

The Changing Shape of Public Sector



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The Changing Shape of Public Sector

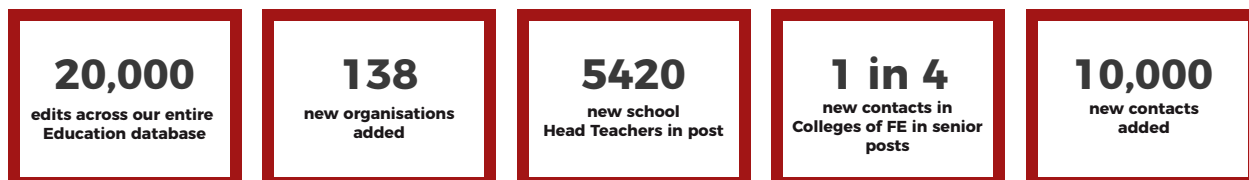
March focus on Education

Welcome to our latest report in our 'Changing Shape' series. This month, we focus primarily on the Education sector but also take a glance at other developments currently happening across the wider Public Sector.

At Ingenium, we have a long history of supporting organisations seeking to win business in the Education sector. We pride ourselves on having a database that reflects the ever-changing Education landscape. Do you know who the key decision makers are within the Education sector and, more importantly, how you can tap into this market and win business?

How well do you know your Education data?

In the last twelve months, the Education sector has gone through a massive period of change. With regards to Education data, please see some highlights below.



Five examples of changes

Aldridge Foundation is now Aldridge Education

Blenheim Park Primary School is now Blenheim Park Academy

St. John's Church of England Voluntary Controlled School is now Epping St. John's

City College Brighton and Hove is now Brighton Metropolitan College

Harper Adams University College is now Harper Adams University

If the above isn't reflected in your CRM, then it's time to have a chat with Ingenium about how we can help you.

Spending in Education

£86 billion

With Government investment in the Education sector expected to be **£86 billion** for 2018/19, there has never been a better opportunity for businesses to tap into this market.

In Scotland alone, £1.8 billion of public funding has been allocated to individual schools and colleges to boost access to education from deprived communities and allow Education bodies to respond more flexibly to the demands and challenges of the labour market. In Wales, this month has seen the approval of £100 million to be invested over the next three years in the delivery of a flagship 21st-century Schools and Education programme, improving facilities for many establishments, and modernising Education infrastructure.

Key Trends in Education

The rise of the 'digital classroom' - from chalkboards to 'digital natives'

The Education landscape is changing. Gone are the days of chalkboards as the sector seeks to embrace a connected learning environment ready for today's 'digital native', and this poses the question as to whether classroom connectivity should now be intrinsic to Education policy. Preparing students for the workplace that meets them post-Education plays a significant part in this as does the need to meet the changing needs and requirements of students, staff and parents alike. And, with regards to higher level, universities must now compete with peers to attract students to enroll.

Procurement approaches see exploration of different routes

Procurement in Higher Education is changing. An iGov survey reveals that 95% of universities currently have a procurement strategy in place, with 40% planning to review annually. The two most preferred procurement routes are framework agreements and contracting opportunities, and whilst nine out of ten universities use the HE Consortia, universities are also starting to explore other frameworks such as G-Cloud (48%) and YPO (27%).

Cyber security is one of the biggest challenges facing UK Education today

Cyber security is a growing concern for the sector as cybercrime is on the rise. In a recent iGov Survey, 33% of participants representing the Education sector say they have experienced a data breach in the past year, and the vast majority (85%) believe it will be a bigger issue for them in the coming year. Moreover, 23% don't know if their organisation adheres to IT security compliance standards.

85%

believe data breaches will be a bigger issue next year

The growth of technology as an enabler for learning, teaching and working

52%

use web or video conferencing to provide remote learning courses

Wi-Fi and connectivity are key to this as is the growth in use of BYOD devices. Tablet technology also presents a major shift away from traditional classroom methods. In fact, back in 2014, research found that 70% of primary schools were using tablets in the classroom. Between 2014 and 2016, the number of tablet computers in schools was expected to rise from about 430,000 to almost 900,000. (ref: The British Educational Suppliers Association (BESA), accessed 01.03.18)

A recent iGov survey found that 52% of participants from the Education sector use web or video conferencing to provide remote online learning courses, whilst 71% highlight it as a means of enabling new ways of learning, teaching and working. However, just 28% are actively promoting collaborative ways of working, and their staff and students have seen benefits as a result.

What's happening across the wider Public Sector?

Our next section looks at what's happening across the Public Sector in relation to three areas of focus: IT, Education & Training and Facilities Management. This also includes an overview of the contracts that have been awarded across the respective areas from December 2017 to the beginning of March 2018.

Focus on: IT

Emerging technologies, new ways of working, and the ongoing digital transformation agenda have all resulted in a dramatic overhaul of IT as we once knew it. Today, Public Sector IT is driven by the need to deliver inclusive and efficient services that meets the expectations of citizens in the digital age. But there are many challenges associated with this, most recently the very real security threat posed by major advances in cybercrime and the ongoing need to do more for less.

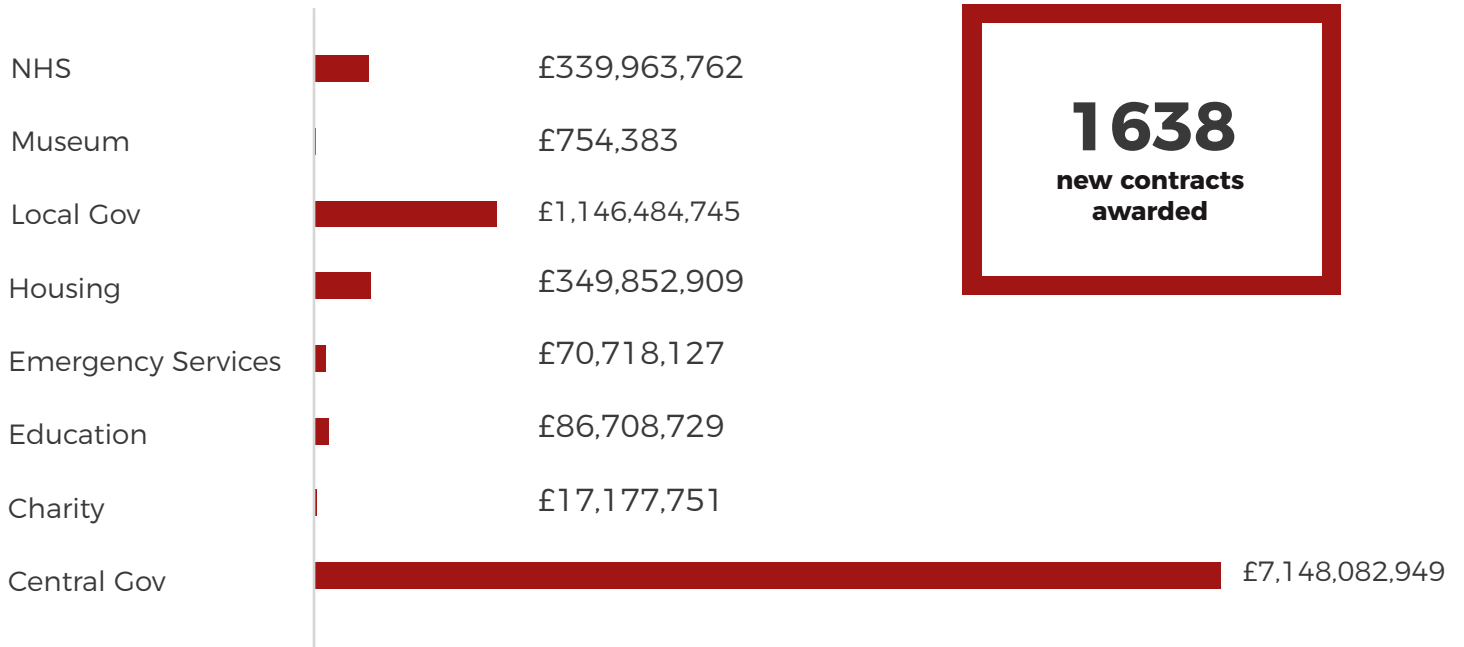
By IT, we mean the equipment, systems and services associated with IT that are in use across all areas of the Public Sector, including Government, Healthcare and Education. The opportunities for organisations keen to break into this market are huge, but to do so requires a need to truly understand how this sector procures IT solutions and services.

Since 2012, the Government and other Public Sector organisations have spent more than £3.2 billion on digital, data and technology services. Thousands of small and medium-sized enterprises are now signed up to the Digital Marketplace, created to make government procurement easier and more transparent, with Public Sector organisations using their expertise to drive the UK's digital transformation.

In the last quarter, 48% of the £3.2 billion IT sales have been spent with SMEs, equating to £1.43 out of every £3. The platform hosts CCS frameworks including G-Cloud, Digital Outcomes and Specialists and Crown Hosting Data Centres.

Below is a snapshot, which provides details of the Public Sector contracts that have been awarded from December 2017 to the beginning of March. From this, we can see that Central Government continues to be the biggest buyer of IT solutions by far. However, in terms of value, the two biggest contracts awarded in this quarter were by the Department of Health.

In the 12-month period from March 2017 to March 2018, the top key suppliers were Fujitsu UK Ltd, Capgemini UK, Atos, BT, and Capita Business Services, with a range of hardware and software services delivered.



Total value of awarded contracts

£9.1 bn+ in value

Top 5 Contracts Awarded	Value
Department of Health	£1,890,130,000
Department of Health	£1,659,000,000
Derby City Council	£600,000,000
Department for Work and Pensions	£341,580,000
Ministry of Justice	£291,910,529

Focus on: Education and Training

The well-documented skills gap has often made it difficult for the Public Sector to recruit and retain highly-skilled employees. The impact of new ways of working and emerging technologies, has also made it more important than ever for Public Sector organisations to focus education and training programmes around so-called business critical areas where there is a skills shortfall, for example, the introduction of Chief Data Officers and the need for data science specialists.

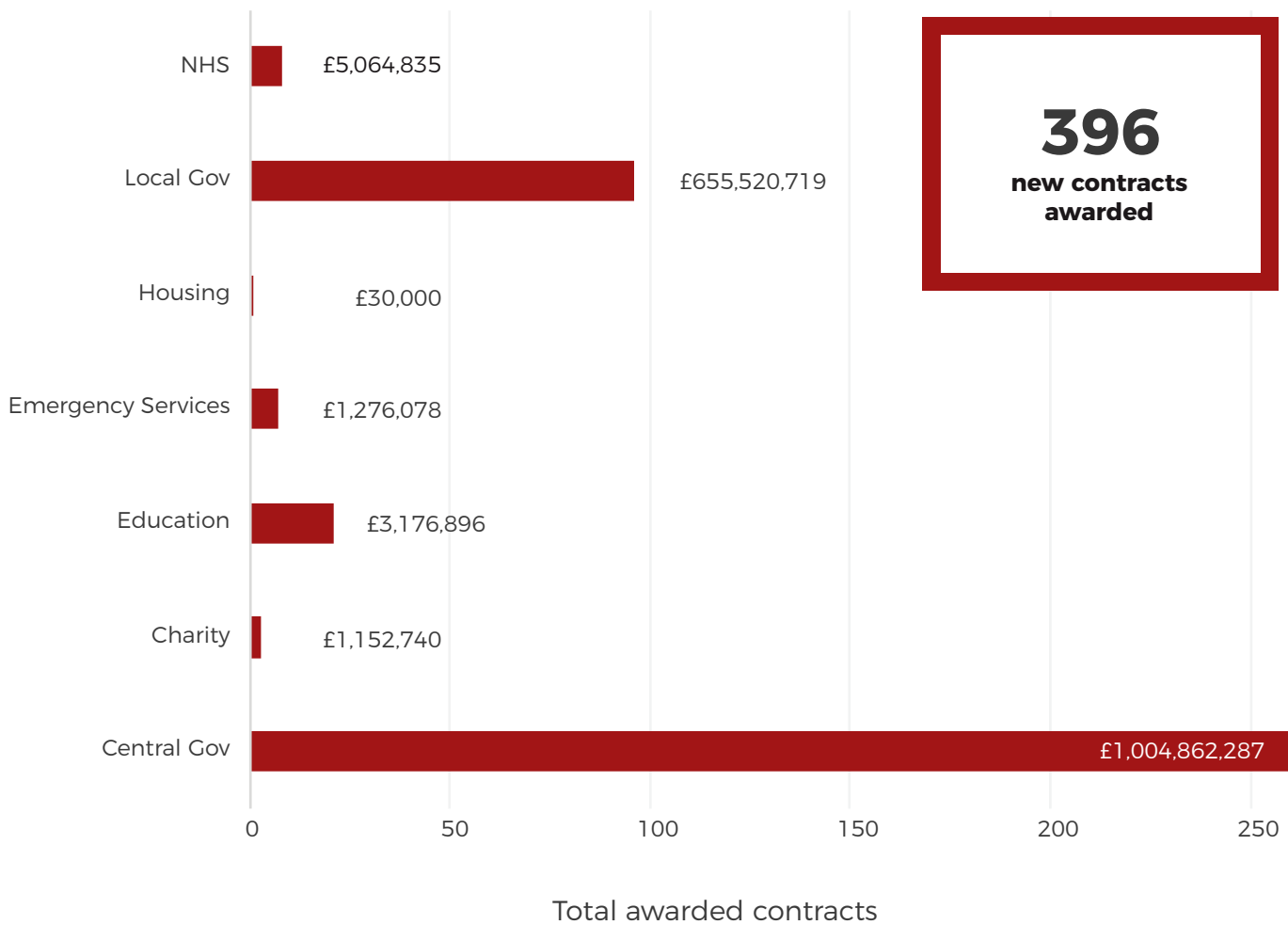
In a recent survey by iGov, 55% of participants cited lack of the necessary in-house skills as a barrier to digital transformation, and over a quarter of participants were not confident in their ability to close the digital gap, with 73% citing the skills gap as the main reason why.

The new Managed Learning Services agreement, developed by the Crown Commercial Service, launched last year and is estimated to save the public sector around £30 million. Even more importantly, SMEs are expected to receive more than half of the total investment. The agreement enables Government departments, Local Councils, NHS Trusts and the Emergency Services to procure training courses and services on subjects ranging from data protection to more specialist training, and is expected to run for a minimum of three years.

In addition to the core services, there is also the provision for additional services such as learning consultancy, project management and the development of learning management systems. For example, in schools alone, £900 million is spent on technology every year.

Below is a snapshot, which provides details of the Education and Training-related contracts that have been awarded from December 2017 to the beginning of March. As you can see, Central Government is by far the biggest buyer of Education and Training solutions, with the biggest contract awarded to the Department for Work and Pensions

The new Managed Learning Services agreement has an estimated saving of £30 million



Top 5 Contracts Awarded	Value
Department for Work and Pensions	£397,522,342
Newcastle City Council (Lead Authority)	£300,000,000
Nottingham City Council	£150,000,000
Department for Education	£109,085,447
DFID	£79,700,000

Focus on: Facilities Management

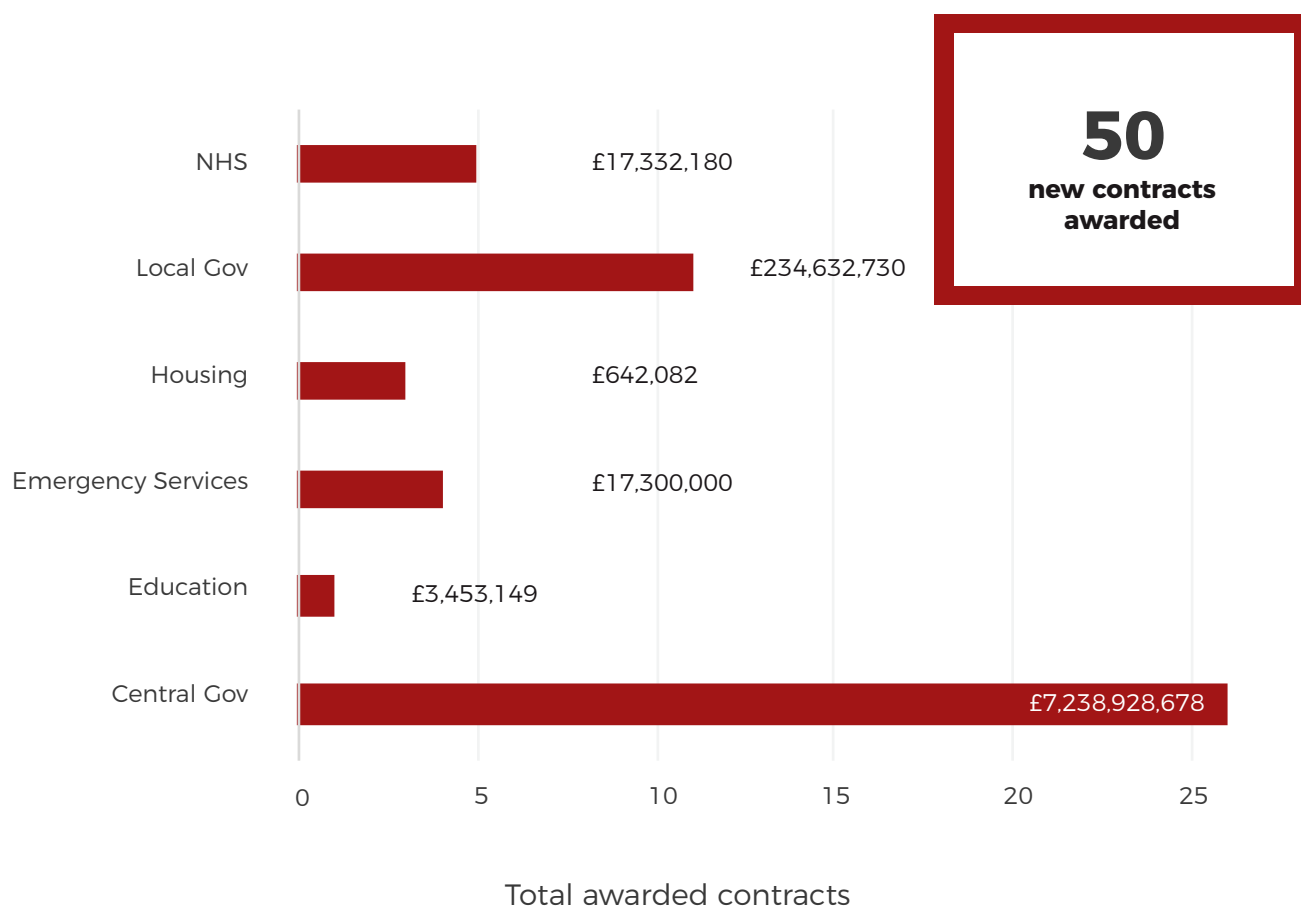
Following the collapse of Carillion, it has been a very difficult period as the public Sector seeks to find alternative routes for the delivery of crucial support services. Alongside the fact that Facilities Management has been one of the hardest hit areas due to austerity since 2010, this means that organisations must now find new, effective ways to reduce costs without sacrificing their quality of service. To do this, Public Sector organisations have a requirement to cast the net wider and seek a more diverse range of suppliers to work with.

Last month saw the issue of a contract notice by the Crown Commercial Service for the new Facilities Management Marketplace, which could see up to £12 billion of spend from Central Government, Charities and wider Public Sector bodies such as NHS Trusts, Local Government, Education bodies, and the Emergency Services.

The FM marketplace will be the first CCS agreement linked to the new Public Sector Contract, developed in partnership with the GDS and Government Legal Department. One of its key aims is to make the whole process simpler for SMEs in a market that has traditionally been difficult for SMEs to break into due to competition with larger suppliers and its long-term goal is to increase the commercial benefits that can be achieved for Public Sector organisations.

Below is a snapshot, which provides details of the Facilities Management contracts that have been awarded from December 2017 to the beginning of March. As you can see, Central Government is by far the biggest buyer of FM solutions, with the biggest contract awarded to the Department for Work and Pensions.

The new Facilities Management Marketplace will generate £12 billion public sector spend



Top 5 Contracts Awarded	Value
Department for Work and Pensions	£341,680,000
London Borough of Barnet	£100,000,000
Ministry of Justice	£74,886,197
Ministry of Justice	£64,848,625
Watford Borough Council	£60,000,000

Next steps

Interested in finding out more? There are a number of steps you can take next to ensure your marketing strategy reflects the current landscape and adapts to the changing needs of Public Sector.

Watch our webinars The Changing Shape of NHS and Government

Secure your place at The Changing Shape of Education webinar

Book a meeting with one of our public sector experts

Call us for a chat on 0845 094 8567

Email us at enquiries@ingenium-ids.org


Thank you for your time



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