

# Tendering for Contracts for Social Enterprises

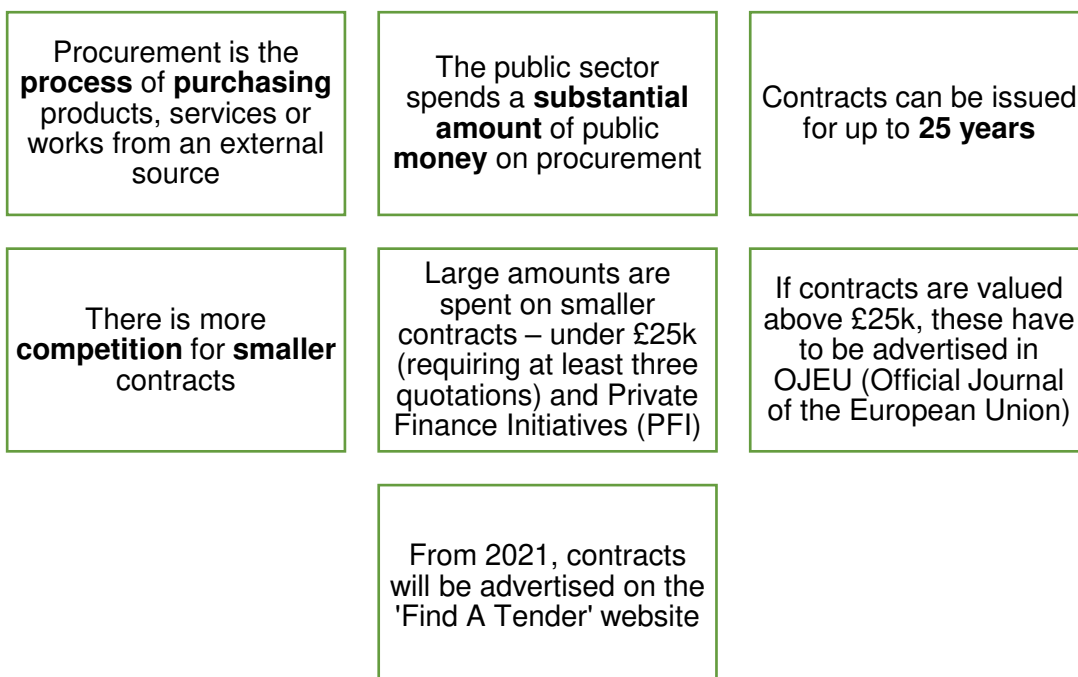
**How to become tender ready for contracting with public sector organisations and commercial businesses.**

Many social enterprises are established to **serve local communities** replacing public sector services. Some of these social enterprises develop their capacity to **deliver public sector contracts**. Public sector organisations adhere to strict European Union and central government **guidelines** when contracting with organisations. Understanding the **procurement process** and how to assess the **'tender readiness'** of your social enterprise will help you on the path to winning contracts.

## Introduction to Procurement



Public sector commissioning is the design and development of a service based on an assessment of local priorities, national requirements and market supply. Service objectives are outlined and an appraisal is carried out on the options to deliver the service. From this, public sector organisations set out standards expected from potential suppliers to deliver the service.



**TIP** – Opportunities may be in supply chain or as part of a consortium.

– Keep your eyes out for opportunities – use a PESTLE analysis (Political, Economic, Social, Technological, Legal and Environmental) against the local, regional, national and international agendas to plan for the next two years.

## The Types of Organisations that Tender for Suppliers

There are a wide range of organisations that buy products and services from other businesses that follow guidelines on procurement.

Public sector organisations have to follow EU and government guidelines, whereas other organisations may have a tendering, quotation or application process for suppliers to adhere to. Post Brexit, notices will no longer be required to be published on the OJEU, they will have to be published on 'Find a Tender', which will go live on 1<sup>st</sup> January 2021.

### Public sector organisations:

- Local authorities
- Government offices
- Health service
- Police
- Fire service
- Probation service

### Other organisations:

- Schools
- Commercial companies
- Social enterprises
- Charities
- Community and voluntary groups
- Funding bodies

## **The Tender Process**



The tender process that a public sector organisation follows can be quite complex. The following is a brief overview of the steps undertaken:

- 1) Tender advertised
- 2) Complete a Registration of Interest
- 3) Complete a Pre-Qualification Questionnaire (PQQ) or pre-tender questionnaire
- 4) Complete tender documentation
- 5) Called to interview
- 6) Preferred supplier, negotiation on details
- 7) Sign contract
- 8) Commence work, manage and monitor contract

## **Benchmarks for Success**



There are key factors to take into consideration when tendering for contracts:

Understand the tendering process	Have a good relationship with buyers	Evidence of your track record	Evidence that you meet the needs of your end users and customers
Have an appropriate legal structure	Be confident in selling your products and services	Be competitive	Plan for growth and change

## **Evidence Checklist**



Your social enterprise may need to have the following Pre-Qualification Questionnaire (PQQ) requirements in place:

- Robust financial systems (capable of managing the contract's requirements)
- Management systems to deal with the day to day operation of the contract
- HR strategy/ staff handbook detailing any training/ accreditations needed
- DBS checks
- Equal opportunities policy
- Environmental policy, environmental management system
- Health and safety policy
- Details of Equality Act 2010 compliance

- Compliance with Employment Law legislation
- Accident book records of any reports in the last 5 years under RIDDOR
- Membership of (recognised) professional bodies
- References from previous customers
- Quality management system and certificates
- CVs/ biographies of directors and managers including any disqualifications
- Technical qualifications (appropriate certificates)
- Bank references, including how you may provide a performance bond
- Three years' accounts
- Three years' financial projections including income, expenditure, profit, loss, and balance sheet
- Breakdown of costs
- Company's annual report
- Insurances – public liability, employer's liability, professional indemnity (if appropriate) and any infrastructure equipment to be used on the contract
- Risk assessment protocol and risk management system
- DUNS number (nine-digit number that is a code for each business. It is the international standard for identifying businesses)
- Evidence of company legal entity

#### **Where to go for further help:**

- Bluelight procurement database for the emergency services  
<https://www.blpd.gov.uk/logon.aspx?ReturnUrl=%2fdefault.aspx>
- Government website contracts finder (over £10,000)  
<https://www.gov.uk/contracts-finder>
- Government website - public sector procurement post-Brexit  
<https://www.gov.uk/guidance/public-sector-procurement-after-a-no-deal-brexit>
- Official Journal of the European Union – publication of all tenders  
<https://www.ojeu.eu>
- SEE Ahead – business support <https://seeahead.co.uk>
- Social Enterprise UK <https://www.socialenterprise.org.uk>
- Social Enterprise Yorkshire & Humber <https://seyh.org.uk>
- Social Value UK – member-led social enterprise impact management  
<http://www.socialvalueuk.org>

- Tenders Electronic Daily – Supplement to the OJEU  
<https://ted.europa.eu/TED/browse/browseByMap.do>
- Yorkshire and Humber Tenders <https://www.yortender.co.uk>

