

A Fairer Southampton

Southampton Fairness Commission

Final Report: December 2015

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1. Acknowledgements

The Southampton Fairness Commission would like to thank:

- The countless individuals, groups, organisations who invested their time and energy in contributing to the Commission's work – there are too many to name individually
- Those who shared their knowledge and expertise
- Those who gave us their personal testimonials and life experiences
- Those who shared their enthusiasm, innovation and ideas
- Speakers who gave formal presentations at the themed meetings.
- Other Fairness Commissions that have inspired us.

We would also like to thank people who spoke and gave their support at the initial launch of the Southampton Fairness Commission - Lela Kogbara (Islington Council) John Denham (MP for Southampton Itchen until May 2015) and Paula Claisse from KPMG.

We would particularly like to thank Councillor Andy Hull (Islington Council) for sharing learning and experience of the first ever Fairness Commission with us.

Find out more about the Southampton Fairness Commission by visiting our website:
www.southamptonfairnesscommission.org

2. Foreword from the Chair

Like everyone else, I want a good life for myself, my family, and my friends. I want a roof over my head, food and shelter for my family, good health, a chance to learn and develop, and hold a satisfying position in a community which makes me feel wanted and useful. A world in which everyone had all this would come close to my personal definition of fairness.

I have worked in Southampton for 17 years and been closely involved in many of the economic and social developments in the city. I have been fortunate in having a rewarding job and a circle of stimulating and helpful colleagues. Not everyone has been that lucky.

Outside London, the South East is the most prosperous region in the world's sixth largest economy. Southampton is the region's second largest city. It includes one of Europe's largest cruise ports and the UK's second largest container terminal. It is home to two universities, many large, successful and growing companies, the regional headquarters of many major financial services providers, and is one of the UK's most popular retail centres.

Yet it also contains pockets of extreme social and economic exclusion. The Index of Multiple Deprivation (2015), has just been released. This shows that Southampton is becoming more deprived compared to other places in the country. Within the city, of the 148 neighbourhoods analysed (Lower Super Output Areas/ LSOA's), Southampton contains 19 in the most deprived 10% in England. Almost 70% of LSOAs are more deprived in both absolute and relative terms compared with IMD (2010). This is so much more than a statistic. It means people sleeping rough on the streets, not knowing where their next meal is coming from. It means adults and children living in sub-standard housing. It means children going to school without a proper meal. It means people being marginalised from society and from the labour market. It means generations of children growing up with low aspirations, and little hope. It means people dying early because of the postcode they were born into, or live in.

This is not primarily a report about equality and diversity, though clearly they are inextricably intertwined with issues of fairness. Underlying all of our recommendations is the absolute necessity for people to be protected from discrimination and prejudice. We believe that the effect of our proposals will be to promote equality, reduce the harmful effects of irrational prejudice, and encourage Southampton to celebrate and benefit from the rich diversity of its inhabitants.

We in the Southampton Fairness Commission believe that:

- **Inequality is bad for everybody**, not just those at the lower end of the socio-economic scale. Numerous recent studies by leading economists bear this out.
- **Inequality is growing in the UK** and has been growing for the last ten years, accelerating after the 2008 economic crash and recession.

- **Concerted local action is required** and likely to be the only effective way forward. Disadvantaged people in Southampton and other similar communities are unlikely to receive any significant help from public agencies over the next few years because of policy constraints in central government and resource constraints in local government.
- **Southampton has the potential to be one of the best places in the world to live and work.**

Southampton has sometimes been criticised for a lack of ambition, a feeling that although things could be better, they are not bad enough to spur energetic action. But the social indicators in the UK, and global economic trends, are moving in the wrong direction. We can either wait until they compel crisis action, or seize the initiative now and bring public, private, and non-profit sectors, (corporate and individual), together to make the most effective use of the resources available to make the city a better place to live, work, learn, visit, and do business.

Jonathan Cheshire OBE

3. Our vision and principles

One of the greatest challenges for the city is how to tackle unfairness and improve outcomes for those experiencing disadvantage, whilst maintaining the levels of wellbeing others already enjoy.

Our vision of fairness

A fairer Southampton will have a virtuous circle, centred upon fairness and a reduction in inequalities, with more and more of our citizens contributing economically and socially, thus generating further economic prosperity and a greater sense of collective wellbeing. We want everyone, irrespective of social or financial status to be able to:

- Reach their full potential.
- Live in good quality, affordable homes.
- Lead healthy, active and independent lives.
- Contribute fully to the life of the city.

Our principles of fairness

- Everyone in Southampton should have the opportunity to do well in life, regardless of their beginnings or where they live.
- A commitment to greater equality in health outcomes, wellbeing, social relationships, learning and life opportunities, is a worthwhile investment for all, reducing costs and multiplying social and economic benefits in the long term.
- Consensus and innovation among Southampton's public, private and voluntary sectors should bring about lasting solutions to inequality.
- Prevention of inequalities and removing any barriers to fairness through appropriate policy and practice are more effective than later attempts to correct unfairness.
- People are empowered more when solutions are found by them in consultation with others, not just for them.
- Resources should be prioritised where the most benefit can be provided for those in greatest need.
- Southampton must reflect, represent and cherish our community diversity, value those from different backgrounds and identities, and protect and encourage vulnerable people.

4. Executive summary and recommendations

This report presents a summary of our findings and the 13 key recommendations of the Southampton Fairness Commission.

In undertaking this work, we have engaged with a wide cross-section of contributors and used a range of methods to gather evidence, inform our priorities and test our recommendations.

We have considered the wider structural issues and made a conscious decision to focus on those areas where we can make the biggest difference at a local level.

The Chancellor's Summer Budget recently announced many reforms to welfare including 'in-work' benefits and a new national Living Wage. The impact on fairness and on individuals, households and employers is currently being debated.

The Commission have also considered the 'Localism Agenda'. In particular, we looked at how greater use can be made of powers, duties, and resources to get the best and fairest outcomes for residents.

Locally our expectation is that our recommendations will be considered by the City Council when seeking greater local influence, freedoms and flexibilities through devolution. A combined authority submission could be instrumental in making the sub-region and Southampton fairer.

The Commissioners want:

- The recommendations in this report to help build consensus in the city to address the imbalances detailed in section 7 and make us a fairer city.
- The leaders of public, private and voluntary sectors to ensure, when making difficult decisions, they are fair and do not inadvertently foster inequality.
- Southampton Connect¹, the City Council and key organisations to influence outcomes, by using their resources, powers and voice in a cohesive and unified way to campaign regionally and nationally for better outcomes for Southampton residents.

Our recommendations have been reached through consensus and based on the evidence we have gathered. In presenting them, we have focused on those that will really make a difference to fairness in Southampton. There is much good work already under way in the city to improve the lives of those who are most under-served and disadvantaged, which we have assumed will continue. We have not prioritised areas where we have little new to add.

¹ Southampton Connect comprises leaders from the public, private and voluntary sectors and is chaired by the Chief Executive of Southampton City Council. Representation includes health, universities, colleges, schools, police, probation, fire service, Southampton Voluntary Services, Chamber of Commerce and Business South.

Our recommendations are given below:

Fairer employment

1. Create a 'Great Place to Work' city with commitment from employers, including the promotion of the Living Wage² and recognise achievements at an annual award ceremony.
2. Establish a comprehensive support service designed to help people deal with involuntary self-employment, fairly and safely - e.g. dealing successfully with HM Revenue and Customs (HMRC), insurance, cash flow, credit control and VAT.
3. Establish a tactical fund to address urgent skills shortages in the local labour market; to be allocated by a representative group of employers and employee representatives, to be financed by pooled contributions from strategic funders – Skills Funding Agency (SFA), Solent Local Enterprise Partnership (LEP), Department for Work and Pensions (DWP) and their contracted providers.

Fairer living

4. Increase the availability of affordable and good quality housing by using alternative funding mechanisms outside public sector constraints to build new homes and exploit under-used resources such as empty properties, self-build and container conversions. This should also provide local employment opportunities.
5. Encourage our citizens to take individual responsibility for healthier lifestyles and all agencies to take collective action to support this through citywide campaigns to reduce smoking, drinking and obesity.
6. All health and social care commissioners should ensure that contracts with providers require them to demonstrate that they have taken action to achieve equity of outcomes. The Health and Wellbeing Board must monitor inequalities and take actions to address them.
7. Improve access to, and awareness of financial services for all by building capacity in community finance institutions and initiatives e.g. Credit Unions and user-friendly local banking.
8. Improve the ability of people to manage money better by:
 - a. Promoting and providing learning modules for debt and money management in schools and colleges.

² Living Wage in this report refers to the level recommended jointly by the Joseph Rowntree Foundation and the Resolution Foundation, which may be higher than the Living Wage in the Chancellor's Summer Budget 2015.

- b. Developing and implementing a programme to increase awareness of and fair access to welfare entitlements, particularly linked to key life-transition points.
9. Improve accessibility to integrated transport by actively:
- a. Supporting social enterprise solutions to improve local transport, particularly in non-commercial routes.
 - b. Taking a more strategic approach to market failures in transport, particularly bus routes and frequency of key bus services.

The delivery of the recommendations under these two themes needs to be supported by:

Fairer organisations and fairer communities

10. Organisations, in procuring goods and services, should maximise local economic and social outcomes through improved application of the Social Value Act to:
- a. Increase employment and skills of local residents.
 - b. Use local supply chains to develop capacity in local organisations with a long term commitment to the city.
11. Promote zero tolerance of bullying, hate crime and discrimination, by increasing awareness in the city of reporting mechanisms and organisations improving their responses and support for victims.
12. Support individuals and communities to take responsibility for improving the quality of their lives and their environment through funding of small community-run preventative projects to reduce inequality.
13. Set up a 'Southampton Fairness Fund', an 'employee giving' scheme matched by employers and allocated in a transparent and democratic way by an independent voluntary sector organisation to promote fairness.

5. The Southampton Fairness Commission

The Southampton Fairness Commission is an independent and entirely voluntary body. It was set up in late 2013, against a backdrop of impressive economic growth for the city that is somewhat negated by the poverty and deprivation experienced by a significant proportion of its citizens. It was established by Southampton City Council to look into how to make the city a fairer and more equal place to live and work, by:

- Identifying inequalities and challenges in the city and developing a strategic approach to fairness and equality.
- Improving understanding of fairness and equality, through the examination of the key thematic priorities.
- Setting forward a vision for fairness that would inform, influence and inspire Southampton City Council and partner organisations.
- Identifying and examining ways partner organisations can work together to develop innovative responses.
- Collecting examples of good practice in order to develop evidence-based policy recommendations and responses to promote equality and fairness through the work of Southampton City Council and partner organisations.
- Informing and influencing budgetary decisions proposed by Southampton City Council.
- Influencing corporate and civic behaviour of others in the city.

The Commissioners:

The Southampton Fairness Commission comprises representatives from the public, private, and voluntary sectors. The Commissioners are unpaid volunteers and were appointed as a Task and Finish Group on the basis of their professional expertise and commitment to fairness and social justice. They have shaped and promoted the work of the Southampton Fairness Commission, and worked together to identify practical ways of making the city a fairer place.

The Commission is chaired by Jonathan Cheshire OBE, a leading developer of charities and voluntary agencies with particular expertise in youth and young people's issues, employment and training, regeneration, and outdoor education.

The Vice Chair is Dr Darren Paffey, a former Labour councillor for Southampton City Council and a lecturer in Spanish and Linguistics at Southampton University.

The Commissioners are:

Name	Experience/ Areas of Interest/ Expertise
Dave Adcock	EU Welcome Project – supporting local migrants
Jo Ash	Southampton Voluntary Services – voluntary sector
Annette Davis	SCRATCH - Community led anti-poverty projects
David Gilani	University of Southampton - Student experience, communications
Geoff Glover	Ford Motor Company Ltd (previously) - employment, skills and business development
Joe Hannigan	Southampton and Hampshire Trades Councils, Health and Care Activist
Ian Loynes	SPECTRUM Centre for Independent Living – Disability issues
Ahmed Sasso MBE	Southampton police lead on diversity matters
Jojar Singh	Hampshire Chamber of Commerce
Alex Whitfield	Solent NHS Trust – senior management experience in health

As a Commission, we have considered the wider structural issues and made a conscious decision to focus on those areas where we can make the biggest difference at a local level.

6. Why fairness is important for everyone

Fairness is important for everyone. The '*Spirit Level*'³ and '*Fair Society, Healthy Lives*'⁴ (Marmot Review) provide compelling evidence that unfairness and greater levels of inequalities in society correspond to poorer outcomes on a whole range of indicators from child wellbeing, right through to life expectancy and life's end.

There will be some who have no direct experience of inequality, and who will think that an unfair Southampton is nothing to do with them. They would be wrong; unemployment, poor educational achievement, low incomes, poverty, health inequalities and discrimination prevent people from achieving their full potential, reduce their contribution to wider economic growth, and inhibit the city's ability to attract public funds and inward investment.

An excellent start to life sets the right foundation for all children to grow into confident, successful and active citizens. Barriers such as poor schooling, poverty, domestic violence and ill health can result in children not being able to develop fully and make their full contribution to the local economy and the communities to which they belong. People whose life chances and health are damaged because of where they are born, their circumstances or their background, are likely to need more support from services paid for by council taxpayers and by those in work. The Government estimates that for every family with complex needs, who are successfully supported by a range of services to turn their lives around, the total public sector savings are in the region of £96,000 per year.⁵

Social cohesion is damaged when people feel they have no stake in their communities or are alienated by poverty and unemployment. Helping everyone to realise their full economic and social potential means fewer people will be unemployed or be dependent on benefits and public services. This will ultimately have a greater positive impact on the city through their increased economic output and more local spending. This will create a positive cycle of generating job opportunities to the benefit of local people, so that our residents can also contribute towards the growth of the city. There is a strong and undisputable economic and social case that reducing the large disparities between the 'haves' and 'have-nots' in the city will ultimately make life better for all.

We want more employers, talent and wealth creators, to be attracted to invest in the city. One sustainable way to do this would be to tackle unfairness and the social conditions that strain public resources and make for a less welcoming environment.

³ Wilkinson, R. and Pickett, K. (2010). *The Spirit Level: Why Equality Is Better For Everyone*. Penguin.

⁴ *Fair Society, Healthier Lives: The Marmot Review* (2009). Institute of Health Equity.

⁵ *The Cost of Troubled Families* (January 2013). Department of Communities and Local Government.

7. The Southampton picture – not such a fair deal for everyone

Southampton is the one of the largest cities in the South East and has huge economic potential. It was identified as the 4th highest ranked city for ‘good growth’⁶ in the UK in 2013. However not all local people enjoy the benefits. There are huge differences in life chances, experiences and outcomes between our more affluent residents, neighbourhoods and communities and the most deprived, as well as between some areas in the city and regional or national averages.

The Index of Multiple Deprivation (2015), has just been released and we are awaiting the detailed analysis. It shows that Southampton is becoming more deprived compared to other places in the country. Within the city, of the 148 neighbourhoods analysed (Lower Super Output Areas/ LSOA's), Southampton contains 19 in the most deprived 10% in England. Almost 70% of LSOAs are more deprived in both absolute and relative terms compared with IMD (2010).

We considered a lot of data as well as feedback about people’s own experiences relating to poverty, inequality and fairness. We found evidence that not everyone in the city gets a fair deal.

For example:

- The best-paid jobs in the city are held by in-commuters. In 2014, the average gross weekly pay by residence was £487.40 per week compared to £547.00 by workplace.⁷
- The average annual gross earnings of resident workers in Southampton was £24,913 in 2014. This is lower than for England at £27,500 and the South East at £29,903.⁸
- There are higher unemployment rates amongst over 50s in Southampton (4.3%) compared to England and the South East (3.5% and 3% respectively).⁹
- Benefit Sanctions for Jobseeker’s Allowance (JSA) claimants are particularly prevalent in Southampton. The local job centre is in the top three in UK for highest use of sanctions¹⁰ with 11.9 sanctions per 100 claimants in March 2014. Only Test Valley and Richmondshire have higher rates at 12% and 15.4 respectively.
- Resident skills levels are below national average for higher level skills. The percentage of residents qualified to NVQ Level 4 or above is 34.4% compared to 35.7% for England and 39.1% for the South East.¹¹

⁶ Price, Waterhouse, Cooper (2013). *Good Growth for Cities: A Report on Economic Wellbeing in UK Urban Areas*.

⁷ NOMIS (2014). Official Labour Market Statistics. *Labour Market Profile – Southampton*. [Online]. Available from: www.nomisweb.co.uk. Accessed August 2015.

⁸ Ibid

⁹ Annual Population Survey (2015) Data from April 2014 – March 2015. [Online]. Available from: www.nomisweb.co.uk. Accessed August 2015.

¹⁰ Beaty, C. et al (March 2015). *Benefit Sanctions and Homelessness: A Scoping Report*. Available from: www.crisis.org.uk. Accessed August 2015.

¹¹ Annual Population Survey (2015) Data from April 2014 – March 2015. [Online]. Available from:

- Nearly a quarter of children (9,830) live in poverty in the city and this figure rises to almost 40% in one of our most deprived wards.¹²
- The education attainment gap at GCSE for children eligible for free school meals is significant. 31.7% achieve 5 A-C GCSEs compared to 55.2% for children not eligible.¹³
- The proportion of working age Housing Benefit claimants has increased from 13% in April 2009 to 18% in April 2015.¹⁴
- The city has a lower rate of owner occupation than the regional and national average: 49.7% compared to 67.6% for the South East and 63.3% nationally. This is linked to the high level of students we have in the city (around 47,000).
- It has a higher rate of private rented (24.9% compared to 16.3% for the South East and 16.8% nationally) and a higher rate of social rented (23.3% compared to 13.7% for the South East and 17.7% nationally).¹⁵
- There are significant health inequalities in the city. People die earlier in the most deprived areas of Southampton – men by 6.7 years and women by 3.2 years.¹⁶ In Year 6, 21.8% of children are classified as obese,¹⁷ a higher rate than the national average.
- The rate of smoking related deaths was 329.2 per 100,000 people (2011-13 pooled). This is set to rise as the estimated levels of adult smoking in Southampton are worse than the England average.
- According to the IMD 2010,¹⁸ income deprivation is a major factor affecting older people in Southampton, with seven geographical areas in the city falling in the worst 10% for England. Low income in retirement is often linked to earlier low pay, or time out of employment – for example, due to caring responsibilities, disability or unemployment.¹⁹

Making Southampton a fairer city means changing these disparities by improving aspects of life that matter most to people.

www.nomisweb.co.uk. Accessed August 2015.

¹² Children in Low Income Families. (2014) HMRC. Data from Snapshot August 2012. [Online]. Available from: <https://www.gov.uk/government/statistics/personal-tax-credits-children-in-low-income-families-local-measure-2012-snapshot-as-at-31-august-2012>. Accessed August 2015.

¹³ Local Authority Interactive Tool (LAIT) 2014 [Online]. Available from <https://www.gov.uk/government/publications/local-authority-interactive-tool-lait> Accessed August 2015.

¹⁴ Southampton Welfare Reforms Monitoring Group (2015). *Local Impact of Welfare Reforms 2014-2015*.

¹⁵ Census 2011. Office of National Statistics [Online] <http://www.ons.gov.uk/ons/guide-method/census/2011/>

¹⁶ 2011-2013 pooled data.

¹⁷ 2013/2014 data.

¹⁸ Gamblin, D. and Mead, V. (May 2011). *Indices of Multiple Deprivation 2010*. [Online]. Available from: <http://www.southampton.gov.uk/policies/IMD2010%20Full%20Report%20May%202011.pdf> Accessed August 2015.

¹⁹ Age UK (2015) *Living on Low Income in Later Life*. [Online]. Available from: <http://www.ageuk.org.uk/money-matters/income-and-tax/living-on-a-low-income-in-later-life/> Accessed August 2015.

Poverty in employment is a growing issue. Vulnerability to, and experience of poverty differs significantly. Key poverty triggers are usually life events such as unemployment or a reduction in, or loss of earnings, retirement, the onset of a disability or ill-health and changes in the household (for example, more children, becoming a lone parent, divorce and separation, bereavement).

Income is massively important – the difference between the highest and lowest earners creates social distance, impacts on self-esteem, status and value, corrodes social cohesion and social mobility and generally results in poorer outcomes. At a local level, addressing poverty and low incomes is central to achieving fairness and therefore, has been the focus of the Southampton Fairness Commission's work. Hence many of our recommendations concentrate on skills improvement and employability so that people can raise their income levels, and on encouraging the development of jobs - at or above the Living Wage. We also emphasise increasing income by ensuring take-up of welfare entitlements and other support, and by promoting financial inclusion.

Crucially, some national policies impact on income and inequality. Austerity, alongside increases in the cost of living, and reductions in public sector funding, may have increased the risk of poverty and inequality and compounded the effects of economic deprivation.

Some of those hardest hit by the government imposed welfare changes have been those living in geographically deprived areas, women, young people, households with a disabled person, and families with larger numbers of children. Nationally, the biggest financial losses to benefit claimants arise from reforms to incapacity benefits (£4.3bn a year), changes to Tax Credits (£3.6bn a year) and the 1 per cent up-rating of most working-age benefits (£3.4bn a year).²⁰

In July 2015, the Chancellor published his Summer Budget. Although we have not yet been able to fully assess the local implications, we welcome and support:

- The introduction of a new National Living Wage for people aged 25 and over.
- The proposed creation of 3 million new apprenticeships by 2020.
- The proposal to offer 30 hours of free childcare to working families with 3 and 4 year olds from September 2017.

While we are aware that further changes to welfare provision will have wide reaching implications for people on low incomes, we want local decision-makers to consider the following elements of the Summer Budget which we feel may have a detrimental impact on many local people:

²⁰ Beaty, C & Fothergill, S. (April 2013). *Hitting the Poorest Places Hardest: The Local and Regional Impact of Welfare Reform*. Centre for Regional Economic and Social Research Sheffield Hallam University. [Online]. Available from: http://www.shu.ac.uk/research/cresr/sites/shu.ac.uk/files/hitting-poorest-places-hardest_0.pdf Accessed August 2015.
















- Freezing of working-age benefits, including Tax Credits and Local Housing Allowances for 4 years from 2016 - 2017.
- Reducing the household benefit cap from £26,000 to £20,000 and the income thresholds for Tax Credits and Universal Credit.
- Removing the automatic entitlement to housing support for new claims in Universal Credit from 18 - 21 year olds who are out of work. We do not endorse age discrimination as housing costs are the same, whatever your age.
- Requiring tenants living in social housing who have a family income of £30,000 to pay market, or near market rate, rents.

We are also concerned about:

- The new National Living Wage not applying to under 25 year olds.
- The potential for confusion between the 'real' Living Wage and the new National Living Wage.

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Measuring an improvement in fairness is difficult. We have selected a few measures to illustrate disparities within a prosperous city in the South East.

Theme	Indicator	Baseline	City – Most Recent (2015)	City Trend	Regional	National	Source
Employment	Long term unemployment Rate per 1,000 aged 16-64	1.68% (2004)	4.5%		3.62%	7.1%	Department for Work and Pensions (DWP) 2014
	Key out of work benefit claimants	10.9% (2004)	9.1%		6.8%	9.7%	DWP 2014
Income	Earnings by residence (gross weekly wage)	£397.9 (2004)	£487.40		£567	£520.8	DWP 2014
	Earnings by workplace (gross weekly wage)	£429.7 (2004)	£547		£541.4	£520.2	DWP 2014
	Child poverty (in under 16s) % of children under 16, in families receiving means-tested benefits & low income.	28.4% (2007)	23.5%		14.9%	19.2%	Public Health 2012
Health	Smoking prevalence	32.4% (2000-02)	21.5%		17.24%	18.4%	Public Health 2013
	Obese adults	21.5% (2000-02)	25.1%		21.05%	23%	Active People Survey, Public Health 2012
Housing	Statutory homelessness Rate per 1,000 households	4.9% (2005 – 06)	1.7%		1.63%	2.3%	Public Health 2013/14
Growing Up	Obese children % school children in yr6 (age 10-11)	17.2% (2005 - 06)	21.8%		16.43%	19.1%	Public Health 2013/14
	Infant mortality rate Rate per 1,000 live births	3.2% (2003 – 05)	2.6%		3.34%	4.0%	Public Health 2011-13
	NEET (Academic age 16 – 18 not in education, employment or training)	6.3% (2012)	4.8%		4.2%	4.7%	Department for Education 2014
	GCSE achieved (5 A*-C incl. Eng. And Maths)	36.2% (2005 – 06)	51.0%		59.03%	56.6%	Department for Education 2013/14
Growing Older	Life expectancy						
	Males	76.5 (2003 – 05)	78.2		80.4	79.4	Public Health 2011-13
	Females	81.2 (2003 – 05)	82.7		83.9	83.1	Public Health 2011-13
	Excess winter deaths Ratio of winter deaths to average non winter deaths	18.2% (2004 – 07)	19.1%		18.14%	17.4%	Public Health 2010 -13

8. Consultation, participation and engagement

The work of the Southampton Fairness Commission has drawn on local consultation, participation and engagement as well as the extensive body of evidence about the nature and extent of inequality in the UK and the damaging effects of inequality on wider society.

We have used a range of methods to gather evidence, inform our priorities and test our recommendations.

We used a range of methods including: collection and analysis of ‘fairness’ data, (and commissioning additional research where we have found gaps), visiting local groups, undertaking face to face interviews and surveys, attending discussions, debates and events and holding a series of public meetings covering key themes.

We have engaged with community representatives and advocates, local agencies and specialist workers, experts and academics and most importantly – knowledgeable residents of Southampton.

We thank all those who have participated.

A summary of this work is available on the Southampton Fairness Commission website.

9. The Commission's recommendations:

In making our recommendations, we have grouped them into 2 key themes:

Theme 1: Fairer employment: lack of and access to credit, difficulty getting work, access to skills, zero hours contracts, involuntary self-employment, low pay, limited chances of career progression.

Theme 2: Fairer living: lack of housing, poor housing, affordability of housing, health, obesity, social isolation, mental health, dementia, older people, growing up, affordable, transport, buses, digital divide.

The delivery of recommendations within these two themes needs to be supported by:

Fairer organisations: DWP, customer services, access to services, need for support.

Fairer communities: Valuing our local voluntary sector, community resilience, co-design and delivery, support services, and working together to tackle discrimination, harassment and hate crime.

For each recommendation, we have:

- Provided a sample of quotations from the wide-ranging feedback we received and tried to show a balance to reflect the range of feedback we received on the main issues.
- Given the rationale and impact of the recommendation and the difference it will make if implemented.
- Identified key organisations to be involved in delivering it.

This is what people told us during the consultation process.....

- *We need to “market Southampton to encourage more employers into the city.”*
- *“Share job opportunities between Southampton, Portsmouth and Hampshire as all are in easy commuting distance.”*
- *“Work with employers to raise awareness of the barriers.”*
- *“Employers need to invest in people.”*
- *“There is a lot of pressure on the salaries of workers in the city and employment has become more insecure.”*
- *“Parents returning to work, salary decreases, need more opportunities for work that fits in with parents’ responsibilities. This could be part of kite marking.”*

**Fairer employment:
Making work really pay**

Recommendation

1. **Create a ‘Great Place to Work’ city with commitment from employers, including the promotion of the Living Wage and recognise achievements at an annual award ceremony.**

A ‘Great Place to Work’ Employment Charter would look to embed in the workplace leading-edge approaches to work, resulting in employees feeling engaged with their employer and their employment. Employees would be consulted and involved in planning facilities, flexible working arrangements (particularly for those with caring responsibilities) and wellbeing initiatives. Support for Corporate Social Responsibility and volunteering schemes would also help to meet the needs of both employees and employers. Increasingly, employers are recognising that paying a real ‘Living Wage’ is essential to employee engagement and high levels of productivity – and workforce development and career advancement are key in employee retention.

Recognition for employers leading the way on ‘Great Place to Work’ would be at a high profile annual awards ceremony. Embedded within this, will be the recognition of agencies who have demonstrated zero tolerance of bullying, discrimination and hate crime, for example by increasing awareness of this amongst staff, encouraging reporting of incidences and improving their ability to respond to support victims. (See also Recommendation 11).

Why have we made this recommendation?

Southampton has higher than average levels of economic growth and a better employment rate than the UK average. We estimate that there are 18,600 full-time workers in the city who earn £7.69 or less.²¹ (The current Living Wage outside

²¹ Annual Survey of Hours and Earnings (2014). [Online]. Available from: www.nomisweb.co.uk. Accessed

London is £7.85). It has seen a significant reduction in the number of people claiming Jobseekers Allowance and been very successful in reducing the number of young people Not in Employment, Education and Training (NEETs).

Despite these positive features and trends, Southampton is a low wage economy with a continuing local shortage of the skills needed by employers and in line with national trends, low productivity levels. A disproportionate number of low-paid jobs are done by local people while many out-of-city commuters travel in for higher-paid jobs. Many local people are being forced to travel further for work and low wages have led to a growing use of food banks by people in employment. While the city benefits greatly from a large student population, this also impacts on the ability of residents to gain entry-level jobs. Employment patterns and barriers to work cause and maintain inequalities. Finally, the cost of childcare prohibits people returning to work.

Support towards childcare cost under Working Tax Credit/Universal Credit can only be claimed if the provider is on a HMRC approved childcare scheme (defined as being registered by Ofsted or directly run by a school/academy).

What difference will it make?

This recommendation will build on the efforts in the city to further improve educational attainment in schools and colleges, increase the number of apprenticeships, traineeships and reduce the number of young people who are not in education, employment and training as well as enabling adults to enter and progress in employment. It focuses on the quality of the working environment, work and a fair remuneration. Employers who have embraced the 'A Great Place to Work' approach have seen improvements in motivation and productivity and a reduction in employee sickness and absence rates.

We identify Southampton Connect, Business South and Hampshire Chamber of Commerce as key in delivering this.

This is what people told us during the consultation process.....

- *"The jobs that are available aren't suitable for many people."*
- *"We need good information about how to maintain and increase income as people come off benefits and into work (in one example a man went from 3 days a week to 5 days a week and lost £400 a month)."*
- *"We need a 'watchdog' of local recruitment agencies to stop people getting 1 or 2 days' work."*

August 2015

Recommendation 2:

Establish a comprehensive support service designed to help people deal with involuntary self-employment fairly and safely - e.g. dealing successfully with HM Revenue and Customs (HMRC), insurance, cash flow, credit control and VAT.

Why have we made this recommendation?

The labour market and the nature of employment is changing dramatically, largely driven by these competitive pressures and constantly advancing technologies. Nationally, there has been an increase in self-employment. The picture locally is less clear. While the city's continued economic growth has led to job creation, not all local residents have benefited from this because:

- Many vacancies are advertised without a salary and are often close to the minimum wage or on zero hours.
- There has been a growth of low paid, insecure employment – zero hours, 'self-employment', and involuntary short time.

There is convincing anecdotal evidence about the numbers of people being coerced into involuntary self-employment by employers who do not want to be responsible for National Insurance, sick pay, pensions, paid leave, or minimum wage levels. The interaction between the benefit system and self-employed income is particularly problematic. Concerns have been raised that Universal Credit will bring new burdens for self-employed people - *'as they will have to report their income on a monthly basis rather than annually through HMRC - and - many will receive less support than employees earning the same amount, just because what they take home varies from month to month'*.²²

The analysis from the Resolution Foundation is salutary:

'For some, higher self-employment levels are an indication that the recovery is built on shaky ground. There are suspicions that many of the newly self-employed are there unwillingly, forced to go it alone due either to a lack of employee jobs or unscrupulous employers looking to minimise their liabilities. There are also claims that people who may previously have remained unemployed have been encouraged to register as self-employed to access tax credits, but without the skills or desire to do so. Seen through this lens, self-employment represents another kind of precarious work, in the same vein as zero-hours contracts, leaving many with little security and few employment rights.'

For those who choose it, self-employment can be a challenging but highly rewarding endeavour. But self-employment also brings with it disadvantages, additional struggles and unpredictability. In addition, a range of protections — from basic employment rights to financial security, such as inclusion in auto-enrolment pension schemes — which most employees will enjoy are not

²² David Finch (June 2015). The Resolution Foundation <http://www.resolutionfoundation.org/media/press-releases/universal-credit-red-tape-cull-needed-to-help-parents-and-sole-traders/>

available to those working for themselves. As a result, it is important that self-employment should be a genuine choice, not a last resort'.²³

What difference will it make?

The establishment of a comprehensive support service would fill a gap in local provision for people who are forced into self-employment for jobs and in many cases, low paid jobs. People in these circumstances will be better able to establish themselves as self-employed and be more confident of navigating some of the complexities, risks and liabilities of self-employment.

We identify local advice and information services as key in delivering this.

This is what people told us during the consultation process.....

- *“Training and development for people in work so they can move up for better jobs.”*
- *“Look at barriers to different age groups – e.g. education/qualifications, computers, reading & writing.”*
- *“Training and funding for all – not just the youth.”*
- *“Apprenticeships for all ages and abilities.”*
- *“In-house learning and development needs to be encouraged by employers who need to remember that training is an investment not a cost.”*
- *“There have recently been some challenges recruiting the right staff, so we have developed greater flexible working and apprentice schemes.”*

Recommendation 3:

Establish a tactical fund to address urgent skills shortages in the local labour market; to be allocated by a representative group of employers and employee representatives, to be financed by pooled contributions from strategic funders – Skills Funding Agency (SFA), Solent Local Enterprise Partnership (LEP), Department for Work and Pensions (DWP) and their contracted providers.

Locally, there is a talent mismatch, i.e. the skills of people available for employment do not match well with opportunities available for locally for employment. The result is unfilled vacancies, stalled business growth, persistent unemployment amongst some sections of the population, under-utilisation of skills, frustrated aspirations, unfulfilled lives and an increased demand upon welfare provision.

²³D’Arcy, C. & Gardiner, L. (May 2015). *Just the Job – or a working compromise?* The Resolution Foundation. [Online]. Available from: <http://resolutionfoundation.org/wp-content/uploads/2014/05/Just-the-job-or-a-working-compromise.pdf> Accessed August 2015.

Why have we made this recommendation?

The Southampton labour market, like the wider UK, is full of contradictions. Unemployment is still high (and rising once again), but employers are worrying about their ability to fill vacancies and secure the requisite skills for business growth. We need to develop skills for the future and yet many employees are in positions well-below their competence level and feel under-utilised at work. Local people are struggling to secure jobs in the local economy, yet local employers are hiring people from other parts of the UK or overseas to fill vacancies.

The demand for advanced, senior and specialist skills is not met by the local skills supply. There is a healthy demand for lower-skilled workers, but in many cases far outweighed by supply, with as many as 60 applicants for some low-skilled vacancies. Many middle-level posts are disappearing, due to the application of technology or re-organisations, which eliminate, outsource or offshore these jobs.

Resident levels of higher level skills (NVQ Level 4 - degree equivalent and above) are below South East and national average.²⁴ Workers from intermediary roles are applying for and securing lower level positions. This includes graduates, who are finding it difficult to find graduate positions and so, in many cases, are adding to the competition for middle and lower level positions.

Labour is moving into the city from elsewhere, challenging city residents for the positions available at all levels. Fierce competition for jobs at the middle and lower end of the job spectrum is suppressing wages, whilst at the top end employers are suffering skills shortages, partially because these shortages exist, and partially because local residents are being sucked into the London economy and as a result pay is rising rapidly.

These conditions are causing twin tracks in pay and job security in the city. One track provides job insecurity, casual employment and low wages, whilst the other offers job security, permanent employment and rapidly rising wages. This will exacerbate the gap between the haves and have-nots in the city, as well as being bad for economic development and community well-being.

Short-term and urgent skills shortages are not always remedied in time by strategic bodies such as the Skills Funding Agency and the Local Enterprise Partnership. We need the 'Quest for Talent' to become a 'Quest to develop Talent', in order to safeguard economic development and social cohesion.

What difference will it make?

Barriers leading to local skills shortages can be given high priority and resolved effectively and quickly by employers using a tactical fund for operational issues. This will benefit both employers through timely identification and responses to local skills gaps. It will help residents by giving them training and job opportunities and improve their employability.

²⁴ The percentage of residents qualified to NVQ Level 4 or above is 34.4% compared to 35.7% for England and 39.1% for the South East.

We identify local employers and employee representatives, along with the Skills Funding Agency (SFA), Solent Local Enterprise Partnership (LEP), Department for Work and Pensions (DWP) and their contracted partners, as key in delivering this.

Other recommendations for fairer employment:

- Actions to improve pay ratios by increasing incomes and promoting the Living Wage in the city.
- Improve digital skills and employability of target groups and communities who are 'digitally excluded' by prioritising Community Learning budgets, alongside promoting digital inclusion and ensuring accessibility to public services.

DRAFT

Fairer living:

This is what people told us during the consultation process.....

- *“Affordability is an absolutely key issue in terms of housing access and fairness”.*
- *“‘Silent Homelessness’ (sofa surfing, young families living with parents etc.) is an issue that goes unrecorded.”*
- *“People living in private sector rented accommodation face unfair impact of the fee structure of agencies which means they do not take people on benefits. Deposits are not always being returned in full and tenants are not appealing.”*
- *“No real control over landlords. Basic lack of health and safety – more regulation needed.”*
- *“Housing conditions /homelessness impacts profoundly both on health and education/ employment.”*
- *“Principle issues are around cold, damp and overcrowding – linked to avoidable death, fuel poverty, respiratory problems and family problems with stress and anxiety etc. Overcrowding means children have nowhere to study and do homework. No home means difficulty washing, keeping clean and fit for work / study.”*
- *“Rules on ‘making oneself homeless’ seem unfair for families / individuals. In order to qualify for help must be children, severely disabled, experiencing domestic violence, mental health.”*
- *“Solutions for people living in social rented sector accommodation include building more homes and considering other models”.*
- *“Repeal bedroom tax!”*

Recommendation 4: The home truths

Increase the availability of affordable and good quality housing by using alternative funding mechanisms outside public sector constraints to build new homes and exploit under-used resources such as empty properties, self-build and container conversions. This should also provide local employment opportunities.

Housing quality and cost are a big issues nationally. If you are a private renter you are likely to spend a greater proportion of your income on housing than other tenure types. Data from 2014, identified that *‘at 55%, private renters in the bottom fifth of the income distribution spent the highest percentage of their income on housing costs. The next group was social renters in the bottom fifth at 33%’*.²⁵

²⁵ MacInnes, T. et al (November 2014). *Monitoring Poverty and Social Exclusion 2014*. Joseph Rowntree

Why have we made this recommendation?

There are huge housing pressures in Southampton. The level of owner occupation is dramatically lower than that in the rest of the South East. This is not unrelated to issues of deprivation, particularly worklessness and low incomes, and is unusual in and otherwise prosperous region. In addition, people on limited incomes can find themselves priced out of more expensive housing in areas outside the city, causing them to move to Southampton out of economic necessity. This places even greater strain on the city's housing. Like the rest of the South East, Southampton's property prices continue to grow at a rate that puts home ownership out of reach of many residents. (The average house price is almost 7 times the average income in the city²⁶)

The private rented sector has become a very useful source of meeting local housing needs and has grown to become one of the largest in the South East (24.9% compared to 16.3% for the South East and 16.8% nationally). Southampton is cited as a 'Buy to Let' hotspot, identified nationally as the city with the highest monthly return on investment.²⁷

At the lower end of the private rented sector, there are issues around access, insecurity/length of tenure, quality and affordability. For a single young person working full-time on minimum wage, a one-bedroom house would take the equivalent of 80% of their income per week.²⁸

Southampton has around 7000 Houses in Multiple Occupation (HMOs). The national average proportion of private dwellings that are HMOs is 2%. For Southampton this is 9.3%, a higher HMO rate than Portsmouth (5.9%) and Bournemouth (7.3%) but the rate is less than that in Brighton and Hove (20%).²⁹ This higher rate, is in part, related to the number of students who chose to study in the city.

The demand for social housing in the city is extremely high, and waiting times for an affordable home can often be up to seven years. There were over 13,000 on Council's waiting list for housing in 2014.³⁰ With only 40-60 vacancies per week, it would mean an average wait of 300 weeks (i.e. a baby born at the start of the wait would be at school by the time this period elapsed).

Southampton is active in working on homelessness prevention. There has been a 50% increase in the number of recorded homelessness preventions from 2008 to 2013. In 2008 the number of households prevented from becoming homeless was 902, but five years later this increased to 1,486 cases (2013). Whilst homeless acceptances have increased nationally by 20% over the last four years, in

Foundation.

²⁶ Office National Statistics - average dwelling price in Southampton in 2014 was £170,000, average income was £24,913.

²⁷ HSBC (2014) www.newsroom.hsbc.co.uk

²⁸ Love Southampton: Submission to Southampton Fairness Commission. [Online] Available from: <http://www.lovesouthampton.org.uk/wp-content/uploads/2014/01/LS-Housing-Submission-to-Fairness-Commission-RELEASE.pdf> Accessed August 2015.

²⁹ *Housing and Health in Southampton* (July 2015). Report to Southampton Health and Wellbeing Board.

³⁰ 13,287 on waiting list 1 April 2014 (Local authority housing statistics data returns for 2013 to 2014 – Gov.uk)

Southampton this has been restricted to 10%. The number of individuals found rough sleeping on weekly outreach sessions was 8 in 2011/12 increasing to 9 in 2014/15.³¹ Anecdotally, 'Silent Homelessness' (sofa surfing, adults and young families living with parents etc.) is also an issue which goes unrecorded.

Recent changes to the Housing Act 1985 (made by the Deregulation Act 2015) will reduce the qualifying period for a secure tenant to exercise the right to buy their property in England from five to three years. This could have a significant effect on local authorities as a large number of additional tenants will immediately be eligible for the right to buy.

The Summer Budget (July 2015) also included a range of announcements on housing, including:

- rents in the social housing sector to be reduced by 1% per year for the next 4 years
- tenants living in social housing who have a family income of £30,000 will be required to pay market, or near market, rate rents.
- measures to reduce tax reliefs which encourage 'buy to let' investments - with an aim to free up the housing market to more of the owner/occupier market including first time buyers.

None of the three changes above will increase housing supply, which is at the root of the problems in Southampton.

What difference will it make?

Good quality homes in decent neighbourhoods enable people to live safe, healthy and happy lives.³² Without a home, it is virtually impossible to get and sustain employment. This recommendation aims to increase the availability of affordable, good-quality housing in the short and long term and to provide local employment opportunities. It could be achieved by:

- Financing the building of new homes by the City Council.
- Enabling Housing Co-operatives to develop in the city.
- Developing creative short-term housing solutions, linked to developing skills and employment; e.g. high-spec container conversions and short-term leasing of empty properties for single people and young couples.
- Reinstating the private sector stock condition survey.
- Developing a register of landlords and a 'Good Landlord' quality mark/scheme and requiring all landlords and agencies to be on a register with the City Council.

We identify landlords (private sector and registered social) as key in delivering this.

In addition to recommendation 4, The Southampton Fairness Commission also recognises there are some groups facing specific and considerable issues relating to housing. In particular, it would like issues of unfairness in planning and

³¹ *Housing and Health in Southampton* (July 2015) Health and Wellbeing Board.

³² *Housing and Health in Southampton* (July 2015) Health and Wellbeing Board.

accommodation for Gypsies and Travellers and Travelling Show People tackled locally.

This is what people told us during the consultation process.....

- *“Smoking is the biggest cause of health inequalities – employers could offer employees time off if they want to go to a quitting group.”*
- *“People should know what help was available. Easier for people who have internet access, but it is much more difficult for the poor, ill, disabled etc...”*
- *“I feel that there is no real understanding of the impact that these benefit changes are having on claimant’s lives and health. I am stuck in a downward spiral and [am] now in a deep, dark hole.”*
- *“The number of working adults in poverty is deeply unfair in my eyes as it can then result in mental health issues (and issues for children)!”*

**Recommendation 5:
*Health is wealth***

Encourage our citizens to take individual responsibility for healthier lifestyles and all agencies to take collective action to support this through citywide campaigns to reduce smoking, drinking and obesity.

Why have we made this recommendation?

We recognise the importance of physical and mental health and well-being. Physical health is still under threat from the big killers – heart disease, stroke and cancer. Smoking is the biggest preventable cause of death in England and the primary reason for the gap in life expectancy between rich and poor in Southampton.

Anxiety, isolation and loneliness were common recurrent themes in the feedback we received. Mental health, according to recent population surveys, is not improving in Britain, despite the fact that we have become richer in the last 50 years.

Of course mental and physical health impact on each other, too: mind and body are one.

Individual choices play a part in this, and people can make great strides towards wellbeing by taking responsibility for their lifestyles. Regular exercise and sleep, moderation in eating and alcohol consumption, and quitting harmful addictions such as smoking are things we can all attempt. Some may even be able to grow their own fruit and vegetables, and cook fresh meals.

Beyond these basic changes, it can be useful to check that innate emotional needs are being met in a balanced way. When these needs are not met, or we are misusing our own resources such as imagination, we suffer from anxiety or anger, and eventually depression (for more information and a useful checklist, see 'human givens' at www.hgi.org.uk).

What difference will it make?

When fundamental needs are met, people are freer of distress and able to flourish as part of a thriving community.

They have security within an environment that is safe for them and their family, and which affords some private time in which to reflect and consolidate their experiences. They have a sense of control over what happens around them and to them. They receive enough positive attention from others, and are able to give attention to others too. They are able to develop friendships and loving relationships, making emotional connections to others, and can enjoy taking part in social groups within the wider community. From such interactions they gain a sense of acceptance and feel valued for their contributions. They can decide on the personal goals that they really want to strive towards; when achieved, they gain a real sense of competence – the opposite of low self-esteem. Finally, they discover the purposes for which they are prepared to work unselfishly, whether for their family, for some service to the community, for learning, exploration or spiritual development, or some combination of these. This gives their lives meaning.

Barriers to such flourishing arise when the individual's environment is toxic in some way; when their innate 'guidance system' is not functioning well (perhaps due to damage or the effects of traumatic experiences); or when they have missed out on developing coping skills when growing up. It is in these areas that support for individuals is most obviously needed.

We identify health and community-based services as key in delivering support for individuals, through community development approaches that help people to help themselves.

This is what people told us during the consultation process.....

- *“Remove postcode lottery on medical treatment”.*
- *“There are gaps – when people are discharged from hospital, their benefits don't start straight away. Or when someone loses a job. Can take 2-3 weeks”.*
- *“Improve access and services for disabled people and carers”.*
- *“Improve access to information and advice at key stages and transitions in life”.*

Recommendation 6: *Health is wealth*

All health and social care commissioners should ensure that contracts with providers require them to demonstrate that they have taken action to

achieve equity of outcomes. The Health and Wellbeing Board must monitor inequalities and take actions to address them.

Why have we made this recommendation?

Health inequalities are largely preventable.³³ They arise from a complex interaction of the wider determinants of health - housing, income, education, social isolation, disability - all of which are strongly affected by individual economic and social status. Tackling these problems makes economic sense as well as being socially just. Inequalities in life expectancy are usually indicative of inequalities in health and wellbeing.

Health and social care commissioners should commission services with the aim of reducing inequalities. Currently the providers of these services, public, private and voluntary, make up some of the largest employers in the city and work with many of the most disadvantaged groups, but have little or no contractual obligation to demonstrate overall reduction in inequality as a result of the service.

A contracted requirement to reduce inequality, would oblige providers to be more creative in tackling the problem. It would drive implementation of the Living Wage, changes in accessibility to services, support into employment for people who find it hard to access work, upskilling of staff to help the most disadvantaged groups and employing a workforce reflective of the diversity of the service users, increasing the quality of the service. It would unleash a substantial amount of energy and focus on delivering a significant change to improve fairness. An annual report from each provider to the Health and Wellbeing Board will evidence the extent to which these commitments are delivered.

What difference will it make?

When citizens need publicly funded services, the most disadvantaged citizens will find these easier to access. This will improve the use of health services and earlier intervention, leading to improved outcomes:

- Better health and functionality for those with long-term illnesses
- Increased life expectancy eventually

As significant employers in the city, there will be an impact on the employment outcomes:

- More Living Wage employers – leading to an increase in average wage for Southampton citizens

³³ Health Inequalities in Southampton (Nov 2014). Public Health Intelligence. [Online]. Available from: <http://www.publichealth.southampton.gov.uk/Images/Health%20Inequalities%20in%20Southampton%20-%20November%202014%20v5.pdf> Accessed August 2015.

- Easier employment for people from disadvantaged groups leading to fewer children living in poverty.

We identify Southampton's Health and Wellbeing Board, local Health and Social Care Commissioners, local providers/employers and community-based services as key in delivering this.

This is what people told us during the consultation process.....

- "Every school leaver should have credit union account."
- "It's hard to put something away when money is so tight."
- "Sometimes I can make it last and end up having to borrow - I don't like doing this but I don't really have any choice."

**Recommendation 7:
Every penny counts!**

Improve access to, and awareness of financial services for all by building capacity in community finance institutions and initiatives e.g. credit unions and user-friendly local banking.

Why have we made this recommendation?

Many people in the city struggle with money management skills and in accessing the banking and financial services they need.

Financial inclusion means everyone being able to use banks and other mainstream financial systems/services, regardless of their income. It is essential for anyone wanting to participate fairly and fully in everyday life. Without this, people pay more for goods and services and have less choice. The impacts of exclusion are not just financial but also affect education, employment, health, housing, and overall wellbeing.³⁴ Save the Children calls this the 'Poverty Premium'³⁵ and estimates its cost to be £1,639 a year – around 8% of income for families around the poverty line.³⁶

This lack of access, at times coupled with limited knowledge of financial products and services and how to use them, is exploited by unscrupulous lenders, and can lead to high cost borrowing and deep debts.

Our view is that rather than saving solely in banks, large organisations should place some of their resources in credit unions so that these can scale up their operations. For example, credit unions in Scotland (i.e. Glasgow Credit Union) are large enough to be mortgage lenders. This recommendation is to encourage the development of

³⁴ <http://financialinclusioncommission.org.uk/facts>

³⁵ The Poverty Premium is the additional amount financially excluded household pay to borrow money, access credit to buy household items, pay more for home contents insurance and for utilities etc.

³⁶ Save the Children 2014: *A Fair Start for Every Child: We must act now to tackle child poverty in the UK.* http://resourcecentre.savethechildren.se/sites/default/files/documents/a_fair_start_for_every_child.pdf

large credit unions that can play a bigger role in offering financial services to people on low incomes and edge out the unscrupulous lenders in the city.

What difference will it make?

It will build financial resilience through reliable and viable community finance institutions to provide an important access route to a range of tailored financial services. People who currently struggle to get a bank account or use unscrupulous money lenders will be able have a 'bank 'account and access affordable loan products and saving schemes. This in turn will help them improve their financial resilience, manage their money more effectively, reduce the risk of debt or the need to access high cost (legal and illegal) lending and reduce the impact of the 'poverty premium' where people on low income end up paying more. They will also not pay unreasonably high rates of interest on their loans and debts.

We identify community finance institutions and initiatives, alongside large organisations in Southampton as key in delivering this.

This is what people told us during the consultation process.....

- *“Young people heavily targeted by lifestyle marketing: phones, consumer goods, gaming and gambling games, apps, activities, payday loans, - it’s easy to get into debt.”*
- *“Friend has nervous breakdown, frightened about mortgage.”*
- *“JCP don’t help. Just lost job and been made homeless and told have to wait 6 weeks before getting any money.”*

Recommendation 8:

Improve the ability of people to manage money better by:

Promoting and providing learning modules for debt and money management in schools and colleges.

Developing and implementing a programme to increase awareness of, and fair access to, welfare entitlements, particularly linked to key life-transition points.

Why have we made this recommendation?

Many people (young and old - rich and poor) struggle to manage their money well. However, if you have less money, mistakes can be very costly. Being able to manage money well is a key life skill which we believe should be taught from an early age. We also believe this works best where there is access to appropriate financial products and services.

Key life transitions and living on a low income for a sustained period can lead to debt problems. Low-income households are vulnerable to debt issues and national

research³⁷ has shown that over-indebtedness is typically caused by persistently low income (both benefit and earnings-derived), and moving in and out of work, rather than the use of credit to acquire material goods and a higher standard of living.

The welfare system should be there to support people. According to research, almost a third of eligible people in the UK are not claiming the means-tested benefits they were entitled to.³⁸

It is important that services are available to help people who are struggling to manage and that people are aware of and can access these services and the support available.

What difference will this recommendation make?

Children and young people will be better able to budget and manage their money as adults. Improving take-up of means-tested benefits by those in and out of work would make a major contribution to poverty reduction. The increased income associated with greater take-up could also contribute to improvements in other outcomes, such as health, family well-being and employment participation and retention.³⁹ Those in difficulty will be able to find and access support. Those needing to claim welfare benefits for whatever reason, will have good, accurate information on what they are entitled to and how to claim. This will help to ensure an easy transition at key points in their lives.

We identify keyworkers, advice agencies, schools and colleges and the local Jobcentre Plus as key in delivering this.

This is what people told us during the consultation process.....

- *“What about out of hours? There are also issues around trying to get around the city once the buses have stopped running - an example was given by a member of the public who had to visit A&E at 3am – it cost £22 by taxi to get to the hospital!”*
- *“Illegal cycling (on footpaths/ pavements etc.) an issue.*
- *“Transport for older people to get to social groups – there aren’t enough volunteer drivers.”*

• *“Public transport has improved but are still issues, e.g. wheelchair and pushchair access and*

³⁷ <http://www.irf.org.uk/sites/files/irf/credit-debt-low-incomes-summary.pdf>

³⁸ Finn, D. and Goodship, J. (2014). Take-Up of Benefits and poverty: An evidence and policy review. Inclusion. Joseph Rowntree Foundation. Available from: <http://www.inclusion.org.uk/publications/take-benefits-and-poverty-evidence-and-policy-review> accessed August 2015.

- *“If you use a wheelchair although there is a ramp there is no help to fold the chair or store it or luggage so can be too much of a struggle to bother and drivers can make you feel you are a nuisance.”*

Recommendation 9: *A moving experience*

Improve accessibility to integrated transport by actively:

- a. Supporting social enterprise solutions to improve local transport, particularly in non-commercial routes.**
- b. Taking a more strategic approach to market failures in transport, particularly bus routes and frequency of key bus services.**

The main feedback related to bus routes, comfort and safety within buses, affordability of parking charges and illegal cycling. The biggest problem seems to be the lack of public transport provision for residents in some parts of the city, access to the General hospital and out-of-hours travel for key bus routes. Specific issues cited in the feedback were that residents living in some areas and using certain bus routes and services were disadvantaged because of poor connectivity across the city, difficult access to both hospitals, irregularity of bus services and a complete lack of public transport in some areas on Sundays and on bank holidays.

Why have we made this recommendation?

Southampton is a port city and is well connected by a network of bus, rail and ferry services that operate within Southampton. It has an excellent one-stop destination for travel information and advice (My Journey) and Solent Go, a new, smart travel card that can be used to travel all over South Hampshire.

Transport plays a critical role in reducing inequalities – it can open opportunities for employment (and income) and provide access to services, learning, cultural and social activities, thus improving wellbeing too.

We received a huge amount of feedback on the topic of public transport. The experience for those who are more reliant on it highlights issues of affordability and access and the impact this has on their daily lives.

We recognise that the City Council and other public sector agencies can only act as facilitators to make improvement. However, accessible and affordable public transport is key to getting and keeping jobs, reducing isolation and accessing a range of services including healthcare and leisure.

This recommendation will require the city to explore and implement the following:

- Secure funding for Independent Travel Training for people with learning disabilities building upon the success of Special Educational Needs travel planning as part of the My Journey project.

- Ensure Jobcentre Plus improves travel options for people looking for, and starting in, employment.
- Require local bus companies to limit the number of changes to bus services to no more than four per service, per year as part of the emerging Bus Information Strategy.
- Ensure more effective consultations between transport providers and other stakeholder groups to make the impacts of any changes understood, and embed transport into Southampton City Council's Equality and Safety Impact Assessment.
- Support a range of provision options (taxis, community transport) for non-commercial routes and to improve connectivity with other transport services.
- Promote uses of interchanges for connections throughout the city by bus (and other modes) utilising the Legible Networks system being rolled out as well as physical infrastructure where viable.
- Improve accessibility and comfortable travel by extending good practice such as audio announcements for visually impaired people and safety features in buses.

What difference will this recommendation make?

It will improve access to affordable public transport to serve areas, routes and times that are currently not commercial for private companies. This will make it easier for local people to consider and accept local jobs, reduce isolation and improve access to a range of services including healthcare, learning and leisure for people who are currently have little or no transport options.

We identify Southampton City Council, transport providers and community/social enterprises, voluntary sector organisations and transport user groups as key in delivering this.

Fairer organisations and fairer communities

The delivery of the recommendations outlined within the fairer employment and fairer living themes need to be underpinned by strong organisations and communities

We see civil society as having a key role in delivering fairness. As commission, we have actively engaged with a whole range of agencies and individuals and encourage community engagement and activism. We believe that Southampton will be a fairer place when all citizens participate in the political, social and economic life of the city.

We heard evidence of the importance of co-production and the need to ensure engagement and participation to develop and improve local services. The need to involve those who use services, in the redesign of those services, was also evident throughout the feedback we received.

A major theme was basic customer care. Respondents felt that organisations should work more effectively (alone or together), and that services and systems should be easier to navigate and access. They also wanted them to be better designed, in partnership with those they are intended for. There were many comments received about poor customer care and poor service, too – services and organisations do not always talk to, listen to and value their customers.

- *“Wish the services would talk to each other. Be more joined up. I always fill in forms about sharing my information, but then they never do! This applies to health, social services and care agencies. Every time you get a visit you go through it all again and then they just give you what’s there – not personal to you.”*
- *“There is a sense that the poor aren’t trying at the moment but this isn’t the truth.”*
- *“Central point of contact for information about all services / benefits / help available. People know the help that is needed, but don’t know whether it exists, what it is called.”*
- *“Literacy and access to the internet are also big issues”.*

We believe the city needs to focus on working in partnership with service users and on developing shared values across organisations to promote and deliver fairness.

We also believe the city needs to build on the strength and shared values of its communities in ensuring fairness for all.

Fairer organisations

Recommendation 10: Social value

Organisations, in procuring goods and services, should maximise local economic and social outcomes through improved application of the Social Value Act to:

- a. Increase employment and skills of local residents.**
- b. Use local supply chains to develop capacity in local organisations with a long term commitment to the city.**

Why have we made this recommendation?

We all need to use all our resources to secure benefits to the city's communities. The Social Value Act was introduced in January 2013. It requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits.

Before they start the procurement process, people responsible for commissioning goods and services should consider whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders. The Act is a tool to help commissioners get more value for money out of procurement. It also encourages commissioners to talk to their local provider market or community to design better services, often finding new and innovative solutions to difficult problems.

However, compliance with the Act can take the form of merely considering potential actions, rather than carrying them out. Therefore we believe that local organisations, particularly public sector, should introduce requirements in their procurement processes for bidders to demonstrate how they will create skills, employment and business opportunities for local people, to weight these responses in their allocation of contracts, and monitor the activities as part of the contractual arrangements.

Locally this has been used to good effect by some public authorities. For example, Southampton City Council set benchmarks for local skills and employment in the contract for the refurbishment of the Civic Centre. However, there is an opportunity to extend this approach to other contract areas and other organisations. The Southampton Fairness Commission would like this model to be promoted more widely and the good practice to be extended.

What difference will this recommendation make?

Even in times of austerity, organisations in the city let hundreds of millions of pounds worth of contracts every year, yet they do not routinely build local social or economic outcomes into the tendering process. Often this would be at little or no additional cost, yet would create hundreds of new opportunities to raise the incomes and prospects for our residents.

For example, through its planning processes, Southampton City Council requires developers to deliver employment and skills for local people. Over four years and more than 50 developments, this has led to more than 300 apprenticeships being created. Over 700 unemployed people have been supported into a job, and 470 work experience placements have been provided. A similar approach through procurement processes (particularly across public-sector agencies) could make a significant impact on the opportunities for our residents to gain and progress in local employment.

We identify Southampton Connect as key in delivering this.

Fairer communities

Recommendation 11:

Promote zero tolerance of bullying, hate crime and discrimination, by increasing awareness in the city of reporting mechanisms and organisations improving their responses and support for victims.

Why have we made this recommendation?

Our vision and principles of fairness cannot be fully achieved and sustained without ensuring we continue to tackle bullying, discrimination and hate crime.

The Southampton Fairness Commission recognises the extensive partnership work undertaken in the city by our community, voluntary, public and private sectors in this area of work. However, the Southampton Fairness Commission also heard wide ranging experiences of discrimination across the city. It is concerned about the impacts of the combination of austerity and welfare reforms, alongside significant reductions in public sector spending/services and pressures on voluntary and community organisations. In particular, that this may work to reverse progress on tackling discrimination, erode some of the goodwill in communities and increase community tensions, whilst diminishing resources to support individuals experiencing discrimination and in particularly 'hate crime'.

According to the 'Hate Crime Incidents Report', Southampton had 303 reports in March 2013, 299 in March 2014 and 449 in March 2015. This gave a rolling average of 350 reports - slightly higher Portsmouth, which had a rolling average of 302.

We recognise these statistics represent just the 'tip of the iceberg' and behind these statistics are many victims who have experienced or continue to experience hate crime, without reporting it or accessing support to deal with it. We also recognise for every reported incident there is a victim of crime. We also recognise the impact of tolerating hate crime, bullying and discrimination on wider society.

What difference will this recommendation make?

Hate Crime remains vastly under-reported for complex reasons, and within this the number of homophobic incidents reported is far less than racist ones, while other areas such as mental health, disability and age are extremely under-reported.

The 'Helping Victims of Hate Crime' app was launched by Hampshire Constabulary in 2013. It is designed to give people more information in one handy place about hate crimes and hate incidents and encourage communities to come forward and report them. It also gives information about how to report anonymously and to a third party organisation called True Vision. Since its launch, there has been an increase in reporting.

We want to support this work, and see the council and police as having a leading role in monitoring and reporting.

Alongside this, we want to increase people's confidence in reporting their experiences and to also encourage those who witness hate crime to report it. This will mean an increase in reports and increased demand for support. To do this we need to work across the city to increase awareness of what is meant by hate crime, why it should be reported, how to report it and about the support available for victims.

We see communities, agencies and employers as having key role in delivering this.

Recommendation 12:

Support individuals and communities to take responsibility for improving the quality of their lives and their environment through funding of small community-run preventative projects to reduce inequality.

Why have we made this recommendation?

The Southampton Fairness Commission recognises the key role of civil society in identifying and addressing fairness and inequality. It has heard extensively that a 'top-down' approach that takes away people's social involvement and autonomy inhibits growth in communities, makes people feel that they have little real say and no power, and leads to less well-designed interventions.

The complexity of factors that contribute to unfairness and inequality in society, and individual identity and personal experiences of disadvantage, mean that no single approach can be imposed to tackle social injustice. However, a community-based and led approach enables effective identification of issues, solutions and change at the local and individual level.

Good ideas and community-generated self-help schemes need resources. The work of the Southampton Fairness Commission has, through engagement and consultation, been given access to a whole range of suggestions, ideas and potential projects which could contribute to promote fairness in the city.

What difference will this recommendation make?

Funding from public sector organisations and other grants programmes, including the Southampton Fairness Fund (see recommendation 13) will increase the local availability of resources for small community-run projects. This will increase participation and outcomes relating to with them.

We identify local communities as key in delivering this, supported by public sector organisations and other funders.

Recommendation 13:

Set up a 'Southampton Fairness Fund', an 'employee giving' scheme matched by employers and allocated in a transparent and democratic way by an independent voluntary sector organisation to promote fairness.

Why have we made this recommendation?

The concept of a local 'Southampton Fairness Fund' is based on corporate and individual/ employee 'giving' schemes. The corporate scheme would encourage employers to pool their donations in a Community Fund, so as to maximise resource spend locally. Employers who have not previously donated to good causes would be encouraged to do so. The individual employee giving scheme would operate on the basis of direct deduction of spare pennies from wages.

What difference will this recommendation make?

The 'Southampton Fairness Fund' will be used to promote fairness and develop and support corporate social responsibility within organisations in the city. Volunteering opportunities would also be promoted as part of this work. The additional resources it will create will be used to develop and support projects and activities in the city which promote fairness or forestall the growth of inequality.

We identify Southampton Voluntary Services as key in delivering this.

10. A Fairness Index for the City

	Recommendation	Desired Outcomes	Potential Measures	Key Agencies
1	Create a 'Great Place to Work' city with commitment from employers, including the promotion of the Living Wage and recognise achievements at an annual award ceremony.	<p>All major employers in the city sign up to and commit to a creating a Great Place to Work city.</p> <p>Increase in the number of Living Wage employers in the city. (See also Rec 6 and Rec 10).</p> <p>All care leavers are in employment, education or training.</p> <p>Improve average weekly wage for Southampton residents so it is equal to that for commuters into the city/SE average.</p>	<p>Number of employers signed up a Great Place to Work.</p> <p>Number of employees covered by a Great Place to Work.</p> <p>Number of Living Wage Employers in the city.</p> <p>Reduction in NEETs and all care leavers are in employment, education or training.</p> <p>Average weekly wage for Southampton residents working in Southampton increased to city average.</p>	<p>Southampton Connect</p> <p>Hampshire Chamber of Commerce</p>
2	Establish a comprehensive support service designed to help people deal with involuntary self-employment fairly and safely - e.g. dealing successfully with HM Revenue and Customs (HMRC), insurance, cash flow, credit control and VAT.	Self-employed are able to access bespoke support in the city.	<p>Support service set up.</p> <p>Number of people accessing the service.</p> <p>Type of support given.</p> <p>Reduction in insolvencies, sole trader failures.</p>	Local advice and support services
3	Establish a tactical fund to address urgent skills shortages in the local labour market; to be allocated by a representative group of employers, and employee representatives, to be financed by pooled contributions from strategic funders – Skills Funding Agency (SFA), Solent Local Enterprise Partnership (LEP), Department for Work and Pensions (DWP) and their contracted providers.	Local skills shortages are addressed effectively.	<p>Number of interventions.</p> <p>Number of people accessing interventions.</p> <p>Outcomes of those accessing interventions.</p> <p>Reduction in the long term unemployment.</p> <p>Reduction in out of work benefit claimants.</p>	<p>Local employers</p> <p>Skills Funding Agency (SFA),</p> <p>Solent Local Enterprise Partnership (LEP),</p> <p>Department for Work and Pensions (DWP).</p>
4	Increase the availability of affordable and good quality housing by using alternative funding mechanisms outside public sector constraints to build new homes and exploit under-used resources such as empty properties, self-build and container conversions. This should also provide local employment opportunities.	<p>Local potential for alternative funding to build new homes is fully explored.</p> <p>Potential to improve the use of existing resources is fully explored.</p> <p>Good practice from other areas shared.</p>	<p>Number of new housing units in the city to rent and to buy</p> <p>Number of affordable housing units in the city to rent and to buy</p> <p>Increase in the quality of housing available.</p> <p>Reduction in number and length of wait on social housing waiting list.</p> <p>Increase in employment</p>	<p>Social Housing Providers</p> <p>Private Landlords</p> <p>Funding providers</p> <p>Employers (Construction)</p>

A Fairer Southampton

	Recommendation	Desired Outcomes	Potential Measures	Key Agencies
			opportunities in construction.	
5	Encourage our citizens to take individual responsibility for healthier lifestyles and all agencies to take collective action to support this through citywide campaigns to reduce smoking, drinking and obesity.	Improved health and wellbeing in individuals. Measurable improvement in local health indicators.	Reduction in obesity rates. Reduction in infant mortality rate. Reduction in smoking prevalence. Reduction in alcohol related hospital admissions/ preventable death.	Health Services Public Health Community based intervention services.
6	All health and social care commissioners should ensure that contracts with providers require them to demonstrate that they have taken action to achieve equity of outcomes. The Health and Wellbeing Board to monitor inequalities and take actions to address them.	Improved health and functionality for those with long term illnesses. Improved quality of and longer life expectancy. More Living Wage employers – leading to an increase in average wage for Southampton residents/ citizens. Easier employment for people from disadvantaged groups leading to fewer children living in poverty.	Differences in life expectancy for males and females from different parts of the city is reduced. Measurable improvement to quality of life. See Rec 1. Increase in the average wage for Southampton residents. Increase in the number of employees receiving the Living Wage or above.	Southampton Health and Wellbeing Board Health and Social Care Commissioners Providers/employers
7	Improve access to, and awareness of financial services for all by building capacity in community finance institutions and initiatives e.g. Credit Unions and user-friendly local banking.	Well established credit unions able to scale up to provide viable and reliable alternatives to traditional financial institutions as well as unscrupulous money lending.	Increased numbers with credit unions, banks and building societies accounts. Reduced numbers using payday lenders.	Community finance institutions and initiatives Large organisations
8	Improve the ability of people to manage money better by: Promoting and providing learning modules for debt and money management in schools and colleges. Developing and implementing a programme to increase awareness of and fair access to welfare entitlements, particularly linked to key life-transition points.	Improved financial resilience and financial inclusion. Improved take-up of welfare entitlements.	Reduction in problem debt for individuals. Increased take-up of a range of welfare entitlements.	Keyworkers Advice Agencies Schools and Colleges Jobcentre Plus
9	Improve accessibility to integrated transport by actively: Supporting social enterprise solutions	Reduced isolation and access to affordable transport	Social enterprises running buses in non-commercial routes.	Southampton City Council Transport providers

A Fairer Southampton

	Recommendation	Desired Outcomes	Potential Measures	Key Agencies
	to improve local transport, particularly in non-commercial routes. Taking a more strategic approach to market failures in transport, particularly bus routes and frequency of key bus services.	to key services and leisure activities for all. Limited number of route changes in a 12 month period.		Community/Social Enterprises Voluntary Sector Organisations Transport User Groups
10	Organisations, in procuring goods and services, should maximise local economic and social outcomes through improved application of the Social Value Act to: Increase employment and skills of local residents. Use local supply chains to develop capacity in local organisations with a long term commitment to the city.	Better use of resources to ensure fairness and equity. Improved social and economic outcomes via procurement.	Number of organisations introducing requirements in their procurement processes for bidders to demonstrate how they will: - ensure fairness. - create skills, employment and business opportunities for local people.	Southampton Connect
11	Promote zero tolerance of bullying, hate crime and discrimination, by increasing awareness in the city of reporting mechanisms and organisations improving their responses and support for victims	Currently level activity maintained or increased.	Increase in reporting of hate crime. Increase in the % of residents reporting "Your local area is a place where people from different backgrounds get on well together." (Southampton City Survey).	Safe City Partnership
12	Support individuals and communities to take responsibility for improving the quality of their lives and their environment through funding of small community-run preventative projects to reduce inequality.	Increase in funding distributed for 'fairness' projects and activities in the city.	Number of project and activities supported.	Local Organisations Southampton Voluntary Services
13	Set up a 'Southampton Fairness Fund', an 'employee giving' scheme matched by employers and allocated in a transparent and democratic way by an independent voluntary sector organisation to promote fairness.	Increase in corporate social responsibility	Set up a 'Southampton Fairness Fund', an 'employee giving' scheme matched by employers and allocated in a transparent and democratic way by an independent voluntary sector organisation to promote fairness.	Independent Voluntary Sector Organisation

12. Next Steps

The Southampton Fairness Commission urges all organisations named in this report to work with us in affirming commitments to the delivery of the recommendations. We will work with partners to identify detailed actions and timescales by the official launch event in December 2015. We will continue to work with partners over the next 3 years. We will develop a performance management framework to measure progress towards Southampton becoming a fairer city and will develop monitoring reports during this period to review and update progress annually.

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Appendix 1: Speakers and Facilitators

Public Meetings:

Employment:

Dan Finn – University of Portsmouth
Michael Steel – JCI International
Ian Woodland – Unite
Ceri Connor & Karen Cahill – Solent NHS Trust

Income:

Chris Davis - Southampton City Mission
Andy Sherman – Department for Work & Pensions
Vicki Orba - No Limits and Chair of Southampton Anti-Poverty Network
Jeff Downing – SPECTRUM
Jackie Steward – DAIN

Health:

Andrew Mortimore - Director of Public Health
Stephanie Ramsey - Southampton City CCG/Southampton City Council
Will Rosie – SPECTRUM
Mark Kelsey - GP
Debbie Ross - Open Sight

Housing:

Richard Pitt – Love Southampton
Liz Slater – Southampton City Council
Helena Kurzynska - Two Saints

Transport:

Pete Boustred – Southampton City Council

Growing Older:

Marianne Plater – Solent Health Care
Stephen Press – Stepacross CIC and The Third Age Centre charity (3AC)
Pat Turner – Unison Retired Members Section
Paul Lewzey – Councillor, Southampton City Council

Growing Up:

Theresa Leavy – Southampton City Council
Liz Taylor - Advisor to Public Health and the Integrated Commissioning Unit on Early Intervention for Under 5s and their families.
Julie Marron & Young Carers Representatives – Southampton Young Carers Project