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## **SMALL BUSINESSES TO GET FREE ACCESS TO PUBLIC SECTOR CONTRACTS**

A free trial starts today to provide small and medium sized businesses with access to thousands of public sector contract opportunities.

From 1 May until 31 July 2008, the [www.supply2.gov.uk](http://www.supply2.gov.uk) website will allow new registrants to gain free access to public sector contracts valued under £100,000 for the UK and Northern Ireland.

The free trial is part of the Department for Business' Enterprise Strategy which was released in March, which outlined new measures to increase the amount of government business that is won by small firms.

Business Minister Shriti Vadera said:

"Small and medium sized businesses need our support to expand. Many smaller businesses are more innovative, have lower costs and present better value for taxpayers than larger firms.

"Introducing Britain's small firms to Government procurement contracts online will provide opportunities to grow that they would not have otherwise found.

"Encouraging more small businesses to register for opportunities will mean buyers benefit from increased competition and access to a wider range of suppliers."

John Wright, Federation of Small Businesses National Chairman said:

“The announcement of a free trial for small businesses to get access to public sector contracts is very welcome news. We supported the Supply2 initiative from the outset and we hope that this free trial period will encourage more small businesses to try their hand at delivering goods and services to the public sector.

“But local authorities and government departments must play their part too by making sure that more small business opportunities are advertised on Supply2. Opening up public sector procurement to the UK’s 4.5 million small businesses can and should eradicate the false assumption that biggest is always best.”

More than 3,000 new contracts are available on [www.supply2.gov.uk](http://www.supply2.gov.uk) each month. The three month free trial, available to businesses registering for the first time, will provide access to contracts throughout the UK rather than in a nominated local area.

The Enterprise Strategy featured a range of measures to boost small firms competing for public procurement. An advisory committee, headed by Anne Glover, will look at ways to reduce barriers that small businesses face when competing for public sector contracts and the practicality of setting a goal for them to win 30 per cent of public sector business within five years.

The Strategy also included an announcement that the rules for government procurement will be changed to allow companies, particularly small firms, to use invoice financing to compete for public contracts.

#### **Notes to editors:**

- Since it launched in June 2006, [www.supply2.gov.uk](http://www.supply2.gov.uk) has published more than 79,000 contract notices with many under the value of £100,000 – making them particularly relevant to SMEs. Over 5,000 public sector buyers have registered including local government, health, education and housing authorities, emergency services and the Olympic Delivery Authority.

- Supply2.gov.uk is owned by the Department for Business, Enterprise and Regulatory Reform. It is managed by procurement solutions service provider BiP Solutions Ltd, allowing UK public sector organisations to publicise their lower-value contracts free of charge. For the first time, businesses are able to view contracts in a single location, reducing the time taken to source opportunities. Contract information in a business's chosen location is available free of charge - a significant benefit, particularly for SMEs.
- All new Supply2.gov.uk registrants can now benefit from access to lower-value opportunities (typically below £100,000) throughout the whole of the UK - free for 3 months. Once the free trial is over the registrant will revert to the free local area access as specified at registration, unless they select to maintain access at the national level or upgrade to an alternative level.
- The trial will run between May and July 2008. New registrants after this date will only benefit from the free local location.
- For more information about the Department for Business' Enterprise Strategy visit [www.berr.gov.uk/bbf/enterprise-smes/enterprise-framework/index.html](http://www.berr.gov.uk/bbf/enterprise-smes/enterprise-framework/index.html).
- The Department for Business Enterprise and Regulatory Reform helps UK business succeed in an increasingly competitive world. It promotes business growth and a strong enterprise economy, leads the better regulation agenda and champions free and fair markets. It is the shareholder in a number of Government-owned assets and it works to secure, clean and competitively priced energy supplies.

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