

‘Best Councils to do business with’ contest

Entry Form

Local Authority Name: Cornwall 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?
47% (based on ~90% categorised spend)	49%

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):

Cornwall Council make every effort to engage small businesses in the procurement process. Within the Corporate Procurement Team there is a dedicated officer dealing with Responsible Procurement, including engagement with small and local businesses.

We have close working relationships with the Chamber of Commerce, Local Enterprise Partnership and Federation of Small Businesses. Officers have been made available to these organisations for participation at membership and public events.

In addition Cornwall Council are now working much more closely with potential suppliers in the pre-procurement stage of projects. We have run pre-qualification questionnaire workshops for the domiciliary care sector and supplier information days on a greater number of projects each year.

We have been doing work with our current suppliers on Safeguarding vulnerable adults and children including face to face workshops. We believe these are the first of their kind in the Country and are being used as a pilot for a wider supplier engagement programme due to launch in FY 2013/14.

Wherever possible, whilst maintaining value for money, contracts are broken down into lots (usually geographical). Examples of where this has been done can be found in our response to the final question.

Cornwall Council are just about to launch a new Procurement Strategy. The Responsible Procurement Officer has been heavily involved in the drafting process and working with small and local businesses is profiled highly.

Overall the aim is to make the procurement team more accessible to the private sector. This engagement will allow us to deliver a better, more intelligent service and effective category management.

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):

Cornwall Council funds the development and maintenance of the Tenders in Cornwall website. The website is free for both buyers and suppliers to register on and notifies suppliers of tender opportunities in their areas of work. The website is used widely across the public sector in Cornwall providing a great resource of small and local suppliers. There are currently 14,440 people registered to use the service and in the past 12 months 384 opportunities were posted.

It is in the Council's Contract Procedure Rules that all procurement projected valued over £10k must be posted on Tenders in Cornwall to ensure maximum possible access by small and local suppliers. The Tenders in Cornwall website is currently undergoing a review to make it an even more valuable resource for our potential suppliers.

Procurement projects advertised on Tenders in Cornwall are also listed on procurement portals including Contracts Finder and Supply South West maximising opportunities for smaller businesses across the rest of the UK.

On certain specialist projects adverts are also placed in local press publications and trade publications.

In line with the EU Regulations all procurement projects over the thresholds are advertised on the Official Journal of the European Union.

As part of the Cornwall Supplier Development Programme, due to launch at the start of FY 2013/14, we are also in the process of compiling our first ever Procurement Pipeline which will show upcoming procurement activity for up to 12 months. This Pipeline will be updated on a quarterly basis to ensure that upcoming activities are not misrepresented.

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):

Historically our monitoring of these statistics has not been strong. However at the start of FY 2012/13 the Council moved onto a new Oracle ERP system making data far more reliable. When new suppliers are added to the system their organisation size and location is included in their record.

We now run quarterly reports on SME spend, local spend and our top 100 suppliers.

Our spend data is available on the Council's website. Data including SME spend, spend in County and spend with top 100 suppliers is all available on the 'Selling to the Council' bridge page. The data is also available in our 'Selling to the Council Guide' and our 'Approach to Small and Local Businesses' which are available on the Council's website, the Tenders in Cornwall Website and hardcopies are made available at business events.

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):

Within our contract procedure rules it is defined that the project routes taken should be:

£0 - £10k	3 written quotes
£10k - £50k	Request for Quotation or Open ITT for high risk
£50k – OJEU	Open ITT or 2 stage (PQQ + restricted ITT) PAS review
>OJEU	Open ITT or 2 stage (PQQ + restricted ITT) PAS review

The Council have employed a Procurement Assurance Scheme for the last 3 years for projects valued over £50k. This helps to remove the chance of poor procurement practice. Every project is scrutinised by a panel both in terms of delivery options and the procurement process itself. The panel review the project at both pre-procurement and award stages.

Toolkits to help suppliers with completion of both pre-qualification and tender documentation are available on our website.

For some time we have been running a preferential payment system for smaller businesses, ensuring they are paid within XX days, recognising the difficulties of cash flow for our suppliers. On some contracts we are now passing these payment terms on to subcontractors, specific examples are offered at the end of this application.

Our pre-qualification questionnaire is now closely to wholly pass fail giving suppliers a clear indication of their ability to progress through the process.

Feedback is offered to both successful and unsuccessful suppliers at both the pre-qualification and tender stages. This is often in a written form but can be provided face to face if requested.

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):

We have found working the small businesses extremely valuable. Their ability to innovate and find new solutions to problems posed in contract delivery is undeliverable by larger organisations. They are also often more willing to adapt their practices to bring them in line with the Council's creating a more consistent approach, particularly in service delivery. It does however often require more effort to involve them in the procurement process. Time spent running supplier information days and supplier workshops, helping them to complete documentation, is time well spent and drives a better level of competition in the procurement process.

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):*

In FY 2013/14 Cornwall Council are going to launch the Cornwall Supplier Development Programme. This Programme aims to help make businesses in Cornwall more 'tender ready' with a particular focus on small businesses and the voluntary and community sector. It will include webinars for potential suppliers covering a range of topics including how to complete prequalification questionnaires, submitting high quality tenders and policy development workshops on Health and Safety, Safeguarding and Equality and Diversity. As part of the Programme the Council will also be trailing the idea of 'Collaboration Cafes', networking events aiming to facilitate consortia bids for specific contracts.

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):*

Cornwall Council covers a geographical area that is both rural and highly isolated. Our county has a vast number of SMEs and particularly micro-SMEs which account for over 85% of all businesses.

One of the most important recent changes in the Council's approach to small and local businesses has been the integration of all policy through procurement agendas into our Responsible Procurement Programme. This has ensured a much great proportionality in our considerations of agendas such as environmental sustainability, equality and diversity and safeguarding – removing barriers for SMEs to access contracts.

As an organisation we are developing a much more co-ordinated approach to business engagement. Economic Development are facilitating a business engagement group of Council and ALMO Officers to ensure complimentary activities are maximised and duplication minimised. The ongoing activity in the Procurement Service is also supported in the Council's Economic Development Strategy which seeks to "develop procurement and supply chain policies and programmes that support Cornish small business growth".

As part of a recent tender for the design and prototype of Sustainable Bus Shelters the council appointed a micro with financial guarantee from a larger organisation. This has allowed a greater flexibility and level of creativity in the contract delivery than may have been possible with a larger supplier.

To support the inclusion of smaller businesses in the delivery of our capital and civil construction frameworks businesses had limited access to different lots. The frameworks were split for projects >£1million and <£1million and businesses were only able to tender for one or other of the lots, many of the SME's opting to bid for the <£1million lot.

The Regional Growth Fund is a good support mechanism for established manufacturing companies with project teams. The Council was aware from its close working with Cornish businesses that the majority of small businesses would not be able to draw up and submit detailed bids for projects within the narrow timescales under which the Regional Growth Fund operates. Consequently, the Council bid for money from the Regional Growth Fund and combined this with some of its own money to create a £17 million pot. This fund is called Business Boost. This was made available from May 2012 until March 2015.

As a Council we are very excited about the launch of our new Cornwall Supplier Development Programme and following extensive private sector engagement in its development we believe uptake will be good. In April 2014 the Programme will be reviewed and built on to ensure it offers best value and is fit for purpose. A more competitive tender process is better for both the Council and its suppliers.

Further information on our Initiatives to support small and local businesses can be found on the Council's Responsible Procurement website:

www.cornwall.gov.uk/responsibleprocurement