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Daniel McCrossan
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Your Ref:

Our Ref: SCORR-0087-2025

Date: 25 June 2025

Dear Daniel

MEMORANDUM OF REPLY: PUBLIC PROCUREMENT IN NORTHERN IRELAND

I refer to your letter of 9 May 2025 in which the Committee requested an update on the following recommendations and target implementation dates included in the Memorandum of Reply for Public Procurement in Northern Ireland:

- Recommendation 1 – an update on the completion against the target date
- Recommendations 2, 3, 7 and 8 – (which are dependent on Recommendation 1) to include details of the timeline for the establishment of the Task and Finish Group and work to evaluate the impact of current CoPE structures in respect of Recommendation 2
- Recommendation 11 - an update on the progress against to date

The updates to the recommendations are provided in the Table at Annex A. In addition, I have attached the Terms of Reference for the Task and Finish Group established to develop the performance metrics for your information.

I hope you find this response helpful, and I would be happy to provide a further update on the remaining recommendations as requested.

Yours sincerely



NEIL GIBSON

Annex A – Updates on Memorandum of Reply Public Procurement

Recommendation	MoR Response (Presented to the NI Assembly on 12 February 2025)	Target Implementation Date published in the MoR	Update June 2025
<p>Recommendation 1: The Committee recommends that the Department establishes a procurement strategy for the Northern Ireland Civil Service and other relevant central government public bodies as a matter of urgency that will provide the basis for a coordinated approach for public procurement activity in Northern Ireland.</p>	<p>DoF's Construction and Procurement Delivery has carried out a consultation on a draft Public Procurement Policy Statement which refreshes the 2002 Public Procurement Policy Document and establishes the strategic objectives underpinning public procurement here. It is anticipated the proposed Public Procurement Policy Statement will be forwarded to the Executive for approval by 28 February 2025.</p>	<p>31 March 2025</p>	<p>This recommendation was completed 9 weeks after the target date.</p> <p>The Public Procurement Policy Statement was approved by the Executive on 5 June 2025 and replaces the 2002 Public Procurement Policy Document. The Public Procurement Policy Statement takes account of policy gaps identified in legacy reports over the last 10 years and compliments the Procurement Act 2023 which came into effect on 24 February 2025. The Policy Statement outlines four key principles underpinning procurement activity and establishes 21 strategic objectives, ambitions and targets which will drive significant change in how public procurement operates here.</p>
<p>Recommendation 2: The Committee recommends that within six months of the establishment of a procurement strategy, the Department establishes a set of metrics that will be used to provide the basis of cross-sectoral performance assessment for the effectiveness of procurement and</p>	<p>The draft Public Procurement Policy Statement includes a Principle of Efficiency and Effectiveness of the procurement function. Following Executive approval of the Procurement Policy Statement, a Task and Finish Group with representatives from all nine Centres of Procurement Expertise (CoPEs)</p>	<p>30 September 2025</p>	<p>This recommendation is on schedule to be completed by 30 September 2025.</p> <p>A working group with representation from all nine Centres of Procurement Expertise (CoPEs) has been established and is Chaired by the Director of CPD Supplies and Services Division. A Terms of Reference for the Task and Finish group has been agreed and a draft</p>

<p>ongoing evaluation of the impact and value of current CoPE structures.</p>	<p>will be established to develop a set of metrics to provide the basis of cross-sectoral performance assessment for the effectiveness of procurement and ongoing evaluation of the impact and value of current CoPE structures.</p>		<p>set of metrics is under development to align to the draft Public Procurement Policy Statement. The Group has met on three occasions.</p>
<p>Recommendation 3: The Committee recommends that the Department undertakes an urgent review to determine the most appropriate governance and oversight structures to be put in place to support strong leadership and decision making and to allow system-wide oversight of performance against the new strategy's priorities.</p>	<p>DoF agrees that appropriate governance and oversight structures should be in place as laid out in the Committee's recommendation, and a review will therefore be undertaken to determine the most appropriate structures to support strong leadership and decision making and to allow system-wide oversight of performance against the new strategy's priorities. DoF would highlight though that funding would need to be made available by the Executive to undertake such a review and implement changes. DoF would assure the Committee however that as a minimum, similar governance structures for monitoring the performance of the Investment Strategy NI will be used to ensure system-wide oversight of the performance of the Procurement Policy Statement and underpinning strategic objectives.</p>	<p>31 December 2025</p>	<p>Given the delays to the publication of the Public Procurement Policy Statement and Strategic Objectives, it is likely the review will not be delivered before 31 March 2026.</p> <p>The Strategic Priorities for Public Procurement are detailed in the Public Procurement Policy Statement. Following the approval of the Public Procurement Policy Statement on 5 June 2025, the Department has initiated work to establish an independent panel to provide recommendations on the most appropriate governance arrangements to oversee the implementation of the Executive's key procurement principles and strategic objectives.</p>
<p>Recommendation 7: The Committee recommends that within six months the Department, in consultation with its stakeholders,</p>	<p>Within six months, DoF will establish a stakeholder engagement strategy and plan in consultation with its stakeholders, including Invest NI and</p>	<p>30 September 2025</p>	<p>This recommendation is on schedule to be delivered before the end of July 2025.</p>

<p>establishes a model for internal and external stakeholder engagement that will provide a sound basis for appropriate engagement in relation to any future procurement policy interventions and innovations.</p>	<p>Intertrade Ireland who engage with Small to Medium Sized Enterprises (SMEs) on a regular ongoing basis. The strategy will ensure appropriate engagement is carried out with both internal and external stakeholders in relation to any future procurement policy interventions and innovations.</p>		<p>A draft Stakeholder Engagement Strategy has been developed in conjunction with Centres of Procurement Expertise (CoPEs), Intertrade Ireland and InvestNI. Engagement with Industry bodies concluded on 24 June 2025.</p>
<p>Recommendation 8: The Committee recommends that, as part of its stakeholder engagement model, the Department produces a communications strategy that ensures that it reaches all potential suppliers, including SMEs and new businesses.</p>	<p>As DoF develops its stakeholder engagement strategy, as referred to in the response to Recommendation 7 above, it will also produce a communications strategy that ensures it reaches all potential suppliers including SMEs, Micro Businesses and new businesses.</p>	<p>30 September 2025</p>	<p>This recommendation is on schedule to be delivered before the end of July 2025.</p> <p>A draft Communication Strategy has been developed in conjunction with Centres of Procurement Expertise (CoPEs), Intertrade Ireland and InvestNI. Engagement with Industry bodies concluded on 24 June 2025.</p>
<p>Recommendation 11: The Committee recommends that the Department ensures that, once the governance structure has been established, appropriate arrangements are put in place to ensure that issues relating to technological risks and opportunities are subject to suitable oversight at a strategic level.</p>	<p>Arrangements for the oversight of advancements in technologies will form part of the Public Procurement governance arrangements as detailed in the response to Recommendation 3. The arrangements will ensure there are not significant differences in the exploitation of opportunities, or exposure to risks, associated with new technologies in different areas of the public sector. Lessons learned will be shared across CoPEs following the adoption of new technologies. DoF will also keep up to date and share technological developments in other jurisdictions.</p>	<p>31 December 2026</p>	<p>The delivery of this recommendation is on track for 31 December 2026.</p> <p>The governance structures have not yet been established therefore no further work has been carried out on this recommendation. However, the Heads of Procurement Group meet on a bi-monthly basis and discuss opportunities for new technologies, particularly in the context of capturing procurement data and reporting.</p>