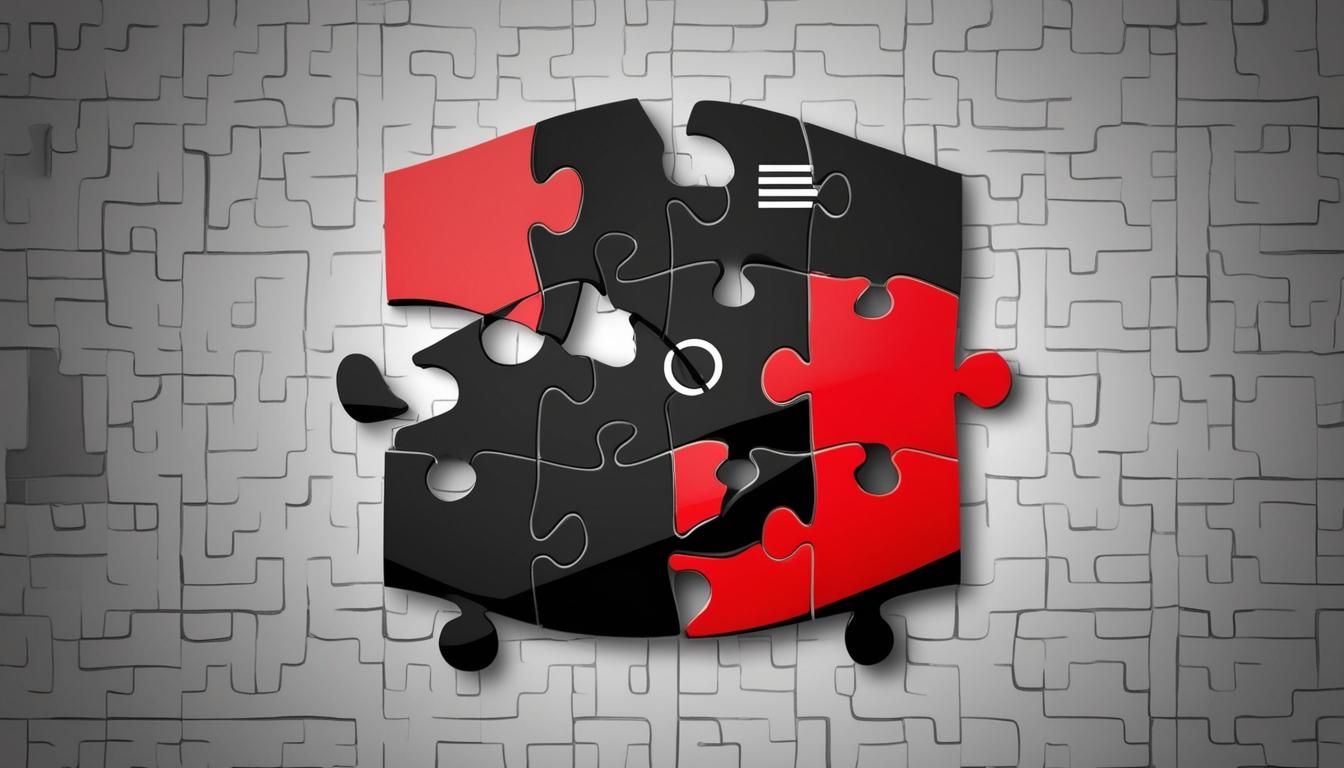
# Concerns raised over UK Government's digital procurement strategies



A fresh report from the National Audit Office (NAO) has raised significant concerns regarding the UK Government’s digital and technology procurement strategies, noting a lack of a cohesive approach across various departments to address the dominance of a few major technology suppliers. This report marks the first thorough assessment of the Government’s technology procurement initiatives, coinciding with the introduction of the AI Opportunities Action Plan, which entails a multi-billion-pound investment aimed at building the necessary infrastructure to harness emerging technologies.

Within the analysis, it was highlighted that the Government Commercial Function (GCF)—a network of approximately 6,000 civil servants responsible for procurement—lacks the essential digital skills to effectively navigate the challenges posed by digital programmes and operations. The report reveals a stark discrepancy in expertise; for example, the Crown Commercial Service has merely 120 individuals with a digital commercial focus, while the Central Digital and Data Office counts only four dedicated staff members. Furthermore, a mere fifteen individuals within the GCF are concentrated on managing the Government’s foremost digital suppliers. This is particularly concerning given that over 28,000 personnel are employed in digital and data roles across the government, which constitutes around 5% of the total civil service workforce as of 2023.

The NAO's report cites estimates from external sources indicating that the Government allocates at least £14 billion each year towards digital procurement. However, the lack of transparent information regarding specific departmental demands, coupled with inadequate data on supplier performance, complicates the procurement teams' ability to make informed decisions for future sourcing and contract awards.

Moreover, the NAO found that commercial teams within government departments frequently make critical digital procurement decisions without access to relevant digital expertise. Numerous chief digital and information officers (CDIOs) have reportedly expressed concerns to the NAO about being excluded from digital change procurement discussions. The findings suggest that these digital specialists are often sidelined during engagements with technology suppliers, resulting in contracts being scoped and awarded without a thorough assessment of project feasibility.

An evaluation of several large-scale digital programmes in the Government further underscores the magnitude of the issue. For instance, the National Law Enforcement Data Programme experienced a staggering cost increase of 68% from its initial budget and took five years longer to complete than originally projected. Similarly, the Digital Services at the Border project saw costs increase by 56%, with an additional three years added to its timeline.

In response to the findings, Geoffrey Clifton-Brown, MP and chair of Parliament’s spending watchdog, the Public Accounts Committee, stated: “Digital commercial skills are in short supply and government is not making the most of the limited expertise it has. Government has managed digital suppliers poorly, and the centre of government has not provided direction to help departments become intelligent clients.”

The NAO has put forth several recommendations designed to address these deficiencies. It advocates for the development of a strategic plan to recruit and train a greater number of digital decision-makers, the establishment of improved communication processes for departments to articulate their specific needs and demands, and the appointment of CDIOs as responsible figures overseeing commercial contracts with technology suppliers, complemented by departmental digital commercial teams.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.theregister.com/2025/01/16/nao_uk_government_tech/> - Corroborates the NAO report's findings on the UK government's lack of understanding in tech procurement, highlighting £3B cost overruns and 29 years of cumulative delays in IT projects.
2. <https://www.digit.fyi/uk-government-must-rethink-tech-procurement-says-nao/> - Supports the lack of strategic approach across departments to deal with large technology suppliers and the need for improvements in digital procurement processes.
3. <https://www.computerweekly.com/news/366618009/NAO-calls-for-cross-government-revamp-of-IT-procurement-to-improve-big-tech-project-outcomes> - Details the NAO's recommendations for a cross-government sourcing strategy and the need for systemic changes in digital procurement, including the role of the Government Commercial Function (GCF) and Central Digital and Data Office (CDDO).
4. <https://www.theregister.com/2025/01/16/nao_uk_government_tech/> - Highlights the lack of digital skills within the GCF and the limited number of staff focused on digital commercial activities, despite a large workforce in digital and data roles.
5. <https://www.digit.fyi/uk-government-must-rethink-tech-procurement-says-nao/> - Provides estimates of the Government's annual digital procurement spend and the challenges faced due to lack of information on departmental demands and supplier performance.
6. <https://www.computerweekly.com/news/366618009/NAO-calls-for-cross-government-revamp-of-IT-procurement-to-improve-big-tech-project-outcomes> - Discusses the exclusion of digital specialists from procurement discussions and the impact on project feasibility assessments.
7. <https://www.theregister.com/2025/01/16/nao_uk_government_tech/> - Details specific examples of large-scale digital programmes experiencing significant cost increases and delays, such as the National Law Enforcement Data Programme and Digital Services at the Border project.
8. <https://www.digit.fyi/uk-government-must-rethink-tech-procurement-says-nao/> - Quotes Geoffrey Clifton-Brown, MP, on the government's poor management of digital suppliers and the lack of direction from the centre of government.
9. <https://www.computerweekly.com/news/366618009/NAO-calls-for-cross-government-revamp-of-IT-procurement-to-improve-big-tech-project-outcomes> - Outlines the NAO's recommendations for recruiting and training more digital decision-makers and improving communication processes for departments.
10. <https://www.theregister.com/2025/01/16/nao_uk_government_tech/> - Mentions the need for a more strategic approach from the centre of government and a sourcing strategy fit for the digital age to avoid wasting money and squandering modernization opportunities.
11. <https://www.computerweekly.com/news/366618009/NAO-calls-for-cross-government-revamp-of-IT-procurement-to-improve-big-tech-project-outcomes> - Highlights the opportunity for systemic changes with the new digital centre of government and the importance of learning from past mistakes in large-scale digital transformation projects.
12. <https://www.digit.fyi/uk-government-must-rethink-tech-procurement-says-nao/> - Please view link - unable to able to access data