

Introduction

This series of Top Tip Guides has been produced to support Third Sector learning providers so that they will be better informed on key issues and the use of effective standard practices.

How to Find Contracts - Top Tips

1. First – establish whether the work is being **COMMISSIONED** or **PROCURED**. The rules governing each are different.
2. The rule of thumb regarding contract values is: only bid for contracts if your turnover is at least double, preferably treble, the expected value of the work.
3. All public sector contracts are advertised - for free - you just have to know where to look.
 - a. www.publictenders.net
 - b. www.contractsfinder.co.uk
 - c. Individual websites of public sector bodies
4. Beware of **Frameworks**. These are really approved lists and do not guarantee work. They usually run for four years. If you win a tender for a framework contract, this means your name will be placed on the list along with all the other winners. Buyers can then look at the list and select a supplier.
5. Check **Contract Award Notices** (available on the websites shown in **3** above). These give the name and address of the winning organisation. Why not write to them and offer your services as a sub-contractor if they decide to bid for work in your area?
6. Remember that public sector bodies set **Thresholds**. The value of a contract will dictate what the buyer expects of a supplier. E.g. a contract which will cost the buyer less than £10k may only require the buyer to obtain one quote.
7. Look at the Strategic Plans of public sector bodies. These will set their targets for up to the next 10 years.
8. Check PIN notices (PIN = Prior Information Notice). These give details of all the contracts which will be let in the coming 12 months. Advance warning will give you time to get yourselves prepared.



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9. Attend Meet the Buyer events. This provides you with the chance to sit in front of someone who wants to buy what you're selling.
 - a. Google "Meet the buyer" for local events
 - b. www.btob.co.uk for larger events (you will have to pay to attend)
10. If you meet a buyer, you will only have 5-10 minutes to pitch. Don't talk about how great your organisation is. Talk about what's in it for them if they take you on as a supplier – how you can make them look good.

*Top Tips supplied by Helen Marini of **Westminster Compliance LLP 5 Elstree Way Borehamwood Herts WD6 1SF**
Registered in England No: OC337155 Registered Office: 5 Elstree Way Borehamwood Herts WD6 1SF.
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Tips for finding Private Sector Contracts

- build contacts with potential customers
- get involved with local networking groups and Chambers of Commerce
- advertise in local and national newspapers
- advertise in trade and professional magazines covering your area of business
- research contracts outside your business sector which may produce secondary contracts for you, e.g. if a new office block is built, it will need office equipment, desks, carpets, signage, stationery, cleaning etc
- keep an eye on press and other reports - a company may be relocating, expanding or sub-contracting part of a big order
- develop your network and pick up information from other businesses.

Key points to consider?

- Get hold of the bid documents and analyse them.
- Make sure you can match the technical, skill and experience requirements.
- Do you meet the necessary requirements - e.g. environmental and diversity?
- How much will it cost to prepare your bid?
- Would the work fit in with your strategy and positioning of your business?

- Estimate the costs of fulfilling the contract and whether or not you'd make enough money to justify it.
- Assess how the contract would affect your other work, staffing and ability to take on other new business.

Source – Business Link

Definitions

- **Contract** - an agreement with specific terms between two or more persons or entities in which there is a promise to do something in return for a valuable benefit known as consideration
- **Commissioning** - is a broad concept and there are many definitions. The Department of Health describes commissioning as the means to secure the best value for local citizens and taxpayers.

It is the process of translating aspirations and need, by specifying and procuring services for the local population, into services for users which deliver the best possible health and wellbeing outcomes and provide the best possible health and social care provision within the best use of available resources. (Department of Health, Commissioning Framework for Health & Wellbeing Services, 2007)

- **Procurement** - The process of obtaining goods and services from preparation and processing of a requisition through to receipt and approval of the invoice for payment.

It commonly involves purchase planning, standards determination, specifications development, supplier research and selection, value analysis, financing, price negotiation, making the purchase, supply contract administration, inventory control and stores, and disposals and other related functions.

Resources

- **NAVCA**
 1. <http://www.navca.org.uk/understanding-contracts>
 2. Local Commissioning and Procurement Unit (LCPU) provides practical information, advice and support in this area www.navca.org.uk/stratwork/positions/procurement
- **NCVO** (www.ncvo-vol.org.uk/commissioningandprocurement) includes Commissioning and procurement: step by step. This section introduces commissioning and procurement, explaining the processes, purpose and terminology of commissioning public services from the voluntary and community sector (VCS). It includes an excellent further reading list.

- **ACEVO** (<http://www.acevo.org.uk/Services+Resources>) has a range of support services to help third sector organisations become more efficient and effective. Support is available for a range of areas including Impact Reporting, Partnership Programme; Working with Local Authorities; Full Cost Recovery; Income Generation; Procurement and Commissioning of public services; Consortia Support
- The Department for Business, Innovation & Skills (<http://www.bis.gov.uk/>) recently updated its free e-learning course - **Winning the Contract** - based on feedback from small businesses, government buyers and social enterprises. This can help you gain an understanding about public procurement and how to bid for public sector contracts.
- You can [download](#) a guide to tendering for public contracts published by the Department for Business, Innovation & Skills (BIS). (<http://www.bis.gov.uk/>)
- **Social Enterprise UK** (<http://www.socialenterprise.org.uk>) has produced two useful documents. A brief guide to the Public Services (Social Value) Act 2012 (http://www.socialenterprise.org.uk/uploads/files/2012/03/public_services_act_2012_a_brief_guide_web_version_final.pdf) and Working with the public sector: busting the myths (http://www.socialenterprise.org.uk/uploads/files/2011/11/guide_working_with_the_public_sector_busting_the_myths.pdf)