

Case study

Improving Local Partnerships

Voluntary Action Sheffield

Third sector access to procurement opportunities

Project: Procurement Support Project

Aims: To help local third sector organisations make the most of procurement opportunities in Sheffield and engage in the commissioning process.

Area profile: City Council in Yorkshire and Humber

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Case study description:

In 2005 Voluntary Action Sheffield (VAS) appointed a Procurement Support Project Officer to help local third sector organisations engage better with the public sector.

Sheffield City Council produced a procurement strategy that mentioned the commitment to a 'diverse and mixed supplier base' giving hope to local SMEs and third sector organisations that previously had not been involved in supplying to the council.

In the following years Sheffield City Council and VAS have been able to work together more closely and influence each others activity to ensure it is more coherent.

Developments have included:

- A new 'commissioning framework' especially mentioning the third sector;
- A dedicated officer in the council to drive the changes;
- Revised tender documents, risk and insurance thresholds;

- New and clearer documentation from the council about their procurement practices;
- A mentor scheme to help third sector suppliers get procurement officer support on their tender submissions;
- Capacity building support to local third sector organisations and support to help the creation of new consortia in the city;
- Meet the buyer events;
- Involvement of LIOs, chamber of commerce, and local SMEs in redesign of council paperwork

Project delivery: what happened?

In 2005 Voluntary Action Sheffield (VAS) appointed a Procurement Support Project Officer to help local third sector organisations engage better with the public sector. Sheffield City Council produced a procurement strategy that mentioned the commitment to a 'diverse and mixed supplier base' giving hope to local SMEs and third sector organisations that previously had not been involved in supplying to the council.

VAS, together with other local infrastructure organisations, took the initiative to develop relationships with Sheffield City Council, which were up until then fairly ad-hoc and high level.

Both the local authority and the local third sector had problems and barriers that were restricting further trade between each other. VAS initially concentrated on capacity and knowledge building of the local third sector to raise awareness of the realities of contracting.

An early conference brought together interested parties and representation from Sheffield City Council. This event led to a number of recommendations being made by VAS to improve communication and open up access to opportunities. It became clear that there was no baseline of activity of spend or trade with the third sector. Council spend was hard to analyse as internally there was (at the time) little coordinated breakdown of each directorate's spending.

The chief executive of the council gave support to a 'commissioning framework'. A first draft of this was passed by the Local Strategic Partnership with the new LEGI team taking responsibility for implementation.

An appointment within the Council's LEGI programme of an officer to specialise on procurement and reforming council practices to make trade with local SMEs and the third sector got the ball rolling. The commissioning framework now reports to a project board with a range of stakeholders, and has been widened to include consideration of SMEs as well as local third sector suppliers.

There was a feeling that previous work in the area had produced lots of policy documentation but little that showed procurement officers actually “how to do it”. The dedicated worker within the council has started to produce documents that have been created in partnership with the legal compliance department and representatives from the third sector to do just that. For instance one of these documents outlines specifically how commissioners can engage with potential suppliers at the design stage of a contract without incurring problems with collusion or cartels.

Recently the LSP, Sheffield First, has agreed to develop a shared website portal, Buy4Sheffield, for contracts worth less than £20,000. This will effectively enable all local suppliers to be tender-ready.

Outcomes and impact for the organisation

What difference did the project make (e.g. to people – staff and service users – and the wider community)?

Smaller third sector providers are now starting to witness the creation of service specific consortia to bid in due course for contracts. The competing agenda outlined in the Gershon review of efficiency savings has in some instances led to contracts, SLAs and grants that had previously been awarded to small neighbourhood organisations being bundled into less but larger contracts.

VAS’s approach has been to work with commissioners of those services and help create consortia of providers who will in due course be able to bid for the work. Different levels of membership are open to different sized/equipped organisations who would then deliver the work. The consortium would therefore have all necessary policies, procedures and quality standards in place to complete the tender process, which may not have been the case for each individual supplier within the consortium.

Lessons learnt

- **What would you change if you were to repeat this?**
- **What could other organisations learn from this experience?**

Without investment from public sector organisations, the early stages of consortium development are very fragile. The local third sector needs to be able to make the best possible case for service commissioners to invest in the development of their supply chain and to see this as being a legitimate expenditure. At present, there are very varying levels of understanding – and suspicion – about whether they’re allowed to do this.

Despite all the work done and the progress made, it’s still very difficult for very small organisations (with only one or two staff) – it seems that procurement is still not for them.

It is very important to have to have funded posts for the work of procurement support, both in the local authority and in the local third sector. It is all but impossible to undertake this work alongside the development or assessment of tenders.

Quotes

“The Procurement Support officer has been a vital source of information and encouragement acting as an external facilitator and challenger when required. Setting up a Consortium from your own bootstraps and explaining your model to funders as well as partners is quite a challenge, but with her help we did it, and secured a Citywide funding agreement for service delivery. She has also given us the confidence to challenge procurement policies that artificially disadvantage our sector.”

Frances Potter, Chair of Trustees, CLASSY Ltd (Community Legal Advice Service for South Yorkshire Ltd).

“The link role that VAS play in taking the procurement requirements of a local authority like Sheffield into the Third Sector community is absolutely critical. We work very closely with the procurement support project officer and the insight that she has given in relation to how best engage with the Third Sector has proven extremely useful when we have begun to pull together meaningful guidance on how to deliver the policy and strategies that have been developed.”

Lorraine Purcell, Head of Corporate Procurement, Partnering and Programme, Sheffield

Any other comments