

Small businesses win more HS2 orders

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According to new figures, **HS2's** civils contractors doubled their total spend with SMEs (companies with 250 or fewer employees) in 2022/23 compared to the previous financial year.

Small and medium sized businesses account for over 70 per cent of HS2's supply chain, and shared a slice of £942m – a significant increase on the £456m total spend in the previous year.

The cash injection delivered a welcome boost for construction companies across the country, as they battle with rising inflation and supply chain pressures linked to the pandemic and Ukraine war.

The scale and momentum of HS2's construction that year saw the project hit peak construction and its workforce top a record 30,000.

Robin Lapish, HS2's Supply Chain Lead, commented: "From the outset, we put robust targets in place to ensure UK-based SMEs would benefit from HS2's vast construction programme. Our contractors, through their own procurement processes, embraced the challenge we set them and as a result, just shy of a billion pounds flowed into small businesses, across the country, in just one year of our civil engineering programme.

“2024 promises to be another year of opportunity, with a procurement pipeline worth over £1bn set to be released by our construction partners, plus the award of our railway systems contracts, totalling £5bn. We want to see more local businesses stepping forward and benefitting.”

HS2’s seven construction partners (stations and civils) hit a combined average of 20 per cent total spend with SMEs in 2022/23. Align JV and EKFB JV, both delivering the central sections of the HS2 route, exceeded the average, with respective total spends of 33 per cent and 26 per cent.

EKFB JV’s approach to supplier diversity was commended by the Chartered Institute of Procurement and Supply back in 2020, when it received the ‘Best Initiative to Build a Diverse Supply Base’ award.

Chris Read, Supply Chain Management Lead at EKFB JV, credits the team’s early focus on achieving supplier diversity with its continued success.

He added: “We developed a detailed action plan as soon as we secured our civils contract with HS2 Ltd, setting out a procurement approach that would ensure both SMEs and local businesses benefitted.

“Today, 70 per cent of our supply chain are SMEs and in the last year, 20 per cent of EKFB’s contracts were awarded locally. Making a difference to local communities and British businesses is just one of the legacy benefits of HS2, and we’re proud to be a key contributor.”

Haulage specialist **Vaughan Plant Haulage LTD** is among the many SMEs continuing to benefit from repeat contract awards. As a leading supplier to Align JV, the Denham-based firm has experienced significant business growth since it started working on HS2, leading to the recruitment of more staff from the local area.

John Vaughan, Managing Director at Vaughan Plant Haulage LTD said: “Since beginning work on HS2 Vaughan Plant Haulage LTD has benefited from the spotlight HS2 has shone on our business, leading to more exposure in our industry and therefore further work.

“Naturally, the upturn in work has meant we have been able to employ more skilled staff, most of which are local to the project. As a whole, working with HS2 has proved to be very beneficial to our business. Not only to us but many other local businesses who are now presented with new opportunities that were not there before.”

All subcontract opportunities with HS2’s stations and civils construction partners are posted on **CompeteFor** approximately two weeks before the procurement process begins. Interested suppliers can view and download the subcontract procurement pipeline on the **HS2 website**.

Companies of all sizes can express an interest in winning work with HS2 and its contractors by registering their details on CompeteFor. For information and advice about becoming an HS2 supplier, read HS2’s **Supplier Guide** or email scc@hs2.org.uk.