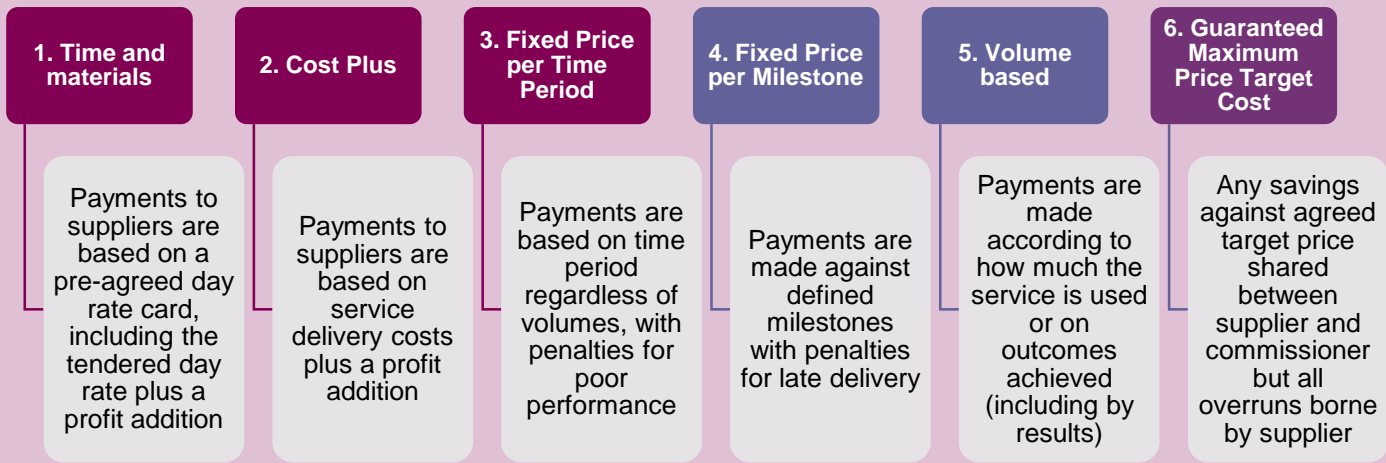




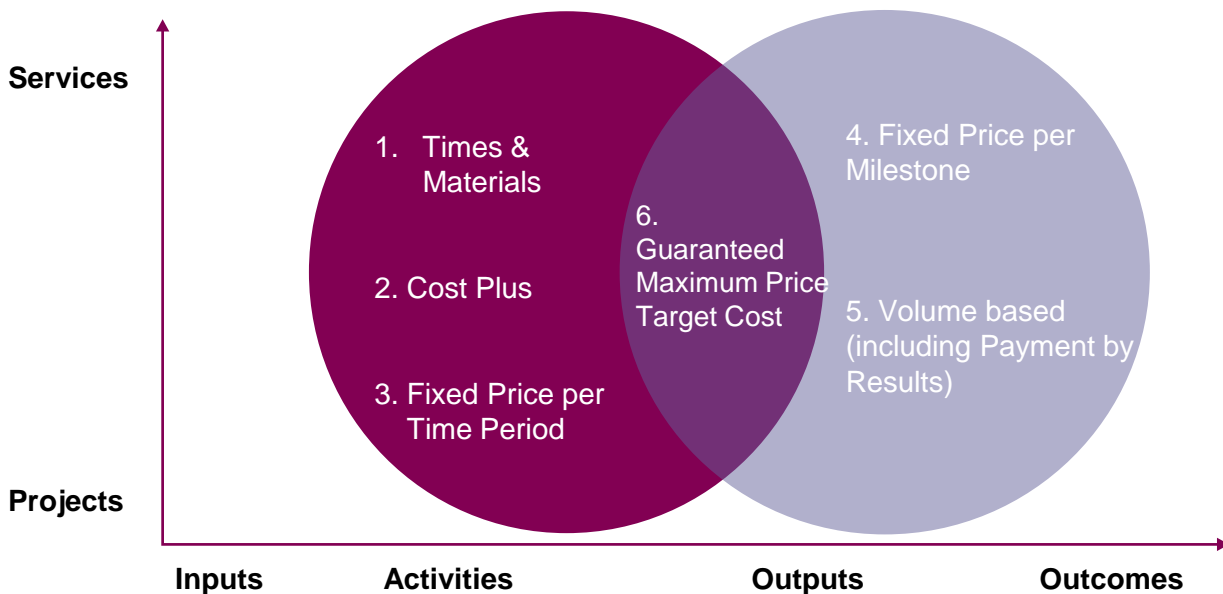
Tailoring payment mechanisms can reduce risk

Public service commissioners need to understand what they are **trying to achieve** and how they can best **manage the risks** involved when contracting – such as poor performance or delays. This involves using the most appropriate **payment model**.

Payment options



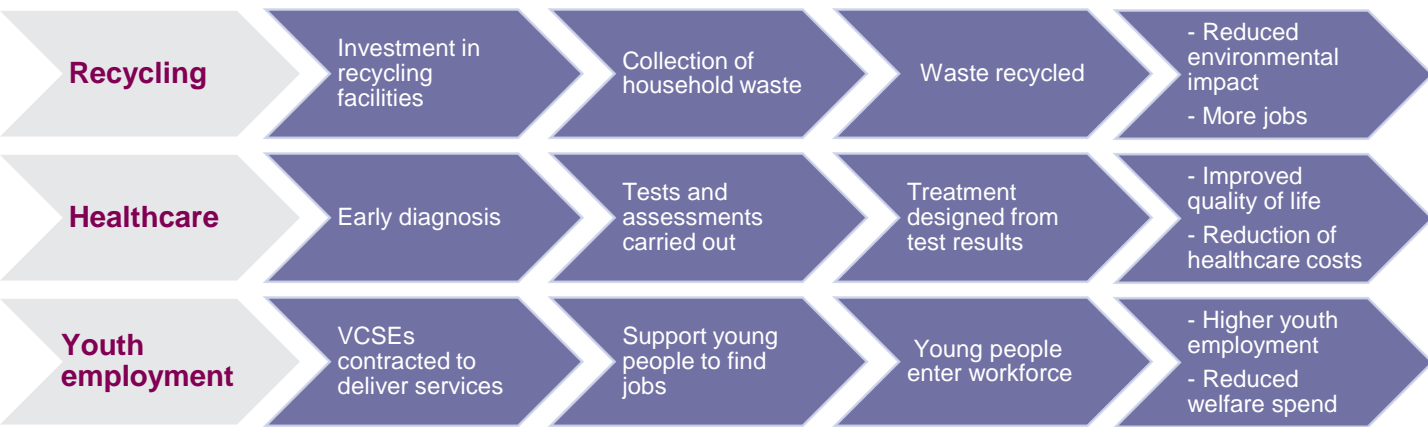
Choosing the right payment model depends upon the **type of goods or service** and the **intended payment basis** – for example, on volume or duration.



There are a variety of different **measurements** and **evaluation metrics** available to commissioners when designing contracts, from the resources required, to the intended outcomes of a service.



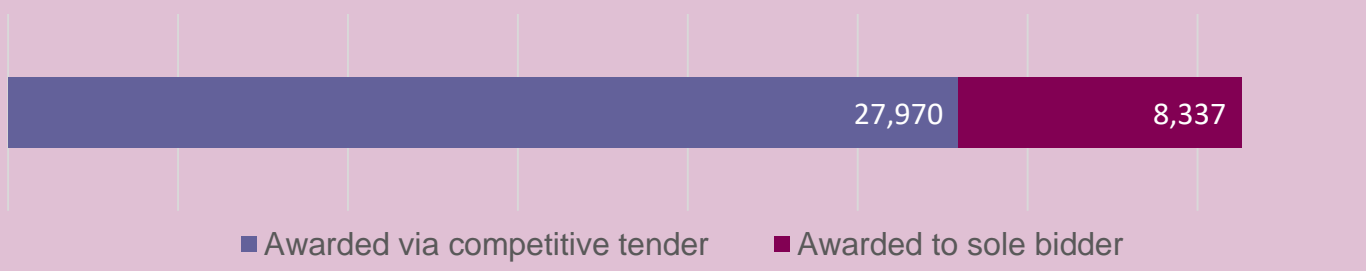
Example pathways



Source: Reform, 'Please Procure Responsibly' (2019)

The number of non-competitive contracts is increasing

In 2018, public bodies awarded **36,307** contracts to private and third sector organisations to deliver goods and services – **8,337** of these were awarded to the sole bidder without a competitive tender.



23% of contracts were awarded without a competitive tender in 2018, up from **22%** in 2017, and **15%** in 2016.

Source: [Financial Times](#), 2019



['Please Procure Responsibly'](#)

Reform's report on procurement sets out ideas for improving the commissioning cycle.

