

SME Steering Group - Cumbria

Meeting 12 – 9am-1pm 23rd October 2015, NDA Moor Row

MINUTES

Attendees

SMEs: Chair: Kurt Canfield (KC) Safety Critical Peter Woolaghan (PW), React Engineering Terry Meighan (TM) Blue Stream Consulting Andy Hooper (AH) Westlakes Engineering Garry Smith (GS), Thomas Graham & Sons (Guest) Ian Park (IP) Park Gate Claire Wilcock (CW) Westlakes Recruitment Tony O’Pray (TP) TIS Ltd	Tier 2s: Graeme Mackenzie-Netherwood (GMN), MITIE Support Organisations: Sarah Mitchell (SM), Copeland BC
SLCs: Stuart Wilson (SW) Sellafield Ltd	NDA: Ron Gorham (RG) Pippa Kelly (PK)
Apologies: John Porter (JP) BEC Mike Nichols (MN) PacTec Liz Bowe (LB) PacTec Mark Watters (MW) Carillion	Chris Jennings (CJ) NDA Sam Dancy (SD) NDA Tom Anderson (TA) Blue Stream Consulting Neil Proud (NP) Cavendish Nuclear Robert Astall (RA) Sellafield Ltd

1) Apologies, Introductions and Minutes from previous meeting

Apologies were received from the above members and Neil Proud tried to dial in but was unsuccessful. Claire Wilcock from Westlakes Recruitment was introduced to the group and Garry Smith from Thomas Graham was welcomed as a guest. Tony O’Pray was welcomed back to the group. KC apologised for the delay in issuing the minutes from the last meeting.

Action : Tom Cummings(?) – SL to check the risk flowdowns from Sellafield and report to next meeting - SW

2) NDA Update - RG

The northern Steering Group sent out a survey monkey to the SME delegates registered to attend the NDA Supply Chain Event in August asking whether they have noticed significant changes in various aspects of their interaction with the NDA Estate. Subjects ranged from T&C’s, flowdowns, performance bonds, Intellectual Property, risk and insurance.

Action : Copy of survey results to be sent to all Steering Groups (anonymised) - PK

Concerns still raised that although procurement plans are visible on SLC websites, visibility at Tier 2 level is not so readily available. NDA are intending to encourage the top Tier 2 companies to use Contracts Finder for all opportunities in the Estate. The SLC Commercial Directors will be discussing how to ensure T&C’s, risk, insurance etc are proportional and relevant to the project and are flowed down correctly through the Tier 2s into the supply chain.

Action : Cumbrian SG would like to support the work on the Indemnity issues and will liaise with the NDA Group (Commercial Directors, Kirsty Snape, RG) – RG

Examples of inappropriate use of T&Cs, risk levels etc at Tier 2 level should be reported back via the Group (to the Chair), SLC Commercial Director or NDA Supply Chain. If Tier 2s are not following the proportional rule discussions will need to take place with the NDA, SLC Commercial Director etc. This also covers any other issues an SME has with working with a Tier 2 that is not following the NDA Flow downs.

SME Steering Group - Cumbria

Meeting 12 – 9am-1pm 23rd October 2015, NDA Moor Row

These issues are also being taken up at Government level and should behaviour be found to be common across Government Departments, future contracts may be in jeopardy.

SME Agenda – RG

The Government proposal is a commitment to use 33% SME's by 2020. NDA are currently in discussion over the most appropriate target and how to achieve this. The background is that SME's make up approx. 90% of British business but this percentage is not reflected in Government Procurement. The proposal is still to have the appropriate mix of SMEs and larger companies. SL have produced a Development for Growth document however it does not mention the SME proportion of training an apprenticeships, IP has concerns that SME's are providing trained workforces to SLCs an Tier 2 companies.

To achieve the 33% Government aspiration, NDA Estate and SLC's will need to change the proportion of SMEs involved in larger capital projects which may mean a higher level of management at the SLC level. RG keen to point out that over the last 4 years the SME value on the NDA estate has risen from 10% to 21% and this significant change will be built upon to achieve the final figure.

SW pointed out that by reducing the long term frameworks there may be a greater possibility to involve more SMEs alongside a change to Category management. IP is concerned that the SME Agenda is not being adopted across the board at Tier 2 level.

3) PQQ Experience for Thomas Graham & Sons – Garry Smith

GS presented the outline of a recent experience when applying for a new tender with Sellafield. Despite previous successful bids in the past, the company were rejected due to a failure on the Health and Safety element. Whilst they felt as a company they have a very good Health & Safety culture, they recognise that this was not translated onto the PQQ accurately, combined with a lack of the SL required accreditation and resulted in failing this element of the application. GS suggested more support and explanation could be offered to small companies on completion of PQQ's and in particular understanding of the reasons behind the increased focus on Health and Safety in this tender.

In response, RG pointed out that the Commercial Directors are aware of the complexity of the PQQ's and since the Government has changed it's stance on PQQ's the emphasis will be on proportionality and relevance. A new team under the auspices of the SSA (Shared Services Alliance) will be looking into to PQQ's over the next year and how to rationalise the questions where relevant. However it is always important to ensure that all information requests are completed as fully as possible.

SW also pointed out that a new 'dummy' ITT is available on CTM to allow preparation for the actual Tender application.

4) Other Issues requiring consideration – All members

SW – Biggest issue at SL currently is the CSR (Comprehensive Spending Review) and how it will affect the supply chain

IP – Visibility of SMEs to the market and Tier 2's and proving the SME is capable of doing the job and doing it well

SME Steering Group - Cumbria

Meeting 12 – 9am-1pm 23rd October 2015, NDA Moor Row

TP – Measurements of success – how to measure SME involvement in the Estate beyond the % spend – can we show the increase in numbers of people working in the industry through SMEs
PW – Transparency and understanding the measures particularly where SME spend is not with genuine SMEs

Action : SW to check the SL definition of an SME as it varies from the NDA definition in some cases (ie when an SME grows or is bought by a larger group)

Action : NDA Collecting all the SME company names from the Tier 2s supplying spend data and issue to the committee for checking. Note Dun & Bradstreet are also being asked by the Government to verify the accuracy of the information supplied.

Action : NDA to consider publishing the top SME Spend names - RG?

AH – Mixed messages on the Spend. Figures indicate an increase in SME Spend but not universally, can the SME spend be broken down into different sectors to project where increases are happening? (ie construction down, professional services increasing)

Action : NDA Provide an annual summary of SME spend by sector - RG

Action : SLCs to consider if a projected spend by sector as part of the procurement plan? – SW

SM – Sustainable Economic Growth – where are the gaps and help to breakdown barriers

GS – Spend on projects. Concern over the loss of SMEs to the market

GMN – Concern in the SL Tier 2 Governance group (of which Mitie is a member) that the downturn in work means Tier 2s maintaining the work in house and not outsourcing to SMEs.

CW – NDA Flowdown terms – T&C's not being consistently applied down the chain. RG responded that such issues should be challenged either through these groups, via the Supply Chain ombudsman or Commercial Director at the SLC's. Additionally clear measurable – action points that are reviewed with achievements published.

TM – Exposure to the right people on site & the changing landscape – how the SME Agenda is being incorporated into Strategy. RG responded that the NDA will be refreshing the SME Action plan and this will be transcribed into an NDA Estate Action Plan.

CW – how to increase the visibility of SMEs capability.

Action : Re-issue and revitalise the Case Study request and promote it's use within the estate – PK

RG – What is the next level/means to measure the SME Agenda success?

Action : PW, Robert Astall, Helen Fisher and SD/RG to discuss possible additional matrices for measuring success in the SME Agenda for discussion at the next NDA Tier 2 CEO meeting in Feb/March 2016

Should the group run a second 'Cumbria Excellence' day?

SME Steering Group - Cumbria

Meeting 12 – 9am-1pm 23rd October 2015, NDA Moor Row

6) AOB

AH – more transparency on the SME data figures please

GMS – sitting on the Tier 2 Governance Group would like to invite an SME to join – CW volunteered

SM – 29th October – Copeland Council's 'Open for Business' day held at Whitehaven Golf Club

New Chair of the Group

Kurt Canfield has decided to stand down as Chair of the group and invited volunteers to come forward. Claire Wilcock put herself forward and was unanimously accepted and thanked by the Group. Thanks were also given to Kurt from the NDA and the rest of the committee for his hard work since the start of the group both in front and behind the scenes. Kurt will remain as part of the group for the time being.

7) Next meeting

Proposed for Jan/February – venue to be decided – any offers to PK please. Doodle will be sent out to all members.