of the Executive's key priorities. (Paragraph 319)</p>	<p>Accepted</p>		<p>Following the Procurement Board meeting in November a revised paper on the future role of CPD and its relationship with the CoPEs was sent to the Board for comment on 22 December 2010.</p>
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