Press release: Putting a stop to town hall boycotts

Communities Secretary Sajid Javid today (13 February 2017) unveiled <u>further</u> <u>steps</u> which seek to prevent councils from boycotting companies and countries if it is against the government's position.

The move aims to stop councils from introducing restrictions on the companies and countries they use — particularly by introducing boycotts on goods from Israel.

These latest plans would require local authorities by law to treat suppliers fairly and in line with the British government's policies. It would mean no council could boycott any country or industry unless restrictions have already been put in place by the government. This follows rules set by the World Trade Organisation requiring all member countries to treat suppliers equally and without prejudice.

Rules were introduced earlier last year which prevented councils from using local government pension policies to introduce boycotts. New Cabinet Office guidance was also introduced in February 2016, which govern the procurement of goods and services by public bodies.

Today's announcement applies to councils, and would make following the British government's foreign policies a legal requirement when buying goods and services — effectively outlawing locally-imposed boycotts.

Communities Secretary Sajid Javid said:

We need to challenge and prevent divisive town hall boycotts which undermine good community relations.

No council should be boycotting any company or country unnecessarily — instead their main focus should be delivering the value for money taxpayers rightly expect.

We will clampdown on these inappropriate and needless boycotts once and for all.

Stopping boycotts which damage Britain

Councils also have a clear duty to make sure they deliver value for money for their residents and to maintain a high quality of service.

Mr Javid also confirmed that he would look to put government guidance published last February on a legal footing to make clear that councils should not introduce boycotts of countries or companies when making procurement decisions. Similar boycotts have led to the removal of Kosher food from the

shelves of supermarkets, or calls for Jewish films to be banned.

This will mean public authorities have to treat suppliers equally, and not discriminate on geographical or other grounds when buying goods or services, unless they are in line with existing restrictions put in place by the government.

Further information

Public sector procurement law applies to central government, executive agencies, non-departmental public bodies, the wider public sector, local authorities and NHS bodies.

The <u>best value guidance</u> provides powers for the Secretary for State to intervene in a council if it is in breach of the regulations or statutory guidance.

These new measures are in line with the World Trade Organisation Government Procurement Agreement, which requires its members to treat suppliers from another member country no less favourably than its domestic suppliers.