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BSA - The Business Services Association
Submission to Labour's National Policy Forum

March 2023

Introduction

The BSA welcomes the opportunity to contribute to the Labour Party's National Policy Forum 2023. This submission has particular relevance to the commissions on better jobs and better work, safe and secure communities, and a green and digital future.

The Business Services Association - the BSA - brings together large and small businesses and VCSE organisations delivering services and projects across the private and public sectors. Members include those delivering ICT and digital services, facilities management, back office and administrative services, construction and infrastructure provision and other project delivery. A membership list is included as an Annex.

This is a hugely important sector, employing over three million people across the UK. 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. It is therefore right at the heart of issues relating to inclusive and sustainable growth in the new economy, as well as supporting the delivery of service and infrastructure projects.

We would like to take this opportunity to strongly welcome the Labour Party's continued engagement with the BSA and we are keen to continue to work closely with the Party as it develops its policy positions.

The economic pressures facing the country are both considerable and wide-ranging; from well-publicised levels of inflation in the cost of core goods and services, to labour shortages across a variety of jobs and industries which are crucial to both key national infrastructure and the wider economy.

The challenges which businesses and VCSEs are experiencing must also be seen in the context of the legacy impact of the coronavirus pandemic, widespread inflation, Russia's invasion of Ukraine, and the labour shortages we are experiencing across multiple sectors. As key suppliers of services underpinning core aspects of our national infrastructure and UK industries, BSA members stand ready to play their part in supporting the growth and resilience of the economy.

This response therefore reflects the views of the Business Services Association in relation to the Labour Party's ambition to support a Britain which guarantees security, prosperity and respect for all.

We would welcome the opportunity to discuss any and all of these points in greater detail. Please contact piers.neill@bsa-org.com for more information.

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Overview and Questions Addressed

This contribution will not look to address all of the questions in each of the relevant commissions but it has particular relevance to the issues raised by the following questions:

Section 1: Better Jobs and Better Work

- ❖ Question 1: How can Labour strengthen sectors that make up the everyday economy?
- ❖ Question 2: How can Labour ensure its industrial strategy and other policies support creating good, secure work in the everyday economy?
- ❖ Question 3: How can we support businesses and workers in the everyday economy through skills, technology and competition policy?
- ❖ Question 4: How can we enable public services in the everyday economy to meet current and future challenges? *And* Question 5: How can we ensure the Government's buying power supports good jobs, small business and the self-employed?

Section 2: A Green and Digital Future

- ❖ Question 1: How can science and technology policy support growth in all regions and nations of the UK?
- ❖ Question 2: What role does the digital economy have in enabling the UK's growth?
- ❖ Question 4: What policies can help deliver Labour's existing pledges on green growth, particularly the Green Prosperity Plan?

Section 3: Safe and Secure Communities

- ❖ Question 4: What approach should the Labour Party take to improving justice?
- ❖ Question 5: In what ways can devolution and constitutional reform empower people and bring our communities closer together?



Section 1: Better Jobs and Better Work

Overview

The business services industry supports and works in all sectors of the economy and in local economies across the UK. BSA members have a key part to play in supporting the ‘everyday economy’ and can help other companies compete more effectively, build up local SMEs, and help employ and train local workforces. Business services providers are also expert at scaling and replicating the innovation and change now required. All stakeholders which retain such capacity and capability need to draw together in common endeavour to accelerate this work.

Whilst remaining mindful of the difficult decisions that lie ahead, we must also ensure that we do not lose sight of those projects and policies that will both secure, and embed greater resilience in, our future economy.

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 our departure from the European Union and we look forward to continuing to work with government to ensure that businesses and voluntary organisations in Britain thrive and prosper under the new arrangement.

Government and employers can also continue to drive the skills agenda in order to help people enter or re-enter the workforce, or progress within work.

Question 1: How can Labour strengthen sectors that make up the everyday economy?

Supporting Businesses and VCSEs

As outlined above, the business services sector forms a crucial part of the everyday economy, however it is currently dealing with considerable challenges across a range of areas.

The BSA launched its Economic Tracker at the beginning of the year to monitor the key areas affecting the business services sector in the UK. The Tracker is refreshed and circulated with BSA members on a monthly basis, with the question-set regularly reviewed in order to best capture the issues affecting the sector. Our latest report, covering the 12 editions released over 2022, can be read online [here](#).

Members’ feedback has highlighted that the sector is facing a myriad of pressures; from well-publicised levels of inflation in the cost of core goods and services, to labour shortages across a variety of jobs and industries which are crucial to both key national infrastructure and the wider economy. Members are reporting cost increases from base materials (particularly timber, steel and copper) to specific products such as microchips. These trends are expected to continue with respondents all indicating that these increases would impact on their business operations over the next twelve months.

Labour shortages weaken organisations’ ability to operate at full capacity and to invest in upskilling their existing workforce. These pressures have subsequent impacts on supporting workers, business growth potential and market competitiveness. Larger members have also commented on the acute pressures that labour shortages place on SMEs in their supply chains and the disruption this causes.



Businesses and voluntary organisations continue to engage fully with existing immigration schemes, however we would encourage Labour to explore further pragmatic steps here in addition to the development of the UK's domestic labour force. Further comments on skills and training are included in response to question 3.

Question 2: How can Labour ensure its industrial strategy and other policies support creating good, secure work in the everyday economy?

The scale and flow of work that large projects bring, such as HS2 and Northern Powerhouse Rail, in turn provide greater certainty for industry to invest in other ventures and in modernisation. The industry supports jobs and local businesses through supply chains that cover all regions across the United Kingdom.

We encourage Labour to consider the positive impact that commitment to large-scale infrastructure projects has in boosting business and market confidence. The construction and infrastructure industry is of key strategic importance to the UK economy and has a particular role to play as we look to restore economic stability and rebuild our economy.

In short, the investment in both people and place that government can support with these large-scale projects is vital to our economic recovery in the short term as well as our long-term prosperity.

In addition to this, 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. In turn, this helps to accelerate the modernisation of the industry and supports smaller organisations operating within larger contractors' supply chains.

Partnership working between companies to support local economies

The Industrial Strategy's emphasis on partnership is welcome. All types of organisations have a role to play in our economic recovery and in rebuilding economic and social infrastructure. Different sizes of businesses have different strengths they can draw on. Yet in many areas of the country, smaller businesses and VCSE organisations have been hit especially hard by the challenges of recent years.

The business services sector has the experience and professional expertise to help many micro-businesses and SMEs take the crucial next step to becoming medium-sized businesses. There is substantial evidence of the positive effect of the use of business services on a sector's productivity.

Furthermore, larger organisations can have the capacity and reach to help support and rebuild local SME capacity in their supply chains. They can help to shoulder the risk and provide the up-front finance which are often necessary parts of contracts with public and private sectors alike. Meanwhile smaller organisations bring their strengths and innovation so that the two learn from each other. Different sizes of businesses have different strengths they can draw on, and collaboration can help them do so.

This involves a fair treatment of supply chains, prompt payment of bills, and a fair allocation of risk and reward. The BSA has highlighted the importance of equitable collaboration between different sizes of company, in its Statement of Best Practice on Partnership Working between larger businesses or VCSE organisations and SMEs.¹

¹ [Statement of Best Practice on Partnership Working between larger businesses or VCSE organisations and SMEs](#)



Genuine partnership working and involvement of SMEs brings benefits to partners and clients, to the economy and to society as a whole. Larger organisations benefit from a healthy and more diverse supply chain, SMEs can benefit from the capacity, support and reach of larger organisations, and together they can achieve more.

Question 3: How can we support businesses and workers in the everyday economy through skills, technology and competition policy?

Upskilling and Reskilling

Government and employers can continue to support workers and drive future economic growth through the skills agenda. There is considerable opportunity here, tied to local labour market needs, to help people to either enter or re-enter the workforce, as well as to progress within work.

The coronavirus pandemic and the current economic landscape have highlighted the importance of a flexible approach to upskilling and reskilling people; in turn reducing the skills gap, supporting prosperity across all regions of the country, and driving our transition to Net Zero. Upskilling and reskilling will be vital to ensuring that workers have the skills that the future economy needs and in meeting the challenges of today.

We therefore urge Labour, to join up social infrastructure provision encompassing careers advice, skills provision, and employment support. This will create joined up learning, work, and progression pathways for young people looking to start their careers, as well as career change and lifelong learning opportunities for displaced older workers.

BSA members stand ready to play their part in supporting a system that works best for employers, providers and, above all, the learners themselves. Employers and providers have long called for increased flexibility within the provision of apprenticeships, including the limitations around the use of Apprenticeship Levy funds. Reforms to the Apprenticeship Levy are welcome and we have set out our proposals [here](#).

Looking beyond the Levy, championing learning throughout people's lives and encouraging a joined-up approach to careers, skills, and employment support, will be key to supporting our economy going forwards. Ongoing lifelong career change is likely to be a core feature of the new world of work and therefore the principles of flexibility of skillsets and adaptability of careers need to inform education from Key Stage 2 onwards. Further work is also required to adapt skills provision to the changing local needs of employers.

BSA Members have discussed a range of potential policy responses including:

- increasing investment in pre-apprenticeship functional skills and core GCSEs (level 2 qualifications) in Maths and English, as well as courses of under a year;
- exploring flexible delivery models and giving people a holistic support package that covers areas such as digital;
- creating funding to help with travel costs for those in more remote areas whose local providers may no longer be functioning;
- ramping up business-led careers advice focused on high-growth opportunity areas such as sustainability, digital, civil engineering, and construction;



- encouraging students into vocational training where this is most appropriate to them, including through making sure schools are not simply focused on numbers going to university; and,
- focusing from an early age on gender equality in relation to STEM subjects. This includes ensuring that technology and computing teaching aligns fully to the future skills agenda, such as AI, and covers both using and creating such technology appropriately.

We would welcome the opportunity to discuss any and all of these proposals in greater detail. Please contact piers.neill@bsa-org.com for more information.

Backing the local workforce

The BSA has organised seminars around country on this theme. One topic we have discussed is stemming the outflow of skilled workers from areas which have been hit hardest in recent years. The new world of work now provides opportunities to address this, with some employers focusing less on offices in major cities. Many employees, however, will still wish to work, live and socialise with and in proximity to their peer groups, especially those working in similar fields.

Partly this is about linking local skills development with local job availability, but it is also about encouraging skilled people not to move away for other reasons - meaning an attractive civic realm, local amenities, affordable housing, and groups of like-minded people. Encouraging employers to locate in and/or recruit from localised hubs with others in the same sector is one way to help achieve this. It also helps with cross-fertilisation of ideas and skills within that sector.

At the heart of this, employers, providers, and local government must all work together in partnership to develop skills plans that best support communities across the local economy.

Government at all levels could actively encourage shared remote working workspaces in those areas of the country, especially outside major cities, where they are not yet present. These could be developed with LEPs, local authorities and local businesses, potentially focused on local / regional business specialisms and co-located with other local services or amenities (such as libraries, business advice one-stop-shops, refreshment provision).

The post-covid economy has significant implications for city and town centres and the high streets within them, with an increasing focus on spaces to live and to relax and socialise, through more flexible working environments. There is a big role for inclusive and sustainable regeneration, so that these locations become areas where workspaces co-exist to a greater extent with housing and social amenities. Urban areas and towns will continue to play a vital role helping people connect, but in new ways. Some have spoken for example of the '15-minute city', where workspaces, amenities and living spaces are in close proximity.

Key to this will be making sure that areas outside the major cities benefit from these changes and, in turn, key to that is giving local areas more control within a national framework. This includes local areas being fully involved in spending resources through central government's funding streams.

Supporting workers

The emerging world of work provides new opportunities to enable greater socio-economic inclusion, as there may be less need for some people to live near city centre offices if they are able to work for longer periods at or near home. It is important, however, that those less able to work from home can take full advantage of this. Both employers and employees need to work together to ensure that all staff have a safe, adequate, and appropriate place to work.



It is important to ensure that groups previously disadvantaged in the labour market, often including disabled people, care leavers, ex-offenders and the homeless, can take full advantage of the new world of work. Existing employment support provision should be maintained and adapted to achieve this, including tailored provision for those who need it most including learners, job seekers, and those who are unable to work or increase their hours due to disability, a health condition or illness, or caring responsibilities. For some, further in-work support would also be beneficial.

Changes in the use of offices will have particular implications for many of the support sectors which have been the enablers of improved productivity - such as the facilities management and business-to-business services including ICT and consultancy.

Pay and conditions are also important parts of the wellbeing and inclusive growth agenda. This is partly an issue of making sure pay and conditions specified in service and infrastructure contracts are fit for future requirements, and partly about facilitating career development and improving perception of these career paths. Business has a central role to play, but so does government - including in promoting training, skills, and careers.

New ways of working and flexible work

We are entering a new phase 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.

It is already clear that the role of the office in the new economy is changing. For some sectors and businesses, it is likely to involve a degree of hybrid working, combining home or agile working with limited person-to-person working in repurposed 'office' environments. The latter will continue to be needed for networking, collaboration, training and mentoring, and 1-2-1 ideas exchange. These are all especially important for young people, those starting new careers or jobs, and for growing a business.

It is important to recognise that there are also real challenges for employees, especially those with different needs and wishes, and employers alike. Policy and practice need to reflect fully the emerging world of work, including in such areas as training and skills development; reward strategies which make retraining and career transitioning pay off; approaches to Net Zero and sustainability; and equitable partnership working between large employers and SME supply chains.

We need also to understand the broader health impacts of the pandemic and the current economic landscape, particularly the likely increased prevalence of mental health issues and associated support requirements for both individuals and employers. Understanding and responding to all these issues makes commercial as well as ethical sense. It is also increasingly an integral part of business strategy. All employers will need to ensure that staff welfare remains a priority as the world of work changes.

These issues also have significant implications for government, both through public procurement and in its wider approach to business.



Question 4: How can we enable public services in the everyday economy to meet current and future challenges?

AND

Question 5: How can we ensure the Government's buying power supports good jobs, small business and the self-employed?

The way government manages its supply chain is crucial to the efficiency and effectiveness of public services and our wider economy. Robust, fair and efficient public procurement is central to driving a green economy, delivering world-class public services, and supporting prosperity across the whole country. Getting procurement right will also enable more SMEs and charities to become involved in providing services and projects.

Delivery of Public Services

Our industry has a vital role to play in ensuring that investment is spent as efficiently as possible, thereby bolstering our economic stability, supporting jobs and local businesses across the country, and delivering services and infrastructure of the highest quality to the British public. Recent steps to increase the effectiveness of public service delivery have been positive but there is still much that can be done to improve upon this. In particular, the BSA has welcomed the Cabinet Office's Playbooks, and has called for the full implementation of Playbook principles across the public sector, including in such areas as treatment of risk, to enable SMEs and others to participate fully, and full and up-to-date pipeline publication to enable the sector to innovate and invest.

Ensuring that contracting authorities have the necessary commercial capacity will be crucial to ambitions for involving more SMEs in the delivery of our public services. Investment in both people and systems will be key to driving the cultural and behavioural changes that such reforms necessitate.

Procurement processes and cultures are inconsistent across Whitehall and 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.

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 government can further drive market changes via investment in both people and systems in this area. 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, such as VCSE and SME organisations, within the procurement process.

Contract Flexibility

One of the lessons arising from the Covid-19 pandemic for service delivery was the importance of contract flexibility. BSA members acted agilely and played a vital role in keeping the economy going, delivering services and projects.

For the most part, this was possible because of their ability to adapt and worked best where contracts can be flexed to meet new and changing requirements. The last three years have shone a light on the impact unforeseeable 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 therefore recommend that this is reviewed.

In addition to the above, we would urge Labour to be mindful of the implications of ongoing labour shortages and widespread inflation for government contracts. As we have raised in our discussions with various key stakeholders, these pressures are being felt across the sector and are expected to have a direct effect on costs which would in turn impact on pricing considerations in government projects and services.

Data

Despite good progress in recent years, there remains a shortfall in the quality of data in and around public procurement. Whilst the commitments to transparent central platforms, as outlined by both main parties, are to be welcomed, government remains disjointed in its approach to requesting data from its suppliers.

The ambition to drive transparency and continuous improvement in data reporting across the public sector is to be commended and the BSA recognises that enhancing data availability is key to understanding public procurement.

There remain too many instances of duplication of request across different departments and contracting authorities and, as with any additional reporting requirements, there are resource implications for suppliers. We would also urge any government to be mindful of the implications of additional resource intensive activities on SMEs and in the context of wider commercial pressures.

There is 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.

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.

Public Procurement and the transition to Net Zero

Sustainable public procurement guidelines can stimulate a critical mass of demand for more sustainable goods and services. By leveraging government purchasing power to choose goods and services that have less of an impact on the environment, public authorities can make an important contribution to sustainable consumption and production.

Public procurement can also act as a strong stimulus for eco-innovation by providing clear long-term pipeline visibility and then incentivising the development of sustainable technologies and products. Requiring suppliers to meet certain environmental standards would stimulate innovation and encourage companies to develop new products with enhanced environmental performance.

As set out above, an important component of this work is collection and publication of quality data. With the right data, it is possible to profile the current CO₂ of individual contracts across the board, and to identify alternative sources of supply or steps to improve the current consumption of CO₂ within each contract. Programmes of change can be rolled out according to exactly when the existing carbon-heavy contracts expire. Through modern analysis of public procurement data, government will be able to direct spending to achieve distinct, measurable CO₂ reductions.



Section 2: A Green and Digital Future

Question 1: How can science and technology policy support growth in all regions and nations of the UK?

Digital Inclusion and the Role of ICT

Digital inclusion is clearly of central importance to facilitating employment, access to services, general wellbeing, and supporting growth throughout the UK. It will also be central to people's ability to connect with others at all levels, reducing any sense of isolation, including in the new world of work.

The 'digital divide' is complex and multi-faceted. It involves both those who cannot become fully digitally enabled (owing to lack of resources, information about upskilling, or adequate connectivity) and those who may, for whatever reason, choose not to do so. The first is about addressing all forms of digital poverty, including lack of access to the most up to date devices, and addressing coverage issues in the most remote areas. The second is partly about education and partly about reducing genuine fears on issues such as digital security and privacy.

As the use of digital rightly increases, opportunities for its use in driving service provision also increase. That reinforces the need for adequate controls on data ownership and sharing.

Meanwhile ICT services organisations were vital in keeping the economy going during the lockdown periods. Digital innovation has made great advances as a consequence of COVID-19 and there is now an opportunity to secure and build upon it, especially through investment to ensure that its benefits are spread and are available equally to all. This means adopting a human-centred approach, in which digital is harnessed to support wider goals rather than being seen as an end in itself.

As we look to grow our economy and navigate the economic challenges ahead, a focus on ICT can be used:

- as an enabler of economic growth across the board. Government policy can help businesses to build on those digital transformation projects which were accelerated in response to COVID-19 and which will need to continue to do so if businesses are to be future-proofed;
- to improve sustainability and industrial resilience in areas such as 3D printing or additive manufacturing, which are becoming a core need and can play a greater role in any industrial strategy going forward;
- to help ensure that regional inequalities are overcome rather than entrenched during the recovery from lockdown, by enabling business to use the power of big data to overcome local challenges and restrictions, and by extending access to training and other services for those who may long have lacked the means to travel long distances to access them; and,
- within government itself, with an acceleration of digital transformation programmes to help to ensure continued and improved access to essential services.

Meanwhile all stakeholders need to work together to improve digital access and education for left behind groups as a matter of urgency. It is important that investment in digital infrastructure is appropriately prioritised in order to deliver inclusive and sustainable growth.



Question 2: What role does the digital economy have in enabling the UK's growth?

The experiences of those who have been working from home at one point or another over the past three years have also 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 pandemic will have on the future of work in this country and the central role that 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 government should continue to work with industries where the benefits of digital improvements could prove transformative, such as business services, to pilot technologies. This will be key to advancing digital inclusion and tackling the 'digital divide' which inhibits the levelling up agenda in areas that are currently underserved in this regard.

In order to capitalise on the benefits the digital economy in enabling the UK's growth it is crucial that the UK's domestic digital ecosystem is resilient. This includes developing policy proposals to bolster cyber security for businesses, individuals, government, and charitable organisations.

Technology, Data and Cyber Security

Cyber-attacks remain a very real threat to organisations across the UK, and, as highlighted by the high volume of attacks in the wake of Russia's invasion, can significantly impact on businesses and public services.

Hostile cyber actors are expected to become more intrusive and innovative in their methods; the faster and better the antidote that is put in place to protect assets, the more complicated and sophisticated cyber-attacks become. Of course, it is important we keep developing new and better security measures. Alongside this, we should also develop systems that provide early warning of attacks.

Measures to help prevent cyber-attacks, such as the Cyber Essentials scheme, have made a real, positive difference in recent years, and are a useful resource for businesses of all sizes, especially SMEs who may not have in-house expertise in this area. If government is looking to build on this, further steps could be taken to make individuals and businesses more accountable, such as annual cyber risk assessments and/or checks for businesses.

As has been seen from recent incidents, cyber criminals do not use standard technology. Further government controls on the use of anonymous communication tools (e.g. TOR) would be a good next step. The current mobile mast triangulation does help the Police to trace individuals and the UK's requirement for MSPs to provide user information is also helpful; these measures could be expanded.

For BSA members delivering service and infrastructure projects for public sector bodies, cyber security is of the utmost importance. In the same way that the UK is acting to safeguard its 5G network from suppliers that can be influenced by foreign governments, government should also ensure that the IT equipment connecting to that network is equally secure through assessing cyber security requirements in public procurement.

Over the next 5 to 10 years, members expect the use of facial recognition, biometrics and AI to increase, particularly in service areas such as security and building/facilities management. For example, one possibility is for sophisticated Access Control Systems to buildings linked to a set of pre-determined credentials.



Thought and attention needs to be given now to understand the policies that will need to be in place to make these technologies more secure. For example, it may be appropriate in some circumstances to combine facial recognition with other measures such as scent recognition to boost the integrity and security of these technologies.

Engagement with the public will also be important to build trust in using such technologies and to explain how data will be used. More generally, transparency around data collection and use of personal data remains a priority.

Another emerging technology that will require policy development to step up from its current position, and to ensure appropriate controls and functionality are put in place, is around tracking. As with data, the purpose for tracking and circumstances in which the technology will be used should be clearly outlined to the public, and options to opt-in or opt-out should be considered.

Question 4: What policies can help deliver Labour’s existing pledges on green growth, particularly the Green Prosperity Plan?

Support for green growth

Climate change and sustainability remain a high priority for BSA members and we have seen many organisations from all sectors commit both to achieving Net Zero carbon by 2050 at the latest, as well as to playing 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 a green and digital future, many businesses may not have the funds readily available to invest in green capital projects in the short-medium term. Financial stimulus is welcome to support low carbon technologies, in order to ensure that our economic recovery does not have further impacts on the environment over the short term. For example, a low interest loan for green capital investments would enable businesses to make vital energy efficiency upgrades to their sites.

There is also the opportunity for the public sector 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 areas of economic disadvantage, so such action would support the inclusive growth agenda.

EV Infrastructure

One particular priority is EV infrastructure and having the right types of chargepoints in the right places. This is imperative for both private vehicle purchases and businesses transitioning to electric fleets. Some 80 per cent of charging takes place at home, however many employees do not have access to off-street parking, significantly hindering the ability to switch to an EV.

Range anxiety also means many people will only travel to a destination to which they know they can make a return trip with only one charge, as they are not confident that they will be able to find a chargepoint and refuel their vehicle for longer journeys.



Increased investment in EV chargepoints for on-street and communal parking would address these barriers and expanding the scope and funding of existing schemes, such as the On-Street Residential Chargepoint Scheme, will be key to their longer-term success.

This investment should be driven by central government, in partnership with local and regional counterparts, to ensure that all local authorities can take consistent action and that those in more rural or deprived areas are not left behind. Supporting EV infrastructure should also be at the heart of local authority road planning.

One way forward would be to change planning legislation to require that any maintenance conducted on a street should include the installation of an electric vehicle charge point - for example, by adding charging capability when installing new streetlights.

These initiatives would make the decision to switch to an EV much easier for both businesses and private motorists, avoiding a patchwork approach to chargepoint installation and correcting the current postcode lottery that sees the residents of the most urban areas, often with poorer air quality, least able to switch to an EV.

It would also support job creation, both through the development of chargepoint technology and the installation of charge points; provide a boost to the UK's chargepoint industry, which consists of many small or start-up businesses; and cement the UK's position as a leader in large-scale EV transition.

Meanwhile, although the financial case for electric cars is clear, more incentives could support a commercial vehicle transition to EVs. On a whole life cost basis, these models are still more expensive than their diesel equivalents, as there are no National Insurance Contribution savings for employers. Offering further financial support for electric commercial vehicles, such as NI savings or additional grants, would assist large fleets to switch their vans to electric more quickly.

Energy Management and Grid Capacity

The Committee on Climate Change suggests that electrifying the vehicle fleet could result in road transport making up 15% to 20% of total electricity demand in 2050.² Significant investment in grid capacity is therefore required as is the continued investment in smart charging infrastructure.

By managing energy consumption more effectively, there are also opportunities for cost reduction and increased efficiency, extension of asset lifecycles, and the implementation of sustainability strategies.

Incentivisation and/or support funding will also enable the creation and adoption of new technologies. For example, local/regional support networks could be introduced to allow organisations access to relevant and appropriate information and possible localised incentives to implement measures and practices, something which is particularly important for SMEs.

Heat and Energy Generation

Decarbonised heat and decentralised energy represent viable routes toward green expansion and employment growth and will contribute towards carbon reduction. All major UK cities should have strategic heat network strategies in place by 2030. For the first three months of 2020, renewable overtook fossil fuels in the provision of the UK's power supply. These are the technologies of the future and should be treated as such rather than the poor relation of the fossil fuels.

² [Sixth Carbon Budget - Climate Change Committee \(theccc.org.uk\)](https://www.theccc.org.uk/our-reports/sixth-carbon-budget/)



An excellent example of how higher decarbonisation targets could accelerate the energy transition is the NHS where new investment is needed in an aging infrastructure. This sector, out of all the public services, has been pioneering the low carbon approach over the past decade, with the development of a more ambitious Energy Performance Contract. Now is the time to stimulate the marketplace and encourage new projects, keeping the sector active and ultimately supporting sustainable long-term employment.



Section 3: Safe and Secure Communities

Question 4: What approach should the Labour Party take to improving justice?

Investment in the prison estate and reducing reoffending

Reducing reoffending requires an innovative and forward-looking vision of an effective prison system. Policy must remain pragmatically focused on the challenge of service delivery, but also the principles of fairness, decency, and respect which are, of course, central to the delivery of excellent prison regimes.

A commitment to strategic investment which both modernises and improves the prison system's capacity should be coupled with sufficient funding to support both the regimes and reintegration programmes operating across the justice estate, including training and employability services. This investment facilitates better provision of purposeful activity for prisoners and improved security, both of which contribute to safer and more productive environments for prisoners and staff.

Much of the challenge of improving prison regimes concerns the existing estate and its capacity pressures. Prison maintenance, including day-to-day estate inspection, minor repairs, and large-scale refurbishment, is vital to preventing cells being taken out of use and providing decent environments for prisoners and staff.

The second area of modernisation is the necessary investment in digitalisation and digital innovation, central to the delivery of modern regimes. Too many prisons operate without basic digital infrastructure, which in turn prohibits efficiency. Secure ICT and in-cell learning will facilitate access to training and employment resources for prisoners, supporting rehabilitation.

Digitalisation and streamlining encompass the necessary changes and improvements to sharpen up burdensome administrative processes and transform outdated legacy data systems so that staff can see the right data at the right time and in the right format, improving their ability to make informed decisions. Digital innovation in these areas will eliminate repetitive administration, improve communication, increase the amount of time available for working directly with prisoners and facilitate improved partnership working.

Supporting ex-offenders

By employing ex-offenders, employers benefit from securing committed and skilled people to fill gaps in our economy and we would encourage further emphasis on policies which place business networks, employers, and training providers at the heart of employment workshops and sector-specific skills training delivery.

Key to ex-offender employment is investment in skills and training provision, which can be enormously beneficial to prison leavers if they are able to access it at the right time. In order to drive meaningful employment and life opportunities for prison leavers, and to facilitate a smooth transition, eligible participants should be able safely to access community programmes and innovative skills-based learning, whilst still in prison. This could be achieved through in-reach services from programme staff and allowing prisoners to access funded support leading up to their release in every prison.



Question 5: In what ways can devolution and constitutional reform empower people and bring our communities closer together?

Community Wealth Building

The importance of 'Community Wealth Building' - strengthening organisations and people in local communities - has been recognised for some time. The aim of the Community Wealth Building agenda is to enable communities themselves to enjoy the benefits of economic growth, and a big part of that is about giving them more control.

Places themselves are best able to determine their strengths and weaknesses, the limiting factors to inclusive growth in their area, and how these can best be addressed. That is why the devolution of powers - including commissioning powers - is so important. Devolution can also be used to help break down the barriers which have existed between economic and social infrastructure.

The focus of the first waves of devolution deals was understandably on measures aimed directly at stimulating economic growth and development, especially in areas such as infrastructure and transport in which local government has already developed knowledge and experience.

Commissioned wisely, such projects are vital for inclusive growth. In addition to this though, the goals of wider service integration and improvement should not be seen as an alternative to economic growth but as contributing to it. Services such as employment support, skills provision, and health and social care provision not only improve people's quality of life but help provide a healthier, more skilled and more productive workforce. The aim should be to produce a virtuous circle of local service delivery which will help generate inclusive growth - which, in turn, generates the income that funds the service provision.

Several other trends have been underway locally at the same time - including budget reductions, incentives for growth through business rate reform, rising demand, technological advance, and changing expectations. These in any event will lead to radical service redesign, a focus on targeted services accompanied by discussions on digitisation, a big focus on Place shaping, and investment in prevention and behaviour change. Bringing this together requires Place-based strategic leadership. 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.

All political parties rightly emphasise the importance of devolving powers and responsibilities from Whitehall. It is important, however, to remember also that the voices of local communities themselves, as well as their local and devolved government representatives, should be at the heart of the decision-making process going forward.

Local leaders must work with the community concerned and with external stakeholders to assess what are the main limiting factors to inclusive growth and how people's wellbeing can best be improved, including through analysis of up-to-date data. The skills and experience of business services providers can be invaluable, working with them to analyse both the needs and wishes of residents, as well as the factors limiting inclusive growth.

The evidence from areas which have pioneered successful projects achieving a lasting long-term legacy in inclusive growth and social value is that they were open and honest about the outcomes required, and looked for partners who were innovative and proactive in offering ways to achieve those outcomes.



Some such outcomes require adequate contract length for these activities to be undertaken. Therefore, contract size and length may be an important factor to consider for those authorities looking to maximise social value in this area. The public sector can also help by setting out a clear pipeline of work so service and infrastructure providers can plan ahead and invest.

Above all, it is vital that all such provisions are driven by the needs and wishes of the community concerned, and use the best means available to achieve the desired outcome. An open and strategic commissioning process is key to achieving this.

Partnerships based on good relationships and on goals which are both clear and clearly aligned are often the ones which achieve the greatest lasting legacy.



Annex 1: List of BSA Members, March 2023

3C3 Ltd
AECOM
Alvarez and Marsal
Amey Plc
Aramark
Atkins
Atlas FM
Atos
AutogenAI
Baachu
Balfour Beatty Plc
Barclays Corporate
Bellrock
Bevan Brittan LLP
Bouygues E&S UK
Browne Jacobson LLP
BT Group Plc
Business 2 Business
Capita Plc
Catch 22
CGI
CH & Co Group
City FM
Clyde & Co LLP
CMS Cameron McKenna Nabarro Olswang LLP
Compass Group Plc
Connections Consulting
Corndel Ltd
Costain
Deloitte
DWF LLP
DXC Technology
Elior UK Ltd
Eric Wright FM
Fujitsu UK
G3 Systems Ltd
G4S Plc
Glaston Consulting
GoodPeople
Grant Thornton
Hinduja Global Solutions
HP
IBM
Ingeus
ISS UK Ltd
Jobs22
Kier Group Plc
KPMG
Lumby CMS
Mace
Maple Strategy
Maximus UK Ltd
Mazars
Medallia
Mitie
MTC
NatWest
NCG
Netcompany UK Ltd
OCS Group UK Ltd
P3
Pinsent Masons LLP
Reed in Partnership
Robertson FM
Salisbury Group
Seetec Group Ltd
Serco Group Plc
Sharpe Pritchard LLP
Sodexo Ltd
Sopra Steria Ltd
Space Solutions
Spend Network
Strictly Education
The Grichan Whitestone
Partnership
The Growth Company
The Network Group
The Palladium Group
The Shaw Trust
The Sustainability Group
Turley
Twin UK
Veolia
Vercity
VINCI Facilities
VPS Group
Wand Consulting
Wates Group
Willmott Dixon
WSP