**Equality and Social Justice Committee**

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**About Cwmpas**

Cwmpas is a development agency working for positive change.

We are a co-operative, and our focus is on building a fairer, greener economy and a more equal society, where people and planet come first. The current economic system is failing to tackle the key challenges our communities face today, from climate change to economic hardship. It does not have to be this way.

Our economy and society could – and should – work in the interests of people and the planet. Established in 1982 as the Wales Co-operative Centre, at Cwmpas we’ve made it our mission to change the way our economy and society works.

**Social Partnership and Public Procurement (Wales) Bill**

We support the purpose and objective of this Bill, and believe it is a necessary step towards developing a fairer, more sustainable and more ethical economy in Wales. We know that genuine worker engagement and partnership can lead to better outcomes in many different contexts, including better pay and working conditions and productivity. We agree that there is a need for legislation in this area in order to ensure that genuine progress can be made as quickly as possible.

In relation to the establishment of a Social Partnership Council (SPC), we support this proposal and believe it will make a significant contribution to the effective development of policy in the Welsh Government. Workers and businesses and their experiences of living and working in Wales, our economy and our communities have a vital insight and embedding this lived experience into the development of Government priorities and policies will have a positive impact into how we do policy development and governance in Wales.

We note that the Bill has outlined that the 9 employer representatives will come from public bodies, the private sector, the voluntary sector and Higher and Further Education. We are pleased to see that the voluntary sector is given specific representation as it is a sector with specific strengths and challenges. . We would recommend that social enterprises are also represented in this list of stakeholders. The sector is estimated to include up to 2,309 businesses and up to 56,000 employees, generating £3.1–3.8 billion in value. We believe they should be represented on the SPC both as a significant employer and generator of economic value in Wales, but also a representative of a sector and business model that can grow to make an even more significant contribution towards the Well-being Goals outlined in the WFG Act 2015. We believe that this distinct voice will make a significant contribution to the SPC, as well as being vital representation for the specific context for businesses and workers in the social enterprise sector.

We support giving public bodies and Welsh Government ministers the specific duty to consult the SPC outlined in the Bill. We believe this has the potential to be of significant benefit to the social enterprise sector in helping them to access public sector contracts. Social enterprises are extremely well-placed to deliver added value and meet the well-being objectives that these duties would require. We would welcome the opportunity to work with public bodies in the development of their procurement strategies outlined in the Bill, and would urge for a specific target to be set for the % of social enterprises winning these contracts.

It will be essential to ensure that social enterprises are supported to develop the skills and capacity needed to successfully bid for these projects – Our recent report mapping the sector in Wales found that this is one of the main areas where social enterprises need support. We know that their triple-bottom line business model means they are extremely well placed to deliver these contracts in a manner which meets the well-being objectives, but winning these contracts is a specific skill.We will continue to be working with our clients to ensure they grow their skills.

We know that for the full potential of the objectives of this Bill to be achieved, we will need to extend these principles and duties to the private sector. Achieving improved pay and working conditions for all workers in Wales will require significant changes to our economy and the models of business that we have seen in the past. This is why we strongly believe that co-operatives, employee-owned business and social enterprise should be the business models of choice in Wales. For this to be achieved, the Welsh Government and public bodies should take an active role in nurturing the market to increase the supply of these businesses, as well as using public procurement policy to increase demand. We are working towards achieving this objective and those set out in the [Transforming Wales through social enterprise vision and action plan](https://cwmpas.coop/what-we-do/policy-publications/transforming-wales-through-social-enterprise/)  and would welcome the opportunity to discuss how this vision contributes to the objective of the Bill.