

Mitie backs Billion-pound challenge to procure with purpose

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Mitie is supporting The Buy Social Corporate Challenge as part of a group of 30 major UK businesses which have spent a landmark £250 million procuring services and products from social enterprises. New figures reveal the challenge has already helped to create 2,700 jobs in an ongoing programme from Social Enterprise UK.

Launched in 2016 with the Department for Culture, Media and Sport, the Challenge has a ten-year target of £1bn of spend and is on track to reach this goal, with more than £91 million achieved in the last year, and a total of more than a quarter of a billion, over the last 6 years.

To be deemed a social enterprise, businesses must be governed and constituted to achieve social or environmental impact. As businesses, social enterprises seek to deliver profits, but at least 50% of their profits are reinvested into their mission. Social Enterprise UK estimates that by trading with Buy Social Corporate Challenge partners social enterprise suppliers have been able to reinvest approximately £26.5 million into social or environmental missions.

Over half (52%) of social enterprises trading with The Buy Social Corporate Challenge have been able to recruit more staff as a result, according to a survey from Social Enterprise UK. Social enterprise models mean that these jobs often go to individuals facing additional barriers to the job market, such as people with disabilities, people who have been in prison or people who have experienced homelessness.

Peter Holbrook, Chief Executive of Social Enterprise UK, said: “Following higher scrutiny by investors, stakeholders, staff and consumers, mainstream UK businesses are increasingly considering their social and environmental impact when they set strategy and make decisions.

“SEUK welcomes this shift and we believe social enterprise has an important role to play in supporting the wider business community to embrace social value and consider the social and environmental impact of their work.

“There is a group of businesses that are leading the way in leveraging their procurement in service of their purpose. The Buy Social Corporate Challenge (BSCC) partners are demonstrating effectively how their purchasing decisions can help them play their part in achieving a fairer and more sustainable economy.

“What this sixth annual BSCC report reveals is that the Challenge is on track to deliver its ambitious £1 billion target, thanks to the commitment and vision of our corporate partners and the ability of social enterprises to deliver high-quality products and services.”

Mitie’s existing SME initiatives level the playing field between small and large suppliers as the business aims to issue more regional tenders, with smaller contract values that are more suitable for SMEs. Mitie also advertises new supplier opportunities more widely, including the use of LinkedIn, and offers training on how to complete bid responses, to encourage more SMEs to enter Mitie’s supply chain.

As part of its ESG targets, Mitie has committed to increase its spend with voluntary, community and social enterprise (VCSEs) to £2.25m by 2025 and has already achieved 50% of this goal. Mitie will also increase percentage spend with SMEs to 33% by 2025.

Shaun Carroll, Chief Procurement Officer, Mitie said: “As part of our procurement transformation last year, we took the opportunity to ensure we support more small and medium sized enterprises, diversely owned businesses and voluntary, community and social enterprise (VCSEs). They bring a whole range of benefits such as innovation, social value and new perspectives and we hugely value their services, which is why we are proud supporters of The Buy Social Corporate Challenge.” The Buy Social Corporate Challenge sixth annual report, released today, argues that not only does buying from social enterprises make a positive social impact, but that it doesn’t have to cost more: 90% of corporate partners in the challenge reported that social enterprises were cost neutral or even cheaper when compared with other suppliers, while 95% said that social enterprises delivered comparable or higher quality.

Image credit: Mitie