Cambridgeshire & Peterborough Combined Authority

Procurement Review

May 2023

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

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1

Executive Summary

Executive Summary

Overview

This review has been commissioned by the Authority to review its procurement capability over 5 areas: *Governance, Operating Model, Capability and Capacity, Culture of Compliance* and *Contract Execution*.

The review focuses on 3 key areas in order to assess current capability and identify improvements:
1) **A procurement maturity assessment,** a self-assessment against 18 questions;
2) **Procurement spend analysis** through a review of spend and contracts; and
3) **Procurement processes** review through interviews with officers and review of documentation.

An analysis of publicly available procurement information from other Combined Authorities was conducted in order to highlight areas of good practice that could be considered by the Authority. Alongside a review of the forthcoming **Procurement Bill** to ensure the Authority is aware of the proposed provisions and what changes it needs to implement in order to be compliant with these provisions.

Highlights

Officers were very engaged in the process and were open and honest during their interviews. Many officers have good procurement and contract management experience and understand the need for effective controls and governance around grants and contracts.

All officers highlighted the high level of support, guidance, expertise, impact and value provided by the Authority's Procurement & Contracts Manager.

Executive Summary

Challenges

All officers stated that the corporate procurement function is under-resourced with limited capacity to make the improvements or provide the strategic direction that is expected from the Authority.

For many officers, the lack of centralised and standardised guidance, templates and process flows covering the full end-to-end procurement process was their biggest challenge as they felt this increased risk both to themselves and the Authority in the event that something went wrong. They indicated there was a lack of clarity around roles and responsibilities of procurement and legal colleagues, and that differing advice had been given which had led to confusion around process.

Whilst the review was focused on procurement, many of the challenges raised by officers, particularly around governance, operating model, capability and capacity, were reflective of similar concerns about the Authority in general.

Recommendations

There are 4 key areas of recommendation, with supporting activities, which will drive improvements across the 5 areas.

Executive Summary: Key Findings

Operating model is under-resourced and not fit for purpose:

- The corporate Procurement & Contracts Manager is highly regarded by officers for their impact and value.
- However, the corporate procurement function is under-resourced. Benchmarking by the Chartered Institute of Procurement & Supply (CIPS) indicates that for every £15m procurement spend there should be 1 FTE professionally managing that spend. The Authority currently has budget for a central team of 2-3 FTEs, along with a number of officers undertaking procurement activity as part of their wider role in service areas. Based on CIPS, your spend indicates needing circa 8 FTEs with procurement capability across the corporate function and service areas (this number is a guide and may flex dependent on the Operating Model you determine).
- There is a highly dispersed operating model with a high number of officers (22) involved who are not procurement experts.
- Roles & responsibilities for procurement, legal & officers is unclear leading to uncertainty about who is required to lead certain parts of the process including contract execution stage.
- There is limited technology in place to support end-to-end procurement process or provide robust data to support decision making.

Procurement is focused on tactical rather than strategic activities:

- Self-assessment against 18 questions for the Maturity Assessment shows the Authority scoring **1.82** (tactical) out of 5 (advanced).
- There is limited capacity in the corporate procurement function to build procurement capability or provide leadership and direction on complex, high value procurements.

Data is incomplete in key areas hampering effective decision making:

- Data missing in spend and contract profiles makes it difficult to map relationships and identify opportunities for savings.
- Data missing in relation to key supplier information such as address / postcode makes it difficult to identify use of local suppliers and SMEs.

Executive Summary: Key Findings

Lack of effective governance:

- Processes and procedures are inconsistent and complex to follow with no central repository to find guidance and templates.
- Lack of visibility on procurement plans across the Authority makes it difficult to assess the level of corporate procurement support required.

Lack of centralised guidance for officers:

- There is very little evidence that officers are not following correct processes & procedures or not reaching out to the corporate procurement function for advice and support when required.
- However, there is a lack of standard contract & supplier management guidance, KPIs and SLAs and Terms & Conditions which is leading to duplication across service areas.

No formal coaching or development of procurement capability:

- No procurement or contract management training available (induction or refresher) for those officers involved in the procurement process.

Uncertainty around contract execution processes:

- There is evidence of grants and contracts (across all service areas) commencing without documentation being finalised, but in all cases this was due to circumstances out of the control of officers.
- Reasons include: review of Ts & Cs; Grant Funding Agreements being amended; late allocation of grants from UKG; and time taken to get Board approval.

Recommendations

1. Redesign your Procurement Operating Model (*supporting Governance, Op Model, Capability & Capacity and Compliance*):

- **Develop a whole Authority**, **end-to-end procurement Operating Model** which shifts activity toward strategic procurement, underpinned by professional procurement capability and capacity and supported by procurement technology to automate the full procurement process and provide robust management information to support effective decision making.

- **Define and clarify roles and responsibilities** for procurement, legal and service area colleagues during the procurement process, contract execution phase and ongoing contract & supplier management activities to reduce confusion, increase impact and value and meet timescales.

- **Implement a scheme of "Delegated Procurement Authority"** across service areas to allow officers to approve grants and contracts (depending on value and risk) to reduce timescales for Board approval and enable teams to meet procurement requirements as a result of additional and/or unexpected grant funding from UKG departments.

- **Improve procurement scrutiny** through visibility of Business Cases and complex projects/programmes in order to provide assurance that commercial risks and issues are captured and mitigated, that optimal routes to market are considered and agreed and that effective contract management processes are implemented.

- **Implement a corporate project management tool** to capture the existing and future pipeline of procurement activity across the Authority in order to assess workload, ensure that support is available to service areas at the right time and identify opportunities to reduce duplication and increase collaboration across the Authority and its constituent councils.

2. Refresh your Contracts Register (*supporting Governance and Capability & Capacity*):

- **Review and regularly update your Contracts Register** to capture all existing contract opportunities and contract awards to increase visibility and oversight of all live tenders, active contracts, total value of contracts placed, expiry dates, potential extension periods and all suppliers delivering contracts. This will support planning, governance and assurance of procurement activity, provide full transparency of all contracts awarded by the Authority and improve reporting capability on number of local suppliers and SMEs involved in the delivery of contracts (**aligned to Procurement Bill: "Visibility & Transparency Notices" and "Fair Treatment of Suppliers"**).

Recommendation

3. Revise your Procurement Strategy, Policy & Procedures (*supporting Governance, Capability & Capacity, Compliance and Contract Execution*)

- **Develop an Authority wide Procurement Strategy** that includes the vision, values, and principles which underpin procurement, and develop a policy on agreed approach to prioritisation, risk, commodity categorisation and roles and responsibilities (**aligned to Procurement Bill: all provisions**).

- **Establish a 'Procurement Hub' (similar to HR Hub)** where all procurement related documentation, templates, Terms & Conditions etc for the full procurement process (from identification of need through to contract and supplier management) are centrally held (**aligned to Procurement Bill: all provisions**).

- **Revise your Procurement Policy** to make it more user friendly with supporting process flows, step-by-step procedural checklists and decision trees to enable officers to fully understand what they need to do during the procurement process and when they need to seek professional procurement advice and guidance (**aligned to Procurement Bill: all provisions**)

- **Standardise and rationalise contract management processes and procedures** including refining KPIs, SLAs and reporting templates to ensure consistency of practice and provide assurance that contract deliverables are being achieved and supplier performance is being monitored (**aligned to Procurement Bill: "Contract Management"**).

- **Enhance focus on Social Value** by ensuring that all contracts (current and new) identify, capture, monitor and report on Social Value outcomes to demonstrate the impact procurement activities have on your local area (**aligned to Procurement Bill: "Value for Money & Delivery of Strategic National Priorities"**).

- **Develop standard Grant Funding Agreements (GFA)** for different types of grant activity that require little or no change by any party to reduce delays to grants commencing.

- **Develop set of Terms & Conditions for different types of contract activity** (low value, low risk to high value, high risk) that can be selected at tender stage with little or no change required during the process to reduce delays to contracts commencing.

4. Implement procurement & contract management training (*supporting Governance, Op Model, Capability & Capacity and Compliance*)

- **Implement procurement and contract management training** for all officers (and potentially Elected Members) involved in procurement activities, including induction and refresher training at suitable intervals, to increase understanding and capability of officers, reduce risk to officers and the Authority and increase assurance of effective management of contracts and suppliers (**aligned to Procurement Bill: all provisions**).

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Introduction

Background & Purpose

Background and context

In January 2023 the Department for Levelling Up, Homes and Communities (DLUHC) wrote to the interim Chief Executive of the Cambridgeshire and Peterborough Combined Authority (CPCA) to inform him that the Parliamentary Under Secretary of State had decided to issue the CPCA with a Best Value Notice.

Amongst issues cited by DLUHC in the letter as causing the issuance of the Best Value Notice was "*concerns raised within the Authority in respect of procurement of services to the Authority*".

As part of its response to the Best Value Notice, the Authority commissioned a review of its current procurement activities to ensure that they reflected good practice and demonstrated Best Value for the Authority.

Purpose of this document

This document set out the **key findings** from the Procurement Review and presents 4 key areas of **recommendation for improvement** to enable the Authority to harness effective change in its procurement capability based on good practices.

Review Scope

The work was commissioned to review the following **5 areas** to identify good practice, issues and concerns, along with recommendations to strengthen and improve the Authority's approach to procurement so that it is able to demonstrate best value. In addition, the forthcoming **Procurement Bill** will bring changes to how procurement is conducted and this review highlights the proposed provisions and the changes the Authority will need to implement to ensure that it is compliant when the Bill comes into force (expected mid 2024).

Governance of Procurement	Operating Model	Capability & Capacity	Culture of Compliance	Contract Execution
Governance of Procurement through the Constitution and financial regulations and whether this reflects current guidance, regulations and good practice.	Whether the current operating model for procurement in the Authority reflects good practice and achieves best value.	Whether the Authority has the right capabilities, including adequacy of resourcing both within the corporate centre and service areas and adequacy of training and understanding of those involved.	How effective the culture of compliance is with the Authority's procurement regulations, and when instances of non-compliance occur, how effectively these are addressed and reported to the relevant Officer and Member governance structures.	Whether there is an impact caused by projects/contracts commencing before the execution of the documents.

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Areas covered in this review

In order to support a rapid diagnostic review of the Authority's procurement capability, work focused on the following 3 main areas over a 5 week period:

Procurement Maturity Assessment

To assess the **maturity and capability*** of current procurement capability across the procurement cycle.

Procurement Spend Insights

To **profile spend** through analysis of spend with 3rd parties to identify potential savings, highlight any key gaps in coverage and assess any risks to contract compliance.

Procurement Process Review

To assess the key processes in place to manage the **end-to-end procurement process** including strategy development, sourcing, contract management, supplier management, benefits realisation and purchase-to-pay capability.

This tool has been developed from multiple years of experience on delivering maturity assessments across public and private sector clients.

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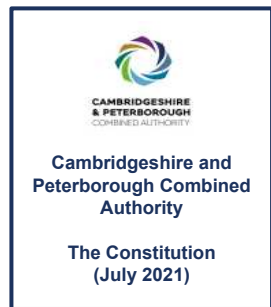## Approach Taken & Methodologies Used

Procurement Process Review: Approach Taken

Review of Documentation

An in-depth review of the following documents was undertaken:

- Procurement and Contract Procedure Rules contained within the Authority's Constitution
- Procurement Policy
- Various procurement templates

Publically available procurement advice and guidance from other Combined Authorities was also reviewed.

Cambridgeshire and Peterborough Combined Authority

The Constitution (July 2021)

CAMBRIDGESHIRE & PETERBOROUGH COMBINED AUTHORITY

PROCUREMENT POLICY

November 2022

**Greater Manchester
Liverpool City Region
North of Tyne
South Yorkshire
Tees Valley
West Midlands
West of England
West Yorkshire**

Interviews

- Invites were issued to 23 officers across the Authority (Business, Skills, Transport, Corporate Services, PMO and Net Zero Hub).

- 22 officers took part in 1-1 interviews (96% engagement rate).

- Elected Members from the Authority's Board, Chairs of the Committee's, and the Audit and Governance Committee were invited to attend a meeting to discuss their concerns.

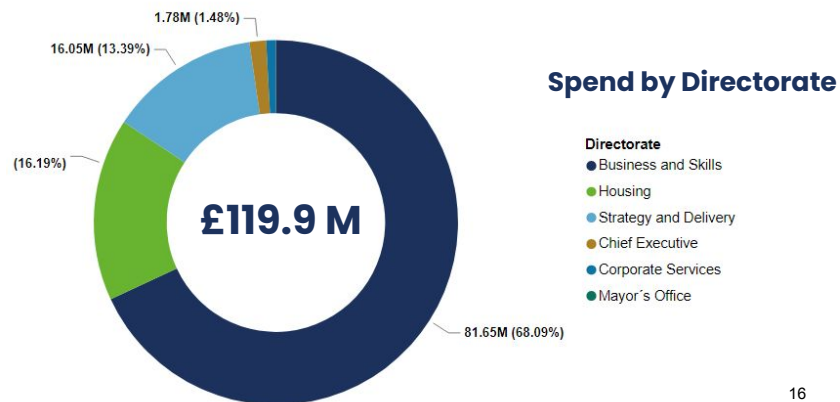- Engaged directly with 3 Elected Members, including the Mayor.

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Methodologies Used

Procurement Maturity Assessment

- In addition to the interviews, all staff who had been interviewed were asked to complete an online survey to assess the maturity of the procurement capability.

- 18 questions were asked covering strategy; people & skills; process; governance; and technology.

- From the 22 surveys issued, only 6 completed surveys were returned (26% engagement rate.)

- Many newly employed officers felt unable to answer the survey as their experience of procurement within the Authority was limited.

Procurement Insights

- Accounts Payable (AP) data from April 2022 to March 2023 was analysed.
- Data was cleansed, prepared, categorised and visualised to enable enhanced analysis.
- AP data was compared against data in the Contract Register to explore whether a supplier relationship could be defined between the two datasets and identify how much spend was covered by contract.
- The completed analysis was assessed to identify potential opportunities for savings

Spend by Directorate

£119.9 M

1.78M (1.48%)
16.05M (13.39%)
(16.19%)
81.65M (68.09%)

Directorate
- Business and Skills
- Housing
- Strategy and Delivery
- Chief Executive
- Corporate Services
- Mayor´s Office

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Good Practice in Other Combined Authorities

In order to assess good practice, a review of publicly available procurement information by other Combined Authorities was undertaken with the following highlighted as options to be considered further:

GMCA GREATER MANCHESTER COMBINED AUTHORITY

Leveraging Technology:
GMCA operates a 'Flexible Procurement System' (similar to Dynamic Purchasing System) for education, work and skills to make it easier and quicker for commissioning, minimise timescales, reduce administration costs, and create opportunities for a wider range of suppliers to bid.

TEES VALLEY COMBINED AUTHORITY

Delegated Authority:
TVCA states in its Constitution that all senior officers can approve regulated contracts for goods, services & supplies up to £100k and for works up to £250k with all Heads of Services able to approve regulated contracts for goods, services and supplies up to £1m and for works up to £1m.

West Yorkshire Combined Authority

Procurement Information:
WYCA procurement page provides details on the categories of goods and services purchased; its live business opportunities; the procurement procedures used; its Procurement Strategy; an overview of tender assessment process; a number of FAQs; its Social Value Guide; its Terms & Conditions; and a glossary of public procurement terms.
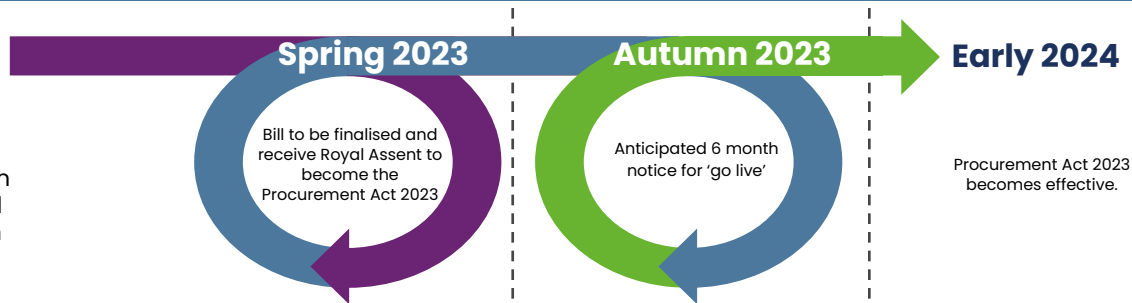
Procurement Bill Considerations

The new Procurement Bill is due to come into effect in early 2024. It proposes major reform to the public procurement regime in the UK.
CPCA Legal colleagues are aware of the Bill and the proposed changes, and are considering it's scope and impact. Training will be required to all officers who engage in procurement. The corporate procurement function will need to be adequately resourced to manage the communication of changes and the delivery of training.

Key changes are as follows:
Highlighted in green are actions for the Authority

Spring 2023

Autumn 2023

Early 2024

Bill to be finalised and receive Royal Assent to become the Procurement Act 2023

Anticipated 6 month notice for 'go live'

Procurement Act 2023 becomes effective.

Visibility & Transparency Notices

Procurement information made publicly available to support effective competition and to ensure public insight into how money is spent.
Contracts over £2m published within 90 days of commencement.
Notices required for changes made during contract term.
Future procurement activity will need to be made public.

Robust and up-to-date publicly available Contracts Register required and Procurement Page detailing opportunities and spend.

Greater Supplier Due Diligence

A more robust process required. Identification and management of conflicts of interest.

Clear due diligence processes in place for tenders; evidence of information and data being collected and assessed prior to contract award; and management of any conflict of interest ie. declaration forms for evaluation panel.

Fair treatment of suppliers

Aims to create a **Level Playing Field** by opening public procurement to new entrants and SMEs and encourages Authorities to have regard to barriers facing SMEs.

Publicly available pipeline of opportunities required; robust market engagement; SME strategy; full transparency of contract opportunities and contract awards; and consider ways to support SMEs to overcome barriers.

Simplified, flexible approaches

Introduces a small number of simpler rules applicable to lower value contracts.
Consolidates rules across the PCR15, Utilities Contracts Regulations 2016, Concession' Regs. and the Defence and Securities Public' Regs 2011.
It proposes 3 streamlined procedures: Open, Competitive Flexible, Limited Tender.

Incorporate simplified rules within Procurement Policy & Constitution.

Procurement Bill Considerations

" *The Bill will reform the UK's public procurement regime, making it quicker, simpler, more transparent and better able to meet the UK's needs while remaining compliant with our international obligations** "

Key changes are as follows:
Highlighted in green are actions for the Authority

Supplier exclusion

Suppliers can be excluded for **underperformance** on previous contracts, or where there is evidence of **modern slavery**.

Robust Contract & Supplier Management processes to be developed; and KPIs and SLAs to be implemented and effectively monitored and reported.

Contract Management

The Bill sets out steps required to manage a contract, and strengthening of the rules to ensure suppliers are paid on time. New requirement for publication of KPIs and supplier performance against them (reported minimum once annually).

Development of standard KPIs and SLAs; effective monitoring and reporting mechanisms embedded; and reporting processes developed.

Procurement Review Unit

The **PRU** has the power to issue directions to authorities in the case of **systemic breaches**.

Adoption of provisions and key recommendations of the review to avoid external intervention; and capture data on current/pipeline contracts to ensure visibility and transparency.

Value for Money & Delivery of Strategic National Priorities

Most Economically Advantageous Tender **(MEAT)** becoming Most Advantageous Tender **(MAT)** by considering the non-monetary benefits of a bid ie. social value, environmental benefits.

Regard to delivering value for money, maximising public benefit, providing transparency and acting with integrity; development of selection criteria with project specific weightings for quality/price/social value; central government emphasise the importance of good management, and control of procurement activity and inclusion of national priorities within Procurement Strategy.

* https://www.gov.uk/government/publications/the-procurement-bill-summary-guide-to-the-provisions/the-procurement-bill-a-summary-guide-to-the-provisions. Published 16/02/2022
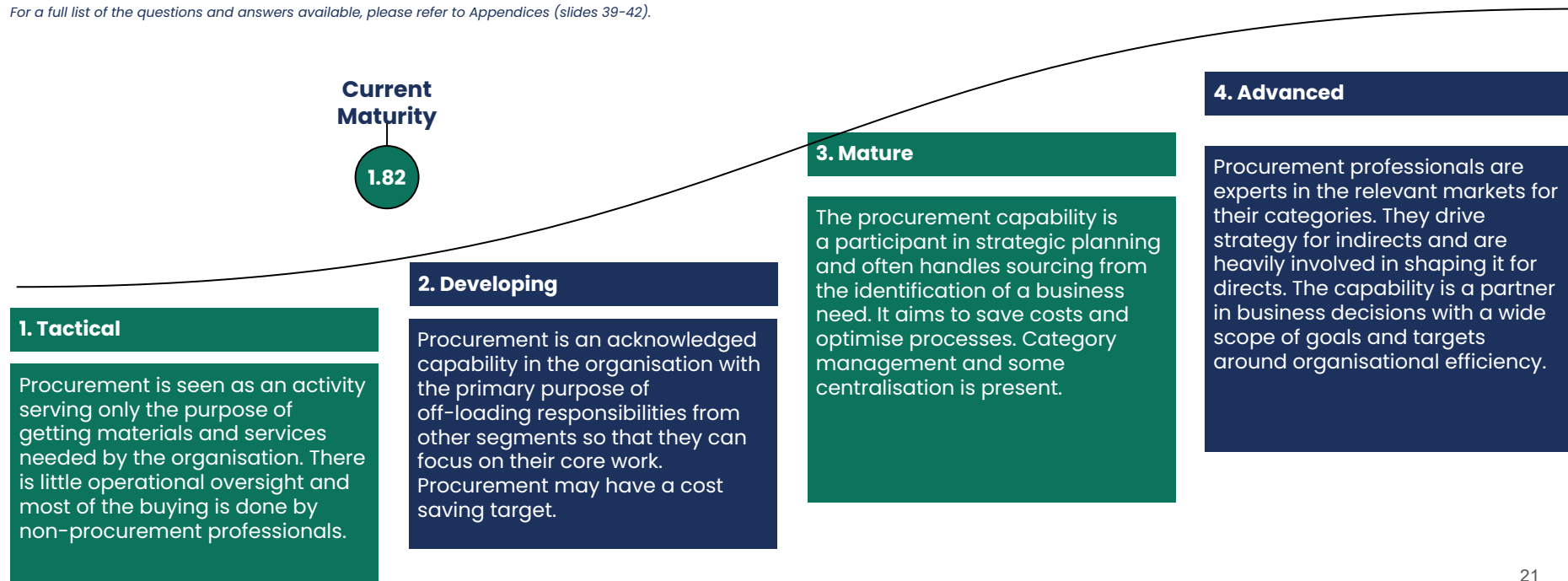
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Procurement Maturity Assessment

Results from the Procurement Maturity Assessment

Officers were asked to rate the central procurement function against 18 questions from 1 (tactical) to 5 (advanced).

Overall, the Authority is demonstrating a **low level of maturity (1.82)** which the Review team concur with. Much of the procurement activity is focused on tactical procurement rather than strategic procurement which in large part is a consequence of the central procurement function being under-resourced, with limited capacity to build the procurement capability of the Authority or provide leadership and direction on complex, high value procurements.

For a full list of the questions and answers available, please refer to Appendices (slides 39-42).

Current Maturity

1.82

4. Advanced

Procurement professionals are experts in the relevant markets for their categories. They drive strategy for indirects and are heavily involved in shaping it for directs. The capability is a partner in business decisions with a wide scope of goals and targets around organisational efficiency.

3. Mature

The procurement capability is a participant in strategic planning and often handles sourcing from the identification of a business need. It aims to save costs and optimise processes. Category management and some centralisation is present.

2. Developing

Procurement is an acknowledged capability in the organisation with the primary purpose of off-loading responsibilities from other segments so that they can focus on their core work. Procurement may have a cost saving target.

1. Tactical

Procurement is seen as an activity serving only the purpose of getting materials and services needed by the organisation. There is little operational oversight and most of the buying is done by non-procurement professionals.

Procurement Maturity (Self-Assessed)

The central procurement function is operating at a tactical level, providing advice & guidance as and when required rather than setting strategy and direction
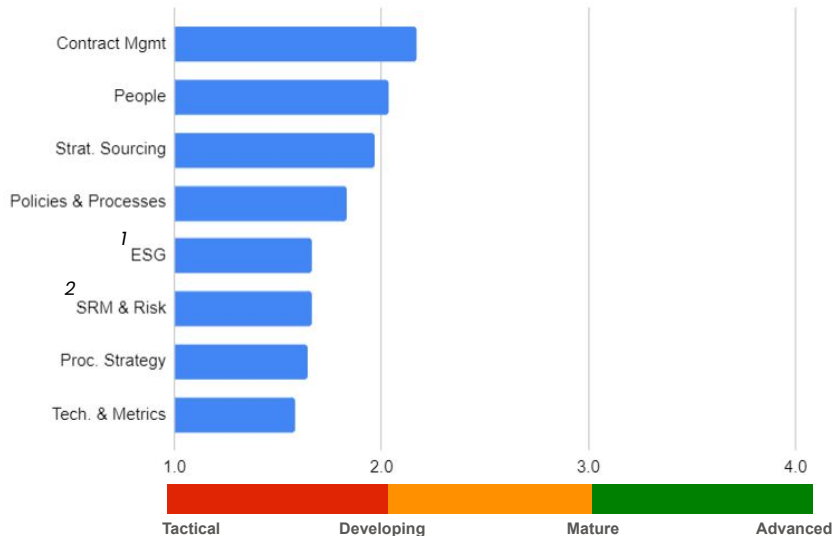
- There is not a consistent view amongst officers of the strength of procurement capability.
- 'Contract Management' and 'People' received the highest rating but that is due to some teams implementing contract management processes and some officers with experience of procurement
- 'Procurement Strategy' and 'Tech & Metrics' received the lowest rating as there is no strategy in place and limited technical capability to support the procurement process or capture data.
- Only 6 officers returned a response. Other officers highlighted difficulty in completing the survey as they had only been working at the Authority for a short period of time.

n.b. ¹ Environmental, Sustainability and Governance; ² Supplier Relationship Management

Further analysis can be found in the Appendices (slide 43).

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Procurement Spend Insights

Overview

FY2022/2023 was established as the baseline for the analysis in order to provide the most up-to-date profile of spend with the following metrics assessed: total spend, total number of suppliers, contract register value and spend per Directorate.

Spend

Addressable third party spend is c.£119.9m

This excludes grant payments for the 7 constituent councils during the Financial Year.

The top 3 spend directorates are Business & Skills, Housing and Transport Strategy & Delivery

There may be an opportunity to embed strategic procurement support to provide increased scrutiny, governance and assurance to complex and high risk contracts.

Suppliers

415 unique suppliers used

There are over 6,200 transactions to 415 different suppliers with an average spend per supplier of £288.9k.

The majority of spend is incurred with only a few of these suppliers

80% of third party spend is incurred with just 8% (33) suppliers due to limited supply market for certain categories of spend. There is a long tail of low value suppliers which could result in increased administration costs, duplication of suppliers and lack of visibility on potential contracting opportunities.
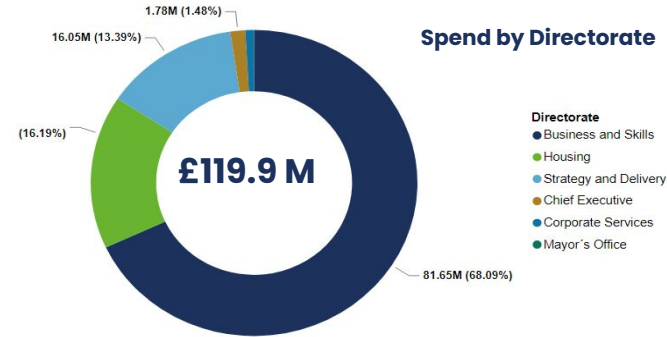
Contract Register

Total awarded value is £171m

Not all contracts placed by the Authority appear on the Register.

Contract coverage across suppliers is difficult to track

There is no linkage between the Contracts Register dataset and the accounts payable dataset, making it difficult to perform a full analysis of spend & contract data, limiting the ability to identify opportunities to rationalise contracts, reduce costs and make savings as well as map local suppliers and SMEs.

Spend by Directorate

£119.9 M

1.78M (1.48%)
16.05M (13.39%)
(16.19%)
81.65M (68.09%)

Directorate
- Business and Skills
- Housing
- Strategy and Delivery
- Chief Executive
- Corporate Services
- Mayor's Office

- Business & Skills has the largest spend (68.09%) whilst Housing and Transport Strategy & Delivery Directorates are responsible for nearly 30% of spend.

- The Business & Skills and Transport Strategy & Delivery Directorates account for 68% of the supplier base (310 suppliers).

Further analysis for all 3 Directorates is provided in Appendices (slides 49-51)
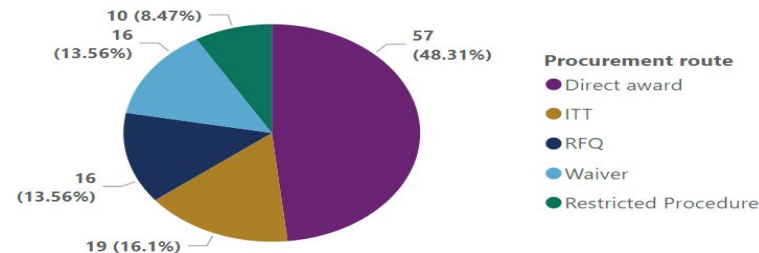
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Contracts Register

The Contracts Register was exported directly from the eTendering platform used by the Authority. It contained incomplete data (e.g. supplier name, address and value) so only a high level analysis was performed resulting in the following overview:

Recorded location of suppliers awarded contracts

£171.71m
Total value of contracts placed 2019– 2028

Procurement Process Used

10 (8.47%)
16 (13.56%)
57 (48.31%)
16 (13.56%)
19 (16.1%)

Procurement route
- Direct award
- ITT
- RFQ
- Waiver
- Restricted Procedure

- Nearly 50% of contracts awarded have been through Direct Award. In the interest of transparency and creating a fair level playing field, Direct Awards should be used sparingly, and the forthcoming Procurement Bill will be introducing new measures when dealing with such cases. Interviewees highlighted lack of time and resource as contributing factors.

- Records show that the location of suppliers are geographically diverse, however higher spend (deeper purple on the map) are generally centered near to the Authority's region of operations.

- Not all contracts placed by the Authority are contained within the Contract Register, particularly those that have not been managed through the eTendering platform. There is an incomplete picture of contract activity and contract value.

- Not all supplier records in the Contract Register record supplier size or address, so it has been difficult to assess locality of suppliers or the number of SMEs providing services to demonstrate local economic impact for the Authority.

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Procurement Process Review

Governance of Procurement

Highlights

- Officers aware of Procurement Policy and Procurement & Contract Procedure Rules in the Constitution.
- Some service areas track and monitor their own procurement activities but this is not consistent or standard across the Authority.

Challenges

- **Procurement Policy & Contract Procedure Rules**: officers indicated that both were not user friendly and complex to follow.
- **Guidance:** no central 'Procurement Hub' where officers can go to find simple, easy to follow process flows and standard documentation and templates covering the full end-to-end procurement process from identification of need through to contract exit.
- **Approval delegation**: officers highlighted they had no delegated authority, leading to disproportionate effort to provide papers to the Board for all types of procurement from low value, low risk to complex, high risk.
- **Procurement Assurance**: no procurement scrutiny of business cases and complex projects/programmes which have a commercial element which could leave the Authority at risk and exposed from an assurance perspective.
- **Contracts Register**: is incomplete leading to lack of awareness of active contracts and their expiry dates. Where the eTendering portal is being used the Register is updated but many contracts are awarded outwith the system.
- **Reporting**: limited reporting on the benefits, savings and outcomes delivered from contracts so the Authority is unable to demonstrate the impact of its procurement activities at a local level.
- **Planning**: no corporate project management tool to capture the existing or future pipeline of procurement activity so difficult to assess workload, ensure that support is available to service areas at the right time and identify opportunities to reduce duplication or increase collaboration across the Authority and its constituent council's.

Operating Model

Highlights

- The corporate Procurement & Contracts Manager provides central guidance and support to service areas working closely with legal colleagues on the development of tender & contract documentation.

Challenges

- **Control**: highly dispersed operating model across the Authority with 22 officers involved in all or part of the procurement process.
- **Procurement Expertise**: officers are experts in their service area, not procurement so there is a risk of exposure to them and the Authority if they are not following due process or correct procedures. Some officers indicated a preference for a dedicated procurement officer or business partner with expertise in their service area.
- **Duplication**: service areas are creating or duplicating processes and procedures due to lack of central, standard guidance and documentation (for example, contract management; contract pipelines; and templates).
- **Roles & Responsibilities**: there is some uncertainty around the role and responsibilities of procurement and legal colleagues in the procurement process with some officers highlighting different advice being given, causing confusion.
- **Process**: service areas have different procurement requirements (some areas place low value, low risk contracts whilst others place complex, high value, high risk contracts) with officers highlighting difficulties in understanding at what point they need to bring in procurement and legal colleagues to add most value.
- **Technology**: limited procurement technology in place to support procurement activities which means minimal data available on live procurement exercises, contract and supplier performance, benefits & savings, contract extensions and contract expiry dates.

Capability & Capacity

Highlights

- **Engagement**: officers highlighted very positive engagement with the corporate procurement function. The Procurement & Contracts Manager is well respected for their knowledge and skills, delivering high impact and trusted by their colleagues.
- **Experience**: many officers have well developed procurement knowledge & skills with many having good experience of managing procurement exercises, contracts and suppliers either in their current role or in previous roles at other organisations.
- **Assurance**: officers are providing oversight and challenge to procurement exercises led by other constituent councils under Grant Funding Agreements.
- **Procurement Bill**: Legal colleagues already discussing scope and impact of forthcoming Procurement Bill.

Challenges

- **Resource Constraints:** corporate procurement function is under-resourced. CIPS benchmark indicates that for every £15m procurement spend there should be 1 FTE. Based on CIPS, your spend indicates needing circa 8 FTEs with procurement capability across the corporate function and service areas (this number is a guide and may flex dependent on the Operating Model you determine).
- **Capacity**: all officers acknowledged that the central procurement team is "severely" under-resourced. They raised concerns regarding resilience and well-being for the Procurement & Contracts Manager as well as the risk to officers and the Authority of non-compliance due to lack of capacity and professional procurement support.
- **Training**: no procurement or contract management training offered to officers (new and existing) so requirement to seek regular support from Procurement & Contracts Manager.
- **Capability**: due to lack of professional procurement capacity, there have been limited improvements and enhancements to documentation, processes, reporting & benefits realisation. Strategic procurement outcomes such as innovation and delivery of Social Value through contracts have been put on the back burner.

Culture of Compliance

Highlights

- There is little evidence of officers and teams not following the correct procurement process. If they are unsure they contact the Procurement & Contracts Manager for guidance.
- Officers understand the importance of effective contract governance and controls. Many recognise the need for KPIs and SLAs and some highlighted they held contract meetings with their suppliers to discuss progress, performance, risks and issues.
- Officers are aware of need to use the eTendering Portal to advertise contract opportunities to ensure visibility and transparency.

Challenges

- **Direct Awards**: there is some evidence of contracts expiring without continuity arrangement in place. This has necessitated the need to place 'Direct Awards' with incumbent suppliers to ensure stability of service delivery whilst a re-tender exercise takes place.
- **Contract & Supplier Management**: there are no standardised processes or procedures in place to track supplier performance or manage contracts. As such, there is a risk that performance issues are not being addressed or that contract obligations are not being monitored.
- **KPIs and SLAs**: there are no standard metrics in place so officers have to either create new ones or adapt existing ones to meet the requirements of each contract.
- **Terms & Conditions**: there are no standard Terms & Conditions in place with legal colleagues having to review and amend each tender and contract that they are involved in (some low value tenders are being issued without legal input).
- **Due Diligence**: evidence that some contracts are commencing without the necessary due diligence checks carried out prior to award (e.g. insurance requirements).
- **Supplier Poor Performance**: evidence of a supplier awarded a contract even though performance issues during the delivery of a previous contract had been highlighted (there was uncertainty around ability to deselect the supplier from the tender exercise).

Contract Execution

Highlights

- Some service areas have embedded additional controls to ensure that work commences once grants and contracts have been signed.

Challenges

- There is some evidence of grants and contracts (across all service areas) commencing prior to the completion of documentation. This often happens for reasons outwith the control of officers, for example:
    - A review of Terms & Conditions during a live procurement exercise delayed the signature of the contract;
    - A Grant Funding Agreement going through a series of amendments by both legal parties beyond the date of the grant being awarded;
    - Additional funding provided by DLUHC and BEIS but procurement process taking longer than the funding timeframe;
    - 'Surrendered' bus contracts with only 70 days to put in place a replacement service but procurement process taking longer; and
    - Time taken to get Board approval as there are no delegation limits for officers to award contracts up to a certain value.
- In these cases, it was agreed by both parties that grants and contract would commence "at risk" whilst documentation was being finalised. Whilst this allowed services to commence or continue there is a risk to both parties that any issues remain unresolved or escalate.
- **Roles & Responsibilities:** Lack of clarity on who is responsible for drafting, issuing, ensuring execution (signature) and storing contract documentation (procurement, legal or officers).

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Recommendations for Improvement

Recommendations

1. Redesign your Procurement Operating Model (*supporting Governance, Op Model, Capability & Capacity and Compliance*):

- **Develop a whole Authority**, **end-to-end procurement Operating Model** which shifts activity toward strategic procurement, underpinned by professional procurement capability and capacity and supported by procurement technology to automate the full procurement process and provide robust management information to support effective decision making.

- **Define and clarify roles and responsibilities** for procurement, legal and service area colleagues during the procurement process, contract execution phase and ongoing contract & supplier management activities to reduce confusion, increase impact and value and meet timescales.

- **Implement a scheme of "Delegated Procurement Authority"** across service areas to allow officers to approve grants and contracts (depending on value and risk) to reduce timescales for Board approval and enable teams to meet procurement requirements as a result of additional and/or unexpected grant funding from UKG departments.

- **Improve procurement scrutiny** through visibility of Business Cases and complex projects/programmes in order to provide assurance that commercial risks and issues are captured and mitigated, that optimal routes to market are considered and agreed and that effective contract management processes are implemented.

- **Implement a corporate project management tool** to capture the existing and future pipeline of procurement activity across the Authority in order to assess workload, ensure that support is available to service areas at the right time and identify opportunities to reduce duplication and increase collaboration across the Authority and its constituent councils.

2. Refresh your Contracts Register (*Supporting Governance and Capability & Capacity*):

- **Review and regularly update your Contracts Register** to capture all existing contract opportunities and contract awards to increase visibility and oversight of all live tenders, active contracts, total value of contracts placed, expiry dates, potential extension periods and all suppliers delivering contracts. This will support planning, governance and assurance of procurement activity, provide full transparency of all contracts awarded by the Authority and improve reporting capability on number of local suppliers and SMEs involved in the delivery of contracts (**aligned to Procurement Bill: "Visibility & Transparency Notices" and "Fair Treatment of Suppliers"**).

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Recommendations

3. Revise your Procurement Strategy, Policy & Procedures (*supporting Governance, Capability & Capacity, Compliance and Contract Execution*)

- **Develop an Authority wide Procurement Strategy** that includes the vision, values, and principles which underpin procurement, and develop a policy on agreed approach to prioritisation, risk, commodity categorisation and roles and responsibilities (**aligned to Procurement Bill: all provisions**).

- **Establish a 'Procurement Hub' (similar to HR Hub)** where all procurement related documentation, templates, Terms & Conditions etc for the full procurement process (from identification of need through to contract and supplier management) are centrally held (**aligned to Procurement Bill: all provisions**).

- **Revise your Procurement Policy** to make it more user friendly with supporting process flows, step-by-step procedural checklists and decision trees to enable officers to fully understand what they need to do during the procurement process and when they need to seek professional procurement advice and guidance (**aligned to Procurement Bill: all provisions**)

- **Standardise and rationalise contract management processes and procedures** including refining KPIs, SLAs and reporting templates to ensure consistency of practice and provide assurance that contract deliverables are being achieved and supplier performance is being monitored (**aligned to Procurement Bill: "Contract Management"**).

- **Enhance focus on Social Value** by ensuring that all contracts (current and new) identify, capture, monitor and report on Social Value outcomes to demonstrate the impact procurement activities have on your local area (**aligned to Procurement Bill: "Value for Money & Delivery of Strategic National Priorities"**).

- **Develop standard Grant Funding Agreements (GFA)** for different types of grant activity that require little or no change by any party to reduce delays to grants commencing.

- **Develop set of Terms & Conditions for different types of contract activity** (low value, low risk to high value, high risk) that can be selected at tender stage with little or no change required during the process to reduce delays to contracts commencing.

4. Implement procurement & contract management training (*supporting Governance, Op Model, Capability & Capacity and Compliance*)

- **Implement procurement and contract management training** for all officers (and potentially Elected Members) involved in procurement activities, including induction and refresher training at suitable intervals, to increase understanding and capability of officers, reduce risk to officers and the Authority and increase assurance of effective management of contracts and suppliers (**aligned to Procurement Bill: all provisions**).

Recommendations: Example Operating Models

The current procurement operating model for the Authority is partially devolved but there are other models to consider that may deliver procurement good practice; however, they will require a re-design of the corporate procurement service (CPS) and additional resource.
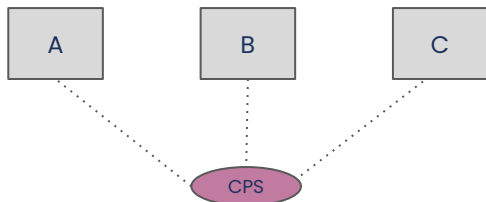
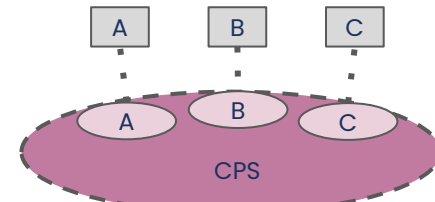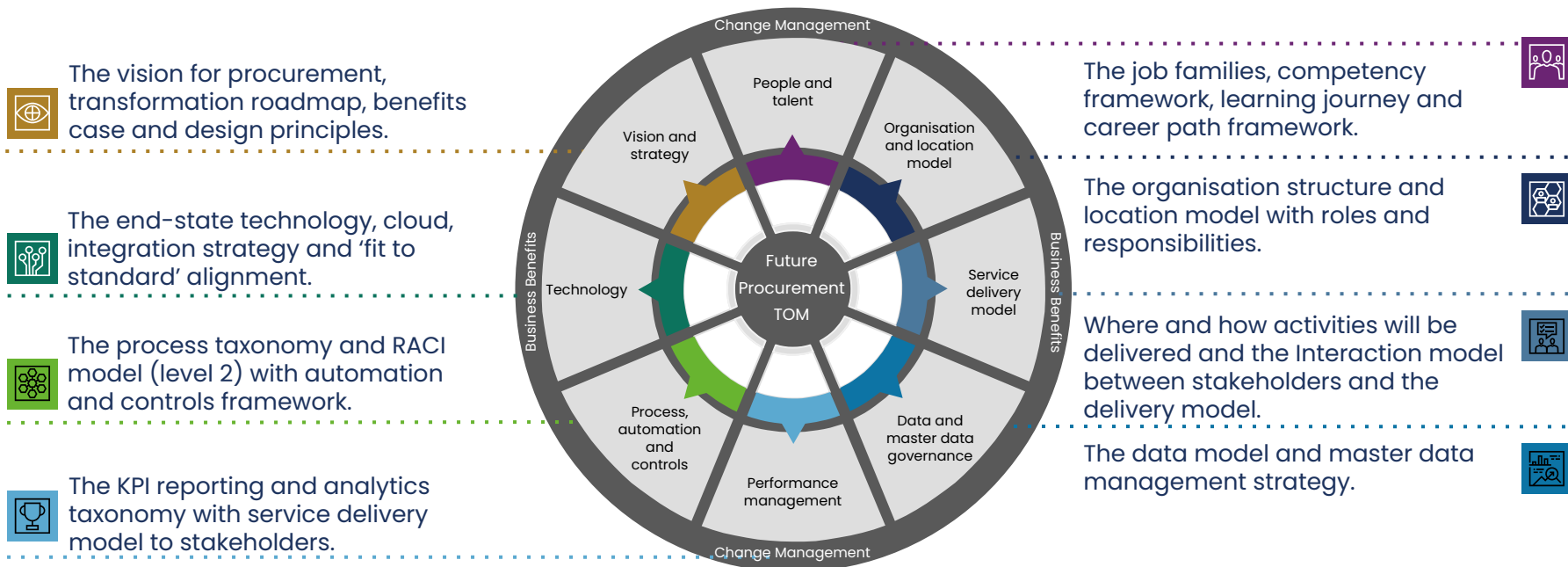| 1. Devolved	2. Hub and Spoke	3. Consolidated Matrix
CPS decentralises most operational activities to directorates with each directorate conducting their own procurement exercises with direction from CPS.	CPS aligns procurement officers per directorate to manage all procurement activities and provides strategic oversight, advice and guidance as well as day-to-day line management for the procurement officers.	CPS responsible for all strategic and operational procurement activity. Procurement officers are not assigned to specific directorates, and instead are assigned to manage a procurement as and when they are initiated.
Strengths + Allows Directorates direct control over their sourcing decisions. + CPS would be elevated to strategic role.	**Strengths** + Enables the organisation to set up centres of excellence. + Directorate 'hubs' are better aligned with services enabling closer working and therefore self servers may be more likely to seek support.	**Strengths** + Better central visibility and control/ ability to influence spend. + Upskilling and ability to share good practice, tools and templates. + Commercial career paths to help attract /retain talent.
Weaknesses - Level of self serve far greater and therefore risk higher. - Model does not break down silo ways of working and likely to be different approaches across the Authority.	**Weaknesses** - Risk of confusion around roles, responsibilities and accountability of CPS & directorate 'hubs'. - Requires strong direction from the CPS to ensure consistency of practice across the Hubs .	**Weaknesses** - Significant recruitment / upskilling depending on current maturity and capability. - Largest amount of change increasing likelihood of resistance and perceived loss of control. - Time to implement.

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Recommendations: High Level Operating Model Design

When designing the operating model for procurement the following design elements need to be included:

The vision for procurement, transformation roadmap, benefits case and design principles.

The end-state technology, cloud, integration strategy and 'fit to standard' alignment.

The process taxonomy and RACI model (level 2) with automation and controls framework.

The KPI reporting and analytics taxonomy with service delivery model to stakeholders.

The job families, competency framework, learning journey and career path framework.

The organisation structure and location model with roles and responsibilities.

Where and how activities will be delivered and the Interaction model between stakeholders and the delivery model.

The data model and master data management strategy.

Change Management

People and talent

Vision and strategy

Organisation and location model

Business Benefits

Technology

Future Procurement TOM

Service delivery model

Process, automation and controls

Data and master data governance

Business Benefits

Performance management

Change Management

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Appendices

Procurement Maturity Assessment: Survey Structure

	How would you describe your current Procurement strategy and its alignment with your organisational strategy?	Across your third-party spend to what extent are Category Strategies in place and aligned to the requirements of the business?	How proactive is procurement in identifying future business requirements and collaboratively working with stakeholders to develop a long-term sourcing pipeline?	What visibility do you have over your third-party spend and how is this used by your organisation?	What level of risk management do you have in place across your third-party spend?
1	There is no documented Procurement Strategy.	Procurement support the organisation sporadically but often have no input on defining requirements and sourcing decisions.	There is little or no engagement of Procurement across the organisation. Clear documented process for engagement does not exist.	Invoice and payment data isn't easily available from Finance systems and where it is, lacks the required detail for procurement to perform any meaningful spend analysis.	There is no formal process for risk management. No supplier monitoring in place. Contingency plans are not in place even for critical requirements.
2	A Procurement Strategy has been developed but is largely based around cost reduction and makes no reference to supporting the broader Corporate strategy goals. Procurement are seen as a supporting capability to the organisation.	Key spend categories are identified with some initiatives defined, but Procurement is typically led by the needs of the business and unable to influence sourcing decisions.	Procurement is engaged on a reactive basis, based on where demand is and upcoming contract renewals.	Spend data is available from finance systems but is difficult to extract or process. There may also be a reliance on suppliers to provide spend data and there is no ability to separate revenue and capital expenditure.	Risk management guidelines are in place for Procurement but the approach is not consistent. Procurement are actively involved in qualification of new suppliers but there is limited evidence of proactive or regular risk assessment & monitoring of existing suppliers. Contingency plans to cover supply shortages on critical requirements are available.
3	An organisation-wide Procurement Strategy has been developed which goes beyond pure cost reduction (e.g. supply chain resilience, sustainability, strategic partnerships etc). There are references to the Corporate strategy but limited evidence that Procurement objectives align with organisational goals.	Strategies are in place for most areas of major direct and indirect spend with a focus on achieving the lowest cost. Category strategies tend to be owned and understood by the Procurement Team with little alignment to the wider-organisation.	Stakeholders collaborate with Procurement across key categories to proactively identify upcoming strategic sourcing requirements. However, there is little evidence of a fixed approach to engagement across all third-party spend.	Spend data is available from a data warehouse covering the corporate ERP systems and is easy to extract. There may be reliance on supplier data for granularity. Revenue and capital spend can be analysed with manual data manipulation. Data is manipulated to provide insights and drive decisions.	A risk management approach has been defined which lays out Procurement responsibilities. Risk monitoring & ongoing assessment in place for critical suppliers only. Contingency plans in case of supply shortage are in place for most critical requirements but not all.
4	Procurement strategy has been developed with the participation of key business stakeholders, and is fully aligned to the Corporate strategy and key objectives. Procurement is seen as a value-add capability across the organisation.	Advanced strategies are in place for all categories of spend and all sourcing factors are considered e.g. supplier base consolidation, demand aggregation, ESG. Procurement are seen as specialists and are able to challenge category stakeholders to drive innovation and change across the business	Procurement actively collaborates across all categories to proactively identify upcoming strategic sourcing requirements.	Spend data can be immediately extracted from a data warehouse providing full coverage and at a granular level for contract suppliers. Revenue and capital spend can be analysed separately. Data is manipulated to provide insights which drive decision at all levels of the business.	Detailed risk management processes have been rolled out across Procurement, supported by good practice templates, training & tools. Risk monitoring requirements are defined by category & supplier according to exposure. Complete contingency plans exist in case of supply shortage for critical requirements.

Procurement Maturity Assessment: Survey Structure (continued)

	What contract management processes and policies do you have in place?	How embedded are ESG (environmental, sustainability and governance) considerations across your S2C value chain?	Across your organisation, how well-defined and adhered to is your Procurement policy?	How well-defined and executed is your approach to managing third party supplier relationships?	To what level are digital tools and technology integrated across all core S2C activities?
1	Contracts are not consistently in place with suppliers. Where contracts do exist there are no standard terms and conditions. Supplier terms are widely accepted with minimal adaption.	ESG is a regulatory requirement and has been incorporated in corporate strategy and vision. No documents detailing the role of procurement in ESG strategy exist.	There is no policy covering procurement and as a consequence the Procurement Team has no central visibility of procurement activity taking place across the organisation.	All suppliers are treated on a purely transactional basis with no partnerships or alliances in place.	There is currently no eSourcing system in place.
2	Contracts are in place for major spend areas. Contract models vary across the business with standard terms and conditions defined but not consistently used.	There are ESG ambitions but they are not regularly actioned. ESG criteria are covered to some extent in policies and KPIs used within procurement. Adjustments have started in some procurement processes such as awarding.	Policy is in place but it is followed inconsistently, particularly in indirect category areas. There is some visibility of procurement activity happening across the business.	Strategic suppliers have been identified, though the management of supplier relationships by Procurement is on a reactive basis focusing on performance.	An eSourcing system but is used to limited effectiveness across the business or multiple categories. Team members may lack the required training to fully utilise the software.
3	Contract good practice and guidance is owned and driven by the procurement team with some standardised terms and conditions to deliver efficiency. They are stored within a central digital repository.	There is a clear procurement ESG strategy which is embedded within procurement policy. KPIs cover relevant ESG criteria and roles and responsibilities are clearly defined. ESG criteria are included across most of the procurement process.	Policies and delegations of authority are in place governing all procurement activity. There is good visibility of procurement activity with high compliance.	Across major spend categories there is a supplier management strategy in place led by procurement and business stakeholders but the approach is inconsistent.	An end to end Source to Contract system is used by all of procurement for all categories and some wider business stakeholders. Team members are fully trained on its application
4	There is a contract management framework in place with standard terms and conditions that is integrated with the wider Procurement Strategy.	ESG vision and targets are embedded in procurement strategy. Clear and documented ESG monitoring and reporting structures have been implemented with roles and responsibilities clearly defined. Procurement policy and suppliers embrace all relevant ESG criteria.	Clear policies and delegations of authority are in place governing all procurement activity with high compliance Procurement is involved in all major Source-to-Contract activities.	There is a supplier management strategy in place with executive sponsorship of strategic relationships and defined processes with Procurement as a joint owner. Individuals have dedicated time and objectives linked to management of key suppliers.	An end to end Source to Contract system allows Business Stakeholders to run their own sourcing activities using standardised templates, AI, auctions, and other tools with Procurement providing strategic support and direction

Procurement Maturity Assessment: Survey Structure (continued)

	Is the role of the Procurement capability clear?	What role does procurement play in corporate, strategic and operational planning?	To what extent does your organisation have a defined strategy and approach for managing supplier?	How is compliance to the the contract management process monitored and managed?	To what extent is training used to develop skills of employees engaged in the procurement process?
1	Procurement responsibilities are unclear	Procurement has no involvement in business planning.	All suppliers are treated on a purely transactional basis with no partnerships or alliances in place.	There is no monitoring of compliance.	No formal training or methodology. Diverse skill sets. No formal plan to build a broad capability to fulfil defined roles.
2	Responsibility and accountability defined for some areas of Procurement, with moderate adherence.	Procurement has some limited involvement in providing cost data to some business capabilities, but no involvement in decision-making.	The management of supplier relationships is inconsistent and is down to business stakeholders. Procurement's focus is on supplier performance management.	Monitoring of compliance is inconsistent with high levels of non-compliance evident. While periodic attempts to identify off-contract spend are made, there is no mandate to support effective action.	Inconsistent guidelines for training and methodologies. Skills and capabilities loosely defined. Unstructured capability model.
3	Responsibility and accountability defined for all areas of Procurement, with moderate adherence.	Procurement provides cost data to business units to support planning but is not involved in decision making.	There is a supplier management strategy in place with Procurement Team relationship leads, but business stakeholder involvement has not been formalised. There is limited business recognition of Procurement responsibilities.	Compliance is controlled through internal monitoring, however there is no recourse for non-compliance. While periodic attempts to identify off-contract spend are made there is limited evidence of successful remedy.	Group wide guidelines for training and methodologies, adjusted locally. Local definition of skills and capabilities based on group wide guidelines. Structured but immature capability model.
4	Responsibility and accountability defined for all areas of Procurement, with high levels of adherence.	Procurement works with the Leadership Teams in business units, providing cost analysis and helping to shape operational plans.	There is a supplier management strategy in place but the application of processes is inconsistent and the commitment of resources is an issue. Procurement is seen as the owner of process and is involved in the majority of key relationships.	Compliance control is exercised through internal and external controls e.g. no PO, no Pay policies. Non-compliance is limited with monthly reports used to identify and remedy off-contract spend.	Consistent guidelines for training and methodologies, group wide implemented. group wide definition of skills, developed and consistent capability model.
5	All influencers of non-pay spend identified with roles, responsibilities and accountability agreed and adhered to across the organisation.	Procurement is an integral member of the Executive Management Team, and is actively involved in strategic and operational planning.	There is a supplier management strategy in place with executive sponsorship of strategic relationships and defined processes operational. Procurement is seen as an owner of the process and is fully involved in all key relationships.	Exceptional process compliance is being achieved through internal and external controls. Monthly reports are used to identify off-contract spend and the effectiveness of actions are monitored by Procurement and the business.	Rigorous training and methodology. Mature capability model with clear and structured development strategy. Training covers technical and business partnering/change management skills.

Procurement Maturity Assessment: Survey Structure (continued)

	To what level are digital tools and technology integrated across all core P2P activities?	**How does the organisation measure the effectiveness of procurement?**	**How unified is Procurement across the organisation; what is the level of centralisation?**
1	There is currently no electronic ordering system in place	The Procurement team are not tracked against any performance metrics.	Procurement is not recognised as a capability and there is no central Procurement Team. There is a lack of clear visibility of who 'does' procurement across the organisation.
2	An electronic ordering system is in place but is used to limited effectiveness across the business	A limited, static set of KPIs measuring internal performance exists, but is infrequently used or reported on and mainly tracks the delivery of savings vs. targets	Procurement Teams and resources are decentralised and fragmented across business units. Procurement resources are tactical and reactive to stakeholder needs.
3	eProcurement solution operating effectively and transacting 90% or more of the addressable transaction volume	A set of internal KPIs is regularly used and reported on, these are focused on cost reduction and spend under management and are tracked by the organisation	A centralised/centre led Procurement Team is in place for major spend categories and providing overall Procurement vision, strategy & policy for the business. Transactional Procurement may be outsourced or part of an alternative delivery model .There are some areas where Procurement has been unable to challenge established buying models.
4	Fully integrated P2P solution embedded across the organisation and used to drive all transactional procurement activity	The organisation track the delivery of spend reduction through to its bottom line. Procurement are tracked against non-cost strategic goals such as strategic supplier relationships and wider ESG metrics. Business stakeholders are also held to account for the delivery of targets.	A centralised/centre led Procurement structure is in place for all spend areas and sets the Procurement vision, strategy & policy for the business. Category teams are in place for all major spend categories. There is flexibility and agility to move resources between teams and allocate resources to support projects based on risk and value and specialisms within the process (e.g. SRM) are recognised.

Procurement Maturity Assessment: Survey Results (Self-Assessment)
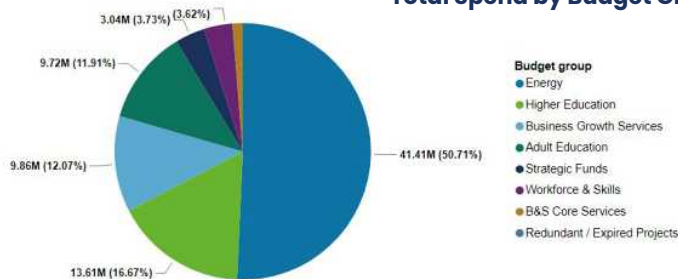
There is not a consistent view across the Authority
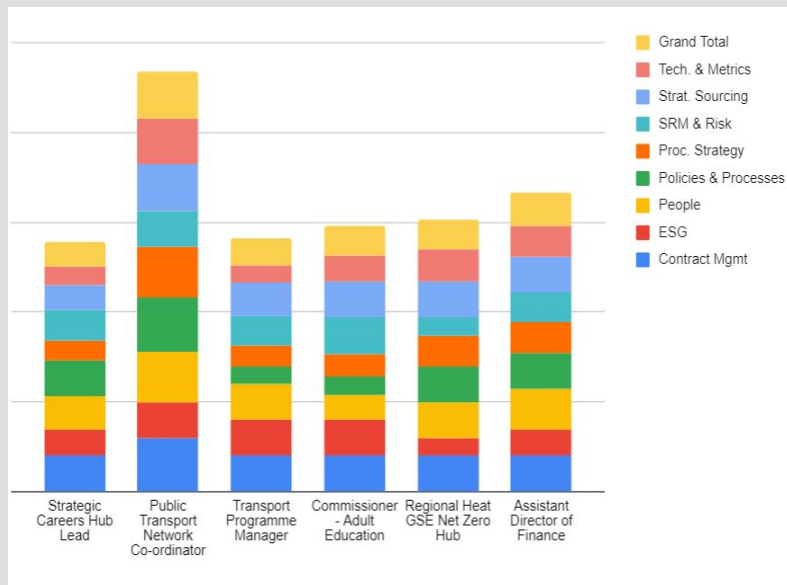
Procurement Insights: Business and Skills Directorate

This slide shows the spend profile for Business and Skills Directorate. If using the CIPS recommendation of 1 FTE for £15 m of spend, this Directorate would necessitate at least 6 FTE with professional procurement expertise.
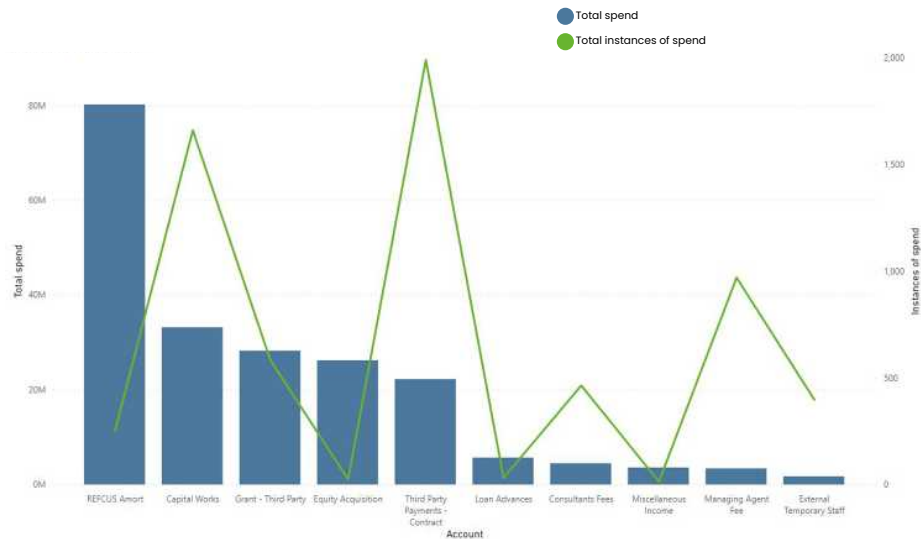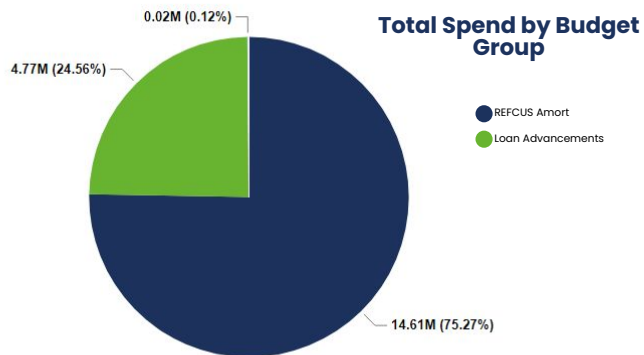
Total Spend by Budget Group

3.04M (3.73%) (3.62%)
9.72M (11.91%)
9.86M (12.07%)
13.61M (16.67%)
41.41M (50.71%)

Budget group
- Energy
- Higher Education
- Business Growth Services
- Adult Education
- Strategic Funds
- Workforce & Skills
- B&S Core Services
- Redundant / Expired Projects

£81.65m
Total spend FY-22/23

Total and instances of spend with top 10 accounts

- Total spend
- Total instances of spend

- Energy accounts for 50% of the total spend and approx. 60% (121 suppliers) of the supplier base for the Directorate. As such, this Directorate may warrant greater scrutiny and strategic planning.

- Little funding is spent on redundant/expired projects, showing strong contract management oversight and governance.

- Comparing total spend against instances of spend tracks what is to be expected for each account regarding infrequent high value spend (REFCUS Amort, equity acquisition) and common low value spend (consultants, managing agents).

- Grant - Third Party spend is the second largest spend account which shows Councils outside the CPCA area being paid

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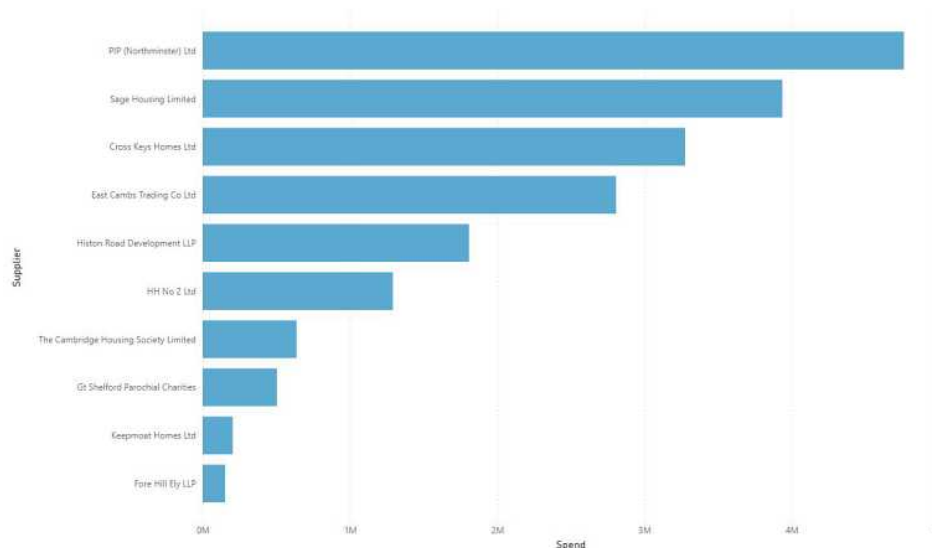# Procurement Insights: Housing Directorate

This slide shows the spend profile for Housing Directorate. If using CIPS as a guide on the recommended number of FTEs, this Directorate should have at least 1 FTE with professional procurement expertise.

Total Spend by Budget Group
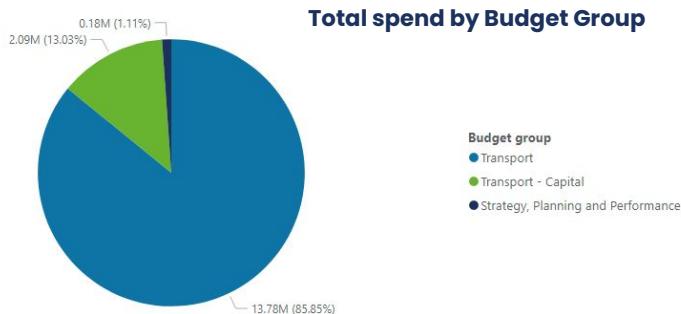
- 0.02M (0.12%)
- 4.77M (24.56%)
- 14.61M (75.27%)

- REFCUS Amort
- Loan Advancements

£19.41m
Total spend FY-22/23

Total spend per supplier

Suppliers (top to bottom):
- PIP (Northminster) Ltd
- Sage Housing Limited
- Cross Keys Homes Ltd
- East Cambs Trading Co Ltd
- Histon Road Development LLP
- HH No 2 Ltd
- The Cambridge Housing Society Limited
- Gt Shelford Parochial Charities
- Keepmoat Homes Ltd
- Fore Hill Ely LLP

Spend axis: 0M, 1M, 2M, 3M, 4M, 5M

- An in-depth analysis of housing proved difficult, due to a lack of sub-categorisation.

- Over 75% of housing spend relates to the REFCUS Amort account, with the remaining 25% falling under Loan Advances. There is negligible spend that falls under contractors, training, consultants, postage, salaries, subscriptions, and licenses, which implies that the Housing Directorate is performing efficiently.

- No one supplier has market dominance, with 6 suppliers all receiving at least £1m of spend in the last fiscal year. This market diversification suggests procurement performed effectively when engaging with suppliers.

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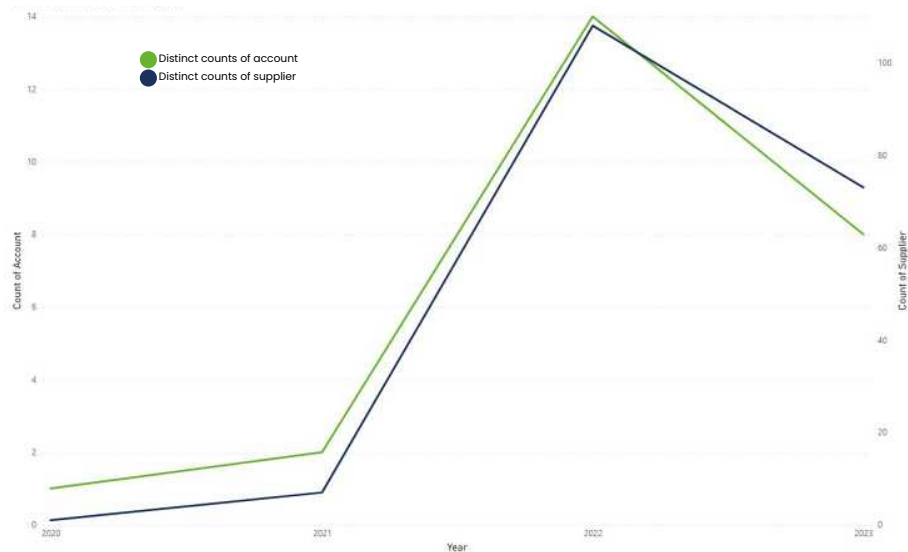# Procurement Insights: Transport Strategy & Delivery Directorate

This slide shows the spend profile for Transport Strategy & Delivery Directorate. As with the Housing directorate, this Directorate should have at least 1 FTE with professional procurement expertise.

Total spend by Budget Group

0.18M (1.11%)
2.09M (13.03%)
13.78M (85.85%)

Budget group
● Transport
● Transport - Capital
● Strategy, Planning and Performance

£16.05m
Total spend FY-22/23

Number of distinct accounts and suppliers in Strategy and Delivery directorate

● Distinct counts of account
● Distinct counts of supplier

- There are a high number of suppliers covered by the Transport budget group with this budget group making up the majority of where the Directorate's spend is channelled.

- 2022 saw a rapid increase in the distinct number of suppliers with new bus operator contracts being awarded. However, during the first quarter of 2023, 4 of these contracts have been surrendered due to the financial crisis.

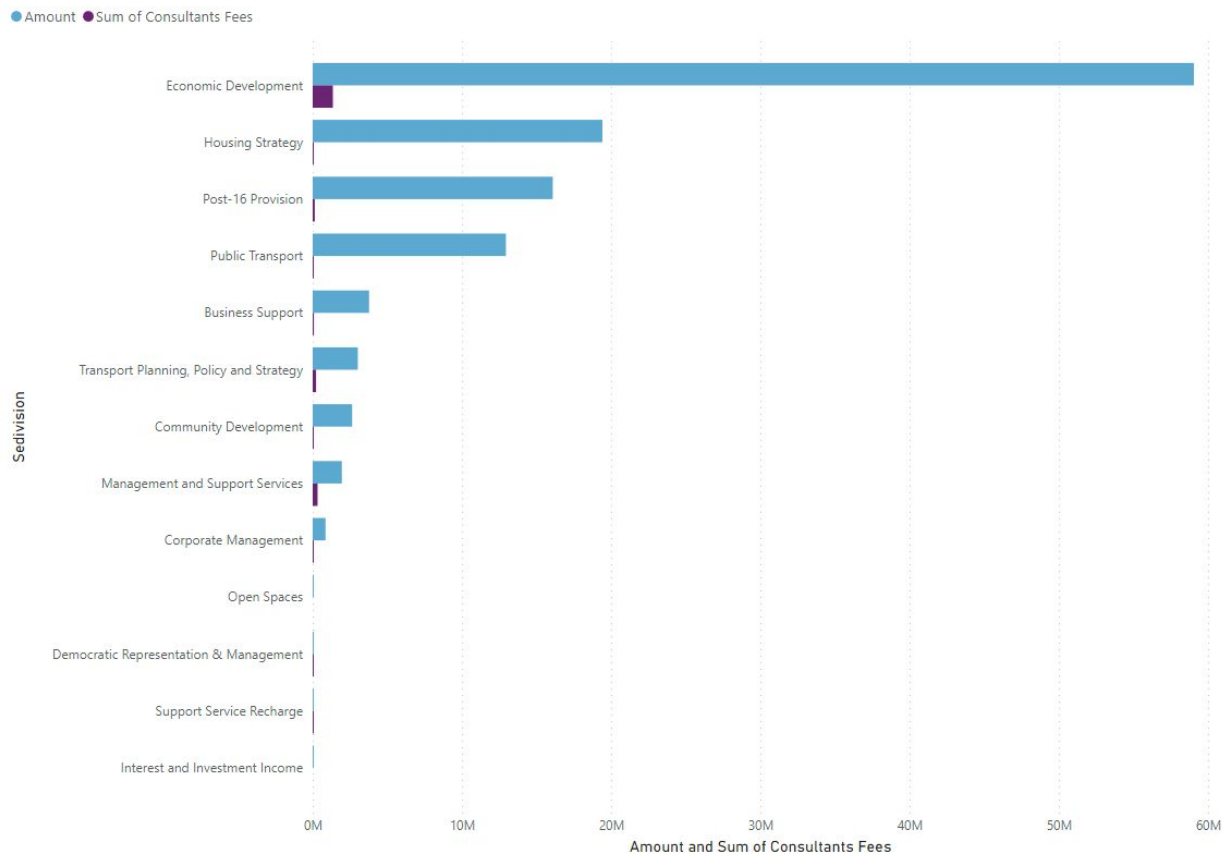- There are 200 suppliers responsible for £16m spend (averaging £80k/supplier).

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Top 10 Suppliers by amount spent FY 22 – 23
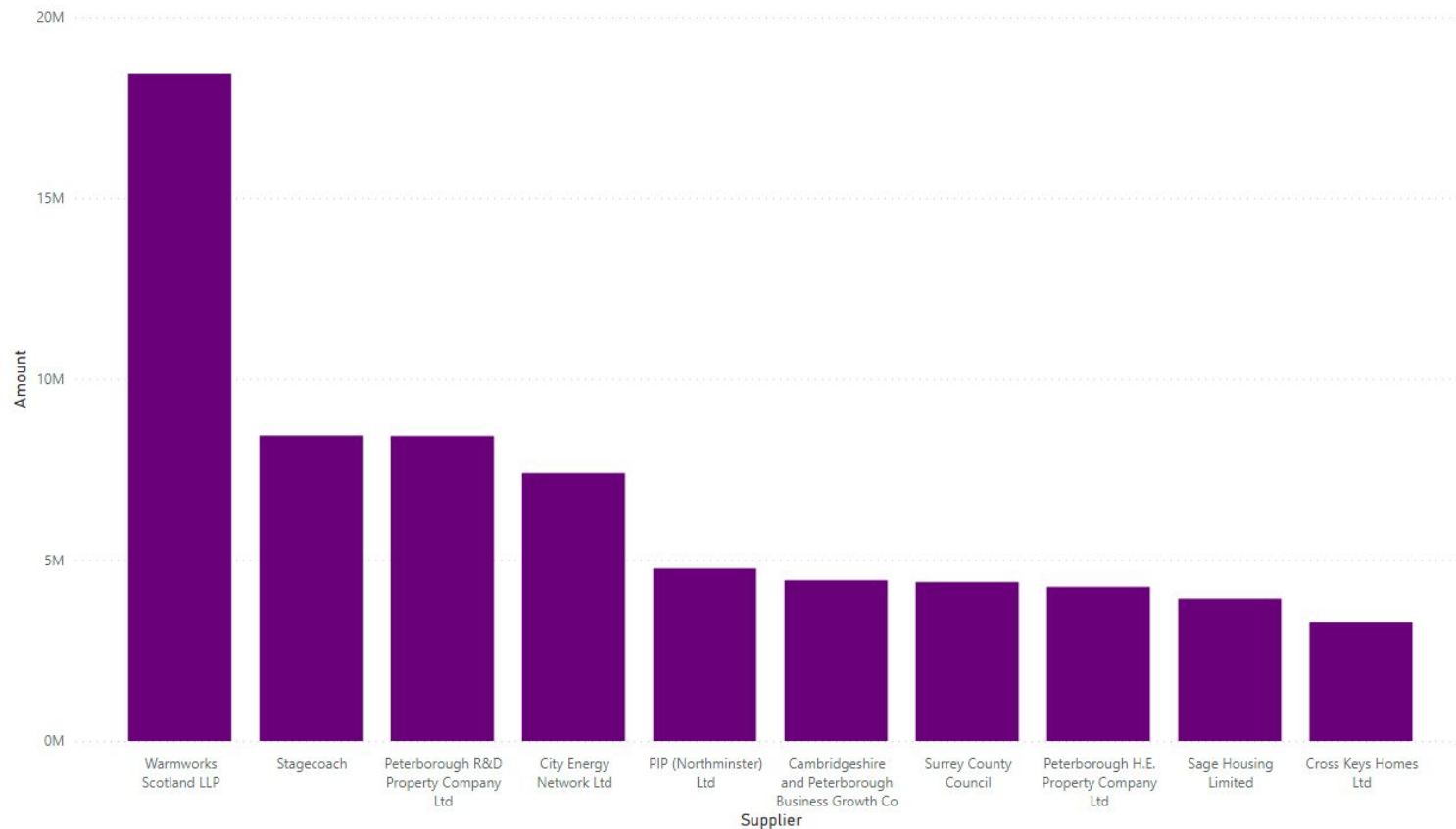
Spend per Division, including amount spent on consultants FY 22 – 23