



## **Submission to consultation on the modernisation of EU public procurement policy – towards a more efficient European procurement market**

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## 1. An Introduction to Sitra

Sitra is the umbrella organisation committed to raising standards in the housing, care and support sector. We are a membership organisation and a registered charity with over 25 years experience of offering practitioners a range of affordable policy, training, consultancy, information, conference and capacity building services.

Our membership comprises 650 practitioner organisations in the field of housing with care and support. The membership elects the committee. Members are drawn from both providers and commissioners, and from the statutory, voluntary and private sectors. We operate throughout England, and have offices in London, Bristol and Birmingham. Our work covers all aspects of supported housing, together with associated activities such as human resources and staffing issues, financial management, and community care.

We are recognised, funded and consulted by government departments and other bodies as representatives of providers of supported housing. We work with them on issues of national strategic significance for the sector. For example we have been working with Department for Communities and Local Government on developing the transition programme which supports organisations through the changes resulting from the removal of the ring fence, and with the Department of Health on taking forward the personalisation of housing related support services.

The monthly Sitra *Bulletin* is widely recognised as a key source of technical information and policy development news throughout the supported housing sector. With a circulation of around 3,000, it is the most widely distributed specialist publication within the supported housing sector. We supplement the *Bulletin* with regular briefings on matters relating to supported housing and its related fields.

Sitra is also known as a leading training provider. Each year we train over 4,000 individuals across the country, either on our general programme or on tailored made in-house courses for members and clients. We also provide a range of seminars and conferences on supported housing related themes. We estimate that over 2,000 people attend such a Sitra event each year.

We are therefore in a unique position of combining a detailed knowledge of the housing with support or care sector on the ground with an understanding of and engagement with the developing national strategic agenda.

We welcome the opportunity to respond to this Green Paper on the modernisation of European Union public procurement policy

## **2. Sitra's response**

In recent years, many housing support and care services provided to vulnerable people, originally developed by charitable and voluntary sector organisations in partnership with local statutory authorities, have moved from ad-hoc grant funding arrangements to being commissioned by local authorities as mainstream public services.

Our members tell us that many local authorities are using unnecessarily complex and inflexible procurement practices when commissioning care, housing support and other social and community services. In many instances local authority procurement staff appear to believe that the safest way to avoid challenges that they have not complied with the Principles relevant to Part B service procurement is to insist on the full application of practices equivalent to those required for Part A over-threshold contracts.

Our members say these practices are creating obstacles to service provision by the small, local providers of these services who have not the capacity, resources or experience to engage in competitive bidding and who are not given time to properly explore and develop partnership approaches which might enhance their capacity. These practices also consume the resources of both the local authority service commissioners and the voluntary sector and charitable providers which are then taken away from actual service delivery and service improvement. The House of Commons Select Committee Inquiry into the Supporting People programme found that "In letting contracts for Supporting People services, we believe that EU procurement rules are being used by councils as an excuse for their own inertia and risk aversion."<sup>1</sup>

Our responses to the questions in the consultation paper are therefore all in favour of restricting rather than extending the scope of the regulations and increasing flexibility rather than increasing prescriptive detail.

Our specific answer to the questions on the Part A and B distinction are as follows:

4. Do you think that the distinction between A and B services should be reviewed?

5. Do you believe that the Public Procurement Directives should apply to all services, possibly on the basis of a more flexible standard regime? If not please indicate which service(s) should continue to follow the regime currently in place for B-services, and the reasons why.

We believe that the distinction between Part A and B should be maintained. We believe that services identified as Part B should continue to have lighter touch application of regulations. Even if there is a more flexible standard scheme, the experience of our sector is that local authorities need a clear steer away from unnecessary use of complex procedures.

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<sup>1</sup> House of Commons Communities and Local Government Committee: The Supporting People Programme, Thirteenth Report of Session 2008–09

The Part B regime should continue to apply to health and social services (i.e. including housing related support and care), education and vocational health services, recreational, cultural and sporting services, personnel placement and supply services, legal services.

We also consider that there should be a distinction between the different types of property management and that while commercial property management might be suitable for a Part A classification, social housing management should be classified as Part B.

If you require any further information on our response please contact [glyniss@sitra.org](mailto:glyniss@sitra.org)