

COUNTRYSIDE ALLIANCE BRIEFING NOTE: PUBLIC PROCUREMENT (BRITISH GOODS AND SERVICES) BILL

Second Reading, House of Commons Sarah Champion MP

Friday 15 March 2024

- The Countryside Alliance fully supports this Bill and urges Members to give it a Second Reading.
- This is a relatively simple, uncontroversial Bill with two substantive sections that would amend two existing Acts of Parliament relating to requirements to be followed in public procurement. The Bill's amendments aim to raise the level of importance attached to the origin of goods and services, and associated factors, in procurement decisions.
- Although we are primarily interested in the Bill's provisions relating to British food and farming, having been involved in the stakeholder group meetings that helped frame it, we are conscious of its wider significance to British businesses and their employees.
- Care has been taken in drafting the Bill to avoid including measures that would threaten the UK's international obligations with respect to trade rules.
- Both the Government and the Opposition have expressed commitment to improving
 opportunities for British farmers and food producers to benefit from the award of
 public procurement contracts. This Bill represents an incremental change within a
 developing policy area that supports both main parties' stated objectives.

Background

- Colloquially known as the 'Buy British Bill', this Private Members' Bill brought by Sarah Champion MP (Rotherham, Lab) has been developed in conjunction with a broad stakeholder group including representatives of key businesses, sectors, labour, governance and interests. The Countryside Alliance has been involved from the outset.
- Like our fellow stakeholder group members the NFU, the Countryside Alliance is primarily interested in this Bill based on its potential impact on the procurement of British food. Supporting British food and farming is one of its principal objectives.
- This is a relatively simple, uncontroversial Bill with two substantive sections that would amend two existing Acts of Parliament relating to requirements to be followed in public procurement. The Bill's amendments aim to raise the level of importance attached to the origin of goods and services, and associated factors, in procurement decisions.
- Care has been taken in drafting the Bill to avoid including measures that would threaten the UK's international obligations with respect to trade rules.

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Bill content

- Section 1 of the Bill seeks to amend the Public Services (Social Value) Act 2012, "An Act to require public authorities to have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes."¹
- The Bill would amend Section 1 (3) of the Act, which sets out factors that a public body must consider when making procurement decisions. The Act already requires the authority to consider how the procurement decision might improve the economic, social and environmental well-being of the area: to these considerations the Bill seeks to add:

(c) how the procurement of British goods and services, including from small and medium-sized enterprises, might—

(i) secure that improvement, or

(ii) improve the economic, social and environmental well-being of one or more other areas in the United Kingdom;

(d) how, in procuring British goods and services, the authority might act to support good work practices.

- There then follows a sequence of consequential amendments to subsection 15 to add appropriate definitions for the terms "British goods and services", "good work practices" and "small or medium-sized enterprises".
- Section 2 of the Bill seeks to amend the Procurement Act 2023, "An Act to make provision about procurement".²
- The Bill would amend Section 93 of the Act, which allows regulations to be made about the information that must be included in a notice that the Act requires public bodies to publish upon their award of a procurement contract. The Bill would require the regulations to specify that the following information must be included in such notices:

(a) reasonable detail about how it has complied with its obligations under section 1(3)(b), (c) and (d) of the Public Services (Social Value) Act 2012;

(b) where the notice relates to the procurement of food, what proportion of the food procured originates from suppliers in the United Kingdom;

(c) an assessment of the impact that the threshold amounts set out in Schedule 1 of the Procurement Act 2023 have had on—

(i) suppliers of British goods and services, and

(ii) suppliers of British goods and services which are small and medium sized enterprises in the procurement process.

- In effect, Section 2 reads the amendments to the Social Value Act 2012 made in Section 1 across into the requirements for regulations made under the Procurement Act 2023.
- The remainder of the Bill sets its extent as England and Wales and specifies that it may be commenced on a date set by statutory instrument.

¹ Public Services (Social Value) Act 2012

² Procurement Act 2023

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British food procurement

• The Government published its current Food Strategy in June 2022, which included the following commitment:

"Public sector food should be healthier, more sustainable and provided by a diverse range of local suppliers. Locally produced food with reduced distance between farm and fork can provide societal benefits, such as creating personal connection between producers and consumers, supporting local food cultures and local economic growth, and improving traceability of food through shorter supply chains."³

- Alongside the Strategy, the Government published a consultation on public sector food and catering policy, which ran until 4 September 2022. The consultation covered plans to:
 - o Promote procurement of local, sustainable, healthier food and catering;
 - Open up public sector supply chains to a wider range of companies, particularly small and medium-sized enterprises (SMEs), to better support local economies, increase resilience, and encourage food producers to innovate;
 - Increase transparency of food supply chains to drive continuous improvement and build our understanding of what is bought, served, sold and wasted in the public sector; and
 - Provide guidance and standards that are simple and engaging, reflect latest scientific evidence and national sustainability priorities and align with other policies such as on waste and diet.
- At the time of writing the Government has yet to provide a formal response to its consultation.
- In March 2021 the Environment, Food and Rural Affairs Select Committee published a report following an inquiry into public sector food procurement. Among other things, the Committee recommended that access to procurement contracts be widened for smaller, local suppliers without delay. The Government responded that it was committed to doing so.
- Early versions of the Government food strategy are reported to have recommended an *"increase [to] the use of responsibly sourced wild venison"*. It is unfortunate that this did not survive into the published edition. The proposed new policy does, however, include a requirement for menus to be varied throughout the year to include foods in season, and cites venison during the winter as one example.

Countryside Alliance position

- The Countryside Alliance fully supports this Bill and urges Members to give it a Second Reading. Although we are primarily interested in its provisions relating to British food and farming, having been involved in the stakeholder group meetings that helped frame it, we are conscious of its wider significance to British business and its employees.
- Specifically in the arena of food, this Bill does not require public procurement professionals to take any specific action beyond reporting the proportion of what has been procured that originates from within the United Kingdom. Such an obligation cannot reasonably be seen as compromising the UK's international obligations, but it does stand to benefit UK food producers on the principle that what is inspected is generally delivered.

³ Defra, <u>Government Food Strategy</u>, 13.06.22

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- Both the Government and the Opposition have expressed commitment to improving opportunities for British farmers and food producers to benefit from the award of public procurement contracts. This Bill represents an incremental change within a developing policy area that supports both main parties' stated objectives.
- Although food is not the sole focus of the Bill as it emerged from collaborative discussion, our preference would have been for it to have also included a presumption of nondiscrimination as to dietary choice in public bodies' overall procurement policies. This would mean they would be prohibited from introducing a blanket policy of discrimination in favour of or against a specific type of diet. We will continue to pursue that as a public policy objective, whether within future amendments to this Bill or otherwise.
- We are partricularly concerned about recent attempts to impose meat free policies by some public and private bodies. These policies harm British livestock farming and take away people's choice. UK livestock farming operates to among the highest standards of sustainability and animal welfare in the world. British beef production, for instance, is about half as carbon-intensive as the global average.⁴

For more information please contact:

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⁴ Committee on Climate Change, <u>Land use: Policies for a Net Zero UK</u>, 01.20

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