



Rt Hon Jacob Rees Mogg MP
Minister for Brexit Opportunities and Government Efficiency
Cabinet Office 70 Whitehall London
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Dame Meg Hillier MP
Chair, Public Accounts Committee
House of Commons
London
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By email: pubacom@parliament.uk

5th September 2022

Dear Dame Hillier,

Update to the Consultancy Playbook

This letter is to inform you that the updated version of the Consultancy Playbook will shortly be published with a continued focus on the original 3 chapters to strengthen current guidance and further support implementation. Its central objective to reduce government spend on consultants is unchanged.

The Consultancy Playbook was published alongside the Sourcing Playbook in May 2021. It focused on getting consultancy engagements right at the start, building meaningful relationships with our suppliers, whilst ensuring HMG uses consultants in the right instances to solve sector specific problems, avoiding over reliance on external support, and capturing knowledge and learnings.

Following the success of the first iteration of the Consultancy Playbook, government committed to update the playbooks annually in order to embed learnings into our implementation programme and drive continuous improvement. The updated playbook is a light touch refresh that maintains focus on the original 3 chapters whilst strengthening current guidance and further supporting implementation.

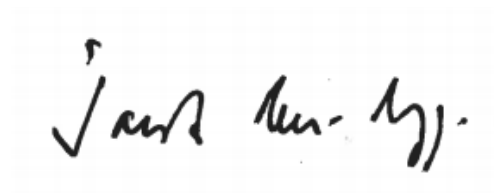
Consultations with industry and contracting authorities identified six key themes where updated content would ensure the playbook is still fit for purpose;

1. **Knowledge and Skills:** new practitioner guidance on how to incorporate additional knowledge generation, knowledge and skills transfer and sharing across the contract lifecycle;
2. **Delivery Models:** updated guidance for contracting authorities to consider options for delivery of capability right at the start, including through strategic workforce plans, the GCH and the advisory network,, and the CO Controls;

3. **Level playing field for Small and Medium Sized Enterprises:** Identified key actions for contracting authorities to consider across the commercial lifecycle to facilitate access for companies of all sizes;
4. **IR35:** included additional guidance on how to tackle tax legislation when contracting for consultancy services;
5. **Roles and responsibilities:** a new stakeholder engagement matrix that provides updated analysis of how contracting authorities can map the key playbook stages against functional groups;
6. **Going to market:** further guidance on long term contracting models, payment mechanisms, and writing specifications and evaluation criteria.

These changes to the Consultancy Playbook will ensure government continues to improve the way in which we assess, procure and manage government consultancy contracts to create a productive, profitable, sustainable and resilient sector and reduce government spend on consultants.

With every good wish,

A handwritten signature in black ink, appearing to read 'Jane Turner'.