

Construction industry divided on new Procurement Act

3 months ago



A survey conducted by [Constructionline](#), an established provider of pre-qualification and compliance services for the construction industry, has found varying levels of preparedness for the new Procurement Act – despite it coming into force next week.

Just 17% of respondents claimed to be ‘fully aware’ of the Act’s imminent enforcement, with 46% being ‘partially aware’ and 37% admitting to not knowing the legislation is coming into effect this month.

Despite a lack of awareness around timings, respondents displayed a reasonable understanding of its purpose, with 53% expressing the belief that the new Act will deliver a fairer process and 27% indicating that it should lead to reduced time spent on tendering for new contracts.

When asked what the most significant benefit the Procurement Act could bring to businesses:

- 51% said greater transparency and accountability
- 16% believe it will deliver better value for money
- 13% said it will aid business growth
- 10% anticipate reduced costs
- 10% expect to see increased innovation

However, with 69% still to acknowledge the new Act in their tenders, firms need to take action fast if they are to capitalise on these benefits.

While there is clearly a good understanding of the purpose of the new Procurement Act, a significant number of business leaders remain unsure about its long-term effects, with 73% claiming to be 'on the fence' or 'concerned'.

As a result of these findings, Constructionline has published a guide, ['Three Golden Rules for the Procurement Act'](#), which explains the new Act in further detail, and offers advice for main contractors and subcontractors to help them seize the advantage and open new doors to growth.

[Nick Smith](#), head of sustainability and regulation at Constructionline said: "This research makes it clear that while our industry understands the purpose of the new Act, many are still unsure about how to embed it within their own organisations.

"Our platform is designed specifically to help members navigate these changes and ensure compliance, which is why we have produced the guide.

"The new Procurement Act represents a significant overhaul of how public sector bodies will procure all goods, services and work, and will come into effect on 24 February 2025 so the time to act is right now."

Constructionline's survey received nearly 100 responses from construction leaders across the private and public sectors, with 69% coming from small businesses (1-50 employees), 14% from medium sized businesses (51-250) and 17% from large businesses (251 - 500+).

The new Procurement Act will come into effect on Monday 24 February, 2025 and will require contracting authorities to consider the latest [National Procurement Policy Statement \(NPPS\)](#), which was published by the Government on 13 February 2025.

[Download the guide.](#)