

# MANCHESTER CITY COUNCIL SPEND ANALYSIS

2020/21

This analysis demonstrates the contribution that procurement can make to a local economy and how it can support broader social, economic and environmental outcomes. The analysis was conducted by the Centre for Local Economic Strategies (CLES) for Manchester City Council as part of an ongoing partnership.



£416m

Amount spent by Manchester City Council with its top 300 suppliers in 2020/21.



£247m

Amount spent with Manchester based organisations in 2020/21, or 59.3% of the total spend with the top 300 suppliers. This is an increase from 51.5% in 2008/09.



50.9%

Proportion of procurement spend with SMEs. This has increased from 46.6% in 2014/15.



£156m

Estimated re-spend of the top 300 suppliers back in to the Manchester economy on employees and their own suppliers in 2020/21.



2,303 jobs

Suppliers to Manchester City Council created an estimated 2,303 jobs in Manchester in 2020/21.



141,528 hours

Suppliers to Manchester City Council provided an estimated 141,528 hours of support to the voluntary and community sector in 2020/21.



2,703 opportunities

Suppliers to Manchester City Council created an estimated 2,703 employment opportunities for "hard to reach" individuals in Greater Manchester in 2020/21.



629 apprenticeships

Suppliers to Manchester City Council created an estimated 629 apprenticeships in Manchester in 2020/21.

# HOW THESE FINDINGS WERE DEVELOPED

## SPEND ANALYSIS

These figures have been calculated by analysing data for Manchester City Council's spend with its top 300 suppliers (by value of contract spend). The analysis explored the profile of the spend data by geography, business sector and size of supplier (e.g. spend with small to medium sized enterprises).

## SUPPLY CHAIN SURVEY

A survey was issued to the top 300 suppliers to explore what happens to procurement spend once it reaches the supply chain. The responses were explored for the extent to which suppliers re-spend back in to the Manchester economy, how they contribute to wider social value outcomes such as creating jobs and apprenticeships and supporting the VCSE sector, as well as how suppliers have responded to Covid-19.

## BACKGROUND

The collaboration between CLES and Manchester City Council has helped to reshape the national debate on local authority procurement and its power to deliver wider benefits to communities.

It has inspired changes in the behaviour of both procurers and suppliers to realise real impacts for the Manchester economy and its residents. It has also inspired other authorities, institutions and places to think differently about the role of procurement in local economic development.

Manchester City Council wants to continue to be at the forefront of progressive procurement in the UK and recognises that the work described above is not complete.

The next step is for Manchester City Council to harmonise its approach to social value as part of contract management, as well as ensuring these measures are targeted at those most impacted by the pandemic. More engagement between the Council and suppliers in this process should not only improve the quality of social value being delivered, but give the Council the opportunity to collect more information on the qualitative impact on individuals and communities.

Progressive procurement is one of the tools of community wealth building – a progressive approach to economics and economic development.

Community wealth building seeks to change the way that our economies have come to function by retaining more wealth and opportunity for the benefit of local people. CLES is working with local authorities and anchor institutions across the UK to implement community wealth building strategies and create good local economies for everyone.

## FIND OUT MORE

[cles.org.uk](https://cles.org.uk)

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