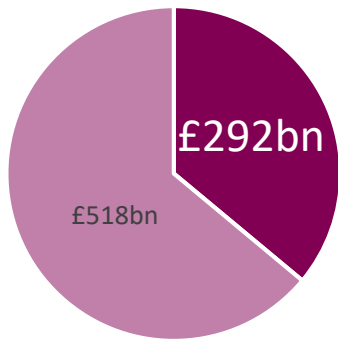




### Procurement involves government buying goods externally



1/3 of all money government spends goes on purchasing goods and services from private and third sector providers, from buying pens or delivering social care, to building hospitals or collecting waste.

# £292 billion

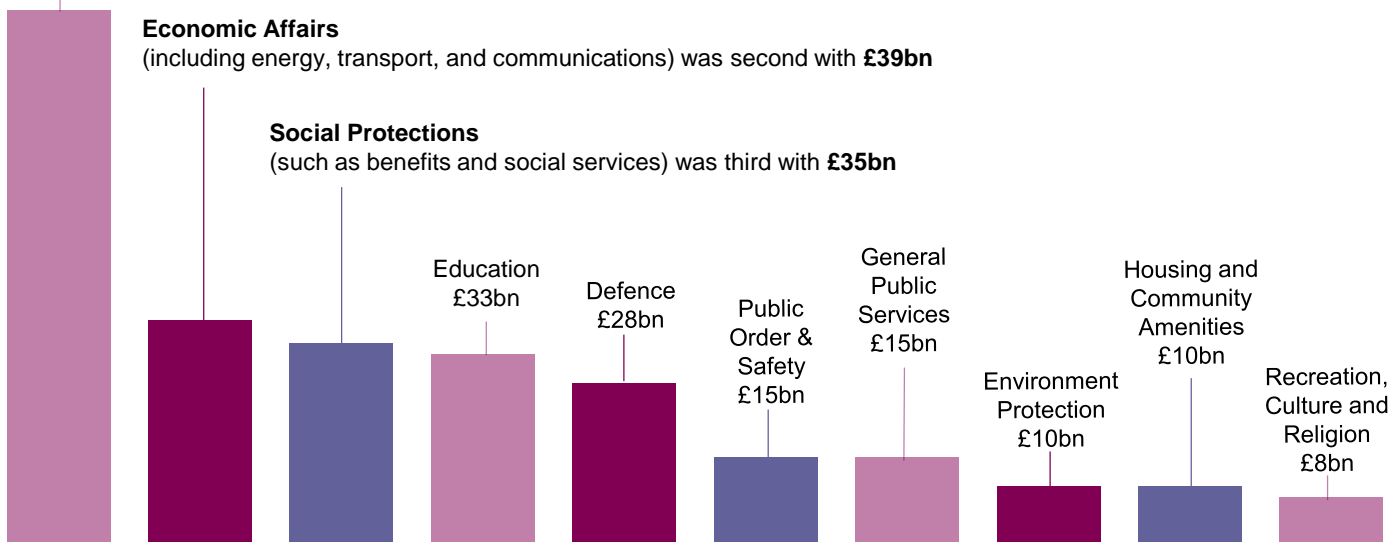
was spent externally in 2018-19

■ Procurement spend ■ Other spend

Source: HM Treasury, PESA, 2018-19

### Every public service policy area uses procurement

Health saw the biggest external spend at **£93bn**



(HM Treasury categories)

Source: HM Treasury, PESA, 2018-19

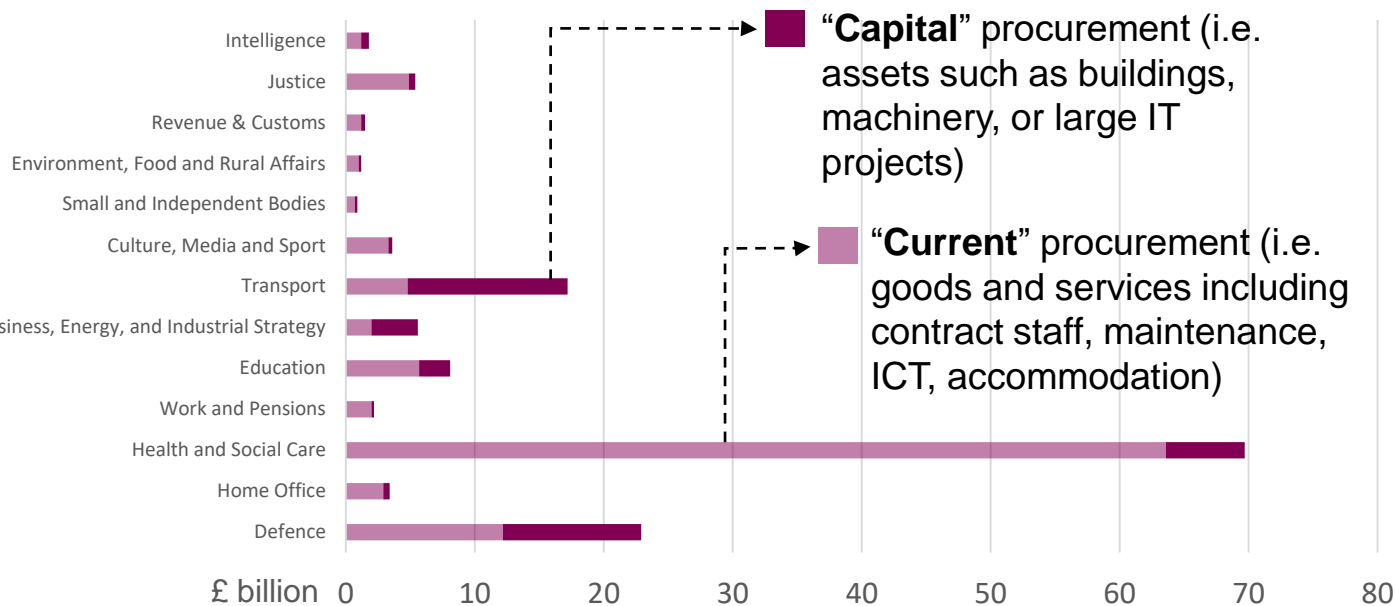


#### 'Please Procure Responsibly'

Reform's report on procurement sets out ideas for improving the commissioning cycle.



Some government departments spend **significantly more** than others and in **different ways**.








Source: HM Treasury, PESA, 2018-19

### Government's suppliers

There are **34** companies called **"Strategic Suppliers"** which do the most business with government.

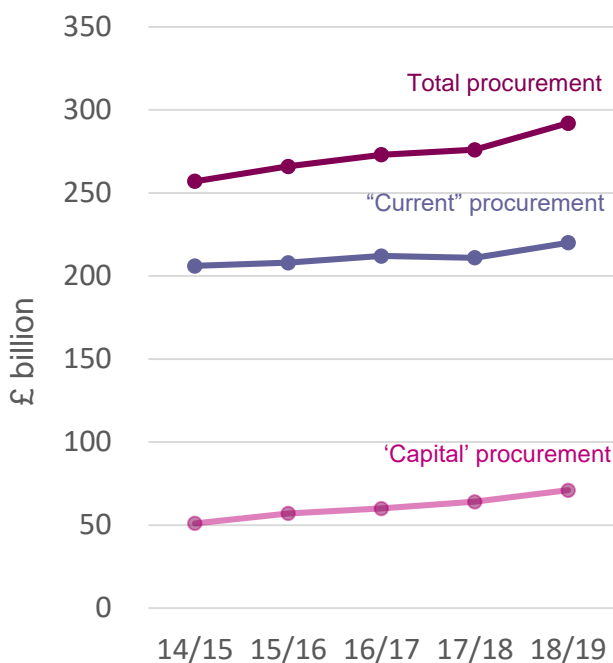
The top 5 since 2015 are:

-  1. Babcock - £5.8 billion
-  2. Amey - £3 billion
-  3. Serco - £2.5 billion
-  4. KBR - £2.1 billion
-  5. Fujitsu - £2 billion

Source: Tussell Insights, 2019

### Increases in procurement

Since 2014, Government's spend on procurement has increased by **£35 billion**.



Source: HM Treasury, PESA, 2018-19