



Met Office

**Commercial and Procurement
SME Action Plan
2019 - 2021**



Met Office SME Action Plan

1. The Met Office is an Executive Agency of the Department for Business, Energy and Industrial Strategy, our vision is an economy that works for everyone with great places in every part of the UK for people to work and for business to invest, innovate and grow. We strive to support businesses to start and thrive and to drive growth across the country.

2. The Met Office also depends upon a diverse and competitive supply chain to encourage innovation, achieve our priorities and obtain value for money. We have taken steps to buy goods and services more effectively and to open up more opportunities to smaller businesses. This includes removing barriers, improving commercial and procurement processes and having better supplier engagement to encourage SME involvement.

3. Met Office is always looking for ways to stimulate small business participation in bidding for goods, works and services. Our aim is to build on the good work completed today in our supply chains.

Chief Financial Officer

Progress so far

Current Average SME Direct Spend

Average Direct Spend with SMEs reported in the Commercial & Procurement Quad (2018/19):

Quarter 1: SME Spend £5,035,727.99 of Total Spend £22,640,070.73 = 22.30%

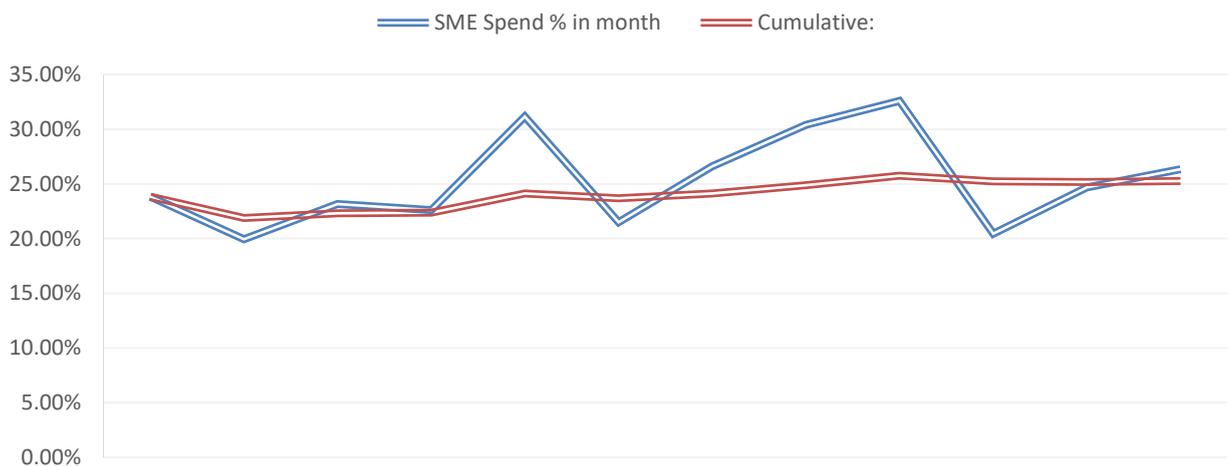
Quarter 2: SME Spend £5,465,327.55 of Total Spend £22,472,513.72 = 25.08%

Quarter 3: SME Spend £5,594,298.88 of Total Spend £18,981,877.78 = 29.81%

Quarter 4: SME Spend £5,156,185.60 of Total Spend £21,845,568.67 = 23.81%

FY18/19: Total SME Spend £21,251,540.02 of Total FY Spend £85,940,030.90 = 25.26

SME EXPENDITURE FY18/19



	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
SME Spend % in month	23.82%	19.94%	23.15%	22.60%	31.16%	21.49%	26.60%	30.39%	32.58%	20.44%	24.66%	26.32%
Cumulative:	23.82%	21.88%	22.30%	22.38%	24.13%	23.69%	24.11%	24.89%	25.75%	25.22%	25.17%	25.26%

Lean procurement – Met Office supports and adopts lean procurement principles such as the need for early market engagement and supplier days. This helps break down barriers and encourages greater SME participation and wider interest. It also helps us develop better specifications with greater confidence that our opportunities are attractive to the market and can be delivered.

Proper consideration of optimal contract size – Service requirements are now routinely broken down into lots to increase SME opportunities. We also use many

frameworks e.g. IT Technical Training Framework/Use of G-Cloud for Digital Solution/use of CCS Frameworks;

Crown Commercial Service – About a quarter of Met Office’s procurement spend is via Crown Commercial Services (CCS). This is our preferred route to market provided a suitable framework is in place for the goods, works or services required. Historically aggregation of demand worked against SME involvement and many frameworks had little or no SME participation. CCS is working to address this problem and have set their own target of 35% of all spend through their frameworks to be with SMEs by 2021 which Met Office supports through framework spend where appropriate to do so;

Increasing competition - All procurements in scope of the EU Public Procurement Directives must be advertised in the Official Journal of the European Union (OJEU) and are advertised in TED (Tenders Electronic Daily). By default the OJEU open procedure is followed unless there are good reasons not to do so although Met Office do few through this process due to the use of the CCS Frameworks;

Short form of terms and conditions – Met Office has adopted this for all procurements valued up to £10,000. These proportional and balanced terms reduce the burden on suppliers which can discourage SME involvement;

No Selection Questionnaire (SQ) – Met Office no longer uses the selection questionnaire unless there is a clear justification for doing so;

Prompt Payment – Met Office abides by [Prompt Payment Policy](#) and promotes the [Prompt Payment Code](#) which aims to pay suppliers on time, provide clear guidance and encourage good payment practice. Met Office aims to pay over 80% of suppliers within 5 days and Accounts Payable recently achieved 85%.

Government Procurement Card (GPC) Payment – GPC is the preferred method of payment for all low value goods and services purchases under £5K at the Met Office. SME suppliers make up a large percentage of this group of suppliers. It provides a simplified process for procuring low value, non-strategic, goods and services on behalf of the Met Office. This substantially reduces the time in which SME suppliers are paid compared with traditional procurement routes.

Met Office Action Plan – Met Office will treat the action plan in Annex A as a living document and will update it with new actions and updates on SharePoint in Office365. This is anticipated to be on the anniversary of the original publication date.

Useful Link:

Met Office eTendering Portal – Procurement opportunities

<https://procontract.due-north.com/Opportunities/Index?tabName=opportunities&resetFilter=True>

Contracts Finder – UK Government procurement portal advertising procurement notices, pre-procurement opportunities, procurement live and contract award.

<https://www.gov.uk/contracts-finder>

CCS Public Sector Procurement Guidance – Information on public sector procurement-policy

<https://www.gov.uk/guidance/public-sector-procurement-policy>

The Federation of Small Businesses

<https://www.fsb.org.uk/>

Met Office SME Stories:

<https://www.metoffice.gov.uk/about-us/who/sustainability/working-with-smes>

<https://www.metoffice.gov.uk/about-us/who/sustainability/working-with-local-firms>

Document Control

Title	SME Action Plan
Owner	Head of Commercial & Procurement
Author	Category Manager
Content Approved By	Senior Category Manager
Maintainer	Senior Category Manager
Release Date	08/10/2019
Valid Until:	07/10/2020

Change History

Version No.	Revision Date	Reviewed By	Approved By	Summary of Changes
V1.0	08/10/2019	Senior Category Manager	Head of Commercial & Procurement	Original release
V2.0	17/10/2019	Sub-category manager	Senior Category Manager	FY18/19 Spend Data updated and completed