



Local Government market trends update

September 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 pounds. In this report, we consider only those contracts with a stated value of over £100,000. The sector 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 healthcare 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 nationwide series of Procurex events draw together procurement professionals and leading suppliers to engage, learn and network, while exploring the latest procurement initiatives.

In our latest local 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:

- Total spend for July was £6,407,733,966
- 907 notices were published with a further 923 contracts awarded
- The top spending buyer during July was Essex County Council, with a combined awards value of £1,003,103,680
- The top supplier during July was Suez Recycling and Recovery UK Ltd who won five awards, the total value of which was £443,915,001
- Scotland awarded most contracts (142), 49.47% 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 July 2019. All details correct at time of publication.

Local Government Market Overview

– who is spending and where?

During the month of July, 907 contract notices and 923 contract award notices were published. In Figure 1, we list the top ten buyers by combined awards value. The top ten combined awards values ranged from approximately £207m to just over £1bn.

Essex County Council was the biggest spender, with just over £1bn outlay split between nine contracts, including a Framework Agreement for care in a residential setting with and without nursing, run jointly with other authorities in the county. The Framework covers residential care with and without nursing for both over 65s and other adults. 85 suppliers were awarded places on this Framework, which has an estimated total value of £1bn.

Of the 923 contracts awarded, 232 (25.1%) were awarded by the top ten authorities by volume of contracts awarded listed in Figure 2. These top ten authorities come from throughout mainland Britain, from Hampshire County Council in the south to the Highland Council in the north. Coventry – Solihull – Warwickshire, a joint procurement group consisting of the three councils and other local public sector partners, made the largest number of awards, 27. These 27 awards cover a wide range of areas from health and social care to plant hire, construction and cemetery equipment maintenance, illustrating the vast scope of local government's activities.

Top 10 Buyers by Combined Awards Value



Figure 1

Top 10 Buyers by Volume of Awards

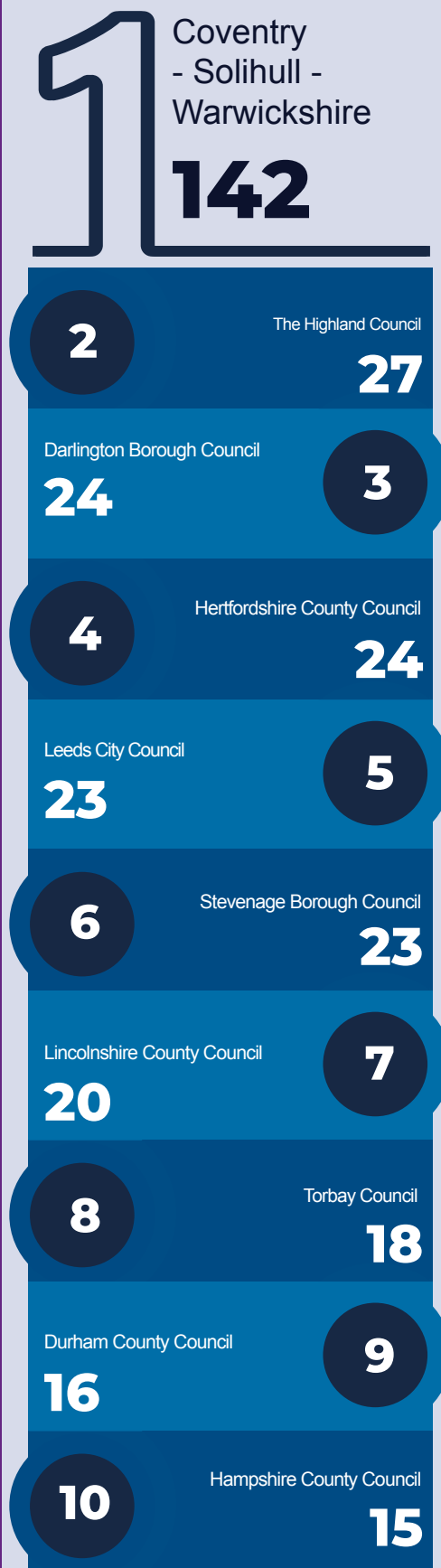


Figure 2

Top 10 Suppliers by Combined Awards Value

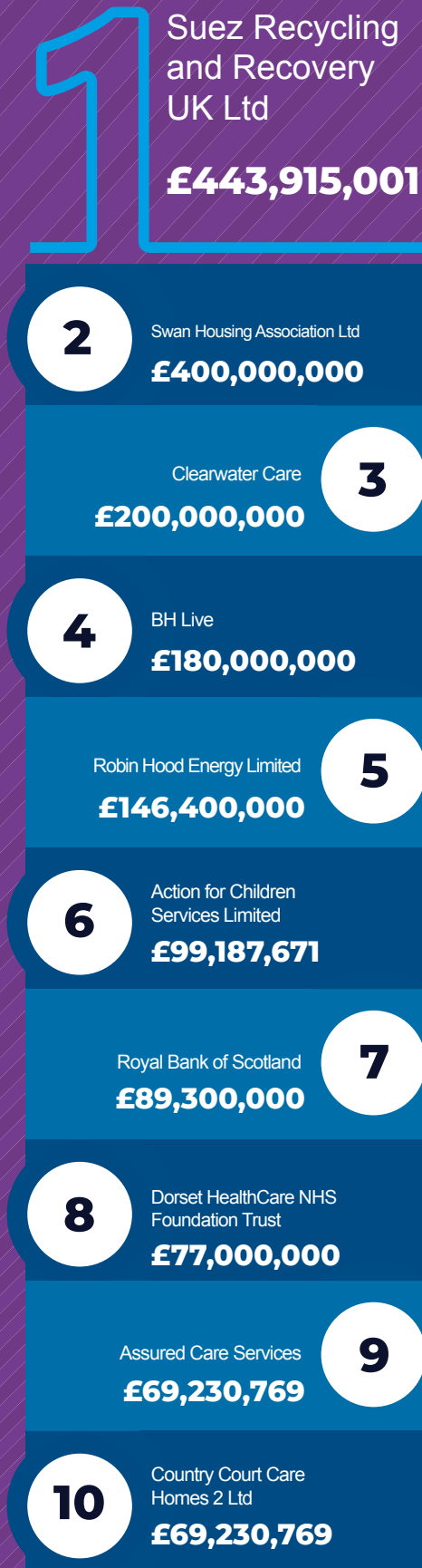


Figure 3

Local Government Market Overview

Supplier opportunities

Figure 3 details the top ten suppliers by combined awards value. Heading this list is Suez Recycling and Recovery UK Ltd. The vast majority (£443m) of the sum awarded to them came from two linked contracts awarded by Greater Manchester Combined Authority for waste and resource management services and household waste recycling centre management services.

Figure 4 shows the top ten suppliers by volume of awards won. In pole position is 24x7 Ltd, thanks to winning a place on six multi-supplier framework agreements for home to school transport services and one for social care transport, all awarded by Lincolnshire County Council. Indeed, all but tenth place Witherslack Group won all their contracts through multi-supplier framework agreements, usually with just one buyer. This illustrates the importance to businesses of building relationships with local government in their area, as well as the extensive use of framework agreements by buyers and their importance to suppliers.

Suppliers by Number and Combined Value of Awards

Number of awards		Value of Awards Won
18	24x7 Ltd	£1,073,311
12	A & M Lloyd Plant Hire Ltd	£196,716
12	GAP Group Ltd	£402,638
12	HSS Hire Group	£303,400
11	Spalding Taxis Ltd	£508,494
11	Travis Perkins Managed Services	£180,323
10	Witherslack Group	£2,227,487
10	GNH Agri Limited	£163,930
10	Oswyn Roberts	£163,930
10	Penrhyn Hire Ltd	£163,930

Figure 4

Regional overview

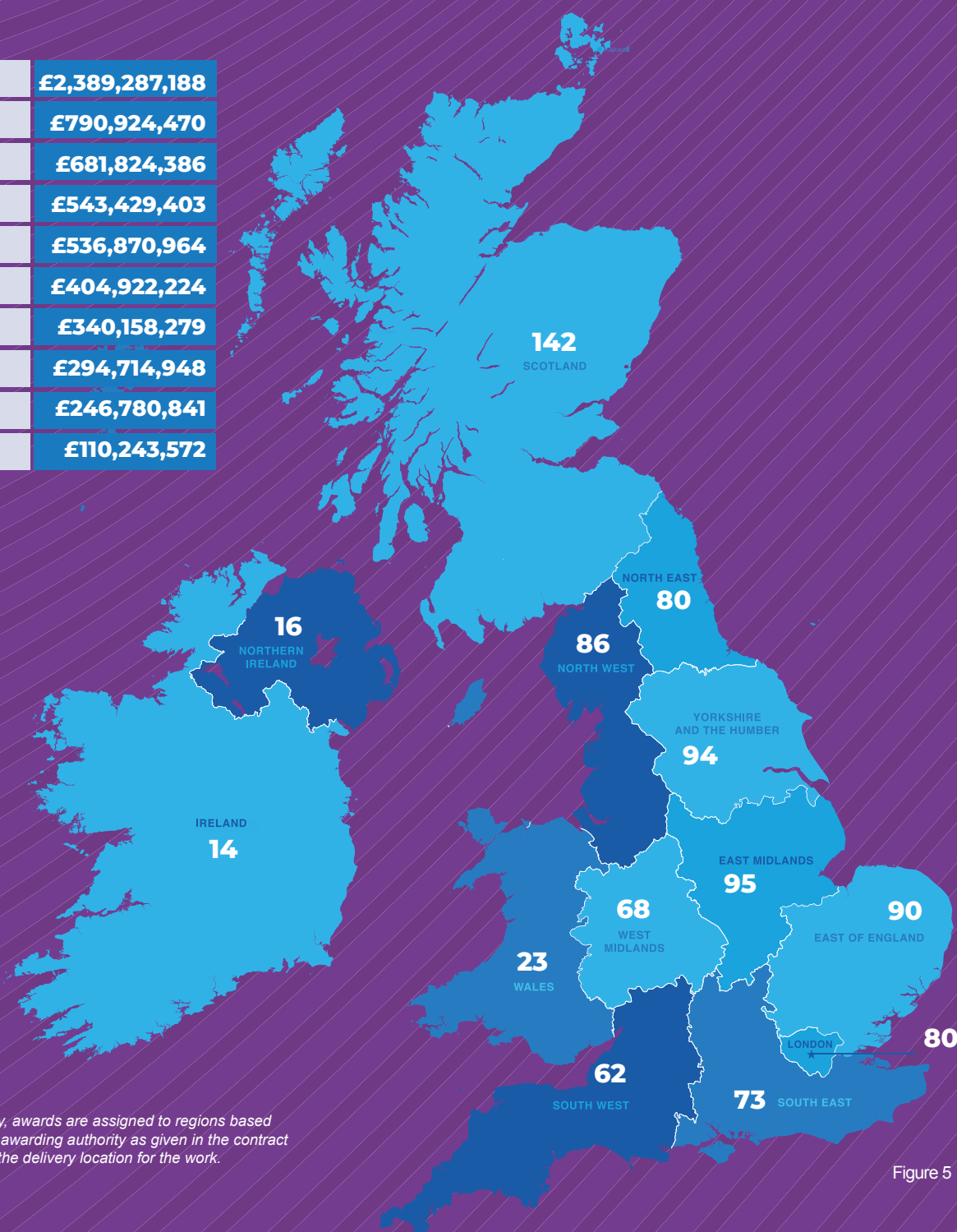
Scotland tops the list for the highest number of contracts awarded, with 142 awards in July. This is 47 (49.47%) more than the second highest region, the East Midlands. Contracts awarded in Scotland came from buyers throughout the country, with values ranging from £180,000 for loading equipment for waste transfer equipment in Edinburgh to £150m for a framework for public realm works in Glasgow.

The East of England dominates the figures for the value of awards, which is hardly surprising given that three of the top ten buyers by award value in Figure 1, including the top two, come from the East of England. Essex County Council alone contributed just over £1bn to the East of England total of just under £2.4bn. Total contract values for the regions vary

significantly – compare the East of England's £2.4bn and tenth place North East (England)'s £110.2m.

Some regions clearly awarded fewer, higher value contracts in July, while others awarded more smaller contracts. Yorkshire and the Humber awarded 94 contracts but spent just £246.78m, while the South East awarded 73 contracts but its spend of £536.87m was over twice that of Yorkshire and the Humber. The difference lies in the value of a few contracts. The most valuable contract awarded in Yorkshire and the Humber was a £60m YPO framework for outdoor sports and play equipment, whereas Hampshire County Council awarded the South East's most valuable contract – a £200m construction framework.

East Of England	£2,389,287,188
Scotland	£790,924,470
North West (England)	£681,824,386
East Midlands (England)	£543,429,403
South East (England)	£536,870,964
West Midlands (England)	£404,922,224
London	£340,158,279
South West (England)	£294,714,948
Yorkshire And The Humber	£246,780,841
North East (England)	£110,243,572



*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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