



Local Government market trends update

October 2019



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Introduction

Local government is a huge and diverse market, as local authorities require everything from vast regeneration projects to personal care for individuals. Contract values range from over £1bn to just a few hundred. In this report, we consider only those contracts with a stated value of over £100,000. Local government offers the opportunity for procurement professionals to work together with supplying organisations in almost every conceivable sector to support the delivery of public services, boost efficiencies and drive better value for money.

At BiP Solutions, we have spent 35 years bringing buyers and suppliers together. Over 250,000 private sector businesses in the UK alone, including 20% of companies listed on the FTSE 100 Index, rely on BiP's expertise to help them grow. We offer a number of innovative solutions to support you through all stages of your procurement journey. This includes our market intelligence solution, [Tracker](#), which offers the largest public sector tenders and awards database in Europe, including countless local government opportunities. Tracker delivers private and public sector contract opportunities and awards, market intelligence, spend analysis and market leads at the click of a button.

We also bring buyers and suppliers together at leading local government supply chain events. The Local Government Procurement Expo (LGPE) is the UK's premier gathering of local government procurement personnel, while the series of Procurex events covers England, Scotland, Wales and Ireland and draws together procurement professionals and leading suppliers to engage, learn and network, while exploring the latest procurement initiatives.

In our latest local government report, which follows on from September's issue as part of our ongoing BiP Inform series, we take a deep dive into who's spending and where. We look at which suppliers are winning contracts

and the buying organisations that are providing current opportunities within this huge marketplace.

This report covers data from August, the most recent month for which full figures are available.

Key highlights for August:

- Total spend for August was £7,150,369,546
- 579 notices were published with a further 863 contracts awarded
- The top spending buyer during August was Norfolk County Council, with a combined awards value of £1,208,129,687
- The top supplier during August was Swan Housing Association, which won a single award worth £400m
- The West Midlands awarded the most contracts (152), 49% more than the region with the second highest volume of awards

We hope you will find this report of interest. If you would like to find out more about how BiP Solutions can support you on your procurement journey, please do get in touch via the contact details on the last page of this report.

** All data taken from BiP's Tracker Market Intelligence tool and covers the period 1 to 31 August 2019. All details correct at time of publication.*

Local Government Market Overview

– who is spending and where?

During the month of August, 579 contract notices and 863 contract award notices were published by local government. In Figure 1, we list the top ten buyers by combined awards value. The top ten combined awards values ranged from £156.957m to just over £1.2bn.

Norfolk County Council was the biggest spender. Its £1.2bn-plus outlay was split between five contracts. Almost all of the council's spend came from two awards, worth £600m each, both of which were multiple supplier framework agreements for the provision of adult residential and nursing care, one with 11 suppliers and the other with six. The total value of the other contracts awarded by Norfolk County Council was just £8.129m.

Staffordshire County Council awarded conspicuously more contracts than any other local authority during August. It awarded 107 contracts, over four times as many as second-placed Gloucestershire County Council, of which 100 were awards arising from a single Dynamic Purchasing System for the supply of residential and nursing care home services. The fact that both the most valuable and the most numerous awards in August were for residential and nursing care home services serves to illustrate the large part the care sector plays in local authority procurement.

Top 10 Buyers by Combined Awards Value

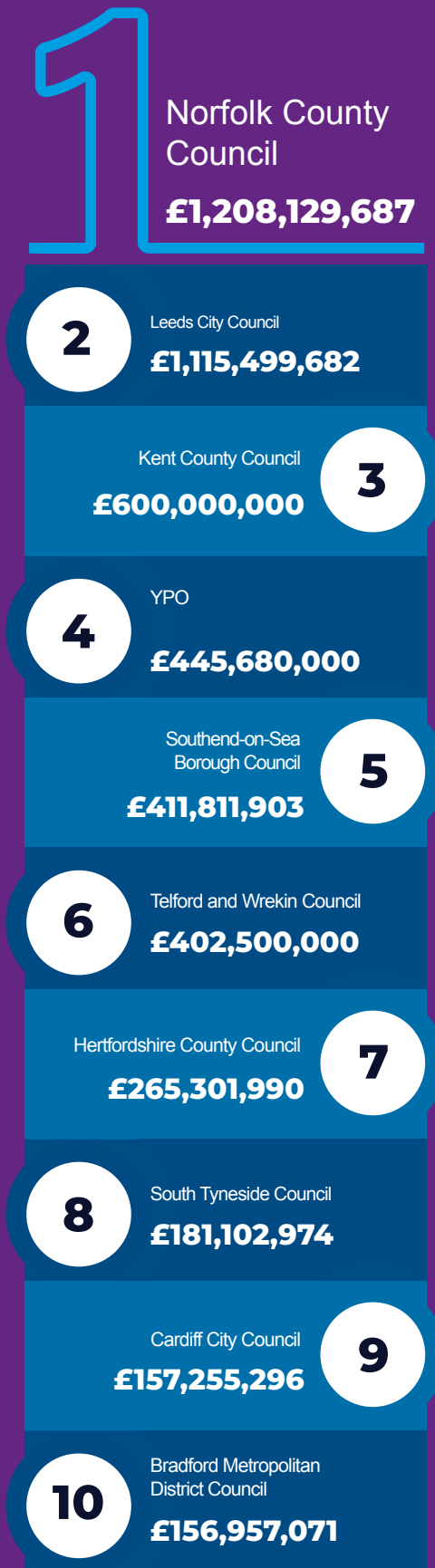


Figure 1

Top 10 Buyers by Volume of Awards

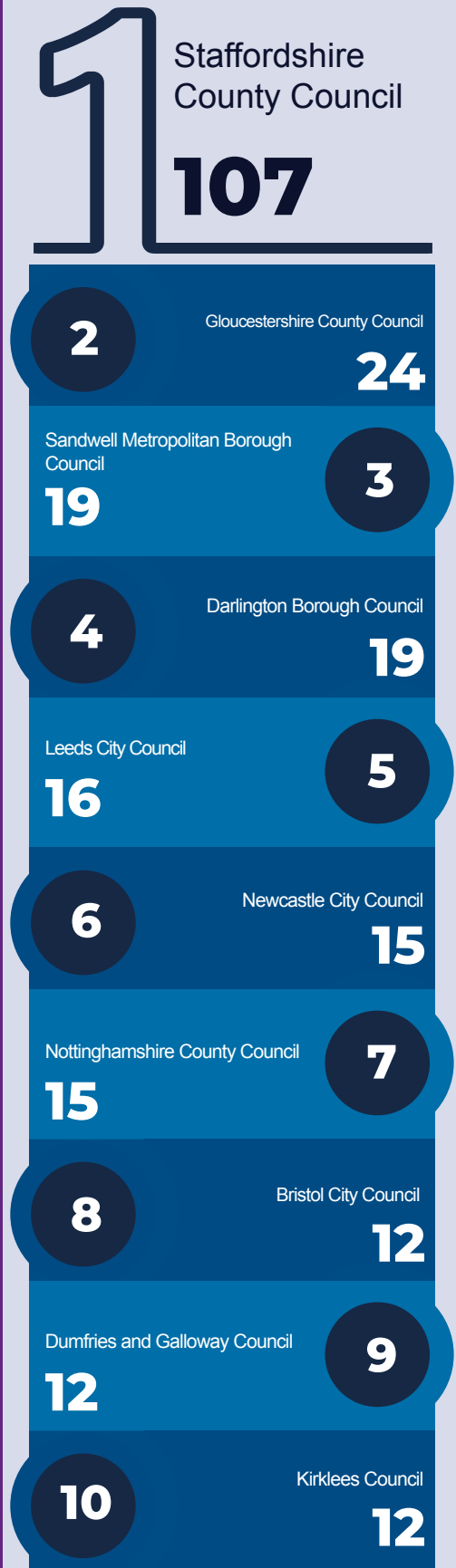


Figure 2

Top 10 Suppliers by Combined Awards Value

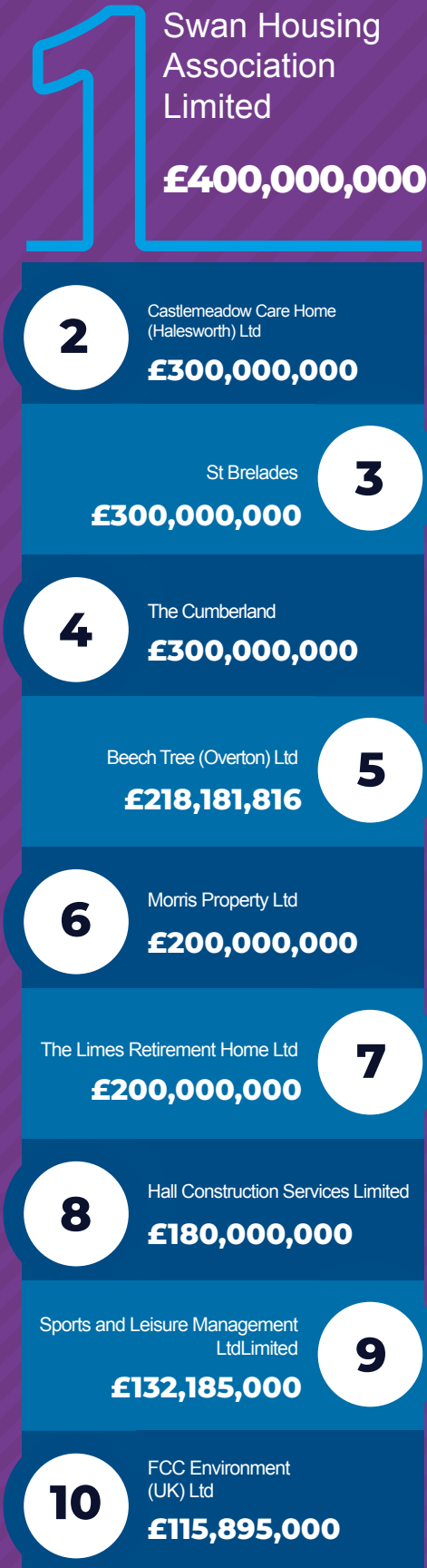


Figure 3

Local Government Market Overview

Supplier opportunities

Figure 3 details the top ten suppliers by combined awards value. Heading this list is Swan Housing Association. They won a £400m contract from Southend-on-Sea Borough Council for the Better Queensway Regeneration Project, for which Swan Housing Association is the council's partner. In July, Swan came second in the list of suppliers by awards value, winning another £400m contract as part of the same Queensway Regeneration Project. The rest of the top five suppliers in this list are all providers of residential care, showing the extent of local government spend in this area. Indeed, two of them – Castlemeadow Care Home (Halesworth) Ltd and Beech Tree (Overton) Ltd – won lots on the framework agreements issued by Norfolk County Council, which made them the highest spending local authority buyer in August.

Figure 4 shows the top ten suppliers by volume of awards won. Bristol-based C&R Fencing Ltd won 23 contracts in August, all of which were lots in a framework agreement issued by Bristol City Council. The total value of the framework was £148,356 for 40 lots – showing that, as well as large-scale contracts worth hundreds of millions, local government also offers opportunities for local companies to win smaller contracts or lots.

Suppliers by Number and Combined Value of Awards

Number of Awards	Supplier	Value of Awards Won
23	C & R Fencing Ltd	£87,492
22	Northgate Healthcare Ltd	£1,355,966
18	A1 Minibus & Coach Services Ltd	£699,156
17	Chiltern Residential Homes Ltd	£566,008
16	HC-One Oval Ltd	£1,182,800
15	Philips Tuftex Ltd	£9,375,000
13	Blue Square Property Maintenance	£1,040,000
13	Loomer Medical Ltd	£427,232
12	Ashwell Maintenance Ltd	£24,000,000
12	Taxi Central Ltd	£466,104
12	Bruce Taxis Ltd	£259,200

Figure 4

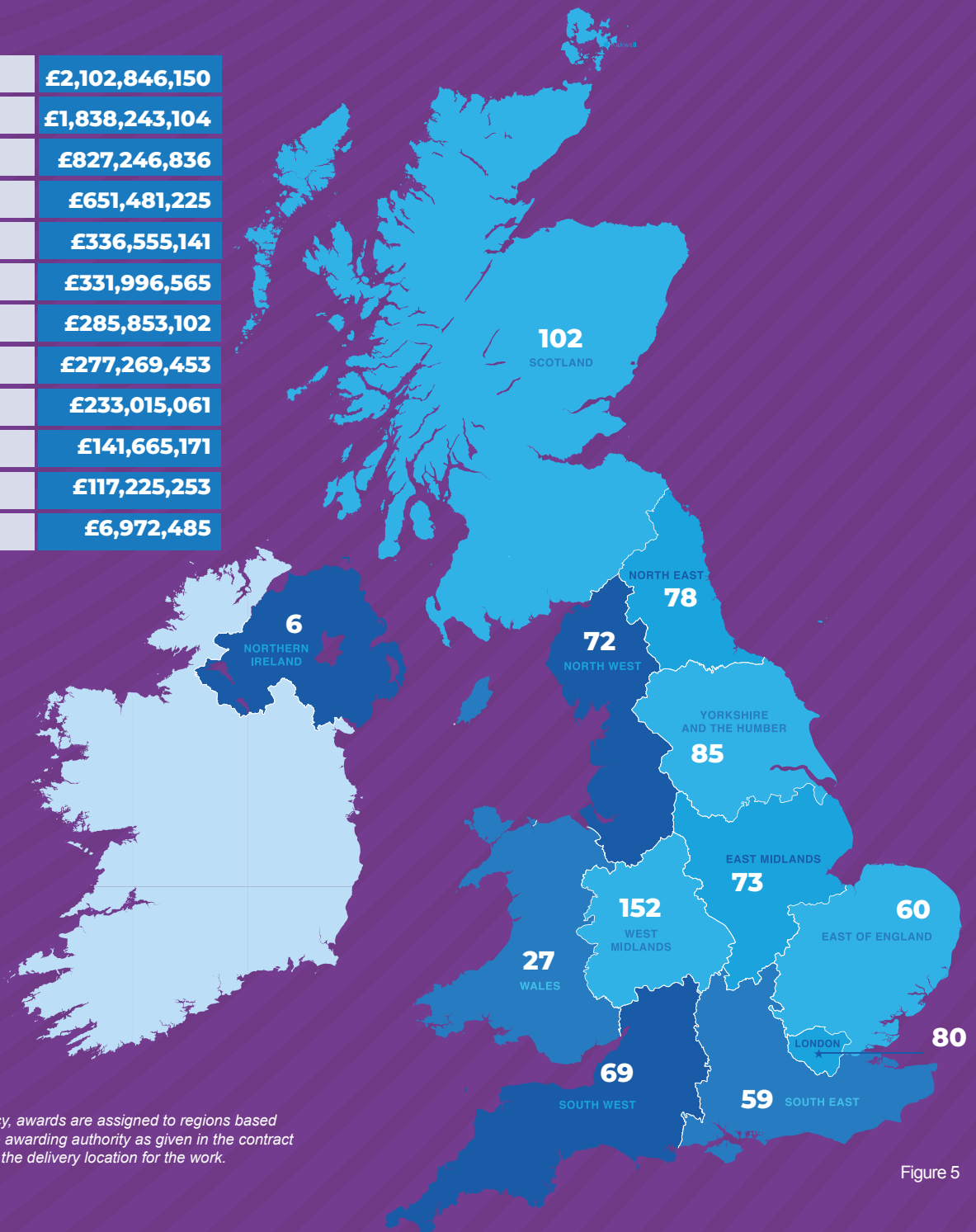
Regional overview

Figure 5 shows a considerable variation in the volume of contracts awarded across the regions of the UK in August. While the West Midlands awarded 152 contracts, Northern Ireland awarded just six. The West Midlands total – 17.6% of the UK total for August – is 49% larger than the second-placed region, Scotland. The number of contracts awarded in the West Midlands can be accounted for by the 107 awarded by Staffordshire County Council, of which 100, as we have seen, arise from a single Dynamic Purchasing System.

The East of England tops the list for regions by value of spend. Over half of the just over £2.1bn awarded in the East of England came from Norfolk County Council – the top spending single

local authority in August – in particular from the two residential and nursing care framework agreements cumulatively worth £1.2bn. It is unsurprising that Yorkshire and the Humber was in second place as three of the top ten local authorities by value of spend – Leeds City Council, YPO and Bradford Metropolitan Borough Council – are in the region.

East of England	£2,102,846,150
Yorkshire and the Humber	£1,838,243,104
South East (England)	£827,246,836
West Midlands (England)	£651,481,225
London	£336,555,141
North East (England)	£331,996,565
Wales	£285,853,102
South West (England)	£277,269,453
North West (England)	£233,015,061
East Midlands (England)	£141,665,171
Scotland	£117,225,253
Northern Ireland	£6,972,485



*On Figure 5, for consistency, awards are assigned to regions based on the postal address of the awarding authority as given in the contract award notice rather than by the delivery location for the work.

Figure 5

DISCOVER MORE

UK local government contacts, contracts, events & project leads with BiP Solutions

Ingenium

The UK's largest and most accurate public sector contact database, containing every decision maker and influencer in granular detail. At a moment's notice, Ingenium can provide a detailed cross-section of any public sector audience. Powered by this database, we can provide you with managed push-based marketing solutions that drive early engagement from your ideal audience.



www.my-ingenium.co.uk

Procurex

Procurex brings together public procurement professionals and industry-leading suppliers. Officially supported by organisations such as the Scottish Government and Crown Commercial Service, these one-day events provide exhibitors and attendees from the public and private sector with an opportunity to engage across a range of interactive and educational keynote talks, training sessions, supplier engagement opportunities and more. Each event is focused around supporting the latest public procurement initiatives and objectives relevant to that country. The programme of Procurex events covers Scotland, England, Wales and Ireland. The next Procurex event is Procurex Scotland, which will take place at the SEC, Glasgow on 29 October.



www.procurexnational.co.uk

Local Government Procurement Expo (LGPE)

LGPE brings together local government procurement professionals and industry-leading suppliers. Officially supported by the Local Government Association as well as leading buying organisations, this one-day event provides exhibitors and attendees from the public and private sector with an opportunity to engage across a range of interactive and educational training sessions, supplier engagement opportunities and more. LGPE is focused around the National Procurement Strategy and how local government can perform against the key objectives outlined within. LGPE 2019 will take place on 28 November at the Novotel London West, Hammersmith, London.



www.localgovexpo.co.uk

Tracker Intelligence

Tracker Intelligence helps you find, bid for and win more public & private sector contracts. Tracker offers the largest public sector tenders and awards database in Europe. It delivers private and public sector contract opportunities and awards, market intelligence, spend analysis and market leads at the click of a button. Stay one step ahead of your competitors and get personalised support to grow your business with Tracker.



www.trackerintelligence.com

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