



The Business Services Association
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Rt. Hon. Rishi Sunak M.P.,
Chancellor of the Exchequer,
HM Treasury,
1 Horse Guards Road,
London.
SW1A 2HQ

11th January, 2021

Dear Chancellor,

I am writing to enclose the BSA's submission ahead of this year's Budget. The BSA - Business Services Association - brings together all those are interested in delivering efficient, flexible and cost-effective service and infrastructure projects across the private and public sectors.

Given the scale of the recovery task in front of us, it is now critical that all sectors- public, private, and VCSE - draw together in common endeavour, just as they have done throughout the coronavirus outbreak. To support this, it is crucial their goals are both clear and aligned and that public sector commissioning and other decisions are always taken with that in mind. Above all else government must focus on the need for economic credibility. There is now increasing concern about the level of borrowing and overall spending. Spending going forward must therefore be targeted to ensure it is sustainable in the future. The focus must be on infrastructure, technology, and sustainable investment.

It is vital that people and businesses are encouraged to be economically productive, thereby helping drive the economy forward into the growth areas of the future. We are entering a new period of work, in which changes which were already taking place are now being accelerated, and government policy must respond to those changes and help businesses adapt. This is particularly pressing following the welcome announcement of a new agreement with the European Union and we look forward to continuing to work with government to ensure that businesses in Britain thrive and prosper under the new arrangement.

There is also the need for immediate action with regards to PPNs 02/20 and 04/20, which not only require formal reissuing but also strong Treasury directives to avoid the damaging impact of inconsistent implementation as was seen across various contracting authorities throughout 2020. The situation is changing on a daily basis and now requires urgent attention. Some schools, local authorities and healthcare trusts comply fully with the principles behind the PPNs, but sadly there are far too many who do not, either fully or in part. I am conscious that the formal renewal of the PPNs would require a political decision. In light of the emerging and dramatically worsening situation, not least due to the prevalence of the new variants of the virus, we ask that you revisit this issue, in what everyone hopes is a temporary period before restrictions can be relaxed. The absence of consistent ongoing supplier relief is having a profound impact on BSA members and their role as service providers at the heart of key national infrastructure.

Looking forward, Business services are vital to the Future Economy because they provide essential support to other industrial sectors as well as for the public sector. We deliver administrative services, facilities management, infrastructure, and IT so that our business clients can focus on what they do best enabling and encouraging businesses to invest in themselves and their workforce. Working in partnership with the public sector brings new thinking and investment. 70 per cent of business services are provided business-to-business and 30 per cent for the public sector. The sector employs c.3.3 million people across the UK, accounting for around 1 in 10 jobs. I have attached a list of our members - including large and small businesses, charities and social enterprises.

We believe that our industry has a vital role to play in ensuring that investment is spent as efficiently as possible, thereby driving our economic recovery, supporting jobs and local businesses across the country, and delivering services and infrastructure of the highest quality to the British public.

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The rapidly evolving economic picture around us, not least as the Government continues its rollout of the vaccination programmes, mean that this submission will likely be followed by supplementary notes as the situation evolves in order to best reflect the priorities of business as we navigate the difficult period before us. Our submission focusses on the following: project delivery; investment and green recovery; supporting business and VCSE organisations; and the levelling up agenda.

Firstly, reforms to public procurement can lead to enhanced project delivery, ensure value for money, and significant long-term government savings. Recent steps to increase the value and efficiency of public service delivery, including the publication of the Government's Green Paper on Public Procurement, have been positive but there is much that can be done to improve upon this. We strongly support the work of the Cabinet Office in this regard, including the publication of Volume 2 of the Outsourcing Playbook alongside a broader emphasis on value over cost. We believe, however, that the Government can further drive market changes via investment in both people and systems in this area.

Secondly, the BSA has long called for continued efforts to upgrade, extend and modernize the UK's physical and digital infrastructure as the focus for spending going forward. Supporting large-scale projects such as Northern Powerhouse Rail and Crossrail and investing in green technologies will be key to meeting the country's future infrastructure needs, providing stimulus to industry supply chains across the country, and rebalancing the economy. The experiences of those who have been working from home at one point or another over the past ten months have highlighted how crucial our digital infrastructure is and its importance to the functionality of our wider economy. We must also consider the long-term impact that the coronavirus outbreak will have on the future of work in this country and the central role that digital infrastructure will play in this.

Thirdly, government must help people and businesses adapt to the economy of tomorrow. Government support will be of the utmost importance as business and VCSE organisations look to deal with the impact of Covid-19, drive our economic recovery, and navigate our new relationship with the European Union and other trading partners. In addition to the welcome announcement last year on deferred VAT payments, we would also caution against any increase to the burden of regulation and taxation on business as they look to recover from the economic impact of 2020, and encourage other measures to support business such as further reforms to the VAT regime - as made possible by our departure from the European Union.

Finally, in looking to capitalise on the opportunities that present themselves, the levelling up agenda is key to ensuring not only a more equitable society but also that everyone can contribute fully to the economic effort. This includes tackling the digital inequalities that exist across all age groups, supporting SMEs and investing in our regions. In particular, government and employers can continue to drive the skills agenda to help people enter or re-enter the workforce, or progress within work.

I would welcome the opportunity to discuss in greater detail how the business services sector and our members can help the Government in driving a green economic recovery, delivering world-class public services, levelling up the whole country, and unleashing Britain's potential.

Yours sincerely,

Mark Fox
Chief Executive,
BSA - The Business Services Association



BSA - The Business Services Association

Submission to the Chancellor ahead of the Comprehensive Spending Review 2020

1. Project Delivery and Public Procurement Reform

Government spent £284bn on external suppliers in 2017/18 (not including academies)¹. The way it manages its supply chain is therefore very important to the efficiency and effectiveness of public services and our economic recovery. Recent steps to increase the efficiency of public service delivery have been positive but there is much that can be done to improve upon this.

The BSA has worked closely with, and strongly supports, the work of the Cabinet Office in this regard. We welcomed the publication of the Green Paper on public procurement in December and we are grateful to Cabinet Office colleagues for being so open to suggestions and ideas during our discussions over the past twelve months, including ahead of the publication of the Green Paper and Volume 2 of the Outsourcing Playbook, alongside a broader emphasis on value over cost.

The proposals set out in the Green Paper are to be commended in aiming to “speed up and simplify” government’s procurement processes, “place value for money at their heart” and “unleash opportunities for small business, charities and social enterprises to innovate in public service delivery”. The BSA is pleased that many of the areas we have previously raised are addressed in the Green Paper and we will respond to it in consultation with members presently. We would also like to emphasise that much of the success of the proposed reforms will rest on ensuring consistent application and implementation across contracting authorities including at a local and devolved level.

We believe, however, that the Government can further drive market changes via investment in both people and systems in this area. We were pleased to see the first session of the ministerial training course in project delivery last year, set up in conjunction with the Infrastructure Projects Authority and the Said Business School at Oxford University, and would welcome the introduction of similar programmes to enhance the specialist knowledge of those involved in the procurement process across the public sector.

Unfortunately, there is still evidence of poor contracting behaviours including iniquitous risk transfer, inconsistency across departments, and excessive complexity in the tendering process. These behaviours not only impact upon the efficiency with which taxpayer money is spent but also distort the market by effectively prohibiting the wider participation of potential suppliers, including VCSE and SME organisations, within the procurement process.

The BSA has been involved in discussions with government on procurement reform since 2010 and over that time there have been several recurring issues to which we have made a number of suggestions. These include:

- greater investment in government professionals to oversee procurement and manage contracts;
- decreasing the emphasis on the lowest bid and greater focus on quality and value for money; and,
- greater government role in shaping markets so as to encourage a new diverse range of providers (including ending current practices such as excessively high turnover thresholds and prohibitive levels of risk transfer, both of which are particular barriers to greater SME and VCSE involvement in the procurement process).

¹ *Government procurement: the scale and nature of contracting in the UK*, Institute for Government - December 2018 - <https://www.instituteforgovernment.org.uk/publications/government-procurement>



Procurement processes and the Outsourcing Playbook

In addition to the discussions conducted with ministers and officials from the Cabinet Office, we believe that HM Treasury has a valuable role in this process. Procurement processes and cultures are inconsistent across Whitehall. The Cabinet Office has the power to introduce reform centrally, but not enforce it across Whitehall. A significant policy initiative is needed to ensure all central government departments procure in the same way. This requires a policy, administrative, and cultural change across Whitehall. We await further details of the new National Procurement Policy Statement and its role in requiring contracting authorities to have regard to the Government's strategic priorities for public as outlined in the Green Paper on Public Procurement.

The Outsourcing Playbook has been well received by the sector and we have spoken to many Government Departments regarding its implementation. However, the Playbook remains voluntary and levels of understanding and application of the Playbook vary across Whitehall and the wider public sector. Incorporating the Playbook into the future White Paper on Public Procurement, and into law, would ensure that it is enforced and everyone who procures goods, services and projects for government - at national, regional and local levels - is working to the principles.

Use of best practice business cases, exploring a wide range of delivery options informed by the outsourcing/construction supply chain, will also be central to delivering value. We also support the ongoing revisions to the Green Book which continue to drive a focus on levelling up and regional infrastructure and investment programmes and projects.

Contract Flexibility

One of the lessons arising from the Covid-19 pandemic for service delivery is the importance of contract flexibility. BSA members have acted agilely and played a vital role in keeping the economy going, delivering services and projects. For the most part, this has been possible because of their ability to adapt, the ingenuity and dedication of civil servants and has worked best where contracts can be flexed to meet new and changing requirements.

Covid-19 is, we hope, a 'once in a generation' occurrence but it brings to light the impact events can have on services and projects. This is particularly true for contracts of 5 years or longer. It is in the interest of all parties that there are mechanisms in place to address this in a structured way. For example, government does not yet recognise 'change in law' as a risk that may not sit best with suppliers. This area is key in respect of risk allocation and realisation of value for money and we recommend that this is reviewed.

Currently, it can be burdensome to make any changes to contracts, even minor changes, and there is often uncertainty as to what changes can be made within the contract terms. When contract changes are permitted, value for money for the contracting authority is improved and an appropriate balance of risk can be agreed. We welcome the proposals in the Green Paper to overhaul existing complex and inflexible procurement procedures and replacing them with three simple, modern procedures: a new flexible procedure that gives buyers freedom to negotiate and innovate to get the best from the private, charity and social enterprise sectors. We look forward to working with Cabinet Office colleagues on these and other measures to enhance project delivery, ensure value for money, and deliver significant long-term government savings.

Data

Despite good progress in recent years, there remains a shortfall in quality of data in and around public procurement. For instance, according to one analysis of public spending data, around 60 per cent of public contracts are not published in Contracts Finder. It is often difficult to see precisely who has won a contract and by what mechanism the contract was awarded, or what is required of the supplier delivering the contract.



Requiring all contracting authorities to implement the Open Contracting Data Standard and establishing a single digital platform for supplier registration are positive steps forward in this regard. There remains, however, a significant opportunity to conduct much greater analysis of our public contracting, so that we can better understand the impact of the procurement decisions that are being made and deliver much better outcomes for service users and the economy at large.

The Government has the ability to drive growth, increase jobs and reduce carbon with the money it spends with suppliers, but it can only do this if it can access good data on what is spent by public bodies.

Delivering Social Value

Public sector organisations have huge ability to use the tool of public procurement to achieve their priority objectives on investment and on sustainable and inclusive growth.

These objectives are all more likely to be achieved with long-term vision from public sector commissioners, a desire for genuine partnership working, economic stability and clear pipelines of work so investment in technology and skills is encouraged. They also require early engagement with businesses and VCSE organisations of all sizes, to bring in ideas on how social value outcomes can best be achieved. Whilst we were encouraged by initiatives set out in PPN 06/20 including the 10% weighting to social value in public contracts, we believe the Government can further act as a driver for social value by continuing to improve the delivery of public services.

The coronavirus pandemic has illustrated once again the need for trained and experienced public sector professionals not only to procure goods and services but also to contract manage effectively. Authorities which had invested in these capabilities, and which had spent time and resource building up strong relationships with partners, were able to be more flexible and innovative in responding to the COVID-19 crisis.

2. Infrastructure investment and green recovery

Investment in our digital and physical infrastructure will be crucial to our economic recovery and to unlocking the country's potential. In particular, large-scale transformational infrastructure projects not only encourage investor confidence in our economy but also in turn stimulate investment, jobs, and regional growth that are felt throughout the country.

As the UK moves toward economic recovery, there is a clear opportunity to build resilience and sustainability into the heart of stimulus packages including infrastructure projects. The BSA is supportive of government's ambition for a green recovery, and as key suppliers to government and UK industries, members stand ready to play their part.

We therefore suggest that the Government:

- remain committed to large-scale, transformational infrastructure projects;
- increase investment in developing local transport networks and infrastructure in conjunction with permitting greater regional decision-making power over infrastructure;
- support low carbon technologies to ensure that the restart does not have further impacts on the environment over the short term;
- introduce a low interest loan for green capital investments, enabling businesses to make vital energy efficiency upgrades to their sites; and,
- continue the roll-out of gigabit capable broadband across the country.



Commitment to large-scale infrastructure projects

The construction and infrastructure industry is of key strategic importance to the UK economy and has a particular role to play as we begin to rebuild our economy. The industry supports jobs and local businesses through supply chains that cover all regions across the United Kingdom.

Ensuring the UK has a resilient and competitive construction industry to meet future demand and deliver the full infrastructure pipeline for government should be considered as part of this Budget. The scale and flow of work that large projects such as HS2 and Crossrail bring provides greater certainty for industry to invest in other ventures and in modernisation.

Significant and sizeable projects committed to using modern methods of construction and digitisation give industry more confidence to invest and a platform through which to embed digital ways of working, bringing in a large number of organisations from across the sector and their supply chain partners. In turn, this helps to accelerate the modernisation of the industry.

Large-scale projects are also key to creating and supporting jobs across the regions and therefore are therefore central to the Government's levelling up agenda. In short, the investment in both people and place that the Government can support with these large-scale projects will be vital to our economy recovery in the short term as well as our long-term prosperity.

Investment in local infrastructure and supporting regional decision-making

It is only by encouraging a new level of collaboration and partnership working between stakeholders at a local level, including those in the business services sector, that genuinely inclusive growth which benefits all communities can be achieved.

To ensure efficient and effective spending at a local level, local authorities should continue to be granted sufficient scope to invest in the infrastructure and services that are key to supporting British businesses and should be supported by central government in this regard. In addition to ensuring sufficient funding is available for such projects, the continued proliferation of advice and best practice guidelines from central government will continue to be of use here.

In addition to the points above, we would welcome further details as to the extent and form that the UK Shared Prosperity Fund will take in this Budget and hope to continue discussions to ensure that the fund can have the greatest impact on our communities throughout the United Kingdom.

Digital infrastructure

We welcomed the government's manifesto pledge to introduce full fibre and gigabit capable broadband to every home and business across the UK by 2025. The experiences of many who have been working from home at one point or another over the past ten months have highlighted how necessary this is and its importance to the functionality of our wider economy. We must also consider the long-term impact that the coronavirus outbreak will have on the future of work in this country and the central role that our digital infrastructure will play in this.

The benefits of increased digital infrastructure, such as the introduction of gigabit capable broadband, will be felt across the UK economy and the Treasury should continue to work with industries where the benefits of digital improvements could prove transformative, such as business services, to pilot particular technologies. This will be key to addressing the 'digital divide' that inhibits the levelling up agenda in areas that are currently underserved in this regard.

It is important to stress that this divide is more nuanced than the catch all term suggests. The problem here relates to the existence of have's and have nots - the differing levels of access to technology across all age groups and not only demographics. To feel the full benefits of transformative technological investment requires coverage across the population in excess of 90%, not only in terms of access to the network, but in terms of services and products too.



In addition to this, improving incentives for businesses to invest in new technologies and equip their workers with digital skills could lead in the long term to increases in the productivity and wages of thousands of service sector workers.

Green recovery

Climate change and sustainability remain a priority for BSA members and we have seen many organisations from all sectors commit to net zero carbon by 2050 at the latest - following government's lead - and to play their part in tackling the effects of climate change. For BSA members, actions towards net zero are two-fold: as well as reducing the environmental impact of their own organisations, many members deliver services to private and public sector organisations to help them become more energy efficient and act more sustainably.

As we look towards green recovery in the face of COVID-19, many businesses may not have the funds readily available to invest in green capital projects in the short-medium term. Financial stimulus may therefore need to be available to support low carbon technologies, in order to ensure that the restart does not have further impacts on the environment over the short term. A low interest loan for green capital investments, supported by government, would enable businesses to make vital energy efficiency upgrades to their sites.

There is also the opportunity for UK government to lead by example, as one of the largest occupiers of commercial buildings in the UK, by investing in its own property portfolio. Investing in energy efficiency across the commercial property estate, scaled up across the UK, would result in a huge reduction in carbon emissions, enabling business to drive a green agenda and support the Race to Zero. These capital projects would also create jobs across the UK, from low to high-skilled, often in STEM areas, and would be well-suited to apprenticeships. Moreover, some of the UK's biggest energy users are in the nation's more deprived areas, so such action would support the 'levelling up' agenda.

Setting clear goals and a plan to achieve them will help to deliver Net Zero objectives. These could include:

- The aim to be the world leader in Green-Tech to export to the rest of the world, with specific areas of focus defined within this.
- Academia, industry and relevant departments such as Defra galvanised to work together on key challenges. Examples include the Cambridge University Centre for Climate Science and Portsmouth University's work on PETase to combat single-use plastics.
- Combining this with the Levelling Up and Infrastructure Agendas to create Green Clusters of Excellence outside London and the South East.
- Considering community micro projects to generate local participation and benefit from local green investments in renewable energy, waste reduction etc.
- Allocating funding to help carbon neutralise the 5 million social housing properties in the UK as part of the economic stimulus. This initiative covers many areas key to our recovery such as employment, skills, zero carbon and SME's, whilst also helping to tackle fuel poverty and reduce the burden on our health sector.
- The Government should also encourage Energy Companies to provide greater support and funding for Zero Carbon projects across the built environment.

The next 18 months are critical, as the substantial funds applied to recovery must lead to a greener, cleaner, and more resilient future economy. A combination of blended public finance, innovation in green finance, and programme delivery, will be key to realising these ambitions.



3. Supporting businesses and VCSE organisations

Government support will be key as business and VCSE organisations look to drive our economic recovery and navigate the end of the EU-Exit transition period. Business services providers are currently dealing with several upward pressures that are impacting on margins and they are acutely sensitive to changes in the business environment and the cost of employment in particular (as labour costs account for the largest expense in outsourcing contracts).

The crisis has highlighted the importance of the business services sector not only as major employers themselves but to the whole economy, and as a key part of the response to Covid-19. They have, for example, been an inextricable part of keeping hospitals operating during the crisis and of course were crucial in constructing the Nightingale and Louisa Jordan hospitals. Unless services such as cleaning, catering, security and asset maintenance services are available in advance or tandem with organisations restarting across the country, other sectors will be unable to return to work and the economic impact will be prolonged.

VAT

VAT is another longstanding area of concern for members, and we have outlined several suggestions for how this could be addressed in previous submissions².

Having completed our transition period and formally exited the European Union, we would urge the Government to consider whether the VAT regime could be amended to address the concerns of business and simplify the taxation process. For example, the Government may wish to consider extending the deferral period to allow businesses to recover further before being asked to make the payments.

As we have proposed in previous submissions, we would also recommend removing the exempt rate or restricting it to financial services only. This would immediately simplify the VAT regime, and where there are concerns about the financial impact on the consumer, the zero-rate could be used instead, which is much more straightforward for businesses to operate. This immediately removes many of the issues and complexities of VAT - partial exemption, the capital goods scheme and land and property/option to tax would all be simplified. Many businesses incur considerable costs to ensure that they are compliant with these regimes.

PPNs 02/20 and 04/20

These Cabinet Office PPNs now need reviewing urgently. One issue is of course the formal renewal of the PPNs, but there has also been inconsistent implementation from the start, which lockdown now makes a bigger issue. Some contracting authorities believe that the existing PPNs have expired, whilst others determine them in very different ways. This is being raised in particular by contract caterers in schools and hospitals. They wish to work collectively to find solutions to the challenges involved in feeding children, patients and frontline employees during lockdown, but are concerned about operating costs being covered.

In light of the emerging and dramatically worsening situation, not least due to the prevalence of the new variants of the virus, we ask that you revisit this issue, in what everyone hopes is a temporary period before restrictions can be relaxed. The absence of consistent ongoing supplier relief is having a profound impact on BSA members and their role as service providers at the heart of key national infrastructure.

² *Office of Tax Simplification (OTS) Review of Value Added Tax (VAT)*, BSA Response - September 2017 - <https://www.bsa-org.com/wp-content/uploads/2017/09/BSA-Response-OTS-Review-of-VAT.pdf>



The situation is changing on a daily basis and now requires urgent attention. Some schools, local authorities and healthcare trusts comply fully with the PPNs, but sadly there are far too many who do not, either fully or in part. Treasury guidance, given the financial implications, is required at this time.

Pensions

Our members provide some of the most valuable pensions in the private sector and the pension arrangements they provide are a key part of their employees' remuneration packages. This benefit aims to provide an income in retirement for our staff and is a key component of easing the burden of the State in funding old age.

We would urge the Government to consider two key areas to ensure that UK pensions are still an incentive to save for retirement which is more important now, in times of increasing life expectancy and low interest rates, than ever before:

- *Lower paid workers* - many of our members' staff are on lifestyle employment terms such as part-time contracts so they can manage or share care responsibilities for other family members. Consequently, many of them fall below the threshold at which they would benefit from tax relief on their personal contributions. We ask that the Government consider this inherent inequality between low earners and those over the threshold for obtaining tax relief - this has a particular effect in defined contribution schemes where the Relief At Source provisions give tax payers an "additional contribution" to their fund.
- *Taxation of pensions* - there has been much speculation about a reform of the current tax system as it applies to pensions. We would urge the Government to consider all options for reform and not be drawn to most simple which could considerably impact retirement saving in the UK. Our members have drawn to our attention the focus by certain interested groups of a change from the UK's existing "Exempt, Exempt, Taxed" ("EET") regime to a "Taxed, Exempt, Exempt" ("TEE") system. In our members' view, the removal of tax relief on pension contributions would be a significant disincentive to employees' saving for their retirement. However, we are aware of the need to repair the Country's finances following Coronavirus/Covid-19. We would suggest some form of balanced tax reform with a restriction, not a removal, of tax relief on contributions, combined with some form of restricted tax against pension funds (for example, a restricted capital gains tax approach to Funds' capital gains or a restricted tax on Funds' income) and a review of the tax free cash sum which can currently be taken at retirement.

We urge the Government, when considering the treatment of pension schemes to consider closely the differences between defined contribution ("money purchase") schemes and defined benefit schemes and to resist a "one-size-fits-all" approach as such an approach would have unintended consequences. Money purchase pension schemes are, by their nature, savings plans for retirement where employers contribute but risk is controlled by the member whereas defined benefit schemes impose all risk on to the employer and what could seem like an innocuous change to money purchase schemes can have a significant detriment for defined benefit schemes.

4. Levelling Up

As outlined in the sections above, the BSA welcomes and supports the Government's focus on levelling up the country and on unleashing Britain's potential as we look towards recovery. The business services industry played an important role supporting inclusive growth across the UK prior to the lockdown; has played a central role in the emergency response since March; and now has the capacity - and reach - to play a central role in helping get Britain going again. With this in mind, there are particular areas in which we feel that government can work with the industry to drive the levelling up agenda.



The Skills Agenda

Whilst large-scale investment and infrastructure projects are key elements of the levelling up agenda, we urge the Government to also prioritise investing in people as well as place including through upskilling and reskilling Britain's workforce.

The Covid-19 economic crisis is increasing the need for a flexible approach to upskilling and reskilling people in turn reducing the skills gap and supporting the levelling up agenda. We therefore urge the Treasury to work with DfE and BEIS to consider practical reforms to current skills programmes including the Apprenticeship Levy. Initial announcements set out in the Spending Review, such as the front-loading of training in specific sectors and improving the regime around levy transfer, are very welcome however, as we have previously raised with ministerial colleagues, the BSA proposes that in response to Covid-19, and for a temporary period, Apprenticeship Levy funds should be able to be spent on skills courses that are shorter than 12 months.

To maintain rigorous quality standards, these courses should be a subset of the already approved Apprenticeship Standards accredited by the already existing independent End Point Assessment Organisations. These shorter courses should be funded, pro rata, at the already agreed funding rates.

This simple change would:

1. meet the need for short, focussed, vocational training in response to the Covid-19 outbreak;
2. ensure that those courses were high quality by using the pre-existing quality infrastructure and checks; and,
3. help reduce regional skills gaps and support the levelling-up agenda.

We would also welcome clarity on further skills funding as part of the National Skills Fund as our members continue to invest in their workers and those seeking to enter, or re-enter, the workforce.

Supporting SMEs through the supply chain

All types of organisations have a role to play in recovery and in rebuilding economic and social infrastructure. Different sizes of businesses have different strengths they can draw on.

In many areas of the country, smaller businesses and VCSE organisations have been hit especially hard. Larger organisations can have the capacity and reach to help. They can help support and rebuild local SME capacity, by making full use of the external expertise and supply chain management they can bring to the table, while smaller organisations bring their strengths and the two learn from each other.

Both now and in the longer term there is a need for fair treatment of supply chains with fair allocation of risk and reward, genuine partnership working, and larger and smaller organisations each being aware of the opportunities available both to contract directly with the public sector and to collaborate with each other.

Tackling the digital divide

As discussed above the experiences of many who have been working from home at one point or another over the past six months have highlighted how necessary investment in our digital infrastructure is and its importance to the functionality of our wider economy. We would urge the Treasury to continue to work with industries to address the digital divide that is present in our economy.



Further to the points on supporting skills training above, improving incentives for businesses to invest in new technologies and equip their workers with digital skills could lead in the long term to increases in the productivity and wages of thousands of service sector workers.

Devolution

We welcome the forthcoming Devolution White Paper and the role it will play in giving structure to devolution in England. The voices of local communities, and their local and devolved government representatives, should be at the heart of the decision-making process going forward. Place leaders will therefore be key - enabling communities to drive response, providing leadership so those needs and wishes can evolve into strategy, and drawing together stakeholders in putting it into effect.



List of BSA Members, January 2021

3C3 Ltd	IBM
3SC	Incentive FM
Accenture	Ingeus
AECOM	Interserve
Amey Plc	ISS UK Ltd
Aramark	KBR
Atkins	KPMG
Atos	Kier Group Plc
Baachu	Maple Strategy
Balfour Beatty Plc	Maximus UK Ltd
BAE Systems	Mears Group
Barclays Corporate	Mitie
Bellrock Ltd	MTC
Bevan Brittan LLP	NatWest
Bouygues Energies and Services	NCG
Business 2 Business	OCS Group UK Ltd
Bright Network	P3
Browne Jacobson LLP	PHS Group
BT Group Plc	Pinsent Masons LLP
Capita Plc	Polar Insight
Catch 22	Purpose Led Performance
CBRE Ltd	PricewaterhouseCoopers UK
CGI	Robertson FM
CH & Co Group	Salisbury Group
Chillblast	Seetec Group Ltd
Clyde & Co LLP	Serco Group Plc
CMS Cameron McKenna Nabarro Olswang LLP	Sharpe Pritchard LLP
Community Models	Shaw Trust
Compass Group Plc	Sodexo Ltd
Connect Assist	Sopra Steria Ltd
Corndel Ltd	Space Solutions
CSG	Spend Network
Deloitte	Strictly Education
DWF LLP	TerraQuest Solutions Ltd
Elior UK Ltd	The Gap Partnership
Eric Wright FM	The Grichan Partnership
Fujitsu UK	The Palladium Group
G3 Systems Ltd	The Sustainability Group
G4S Plc	Trowers & Hamlins LLP
Glaston Consulting	Veolia
GoodPeople	VINCI Facilities
Hinduja Global Solutions	VPS Group
HCP	Wand Consulting
HP	Wates Group
	Willmott Dixon