

‘Best Councils to do business with’ contest

Entry Form

Local Authority Name: Chelmsford City Council
Contact Name, Telephone and Email Contact details: Redacted
Entries and enquiries to: bestcouncils@bis.gsi.gov.uk Closing date: 22 February 2013 (17:00 hrs)

This competition will judge the actions and practices you have set in place to support small businesses in competing more successfully for your council's procurement business.

We are keen to hear examples of what you are doing, why it represents good or excellent practice, and what positive outcomes have resulted from your actions.

In FY2011-12, what proportion of your procurement spend and contracts were to small businesses?	What do you estimate this will be in FY2012-13?
Proportion of Spend was 30% equating to £6m	35%

How do you recognise the value of small business suppliers in your procurement?

Please tell us:

- How you engage small businesses (including social enterprises and voluntary and community sector organisations) and their advisers, to understand what solutions they can offer your council.
- How you communicate strong encouragement to small firms that you are “open to their business”, including any actions you have taken to help develop the procurement capacity and capability of your local small business supplier base.
- How you design procurement competitions to optimise SME participation eg by breaking down contracts into lots, or defining an optimal contract size for the market.
- How your procurement strategy reflects the benefits of procuring from small businesses and how this informs your economic development strategy.

Response: (250 Words Max – expand box as necessary):

Chelmsford City Council was the first Council in the East of England to sign the small business friendly concordat, and has worked with collaborative partners to standardise and reduce the amount of paperwork required to compete in public sector opportunities. This includes the prevention of repeat document submissions for subsequent contracts. The Council was also a prime partner in the development of a single pan Essex business portal for the advertisement of district level contract opportunities with direct automatic communication to the Business community.

Lot strategies are developed, requirements broken down into contracts suitable for small

business. e.g. Cyclical and reactive maintenance requirements advertised and let in contracts suitable for the SME market in this field.

Chelmsford was one of the first councils to introduce 10 day payment targets for invoices submitted by SMEs. We aim to make 65% of payments within the 10 day target and currently achieve 77%.

The Council has a relatively high threshold before requiring formal tenders to enable SME's to compete for business.

How can small businesses find out about your Council's procurement opportunities?

Please tell us:

- How you engage with small firms about emerging opportunities in advance of a formal procurement exercise.
- How and where you advertise contract opportunities.
- What steps you have taken to improve supply chain participation from small suppliers.
- How you work with prime contractors to ensure SMEs have access to supply chain opportunities.

Response: (250 Words Max – expand box as necessary):

The Council regularly engages in 'meet the buyer' events targeted at de-mystifying public sector procurement methodology.

The Council is a leading partner in the Procurement Agency for Essex that provides a single rationalised portal for business wishing to engage with 18 public sector authorities in Essex, simplifying the process for SMEs seeking opportunities with the public sector.

The Council was a prime partner with Improvement East in the development of regional contract database. All current contract details are published on this database giving SMEs a single reference point for information. This data is invaluable to SMEs developing plans for engagement with this public sector.

The Council also seeks to work collaboratively with public sector partners to develop contract opportunities that provide best value whilst recognising the value available through using locally based businesses.

The Council has recently awarded planned and reactive maintenance contracts that were awarded in lots to facilitate the use of smaller companies.

When appointing main contractors the Council has included contract terms requiring they pay SME sub-contractors in the same timely manner as enjoyed by the main contractor.

How do you measure and account for your procurement with small businesses?

Please tell us:

- How you use data to challenge and improve procurement with small firms across your council's spend.
- Whether and how you make information on spend with small firms publicly available and easily accessible.

Response: (250 Words Max – expand box as necessary):

The Council asks all new suppliers to identify whether they are an SME and then regularly analyses engagement and the level of spend by the Council in this supplier group.

The Council always responds positively to the annual enquiries submitted by the Federation of Small Businesses and has been recognised by the FSB as consistently achieving an excellent level of spend with SME's.

How do your procurement, bidding and contracting processes support small businesses?

Please tell us:

- What actions you have taken to ensure quicker, simplified and less costly processes are in place for smaller procurements below EU thresholds, including any specific approaches for the lowest value contracts.
- How you promote innovation and access from new entrants to the market
- What policy you have on prompt payment for small business, including small contractors in supply chains.
- Whether and how you investigate poor procurement practice and hold procurement staff to account.
- How you offer constructive feedback to unsuccessful bidders to help them improve future bids.

Response: (250 Words Max – expand box as necessary):

The Council has a target to pay all SME's within 10 days, and encourages main contractors to adopt the council's payment terms for all sub-contractors used in the fulfilment of council projects.

The Council regularly attends meet the buyer events for SME's and has organised an event entitled "Chelmsford Showcase for Business" providing free training for local business with supporting networking opportunities.

Post tender award feedback is offered to all bidders irrespective of project size. Where the feedback highlights areas for improvement these are not merely highlighted but constructive advice for improvement is also offered.

The Council has also trialled the use of pre tender supplier briefings in instances where there is a large potential SME market. In the instance of our Arboricultural Services contract the SME suppliers were pleased that the Council had hosted the briefing. The briefing was timed for late afternoon, at dusk when working outside was not possible, ensuring the meeting did not adversely affect the SMEs business activities. The advice shared at the briefing was intended to de-mystify the tendering process and set out clearly the Council's aim in establishing the multi-supplier framework agreement. The contractors selected as a result of the process were all SME's, most of which were either located in the Council area or in neighbouring areas. The engagement was set up as a pan-Essex framework, thus also widening the SME business opportunity.

What have you learnt from your procurement approach with small businesses that

could most benefit your Local Authority peers?

Response: *(100 Words Max – expand box as necessary):*

Engagement has been key; meeting businesses and explaining the processes in place creating an environment in which SMEs can feel confident of not being overlooked.

The development of multi-supplier frameworks provide excellent opportunities for local SME's. As well as the Aboricultural Services described above the Council adopted a similar strategy with lithographic printers. A large number of SME's being successful in winning business and increasing their opportunity for new business.

Offering a debrief for bidders highlighting the areas that should be improved to increase the chance of winning business. Where appropriate we also offer sample policy documents and training opportunities.

What's your next big thing to help small businesses increase their chances of winning more of your contracts?

Response: *(100 Words Max – expand box as necessary):*

The development of lotting strategies on suitable tenders to allow SME's to bid successfully.

Development of collaborative working with Procurement Agency for Essex partners that will drive value for money whilst recognising the advantages of working with local SME's.

Is there anything else you wish to add to support your application?

Eg you may wish to expand on a particular example of excellent practice that you have set in place and/or provide a short case study on where you have achieved better value for money by contracting with a small business.

Response: *(500 Words Max – expand box as necessary):*

Chelmsford City Council proactively supports small business with rates relief - we do make sure we send out application forms to all new small businesses we think might qualify for SBRR, and follow that up with a phone call if they don't return the form.

Chelmsford City Council also seeks to support small businesses in a number of ways outside of procurement. We recently set up the new Chelmsford Enterprise Service which offers free face to face advice with an accredited business advisor for small businesses and start up businesses. Each year the Council puts on the Chelmsford Showcase for Business. This free event includes a number of useful seminars containing business advice and motivation, as well as opportunities for networking and an exhibition of useful local contacts. Our Procurement Team is always available at the event to advise local businesses and the event last year benefited from a specific seminar dealing with procurement.

The Council actively engages with local businesses through the Chelmsford Business Forum (CBF). The CBF consists of officers from the Council alongside representatives from numerous Chelmsford businesses and organisations and exists to ensure good communication takes place and so that the business community can be better consulted. The new chairman of the CBF represents a Chelmsford procurement related business as well as being a regional chairman of the FSB. As part of the channel of communication, a CBF newsletter is produced which is sent out to every business in Chelmsford. The newsletter contains useful updates on events, policies and news along with where to go for advice and support. We also communicate key issues with our businesses via e-bulletins and Twitter.

We have also developed an extensive 'business' section of the Council website including a number of pages on 'Doing business with the Council'. These pages include guidance for conducting business with the Council, as well as detailing the current contract opportunities.

The Council also participates in annual NNDR consultations with the FSB and the Essex Chambers of Commerce, which provides local businesses with an opportunity to discuss Council priorities related to the local business community and to raise any concerns they may have about local service provision.