



Crown
Commercial
Service

Selling to government

A guide for small and medium-sized
enterprises (SMEs)

by Emma Jones

and the Crown Commercial Service



GOV IS OPEN

FOR BUSINESS

What are small and medium-sized enterprises?

Turnover or balance sheet total	Headcount	Business size
≤ €50 million or ≤ €43 million	< 250	Medium-sized
≤ €10 million or ≤ €10 million	< 50	Small
≤ €2 million or ≤ €2 million	< 10	Micro

About Emma Jones MBE

Emma was appointed as Small Business Crown Representative in July 2016. She was selected for the role because of her wealth of experience in working with SMEs. She is the founder of small business support group Enterprise Nation, and the co-founder of StartUp Britain.

Emma's work in her role as Small Business Crown Representative includes:

- working with government and the Small Business Panel to identify the remaining barriers to SMEs doing business with the public sector;
- supporting the launch of a new campaign to help show that 'Government is Open for Business' for SMEs, and helping them bid for, and win, more contracts; and
- increasing awareness among smaller businesses of opportunities to deliver on behalf of larger private sector firms who have secured government contracts.

About the Crown Commercial Service

The Crown Commercial Service (CCS) brings together policy, advice and direct buying providing commercial services to the public sector and saving money for the taxpayer. CCS works with over 17,000 customers in the public sector and its services are provided by more than 5,000 suppliers.

CCS has brought policy, advice and direct buying together in a single organisation to:

- make savings for customers in both central government and the wider public sector;
- achieve maximum value from every commercial relationship; and
- improve the quality of service delivery for common goods and services across government.



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Introduction

If you are looking to grow your business and considering selling to central government, this guide is for you.



As Small Business Crown Representative, I'm championing businesses like yours within government and promoting the

innovation, agility and value for money you can offer.

At the same time, I'm offering small and medium-sized enterprises advice on how to bid for and win government contracts. In addition to the benefits of winning new business, you can rely on the government for prompt payment and it will add a solid credential to your client portfolio.

If you think government only buys big-ticket items like roads, ships and rail, think again.

Whether you're selling consulting services, food and drink supplies, garden landscaping or PR support, government is buying what you offer.

And there's never been a better time to start selling to this market. Government has made a commitment to increase spending with SMEs to 33% by 2020, either directly or through the supply chain.

That's £15 billion worth of contracts up for grabs every year - and it will be spent with businesses like yours.

This guide is part of a suite of support to help you bid for and win government contracts. You can find out more online at www.gov.uk/openforbusiness

Work with us

Selling direct to government

Take a look at notices for past opportunities and awards on Contracts Finder. If your business is experienced in taking full responsibility for winning and delivering contracts of similar sizes and types to those you see, consider bidding for contracts to supply directly to government.

Find opportunities now

Contracts Finder is the Government's single online portal where contracts valued above £10,000 in central government and above £25,000 in local government are listed. It's free to register and search opportunities at www.gov.uk/contracts-finder.

Top tip - Research the market

Search Contracts Finder for past tenders and awards in your sector. You can search by geographical area or contract type. This will give you valuable insight into the market you are about to enter and the competition.

James Smith and Steve Thair started their tech company DevOpsGuys just 3 years ago. Now they employ a workforce of over 40 people. Winning a government contract when they were just starting out fuelled the rapid growth of their business. James Smith said:

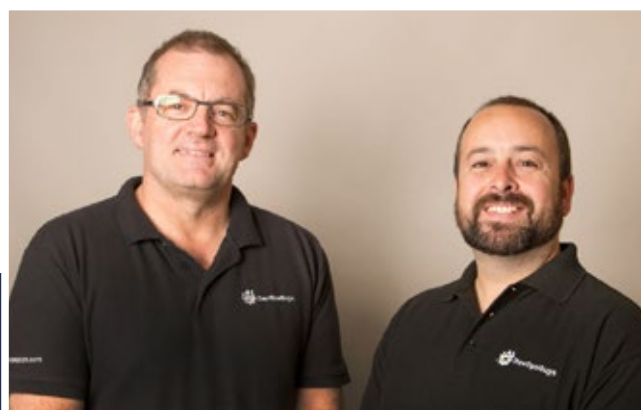
“When you have government in your portfolio you attract more business; it’s an instantly recognised, trusted brand. It gives potential customers the confidence to do business with you. We’ve doubled our turnover every year and we’re on track to do the same again this year.”

Join the supply chain

With a bit of research, you could join a government supply chain. You can do this by searching Contracts Finder for contracts that have been awarded to big businesses, then look on their website for contract opportunities or approach them with an offer to work with them.

Big businesses such as Microsoft and Fujitsu win work to deliver IT programmes, and the likes of Sodexo secure army and prison catering. This is a great way to build up experience and get closer to working directly with government.

We have been working with larger government suppliers to encourage them to share more information about their supply chain. As a result, many larger suppliers are now using Contracts Finder to advertise upcoming opportunities for smaller businesses to work with them on government contracts.



Work with us

Attend a 'meet the buyer' event

These events provide you with an opportunity to talk to departments about their planned projects. It's also an opportunity for government buyers to learn about your services and products. Departments will advertise these events on Contracts Finder and on their department pages on **GOV.UK**.

Top tip - Join forces

If you feel you are too small to deliver a contract alone, consider joining up with other small suppliers as a consortium to compete for larger contracts.

Frameworks

You can compete to join a government 'framework' specific to your goods and services, such as IT, health services or vehicle parts. If successful, you become a preferred contractor. There can be further competition for contracts but this is only between businesses on the framework. The Crown Commercial Service manages a number of frameworks for government; find out how to access current opportunities at www.gov.uk/ccs.

Top tip - Keep learning

Always ask for feedback, whether successful or unsuccessful. Ask the government buyer to outline your strengths and weaknesses and use this to improve your next pitch.



Kindred have been contracted to work on a large variety of government campaigns including the Home Office, Department for Education and Food Standards Agency, to provide PR, social and digital services. Andy Ravan, Managing Partner, Kindred, said:

"The procurement process was surprisingly easy and incredibly fair. It is understandable that at first SMEs may be daunted by working with such a large organisation. The process itself and the Crown Commercial Service (CCS) framework is very straightforward."

Get tender ready

Documentation

Government and its largest suppliers want to feel confident you can deliver the products or services they need.

This means checking you have the ability and financial standing to get the job done. For some goods or services, your business might need to prove you meet specific requirements, such as data handling or product safety.

If you don't have the documentation needed at the time you are applying, make it clear in your application that you will make sure all documentation is in place if the contract is awarded.

Mystery Shopper

We are continually improving the government procurement process. You can help by anonymously reporting any issues you find to our free Mystery Shopper Service.

MysteryShopper@crownccommercial.gov.uk



Assessment

Take the assessment seriously. Understand that no matter how good you are, you will not win in a competition unless you make your strengths clear in the assessment.

Think of it as a job interview or exam: make sure you answer the question, give evidence of your experience and examples of your successes.

Don't be afraid to ask questions - government buyers will be more than happy to answer them.

Top tip - Start low, aim high

The quickest way to build a government customer base is to aim for opportunities under £100,000 where government has removed Pre-Qualification Questionnaires (PQQs). This means less paperwork and is a great foundation for competing for bigger sales in the future.

Robert Barclay is Managing Director of Fox Feeds. He said:

“The award of this contract has radically changed this company. We’ve hired more people and created exciting development opportunities by creating new specialist jobs. By developing our workforce and production systems, we have increased our turnover. Government is a great customer and I would recommend doing business with them”

What are government buyers looking for?

Value for money

Government buyers are accountable for their spending and have to show how they have delivered best value for money. If you can demonstrate your approach is cost-effective and helps government make savings, it will support your application.

Meet the brief

Read the advert carefully and make sure your answers show how you meet the brief. Include relevant examples that show you have experience and success delivering the goods or services advertised. Offering a range of possible solutions will also support your application.



Small businesses

Yes, government departments want to work with small businesses! They want to work with a business that can deliver great customer service, adapt quickly to emerging issues and provide innovative solutions.

Top tip - Show and tell

Cite evidence in your bid. If you say your system will show or do something, prove it: include a screenshot of how it works or other tangible evidence.

Prompt payment

New legislation means that public sector buyers must pay suppliers within 30 days. Most central government departments meet this target, and in most cases 80% are paid within 5 days. The largest suppliers to government have also signed up to the Prompt Payment Code. This means you will get paid in 30 days, whether you sell direct to government or via those suppliers, provided your invoice is valid.

In 2012, Montagu Evans applied for a place on the Estates Professional Services (EPS) Framework, and were successful. Instantly it had a positive effect on the business. After winning a place on the EPS framework, Montagu Evans has continued to grow. Expanding their workforce from 225 to 325 employees, they're now considered a big business rather than an SME.

“Back in 2012 when we applied for a place on the EPS Framework our annual turnover was £26.5 million, but today it's £40 million. A significant part of this growth is due to our place on the EPS Framework.”

Here are our successes so far - and the shape of things to come.

Simplify

Like many businesses, I found the experience of bidding for government contracts lengthy and complicated.

We've made the process simpler and I'm delighted to announce a trial is underway called 'Complete Once', where you will provide information once and it will be saved for future to save you time.

Next, we will be focusing on simplifying the language in contracts and making terms and conditions easier to understand. Don't forget, if you do uncover problems when trying to work with government, you can tell the Mystery Shopper service anonymously who will investigate.

Innovate

Working with small businesses with new ideas generates innovation in government. In autumn 2016, the Prime Minister announced a review of the Small Business Research Initiative (SBRI). The report, which will be made to ministers in spring 2017, will set out how we can increase the impact of SBRI to give innovators their first break.

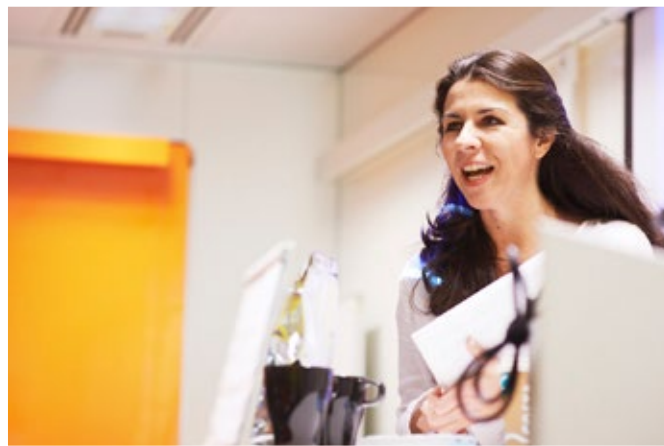
In November 2016, we launched a panel of business experts. I will be working closely with the panel as they use their experience of working with government to challenge and improve key areas of the procurement process.

Promote

I am passionate about getting out there and meeting businesses face-to-face, so I've been on tour! I've hosted roundtables in Birmingham, Leeds, Bristol and London, and have spoken at events across the UK, meeting over 100 small businesses.

Online, I've hosted webinars with buyers across government and, working with the Crown Commercial Service and the Cabinet Office, we've reached over 1 million people with the new 'Government is Open for Business' [campaign](#).

Make sure you keep up to date with the campaign throughout 2017 by signing up for our monthly [e-newsletter](#) at gov.uk/openforbusiness.



Emma Jones

Small Business Crown Representative