

Priorities For Inclusion in the SOG Workplan

1. Agree a common definition of SMEs, as well as SME-related key performance indicators (including establishing baselines), across the member authorities;
2. Ensure that internal procedures (for example, the ESPO Business Case proforma) prompt consideration of the need for, and means of, making individual procurement exercises as SME-friendly as possible. Prompts may include consideration of the letting strategy, the extent to which the specification could be based on outcomes, whether to hold a Bidders Conference, SME-friendly contract conditions, allowing enough time for consortia bids¹, and directly notifying known SMEs in the respective market of the contract opportunity;
3. Ensure that the new Pre-Qualification Questionnaire (PQQ), including guidance (currently being developed by ESPO) is not excessively onerous, and can be tailored to be proportionate to a particular procurement exercise (e.g. insurance requirements);
4. Develop a co-ordinated approach to giving advanced warning of upcoming contract opportunities and the advertising of contract opportunities, including the flagging of SME-friendly contracts;
5. Consider if, and how, the evaluation process can take account of the contribution made to the local economy, including SMEs (e.g. Members community strategy and targets);
6. Include SME friendly contract conditions in contracts with prime contractors, where appropriate. For example, requiring the prime contractor to:
 - a. Apply the same payment terms as agreed with the council to the payment of the sub-contractors they use in delivering the council contract;
 - b. Advertise sub-contracting opportunities, relating to the council contract, on an agreed portal (for example, the appropriate Source East Midlands website).
7. Develop a programme of market development/tendering capacity-building work, including delivering presentations at SME forums, attending 'Meet the Buyer' events, providing advice of how to set up consortia, creating a database of SMEs, and targeting SMEs that have previously been unsuccessful when pre-qualifying/tendering;

¹ It is recognised that recent guidance from central government has encouraged reducing the duration of the procurement process and that longer processes may add cost to both tenderers and the procuring organisation.

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