

How to Overcome Delays in the Procurement Process

The public procurement process is often delayed for different reasons. Such delays may damage the Procuring Entity's reputation and are a waste of scarce public resources; additionally, contracts are not awarded on time, and this results in poor delivery of public goods and services.

The following are eight (8) common causes of delay in the public procurement process and what you can do to avoid them:

1. Delay in Preparing Technical Specifications, Scope of Work or Terms of Reference

Technical specifications, scope of work, and terms of reference (referred to as employer's requirements) are documents that describe what is needed by the Procuring Entity (PE), and should be clear enough to avoid confusing suppliers, contractors, service providers or the evaluation committee.

They are also needed to prepare the bidding documents, and if they are not completed ahead of schedule, the procurement process is delayed before it even starts.

The reason for the delay is usually due to lack of expertise in preparing these documents or not realizing the extent of the information and research that may be needed to complete them.

Sometimes special expertise is needed to prepare the employers' requirements. If this is not taken into consideration, a huge delay can result because of the time it may take to find or hire such a person.

To overcome this, it's important not to overlook the need for special technical expertise to assist with the development of employer's requirements. Getting such expertise, if not readily available, may involve having to hire a person or team. This in itself may result in a procurement process which also needs to be taken into consideration to ensure hiring the needed expertise and getting the documents prepared in order to start the procurement process on time. Regulation 82(9) and 109 of the Public Procurement and Disposal of Assets Regulations 2024 allows the use of individual consultants for such services.

2. Failure to Start the Procurement Process on Time

This is a very common delay. Although there is approved procurement plan, and you have developed a procurement schedule, sometimes this can be overlooked or not taken into consideration, so the procurement process begins later than intended.

To resolve this, it's important to stay informed of the deadlines on the procurement schedule, especially the start date of the procurement process. You can use an electronic calendar to set reminders of important dates on the procurement schedule.

3. Extension of Bid or Proposal Submission Date

The bid or proposal submission period may need extending, causing delay in awarding the contract. Some of the reasons for extension may arise out of:

- Mistakes in the bidding or proposal documents;
- Prospective bidders request more time for submission, and it is granted;
- Poor response to invitation for bids or call for proposals;
- Unforeseen events such as natural disaster or emergency situations, etc.
- Request for clarification that results in an amendment to the solicitation documents, which requires an extension of submission period for bidders to take the amendment into account in their bids or proposals

It is difficult to plan for possible extensions of the bid or proposal submission date. But to avoid or reduce some of the instances mentioned, you must prepare a comprehensive bidding or proposal document and make submission periods long enough to allow bidders ample time for bid preparation.

4. Delay in Opening Bids or Proposals Received

Bids and proposals have a set deadline for submission. If they are submitted late they should be rejected, unless the bidding documents state otherwise.

The opening of bids and proposals is usually a public event that should take place immediately after the submission date and time. Bidders often hand in their bids or proposals on the date of submission and wait to attend the opening.

Unless the delay is caused by a catastrophic or other event that is not within the control of the PE, it should be avoided at all costs because the integrity of the procurement process and the PE are important to earning prospective bidders' trust.

5. Delay in Starting or Finishing the Evaluation Process

Bids and proposals are evaluated by an Evaluation Committee of three or more individuals appointed by the Accounting Officer. Delays in the appointment of the members of the Evaluation Committee can delay the evaluation process. Sometimes one or more members are not available to start the evaluation process, and when it is started, they may be unreliable in their availability to continue due to other commitments.

A possible solution is to ensure early appointments of members of the Evaluation Committee and to ensure that the appointed members are temporarily relieved from other duties so they can focus exclusively on the evaluation process.

It's also important, when recommending evaluation committee members, to ensure they are available and committed to the evaluation schedule to avoid delaying contract award.

6. Delays during the Approval Process

Approval is required at various stages in the procurement process. It depends on the monetary value and complexity of the procurement requirement and is stipulated in the procurement rules.

This is a common cause of delay because Procurement Committees usually have specific dates on which they convene, so procurements need to be scheduled accordingly to avoid delaying the process.

A possible solution is to use Circular Resolutions (as allowed in Regulation 12 of the Public Procurement and Disposal of Assets Regulations 2024) for the approval of the members of the Procurement Committee for simple and low value tenders.

7. Delay in Contract Negotiations

Not all contracts are negotiated. Generally, goods and works contracts may be awarded without negotiations because once bidders meet the administrative and technical requirements, the contract is awarded based on the lowest reasonable price.

For more complex goods and works requirements, there may be negotiations before contract award. This must be determined during procurement planning and scheduling and clearly reflected in the bidding documents.

For consulting services, there is usually negotiations prior to contract award. Negotiation is used to come to an agreement on issues related to methodology, personnel, and slight changes in the scope of work. Rates may be discussed if found unreasonable, but if the price is a factor in determining the winning firm, it would be unfair to other bidders to adjust rates.

Delays result if negotiations take longer than anticipated. The duration of contract negotiations is beyond the control of the PE, so it should be conservatively determined during procurement planning and scheduling.

8. A Contractor, Supplier or Service Provider Challenges the Procurement Process

Contractors, suppliers and service providers are allowed to formally challenge the procurement process if they have evidence or reason to believe the PE failed to comply with the procurement rules or if they feel they were unfairly treated or affected by the way the procurement process was carried out.

This delay is also difficult to avoid. To reduce the possibility, it's important to prepare bidding documents that are clear and comprehensive, and to ensure the procurement rules and stipulations of the bidding documents are followed.

Above all, effort must be made to build trust in, and create a positive impression of, the PE's, procurement officers and anyone directly or indirectly involved in the public procurement process.

References: <u>8 Causes of Delays in the Public Procurement</u> Process and How to Avoid Them - The Procurement ClassRoom