

# [Press release: 'Limited Progress' on ethical standards in outsourced public services: CSPL publishes latest report on ethical outsourcing](#)

The latest in a [line of reports](#) by the [Committee on Standards in Public Life](#) says there has been little real progress on measures to reinforce ethical standards in outsourced public services and calls for a consultation on whether the Freedom of Information Act should apply to private sector providers where information relates to the performance of a public service contract.

Publishing its 2018 [progress report](#) today, Lord Bew, Chair of the Committee on Standards in Public Life, said:

From waste disposal to health care and probation services, all kinds of public services are routinely supplied to many of us by private or voluntary sector organisations, paid for with public funds – accounting for almost one third of government spending in 2017.

The public is clear that they expect common ethical standards – whoever is delivering the service – and that when things go wrong there is transparency and accountability about what has happened.

Our [report in 2014](#) looked at departmental commissioning activity and the ethical standards of service providers and made a number of important and straightforward recommendations to enhance the government's capability to commission services from providers who focus on high ethical standards in service delivery.

Today's report shows that, disappointingly, very little progress has been made on implementing these recommendations and evidence shows that most service providers need to do more to demonstrate best practice in ethical standards.

In particular, we remain concerned over the lack of internal governance and leadership on ethical standards in those departments with significant public service contracts. Departmental and

management boards spend little, if any, time considering ethical considerations and tend to delegate such issues 'down the line'. Those involved in commissioning and auditing contracts remain too focused on the quantitative rather than the qualitative aspects of their role. And departments lack clear lines of accountability when contracts fail.

While many service providers have developed a greater awareness of their ethical obligations in recent years, partly due to the high-profile failure of some organisations to adhere to these standards, some remain dismissive of the [Nolan Principles](#) or adopt a 'pick and mix' approach, which is not in the public interest. And many service providers continue to expect that setting and enforcing ethical standards remain a matter for government alone.

The Committee remains of the view that more must be done to encourage strong and robust cultures of ethical behaviour in those delivering public services. To that end, the Committee reaffirms the recommendations made in its 2014 report and has made a further set of more detailed, follow-up recommendations to address particular issues of concern.

In particular, the Committee calls for service providers to recognise that the Nolan Principles apply to them, for greater moral courage among key financial and other professionals in securing and maintaining high ethical standards, and for consultation on the extension of the application of the Freedom of Information Act to private sector providers where information relates to the performance of a contract with government for the delivery of public services.

Following the corporate failures of a number of the biggest providers of services to government since 2013, including the devastating collapse of Carillion early in 2018, it is now essential that the government confirm their expectations of ethical standards among those who deliver services with public money."

The report can be downloaded [online](#).

Notes to Editors: Interview requests and media enquiries should go to Maggie O'Boyle on 07880 740627. You can follow the Committee on twitter [@PublicStandards](#).

1. The independent Committee on Standards in Public Life advises the Prime Minister on ethical standards across the whole of public life in the UK. It monitors and reports on issues relating to the standards of conduct of all public office holders.
2. To find out more about the Committee's work go to the [Committee on Standards in Public Life's website](#)
3. The Committee on Standards in Public Life was established in October 1994 with the following terms of reference: "To examine current concerns about standards of conduct of all holders of public office, including arrangements relating to financial and commercial activities, and make recommendations as to any changes in present arrangements which might be required to ensure the highest standards of propriety in public life." Additional terms of reference were announced on 12 November 1997: "To review issues in relation to the funding of political parties, and to make recommendations as to any changes in present arrangements." On 5 February 2013 the terms of reference were clarified by the Government in two respects: '...in future the Committee should not inquire into matters relating to the devolved legislatures and governments except with the agreement of those bodies' and '...the Committee's remit to examine "standards of conduct of all holders of public office" [encompasses For] all those involved in the delivery of public services, not solely those appointed or elected to public office.' Hansard (HC), 5 February 2013, Col 7WS .The Committee's terms of reference were further clarified in a House of Lords written Parliamentary Question on 28th February 2013 to explain that the Committee's remit means it "can examine issues relating to the ethical standards of the delivery of public services by private and voluntary sector organisations, paid for by public funds, even where those delivering the services have not been appointed or elected to public office." Hansard (HL) Column WA347.
4. The members of the Committee for this report are: Lord (Paul) Bew, Chairman, Rt Hon Dame Margaret Beckett DBE MP (Labour), Sheila Drew Smith OBE, Simon Hart MP (Conservative), Dr Jane Martin CBE, Dame Shirley Pearce OBE, Jane Ramsey, Monisha Shah, Rt Hon Lord (Andrew) Stunell OBE (Liberal Democrat) and Richard Thomas CBE. Richard Thomas CBE finished his 5-year term in office in May 2017. Sheila Drew Smith OBE, who led on this series of reports, finished her 5-year term of office in February 2018.