

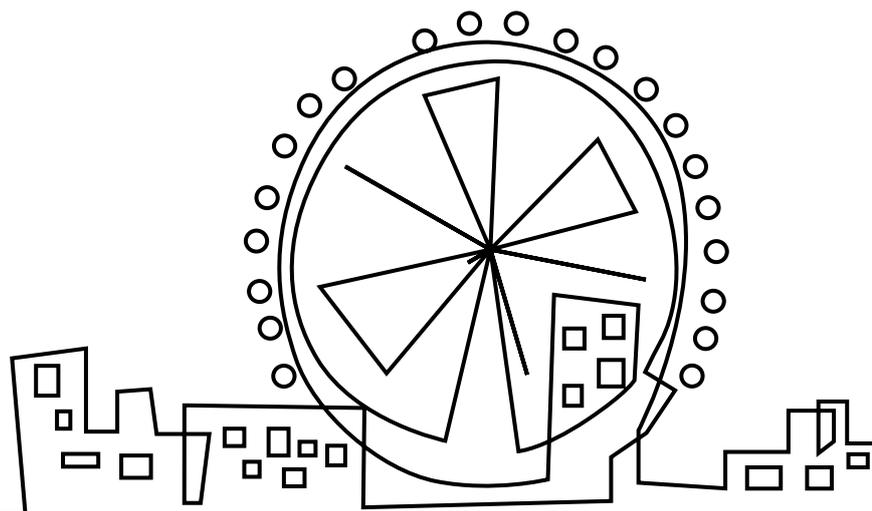
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ForUs 2021

Placing people at the
heart of procurement

PROCUREMENT FOR COMMUNITY PUBLIC GOOD: A GUIDE

Aspire Community Works
2021

www.betterforus.org.uk



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1. KEY ISSUES

1. As this is written, the full impact of Covid-19 is far from clear, for our economy and for our communities. Whether or not the country or the world will be overwhelmed by a tsunami of infection depends on how much control can be gained over the pandemic. And ultimately this is a matter not only for governments but for local communities and individuals too. It is all of our responsibilities.
2. Covid-19 has highlighted the socio-economic inequalities on which our current social and economic infrastructures are based both globally and nationally. It disproportionately affects people living in poverty. The weakest economies suffer most. The pandemic is unlikely to go away quickly. And – if current trends persist – even greater inequalities could arise in the post-pandemic world, unless we act now. This is not a time for waiting for others to act, but for each to play our role in preparing for the future.
3. The greatest economic disruption in all of our lifetimes is forcing economic policy to change, away from neoliberal orthodoxy to what some have called a form of radical pragmatism of ‘whatever it takes’ in favour of understanding the world through lived experiences.¹ A problem-solving, empirical and political approach to economic policy making should focus on making substantive improvements to peoples’ lives.
4. At a time when the UK faces the challenge of Brexit, growing income and wealth inequalities and lack of trust in governmental institutions, public service institutions designed to provide cradle to grave services which are part of the solution, can present as part of the problem too.
5. Drawing from Aspire’s lived experience of public procurement, while most contracting authorities claim to want quality services for their users and residents, too many continue to commission services with cost as the dominant factor leaving Real Living Wage and accredited Good Work providers at a disadvantage that undermines community impact.
6. At the same time the increasing concentration of outsourced contracts into larger and larger lots acts in the favour of the large corporation and against smaller businesses based in their local communities. Such concentration can hinder the use of social innovation, enabled by current procurement law, which could provide more power, resources and control for local communities.

THE PROBLEM

4. At a time when the UK faces the challenge of Brexit, growing income and wealth inequalities and lack of trust in governmental institutions, public service institutions designed to provide cradle to grave services which are part of the solution, can present as part of the problem too.

THE SOLUTION

7. Giving local actors greater control over how local purchasing power is used should be an essential part of our post-pandemic economic recovery and building stronger, more resilient, more equal economies. This involves government, communities and business working differently together to shape the market to promote inclusive growth and the everyday economy.

THE LEGAL FRAMEWORK

8. The current legal framework governing equalities and procurement in the UK is devolved. It can support best practice in community procurement.
9. While Scotland and Wales have the most progressive frameworks, England and Northern Ireland lag behind.
10. The Public Sector Equality Duty requires public services bound by the duty to

¹ Geoffrey Gertz, Homi Kharas, ‘Radical pragmatism: policymaking after Covid’, Democracy: a journal of ideas, October 2020

consider the needs of people who are disadvantaged. Section 1 of the Equality Act enacted in Scotland and due to be introduced in Wales requires authorities when making decisions of a strategic nature to exercise them in such a way as to reduce the inequalities of outcome which result from socio-economic disadvantage.

11. Regulation 20 of the Public Contract Regulations 2015 enables commissioners to reserve the right to participate in public procurement regulations to sheltered workshops and economic operators whose main aim is the social and professional integration of disabled or disadvantaged persons. It also provides that contracts can be performed under supported or sheltered programmes. The condition in both cases is that at least 30% of employees of the programmes, workshops or economic operators are disabled or disadvantaged.

ROUTE MAP TO SUCCESS

12. Local organisations and individuals can use existing legal powers to reduce inequalities and help build an inclusive society through devising policies and practical action for procurement for community public good thereby adding to public value.
13. Developing a systematic and communitised approach involves three key elements:
 - An effective framework in which procurement can fit
 - A clear identification of public need
 - A clear focus on public value outcomes
14. Thinking big should be an integral part of local delivery. But so too should be thinking of the details that impacts on peoples' lives at an individual and group level. Think smaller, thinking local is also thinking smart.
15. The UN Sustainable Development Goals are a public value charter for all organisations. They are the framework in which good procurement should sit. They are based on the principle that no-one should be left behind and all of the 17 goals are equal. They aim to stimulate action up to 2030 in areas of critical importance for humanity and the planet. These are big issues to think about.
16. Local public services working in partnership with the private, not for profit sectors and civic society can identify specific community needs identifying people, places and problems that require local solutions and collaborative working. These needs should help to frame the services provided by public bodies and organisations such as housing associations that provide public services. Working on these requires addressing the detail that constructs individual and daily lives, and thinking that is smaller, less ambitious for scale and more ambitious to make a difference to the lives of real people.
17. Creating public value should involve the public services and service providers setting a direction and public purpose for public and private actors to collaborate and to innovate to solve societal problems. This provides it with a proactive market shaping role enabling it to dictate the conditions of contract, engaging local people and organisations in the design and delivery of services and in encouraging a plurality of providers within a mixed economy.

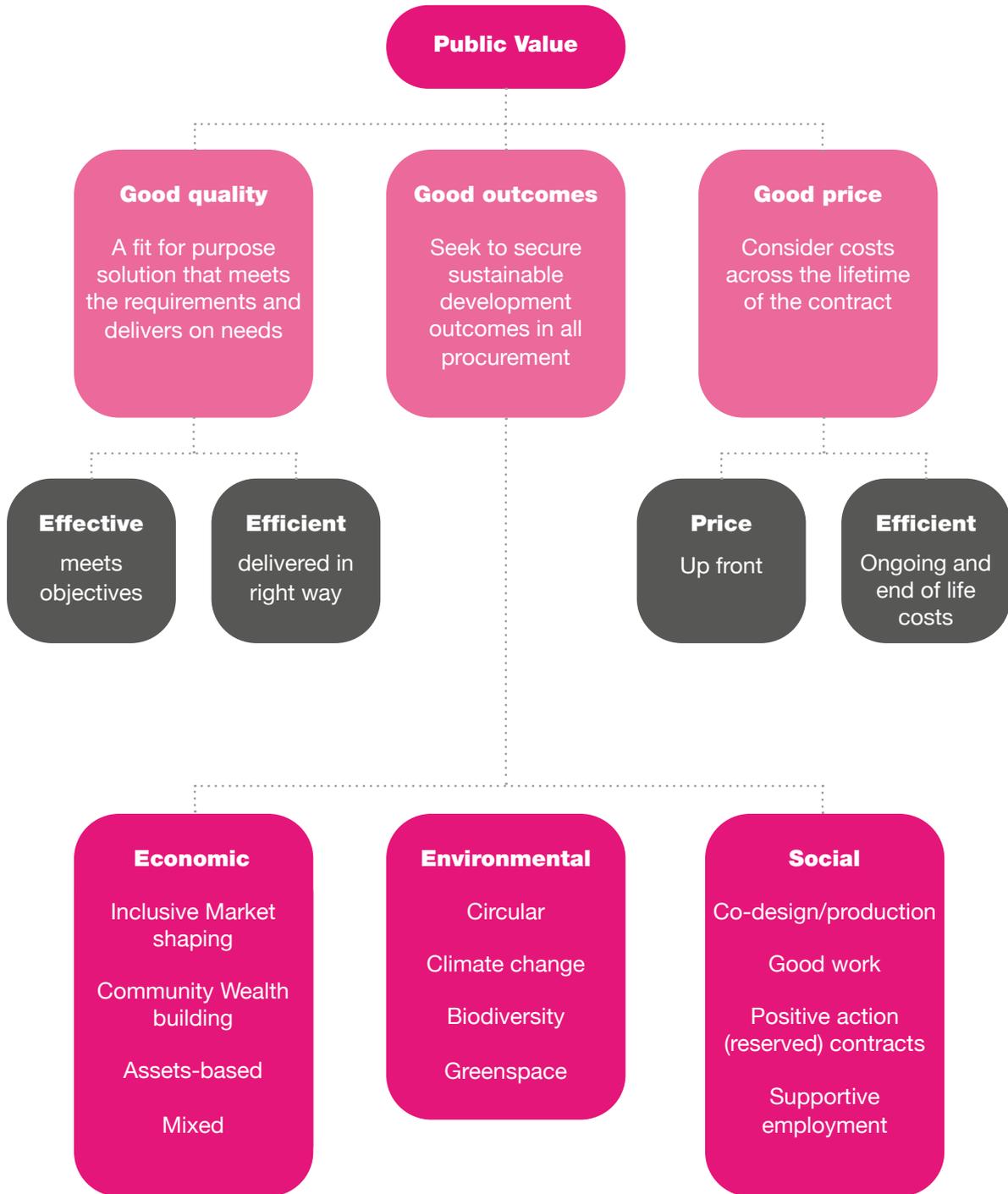
Table 1

Market shaping – developing the market – preparation and planning
Engagement
Selection of tenders
Award of tenders
Contract implementation and public value review

Table 2

<p>Analysing and preparing the market</p>	<ul style="list-style-type: none"> • What is the problem we are trying to address ? • What is the state of the current public services market? • What are the overarching policies that govern our commissioning? • What are the key economic, social and environmental issues? • How can we influence the market? • What is the service we think we should be offering? • Is this a service we can offer better in house? • Is there a procurement policy in place?
<p>Engaging communities</p>	<ul style="list-style-type: none"> • Carry out market consultation • Is this the service that we need? • Do we or have we drawn upon the lived experience of users? • Is there a ready market of suppliers ? • Is there a possibility that reserved contracts could create a better market in the long term? • Should we consider an innovation partnership as part of a market shaping strategy?
<p>Transparency and accountability</p>	<ul style="list-style-type: none"> • Draft specifications • Consider the broader economic, environmental contract requirements – these must always be relevant and proportionate • Consider whole life costs of contract • Make sure OJEU advert includes all information • Advertise opportunities of £25,000 on domestic websites • Have a clear and consistent clarification process
<p>Selection and award of tenders</p>	<ul style="list-style-type: none"> • Selection criteria • Award criteria • Evaluation • Notification • Complaints
<p>Compliance and review</p>	<ul style="list-style-type: none"> • Implementation • KPI and monitoring performance • Developing service improvement plans • Variations • Closure • Public value review

Table 3



BUILDING ON BEST PRACTICE

18. Building upon best practice to promote maximum economic, social and community impact.
19. All over the UK there are examples of innovative practice from which more can be developed.
20. In Scotland, the sustainable development goals have been incorporated into procurement as part of a structured approach.
21. The Preston Model see the local authority acting as place leader with other key anchor organisations such as education, housing, police and health authorities encouraging organisations to use their procurement powers so that more local wealth is retained in the local areas.
22. The UK Steel Charter aims to support the UK steel industry and ensure that decisions are not simply made on the basis of lowest cost.
23. In Greater Manchester and in London, Good Works Standards are promoted as an essential part of responsible procurement.

PURCHASING FOR COMMUNITY PUBLIC GOOD

24. Public services are all of our services. Purchasing for community public good means ensuring that public bodies and public services put their money where their mouths are. Good procurement supports community public services which address inequalities while working towards wider economic, environmental and social well-being.
25. If people are to regain trust in public institutions, and if we are to build an economic recovery together, those who too often feel left behind need to see a genuine commitment to change the economy. We need big thinking to meet the challenges of our times, but thinking also needs to be small: addressing the detail that makes the difference between poverty and well-being, and supporting improvements in the lives lived by ordinary people through their own active engagement and participation in service delivery: a new normal of doing things differently.

2. INTRODUCTION

COMMUNITISING PROCUREMENT

This guide is intended for all those with an interest in public services: for commissioners who commission services; for decision takers and makers who make important decisions within their communities; for local organisations that wish to influence, engage and participate within the procurement process, either directly or indirectly; and for people with an interest in strengthening public services now and in the everyday economy in the interests of us all.

The fundamentals of our guide on public procurement for community public good are focused quite simply on commissioners using their purchasing power to maximise the common public good. They can do this through adopting a bespoke set of measures and processes designed to achieve this. They can also shift up the procurement gears to use them as a tool not only for the purchase of goods and services, but to drive public value through working collaboratively within local communities on innovation and design.

PROCURING FOR PUBLIC VALUE

Public Services should first and foremost, be about prevention and early intervention – including by citizens themselves – to address issues and problems escalating, while reducing inequality and promoting equality of outcomes for people irrespective of the social and economic inequalities and disadvantage that they face. The everyday economy plays a crucial role in this.

Organisations that maximise their public good help to reduce poverty and inequality within local communities: bring public services closer to the people they support; and help to build public trust in public institutions and services based on practical experience of participating within these and benefiting from them.

ASPIRE'S EXPERIENCE

Aspire has used its experience of the procurement process – both good and bad –

to produce this guide. We have also carried out further desk research in an attempt to use our voice to help influence the debate.

It was seven years ago that Aspire won our first public procurement to provide estate management services for an historic London Housing Association.

As a London Living Wage community business committed to providing quality opportunities and living wages for people who are disadvantaged in the community, we were pitching alongside private sector companies, so it was thrilling to win.

Yet, we were lucky: our first public procurement involved a London Living Wage organisation that, like us, was committed to providing decent pay and a fair deal for our employees who work in economic areas that have traditionally experienced both low status and low pay.

Several years later, our public procurement wins have been balanced by our public procurement losses and our frustrations, disillusionment and (sometimes) anger at the process. Yet, like it or not, our commitment to tackling low pay, disadvantage and inequality means that we are likely to be staying for the long haul in the broader public services as a small community provider.

Our experience is that these wasted opportunities do not stem from some form of contradictory public malevolence. It is that some organisations simply do not think very much about these things; others adopt a risk averse and conservative approach to outsourcing.

Those who adopt a conservative approach tend to adopt a technical method to the procurement of specific services, without releasing the strategic strength that commissioning has the potential to achieve. They are failing to use the public purse to shape and influence the market and the

services developed by providers in response to demand.

Our experience also is that, with an over-reliance on external consultants and an under-reliance on building in-house professionalism, innovation and expertise in procurement, tendering organisations may simply not know what options and tools are available to them. Outsourcing outsourcing can reproduce difficulties throughout the outsourcing experience of organisations:

- An independent consultant may lack detailed knowledge and awareness of an organisation's broader strategies or that of the wider public service context, so that errors and mistakes can be made through the outsourcing process that have a major impact on the delivery of public goods and services.
- The culture of a provider organisation may not be culturally aligned to that of the tenderer, but more closely aligned to that of the commercial consultant leading to unintentional or unconscious bias within a process managed by the consultant if the process is not effectively overseen by the tenderer who may have not the professional skills to do this.
- Insufficient data and information-sharing between tenderers and providers can lead to an over-reliance on sales fluff without proper processes for verification.

We need to maximise the public value of procurement at a time when the importance of public services has so poignantly been demonstrated to the public. There are things that could happen now – steps that progressive commissioners could take, or potential innovative providers could develop, within the public services framework. These require no new laws; nor a nod and a wink from Central Government; or deference to other centralised authorities.

Pioneering places are emerging with a new, practical vision of public services in which communities are actively engaged. There is plenty of good practice that is happening in London, the UK, Europe and elsewhere from which we can learn.

So much more could be achieved by commissioners and communities increasingly working collaboratively together to build up public trust through a communitised approach to commissioning and public procurement that delivers change in local communities.

This is not our version of rocket science, but common public sense for the common public good.

USING THE GUIDE

Our aim is to provide a suggested route map through the procurement process that maximises community involvement, engagement and participation and that communitises public services or takes measures to bring services closer to communities and the wider economic, environmental and social issues that our communities face. At the very least, it is to start a dialogue between public services and local communities over how together we can procure to make things better in the everyday economy.

First, of all we take a look at the problem as we see it. We focus on inequality and divided communities and the problem of trust in politicians and public services.

Secondly, we provide a suggested framework in which the broader objectives of procurement should sit. We focus on the UN Sustainable Goals and on delivering public value.

Thirdly, we provide a brief overview of the current law governing procurement and other relevant laws within the UK. We show how the legal frameworks in parts of the UK are substantially more developed and facilitative of good procurement than other areas which have been left behind

Fourthly, we provide a route map for good community public procurement identifying the processes (as we see it) for communitising public procurement as well as for generating good procurement.

Separately, we highlight the growing number of examples of developing good practice within the UK. This is what cheers us up on difficult days.

And finally, we do a little dreaming about the shape of public procurement in the UK post-Brexit and within the context of Covid-19.

As this is a guide we don't expect you to read this cover to cover. To help you through the guide we've used a few icons which you can use as navigators to dip in and out of text where needed.



great idea – and not necessarily ours



information



where we let off steam, helps to make us feel better



makes us mad or sad, but certainly not glad



we like this



we are not keen



perfect

3. WHAT'S THE PROBLEM UK

THE PROBLEM

Wherever we live in the UK we face growing wealth and income inequality and a public trust crisis in public services and other institutions. We have divided societies that need to be mended. These are issues that need to be fixed.

Public service institutions that Beveridge designed to provide cradle to grave services for people are an integral and essential part of the solution for tackling inequality and rebuilding trust. But, at times, they present as part of the problem too.



At the most extreme public institutions have been hollowed and emptied out, ironically by a process of outsourcing that has weakened their identity, inhibited local innovation and lowered morale, with some at breaking point. People are pushed from pillar to post; algorithms rule; technology takes over human discretion; and kindness and compassion are filed away, causing distress to residents, employees and their local communities.



CATCHING UP WITH THE LEFT BEHIND (OR LEVELLING UP)

There is a general feeling that it's about time we all as a nation put Brexit behind us; with reams of analysis written; much angst felt; and a stunned disbelief that our political establishment could fall so low in international, and in some of our own esteem.¹ Now Covid-19, dominates our thoughts, lives and practical existence.

Yet, there remain vital lessons to be learnt from the process of Brexit and the experience of Covid-19 for all of us with an interest in public services.

Such lessons are not geographically or politically bound.

They are for remaining areas such as London, as well as for those in the former industrial regions of the UK.

If during Brexit we could not on a daily basis keep pace with the political contortions, distortions and machinations surrounding debates and decision-taking and making; if we found our faith slowly ebbing in public institutions as a result; and if we became increasingly concerned that events in the country were beyond our control; then finally, we were sharing the experience of so many others within our mixed communities for forgotten years gone by.² If some of these people were the so-called 'left behind' from technocratic liberalism, we – the others – were 'the fast catching up'.³

GROWING INCOME AND WEALTH INEQUALITIES

Globalisation and financialisation of the economy and the decline of manufacturing combined with neo-liberalist policies have created profound changes throughout the UK, with the financial crises and age of austerity causing even greater damage to those local economies that have been described simply as being emptied out.⁴

On the other hand, globalisation has fostered economic growth, with digitalisation and further advances in automation fuelling wealth accumulation in record time. Such wealth, however, is focused on a small number of individuals, companies and countries across the globe.⁵

All the trajectories are that the digital economy will continue to grow, and even accelerate as a result of Covid-19 though not at such a pace, and with it further inequality, fostering greater satisfaction for the few and growing dissatisfaction for the larger many.

As the global economy faces an unprecedented recession, there is a high risk

that those of us who have been left behind will face a far wider gap as a result of Covid-19.



If we are to bring nations together and rebuild communities, rebalancing national, regional and local economies should not allow communities within London to fall behind, any more than those in the former industrial towns and regions have been allowed to do so for far too long through a process of over-concentration of policy and resources on the capital city.

THE TRUST CRISIS

Globalisation and growing inequality have been accompanied by a decline in trust. Trust in public institutions in the UK is one of the lowest in the world at 39%. So too is trust in government at 39%.⁶

Such findings are reinforced by research carried out by ComRes with the Joseph Rowntree Foundation and The UK in a Changing Europe in 2019 on poorer areas within the UK. This study found that people with low incomes:

- feel disillusioned and distrust politicians and are frustrated at the lack of progress on the domestic issues that matter to them;
- expect more spending on domestic priorities and want to see their areas receive their fair share of investment from government and business;
- want more vibrant local economies and high streets; better paid and more secure work that boosts their living standards; and
- opportunities to improve their skills and find good apprenticeships.⁷

LONDON – DIVERSE AND UNEQUAL



In the UK, it is often supposed that London will benefit most from globalisation, but not from Brexit under current government policy.⁸ Some argue that there is a fracturing between London and the rest of the country, with London having far greater wealth, productivity and social mobility.

Although London is one of the richest cities in the world, it is home to some of the poorest neighbourhoods in the country.

London has more pronounced inequalities in income and wealth than any other region in the country.⁹ Almost two in five Londoners today live in poverty.¹⁰ Tower Hamlets, the East End inner city borough (the actual birthplace of Aspire Community Works and one of our community homes), has the highest rate of poverty within London at 39% as well as the highest worklessness rate in London, at 7.7%.¹¹ At the same time, there are growing signs of increasing poverty among outer London boroughs.

In 2004 outer London had 32% of London's most deprived wards, by 2015 it had risen to 47%.¹² While inner London has seen considerable growth, the same cannot be said for the outer regions where current job density rates are below the UK average and where rates of pay are likely to be lower than inner London.¹³ Analysis shows that outer Londoners are 15% less likely to be in employment, 40% more likely to be low paid, low quality work and 50% more likely to be unemployed than people in Inner London.¹⁴ The same research finds that creating good quality work close to where people live matters a lot to low-income Londoners, just as it does to people in deprived areas throughout the UK.¹⁵

Similarly, people in London who have left school with little or no educational qualifications, and those who face other disadvantages in the labour market such as English as a Second Language, experience poverty and inequality and lack of participation in the economy and society, in similar ways to those from the former industrial regions. They find themselves increasingly unable to participate in economies that are increasingly dominated by their more formally educated counterparts.

So common problems felt in the former industrial regions of the UK, almost one quarter of the national population, are experienced also by people within London.

PUBLIC SERVICES TODAY

The market and its ideology have penetrated into a wide variety of public supplies and services. While government has always spent with the private sector, public services provided together with the private sector and other sectors now make up one third of total public expenditure. Every year government spends an estimated £284 billion on goods and services from suppliers, representing 13.4% of GDP.¹⁶

It is the large private sector company that dominates within the industry either acting as a main provider or prime contractor.¹⁷ Whichever area of the public services market, research shows that there has been a tendency towards concentration, with larger contracts occurring in central government and local government services. This is despite some attempts to diversify the market and to reach out to SMEs, the voluntary sector and social and community enterprise by both central and local government.¹⁸

The UK is currently well below the European average in terms of the participation levels of SMEs. In 2017-18, just 22% of UK SMEs participated in the public procurement procedures in comparison to an EU average of 32%. The 2010-2015 coalition government introduced a target for 25% of central government procurement spend to be awarded to SMEs. This target has now been met and a new target exists of 33% has been set to be achieved by 2022.¹⁹

OUTSOURCING – FOR AND AGAINST

The competitiveness and contestability of the UK public services market is increasingly questionable particularly in central government contracts. This is borne out by research carried out in 2019 which found that the number of sole bids in public services contracts was increasing, rising from 15 per cent in 2016, to 22 per cent in 2017, and then to 23 per cent in 2018.²⁰

Information and data on the public services market are notoriously difficult to get hold of, particularly given the fact that the public

services market boundaries are flimsy and ill-defined. For example, housing associations that provide social housing are classified as private bodies but provide public services and are subject to European procurement law.²¹ This makes assessment of the effects sometimes difficult to obtain and debates emotional and ideological rather than evidence-based and informational.

The arguments for outsourcing are linked to themes such as: promoting competition; providing value for money; creating efficient and effective services; and tackling so-called market failure derived from the principles of New Public Management. According to the Institute for Government, insourcing can provide organisations with greater control and integration of services combined with flexibility.²² Its research submits that there are a number of areas where outsourcing has been successful.²³ It argues that outsourcing, even where it leads to insourcing has resulted in improving public sector efficiency in areas such as support services, but that savings are no more than around 5-10%.²⁴

The arguments against outsourcing range from the philosophical – such as markets leave their mark on communities, fundamentally affecting the relationships between the citizen and the state; that the profit motive is at odds with the public service ethos – to the practical – how far will contracting negatively affect quality, culture and communications of the public service provided. The level of governance, transparency and accountability are also raised as matters of concern.

Many accept that marketisation and outsourcing will always have a part to play in public services but point to the fact that the market has produced provider organisations that are “too big to fail”; that the evidence for improvements in service is sketchy and ill-formed; and that running a service is different from being a contract manager.²⁵



THE COLLAPSE OF CARILLION

The collapse of Carillion and the near collapse of InterServe in 2019 highlighted significant failures of

government understanding about the design, letting and management of contracts and outsourcing. While the Carillion procurement was a central government one, there is evidence that the impact of Carillion has imploded throughout the market.²⁶

The Public Affairs Select Committee found that: “Carillion’s failure reinforced a widespread crisis of confidence in government reliance on the private sector to deliver public projects and services on which the public relies.”²⁷ Amongst other recommendations from the report the Committee called for Government to:

- take steps to improve competition and encourage more suppliers into these markets;
- develop a deeper understanding of their commercial partners’ supply chains and of the risks hidden behind their published accounts and public statements seeing through, for example, puffed up high valuations of goodwill;
- understand better the true quality of leadership and governance of its major partners; whose greed and appetite for risk in Carillion was significantly at odds with public service values;
- improve its negotiation and management skills as well as other commercial skills such as costing and project management combined with deep and relevant subject knowledge and expertise;
- improve the quality of its data and end a “blind reliance” on what companies tell government, instead have a genuine exchange of information and a continual appraisal of the contractor’s performance over the lifetime of a contract.

In summary, the Committee pointed out that contracting and outsourcing is a permanent feature of governments in mature economies across the world and will remain so, whichever government is in power. The Committee concluded that: “government must ensure that the public gets the services they deserve from these companies, who themselves must demonstrate values the public can respect”.²⁸

ADDRESSING FAILURES

In February 2019, the UK Government brought out a series of publications designed to improve central government outsourcing. Amongst these were the ‘Outsourcing Playbook’ which aims to establish best practice in government procurement. An updated version and guidance notes were issued in June 2020.²⁹ Measures in the Playbook include:

- requirement for pilots – enabling the government to learn from experience and deliver better public services;
- risk allocation – to ensure contracts are set up for success from the outset;
- Key Performance Indicators – KPIs from every new outsourcing contract will be made publicly available;
- Resolution Plans (Living Wills) – for the rare event of the supplier’s corporate failure;
- publication of pipelines – departments were to be required to regularly publish their upcoming requirements, to help suppliers plan ahead;
- Delivery Model Assessments – to identify when it is best to deliver public services in-house or when there is benefit to drawing on the expertise of the private sector.

Commentators have pointed out that setting out best practice alone will not be enough to change behaviour and culture that is ingrained.³⁰

RECENT TRENDS

With such large scale failures, the political consensus around outsourcing is fragmenting and is now more fluid across all parties.

In November 2019, newspapers reported that a new Conservative government would revise procurement laws, enabling a buy British approach, allowing more local authorities to spend procurement locally ploughing more money into the local economy and providing for greater opportunities for SMEs within the procurement process.³¹ In the 2019 election the Labour Party argued for an end to a presumption in favour of outsourcing in local government services, amongst other policy constraints on outsourcing, in the last election.³²

For other organisations bringing back services in-house has helped to develop service innovation with a “new form of entrepreneurial and dynamic service delivery.”³³ A 2017 survey by APSE found that over 77% of respondent local councils, had or were considering insourcing a service and 62% of respondents were doing so to improve efficiency.³⁴ There appears to be only a small difference in terms of political control in deciding on insourcing.³⁵ In Tower Hamlets, a decision to bring back waste and cleaning in-house is set to deliver £1.7 million in savings as well as improved services, following public consultation.³⁶

REVITALISING PUBLIC SERVICES

Procurement and outsourcing are at a crossroads. There is no longer consensus on the right approach and public trust is at an all time low.

We need to revitalise, re-energise and connect our public services with local people, address growing wealth and income inequalities, restore people’s trust in UK public institutions and build vibrant local economies to mend our society’s divides. Giving local institutions and places greater control in whether they insource or outsource helps to return power to local people.

How we procure our public services in partnership with local people can help to contribute to the revitalisation process and make the difference to public services that matters to local people. Aligning procurement with the delivery of community public good is part of the solution.

THE MARKETISATION OF PUBLIC SERVICES



The development of a public service market has been one of the defining shifts in public service delivery over the last thirty to forty years with far reaching results.³⁷ There are now very few public services that do not rely to some extent on outsourced contractual relationships.

Commencing in the 1970's, the introduction of compulsory competitive tendering following two local government acts in 1988 and 1992 led to a rapid development in public service marketisation in the 1980's. In 2008 the DeAnne Julius review found that the public service industry in the UK was the most sophisticated in the world and recommended more of the same approach.³⁸ The review found that the sectors had grown in value by 130% in the past twelve years and that it delivered good value for the taxpayer. The age of austerity following the financial crisis in 2008 further confirmed the approach. This was the age of Big Government and big government contracts.

To address market failures, the New Public Management movement invoked radical changes to state-run and owned businesses: including privatization; outsourcing and/or the marketisation of services still inside the public sector; and a stronger focus on managerialisation, measurement and performance management.

At the top of the main UK political parties (though not within all of them) a political consensus emerged that marketisation and 'outsourcing' were generally good, and to be encouraged.

While trade unions generally deplored the introduction of 'lawyer driven contracts', their influence waned considerably over this period as key public services were privatised and the globalisation of the world economy proceeded at unprecedented speed.³⁹ Overall, union density fell more in the private sector between 1997 and 2010. There was also a significant drop in public sector density, leading one academic to comment that under the Labour governments employee voice or "the expression of worker discontents had been largely individualised."⁴⁰

The outsourcing of services as a process of marketisation has replaced those traditionally provided by central government, local authorities and other bodies providing public services such as housing associations. Outsourcing embraces areas such as housing, construction and development; services such as prisons and probation, employment services, social and domiciliary care; healthcare, back office function; facilities management and products such as pharmaceuticals.

4. DELIVERING COMMUNITY PUBLIC GOOD



ACT NOW

If we are to bring about the broader economic, social and environmental improvements and rise to the challenges facing our communities, we need to restore trust in public services, and, for this, we cannot rely on laws alone – we need our communities to engage, consent and participate in public services in new and positive ways.

While the UK is in the process of leaving one community, we need to increasingly communitise our public procurement processes so that:

- they are more closely aligned with the needs of our local communities across the extent of our country;
- make the most of our local assets including our people – their hopes and aspirations, their skills and talents;
- respond to the broader economic, environmental and social challenges that we face as outlined in the sustainable development goals.

At the same time we need to strengthen our public services, and develop our community and public service capacity to respond to these broader challenges.⁴¹

COMMUNITISING PROCUREMENT

Making procurement decisions are never neutral as they impact on the wider community. Good procurements that, for example, proactively support measures to address the climate emergency impact positively. Poor procurements that drive down cost and peoples' wages can add to local social security and NHS costs by using the state as a subsidiser of low wages, creating working environments that may be a cause of stress and ill health as well as inferior services.

However small the public procurement, it is an integral part of public services. It should be considered as part of a wider project of tackling wider community challenges delivering community public good that provides maximum public value.

DEVELOPING A SYSTEMATIC AND COMMUNITISED APPROACH

There are a number of ways in which a communitised approach can be adopted:

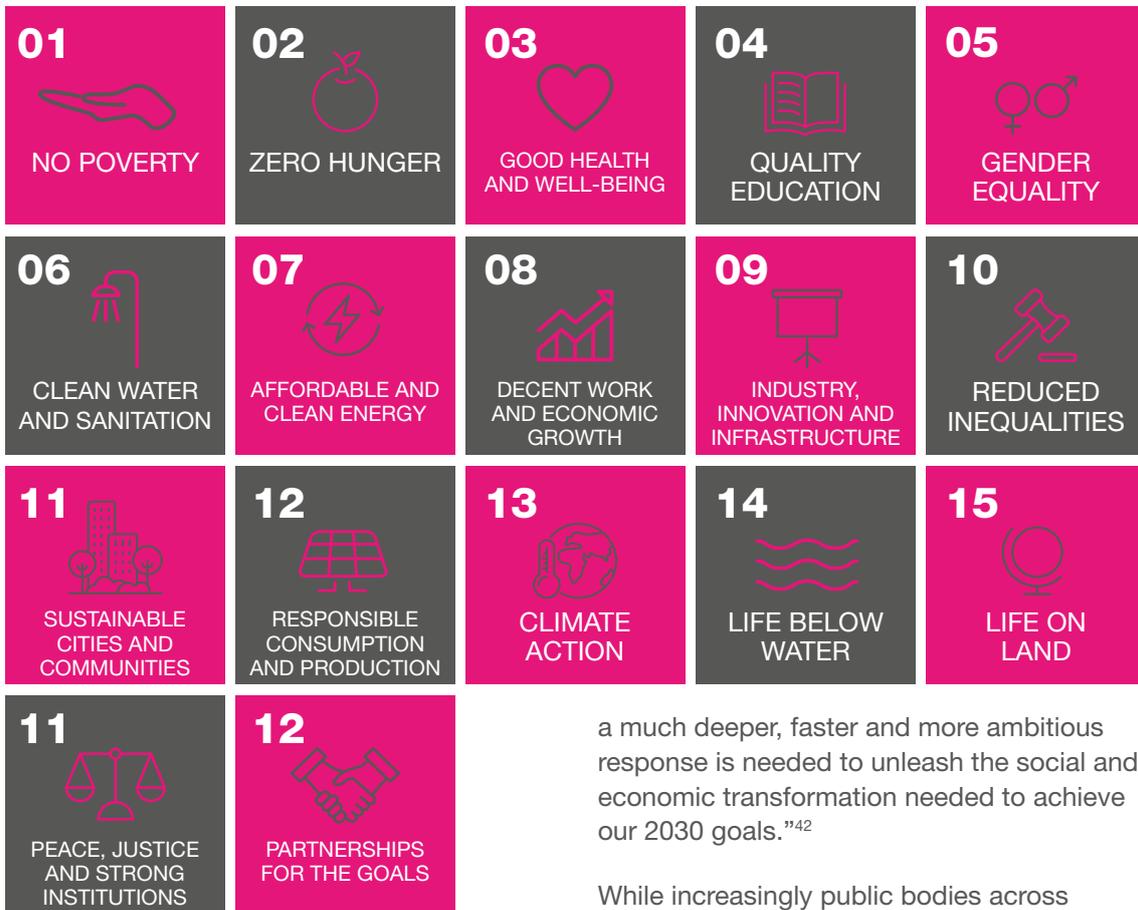
Firstly, there needs to be an effective framework for community public good into which procurement can fit.

Secondly, there needs to be a clear identification of community public need required so that any procurement helps to match the need where it can, or at the very least, not act against the community interest.

Thirdly, public value outcomes need to be a key consideration for public services. The commissioning exercise, prior to procurement, needs to review existing practice and consider the question can changing the way we are doing things provide more efficient and effective services while creating greater community public good and public value.

Thinking big should be an integral part of local delivery. But so too should be thinking of detail that impacts on people's lives at an individual and group level. Think smaller, thinking local is also thinking smart. And nowhere has this become more apparent than in the Covid-19 crisis engulfing our politics and society.

THINKING BIG



 The UN Sustainable Development Goals are a public value charter for all public service organisations. They are the framework in which good procurement should sit.

The UN believes that: “there must be promotion of sustainable, inclusive and equitable economic growth, creating greater opportunities for all, reducing inequalities, raising basic standards of living, fostering equitable social development and inclusion, and promoting integrated and sustainable management of natural resources and ecosystems.

The UN is clear that the implementation and success of the goals will rely on the world’s countries’ own sustainable development policies, plans and programmes, and that it will be led by countries. Its Secretary-General recognises that: “It is abundantly clear that

a much deeper, faster and more ambitious response is needed to unleash the social and economic transformation needed to achieve our 2030 goals.”⁴²

While increasingly public bodies across the world are starting to recognise that procurement can be a powerful policy tool and that increased efficiency in public procurement can help to release funding for sustainable development, the practicalities of implementing sustainable procurement can be challenging: “risk-averse mindsets and lack of necessary skills and abilities can erect hurdles to the incorporation of ethical, equitable and sustainable development criteria into purchasing decisions.”⁴³

The seventeen goals agreed in 2015 address some of the widest challenges of our time including: climate change, poverty and inequality. The goals are universal and apply to all countries. The goals reflect human rights standards, with 92 per cent of the associated 169 targets linked to international human rights instruments. The goals and targets aim to stimulate action up to 2030 in areas of critical importance for humanity and the planet.



It is estimated that between US\$3trn and US\$5trn will be needed every year to meet the goals by 2030. Effective public spending could help to ease this strain through less wasteful and more efficient spending practices—and the procurement of goods and services in ways that promote social and environmental sustainability.⁴⁴



The UK government's report on the UN goals highlights good practice and areas of wider community needs where more focus is required to achieve the sustainable development goals.⁴⁵

According to the UK government, the areas of good practice include the NHS, rising employment levels and some of the strongest equality legislation in the world.

The UK government accepts that areas where more focus is required include:

- continuing to tackle injustice to ensure no one is left behind;
- further increasing efforts to address climate and environmental issues;
- ensuring the housing market works for everybody;
- responding to mental health needs.

It has been argued that the Government's progress report should be subject to independent review.⁴⁶ Independent research carried out prior to the official review in 2018 found that the UK was failing to meet over 70% of the targets.⁴⁷

THINKING SMALLER AND LOCAL – THE IMPORTANCE OF PLACE

Identifying community needs requires thinking that is public; thinking about people, places and the problems so that nobody is left behind, with organisations and individuals working together to identify problems and solutions at a local level.

Resolving these areas of common needs requires a common approach to the community public good not only from public services, but also from local public services working in partnership with the private and not for profit sectors and civic society.

Using the sustainable development goals as a wider framework within the public procurement process helps to identify broader community needs within which specific public services are set, and should help to inform and frame these services provided by public bodies.

It is calculated that up to 65% of the sustainable development goals are at risk if urban, local stakeholders are not available to support them.⁴⁸ Local authorities and local public services that deliver to people locally – either directly or indirectly – are key to the domestic delivery of the goals as they interact on a daily basis with local people, and provide the links within and between local communities. People have much greater trust in their local authorities and local services than in centralised government in England.

While traditionally, procurement has been dominated by short-term thinking – getting the cheapest while overlooking the financial, social and environmental cost of a product over its lifetime – the dividends of sustainable procurement practices can apply to economies at any stage of development and starting small with pilot programmes can yield substantial benefits.⁴⁹ Public polling shows that four in ten say they would participate more to improve their local area and help local people if their council made it easier to do so.⁵⁰

BUILDING PUBLIC VALUE

“To responsibly procure, agencies must achieve public value; this includes any broader outcomes that an agency is seeking to achieve.”⁵¹

The importance of public value as a concept is that it shifts the focus of value creation onto political, environmental and social issues, as well as involving the public and stakeholders in its creation, providing a clear focus for a communitised, public interest approach.

While public value was originally adopted by New Public Services Management, it has recently been resurrected by economists and others who have argued persuasively for a rethink of the concept of public value.

MARKET-SHAPING APPROACH

It is argued that there is a need to put public value at the heart of the economy through broadening its application beyond the public management and administration sphere and rejecting the market failure framing under which the concept was originally developed.⁵² This is particularly the case since the notion that markets should be pre-eminent has taken a bashing in the light of global economic and environmental crises experienced by local communities.

 Rather than seeing public value as something that occurs when the public sector corrects market failures or successfully mediates

the trade-off between democracy and efficiency, public value creation should involve the public sector setting a direction and public purpose for private and public actors to collaborate and innovate to solve societal problems.

This approach, it is said, is an inherently positive role which is market-shaping and market-creating role, rather than a market-fixing role. So public service organisations should take a pro-active role in developing new approaches to the economy which include progressive procurement and commissioning.

It has also been suggested that public values need to be restored to public services and that: “in simple terms, the private sector traditionally brings exchange and wealth creation; the public sector equality and a degree of redistribution; and the social sector civic ties and social diversity...”⁵³ The interaction of these parties is the basis of a ‘good society’. To restore public values there must be a restoration of the authority and capacity of the state to dictate the terms on which public services are provided, with authorities acting to regulate the market in public services; the charging of the local state to animate a plurality of providers of public services through a root and branch change in the way public services are framed and commissioned; and a democratisation of public services which embodies genuine citizen agency and collectivism.⁵⁴



Public value as a term was originally associated with the New Public Services Management as originated by scholars from Harvard University in 1995.⁵⁵ The narrative was taken up by the UK Government and other public institutions such as the BBC and the Arts Council to assess the success or failure of public sector organisations.

Under Austerity and the UK Coalition Government public value's popularity diminished. It has now been taken up again by the UK Government as a tool, in particular, as a focus for measuring public productivity.

In 2017 the UK government commissioned Sir Michael Barber who previously headed up the Prime Minister's Delivery Unit from 2001–05 to carry out a review into public service productivity. He drew upon the original academic work of Mark Moore to develop a public services framework to assess public spending outcomes and public sector productivity.⁵⁶ He posed over 150 questions for Departments to answer. As a result of his work there is now a simpler Public Value framework which has been incorporated into UK Single Departmental Planning which now poses thirty five questions. It is, the Treasury accepts, a work in progress.⁵⁷

PUBLIC VALUE – WORK IN PROGRESS

The UK Government takes a more cautious and less activist approach but nevertheless useful methodology for pursuing public value. Under the HM Treasury model, the main criteria that contribute to public value are grouped into four pillars:

- one: pursuing goals what are the overarching goals of the public organisation and how it is monitoring the delivery of these

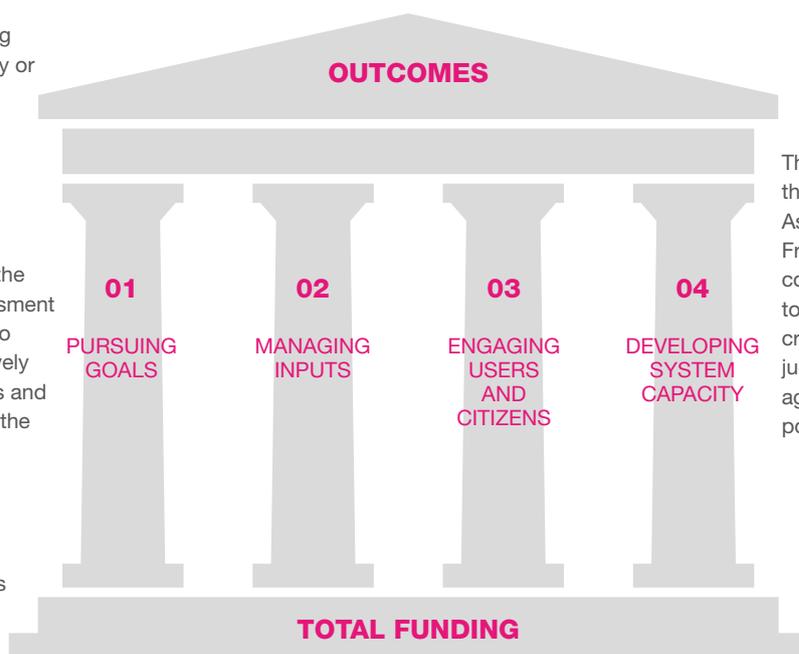
- two: managing inputs testing the public organisation's basic financial management
- three: engaging citizens and users highlights the need to convince taxpayers of the value being delivered and the importance of engaging service users
- four: developing system capacity emphasises the long-term sustainability of the system and the importance of stewardship

PUBLIC VALUE FRAMEWORK

The outcomes being seen from the policy or programme

The Four Pillars of the Public Value Assessment Framework – how to use funding effectively to deliver outcomes and maximise value for the taxpayer

the funding that has been provided for the policy or programme



The Four Pillars of the Public Value Assessment Framework cover '16 areas to consider' with criteria to enable judgements against a four point scale.

AREAS TO CONSIDER



HM Treasury suggests that often the process of undertaking assessments can be as valuable as the output itself helping to:

- establish a common understanding of a policy or programme’s performance, pulling together perspectives from across the organisation to form a collective view;
- enabling an organisation to take stock of a policy or programme: that may not have been scrutinised for years;
- being used to inform policy design taking public bodies back to first principles and considering prioritisation.

The model is extremely helpful in drawing us back to the issue of pounds and pence in true Treasury style. Effective planning and management processes are critical for the responsible administration of resources, but a narrow focus on upfront and immediate costs without deeper analysis of costs can lead to inferior quality services if they are not sustainably priced throughout the contract; cost shifting – where the costs of public services are shifted on to other public services; and additional internal costs incurred by the contracting authority where poorer quality of service requires additional human and administrative resources to “police” or to quality control services.

In the Government’s Public Spending Review 2020, the government stressed a renewed focus on outcomes that link spending and

performance more closely together. Each UK government department has developed three to four provisional priority public value outcomes and the government has also identified a set of provisional metrics for each outcome against which progress towards delivering the outcomes will be measured. The UK Government also published a review of the Green Book which found that the appraisal process for investment decisions often fails to properly consider how a proposal will deliver the government’s policy ambitions, including levelling up. From the Spending Review 2020 policy options will be assessed first and foremost on whether they deliver relevant policy objectives, as well as their impact on different places in the UK, according to the UK Government.



As we see it, public services are very different from private services and the notion of public value is important in making that distinction.

Reframing public value to be market-shaping while delivering outcome-based public services which maximise the wider economic, environmental and social impact of services could help to create better public value and services that are closer and nearer to local communities. So measuring public value outcomes becomes relevant to all public services and helps to shape them. Our route map to success highlights the process in part 6.

i 5. PUBLIC PROCUREMENT AND THE LAW

INTRODUCTION

Here we provide a brief summary of the main areas of law which need to be taken into account when making decisions and considering best practice in procurement, particularly as it relates to community impact.

UK EQUALITIES LEGISLATION

All public procurers in the UK are required to comply with The Equality Act 2010 and, in particular, the Public Sector Equality Duty contained within the Act.

The Act sets out anti-discrimination law in the UK. It identifies 'protected characteristics'; age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, pregnancy and maternity and marriage and civil partnerships.

The Public Sector Equality Duty requires public authorities to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other prohibited conduct;
- advance equality of opportunity between people who share a protected characteristic and those who do not; and
- foster good relations between people who share a protected characteristic and those who do not.

Having 'due regard' means that an organisation when making decisions should consciously consider the need to: eliminate discrimination, advance equality of opportunity, and foster good relations. This includes when developing planning strategy; when planning prior to procurement; during the procurement; and after the

procurement. The Equalities and Human Rights Commission has published guidance on equalities and procurement.⁵⁸



Section 1 of The Equality Act 2010 provides that public bodies specified in the Act when making decisions of a strategic nature

about how to exercise their functions, must have due regard to the desirability of exercising them in a way that is designed to reduce the inequalities of outcome which result from socio-economic disadvantage. This has only currently been implemented in Scotland.⁵⁹



The Fairer Scotland Duty came into effect in April 2018. To fulfil their obligations, public bodies

have to actively consider how they could reduce inequalities of outcome in any major strategic decision they make; and to publish a written assessment, showing how they have done this. The Equalities and Human Rights Commission is the regulator for this Duty and is closely involved with its development and monitoring particularly over the first three years which the Scottish Government regards as its implementation period. The duty is set at a strategic level and includes major public procurements.⁶⁰ During the three year implementation period the Government will also examine how far this can flow in with a Human Rights approach.

EUROPEAN PROCUREMENT LAW

The driver behind public procurement law in the UK was the European Union and its objective of a single European Market, with the removal of national barriers to the supply of goods, works and services within Europe.

The European framework of law includes the obligations of the Treaty, Directives and case law in both Europe and the UK.⁶¹ The first Directive governing procurement was the Public Works Directive 1971 and the latest Directives were implemented in 2014.⁶²

European law sets out the procedures and practices to which public bodies should adhere when procuring goods and services. The legal framework is designed to ensure that all potential bidders are treated equally and that contracts are awarded fairly, transparently and without discrimination on grounds of nationality, as well as ensuring that the principles of mutual recognition and proportionality are recognised.

Significant changes were made to the Directives in 2014. These aimed amongst other things to: make better use of procurement in support of innovation and societal and environment goals; to promote integrity and equal treatment; to promote efficiency and to make it easier for SMEs to participate in public contracts. Key changes include:

- 
 - encouraging preliminary market consultations prior to the tendering by the contracting authority
- reserving awards for mutual companies and other forms of community and social enterprises in some instances for a limited period of time
- including environmental, social and innovation policy goals in procurement procedures
- the introduction of innovation partnerships which combine research and development and developed innovative solutions into one
- making it easier for SMEs to participate in tendering through encouraging contracts to be divided into lots. Where contracts are not divided into lots, contracting authorities are expected to say why.
- a light-touch regime for social and health services and some other services.⁶³

We discuss these further and look at how they can be used to communitise procurement in section 6.

IMPLEMENTATION OF THE DIRECTIVES

The Cabinet Office holds overall responsibility for procurement policy in England and the UK. The Crown Commercial Service (CCS) is responsible for the legal framework for public sector procurement and leads on the development and implementation of procurement policies for government.

Public procurement in the UK is a devolved matter and is therefore an area of responsibility for the devolved governments in Scotland, Wales and Northern Ireland.

The Directives have been implemented in different ways by the UK government for England, Wales and Northern Ireland and by the Scottish government for Scotland. In Wales national legislation has been used to regulate procurement further.

The Public Contracts Regulations 2015 (“PCR”) implement EU law into UK law for England, Wales and Northern Ireland, as well as providing UK specific⁶⁴ regulations relating to these areas.⁶⁵ The regulations require public bodies to advertise below threshold contracts on Contracts Finder. On this UK government website, Whitehall departments and agencies are required to advertise deals worth over £10,000. Other bodies are supposed to advertise contracts worth more than £25,000.⁶⁶ There are similar but not completely identical provisions made by the Scottish Government.

KEY ELEMENTS OF THE LAW

 Works, services and supplies (apart from limited exemptions) are covered by European law if their contract value is over a specific threshold laid down by law. The current cost thresholds are £122,976 for UK central government; £189,330 for other public bodies such as local government, NHS trusts and others providing public services; and £4,733,252 for public works contracts relating to building and engineering. These thresholds are due to increase in January 2021.

Once it has been established that the contract is covered by European law, the opportunity must be published in the European official journal, (the OJEU).

There are a number of procedures for tendering including those that provide for negotiation, but the most commonly used are the open tender and the restricted procedure.⁶⁷

Under the open tender process, tenders are advertised and are open to any organisation that meets the tender minimum capacity requirements and wishes to submit a tender through submitting an expression of interest. This is a one stage process, and the one that is preferred by the European Commission from a competition point of view as it is open to all tenderers. Where the restricted procedure is used only pre-selected tenderers are invited to submit a tender. There are two distinct stages: a pre-qualifying stage followed by an invitation to tender to at least five short-listed bidders. This procedure was most used in the UK when research was carried out into comparative procurement of European countries by the European Commission in 2016.⁶⁸

Public contracts must be awarded on the most economically advantageous tender. This can be identified on the basis of a price-equality ratio or the lowest price. Where the former is used: criteria must be used which are linked to the subject matter of the contract in the assessment of tenders; the weightings of criteria should be disclosed; and questions should relate to how the tenderer will carry out the contract rather than their economic and financial standing.

Once an award decision has been taken, all tenderers must be informed of the decision using a standstill letter. The standstill period of ten days for electronic notifications (fifteen for others) is designed to ensure that decision is open to review before the conclusion of a contract. A tenderer has thirty days to make a legal challenge and if this happens and the contract has not been entered into the contract is automatically suspended until the

parties come to an agreement or the courts rule that the suspension should be lifted.

BELOW THE THRESHOLD

The general principles of European law apply to contracts below the threshold as well as some aspect of the regulations. Most European countries have legal regulations governing procurement below the European thresholds except England and Northern Ireland where these are governed largely by guidance. This is despite the fact that thresholds below the European limits make up a high proportion of the overall procurement.⁶⁹ In some cases, the threshold contracts can be subject to judicial review.⁷⁰

THE IMPACT OF BREXIT

The EU Directives on procurement continue to apply in the UK until the end of the transition period (December 2020). The general principles of European law will also continue to apply until the end of the transition period in the UK. However, it would appear that domestic procurement law which relies solely on general European principles of law may cease to have effect or be effective in domestic law once the transition period has ended. This, in particular, affects issues in relation to below threshold procurement.

Compliance with the European framework of law also signifies compliance with the EU's international obligations such as those under the World Trade Organisation Government Procurement Agreement (GPA). The UK Government has already taken steps to maintain its membership of the Agreement which is a voluntary agreement between parties to open up their public procurement markets to each other under the WTO. If there is no deal at the end of the transition period, then this is likely to apply. The revised agreement emphasises non-discrimination, transparency and procedural fairness.

Whether or not there is a deal, The UK Government has said it expects public procurement to be covered by the 'common frameworks' being developed between itself and the devolved administrations

and appears to be committed to ensure public procurement remains a devolved competence.⁷¹

THE SCOTTISH FRAMEWORK OF LAW

The Scottish Government says that procurement is a key part of its approach to creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable and inclusive economic growth.

In Scotland, The Public Contracts (Scotland) Regulations 2015 implements the Directive.



Scotland also regulates procurement through two pieces of legislation: The Procurement Reform (Scotland) Act 2014 and

The Procurement (Scotland) Regulations 2016. The latter regulations ensure that lower threshold procurements comply with the former. The Procurement Reform (Scotland) Act 2014 provides for regulated procurement for public contracts of £50,000 and over (works contracts £2,000,000). These include contracts commissioned by central government, government agencies, local authorities and housing associations.

Under Section 8 of the Act the general principles of European law are built into Scottish law. These require contracting authorities to treat economic operators equally and without discrimination and in a transparent and proportionate fashion.

Under Section 9 of the Act contracting authorities are required – before carrying out any regulated procurement – to consider how in conducting the procurement process they are able to:

- improve the economic, social, and environmental wellbeing of the authority's area and, in particular to reducing inequality;

- facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the process, and
- promote innovation.

Under Section 15 of the Act authorities with procurement spend of £5 million or over must produce a procurement strategy outlining how they will contribute to the carrying out of their functions and achievements of their purposes including: delivering value for money and carrying out their sustainability duty under Section 9 of the Act. The strategy must also include statements on consulting and engaging with those affected by procurements; the use of community benefits and the payment of the Living Wage; health and safety; the purchase of ethically traded goods; policy in relation to food and well-being; and animal welfare policy.

Community benefits have been part of Scottish law since 2008. Under Scottish law all contracting authorities with contracts with procurement spend over £4 million per year are required to consider whether to impose community benefit requirements within contracts.⁷²

Community benefits may cover areas such as training and recruitment and the availability of sub-contracting opportunities or anything that is intended to improve the economic, social or environmental wellbeing of the authority's area in a way additional to the main purpose of the contract in which the requirement is included. There is nothing in the law to prevent those tendering for less than £4 million contracts to provide for community benefit requirements.

Under Section 18 of the Act, authorities which are required to produce a procurement strategy must provide an annual report including detail on how the procurements have complied with their strategy and a summary of any community benefits required.

WALES AND THE WELLBEING OF FUTURE GENERATIONS ACT 2015

Although the UK government implemented the European Directives in Wales, the Welsh Government has subsequently regulated government procurement policy through its flagship Act – The Wellbeing of Future Generations Act 2015 which has been hailed internationally for its groundbreaking approach to sustainability.

Section 2 of the Act requires public bodies to carry out sustainable development. The Act states that sustainable development means the process of improving the economic,

social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle aimed at achieving well-being goals.

The principle outlined in the Act is defined in Section 5 as acting in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. This involves:

- balancing short term and long term needs;
- taking an integrated approach to how goals and objectives are met;
- involving people with an interest reflecting the diversity of Wales;
- collaborating with different people to achieve objectives;
- taking a preventative approach to addressing problems and meeting objectives.

Wales’ Well-being Goals

Goal	Description of the goal
A prosperous Wales	An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.
A resilient Wales	A society in which people’s physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.
A healthier Wales	A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).
A more equal Wales	A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).
A Wales of cohesive communities	Attractive, viable, safe and well-connected communities.
A Wales of vibrant culture and thriving Welsh language	A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.
A globally responsible Wales	A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.

In fulfilling their duties, public bodies must set and publish well-being objectives which must maximise their contribution to the well-being goal and they must take all reasonable steps, in exercising their functions, to meet their objectives. They must also participate in public service boards to develop local placed based strategies that promote economic, social and environmental well being.

Amongst other things, the Welsh Government must establish national indicators for well being and report on progress annually. Public bodies are also required to also report annually.

The Act also sets up a Future Generations Commissioner who has made a number of proposals on how to improve procurement for future generations.⁷³

The Auditor General for Wales is statutorily required to examine public bodies to assess the extent to which they have acted in accordance with the sustainable development principle when: setting their well-being objectives and taking steps to meet them.

The Welsh Government’s policy statement on procurement requires public bodies in Wales to include the delivery of social, economic and environmental benefits for the

community as an integral consideration of procurement for contracts.

Delivery of Community Benefits through public sector procurement is aligned to the Well Being of Future Generations Act and delivers against its goals.⁷⁴ Procurers must identify any of the following for carrying out during the course of the contract:

- job opportunities for economically inactive
- training opportunities for economically inactive
- retention and training opportunities for existing workforce
- promotion of open and accessible supply chains that provide opportunities for SMEs to bid for work; and promote social enterprises and supported businesses
- contribution to education in Wales through engagement with school, college and university curriculums
- contributions to community initiatives that support tackling poverty across Wales and leave a lasting legacy within the community
- opportunities to minimise the environmental impact of the contract and to promote environmental benefits



In England and Wales, The Local Government Act 2000 had earlier set out a responsibility for local authorities in England and Wales to promote economic wellbeing. This included a requirement that “every local authority must prepare a strategy... for promoting or improving the economic, social and environmental wellbeing of their area and contributing to the achievement of sustainable development in the United Kingdom”. This was replaced in England by the Localism Act which provides local authorities and parish councils (on application) with a general power of competence.

The power of general competence provides local authorities and parish councils with wide powers to introduce sustainable practice into the centre of decision making and procurement even if the legal framework is not so specific.

Best value local authorities in the UK are also under a general Duty of Best Value to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.”

SOCIAL VALUE

The Public Services (Social Value) Act 2012 came into force in 2013. It applies to England and Wales and requires relevant public authorities to consider social value when making procurement decisions about services. Works contracts are exempt.

Under the Act, public authorities are required to consider how what is proposed to be procured through the European procedures might improve the economic, social and environmental well-being of the relevant area, and how, in conducting the process of procurement, they might act with a view to securing that improvement. The authority must consider whether to undertake any consultation on economic, social and environmental well-being.

Before they start the procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure economic, social and environmental well-being for their area or stakeholders. It also encourages authorities to communicate with their local communities.

The Act does not say how procurement models should incorporate social value or how they should be measured. It applies only to procurements that fall above the European threshold.

The Act has been criticised for being ill defined and limited in scope with limited influence over decision making. On the other hand, an industry of consultants has developed providing advice and consultancy on the Act, and the Act is championed by organisations such as Social Enterprise UK. A government review (the Young Review) of the Act took place in 2015.⁷⁵ It found that awareness and take up of the Act contained a mixed picture; that there was varying understanding of how to apply the Act which could lead to inconsistent practice, particularly around knowing how to define social value and how and when to include it during the procurement process; and

that measurement of social value was not fully developed. In 2017, a further review took place carried out by Chris White, the originator of the Private Members' Bill which led to the Act along with Social Enterprise UK. It found that "significant progress" had taken place since the Young Review and claimed that, in 2017, the Social Value Act is "already shaping £25 billion worth of public sector spend", which equates to about 9 per cent of total public sector spending.⁷⁶

More recently the UK government has announced that businesses seeking to win central government contracts will need to set out how they deliver social value priorities and that a bidder's social score will be incorporated into contract assessment.⁷⁷

HUMAN RIGHTS

In Northern Ireland the Central Procurement Directorate within the Department of Finance (formerly the Department of Finance and Personnel) holds responsibility for procurement policy. It has issued guidance in relation to a number of topics including human rights in procurement.⁷⁸

Two acts of relevance for the whole of the UK are as follows. The Human Rights Act 1998 came into force in October 2000. It incorporates the majority of rights set out in the European Convention on Human Rights (ECHR). The ECHR contains seventeen key articles relating to rights and fundamental freedoms related only to civic and political rights, as opposed to social and economic rights. The Modern Slavery Act 2015 was designed to tackle slavery in the UK and also consolidates previous offences relating to trafficking and slavery. All companies with a turnover currently of £36 million must make an annual statement describing what they are doing to prevent slavery in its business and within its supply chain.

CONCLUSION

The law on public procurement is devolved in the UK, with Scotland and Wales placing much greater emphasis on sustainable procurement that provides community

impact regulated in law, and with England and Northern Ireland lagging behind in that respect.

Whatever the estimates of social value legislation in England, the Act that covers England is a far weaker instrument for community impact procurement than the specific legislation governing procurement in Scotland and Wales, both of which provide for a clear framework of sustainable development within their legal structures.

While Scotland has the broadest set of laws covering the widest set of public bodies within the UK, Wales has developed previous local authority legislation into an ambitious piece of legislation.

Yet, currently there is nothing within English or Northern Irish law to prevent public bodies from voluntarily taking up more progressive stances to promote greater community impact.

Currently, the European Directives provide all UK authorities with wider powers to insert economic, environmental and social clauses as conditions of contract above the European threshold, and there is nothing to prevent public bodies from introducing measures in respect of below threshold procurement.



We consider Scottish procurement legislation to be the most cohesive as it is clearly linked to the overall economic objectives of the Government.



As the UK Government moves forward towards a common framework, we would like to see improvements in the legal framework for England and Northern Ireland which addresses the fact that they have been left behind in developing a dynamic and strategic approach to procurement, as well as a more coordinated and coherent approach between nations that builds upon the best to maximise the communitisation of procurement results at a UK wide level.

6. MAPPING THE ROUTE TO SUCCESSFUL PUBLIC VALUE – GETTING BETTER, GENERATING GOOD PROCUREMENT

Our route map to success shows how good priced, good quality services can be developed to deliver good outcomes that address wider economic, environmental and social issues which an analysis of the sustainable development goals highlights.

All around the UK, we think that there are exciting examples of work that is developing a new approach that incorporates broader challenges into policy making and public service practice. In Scotland and Wales, with government closer to the people, this work is initially led by government. In England and Northern Ireland, it is think tanks, universities and local authorities that are taking the lead.⁷⁹

This section takes us through the commissioning and procurement process.

Tables 1 and 2 below highlight the key elements of the procurement process. Table 2 breaks down the elements of the procurement process into a range of simple questions, tasks and bullet points that we think could be considered. There could be more but we've tried to keep it simple.

Table 3 provides a simple route map to success.

Table 1

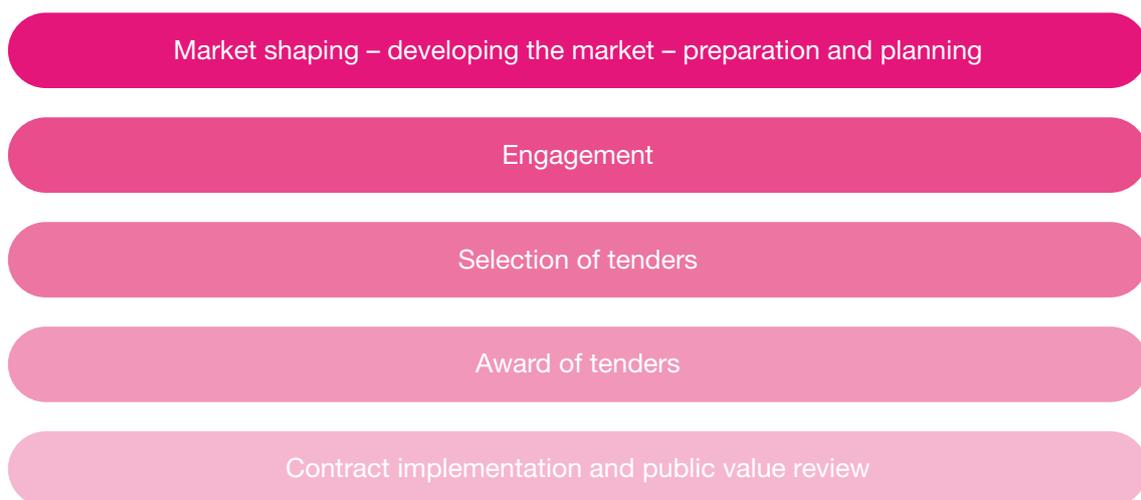
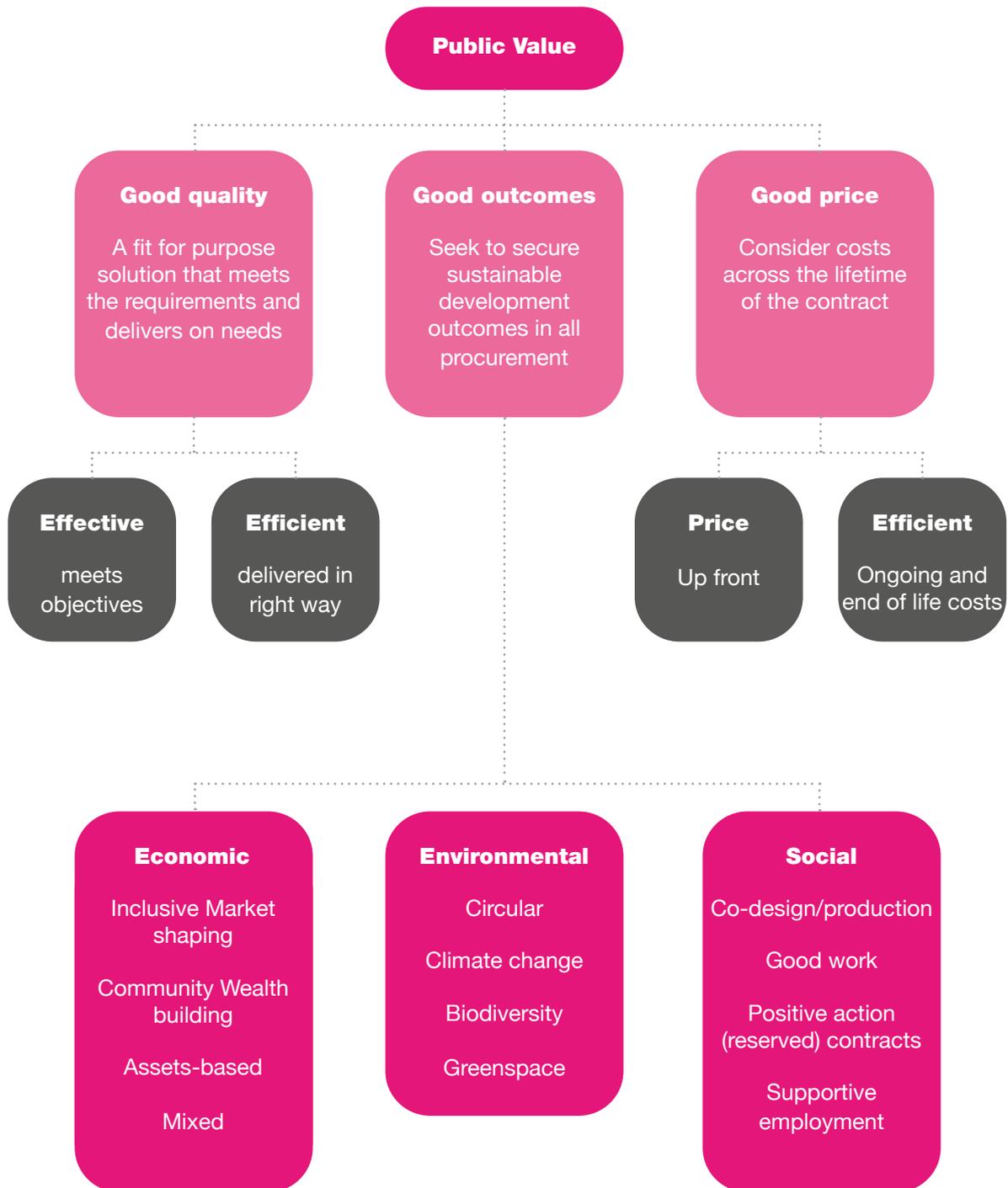


Table 2

<p>Analysing and preparing the market</p>	<ul style="list-style-type: none"> • What is the problem we are trying to address ? • What is the state of the current public services market? • What are the overarching policies that govern our commissioning? • What are the key economic, social and environmental issues? • How can we influence the market? • What is the service we think we should be offering? • Is this a service we can offer better in house? • Is there a procurement policy in place?
<p>Engaging communities</p>	<ul style="list-style-type: none"> • Carry out market consultation • Is this the service that we need? • Do we or have we drawn upon the lived experience of users? • Is there a ready market of suppliers ? • Is there a possibility that reserved contracts could create a better market in the long term? • Should we consider an innovation partnership as part of a market shaping strategy?
<p>Transparency and accountability</p>	<ul style="list-style-type: none"> • Draft specifications • Consider the broader economic, environmental contract requirements – these must always be relevant and proportionate • Consider whole life costs of contract • Make sure OJEU advert includes all information • Advertise opportunities of £25,000 on domestic websites • Have a clear and consistent clarification process
<p>Selection and award of tenders</p>	<ul style="list-style-type: none"> • Selection criteria • Award criteria • Evaluation • Notification • Complaints
<p>Compliance and review</p>	<ul style="list-style-type: none"> • Implementation • KPI and monitoring performance • Developing service improvement plans • Variations • Closure • Public value review

Table 3 provides Aspire’s simple route map to achieving better procurement that delivers effective and efficient services at a good price with good outcomes that incorporate the wider aims of working towards an inclusive economy where public services are co-designed with local communities.

Table 3



6A. A USING COMMISSIONING TO HELP SHAPE THE PUBLIC SERVICES MARKET

Analysing and preparing the market

- What is the problem we are trying to address ?
- What is the state of the current public services market?
- What are the overarching policies that govern our commissioning?
- What are the key economic, social and environmental issues?
- How can we influence the market?
- What is the service we think we should be offering?
- Is this a service we can offer better in house?
- Is there a procurement policy in place?

Poor procurement can help to reinforce inequalities and contradict wider placed based strategies. For example, organisations that seek to drive cost down to support residents may be doing them a disavour by reinforcing in-work poverty and low pay.

If we wish public services to more broadly reflect the wider economic, social and environmental challenges of our time, including inclusive growth, then organisations have to shape them to support the delivery of wider goals. Ultimately, we think that the strength of such an approach will be how it can be co-ordinated across nations and regions and sub-regions of the UK.

DEVELOPING THE MARKET – PREPARATION AND PLANNING

A wider market shaping task involves market analysis – activities which seek to understand the market, including collection and analysis on current provision – and market influencing – a range of activities that seek to influence the current and future range of services and support.

- Market analysis should be carried out which may include desk research, benchmarking and other methods. This may identify particular issues or risks for the contracting authority. For example, typical areas of spend may encompass traditionally low paying and insecure work with high levels of in-work poverty with markets dominated by large private sector operators or fragmented numbers of smaller providers as in social care.

- Market influencing and innovation strategies, or other forms of support could be used to help shake up predominant business models and behaviours of the market.



In Aspire's current sector of frontline service provision, reframing traditional horticultural services to reflect resident concerns into 'clean and green' services could help to achieve better outcomes for residents, while helping to break down the occupational segregation that exists within horticulture through building in a requirement for a service in which typically more women are employed.

- Making use of provisions within the law to diversify the market can help to influence the market.



Commissioners can make use of existing laws to influence the market through promoting the social economy and innovation through the following regulations:

- Regulation 20 PCR, Regulation 21 PCR (Scotland) – support contracts
- Regulation 31 PCR, Regulation 32 PCR (Scotland) – innovation partnerships
- Regulation 77 PCR –mutualisation of existing certain health, social and cultural services (No equivalent in Scottish law)

REGULATION 20 OF THE PCR – PROMOTING COMMUNITY ENTERPRISE THROUGH POSITIVE ACTION MEASURES

Under Regulation 20 of the PCR there are two ways in which contracting authorities can use Article 20(14/24/EU) to support disabled people and employment and community enterprises and tackle disadvantage. Under Regulation 20(1)(a) contractors can reserve the right to participate in public procurement procedures to sheltered workshops and economic operators whose main aim is the social and professional integration of disabled or disadvantaged persons. Under Regulation 20(1)(b) procurers can make provision for such contracts to be performed in the context of sheltered employment programmes provided that at least 30%

of the employees of those workshops, economic operators or programmes are disabled or disadvantaged workers. In either of these two cases the call for competition shall make reference to Article 20 of the Public Contracts Directive. In Scotland, there are similar provisions under Regulation 21 of the PCR (Scotland). Its law replaces the outmoded term of ‘sheltered’ employment with supported employment. In addition, under the Scottish law, public authorities are required to report annually on their support for supported business. There are also similar provisions for supported employment below the European thresholds. There are no legal reasons why England, Wales and Northern Ireland could not introduce similar measures for below threshold contracts.

REGULATIONS 74-77 PCR 74-6 PCR(SCOTLAND) – THE LIGHT TOUCH REGIME

A number of social and health services delivered to individuals are subject to the light touch regime. This has a much higher threshold than for other contracts.⁸⁰ The lists are contained within the regulations and include: health, social and related services; administrative, social, educational, health care, and cultural services; compulsory social security services; hotel and restaurant services; legal services, to the extent that they are not excluded altogether from the Directives; investigation and security services; international services; and postal services. The Directive requires that procurements should comply only with general European principles of equality and transparency and contracting authorities are bound to advertise the opportunity and to publish an award notice in OJEU. This leaves the contracting authority with considerable flexibility in running the procurement, so long as it is consistent with equality and transparency.

- The early stage of identifying the procurement need and developing the commissioning case is a key point at which wider economic, environmental and social issues should be considered.
- Regulation 70 of the PCR provides that contracting authorities can lay down special conditions relating to the performance of the contract provided that they are linked to the subject matter of the contract and such conditions can include economic, innovation-related, environmental, social or employment-related considerations.
- The outcome of these considerations, including any estimated costs and benefits, should be incorporated into the procurement strategy and business case to enable assessment of their impact. This process should be linked to the wider corporate policies of the governing body, municipality or place.
- incorporating equality outcomes should be a normal part of commissioning and delivering services.
- during any pre-procurement market engagement, it is good practice to consider highlighting to stakeholders the importance of certain issues, policies and legislation so that these are clear and transparent.



- does the organisation have a procurement policy in place to guide it through the process, if not why not – arguably any organisation that conducts the public procurement process should have an overarching policy.

REGULATION 77 – PROMOTING MUTUALS

In England and Wales, there are further ways within the light touch regime to help shape the procurement market and provide for a wider diversity of contractors. This Regulation enables contracting authorities to reserve contracts for certain health, social and cultural services excluding those which fall under NHS regulations to employee owned organisations or mutuals. An organisation will qualify if:

- its objective is the pursuit of a public service mission linked to the delivery of those services;
- profits are reinvested and/or are distributed on participatory considerations;
- ownership of the organisation is based on employee ownership/participatory principles or requires the active participation of employees, service users or stakeholders;
- and the organisation has not had a contract for the services concerned reserved to it by this contracting authority in the previous three years;
- the contract term can be no longer than three years and the OJEU notice must make reference to Article 77 of the EU Directive on which the provisions of Regulation 77 are derived.

6B. ENGAGING COMMUNITIES

Engaging communities

- Carry out market consultation
- Is this the service that we need?
- Do we or have we drawn upon the lived experience of users?
- Is there a ready market of suppliers ?
- Is there a possibility that reserved contracts could create a better market in the long term?
- Should we consider an innovation partnership as part of a market shaping strategy?

- The European directives encourage organisations to carry out market consultation to better prepare their procurement procedures and inform economic operators of their needs, provided that they do not distort competition.

i Pre-market consultation was introduced as a new element into the European Directives. Regulation 40 of the PCR, 41 of the PCR (Scotland) provides for preliminary consultations prior to going to market as part of the procurement process so long as it does not have the effect of distorting competition and does not result in a violation of the principles of non-discrimination and transparency.

- Pre-market engagement effectively targeted can open up the procurement process to new ideas drawn from local stakeholders and help to develop a partnership approach to procurement in which ideas are shared and solutions developed jointly.
- This relationship contrasts with traditional approaches in which the smaller contractor or service user in community health and social services are somewhat infantilised by rigid and specific input related, task based contracts or treated as passive subjects on which public services are performed.
- Pre-market engagement can help identify innovative solutions and new products or services which the contracting authority may not have been aware of or even thought of.
- Stakeholder mapping can help to identify all the people that could help to inform the commissioning of services whether they are currently users or suppliers, and help to shake up public service markets through ensuring the commissioning

process involves the lived experience of users through processes of co-design and co-production; and create support for or facilitate new alliances and consortia for providers.

i **INNOVATION PARTNERSHIPS
REGULATION 31 PCR,
REGULATION 32 PCR
(SCOTLAND) INNOVATION
PARTNERSHIPS – DEVELOPING
MARKETS AND SERVICES**

Contracting authorities are able to set up innovation partnerships which identify the need for an innovative product, service or works that cannot be met by the market and propose minimum requirements from participating tenderers. They can do this with one or more partners.

The innovation partnership focuses on the development of the innovative product, service or works and the subsequent purchase of developed products. The partnership should be constructed in successive phases following the sequence of steps in the research and innovation process and the provision of goods and services or the completion of the works. It sets targets and arranges for payment of remuneration in instalments. Under the law the estimated value of goods shall not be disproportionate in relation to the investment required for their development.

The innovation partnership provides a means of stimulating the public services market to develop new sustainable services in environmental and technology in particular, but also in developing socially innovative services.

- Anchor institutions within a community can play a vital role in developing a co-ordinated approach that builds community capacity and capabilities.

6C. TRANSPARENCY AND ACCOUNTABILITY

Transparency and accountability

- Draft specifications
- Consider the broader economic, environmental contract requirements – these must always be relevant and proportionate
- Consider whole life costs of contract
- Make sure OJEU advert includes all information
- Advertise opportunities of £25,000 on domestic websites
- Have a clear and consistent clarification process

DEVELOPING AND PUBLISHING THE OPPORTUNITY

- A business case for the procurement should be prepared outlining the rationale and broader outcomes to be achieved.
- Contracting authorities are allowed to take into account economic, environmental or social factors in contract performance conditions and contract award criteria.
- All OJEU notices published should contain relevant information including broader social, environmental and economic conditions to ensure that there is transparency.
- Contracting authorities must consider dividing contract into lots to support SMEs in the area, and must supply reasons for not dividing contracts into lots. This information should be in the tender documentation.

i The Equalities and Human Rights Commission recommends introducing small lots to encourage smaller organisations to submit tenders; identifying opportunities where smaller organisations already working with particular communities can provide specialist support to larger contractors; and encouraging and supporting small suppliers to join or form consortia so they can bid for larger contracts, meet pre-qualifications requirements, and become more competitive by reducing their overheads.⁸¹

- For larger contracts consider supply chain sub-contracting and the conditions that

could be introduced within the supply chain.

- Contracting authorities cannot set turnover requirements for economic operators at more than two times the contract value except where there is a specific justification.
- The contract value should be based on the total volume of services to be purchased for the full duration of the contract. This consists of the total estimated remuneration of the contractor, including all types of expenses such as human resources, materials and transport, but also covers additional costs such as maintenance, operational and managerial costs, equipment, travel and subsistence expenses.
- Contracting authorities are allowed to take the full life cycle costs into account so that while the initial price may seem more costly longer term savings may see an overall reduction in price.
- All contracts over £5 million which have a sub-contracting chain have to require the prime supplier to advertise sub-contracting opportunities of £25,000 and over on the English Government site, Contract Finder, on the Scottish website Public Contracts Scotland, on the Welsh website Sell2Wales and on the Northern Ireland website e-sourcing NI. The contractor should be required to report back spends with the SME or VCSE sector.

- All opportunities of £10,000 and over (for central government) and £25,000 for other public authorities should be published on Contract Finder. For local government it is recommended that all opportunities of £5000 and over should be published.⁸²
- The advertising notice will say what kind of procedure is being used. It should be relevant and proportionate to the purchase.

6D. SELECTION AND AWARD OF TENDERS

Selection and award of tenders

- Selection criteria
- Award criteria
- Evaluation
- Notification
- Complaints

SELECTION

- It is important that the tender documents clearly distinguish between exclusion grounds, selection criteria and award criteria.⁸³ This can easily be done by asking questions such as who must be excluded from the procedure? Who is capable of carrying out the works? Whose proposal will deliver the expected results in the best possible way?
- It is quite permissible for contracting authorities to lay down conditions related to the way the contract is carried out, including economic, environmental or social considerations. These conditions must be non-discriminatory and compatible with EU law.



Northern Ireland guidance highlights how taking a human rights based approach could influence the procurement process

by helping to prevent human rights violations and abuses and taking an active role in respecting, protecting, and fulfilling human rights. This it suggests could include, for example, contracting with a contractor/supplier that has mapped supply chains and taken active steps to educate its suppliers to mitigate human rights violations or abuses; or one that actively promotes equality and non-discrimination within its workforce.⁸⁴

- After publication of the procurement documents, only minor changes to the main selection criteria are acceptable, such as changes in the wording or the address to which applications should be submitted.
- Where clarifications are requested it is important to make sure that any actions that are required during the process are followed up and that any minor errors

corrected and all parties are alerted. If the error is not a minor consideration should be given to abandoning the procedure and re-running it.

AWARDING THE TENDERS

- Economic, environmental and social requirements can be specified as award criteria provided that they relate to the contract.
- The award criteria should not be amended during the procurement procedure.
- Community Benefits should be determined on a case-by-case basis, (to ensure they are proportionate), and evaluation of community benefit requirements should include evaluation of the bidder's proposed approach to meet the requirement.
- Contracting authorities must base the award of contract on the most economically advantageous tender. The best price quality ratio is the one most commonly used.
- Any tender that appears to be abnormally low must be investigated. The law does not define what is abnormally low, however, it is generally considered to be where the price offered by an economic operator raises doubts as to whether the offer is economically sustainable and can be performed properly. There are different ways of assessing whether a price is abnormally low, the first port of call is to examine the relationship between the submitted price and the contract value specified in the OJEU.
- Prior to making the final award there is a standstill period of 10 days in which tenderers can contest the decision.
- Contracting authorities should have a policy for dealing with issues raised by tenderers which is proportionate and which is transparent.

6E. CONTRACT COMPLIANCE AND REVIEW

Compliance and review

- Implementation
- KPI and monitoring performance
- Developing service improvement plans
- Variations
- Closure
- Public value review

- Open and trusted communications are vital to good contract management throughout the duration of the contract and towards the end of the contract.
- Broader requirements must be measured and monitored if they are not to be meaningless.
- Public value should be considered as an integral part of the quality assessment process.
- There should be adequate feedback channels and review meetings – including relevant community stakeholders which will help to ensure a service that is responsive and builds up the information base within the contracting authority.
- Learning should be taken from past success into future commissioning and procurement.
- This is an ongoing journey on which there is a need to continue, collaborate and continuously improve.



And within this, and throughout the process there is we believe a special place for kindness, in working to develop relationships between government, organisations and communities and delivering services that are responsive to them. A touch of kindness in a service can make all the difference to the way that it is perceived. Algorithms have brought great advances, but also undermined much of importance in an age where we believe collaboration and communitisation are the keys to survival.

6F. COMMUNITY PROCUREMENT FOR GOOD

Here are Aspire's doodle notes for local providers and community groups on developing local projects:

LOCAL PUBLIC SERVICE PROVIDERS

- Adopt a champion
- Write a policy
- Talk to the community
- Provide training for procurement
- Provide training for community/other providers
- Provide training for officers
- Develop a reporting system and measuring
- Review successes and failures
- Build on successes and failures

LOCAL COMMUNITY GROUPS

- Adopt a champion
- Brainstorm ideas for trading
- Talk to the community
- What's the problem you are going to solve
- Research the market
- Be clear about your social objectives
- Work out the finances
- Build up a business plan
- Talk to potential commissioners/ stakeholders
- Revise the plan
- Is there a market
- Find opportunities
- Not a market
- Draw up an innovation plan
- Start conversation with public service providers and anchor organisations
- Carry out joint activities with public service providers and anchor organisations

7. FOCUS ON SUCCESS

In this section we provide a selection of focuses which shows how procurement can be used creatively for the common public good; how progressive procurement can be linked to wider issues that address economic and social justice and promote local economies; and how the procurement process can be used to support sustainable development.



FOCUS 1 – THE SCOTTISH GOVERNMENT – THE CO-ORDINATED APPROACH

The Scottish Government tracks its contribution to its overall purpose and priorities through a sustainable procurement duty which is built into the framework of law.

The key priorities are defined in Scotland's Economic Strategy as:

- promoting inclusive growth and creating opportunity through a fair and inclusive jobs market and regional cohesion;
- investment in our people and our infrastructure in a sustainable way;
- fostering a culture of innovation and research and development; and
- promoting Scotland on the international stage to boost our trade and investment, influence and networks.

The Scottish Government defines inclusive growth as: “growth that combines increases in prosperity with greater equity, creates opportunities for all and distributes the dividends of increased prosperity fairly”.

As part of a structured approach to procurement, the Scottish Government has developed national outcomes and indicators based on the UN Sustainable Development Goals.

According to the Scottish Government, the National Performance Framework is Scotland's way of localising and implementing the sustainable development goals and of ensuring that no one in Scotland is left behind in the achievement of the goals.

The national outcomes are that people:

- grow up loved, safe and respected so that they realise their full potential
- live in communities that are inclusive, empowered, resilient and safe
- are creative and their vibrant and diverse cultures are expressed and enjoyed widely
- have a globally competitive, entrepreneurial, inclusive and sustainable economy
- are well educated, skilled and able to contribute to society
- value, enjoy, protect and enhance their environment
- have thriving and innovative businesses, with quality jobs and fair work for everyone
- are healthy and active
- respect, protect and fulfil human rights and live free from discrimination
- are open, connected and make a positive contribution internationally
- tackle poverty by sharing opportunities, wealth and power more equally

These are used to help identify opportunities to include economic, social and environmental considerations in contracts and show how procurement activity contributes to the National Outcomes and, in turn, to Scotland's Economic Strategy.

For each procurement project valued at £50,000 or over, the Scottish Government has developed sourcing strategies that are supported by a Sustainability Test and a Sustainable Public Procurement Prioritisation Tool (SPPPT) where appropriate.



FOCUS 2 – SECTION 20: PROMOTING THE SOCIAL ECONOMY THROUGH POSITIVE ACTION

There are a number of ways in which the social economy can be promoted using existing legislation derived from Europe and these measures are increasingly being taken up as familiarity with the new provisions increases.

This can be particularly useful in addressing disadvantage within the labour market and tackling institutional barriers that prevent disabled people from prospering through the labour market.

It provides an opportunity to address wider inequalities in the labour market and to take positive action to address these structural inequalities.

REGULATION 20 OF THE PCR – PROMOTING COMMUNITY ENTERPRISE THROUGH POSITIVE ACTION MEASURES

Under Regulation 20 of the PCR there are two ways in which contracting authorities can use Article 20 14/24/EU to support disabled people and employment and community enterprises and tackle disadvantage.

(a) Under Regulation 20 (1) (a) contractors can reserve the right to participate in public procurement procedures to sheltered workshops and economic operators whose main aim is the social and professional integration of disabled or disadvantaged persons

(b) Under Regulation 20 (1) (b) procurers can make provision for such contracts to be performed in the context of sheltered employment programmes

provided that at least 30% of the employees of those workshops, economic operators or programmes are disabled or disadvantaged workers.

In either of these two cases the call for competition shall make reference to Article 20 of the Public Contracts Directive.

In Scotland, there are similar provisions under Regulation 21 of the PCR (Scotland). Its law replaces the outmoded term of ‘sheltered’ employment with supported employment. In addition, under the Scottish law, public authorities are required to report annually on their support for supported business. There are also similar provisions for supported employment below the European thresholds. There are no legal reasons why England, Wales and Northern Ireland could not introduce similar measures for below threshold contracts.

There are all sorts of reasons why Article 20 makes sense from a community impact point of view. Much activity has focused on supply side measures for people who are disadvantaged by the labour market including training and CV presentation, yet all too often the pathway of many is to move into low paid, insecure, “bad employment” which can intensify previous reasons why people are absent from the labour market e.g. mental health and well being reasons. Providing public support to “good” employment organisations could help overcome in-work issues that arise, acting to prevent churn in the labour market. It could also help other programmes such as individual work placement.

Article 20 can help to build up a mixed economy and promote economic, social and environmental improvements in the market place through:

- using it as an adjunct to existing in-house provision to support people disadvantaged by the labour market into sustainable and good employment;
- addressing the issue of disability discrimination in terms of both access to employment and the terms of employment experienced by disabled people;
- taking positive action to promote the social economy if an alternative is required as a means of promoted mixed economies which are not solely reliant on profit-led business;
- taking positive action to reserve contracts for women led/BAME or other businesses;
- reserving contracts for people with lived experience, for example, to support the co-production of services;
- promoting “Good works” suppliers as part of an economic development strategy designed to promote inclusive growth;
- incorporating use of the Article in larger contracts e.g. local authority waste contracts to establish neighbourhood reuse centres as part of the circular economy.

EXAMPLES OF RESERVED CONTRACTS

Scotland’s Reserved Commodities for Supported Businesses Framework has recently appointed six suppliers with an estimated value of £12 million.

The Framework provides for the supply and repair of furniture: bedroom furniture, office furniture, educational/laboratory furniture, conference furniture, cafe/restaurant furniture, kitchen units, furnished and student accommodation, beds and mattresses; document scanning, storing and retrieval; the supply of personal protection equipment (PPE) and the supply of signage. Other examples of the use of Article 20 include:

- Establishment of a Centre for Independent Living (CIL)
- Provision of care and support services to people in need
- Training and consultancy
- Cleaning
- Horticulture works
- Employment support programmes
- Kitchen unit manufacturing
- Other manufacturing
- Waste removal
- Furniture reuse
- Transport Service for local people

Aspire’s services have also benefited from its use when one of our Parish Council clients decided that they wished to support disadvantaged workers and advertised a tendering opportunity under Article 20 on Contract Finder.



FOCUS 3 – COMMUNITY WEALTH BUILDING, COMMUNITY BASED ENTERPRISES AND INCLUSIVE GROWTH

Organisations such as Centre for Local Economic Strategies (CLES) are at the forefront of calling for new approaches to the local economy. These include a community wealth building approach, based upon work carried out in Cleveland, Ohio which includes progressive procurement and commissioning that provides an opportunity to develop local economic, social and environmental well being and to promote local wealth building.⁸⁵ Community wealth building has a people-centred focus which aims to direct wealth back into the local community.

This approach highlights the importance of local anchor institutions (large local public, social and commercial organisations) and how their purchasing power can support local supply chains by creating local benefits in the form of local employment, developing skills of the local workforce and generally enhancing the sustainability of local business.

The Preston Model has perhaps had the greatest profile for the work that it has carried in developing the community wealth building approach. Here the local council acts as “place leader” to a number of anchor organisations from education, housing and police and others encouraging them to use their purchasing power to influence their pattern of spending so that more wealth stays within Preston. The most recent spend analysis found that the procurement from institutions rooted in Preston retained within the city was £112.3m – a rise of £74m from 2012/13.

According to Preston Council and CLES there are five key strategies concerned with community wealth building:

PLURAL OWNERSHIP OF THE ECONOMY

It seeks to develop a more diverse blend of ownership models returning more economic power to local people and local institutions and asserts that small enterprises, community organisations, cooperatives and forms of municipal ownership are more economically generative for the local economy, than large or public limited companies. In this way more money is retained in the local area.

MAKING FINANCIAL POWER WORK FOR LOCAL PLACES

It seeks to increase flows of investment within local economies by harnessing the wealth that exists locally, as opposed to attracting national or international capital. For example, local authority pension funds can be encouraged to redirect investment from global markets to local schemes. Mutually owned banks are supported to grow and regional banks – charged with enabling local economic development – are established. All of these channel investment to local communities while still delivering a steady financial return for investors.

FAIR EMPLOYMENT AND JUST LABOUR MARKETS

As large employers, the approach that anchor institutions take to employment can have a defining impact on the prospects and incomes of local people. Recruitment from lower incomes areas, commitment to paying the living wage, and building progression routes for workers are examples of actions that anchor institutions can take to stimulate the local economy and bring social improvements to local communities.

PROGRESSIVE PROCUREMENT OF GOODS AND SERVICES

Progressive procurement can develop dense local supply chains, SMEs, employee owned businesses, social enterprises and cooperatives and other forms of community business. These types of businesses are more likely to support local employment and have a greater propensity to retain wealth and surplus locally.

SOCIALLY PRODUCTIVE USE OF LAND AND PROPERTY

Anchor institutions are often major local asset holders. These assets represent a base from which local wealth can be accrued. In community wealth building the function and ownership of these assets is deepened to ensure that any financial gain is harnessed by citizens. Furthermore, there is a desire to develop and extend community use of those assets. It should be remembered that much public sector land and facilities are a part of the commons, and should be used to develop greater citizen ownership.⁸⁶

In its lessons learned, CLES and the City Council say that one of the key reasons why the Preston Model is successful is because it has been collectively built by the range of stakeholders who have all brought different ideas about how to create a good local economy.

Within the UK a number of local authorities are adopting policies and practices in relation to community wealth building including Wigan, Newham, Islington and Hackney. The Scottish Government has recently committed to exploring the potential of community wealth building as an approach to delivering inclusive growth across Scotland, with six key projects in development starting with Ayrshire.⁸⁷



FOCUS 4 – THE UK STEEL CHARTER

The role of public procurement in industrial policy is at a theoretical level increasingly being discussed from mission orientated policy to tackling market failure to developing entrepreneurial products and services. Public procurement can accelerate both technological development leading to changes in the industrial landscape. It can influence the evolution of existing and yet-to-be-created markets, changing the structure of competition to make it more attractive and/or accessible for new entrants. More generally, it can be used to support industrial sectors.

In the UK The UK Steel Charter is aimed at maximising opportunities for the UK economy and UK steel producers by encouraging and promoting measures that can be taken in relation to the procurement of steel for major projects. Building upon earlier UK, Scottish and Welsh government initiatives, the Charter aims to support steel jobs and communities, strengthen manufacturing supply chains and increase UK GDP through purchasing more steel from UK producers.⁸⁸

The UK Steel Charter asks organisations to sign up and commit to a range of simple procurement steps. According to the union Community, these simple steps could transform the way the UK purchases steel and other materials, ensuring decisions aren't simply made on the basis of lowest upfront cost, but take into account longer term strategic aims such as social and environmental considerations, and the UK's long-term economic growth.⁸⁹

The Charter was launched in May 2019 with UK government support and the Welsh Government was its first signatory. Since then signatories have included BEIS, the Scottish Government; the Heathrow Expansion Programme; the unions: Community, Unite and GMB; the TUC; and a number of local councils including Sheffield and Newport; and other industrial and private sector organisations.

More recently with the commitment to HS2 to go ahead, the UK Government has been called upon by Make UK (the employer's representative body) to ensure that the benefits of the multi-million pound project are "felt in all four corners of the United Kingdom".

It is estimated that HS2 will use 2 million tonnes of steel over the next 10 years and that the use of UK made steel for HS2 would support over 2,000 jobs, and deliver £1.5 billion to the UK economy. This would ensure that the benefits of the project were felt not only along the route but in steel communities as well.⁹⁰

THE UK STEEL CHARTER

WE COMMIT TO THE FOLLOWING

- Establish clear and simple criteria to identify which projects are in the scope of our charter commitments
- Develop a future steel pipeline
- Monitor and produce data on the levels of UK-produced steel used in our projects
- Place a requirement in our appropriate contracts requiring the origin of steel to be provided

- Stipulate use of steel products accredited to BRW Standard BES 6001
- Advertise opportunities for steel providers and/or require our contractors/sub-contractors to do so
- Introduce a requirement for tender applications to include a supply chain plans
- Host engagement meetings/events for major projects in advance of procurement decisions being made
- Develop our organisation's approach to the 'most economically advantageous tender'
- Appoint a 'UK supply chain champion' to manage engagement with steel sector, and other suppliers
- Use UK-produced steel to meet KPIs for our organisations corporate social responsibility commitments
- Use British quality standards of steel when detailing steel requirements in project plans

The UK Steel Charter has helped to focus attention on public procurement and its role in industrial strategy through a partnership approach involving employers and unions working together in the interests of the steel industry and its local communities as a whole.



FOCUS 5 – DIFFERENT TYPES OF PROCEDURES

Here we outline all the procedures and sub-procedures that can be used in public procurements above the threshold.

Below the threshold where procedures are not regulated, it is up to public authorities what procedures they are to use, but they will need to use procedures that guarantee equality and transparency.

The most widely used procedures are the open and restricted. We like the open

because it is simple and is the most transparent. It is also the least bureaucratic.

We, of course, like reserved contracts because they support organisations such as ourselves that want to see a mixed economy in which the social economy plays its role. Reserved contracts can, of course, be used with any of the procedures.

We think there is enormous potential to use innovation partnerships particularly for environmental programmes of work, but also for developing socially innovative responses to local issues.

Type of procedure	Characteristics	Pros	Cons	Level of Innovation
Open	All tenders must be considered Selection and Evaluation Award carried out after submission	Simple Open to all	May generate high workloads for contracting authority May generate low response for contracting authority Low transparency risk Most community friendly	Low unless innovation built into the technical requirements
Restricted	Two stage process Only pre-selected tenderer's invited to tender – at least 5	Managed award procedure with limited number of candidates	Longer process Transparency risk and subject to more complaints	Low unless innovation built into the technical requirements
Reserved Section 20	Ring fence participation in tendering for supported workshops and work integration organisations where 30% of workforce are disabled or disadvantaged Require that contact is carried out by a supported workshop Published opportunity must refer to reservation	Market shaping Promotes positive action for disabled people and those disadvantaged by the labour market	Lower workloads for contracting authority Low to high depending on what procedure is used	Low to high depending on what procedure is used
Reserved Section 77	Reserved contracts health, social services and other contracts Light touch regime Three years only for each contractor Published opportunity must refer to reservation	Market shaping Promotes social enterprises and mutual	Lower workloads for contracting authority Low transparency risk	Low to high depending on what procedure is used

Type of procedure	Characteristics	Pros	Cons	Level of Innovation
Innovation partnership	Development Purchase products not currently on market Prequalification Negotiation Delivery	Market shaping	Lower workloads for contracting authority Higher transparency risk	High
Competitive procedure with negotiation	Prequalification Negotiation Evaluation Used in exceptional circumstances Up to 3 candidates	Product shaping	Higher workloads for contracting authority	Medium
Competitive dialogue	Prequalification Dialogue Selection and Evaluation Used in exceptional circumstances	Market shaping Product shaping	Higher workloads for contracting authority	High
Design Contest	Selection and Evaluation Limited number of candidates Independent Jury decision One stage procedure	Market shaping Possible inclusion of external stakeholders in decision making	Higher workloads for contracting authority	High

FOCUS 6 – THE LIVING WAGE – GETTING IT RIGHT IN PROCUREMENT – IN OUR VIEW

The Living Wage is paid on a voluntary basis as opposed to the National Minimum Wage and the National Living Wage which are statutory obligations.

Payment of the Living Wage has many advantages including: higher staff retention, higher morale, more committed workers, lower levels of absenteeism and a reduction in in-work poverty.

As a London Living Wage employer and also a supplier, all too often Aspire finds that it has been undercut in procurement by employers who pay minimum or lower wage rates in procurements and Aspire loses out on price.

Following a recent and unhappy procurement experience we have put together best practice guidelines for Living Wage procurers who want to ensure that their supply chain guarantees workers a Living Wage.

- Make it a condition of contract and make sure that it is flagged up in all paperwork and most importantly in the contract.
- Advertise it as a condition of contract in OJEU and in all other adverts.

This is because Living Wage employers in low paying industries may not be drawn to procurement opportunities where it appears that the National Living Wage is the default condition (because they are likely to be undercut by these contractors). If it is not advertised as a condition of contract, it is potentially altering the pool of organisations that will tender.

- Consider whether there are ways in which you can encourage smaller non Living Wage employers to pay the Living Wage.

For example, smaller suppliers very often face major problems of low pay, as well as cash flow difficulties – guaranteed prompt payment within fourteen days, and up-front payment of the contract may be sufficient inducements for the supplier.

- Make sure that the contract makes provision for the annual up-rating of the London Living Wage or alternatively that the tenderer costs the up-rating as part of their price submission.

Failure to do this runs the risk that suppliers seeking a profit may reduce relative wages over the lifetime of the contract and the Living Wage contracting authority could face reputation risk if their supply chain receives below the Living Wage.

- Make provision for checking the rates of employees on an annual basis through self-certification or other mechanisms.
- Gold plate this requirement by requiring contractors to be accredited with the Living Wage Foundation throughout the duration of the contract.
- Consider what sanctions should apply if non-compliance is discovered – a simple one would be requiring each individual employee affected to be paid back pay and receive interest,
- Encourage suppliers to develop similar supply chain requirements when sub-contracting.
- Encourage suppliers to advertise their commitment to the Living Wage.



FOCUS 7 – RESPONSIBLE PROCUREMENT

There are a growing number of local authorities developing responsible procurement across the country. Here we highlight examples from both the North and the South.

Responsible procurement is good procurement. In London, the Mayor's Responsible Procurement Policy and its implementation plan have set out priorities up to 2020.⁹¹

Signatories to the RP Policy include the Greater London Authority (GLA) and its Functional Bodies: Transport for London (TfL); London Fire Commissioner (LFC), previously the London Fire and Emergency Planning Authority (LFEPA); Mayor's Office for Policing and Crime (MOPAC); London Legacy Development Corporation (LLDC); and Old Oak and Park Royal Development Corporation (OPDC).

The policy has six main themes:

- enhancing social value;
- encouraging equality and diversity;
- embedding fair employment practices;
- enabling skills, training and employment opportunities;
- promoting ethical sourcing practices; and
- improving environmental sustainability.

These are applied, where “relevant and proportionate”, in commercial arrangements with partnering and contracting organisations.⁹²

In Greater Manchester the Good Employment Charter Supporters' Network was launched in 2019. It supports employers to develop good jobs, deliver opportunities for people to progress, and help employers in the city-region grow and succeed. The public, private and voluntary sectors are all involved.

The model for the Charter has been co-designed by employers, trade unions and employees from across Greater Manchester, and involved two public consultations to develop and agree the proposals.

The purpose of the Charter is to support employers to raise standards across a number of areas including: secure work, a real living wage and recruitment and progression, with a tiered approach to help them progress.

The Supporters' Network is the first of those tiers.

The Charter has been embedded in public procurement through the city region's social value framework – which gives additional weighting to bids delivering social value in procurement processes. Businesses receiving investment through the Greater Manchester Combined Authority's investment funds will also be required to become Charter supporters.

The three tiers of the Greater Manchester Good Employment Charter are:

Tier 1: Supporters – for those employers who support the aims of the Charter and Greater Manchester Strategy, but are not yet in a position to meet the requirements of accreditation.

Tier 2: Membership – requiring employers to demonstrate excellent practice in key characteristics of employment practice, these are secure work; flexible work; a real living wage; workplace engagement & voice; excellent recruitment practices & progression; excellent people management; a productive & healthy workplace.

Tier 3: Advocates – employers who meet high standards in all the key employment characteristics to be Members, and then go out to other employers to encourage them to raise employment standards and join the Charter process.

The Mayor of London has recently launched its Good Work Standards which are similar to those in Manchester. We are pleased as punch that we have been accredited.

ENDNOTE

The UK Government now has full control of procurement policy subject to any agreements it enters into.

We've thought a bit about how we would like to see procurement communitised in ways which rebuild trust and strengthen our local communities across the UK. And we have shared our thoughts with you.

We'd recommend a coordinated approach. It seems to us that the Sustainable Development Goals are the glue that bonds a devolved approach.

We believe strongly in a devolved and localised approach that engages with local communities and responds to the particular needs of local communities and builds community capacity and capability.

We think that procurement should be innovative and an integral part of industrial strategy and should support local industries and their communities.

We consider public procurement should be strategic and encompass the wider challenges posed by our times. And at the same time, it must be used to give residents what they want – efficient and effective services on time, at the right time, all the time.

Public services are all our services. Good procurement encourages community public services which address inequalities while working towards wider economic, environmental and social well-being.

If people are to regain trust they need to see real change and real improvements in their day to day lives.

Thinking needs to be big, and thinking needs to be small. And above all we need to be ambitious for practical achievement in tackling the global and everyday issues of our times.

“Thinking needs to be big, and thinking needs to be small. And above all we need to be ambitious for practical achievement in tackling the global and everyday issues of our times.”

APPENDICES

(i) POVERTY, INEQUALITY AND PUBLIC NEEDS

A brief examination of the UK's position in relation to the goals demonstrates the challenges facing public services and the communities that they serve in tackling the problems of growing inequality and disadvantage and achieving public good in which no place and nobody is left behind.

GOAL 1: NO POVERTY

The latest annual report on poverty by Joseph Rowntree shows the significance of place in relation to poverty.¹ Poverty rates are highest in London, the North of England, Midlands and Wales, and lowest in the South (excluding London), Scotland and Northern Ireland. The report highlights the fact that millions of people in the UK are struggling to get by, leading insecure and precarious lives, held back from improving their living standards.

The poverty rate is currently around 22% with little change in recent years.² Around 14 million people are in poverty in the UK (more than one in five of the population) made up of 8 million working-age adults, 4 million children and 2 million pensioners.

The shape of poverty is changing in the UK. While progress in reducing poverty for children and pensioners is unravelling, there has been an increase in in-work poverty, despite the introduction of the National Living Wage in 2016, while for many disabled people poverty is stubbornly persistent in its never-ending presence. Projections suggest that without countervailing actions poverty will increase up to 2030.³

Far from being an anti-poverty fighting social security system: tax credits tie people into knots when seeking to advance at work; benefits have been weakened (the benefit cap, two-child limit and benefits freeze, for example) and bundled together as supposedly necessary austerity measures; explicit legal statements to abandon child poverty have been dropped by the UK government; and the introduction of Universal Credit appears to be further

disrupting the system and holding back local communities from breaking out of poverty.

The Joseph Rowntree Report recommends four important ways of solving poverty:

- as many people as possible need to be in good jobs;
- a need to improve the earnings of low income families;
- the benefits system needs strengthening;
- the amount of low-cost housing needs to be increased.⁴

The UK has recently fallen into the deepest recession on record as a result of Covid-19. Women, young people, families and black and minority ethnic communities are likely to be the worst affected by the socio-economic fall outs from the pandemic⁵. The most recent report of the Social Metrics Commission demonstrates that deep poverty has increased in the last two decades. 4.5 million people (7% of the population) in the UK now live in the deepest form of poverty (more than 50% below the poverty line), compared to 2.8 million people (5% of the population) in 2000/01.⁶

GOAL 2: ZERO HUNGER

The food production industry in the UK is dominated by large farms, agricultural subsidies and food imports with close to half of all food currently imported.⁷

Smaller farms and units can play an important role in society through promoting shorter food supply chains in which people are more closely linked to where their food comes from as well, as providing employment for local people and opportunities for entrepreneurship and community enterprise.

There is a poverty premium attached to food whereby healthy food choices are more costly than unhealthy such as fast food outlets which help to generate obesity within local communities that are disproportionately disadvantaged. Food insecurity in UK is growing as evidenced by the growing use of food banks.⁸

Covid-19 has demonstrated key issues relating to the UK's food system both in terms of food supply and demand. The recent report by Parliament's Environment, Food and Rural Affairs Committee highlights the fact that there are millions of people whose ability to afford sufficient, nutritious food in the UK has been severely disrupted or worsened by the pandemic and that this situation will be exacerbated as the economic impacts of the pandemic continue to unfold. The Committee recommends that a "Right to Food" should be given "a legislative footing to ensure the Government has a reference point for action to tackle and measure food insecurity, with the flexibility to meet that commitment using different measures."⁹ The Government has commissioned an independent review to help inform the Government's food strategy and has promised to produce a White Paper six within six months of its publication. The final report is expected in 2021.

There is a growing amount of evidence that Covid-19 is resulting in sharp increases in poverty in the UK, affecting a larger number of people as the recession sets in. The UK economy has had one of the hardest hits in the world, and forecasts suggest that its recovery will be slower than other countries, increasing the likelihood of growing poverty in the UK.

GOAL 3: GOOD HEALTH AND WELL-BEING

Ten years on since the Marmot Review health inequalities are rising. The original review calculated that, annually, inequality in illness accounted for productivity losses of approximately £31-3 billion, lost taxes and higher social security payments of between £20-3 billion and additional NHS healthcare costs of £5.5 billion.¹⁰

The Review found that the social determinants of health, the conditions in which people are born, grow, live, work and age are mostly responsible for health inequities – the unfair and avoidable differences in health status seen within and between countries.¹¹

Many public services impact on health and well being including housing, transport, education and economic development. In the UK unemployment has been on the decrease.

This was the trend until Covid-19. There has been a growth of low quality jobs which impact on people's health.¹² Covid-19 not only threatens to leave many with debilitating physical and mental health symptoms but an economy that following depression suffers years of debility affecting unemployment rates and increasing its impact further on the health and well being of the UK.

The Marmot review ten years on shows that health is getting worse for people living in more deprived areas in England and that for the first time in more than one hundred years, increases in life expectancy have stalled, and for the poorest 10% of women have actually declined. The review also showed that health gaps between people have widened and that health is getting worse for people living in more deprived areas of England.¹³

Public Health England has shown how Covid affects disadvantaged people most, including its disproportionate impact on Black, Asian and minority groups, for example, Bangladeshi people face around twice the risk of death compared to White British people. Its work clearly shows how people in low paid employment such as security guards, drivers and care workers have significantly higher rates of death from Covid-19.¹⁴

GOAL 4: QUALITY EDUCATION

People in disadvantaged communities are twice as likely as those from more wealthy communities to leave school without GCSEs in Maths and English.¹⁵ People from lower income backgrounds, and Gypsy, Roma and Traveller children still achieve significantly worse exam results than other groups. The same children are more likely to face exclusion from school.

The proportion of disabled children at special, rather than mainstream, schools has increased in England and Wales, and they are more likely to be excluded from mainstream schools.¹⁶

Young people from disadvantaged areas are less likely to go to university, and gaps in achievement at university remain for groups of BAME and disabled students.¹⁷

Educational disadvantage follows disadvantaged people into the labour market

and they have extremely limited ability to climb out of poverty as they compete in the market with increasingly skilled people. This not only affects their life chances but those of their families: four in ten children that are born to low income parents themselves become low income adults.¹⁸

Some groups of people have limited life chances: young adult carers are three times as likely to be not in education, employment or training than other young people; care leavers are more likely to go to prison than university; 42% of prisoners were excluded from school.¹⁹

The number of adults who have improved their skills with some form of training has fallen by 4 million over the past decade according to a recent survey.²⁰ People from lower socio-economic groups (DE) are half as likely to take part in learning than those in higher ones. People who left school at 16 or younger are half as likely to take part in learning as those who stayed on in full time education until at least 21.

Educational inequalities are likely to deepen as a result of Covid-19. Research by the Educational Policy Institute found that there is strong evidence that disadvantaged pupils received the least amount of home-learning during the lockdown period with differences in home-learning between high and low income families equating to about 75 minutes a day, support for pupils with special educational needs and disabilities (SEND) was legally weakened in all countries apart from Wales during the lockdown period and provision and support was judged to be patchy.²¹

GOAL 5: GENDER EQUALITY

Women face inequality economically, socially and culturally. Multiple forms of discrimination within women exaggerate and reinforce disadvantages in diverse ways.²²

Although there are record levels of women in work in the UK, at all levels of employment women remain disadvantaged. The introduction of gender pay gap reporting confirms the persistence of discrimination against women in the workplace.²³ Women are much more likely than men to work part-time and part-time employees tend to have lower pay and work in different roles to full-time

employees.²⁴ The gap is small or negative for full-time and part-time employees in their 20s or 30s. The gap widens considerably among full time employees aged 40 and over. A higher share of women than men are employed in low-paying occupations, while men are concentrated more in high-paying roles. Earnings inequalities have fallen among women, as women on low wages increased their hours of work. This is in contrast to an increase of inequality between men, as more men worked part-time.

Women make up just over one in 20 CEOs of FTSE 100 companies (6%). None of these CEOs are women of colour.²⁵ Only one in three UK entrepreneurs is female; female-led businesses are only 44% of the size of male-led businesses on average; in terms of their contribution to the economy, and male-led SMEs are five times more likely to scale up to £1million turnover than female led SMEs.²⁶

At Westminster, in the House of Commons: 34% of MPs are women. BAME women now make up 17% of female MPs in line with the population as a whole. In the House of Lords, however, the proportion of women is 27% with only 2% of Peers being women of colour. Only 5% of local councillors are women of colour.²⁷

Covid-19 is having a disproportionate impact on women whose jobs are more vulnerable than men's and globally while women make up 39% of global employment they account for 54% of overall job losses. Additionally women are facing greater health risks as they are over-represented in essential jobs as well as taking a disproportionate burden of care for family members. Research shows that women have been more likely to be furloughed with mothers being 10% more likely than fathers to initiate the decision to be furloughed.²⁸

GOAL 6: CLEAN WATER AND SANITATION

Access to clean water is affected by its affordability. In the UK because water companies in the UK are regional monopolies, domestic customers have no choice and are not able to switch companies that offer cheaper tariffs. The increasing impact of climate change, population change and the need to build more homes means that the UK is at risk of not having enough water, leaving those with low incomes at greatest risk.

There is no official measurement of water poverty in the UK but a widely accepted figure is the proportion of households spending more than 3% of their household income (after housing costs) on their water and sewerage bills.²⁹

At the moment, the social tariff that operates within each water company are individual to each company with specific eligibility criteria, usually based on a household income or receipt of specific benefits, and based on customers' willingness to pay them and the approaches companies use to apply them.

The Consumer Council for Water's latest figures demonstrates that almost 700,000 financially vulnerable water customers are now receiving support through reduced bills but that the schemes currently in place are likely to leave more than half of the problem unaddressed, and the amount and type of help varies considerably from region to region.³⁰

The economic consequences of Covid-19 raise longer term challenges as rising poverty and unemployment levels will make water charges and other bills less affordable for many additional households. As a result the English and Welsh governments have asked the Consumer Council for Water to carry out an independent review which will report in 2021.

GOAL 7: AFFORDABLE AND CLEAN ENERGY

According to the End Fuel Poverty Coalition the causes of fuel poverty are factors such as low income, high fuel prices, poor energy efficiency, unaffordable housing prices and poor quality private rental housing.³¹

Almost one in five people live in fuel poverty in England. According to official figures, there were 2.532 million households that were classified as fuel poor, a slight reduction from the previous year. This represented 10.9 per cent of all households in England. The average fuel poor household required a reduction of £321 to their fuel costs to move them out of fuel poverty. Fuel poor households tend to live in less energy efficient housing than those who are not fuel poor. Those whose main source of heating was electric were more likely to be fuel poor than those who used gas.³²

The relative improvement in median energy efficiency ratings between 2010 and 2015 has levelled off in recent years for fuel poor households and all households. This was partly explained by a reduction in the number of energy measures installed with fuel poor households compared to previous years through initiatives such as the Energy Company Obligation (ECO) and the Green Deal.

It is estimated that it will cost £1.2 billion per year to meet the Government's target of upgrading all fuel poor homes in England to an EPC rating of Band C by 2030. To achieve this would result in dramatic improvements in comfort, health and quality of life and energy bill affordability for occupants. It would reduce household bills by around £370 a year, while helping to reduce energy use. Public investment in such a policy would boost economic growth, create jobs and reduce pressure on health and social care services.³³

Moving forward the impact of Covid-19 and its impact on employment are likely to drive the rates of fuel poverty in the UK. The Scottish Government estimates that an unemployment rate of 10% could increase fuel poverty to 27% and extreme poverty to 14%.³⁴

GOAL 8: DECENT WORK AND ECONOMIC GROWTH

Although there were record numbers of people in employment prior to Covid-19, weak local economies have led to higher unemployment, underemployment and more low pay than in the UK as a whole.

Prior to Covid-19 there has been a growth in precarious employment such as zero hours contracts which have reached record highs and a growth in self employment which has also reached record highs.

There are now a record five million self-employed people (15.2% of all people in employment). Earlier research calculated that around half (49%) of the UK's self-employed are in low pay, measured on an hourly basis, compared with around a fifth of employees (22%).³⁵

According to the Joseph Rowntree Report: "Too many people are stuck in low-paid,

insecure jobs, with little chance of progression and too few hours of work to reach a decent living standard.”

Around 56% of people in poverty are in a working family, compared with 39% 20 years ago.³⁶ Seven in ten children living in poverty are now in a working family. The risk of poverty is higher for workers with disabilities, Black and minority ethnic workers, part-time workers, those in families with children and those in single-adult families, especially lone parents.³⁷ Social renters are around two and a half times more likely to work on a minimum wage job and often work in small labour markets with limited options for exit.³⁸

Employment levels for particular groups of people are low particularly among disabled people and carers.

Disabled people are more likely than non-disabled people to face barriers to paid work. Latest research shows that of the 7.9 million people of working age with disabilities, 4.2 million (53.2%) are currently in work. This compares to 81.4% of those without disabilities, indicating a disability employment gap of 28%.³⁹ The gap widens across regions with the lowest in the South East and the highest in Northern Ireland. Disabled people are twice as likely to be unemployed as other people.

Worklessness is particularly high for those whose main health condition is labelled as having a learning difficulty with less than a quarter in employment. These are followed by people with a speech impediment and people with mental health conditions.

Disabled people also work fewer hours on average and are more likely to work part-time than other workers; are more likely to be low paid; and less likely to have qualifications than other workers as a whole. Disabled women face the most significant pay gaps of all, higher than those faced by both disabled men and non-disabled women.

There were nearly 4.5 million informal adult carers in the UK in 2017/18 – around 7% of the population – and nearly a quarter (more than a million people) were living in poverty. More than half of carers are women and three-quarters are of working age. Carer prevalence

is at its highest among working-age adults in their 50s and early 60s, who are twice as likely to be carers as younger adults. However, this work appears to have been delayed because of Covid-19.”

The effects of Covid-19 on inclusive growth strategies that promote good quality jobs with the Real Living Wage and good working conditions are, as yet, unclear. On the one hand, the crisis has highlighted the necessary and under-valued work of essential workers and those involved in the infrastructure of the everyday economy, on the other the precarious infrastructure and low pay on which many of their jobs are based from the pre-Covid model remain more or less intact and reinforced.

GOAL 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE

Sustainable and inclusive growth requires transformation of the UK’s infrastructure including investment in low carbon infrastructure and taking measures to create a more circular economy that is focused on reducing waste, as well as reuse and recycling and one which reduces inequalities.

Among the policies announced in the UK government’s Queens speech in December 2019 were a national infrastructure strategy; a national disability strategy; and English devolution.

The National Infrastructure Strategy will invest £100 billion to transform the UK’s infrastructure. The Strategy sets out the Government’s long-term ambitions across all areas of economic infrastructure including transport, local growth, decarbonisation, digital infrastructure, infrastructure finance and delivery.

The UK government says that while the UK has significant economic strengths more needs to be done to increase productivity and make the most of untapped potential right across the country. Five foundations underpin its industrial strategy: ideas to build the world’s most innovative economy; people – providing these with good jobs and greater earning power for all; infrastructure – providing a major upgrade; business environment – ensuring that the UK is the best place to start and grow

a business; and places providing prosperous communities across the UK.

The Government says that its industrial strategy will level up and connect every part of the country and address the critical challenges posed by climate change, building upon the UK's commitment to achieve net zero emissions by 2050. The first Annual Report of the Industrial Strategy Council established to monitor progress on the Strategy suggests that many of the policies established have no finance attached to them.⁴⁰

The Government has said it would develop a National Strategy for Disabled People in 2020 aimed at ensuring disabled people can lead a life of opportunity and fulfilment and that it would continue to pursue its goal of an increase of 1 million disabled people in work between 2017 and 2027.

The UK government also said it would publish a White Paper setting out its strategy for English devolution to level up powers and investment in the regions across England, but recent press reports suggest that this has been shelved and watered down in the face of resistance from Conservative shires.⁴¹

In the Government's Spending Review 2020, announced in November, a new levelling up fund worth £4 billion was launched with the government announcing that the economic recovery; levelling up and unleashing the potential of the Union; and meeting the UK's net zero emissions target by 2050 are the three central objectives of the Government's Industrial Strategy.

GOAL 10: REDUCED INEQUALITY

Inequalities exist not only in wealth and income, but in other aspects of life such as health, life chances and political engagement and participation.⁴²

Although incomes have stagnated over the past decade, national wealth has continued to grow. Estimates suggest that UK households' collective wealth stands at £14.6 trillion.⁴³ This total is not equally distributed: the richest 10 per cent of households own almost half of the nation's wealth.

By the Gini coefficient statistic of measuring household incomes, the UK has greater

household inequality than other countries in Europe. This rose steeply in the 1980's but has remained more or less at the same level since the 1990's.⁴⁴ The share of income going to the top 1% has risen from 3% in the late 1970's to 8% today. In 2018 the average FTSE 100 Chief Executive Officer earned £3.46 million, equivalent to £901.30 an hour. In comparison, the average (median) full-time worker took home an annual salary of £29,559 in 2018 equivalent to £14.37 an hour.⁴⁵

Compared to average earnings, social security payments have reached their lowest level since 1948. The real value of benefits has lagged behind wages growth for years culminating in the recent benefits freeze. When Unemployment Benefit was first introduced in 1948 it was equivalent to 20 per cent of average weekly earnings; a comparable Universal Credit Standard Allowance payment has fallen to just 12.5 per cent of average earnings today.⁴⁶

The UK Government states that it wants to improve the quality of work for people and the Industrial Strategy set out the five planks of good work as follows: satisfaction; fair pay; participation and progression; well-being, safety and security; and voice and autonomy. Initiatives introduced by Westminster include the introduction of the National Living Wage to increase incomes and the introduction of the Good Work plan in 2018, following the publication of the Taylor Review the previous year. Further elements of the Good Work Plan will be incorporated into a new Employment Bill announced in the Queen's Speech including the establishment of a Single Enforcement Agency for employment rights.

GOAL 11: SUSTAINABLE CITIES AND COMMUNITIES

One factor related to the growth of poverty and inequality is lack of suitable housing. There is not only a need to increase the amount of low-cost housing available for families on low incomes, but also to increase support for people with high housing costs in areas such as London.

Housing is least affordable for households in poverty in London, the South East and the East of England, and is most affordable in Northern Ireland.

More and more people are living as renters within the private sector which has doubled in size since 2002 as the social housing sector has continued to shrink on a long term basis following the introduction of Right to Buy in the 1980's.

Reductions in benefits have intensified the pressures facing people on low income finding affordable housing. These include most recently the introduction of the Local Housing Allowance and the introduction of the bedroom tax otherwise known as the under-occupation penalty.

Private renters spend an average of 40% of their household income on housing costs, which is more than for any other category of resident.⁴⁷

The social rented sector has the highest level of in-work poverty. While in work poverty is an increasing problem, recent research shows that work reduces both the volume and depth of poverty experienced by people.⁴⁸

There were 281,000 people that were homeless in 2019 in England alone. This included 135,000 children without a home or living in temporary accommodation. A total of 237,000 people are estimated to be living in temporary accommodation.

Research carried out for the Joseph Rowntree Foundation found that transport is a key barrier to employment for many residents living in low-income neighbourhoods. It is viewed by those on low incomes as a constraint rather than an enabler.⁴⁹

It is too soon to say what the effects of Covid-19 will be on the impact of cities and local places. An increasing number of local councils across the country are recognising their position as leader of place, taking practical action around this is increasingly important as some of the weakest economies are proving to be the least resilient to the pandemic.

GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

Sustainable consumption and production can help to reduce future economic, environmental and social costs; strengthen economic competitiveness; and reduce poverty if the

right policies are in place. Our environment underpins our community and individual well-being.

According to a recent Commission report, the food and farming system has become one of the main drivers of human and ecosystem crisis.⁵⁰ Covid-19 has disrupted production and consumption systems across the globe. COVID-19 could support the increase in the production and consumption of more sustainable, healthy, locally-sourced items and increase consumers' preference for ethical products, on the other hand it could intensify the power of large corporates as unlisted companies take the strain of the pandemic. Five big tech companies now make up 21% of the S&P 500.

Environment in the UK is largely a devolved matter. In Wales and Scotland sustainable procurement policies are more advanced than in England and Wales. In Scotland which has chosen to implement the socio-economic duty of the Equalities Act 2020, local plans must also address socio-economic status.

The current Environment Bill provides a new legal framework for environmental governance as well as providing for specific measures on waste and resource efficiency, air quality and environmental recall, water, nature and biodiversity, and conservation covenants.

The Bill requires Government to set long term targets, to monitor and review them and to produce an Environmental Improvement Plan and to establish an Office for Environmental Protection to hold the Government to account. Similar provisions will apply to Northern Ireland.

The Environment Bill aims to support consumers in making purchasing decisions that support the market for more sustainable products including introducing product labelling that aims to enable consumers to identify products that are more durable, repairable and recyclable and to inform them on how to dispose of used products. It also provides enabling powers to set minimum eco-design requirements for products and banning those products or packaging which cannot be reused or recycled.

Critics of the Bill suggest that it is toothless and lacking in ambition. Particular concern has been expressed that a new regulator would have less powers than the European Commission and that there is no legal commitment to maintain current environmental standards. The Bill was paused in its passage through the Houses of Parliament in March and recommenced its work in November and it is unlikely to be law by the end of the transition period.

GOAL 13: CLIMATE ACTION

Greenhouse gas emissions globally continue to rise steeply, while climate change has risen to the top of political agendas only to be toppled by Covid-19.

In 1992 the UK signed up to the United Nations Framework Convention on Climate Change (UNFCCC). The Paris Agreement signed in 2015 sets targets for all signatory countries.

The Paris Agreement signatories agreed to a long-term goal for adaptation – to increase the ability to adapt to the adverse impacts of climate change and foster climate resilience and low greenhouse gas emissions development, in a manner that does not threaten food production. Additionally, they agreed to work towards making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.

The UK Government has legislated for Net Zero greenhouse gas emissions by 2050 (Scotland for 2045). The UK government has put the transition to clean growth at the heart of its Industrial Strategy and says that it is committed to making the UK a global leader in low carbon jobs, investment and exports. Critics suggest that the UK government is doing too little, too late and that its actions to curb greenhouse gas emissions are lagging far behind what is needed.

GOAL 14: LIFE BELOW WATER

Fishing is a vital industry to many coastal communities. Decline in many areas has left a legacy of community deprivation. Yet as an industry it still provides employment opportunities for many particularly in rural areas.

Recent research found that all of the ports in the UK analysed by the study were deprived.⁵¹ A tradition of skilled work at sea but low formal educational qualifications has intensified a low pay environment with recruitment shortages from traditional sources.

The UK Parliament has recently passed the Fisheries Act 2020 which will manage fisheries in the long term. It will develop plans to restore fish stocks to sustainable levels and provide powers for the Devolved Administrations to manage their fisheries.

Recent attempts in Parliament to strengthen the sustainability aspect of the Bill have been defeated with the Government arguing that environmental, social and economic needs had to be balanced. Critics suggest that the post Brexit arrangements will be weaker than under the European Union.

GOAL 15: LIFE ON LAND

Poorer and disadvantaged communities within the UK have access to fewer green and wild areas and recreational space, which in turn can reduce the quality of the environment and biodiversity where they live.

These communities are often victim to the worst negative pollution impacts such as poor air quality. For instance, research has found that deprived areas have the slowest rate of air quality improvement, and most cases where air quality deteriorates.⁵² Waste recycling and transfer sites, and particularly incinerators, are more likely to be in areas of higher social deprivation and poorer communities are more likely to be living near a river of poor chemical or biological quality.⁵³

The Environment Bill does not directly address the issue of environmental justice but aims to restore biodiversity through such measures as ‘biodiversity net gain’ in new developments and strengthening the duty on public authorities to enhance biodiversity. The independent global review, announced in March 2019, led by Sir Partha Dasgupta is assessing the economic value of biodiversity and aims to identify actions that will simultaneously enhance biodiversity and deliver economic prosperity. The evidence in the review seeks to help shape the international and UK response to biodiversity loss, including the successors to

the Aichi Biodiversity Targets. It also aims to inform global action to deliver the Sustainable Development Goals.

According to Dasgupta: “The review seeks to reconstruct our economic grammar by showing that our economies are embedded within, and not external to, nature. Unlike standard models of economic growth and development, placing ourselves and our economies within nature helps us to accept that our prosperity is ultimately bounded by that of our planet. This new grammar is needed everywhere, from classrooms to boardrooms, from parish councils to government departments.”⁵⁴

The final report from the Review was published in February 2021.

GOAL 16: PEACE AND JUSTICE STRONG INSTITUTIONS

Poorer communities are more at risk of being a victim to crime and experiencing the criminal justice system; have less access to justice particularly in the context of reductions in legal aid in recent years; and are less likely to engage in participatory processes because of a wide range of factors affecting engagement.

The Equalities and Human Rights Commission has noted a regression in many aspects of the Goal, including the targets to significantly reduce all forms of violence; to end abuse, exploitation, trafficking and violence against children; and to promote and enforce non-discriminatory laws. It also observes a deterioration in access to justice; including legal aid reductions, worsening conditions of detention and a rise in the use of restraint in the youth custodial estate. Overcrowding is prevalent in a high proportion of adult prisons and there have been increases in self-harm and assaults in prisons.

GOAL 17: PARTNERSHIPS TO ACHIEVE THE GOALS

At a UK level, unlike Scotland and Wales, there is no cross-government mechanism for policy development and coordination of the goals. Although the goals have latterly been incorporated into Departmental Spending Plans.⁵⁵

There is no UK wide multi-stakeholder partnership for implementation and the exchange of ideas, although UKSSD acts informally to provide an overview.⁵⁶

Partnership and collaboration are key to making progress on the sustainable development goals. Governments will need to work with a variety of stakeholders and effectively co-ordinate their strategies. These range from the private sector, from which they purchase goods and services, to the academic community, which can provide the research and data that informs spending decisions, through to non-governmental organisations that can partner with governments to advance their policy agendas on human rights, equality and environmental sustainability.

The importance of small and medium sized enterprises in this process is recognised within the Goals.

Research commissioned by government found that public services were the most aware of the goals, and private business least.⁵⁷ SMEs and even those with a social mission had very low levels of awareness of the goals.



Covid-19 has reinforced the prevalent social and economic inequalities in the UK with specific groups facing disproportionate burdens and loss of life. With the second wave of Covid-19 the same and more people are likely to experience new and deeper levels of financial insecurity or poverty that will lead to further demand on public resources. In the first wave of Covid-19 new partnerships in terms of mutual support grew up spontaneously to meet peoples' needs. These were supported by central government and worked together with local government in local areas to meet demands. As we move towards Brexit, economic innovation and new partnerships are needed to ensure that we Leave Nobody Behind. While government spending and relief is at the heart of the COVID-19 response, there needs to also be a long-term focus on ensuring action today does not undermine sustainability goals. More strategic public procurement that focuses on the left behind can support this process.

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(ii) THE RANT



When the Aspire Foundation – an organisation dedicated to finding training and employment opportunities for homeless and disadvantaged people in the labour market – found out in 2009 that it was to lose the majority of its grant funding, as a government stream of funding came to an end, its Board determined to do things differently.

The objective was to build a people-powered business where people could stay, develop and grow with the business. No more shifting people from training pillars to no pay or low paid, insecure work. Our business success would be built on our people success; our success with people linked to our business success. The stronger the connections, the more sustainable our business would be, or so we believed back then. All this would be underpinned by building a business for good, one that provided quality conditions and quality pay, including the London Living Wage, while strengthening public services and community well-being.

With two years notice of grant closure, it seemed that we had plenty of time to plan. We hired a Business Development Officer, appointed new Board members, agreed an ambitious business plan and sought to develop a sustainable community business, literally from scratch, and with no external support.

We'd like to say that it all has been plain sailing; that life really does mirror a start your own business theory book; that financial rewards follow good work. We'd like to, but we can't.

While most contracting authorities claim to want quality services for their residents, too many continue to commission services with cost as the dominant factor, particularly in low paying sectors such as cleaning and grounds maintenance of which Aspire has direct knowledge. Cost, first and foremost, has implications for the workers on such services, leaving them often with poor

working conditions, low minimum rates of pay and high levels of stress. These workers may often be local to their communities. Thus commissioners are failing to think through how the commissioning authorities' actions are detrimentally affecting their local communities.

At the same time, within procurement, there is increasing concentration of contracted work into larger lots, which can exclude large swathes of SMEs and community businesses. In the absence of the real Living Wage, both can lead to hidden public service costs in terms of wages subsidies through the tax and benefits systems. Both trends stimulate the growth of poor quality jobs, in-work poverty and homelessness within the local community.

Over nearly ten years, we were lucky enough to get an initial break but found that our services had been underpriced.

Getting paid on time was simply not part of our early years' vocabulary.

Our business nearly went under, if not for the resourcefulness of our frontline workers – with little or no equipment, they instinctively kept a sinking ship afloat through sheer determination to survive.

Out of this experience, Aspire Community Works was born. Placing the needs of our frontline workers at the fore of the business, we converted from a charity into a community interest company, determined to be more risk-taking in the future. A new Board representing both sides of business was appointed and what little surplus there was, was invested in first class equipment and in-house quality development.

We won our first public procurement, a second, and a third. And more – competing with the private sector to obtain horticulture and grounds maintenance, window cleaning and other cleaning contracts. Yet, we lost as many as we won.

Almost as soon as we had started, the years of austerity set in. Price, that is low price, became king of our key contract territory that formed part of the total landscape of public procurement.

The race to the bottom started in earnest: services and local communities suffered and workers too. The reputation of Central government outsourcing was shattered by the collapse of Carillion. And then there was Brexit and nothing else seemed to matter in terms of public debate. Until Covid-19.

As our knowledge of public procurement increased, we found our organisation in new spaces and new places. Faced with the loss of a major contract through the public procurement process, we embarked on a High Court Challenge. Eighteen months later we had successfully negotiated an agreement, taking a contract back and successfully winning more in public procurement competition. We had survived. We are resilient yet tested as never before by Covid-19.

From our vantage point as a community provider, things have to change. As a committed Real Living Wage employer, we find that our clients benefit from a quality service that involves regular and committed teams, working alongside the community to continuously improve public spaces. Yet, our business faces intense competitive challenge within the procurement process from businesses within the private sector that choose to pay rates well below the Real Living Wage, as well as from some private consultants who focus on reducing direct costs for their clients, displaying little understanding of the community impact of adopting such an approach.

The Aspire Board recognises that if the company paid the UK Legal Minimum Wage, it could win more business and be financially profitable. But at whose cost and at what price? Good public business invests in people and improves communities too. So it considers that change is needed for local communities, as well as for the company itself.



Our #BetterForUs 2020-2024 campaign is designed to add our voice – the voice of lived experience of procurement – to help shape the procurement markets rather than, as in the past, simply responding to them – to win hearts and minds for procurement that puts people first.

We believe strongly that public bodies can use their purchasing power as a force for community public good, helping to shape the everyday economy and local markets and connecting them to the needs of local people in ways which, in turn, help to strengthen public services, and not weaken them.

Lack of investment in the everyday economy leads to neglected communities. While we are worried that the centralised approach of procurement adopted by the UK Government in response to Covid-19 could act as a brake, we also recognise that things are changing and across the UK there are examples of growing good practice.

We want change quicker to act in the interest of frontline workers engaged in public service contracts and to reduce inequalities within and between communities.

It's time to say no to how-low-can-we-go procurement, to choose something better; procurement for the community public good.

THANK YOU'S

Procurement for community public good aims to provide a route map to good community procurement for commissioners and decision takers alike. We hope that it will also help community enterprise and other stakeholders to negotiate this territory and to engage with opinion formers to help shape good local procurement

We are extremely grateful to Trust for London for supporting our #BetterForUs campaign.

Thanks go to our #BetterForUs Commission who helped shake and shape the guide through its various iterations: Dheeraj Choudhary, Tim Page both highly valued Aspire Board Members; Kate Dearden from our Union Community and Jamie Potter from Bindmans, the law firm, which initially supported us in a procurement High Court Challenge. Thanks also go to our Aspire clients in London and wider afield. They have helped shape our knowledge of the process in direct and indirect ways. Without them there could be no Aspire.

This guide is dedicated to every one of our frontline workers who carries out their work within our local communities with one hundred per cent professionalism and dignity; doing the best that they can every day to provide a good service, sometimes in difficult circumstances in some of our poorest communities. In return, for doing the

best that they can Aspire provides them with Real Living Wage minimum rates of pay and quality conditions at work.

Aspire's #BetterForUs campaign 2020-2024 – seeks more opportunities for people like ours; those who seek responsibility, work hard and in return, expect respect, fair pay and decent working conditions. Without them there would be no reason. And with them there is every reason for Aspire.

Katharine Sutton
Executive Director, Aspire

Our vision is of a world where economic, social and environmental well-being is linked to sustainable, accessible and flexible work activities where people are treated with respect and dignity and where their contribution is fully recognised.



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