

Advice to clients on coming to the end of PSP3

FAQs

What is the last commissioning date?

The last commissioning date is 27 August 2023, although some authorities may prefer not to enter into new contracts after 27 April 2023 (the original framework end date).

You can commission works orders up to the end of PSP3 on 27 August 2023; however, please do allow plenty of time in advance to agree and sign off the Brief/CD1 and the Quotation/CD2 so that the contract is completed in time (use the CD21 or PSC contract templates to ensure it is clear when you entered into contract).

What happens after the PSP3 end date?

Once a contract is agreed under PSP3, it continues under the terms and conditions of the PSP3 framework until the contract comes to an end, regardless of the end date of the PSP3 framework.

The terms and conditions for the PSP3 framework, including annual indexation, will continue to be supported until the last contract ends.

Will I get internal approval to enter into contracts extending beyond the PSP3 end date?

Corporate procurement teams prefer a Contract to be completed before the end date for the framework it is commissioned under and become more nervous once the end date of the framework passes. You may find that you have difficulty getting internal approvals to enter into a contract that extends beyond the end of the PSP3 framework.

Some procurement teams may be concerned about the additional 4 month extension to PSP3 given the high throughput of the framework and prefer that you use the contract only until 27 April 2023.

What is a reasonable period for contracts to extend beyond the PSP3 end date?

It would seem reasonable to have projects extending up to 6-12 months beyond the end date.

A few projects under PSP2 extended well beyond the end of the PSP2 framework by 2 years or more because it was important to have continuity with the same Consultant throughout the whole project.

What are the risks in relation to contracts extending well beyond the framework end date?

If the Consultant you entered into contract with is not a supplier on the new framework, it may become increasingly difficult to maintain regular contact with them at framework level. The framework manager and director will move to other work and less likely to attend meetings as the focus moves to the new framework. It may become more difficult to get issues resolved quickly.

There will be different rates and different terms and conditions for the new framework and the Framework Community Board will be increasingly focusing on the different processes, procedures and performance supporting the new framework so you will need to be aware of and manage this.

If the Consultant you entered into contract with is also a supplier on the new framework and the new rates are more favourable, the Consultant may be put under increasing internal commercial pressure to update to the new framework.

What approach would you advise?

If you need internal approval before entering into a contract under the framework, then check your authority's position on this. You may need to commission early in April or wait for PSP4 which could affect your programme for delivery.

Use the CD21 or PSC templates to ensure the start date for the Contract is clear, particularly in the last couple of weeks of the PSP3 framework.

Review projects that are expected to extend more than 6 months beyond the end of PSP3 and consider if there is a reasonable break point or milestone when moving to the new framework/a new supplier is manageable.

Where projects extend longer than 6-12 months beyond the end of the PSP3 framework and the Consultant is also on the new framework, either party may want to consider ending the contract under PSP3 at a sensible breakpoint or milestone and entering into a new contract under PSP4. Both parties would need to agree to end a contract early and ensure that you understand the implications, particularly in terms of your budget.