



Dovetail Enterprises - Delivering to the public sector



Dovetail Enterprises is one of seven companies which have been successful in being included in the Scottish Government Framework Agreement for supported factories and businesses. It has also been successful in being included as a supplier to Dundee City's Welfare Fund contract. It is building up expertise in successfully competing with the commercial sector for both public and private sector contracts.



Background

Dovetail's trading history goes back a hundred and sixty years to the Crimean War when Lord Roberts established workshops for injured service personnel and Blindcraft Beds was established for visually impaired basket weavers. With funding support from central and local government these two charities came together in October 1993 to form the supported business Dovetail Enterprises.

Dovetail has continued its close ties with the public sector. Representatives from Dundee, Angus, Perth & Kinross and Fife Local Authorities serve as Directors on its Board of Directors. The public sector and Dundee Council in particular are significant customers for its one stop shop bespoke range of products and services.

Dovetail Enterprises currently has a staff group of 57 of whom 36 have a disability. However the number of employees fluctuates dependent on workload and contracts being delivered. It also has a bank of staff who it can call on as well as providing training secondments.

Supported businesses are organisations where more than 50% of the workers are disabled persons who would struggle to find meaningful employment in the open labour market. Article 19 of the EU Procurement Directives provides for public sector contracts to be reserved for supported businesses.

Dovetail operates from an impressive 100,000sq feet of manufacturing space, employing latest design and manufacturing technology which enables the company to provide a varied product

range and associated services. It very much disproves misconceptions that the general public has of supported businesses.

Dovetail prides itself on its fully bespoke furniture solutions. It provides room layout suggestions, interior design and space planning as well as a standard range of products which can be ordered off the shelf. Customers for its range of furniture, beds, mattresses, and fire doors come from commercial, public and third sector companies within the education and care sectors, the hotel and hospitality industry, oil and gas sector, as well as offices, cafes and restaurants.

The manufacture of doors provides the highest percentage of its turnover either directly to the public sector or through main contractors to the public sector such as for sheltered housing and other developments.

“Our fire door range is a hugely successful element of the business; due in part to the high-quality materials used, and is an area of the business where the growth and development of door ranges is due to our innovative approach, coupled with a long-serving highly-skilled work force”. Graeme Monteith, Doors Administrator for Dovetail Enterprises.

Currently the second highest income generator for Dovetail is its contract to deliver on the Welfare Fund for Dundee City Council.

Dovetail also delivers to the Prison Service under quick quotes and to Edinburgh City Council, Aberdeen/Aberdeenshire, sometimes under quick quotes and at other times full quotes.

Scope and focus

Scottish Government policy is that every public body should aim to have at least one contract with a supported factory or business. Dovetail Enterprises is one of seven suppliers that were successful in being included in Lot 1 (furniture and associated products) of the Scottish Government Framework Agreement for supported factories and businesses. This framework agreement for delivering products and services to the public sector in Scotland ran from September 2012 to September 2014. The

other three lots were: document management, textiles/personal protective equipment; and signage (see case study of The Sign Factory).

The Scottish Government is also committed to supporting the development of the enterprising third sector and the growth of social enterprises, some of whom are currently involved in delivering on the new Scottish Welfare Fund. This has replaced the Department for Work and Pensions (DWP) Social Fund Crisis Loans and Community Care Grants, which are now administered by local authorities. Crisis grants provide a safety net in the event of a disaster or emergency, while community care grants enables for example young folk to leave care and older folk or folk with disabilities to continue to live independently.

The Scottish Government Reserved Framework Agreement for Support Businesses alerted Dundee City Council to the option of using this framework rather than the separate Welfare Fund framework agreement being delivered by Scotland Excel. Dovetail was therefore invited to bid for a Dundee City specific Welfare Fund contract.

From October 2013 Dovetail has been delivering on Dundee City’s Welfare Fund contract as a supplier of beds, bedroom/lounge/dining room furniture plus ancillary items, bedding and kitchen packs. The other two providers include another social enterprise, The Clean Carpet Company (an initiative of the Clean Close Company), and a private sector electrical supplier, Edmundson.

“The gratitude from people when they receive a phone call to arrange a delivery and confirm the goods they will be receiving really makes the job worthwhile” Jill Rettie Sales Office Supervisor, Dovetail Enterprises.

The benefits for Dundee City Council in contracting with Dovetail have been getting better value for money by supporting a local business, as well as reducing other financial support that the Council provides to Dovetail. Dundee City like other parts of the public sector is committed to maximising community benefits through its contracts, whether through specific community benefit clauses or in other contract requirements.

In relation to the Welfare Fund contract the Council has been able to tick a number of boxes under community benefits:

- Benefitting local tax payers - it's supporting Dovetail, a local manufacturer, which means there has been no need to go through a distributor with associated mark up.
- Clients can come in and collect their goods if they choose to which therefore benefits customers
- Saving on green miles as Dovetail is within close radius of any delivery point.

Overcoming obstacles

The experience of Dovetail has been that the public sector procurement process can be quite challenging compared to the private sector, as the public sector is looking to tick a lot of boxes which the private sector is not interested in. Although this is to be expected as the public sector has to account for spending tax payers' money, this can be quite frustrating for small social enterprise suppliers.

"Private customers would ask if we could deliver the right product for the project on time and on budget, interacting with us for the most appropriate design, materials and finishes etc. While the public sector tells us what they believe is the right product and then asks not only if you can provide it on time and on budget but also calculate carbon footprints, offer extended guarantees, justify packaging use etc. etc. Public Sector tendering has a lot of focus on presenting a robust back-up to the pricing and success can be down to how well this is presented with less focus on the actual service and product we can supply." Ann Jamieson, Sales and Marketing Manager for Dovetail Enterprises.

Another example was a tender for a care home for which Dovetail included samples of the proposed fabric and technical specifications. When asked why they had not been successful with their tender they were told they should have included information on specific projects they had used this fabric, so the procuring department could have referred to these projects.

"From our point of view we'd provided all technical data plus an actual fabric sample, this in our mind provided sufficient information; however the procurement team needed to be able to have a project they could have as a reference" Ann Jamieson, Sales and Marketing Manager for Dovetail Enterprises.

Critical success factors

Dovetail Enterprises highlights its three key selling features:

- its commitment to its workforce, both disabled and able bodied
- its promotion of skills in woodworking and furniture manufacturing
- its pursuit of quality workmanship and products

Staff in Dovetail know that their knowledge and experience is of real benefit to public sector architects, budget holders and contractors at the design stage of projects. They can recommend product choices or finishes based on the intended setting and end user. Their experience built up over many years enables them to bring this expertise to decisions being made for residential homes, social housing and care and educational facilities along with construction projects. Critical to their success is taking into account any particular requirements of users.

Staff feel that the perception of the products that supported businesses can manufacture needs to change. They feel that buyers, from all sectors are unaware of the high standard delivered by supported employment companies.

"For all supported businesses, marketing and promotion needs to be a major focus to change the perception." Ann Jamieson, Sales and Marketing Manager for Dovetail Enterprises.

Key lessons

Dovetail has learnt a number of lessons from contracting with the public sector:

- **Recognise the amount of work involved.**
There is huge amount of documentation to read through and there is a lot of work involved in responding to tenders. This can't be done in a couple of days.
- **Treat each bid as a sales and marketing exercise,** not just as a pricing exercise. Do your pitch. It's almost like writing a company CV.
- **Always ask for feedback.** It can be very frustrating but you have to accept their reasons for turning down tenders.
- **Attend all local authority supplier events.**
You might pick up that critical piece of information.
- **Accept that you may have to walk away from opportunities.** If the requirements of the tender are out with your capabilities as an organisation don't be afraid to walk away. It could be something as simple as attending a site visit on a particular day which clashes with an 'open day' as happened with Dovetail recently. If you don't have the resources it may sometimes be necessary to withdraw at the early stages of a procurement process.

Future ambitions

With only a small percentage of its current annual turnover of £2.8 million attributed to public sector contracts, Dovetail is hopeful that the Scottish Government's supported factories and businesses framework agreement will have

a positive impact on extending its public sector clientele.

“Very few of our customers choose to do business with Dovetail because of its supported business status – they buy from the business because of its capabilities, service, products and capacity. The business firmly believes that its hard-earned reputation with its customers for quality and flexibility is one that would benefit the public sector and we would like the opportunity to be able to demonstrate this more widely.” Charlie Marr General Manager for Dovetail Enterprises.

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