



Central Government

market trends update

September 2019



CELEBRATING 35 YEARS OF INNOVATION & EXCELLENCE

Introduction

Central government is a diverse market, both in terms of its requirements and its geographical spread. The combination of devolution and the determination to move central government departments to the regions means that work is available throughout the UK and Ireland in almost every conceivable industry as central government seeks to deliver improved 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 central 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 a series of high-profile events. Our nationwide programme of Procurex events covers England, Scotland, Wales and Ireland. Each event is focused on supporting the latest public procurement initiatives and objectives relevant to that country through keynote talks, training, networking, exhibition and supplier engagement opportunities.

In our latest central government report, 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.

Key highlights for July:

- In July, the total spend was £20.37bn
- 890 notices were published with a further 980 contracts awarded
- The top spending buyer during July was the Crown Commercial Service (CCS) with a combined awards value of £12,013,290,000
- The top supplier during July was Alexander Mann Solutions Ltd, who won a single award worth £500m
- London awarded the most contracts (205) but the top region by total value of awards was the North East, largely thanks to two CCS framework agreements

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 July 2019. All details correct at time of publication.

Central Government Market Overview

– who is spending and where?

During the month of July, 890 contract notices and 980 contract award notices were published by central government. In Figure 1, we list the top ten buyers by combined awards value. The top ten combined awards values ranged from approximately £131.65m to just over £12bn.

Crown Commercial Service (CCS) was the biggest spender. Its £12bn-plus outlay was split between just seven contracts. The bulk of CCS spend came through a single contract, valued at £10bn – a multi-supplier, multi-lot framework agreement for the provision of payment card, prepaid card and fund disbursement solutions across the UK, Europe and worldwide, accessible to the whole of central government and the wider public sector.

It is unsurprising that Highways England and the Ministry of Defence (MOD) awarded the most contracts – 126 and 100 respectively of the 599 awarded by the buyers in Figure 2. Highways England is responsible for roadworks throughout the country while, apart from the NHS, the MOD, which spends £21bn annually, is the central government department with the highest procurement spend. MOD contracts can be explored in more detail on BiP Solutions' [MOD Defence Contracts Online](#) (MOD DCO) service.

Top 10 Buyers by Combined Awards Value

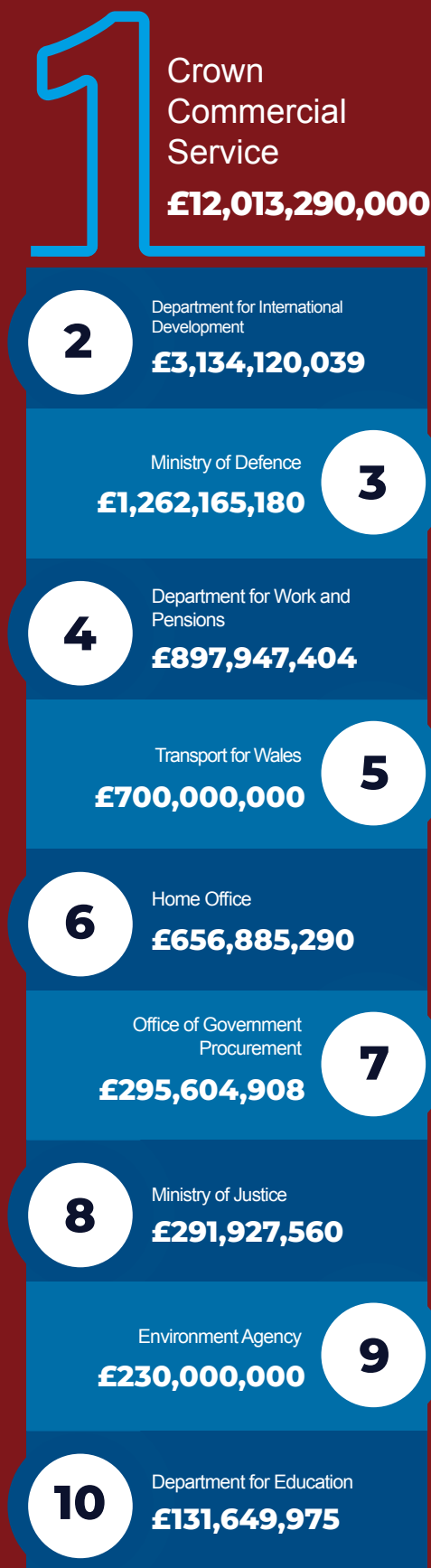


Figure 1

Top 10 Buyers by Volume of Awards

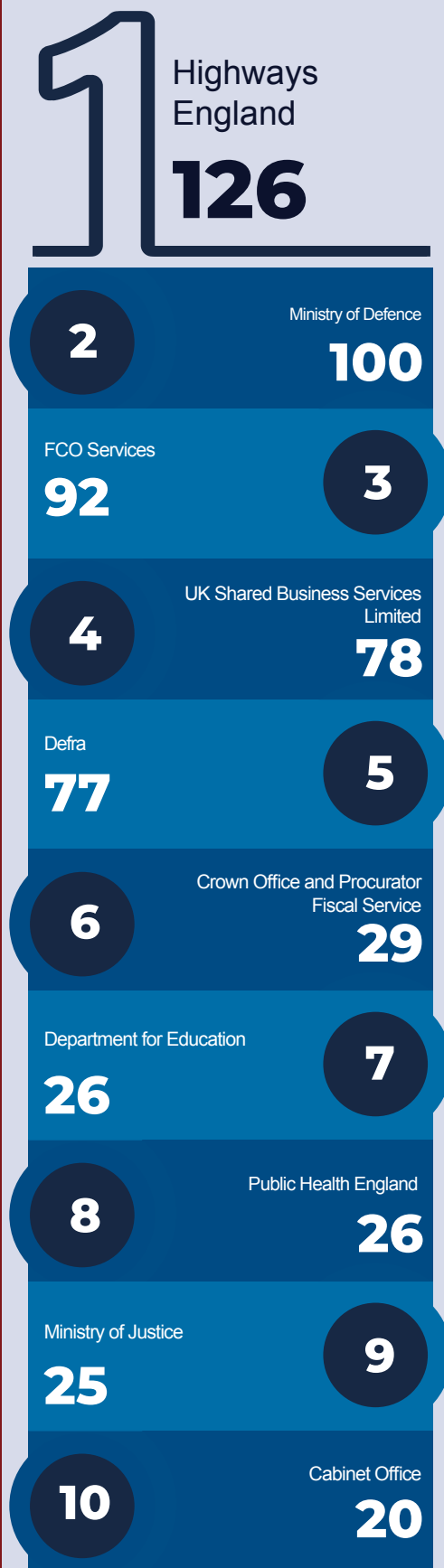


Figure 2

Top 10 Suppliers by Combined Awards Value

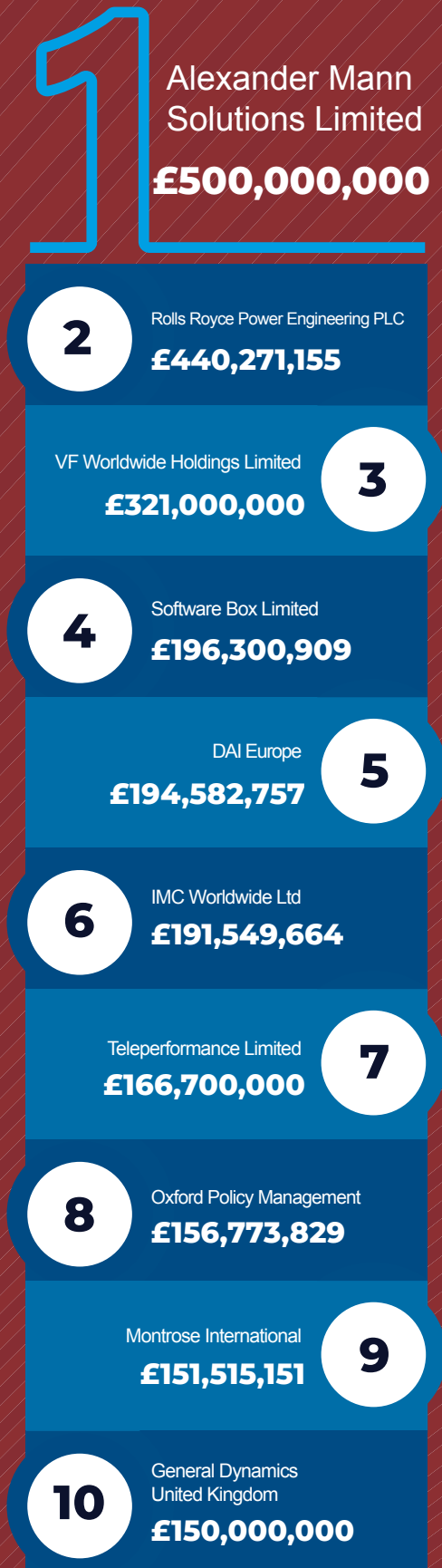


Figure 3

Central Government Market Overview

Supplier opportunities

Figure 3 details the top ten suppliers by combined awards value. Heading this list is Alexander Mann Solutions Ltd, a recruitment organisation. The company received just one award, worth £500m, which was a call-off by the Department for Work and Pensions from a Crown Commercial Service single supplier framework agreement 'Public Sector Resourcing'. This framework is to enable the public sector to recruit contingent (temporary) workers.

Figure 4 shows the top ten suppliers by volume of awards won. Infrastructure organisation AECOM won 18 awards in July, 16 of which came from Highways England and covered area planning support and other elements of highways consultancy and engineering. Although AECOM won 18 contracts, their total value was only £6.25m, with only two contracts valued over £1m. In contrast, second placed Atkins won 17 contracts worth a total of £36.15m – almost six times as much as AECOM. Like AECOM, the majority of Atkins' contracts – 15 – were with Highways England and relatively low value, but Atkins' total contract value was increased by winning a place on a framework agreement valued at £20.58m to provide specialist rail civil contractors for Transport for Wales.

Suppliers by Number and Combined Value of Awards

Number of awards		Value of Awards Won
18	AECOM	£6,251,952
17	Atkins	£36,154,532
15	AI	£4,262,021
14	Arup	£2,142,499
13	Ricardo-AEA Ltd	£2,611,53
13	WSP	£36,041,962
12	Enertek International Ltd.	£148,266
11	Ernst & Young LLP	£69,049,054
11	LA International Computer Consultants Ltd	£814,211
10	Peopleplus Group Ltd	£32,504,586
10	PricewaterhouseCoopers LLP	£92,103,799
10	RSK ADAS Ltd	£2,393,641
10	Smartsourcing plc	£2,456,976

Figure 4

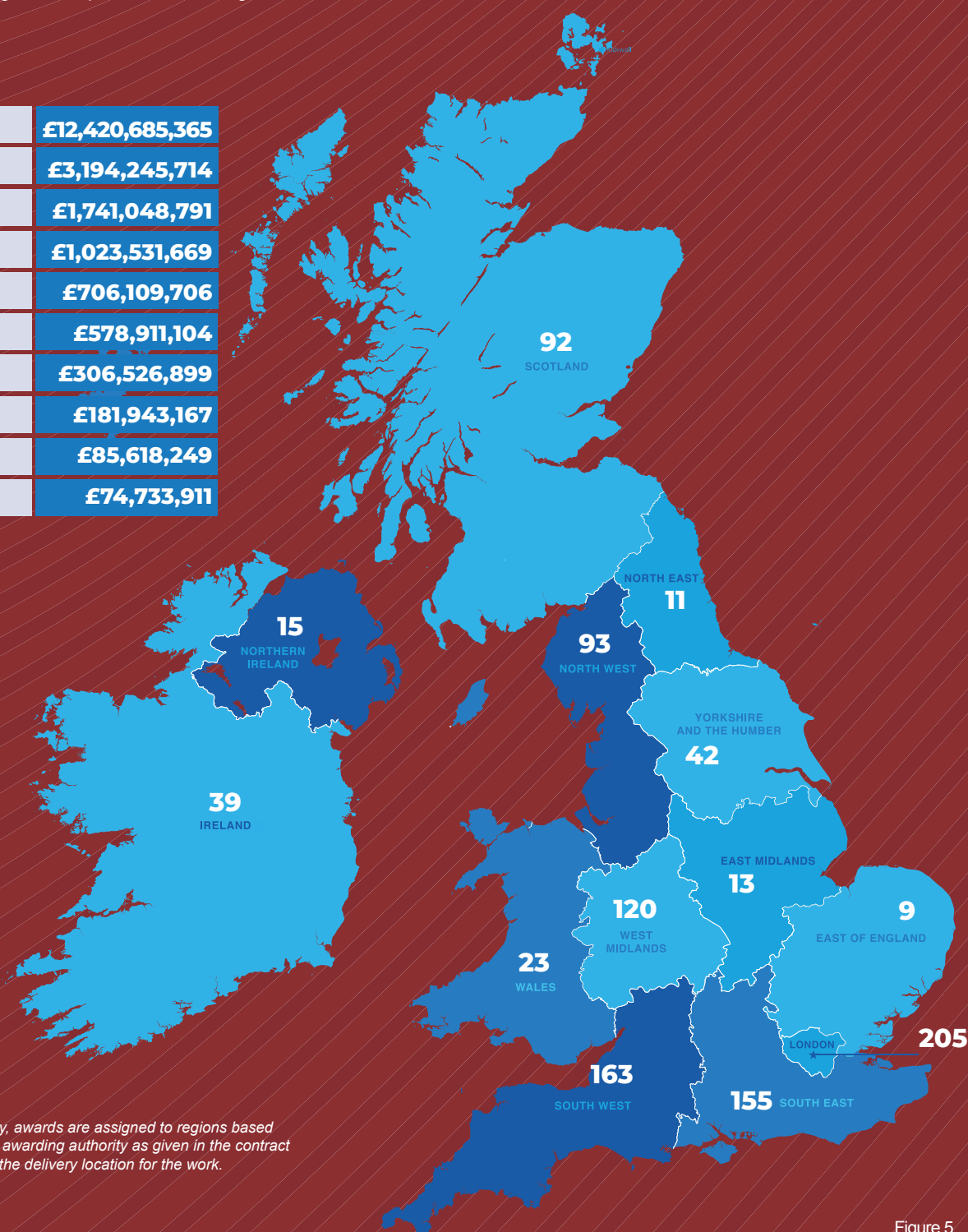
Regional overview

Figure 5 shows that central government contracts are awarded by buyers throughout the United Kingdom and Ireland. The inclusion of Scotland and Wales in the top ten regions by volume is unsurprising given the existence of the devolved administrations, which are counted as part of central government and which award a steady stream of contracts. It is wholly expected that London – the heart of UK central government – issued the most awards in July, but the spread of awards throughout the country is illustrative of the political determination in recent years that central government should move out of Whitehall and London to the regions. Prominent buyers in the South West, which was in second place, include the Met Office (Exeter), UK Shared Business Services Ltd (Swindon) and the MOD (Bristol). Other regions with prominent central government

buyers include the South East (FCO Services, Milton Keynes), the North West (Crown Commercial Service, Liverpool) and Scotland (DFID, East Kilbride).

The effects both of devolution and of locating central government in the regions can be seen in Figure 6. The £12.42bn total for the North West – the highest spending region – consists largely of two Crown Commercial Service framework agreements, worth £10bn and £2bn. The Scottish Government, other aspects of the devolved administration and separate legal system, when combined with spend from DFID and the MOD, place Scotland second. In addition, Ireland is mid-division in terms of both volume and value of contracts, which is noteworthy given the current situation with Brexit.

North West (England)	£12,420,685,365
Scotland	£3,194,245,714
London	£1,741,048,791
South West (England)	£1,023,531,669
Wales	£706,109,706
Yorkshire And The Humber	£578,911,104
Ireland	£306,526,899
West Midlands (England)	£181,943,167
North East (England)	£85,618,249
South East (England)	£74,733,911



*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 Central 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

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

For more information Freephone 0845 557 1324



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