

Annex A

SME Progress Report

Making government procurement more
accessible to SMEs

July 2011

The Government's commitment to SMEs

Government is committed to making it easier for SMEs to do business with us but we know that our **processes can be unwieldy** and off-putting.

After listening to the [views of hundreds of small business owners](#), the Government has taken action to ensure that small firms and organisations, which it considers to be vital to the economy and promoting growth, are no longer shut out of procurement processes because of excessive bureaucracy and petty regulation.

The Cabinet Office programme for tackling the procurement issues facing SMEs includes a **radical package of measures** to open up the way that Government does business. The aim of the programme is to make sure that small companies, charities and voluntary organisations are in the best possible position to compete for billions of pounds worth of contracts.

The package of measures to increase opportunities for SMEs to participate in government procurement

On February 11, 2011, the Prime Minister and the Minister for the Cabinet Office announced the following package of measures:

- The launch of a [Contracts Finder website](#)
- The **appointment of Stephen Allott** as a new Crown Representative (CR) for SMEs
- The launch of SME (Small Medium Enterprise) **product surgeries**
- A completely **new approach to assessing** companies and organisations who want to do business with Government, so that SMEs are not disadvantaged
- Publication of the findings of the Cabinet Office's **LEAN Review** into procurement processes
- Greater use of lotting strategies and outcome based specifications
- The launch of **an interchange programme**
- **Local Government** Support
- An extended **Supplier Feedback Service** so businesses can continue to tell government where there are still issues, **'Mystery Shopper'** & **SME Panel** opportunities

Following the announcements, the media said

Small firms helped to bid for procurement
'billions'



Coalition seeks to help SMEs



Cameron promises to open
supply chain to SMEs

Government opens up to SMEs

The Cabinet Office has announced a package of measures to give small firms, charities and voluntary organisations a better chance of winning government business



Government opens up contracts to small businesses

Federation of Small Businesses

The UK's Leading Business Organisation

FSB hails victory for small business procurement opportunities

David Cameron creates Dragons' Den for small business
suppliers



CabinetOffice

Headlines – Progress since 11 February 2011

- **Procurement opportunities now available in one place, free of charge for the first time:**
 - Increased use of Contracts Finder, positive feedback from SMEs
 - All opportunities over £100,000 available
- **Fundamental changes are taking place to the procurement process including pre qualification:**
 - 14 departments have completely eliminated use of PQQ (below £100k)
 - Early indications of a move towards greater of ‘open’ procedure - 12 ‘open’ pilots planned, 4 underway
 - SME group engaged in actively helping procurers solve this issue
 - Lean pathfinders underway to test new Lean sourcing model and simplified tendering for outcomes and outputs
- **Departments have published the actions they will take:**
 - All departments published actions to increase the business they do with SMEs on 3rd June
 - Departments have published 09/10 data on spend with SMEs as part of their business plan up-dates
- **Crown Representative, Stephen Allott, providing a voice at the top table for SMEs:**
 - Regular engagement with SMEs and trade associations across the sectors
 - Established on-going dialogue with Ministers, No10 and Senior Officials

Headlines – Progress since 11 February 2011

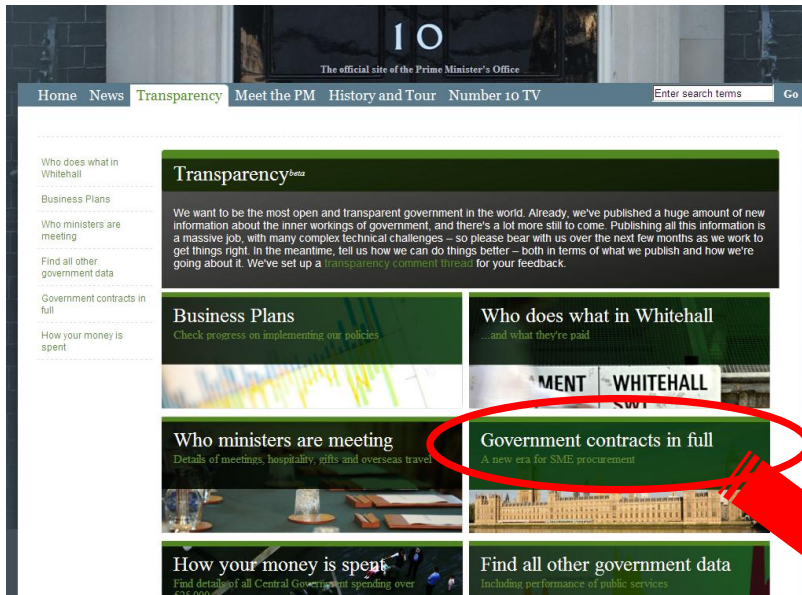
- **Product Surgeries have been successfully launched:**
 - Innovation Launch Pad – 351 business proposals evaluated, 9 SMEs selected for Product Surgery and reception at No11 on 19 July
 - First Departmental Product Surgery (Department for Transport) held in Birmingham in June – 6 further planned
- **SME feedback leads to real change in procurement practice:**
 - First SME Panel established for SMEs to feed their views directly to the Minister for Procurement (Francis Maude)
 - 38 'Mystery Shopper' cases – 24 closed – seeing real change as a result
- **Industry Interchange Programme launched:**
 - 15 companies signed up, first secondees working in government
 - Open to companies of all sizes

Details of the progress we have made since February

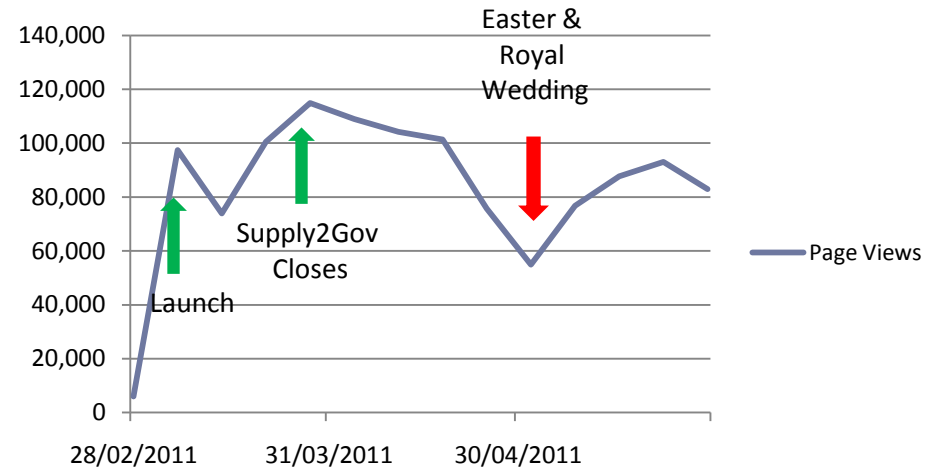
The package of measures announced in February is radical. It is causing significant and positive changes within departments, and it is shifting the emphasis to greater openness in how we talk to our SME supplier community.

The following pages detail how each of the actions we have taken are affecting the SME community. This is not the end of the story but the start of our journey towards being more transparent and less bureaucratic in how we approach markets for the goods and services we need.

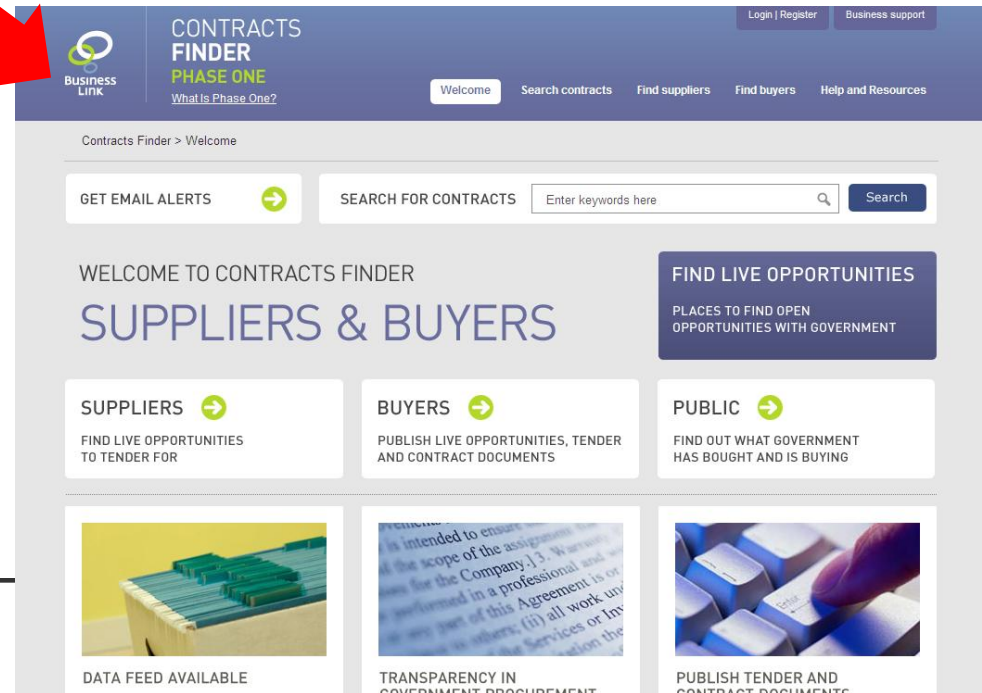
Contracts Finder: SMEs now have an easier way to find business opportunities



Contracts Finder : Weekly page views



Over 1 million page views
in first 3 months



How people find the website – an increasing number and variety of referrals



	Referr	nces	
1.	google.co.uk	2,327	24.9%
2.	dfid.gov.uk	792	8.5%
3.	number10.gov.uk	511	5.5%
4.	publiccon...d.gov.uk	440	4.7%
5.	cabinetoffice.gov.uk	423	4.5%
6.	dh.gov.uk	328	3.5%
7.	live.com	272	2.9%
8.	yahoo.com	225	2.4%
9.	environm...y.gov.uk	189	2.0%
10.	klickstream.com	180	1.9%
11.	startupbritain.org	168	1.8%
12.	espo.org	147	1.6%
13.	cambridg...e.gov.uk	117	1.3%
14.	hmprison....gov.uk	106	1.1%
15.	construct...ne.co.uk	105	1.1%
16.	zemaitis-uk.com	105	1.1%
17.	google.com	92	1.0%
18.	tendermatch.co.uk	87	0.9%
19.	placesfo...le.co.uk	84	0.9%
20.	microsoft...ator.com	84	0.9%
21.	suffolk.gov.uk	82	0.9%
22.	createsend2.com	82	0.9%
23.	cqc.org.uk	81	0.9%
24.	aol.com	70	0.7%
25.	contractoruk.com	64	0.7%
26.	win-tenders.co.uk	63	0.7%
27.	seeda.co.uk	63	0.7%
28.	ogc.gov.uk	63	0.7%
29.	prisonofficer.org.uk	58	0.6%
30.	similarsites.com	50	0.5%
31.	norfolk.gov.uk	49	0.5%



Sales / Marketing / Tenders **Tony Zemaitis Associates Limited**
Sales / Marketing / Tender Consultants



Contracts Finder is providing SMEs with access to opportunities

B.

Welcome Search contracts Find suppliers Find buyers Help and Resources

SEARCH FOR CONTRACTS Conservation Search

We found 19 results: Show items per page: 10 | 25 | 50 | 100 | 200

Contract
Conservation of the Royal Artillery Memorial
This is a works contract for the cleaning and conservation of the masonry structure. The memorial is Grade 1 listed and only companies with evidence o

UK.Belfast: restoration work
Conservation & restoration of SS Nomadic & Hamilton Dock. The restoration of the SS Nomadic ship to include to include full internal refurbish

A.

C.

REFINE SEARCH clear all filters

Quick filters

show only live opportunities

items more suitable for smaller suppliers

We found 2 results: Show items per page: 10 | 25 | 50 | 100 | 200 Sort results by: Relevance

Contract	Location	Date	Value
Conservation of the Royal Artillery Memorial This is a works contract for the cleaning and conservation of the masonry structure. The memorial is Grade 1 listed and only companies with evidence o	London	07 Jun 11	£50,000 - £85,000



D.

Conservation of the Royal Artillery Memorial

Reference number: 330/799/9822

Deadline date: 07/06/2011

This deadline is for... Expressions of interest

Value: £50,000 - £85,000

Main site of work/delivery London
The Royal Artillery Memorial is on Hyde Park Corner in Central London. It is within t Charge zone.

Is this suitable for smaller suppliers? Yes

Name of the buying organisation: English Heritage

Description of the contract
This is a works contract for the cleaning and conservation of the masonry structure. The m

E.

Who to contact

Contact name
Ann Towers

Address
1 Waterhouse Square, 138-142 Holborn, London, London, EC1N2ST

Telephone
020 7973 300

Extension Number: 3290

Fax

Email
mohammad_samin@english-heritage.org.uk

Web address
english-heritage.org.uk

SME interested in conservation work

- A. Search "Conservation"
- B. 19 results, looks a bit big for me!
- C. Refine Search "items more suitable for smaller suppliers"
- D. Click for more details
- E. Contact Buyer and arrange site visit

We are making Contracts Finder data available...

- All documents published on Contracts Finder can be opened and down loaded
- Summary information is available for re-use for social or commercial purposes
- The data can be downloaded as a simple list of all documents suitable for the general user or as an xml feed for advanced users
- @ukgovcontracts - a Twitter feed for IT contracts was winner of “Best use of data/Best commercial sauce” award the first LinkedGov hack camp
- Contracts Finder was also given a good rating for having a license agreement and for being in XML
- The new data.gov.uk site has a page showing casing Contracts Finder data
- Further information will be made available in the early Autumn

A	B	C	D	E	F	G	H	I	J	K
1	Data	Contracts Finder - Simplified List								
2	Published	10 Feb 2011								
3	Format version	1								
4										
5	Organisation Name	Contract Title	ValueMin	ValueMax	DatePublished	Nature Of Procure	Contact Email	ReferenceType	Of N/Number	CF_URL
6	Arts Council England	Dancing for the games	22000	22000	22/10/2010 00:00	ProcurementOfAN	Sean.Stevenson@ar	ACE-2010-	Published	2 http://www
7	Arts Council England	Performance management	20000	20000	23/12/2010 00:00	ProcurementOfAN	Sean.Stevenson@ar	ACE-2010-	Published	2 http://www
8	Arts Council England	Emerging artists with diverse p	18000	18000	23/12/2010 00:00	ProcurementOfAN	Sean.Stevenson@ar	ACE-2010-	Published	2 http://www
9	Arts Council England	Wide Area Network Connectiv	240000	240000	23/12/2010 00:00	CompetitionAsPar	Sean.Stevenson@ar	ACE-2010-	Published	1 http://www
10	Arts Council England	Performance management	36150	36150	08/02/2011 00:00	ProcurementOfAN	Sean.Stevenson@ar	ACE-2010-	Published	4 http://www
11	Arts Council England	Performance Ma								
12	Arts Council England	Creative Econo								
13	Asset Protection Age	Kreab & Gavin A								
14	BIS	Framework agre								
15	BIS	Market data for								
16	BIS	Management an								
17	BIS	Framework agre								
18	Bristol and Weston N	Vagus nerve stir								
19	British Library	Internal Audit St								
20	British Library	Business Travel								
21	British Library	British Library L								
22	British Library	Executive Search								
23	British Library	Health Awarene								

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The image shows two overlapping screenshots. The top one is a Twitter profile for @ukgovcontracts, featuring the UK Government logo and several tweets about IT contracts. The bottom one is a screenshot of the data.gov.uk website, specifically the 'Business Link Contract Finder' page, which provides details for a contract including its value, classification, and description.

Contracts Finder: Some positive feedback so far..

"We've found the service really refreshing to use – it's easy to pick up and is already giving me valuable insight in how to develop my business to better service the public sector"
Ben Cook, Strategic Marketing Ltd

Incidentally, some positive feedback, yesterday I found a tender that I was interested in on the Contracts Finder website that I had not seen anywhere else (and would not have found even if I knew where it was), so it is beginning to work!
Best wishes, Tim Richardson, PDAIP London

Congratulations! Thanks to this new website I found a tender that I would never have found otherwise.

SME specialising in works for the water industry:

We use Contracts Finder in conjunction with key words related to our business and are extremely pleased with the results, including two current tenders related to dams and habitat creation in the South of England.

We have found the introduction of "Contracts Finder" a major help in our constant search for work.

Richard Cumming Managing Director, Birch Brothers (Kidderminster) Ltd

SMEs love the new Contracts Finder.

A small Manchester based ICT supplier told me yesterday that "the new Contracts Finder is excellent. We use it a lot."

Stephen Allott Crown Representative : Smaller suppliers



lilpinkbucket Rebecca

@BusinessLinkGov Finally had chance to sign up for Contracts Finder , loving the simplicity of it - so refreshing!

4 minutes ago



ProgPart Progression Ptnrship

Impressed by follow up & chat w/ @BusinessLinkGov after

yesterday's moan."Contracts Finder"

#thatexplainsit

15 hours ago



policyworks Matthew Green

@BusinessLinkGov Hi - thanks for emailing me. Really impressed that you followed up so quickly :)

48 minutes ago

..but there are still areas we need to improve..

Search – some users find the search facility hard to use

- Notice Matching Assistant an interactive tool enable users to refine and improve their searches and email alerts is currently being developed
- We are exploring options for enhancing the user experience by present different ways of searching

Opportunities – coverage outside central government is currently limited

- Links to the main e-Tendering suppliers are being deployed
- Opportunities posted by buyers outside central government are steadily increasing

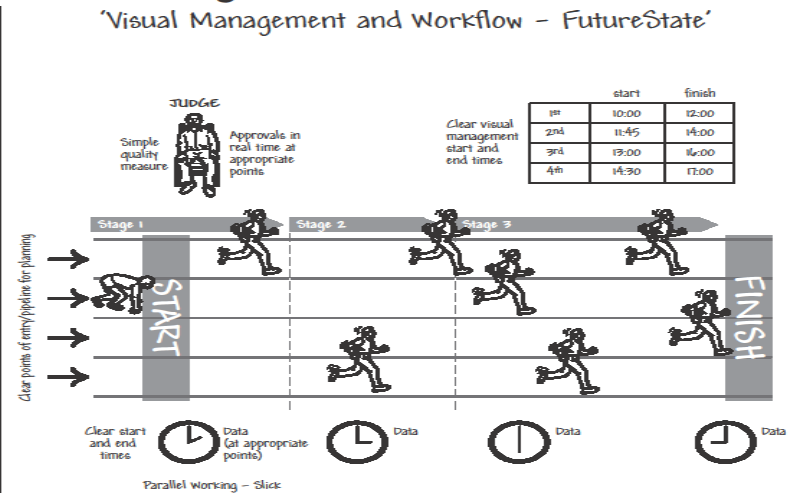
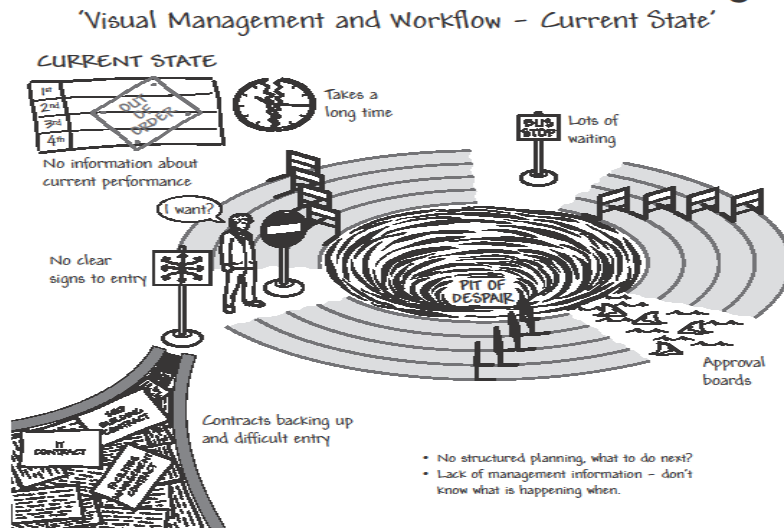
Registration & email set-up – common issues referred to the support team.

- The site provides guides and an online User Support Tool
- User feedback is being used to develop a new 'desktop' guide

We are simplifying the procurement process to make it easier for SMEs to bid for government work

- We are undertaking a programme to review existing procurement practice. We will ensure government procurement is conducted using 'Lean' processes in order to reduce waste, tackle bureaucracy and lower the cost of doing business with government.

Process Design and Management



We are removing the need for SMEs to pre qualify in order to bid for government work

We said we would	Action taken and next steps
For all procurements in common commodities, systems will allow suppliers to provide their prequalification data once – and not submit the same data time and time again.	The Government e-Marketplace (GeM) will be launched on 19 th July, providing a single, simple registration process for procurements under £100,000. Furthermore, we will explore the introduction of a standard Government contract in order to remove duplication and unnecessary contract terms.
For all central government procurements under approximately £100,000 (the EU threshold), we will seek to eliminate PQQs entirely, with procurers free to choose the best route to market for the individual circumstances.	14 out of 17 departments have eliminated use of PQQ in below threshold procurements. 1 further will have eliminated by September.
For larger procurements we will move towards greater use of the “open procedure” - thus eliminating a separate selection stage early on in the process .	12 procurements will be trialling the open procedure, using lean processes.

SMEs need only register once – 19 simple yes/no questions!

ProcServe PROCSERVE SERVICES LTD - Darryl Owen

Registration for the Government eMarketplace

GeM Compliance

Introduction

GeM Compliance

DUNS No.

Organisation

Contact Details

Legal & Tax

Bank Details

Services & Products

Locations

Validation

Has your organisation or any director or partner or any other person who has powers of representation, decision or control been convicted of any of the following offences?

(a) conspiracy within the meaning of section 1 of the Criminal Law Act 1977 where that conspiracy relates to participation in a criminal organisation as defined in Article 2(1) of Council Joint Action 98/733/JHA (as amended); * Yes No

(b) corruption within the meaning of section 1 of the Public Bodies Corrupt Practices Act 1889 or section 1 of the Prevention of Corruption Act 1906 (as amended); * Yes No

(c) the offence of bribery; * Yes No

(d) fraud, where the offence relates to fraud affecting the financial interests of the European Communities as defined by Article 1 of the Convention relating to the protection of the financial interests of the European Union, within the meaning of:

(i) the offence of cheating the Revenue; * Yes No

(ii) the offence of conspiracy to defraud; * Yes No

(iii) fraud or theft within the meaning of the Theft Act 1968 and the Theft Act 1978; * Yes No

(iv) fraudulent trading within the meaning of section 458 of the Companies Act 1985 or section 993 of the Companies Act 2006; * Yes No

(v) defrauding the Customs within the meaning of the Customs and Excise Management Act 1979 and the Value Added Tax Act 1994; * Yes No

(vi) an offence in connection with taxation in the European Community within the meaning of section 71 of the Criminal Justice Act 1993; * Yes No

(vii) destroying, defacing or concealing of documents or procuring the extension of a valuable security within the meaning of section 20 of the Theft Act 1968; * Yes No

(e) money laundering within the meaning of the Money Laundering Regulations 2003 or Money Laundering Regulations 2007; * Yes No

Is any of the following true of your organisation?

(a) being an individual, is bankrupt or has had a receiving order or administration order or bankruptcy restrictions order made against him or has made any composition or arrangement with or for the benefit of his creditors or has not made any conveyance or assignment for the benefit of his creditors or appears unable to pay or to have no reasonable prospect of being able to pay, a debt within the meaning of section 268 of the Insolvency Act 1986, or article 242 of the Insolvency (Northern Ireland) Order 1989, or in Scotland has granted a trust deed for creditors or become otherwise apparently insolvent, or is the subject of a petition presented for sequestration of his estate, or is the subject of any similar procedure under the law of any other state; * Yes No NA

(b) being a partnership constituted under Scots law, has granted a trust deed or become otherwise apparently insolvent, or is the subject of a petition presented for sequestration of its estate; * Yes No NA

(c) being a company or any other entity within the meaning of section 255 of the Enterprise Act 2002 has passed a resolution or is the subject of an order by the court for the company's winding up otherwise than for the purpose of bona fide reconstruction or amalgamation, or had a receiver, manager or administrator or behalf of a creditor appointed in respect of the company's business or any part thereof or is the subject of similar procedures under the law of any other state? * Yes No NA

Has your organisation

(a) been convicted of a criminal offence relating to the conduct of your business or profession; * Yes No

(b) committed an act of grave misconduct in the course of your business or profession; * Yes No

(c) failed to fulfil obligations relating to the payment of social security contributions under the law of any part of the United Kingdom or of the relevant State in which you are established; * Yes No

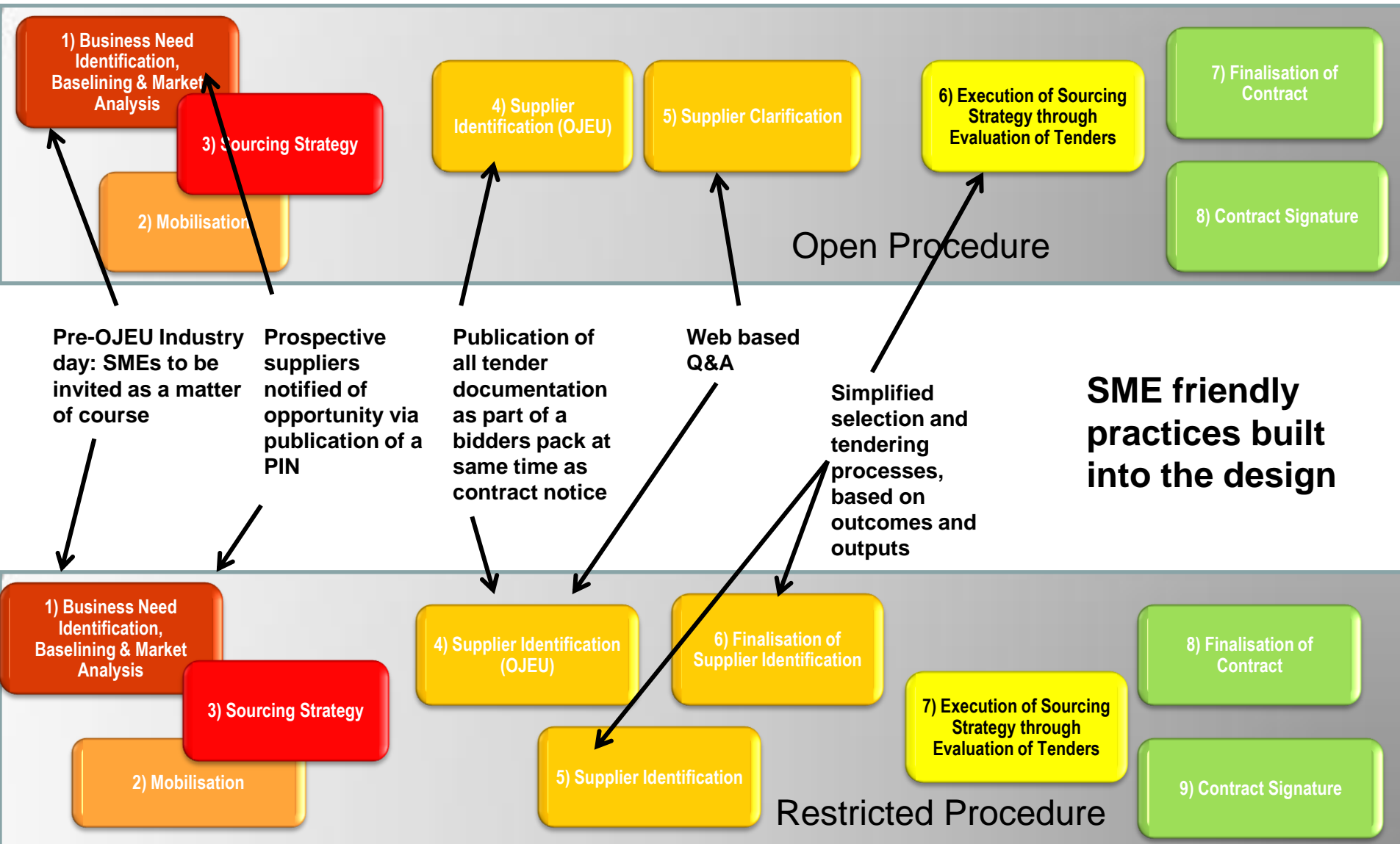
(d) failed to fulfil obligations relating to the payment of taxes under the law of any part of the United Kingdom or of the relevant State in which you are established; * Yes No

(e) been guilty of serious misrepresentation in providing any information required of you under Regulation 23 of the Public Contracts Regulations 2006? * Yes No

* All questions must be answered by selecting one of the options.

Done Internet 90%

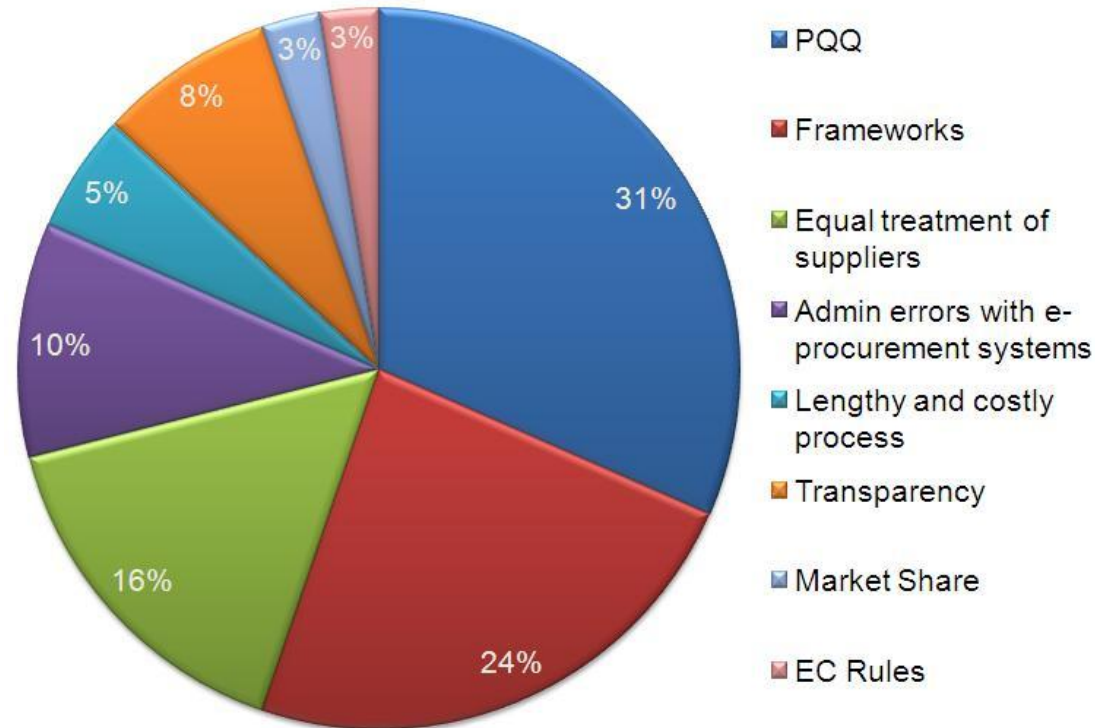
SME practices are at the heart of the New 'Lean' sourcing approach – Open & Restricted processes



You can - and have - let us know about any poor practice through the 'Mystery Shopper' scheme

- From its launch on 11 Feb to 31 May, 38 Mystery Shopper cases have been received overall.
- Largest area of concern is with PQQ, including turnover levels and experience required.
- Presents unique opportunity to challenge procurers about their poor practice – and we are seeing positive results:
 - Durham Police** -PQQ issues with 38 pages, 163 separate items of information – now agreed to use ERG simplified PQQ.
 - DfT framework for consultancy** – Lotting strategy locked out niche SMEs - agreed to reconsider procurement strategy, including holding a Product Surgery.
 - A large County Council** - After an e-procurement system failed to pass on a completed PQQ, the authority failed to deliver promised additional time for the supplier affected. Following ERG intervention, time was allowed and tender documentation was issued to the supplier.

11 Feb - 31 May - Mystery Shopper Cases



38 Cases Received
24 Closed
14 Open

*Implementing regular follow-up
to ensure change is delivered*

Mystery Shopper: Cases and Results

e-Procurement systems: *A local authority failed to download a completed PQQ from their e-tendering system and subsequently refused to allow its inclusion in the procurement process. Following ERG intervention and to the complainant's satisfaction, the authority agreed to review the PQQ with a view to proceeding with the procurement.*

Equal Treatment of Suppliers: *A complaint was received about scope creep within the procurement process of an authority in the wider public sector. On advice from ERG, the authority agreed to restart the process from the PQQ stage.*

Frameworks: *Following a complaint about its procurement strategy, a central government department agreed to pull two lots from a framework and review its route to market before re-competing.*



PQQ: *A complaint was received about a housing association setting a £100,000,000 turnover threshold at PQQ. ERG provided Supplier Appraisal guidance which the authority agreed to consider for future procurements.*

PQQ: *A complaint was received about a central department's onerous PQQ and after intervention removed their PQQ from their processes. Both the department and complainant were content with the action.*

Lengthy Procurement Processes: *ERG met with a central department following a complaint that it had used the Competitive Dialogue process inappropriately. ERG provided advice on the process, including how and when it is appropriate to use and the department agreed to follow this advice going forward.*

Departments have committed to a number of actions to increase their business with SMEs

11 February Announcement:

- All departments will be required to publish a set of specific, targeted actions to increase their business with SMEs.

Progress:

- All departments published their departmental actions on 3 June as part of wider communications on centralised procurement.

Example actions:

- HMRC** will identify a suitable large procurement that can be broken into smaller lots to encourage SME participation
- DWP** will meet with 50 key suppliers representing 70-80% spend to agree ways to increase the level of SME participation in supply chains
- HO** and **DH** commit to make use of ProcServe e-marketplace to increase the level of SME participation in low value commodity procurement
- BIS** will trial the use of open procedure on a specific key delivery programme (science wise)
- CLG** will run a Product Surgery for suppliers in September 2011. **DWP** will conduct an ICT based Product Surgery
- MoJ** will publish details of its known pipeline business for the next 12 months by June

Cabinet Office

Search

Small and medium enterprise (SME) action plans

In response to the broad package of reforms designed to significantly open up the public sector marketplace to small businesses, Whitehall Departments have developed a series of targeted actions that will make a fundamental difference to the way in which they procure goods and services. These actions, published here, support the aspiration that 25% of Government spend would go to SMEs.

The actions range from:

- breaking large contracts into smaller lots
- working with major suppliers to increase SME access to sub-contracting opportunities
- increasing the amount of information that is available to SMEs about contract opportunities
- holding Product Surgeries for SMEs to pitch innovative ideas
- piloting new procurement methods that are more open to SMEs.

The full package of reforms can be viewed on the Number 10 website and the list of departmental action plans is below:

SME Action plans

- Cabinet Office
- Department for Business, Innovation and Skills
- Department for Communities and Local Government
- Department for Culture, Media and Sport
- Department for Education
- Department for Environment, Food and Rural Affairs
- Department for International Development
- Department for Transport
- Department for Work and Pensions
- Department of Energy and Climate Change
- Department of Health
- Foreign and Commonwealth Office
- HM Treasury
- HM Revenue and Customs
- Home Office
- Ministry of Defence
- Ministry of Justice

Department for Transport

Enter search term Search

DTT home > About us > Procurement

About us

Vision and priorities
Spending Review
Transparency agenda
Organisation charts
Information charter
How the Department works
Corporate publications
Social responsibility
Diversity
Recruitment

Procurement

Contracts awarded by the Department
Innovation in the Department for

DTT Actions for improving business opportunities for Small and Medium Enterprises (SMEs)

Publisher: Department for Transport
Date published: 24 May 2011

Summary

An Action Plan to show the activity the Department for Transport is undertaking.

Download PDF

DTT Actions for improving business opportunities for SMEs (PDF - 69 KB)

Order printed copies

This publication is only available online.

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- Printed publications
- Publication scheme
- Published date

Related internet links

- Information Asset Register
- Official documents
- Official publications
- UK legislation

Case Studies

Having identified the value and level of service offered by SMEs; the **Ministry of Justice (MoJ)** set out to ensure they had equal opportunity to compete for their Minor Works framework. During the re-let of the £200m framework contract, MoJ provided guidance and workshops for suppliers on how to respond to the tender. MoJ also broke the requirement down to allow suppliers to bid for specific areas of work (e.g. Electrical services only) rather than needing to be able to address all requirements. As a result, **68%** of the suppliers on the final framework are SMEs.

The **Department for Education (DfE)** is currently supporting a community and parent group in procuring the UK's first commercial education provider for a new proposed Free School in Suffolk. The practical experience gained firsthand by DfE procurement staff will be used to produce official guidance for any groups wishing to follow suit. DfE understands the group's wish to stimulate the local economy by using local and small suppliers. They have designed a range of events and processes to involve SMEs in the procurement including:

- Extensive local advertising and use of Chamber of Commerce to disseminate news of the tender process
- Supplier engagement event to explain procurement process, how to search OJEU, networking with other suppliers through a shared attendee list
- Event for suppliers on how to complete and return a PQQ
- Running a subcontractors list distributed to all education providers to identify key local businesses with who to form consortia

HM Revenue and Customs (HMRC) recently let a contract for the provision of support services on its Castle Meadow site in Nottingham. The value of which was originally estimated at c£3M. The contract was advertised using the Open Procedure, culminating in a Reverse e-Auction to decide on the successful supplier. The contract was awarded on 01/04/2011 to Derwent Living, a not for profit SME organisation, who provided the most economically advantageous bid, saving the department c£1.5M against the original budget.

The **Cabinet Office** used the Open procedure to procure a partner who will deliver and train up to 5,000 Community Organisers as part of the Community Organisers programme, which aims to catalyse community action at a neighbourhood level. The use of the Open procedure ensured that the market was thoroughly tested and resulted in interest being expressed by some 90 suppliers. Supplier events were used to ensure suppliers had an in-depth understanding of the requirement before choosing whether or not to bid. The procurement led to the award of a contract to Locality, a medium registered charity.

By actively promoting the use of SMEs in its Work Programme, the **Department for Work and Pensions (DWP)** has seen SME participation rise to approximately 80% (of the 416 private sector organisations involved).

We have considered how SMEs can be engaged in the procurement of common commodities

- During 2011/12, we aim to have centralised the procurement of a range of categories of spend. We have already started with Energy, Office Solutions, Professional Services, Travel, Fleet, IT commodities (to include telecoms and networks) and Print & Print Management.
- For each of these categories, and future ones, there will be a single category strategy which will include a specific focus on how procurement opportunities will be made available to the SME community, in support of the Government's stated commitment and aspirations.
- The size of the opportunity will vary by category (i.e. for Professional Services the opportunity will be high, and in Energy and Fleet the opportunities will be low) and will be balanced with the overriding priority to reduce costs to Government.

Category Strategies outline how best SMEs can engage with Government and bid for contracts in each of the commodity areas

Professional Services

- The Government eMarketplace will be used to advertise all sub £100k requirements, which will give SMEs access to work previously available only to suppliers on framework agreements.
- Government Procurement will establish managed service arrangements for contingent labour which will provide SMEs with a greater access to Government opportunities.
- Where framework agreements are required, suppliers will be asked to sign an “SME charter” and contract to ensure fair and equitable behaviour throughout their supply chain.

Construction

- We will embed fair payment terms in contracts to ensure SMEs and all second and third tier suppliers are paid on time.
- Project Bank Accounts will be used to speed payment and create supply chain payment transparency.
- Tenders will encourage SMEs to form consortia so that they can compete with large suppliers.

ICT

- The Government ICT Strategy, published in March, contains a number of measures to open participation for SMEs in this market.
- These measures include the establishment of a Government Skunk Works and setting a presumption against large projects.

Energy, Fleet & FM

- Whilst there will be limited opportunity for SMEs to directly contract, the category strategies will specifically address how supply chains could be made more effective for SMEs.

Travel

- Our market approach has secured SMEs participation in centralised opportunities for travel contracts. Some aspects of the category are highly relevant to SMEs, i.e. the Government Hotel Programme.

Office Supplies

- SMEs are already bidding for centralised opportunities as a result of the approach we have taken to engaging the market.
- All suppliers bidding for centralised deals are being encouraged to engage SMEs in their supply chain.

Print and print management

- For this category the supply chain already has a large SME presence.
- Government Procurement is establishing managed service arrangements for contingent labour which will provide SMEs with a greater access to Government opportunities.

Stephen Allott, Crown Representative, is providing a voice at the top table for SMEs

February 11 saw the introduction of a new 'Crown Representative' to build more strategic dialogue between Government and its smaller suppliers

Regular dialogue with MCO and Senior Officials representing SMEs

Meeting programme held with 12 trade associations – yielded plenty of insights – results feeding into the next phase of the programme

Working with the Lean procurement and SME teams to identify 3 current Procurements to make strategic interventions to increase the likelihood of SME success

Initiating work on contract size as the decisive lever for successful SME participation

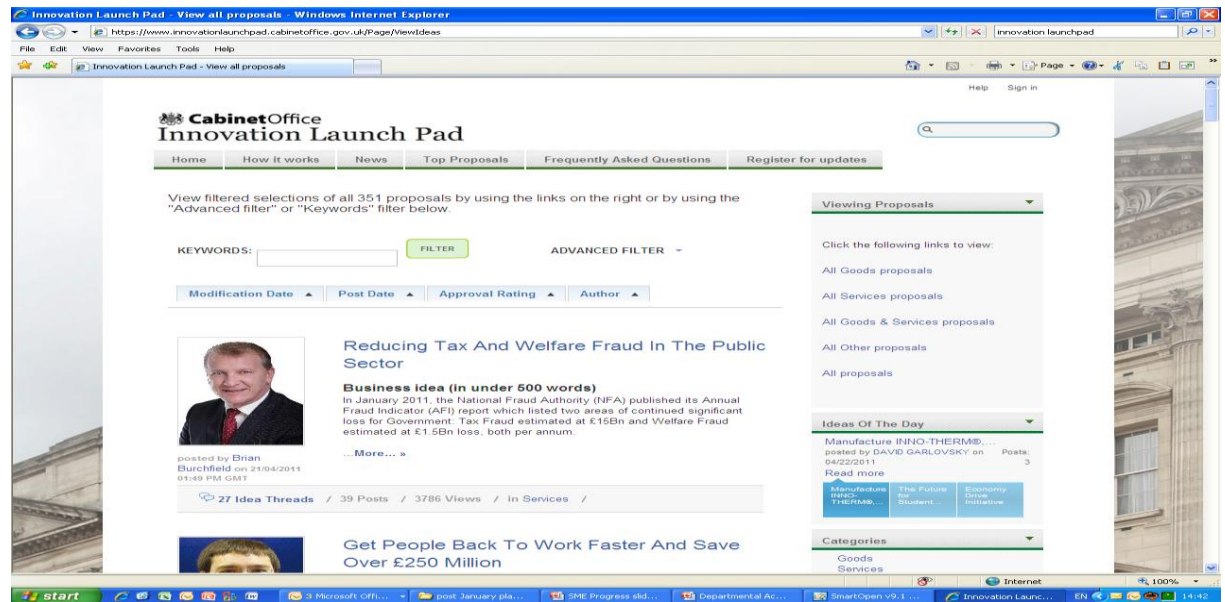


He is launching innovative ways for you to tell us business ideas...

February 11 Announcement: The launch of SME Product Surgeries, led by the SME Crown Commercial Representative, to enable selected SMEs to 'pitch' innovative products and services to a panel of senior procurement and operational professionals from central government and the wider public sector

First departmental Product Surgery held in Birmingham in June by Department for Transport. 6 more products surgeries planned

Innovation Launch Pad – 351 ideas submitted – top 10 companies will be invited to surgery and reception at No11 with MCO



The screenshot shows the Cabinet Office Innovation Launch Pad website. The page title is "Cabinet Office Innovation Launch Pad". The navigation menu includes "Home", "How it works", "News", "Top Proposals", "Frequently Asked Questions", and "Register for updates". The main content area displays a list of proposals, with the top one titled "Reducing Tax And Welfare Fraud In The Public Sector". This proposal is described as a "Business Idea (in under 600 words)" and is posted by Brian Burchfield on 21/04/2011. The article text mentions the National Fraud Authority (NFA) report and estimated losses of £1.5bn. Below the article, there are statistics: "27 Idea Threads / 39 Posts / 3786 Views / In Services /". To the right of the main content, there is a "Viewing Proposals" section with links for "All Goods proposals", "All Services proposals", "All Goods & Services proposals", "All Other proposals", and "All proposals". Below that is an "Ideas Of The Day" section featuring a post by DAVID GARLOVSKY on 04/22/2011. The bottom of the page shows a Windows taskbar with various open applications and the system clock.

And we are taking steps to address capability to deliver these changes

- February 11 launched the **Commercial Interchange Programme** to bring commercial skills from the private sector and send public sector procurers out:
 - 15 companies contacted and 11 participating with ERG, DfT, DECC, Defra and FCO
 - 3 secondees already working in ERG
 - Welcome interest from companies of all sizes
- **Procurer events:** Series of events to roll out required change to procurement community
 - First SCS event – 13 July
 - Autumn: roll out across the regions
- **Licence to Source:** Training for all procurers to run 'Lean' procurements