



The Productive City Dimension

How to design safe and sustainable cities through the lens of public procurement

*Regional and
Urban Policy*

This article is part of a series of articles based on the 14 Partnerships of the Urban Agenda for the EU. Structured around the three city dimensions of the New Leipzig Charter (the Productive, the Green and the Just City), the articles link Partnerships' actions and activities with other relevant EU projects and initiatives supported by Cohesion Policy (including Urban Innovative Actions, URBACT or Article 7 cities benefitting from ERDF). The articles demonstrate the key role of cities in the Urban Agenda for the EU and focus on specific actions they have led and implemented. Overall, the articles aim at showcasing practices and experiences on how different tools and funding support can help cities face their challenges in a strategic way towards sustainable urban development.

Author: Matthew Baqueriza-Jackson

European Commission

Directorate-General for Regional and Urban Policy

Directorate 1 – Deputy Director-General for Implementation (REGIO.DDG)

Unit – Inclusive Growth, Urban and Territorial Development (REGIO.DDG.03)

B-1049 Brussels

Contact

E-mail: REGIO-URBAN-TERRITORIAL@ec.europa.eu

Disclaimer

This article has been delivered under the Framework Contract “Support to the implementation of the Urban Agenda for the EU through the provision of management, expertise, and administrative support to the Partnerships, signed between the European Commission (Directorate General for Regional and Urban Policy) and Ecorys.

The information and views set out in this article are those of the authors and do not necessarily reflect the official opinion of the Commission. The Commission does not guarantee the accuracy of the data included in this article. Neither the Commission nor any person acting on the Commission's behalf may be held responsible for the use which may be made of the information contained therein.

© European Union, 2021

Reuse is authorised provided the source is acknowledged. The reuse policy of the European Commission documents is regulated by Decision 2011/833/EU (OJ L 330, 14.12.2011, p. 39).

The photos and graphics from this publication are under the copyright of the EU and other parties. For any use or reproduction of photos or graphics that is not under the EU copyright, permission must be sought directly from the copyright holders.

How to design safe and sustainable cities through the lens of public procurement

Over the course of the last three years, the EU Urban Agenda partnerships [Urban Mobility](#) and [Security in Public Spaces](#) have been seeking to bring together EU, institutional, and city stakeholders to network and develop actions focused on delivering more effective outcomes for EU citizens on these themes.

The Partnership for Urban Mobility has recognised that mobility is an interlinked theme, with decisions made on transport systems having implications on local environments as a result of traffic and the ability of people to travel. It additionally has implications on a range of social factors, including people's health. The Partnership for Urban Mobility has had an overarching objective to develop sustainable urban mobility with a focus on public transport, soft mobility (cycling and walking), accessibility (for people with disabilities and older people), and good internal and external connectivity between places.

The Partnership for Security in Public Spaces has recognised that security is an emerging and often sensitive topic. Its importance as a theme is reflected in the [Parlemeter 2019](#) survey where 24 % of respondents identified addressing the issues of terrorism and organised crime as one of the most important themes of the European Parliament, third only to climate change and social exclusion. The Security in Public Spaces Partnership has, therefore, sought predominantly to ensure that these citizen desires are met by recognising and promoting the role that local and regional authorities play in addressing security challenges, particularly in relation to public spaces.

In parallel, the [Urban Agenda Partnership for Innovative and Responsible Public Procurement](#) has been operating since spring 2017. This cross-cutting partnership is thinking about how the process of procurement can be used to address economic, societal and environmental challenges and realise wider outcomes, including designing safer and more sustainable cities. Public procurement is the process used every day by the EU, municipalities, and wider institutions to buy goods, services and work. There are, however, many considerations in the process of procurement, predominantly around the price of the product or service being purchased, and increasing emphasis is being placed on using procurement to achieve wider social and environmental goals.

An initial reflection suggests there is no real correlation between the actions and activities of the procurement partnership and those of Urban Mobility and Security in Public Spaces. However, in reality, there are many ways in which the process of

procurement can be used as a lever to enable more effective urban mobility within and between places and to contribute towards addressing security challenges. Valentina Schippers-Opejko, Coordinator of the Urban Agenda Partnership for Innovative and Responsible Public Procurement, City of Haarlem, says:

“Across Europe, we face many challenges and opportunities, whether it be addressing the problems of COVID-19, unemployment, and climate change or the opportunity of the Green New Deal. The Urban Agenda Partnership for Innovative and Responsible Procurement believes that procurement can be used as a mechanism to contribute towards addressing such challenges. Procurement can be used to create jobs, reduce the distance goods travel, and enable SMEs to be more sustainable.”

Jiří Vlček, Policy Advisor at the Czech Ministry of Regional Development and Coordinator of the Urban Mobility Partnership, stresses:

“Whilst not intrinsically referred to in our action plan, the process of public procurement is fundamental to realising our objectives for more mobile and sustainable cities and spaces. Indeed, public procurement will be needed to deliver on more sustainable public transport systems and realise ambitions for more active cycling and walking, as cities will need to procure new vehicles and infrastructure. Public procurement is effectively a cross-cutting theme across the four working groups of our partnership.”

Sebastien Viano, Coordinator of the Urban Agenda Partnership for Security in Public Spaces, City of Nice, highlights:

“Our partnership is seeking to develop relationships which will enable urban planning to create safer cities; develop technology for smart, sustainable and safe cities; and support the management of security in urban public places. At some point, our local and regional partners will need to think about how to procure goods, services and work which will enable these ambitions to be met.”

This article seeks to explore these ways and mechanisms in more detail and answer the question of how to design safe and sustainable cities through the lens of public

procurement. It does this by detailing why public procurement is important and introducing the EU legislative framework, after which it details how cities in particular can include considerations of urban mobility and security at different stages of the procurement cycle. The second element also includes five case studies. And finally, the article provides advice for cities seeking to improve and change their approaches to procurement, so that it is used as a lever to design safe and sustainable cities.

Why is public procurement important?

The topic and process of public procurement has often been viewed as a challenging one for governments and municipalities because of its complexity and bureaucracy. Governments and municipalities have often focused on ensuring that procurement processes are rightly transparent and respect the legislation, and that the price is the predominant decision-making factor in any procurement process. Indeed, this has led to public procurement being viewed as monotonous and technically focused. However, this view is far from the reality. In fact, public procurement is, and should be, an essential cross-cutting theme for all EU Member States and regional and local authorities. Public procurement is important for a number of reasons.

The first reason is the scale of procurement spend. Across Europe public procurers spend an annual 2000 billion Euros buying goods, services and works, accounting for 14% of GDP. This is a significant amount and it is increasingly important that governments and municipalities understand the types of organisations they are purchasing from, where these organisations are based, the sectors they operate within, and what the business practices of these suppliers are.

The second reason is linked and around the accountability of procurement spend. Given that the 2000 billion Euros spent buying goods, services and works is raised through taxation, it is important that governments and municipalities are accountable to the very people who contribute towards that pot of resource, namely every taxpayer and citizen across Europe. Public procurement should not be shrouded in mystery – decisions should be relevant to the needs of EU citizens and accountable to those citizens.

The third reason is that public procurement can be used as a lever to address wider economic, social and environmental challenges and subsequently contribute to realising much wider policy goals. Public procurement is not and should not, just be about buying a product or a service – it should be a means of thinking through, for example, how that purchase can also contribute towards creating new jobs and sustaining existing ones; how it can reduce the distance that goods travel and, thus,

mitigate the impact of climate change; and how it can contribute to enabling volunteering opportunities for the employees of suppliers.

In 2014, the European Commission updated the [European procurement directives](#) with new directives that particularly recognise the reasons why public procurement is important. The directives rightly seek to ensure that public procurement across Europe is undertaken in a transparent, fair, and efficient way. The directives' update introduced three new considerations to the process. Firstly, they sought to make the procurement process more flexible and less bureaucratic by introducing e-procurement and different models of procurement, such as innovation partnerships. Secondly, they sought to diversify the types of organisations bidding for, and winning, public procurement contracts, with a particular emphasis on small and medium-sized enterprises (SMEs). Thirdly, they sought to encourage governments and municipalities to use procurement as a means of achieving wider social and environmental goals.

Although the new considerations have been in place since 2014, governments and municipalities have been relatively slow in embedding social and environmental considerations into public procurement processes and practices. Cities that have not been so slow have been those involved in the [URBACT](#) programme's [Procure](#) and [Making Spend Matter](#) networks and in the EU Urban Agenda Partnership for Innovative and Responsible Public Procurement. The two networks and the partnership have sought to encourage municipalities to think progressively about public procurement and, more specifically, to think of procurement as a cycle where economic, social and environmental considerations can be explored at different stages.

Designing safe and sustainable cities through the cycle of procurement

The cycle of procurement has four key stages. These stages recognise that public procurement is not just about the procurement officers who design tenders and evaluate the responses of potential suppliers. Instead, public procurement involves a range of stakeholders across the four different stages of the cycle. The following section details each of the stages of the cycle of procurement, outlines how safe and sustainable cities can be designed during that stage, and provides a case study from an Urban Agenda / [Urban Innovative Actions](#) / URBACT city that has undertaken work on this theme.

Stage 1 – Strategy

Stage 1 of the cycle of procurement is about strategy making. All cities across Europe will have an overarching city strategy, development strategy or economic development

strategy. Each of these strategies will outline a series of priority themes the city wants to work on over a given time (such as crime or public transport), and a series of outcomes that it wants to achieve (such as reducing anti-social behaviour or improving access to public transport for those living in the most deprived communities). Cities should also have in place a procurement strategy, which outlines their approach to procurement, their adherence to legislation, and the types of wider outcomes they are aiming to achieve through the procurement process.

The outcomes in the overarching strategy should be replicated and referred to in the procurement strategy to ensure that municipality purchases through public procurement are aligned. The first way of designing safe and sustainable cities is, therefore, to ensure that outcomes surrounding the themes of urban mobility and safety and security of public spaces are detailed in both the overarching strategy and procurement strategy. This requires a relationship between politicians (those that set the priorities and outcomes for a given city), strategists (those developing the overarching strategy), and procurement officers (those with the knowledge of what a municipality buys and the extent to which certain outcomes are relevant).

The types of outcomes that can be included in an overarching strategy and procurement strategy on urban mobility and security in public spaces may include:

- increasing the levels of environmentally friendly public transport provision and use in the city;
- increasing the amount of walking and cycling spaces in the city and their use by residents and tourists;
- reducing the levels of actual and perceived anti-social behaviour in public spaces, including graffiti and hate crimes;
- reducing the risk of criminal activity through the provision of security services in public venues.

Haarlem, the Netherlands

The City of Haarlem (the Netherlands) is the Coordinator of the Urban Agenda Partnership for Innovative and Responsible Public Procurement and has been developing sustainable procurement strategies for over 10 years. The focus of such strategies has largely been on ensuring procurement is undertaken in a legally compliant manner and on setting the thresholds for which particular procurement procedures apply. The city has also started to embed wider economic, social and environmental outcomes into the sustainable procurement strategy, including in the area of urban mobility and security. For a recent framework agreement for public space maintenance and construction work execution, after the selection stage, the city asked bidders to

provide proof of how they would collaborate with the city and its inhabitants, and how they would implement their project sustainably and in a circular way. The City of Haarlem also includes a social return clause in all contracts, with an obligation for suppliers to spend 4 % of their yearly revenue on including vulnerable groups in their workforce.

Karlsruhe, Germany

The City of Karlsruhe (Germany) is the Coordinator of the Partnership for Urban Mobility. Since 2012, the City of Karlsruhe has followed an ambitious and integrated transport development plan with a goal to develop sustainable and innovative mobility for the entire urban society. Through a continuous and extensive participation process, a consensus for the concept was reached between the administration, society, and related business. The plan is a framework for developing Karlsruhe's mobility system in the next 10–15 years and sets out objectives and specific implementation measures for networks, pedestrian access, cycling infrastructure, and public transport. The process of public procurement is recognised as fundamental to the realisation of the plan, both in the direct procurement of suppliers to deliver on urban mobility infrastructure and in the indirect knock-on benefits that procurement will have on realising wider outcomes for the City of Karlsruhe.

As part of the Partnership for Urban Mobility, [Action 2 'Reinforcing the uptake of urban mobility planning'](#) aims to deliver four outputs: an overview of national frameworks for developing sustainable urban mobility plans (SUMPs), a single database of SUMPs, good practice in SUMP development, and updated SUMP guidelines.

Anke Karmann-Wössner, Coordinator of the Partnership for Urban Mobility, City of Karlsruhe, says:

"The SUMP database and the identification of good practice in SUMP development will be particularly helpful in identifying the types of outcomes that cities are seeking to achieve through their SUMPS and the urban mobility activities they are looking to deliver. Thinking about public procurement, it will be important in the future to ensure that the outcomes detailed in SUMPs are also detailed in procurement strategies."

Stage 2 – Commissioning

Stage 2 of the cycle of procurement is about commissioning. This is the process used by municipalities to design the goods (such as pens and paper for municipality officers),

services (such as mental health services for the resident population) and work (such as the construction of new buildings and roads) that they wish to procure. During commissioning, those from the municipality, who often have specialist technical knowledge, will identify what they want to purchase, how much they have in terms of budget to spend, the timeframes they want to deliver the purchase over, and what they want potential suppliers to outline during the procurement procedure.

It is at this stage that the commissioners (the technical officers described above) should also begin to think about the extent to which the outcomes detailed in the overarching strategy (and subsequently procurement strategy) are relevant for the type of goods, services or work they are looking to purchase.

Commissioners should ask themselves and procurers questions, such as whether the outcomes detailed in the procurement strategy on urban mobility and safety and security in public spaces are relevant for the type of goods, services or work they are procuring. For example, if they are purchasing a new road, which is predominantly for cars, as part of the commissioning and design process, they may think about how the successful supplier can encourage more sustainable transport use on that road, including cycling and walking, or how they can make that road safer. For example, if they are purchasing security services for a public space in the city, as part of the commissioning and design process, they may seek to encourage suppliers to engage with unemployed people and support their journey into employment.

As part of the Urban Agenda Partnership for Security in Public Spaces, Action 4 ‘Developing a capacity-building training scheme for integrated urban security’ aims to develop a pan-European training scheme for those that work as security officers and in interlinked activities, such as youth work, housing, and urban planning. Commissioners of security services should also be engaged in such training schemes.

Sebastien Viano, Coordinator of the EU Urban Agenda Partnership for Security in Public Spaces, City of Nice, points out:

“Actors who work on urban security and crime prevention are often not sufficiently trained to respond to new challenges and to work in partnership with actors from other fields. The integrated approach in our training scheme aims to focus on the complexity, multi-disciplinarity and interdisciplinarity of the concept of security. The development of such a capacity-building scheme on integrated urban security would

help all operators that in local urban contexts have to deal with security from different points of view.”

It is also at this commissioning stage where commissioners and procurement officers will decide on the decision-making weighting for purchasing the goods, services or work. This will often hone in on two factors: the price of the goods, services or work being offered by potential suppliers (perhaps 50 % of the weighting), and the quality (perhaps 40 % of the weighting). However, if they are seeking to also achieve wider outcomes, for example on urban mobility, they may want to weight 10 % on this as part of decision-making. At this stage, they may also want to think about innovation in procurement and undertaking pre-procurement engagement with the market to inform the tender process and to scope the potential for new and innovative solutions.

As part of the Urban Agenda Partnership for Security in Public Spaces, Action 6 ‘Developing guidance for architectural spatial design and planning – security by design’ aims to do two things. Firstly, it aims to centralise and inventorise existing documentation on a resource platform for the protection of public spaces. And secondly, it seeks to promote and mainstream the notion of security by design by creating promotional materials. It is at the commissioning stage of the procurement process where new solutions on security by design may be identified through the adoption of an innovative approach.

Hans Crab, Brussels Prevention Security and Action Leader for Action 6, says:

“The implementation of a security by design–based approach to enhance security in public spaces is an innovative practice in which local and regional authorities, to date, often have little experience or expertise. While several initiatives have been undertaken in recent years to better secure vulnerable public spaces against natural disasters, such as earthquakes or vehicle ramming attacks in the case of terrorism, often these efforts have not been integrated in a holistic approach towards safety and security. As a result, there is still a need to ‘connect the dots’ when it comes to the integration of prevention and security features in the structural architectural and spatial design of urban areas.”

Koszalin, Poland

The City of Koszalin (Poland) has been involved in [URBACT's networks](#) focusing on procurement (Procure and Making Spend Matter) and is a member of the Urban Agenda Partnership for Innovative and Responsible Public Procurement. Since 2015, Koszalin has been seeking to improve the way in which it undertakes procurement with a key emphasis on developing more effective relationships with suppliers and particularly SMEs. Koszalin recognises that by having early conversations with SMEs, the city can gain greater evidence as to the types of goods, services and work that they can potentially provide for the municipality and other public procurers and, additionally, the types of wider outcomes suppliers can potentially deliver through procurement, including in the area of safe and sustainable cities. The commissioning stage, as described above, is the main time at which the municipality seeks to develop relationships with business (for example, by working together with chambers of commerce). The City of Koszalin seeks to further improve its procurement processes in the future by developing a social value procurement framework, which will detail the wider outcomes that they will seek to achieve through procurement and the different types of goods, services and work for which they are relevant.

Stage 3 – Tendering

Stage 3 of the cycle of procurement is about tendering. This is the process used by procurement officers to purchase goods, services and work. Here, they will work with commissioners to write the tender specification for the goods, services or work being procured; they will advertise the specification across Europe and locally; they will evaluate the tender responses of potential suppliers; and they will select the successful supplier.

If during the commissioning stage, the commissioners decide that they also want to use the purchase to contribute to wider outcomes on urban mobility and safety and security in public spaces, then they need to build questions on these outcomes into the tender specification, so that potential suppliers can respond. There are generally three types of questions which are asked on wider outcomes in tender specifications.

There are **‘how’** questions, which lend themselves to a quantifiable response from potential suppliers. For example, ‘how many new jobs will you create through this security service contract in addition to what you would be creating anyway?’ There are **‘what’** questions, which lend themselves to more of a qualitative and descriptive response from potential suppliers. For example, ‘what types of activities will you undertake to encourage city residents to increase their walking and cycling?’ There are

‘do you have’ questions, which lend themselves to a ‘yes’ or ‘no’ answer. For example, ‘do you have an environmental management strategy?’

Once the procurement officers have received the tender responses from all potential suppliers, they will evaluate the responses using a mix of qualitative and quantitative techniques, apply the weightings decided in the commissioning stage, and award the contract to the successful supplier.

Pamplona, Spain

The City of Pamplona (Spain) has been involved in URBACT’s Making Spend Matter network and is recognised by the European Commission as one of [71 case studies](#) of cities effectively implementing socially responsible public procurement. The recognition is because of the introduction of the ‘Instruction of strategic and socially responsible public procurement’ in 2019, which was accompanied by a guide that put social clauses, verification mechanisms and impact measurement tools at the heart of procurement practice. The policy aims to maximise the return of public money to the people and make clear impacts in terms of social inclusion, redistribution, equality and sustainability.

Stage 4 – Delivery and monitoring

Stage 4 of the cycle of procurement is about delivery and monitoring. It is crucial that a municipality also monitors the performance of the successful supplier against the planned outcomes during the delivery of the goods, services or work. This is, however, something that municipalities often do not undertake because of time and capacity constraints.

As part of the Urban Agenda Partnership for Innovative and Responsible Public Procurement, [Action 2 ‘Measuring spend and wider impact in European cities’](#) produced a guidance note which provided advice for cities on how to measure where their procurement spend goes and the impact their procurement spend has on addressing wider challenges.

Monitoring is possibly the most important part of the cycle of procurement, and municipalities can collect a range of output data about the wider outcomes that the successful supplier detailed in their tender response. These wider outcomes are a contract condition in much the same way that price and timeframes are, and should be

appropriately monitored. This stage is particularly beneficial for demonstrating how political priorities and those detailed in the city strategy have been met.

Växjö, Sweden

The City of Växjö (Sweden) is currently delivering an Urban Innovative Actions project on digital procurement. The Digital Acceleration for Medium-Sized Cities project (DIACCESS) aims to solve societal challenges by establishing close innovation partnerships between municipal departments and companies and digital innovators. The purpose of the project is to make available highly functional and relevant digital solutions that solve the needs and challenges for Växjö's own operations, while also making solutions that could be marketed by the innovators to other municipalities in Sweden and worldwide. The assumption is that very close innovation partnerships based on innovation procurement contracts will allow the partners to jointly, and in cooperation with stakeholders in the value chains (including citizens), to develop solutions which fully solve the challenges identified. At the same time, this also brings opportunities for innovators to bring new innovative products to the market through the public procurement process.

Conclusion and advice for other cities

This article has sought to detail the process through which cities can be designed in a safe and sustainable way through the lens of public procurement. It has outlined that regardless of the types of wider outcomes that a city is seeking to achieve, these outcomes need to be identified and explored at each of the four stages of the cycle of procurement. The article concludes with 10 pieces of advice for cities which are seeking to improve the way in which they undertake procurement, including for embedding outcomes around urban mobility and safety and security into the process.

- a) Ensure that the function of procurement is recognised as essential to the delivery of municipality activities.
- b) Ensure that procurement is not just about procurement officers, but also politicians, strategists, commissioners, and contract managers.
- c) Understand existing procurement spend, including the types of suppliers it is spent with and where procurement spend goes.
- d) Develop a procurement strategy which details the types of outcomes that your city wants to realise through procurement.
- e) Train municipal staff across departments in the implementation of the procurement strategy.

- f) Add wider outcomes during the design and commissioning of procurement opportunities on a case-by-case basis and where relevant.
- g) Brief potential suppliers on the types of wider outcomes included in specific tender specifications.
- h) Ask questions on wider outcomes in the procurement specification.
- i) Evaluate the responses of suppliers to those wider outcome questions.
- j) Monitor the performance of suppliers against the wider outcomes during the delivery of the procurement contract.

It could be argued that the principles and processes outlined in this article are relevant across the range of EU policy and integral to the realisation of the priorities of the [New Leipzig Charter](#) and the European Urban Initiative. This article should be read alongside the following material:

- [The European Commission guide on buying social: A guide to taking account of social considerations in public procurement](#)
- [The URBACT online training course on strategic procurement](#)
- [The actions of the Urban Agenda Partnership for Innovative and Responsible Public Procurement](#)