

Orbis Procurement Review

Background

The Orbis Procurement service was established in 2015 with a remit to leverage combined expertise to deliver efficient, cost-effective procurement services aligned with each Council's strategic priorities. Having undergone a major restructure in 2019, the service supports departments within each Council to meet their statutory obligations when awarding public contracts. The new Procurement Act 2023 (implemented in 2025) places greater importance on public procurements seeking value for money, incorporating social value and modern slavery guidelines, market shaping and contract management. Given the changes associated with Devolution and LGR, a robust and stable procurement service will be critical to ensuring contracts are safely and legally migrated to new arrangements.

Executive Summary

An external independent review of the Orbis Procurement Service was undertaken by Local Partnerships (an in-house public sector delivery partner jointly owned by the LGA, HM Treasury and Welsh Government) in October 2025. The review highlighted a number of challenges with the current operating model:

- Lack of clarity in roles, task ownership and governance
- Operational silos at senior management level and inconsistent processes across Councils creating inefficiencies
- Recruitment and pay disparities impacting service delivery
- Limited visibility of procurement activities and unclear value for money
- Perception of being inflexible and overly cautious, with rigid processes, risk aversion and a lack of proactive problem solving and being solution focussed
- The service functions more in spite of its structure than because of it; lacks visibility with numerous challenges and inefficiencies to effective and efficient service delivery

Set against this background, all three partner Councils have confirmed that there is no appetite to continue to operate on an 'as is' basis. In considering alternatives, there is also no appetite to create a Local Authority Trading Company (LATCo), which, in any event, would require further review following the creation of the Surrey unitary authorities, or to operate a Surrey County Council hosted service.

In light of this, the preferred option, supported by the options appraisal undertaken as part of the external review, is for a sovereign model to be implemented, for the following reasons:

- In light of Local Government Reorganisation (LGR) and the changes that will bring, all three partner Councils have a current opportunity to create their own sovereign procurement services
- The creation of sovereign services would provide each Council with maximum autonomy over service design and function, as well as alignment with Council priorities
- Creating sovereign services would provide a solid platform to deliver the strategic priorities for each of the partner Councils, along with much needed clarity

In conclusion, the outcome of the external independent review notes that transforming services onto a sovereign basis will likely create increased assurance, certainty for staff and stable services. Importantly, it will also provide the stable 'platform' upon which each of the Councils can build their future procurement service provision.