

Procurement at Cambridge City Council

Presentation to Performance, Assets, and Strategy
Overview and Scrutiny Committee 9 September 2025

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Basic Facts and Figures

In 2024 the Council

- Spent 123.5m through procurement
- Of that
 - 69.5m was spent with Small and Medium sized enterprises (SMEs)
 - 2.3m was spent with Voluntary and Community Sector enterprises (VCSEs)
 - 67m was spent with local businesses

These data points have been collated by an independent organisation, Tussell, which provides an assessment of how well Councils are performing on social value.

Tussell's latest assessment is that Cambridge City Council is a high performer for social value, because of the combination of our local spend and our spend with SMEs and VCSEs.

n.b. These figures include both revenue and capital spend, and combine General Fund and Housing Revenue Account figures, as contracts can often cut across the two funds, with charging to each fund based on use.

Procurement Team

Cambridge City Council has a procurement team with 4 permanent staff and 1 fixed term procurement analyst.

The team:

- Plans for and manages the impact of legislative change in relation to procurement
- Oversees the general procurement process and provides advice on what is achievable
- Provides direct support to Managers undertaking practical procurement activities
- Ensures that there are named contract managers for all council contracts, who are able to manage those contracts effectively
- Reports to Cabinet Office on those tenders and contracts that meet the threshold for reporting

A lot of work has been going into the major change to procurement legislation that came into force earlier this year.

Public procurement is a heavily regulated activity

- Procurement regulations first introduced in 1971 for construction
- Followed by Goods and Services in 1976
- Regulations last updated in 2015
- THEN BREXIT – however procurement continued more or less unchanged
- A **new Procurement Act** was developed, signed into law in October 2023
- New regulations under that act came into force **24 February 2025**

What has stayed the same?

- Principles – open, fair, transparent, value for money
- Threshold levels
- Requirements for advertising

n.b. contracts let before 24 Feb 25 continue to run under the old legislation

What has changed?

- Requirement for published pipeline
- Additional mandatory notices
- Requirements around contract management and contract repository
- No more evergreen contracts

More administration, more oversight

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Procurement routes by value

Value	Route	timescale	Sign off
Up to 5k	Not proscribed	Can be same day	By second person
5k to 25k	Minimum of 3 quotes	At least a week	By second person with appropriate delegated authority
25k to 179k (goods and services)	Must be advertised Request for Quotation	Advertised for at least 3 weeks	Assessment panel and finance agreement, authorised by person with appropriate delegated authority
25k-4.4m (construction)	Must be advertised Request for quotation	Advertised for at least 5 weeks	Assessment panel and finance agreement, authorised by person with appropriate delegated authority. Over 1m must have Member approval
Over 179k or 4.4m	Full FTS tender	Can take up to a year	Assessment panel and finance agreement, authorised by person with appropriate delegated authority. Over 1m must have Member approval

The procurement team supports staff at any level – most of the focus is on procurements over 25k where the more formal processes have to be followed

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Contract Management

- For public contracts over 4.4m the Council must now:
 - Set and publish a minimum of 3 KPIs
 - At least annually publish an assessment of the supplier's performance against those KPIs
 - Publish any failure to achieve KPIs (Contract Performance Notice)
- KPIs will need to be well defined and capable of being achieved – there will be significant scrutiny by potential suppliers, as well as on our side of the contract
- The Council must now also publish a Contract Change Notice ahead of modifying or varying a contract, describing the change and why it is justified
- Contract management has always been important, the new Procurement Act provides a level of additional clarity on what is required of public organisations.

Preparing for the change

Preparing staff

- General – lunch and learn sessions, presentations at Town Halls
- Accredited Contract Management Training
 - 42 staff undertaking Foundation Level Contract Management training
 - 6 undertaking Foundation Plus Level
 - 7 undertaking Practitioner level training

Procurement Team

- One additional member of the team to support new processes around contract management oversight
- Detailed review of contracts
- Development of the procurement pipeline
- Preparation for changed processes

Contracts are starting to come through the new process.

n.b. We will be working with contracts under the two different processes for a long time to come.

Questions?

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