Broader Public Sector Procurement: Where Are We Now?

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Agenda

1. Housekeeping
2. Where Are We?
3. Where Should Your Organization Be?
4. What Questions Are We Hearing From You?
5. Questions and Answers
Where Are We?

• My assumptions
  – Working familiarity with BPSAA and PD
  – Don’t need/want much history/basics

• Big picture observations: PD
  – Process dominated/”buy” secondary
  – “One size fits all”
  – “Only Contract A produces competition”

• Politically driven
  – Process compliance
  – “Check the box” measurement
  – Process accountability

ASSUMES PROCESS WILL OBTAIN VFM
Where Are We?

• BPSAA
  – Force of law: ups the ante
  – Enables MBC “directives”
  – Two issued so far
  – Now, 6 weeks in

• “Procurement Directive”
  – Replaces and changes BPSSG
    • For better and not for better

• Expenses Directive
  – Expense limits/rules

CONCENTRATE ON PROCUREMENT
Where Are We?

• Ontario Buys providing support
  – BPS PD Guidebook
  – “road show”

• Guidebook
  – Helpful in some places (like VOR)
  – Other places rigid
    • Downplays AIT
    • Stresses Contract A
    • Downplays alternative model (7.2.16)

“DIRECTIVE PREVAILS”
Where Are We?

- Changes from BPSSG
  - All hospitals in (private too)
  - Sanctions clarified
  - Consultant rules
  - More AIT applies
  - Non Contract A recognized (barely)
  - Dispute mechanism clarified
  - PFOs come in January 1, 2012
  - Insulation from liability (BPSAA Section 22)
  
  ALL THIS AND FIPPA TOO!
Where Are We?

• Will PD work?
  – Long term, yes
  – Short term, “WIP”

• You can shape it
  – Feedback to OB
  – Feedback to LHIN

ALREADY CAUSING CHANGE:
INTERPRETATION - CONSULTANT
Where Should Your Organization Be?

• For “Procurement Directive”, I assume

• “Supply Chain Code of Ethics”
  – Formally adopted
  – Available and visible
  – Well understood

• “Procurement Policies & Procedures” (25)
  – Reasonably well understood
  – Implemented or in the course of implementation

DIRECTIVE PART OF “H-SAA”: AUTOMATICALLY
Where Should Your Organization Be?

- Reviewing/revising procurement policy
  - PD is a minimum
  - If policy more strict, consider why

DON’T TIE YOUR HOSPITAL IN KNOTS!
Where Should Your Organization Be?

• Treat Contract A like a contract
  – State intention (yes or no)
  – Create more owner discretion/protection
    • Forgiveness of minor sins (use “may”)
    • Requests for information
    • Right to negotiate
    • Limit of liability
    • One way arbitration

FAIR = WHAT’S IN THE RFP
Where Should Your Organization Be?

- Guidebook creates eight PPP groups
- Guidebook elaborates PPP req’mts
- Consider PD #25
  - Suggests N/M/A (consent)
  - Differs from AIT and from PD
  - Not sure practical
  - Favour dispute officer and optional arbitration

WORK IN PROGRESS
What Questions Are We Hearing From You?

• What’s a consultant?
  – PD definition
  – AIT non-application
  – “road show” redefinition
  • Architect as planner
  • Architect as designer
What Questions Are We Hearing From You?

- How to handle long term relationships?
  - Probably, service providers/troubleshooters/techies
  - Report if a “consultant” (BPSAA, Sn. 5)
  - Consider defining term of “contract”
  - Then procure per PD

SOME RISK
What Questions Are We Hearing From You?

- Where does the Guidebook fit?
  - PD prevails
  - Attempts to elaborate/interpret
  - More restrictive than PD
  - very committed to Contract A
What Questions Are We Hearing From You?

• How do we handle non-competitive procurement?
  – Assessment of AIT exceptions, exemptions and non-application (Annex 502.4)
  – Sole source (product compatibility)
  – Single source (urgency)
  – Non-application (between NF Profit)
  – Comply with AAS
What Questions Are We Hearing From You?

• How does the PD fit with our procurement policies?
  – Analyze for non-compliance W/PD
  – Amend to address deficient areas
  – Consider relaxing stricter provisions

NOT A SIMPLE EXERCISE
What Questions Are We Hearing From You?

- How does the VOR process work?
  - Guidebook is helpful (GB 10.3.3.3.1)
  - Basically, prequalification
  - Second procurement simpler/narrower
  - Not helpful for prevenient contracts