SME Action Plan

2019 to 2022

For more information on SMEs working with government visit: www.gov.uk/openforbusiness
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Objective

Breaking down barriers to SMEs

Government wants to work with more small businesses across the UK. Small and medium-sized enterprises (SMEs) are the lifeblood of the economy.

In March 2012, SME Champions began being appointed in central government departments. Their objective was to drive and embed the SME improved SME engagement within departments.

In April 2018, the Prime Minister requested members of her Cabinet to nominate Small Business Champion ministers. The ministers will support, develop and monitor departments SME Action Plans to ensure:

- SMEs are given a fair opportunity;
- steps are taken to work towards any SME spend targets;
- barriers to SME are broken down wherever possible.

By the end of this parliament, the Government ambitions are that increasing amounts of its spend on goods, services and works, will be with SMEs; either directly or through the supply chain.

This package of measures is designed to ensure that more businesses, including smaller firms, will be able to supply goods, services and works to the public sector, while also making public procurement more transparent. It also outlines the steps that departments will make to meet the end of parliament ambition.

More detail on the Government’s commitment to SMEs can be found on the Small and Medium Business Hub
Forewords

Introduction from Baroness Berridge - Parliamentary Under Secretary of State for the School System

SMEs are fundamental to the UK economy and account for more than half of private sector employment. They offer innovative solutions and are often some of the hardest working and most reliable suppliers, assisting the Department for Education (DfE). The DfE is committed to engage and work with SMEs and will take a pro-active approach to break down any barriers they face.

This commitment to engage SMEs throughout our commercial activities and the access we provide to the varied markets we engage with in delivering our departmental objectives, has led to an average spend of £0.12billion a year from 2013 to 2020 with SMEs both directly and in-directly.

This Action Plan describes how we will continue to enhance our work with SMEs.

Thank you very much for taking an interest in working with us.
I am proud of the work DfE has already done in supporting the SME agenda; I believe our department is uniquely placed to be a government leader in this area, and we have made great strides towards realising this.

I know that COVID-19 has had a significant impact on businesses of all sizes and smaller businesses have been particularly affected.

Regardless of our commercial activity, from school construction through to internal training, we will ensure SMEs are at the forefront of our procurement and contract management.

I recognise that Government contracting can be a challenging environment for SMEs to navigate; the DfE will continue its commitment to address this. We have recruited and distributed resource dedicated to supporting and championing SMEs and in doing so, have embedded best practice, fair engagement and opportunity for SMEs within our commercial policies.
Through the actions outlined in this plan, and our departmental appetite for better public service through continuous improvement, the DfE will contribute to helping to deliver the Government’s commitment to spending more with SMEs and aspire to achieving our own target of 33% SME spend by 2022.
About our Department

The Government believes that Small and Medium Enterprises (SMEs) have a vital role to play in the growth of the UK economy and is committed to making it easier for these organisations to compete for government business.

In November 2011, the Government launched a package of radical reforms setting out a new approach to public procurement that will use the public sector’s purchasing power to deliver greater efficiencies and support economic growth. That commitment remains in current government policy and is further strengthened through the 2015 Public Procurement Regulations and EU Directives, which have re-enforced the role of SMEs in public delivery and economic growth.

This document outlines how the Department for Education (DfE) will contribute to the Government’s SME agenda and its aspiration that at least 33% of central government procurement spend goes to SMEs, both directly and indirectly.

Departmental Purpose

The Department is responsible for children’s services and education, including early years, schools, higher and further education policy, apprenticeships and wider skills in England.

Our vision is to provide world-class education, training and care for everyone, whatever their background. It will make sure that everyone has the chance to reach their potential and live a more fulfilled life. It will also create a more productive economy, so that our country is fit for the future.

Our single departmental plan sets out our objectives and how we will achieve them.

Our priorities

We’ll develop world-class education with the following principles:

- ensure our academic standards match and keep pace with key comparator nations;
- strive to bring our technical education standards in line with leading international systems;
- ensure that education builds character, resilience and well-being.

To be achieved through:

- always remembering that in education and care, by far the most important factor is the people delivering it – so we will strive to recruit, develop and retain the best;
• prioritising in all that we do the people and places left behind and the most disadvantaged;
• protecting the autonomy of institutions by intervening only where clear boundaries are crossed;
• making every pound of our funding count.

Why SMEs?

The department is not just committed to the SME agenda set out by central government, but recognises the benefits, value and impact SMEs can have on delivering departmental strategies and aims.

Paul Hill, is a senior commercial specialist within DFE, having joined from the private sector after years of working with SMEs, and had this to say when asked what SMEs can provide to DFE:

**Innovation:** Often smaller organisations are at the forefront of innovation, much more than larger organisations.

**Flexibility:** Small and midsize companies have the ability to react quickly to changes in the marketplace. There is no hierarchy in place that slows down the decision-making process.

**Community/Local expertise:** Given the work DfE are often involved in (helping local people become educated, skilled etc) often there is a real benefit of having in-depth local knowledge about real local issues.

**Increase in marketplace:** 99% of businesses in the UK are SMEs. So, by creating marketplaces that involve SME communities, it gives the DfE more options/access to
organisations with the ability to deliver services on our behalf. Failure to attract SMEs may increase risks such as market failure or over dependency on a small number of suppliers.

**Action Plan Objectives**

This action plan outlines how the DfE will meet the Government’s commitment to spend more with SMEs and how we will achieve our aspiration that 33% of all procurement spend will be with SMEs by March 2022, either directly or indirectly through the supply chain. Our aim is to maximise opportunities for SMEs to participate in DfE procurement. We aim to improve access to government procurement, by opening-up our opportunities, support competition and reduce the administrative burden on SMEs engaged in delivering goods and services to the DfE.

**Our ambition is to:**

- Increase direct opportunities for SMEs to gain DfE business;
- Provide SMEs with greater access to DfE procurement opportunities, by using simpler contracts and contracting processes;
- Remove or minimise barriers to DfE procurement opportunities through greater and more targeted communication and transparency of our procurement pipeline of opportunities;
- Ensure a culture of prompt payment within the department and throughout the supply chain to SMEs that meets or exceeds government targets;
- Break larger procurements into lots where proportionate and appropriate to do so, providing SMEs with more opportunities to bid for departmental contracts;
- Conduct fair and open pre-market engagement to ensure SMEs are engaged with tendering opportunities;
- Publish learning and training information on bidding for government contracts specifically aimed at SMEs to break down barriers faced;
- Publish learning material on SMEs bidding for departmental contracts as Consortia to further breakdown barriers;
- Embed awareness and consideration of SMEs in contracts where large suppliers seek to sub-contract goods or services;
- Educate buyers regarding challenges faced by SMEs and departmental best practice for engaging and creating SME opportunity;
- Listen to SME feedback regarding bidding for and executing departmental contracts to improve future opportunities and conditions for SMEs.
The Government will:

- Work with potential providers to identify and address strategic capabilities in supply chains to ensure providers are prepared to meet this future demand;
- Give potential providers greater certainty of our future demand;
- Operate an open-door policy for business so that we can develop a strategic relationship with current and future providers;
- Give all types of potential providers, including smaller providers, simpler, more streamlined procurement processes;
- Back UK business when bidding for contracts overseas.

How we will do this in the DfE:

In considering our approach, we must be mindful of the current economic climate and ensure any requirements placed on suppliers are proportionate and reasonable. COVID-19 is unprecedented and has had a significant impact on businesses of all sizes. SMEs have been severely impacted and we will continue to do all we can to make our procurements accessible and not overly burdensome to enable them to compete with larger businesses on a level playing field.

- Embrace the Social Value policy as described in Procurement Policy Note 06/20 Taking into account Social Value in the award of central government contracts where COVID-19 Recovery and Tackling Economic Recovery Themes can be used to increase supply chain resilience and capacity, open up sub-contracting and grow supply chain diversity, to support SMEs and new business start ups;
- Develop pipelines of anticipated procurements to understand what commercial delivery we will need, and where appropriate publish this information to provide potential suppliers with early sight of our future demand. (Note: Pipelines do not commit us to procure or spend, their purpose is to invigorate and warm up the market to potential procurements);
- Work with Cabinet Office by engaging in working groups and panels that include suppliers to ensure we operate transparently and collaboratively to develop capability and capacity in the marketplace;
- Review our procurement processes and documents to ensure they are not overly burdensome. We will add SME specific guidance and policy to ensure SMEs are considered throughout the procurement process;
- Follow an open-door policy – we welcome suppliers to contact us and develop greater clarity and understanding of the department. We achieve this in procurements by ensuring our engagement is as early as possible and before we advertise, through open days, events and a dedicated SME mailbox;
- We will hold product surgery days where suppliers can ask to demonstrate their capabilities and unique selling points to commercial and subject specialists;
- Streamline procurement – we operate Lean procurement principles, advertise our
requirements on Contracts Finder and via market engagement events, procure quickly and within 120 days, and talk to our potential suppliers as we work through our procurements.
Our Spend

DfE is committed to a target of ensuring 33% of their commercial spend flows to SMEs by 2022.

Table 1: Spend to date - July 2019

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
<th>Procurement Spend</th>
<th>Spend with SMEs</th>
<th>Percentage Achieved</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>25.0%</td>
<td>£0.39bn</td>
<td>£0.09bn</td>
<td>23%</td>
<td>Total of direct and indirect spend with SMEs</td>
</tr>
<tr>
<td>2014-15</td>
<td>25.0%</td>
<td>£0.40bn</td>
<td>£0.12bn</td>
<td>30%</td>
<td>Total of direct and indirect spend with SMEs</td>
</tr>
<tr>
<td>2015-16</td>
<td>30.0%</td>
<td>£0.41bn</td>
<td>£0.12bn</td>
<td>29%</td>
<td>Total of direct and indirect spend with SMEs</td>
</tr>
<tr>
<td>2016-17</td>
<td>30.0%</td>
<td>£0.41bn</td>
<td>£0.14bn</td>
<td>34%</td>
<td>Total of direct and indirect spend with SMEs</td>
</tr>
<tr>
<td>2017-18</td>
<td>31.0%</td>
<td>£0.52bn</td>
<td>£0.12bn</td>
<td>24%</td>
<td>Total of direct and indirect spend with SMEs</td>
</tr>
<tr>
<td>2018-19</td>
<td>31.5%</td>
<td>£0.37bn</td>
<td>£0.12bn</td>
<td>33%</td>
<td>Total of direct and indirect spend with SMEs</td>
</tr>
<tr>
<td>2019-20</td>
<td>32%</td>
<td>£0.55bn</td>
<td>£0.19</td>
<td>36%</td>
<td>Total of direct spend with SMEs (indirect figures pending)</td>
</tr>
</tbody>
</table>

Table 1 illustrates the DfE’s spend with SME Organisations in the period between 2013/14 and 2019/20.

DfE’s total direct SME spend for 2019/20 was 36%, exceeding the targeted 32%. In 2018/19 it was 33%, exceeding the targeted level of 30.5%. In 2016-17 total SME spend was 34%, split between an approximate 23% direct spend and an 11% in-direct spend with SMEs. These are recognition of the continuing commitment to support SMEs both directly and across the wider supply chain.

The Department has monitored direct and indirect (sub-contracted) spend with SMEs and the next table shows that spend for 2017-2018 by category.

2017/18 Total SME Procurement Spend by Categories
Our Future Pipeline and Opportunities

The DfE will continue to support small business to access procurement opportunities, including those of its Arm’s Length Bodies to ensure that competitive smaller suppliers are given a full, fair and reasonable opportunity to supply the DfE. We will publish our opportunities on the [Contract Finder website](http://www.gov.uk/contracts-finder).

The [Department for Education Pipeline](http://www.gov.uk/government/publications/department-for-education-commercial-pipeline-data-2019-to-2020) sets out our future opportunities for suppliers, including SME’s, to become part of our supply chain. Please note these are subject to revision by DfE as they are longer term opportunities and therefore the procurement strategy will not yet be determined. The titles of the projects do not predispose how the contracts will be let, what the mix of SMEs will be in the supply chain or what level of opportunity they will provide directly or indirectly.

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1 Contract Finder Website [www.gov.uk/contracts-finder](http://www.gov.uk/contracts-finder)

Our Planned Actions

DfE has implemented an ambitious new commercial operating model which will deliver Category Management within its Commercial Directorate. This will deliver:

- Increased capacity and capability to deliver forward pipeline, category planning and delivery of departmental outcomes;
- Greater engagement with our supply markets; including remotely and through smart technologies whilst still under the impacts of the pandemic and associated restrictions;
- Risk reduction through improved commercial governance, legal & assurance and contract management functions.

As part of this transformation, we will improve commercial processes and practices and our SME approach will be reviewed through the transformation programme with emphasis on:

- **Policy** - increasing the profile of the SME agenda across DfE at senior levels;
- **Delivery** – improving process and guidance in line with policy objectives to improve delivery;
- **Governance** – introducing a structure to set expectations and report progress;
- **Communications** – improving engagement across the Department and with SMEs;
- **Monitoring Progress** – establishing processes to monitor and report against SME related activities.

Streamlining Procurement Processes

DfE recognises that SMEs may find the significant amount of documentation required to tender for public contracts a barrier. We are continually looking at ways to make our procurement process easier for businesses to understand and navigate. We are committed to creating fair procurement opportunities to ensure small businesses are more informed and competitive when bidding for government contracts. We operate Lean Procurement and adopt a proportionate approach to lower value procurements to minimise burden on SMEs. We will look to minimise complexity when designing our technical evaluation criteria and will make use of shortened low value contract terms where appropriate.

Our procurement strategies will identify opportunities to break down requirements into smaller Lots where appropriate to be more attractive to smaller businesses.
Engagement with SME supplier community

Our new commercial operating model will increase pre-market engagement and we will talk to potential suppliers at market engagement events, remotely where necessary, to understand market drivers and capability and will use this opportunity to encourage SMEs to work with us, either directly or through or supply chain.

Contract Management

We will focus support for SMEs from pre-procurement and procurement into contract management, whether we have a direct or indirect relationship with them. We will ensure our supply chain delivers against contractual obligations. We will endeavour to ensure prompt payment from the department and its suppliers in accordance with Cabinet Office directives. We will implement measures such as [Procurement Policy Notice 04/19](https://www.gov.uk/government/publications/procurement-policy-notice-0419-taking-account-of-a-suppliers-approach-to-payment-in-the-procurement-of-major-contracts) to assess and manage our suppliers approach to payments throughout the supply chain. Our contracts will include contract terms around payment terms which support SMEs financially and operationally, maintaining engagement with appropriate SMEs delivering key objectives, goods and services.

SME Champion

We have recruited a dedicated SME lead who will drive forward and embed the SME agenda within the department. The SME lead will chair a working group of category focussed DfE SME champions who will meet regularly to support the delivery of our Action Plan, support data returns and share good practice regarding SME engagement and consideration during procurement activities. Guidance to support SMEs bidding for departmental contracts is being developed to break down barriers faced by SMEs early in the procurement process. The lead will engage closely with Cabinet Office SME team and support the design and implement of an SME masterclass for procurement professionals, attend cross government SME Network events, liaising with other departments across government to understand what works well elsewhere, and how this can be applied to DfE commercial activity.

SME Champions Working Group

The department has created an SME Champion’s working group with representatives from across the category teams. This group will meet regularly to help implement the SME agenda within their category areas. The group will review pipelines to identify

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potential SME opportunities and relevant engagement activities to break down barriers to SMEs.

**Data gathering and Reporting**

A centralised DfE Commercial Insights team will improve the SME data gathering and reporting function, supported by our new e-Procurement system Jaggaer. This will give us greater assurance regarding SME identification and the accuracy of direct and indirect spend data. It will also improve data relating to the success of SMEs in our procurements.

**Procurement Policy Note 11/20 Reserving Below Threshold Procurements**

[PPN 11/20](#) creates opportunities for central government departments to reserve procurements below Public Contracts Regulation thresholds for SMEs, VCSEs or by geographicl area. The department will seek to maximise the opportunities this provides to benefit SMEs and support the government’s commitment to levelling up the UK economy by tackling inequality and giving everyone across the country the opportunity to fulfil their potential.

**Actions Table**

Below is a table setting out some of the proposed programmes, actions and interventions the department have scheduled to help break down barriers to SMEs and increase departmental spend with SMEs.
<table>
<thead>
<tr>
<th>Action</th>
<th>Description</th>
<th>Start and End dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>SME Champions Working Group</td>
<td>A cross department working group which will meet regularly to implement action towards delivery of the SME agenda.</td>
<td>Ongoing from June 2019, no end date.</td>
</tr>
<tr>
<td>Implementation of Category Management</td>
<td>A new commercial operating model that will enable greater efficiencies and value release throughout departmental procurement. Greater governance through category strategies and enhanced market engagement and knowledge will enable opportunities for improved SME engagement and collaboration.</td>
<td>Ongoing from April 2019, no end date.</td>
</tr>
<tr>
<td>SME Bidding Guidance</td>
<td>A published <a href="#">guidance document available to all SMEs</a> to support them in bidding for departmental contracts.</td>
<td>August 2020</td>
</tr>
<tr>
<td>Policy Working Group</td>
<td>A working group of commercial policy and category team representatives who will meet regularly to review and improve departmental policy and guidance documents. This may include but is not limited to maximising SME engagement within departmental policy and guidance.</td>
<td>Ongoing from July 2019, no end date</td>
</tr>
<tr>
<td>Updates to departmental SME Gov.Uk pages</td>
<td>An update to the Departmental gov.uk SME pages detailing where to find contracting opportunities, departmental support with queries and information regarding the SME agenda.</td>
<td>May 2019 to June 2019.</td>
</tr>
<tr>
<td>Creation and recording of KPIs against key policy</td>
<td>A KPI regarding prompt payment will be developed and preces set up to report against it to measure the department’s performance against this key policy area.</td>
<td>Ongoing from September</td>
</tr>
<tr>
<td>Strategic Supplier Relationship Programme</td>
<td>The department will continue a programme of alignment with some of its strategic suppliers through Joint Business Plans created for the duration of their commercial relationship. This alignment will allow for maximised engagement on the SME ambitions at a strategic level and increased communication of the department’s targets throughout the supply chain. The department is exploring expansion of this programme to align with more strategic suppliers through the creation of Joint Business Plans to extract additional value from the relationship.</td>
<td>Ongoing from March 2020</td>
</tr>
<tr>
<td>ALB Inclusion in SME Champions Group</td>
<td>The SME Champions Group will be expanded to include direct representation from the department’s Arm’s Length Bodies(ALB). This will further improve SME consideration within DfE.</td>
<td>Ongoing from February 2021</td>
</tr>
<tr>
<td>Implement PPN 11/20</td>
<td>The department will consider, where appropriate, reserving below thresholds for SMEs/VCSEs</td>
<td>Ongoing from mid February 2021</td>
</tr>
</tbody>
</table>
This table will be reviewed and updated regularly.

**Actions delivered 2019 – 2020**

**We said we’d:**

- **Create an SME Champions Working Group** - The SME Champions group consists of members from all categories with a variety of grades from HEO to G6 to ensure the agenda embeds within the categories. The group has met multiple times and has even had attendance from the SME Crown Rep and other Cabinet Office small business representatives. Through the working group, commercial policy has supported categories in SME consideration for category planning, engagement ideas and consideration in a new Capital Framework.

- **Create a Policy Working Group** - The Policy Working Group chairs maintain links with the SME Champions group to ensure SME consideration or emerging SME Policy is included in Commercial activity wherever possible. The SME Champion has attended one of these sessions to discuss the department’s SME agenda and activity colleagues can undertake to support it, including liaising with their own SME champion reps.

- **Implement Category Management** - The new commercial operating model in DFE continues to mature and evolve delivering more robust commercial process with improved governance across the department.

- **Improve data gathering and reporting** – We have implemented a new data management system in the department to improve the data quality and scope from which SME data can be gathered. The quarterly returns for direct spend and annual return for indirect spend have also been handed over to the dedicated Commercial Intelligence team to improve efficiency and accuracy.

- **Engage with Cabinet Office working groups** - While part of Cabinet Office working groups and in support of the agenda, the department has been able to feed into the production of SME masterclass training, feed into and support the launch of the prompt payment PPN and share or learn good practise around SME engagement.

- **Published SME focused guidance documents** - We have published two documents specifically designed to support SMEs wishing to bid for government contracts. One document on **How to bid for Government contracts as an SME effectively** and a second on **How to bid Government contracts as a consortium**, both break down barriers for SMEs in what can appear a daunting part of doing business with government.

- **SSRM Programme** – The department has implemented a programme to strategically align with five of its strategic suppliers. This increased alignment has allowed the department to more readily engage the suppliers on its objectives at a strategic level and has already delivered benefits, with more planned for delivery. This ongoing alignment allows the department to more directly influence SME activity within the supply chain.
Risks to the delivery of our targets

Public sector procurement is subject to a legal framework which encourages free and open competition and value for money, in line with the Public Contract Regulations 2015. It is not possible therefore to guarantee that DfE contracts can be restricted for award to SME organisations.

The risks set out below have been identified as having potential impact on delivery of our SME targets. The mitigations to these risks are regularly reviewed.

Risks and mitigations of delivering SME targets

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime contractors may not always support activities to improve supply chain data or sub-contracting to SMEs</td>
<td>SSRM programme and focussed supplier engagement events to highlight the importance of SMEs in the supply chain</td>
</tr>
<tr>
<td>Implementation of our new Commercial Operating Model will take time to embed and may detract initial focus on our SME agenda</td>
<td>SME lead to engage regularly with Category Champions to review Action Plan and maintain focus. Engagement with Senior Leadership Team to secure on-going support</td>
</tr>
<tr>
<td>Source data may be incomplete or of variable quality. This is in terms of direct data from accounts payable systems and indirect data collection from suppliers. This could lead to inconsistent spend reporting</td>
<td>Engagement with DfE Commercial Insight team to focus on strengthening of quality/timely data returns</td>
</tr>
<tr>
<td>COVID-19 and associated restrictions means that usual supplier engagement might not be possible or procurement processes modified for speed that might disadvantage SMEs</td>
<td>The department will take advantage of smarter working technologies where possible to engage markets and follow all government advice and associated PPNs regarding reactionary or modified procurements due to the pandemic</td>
</tr>
<tr>
<td>SMEs may have been adversely affected by COVID-19 and associated restrictions meaning their capacity to bid for government business may be diminished</td>
<td>PPN 11-20 Reserving Below TGhreshold Procurements and mindful procurement practices will give greater opportunities for SMEs to bid for DfE business, while Social Value policy driven engagement by the department with larger suppliers will benefit supply chains</td>
</tr>
</tbody>
</table>

Case Study Examples

Early Years and Schools Group - “DfE Teacher Services are currently running a number tenders under the DOS 4 Framework as part of their Strategic Service Capabilities Procurement Tranche 1.”
A SME, who has not worked with the DfE for a number of years, has been selected as our preferred Supplier for two of these Frameworks valued £3m and £3.5m respectively. This will increase the SME’s turnover by approximately 25% per year for the next two years. The SME has not previously worked within this area of DfE and has limited previous DfE experience.

The SME approached the Department on a number of occasions to understand our requirements, clarify their response and attended our pre market warming event available to all Suppliers. At the time of writing, two out of three of the DOS tenders evaluated and moderated have been awarded, subject to internal clearance, to an SME. Realistic expectations as to financial standing were set through requests of audited accounts, P&L, cash flow forecast and current liquidity in order to assess financial standing and output based requirements were utilised to allow for innovation in delivery of key services required, clearly articulated and communicated in KPIs and service acceptance criteria at the release of the tenders.

On a further two DOS procurements, SMEs constitute 40% of Suppliers currently being assessed at stage 2.”

DfE was involved in an SME ‘meet the buyer’ event in Newcastle in June 2018 organised by the Government Commercial Function North East best practice network. The group consists of several government departments and public sector organisations including (NHS Shared Business Services, DfE, Defra, DfT, HMRC, North East Purchasing Organisation (NEPO), MoD and HO). DfE jointly presented with HMRC to ‘demystify public procurement and the procurement process for SME’s’ and ran a stand for the duration of the event to take questions and provide information about what we do, what and how we buy and how SME’s can compete for DfE opportunities.

**Mental Health Schools Link Programme procurement**

We undertook market engagement specifically designed to support SME involvement in a national contract with a value of approximately £10m. This has created an opportunity for SMEs to be part of the supply chain.

**Dance and Drama Award Scheme**

We ran an OJEU open competition to refresh the award scheme’s approved supplier list. The scheme provides income assessed financial support for students aged 16 - 23 to attend and train at private institutes in order for them to attain a diploma from The Trinity College London in the performing arts. Using a standardised application approach to assess finance and quality we received expressions of interest from over 20 organisations, many of whom are SME’s. Many have been successful at evaluation stage and are now waiting for completion of an Ofsted inspection which is the next stage of the evaluation process. The refreshed list will be announced in the summer 2019 and will go live in 2020.
T Levels

We published an Early Engagement notice to initiate market engagement for the Wave 1 T Levels, being commissioned jointly by DfE and the Institute for Apprenticeships. We actively encouraged our openness to delivery of services via consortia (which may include SME’s).

Contracts for the first three Pathways have been awarded, one of those contracts to a Voluntary, Community and Social Enterprise organisation.

In preparation for Wave 2 contracts we have held several workshops covering "Establishing and Working as Part of a Consortia" and “Bidding for Public Sector Contracts” with potential suppliers who will be bidding for T levels in future, many of which are SME’s. This increases their capability, awareness and confidence in bidding for these opportunities. These were in addition to our usual market engagement activity and both sets of workshops were well attended and received.

An SME Story

Read about how an SME has been working with our department and the benefits that brings in their own words.

Department for Education SME Spend Targets

The table below sets out the department’s spend targets towards delivering the SME agenda.

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## SME spend targets

<table>
<thead>
<tr>
<th>Year</th>
<th>Total SME Spend Target</th>
<th>Direct SME Spend Target</th>
<th>In-Direct SME Spend Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019-20</td>
<td>32%</td>
<td>22%</td>
<td>10%</td>
</tr>
<tr>
<td>2020-21</td>
<td>33%</td>
<td>22.5%</td>
<td>10.5%</td>
</tr>
<tr>
<td>2021-22</td>
<td>33.5%</td>
<td>23%</td>
<td>10.5%</td>
</tr>
</tbody>
</table>