Procuring Technology for Housing Services

December 2023

ROYAL *borough of* GREENWICH

THE ROYAL BOROUGH OF KINGSTON UPON THAMES

London Borough of Redbridge

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Executive summary

Systemic challenges

The current Local Government landscape

Local Government in the United Kingdom is facing substantial challenges stemming from the pandemic, cost of living crisis, housing crisis, budgetary constraints and global factors including high inflation and interest rates, Brexit and economic slowdown.

The pandemic accelerated the demand for digital services, while ongoing technological advancements have raised consumer expectations of digital solutions. The enduring effects of austerity have forced Local Authorities (LAs) to prioritise services over business support, resulting in skills gaps in critical areas. This is compounded by the increased complexity introduced by Brexit.

This leaves LAs grappling with a legacy of ageing assets that require capital investment to maintain, while demand for digital services is at a peak.

The Housing Crisis

Despite there being 4.4 million social homes across England, there is a massive deficit of social housing.[1] Nearly 1 in 5 households in England currently live in social housing,[2] and there are over 1 million households waiting for social housing .[3]

Households are waiting for years to access social housing while the taxpayer spends £1.74 billion p/a on temporary accommodation.[4] These homes must be safe and healthy to avoid further costs – both human and financial. The health impacts on citizens arising from poor quality housing costs the NHS £2bn per year.[5] The Grenfell fire drew attention to fire safety and led to the Hackitt report,[6] while the death of Awaab Ishak has drawn similar focus to mould and damp, resulting in new guidance for landlords.[7]

These cases and others have led to a raft of new regulation in the Social Housing Regulation Act 2023 which social landlords must respond to.[8] Further compounding the crisis, complaints to landlords have hit a record high with a four-fold increase in the most serious findings by the housing ombudsman.[9] Social landlords want to provide resident-centred services, yet they are struggling to do so.

[1] Regulator of Social Housing (2022): Registered provider social housing in England – stock and rents
[2] DLUHC: Live tables on dwelling stock (including vacants) — Table 100
[3] Pragmatix advisory (2021): Building post-pandemic prosperity
[4] LGA: Link
[5] Pragmatix advisory: ibid
[6] Dame Judith Hackitt (2018): Independent Review of Building Regulations and Fire Safety
[7] DLUHC, DHSC, DHSA (2023): Understanding and addressing the health risks of damp and mould in the home
[8] (2023) Social Housing Regulation Act 2023
[9] Housing Ombudsman (2023): Annual Complaints Review

Procurement in local government

Technology for housing services

Social landlords are reliant on systems to store data on their housing stock, tenants, conditions, and to manage the housing register, allocate people to properties, handle repair requests, plan capital investment and respond to complaints.

Approximately £60 million of public money is spent each year on housing technology,[1] yet over 94,000 hours of LA staff time is spent on completing tasks that technology should be able to automate and LAs are consistently unhappy with the technology they use, finding that it does not meet their needs or the needs of their residents.[2]

Many LAs are stuck on old or unsupported technology, and time and cost of making the change was consistently identified as the most significant barrier to moving to new technology systems.[3] The effort of procurement is off-putting to LAs and leads to frequent renewals of incumbent systems and only a small number of competitive tenders each year, despite LAs not being satisfied with the service they receive.

Challenges procuring technology for housing services

Technology procurement has wide reaching implications across IT, data and service models and directly impacts staff and residents. Poor procurement processes limit the ability of LAs to ensure technology enables an effective and user-centred service, restrict their ability to achieve value for money and impact the potential for new and innovative technology suppliers to market. This research has focused on housing services, but these findings are likely to be applicable across local government services. In general, poor contract management is estimated to cost organisations up to 9% of their bottom line.[4]

Our research shows that the most significant barriers to successful procurement are a lack of strategic planning and lack of expertise in the process. Successful technology procurement requires specialist knowledge across technology, service delivery and procurement, yet the responsibility often falls on a single individual (the procuring officer) who has expertise in just one of these domains.

Procurement is often carried out reactively, without alignment to organisation strategy, and without first properly understanding the problem that technology is required to solve.

[1] London Borough of Redbridge and TPXimpact (2023): Housing Tools for Social Landlords
[2] ibid
[3] ibid
[4] World Commerce & Contracting (2020): Poor Contract Management Continues to Cost Companies 9% of their Bottom Line

What needs to change

The advent of the Procurement Act 2023 presents a pivotal opportunity for Local Authorities to proactively reshape the technology procurement process. This offers the chance to align technology acquisition with the needs of residents and staff and the overall strategy LAs are seeking to deliver. However if not planned for, the increased flexibility and transparency the Act calls for risks amplifying existing challenges.

In order to make these changes this report calls for:

- **Systemic change** to ensure consistent high quality procurement across local government through targeted communications about the Procurement Act, accessible learning materials and new frameworks for needs gathering and risk management

- **Collaboration between local authorities** to share best practices, develop reusable resources and shared approaches

- **New forums for engagement between technology suppliers and social landlords** to improve relationships, promote innovation and better prepare for regulatory change

A way forward

	Now Activities to start immediately	**Next** Intermediate–term	**Later** Long–term
Individual Activities individual LAs can take to improve technology procurement within their organisation	Ensure your organisation is up to date on the Procurement Act 2023 and how it will affect you. Identify when your next procurement is and get ready to use the tools available (e.g. LOTI Toolkit, LOTI HMS Specs, LOTI Data Access wording).	Build clear lines of communication and accountability across the procurement journey by bringing Digital, IT and Service teams together to map out roles, responsibilities and standard processes. Boost your internal commercial capability through the Contract Management Pioneer Programme.	Implement an internal culture change programme and build procurement into your organisation strategy so that you are thinking about what you need to procure and embedding it into your org and technology strategy.
Partner council collaboration Activities the partner councils can work on collectively to drive improvements	Have a wrap up meeting and identify what your aims and objectives are as a group of partner councils, and decide what your level of involvement will be/what you are willing to take forward.	Partner with TechUK to create a convening forum for suppliers and Local Authorities. Make the internal procurement journey visible through accessible, user–centred material.	Develop a framework that defines how risks related to procurement can be identified, assessed and shared among participating authorities. Create a framework and process for Local Authorities to gather and weight diverse needs to ensure outcome–focused procurement.
Systemic System–wide change that needs to happen in the sector to address the root causes of procurement challenges	Comprehensive communication and engagement strategy around the Procurement Act 2023 for LAs.	Develop national standards and certification processes for technology procurement in local government to ensure consistent high quality practice.	Partner with LOTI to develop and scale a Sandbox Local Authority geared to pilot new technology and support early market engagement.

Full report

CONTENTS

Context and approach

Aims of this work

The DLUHC Local Digital Fund awarded £100,000 in Round 6 to Hackney, Redbridge, Woking, Greenwich, Kingston and Sutton, and Adur and Worthing for a discovery to achieve better value from the technology used in housing services.

This project set out to explore the **procurement** of technology systems for housing services to identify opportunities to ensure technology meets the needs of local authorities and residents.

It is widely acknowledged across housing services that the technology used to run the services does not meet the needs of the service. This technology may not have been updated in years, has limited functionality for residents and poor reporting for staff. Housing services struggle to meet their regulatory requirements in part due to issues with the technology.

This problem is well known. Past research in this space, carried out by TPXimpact on behalf of London Borough of Redbridge, validated this through user research. It showed that these technology issues are linked to "vendor lock-in", wherein housing services face various barriers to upgrade their systems or change technology supplier.

That work identified procurement and contract management as a priority area for further investigation, as a key moment when buyer-supplier relationship dynamics are set and decisions are made that can have long-term impacts on system success.

This research therefore specifically looks at the procurement of technology for housing services. However the findings have wider relevance across local government procurement and particularly to technology procurement.

Connections to other work

Department for Levelling Up Housing and Communities (DLUHC)

[Housing Data Interventions](#)

In parallel with this project, a separate piece of work led directly by the DLUHC Local Digital Team simultaneously investigated technology for housing services. Picking up on the same previous work led by London Borough of Redbridge, the other project explored another priority opportunity area highlighted in that report: data standards.

That project has been carried out in parallel by TPXimpact. With consent of both DLUHC and Hackney council, some research activities have been combined across the projects in order to reduce confusion and minimise the time burden asked of research participants who may otherwise contribute to both.

Housing Associations' Charitable Trust (HACT)

[UK Housing Data Standards](#)

The HACT standards cover housing service processes and data schemas for housing management systems. They do not cover *how* a housing service should ensure that its technology meets the standards, which is in the scope of this project.

We have taken a neutral approach to any particular data standard that may be requested during a procurement process, and have instead looked at the process overall – how the housing service identifies needs, specifies requirements and communicates with suppliers.

London Office of Technology and Innovation (LOTI)

[Innovation in Procurement Toolkit and Housing Services Procurement Specification and Templates](#)

Past work by LOTI was a key source in our research. We have sought to build on this work, looking at awareness and usage of the LOTI resources.

We spoke to representatives from LOTI as well as assessing the published materials online. Overall we found the LOTI work to be relevant to the challenges identified in our user research. However, awareness of it is limited and few local authorities had tried to use the materials they produced.

Research methodology

We took a hypothesis–led approach in order to build on existing knowledge within our project team and partner councils.

We defined hypotheses about where challenges and opportunities lie in the procurement journey. We based these on preliminary desk research and conversations with the partner councils.

We then designed a research plan to validate our assumptions and test our hypotheses. We spoke to a range of stakeholders in order to get a well–rounded picture of the current state.

As well as conducting formal research, we carried out regular informal problem exploration sessions with subject matter experts (SMEs) from the partner councils in order to refine and develop our findings. This was always supplemented by desk research and analysis of existing research and guidance carried out by other bodies; which was in turn tested and validated with our SMEs.

User research

Structured interviews were approximately 1 hour long. Focus groups and workshops were 1 to 2 hours long and conducted online.

8 **Local Authorities**

7 **Housing Associations**

5 **Technology suppliers**
Including established housing management system providers and new entrants
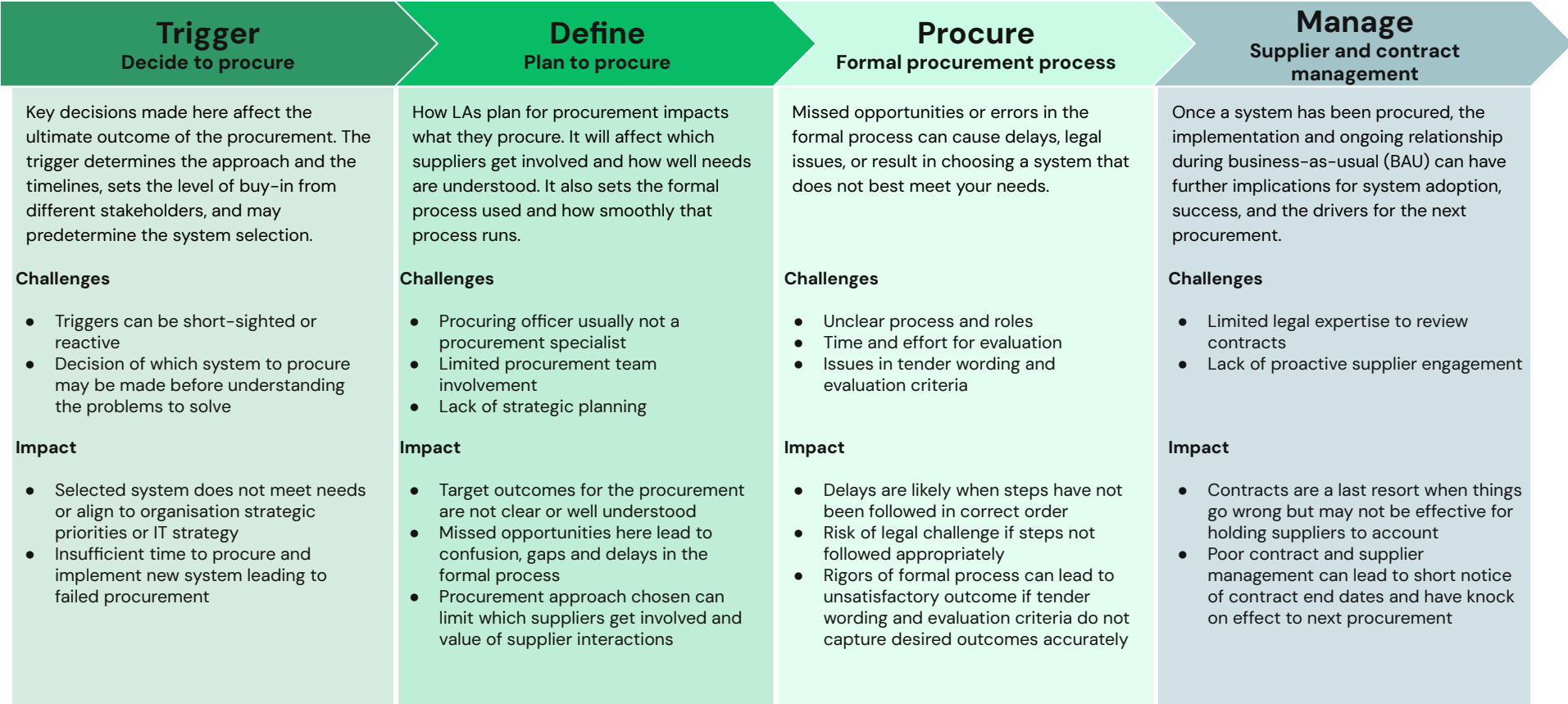
4 **Sector stakeholders**

Desk research

- Existing procurement guidance (LOTI, Crown Commercial, LGA and others)

- Procurement regulation

- Standards

- Past housing discoveries

- White papers and case studies

Procurement journey

A deep-dive into the activities and challenges across the procurement journey and how to get the most out of each stage.

Procurement journey: current challenges

Trigger **Decide to procure**	Define **Plan to procure**	Procure **Formal procurement process**	Manage **Supplier and contract management**
Key decisions made here affect the ultimate outcome of the procurement. The trigger determines the approach and the timelines, sets the level of buy-in from different stakeholders, and may predetermine the system selection.	How LAs plan for procurement impacts what they procure. It will affect which suppliers get involved and how well needs are understood. It also sets the formal process used and how smoothly that process runs.	Missed opportunities or errors in the formal process can cause delays, legal issues, or result in choosing a system that does not best meet your needs.	Once a system has been procured, the implementation and ongoing relationship during business-as-usual (BAU) can have further implications for system adoption, success, and the drivers for the next procurement.

Challenges

Trigger
- Triggers can be short-sighted or reactive
- Decision of which system to procure may be made before understanding the problems to solve

Define
- Procuring officer usually not a procurement specialist
- Limited procurement team involvement
- Lack of strategic planning

Procure
- Unclear process and roles
- Time and effort for evaluation
- Issues in tender wording and evaluation criteria

Manage
- Limited legal expertise to review contracts
- Lack of proactive supplier engagement

Impact

Trigger
- Selected system does not meet needs or align to organisation strategic priorities or IT strategy
- Insufficient time to procure and implement new system leading to failed procurement

Define
- Target outcomes for the procurement are not clear or well understood
- Missed opportunities here lead to confusion, gaps and delays in the formal process
- Procurement approach chosen can limit which suppliers get involved and value of supplier interactions

Procure
- Delays are likely when steps have not been followed in correct order
- Risk of legal challenge if steps not followed appropriately
- Rigors of formal process can lead to unsatisfactory outcome if tender wording and evaluation criteria do not capture desired outcomes accurately

Manage
- Contracts are a last resort when things go wrong but may not be effective for holding suppliers to account
- Poor contract and supplier management can lead to short notice of contract end dates and have knock on effect to next procurement

Trigger	Define	Procure	Manage

| Decision to procure | Strategic planning | Needs and outcomes | Define requirements | Engage the market | Agree approach | Launch formal process | Receive responses | Evaluation | Contracting | Supplier and contract management |

Trigger: Decision to procure

This is the point at which the decision to procure a new system is first made. While some decisions to procure are planned, others respond to unplanned triggers. Procurement can be triggered by existing contracts coming to an end; a change identified as part of a wider transformation journey; responding to a change in regulation; or knowledge of an existing product which is desired by a stakeholder within the service or in senior leadership.

Insights

- When unplanned this decision point can lead to technology systems being decided on before reaching a rigorous understanding of the problems that need to be solved. This can create discord among internal teams, and miss opportunities to meet user needs.
- When planned, a decision to procure is part of a systematic review of services and existing technology, and based on a longer term road map. Starting procurement in this intentional way leads to better procurement outcomes.

"We decided on a solution before working out what the problem was we were trying to solve."
- *Local Authority*

"Executives say 'I've seen a shiny thing and I want that'. The requirements are made to match the shiny thing."
- *Housing Association*

How might the Procurement Act affect this?

There are new requirements for
- Future pipeline publishing (Section 93)
- Market engagement (Section 15)
- Duty to consider lots (Section 16)

There is associated guidance for new procurement notices and contract thresholds or below–threshold procurement.

Trigger	Define	Procure	Manage

Decision to procure	Strategic planning	Needs and outcomes	Define requirements	Engage the market	Agree approach	Launch formal process	Receive responses	Evaluation	Contracting	Supplier and contract management

Define: Strategic planning

This is a vital step in the procurement journey that if done well enables procuring officers to engage with stakeholders across the business, including SLT; choose the right vehicle to procure; set up the internal collaboration needed to better outcomes for end users. Strategic planning in procurement varies with some LAs using options appraisals for every procurement in housing; while others LAs set out to procure while unclear on their strategy. In each case the extent of procurement governance and process depends on the value and size of the contract.

Insights

- If LAs are not thinking about evaluation criteria at the strategic planning stage they risk appointing a supplier that delivers worse value by weighting cost too highly over quality.
- Time and resource constraints are one of the biggest factors holding LAs back from being able to procure strategically
- Lack of strategic planning to consider IT, data and the service model holistically leads to lack of clarity throughout procurement process.

> "If no one's thought about their strategy and all they thought about is their big long shopping list that's not really good. So you've got to think about both."
> – *Local Authority*

How might the Procurement Act affect this?

There are many areas of the Act that will be important for authorities to be aware of though. These include:

1. Part 1 of the Act, defines what is key terminology (in a similar way to existing legislation and regulations). This is important because it defines what is meant by everyday language used during procurement.
2. Chapter 1 Preliminary Steps, describes what you need to consider before going to the market, within that section 15 covers the need to engage the market fairly.
3. Later, in Chapters 2, 3 and 4 there are many sections which cover things like Direct Award and Award under Frameworks, all of which need to be understood given the typical routes to market for HMS.

You will be required to publish a pipeline notice on all work if your organisation considers that, in the coming financial year, it will pay more than £100 million under relevant contracts. It defines when you need to do that and further states: *"A 'pipeline notice' means a notice setting out specified information about any public contract with an estimated value of more than £2 million in respect of which the contracting authority intends to publish a tender notice or transparency notice during the reporting period."*

In practice this means that taking a strategic approach to future planning for your organisation is critical and provides the opportunity to understand how each area's needs interact and deliver the whole organisational strategy will lead to better overall organisational outcomes.

17

Trigger	Define	Procure	Manage

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Define: Understand needs and desired outcomes

Successful procurement begins with a problem, not a solution.

The procuring officer needs to gain a deep understanding of the problems experienced by service teams, staff and residents; and identify the desired outcomes for the service. Gathering user needs is sometimes conflated with writing up system requirements; yet done well it involves widespread engagement across the service and with residents, understanding their challenges, and identifying which needs can be met through technology procurement.

The procuring officer uses this to validate their decision to procure, and to articulate the role of technology in achieving those outcomes. The outcomes identified at this stage shape the weighting of needs as the user needs are translated into system requirements in the next stage.

Resident engagement in the procurement process surfaced multiple times in desk research as a valuable approach to achieving procurement outcomes that better meet residents needs, yet it is not frequently done in housing services. Seeing procurement as an opportunity for service improvement means understanding resident needs to design the service as a precursor to understanding staff needs in delivering that service.

"We would ask the people working in the team. What is it that you're doing? What are the outcomes? How are you getting there? How would you see the journey work in the future?"
- *Local Authority*

Insights

- Engaging staff and resident users during the processes of understanding needs is an opportunity to manage exceptions and gain a shared understanding of the problems that need to be solved. Not fulfilling this important step risks unclear specifications, and problems during implementation
- There was hesitation across technical teams and housing services about engaging users in procurement, as it can raise expectations that may not be met by the system procured. Resident engagement is not widely done and there was uncertainty about how and when to involve residents in procurement.
- Understanding how to balance conflicting needs and decide what is prioritised has a significant impact on whether or not the procured technology meets resident and staff needs.

How might the Procurement Act affect this?

Requirements for
- Market engagement (Sec 15)
- Duty to consider lots (Sec 16)
- Tender specification (Sec 56)
- Competitive Award (see move from MEAT to MAT)

18

| Trigger | Define | Procure | Manage |

| Decision to procure | Strategic planning | Needs and outcomes | Define requirements | Engage the market | Agree approach | Launch formal process | Receive responses | Evaluation | Contracting | Supplier and contract management |

Define: Define requirements and design specifications

The procuring officer develops a requirements list by translating user needs into system requirements. This includes requirements based on user needs and user–facing functionality (functional requirements) and technical requirements such as security, disaster recovery or integration requirements (non–functional requirements).

A list of requirements for a HMS can include as many as 400 – 500 items. Writing comprehensive requirements is very difficult. Poorly defined requirements and lack of due diligence make it difficult to ensure good outcomes. Procuring officers are aware of a tension between thorough and lengthy requirements and remaining open to suppliers meeting requirements in different ways; yet they do not feel confident in achieving this balance.

The procuring officer holds competing priorities and must understand how to give the right weighting to different groups of needs and requirement; and uphold this at evaluation.

Refining requirements at this stage provides a solid starting point for market engagement to understand if and how the market might respond. Learning from market engagements can lead into further refinement of requirements and feed directly into tender specifications.

Insights

- Currently processes for developing requirements are not systematic and don't always foreground user needs.
- Defining requirements rigorously is key for successful implementation and ensuring positive outcomes from technology. Poorly written lists of requirements can lead to LAs purchasing technology they don't use, that doesn't meet user needs or that is incompatible with existing technology.
- Specifications must balance an outcomes focus, with the detail and clarity around technical requirements that will enable procuring officers to hold suppliers to account.

"We will get it wrong a few times or we almost always find that we'd miss something. It's extraordinarily difficult to be comprehensive in writing requirements or anticipating how they will be received by the suppliers you send them on to."
- *Local Authority*

"Sometimes we feel the other side probably doesn't do enough due diligence before releasing. A prime examples is where you end up with a whole bunch of requirements, 400 to 500 requirements. You look at the musts and you go 'I get it, but actually what's your use case?' They often don't know why they want it."
- *Technology supplier*

19

Define: Engage the market

Early engagement with the market is the 'Go / No Go' point in the procurement journey as its the point at which the procuring officer takes requirements from across the business out to the market to understand what is feasible and desirable. Engagement with suppliers before starting the formal procurement process is advocated throughout procurement guidance, however many local authorities are not yet able to do this in a meaningful way. Often there is a mismatch between what is offered through demos and other sales material, and what is deliverable and ready to implement. Many Local Authorities also felt that once they engaged a supplier, follow up contact form the supplier would be relentless. The predominant dynamic between suppliers and local authorities has become highly transactional and there is a lack of trust and frustration in supplier sales tactics.

Insights

- Time – for both suppliers and local authorities time to prepare and respond properly during early engagement is a vital ingredient to being able to deliver better procurement outcomes.
- Transparency allows buyers to hold honest conversations about what is needed and where there are gaps is key to meaningful engagement with suppliers.
- For LAs undertaking exploratory engagement with the market the current procurement rules can make this effort feel duplicative of the formal procurement process.

How might the Procurement Act affect this?

The new Procurement Act seeks to
- encourage more flexibility
- open up public procurement to new entrants (start-ups, small businesses and social enterprises).

Within **Preliminary Market Engagement Section 15** of the Act it doesn't specify ways in which to engage suppliers, however, it does provide *purposes* for engaging suppliers. These include developing requirements and approach, preparing tender documents, and identifying potential suppliers, among other reasons.

Importantly, it also highlights the need that organisations need to make sure:
- (a) suppliers participating in the preliminary market engagement are not put at an unfair advantage, and
- (b) competition in relation to the award of the public contract is not otherwise distorted.

> "We know we get the best outcome when we had a good engagement with an organisation before [they] buy. … We like to be engaged up front, it helps us create the right solution."
> - *Technology supplier*

20

| Trigger | | Define | | | Procure | | | | Manage |

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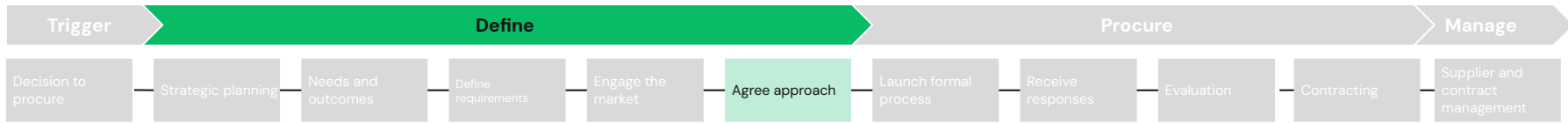
Define: Agree approach to procure

Once the procuring officer has gone through the learning and fact finding exercises of understanding needs, writing requirements and engaging with the market this next step is to choose the procurement vehicle that will facilitate procurement of the technology solution that will best meet staff and resident user needs.

Depending on the approach chosen, the formal procurement process varies. It might take place through the use of a framework or through direct award. A framework further competition process might include steps to issue ITTs, receive proposals, evaluate, award & contract. The steps in the next part of the process are dependent on this decision.

Cost and budget considerations are an important factor throughout the preparation stage. Pricing research during this stage also enables a strategic approach to choosing the most fitting evaluation model, based on the desired outcome. If LAs are not thinking about evaluation criteria at the strategic planning stage they risk appointing a supplier that doesn't meet their needs – for example by weighting cost too highly over quality.

"You are stalled on one part of the process and until you complete it, you can't move forward and don't know what's coming next."
–   *Local Authority*

"It's frustrating when you've engaged with the business and you think you have everything to move forward, and then you have to go through several layers of red tape to move forward."
–   *Technology supplier*

Insights

- The procurement approach can limit which suppliers get involved and how well they understand the outcomes the housing service is trying to achieve.
- The formal process can be obscure for those who are not specialists. Procuring officers are often from the service or from IT, are not trained, and are not aware of guidance. This phase can therefore be confusing if preparation before now has not covered the approach or the process itself. This is a symptom of a missed opportunity in the Define stage.

Procure: Launch formal process

Now the formal procurement process begins. The final procurement documents are put together based on the requirements and procurement approach agreed, and the procurement process is formally initiated through an Invitation to Tender (ITT), Request for Proposals (RFP) or similar. The precise tasks vary based on whether making a direct award, an open procurement, closed procurement, or using a framework.

Insights

- Once formal procurement begins the process is fixed and rigorous, which can be restrictive for procuring officers. Past experience with a supplier, or opinions based on earlier supplier engagement, do not form part of this process. Any learnings from those should have already been used to inform the procurement approach chosen and the specification wording, before the start of the formal process.
- Tender wording is critical. This wording determines the level of detail received back from the supplier, which in turn sets what the supplier can be evaluated against. All requirements must be included and phrased carefully so as not to leave loopholes.
- Frameworks are not always seen as helpful. They are sometimes restrictive and too formulaic, yet also provide a shortcut at the contracting stage. Housing Associations are more mature in choosing whether a framework is helpful, and which to use; while Local Authorities tend to apply their own internal processes on top of the framework process creating additional layers of bureaucracy.

"When you're dealing with new business, it hasn't been highly consultative in process. It is arms length and transactional and incredibly restrictive and frustrating because you end up answering to the letter of the law of the tender. [Tenders] are never quite right or clear, and it's with the good will of luck that you … can find a good outcome."

– *Technology supplier*

How might the Procurement Act affect this?

Chapters 2, 3 and 4 contain many sections which cover things like Direct Award and Award under Frameworks, all of which need to be understood given the typical routes to market for HMS.

The new Competitive Flexible procedure (Section 20) is intended to help when innovation is sought and allow authorities to design their competitive process. It could be a good way to encourage new suppliers into the sector and narrow down the right solution/supplier.

The new act also includes description of when and how suppliers can be excluded from a process and discusses debarment.
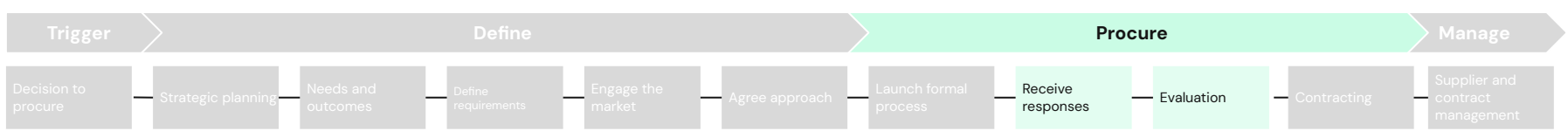
Procure: Receive responses and evaluation

Formal engagement with suppliers in procurement takes place over a few steps. Suppliers may submit clarification questions, which the buyer responds to publicly; suppliers submit formal responses; there may be several rounds of longlisting and shortlisting, with one or more stages where suppliers are invited to give demos of their systems; and there is a formal round of scoring against weighted criteria.

Insights

- Whether a technology is used by other local authorities may be over-weighted in evaluations, limiting the ability to procure innovative products or new entrants to the market.
- System demos are widely seen as immensely valuable. For technology procurements, demos are an essential validation of a written response claiming to meet a criteria, and scoring should be based on the demo in combination with the written response.
- However, demos and presentations from some suppliers tend to be too standardised. This was seen particularly with the larger suppliers. Providing suppliers with specific scenarios to demonstrate is a promising tool to ensure that demos stay relevant.
- Evaluation requires considerable time from subject matter experts within the housing service. Attending the demos, reading the documentation and accurately judging each supplier against the criteria is an effort that cannot be skimped and is a parallel to the time and energy invested in gathering the requirements. If the requirements were well understood and articulated, this is easier.

How might the Procurement Act affect this?

Award of contracts is covered throughout Chapters 2 – 5 and this covers how awards are made under each different type of procedure.

"This is absolutely huge. The weighting of quality vs cost is a tremendous problem. ...[Suppliers that do a better job] are almost always going to be more expensive than the lesser supplier, for good reason because they do a better job, but if you've weighted cost too heavily you can't have them."
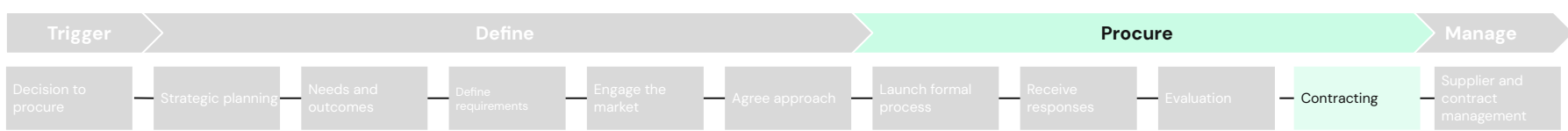- *Local Authority*

"[Evaluation] is a huge commitment of time and energy. And it is an absolutely essential commitment."
- *Local Authority*

"The first question is always 'Who else is on this?' – you need those early adopters willing to take that risk on."
- *Technology supplier*

23

| Trigger | Define | | | | | Procure | | | | Manage |

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Procure: Contracting

Contracting route is dependent on the procurement route used. If using a framework, there are fewer clarifications as the preemptive terms and conditions are already included, but producing the call-off agreement may still take time. If using an open procedure, the supplier may send a base template for the contract and this will be worked collectively between the contracting manager, procurement team and legal team. For housing systems there is often little contract negotiation once the decision of who to award is made. The contracting manager obtains approval to award, awards the contract to the chosen supplier, the supplier and buyer together populate and sign the contract. The contracting manager then publishes the contract, and moves on to onboarding the supplier into internal systems for payment.

"It is really hard to turn all this thinking into a legal document."
- *Local Authority*

"The contracts … end up being quite vague and don't really hold suppliers accountable in any real detail."
- *Local Authority*

Insights

- Building and populating the contract is difficult and time consuming when not using a framework. Local authorities may not have established processes for reviewing and tailoring model contracts.
- A key benefit of using procurement frameworks is the simplification of contracting; yet this was not cited as a consideration when initially choosing the procurement approach and whether to use a framework.
- Legal expertise may be limited within a local authority and stretched across all service areas, with LAs unlikely to bring in external support. Housing associations in general appear to have better access to legal expertise.
- The ease of contracting is largely set by the preceding stages of procurement, agreeing and clarifying requirements with the supplier before it comes to writing those into the contract. However details may also be lost at this stage as procurement and legal teams have been at arms length from earlier supplier conversations, and the contract terms may not meet the needs of the service.
- Contracts are often signed without a framework for ongoing contract management or how suppliers may be held accountable to non-provision of services or not meeting SLAs. This impacts the success of implementation and operation of services and technology during the contact lifetime.

24
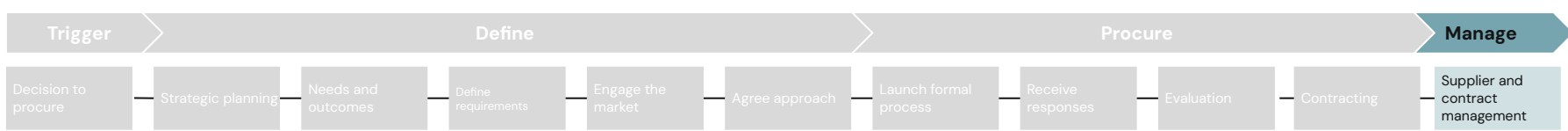
Manage: Supplier and contract management

Having selected a supplier and awarded a contract, the technical work of implementing the new system begins. This implementation can vary in length; full housing management systems may take several years to implement. Phased implementation, upgrades, extra modules and other changes can mean that business–as–usual usage of the system can run in parallel with ongoing implementation projects.

Throughout this period, supplier and contract management play a key role in ensuring positive outcomes. The contract manager ensures that the supplier meets performance measures stated in the contract, and identifies room for improvement. They can keep track of bugs and shortcomings in the system while in use, identify evolving user needs, and discuss these with suppliers to see if they can be addressed or built into the product roadmap. This can build long–term productive relationships between buyers and suppliers.

This period is also important in preparing for the end of the contract, and thinking ahead to the next procurement so that this does not come as a surprise. This means keeping track of contract end dates and deciding ahead of time whether to renew/extend or re–procure.

"I'd advise as soon as you've procured something, start the next procurement straight away."
- *Local Authority*

Insights

- Even if contract terms are perfect, holding suppliers to account takes effort and legal action that the organisation may not be willing to take. Falling back on the contract is an unlikely last resort only when a relationship has broken down.
- The supplier relationship needs to be managed proactively throughout, not just when things go wrong. The housing service can't rely on the supplier to chase them and keep the relationship active once the sale is complete.
- Poor supplier and contract management can lead to lack of services not being delivered or SLAs not being met, and poor value for money of support services.
- While the initial contract gets considerable scrutiny, contract changes may be approved without getting the same level of scrutiny, and lead to the housing service accepting unpalatable changes without understanding their implications.
- The trigger for procurement is often the last minute realisation that a contract term is ending. Planning for this needs to start early, after the previous procurement completes.
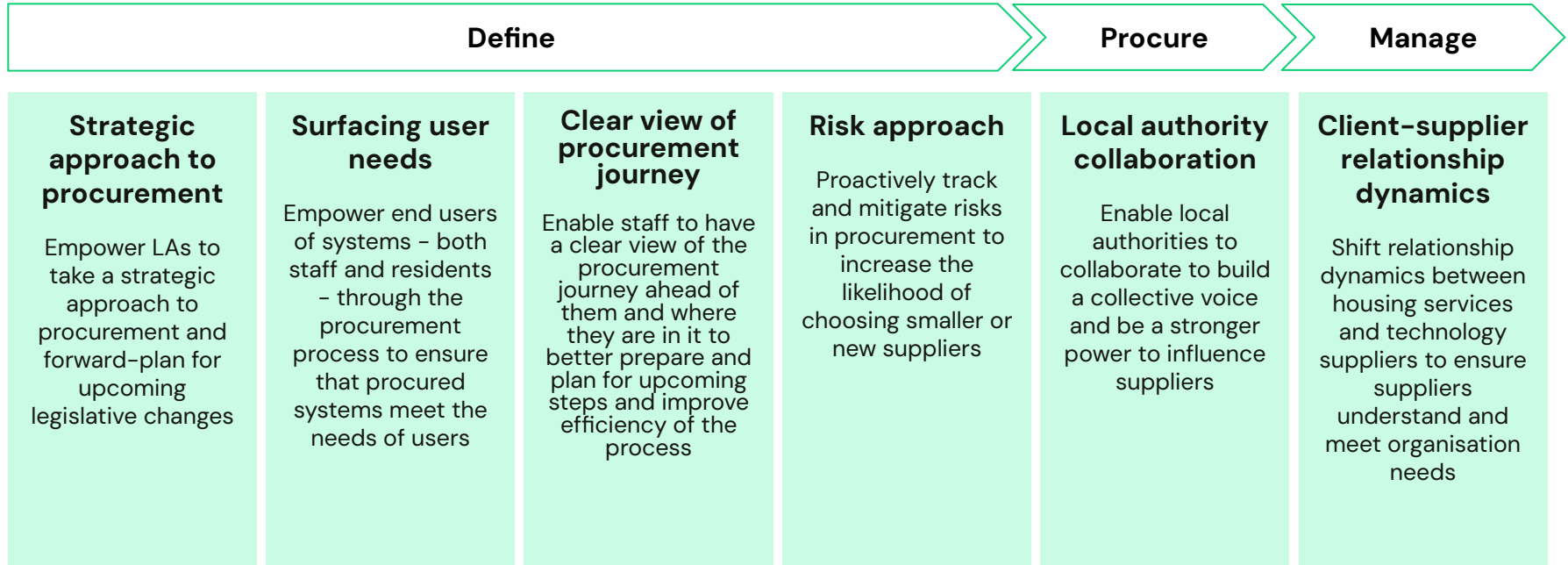
How might the Procurement Act affect this?

Part 4 covers Management of Contracts which includes modifying and termination of contracts.

What needs to change

Breakdown of actions local authorities and sector stakeholders can take to improve procurement individually, collectively and systematically

Opportunities along the journey

Define				Procure	Manage

Strategic approach to procurement

Empower LAs to take a strategic approach to procurement and forward–plan for upcoming legislative changes

Surfacing user needs

Empower end users of systems – both staff and residents – through the procurement process to ensure that procured systems meet the needs of users

Clear view of procurement journey

Enable staff to have a clear view of the procurement journey ahead of them and where they are in it to better prepare and plan for upcoming steps and improve efficiency of the process

Risk approach

Proactively track and mitigate risks in procurement to increase the likelihood of choosing smaller or new suppliers

Local authority collaboration

Enable local authorities to collaborate to build a collective voice and be a stronger power to influence suppliers

Client–supplier relationship dynamics

Shift relationship dynamics between housing services and technology suppliers to ensure suppliers understand and meet organisation needs

Opportunity area 1: Strategic approach to procurement

Empower LAs to take a strategic approach to procurement and forward-plan for upcoming legislative changes

Problem

LAs are currently not set up operationally or organisationally to deliver strategic procurement. Siloed ways of working, time and resource constraints and lack of buy–in from senior leadership contribute to procurement practices that are often reactive.

Upcoming legislation presents an opportunity for LAs to benefit from simpler, more transparent processes. However, many LAs are not currently aware of the Procurement Act, its opportunities, and potential risks to worsening existing challenges.

How might we...

- help individual LAs become more strategic in their approach to procurement?
- influence the sector to make longer term changes to enable strategic procurement?
- help LAs to make the most of the Procurement Act and avoid the risk of it making the current situation worse?

Opportunity Area 1
Strategic approach to procurement

What needs to change?

Individual

Now	Next	Later
Now Activities to start immediately	**Next** Intermediate-term	**Later** Long-term

Ensure your organisation is up to date on the Procurement Act 2023 and how it will affect you.
- Regularly update your team on latest developments and implications for their work
- Conduct training session to ensure all staff across the procurement journey are well-versed in the new regulation
- Plan for the Act coming into effect

Identify when your next procurement is and get ready to use the tools available (e.g. LOTI Toolkit, LOTI HMS Specs, LOTI Data Access wording).

Build clear lines of communication and accountability across the procurement journey by bringing Digital, IT and Service teams together to map out roles, responsibilities and standard processes.

Boost your internal commercial capability through the Contract Management Pioneer Programme and join the next IPEC cohort.
- Build contract management into L&D plans and core competencies for procurement professionals in your organisation and those with holding supplier relationships in IT and services
- Continue to identify and invest in training opportunities that align with the specific needs of your team

Implement an internal culture change programme and build procurement into your organisation strategy so that you are thinking about what you need to procure and embedding it into your org and technology strategy.
- Develop a roadmap with timescales and key milestones for embedding strategic procurement
- Ensure that your governance arrangements take into consideration how procurement decisions align with broader organisational goals

Prioritised

What needs to change?

Partner council collaboration

Now	Next	Later
Activities to start immediately	**Intermediate-term**	**Long-term**
Have a wrap up meeting and identify what your aims and objectives are now as a group of partner councils. Decide what your level of involvement will be/what you are willing to take forward. ● Collaboratively draft a set of common strategic goals ● Break down strategic goals into actionable steps and assign responsibilities to individual councils or working groups	Engage with LA leaders and sector stakeholders on embedding strategic procurement effectively ● Work together to engage local authority chief executives, elected officials, directors and heads of service to demonstrate the value strategic procurement brings ● Reach out to LOTI, the LGA and other sector stakeholders to advocate for change ● Organise forums where LA leaders can engage in discussions and share success stories, challenges and best practice	Build a network of strategic procurement Change Champions in Local Government ● Identify and bring together a network of champions for strategic procurement change across LAs. ● The network would aim to collaborate on developing best practices, addressing common barriers and driving cultural shifts towards more proactive, strategic approaches.

Prioritised

What needs to change?

Systemic change

Now	Next	Later
Activities to start immediately	**Intermediate-term**	**Long-term**

Now
Activities to start immediately

Comprehensive communication and engagement strategy around the Procurement Act 2023 for LAs
- Craft clear and concise messages that highlight the key changes and emphasize benefits and implications for LAs
- Implement feedback mechanisms to gauge where further clarification/support is needed

Next
Intermediate-term

Advocacy for procurement culture change
- Collaboration between industry bodies and government agencies to advocate for a system-wide cultural shift towards strategic procurement
- Advocate for policies that evaluate and reward innovative solutions that best meet social/environmental needs, encouraging vendors to develop new and more creatives solutions

Later
Long-term

Standardise data sharing protocols
- Establish standardised data-sharing protocols to facilitate interoperability and integration among different technology solutions
- Encourage vendors to adopt open standards to enhance compatibility and reduce barriers to innovation

Promote long-term partnership arrangements
- Shift the focus from short-term customer/buyer procurement relationships to long-term partnerships with technology vendors
- Develop policies that support strategic partnerships, fostering a collaborative environment for ongoing innovation and improvements of existing products

Prioritised

Empower end users of systems - both staff and residents - through the procurement process to ensure that procured systems meet the needs of users

Problem

LAs aren't aware of when and how they should be engaging residents in the procurement process. Furthermore, procuring officers find it difficult to weight needs that are gathered from the business, staff and end users and make sure they are reflected in the evaluation criteria and process.

How might we...

- help housing services identify when and how to engage residents?
- help bring resident needs into specifications and documentation?
- help determine weightings for resident/staff needs in specifications?

What needs to change?

Partner council collaboration

Later
Long-term

[Create a framework and process for Local Authorities to gather and weight diverse needs to ensure outcome-focused procurement](#).
- Develop a comprehensive, tested framework for Local Authorities to systematically gather and weight needs from residents, users and businesses. This will optimize the procurement journey to deliver outcomes that better meet the needs of residents and staff users.
- Co-design a framework with Local Authorities and cross-government stakeholders that outlines a structured process for gathering, weighting and prioritising needs and pilot it with a subset of LAs

Prioritised

What needs to change?

Systemic change

Next	Later
Next Intermediate-term	**Later** Long-term
Develop and promote guidance on how and when to engage residents in procurement in local government. ● Promote such guidance centrally to ensure this is prioritised and prepare the ground for introducing incentives later.	Introduce incentives for user-centric practices ● Introduce incentives and recognition to encourage Local Authorities to adopt user-centric procurement practices

Prioritised

Opportunity area 3: Clear view of procurement journey

Enable staff to have a clear view of the procurement journey ahead of them and where they are in it to better prepare and plan for upcoming steps and improve efficiency of the process

Problem

Procuring officers in LAs face challenges due to a lack of foresight about the overall procurement journey. Although existing guidance exists, LAs are either unaware of it or not using it.

As a result, LAs grapple with disjointed and unclear internal processes and ambiguity around roles and responsibilities associated with procurement procedures. This lack of clarity results in inefficiency across the procurement journey and hinders optimal decision making.

How might we…

- test and refine existing guidance?
- respond to the fact procuring officers struggle to access/use existing written guidance?
- help LAs to establish clear processes roles & responsibilities at the outset of a procurement process?

What needs to change?

Individual

Now	Next	Later
Activities to start immediately	**Intermediate-term**	**Long-term**

Now

Implement a structured kick-off meeting for each new procurement that sets out key stages, milestones and timelines for each project
- Use this report as a basis to understand the overall procurement journey
- Use project management tools to track and widely communicate progress across the process

Establish clear communication channels
- Implement communication protocols that ensure staff can easily access information relevant to the current status of procurement projects
- Establish regular update sessions to keep all stakeholders informed

Next

Develop specific procurement guidance for your organisation
- Map your organisation's own procurement process and use this to create guidance for teams needing to procure
- Develop and enforce consistent documentation standards for procurement processes
- Ensure that templates and guidelines are easily accessible to staff

Later

Identify the core competencies required for effective procurement and conduct a skills gap analysis of your organisation
- Once you've identified your skills gaps, develop L&D plans to ensure these are addressed

What needs to change?

Partner council collaboration

Now	Next	Later
Activities to start immediately	Intermediate-term	Long-term

Now	Next	Later
Share procurement templates and plan • Create skeleton procurement plan and kick off agenda that each LA can build on • Work collectively to develop and promote standardised procurement templates and documents.	[Make the internal procurement journey visible through accessible, user-centred material](#) • Work together to develop learning materials that can be shared to ensure consistent understanding of processes and best practices across Local Authorities • Identify an organisation willing to test existing guidance and work with them to feed back experiences to LOTI and others who have created these resources	Work together to identify the core competencies required for effective procurement in order that each LA can conduct a skills gap analysis. Establish a system for cross-authority benchmarking of procurement practice. • Use the system to promote shared learning, identify opportunities for joint training initiatives and embed continuous improvement

Prioritised

Proactively track and mitigate risks in procurement to increase the likelihood of choosing smaller or new suppliers

Problem

A key barrier to LAs implementing more innovative and effective technologies is the perceived risk of working with new market entrants and untested products, even when products may offer superior solutions to meet their specific needs.

LAs also encounter difficulty in accurately assessing whether a new product will be able to meet their needs due a lack of rigour when it comes to requirements definition and evaluation.

How might we...

- help LAs to spread or share risk through collaboration?
- help LAs to manage and mitigate this risk?
- help LAs to understand products available?

What needs to change?

Partner council collaboration

Later
Long-term

Develop a framework that defines how risks related to procurement can be identified, assessed and shared among participating authorities.
- Collaborate on developing and sharing risk mitigation strategies for engaging with smaller/newer suppliers

Establish a system for collective supplier due diligence
- By sharing information and insights on potential suppliers, LAs can collectively assess and mitigate risks, especially when dealing with smaller players

Prioritised

What needs to change?

Systemic change

Now	Next
Now Activities to start immediately	**Next** Intermediate-term

Develop centralised contracting and risk analysis guidance that encompasses the risk of procuring with new vendors and the risks of staying with incumbents
    • Including modular, customisable contracting templates that are designed specifically to allocate technology adoption risks appropriately between LAs, new entrants and incumbents
	Introduce expert support for developing tender specifications
	    • A central pool of procurement specialists available to provide hands-on assistance to authorities in crafting RFP/tender specifications designed specifically to solicit effective solutions to meet their needs
	
	Use the Procurement Act requirement to publish pipelines to connect LAs to find others looking to procure similar things to work together to spread risk.

Prioritised

Enable local authorities to collaborate to build a collective voice and be a stronger power to influence suppliers

Problem

LAs see the value in collaboration and engaging in collective procurement initiatives, but they encounter significant barriers. The time and effort to set up and manage these efforts, and the lack of standardisation around procurement in Local Government, make it difficult to find alignment.

Many LAs have had negative experiences of collective or joint procurement and are hesitant to pursue these arrangements in future. This impedes them from being able to have a collective voice in influencing suppliers and being able to benefit from economies of scale.

How might we...

- help LAs identify opportunities to collaborate beyond joint buying?
- make it as low effort as possible for LAs to collaborate?

What needs to change?

Partner council collaboration

Now	Next
Activities to start immediately	Intermediate-term

→ Have a wrap up meeting and identify what your aims and objectives are as a group of partner councils, and decide what your level of involvement will be/what you are willing to take forward.
- Collaboratively draft a set of common strategic goals
- Break down strategic goals into actionable steps and assign responsibilities to individual councils or working groups

→ [Partner with TechUK to create a convening forum for suppliers and Local Authorities](#).
- A steering committee formed by partner councils will define priorities and an agenda for a yearly programme of activities that allows procuring authorities to test new approaches and build on an evidence base
- Key content areas could include: readiness for the Procurement Act, tender specifications and best practice for early market and resident engagement

→ Prioritised

What needs to change?

Systemic change

Next	Later
Intermediate–term	**Long–term**
Use the Procurement Act requirement to publish pipelines to connect LAs to find others looking to procure similar things to work together to spread risk.	Establish a hub for gathering, managing and distributing shared requirements • Develop a digital platform hub for LAs to collectively gather, define, distribute and reuse common standards, requirements and specifications across authorities to reduce duplication.

➡ Prioritised

Opportunity area 6

Shift relationship dynamics between housing services and technology suppliers to ensure suppliers understand and meet organisation needs

Problem

Procurement is characterised by lack of trust of suppliers, with procurement officers feeling that responses to questions are misleading and leave out details of effort required or true cost involved in implementing features. At the same time, suppliers feel specifications with yes/no options do not give them the opportunity to showcase their products' features.

After procurement and implementation, relationships between suppliers and buyers fall quiet and there is no proactive communication of changing needs.

How might we...

- help LAs move to a partnership relationship with suppliers throughout the product life–cycle, rather than viewing this as purely transactional at moments of procurement?
- support LAs to make individual engagements with suppliers more meaningful?
- encourage suppliers to be more innovative in solving problems experienced by social landlords?

44

What needs to change?

Partner council collaboration

Next	Later
Intermediate-term	Long-term

Next
Intermediate-term

➤ Partner with TechUK to create a convening forum for suppliers and Local Authorities.
- A steering committee formed by partner councils will define priorities and an agenda for a yearly programme of activities that allows procuring authorities to test new approaches and build on an evidence base
- Key content areas could include: readiness for the Procurement Act, tender specifications and best practice for early market and resident engagement

Later
Long-term

➤ Partner with LOTI to develop a Sandbox Local Authority geared to pilot new technology and support early market engagement.
- A sandbox environment will allow LAs to form improved relationships with technology suppliers through co-creation and open dialogue
- This will support LAs to establish more effective partnerships with suppliers
- DLUHC should support and scale this initiative nationally

Develop contract monitoring processes and shared guidance on supplier management.

- Work together to share best practice and develop this into processes and guidance for supplier and contract management.

➤ Prioritised

45

What needs to change?

Systemic change

Next	Later
Next Intermediate-term	**Later** Long-term

In response to the Procurement Act 2023, implement transparent performance reporting mechanisms.
- Ensure regular, accessible reporting on the performance of technology solutions, including metrics related to reliability, scalability and user satisfaction

Establish regular review and feedback sessions between LA Housing teams and technology suppliers.
- These sessions should provide a structured platform for open communication, allowing both parties to discuss challenges, success and areas for improvement.

Convene a digital forum for collaboration between housing services and technology suppliers on solving known problems.
- Produce 'known problem' documentation highlighting key areas where LA's and other social landlords are looking for new or improved technology solutions
- User groups could publicly submit the ideas they have put forward to incumbent suppliers to promote competition in innovating to solve these problems

Shift towards standardised outcome-based contracts that focus on desired results and impacts.
- Clearly define KPIs that align with strategic organisational/sector-wide objectives

Explore shared risk and reward models that incentivise technology suppliers to proactively meet market needs.
- Align incentives with the successful delivery of outcomes

Work packages

This section contains indicative project outlines for pieces of work that could be delivered by a cohort of local authorities working in partnership.

These projects could be taken forward individually or as a programme of work.

1. Accessible learning material
2. Learning and advocacy forum
3. Risk sharing framework
4. Inclusive procurement framework
5. Sandbox local authority

Accessible learning material

Project description: Make the internal procurement journey visible through accessible and user centred learning material

Hypothesis:

Improving the accessibility of learning materials for Local Authority (LA) staff involved in the procurement process will result in easier navigation of internal bureaucratic processes, more efficient ways of working and will support staff to make the most of more innovative routes when the Procurement Bill takes place.

Key activities:

- Map as is procurement journey end – end
- Map to be procurement journeys for LAs with new Bill in affect
- Gather, test and assess existing guidance and learning material to understand strengths and limitations
- Understand learning context and user needs (e.g learning while running a procurement for the first time)
- Design learning journey
- Design learning materials and visualise the procurement journey
- Test with LAs
- Iterate

Stakeholders:
Partner councils; existing guidance providers: LOTI, LGA, Crown Commercial, Wider Local Gov community to test – this could link to convening project.

Users:

The primary user for this material would be the Procuring Officer. Other staff/stakeholders that would need to be engaged and involved are: ICT, Legal, Insurance, Service Teams, Councillors and Cabinet members.

Skills needed:

- User Researcher
- Learning Designer
- Content Designer
- Visual Designer

Time to deliver: 14 weeks

Potential barriers & mitigations:

- Resource constraints
- Resistance to change
- Technical challenges

48

Inclusive Procurement Framework

Project description: Creating a framework and process for Local Authorities to gather and weight diverse needs (e.g. resident, user, business) to ensure outcomes focused procurement.

Hypothesis:

Developing a comprehensive, tested framework for Local Authorities to systematically gather and weight needs from residents, users and businesses will optimize the procurement journey to deliver outcomes that better meet the needs of residents and staff users.

Key activities:

- User research to identify the needs of residents, users and business relevant to procurement processes
- Co-design framework with Local Authorities and cross-government stakeholders that outlines a structured process for gathering, weighting and prioritising needs
- Pilot prototype framework with a subset of LAs
- Develop training and engagement plan to education LAs on new framework and process

Stakeholders:
Partner councils; Greenwich to share their approach to build from

Users:

Procuring officers (LA)

Skills needed:

- User researcher
- Learning designer
- Visual designer

Time to deliver: 14 weeks

Potential barriers & mitigations:

- Resistance to change
- Time and resource constraints
- Competing stakeholder priorities
- Challenges securing LAs to pilot

Risk sharing framework

Project description: Developing a risk framework that Local Authorities can use during technology procurement processes to identify, analyse and appropriately allocate risks between the buying authority, suppliers and participating authorities.

Hypothesis: Implementing this risk framework will increase Local Authorities' willingness to procure new technologies from emerging vendors by providing structured guidance on risk management. Authorities will have greater confidence that risks have been appropriately assessed and accounted for through transparent processes.

Key activities:

- Research and map out current risk allocation practices in LG procurement
- Identify common risk factors in new technology adoption
- Develop risk assessment criteria and matrices to quantify and qualify risks
- Create risk allocation guidance for sharing risks between authorities and vendors
- Define process for collaborative risk assessment with participating authorities
- Test and refine framework through pilot projects
- Create implementation guides, training materials and tools
- Create communication and engagement plan to increase awareness of new risk protocol

Stakeholders:
Local authority procurement teams; Technology vendors and industry groups; DLHUC

Skills needed:

- User Research
- Procurement Expert
- Business Analyst
- Digital and IT
- Contract Management
- Content Designer

Time to deliver: 12–14 weeks

Potential barriers & mitigations:

- Getting participation commitments from LAs due to constrained resource – start with a small pilot group committed to participation and demonstrate benefits
- Fluid vendor landscape – Focus initial framework on general risk factors not tied to specific vendors or technologies
- Organisational resistance to new approaches – Secure executive buy-in, highlight benefits and potential cost savings

50

Learning and advocacy forum

Project description: Partnering with TechUK to create a convening forum for suppliers and Local Authorities. A steering committee formed by partner councils will define priorities and an agenda for a yearly programme of activities that allows procuring authorities to test new approaches and build an evidence based. Key content areas could include: readiness for the procurement bill, tender specifications and best practice for early market and resident engagement.

Hypothesis:

Through a digital forum for shared learning and advocacy, supplemented by regular face-to-face meetings of a steering group, the collaboration will enable Local Authorities to collectively address key issues such as tender wording, specifications, the impact of the Procurement Bill and effective early market engagement.

Key activities:

- Setting up steering group
- Define strategic priorities
- Develop engagement plan
- Validate focus areas with wider groups of LAs
- Develop plan for co design within each focus area
- Test with wider cohort of LAs
- Scale to wider sector

Stakeholders:
Partner councils; TechUK; DLUHC; Wider local gov sector

Users:

Local Authorities; Suppliers

Skills needed:

- User Researcher
- Learning Designer
- Visual Designer

Time to deliver: 10-12 weeks

Potential barriers & mitigations:

- Engagement from partner councils
- Time & energy to work out what priorities are and how they want to shape the forum
- A peer2peer knowledge hub would still need some form of steering group/governance to curate and maintain resources.

51

Sandbox Local Authority

Project description: Work with LOTI to develop a 'Sandbox Local Authority' which will pilot new technologies in a low-risk way and provide Heads of Service with an opportunity to view and test new technologies before they procure. It will enable more collaborative early market engagement with suppliers to build understand and trust and facilitate a more partnership type dynamic between LAs and suppliers.

LOTI is London-focused but this initiative would have value to be scaled nationally. DLUHC should support this initiative and scale it if successful at testing.

Hypothesis: A sandbox environment will allow LAs to try new technologies with reduced risk, gain hands-on experience that informs better procurement decisions and facilitate improved relationships with technology suppliers through co-creation and open dialogue. This will support LAs to procure from more innovative vendors.

Key activities:

- Kick-off meeting with LOTI to determine partnership arrangements
- Define key problem areas and strategic priorities for LAs
- Lead on communication and engagement with broader LA landscape to ensure widespread participation
- Co-create evaluation criteria for pilot technologies

Stakeholders:
Partner councils; LOTI; Procurement leads; Technology suppliers

Skills needed:

- Technology expert
- User Researcher
- Service designer

Time to deliver: 12 months+

Potential barriers & mitigations:

- Sandbox participation from LAs
- Alignment with procurement regulations
- Ensuring tech and vendor viability

Further resources

1. Procurement guidance
2. Reviewed literature
3. Procurement Act information

Procurement guidance

Existing procurement guidance produced by other bodies covering each stage of the procurement journey

Preparing to procure

➜ LOTI Procurement innovation toolkit
➜ LOTI Housing Tech Innovation and Best Practice in the UK Public Sector
➜ LGA, National Procurement Strategy for Local Government in England, 2022 and toolkit
➜ LGA, Encouraging Innovation in Local Government procurement, 2017
➜ LGA, A Councillors' Guide to Procurement, 2019
➜ Crown Commercial Procurement Essentials blog
➜ Crown Commercial Procurement Glossary
➜ Crown Commercial, Commercial Continuous Improvement Assessment Framework
➜ Cabinet Office Sourcing Playbook

Strategic planning

➜ LOTI Procurement innovation toolkit
➜ LGA, National Procurement Strategy for Local Government in England, 2022 and toolkit
➜ LGA, Encouraging Innovation in Local Government procurement, 2017
➜ LGA Innovation roadmap A guide to the procurement of innovative solutions, 2018
➜ Crown Commercial, Bid Evaluation Guidance Note
➜ Crown Commercial, Commercial Continuous Improvement Assessment Framework
➜ Trowers and Hamlins White Paper – Price Evaluation Models for the Housing Sector

Understand needs and outcomes

→ LOTI Procurement innovation toolkit
→ LGA, National Procurement Strategy for Local Government in England, 2022 and toolkit
→ LGA, Encouraging Innovation in Local Government procurement, 2017
→ Crown Commercial Procurement Essentials blog
→ Crown Commercial, Commercial Continuous Improvement Assessment Framework

Market engagement

→ LOTI Procurement innovation toolkit
→ LOTI Housing Tech Supplier Landscape Research
→ LGA, National Procurement Strategy for Local Government in England, 2022 and toolkit
→ LGA, Encouraging Innovation in Local Government procurement, 2017
→ National Cyber Security Centre – what to ask app developers during procurement
→ Crown Commercial Procurement Essentials blog
→ Crown Commercial, Commercial Continuous Improvement Assessment Framework

Designing Specifications

→ LOTI Procurement innovation toolkit
→ LOTI Housing Services IT procurement specification and templates
→ LOTI Tender Wording for Data Access and API Requirements
→ Crown Commercial Procurement Essentials blog

Execute procurement process

→ LOTI Procurement innovation toolkit

Issue ITT

➔ LOTI [Tender Wording](#) for Data Access and API Requirements.
➔ Crown Commercial Procurement [Essentials](#) blog
➔ Trowers and Hamlins White Paper – Price Evaluation [Models](#) for the Housing Sector

Evaluation

➔ Crown Commercial Procurement [Essentials](#) blog
➔ Crown Commercial, Bid Evaluation [Guidance Note](#)
➔ Crown Commercial, Commercial Continuous Improvement [Assessment Framework](#)
➔ Trowers and Hamlins White Paper – Price Evaluation [Models](#) for the Housing Sector

Contracting

➔ Crown Commercial, Commercial Continuous Improvement [Assessment Framework](#)

Reviewed literature

Materials reviewed in this project as part of the desk research

Existing guidance

See guidance links here

LOTI
Local Government Association (LGA)
Crown Commercial
Trowers and Hamlins
TechUK
Gov.UK
National Cyber Security Centre

Progressive procurement

Open Contracting Playbook, Open Contracting Partnership, 2019

How we built community wealth in Preston: achievements and lessons, Preston City Council, 2019

Serving the Citizens—Not the Bureaucracy A Strategic Vision for City Procurement, The Chicago Council on Global Affairs, 2021

Multiplied: How Digital Transformation Can Deliver More Impact for the Public Sector, TPXimpact, 2022

Contextual reading

Transforming Public Procurement, Our Transparency Ambition, Cabinet Office, 2022

Cabinet Office, Transforming Public Procurement, Cabinet Office 2020

Procurement strategy, CIPS Chartered Institute of Procurement & Supply

Lessons Learned, Local Government procurement and contract management, Grant Thornton, 2022

Research: In Supplier Negotiations, Lying Is Contagious, Harvard Business Review, 2022

UK Housing Data Standards, HACT

The Procurement Bill: an expert briefing, Institute for Government, 2022

Procurement Act 2023, UK Parliament

Procurement Act information

Useful resources to find out more about the Procurement Act

Cabinet Office/Government Commercial Function transforming procurement pages

- Transforming Public Procurement contains lots of links to various guides, animations and YouTube videos. They will be releasing further knowledge drops, events, brochures and e-learning modules over the next 12-18 months and organizations can nominate people to be trained as Procurement Act super users.
- Transforming Public Procurement: the official learning and development offer
- The Procurement Act: summary guide to the provisions
- The Procurement Act 2023 on Parliament website

Local Government guides

- Local Government Association Procurement pages

Other guides from public sector suppliers and helpful people to follow on the topic

- Mills & Reeve procurement blog
- Oxygen Finance guide to the Procurement Act
- Kieran McGaughey LinkedIn page – Director & National Lead for Procurement Law at Lawyers in Local Government (LLG) talks about lots of Local Government specific topics including the Procurement Act
- Local Government Lawyer – Competitive Flexible procurement article

Thank you

Future Housing Tech Coalition