

## **SME Case Studies – celebrating SMEs winning government business**

SMEs have had considerable recent success in winning Government contracts. The case studies summarised provide key insights into the innovative changes adopted by procurement teams to encourage SME engagement as well as highlighting the innovation and efficiencies SMEs can deliver.

The following case studies show Government's commitment to reform procurement and how we are:

- breaking up contracts to make it more attractive for SMEs to bid
- attracting more SMEs through greater transparency and publicising contract opportunities more widely
- reforming the procurement process so it is simpler and quicker

More details of the successful SMEs are available from the relevant departments websites.

We will continue to celebrate and showcase SMEs winning public sector contracts. Any winning SMEs and contracting authorities wishing to be considered should contact the Cabinet Office SME Policy Team directly and we will follow up –  
SME@**cabinet-office**.gsi.gov.uk.

Public sector contracting opportunities are posted on Contracts Finder –  
[www.contractsfinder.co.uk/](http://www.contractsfinder.co.uk/)

## **Cabinet Office – Government Procurement Service**

[www.cabinetoffice.gov.uk](http://www.cabinetoffice.gov.uk)

**The G Cloud Framework** was launched in February 2011 revolutionising the purchasing, management and delivery of public sector IT services and the way suppliers, particularly SMEs, work with government. Public sector organisations are now able to purchase “tried and tested” IT services from CloudStore on a “pay-as-you-go” basis rather than having to develop their own systems. The Government Procurement Service adopted an open procedure with no PPQ Suppliers were simply asked to complete a spreadsheet with yes/no answers to the mandatory questions and to provide a simple description of their service offering and pricing. Digital channels were used to promote the opportunity with online guidance and QA posted on Twitter.

The framework comprises 260 suppliers, 50% of which are SMES, delivering around 1,700 services. The process enables competition through transparency, allowing buyers to compare services and suppliers to make fully informed purchasing decisions. “BuyCamps” enable the public sector and suppliers to work together on IT solutions.  
[www.gcloud.civilservice.gov.uk](http://www.gcloud.civilservice.gov.uk)

**Redfern Travel Limited** was awarded 4 year contract in November 2011 to deliver national travel services to government. Government Procurement Service recognised the efficiencies to be gained by aggregating spend from 17 Central Government Departments (and in the region of 600 Arm's Length Bodies) with similar travel requirements and breaking down their requirements into two lots for national and international travel. Redfern's innovative online delivery approach and low cost base meant they could deliver a high quality service significantly cheaper than the next best bidder. [www.redfern-travel.com](http://www.redfern-travel.com)

**Department of Health**

[www.dh.gov.uk](http://www.dh.gov.uk)

**Medigold Health Consultancy** secured the 5 year contract to provide Occupational Health Services to the Department of Health. The decision to break up a large existing contract attracted new smaller specialist suppliers. The draft evaluation criteria were published up front and documentation was kept relevant and straight forward throughout. SME selected was able to use their innovation and flexibility to provide more proactive services at a lower cost than other suppliers. [www.medigold-health.com](http://www.medigold-health.com)

**Picker Institute Europe** secured a 3-5 year contract to deliver staff surveys in the NHS. Their success was the result of competitive pricing combined with their specialist expertise. As part of their simplified procurement process, the Department of Health requested detailed requirements upfront with a transparent pre qualification process and no financial threshold requirement. The procurement attracted considerable competition including from large organisations. [www.pickereurope.org](http://www.pickereurope.org)

**Quality Health Limited** was selected as the proffered bidder to deliver the National Cancer Patient Experience Survey Programme. Their innovative recommendation was proposed at a cost lower than other bids with similar excellence in capacity, experience and capability. The open procedure was simple and quicker and attracted significantly more high quality bids from SMEs. [www.quality-health.co.uk](http://www.quality-health.co.uk)

**Connect Research and Consultancy and Govindji Foods** were selected to provide nutrient information for Chinese and Italian foods. The contract was broken into lots so smaller more specialist organisations could apply and the Department of Health received bids from SMEs who had not previously been involved in government tendering. Two contracts were awarded to organisations with specialist expertise that ensured they were best placed to deliver outputs at lower costs. [www.connect-research.co.uk](http://www.connect-research.co.uk)

**Department for Transport**

[www.dft.gov.uk](http://www.dft.gov.uk)

**Burlington's Uniforms Ltd** used a bespoke stock management system and excellent customer service to win the contract to provide Highways Agency Traffic Officer Uniforms. [www.burlington-uniforms.co.uk](http://www.burlington-uniforms.co.uk)

**Point to Point Couriers** is the Government Car and Despatch Agency primary contractor. It is part of the Alternative Parcel Company, where all agents are SMEs, and won the contract with excellent customer service and attention to detail for secure courier movements. [www.point-to-point-couriers.co.uk](http://www.point-to-point-couriers.co.uk)

**Connect Internet Solutions** designed, hosts and manages the DVLA website and their experience, capacity, scalability and resilience ensured a very competitive bid. As part of the procurement process, the Department for Transport removed transition costs from the bid to ensure a level playing field for SMEs. [www.connectinternetsolutions.com](http://www.connectinternetsolutions.com)

**Iconal Technology Ltd** used its expertise and experience in producing similar products to win a contract to produce Aviation Security Bag Sets. Department of Transport was impressed with the quality of product, lower cost and "personal interest in the success of the contract demonstrated by staff". [www.iconal.com](http://www.iconal.com)

## Department for Education

[www.education.gov.uk](http://www.education.gov.uk)

**Niche Dynamic Purchasing System (DPS)** has been set up by the Department of Education to enable more direct contact and contracting with SMEs offering niche educational professional services. Historically this market has been dominated by large consultancies. The direct competition enabled by DPS has driven down day rates and enabled more engagement and collaboration with SMEs reducing timelines and adding value to contract outcomes. SME currently make up 75% of suppliers. New SMEs can express an interest to join at any stage. To date DPS has saved the department over £1.5 million. [www.education.gov.uk/aboutdfe/policiesandprocedures/procurement/a0037/current-contracts-advertised-by-the-department](http://www.education.gov.uk/aboutdfe/policiesandprocedures/procurement/a0037/current-contracts-advertised-by-the-department)

**Prolog** provides an end to end publishing solution. The Department of Education's pre-market engagement actively encouraged SMEs and consortium bids between print management (often SMEs) and marketing fulfilment companies. As an SME, Prolog offers the flexibility and responsiveness required by Government. Prolog has also used innovation to lower total costs and delivered extra savings through the transformation of hard copy to ePublishing.  
[www.prolog.co.uk/education\\_portal/overview/overview.jsf](http://www.prolog.co.uk/education_portal/overview/overview.jsf)

**Creative Choice** is an example of a SME-led consortium and sole supplier for the Department of Education's Creative Media Services. Pre-market engagement, including supplier workshops and the provision of collaboration tools, encouraged SME to form a consortium. Creative Choice act as a master vendor delivering guaranteed savings through capped rates and end to end service delivery. It also provides quick access to a vast range of pre-accredited SME suppliers and innovators. [www.creative-choice.org](http://www.creative-choice.org)

**The Live Group** provides the Department of Education with a single delegate management system that reduced the costs of conference management. GreenGageLive is leading technology that manages delegates at below standard rates. It also includes an innovative volume discount structure and a managed/self managed service to make it more affordable.  
[www.livegroup.co.uk](http://www.livegroup.co.uk)

## HMRC

[www.hmrc.gov.uk](http://www.hmrc.gov.uk)

**Debt Collection Framework** is made up of 50% SMEs. This was achieved through an open procedure with detailed specifications upfront so SMEs could decide if they wished to compete. Interested suppliers were given access to the full specification via HMRC's e-sourcing tool at the earliest opportunity. This ensured that smaller suppliers with limited resources to use on tender submissions would be able to decide early in the process whether the contract represented an attractive opportunity for their organisation or not. The use of the HMRC e-Sourcing tool meant that the standardised electronic format of the tender submission allowed SMEs to compete on an even playing field with larger organisation who are often able to produce more professional hard copy brochures and tender documents.  
[www.hmrc.gov.uk/about/supguide.htm](http://www.hmrc.gov.uk/about/supguide.htm)

**Department for Communities and Local Government**

[www.communities.gov.uk](http://www.communities.gov.uk)

**Cambertown Ltd** won a 3 year contract to provide warehouse storage, distribution and call centre facilities by demonstrating in-depth experience and understanding comparable to large international competitors. As an SME, Cambertown Ltd adapted their operational procedures to the unique requirements and used innovation to reduce cost and improve working practices. [www.cambertown.com](http://www.cambertown.com)

**DCMS**

[www.culture.gov.uk](http://www.culture.gov.uk)

**Huddle** was discovered by DCMS at a trade show while trying to find a creative solution for sharing documents with outside agencies.. Huddle used success in DCMS to build awareness and reputation in government buying camps. Their direct sales approach to central IT champions was supported by product trials to overcome risk aversion and, once established, Huddle's quality products and service orientation has received word of mouth recommendation. Initial procurements low value and kept simple. Huddle now has 10,000 users in DCMS, DFID, FCO, MoJ, Defra, BIS, DECC, Cabinet Office, Met Office, NAO, ONS and a recent win with the Scottish Government. Huddle is IL3 certified. [www.huddle.com](http://www.huddle.com)

**Home Office**

[www.homeoffice.gov.uk](http://www.homeoffice.gov.uk)

**Learning and Development** service opportunities were advertised on Contracts Finder. Over 80% of the expressions of interest were from the SME community and all winning bids were from SMEs. The Home Office will run Learning and Development product surgeries with SMEs to identify what can be offered and how to make the process even easier for bidders.

Four opportunities for **IT and Telecommunication services** were advertised on Contracts Finder and 100% of expressions of interest were from the SME community. The Applied Science and Technology radio system has been awarded to an SME and will deliver a significant budget saving.

**Ministry of Justice**

[www.justice.gov.uk](http://www.justice.gov.uk)

**The Supply Capital Finishing Equipment framework** is dominated by SMEs after the procurement team considered how SMEs could deliver solutions and reflected this in tender request. Training was also provided on eProcurement and eAuctions to enable less experienced SMEs to successfully compete. MOJ regularly hold mini competitions for each requirement to ensure purchasing remains competitive.

## Ministry of Defence

[www.mod.uk](http://www.mod.uk)

**AcciDONT** won the 3 year contract to provide Driving Licence Acquisition Training by developing an innovative business administrative system. Training instructors can access the system remotely increasing efficiency at significantly reduced training overhead costs. [www.accidont.co.uk](http://www.accidont.co.uk)

**Austin Hayes** used innovation to secure the MOD contract to refurbish ammunition containers and parts. By the creative recycling and refurbishing of packaging, Austin Hayes was able to deliver a high quality service at reduced cost. [www.austinhayes.com](http://www.austinhayes.com)

**Turner Virr Ltd** won the contract to provide uniforms for the Royal Chelsea Hospital by scoring highly on technical capability, capacity and price. Their sound knowledge of the military system was highly beneficial when dealing with Ex-Service personnel. As an SME their attention to detail enabled them to deliver a more patient flexible service when of carrying out their duties with the elderly. [www.turnervirr.co.uk](http://www.turnervirr.co.uk)

**SAS Limited and Solent Divers (parent company)** secured the contract for testing and refurbishing the breathing cylinders. The SME was competitive priced, had extensive knowledge of user requirements and provided an excellent service.

**Marlborough Communications Ltd (MCL)** provide design, development, production and support of advanced electronic and electro-mechanical systems. Notification was sent to all SMEs who expressed an interest in MOD advert and an active attempt was made to team up SMEs with larger companies if they were seen to be too small to bid. The final winning bid came from a team of two SMEs - one with knowledge of public tender process and financial backing and the other with the technological solution. As a small business MCL demonstrated the versatility to tailor products to support customer requirements and their proposal offered the best value for money with the potential for future gain share opportunities. [www.marlboroughcomms.com](http://www.marlboroughcomms.com)

**BIP Solutions Ltd** publishes the MOD Contract Bulletin. Their innovative proposal ensures that all services are provided at no cost to the MOD, with revenue generated through subscription and advertising space. [www.bipsolutions.com](http://www.bipsolutions.com)

## Department for Work and Pensions

[www.dwp.gov.uk](http://www.dwp.gov.uk)

**Rehab, British Legion Industries and Third Sector Consortia Management** succeeded in winning contracts to provide holistic assessments for the DWP. The tender was broken down into geographical lots to encourage SME engagement supported by widespread advertising, including SME titles, and contacting relevant forums to participate. DWP undertook pre-market engagement with suppliers to discuss the challenges faced and explore innovative solutions, hosting information and networking events to encourage sub-contracting and provided online Q&As and financial surgeries to help SMEs complete pricing proposal. The winning SMEs provide best value solutions and an improved service at lower cost for DWP. [www.thirdsector.co.uk](http://www.thirdsector.co.uk) ; [www.rbli.co.uk](http://www.rbli.co.uk)

**EMQC Ltd** secured the contract to provide the Merlin Standard Accreditation. As an SME its flexibility enabled a novel and experimental approach where the cost based was picked up by the party being assessed. The open procurement procedure attracted SMEs who would not have previously considered bidding. [www.emqc.co.uk](http://www.emqc.co.uk)

**Steve Radcliffe Associates** provide leadership training to executive team directors. They won the open competition advertised on Contracts Finder. [www.steveradcliffeassociates.com](http://www.steveradcliffeassociates.com)