MATCHMAKER DEVISAUEVS November 2024



Swimming with the big fish



Swimming with the big fish SME MATCHMAKER SERVICE

Helping high-performing SMEs to secure high value, long-term framework contracts on major projects

MATCHMAKER ENQUIRIES

You are a valued member of the Swimming with the Big Fish family. As such, we're always on hand to support you as best we can, whether you have enquiries about a particular PPP package, are seeking some intelligence on an opportunity or scrabbling about for the right person to speak to at a KDP or fellow Matchmaker SME or microbusiness. If you need our help, just get in touch with Hazel Duhy 016973 44905 hazel.duhy@solomonseurope.co.uk





Welcome to the latest edition of the Swimming with the Big Fish SME Matchmaker Service newsletter, delivered by Solomons Europe

MEETING OVERVIEW OVARTERLY CONNECT 7

On 15th October 2024, Solomons Europe hosted the seventh Matchmaker Quarterly Connect at our Papcastle Depot.

This meeting brought together small and medium-sized enterprises (SMEs) engaged with or preparing for KDP Frameworks. Moving forward, future Quarterly Connect meetings will expand to include our broader Matchmaker portfolio of SMEs.

Duncan Elliott commented that PPP are seen to be doing really well and achieving the overall objectives that were established when the framework commenced; adding that "Stakeholders across the board – and from other parts of the industry – are coming to look at what PPP are doing and how we are doing it"

He noted that the NDA, treasury, and government see the PPP entity performing above expectation. The partnership is maturing and we are now more integrated, with our client and the Sellafield programmes, to work out how we offer best solutions for them and ultimately the taxpayers. In these times of austerity, Duncan made clear that only high performing programmes would see continued investment.

Duncan went on to say "What we must do is keep working hard to bring the best solutions and prove we can deliver. There are no closed doors in PPP, we want the supply chain – especially the SMEs who are really enthusiastic about what they do – to be an integral part of the partnership and our collective success."

He said he felt proud to work within PPP, it being the 'place to be', Duncan commented **"it is a** really interesting time for everyone involved. Everybody needs to work in a joined up way to have influence. The time is now, and the time is right to bring these aspirations alive." Within the highest levels of Sellafield, people are looking at PPP to understand how the model works and how the benefits can be brought across to upcoming long term procurements, which are about to commence within the Sellafield environment.

Dominic Doig, Managing Director of Solomons Europe, added "It is clear that Matchmaker have the PPP mandate to deliver on the Critical Success Factors and he reiterated that these factors are as important as the traditional drivers of time, cost and quality. We need to ensure that the model enables a legacy of jobs and investment in West Cumbria."

He acknowledged that things needed to update quickly and that people needed to change hearts, mindsets, attitudes and cultures. He made clear that there is a significant challenge ahead, but was confident that the established framework enterprise objectives should provide the necessary leverage to ensure commitment and follow through by the KDPs in general.

It was also acknowledged that the SMEs need to do better in demonstrating capability and competence to reduce the continual race to the bottom and drive for additional fixed price quotations. In Dominic's words **"the true cost of the race to the bottom is the legacy for the future."**







HOLDING OURSELVES TO ACCOUNT to make the theory a reality

John Rossiter Programme and Project Partners The theory behind the KDP model was to put SMEs at the heart of our delivery models, whilst enabling and facilitating business relationships between SMEs and KDPs, where there are business synergies. This led to the inception of the Matchmaker Service to help broker and build those relationships.

Why did we do this? Well, traditional SME strategies focus on carving out small packages or work for smaller contractors.

Whilst this can work for meeting SME spend percentage targets, when the work dries up from the framework the SME can find themselves in no better position than beforehand; always reliant on the large client to award work. It also risks having highly skilled, innovative SMEs that are left with 'only' lower complexity packages, losing all the benefits they bring on the larger, more complex packages of work.

By having SMEs as part of our KDP partnerships, we aim to forge long lasting business relationships that will deliver far beyond PPP, with SMEs and KDPs working in partnership on a long-term basis for PPP, outside of PPP at Sellafield and elsewhere. Whilst we've had our challenges, it would be remiss not to celebrate some of the successes we have seen in the early days of this model, such as NG Bailey using their Matchmaker SME Partner, Meldrum Electrical of Carlise, to deliver several million pounds worth of work at AWE.

But, for this to work across the board, it needs a huge shift in behaviours and culture. SMEs and KDPs that used to be competitors or have master / servant or subcontractor / sub-subcontractor relationships must now forge meaningful partnerships and business relationships and integrate with the PPP Lot Partners to deliver the vision: a commercially aligned, incentivised enterprise.

Whilst it has become an overused saying, it should be reiterated that we can't keep doing what we've always done and expecting different results. We know that it still feels transactional, we know that in some cases SMEs who were expecting partnerships are still being asked to bid for work and feel treated as sub-tier suppliers. We know our KDPs often feel treated like Subcontractors. We know our projects feel like the supply chain are sometimes acting like subcontractors. We know there are challenges on levels of turnover versus expectations.

The challenges are varied, but they are are not insurmountable. They are our challenges, in our enterprise and, for things to change, we must take accountability both as organisations, partners and individuals to make the model work.

We have created an incentivisation model where we can reward performance withprofit. However, to get the benefits that we all hope to from this model, we need to change hearts and minds and demonstrate that if we are bold and willing to embrace doing things differently, we can deliver true success for all involved.

So where we encounter challenges, I'd ask you to reflect and think 'how can we fix this'? What can you to do help? How can we drive solutions and be part of making it work?

Change on this scale was never going to be easy, but I'm still confident that if we are all fully committed – and we accept we are all accountable – we can achieve success for all.



Since the QC6 meeting in June 2024, the Matchmaker (MM) team has been actively supporting PPP in finalising its Enterprise model.

A key element of this initiative term frameworks with MM SMEs. One example is the new framework between ITI and Balfour Beatty Kilpatrick (BBK). discussions were held with ITI, who have been tasked with building a presence in West Cumbria to support their delivery, via BBK, at Sellafield. Colin Bell, from ITI, mentioned plans to recruit locally and establish a base in West Cumbria - progress we are thrilled to see.

has been establishing long-During the QC7 meeting, productive

We are committed to working with Colin and Stuart Logan to ensure ITI has the support necessary to bring these plans to fruition.

Beyond frameworks, the MM team has been actively engaging with the wider MM SME community through update calls, to gather valuable feedback on what is working well and where improvements are needed. As highlighted during the meeting, Duncan Elliott of PPP encouraged all partners to provide honest, constructive feedback. This transparency is vital to addressing issues early and ensuring the success of our collective efforts.

In September, we visited RAF Engineering and RC Civils, who are partnered with KDP5 (Altrad) and KDP8 (Sir Robert McAlpine), respectively. These visits underscored the exceptional work being done by local MM SMEs and their commitment to delivering sustainable projects through PPP.

For more details about these collaborations, please refer to the case studies on pages 14 to 19.

SME SPEND AND THE ROUTE TO 33%

The current cumulative SME spend was a key topic during the meeting. While progress has been made, reaching the 33% annual SME spend target, set by PPP and the NDA, remains a critical objective. This metric is integral to the success of the PPP's Enterprise model, as it drives local investment, SME growth and workforce development in West Cumbria.

To accelerate SME engagement and spend, KDPs have been tasked with developing threeyear SME strategy plans as part of their annual Enterprise KPIs. These plans, which are currently being finalised, will include specific objectives for 2024/25, particularly around the engagement of Appendix 12-approved SMEs within the KDP supply chains. While project scheduling challenges need to be acknowledged and factored into these plans, the overarching goal remains achieving or exceeding the 33% SME spend.

STRATEGIC OBJECTIVES AND SUPPLY CHAIN COLLABORATION

The three-year SME strategy plans will focus on several key areas:

- Identification of proposed SME suppliers and subcontractors
- Forecasted pipelines of work, including timelines for engaging SME supply chains
- Specific plans to help SMEs grow, enhance their capabilities and invest in West Cumbria
- Commitments to fulfilling SME bid promises from KDP invitations to tender (ITT)

Effective communication and transparent discussions around pipeline work are essential, not just between PPP and KDPs, but also within the wider supply chain. As discussed, if work deviates from the planned programme, there may be opportunities within PPP, at Sellafield, or further afield to keep MM SMEs engaged. A recent example is the collaboration between Meldrum and NG Bailey on non-PPP projects. This has allowed Meldrum to maintain resources and ensure readiness for future PPP work.

RIGHT TYPE OF SME SPEND

The MM team is passionate about ensuring that the 'right' type of spend occurs with SMEs.

While any spend is positive, it's crucial that it drives long-term value and supports the growth of MM SMEs.

Transactional spending outside of frameworks, without clear KPIs tied to enterprise activities, risks missing out on the socioeconomic benefits that sustained investment can provide.

Our collective focus must be on creating tangible outcomes, including SME growth, local recruitment and workforce development.







NOTABLE CONVERSATIONS FROM QC7

Throughout the meeting, we had the pleasure of engaging in several insightful conversations with attendees:

Oldham now has a framework with Altrad for KDP5 Mechanical Pipework, with significant orders flowing. To maximise this and support Oldham's investment in West Cumbria, we agreed to arrange a meeting with Altrad to ensure framework call-off notices include specific enterprise KPIs.

March's Framework Lead, Steve Berry, and their new trainee quantity surveyor joined the event. It's encouraging to see March training local talent as part of their service delivery.

Wozair shared their commitment to supporting West Cumbria, including through RAF Engineering, a local sub-supplier to Wozair. Numech had discussions with Altrad about potential opportunities on the Mechanical Pipework package. Numech has had a Heads of Terms agreement with Altrad since 2021, and we look forward to revisiting this arrangement to explore new possibilities.

GM&A Lawsons discussed their framework with Sir Robert McAlpine. Once the work begins, GM&A Lawsons will be ready to deliver and continue investing in the local area – something they're already doing.

CONCLUSION

QC7 was a valuable opportunity to update our SMEs, foster open discussions and network with key stakeholders.

The road ahead requires hard work from all parties to complete the PPP Enterprise model and hit the 33% SME spend target.

However, with the enthusiasm and commitment displayed during the meeting, we are confident we can achieve this goal. Now, it's time to make it happen!











SME SHOWCASE

We caught up with two SMEs to learn a bit more about them and the progress they're making

We're eager to share your contract wins, news about work you're undertaking with fellow Matchmaker companies and examples of your commitment to investing and growing in the Cumbria region.

To share your story in future newsletters, please get in touch with Hazel Duhy at hazel.duhy@solomonseurope.co.uk





The husband and wife team behind a West Cumbrian engineering firm are entering into a new partnership with a neighbouring company as they plan to increase staff and continue growing their business.

RAF Engineering, in Workington, is working with MTS Hydraulics and Pneumatic supplies to collaborate to create a one-stop-shop for fabricating, assembling, calibrating and testing industrial pipes.

It is the latest growth stage for the company, which was started by Rafal Gibki and Aneta Gibka in 2017.

Originally from Poland, the couple came to the UK in 2005, initially planning to get married and stay for just a few months.

However, they liked it so much that they soon put down roots, getting jobs in the food industry and coming to West Cumbria to work in a fish processing factory in Maryport.

Rafa then worked for a number of local engineering firms, including Hudson Swan, on the Derwent Howe Industrial Estate. in Workington, while Aneta worked at Centre Parcs, near Penrith, and also with people with disabilities at care and support provider West House, also in Workington.

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We've tried to invest in people and make sure we get the right tools for them to do the job and drive productivity so we can deliver the best service possible for our customers and expand our capabilities.



In 2017 Rafa bought Hudson Swan from the previous owner, renamed it and began running it alongside Aneta. She oversees many of the financial, administrative and business development tasks while Rafa focuses on the technical processes.

"Ever since I was a little girl I was told you have to study, you have to learn and you have to work hard," says Aneta.

"It has been very hard work growing the business but we are proud of what we have achieved so far."

Over the last seven years, they have grown the number of employees from three to 14 and invested around £1m in new machinery and digital project management systems.

This includes buying five new machines, including a CNC lathe, new machine centres for existing lathes, a new manual lathe and a laser measuring device.

In addition they have adopted the Tricon project management system which enables them to track orders from quotation through each part of the manufacturing process, while keeping an accurate record of the total cost and time involved.

This allows them to refine their billing over time to reflect the real cost, as well as to quickly and easily repeat orders as necessary.

Machinists can also access technical drawings, material specifications and other information via the system to help them complete jobs more efficiently. The team also uses the One CNC CAD programme to operate

multiple machines at the same. greatly increasing productivity.

"In 2017 when we took over everything was guite manual and there weren't many staff," says Aneta.

"We've tried to invest in people and make sure we get the right tools for them to do the job and drive productivity so we can deliver the best service possible for our customers and expand our capabilities."

Currently, about 50 per cent of RAF Engineering's work comes via the supply chain for the Sellafield site.

Last month (September) senior representatives from Altrad Babcock - which is one of the major partners in Sellafield's Programme and Project Partners delivery model – visited both RAF Engineering and MTS to find out more about the contribution they could make to the site.

The new collaboration will bring together MTS' capacity for pipe assembly, calibration and testing with RAF Engineering's fabrication capability.

It is a natural partnership for the two companies with MTS - owned by Mike Starkie – located just across the road.

Mike's customers include Sellafield as well as nearby paperboard manufacturer Holmen Iggesund.

Over the years Mike has taken on a number of apprentices, as well as giving youngsters the chance to do work experience at the business.

He currently has a team of seven and hopes working with RAF Engineering will give them the chance to employ about the same again between them. "I'm not out to make millions of pounds, but I do like creating jobs and employing people because I believe you should give everybody a chance.

"We've had quite a few apprentices over the years and some of them have gone onto big things."

Rafa and Aneta have also enthusiastically embraced the apprenticeship route to home grow their own team, employing 20 apprentices since they took on the business.

"In my opinion it is absolutely magic," says Rafa. "We have invested a lot in digitisation and that really suits the young apprentices. They are so used to digital devices that they take to it so quickly."

While experienced engineers work four days a week, the apprentices work five days, giving Rafa the chance to spend some time with them one-on-one on a Friday.

"I try to give them my knowledge and my support and then when they are trained they go on to four days a week and we take more people on and we rotate it like that," he says.

Training young people is just one way that Rafa and Aneta have been trying to give back to the community that they have made their home.

Last year the firm designed and built the Nightingale Monument, which stands in Workington's Vulcan Park, as a lasting memorial both for those who died during the Covid-19 pandemic and the frontline workers who went above and beyond to help people.

In total the firm donated £80.000 in materials and working hours to complete the project.

"From day one all of our staff were involved, including the apprentices," says Aneta.

"There were a lot of challenges to solve but it has been really fantastic to create something which we hope will mean so much to the community for years to come."

The couple - who have a 16-yearold son, Oliver - are committed to living and working in West Cumbria for the long-term.

"It wasn't easy settling in initially," says Aneta. "The Cumbrian accent isn't very easy and it takes time to make friends, but people are very friendly and we feel really comfortable now."



"It is a nice place to live," says Rafa.

"We are close to places like Keswick and the Lake District and it is very beautiful.

"Anyone who lives here has to appreciate it when you are out biking or walking with the dog - you don't get this in London or Manchester.

"I just love engineering. You just do it every day and try to be better.

"If you don't have passion you should not be doing it and that's what I try to do, I just try to be better and to enjoy myself."

RC CIVILS BASE

CIVILS

A rapidly growing civil engineering firm has established a new base in West Cumbria as it prepares to continue working on major infrastructure projects. Founded in 2016 by Stuart Ray and Brendan Cordin. RC Civils

has built a strong reputation for delivering high-quality civil engineering and utility projects.

This strategic expansion aims to support ongoing and future infrastructure work across the region.

Stuart and Brendan's shared vision for RC Civils stems from a mutual passion for the industry and a commitment to excellence.

They first met while working for Manchester-based utilities contractor T&K Gallagher and quickly recognised their complementary skill sets and decided to venture out on their own.

"We both had a similar work ethic and thought, 'Let's have a go at it," says Brendan.

"We want to make sure that everything we do meets the highest standards – whether it's excavations, reinforced concrete, drainage, or utility installations."

Since its inception, RC Civils has grown to a 15-strong team, equipped with an impressive fleet of vehicles and machinery, including ten vans, ten excavators and two wagons. Their project portfolio includes subcontracting on United Utilities'

62-mile West Cumbria pipeline and a multi-million-pound contract at BAE Systems Maritime in Barrow, where they installed seven

kilometres of multi-utility trenches to support submarine production. The firm's dedication to quality and precision is central to their approach. "We're talking about the foundations of projects that will be in place for

many years to come, so attention to detail is everything," says Brendan.

"You can't cut corners. Our aim is to always deliver work that will stand the test of time."

The new site at Mowbray Farm will serve as the company's headquarters and operational hub, strategically located just 20 minutes from the Sellafield nuclear site.

The farm's farmhouse is being converted into offices, while the outbuildings and farmyard will be used for workshops and storage for plant equipment and materials. The investment also reflects RC Civils' commitment to supporting the local community. As well as providing a base for future growth, there are plans to lease office space to other local businesses and explore sustainability initiatives, such as establishing a solar farm or creating a nature restoration area through tree planting.

"For us, it's about more than just growing the business," explains Stuart.

"We want to create opportunities for local people and give back to the community we're part of.

"As we expand, we want our success to benefit the area, whether that's through creating jobs or supporting local projects."

RC Civils has already demonstrated its community spirit by donating time and resources to the mental health charity Growing Well, preparing groundworks for a new market garden in Egremont. The garden will provide a therapeutic space for those in need.

This ethos of giving back is something both founders are keen to maintain as the company grows.

Looking ahead, RC Civils aims to build on its recent successes, leveraging its framework agreements with major contractors such as Sir Robert McAlpine, which recently appointed the firm as a key delivery partner for groundwork and concrete structures at Sellafield.

Stuart and Brendan are confident that RC Civils is well-placed to take on new challenges and contribute to the long-term prosperity of West Cumbria.

"Our plan is to keep on growing," says Brendan.

"We're excited about what the future holds and look forward to taking RC Civils to the next level while staying true to our values of quality, community, and opportunity."

We want to create opportunities for local people and give back to the community we're part of.



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PROGRAMME & PROJECT PARTNERS AT SELLAFIELD

