

Cabinet

**Tuesday, 21st January, 2014
at 5.00 pm**

Council Chamber - Civic Centre

This meeting is open to the public

Members

Councillor Letts, Leader of the Council (Leader)
Councillor Barnes-Andrews, Cabinet Member for
Resources
Councillor Jeffery, Cabinet Member for Education
and Change
Councillor Chaloner, Cabinet Member for
Children's Safeguarding
Councillor Kaur, Cabinet Member for Communities
Councillor Tucker, Cabinet Member for Economic
Development and Leisure
Councillor Rayment, Cabinet Member for
Environment and Transport
Councillor Shields, Cabinet Member for Health
and Adult Social Care
Councillor Payne, Cabinet Member for Housing
and Sustainability

(QUORUM – 3)

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BACKGROUND AND RELEVANT INFORMATION

The Role of the Executive

The Cabinet and individual Cabinet Members make executive decisions relating to services provided by the Council, except for those matters which are reserved for decision by the full Council and planning and licensing matters which are dealt with by specialist regulatory panels.

The Forward Plan

The Forward Plan is published on a monthly basis and provides details of all the key executive decisions to be made in the four month period following its publication. The Forward Plan is available on request or on the Southampton City Council website, www.southampton.gov.uk

Implementation of Decisions

Any Executive Decision may be “called-in” as part of the Council’s Overview and Scrutiny function for review and scrutiny. The relevant Overview and Scrutiny Panel may ask the Executive to reconsider a decision, but does not have the power to change the decision themselves.

Mobile Telephones – Please turn off your mobile telephone whilst in the meeting.

Southampton City Council’s Priorities:

- **Economic:** Promoting Southampton and attracting investment; raising ambitions and improving outcomes for children and young people.
- **Social:** Improving health and keeping people safe; helping individuals and communities to work together and help themselves.
- **Environmental:** Encouraging new house building and improving existing homes; making the city more attractive and sustainable.
- **One Council:** Developing an engaged, skilled and motivated workforce; implementing better ways of working to manage reduced budgets and increased demand.

Executive Functions

The specific functions for which the Cabinet and individual Cabinet Members are responsible are contained in Part 3 of the Council’s Constitution. Copies of the Constitution are available on request or from the City Council website, www.southampton.gov.uk

Key Decisions

A Key Decision is an Executive Decision that is likely to have a significant

- financial impact (£500,000 or more)
- impact on two or more wards
- impact on an identifiable community

Decisions to be discussed or taken that are key

Procedure / Public Representations

Reports for decision by the Cabinet (Part A of the agenda) or by individual Cabinet Members (Part B of the agenda). Interested members of the public may, with the consent of the Cabinet Chair or the individual Cabinet Member as appropriate, make representations thereon.

Fire Procedure – In the event of a fire or other emergency, a continuous alarm will sound and you will be advised, by officers of the Council, of what action to take.

Smoking policy – The Council operates a no-smoking policy in all civic buildings.

Access – Access is available for disabled people. Please contact the Cabinet Administrator who will help to make any necessary arrangements.

Municipal Year Dates (Tuesdays)

2013	2014
21 May	21 January
18 June	18 February
16 July	18 March
20 August	15 April
15 October	
19 November	
17 December	

CONDUCT OF MEETING

TERMS OF REFERENCE

The terms of reference of the Cabinet, and its Executive Members, are set out in Part 3 of the Council's Constitution.

RULES OF PROCEDURE

The meeting is governed by the Executive Procedure Rules as set out in Part 4 of the Council's Constitution.

DISCLOSURE OF INTERESTS

Members are required to disclose, in accordance with the Members' Code of Conduct, **both** the existence **and** nature of any "Disclosable Personal Interest" or "Other Interest" they may have in relation to matters for consideration on this Agenda.

DISCLOSABLE PERSONAL INTERESTS

A Member must regard himself or herself as having a Disclosable Pecuniary Interest in any matter that they or their spouse, partner, a person they are living with as husband or wife, or a person with whom they are living as if they were a civil partner in relation to:

(i) Any employment, office, trade, profession or vocation carried on for profit or gain.

(ii) Sponsorship:

Any payment or provision of any other financial benefit (other than from Southampton City Council) made or provided within the relevant period in respect of any expense incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

(iii) Any contract which is made between you / your spouse etc (or a body in which the you / your spouse etc has a beneficial interest) and Southampton City Council under which goods or services are to be provided or works are to be executed, and which has not been fully discharged.

(iv) Any beneficial interest in land which is within the area of Southampton.

(v) Any license (held alone or jointly with others) to occupy land in the area of Southampton for a month or longer.

(vi) Any tenancy where (to your knowledge) the landlord is Southampton City Council and the tenant is a body in which you / your spouse etc has a beneficial interests.

(vii) Any beneficial interest in securities of a body where that body (to your knowledge) has a place of business or land in the area of Southampton, and either:

a) the total nominal value for the securities exceeds £25,000 or one hundredth of the total issued share capital of that body, or

b) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you / your spouse etc has a beneficial interest that exceeds one hundredth of the total issued share capital of that class.

BUSINESS TO BE DISCUSSED

Only those items listed on the attached agenda may be considered at this meeting.

QUORUM

The minimum number of appointed Members required to be in attendance to hold the meeting is 3.

Other Interests

A Member must regard himself or herself as having a, 'Other Interest' in any membership of, or occupation of a position of general control or management in:

Any body to which they have been appointed or nominated by Southampton City Council

Any public authority or body exercising functions of a public nature

Any body directed to charitable purposes

Any body whose principal purpose includes the influence of public opinion or policy

Principles of Decision Making

All decisions of the Council will be made in accordance with the following principles:-

- proportionality (i.e. the action must be proportionate to the desired outcome);
- due consultation and the taking of professional advice from officers;
- respect for human rights;
- a presumption in favour of openness, accountability and transparency;
- setting out what options have been considered;
- setting out reasons for the decision; and
- clarity of aims and desired outcomes.

In exercising discretion, the decision maker must:

- understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
- take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
- leave out of account irrelevant considerations;
- act for a proper purpose, exercising its powers for the public good;
- not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
- comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now, pay later' and forward funding are unlawful; and
- act with procedural propriety in accordance with the rules of fairness.

AGENDA

Agendas and papers are now available via the Council's Website

1 APOLOGIES

To receive any apologies.

2 DISCLOSURE OF PERSONAL AND PECUNIARY INTERESTS

In accordance with the Localism Act 2011, and the Council's Code of Conduct, Members to disclose any personal or pecuniary interests in any matter included on the agenda for this meeting.

NOTE: Members are reminded that, where applicable, they must complete the appropriate form recording details of any such interests and hand it to the Democratic Support Officer.

EXECUTIVE BUSINESS

3 STATEMENT FROM THE LEADER

4 RECORD OF THE PREVIOUS DECISION MAKING

Record of the decision making held on 17 December 2013 attached.

5 MATTERS REFERRED BY THE COUNCIL OR BY THE OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE FOR RECONSIDERATION (IF ANY)

There are no matters referred for reconsideration.

6 REPORTS FROM OVERVIEW AND SCRUTINY COMMITTEES (IF ANY)

There are no items for consideration

7 EXECUTIVE APPOINTMENTS

To deal with any executive appointments, as required.

ITEMS FOR DECISION BY CABINET

8 CABINET RESPONSE TO RECOMMENDATIONS OF SCRUTINY PANEL ON APPRENTICESHIPS

Report of the Cabinet Member for Economic Development and Leisure, in consultation with the Cabinet Member for Children's Services outlining the Cabinet's response to the

recommendations made by Scrutiny Panel B on the Inquiry into apprenticeships, attached.

9 ESTABLISHMENT OF SOLENT TRANSPORT

Report of the Cabinet Member for Environment and Transport seeking ratification of the creation of a new proposed Joint Committee, named 'Solent Transport, attached.

10 USE OF RIGHT TO BUY RECEIPTS TO PROVIDE AFFORDABLE HOMES

Report of the Cabinet Member for Housing and Sustainability, seeking agreement to use Right to Buy receipts to provide new affordable housing through the addition of a scheme to the Housing Revenue Account Capital Programme and the approval of expenditure, attached.

11 SCHEME APPROVAL HOUSING REVENUE ACCOUNT (HRA) PROGRAMME PROJECT APPROVAL FOR ECO CONTRACTS AND LIFT PROJECTS 2013/14 AND 2014/15

Report of the Cabinet Member for Housing and Sustainability seeking approval for the combination of specific energy saving projects, that are not grant funded in conjunction with those that are grant funded projects, attached.

12 ETHICAL PROCUREMENT POLICY

Report of Cabinet Member for Resources seeking approval to the Ethical Procurement Policy, attached.

Monday, 13 January 2014

HEAD OF LEGAL AND DEMOCRATIC SERVICES

Agenda Item 4

SOUTHAMPTON CITY COUNCIL EXECUTIVE DECISION MAKING

RECORD OF THE DECISION MAKING HELD ON 17 DECEMBER 2013

Present:

Councillor Letts	-	Leader of the Council
Councillor Barnes-Andrews	-	Cabinet Member for Resources
Councillor Jeffery	-	Cabinet Member for Change
Councillor Bogle	-	Cabinet Member for Children's Services
Councillor Tucker	-	Cabinet Member for Economic Development and Leisure
Councillor Rayment	-	Cabinet Member for Environment and Transport
Councillor Shields	-	Cabinet Member for Health and Adult Social Care
Councillor Payne	-	Cabinet Member for Housing and Sustainability

Apologies: Councillor Kaur

70. STATEMENT FROM THE LEADER

The Leader announced the resignation of Councillor Bogle as Cabinet Member for Children's Services. Her Portfolio will be divided between Councillor Chaloner who will be responsible for Safeguarding, and Councillor Jeffery who will be responsible for Education.

71. EXECUTIVE APPOINTMENTS

Cabinet approved the following appointments:

Councillor Payne to the Green Deal and ECO Partnership Board
Councillor Jeffery to replace Councillor Bogle on the Southampton Children and Young People's Trust Partnership Board
Councillor Chaloner to replace Councillor Jeffery on Corporate Parenting
Councillor Jeffery to replace Councillor Bogle on the Health and Well Being Board
The resignation of Councillor Baillie from Eastpoint Centre Ltd.

72. ARTS AND HERITAGE COLLECTIONS POLICY

DECISION MADE: (Ref: CAB 13/14 11724)

On consideration of the report of the Cabinet Member for Economic Development and Leisure Services and representation from a Member of the Council, Cabinet agreed the following:

- (i) To approve the Arts and Heritage Collection Development Policy 2014-17, as set out in the appendix to the report, as the acquisition and disposals policy for the collections held by Southampton City Council.

- (ii) To approve delegated authority be given to the Arts and Heritage Manager to revise the policy if required, following consultation with the Cabinet Member for Economic Development and Leisure.

73. WASTE MANAGEMENT POLICY

DECISION MADE: (Ref: CAB 13/14 11535)

On consideration of the report of the Cabinet Member for Environment and Transport, Cabinet agreed the following modified recommendations:

- (i) To approve the Waste Management Policy as attached at Appendix 1.
- (ii) To delegate authority to the Head of City Services following consultation with the Cabinet Member for Environment and Transport to take any necessary steps to implement the policy and to take into account the recommendations from Overview and Scrutiny Management Committee.

74. DOMICILIARY CARE RE-COMMISSIONING

DECISION MADE: (Ref: CAB 13/14 11722)

On consideration of the report of the Cabinet Member for Health and Adult Social Care, Cabinet agreed the following:

- (iii) To approve the pre-tender considerations and the criteria to be used to evaluate tenders.
- (iv) To delegate authority to the Director, People to invite tenders and evaluate them in accordance with the recommended evaluation criteria.
- (v) To note that the award of the contract will be considered by Council or Cabinet as appropriate as detailed in the procurement timetable listed in Section 13 of this report.

75. HOUSING PROVISION FOR PEOPLE WITH LEARNING DISABILITIES AND COMPLEX NEEDS

DECISION MADE: (Ref: CAB 13/14 11729)

On consideration of the report of the Cabinet Member for Health and Adult Social Care, Cabinet agreed the following:

- (i) To enter into an arrangement under S256 National Health Service Act 2006 to manage the transfer of financial resources from Southampton City CCG to Southampton City Council upon such terms as the Director of People considers reasonable in line with the joint commissioning arrangements for learning disabilities.
- (ii) To allocate £1,500,000 that will transfer from SCCCG on housing developments for this group focused on those with continuing healthcare needs.
- (iii) Delegate authority to the Director of People to carry out all such ancillary matters to give effect to this resolution.

76. HOUSING REVENUE ACCOUNT (HRA) CAPITAL PROGRAMME PROJECT APPROVAL 2013/14 AND 2014/15

DECISION MADE: (Ref: CAB 13/14 11621)

On consideration of the report of the Cabinet Member for Housing and Sustainability, Cabinet agreed the following:

- (i) To approve a virement of £200,000 in 2014/15 from the unapproved provision for 'DN: Future Decent Neighbourhood Schemes', within the HRA Capital Programme, to provide a new budget for the 'DN: Estate Improvement Programme'.
- (ii) To approve a virement of £475,000 in 2014/15 from the unapproved provision for 'Communal Area works – Future Projects', within the HRA Capital Programme, to increase the budget for the 'Weston Court - Communal Area Works' scheme from £1.5M to £1.975M.
- (iii) To approve a series of virements, totalling £1,425,000, from the unapproved provision for Communal Area Works – Future Projects, within the HRA Capital Programme, to provide new budgets for specific schemes, as detailed in Table 1 below.

	2013/14	2014/15	TOTAL
	000s	000s	000s
Well Maintained Communal Facilities			
Ventnor Court Electric Scooter Storage	120	40	160
James Street Electric Scooter Storage and Canopy	200	155	355
Milner Court Electric Scooter Storage	30	130	160
Floor Coverings on Communal Corridors	250	250	500
Bassett Green Community Facilities Refurbishment	150	100	250
Total Well Maintained communal Facilities	750	675	1,425

- (iv) To approve, in accordance with Financial Procedure Rules, spend on schemes in the HRA Capital Programme as detailed in the table below.

	2013/14	2014/15	TOTAL
	000s	000s	000s
Warm and Energy Efficient			
Renewable Energy Sources (including solar PV and ground/air source pumps)	100	0	100
Total – Warm and Energy Efficient	100	0	100

Well Maintained Communal Facilities			
Ventnor Court Electric Scooter Storage	120	40	160
James Street Electric Scooter Storage and Canopy	200	155	355
Milner Court Electric Scooter Storage	30	130	160
Floor Coverings to Communal Corridors	250	250	500
Bassett Green Community Facilities Refurbishment	150	100	250
Communal Area Works	100	50	150
Weston Court – Communal Area Works	125	1,850	1,975
DN: Estate Improvement Programme	0	200	200
Total Well Maintained Communal Facilities	975	2,775	3,750
Total	1,075	2,775	3,850

77. REPORT ON BETTING SHOPS, PAY DAY LOAN PREMISES AND FAST FOOD OUTLETS

DECISION MADE: (Ref: CAB 13/14 11671)

On consideration of the report of the Leader of the Council and representations from a Member of the Council, Cabinet agreed the following:

- (i) That the Council assesses all new planning applications for hot food takeaways within 500m of schools and, if there is considered to be an overriding health implication, then opening hours are restricted during lunch times.
- (ii) That a cross departmental group is set up to explore whether there are opportunities to influence the spread of betting shops, pay-day-loan premises, and the opening of fast food outlets near schools over the longer term and reports back to Cabinet within six months. It is considered that cheap off-licence sales should not be considered further as this is not a planning issue.
- (iii) The report back to Cabinet should also consider whether an article 4 should be served to require planning permission for the conversion of pubs to any other use classes.

78. PROPOSALS TO DESIGNATE BASSETT NEIGHBOURHOOD AREA AND BASSETT NEIGHBOURHOOD FORUM

DECISION MADE: (Ref: CAB 13/14 11726)

On consideration of the report of the Leader of the Council, Cabinet agreed the following:

- (vi) To approve the application made for Bassett ward to be designated as a Neighbourhood Area under Section 61G and 61H of the Town and Country Planning Act 1990.
- (vii) Subject to approval of recommendation (i) above, to approve the application made for the proposed Bassett Neighbourhood Forum to be designated as a neighbourhood forum under Regulation 10 of the Neighbourhood Planning (General) Regulations 2012.
- (viii) To delegate to the Head of Planning, Transport and Sustainability the power to publicise the decisions on the Council's website in accordance with the Neighbourhood Planning (General) Regulations 2012.

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Agenda Item 8

DECISION-MAKER:	CABINET		
SUBJECT:	CABINET RESPONSE TO RECOMMENDATIONS OF SCRUTINY PANEL ON APPRENTICESHIPS		
DATE OF DECISION:	21 JANUARY 2014		
REPORT OF:	CABINET MEMBER FOR ECONOMIC DEVELOPMENT AND LEISURE (IN CONSULTATION WITH THE CABINET MEMBER FOR EDUCATION AND CHANGE)		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY

None

BRIEF SUMMARY

From April 2013 to September 2013, Scrutiny Panel B undertook an Inquiry into apprenticeships across the city. On 10th October 2013, the Overview and Scrutiny Management Committee (OSMC) considered the final recommendations detailed in the f the Inquiry report and approved it for submission to the Executive. The Inquiry report submitted to Cabinet on 19th November contains 10 recommendations and this report recommends that the Cabinet approves all the recommendations of the Inquiry Panel.

RECOMMENDATIONS:

- (i) To approve all recommendations from the Scrutiny Panel B Apprenticeships Inquiry, for implementation through a Southampton Apprenticeship Action Plan, to be funded using existing budget and new European grant income, as set out in Appendix 1.
- (ii) To agree the establishment of a city-wide Apprenticeships Steering Group, chaired by the Cabinet Member for Economic Development and Leisure.

REASONS FOR REPORT RECOMMENDATIONS

1. The overview and scrutiny procedure rules, in part 4 of the Council's Constitution, requires the Executive to consider all inquiry reports that have been endorsed by the Overview and Scrutiny Management Committee, and to submit a formal response to the recommendations contained within them within two months of their receipt. Cabinet considered the Scrutiny Panel B Inquiry report on Apprenticeships on 19th November 2013. Therefore, this report details Cabinet's response to the recommendations of the Apprenticeships Inquiry.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None

DETAIL (Including consultation carried out)

3. Overview and Scrutiny Management Committee (OSMC) requested Scrutiny Panel B to hold an Inquiry into Apprenticeships. The purpose of the Inquiry was to examine existing local and national issues relating to apprenticeship recruitment and consider how the number of apprenticeships in Southampton could be increased, leading to development and implementation of a Southampton Apprenticeship Action Plan.
4. The Inquiry took place from April 2013 to September 2013 and considered a wide range of evidence from a variety of organisations, employers, education providers, individuals and officers from Southampton City Council.
5. The Inquiry made 10 recommendations which were presented to Cabinet on 19th November 2013. These are grouped under the following key themes:
 - Improve the promotion, preparation for, and recruitment of, young people into apprenticeships;
 - Maximise employer take up of apprenticeships across the city, particularly in key sectors and in the Council;
 - Establish an apprenticeship training offer in Southampton which includes frameworks and levels which are likely to employ young people and meet the needs of the Southampton economy; and
 - Best practice.
6. The recommendations support the emerging priorities of the Solent Local Enterprise Partnership (LEP) for employment and skills and the wider Solent Economic Strategy. Funding for recommendations 4 and 7(Enhanced Traineeships and business brokerage), are included in the draft EU Strategic Investment Framework for future funding.
7. The Southampton Apprenticeship Action Plan, at Appendix 1, sets out all recommendations within the Scrutiny Inquiry report over a three-year period 2014-2016 and includes revenue funding requirements.

RESOURCE IMPLICATIONS

Capital/Revenue

8. There are resource requirements for the delivery of recommendation in the Southampton Apprenticeship Action Plan. However, in setting the recommendations due regard has been given to the current financial pressures faced by the Council, and no additional council budget is requested.
9. The total budget requirement for full delivery of the recommendations, over a three-year period, is £800,000. A confirmed budget of £300,000 has been identified to deliver the recommendations comprising £275,000 from existing European grant income and £25,000 existing council funds. An indicative additional funding allocation of £500,000 will be accessed through the Solent LEP.

10. The confirmed budget will fund two new fixed-term posts required to deliver the Apprenticeship Action Plan, one Apprenticeship Manager to be supported by one Employment and Skills Apprentice.
11. City Deal funding, to be received for youth and adult employment, will also support delivery of the Apprenticeship Action Plan.

Property/Other

12. None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

13. The duty to undertake overview and scrutiny is set out in Section 9 Part 1A of the Local Government Act 2000.

Other Legal Implications:

14. None

POLICY FRAMEWORK IMPLICATIONS

15. To develop the Southampton Apprenticeship Action Plan is a key action for 2013/14 within the Council Plan 2013-16.

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	Southampton Apprenticeship Action Plan: Summary Recommendations and Actions.
2.	Southampton Apprenticeship Action Plan: Indicative Costs.

Documents In Members' Rooms

1.	Report of Scrutiny Panel B: Apprenticeships Inquiry April 2013 - September 2013. http://www.southampton.gov.uk/modernGov/ieListDocuments.aspx?CId=126&MId=2478&Ver=4
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s) Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None	
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Apprenticeship Action Plan 2014-2016: Summary of Recommendations and Actions

Recommendation	How will the recommendation be achieved? (Key Actions)	Initial Target date for Completion
<p>1. Improve the quality and availability of apprenticeship Information Advice and Guidance (IAG) in schools, colleges and for NEET young people</p>	Carry out an audit and survey of Information, Advice and Guidance (IAG) in schools and colleges to identify availability, take up, quality and areas for improvement.	May 2014
	Host an event for National Careers Service, Jobcentre Plus, school and college careers advisers, training providers and businesses to identify and agree resource to support apprenticeship IAG, including how Southampton uses the “Inspiring the Future” campaign to create a joined up approach across businesses and providers to visit schools to promote apprenticeships, and to provide business mentors.	March 2014
	Develop a new careers website that all schools, colleges and training providers can access to support the provision of impartial and consistent careers guidance across the city.	July 2014
	Develop a corresponding Smartphone application to provide a new IAG resource for students (building on recent success of Social Media techniques across the council especially the ‘Recycle Southampton’ Smartphone application developed by My-Mo to promote recycling in the city).	July 2014
	Provide National Apprenticeship Service (NAS) presentations to promote at senior level at Southampton Heads Forum, School councils, Governors Forum, Providers Forums and Southampton City Council’s Leadership Group.	July 2014
	Arrange for the NAS ‘Apprenticeship Bus’ tour to visit Southampton, at Guildhall Square and at community venues across the city, particularly linking with Estate Regeneration activities and to promote apprenticeships in deprived areas.	March 2014
	Ensure that school leavers and young people of all backgrounds, particularly from priority groups such as care leavers and disabled young people, receive IAG and support to access apprenticeship and traineeship options, thus supporting social inclusion.	July 2014
	Working with Solent Local Enterprise Partnership (Solent LEP), ensure that IAG includes Labour Market Information (LMI) regarding local apprenticeship, skills and	September 2014

Recommendation	How will the recommendation be achieved? (Key Actions)	Initial Target date for Completion
	employment demand.	
2. Create a Southampton Apprenticeship Ambassador Scheme	Introduce an Apprenticeship Ambassador Training and induction course, and produce an ambassador resource pack for Southampton, ensure ongoing support especially for priority groups.	September 2014
	Create a database of current and recently qualified apprentices with the confidence and drive to inspire others and who are available to visit local schools and colleges to discuss their career options, and agree a schedule of ambassador visits with all secondary schools in Southampton.	September 2015
3. Introduce Southampton Apprenticeship Graduation Day	Organise and deliver an annual apprenticeship graduation event in partnership with employers, training providers and funding agencies, to be held at an appropriate location such as the Guildhall.	October 2014
4. Develop an Enhanced Traineeship Scheme for Southampton in partnership with Solent LEP	Confirm an Enhanced Traineeship Scheme model with the Solent Employment and Skills Board, and deliver through local colleges and private traineeship providers.	September 2014
	Integrate traineeship opportunities into the council's recruitment policy (in line with Recommendation 5) and through the council's Section 106 Employment and Skills Plans and procurement, confirming a minimum number per annum.	January 2015
	Integrate traineeship opportunities as part of the City Deal Youth Employment Strand currently being agreed.	April 2014
5. Create a Southampton City Council Apprenticeship, Internships and Work Experience Programme that will expand to apprenticeship brokerage for wider Southampton employers	Carry out an audit and provide comprehensive evidence of the current posts held by apprentices across the Council.	April 2014
	Create a fully resourced SCC Apprenticeship Policy and Programme, setting out a clear model for the future recruitment of apprentices across SCC as part of a wider strategic recruitment policy, including internships and work experience.	September 2014
	Provide guidance to SCC managers to ensure that all relevant departments establish which job areas can be filled by apprentices, and maximise any potential apprenticeship opportunities through vacancy recruitment.	September 2014

Recommendation	How will the recommendation be achieved? (Key Actions)	Initial Target date for Completion
	Update the HR system to ensure that future apprentices are correctly recorded and tracked for progress after they complete their apprenticeship.	September 2014
	Give priority to care leavers, NEET young people and young people with disabilities when recruiting council Apprenticeships with a target of no less than a third of all apprentices coming from these priority groups.	September 2014
	Expand the model to offer brokerage to include wider Southampton employers replicating the council's approach and increasing opportunities for apprentices, interns and work experience students across public and private sectors.	June 2015
	Ensure that the council's public procurement contracts are benchmarked against contract value (e.g. 1 apprentice per £x) and strategic partnerships secure more apprenticeship opportunities.	January 2015
6. Introduce a Southampton Apprenticeship Grant Scheme	Launch a Southampton Apprenticeship Grant Scheme, confirming eligibility criteria, value and number of incentives to be funded.	April 2014
	Promote the scheme through 'employer ambassadors' and case study examples demonstrating the return on investment when recruiting apprentices.	April 2014
7. Establish a Southampton City of Opportunity Hub to engage employers to promote and recruit apprenticeships, internships and work experience	Develop a central, co-ordinated approach for employer engagement as part of Southampton City of Opportunity work, linking the City Deal Business Growth Hub Strand currently being agreed.	June 2014
	Introduce a sustainable model for creating Employment and Skills Plans through S106 planning agreements and expanding community benefit clauses in public sector procurement across the city, to increase the number of apprenticeships, traineeships, internships and work experience opportunities as part of the City Deal Procurement Strand currently under development.	December 2014
	Improve local brokerage and support for SMEs to recruit apprentices, in partnership with apprenticeship training providers and the ALPHI network (Association of Learning Providers Hampshire and IOW) including new Employer Account Managers to provide a direct sales function and face-to-face support.	March 2014

Recommendation	How will the recommendation be achieved? (Key Actions)	Initial Target date for Completion
	Attend existing business events across the city to provide Apprenticeship information, utilising existing events hosted by the Chamber of Commerce, FSB and Business South.	March 2014
8. Update local Labour Market Information (LMI) and support Apprenticeship training providers to respond to local demand	Linking to the Solent Economic Strategy, produce local LMI for Southampton detailing employment and skills requirements and forecasting future demand arising from new major development, growth sectors and local workforce 'churn'.	January 2015
	Share LMI with apprenticeship providers and IAG providers.	January 2015
	Using LMI, identify gaps in the market and potential requirements for business and framework development.	April 2015
	Support apprenticeship training providers to work collaboratively to respond to local demand.	April 2015
	Ensure that all frameworks with significant/growing volumes in the labour market are made available in Southampton where there is evidence of market demand, such as the emerging Solent ECO/Green Deal.	Sept 2014
	Support the development of, and increase numbers of, advanced and higher apprenticeships across Southampton.	December 2016
9. Create apprenticeship best practice partnerships	Research best practice from across other authorities and public sector agencies that could be adopted in Southampton to increase the uptake of apprenticeships.	March 2014
	Create partnerships with key local authorities and organisations delivering successful apprenticeship campaigns, including 'Ladder for London' and the 'Greater Manchester Commitment'.	March 2014
	Establish a Southampton Apprenticeship Steering Group (incorporating existing partnerships) which will bring together key stakeholders to monitor the progress of the Southampton Apprenticeship Action Plan and introduce new initiatives as required to support the achievement of targets in the Plan.	February 2014
	Recognise and support local initiatives that provide pathways into apprenticeships for	September 2014

Recommendation	How will the recommendation be achieved? (Key Actions)	Initial Target date for Completion
	vulnerable and disadvantaged young people who need more intensive support to equip them with entry level skills, knowledge and qualifications. This group will include care leavers, young people with learning difficulties and ex-offenders.	
10. Promote Southampton as an example of Best Practice	Share the Council's own best practice through Pre-apprenticeships, S106 Employment and Skills Plans and ECO Procurement, demonstrating how this has created new apprenticeship opportunities for Southampton residents, through appropriate networks and media nationally and locally.	January 2014
	Engage with large private and public sector employers in Southampton with successful apprenticeship recruitment strategies, such as Southampton Hospital and ABP, to disseminate information.	January 2015

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Apprenticeship Action Plan 2014-2016: Indicative Costs

Recommendation	Actions Requiring New Resource	Cost	Funding Source
<p>Improve the quality and availability of apprenticeship Information Advice and Guidance (IAG) in schools, colleges and for NEET young people</p>	<p>Develop a new careers website that all schools, colleges and training providers can access to support the provision of impartial and consistent careers guidance across the city</p> <p>Develop a corresponding Smartphone application to provide a new IAG resource for students (building on recent success of Social Media techniques across the council especially the 'Recycle Southampton' Smartphone application developed by My-Mo to promote recycling in the city)</p>	<p>£15,000</p>	<p>Existing grant funding</p>
<p>Create a Southampton Apprenticeship Ambassador Scheme</p>	<p>Introduce an Apprenticeship Ambassador Training and induction course, and produce an ambassador resource pack for Southampton, ensure ongoing support especially for priority groups</p>	<p>£5,000</p>	<p>Existing grant funding</p>
<p>Introduce Southampton Apprenticeship Graduation Day</p>	<p>Organise and deliver an annual apprenticeship graduation event in partnership with employers, training providers and funding agencies, to be held at an appropriate location such as the Guildhall</p>	<p>£15,000</p>	<p>Existing grant funding</p>
<p>Develop an Enhanced Traineeship Scheme for Southampton in partnership with Solent LEP</p>	<p>Confirm an Enhanced Traineeship Scheme model with the Solent Employment and Skills Board, and deliver through local colleges and private traineeship providers</p>	<p>£275,000</p>	<p>Existing grant funding £25,000 New EU grant and City Deal £250,000</p>
<p>Create a Southampton City Council Apprenticeship, Internships and Work Experience Programme that will expand to apprenticeship brokerage for wider Southampton employers</p>	<p>Create a fully resourced SCC Apprenticeship Policy and Programme, setting out a clear model for the future recruitment of apprentices across SCC as part of a wider strategic recruitment policy, including internships and work experience;</p>	<p>£25,000</p>	<p>Existing council budget</p>
<p>Introduce a Southampton</p>	<p>Launch a Southampton Apprenticeship Grant Scheme, confirming</p>	<p>£75,000</p>	<p>Existing grant</p>

Recommendation	Actions Requiring New Resource	Cost	Funding Source
Apprenticeship Grant Scheme	eligibility criteria, value and number of incentives to be funded;		funding
Establish a Southampton City of Opportunity Hub to engage employers to promote and recruit apprenticeships, internships and work experience	<p>Develop a central, co-ordinated approach for employer engagement as part of Southampton City of Opportunity work, linking the City Deal Business Growth Hub Strand currently being agreed;</p> <p>Improve local brokerage and support for SME to recruit apprentices, in partnership with apprenticeship training providers and the ALPHI network (Association of Learning Providers Hampshire and IOW) including new Employer Account Managers to provide a direct sales function and face-to-face support;</p> <p>Attend existing business events across the city to provide Apprenticeship information, utilising existing events hosted by the Chamber of Commerce, FSB and Business South.</p>	£250,000	New EU grant and City Deal
Update local Labour Market Information (LMI) and support Apprenticeship training providers to respond to local demand	Linking to the Solent Economic Strategy, produce local LMI for Southampton detailing employment and skills requirements and forecasting future demand arising from new major development, growth sectors and local workforce 'churn';	£10,000	Existing grant funding
Staffing Requirements	Recruit two staff members, one Apprenticeship Manager three years fixed-term, and one Employment and Skills Apprentice two years fixed-term	£130,000	Existing grant funding
	Total	£800,000	Existing grant/budget £300,000 New EU grant £500,000

Agenda Item 9

DECISION-MAKER:	CABINET		
SUBJECT:	ESTABLISHMENT OF SOLENT TRANSPORT		
DATE OF DECISION:	21 JANUARY 2014		
REPORT OF:	CABINET MEMBER FOR ENVIRONMENT AND TRANSPORT		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Frank Baxter	Tel: 023 8083 2590
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STATEMENT OF CONFIDENTIALITY

NOT APPLICABLE

BRIEF SUMMARY

This report seeks to ratify the decision by the Transport for South Hampshire Isle of Wight (TfSHIoW) Joint Committee and Solent Local Transport Body to merge into a new Joint Committee, Solent Transport. The report also seeks ratification to the TfSHIoW Business Plan 2013-15.

RECOMMENDATIONS:

- (i) To ratify the creation of a new proposed Joint Committee, named 'Solent Transport', to replace the existing joint committees of Transport for South Hampshire Isle of Wight (TfSHIoW) and the Solent Local Transport Body (LTB).
- (ii) To ratify the TfSHIoW Business Plan 2013-15.

REASONS FOR REPORT RECOMMENDATIONS

1. It is necessary for the constituent local authorities of the TfSHIoW Joint Committee to ratify all constitutional decisions. These recommendations are therefore necessary to establish the new 'Solent Transport' Joint Committee and to ratify the TfSHIoW Business Plan 2013-15.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. **Do Nothing**

It would be possible to retain the TfSHIoW Joint Committee and Solent LTB. However, this would not allow the benefits of combining the two bodies to be realised, including providing a single strategic transport partnership interface for the area, synergising work programmes and realising efficiencies.

3. **Creation of 'Solent Transport' as a recommendatory body**

The Solent Local Enterprise Partnership (LEP) is a member of the Solent LTB and it is intended that it would be a member of the new 'Solent Transport' Joint Committee. The LEP is not currently allowed to vote on local government decision making bodies. The government is aware of this issue

and is likely to bring forward primary legislation to address this issue. In the meantime, it would be possible to create 'Solent Transport' as a recommendatory body. However, this would require ratification of all decisions by the constituent local authorities. It is therefore intended to create 'Solent Transport' once primary legislation changes allow the LEP full voting rights on a local government decision making body. In the meantime, the TfSHIoW Joint Committee and Solent LTB can continue to operate and meet as necessary.

DETAIL (Including consultation carried out)

4. In 2012 the Department for Transport (DfT) published guidance on the establishment of Local Transport Bodies (LTBs). These new bodies, covering individual or combinations of LEP areas were to be charged with prioritising transport schemes and managing a programme funded through the DfT's devolved local major transport schemes funding.
5. In February 2013, LTBs had to submit an Assurance Framework for DfT approval setting out how they propose to comply with guidance. Following assessment, the Solent LTB Assurance Framework was approved by the DfT and the body was subsequently formally established with a single purpose to prioritise transport schemes for, and manage, a devolved local major transport scheme fund. The Solent LTB is separate and distinct from TfSHIoW, which has been in existence since 2007 and has a wider remit covering strategic transport planning, evidence base development, bidding, programme management, and public transport operations in partnership with the South Hampshire Bus Operators Association (SHBOA).
6. The full membership of TfSHIoW comprises Hampshire County Council, Isle of Wight Council, Portsmouth City Council and Southampton City Council, whereas the full membership of the LTB comprises the aforementioned and also the Solent LEP and Partnership for Urban South Hampshire (PUSH). In both partnerships, each member organisation has a single vote.
7. The 2013 Spending Review set out plans to devolve a range of funding sources, including the local major transport schemes fund within a single, un-ring-fenced, Local Growth Fund (LGF). The LGF will be distributed via Local Enterprise Partnerships who will determine how funding is invested.
8. Whilst the wider activities of TfSHIoW and the single function of the Solent LTB are separated out, it is felt that there are good reasons for combining the two bodies to provide a single strategic transport partnership interface for the area, to synergise work programmes, and to realise efficiencies. In October 2013, both the TfSHIoW Joint Committee and Solent LTB made recommendations to close and create a new Joint Committee entitled 'Solent Transport'.
9. It is intended to delay creation of the 'Solent Transport' Joint Committee until primary legislation permits LEPs to have full voting rights on local government decision making bodies. This is explained in more detail in paragraph 3.
10. In June 2013, the TfSHIoW Joint Committee recommended adoption of the TfSHIoW Business Plan covering the period from 2013-15 and that the constituent authorities ratify this through their own decision making process. The TfSHIoW Business Plan, seeks to position the partnership to work within

the rapidly changing policy and funding landscape, especially in relation to transport infrastructure funding.

11. Through both the TfSHloW Joint Committee and Solent LTB meetings, a number of important stakeholders have either had direct involvement in the decision making process to create the new 'Solent Transport' Joint Committee and the adoption of the TfSHloW Business Plan 2013-15. This includes all highway authorities in the Solent area, the Solent LEP, District Councils, Network Rail, Highways Agency and the South Hampshire Bus Operators Association (SHBOA).

RESOURCE IMPLICATIONS

Capital/Revenue

12. The City Council currently contributes £40,000 of revenue funding per annum to support TfSHloW and £10,000 to support the Solent LTB. This funding is from existing budgets and is intended to remain at current levels of £50,000 once the 'Solent Transport' Joint Committee is established.
13. TfSHloW has been very successful at securing significant levels of Government capital and revenue funding for a range of transport projects, well in excess of the cost of its operation.

Property/Other

14. None.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

15. Local Government Acts 1972 and 2000 and the Localism Act 2011 (general power of competence).

Other Legal Implications:

16. None.

POLICY FRAMEWORK IMPLICATIONS

17. The City of Southampton Local Transport Plan 3 includes a South Hampshire Joint Strategy. The principle of joint working across the Solent area on strategic transport issues through TfSHloW is supported by the City Council's policy framework.

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	None
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Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	TfSHIoW Business Plan available at http://documents.hants.gov.uk/transport-for-south-hampshire/tfshlowbusinessplan2013.pdf	
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Agenda Item 10

DECISION-MAKER:	CABINET		
SUBJECT:	USE OF RIGHT TO BUY RECEIPTS TO PROVIDE AFFORDABLE HOMES		
DATE OF DECISION:	21 JANUARY 2014		
REPORT OF:	CABINET MEMBER FOR HOUSING AND SUSTAINABILITY		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY

BRIEF SUMMARY

Since 2012 the council has been able to retain some Right to Buy (RTB) receipts from the sale of council homes to existing tenants, provided it can demonstrate that it has spent a sufficient amount on replacement affordable housing, on at least a 'one for one' basis

This paper makes recommendations about spending some of these receipts to provide new affordable housing, initially through working in partnership with Registered Providers.

RECOMMENDATIONS:

- (i) To add, in accordance with Financial Procedure Rules, a sum of £1,628,000 to the Housing and Sustainability Portfolio General Fund Capital Programme for a Registered Provider Grants scheme to be funded from Right to Buy receipts.
- (ii) To approve, in accordance with Financial Procedure Rules, capital expenditure of £1,628,000, phased £800,000 in 2014/15 and £828,000 in 2015/16, to award grants to Registered Providers to help fund new affordable housing in the city.
- (iii) To delegate authority to the Director of Place, following consultation with the Chief Financial Officer, the Head of Legal and Democratic Services, the Senior Head of Property and Procurement and the Cabinet Member for Housing and Sustainability to:
 - (a) finalise the bidding criteria for the grant funding;
 - (b) decide successful bidder(s) for the grant funding; and
 - (c) enter into a grant agreement with the successful Registered Provider(s)

REASONS FOR REPORT RECOMMENDATIONS

- 1 The council has significant funding available from Right to Buy receipts. This money needs to be spent within 3 years of receipt, otherwise receipts must be paid to the Government, with interest.
- 2 These receipts can only be used to fund new affordable housing. The RTB receipts can only comprise 30% of the total cost
- 3 If the council were to build affordable homes itself then it would need to find 70% of the cost. The council's Housing Revenue Account has limited borrowing headroom available to contribute the additional 70% required.
- 4 Full consideration will be given to the council using future RTB receipts towards funding new affordable council homes as part of the Townhill Park regeneration
- 5 Funding Registered Providers (RPs/ housing associations) would provide affordable housing without the need for the council to fund the other 70%, helping the HRA's cash flow.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 6 The council could decide not to spend the RTB receipts, but this would result in having to pay the money to the Government's Communities and Local Government department (CLG), with an interest payment of 4% above base rate (calculated from the date of receipt).
- 7 The council could spend all the money on new council homes. However, due to Government borrowing restrictions, the council would also need to make significant reductions in the Housing Revenue Account (HRA) Capital Programme with a consequent deterioration in the standard of the existing housing stock.
- 8 The council could decide to restrict grant funding **only** to conversion of existing properties. However this option has been rejected as existing properties can however be very complicated, time consuming and costly to convert or bring back into use. For this reason, new build options will also be actively considered (see paragraphs 26-28 below)

DETAIL (Including consultation carried out)

- 9 **Background**
Since 2012 the council has been able to retain some RTB receipts, provided it can demonstrate that it has spent a sufficient amount on replacement affordable housing on at least a 'one for one' basis.
- 10 Between April 2012 and the end of September 2013, the council had received £2.468M, which is available to spend, from 113 RTB sales. Under the rules regarding RTB receipts these have to be spent within three years, although the actual housing does not have to have been completed by then. This means the first receipts have to be spent by September 2015 and the latest by September 2016.
- 11 It was originally proposed that £1.9M of RTB receipts would be used towards the redevelopment of Erskine Court in Lordshill, with the remainder coming from within the Housing Revenue Account (HRA) borrowing headroom and

this formed part of the council's bid to the HCA in January 2013. In July 2013 the Homes and Communities Agency (HCA) confirmed that the council had been successful in its bid for Care and Support Specialist Housing Grant for the Erskine Court scheme and will receive £2.7M

- 12 In July 2013 the Department of Communities and Local Government wrote to all Local Authorities to advise that RTB receipts cannot be used at any development where any HCA funding is used. This meant that the plans to use RTB funding at Erskine Court could not proceed, leaving the council needing to find other opportunities to increase affordable housing through the use of RTB receipts. Alternative funding from the HRA has been identified to match fund the HCA grant to redevelop Erskine Court.
- 13 RTB receipts used to provide affordable housing cannot constitute more than 30% of the total amount spent. Therefore, to use the £2.4M from RTB receipts, a further £5.6M (70%) must be found from elsewhere, making a total spend required of £8M by September 2016.
- 14 The guidance from the CLG says there are two ways a council can spend the receipts on the provision of affordable housing.
 - Use the money itself as a direct provider whereby the council finds 70% of the cost of provision; or
 - Transfer the receipt over to another provider, with that other provider putting the remaining 70% funding into the provision.
- 15 In the short term, the council itself does not have the resources to use all the RTB receipts to provide new council owned homes. This is because, although RTB receipts would cover 30% of the cost of the provision of affordable housing, the council would need to find the remaining 70% from other HRA resources. The HRA must work within Government borrowing restrictions that have imposed a debt cap of just under £200M. Council have also agreed that a proportion of any 'borrowing headroom' will be retained as a contingency for any unforeseen or high risk short term issues that need to be supported.
- 16 In other words, the council does not have sufficient resources to match the RTB funds, were it to provide all the affordable housing itself, without making significant reductions in the Housing Revenue Account (HRA) Capital Programme with a consequent deterioration in the standard of the existing housing stock. However the receipts need to be spent to prevent not only the loss of the receipts, but also the paying of punitive interest.
- 17 This then leaves the option of spending some of the receipts to provide grant funding to a Registered Provider (RP/ Housing Association) partner to help provide new affordable housing in the city.
- 18 The benefit is that for every £3 provided by the council, the RP would contribute a further £7 from their own financial resources, as they too would also not be able to use any HCA funding if they received RTB funding for a particular scheme.
- 19 With this in mind, it is proposed that partner RPs (who participate in the choice based lettings scheme) are invited to bid for grant to provide affordable homes. The council currently has 7 partners which form the

Southampton Affordable Housing Partnership 2012-2015.

20 **Grant bids**

Bids will need to demonstrate how the design of any scheme enhances the sustainability of both the scheme and individual tenancies, as well as minimising any impact on the neighbouring community.

21 The bids will be assessed on the value for money they provide in terms of number of units and cost per unit, as well as quality and innovation.

22 Successful bids would be awarded a grant from the council to develop the scheme, up to a maximum of 30% of the total cost. In this way the RP would be responsible for the remaining 70% funding required.

23 An additional benefit is that the time pressure of spending the receipts would be reduced, as the council can transfer 50% of the grant over when the scheme commences (as the HCA current do with their grant) with clear protections for the funding in the grant funding agreement should the scheme stall. The other 50% will be paid when the scheme reaches completion.

24 It is proposed that the council seeks bids from RPs for schemes that provide affordable housing for single people. Currently nearly 50% of those on the housing waiting list are looking for one bedroom properties and this demand is increasing due to those who are looking to downsize in response to the spare room subsidy within welfare reforms. There is significant need for small homes for single person households who may benefit from intensive housing management in place, and where care and floating support could be provided as needed by individuals.

25 These homes would be highly specified and suitable for people moving on from specialist supported accommodation in the city. The homes would not be bespoke in design, allowing the flexibility of both first and future users. It is not envisaged that there would be any dedicated communal space / facilities, or the need for any on site care or support.

26 The housing would be targeted at single people under 35, as this group has been affected by changes to the housing benefit rates. In the private sector this group are entitled only to the single room rate of Housing Benefit (i.e. £64.62 per week), which can be a significant problem for people with vulnerabilities who cannot share a home.

27 Schemes that include converting offices to residential use or the purchase of off the shelf properties for conversion to flats or bringing empty properties in the city back into use will be favoured, as this helps to signal the council's desire to see creative options for existing properties, provided such schemes can demonstrate value for money and can deliver on time.

28 Existing properties that are unoccupied and evidentially redundant in their current uses can progressively have a negative impact on local communities. The act of conversion can generate employment in construction. Residential reoccupation can provide an increased customer base to help sustain existing businesses in the area, and/or encourage new businesses to start up.

- 29 Existing properties can however be very complicated, time consuming and costly to convert or bring back into use, and so may not offer the best value for money to the council. For this reason, new build options will also be actively considered. This approach has the benefit of signalling the council's desires around existing properties, but keeps the use of the grant open for RPs to submit solutions that offer the best value for money, the greatest number of units and certainty of delivery.
- 30 This proposal would take up £1,628,000 of the RTB receipts and would help to ensure spend within the required timescales using a method that would not require 70% match funding from the HRA. This would leave £840,000 of receipts to be spent (based on receipts to 30 September 2013), plus all future receipts. Other options are being developed for the spend of these resources. Current thinking is focused around limited options for new council homes.
- 31 A further consideration in 2014 will be the benefit of the council using future receipts towards funding new affordable homes as part of the Townhill Park regeneration. The new HCA bidding round opens next year, with guidance due in January 2014. Clearly maximising funding for the scheme is the priority,

RESOURCE IMPLICATIONS

Capital/Revenue

- 32 As at 30 September 2013 there is £2,468,000 in RTB receipts available to spend. The first tranche (£277,000) was received in quarter 2 of 2012/13 and has to be spent by September 2015.
- 33 It is recommended that, at this stage, £1,628,000 is offered in the form of grants to RPs, this being the receipts from the first tranche of sales, up to the end of Q1 2013/14, which will all need to be spent by June 2016.

Property/Other

- 34 No comments

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

- 35 The Council has powers under the Housing Acts in relation to the provision of affordable housing. A power of general competence is also available under section 1 of the Localism Act 2011, the exercise of which is subject to any prohibitions or restrictions that may exist.

Other Legal Implications:

- 36 Right to buy receipts must be applied in accordance with relevant legislation and guidance and particularly the Local Authorities (Capital Finance and Accounting)(England) Regulations 2003 (as amended) and the terms of any agreement reached under the Local Government Act 2003 modifying the applicability of the regulations.

POLICY FRAMEWORK IMPLICATIONS

- 37 The Housing Strategy 2011-15 sets out the 3 key housing priorities for Southampton, one of which is maximising homes for the city
- 38 The Council Plan 2013-16 has set a priority of encouraging house building and improving existing homes, including providing new affordable homes
- 39 The provision of new affordable homes through the use of RTB receipt therefore meets the council’s priorities and is within its policy framework.

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	None
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Documents In Members’ Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	None	
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Agenda Item 11

DECISION-MAKER:	CABINET COUNCIL		
SUBJECT:	HOUSING REVENUE ACCOUNT (HRA) PROGRAMME PROJECT APPROVAL FOR ECO CONTRACTS AND LIFT PROJECTS 2013/14, 2014/15 AND 2015/16		
DATE OF DECISION:	21 JANUARY 2014 12 FEBRUARY 2014		
REPORT OF:	CABINET MEMBER FOR HOUSING AND SUSTAINABILITY		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Geoff Miller	Tel: 023 8083 4987
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STATEMENT OF CONFIDENTIALITY

Not applicable

BRIEF SUMMARY

This report seeks formal approval, in accordance with Financial Procedure Rules, for expenditure on various housing projects. These projects will contribute to the Council's strategic housing objectives through improving facilities of our estates, the wellbeing and the satisfaction of our residents in the areas where they live.

The proposals are consistent with the HRA Business Plan and Capital programme approved by Council in February 2013. As part of our approach to self-financing the Council is required to plan for longer term investment in our housing stock and as such Council agreed to a detailed five year Capital Programme. In order to deliver this programme and secure suitable procurement efficiencies, we now need to seek Scheme Approval to progress with planning, procurement and delivery of the associated projects, many of which are significant in nature and therefore require suitable lead-in time.

The proposed works cover elements under the headings of:-

- Warm and Energy Efficient
- Well Maintained Communal Facilities.

RECOMMENDATIONS:

CABINET

- (i) To approve, in accordance with Financial Procedure Rules, capital expenditure of £1,027,000, phased £329,000 in 2014/15 and, £698,000 in £2015/16, on the Lift Refurbishment scheme provision for which exists within the Well Maintained Communal Facilities section of the HRA Capital Programme.

- (ii) To recommend that Council approve, in accordance with Financial Procedure Rules, capital expenditure of £9,376,000, phased £528,000 in 2013/14, £4,209,000 in 2014/15 and £4,639,000 in £2015/16, provision for which exists within the Warm and Energy Efficient section of the HRA Capital Programme, as detailed in the table below.

	2013/14	2014/15	2015/16	Total
	000s	000s	000s	000s
Warm and Energy Efficient				
External Cladding (Tower Blocks)	528	1,228	1,458	3,214
External Cladding (PRC Houses)	-	1,975	1,975	3,950
External Cladding (Flats)	-	1,006	1,206	2,212
Total	528	4,209	4,639	9,376

COUNCIL

- (i) To approve, in accordance with Financial Procedure Rules, capital expenditure of £9,376,000, phased £528,000 in 2013/14, £4,209,000 in 2014/15 and £4,639,000 in £2015/16, provision for which exists within the Warm and Energy Efficient section of the HRA Capital Programme, as detailed in the table below.

	2013/14	2014/15	2015/16	Total
	000s	000s	000s	000s
Warm and Energy Efficient				
External Cladding (Tower Blocks)	528	1,228	1,458	3,214
External Cladding (PRC Houses)	-	1,975	1,975	3,950
External Cladding (Flats)	-	1,006	1,206	2,212
Total	528	4,209	4,639	9,376

REASONS FOR REPORT RECOMMENDATIONS

- Financial Procedure Rules state that all schemes already in the capital programme between £500,000 and £2million will require Cabinet approval. Schemes with a total values above £2million will require the approval of full Council. The schemes in this report fall into both of these categories but are presented in one report for completeness.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. There have been various consultation meetings with tenant groups and leaseholders during the last eight months with regard to the proposed programme of capital expenditure associated with the Housing Revenue Account (HRA) and the Self-Financing regime.
3. These works form part of the approved five-year Capital Programme (formally approved in February 2013).
4. The alternative option of not undertaking the works identified would leave the Council's homes and surrounding areas in their present condition and would not accord with the view expressed during the consultation process or with the Council's policies of providing homes that comply with the four agreed headings of:
 - Safe Wind and Weather tight
 - Warm and Energy Efficient
 - Modern Facilities
 - Well Maintained Communal Facilities

DETAIL (Including consultation carried out)

5. This report seeks permission to proceed with the development, procurement and implementation of capital projects which form part of the HRA Capital Programme for 2013/14, 2014/15 and 2015/16. This report deals with those schemes that are currently ready for approval.
6. The programme outlined in this report is consistent with the HRA Business Plan approved by Cabinet and Council in February 2013.
7. A key role in the development of the Capital Programme has been the involvement of the Tenant Focus Groups, Block Wardens, Tenant Representatives, Leaseholders and staff. Tenants and Leaseholders have also been closely involved in the production of our long term business plan for future investment.
8. Under Self-Financing our Stock Condition Database is crucial to planning the works needed to our stock. As part of our approach to developing a business plan we have identified through the Stock Database the properties where work is required over the next five years and we are now in a position to strategically plan the investment needed to complete the work identified.
9. Therefore the budgets identified and seeking approval are determined by the detail from our Stock Database to which we have then applied an accepted industry calculation for estimated value which is based on known costs and Building Research Establishment (BRE) national average at this time.
10. The detail in the tables above is therefore provided based on the detailed property assessments undertaken and is presented in unit quantities with a more detailed description of the work to be undertaken in the paragraphs below.

Warm and Energy Efficient

11. As a result of entering into a partnership agreement with Mitie to maximise the potential investment under the Energy Company Obligation (ECO) in Southampton we are now planning significant investment in some of our most thermally inefficient buildings. Alongside the ECO grant there will be costs needed to be met by the Council in delivering comprehensive improvements to our buildings. We are aiming to maximise the amount of ECO funding that the city can attract but some works may not receive full grant funding and will require a contribution from the Council. Additionally, there are a number of other works that need to be completed at the same time. By carrying out these additional works there will be a saving to both the HRA in monetary value i.e. sharing of scaffold and welfare facilities and to the Council's residents in terms of disruption and savings to their energy costs.
12. **External Cladding (Tower Blocks)** – Additional works associated with these projects include; enclosing open balcony areas, encapsulation of old balcony areas/walls, additional windows to balcony areas, anti-bird roosting measures, new drainage systems, alterations to existing external lighting/CCTV systems and providing insulation to areas not covered by the grant funding such as unoccupied communal areas.
13. **External Cladding (PRC) Houses** – Additional works associated with these projects include; the replacement of fascias and soffits, window replacement where required, insulation to alleyways between houses which are not covered by grant contributions, alterations/replacement of rainwater facilities and the relocation of external meter boxes/supplies.
14. **External Cladding (Flats)** – Additional works associated with these projects include; insulation to areas not included in grant funding such as unoccupied communal areas, alterations to rain water services, relocation of lighting/CCTV, replacement fascias and soffits, windows where required, relocation of utility services and meters, as well as anti-bird roosting measures.

Well Maintained Communal Facilities

15. **Lifts** – In the March 2012 Scheme Approval submission approval was granted for £564,000 for works to the lift at Rozel Court in 2014/15. Following a recent comprehensive review of all Housing lift services across the City, a five year plan has been developed which has indicated a further investment need in 2014/15 and a new request for 2015/16. By carrying out works as per this plan the Council can ensure that properties continue to be served by modern, efficient and reliable lifts.
16. In 2014/15 the total increased level of investment will enable one lift at Canberra Towers and the lift at Sarnia Court to be completely refurbished. In addition to this, Manston Court will have a new external lift which will be in accordance with the Equalities Act.

17. In 2015/16 the requested level of investment will enable the second lift at Canberra Towers and the lift at South Front to be completely refurbished. In addition to this, Manston Court will have a second new external lift which will be in accordance with the Equalities Act. Under the five year plan, it is then envisaged that lift works will be carried out at Rozel Court in 2016/17 using funding already identified in the plan.

RESOURCE IMPLICATIONS

Capital/Revenue

18. There are sufficient funds available within the HRA Capital budget to meet the requirements of the proposed schemes. In addition a number of the items will represent an investment that will support an ongoing reduction in revenue expenditure within the HRA. Obtaining Scheme Approval in this way minimises administration plus officer and member time, plus maximises the potential for wider procurement efficiencies from longer term planning

Property/Other

19. The HRA Capital Programme is fully reflected in the Corporate Property Strategy.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

20. There are no specific legal implications in connection with this report. The power to carry out the proposals is contained within Part 2 of the Housing Act 1985.

Other Legal Implications:

21. None

POLICY FRAMEWORK IMPLICATIONS

22. The proposed schemes in this report contribute positively to the Council's objectives set out in the Housing Strategy and HRA Business Plan to maintain and improve the condition of the City's housing stock

KEY DECISION? Yes/No

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	None
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Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	Yes
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None	
2.		

Agenda Item 12

DECISION-MAKER:	CABINET		
SUBJECT:	ETHICAL PROCUREMENT POLICY		
DATE OF DECISION:	21 JANUARY 2014		
REPORT OF:	CABINET MEMBER FOR RESOURCES		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	John Spiers	Tel: 023 8083 4146
	E-mail:	John.Spiers@southampton.gov.uk	
Director	Name:	Mark Heath	Tel: 023 8083 2371
	E-mail:	Mark.Heath@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY

None

BRIEF SUMMARY

The Council has a responsibility to ensure that its procurements minimise any risk of social exploitation and that our suppliers respect the human rights of their employees and the communities in which they operate.

The responsibility to procure ethically can be defined as the practice of buying products and services produced in a way that minimises social and/or environmental damage, whilst avoiding products and services that have a negative impact. As such the objective of the Ethical Procurement Policy is to define how the Council expects its suppliers to behave and how the Council will behave.

The Council's Ethical Procurement Policy is based upon the principles of the Ethical Trading Initiative (ETI) Base Code, which were founded on the conventions of the International Labour Organisation (ILO) and is an internationally recognised code of labour practice.

In addition the Council is proposing to add three additional questions into its pre qualification questionnaire (PQQ) and one new term and condition into its contracts to ensure suppliers are clear on the Council's position regarding compliance with The Employment Relations Act 1999 (Blacklists) Regulations 2010 and the relevant parts of The Trade Union and Labour Relations (Consolidation) Act 1992,

RECOMMENDATIONS:

- (i) That the Council approves the Ethical Procurement Policy and that this applies to all new procurements with effect from 1st February 2014
- (ii) That the Council approves the changes to the pre qualification questionnaire and the new term and condition and that these apply to all new procurements with effect from 1st February 2014.

REASONS FOR REPORT RECOMMENDATIONS

1. To ensure that the Council complies with its responsibility to ensure that its procurements minimise any risk of social exploitation and that our suppliers respect the human rights of their employees and the communities in which they operate.
2. To ensure that our suppliers understand that the Council only wishes to procure from organisations who will behave ethically and in accordance with our Ethical Procurement Policy
3. To ensure suppliers are clear on the Council's position regarding compliance with The Employment Relations Act 1999 (Blacklists) Regulations 2010 and the relevant parts of The Trade Union and Labour Relations (Consolidation) Act 1992,

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

4. None

DETAIL (Including consultation carried out)

5. Consultation has taken place with the Council's Management Team, Leadership Group, Cabinet Member for Resources, Councillor Pope and Communities and Improvement Manager.
6. Within its obligations as a Best Value Authority, and in compliance with UK and underpinning EU legislation, SCC will conduct its procurement process in line with its Ethical Procurement Policy which is based upon the principles of the Ethical Trading Initiative (ETI) Base Code, which were founded on the conventions of the International Labour Organisation (ILO) and is an internationally recognised code of labour practice.
7. The Council expects its suppliers to maintain high standards of integrity and professionalism in their business dealings and practices, adhering to the laws of the countries where they operate. The Council therefore requires its suppliers to abide with the Ethical Procurement Policy principles where proportionate and directly relevant to the subject matter of the contract. These are not normally included in the subject matter of contracts as most are governed by labour law within the EU and, as such, are legal requirements which if breached could be grounds for excluding the supplier for non compliance.
8. This policy will have a positive impact in terms of sending a strong signal to our suppliers that we expect the following behaviours and compliance with International Labour Organisation protocols and the ETI Base Code:
 - Freedom of association and the right to collective bargaining are respected;
 - No discrimination is practised;
 - Employment is freely chosen;
 - Working conditions are safe;
 - Good health is promoted;
 - Working hours are not excessive;

- Wages meet at least national minimum legal standards;
- Regular employment is provided;
- Training is provided;
- Clear dispute procedures are in place;
- Child labour is eliminated;
- No inhumane treatment is allowed.; and
- Acting with integrity and transparency.

- 9 In addition to the Ethical Procurement Policy three new questions (Appendix 2) will be added to the Council's pre qualification questionnaire (PQQ) and a new condition (Appendix 3) will be added to our new standard form contracts to ensure suppliers are clear on the Council's position regarding compliance with The Employment Relations Act 1999 (Blacklists) Regulations 2010 and the relevant parts of The Trade Union and Labour Relations (Consolidation) Act 1992,
- 10 The Employment Relations Act 1999 (Blacklists) Regulations 2010 states that no person shall compile, use, sell or supply a prohibited list which a) contains details of persons who are or have been members of the trade unions or persons who are taking part or have taken part in the activities of trade unions, and b) is compiled with a view to being used by employers or employment agencies for the purposes of discrimination in relation to recruitment or in relation to the treatment of workers.
- 11 The Trade Union and Labour Relations (Consolidation) Act 1992, states that, amongst other things, it is unlawful to refuse a person employment, a) because he is, or is not, a member of a trade union, or b) because he is unwilling to accept a requirement – (i) to take steps to become or cease to be, or to remain or not to become, a member of a trade union, or (ii) to make payments or suffer deductions in the event of his not being a member of a trade union.
- 12 In the event that a supplier breaches either of those Regulations or the Act or commits any breach of the Data Protection Act 1998 by unlawfully processing personal data in connection with any blacklisting activities, the Council may terminate this Agreement with immediate effect. In addition the matter will be reported to the Information Commissioner who may decide to take separate action..
- 13 The new questions in the PQQ ask suppliers if they have breached the Employment Relations Act 1999 (Blacklists) Regulations 2010 or section 137 of the Trade Union and Labour Relations (Consolidation) Act 1992 and or The Data Protection Act 1998 or been served with an enforcement notice in relation to unlawfully processing personal data in connection with any blacklisting activities. Suppliers which have been convicted of a criminal offence are asked to disclose full details of the conviction, together with any remedial steps they have taken. Any supplier which has committed a breach of the relevant legislation should be considered to have committed an act of gross misconduct in the course of its business and should be excluded from tendering unless it can demonstrate that it has taken appropriate remedial steps. Any exclusion must be proportionate to the scale and nature of the offence or misconduct.

- 14 Public bodies have a duty to act proportionately in deciding whether to exclude a supplier in such circumstances. Each case should be considered on a case by case basis taking account of the specific circumstances of the case. It is therefore important that consideration is given to any remedial steps taken by the supplier.

RESOURCE IMPLICATIONS

Capital/Revenue

- 14 None

Property/Other

- 15 None

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

- 16 S.1 Localism Act 2011 and S.101 Local Government Act 1972.

Other Legal Implications:

- 17 None.

POLICY FRAMEWORK IMPLICATIONS

- 18 None

KEY DECISION? No

WARDS/COMMUNITIES AFFECTED:	none
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SUPPORTING DOCUMENTATION

Appendices

1.	Ethical Procurement Policy
2.	New questions for the Council's Pre Qualification Questionnaire
3	Standard Form Contracts – new condition

Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	Yes
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s) Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None	
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SOUTHAMPTON CITY COUNCILS ETHICAL PROCUREMENT POLICY STATEMENT

Southampton City Council (SCC) will proactively work to ensure that all goods, works and services it procures are sourced ethically in terms of both the way that SCC procures and in terms of the standards that we expect our suppliers, service providers and contractors to meet. Within its obligations as a Best Value Authority, and in compliance with UK and underpinning EU legislation, SCC will conduct its procurement process in line with its Ethical Procurement Policy which is based upon the principles of the Ethical Trading Initiative (ETI) Base Code, which were founded on the conventions of the International Labour Organisation (ILO) and is an internationally recognised code of labour practice.

Introduction

SCC expects its suppliers to maintain high standards of integrity and professionalism in their business dealings and practices, adhering to the laws of the countries where they operate. SCC therefore requires its suppliers to abide with the following principles where proportionate and directly relevant to the subject matter of the contract. These are not normally included in the subject matter of contracts as most are governed by labour law within the EU and, as such, are legal requirements which if breached could be grounds for excluding the supplier for non compliance.

This Ethical Procurement Policy Statement sets out SCC's policy on ethical procurement. It is based largely on the following principles:

- Freedom of association and the right to collective bargaining are respected;
- No discrimination is practised;
- Employment is freely chosen;
- Working conditions are safe;
- Good health is promoted;
- Working hours are not excessive;
- Wages meet at least national legal standards;
- Regular employment is provided;
- Training is provided;
- Clear dispute procedures are in place;
- Child labour is eliminated;
- No inhumane treatment is allowed; and
- Acting with integrity and transparency.

Legal Framework

SCC operates within the legal framework governing public procurement as framed by the EU Treaty itself, the relevant EU Directives relating to public procurement and the Public Contract Regulations 2006 as subsequently updated and amended.

This legal framework requires contracting authorities to award certain contracts in line with the overarching fundamental principles of the EU Treaty, including the principles of non-discrimination, equal treatment, transparency, procedural fairness, mutual recognition and proportionality.

In accordance with the public procurement rules, it is therefore necessary to ensure that ethical issues are relevant to the subject matter of the contract and are consistent with the requirement within the Local Government Act 1999 to achieve “best value”. In the context of procurement, best value for money means choosing the option or bid that offers “the optimum combination of whole life costs and benefits to meet the customer’s requirements.” Ethical considerations that are “relevant” to the subject matter of the contract may arise where there is a risk to SCC from a supplier being unable to deliver the product or service to time and of sufficient quality due to say insufficient health and safety provisions for its employees. If a clear link can be established between poor conditions of employment and the ability or motivation of an employee to maintain required quality standards, this will be relevant to the supply of goods, works or services.

Public sector bodies may also work in partnership with suppliers to pursue wider ethical issues, in a constructive and collaborative way, outside the public procurement process. This must however be done post-award and on a voluntary basis as contracts must not set standards that exceed the parameters of what may be required under EU law. Further, doing so may deter bidders from Member States and could be challenged as a restriction on free trade.

Principles

There is a strong public interest in ensuring that in public procurement activity the following principles are observed:

- Freedom of association and the right to collective bargaining are respected;
- Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- The employer adopts an open attitude towards the activities of trade unions and their organisational activities
- Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

No discrimination

- Practice no discrimination in hiring, compensation, training, promotion, termination or retirement either directly or indirectly.

Employment is freely chosen

- Afford employees the freedom to choose to work and not use forced, bonded or non-voluntary prison labour.
- Afford employees freedom of association with the right to join an independent trades union or other workers’ association and to carry out reasonable representative functions in the workplace.
- Facilitate alternative means of democratic representation where laws restrict freedom of association and collective bargaining.

Working conditions are safe

- Appropriate health and safety policies and procedures are operated and are overseen by a senior manager responsible for compliance and monitoring and for ensuring employees have the necessary training and health and safety equipment.
- Adequate steps are taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Provide comfortable and hygienic working conditions with clean toilets and water suitable for drinking and washing. Where worker housing is provided it should meet the same standards for health and safety as the workplace.
- Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.

Good health is promoted

- Invest in measures for tackling ill health as healthy employees experience a better quality of life and tend to be more productive.

Working hours are not excessive

- Comply with national laws or industry standards on employee working hours, whichever affords greater protection.
- Provide clear, easily understood disciplinary, grievance and appeal procedures that are lawful and appropriate. Any disciplinary measures should be recorded and suppliers should not seek to deprive employees of their legal or contractual rights.

Minimum wages

- Provide wages and benefits at rates that meet at least national legal standards with no deductions made unless permitted under national law or agreed by the employee, without duress.
- Provide employees with an easy to read contract of employment clearly explaining wage levels. Where employees are unable to read, the contract should be explained to them by a union representative or another appropriate third party.

Regular employment is provided

- To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
- Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub- contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Training is provided

- Raise employees' skills through training and access to professional development as befits their role to improve quality and secure greater value for money.

Disputes procedure

- Provide clear and accessible processes for resolving disputes with employees.

Child labour is eliminated

- Support the elimination of child labour. The course of action taken shall be in the best interest of the child, conform to the provisions of International Labour Organisation (ILO) Convention 138 and be consistent with the United Nation's Convention on the Rights of the Child.
- Provide for any children found to be performing child labour to attend and remain in quality education until no longer a child. 'Child' refers to any persons less than 15 years of age, unless local legislation on the minimum age stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply.
- Ensure no children and young persons (over the age of a child, as defined above, but under the age of 18) are employed at night or in hazardous conditions, as defined by the International Labour Organisation.

No inhumane treatment is allowed

- Prohibit physical abuse or coercion, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation.

Acting with integrity and transparency

- Procurement processes are conducted in an open and honest way;
- There is transparency in the spending of public money;
- Suppliers have systems in place to ensure high standards of propriety which make sure public money is used for the purpose it is intended.

Suppliers should inform SCC about any concerns they have in applying the above principles. Additionally, they are encouraged to keep written records to demonstrate that their actions are fair and above reproach and, where relevant, they should report on progress and future planned activity if requested to do so by SCC.

Equality Act 2010

The Equality Act 2010 (the Act) replaces the previous anti-discrimination laws with a single Act. It simplifies the law, removing inconsistencies and making it easier for people to understand and comply with it. It also strengthens the law in important ways, to help tackle discrimination and inequality. The majority of the Act came into force on 1 October 2010.

The general public sector equality duty was created by the Equality Act 2010, which replaced the public sector race, disability and gender equality duties which existed previously. The duty now covers the wider protected characteristics of age, disability, gender, gender reassignment, pregnancy and maternity, race, religion or belief, and sexual orientation

The Public Sector Equality Duty (the new public sector duty also applies to service providers contracted to deliver a service to customers on SCC's behalf or directly to SCC's staff). This new duty is designed to embed equality considerations (i.e. the protected characteristics) into the day to day work of public bodies including their procurement, so that they tackle discrimination and inequality and contribute to making society fairer.

Grounds for exclusion

SCC reserves the right to exclude an economic operator where deemed ineligible to tender for, or be awarded a public contract under regulation 23 of the Public Contracts Regulations 2006. Rejection is permissible when the organisation:

- Is in a state of bankruptcy insolvency compulsory winding up, administration, receivership, composition with creditors or any analogous state, or is subject to relevant proceedings;
- Has been convicted of a criminal offence relating to business or professional conduct;
- Has committed an act of grave misconduct in the course of business (this could mean conviction of such a criminal offence or commitment of an act of grave misconduct as might relate to a conviction for breaching International Labour Organisation conventions on child or forced labour, more general conditions of work, mistreating employees or breaking employment or equality laws in countries where they operate);
- Has not fulfilled obligations relating to payment of social security contributions;
- Has not fulfilled obligations relating to payment of taxes;
- Is guilty of serious misrepresentation in supplying information required by SCC under Regulation 23;
- Is not in possession of a licence or not a member of the appropriate organisation where the law of that State requires it for the purpose of providing the services in question;

Or

- Is not registered on the professional or trade register of the relevant State in which established.

In deciding whether to exclude an economic operator SCC will consider the seriousness of the misconduct, whether it was related to the subject matter of the contract, when it was committed and the action taken or being taken to prevent its recurrence. This discretion will not apply to convictions for offences where there is a mandatory requirement on public sector contracting authorities to exclude candidates in accordance with regulation 23 of the Public Contracts Regulations 2006.

Regulation 23(2) makes provision for an exception to the mandatory exclusion of an economic operator. That is, if the contracting authority “is satisfied that there are overriding requirements in the general interest” which would justify such an exception, e.g. in the case of a national emergency.

Technical specifications and standards

Where relevant to the contract, SCC will use technical specifications and standards to integrate ethical considerations into procurement, such as standards for IT systems to ensure that they are accessible to people with disabilities and interoperable with software and hardware intended for disabled users.

The specification must be relevant to the requirement and must not discriminate against other products or providers from other Member States, nor must it restrict competition. Unnecessary use of these principles must be avoided in order to avoid the possibility of placing an undue burden on small businesses and other organisations, which might have a disproportionate impact on their ability to compete. In all cases, contracting authorities must be prepared to consider equivalent standards from suppliers from other countries (with different national standards) that meet the underlying requirement. The onus is on the supplier to prove that the solution being offered meets the requirements.

SCC general procurement principles

In delivering this policy statement we will work with suppliers, service providers and contractors to:

- Meet the objectives of our Sustainable Procurement Policy (see below link) whilst also meeting the requirements of this policy, our Equality Policy (see below link) and our value for money objectives.
http://www.southampton.gov.uk/Images/sustainableprocurement_tcm46-266463.pdf
http://www.southampton.gov.uk/Images/New%20Equality%20Policy_tcm46-334368.pdf
- Ensure that we provide tendering opportunities that are suitable for Small and Medium Enterprises (SMEs), Voluntary Sector, Ethnic Minority Businesses (EMBs) and supported factories.
- Ensure that we act in accordance with the Compact Code of Practice (see below link)
<http://www.southampton.gov.uk/living/comliving/compact.aspx>
- Ensure that we act in accordance with the Public Services (Social Value) Act 2012.
- Promote skills training, apprenticeship opportunities and graduate programmes among our suppliers to help tackle youth and graduate unemployment.
- Support the use of fairly traded goods where this is within the legal framework governing public procurement.
- Encourage suppliers to offer solutions for delivering ethical requirements innovatively and cost effectively.
- Encourage suppliers to develop effective strategies for enhancing staff engagement to enable people to be the best they can at work.

- Retain records to demonstrate that procurement has been fair and transparent.
- Continue to treat suppliers fairly and equally at all times and to act impartially and objectively and with integrity and honesty throughout the procurement process.
- SCC will ensure that we pay our suppliers, service providers and contractors on-time and will act in accordance with the Late Payment of Commercial Debt Regulations 2013. We also expect our suppliers, service providers and contractors to pay their suppliers, service providers and contractors/sub-contractors on-time and in accordance with the spirit of the Prompt Payment Code.
- Address breaches of the ethical procurement policy by suppliers.

Communication

We will communicate this policy both internally and externally via our tender documents. Copies of this policy will be placed with supporting documents on SCC's Procurement Intranet site and Internet web site.

References

The Ethical Trading Initiative (ETI) Base Code
Defra –Ethical Procurement Policy Statement –March 2011 © Crown
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Appendix 2

PQQ Questions

New Question: Has your organisation ever compiled, used, sold or supplied a prohibited list which:

- a) contains details of persons who are or have been members of trade unions or persons who are taking part or have taken part in the activities of trade unions, and
- b) is compiled with a view to being used by employers or employment agencies for the purpose of discrimination in relation to recruitment or in relation to the treatment of workers within the meaning of The Employment Relations Act of 1999 (Blacklists) Regulations 2010?

If you have answered 'Yes' to any of the above discretionary exclusions, please provide details and state any remedial action you have taken.

New Questions: Has your organisation ever refused a person employment

- a) because he/she is, or is not a member of a trade union, or
- b) because he/she is unwilling to accept a requirement
 - (i) to take steps to become or cease to be, or to remain or not to become, a member of a trade union, or
 - (ii) to make payments or suffer deductions in the event of his not being a member of a trade union

within the meaning of Section 137 of the Trade Union and Labour Relations (Consolidation) Act 1992?

If you have answered 'Yes' to any of the above discretionary exclusions, please provide details and state any remedial action you have taken.

New Question: Has your organisation breached The Data Protection Act 1998 or been served with an enforcement notice in relation to unlawfully processing personal data in connection with any blacklisting activities?

If you have answered 'Yes' to the above discretionary exclusion, please provide details and state any remedial action you have taken.

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Appendix 3

New contract clause

16.12 The Service Provider must not commit any breach of the Employment Relations Act 1999 (Blacklists) Regulations 2010 or section 137 of the Trade Union and Labour Relations (Consolidation) Act 1992, or commit any breach of the Data Protection Act 1998 by unlawfully processing personal data in connection with any blacklisting activities. The Council may terminate this Agreement with immediate effect in the event of any breach by the Service Provider of this clause 16.12.

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