



HOW TO WIN PUBLIC SECTOR CONTRACTS:

**A PRACTICAL
GUIDE**



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INTRODUCTION

Between 2020 and 2021, Public Sector spending reached £357 billion - a figure that's increasing year on year. As the opportunities for Public Sector contracts continue to grow, there's increasingly more space for businesses of all sizes to win a Public Sector bid. The key to winning these bids? Government frameworks. Getting your business on to a national framework opens up endless avenues for growth, provided you can also deliver a successful bid.

Anecdotally, around 80% of businesses fail on their first application to join a framework - not because they're incompetent but because they might not have the right documents or experience in tendering to the Public Sector. Between the application process - and the myth that public contracts are solely the realm of big businesses - many SMEs are put off by the entire thought.

That's where GovData can help. We're a market leader in securing Government business, able to provide specialist advice to any business that wants to take advantage of the huge amounts of money being spent on the Public Sector. We understand how frameworks operate and what Government buyers look for in a supplier. While the process may be daunting, our support has helped hundreds of businesses discover greater opportunity and exceptional growth.

Now, we've decided to put all of that experience into our 'Practical Guide to Winning Public Sector Contracts'. Over the following pages, we're covering everything you need to know about winning a Public Sector contract. From breaking down the myths that circulate the process to providing a step-by-step guide for winning a Public Sector contract, this is all the information you need in one place.

WHAT IS A FRAMEWORK?

Fundamentally, a framework is a selection of suppliers that buyers can choose from. As an agreement created by Government teams, the framework ensures the supply and distribution of goods and services in that sector from pre-approved suppliers. Once a business or supplier has been provided approved status for that framework, they're able to operate within the framework over its complete lifespan. The length of the framework varies depending on the authority and once the approved suppliers have been selected, no new businesses are able to join the framework.

The Public Sector frequently uses frameworks as they can reduce the cost of procurement, ensure the best value is achieved and avoids the potential for lengthy contracts. It's particularly useful for buyers that need to procure technology. The tech sector is typically saturated with suppliers and buyers may not have the technical knowledge to find what is right for them. Frameworks ensure that suppliers answer questions honestly and provide technical specifications to join, which ensures a certain benchmark of quality.

IS JOINING A FRAMEWORK WORTH IT?

As the amount of money invested in the Public Sector continues to grow, it's hit record-breaking highs of £357 billion, a rise of 17% on the year prior. Even now, only 4% of that spend represents big businesses you might expect. This alone highlights how a framework can provide next-level growth opportunities for SMEs and the sheer scale of these Government contracts.

At GovData, we've played a huge part in establishing the SME agenda first outlined in 2018. Within this agenda, all Public Sector companies are legally obliged to spend 33% of the budget solely with SMEs. This figure rises to 50% for technology frameworks. For SMEs, it's exciting to see that the Government has so much confidence in small businesses delivering value back into the economy.

For small businesses, joining a framework can take around 10 weeks, a major commitment of time and resources. Most of this is dedicated to ensuring the application - and the business itself - demonstrates a level of compliance. Despite this being a relatively long process, the rewards are essentially limitless and provide a foundation for growth that may not be viable without any assistance.



This is where GovData can help a business succeed, supporting the application process whilst ensuring businesses have what they need to deliver a winning bid.

WHAT FRAMEWORKS DO GOVDATA WORK WITH?

The Government frameworks a supplier can join are extensive, covering a range of industries and sectors. Here at GovData, we're able to assist with SMEs that want to join one of four key frameworks - People, Information Technology, Buildings & Infrastructure and Professional Services.

If you have questions about other frameworks, we're able to provide guidance on building your route to market and the procurement requirements along the way.

PEOPLE FRAMEWORKS

Within the People frameworks, we assist with '**Learning and Training Services**'. Typically this framework delivers educational skills to get people back into work, whether that's through further training in current skills or the chance to retrain for a new role entirely. This framework is almost entirely focused on the learning and developmental needs of the Public Sector and includes multiple service categories including:

- Coaching services
- Safety education
- E-Learning opportunities
- Specialist training
- Environment training
- Health and first-aid training
- Personal development



INFORMATION TECHNOLOGY FRAMEWORKS



Our Information Technology frameworks encompass the software, security, consultancy and telecommunications needs of the Public Sector as well as their associated bodies. From security architecture and risk assessment through to inter-site connectivity and software solutions for public bodies, these frameworks will appeal to digital businesses looking for Public Sector contracts.



Some of the associated service categories for these frameworks include:

- Cyber consultancy
- Risk management
- Security architecture
- Penetration testing
- Inter site connectivity
- Intra site connectivity
- Software licences
- Hardware solutions
- Blue Light solutions
- Digital business applications

BUILDINGS & INFRASTRUCTURE FRAMEWORKS

The Buildings & Infrastructure frameworks aim to support Government policies such as the National Infrastructure Strategy and National Health Infrastructure Plan, as well as minor works or maintenance requirements. They utilise construction experts at different delivery stages (from planning to completion) for a range of major and minor construction projects as well as civil engineering.



The related service categories for these frameworks include:

- Environmental engineering
- Public health engineering
- Civil and structural engineering
- Energy and utility services
- Building services
- Fire protection
- Drainage
- Roofing
- Road maintenance
- Electrical installation and maintenance

PROFESSIONAL SERVICES FRAMEWORKS



The Professional Services framework connects Public Sector bodies with innovative and quality creative communications services. This is growing in importance as a way of fostering effective communications between relevant parties, as well as the ongoing challenges of the growing 'infodemic' - patterns of false information on global topics spreading on social media.



As a result, the service categories of this framework include:

- Creative
- Public relations (PR)
- Social marketing
- Data science
- Partnerships and sponsorships
- Direct marketing
- Communication strategy

BUSTING THE MYTHS AROUND PUBLIC SECTOR BIDS

Since the early 90s, we've built a deep understanding of the Public Sector procurement process. Our CEO has first-hand knowledge of the entire operation and one of his first projects for the Government was a full review of the procurement process. The findings highlighted an inefficient process that was unfavourable for SME suppliers. It was following this research that national frameworks were created.

Unfortunately, some of the myths around Public Sector bidding and small businesses remain. While it's true that the process can be resource-intensive for SMEs, it's more possible than ever for small businesses to win a Public Sector contract, despite what you may think. Below, we break down some of the common myths about the sector and the bidding process for SMEs.



PUBLIC SECTOR CONTRACTS AREN'T FOR SMALL BUSINESSES

One of the biggest preconceived notions around Public Sector contracts is that it's solely for larger corporations and business groups. Many SMEs believe the procurement process is confusing and the established buyer relationships that larger businesses already have in place means ultimately, bidding is fruitless.

While this may have been true in the past, the UK Government continues to pledge more support for small and medium-sized organisations.

This support took two forms.

Firstly, one-third of central Government spend is pledged to small or medium-sized organisations, ensuring that less established suppliers have opportunities to win. Secondly, the entire tender process has been streamlined, creating a more user-friendly route to market and providing access to another £12 billion worth of Public Sector contracts for SMEs.

The key takeaway from this is that SMEs need to be more proactive and persevere. If you invest the time to learn about how the system works, why bids are successful and how you can get over the initial hurdles, the rewards can be extensive. Smaller businesses need to embrace the procurement process and overcome the associated challenges - both real and perceived. This is the only way to access an entire range of new opportunities, new business and new relationships.



**THE BIDDING PROCESS IS TOO
RESOURCE-INTENSIVE FOR SMES**

Although the entire procurement process can take around 10 weeks and requires plenty of due diligence on the part of the business, there's plenty of support out there - including GovData.

The important thing to consider is proper planning. With the right preparation, a business can execute the culture shift necessary to meet the framework criteria and learn more about the associated documents that need to be completed throughout the process.

Some of these documents can be time-consuming to complete but once you have an example in place, it can be applied to future tendering opportunities. An easy first step for small businesses is to understand what each document entails, allowing you to mitigate headaches further down the line.



PUBLIC SECTOR BIDS FROM SMALL BUSINESSES ALWAYS FAIL

It's a common misconception that Public Sector bids fail because of two primary reasons: the business isn't large enough to compete for the contract or the business cannot possibly have the capabilities to deliver what they're suggesting.

The truth is much different. While it's true that the majority of first-time or self-submitted applications fail, it's rarely attributed to business structure or incompetence, it's simply because they don't have the required experience in tendering to the Public Sector. Demonstrating compliance is one of the most important parts of the wider process and this is where many businesses experience challenges.



It's important to have the right documents and policies in place at each stage of the process, as well as ensuring you follow the rules regarding your submission. The Government procurement programme has strict regulations around deadlines, communications, word counts and specific language used in the bid. Many small businesses also struggle with the specific terminology that gets used throughout the process, which can initially be off-putting. All in all, this just requires taking the time to learn the intricacies of the process and applying what you know in your application.



WORKING WITH A PUBLIC SECTOR CLIENT ISN'T WORTH THE EFFORT

While most people understand the primary benefit of being on a framework, the finer details are typically misunderstood. It's this lack of knowledge that often diminishes the appeal of Public Sector frameworks for small businesses. The fact is, framework agreements have many different benefits that may not be immediately apparent:

BROAD CUSTOMER BASE:

Getting the obvious benefit out of the way first, frameworks obviously provide access to a much wider audience. The majority of Government framework agreements include regional and national customers - an audience they would never usually be in contact with.

QUALITY-BASED BIDDING:

Quality-Based Bidding: Frameworks base a successful application on more factors than just price. If a business demonstrates they can provide a quality product, this can play a huge part in both joining a framework and being awarded a contract. This gives suppliers the opportunity to potentially become an approved supplier even if they're not necessarily the cheapest. Similarly, the framework doesn't favour incumbent suppliers, constantly ensuring a rotation of new businesses.

BETTER ENGAGEMENT:

On a more granular level, frameworks offer suppliers the opportunity to be connected with buyers that specifically need their products or services, creating a much more engaged initial relationship. This can lead to better customer retention and long-term contracts that wouldn't necessarily be possible.

TRANSPARENCY:

The bidding process for public sector contracts is inherently designed to be completely transparent, ensuring there are opportunities for suppliers of all sizes around the world. This transparency extends to the tendering process itself, where feedback is regularly provided to suppliers on where their bids could be improved.

LOWER RISK:

Since there's so much money in the sector, the customers involved in public contracts tend to be some of the most reliable, reducing the potential for missed payments. For small businesses, having a reliable income stream is vital and the government benchmark of paying invoices in 10 working days can provide that security.



**THE LOWEST PRICE ALWAYS
WINS THE CONTRACT**

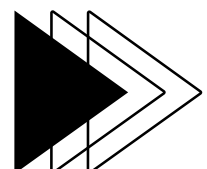
Many small businesses assume that because the lowest price supplier wins the contract, they may not be able to feasibly compete within the framework. Fortunately, this isn't the case. The entire point of a framework is to ensure that the client can buy from the best supplier for them.

A framework agreement encourages suppliers to demonstrate the highest quality products and services, as well as rewarding those that can provide specific information or answer relevant questions to the bid. This ensures small businesses can still operate at a competitive price without fear of being undercut.

HOW TO WIN A PUBLIC SECTOR CONTRACT: STEP BY STEP

Now that you understand exactly what it takes to join a framework, the numerous benefits it can provide and the opportunities a Public Sector contract can deliver, how do you go about joining a framework and winning a contract?

Over the following chapter, we explore how to win a Public Sector contract from start to finish, including finding the ideal contract and creating a successful application.



1

FINDING THE RIGHT FRAMEWORK FOR YOU

When you're looking for the right framework for your business, it's important to understand a few things: the scope of the framework, the structure of the framework (such as the lots or service categories) and the contracts that fit into these categories. You'll have a good idea of what suits your business so identifying the right framework is a clear first step.

There are plenty of websites out there that summarise opportunities and leads but ideally, you'll want to find a sector-specific partner that can assist with finding unique Public Sector opportunities. Look for portals that categorise frameworks by keywords, locations and budgets.

At GovData, we assist businesses with finding frameworks and contracts that cover a broad range of service categories. We work with four key pillars: People, Information Technology, Buildings & Infrastructure and Professional Services. Each of these pillars covers a number of different services, industries and sectors, ensuring that suppliers of all shapes and sizes can find Public Sector contracts.

Joining a framework requires submitting an application, which results in your business going through a broader assessment to check for compliance. This is where GovData can help. Our expert teams have supported over 1,800 businesses in joining a framework, helping them win a collective £37 billion in contracts. While it's true that finding and joining a framework is half the journey, it's an important first step that requires plenty of due diligence.

This opens up you to the next stage of the process: identifying and tendering Public Sector contracts.



HOW TO FIND AND BID ON THE IDEAL GOVERNMENT CONTRACT

2

Now that you're on a framework, you're in a good place to start winning Public Sector bids. While demonstrating compliance within a framework is an excellent first step, it doesn't guarantee a contract. The next step is bidding.

A bid is typically made up of a pre-qualification questionnaire (PQQ) and the invitation to tender (ITT). This questionnaire typically consists of 167 questions across 284 pages - a daunting prospect certainly but this is where working with a third-party such as GovData can help. We have an expert team of bid writers with XX years of experience in writing successful bids.



Once you join a framework, you'll be Invited to Tender (ITT), more commonly referred to as the 'bidding process'. This is the most important part of winning a contract and refers to the part of the procurement process where you showcase your business, its products or services and why you should be awarded the contract. You can find Government contracts worth over £10,000 using the official 'Contracts Finder' tool.

When you're identifying potential Government contracts, there's a few important questions to ask yourself:

IS IT FEASIBLE FOR YOU TO DELIVER THE WORK?

This might seem obvious but you'd be surprised at how many organisations bid on contracts that they could potentially deliver. Make sure that you have the capability to deliver and the writing skills to highlight this within your bid. Ultimately, it's you against every other supplier so you need to make sure you stand out from the crowd.

ARE YOU BIDDING ON MULTIPLE LOTS OR SERVICES?

It's not uncommon for some businesses to tender several 'part-contracts' or 'lots' at once, especially if a contract is broken down into several elements. If you are, make sure that you have the resources to create four distinct bids. You never want to adopt a copy/paste approach and it's vital that you hit the specific award criteria in each bid.

DO YOU UNDERSTAND HOW CONTRACTS ARE AWARDED?

Not all Framework Agreements are built equally and some buyers may award contracts in different ways. Be sure to read the instructions carefully to understand how the contracts may be allocated. Common methods of allocation include:

- a. Winner takes all - where the highest scoring tender wins all of the work within the contract.
- b. Dropdown effect - where the buyer may rotate the work between the highest-ranking suppliers, beginning with the highest and working down.
- c. Skill-based - where the highest scoring tender wins all of the work that they can deliver, while undeliverable elements are offered to the second highest tender and so on.

3

HOW TO WRITE A WINNING PUBLIC CONTRACT BID

As we've mentioned, bidding is a crucial part of the process and requires both a good understanding of the contract you've identified as well as strong writing skills. Your bid is the only opportunity you have to highlight why your business is what a buyer needs, so ensuring it provides a compelling and informative case is vital.

Both elements of the bid should focus on the award criteria, as this is what buyers will analyse first. While your chances of winning a contract increase from being part of a framework, it's still a highly competitive environment and properly understanding the procurement documents before writing a bid can provide you with a tangible edge in the long term.

The bid process typically covers 5 core elements:

- 1 Business quality (ethos, plans, strategy and corporate responsibility)
- 2 Customer quality (standards, SLA)
- 3 Lot-specific questions
- 4 Contract examples, evidence and past performance
- 5 Commercial modelling

Our Bid Management Team has a deep understanding of these core elements and with the help of your business, we're able to cover most of the groundwork. We can utilise your technical expertise, capabilities and contract examples to build out a specific bid strategy for your business. Since the ITT window is 28 days, provided you work together with our bid management and bid writing team, we're confident that we can create a winning bid for the business

When writing a bid, the four main considerations include:

BID FORMAT

The structure of your bid should present the important information immediately and in an easy-to-understand format. Bullet points can be used to break down any key information, while subheadings can be formatted as common questions that you can then provide context and responses to. Put yourself in the shoes of the buyer: what would they want to see? Since buyers typically consider hundreds of bids, they'll engage more with a bid that is well formatted and takes their time into consideration.

WORD COUNT

Most bids will have a word or page count built into the brief and it's almost always applicable to write a bid around this word count. If a buyer expects a 500-word bid, that's what you should be aiming for. Keep paragraphs concise, informative and relevant. If in doubt, write more than you need. It's always better to edit the bid and remove unnecessary content than force yourself to add more for the sake of meeting a word count.

USE TECHNICAL LANGUAGE SPARINGLY

Depending on the bid, the use of technical language may be necessary but as a baseline, it's a good idea to ensure that any reader can understand the core points you're trying to get across. While it's always a good idea to avoid jargon, make sure you also explain acronyms or other terms specific to your sector. It's all about finding a balance between ensuring you come across as informative but not so technical that you lose the reader.

PROVIDE CONTEXT

Don't expect the buyer to know anything about you, your business or the sector you're in. Leaving room for assumptions can result in them making the wrong assumptions about your bid. Provide context for any successes or business wins that you highlight and where possible, back this up with statistics. It's important that you get all of the necessary facts across and an easy way to achieve this is to assume that the buyer may not have the exact same technical understanding you do.

If you need help with writing a winning bid, GovData has a specialist team ready to assist you with creating compelling and engaging bid copy. With over XX years of experience in the field, our team understands the points that need to be made and can work with you to ensure everything you want to be highlighted is done so in a meaningful way.

4

HOW TO MAKE A SUCCESSFUL BID

Once you have your bid ready, proofread it. It's always a good idea to leave a few days in between writing and proofreading as you can go in with fresh eyes and pick up on any mistakes or inconsistencies. Likewise, get someone else to read over it to see if there are any spelling or grammatical mistakes.

When you're happy it's good to go, submit the tender response to the buyer. Remember that buyers typically have hundreds of responses, all of which need to be reviewed which can take time. Either way, buyers will notify you once they've reviewed your bid and come back with a response.

If you're successful, you're now well on your way to the growth opportunities that the Public Sector can provide. If you're unsuccessful, ask for feedback from the buyer. They'll typically provide ideas for improvements on future bids.



5

CONSIDER THE DIRECT AWARD PROCESS

There's another stage of the procurement process you may come across, known as the awards assessment. This occurs after you've submitted your bid, the framework administrator has reviewed the submission and has questions regarding your submission.

This involves them analysing and fact-checking any questions that appeared in the ITT and if you answer in a way different to your submission, it results in a failure. While this may seem harsh, it's simply a matter of compliance and another example of why due diligence is so important.

Once you've passed the awards assessment, the wider Public Sector can directly award your business a PO for up to £1.5 million without a formal tender process. In other words, any Public Sector body - including schools, healthcare departments or other emergency services - can work with you without the need to undergo a lengthy bidding process.

