



Approach to Procurement of a Performance Assurance Framework Administrator (PAFA) for July 2021

PAC 14 July 2020

Background

- **The current PAFA was appointed in June 2017**
- PAC was consulted each year and the current PAFA was given a final, fourth year in the role to run to June 2021
- A new appointment is required in place from late June 2021
- Following slides set out key considerations and a first draft timeline

Approach to Procurement

- UNC Section V states that the CDSP will appoint a PAFA via competitive tender (V16.3)
- Also states that the CDSP may seek guidance from PAC (V16.3.3)
- Previous procurement in 2017 was supported by a Stakeholder Evaluation Panel made up of three PAC members – *although not specified in the current Framework*
- Stakeholders reviewed proposals, attended vendor presentations and scored each bid as part of final selection
- PAC has previously confirmed that they wish to follow this approach again

Role of PAC in the Procurement

- *The current Framework Document states:*
 - The PAC shall produce a clear set of criteria for the appointment of the PAFA including (without limitation):
 - a) The ability of the PAFA to produce, publish and maintain a Performance Report Register and the creation, management and maintenance of the PAF Risk Register which shall be in line with the Terms of Reference plus any other criteria agreed by the PAC;
 - b) The ability of the PAFA to deliver new services in the future;
 - c) The consideration of the relevant knowledge and expertise of the candidates; and
 - d) Details of how much weight/percentage should be placed for each set of criteria.
- *No change in latest draft Framework under UNC Mod 0674*
- Updated Document 4 – PAFA Scope now approved by PAC
- Initial draft of the appointment criteria will be circulated to PAC members directly due to commercial confidentiality

Involvement of a Stakeholder Evaluation Panel

- High level of involvement of regulated parties in the process would mean that **The Utilities Contracts Regulations 2016** would apply to this procurement
- Timescales for key steps are set out in regulations, begins with an **OJEU notice** (Official Journal of the European Union)
- Stakeholder Panel members would need to sign an additional Confidentiality Agreement for the procurement process
- Would need to be able to support Xoserve at key times in the procurement – c. 5 days effort in total
- Indicative timeline set out on slide 10

Suggested Attributes of a Stakeholder Panel

- Ideally a small group to operate effectively – **no more than 3 or 4 members**
- Understanding of the PAF Framework and processes – **but do not have to be regular PAC members**
- Sufficient time to dedicate to the procurement – average of 0.5 days per week, but may be concentrated periods of activity
- Willing to sign and adhere to a letter of confidentiality
- Procurement expertise is not essential – Xoserve will facilitate all procurement activities

Procurement Event – DSC Implications

- Existing DSC Service Line: Performance Assurance
- Appointment of an organisation to the position of Performance Assurance Framework Administrator (DS-CS SA3 – 10)
- Therefore no requirement for a Change Proposal to cover a procurement event
- Reporting of progress would be to Stakeholder Evaluation Panel (full details) and to PAC (high level status of milestones, no commercially sensitive info)

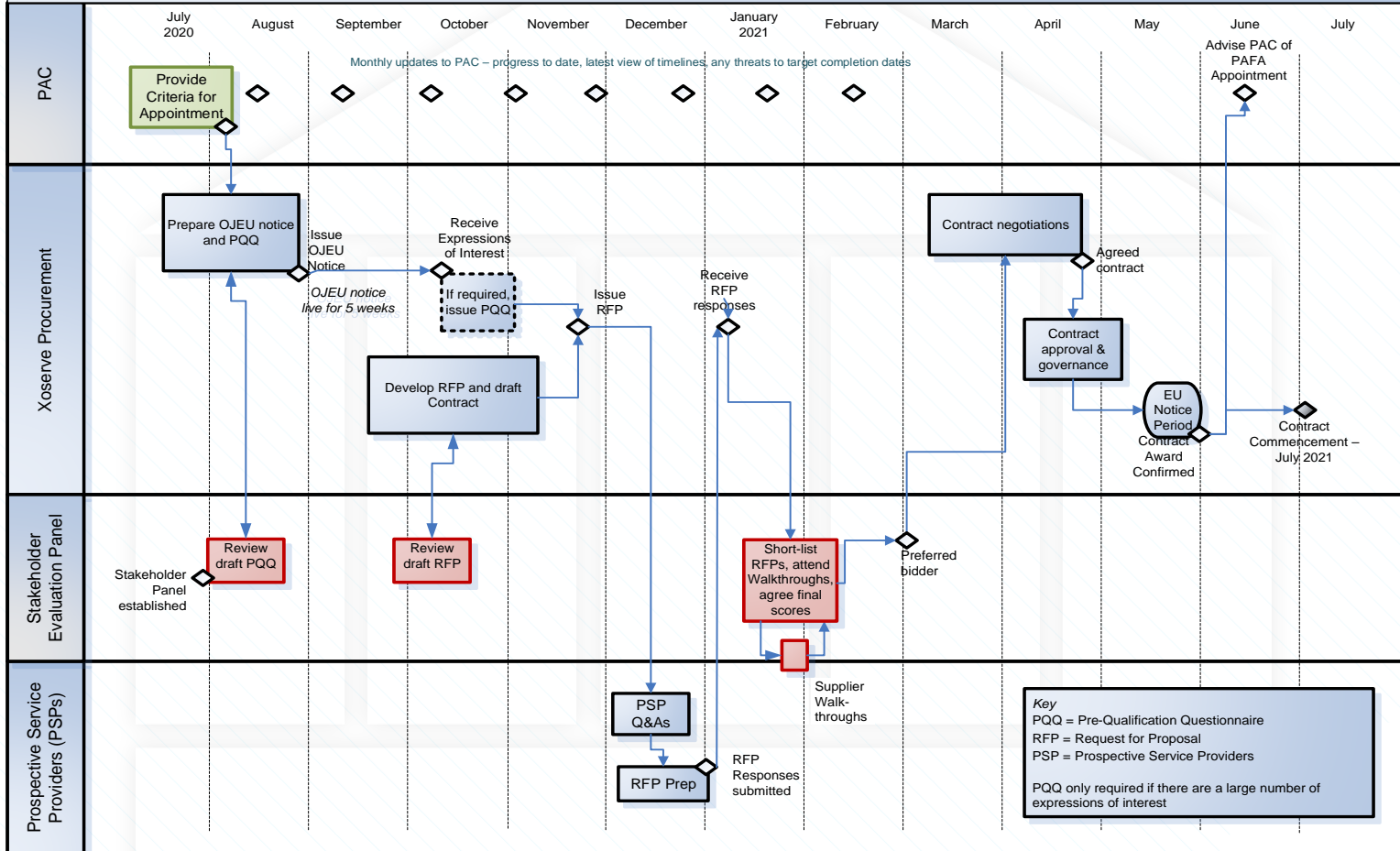
Implications of Brexit

- All EU procurement regulations are currently part of UK Legislation
- Brexit (with or without a deal) does not change UK legislation on Day 1
- Separate Bill would be required to remove the EU regs from UK Legislation
- Need to continue to follow an OJEU approach for now

Indicative Timeline

- The following slide sets out an indicative timeline
- Based on following regulated process
- Dates still subject to review depending on:
 - Date of creation of Stakeholder Evaluation Panel (SEP)
 - Date of receipt of “Criteria for Appointment”
 - Receipt of signed confidentiality letters from SEP members
 - Availability of SEP members to review key documents, including Request for Information, Request for Proposal

Indicative timeline – First Draft



PAFA Procurement – Next Steps

- PAC to establish a Stakeholder Evaluation Panel – Xoserve to obtain signed Confidentiality Letters
- PAC to develop/approve the “Criteria for Appointment” as required in the Framework
- Xoserve to develop and publish “Call for Competition” – OJEU Notice
- Xoserve to draft Pre-Qualification Questionnaire and Request for Proposal for review with Stakeholder Panel

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