

INNO-VIEWS POLICY WORKSHOP THE HAGUE 3 & 4 JULY 2008

Lead Markets and Public procurement

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OGC – Who we are, what we do...

OGC is an independent Office of HM Treasury. Some of our main functions are to:

- Negotiate European Directives and International Agreements
 - Represent the UK in Europe and Internationally
 - Transposition of EU Directives & GPA into UK law
- Helping achieve delivery of further Government policy goals including innovation, equality and support for small and medium enterprises (SMEs)
- Set domestic procurement policy and standards for departments and offer guidance on procurement rules
- Monitor performance and take action where necessary
- Work with the Major Projects Review Group to ensure the most complex projects are subject to high standards of scrutiny and support

What is innovation and why is it important to consider using it?

- Innovation can take the form of:
 - inventions, new technology,
 - new processes
 - good ideas

- Helps to deliver:
 - higher quality public services
 - faster delivery
 - reduced whole-life costs
 - vfm

What is required to achieve innovation?

- Must be consistent with UK regulations, EU Directives and EU Treaty obligations
 - Non-discrimination across EU
 - Equal treatment
 - Transparency
 - Open markets
- Challenge is to harness innovation for benefit of all public purse through:
 - Developing close relationships with suppliers
 - Communicate requirements frequently
 - Develop and use outcome-based specifications

How does the UK achieve these Requirements? (1)

- Assisting purchasing authorities with:
 - Guidance
 - Case studies
 - Training
- Identifying problems/barriers:
 - Glover Committee
 - EU Advisory Committee
- Market sounding to help inform future policy:
 - call for solutions in a website/portal

How does the UK achieve these Requirements? (2)

- Market sounding with intention to procure:
 - Call for solutions to inform a later more detailed tender
- Direct procurement using established processes:
 - Competitive Dialogue
 - Design contests
 - Pre-commercial procurement
 - Forward commitment procurement

Case Study: Forward Commitment Procurement

- Environmental Innovation Advisory Group (EIAG) – business led with BERR/DEFRA to identify/implement practical measures to tackle barriers to innovation in environmental industries sector
- Provide advance information of future needs
- Search out and engage potential suppliers
- Critically provoke through a forward commitment (promise of current/future business) to promote investments in innovation
- Product/service does not yet exist environmentally; also current products do not yet meet recognised specifications

Case Study 2

Examples:

- HM Prison Service identified need for zero waste mattresses as current disposal practices unsuitable and costly
- London Fire and Emergency Planning Authority aspires to zero waste fire stations with no export of waste from its premises; looking to secure technology that will dispose of non-recyclable waste on site