Written evidence submitted by Refuge

To the PROCUREMENT BILL Committee (PB32).

About Refuge

 Refuge is the largest specialist provider of gender-based violence services in the country supporting thousands of women and children on any given day. Refuge opened the world's first refuge in 1971 in Chiswick, and 50 years later, provides: a national network of 44 refuges, community outreach services, child support services, and acts as independent advocates for those experiencing domestic, sexual, and other genderbased violence. We also run specialist services for survivors of modern slavery, 'honour'based violence, tech abuse and female genital mutilation. Refuge provides the National Domestic Abuse Helpline which receives hundreds of calls and contacts a day across the Helpline and associated platforms.

Summary

- 2. Refuge welcomes the opportunity to provide evidence to the Committee on the challenges specialist domestic abuse services face in procurement. The vast majority of domestic abuse services in England are subject to periodic commissioning and recommissioning through competitive tendering. The commissioning process in large part determines which domestic abuse services are available to survivors of domestic abuse across the country. More than one in four women in England and Wales aged 16-74 experience domestic abuse at some point in their lives, and an average of two women are killed every week by their partner or ex-partner a statistic which has not changed in decades.¹
- 3. As a registered charity and the largest provider of specialist violence against women and girls (VAWG) services In England, Refuge attests to the challenges and barriers the specialist domestic abuse sector faces in responding to tenders for domestic abuse support services. We are concerned that the Procurement Bill does not adequately address these challenges. The Bill must be amended to truly deliver on the government's aim of placing public benefit at the heart of the UK's procurement system and to improve public procurement practices in domestic abuse services. The government has outlined how the new procurement regime will benefit Small and Medium Enterprises² (SMEs) and the Bill makes specific provision for the barriers SMEs face in participating in procurement (see clause 12). However, there has been little detail provided on the impact of the changes for voluntary and community organisations and social enterprises (VCSEs) and the unique barriers these organisations face in procurement.
- 4. Refuge welcomes the opportunity to provide evidence to the Committee and asks Bill Committee members to consider the recommendations outlined below in their scrutiny of the Bill:
 - The provisions under clause 12(4) should be extended to charities

¹ ONS (2020), '<u>Domestic abuse prevalence and trends, England and Wales: year ending March 2020</u>.' ONS (2020), '<u>Homicide in England and Wales: year ending March 2019</u>'.

² 'The Procurement Bill: Benefits for Prospective Suppliers to the Public Sector,' https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1127905/The_ Procurement_Bill_Benefits_for_Prospective_Suppliers_to_the_Public_Sector.pdf

- The definition of value for money should include considerations of social value (including the social value that is inherent in how many charities deliver services), as set out in the Social Value Act 2012, and the quality of the service and its ability to meet the needs of those supported
- Proportionality should be included as an objective of the procurement rules under clause 12.

Commissioning and funding of domestic abuse services

- 5. The specialist services Refuge provides are mainly funded through local authority commissioning arrangements and national government grant funding streams. These services include the 24/7 Freephone National Domestic Abuse Helpline, refuge accommodation and support in the community. Local Authorities and Police and Crime Commissioners remain the key commissioning bodies, accounting for the majority of tenders.
- 6. Specialist violence against women and girls (VAWG) organisations are those whose primary purpose is to support survivors, including children, affected by any form of VAWG. These services are unique and different from general support services that may provide support or interventions for survivors or perpetrators of not only VAWG, but other crimes as well. These services are provided by specialist staff with in-depth knowledge of VAWG and have a gendered and intersectional understanding of VAWG. Specialist VAWG services are best placed to deliver support to VAWG victims and survivors. The distinction between specialist and generic services is supported by the Convention on Preventing and Combating Violence Against Women and Domestic Violence (The Istanbul Convention).³
- 7. Specialist services for survivors of domestic abuse are in crisis due to poor commissioning practices and chronic underfunding. Local authorities, police and crime commissioners and other service commissioners have implemented a wide range of 'efficiency savings' since 2008, in the context of austerity, and continue to seek 'more for less' through competitive commissioning. Women's Aid Federation England, the umbrella body for domestic abuse service providers in England, reported in 2022 that service providers cited difficulties related to funding as the biggest issue facing the domestic abuse sector.⁴ As a result, the sector's ability to respond to demand has been affected. In 2021-2022, 61.6% of refuge referrals were declined, with the main reason being lack of space or capacity, and 50.4% of referrals received in community-based services were declined.⁵ Domestic abuse services are struggling to meet increasing demand and only operate by subsidising contracts through fundraising. To ensure women and children can access the support they need, it is essential that the real cost of running services is recognised and funded accordingly. Women's Aid estimated in 2021 that the level of investment needed per year to effectively fund the specialist domestic abuse support sector in England is £409 million.
- 8. Whilst additional funding via the Domestic Abuse Act and the Part 4 duty on Tier One authorities to commission domestic abuse safe accommodation is welcome, the funding

³ Council of Europe Convention on preventing and combating violence against women and domestic violence, <u>https://rm.coe.int/168008482e</u>

 ⁴ Women's Aid. (2022) The Domestic Abuse Report 2022: The Annual Audit, <u>https://www.womensaid.org.uk/wp-content/uploads/2022/03/The-Domestic-Abuse-Report-2022-The-Annual-Audit.pdf</u>
⁵ Ibid.

allocated by central government currently falls short of what is needed to meet demand.⁶ Services also continue to be commissioned with inadequate funding to deliver the services safely, and poor commissioning practices persist - such as unfair assessment of Social Value, short contract length and disproportionate bidding requirements - as outlined below. For example, in 2021-22 we identified 6 bids that we assessed as unsafe support models. Features of these contracts included requirements to prioritise local women for accommodation services, contrary to the nature of refuges and the requirements of the Domestic Abuse Act statutory guidance,⁷ and insufficient funding for a safe service model.

Recognising the particular barriers faced by charities in competing for contracts

- 9. Refuge is supportive of amendment 90, tabled by Florence Eshalomi MP, to extend the provisions under clause 12(4) to charities. The Bill will currently require contracting authorities to have regard to the fact that SMEs may face particular barriers to participation in procurement, and consider whether such barriers can be removed or reduced. Despite the Minister's assurance in response to amendment 41, tabled by Lord Wallace of Saltaire at Report Stage in the House of Lords (not moved), that the duty will apply to small and medium-sized social enterprises, not-for-profits and mutuals 'that meet the relevant definition,' we are concerned that some charities will be excluded from this. SMEs are defined in the Bill as suppliers that have fewer than 250 staff (clause 119(1)). Larger sized charities, which provide vital public services, will likely therefore not be included within this definition.
- 10. We also agree with NCVO's statement that: "The Procurement Bill must reduce barriers to entry for VCSEs because they are often best placed to deliver a range of public services. They are trusted in communities, able to reach people who are overlooked or underserved by mainstream services and can provide wrap-around support to address the root causes of the challenges people face."

Social value

- 11. Social Value has been a requirement for consideration in all commissioning since the Social Value Act came into force in 2013. In recent years local authorities have placed greater emphasis on Social Value, which is often defined narrowly, and is increasing burdens on charities and shutting specialist charitable organisations out of bidding processes.
- 12. Since the Act came into force, there has been a question as to whether this Social Value requirement should apply to charities, who intrinsically deliver Social Value through the provision of their services. As the case study below outlines, this means charities applying for bids can, on paper, appear to deliver no Social Value. Commissioners would therefore be seen to be making a better procurement decision by selecting a generic housing association to provide accommodation-based domestic abuse services over a

⁶ £257 million has been allocated for 2023-2025, falling significantly short of the at least £409 million per year to sustainability fund all specialist domestic abuse services in England - which works out at over £800m over two years as a minimum.

years as a minimum. ⁷ See point B4.4 within DLUHC Statutory Guidance: Delivery of support to victims of domestic abuse in domestic abuse safe accommodation services (2021), <u>https://www.gov.uk/government/publications/domestic-abuse-</u> <u>support-within-safe-accommodation/delivery-of-support-to-victims-of-domestic-abuse-in-domestic-abuse-safe-</u> <u>accommodation-services</u>

specialist, local 'by and for' domestic abuse charitable organisation.⁸ Charitable organisations that provide specialist services, should be recognised for the Social Value their services provide, and we encourage commissioners to consider the fairest way to assess the real social value being delivered in their local area.

- 13. Another notable challenge is the use of the Social Value Portal. Refuge witnessed a large increase in the portal's use by commissioners in the year 2021/2022. The Social Value Portal favours large, well-resourced, generic, non-specialist providers due to the costs and complex processes associated with its use. Bidders are charged up to £7,500 per year to bid via the Portal. This is unfeasible for many smaller domestic abuse organisations, including the specialist 'by and for' sector, and results in funding being diverted from frontline services to a third-party platform. The bidding process on the Portal is also unnecessarily complex, requiring submissions to be made on a separate portal often in addition to explanations of full delivery plans for each measure. Successful providers are also required to report separately on Social Value platforms, creating additional pressure on bidders' resource, and must enter a separate contract with the portal itself. This additional contractual obligation to a private third party is an additional and significant risk for small local providers who often do not have access to in-house legal advice The Portal presents huge barriers for specialist organisations, particularly smaller organisations, and makes it almost impossible for them to successfully bid in these circumstances.
- 14. Significant culture change is required to ensure that commissioners give full regard to true social value. As outlined by NCVO, relying on the National Procurement Policy Statement to set the requirements around social value is insufficient, as it does not place social value at the heart of procurement processes, particularly those that are undertaken to provide person-centred services. We therefore support amendment 9, tabled by Florence Eshalomi MP, along with NCVO's recommendations that the definition of value for money within the Bill should include considerations of social value (including the social value that is inherent in how many charities deliver services), as set out in the Social Value Act 2012, and the quality of the service provided and its ability to meet the needs of those supported.

In 2022, a local authority published a tender for their accommodation-based domestic abuse support services. 10% of the evaluation was attributed to social value. Bidders were required to respond to a template where the local authority had identified measures they felt were applicable from the National Themes, Outcomes and Measures (TOMs) framework. In this instance, the local authority only chose two measures bidders were able to apply to, out of 40 measures considered part of the core version of the TOMs framework.¹ Local authorities are encouraged to choose a wide range of measures to allow for accessibility to the bid.

The two measures available required the bidder to commit to monetary donations or to providing volunteering hours in the local community. Providing a monetary donation or allocating staff to volunteer would be incredibly difficult for charities bidding for this tender and would potentially have resulted in resources being diverted from frontline services providing support to domestic abuse survivors. Charities were also not able to account for the inherent social value their services bring to a local area as part of this bid.

After seeking clarification and asking for a flexible approach to the challenges posed by these measures, the local authority confirmed that it would not change this element of their tender. In addition, the qualitative element of the social value response was to be marked as either pass or fail, meaning if the response was not seen as sufficient the local authority had grounds to disqualify the bid entirely.

1. https://socialvalueportal.com/wp-content/uploads/2022/06/TOMs2022_Update_Guidance-FINAL.pdf

Proportionality

- 15. We welcome the requirement to have regard to proportionality throughout the Bill and recommend that clause 12 should include proportionality as a core and overarching principle in the Bill. Often, the bidding process for domestic abuse support services is disproportionate to the size and length of the contract, and smaller services find it near impossible to respond to bids. For example, 43 of the service contracts for domestic abuse support services advertised in 2021/22 were for 2 years or less. Short contracts are unsettling for survivors, create challenges recruiting and retaining staff and takes up resources that could be focused on the delivery of services. In addition, we are aware of bids that involve complex and arduous processes which are disproportionate to the small level of funding available. Such processes favour larger organisations which can employ dedicated bid-writing teams many smaller specialist domestic abuse organisations do not have this luxury.
- 16. Ensuring proportionality underlines all elements of procurement is vital and will help to open up the procurement process to smaller providers. **Proportionality should** therefore be included as an objective of the procurement rules under clause 12.

Conclusion

17. Refuge urges Committee members to reflect on the barriers faced by the specialist domestic abuse sector in procurement in this legislation. In particular, we encourage members to consider extending clause 12(4) to charities, including proportionately as an objective of the procurement rules under clause 12, and ensuring the definition of social value recognises the social value that is inherent in how many charities deliver services.

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