PUBLIC PROCUREMENT: THE DIFFICULTIES SMES FACE IN CONTEXT OF COLLABORATIVE PROCUREMENT

[07/07/2020/V2]

https://www.york.ac.uk/campus-investment/current/multi-purpose-substation/

https://www.york.ac.uk/campus-investment/current/expanding-our-energy-centre/

BARRIERS FOR SMES

- Lack of in-house bid resource – may also lack the back office support services required for contracts .
- Specialist - larger companies may have strengths across range of areas of business they can call upon.
- Timescales for tendering process for frameworks can span 12-18 months, call-off contracts typically shorter but another competitive process to go through once approved on a framework.
- Ability to secure funds/borrowing - also cost of bonds etc may be increased.
- Potential difficulties faced when proving financial security if new business
- Lack of resource to meet specific KPI’s
- Difficulties understanding context of public procurement; frameworks typically 4 year duration, large number of contracting authorities put these in place each with own procurement processes and e-platforms
- Funding pressures on public sector bodies can mean cost is still a key driver despite Value for Money assessment

TEC
ENERGY & EDUCATION CONNECTED

SUPC
Southern Universities
Purchasing Consortium

ESPO

NEUPC

TUCO
The University Caterers Organisation

Pelican
Procurement Services

North Western Universities
Purchasing Consortium

NHS
Shared Business Services

APUC
Advanced Procurement
for Universities & Colleges

Scape Procure
Regional Construction

Crown
Commercial
Service

YORhub
CONSTRUCTION FRAMEWORKS FOR YORKSHIRE & HUMBER

UKSBS
Shared Business Services

ypo

POSSIBLE SOLUTIONS

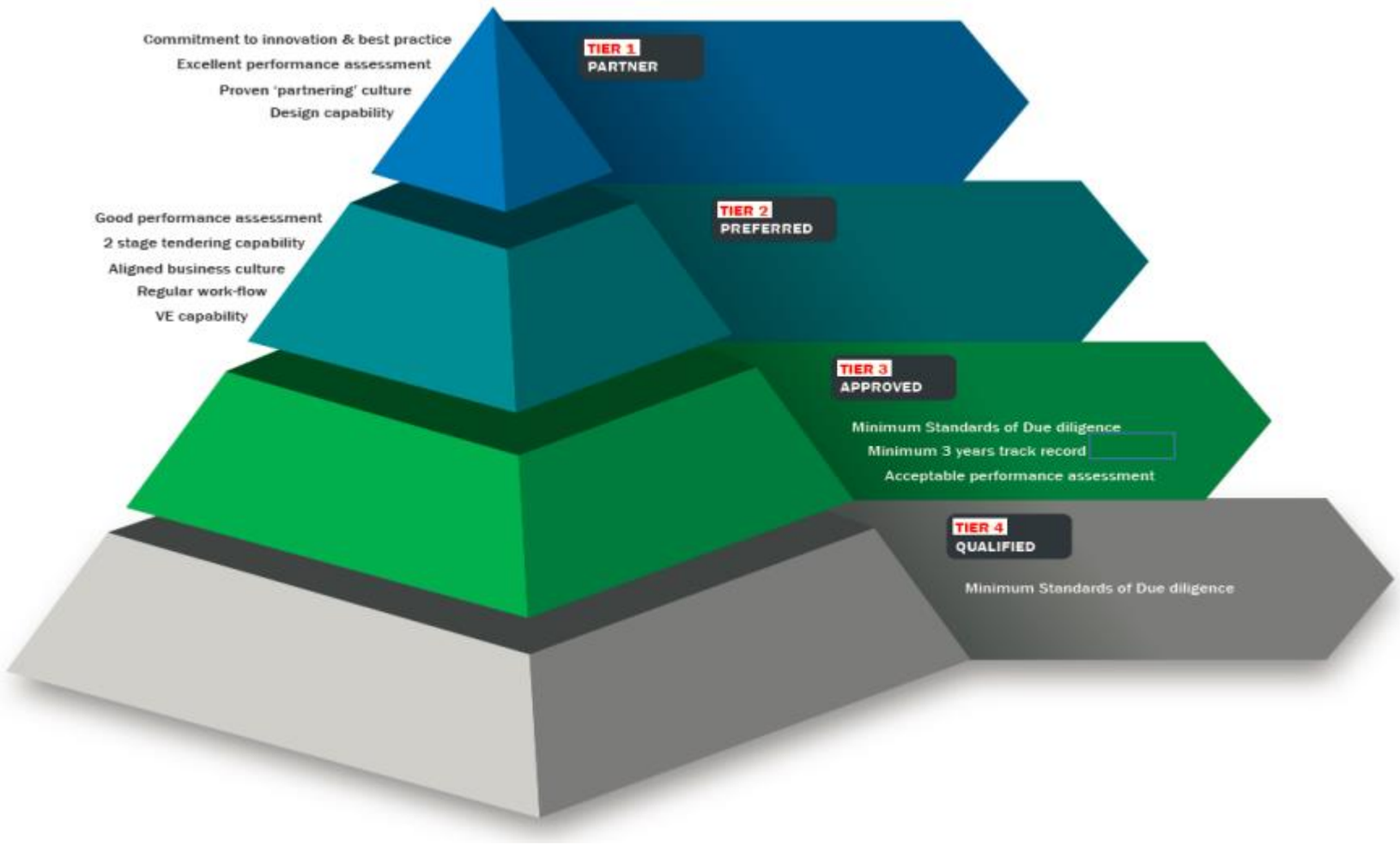
- Other contracting models; for example use of Dynamic Purchasing Systems
- Ensuring Lots are used where single contractor not essential
- Varying bid process; use of face-to-face interviews, sample packages of works to assess bidders
- Better advertisement of subcontracts to Tier 2, Tier 3, … contactors
- Educating supply base to how to access opportunities; Xpress RES solution demand and supply tool https://www.xpress-h2020.eu/online-resources/matchmaking-tool/.
- Continuing engagement programme with SME suppliers; Meet the Buyer events, Preliminary Market Consultations (Reg 40, PCR 2015)
- Use of geographical lots where possible

IN PRACTICE

YORhub

Supply chain engagement

HOME / SOCIAL VALUE / SUPPLY CHAIN ENGAGEMENT



ANY QUESTIONS?