



Supply Connect report 2025

Unlocking government procurement for SMEs

A joint initiative by Enterprise Nation and Newable,
supported by JPMorganChase



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Foreword

The Procurement Act 2023, introduced earlier this year, has opened up a fresh opportunity to turn this around. Small businesses have been left at the margins of government procurement, despite being the UK's most significant sources of innovation, resilience and job creation.

Supply Connect, designed and delivered by small business support platform [Enterprise Nation](#) and business growth specialist [Newable](#) and supported as part of JPMorganChase's £40m UK inclusive growth commitment represents a new model to bring more innovative SMEs into the government supply chain. This partnership and pilot will help develop best practice and the evidence that can help pioneer a new way of sourcing products and services in key areas that can complement and inform the government's own future procurement strategy.

By combining a digital supplier hub, a national training network, and a practical focus on government frameworks, we aim to reduce friction and empower SMEs to win contracts, take on more staff, invest in their process and grow.

This report captures not only the quantitative data from 200 small firms - but focuses crucially on the qualitative, authentic voices of SMEs whose experiences illustrate existing barriers and untapped potential. We present their testimonies in full to demonstrate the challenges they face and to showcase what meaningful changes could accomplish.

By working in partnership with public agencies and government, we can herald a new era in procurement, one that support small businesses and local economies.

By Maggie Berry OBE, SME Procurement Lead, Enterprise Nation

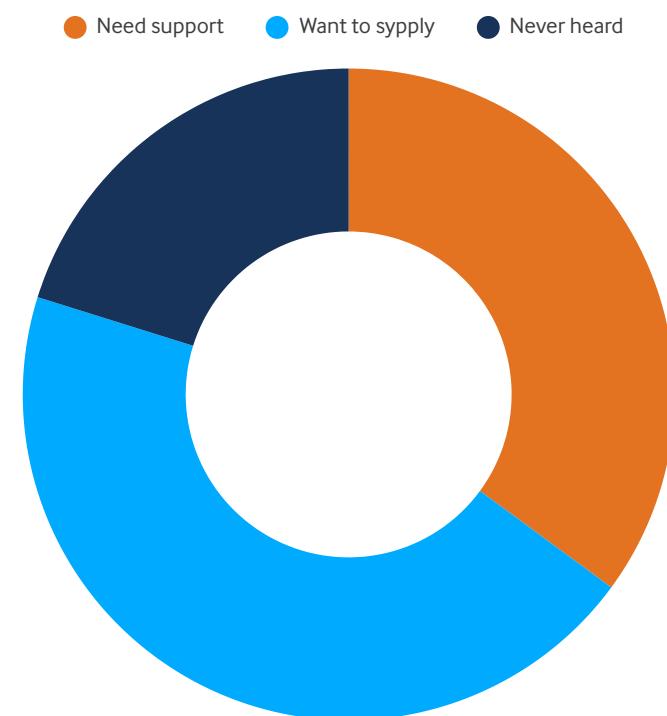
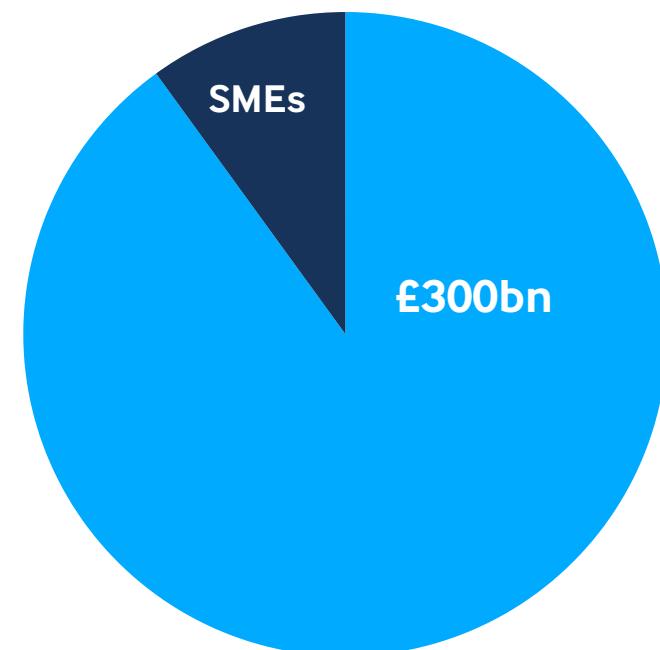


Executive summary

Government procurement market: £300bn annually.

Survey of 200 SMEs:

- 40% need support to become supplier-ready
- 51% want to supply to government but capacity is limited
- 23% have never heard of supplier readiness training



Supply Connect is set to address this by:

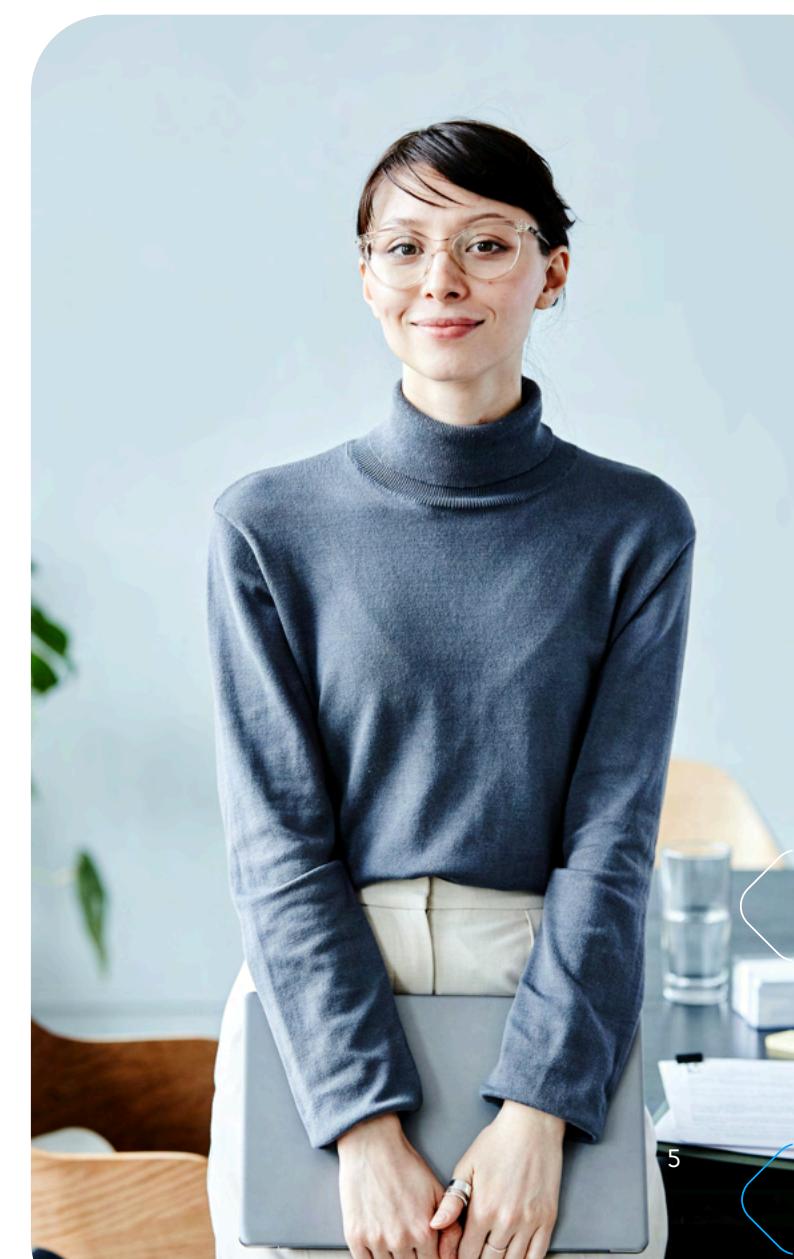
- Delivering a digital supplier hub
- Building a Supplier Readiness Training Network
- Unlocking SME participation in £100bn frameworks across food, facilities management and construction

Why procurement matters

SMEs make up 99% of all UK businesses and employ 16 million people and yet they win only a small share of government contracts.

- Greater SME involvement leads to better competition, innovation and value for money for the tax payer.
- Procurement Act 2023 places SME inclusion on the policy agenda.

- Duplicated compliance by having to re-upload documents which wastes time.
- Hidden thresholds such as turnover and irrelevant certifications.
- Innovation blocked as lack of SME innovation entry routes.





Lynne Copp Founder, The Worklife Company

Leadership development and executive coaching. Employees: 1.

Lynne Copp FCIPD, FlO, ICF, ANLP has spent a remarkable 27 years working at a high level on government contracts, from Tony Blair's work-life balance initiatives to supporting Theresa May's women in work campaigns, as well as working with the NHS and the armed forces.

As founder of **The Worklife Company**, she's witnessed firsthand how the procurement system has evolved over time - and where it's falling short for small businesses with specialist expertise.

She set up The Worklife Company in 1998, focusing on three main areas: organisational development, leadership development, and executive coaching. What started as a pivot from corporate life has grown into a

business that has worked with blue-chip clients including Ernst & Young, PwC, IBM, Google, Intel and Cisco.

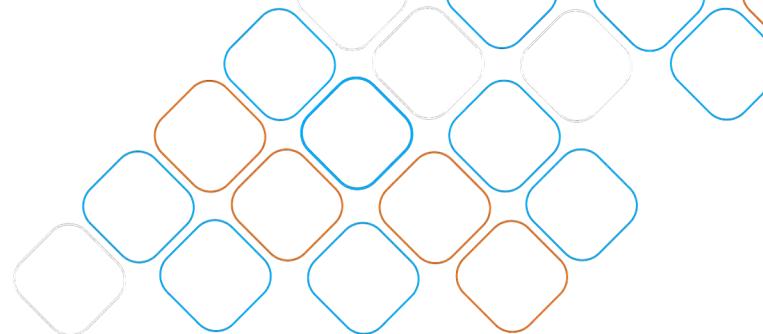
Early success with government contracts transformed her business, she says. "We had a brilliant contract with the government, the Challenge Fund for work life balance managed by Tier-1 PwC.

"We worked as a Tier-2 supplier for about five years," Lynne said. "They had about 40 SME organisations approved on the challenge fund supplier framework, and we were probably one of the most successful."

The contract saw up to 23 of her team working on projects across the UK at any one time. "This success led to high-profile opportunities, including working with Theresa May when she was in the shadow cabinet, supporting her agenda for women in the world today, with a focus on women in leadership," she added.

The reality of Tier-2 supply

Despite her proven track record, Lynne said she faces increasing barriers accessing government work. The challenge lies in the opacity of the tier system. "It's usually word of mouth. The Tier-1 suppliers for the NHS, I can't get on because I'm a one-man band. They want the big six and that's it."



This creates a frustrating dynamic where experienced providers struggle to access frameworks. "What's difficult for SMEs is understanding how to access their Tier-2 supplier list. It is so difficult to find out who's leading it and who's managing it," she said.

Lynne experienced this directly when a large contractor lost its coaching contract. The ensuing lack of continuity and transparency in the handover process left established critical coaching relationships stranded.

One of Lynne's strongest criticisms centres on procurement systems designed to purchase goods, products, and large contract supplies rather than smaller professional services and so the insurance demands can also be prohibitive. The expectations of £10million for employer liability, professional indemnity and others, are a huge cost for an SME; especially those of us who never visit a client site and do all work online.

"If I were manufacturing and supplying a product, I could see the sense in this requirement but unfortunately, there's often no flexibility. Changes need to be made to allow the HR or the people team to lead the procurement of people services, not those who procure products, or large construction and FM programmes."

The Procurement Act stipulates new priorities for public agencies - they must now procure based on the 'mosts

advantageous tender', replacing the 'most economically advantageous tender', a subtle but powerful change which allows for wider considerations in purchasing decisions such as community impact and sustainability as well as cost and quality. That could open the door to more small providers like Lynne.

Adapting to change

The pandemic forced Lynne to reassess her business model. "The consultancy business dropped off a cliff because nobody was able to go into organisations," she said. This led to a strategic pivot: "Since the pandemic, I have focused on doing less consultancy work and much more executive leadership facilitation."

Magic wand

When asked about her magic wand wishes for procurement reform, Lynne suggested three reforms:

- Change the bid system, so smaller businesses with niche expertise can have simpler routes to market that don't include protracted and costly bid processes.
- Ensure that the procurement of professional people services is led by HR or people teams.
- Create transparency in Tier-1 suppliers to make it easier for SMEs to register and become approved as a Tier-2.

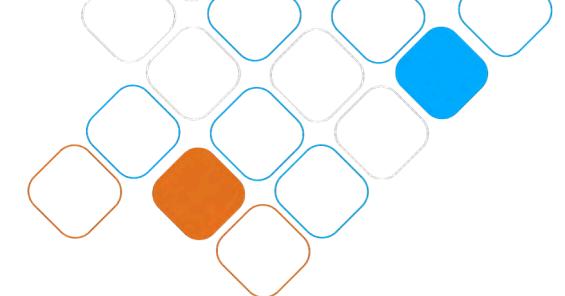
The maze effect

“If you're familiar with how to use mazes, then you get there. For genuine competition and innovation in government contracting, the maze needs clearer signposting - or better yet, simpler paths altogether,”

Simon Shepherd
Founder, Client Marketing Ltd.

Sales and marketing coaching, training and mentoring. Employees: 1 + associate model.

Simon Shepherd has successfully won multiple government contracts for his business support company - but he's also acutely aware that the procurement system can be inaccessible to most small businesses.



Through his work with Yorkshire and Lincolnshire-based Client Marketing Ltd, he's learned to navigate the complex tender process - yet also knows how these same barriers exclude other capable businesses from even attempting to bid.

Simon founded [Client Marketing Ltd](#) in 2013 and provides sales and marketing support to small businesses, offering everything from training courses and one-to-one mentoring to hands-on implementation. "We're not there to go and sit and talk to small business owners, we're there to agree an action plan and actually help them through coaching, training and ultimately the aim is to help them to sell more."

Simon currently delivers this support through contracts with Barnsley Council, South Holland District Council, York and North Yorkshire Combined Authority, and Hull and East Yorkshire Combined Authority. While his success demonstrates that small businesses can win public sector work, his experience also highlights why 90% don't currently try.

The challenge of impenetrable language

Simon's biggest frustration lies with how contracts are written. "So many contracts and tenders are written in such a language that some of them are impenetrable," he said. "They don't necessarily write them from the perspective of the people who are bidding."

This creates a fundamental disconnect between what authorities need and how they communicate those needs. "When you actually drill down into services like sales, marketing and business development, people will describe it in different ways, and that's why I think it's very hard.

"They've got the challenge of the SIC codes and things like that." Simon said. Simon works with and supports around 600 small business owners annually through his various programmes. "A common strand of those thousand small businesses is that they are resource and time poor," he said.

"The combination of complex tender processes with resource-poor businesses creates a perfect storm of exclusion. They end up spinning plates. So, then it becomes almost like an added challenge for that small business to set aside the time and energy to do it. And if it is hard to do it, or perceived to be hard, then no wonder probably 90% of small businesses aren't bidding at the moment."

Simon's business has adapted by leveraging technology to manage the complexity. He uses AI agents through ChatGPT to research opportunities and assess his chances of success.

His systematic approach includes registering with multiple tender portals like Contracts Finder, using LinkedIn for intelligence gathering, and setting up

broad search terms to capture opportunities that might otherwise be missed due to unclear language. Simon estimates he only applies for 'one in 30' based on relevance and viability.

He also points to the fact that existing suppliers often have better awareness about new opportunities, while potential competitors remain locked out. Simon said: "What about all the other people who would love the opportunity to bid - and they possibly don't know how?"

If he could change one thing, Simon said it would be for simplification. "The magic wand would be a go-to system, which I assume GOV.UK is intended to be - something like a system that someone could go to, log in, make it very simple. They could find tenders, bid for tenders and then get feedback on tenders. And it would be a total level playing field."

Simon also sees potential in better integration with Tier-1 suppliers who win large contracts but need specialist subcontractors. Currently, these opportunities remain largely invisible to small businesses that could contribute valuable expertise to larger programmes, he added.

The Supply Connect pilot is set to tackle this issue, training and then linking suppliers to relevant contracts, Tier-1 suppliers and public agencies through its one-stop-shop approach.

Why procurement doesn't fit services

Service-based SMEs (coaching, HR, comms, design) say they are often excluded because procurement processes are often designed for goods.

“It's about the hub and the network. Public sector buyers need opportunities to meet suppliers, understand what's available and connect without pressure - just like successful corporate procurement does.”

Gill Thorpe
CEO, The Sourcing Team

Ethical global sourcing specialist.
Employees: associate model



Gill Thorpe has transformed her global sourcing company from traditional promotional product importing into a pioneering ethical procurement specialist - but she says her experiences bidding for government contracts drove her away from public sector opportunities.

As founder and CEO of **The Sourcing Team** (originally The Sourcing Team), which was launched in 1996, Gill built the business creating products that bring brands to life for household names like Unilever, Mars and Disney. With 30 years of buying experience and chartered status through The Chartered Institute of Procurement & Supply (CIPS), she developed expertise in ethical and sustainable purchasing that should make her company an ideal government supplier.

"We started to change the way we worked because we wanted to find out more about making sure we had the right factories in place," explained Gill. The company was ahead of industry standards, beginning this transformation before key bodies like the Ethical Trade Initiative and Sedex existed, she added.

Today, The Sourcing Team specialises in innovative product solutions using streamlined processes while maintaining rigorous due diligence. The company collaborates with like-minded clients who value their brand, customers, staff, planet and people - earning B Corp certification and EcoVadis recognition while sourcing 91% of products from recycled materials.

Despite these impressive credentials, Gill's government procurement experiences have been disappointing. One she won through a COI (Central Office of Information) tender for the government's former marketing function. But lost it when the government changed.

A second experience proved equally disheartening. After a three-month tender process for a project worth under £20,000, involving detailed RFI (Request for Information) and RFP (Request for Proposal) stages, the contract went to someone who had worked at one of the initial bidding companies but established their own business during the process.

Gill's procurement expertise is impressive. She serves on the CIPS Fellows Committee, was a past CIPS Trustee and volunteered for 19 years with the British Promotional Merchandise Association. Her achievements include Global Woman's Business Enterprise of the Year 2020, EcoVadis SME Sustainable Leaders Award 2017, and recognition for outstanding contribution to women's economic empowerment.

As a strong advocate for gender diversity who established the UK's Women's Business Council in 2015, Gill understands the importance of supplier diversity and social value that government procurement now emphasises under the new Procurement Act 2023.

Gill's key insights from her government procurement experiences:

- Create a centralised supplier hub
- Focus on relationship building
- Enable innovation pathways
- Streamline due diligence
- Provide comprehensive training

Her magic wand solution reflects decades of procurement expertise: "It's about the hub and the network. Public sector buyers need opportunities to meet suppliers, understand what's available and connect without pressure - just like successful corporate procurement does."

Today, The Sourcing Team wins business through word of mouth and established networks like WEConnect International, where Gill's woman-owned business credentials open doors to major clients.

"If they seriously want to help SMEs and build those businesses, they've got to get them together with buyers," she said. "The buyers need to understand how to network and find opportunities - that's where they'll find the innovation that makes a massive difference."

The Supply Connect pilot is set to tackle many of Gill's recommendations, offering training, standardised information, events and linking suppliers to relevant contracts, Tier-1 suppliers and public agencies through its one-stop-shop approach.

Blocked innovation

Healthcare procurement is especially rigid, making it hard for innovative SMEs to pilot solutions.

“The thought of spending a year trying to get on the NHS framework and then hoping somebody finds our products amongst 75,000 other products with no discovery process just didn't feel like a good use of my energy, time or resource.”

Michael Crinnion
Founder, Mind Body Goals

Sector: Clinical products
Employees: 1

Michael Crinnion's founder, Mind Body Goals, says simple changes to NHS procurement processes could allow more innovation from smaller companies.

His health tech company has developed **Luma³**, a range of devices that guide users through breathing exercises for stress and anxiety management. After initially selling direct to consumers, Michael pivoted to focus on B2B sales before moving into healthcare in the past 12 months, where he has secured several NHS pilots.

Michael says he has deliberately avoided traditional NHS procurement routes like Contracts Finder, describing them as 'too big for where we are right now.' Instead, he's been working directly with clinicians to tailor products for their specific needs.

"The thought of spending a year trying to get on the NHS framework and then hoping somebody finds our products amongst 75,000 other products with no discovery process just didn't feel like a good use of my energy, time or resource," Michael explained.

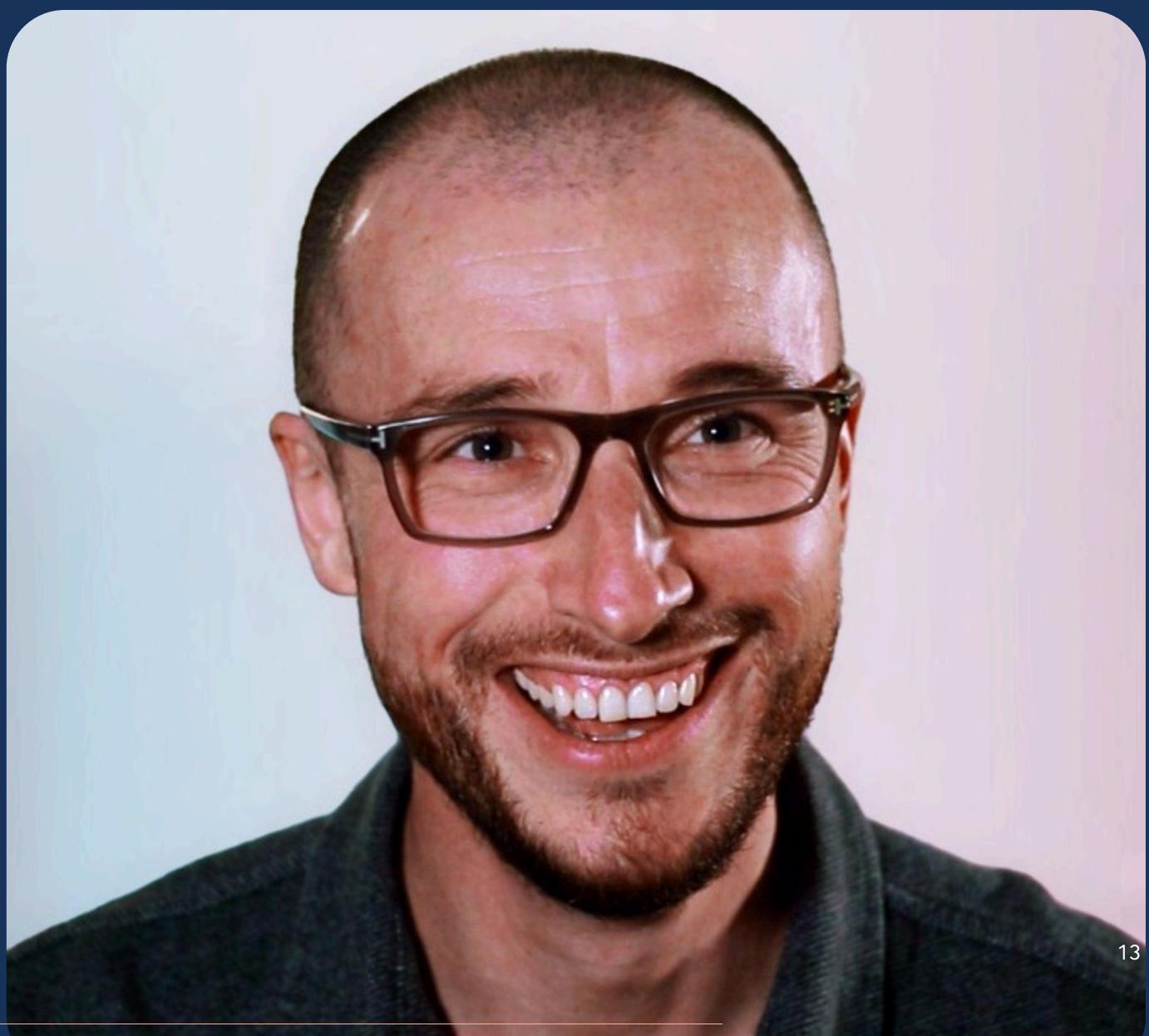
"If the NHS could allocate a specific budget for innovation, within each budget holder's allocation - maybe 5% of procurement spend - specifically for trialling new technologies from smaller companies, could be transformational. It could create a proper pathway for innovation rather than forcing everything through the same framework designed for established suppliers," Michael said.

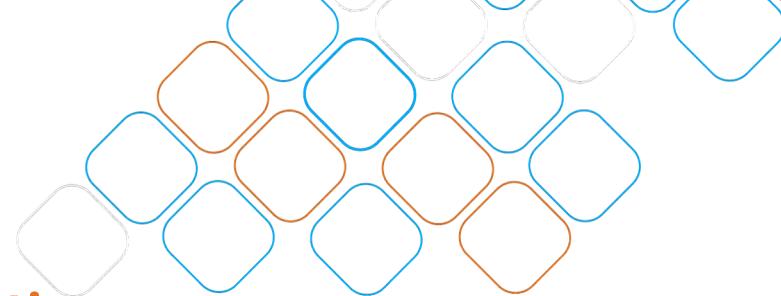
The current NHS framework system, while comprehensive, can be overwhelming for start-ups and SMEs that lack the resources for lengthy procurement processes, he said. Michael's direct-to-clinician approach has been more effective, allowing him to demonstrate real-world applications of his breathing technology in clinical settings to support patients receiving chemotherapy, for example, side-stepping the traditional procurement process.

Michael says his experience highlights a broader challenge facing healthcare innovation - how established procurement systems can inadvertently create barriers to potentially valuable new technologies that could benefit patients and reduce costs.

Mind Body Goals has developed two versions of its Luma³ device - a larger version already available and a smaller

version in development, both designed to make breathing exercises more accessible and effective for users managing stress and anxiety. The company's new Luma³ Editions offer - which recently won backing from The Mayor of West Yorkshire's initiative to tackle health inequalities - tailors these devices to integrate into existing clinical pathways.





Once you're in, it's fascinating

“Once you're in, the projects are fascinating and you genuinely become the expert they rely on.”

Sarah Teasdale
MD, Butcher & Gundersen

Communications agency
Employees: 8

Sarah Teasdale has spearheaded some of the UK's most significant government health legislation projects, including writing the implementation guidelines for tobacco plain packaging across the European Union - work that continues to influence policy today.



As MD of London-based brand communications agency **Butcher & Gundersen**, Sarah led the team that created the comprehensive framework for the 2015 European tobacco directive (TPD), the legislation that introduced graphic health warnings on packaging. Her agency's work became the blueprint for every EU country's implementation.

"We got pulled into the European tobacco directive project almost by accident," she said. "There were big government consortiums going for it, and they needed a small design element. Someone mentioned our name, and suddenly we found ourselves running the entire project."

That initial work - interviewing the entire tobacco industry and creating objective guidelines for implementation - established Butcher & Gundersen as the go-to expert. "We got paid very little for what we originally tendered for but ended up doing the whole thing. The learning curve was steep, but incredibly valuable."

Brexit brought new opportunities when the UK needed to adapt the tobacco regulations. "We got a phone call from someone who'd found our name on documentation. They asked if we knew about the European implementation guideline for TPD, and we said, 'We wrote it.' Their reaction was 'oh wow' - and we've been working with them ever since."

Sarah has worked at the agency for 30 years, starting as a junior designer in 1996 before becoming the owner through a management buyout in 2009. The agency specialises in print and packaging design, with particular expertise in information design and simplifying customer communications. Their client portfolio includes major names like Marston's PLC and Chevron Texaco.

But Sarah also shared how her experience working on government contracts has not always been easy. She described losing a 20-year Department of Health contract because the renewal letter never arrived in the post. More recently, she said she had walked away from tenders due to unrealistic requirements.

Sarah's key lessons from government procurement:

- **Leverage existing relationships** - "Teams change constantly in government. You become the one constant with institutional knowledge."
- **Understand the thresholds** - "Knowing that under £25,000 doesn't require full tender and under £5,000 needs minimal contracting, gave us negotiating power."
- **Don't waste time on unsuitable contracts** - "Put all the must-haves upfront - minimum turnover, employee numbers, insurance requirements. Don't bury them on page 40."



- **Relationships matter more than tickboxes** - "A 30-minute conversation could save everyone time compared to lengthy written submissions for service-based contracts."
- **Government teams often don't understand how small businesses operate** - "They've never worked against commercial deadlines or understood the impact on small businesses juggling client work with tender preparation."

Despite the frustrations, Sarah values the work itself. "Once you're in, the projects are fascinating and you genuinely become the expert they rely on. I was very impressed with the latest Department of Health contract terms - clearly well-considered and understandable."

Butcher & Gundersen operates on a global scale and does this efficiently and nimbly – with five employees plus freelance support, having scaled down from a peak of 11 employees. "The 'S' in SME is very broad," Sarah said. "The small end is never really considered in government procurement processes – and yet here we are!"

Her magic wand solution?

"Make it more human. Recognise the difference between supplying products versus services and understand that trust and relationships matter - especially for creative services where you can't just swap providers without significant pain."

Conclusion

- Digital Supplier Hub: single registration, transparent access
- Supplier Training Network: in collaboration with MSDUK, WEConnect International, OutBritain
- Consortium Building: enabling SMEs to bid together
- Framework Access: £100m food, £814m facilities management, £80bn construction

Government procurement is not only a matter of public service delivery - it is also one of the most powerful policy levers available to foster innovation, productivity and inclusive economic growth. With around £300 billion annual spending, even small improvements in how these contracts are structured, communicated and awarded can translate into significant opportunities for small and medium-sized enterprises (SMEs).

The SMEs highlighted in this report - from innovative healthtech founders piloting new clinical devices to experienced service providers with decades of government and corporate contracts behind them - demonstrate both the breadth of capability and the barriers that continue to persist.



These businesses offer:

- Innovation and new ideas, often directly applicable to public sector challenges (e.g. healthcare technologies, sustainability solutions, digital services).
- Years of hard-won expertise, providing trusted, reliable services in fields such as professional coaching, creative communications and ethical sourcing.
- However, the current procurement system does not consistently enable such businesses to contribute. Evidence in this report shows that many SMEs either:
 - Do not attempt to bid, due to complexity, hidden requirements or lack of awareness.
 - Lose opportunities unnecessarily when processes fail to differentiate between high-potential smaller providers and large incumbents.
 - Struggle to maintain continuity, as opaque Tier-2 supply chains and rigid frameworks prevent relationships from translating into longer-term access

This is not a uniquely UK observation. International studies demonstrate that when procurement is open and accessible to SMEs, it increases competition, diversifies supply chains and improves value for money (gordian.com). Research also shows that public procurement can be a key driver of SME innovation performance. In other words, procurement not only provides the revenue stability SMEs need to grow but also creates the conditions for them to invest in new ideas.

This makes initiatives such as Supply Connect both timely and necessary. By creating a digital supplier hub, delivering supplier readiness training through trusted partners and focusing on inclusion and diversity, the programme will reduce practical barriers while helping SMEs gain the confidence and capacity to participate.

How to register and get started with Supply Connect

You've learnt how public procurement works. You understand what buyers expect. You've got a sense of the benefits. Now it's time to take the next step – by joining the Supply Connect programme and setting your business up for success.

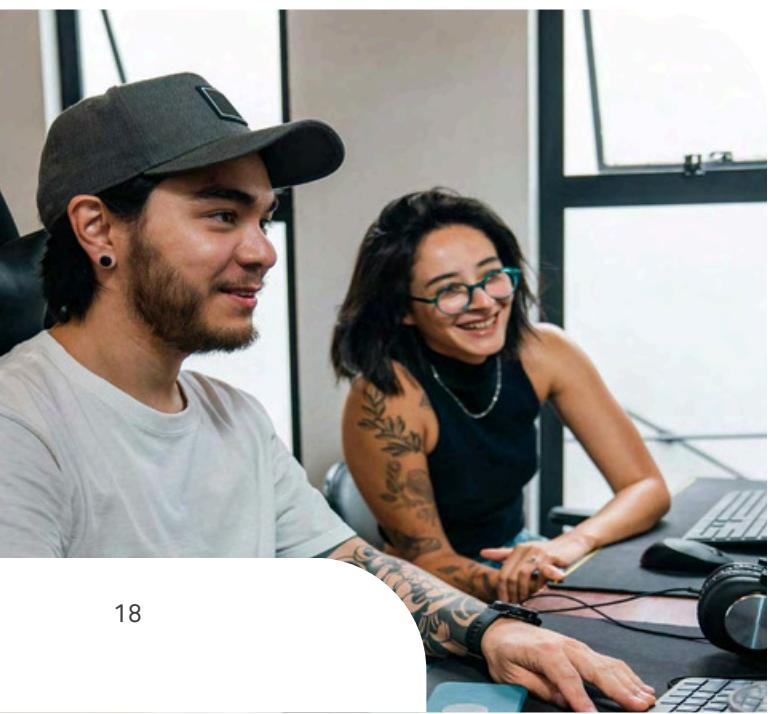
The registration process is designed to be simple and accessible. You don't need a procurement team or a perfect portfolio – just a willingness to learn, a clear view of your business and a few key pieces of information.

This section explains exactly how to register, what you'll be asked for and what happens next.

Step 1: Visit the Supply Connect Supplier Hub

To start, go to the [Supply Connect Supplier Hub](#). This is where you'll register, find resources and support and track your progress throughout the programme.

You'll be asked to create a free Enterprise Nation account if you don't already have one. This takes just a couple of minutes.



Step 2: Complete your business profile

Once you're signed in, you'll be prompted to fill out your supplier profile. Think of this as your public sector business CV – it's how buyers and programme partners will understand what you do and how ready you are to supply.

You'll be asked for the following:

- Basic business details: Trading name, registration number, address
- Sector and services: A short description of what you sell and to whom
- Experience: Examples of past clients or contracts (public or private sector)
- Size and structure: Number of employees, legal structure, annual turnover
- Regions you operate in: Especially important for local authority contracts
- Certifications and policies: Any you already hold (insurance, cyber, ESG and so on)

Don't worry if you don't have all the answers. You can save your progress and return to update it as your business develops.

Tip: Try to write your profile with buyers in mind. Be clear, confident and professional – and avoid vague or overly technical language.

Step 3: Complete the readiness assessment

Once your profile is set up, you'll be invited to complete a supplier readiness assessment.

This is a short questionnaire that helps the Supply Connect team understand where you are on your procurement journey. It's not a test – it's a tool.

The assessment will cover:

- whether you've supplied the public sector before
- which key documents or policies you already have in place
- any support or training you think you might need
- your confidence level around bidding for work

Based on your responses, you'll receive a tailored support plan – pointing you toward the right events, resources and advisers.

Step 4: Start receiving support and opportunities

After completing your profile and readiness assessment, you'll officially be part of the Supply Connect programme.

Here's what you'll have access to straight away:

- 1-2-1 sessions – bookable consultations with specialist procurement advisers and bid support specialists for businesses that are fit to supply
- Invitations to events – including live online workshops and in-person Meet the Buyer sessions in your region
- Alerts for suitable opportunities – including contract updates, partner requests and new frameworks

The more active you are in using the resources, the more value you'll gain – and the more prepared you'll be when the right opportunity comes along.

Step 5: Build your track record

Even if you don't win a contract immediately, the goal is to use this time to build your business's public sector profile and readiness.

You can do this by:

- updating your profile as your policies, insurance or case studies improve
- attending events and making connections with buyers
- gathering testimonials and references from current clients
- speaking to an adviser if you're not sure what to prioritise next

Buyers are more likely to engage with suppliers who show a proactive approach and ongoing commitment to becoming contract-ready.

Step 6: Find and apply for contracts

As your profile grows and your readiness improves, you'll start to see opportunities appear via the platform – either through Supply Connect's partner network or external portals connected by API.

You'll be shown:

- contract summaries
- eligibility requirements
- deadlines and documentation needed
- instructions for how to apply (or how to get help from a bid writer)

When you're ready, you can begin applying with confidence, knowing you've done the groundwork to present yourself as a credible, competitive supplier.

Tip: Every bid is a learning opportunity. If you're unsuccessful, always ask for feedback – and bring it to your next support session.

Ready to begin?

Getting started with Supply Connect could take you as little as 30 minutes. From there, the journey will move at your pace, with support that's as light-touch or hands-on as you need it to be.

You don't need to be perfect. You don't need to be an expert. You just need to start.

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Helping small businesses
win public sector contracts

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