

Using our buying power to benefit the local economy

Sandwell is a deprived borough, with unemployment levels 3.7% higher than in the rest of Britain (recorded in September 2009). Our lifeblood industries have traditionally been manufacturing and construction, so unsurprisingly Sandwell has been hit especially hard by the recent recession.

But thanks to a set of forward-thinking procurement practices by Sandwell Metropolitan Borough Council, our future looks bright.

Three billion pounds' worth of regeneration will soon transform our urban landscape, with new homes, schools, health centres, roads, libraries, shops and a general hospital. These developments are exciting in themselves, but here at Sandwell Council we have even bigger plans for transforming our borough ...

Wise procurement policies

We are determined that local people and businesses will benefit from the work created by Sandwell's regeneration investments, keeping money in our economy and creating much-needed jobs and training opportunities for our residents.

We also need to make sure that as much of our annual £300m spend as possible is retained in Sandwell, creating a 'multiplier effect' which benefits businesses and local workers long after we have signed off suppliers' invoices.

To achieve these aims, we have developed www.finditinsandwell.co.uk – a groundbreaking trading network which harnesses the popularity of online networking to promote Black Country inter-trading.

Launched in 2007, finditinsandwell is a free online trade directory which stimulates the local economy by directly matching local buyers with suitable local suppliers.

"I am delighted that Sandwell is leading the way in this new initiative and I am honoured to endorse what I am sure will be a big success."

-Lord Digby Jones

When a potential buyer posts a request on the website, finditinsandwell members in the relevant sector receive an email alert linking to simple instructions on pitching for the work.

Everyone benefits: Sandwell suppliers hear about business opportunities, while buyers build strong ties locally, boost the area's economy, and reduce their carbon footprints by purchasing from close to home. They also become aware of the region's diverse, capable supply chain – and the fact that everything they need to fulfil their contracts is right here on their doorsteps.

We want to see more local small- and medium-sized businesses winning Council work, supporting the government's goal for 30 per cent of public-sector work to be placed with SMEs in the next five years. Our CEO at Sandwell Council, Dr Allison Fraser, has stipulated that, subject to EU legislation, 100 per cent of Council contracts must be advertised on the website, making them transparent and accessible to local businesses. Departments which fail to do so are subject to audits.

"Why source from China when you could probably build an entire house out of products manufactured right here in the Black Country?"

-Councillor Bob Badham at finditinsandwell's 'Meet the Architect' event

We work tirelessly to ensure our council colleagues advertise contracts on finditinsandwell.co.uk, holding CIPS (Chartered Institute of Purchasing & Supply) and procurement workshops to promote the social, economic and environmental benefits of buying locally. In February 2009, for example, finditinsandwell held a procurement seminar which encouraged Sandwell Council chiefs to "buy locally, buy wisely".

finditinsandwell's achievements

Thanks to finditinsandwell, Sandwell Council has been held up by APSE (the Association for Public Service Excellence) and the Centre for Local Economic Strategies as an example of good practice: how a local authority can use its buying power to help local economies and communities.

Our simple but inventive model got us shortlisted for a 2009 MJ Achievement Award and an Innovation prize in 2009's West Midlands Centre for Constructing Excellence (WMCCE) Awards. We are the proud winners of a 2009 APSE (Association for Public Service Excellence) award for 'Best Information & Communication Technology Initiative'.

Since 2007 we have made more than £300m-worth of business opportunities accessible to Midlands organisations, generating over £12m of business for Sandwell companies and self-employed people. The website gets tens of thousands of page views every month.

Positively influencing the entire supply chain

We strongly encourage our first-tier suppliers and other major contractors to follow our lead – and indeed scrutinise their own procurement policies for accessibility and transparency before we award them work. Buyers at every level of the supply chain are advised to use finditinsandwell: from big architect firms and major contractors, for example, trickling down to manufacturers, technology companies and professional-service providers, and then down again to equipment-hire businesses and even mobile caterers for workers (which can filter down again to market traders and food suppliers).

In March, we got more than 30 major buyers to sign our 'Sandwell Procurement Pledge', committing them to:

- making their tendering transparent, by publishing supply opportunities and award notices on finditinsandwell.co.uk
- encouraging suppliers to follow suit.

Interserve, Sandwell Council's partner in Building Schools for the Future (BSF), now has its own procurement page on finditinsandwell.co.uk, where it advertises every contract it creates and awards through the BSF project. Agilisys, the IT arm of the partnership, is set to do the same. Both contractors have been given key-performance indicators that include making apprenticeships available to local people.

In September 2009, leading building-services provider NG Bailey used [finditinsandwell](http://finditinsandwell.co.uk) to appeal for Sandwell suppliers.

"I congratulate Sandwell on a pioneering an exciting and an innovative approach, encouraging people to spend as much we can locally. And this isn't just about jobs ... because jobs impact on everything – if our economy is healthy and people are in work, that has a massive, positive impact on our culture and us, and the whole of the towns, the borough, the region, socially and politically."

-Professor Carl Chinn MBE

Our recent 'Meet Sandwell Council's supply chain' event allowed businesspeople from all over the Midlands to network with our main suppliers and hear first-hand how to supply to *them*. So even if local SMEs are not yet ready to do business directly with us, they stand a good chance of becoming our second- or third-tier suppliers and benefiting from the money we invest in their region.

"Without a doubt one of the best online networking initiatives around".

-Tony Lear, President of the Black Country Chamber of Commerce, Sandwell.

Other West Midlands councils, including Walsall, Birmingham and Dudley, are interested in adopting the [finditinsandwell](http://finditinsandwell.co.uk) format. We are in advanced talks for creating a collaborative 'finditintheblackcountry' venture.

Looking after our suppliers in the private sector

As well as being invaluable to public-sector procurement activities in the region, finditinsandwell.co.uk is used by hundreds of private firms to help them source cost-effective local products and services (which often works out better for the environment too).

"finditinsandwell has been an invigorating experience, enabling Future Training 2000 to expand its networks of business contacts across the Black Country, and source hard-to-find suppliers".

-finditinsandwell member

Behind the scenes, we also help smaller businesses to become more capable of winning work. We work with partners (including Business Link and the Manufacturing Advisory Service) to get finditinsandwell members 'ready to tender' or help them collaborate on larger contracts. We organise free business and 'meet the buyer' events to help people forge strong local relationships.

We are also working with industry experts to train Sandwell firms in the six Construction Commitments, making the firms more capable of winning work while giving buyers confidence in investing in them.

Alongside Business Link, we offer free 'health checks', ensuring businesses are 'tender-ready' with the necessary insurance, health & safety and equal-opportunities policies. Our aim is to remove every excuse that buyers might make not to purchase from local firms.

Our innovative finditinsandwell Netbus, launched in November 2008, is an ICT-equipped coach which helps Sandwell businesses to upskill their staff and get better equipped for winning work, saving them time and money in hiring and travelling to training venues.

We also aim to remove the mystery surrounding the tendering process. Our free bid-writing workshops help unravel the jargon involved in pre-qualification questionnaires and tender documents.

"I found the event very useful, it was a very informative afternoon ... tendering is quite a stressful job".

-Andy Smith, Prestige Protec Systems

We encourage joint bids from SMEs, offering council support to make collaborations possible. One 2009 success story comes from social enterprise Oscott Horticulture Services, which joined forces with a Sandwell welding company on a bin-repair contract too big to fulfil on its own. They hired a finditinsandwell-registered bid-writing expert to submit the winning proposal.

finditinsandwell's networking events are lowering the barriers between council buyers and businesses, ensuring Sandwell Council has fair, transparent procurement processes by giving local businesspeople first-hand knowledge about what buyers expect from them.

"...The finditinsandwell team have yet again come up trumps with a very informative and structured event. If any of us win any business it will be largely down to yourselves so THANK YOU".

-Jane Sweeney, Forkers

Our Made in Sandwell event in March 2009, to nurture Black Country manufacturing, attracted 700+ visitors. As a result of exhibiting, Oldbury-based LM Products won a £63,000 contract.

Our free regular Breakfast Clubs and networking events offer SMEs invaluable

access to key buyers. finditinsandwell.co.uk also gives SMEs a free 'mini website' and listings in a suppliers' directory, plus updates on grants, projects, news and events.

"...The two construction-only breakfast events have been attended by over 230 people from local companies and successfully bring together the larger and smaller players in a convivial way – giving equal opportunity to all to generate new contacts and business which will maintain local supply chains, thus leading to greater sustainability of local enterprise and its construction community."

-Roy Casey, Black Country Constructing Excellence Club Chairman

We have built great relationships with people in the local supply chain who can always contact [finditinsandwell](http://finditinsandwell.co.uk) for support. No matter how large our network grows, we will never hesitate to phone companies directly and recommend they apply for relevant contracts.

"I want to thank you for such an inspirational event! The WISE [Women in Sandwell Enterprise] event was informative, targeted and extremely useful after having set up my business 6 weeks before going along!!! This is exactly the kind of business support I want to see my Council Tax spent on."

-Julie Morgan, Urban Design Consultant

In July, Sandwell Council made a 'payment pledge' to settle as many bills as it can within 10 days of invoice, improving the cashflow of West Midlands suppliers.

We also want to open out new overseas markets to our local businesses. In April this year we teamed up with UK Trade & Investment to help Sandwell firms tap into the United Arab Emirates' market, offering subsidised trips to Dubai's Big 5 exhibition.

Thinking ahead

Obviously every local authority needs to get best value for money for its Council Tax payers – and cost is always a vital consideration in procurement. But here at Sandwell Council we believe we have a responsibility in using our spending power to help positively shape the economic environment of our region.

Through [finditinsandwell](http://finditinsandwell.co.uk) we have built an innovative and powerful tool not only to encourage buyers to consider the much longer-term benefits of their investments (by supporting local businesses and creating work for local people), but in helping the local supply chain grow stronger and better equipped to win major contracts.