What the Procurement Act 2023 Means for Data and Performance Reporting

How the UK's new procurement regime is transforming public sector data and performance reporting.

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The UK's Procurement Act 2023 is the most significant reform of public procurement legislation in decades. Much of the public discussion has focused on simplified processes, more opportunities for SMEs, and greater transparency. But an equally important transformation is happening behind the scenes: the growing importance of data, performance measurement and evidence-based contract management.

For contracting authorities, suppliers and consultancies alike, procurement is no longer simply about selecting the right bidder. Success increasingly depends on the ability to measure, analyse and demonstrate performance throughout the life of a contract. In many respects, the Act marks a shift from procurement as a transactional activity to **procurement as a continuous, data-driven management discipline** — introducing new expectations around KPIs, supplier performance assessments and transparency through Contract Performance Notices, particularly for higher-value contracts.

SECTION 01

Procurement has entered the age of data

Historically, procurement reporting concentrated on the process itself: was it compliant, was the contract awarded fairly, was spend within budget? Once awarded, performance monitoring varied widely between organisations, with inconsistent standards and limited public visibility.

The Procurement Act changes that by requiring authorities to think carefully about *how* supplier performance will be measured throughout delivery, not only at award. The operating model has shifted:

Old model: Plan → Tender → Award → Archive **New model:** Plan → Tender → Award → Monitor → Analyse → Report → Improve

Data has become central to procurement governance rather than a support function to it.

SECTION 02

Performance reporting is no longer optional

Under section 52 of the Act, contracting authorities must generally set at least three measurable KPIs before entering a public contract valued at more than **£5 million**, unless an exemption applies. Supplier performance against those KPIs must then be assessed and published through Contract Performance Notices at least once every 12 months and on termination. This is a substantial change: performance reporting is now part of the public accountability framework around government spending, not just an internal management exercise. Organisations need systems capable of recording, validating, analysing and communicating performance data reliably throughout the contract lifecycle.

SECTION 03

Why data quality has become a strategic priority

Performance reporting is only as reliable as the data behind it, and many organisations still face incomplete supplier records, inconsistent KPI definitions, duplicate contract information, fragmented systems and manual spreadsheet processes. These issues used to cause operational inefficiency. Under the new framework, they can directly undermine an organisation's ability to demonstrate contract performance and meet transparency obligations — making high-quality data both a governance requirement and a strategic asset.

SECTION 04

Dashboards become governance tools

Public sector dashboards have traditionally tracked financial performance or project milestones. The Act broadens that considerably: decision-makers now need dashboards that can show which suppliers consistently hit their KPIs, which contracts carry emerging delivery risk, where service levels are slipping, and whether social value commitments are being delivered. Modern procurement dashboards are becoming governance platforms, moving teams from reactive management to proactive decision-making.

SECTION 05

KPIs as evidence, not paperwork

Under previous practice, KPIs often existed mainly to satisfy contractual requirements. The Act encourages a different mindset: KPIs should provide meaningful evidence that contracts are delivering intended outcomes — covering service availability, response times, customer satisfaction, environmental performance, carbon reduction, social value, financial efficiency, innovation and regulatory compliance. Government guidance is clear that KPIs should be relevant, measurable and appropriate to the contract — turning them into genuine management tools rather than a box-ticking exercise.

SECTION 06

AI depends on good procurement data

AI is increasingly part of public sector decision-making, but it cannot compensate for poor-quality procurement information. Reliable data lets AI predict supplier underperformance, flag delivery risk, detect unusual spending patterns and forecast KPI trends. Inaccurate or incomplete data does the opposite — it undermines confidence in whatever the AI produces. For most organisations, improving procurement data governance is now a prerequisite for responsible AI adoption, not a parallel workstream.

SECTION 07

Transparency as the new standard

The Act significantly expands transparency requirements across the procurement lifecycle. Rather than focusing only on award notices, authorities now publish a broader range of information through the central digital platform, including contract performance data where required. This benefits citizens (confidence in public spending), authorities (stronger accountability), suppliers (clearer expectations) and future bidders (a clearer picture of what successful delivery looks like) — transparency becomes a driver of continuous improvement rather than pure compliance.

SECTION 08

New skills for procurement teams – and for suppliers

As procurement becomes more data-driven, teams increasingly need capability in data governance, performance analytics, dashboard development, KPI design and AI governance, while data analysts need to understand procurement legislation and public accountability. The future sits at the intersection of procurement, data and digital transformation. For suppliers, winning the contract is no longer the finish line — those who can evidence consistent performance through accurate data and transparent reporting will strengthen their position in future competitions.

SECTION 09

Preparing for the future

Organisations looking to get ahead should focus on the fundamentals: understanding the real quality of their procurement data, designing KPIs that are genuinely meaningful rather than default templates, and building the governance and reporting capability needed to meet the Act's transparency requirements consistently. The specific priorities and sequencing depend on an organisation's current systems and maturity.

SECTION 10

Conclusion

The Procurement Act 2023 is often described as procedural reform, but it represents something broader: a shift towards **evidence-based public procurement**, where transparency, measurable outcomes and continuous performance management are integral to how public contracts are delivered. For organisations still relying on fragmented spreadsheets and manual monitoring, the new environment is a real challenge. For those willing to invest in data governance, performance analytics and digital reporting, it's an opportunity to turn procurement from a compliance function into a strategic source of insight — because the future of public procurement will be decided as much by how well organisations use data as by how well they buy.