

Public Procurement Framework

May 5, 2018

Overview of the New Framework

- New Act to replace Public Tender Act, Government Purchasing Agency Act and Intergovernmental Joint Purchasing Act
- Regulations published February 22, 2018
- Most of the Act proclaimed March 24, 2018
- Provisions on supplier debriefs, complaints process and supplier performance come into effect September 24, 2018

Best Value

- Concept of best value introduced – “includes the best balance of cost, quality, performance and support, as achieved through a transparent, efficient and competitive procurement process using clear and fair evaluation and selection criteria”
- Removes requirement for Cabinet approval to issue Request for Proposals instead of a tender
- Allows for alternative approaches, such as group purchasing
- Provides for social, economic and environmental priorities to be established

Scope of coverage

- Commodities – includes goods, services, public works and lease of space
- Applies to services excluded from the Public Tender Act – including engineering services, architectural services, accounting, land surveying, banking services, insurance services, or other services that require the giving of an opinion, creativity, the preparation of a design, or technical expertise
- Professional services exemption limited to legal services and financial services relating to the provision of credit and instruments of monetary policy

Included in Regulations

- Procurement thresholds
- Exceptions (When an open call for bids is not required)
- Limited call for bids and procedures
- Open call for bids - ATIPPA
- Change orders and extensions
- Transparency and accountability
- Reporting requirements

Thresholds

- Regulations to establish monetary amounts below which there would be no requirement to issue an open call for bids
- \$10,000 for goods (no change)
- \$50,000 for services (was \$10,000)
- \$100,000 for public works (was \$20,000)
- \$100,000 for engineering services, architectural services (new)
- \$100,000 for lease of space (was \$10,000/year)

Exceptions

- Exceptions added to new regulations - if the commodity is of the nature that an open call for bids would compromise security; and for if a pre-qualified supplier list has been established using a request for qualifications
- “Pressing emergency” replaced with “Emergency or situation of urgency” - also addresses situations where urgency does not permit time to issue an open call for bids.

Limited Call for Bids

- If an open call for bids is not required because the acquisition is below the applicable threshold or the compromise of security exception applies, the public body shall issue a limited call for bids
- If no bids, or no qualified bids, are received from open call for bids, public body may acquire the commodity through a limited call for bids
- At least three quotations would be obtained OR a fair and reasonable price determined based on market conditions

Open Call for Bids - ATIPPA

- Requirements added for open call for bids to include a statement that the procurement process is subject to the Access to Information and Protection of Privacy Act, 2015 (ATIPPA); and a statement that the financial value of the contract will be publicly released as a part of the award notification
- Also added that a bid received in response to an open call for bids shall identify any information in the bid that may qualify for an exemption from disclosure under subsection 39(1) of the ATIPPA

Change Orders and Extensions

- Thresholds set at 10% of original contract or \$15,000, whichever is greater, with no reporting requirement to Chief Procurement Officer
- Change orders or aggregate value of change orders in excess of threshold, or a change order with a value of \geq \$1,000,000, shall be reported to Chief Procurement Officer

Transparency and Accountability

- Public bodies shall promote making information on procurement publicly available
- Annual procurement plans for public bodies
- Supplier debriefing
- Supplier complaint process
- Supplier performance
- Electronic Notification System

Reporting Requirements

- Transitional requirements while new electronic notification system is developed
- Public bodies to provide Chief Procurement Officer with information respecting an open call for bids at the time the open call for bids is issued
- Public bodies to provide Chief Procurement Officer with award information respecting open calls for bids and exceptions within 15 days, Chief Procurement Officer to make information public
- 30(d) of Regulations to come into force April 1, 2019: “the successful bidder and the award information, including a description of the commodity, the date of the award, the financial value of the contract, the term of the contract and the renewal options of the contract”

Governance

- GPA continued as Public Procurement Agency
- Led by a Chief Procurement Officer
- To provide oversight of procurement activity of public bodies
 - Administration of legislation and policies
 - Undertake monitoring and help ensure compliance
 - Support and oversee reporting activities
 - Provide advice and training
- Procurement Advisory Council to be established

Next steps

- Policy development
- Information sessions, training
- Recruitment of Chief Procurement Officer – Independent Appointments Commission process
- Establishment of Advisory Council
- Building of new electronic notification system



Thank you