

DEFENCE SUPPLIERS FORUM

SME SUB-FORUM

Record of Meeting – 17 October 2012

Government

Philip Dunne MP, Minister Defence Equipment, Support and Technology
Les Mosco, MOD Commercial Director
Bryan Wells, MOD Director of Science and Technology
Alan Jenkinson, Home Office
Paul Hamilton, MOD Head of Industrial Policy
Robin Little, MOD Supplier Relations Team
Alison Foreman, MOD Industrial Policy [Secretary]

Industry

Clive Davenport, FSB
Rees Ward, A|D|S
Ed Bates, Aish Technologies
Stephen Kingan, Nexor
Michael Maiden, NDI
Richard Martin, ADEPT NX
Andrea Yanoshik, Intellect
Jonathan Cunnison, RJD Technology
Richard Skan, Oldbury UK
[Andrew Johnson, EEF – apologies]

Introduction, welcome

Minister(DEST) expressed continued support to the SME agenda, but added that supporting Defence exports was an even higher priority in line with the Government's focus on economic growth and his own Ministerial responsibilities. Work to enable SMEs to flourish remains an important part of this Government's wider agenda.

Minister(DEST) set out his plan to improve the basic management reporting on SME numbers; to be proactive in supporting STEM skills development; and his commitment to establishing a Defence Growth Partnership.

Open Forum

SMEs concerns raised in the open forum included discussion of the difficulty of defining SMEs; a wider concern for Defence about the loss of engineering skills, and the need to boost apprenticeships; and the trend towards increasing transparency of requirements through Contracts Finder and Defence Contracts Bulletin.

List X

Concerns were raised that SMEs sometimes faced problems bidding for contracts when they did not have List X status. This should not be the case, and that arrangements can be made for non List X bidders to have access to Protectively Marked assets on MOD premises during the bidding process. Forum members should provide examples to MOD.

Debt Factoring Policy

A discussion was had around the new MOD process for debt factoring. Although the MOD proforma did not itself cause a big difficulty, additional work was required by the companies to be clear with the banks on the financial relationships involved.

Actions from previous meeting

Actions from the previous meeting covering SME statistics, unlimited contractors' liabilities, and the Total Support Force were all run through, all of which were complete.

US-UK Defence Trade Co-operation Treaty

DE&S International Relations Group held a symposium with A|D|S on 2 October 2012 to promote the potential benefits of the Treaty. MOD is particularly keen for SMEs to join the UK's Approved Community, and further information can be obtained from Warren Bayliss at Warren.Bayliss915@mod.uk. A programme for regional events [together with A|D|S and NDI is currently being put together and details will be sent out in due course.

Update on continued Government commitment to SMEs

Les Mosco provided an update on the actions the MOD are implementing to improve opportunities for SMEs. Key actions included:

- additional staff resources deployed in support of the SME agenda in the Centre for Defence Enterprise and the Defence Suppliers Service.
- advertising contract opportunities over £10k in the Defence Contracts Online portal, the Defence Contracts Bulletin, and, where appropriate, the Contracts Finder portal. Opportunities suitable for SMEs are flagged.
- standardised contract templates have been introduced for lower value contracts (below £250K) to reduce the overhead for companies submitting tenders.
- E-procurement systems being developed to enable invoicing and payment to be speeded up (by mid-2013).

Update on S&T

Bryan Wells outlined the progress made against the White Paper commitments with regards to S&T, and in particular the Centre for Defence Enterprise (CDE). CDE are to pursue three key activities to support SMEs and their innovations by:

- providing more events to inform SMEs of defence opportunities;
- more possibilities to fund SMEs to prove their ideas;
- and a new market place concept for them to promote their successfully proved concepts and capabilities to key defence suppliers and users.

AOB

Included discussion of FATS 4 Lot 1; Materiel Strategy and future DSF meetings.
