



Voluntary, Community and Social Enterprise organisations: a bidder's guide to working with central and local government

This guide is aimed at voluntary, community and social enterprise organisations (VCSEs), including charities and public service mutuals considering selling to central and local government or becoming part of the supply chain for delivering public services.

How do I use this guide?

Use the advice and practical examples to find opportunities and bid successfully.

This guide is designed to give an overview of the process so we have kept it short and simple. There are plenty of great detailed guides already out there which have been linked to throughout this document.

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Please direct general inquiries about this document to the Office for Civil Society.



As the VCSE Crown Representative, I act as an intermediary between government and the voluntary sector to champion the Social Value Act and an improvement in commissioning practices.

The expertise of charities, community groups, public service mutuals and social enterprises ('VCSEs') means they are often ideally placed to help create compassionate, responsive and efficient public services. I am working alongside the Cabinet Office and the Office for Civil Society, other government departments and the sectors to unlock the barriers that have prevented VCSEs entering this market in the past.

Claire Dove OBE, follow me on twitter [@VCSECrownRep](#) and [my GOV.UK page](#) for updates.

Introduction

The Public Services (Social Value) Act 2012 places a requirement on commissioners to consider the wider social, economic and environmental benefits to communities when procuring services. We want to secure these wider benefits and encourage co-design to deliver better services and improved outcomes.

The Civil Society Strategy reflects this commitment and the importance of social value through all our work with civil society. On 25 June 2018, the Minister for the Cabinet Office made a public commitment to extend the requirement of the Act in central government to ensure that all major procurements explicitly evaluate social value, where appropriate, rather than just consider it. Additionally, through implementation of the Civil Society Strategy we will work with commissioners and the sector to increase the impact of the Social Value Act.

The government aspires to spend £1 in every £3 with SMEs by 2020, and I want to spread the message that this very much includes VCSEs, so it's a great time to consider if these opportunities are right for your organisations. Working with government can help organisations build experience and credibility, alongside boosting sustainability and diversifying income through guaranteed and prompt payment. Whether you are bidding for contracts or interested in getting involved as part of the supply chain, the opportunities are wider than you might realise.

This guide is just the start - we will update and improve it with you and for you, so if you have good examples or ideas, please get in touch. I hope you find this guide useful and I look forward to working together to build stronger public services that deliver the greatest possible impact to our society.

Understanding the market

The first step is to develop your understanding of the public service market and what options there are for you to participate. It's also a good idea to familiarise yourself with the current procurement regulations which govern public sector procurement.

Find opportunities

All central and local government contracts valued above the relevant EU threshold are first advertised on [Tenders Electronic Daily \(TED\)](#). Many notices must also be published on the UK portal, [Contracts Finder](#), shortly afterwards. Most below-threshold contracts with a value above £10,000 for central government and above £25,000 for local government must be advertised on [Contracts Finder](#).

The only contracts which aren't required to be advertised on [Contracts Finder](#) are certain contracts for health care services, contracts advertised by a maintained school, Academy or sixth form college corporation (above EU threshold contracts only), and contracts advertised by contracting authorities whose functions are wholly or mainly devolved functions. It's free to register and search opportunities on both [TED](#) and [Contracts Finder](#).

No-deal EU Exit scenario

In the event of a "no deal" EU exit, government has published a [technical note](#) which includes guidance on where contracts will be advertised.

Top Tip - Research the market

You can also search [Contracts Finder](#) to look 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.

Selling directly to government

You can bid for contracts to supply directly to government either alone or as part of a consortium bid.

Join the supply chain

You could also consider joining a government supply chain. We have been working with larger government suppliers to encourage them to share more information about their supply chains. As a result, many larger suppliers are now using [Contracts Finder](#) to advertise upcoming opportunities for smaller organisations to work with them on government contracts.

You can do this by searching for contracts that have been awarded to big organisations, then look on their website for contract opportunities or approach them with an offer to work with them. This is a great way to build up experience and get closer to working directly with government.

Know your options

Top tip - Start small, aim high

For opportunities with a value below the relevant EU threshold and above £10,000 for central government or £25,000 for local government, Pre-Qualification Questionnaires (PQQs) can no longer be used.

This means less paperwork and is a great foundation for competing for bigger sales in the future.

Learn about the commissioning cycle and contracting [here](#).

Top tip - Join forces with consortium bids

If you feel you are too small to deliver a contract alone, consider joining up with other small suppliers as consortium to compete for larger contracts. You can find more information about consortia [here](#) or see the [Charity Commission guidance](#) on collaborative working and mergers.

Case Study: [H4All Wellbeing Service](#)

In April 2016, the Hillingdon Health and Care Partnership (HHCP) commissioned H4All's flagship Wellbeing Service for Hillingdon residents aged 65 or over that need support to better manage long term conditions, frailty, social isolation and to bring people into greater contact with their local community. Using the risk stratification Patient Activation Measure (PAM) assessment tool, the service pro-actively identifies and supports older people with the greatest potential to be further empowered to better manage their own care planning and health and wellbeing.

Through their combined experience and expertise, H4All provides residents with the tools, strategies and understanding to better manage their conditions, promoting more appropriate usage of primary care services. In its first year, using PAM data, cross-referenced with GP-held data, H4All was able to evidence a saving of £681,940 to the local health economy. H4All is now a key element of Hillingdon's whole system framework of integrated care for older people.

Finding opportunities

As we outlined earlier in this guide, **TED** and often also **Contracts Finder** are great places to start to find opportunities. You can also search for other opportunities to sell goods or services to the public sector through the following methods:

- **Social enterprises can sign up to the [Buy Social Directory](#).**
- **Local Authority or public sector organisations websites will usually have a procurement section including commissioning strategies and tender opportunities.**
- **Newspapers and trade magazine advertisements**
- **[Tenders Electronic Daily \(TED\)](#) for above-threshold public sector contracts in other European Union (EU) countries.**
- **[NHS Health Procurement Portal](#)– advertises opportunities to provide clinical services commissioned by the NHS in England.**

Frameworks

A framework agreement is a type of 'umbrella' agreement'. A lead buyer agrees terms with one or more suppliers via a procurement (in line with the rules of the **Public Contracts Regulations 2015**) and then they, and any other pre-advertised organisations can purchase goods or services from the suppliers on the framework agreement, subject to these terms.

Each subsequent purchase forms a contract. This means public sector organisations can request your services using shorter, simpler processes saving you and them time. 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 **here**.

Opportunities to shape future services

Early engagement events

There are opportunities to co-design and get involved in designing services. Getting involved can be a great way for VCSEs to explore if upcoming contracts are right for their organisation and contribute their expertise to help shape innovate local solutions that better represent the service user. These opportunities can be found on TED and Contracts Finder but it is also worth looking on the relevant departmental website as many advertise there too. **There are three main types of early engagement opportunities.**

Early engagement events

Early engagement offers the chance to talk to commissioners or get involved in designing services ('co-design') before the specification for a contract has been written.

Events range from information gathering to workshops that put forward proposals on solutions.

Search 'early engagement' on contracts finder.

Bidders' events

Officials frequently run events immediately before or during the early stages of a tender process.

The purpose of these events is to explain the documentation and objectives of a specific project and offer the chance to ask specific questions about the process.

Search 'future opportunity' on contracts finder.

Attend a 'meet the buyer' event

These events provide you with an opportunity to talk to authorities about how to bid, what their organisation's future plans are and how they approach public services.

It's also an opportunity for government buyers to learn about your services and products.

These events are advertised on the relevant organisation's website.

Getting ready to tender

Documentation

To ensure vital public services are delivered to the quality expected by the public, government and its suppliers will want to be sure that 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, you 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. **Remember that you can ask clarification questions during a tender** (a deadline by which these must be received will be stated in the documentation).

Need support getting 'commissioning ready'?

If you are new to bidding and need help understanding what is required then you may find it useful to speak to someone from a national or local infrastructure body. Your local Council for Voluntary Services (CVS) may also be able to assist.

General Data Protection Regulation (GDPR)

GDPR came into force in May 2018 and sets guidelines for the collection and processing of personal information of individuals within the European Union (EU). The Information Commissioners Office (ICO) has a range of guidance included information targeted for small businesses and charities [here](#).

Financial Standing

Procuring authorities are required to clearly state the minimum financial requirements and any methodology for assessing economic and financial standing. Make sure you meet these before you bid.

Product Safety

Under the [Consumer Rights Act 2015](#), all products must be 'fit for purpose', be of satisfactory quality and fit their description.

This means that your products must fulfill the purpose the customer has been led to expect and the reasons that led them to buy it. Read more [here](#).

Getting ready to tender

Assessment

Procuring authorities must treat every bidder equally; they will evaluate suppliers on what they read in the tenders only, so it is really important that you answer the questions fully. 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 by the deadline given.**

Some technical responses may carry more marks than others so make sure you understand the weighting of the questions. It can be useful to use this as a structure for your responses.

Public Procurement Review Service

The Public Procurement Review Service sits within the Cabinet Office and allows government suppliers and potential government suppliers to raise concerns anonymously about potentially poor public sector procurement practice. This service, previously known as the Mystery Shopper Service, allows continual improvement of government procurement service, and it is free to contact them at publicprocurementreview@cabinetoffice.gov.uk

Case Study

A supplier wanted to tender for a contract and was experiencing delays in receiving responses to clarification questions raised. This was hindering them in putting together a comprehensive bid submission so they wrote to the Public Procurement Review Service to ask for assistance.

Outcome: The Contracting Authority responded promptly to the enquiry and provided updates on the number of clarification questions outstanding. They extended the tender submission deadline, this allowed time for other clarification questions to be raised, for responses and sufficient time for potential suppliers to finalise their bids before submitting.

What government buyers are looking for

Small VCSES

Yes, government departments want to work with VCSEs of all sizes. They want to work with organisations that can deliver great customer service, adapt quickly to emerging issues and provide innovative solutions.

Value for money

Government buyers are spending taxpayers money and, as we're sure you would want, they have to show that they give everyone an equal opportunity and have delivered best value for money.

It's not enough to assume a buyer knows about your organisation. If the information isn't in the tender, they can't consider it. If you can demonstrate your approach is cost-effective and helps government make savings, it will support your application.

Top tips

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 bid.

Showcase your experience

Your bid will be assessed based only on what you include so if you have a proven track record make sure this is showcased.

Provide evidence

Read the advert carefully and make sure your answers show how you meet the brief. 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.

Equally, if the government buyer has indicated in the procurement documents that they will be assessing social value and you can offer this (for example you will employ apprentices to deliver the contract), make sure this is clear and evidenced.

[More on social value on page 10.](#)

Did you know...? Prompt payment

Public procurement legislation requires government buyers to include 30 day payment terms in their public contracts, and to ensure such terms are included down the supply chain. 80% of central government departments pay their suppliers within 5 days. The largest suppliers to government have also signed up to the [Prompt Payment Code](#). This means you will get paid in at least 30 days, whether you sell direct to government or via those suppliers, provided your invoice is valid.

The Public Services (Social Value) Act 2012

Summary

The Public Services (Social Value) Act applies when a procuring authority in England or Wales* procures the provision of services, or the provision of services together with the purchase or hire of goods or carrying out of works, that is subject to Part 2 of the Public Contracts Regulations 2015. The Act places a requirement on commissioners to **consider the economic, environmental and social benefits of their approaches to procurement.**

It also **encourages commissioners to talk to their local provider market or community to design better services**, often finding new and innovative solutions to difficult problems. Contracts for goods and works are not currently covered by the Act.

On the 25th June 2018 the Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office, David Lidington announced the intention for **central government departments to lead by example by extending application of the Social Value Act to goods and works too.**

*(other than authorities whose functions are wholly or mainly Welsh devolved functions)

Why does it matter to VCSE organisations?

Many VCSE organisations are already excelling on delivering in these areas. The SVA allows authorities to formally recognise the contributions organisations make to communities. When including social value in a bid, remember to fully describe your impact and outcomes to demonstrate why you are the best candidate for all parts of the specification.

What does social value look like in practice?

Remember that these are just a few examples and commissioners will often encourage innovation from you!

Economic

- Skills, training and recruitment: employment, training and development opportunities for those facing barriers to work. E.g. ex-offenders, long term unemployed
- Opportunities for Small and Medium Enterprises (SMEs) including Voluntary, Community and Social Enterprises (VCSEs)

Social

- Monitoring labour standards through the supply chain
- Improving skills and access to digital technology
- Approaches that encourage wellbeing and mental health

Environmental:

- Heritage protection
- Reduction in waste to landfill

Looking for more information about social value?

- [Social Value Hub](#)
- [Social Value Taskforce](#)
- [Social Enterprise UK](#)

Glossary of terms

BVR - Best Value Review	It is a requirement of the Local Government Act that all councils ensure that they achieve "best value" from all their contracts.
Commissioning	A cycle of activities including strategic planning, budgeting, procurement and performance managements.
Contractor	A firm or person who has made a contract to supply goods and/or services.
Consortia	In this context a group of public sector organisations that engage in joint procurement for a portfolio of works, supplies or services. Often when doing this the organisations involved obtain better value through economies of scale and reduced tendering costs.
Competitive tendering	Awarding contracts by the process of seeking competing tenders.
Early market engagement	The practice of consulting with suppliers before a business goes to market or enters negotiations.
ITT - Invitation to tender	This document is used in the tendering process and will advise of when and where tenders should be submitted.
PQQ - Pre-qualification questionnaire	This document is used in all tendering processes for contracts subject to Part 2 of the Public Contracts Regulations 2015, except the open procedure where it can be used but is not required. It is used to help procuring authorities shortlist suppliers.
Social Value	Social value seeks to maximise the additional benefit that can be created by procuring or commissioning services above and beyond the benefit of merely the services themselves.
VCSE	VCSE organisations includes small local community and voluntary groups, registered charities both large and small, foundations, trusts and the growing number of social enterprises, public service mutuals and cooperatives. These are often also referred to as third sector organisations or civil society organisations.

About Claire Dove OBE, DL

Claire Dove OBE, DL was appointed as VCSE Crown Representative in February 2018.

She has been a key player in the social enterprise movement since the early 1980s and has led the award-winning Blackburne House Group, one of the leading providers of adult and community education in the country, since its inception.

From December 2007 to January 2017 Claire was Chair of Social Enterprise UK (SEUK). She is a member of the Alder Hey Hospital Trust and, until recently, was a Board Member for the Charity Commission.

Claire was awarded an MBE for her work in the mid-nineties. She received an OBE in 2013 and was given the Queen's Lifetime Achievement Award for Enterprise Promotion.

Claire's work in her role as VCSE Crown Representative includes

- Working alongside government departments and the Crown Commercial Service to strengthen the sector.
- Reducing barriers to VCSE's participation in public services markets.
- Promoting more impactful use of the Social Value Act.

About the Office for Civil Society

The Office for Civil Society (OCS) sits within the Department for Digital, Culture, Media and Sport (DCMS) and is responsible for policy relating to young people, volunteers, charities, social enterprises and public service mutuals. OCS holds policy responsibility for the Social Value Act. NB: Cabinet Office lead on procurement policy.

OCS has drawn on many published sources of information in compiling this guidance and would like to recognise copyright. The content has been developed in collaboration with partners and particular thanks goes to Salford CVS, Hillingdon Carers and members of the VCSE Advisory Panel

We can also provide documents to meet the specific requirements for people with disabilities. Please email enquiries@culture.gov.uk Department for Digital, Culture, Media & Sport Printed in the UK on recycled paper

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