



The Sustainable Communities Act proposal form

Using this form

This form should be used to submit proposals under the Sustainable Communities Act to the LGA for short listing. Please complete all sections and then **email a copy to selector@lga.gov.uk**. These must be received by **July 31st 2009**, and you will receive confirmation that the form has been received.

Once submitted, information within this form may be made publicly available, unless you request for it to be kept private. We will treat information submitted sensitively. If you wish to attach any relevant presentations or graphs etc. please attach them separately in the email.

For questions regarding the act or the role of the Selector, please see our [FAQs](#). Any further questions can be directed to selector@lga.gov.uk.

Section 1: Proposal Summary

Proposing Authority

Under the terms of the Sustainable Communities Act, all proposals must be submitted by a local authority, or group of authorities, in England. Any group, organisation or individual may originate or develop a proposal. However all proposals will require Local Authority endorsement and submission to the Selector.

Parish councils and other organisations and agencies must seek support and formal endorsement from a proposing local authority (defined in the Act as county councils, district councils (including metropolitan, non metropolitan and unitary authorities), the common council of the city of London or the Council of the Isles of Scilly).

1.1 Lead Authority name

London Borough of Islington

1.2 Is this proposal submitted by this authority alone, or is it a joint proposal with other local authorities? (If joint please list authorities)

Submitted by London Borough of Islington

1.3 Who is the lead contact (s) in the authority for this proposal? Please provide email address and telephone number - *The LGA will direct any enquiries to this contact.*

Alanna Coombes
Alanna.coombes@islington.gov.uk
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Supporting Organisations

Whilst proposals may only be submitted by a local authority, we acknowledge that local partners and outside organisations may wish to register support for the proposal. This is entirely voluntary.

1.4 Please provide details below of supporting organisations to your proposal. Please explain if the organisation is a charity, company, unincorporated association or other body. If a charity or company please provide registration numbers. If a local partnership please explain the relationship to the Local Strategic Partnership for the area.

There is support for a London Living Wage across the political spectrum, which was established by the previous London Mayor and now supported by the current Mayor.

Summary of your proposal

Please summarise your proposal. You may wish to include:

- The main elements of your proposal
- What issues your proposal is addressing and how it will promote the sustainability of the local community
- Who is affected by this proposal and how?
- Which public bodies might be affected?
- What are the main actions needed from Government?
- What do you expect this proposal to achieve?

1.5 Please enter your summary below (*word limit 1000 words*)

London faces the worst levels of inequality and child poverty in the country and the highest living costs. The national minimum wage currently does not recognise that difference and this means in London low paid people working at or around the minimum wage are in relative terms less well supported.

The current London Living Wage (LLW) is £7.60 per hour and while there is widespread support by London boroughs to pay the LLW they do not have the power to insist it is paid by its contractors. This proposal would change that.

Local authorities are currently prohibited from including in contracts conditions that relate to non-commercial matters which may only be taken into account in so far as it is necessary to facilitate compliance with a council's best value duty – in other words to secure an enhanced quality of service.

This proposal would amend legislation which restricts the freedom of the council to require its contractors to pay the London Living Wage.

Section 2: About your proposal

The form asks a set of questions to gather as much information as possible to allow for assessment and short-listing by the Selector. A word-limit is stated for each part of the form.

We appreciate that SCA proposals will vary in range and scope, and some questions will be more relevant than others for any one proposal. Please do not feel that answers are required for every questions or that the full word limit need be used in respect of each and every question box. If you are submitting a joint proposal, please include evidence for all areas.

Impact on sustainability (*word limit 2000 words*)

2.1 Please explain how your proposal promotes sustainability as defined locally (for example in your Sustainable Communities Strategy or LAA)

Addressing poverty is the central aim of the Islington Community Strategy. There is a headline commitment to making bold steps towards the aim that by 2020 no one is living below the poverty line.

2.2 Over which geographic area will your proposal impact? (e.g. neighbourhood, town, city, sub-region)?

London-wide

2.3 Who would benefit from your proposal?

Employees (and their families) of contractors that work for the council with wages below the London Living Wage.

2.4 What steps will you take to mitigate any adverse affects on sustainability from your proposal (if relevant)?

Not relevant.

2.5 What project, activities and changes would take place in your area if your proposal was successful?

Not relevant.

2.6 Does your proposal involve transfers of responsibilities between public bodies in the area? If so what are these? What budgetary implications might be involved?

Not applicable.

Local authorities are required to 'have regard' to a set of specific issues w2hen deciding whether to support SCA proposals. These are matters listed in Schedule 1 of the Act, as passed by Parliament¹. It is worth noting that the issues listed in the Act are not supposed to be exhaustive and that ideas can cover anything that promotes the sustainability of the local area.

Many of these matters may not be relevant to any one proposal. If you are submitting a joint proposal please include evidence for all areas.

2.7 Please identify which, if any, of the issues authorities are required to have regard to, are relevant to this proposal and include any data and information which you feel would be helpful in the assessment process.

a) the provision of local services

Not relevant.

b) the extent to which the volume and value of goods and services that are- i) offered for sale, ii) procured by public bodies, and are produced within 30 miles (or any lesser distance as may be specified by a local authority in respect of its area) of their place of sale of the boundary of the public body.

Not relevant.

c) the rate of increase in the growth and marketing of organic forms of food production and the local economy

Not relevant.

d) measures to promote reasonable access by all local people to a supply of food is adequate in terms of both amount and nutritional value

Not relevant.

e) the number of local jobs

Not relevant.

f) measures to conserve energy and increase the quantity of energy supplies which are produced from sustainable sources within a 30 mile radius of the region in which they are consumed

Not relevant.

g) measure taken to reduce the level of road traffic including, but not restricted to, local public transport provision, measures to promote walking and cycling and measures to decrease the amount of product miles

Not relevant.

h) the increase in social inclusion, including an increase in involvement in local democracy

¹ The Sustainable Communities Act is available here :
http://www.opsi.gov.uk/acts/acts2007/ukpga_20070023_en_1

Paying higher wage rates is intended to address income inequality for local residents.

i) measures to increase mutual aid and other community projects

Not relevant.

j) measures designed to decrease emissions of greenhouse gases

Not relevant.

k) measures designed to increase community health and wellbeing

l) planning policies which would assist with the purposes of this Act, including new arrangements for the provision of affordable housing

Not applicable.

m) measures to increase the use of local waste materials for the benefit of the community

Not applicable.

Existing Barriers

(Please do not write more than 1000 words for 2.8 and 2.9)

2.8 What are the existing barriers to implementing your proposal?

The legal restrictions relate to the prohibition on local authorities including within contracts conditions which relate to "non commercial matters" (1 Section 17(5) and 19(10) of the Local Government Act 1988). "Non commercial matters" includes workforce matters including wage rates. The Local Government Best Value (Exclusion of Non-Commercial Considerations) Order 2001 relaxed this prohibition enabling local authorities to consider workforce matters but only in so far as necessary to facilitate compliance with the local authority's best value duty.

Accordingly, before applying the London Living Wage requirement to a contract, the council must be reasonably satisfied that it is necessary to do so in order to facilitate its best value duty in respect of the services / works being delivered under that contract.

In practice, therefore, before requiring the LLW to be included in a contract, the council must be reasonably satisfied that the extra cost to the council (and to individuals directly where they pay to access the service) is reflected in enhanced quality of service. A blanket policy to require the LLW to be paid becomes very difficult given these restrictions.

In addition steps would need to be taken to ensure that the application of a London Living Wage requirement was in compliance with EU procurement rules and the Public Contracts Regulations 2006 that impose an obligation on the council to carry out its procurement function in a non-discriminatory manner.

There are a number of practical and legal implications for contractors if they are required to apply different wages rates within their workforce depending upon the contracts on which they are working.

2.9 What actions are needed by Government to make your proposal possible?

An amendment to the Local Government Best Value (Exclusion of Non-Commercial Considerations) Order 2001 as described in section 2.8 above. Possibly, to the extent that it can be achieved within EU requirements, further amendment to the Public Contracts Regulations 2006.

Part 3: Local Authority Endorsement

This section should be completed by the proposing local authority. (Under the terms of the act this means a county council in England, a district council (including metropolitan, non metropolitan and unitary authorities), a London borough council, the Common Council of the City of London or the Council of the isles of Scilly)

3.1 Have consultation requirements been met? (500 words max)

Please confirm that your authority has met the statutory requirements for consultation on this proposal, via one or more panels of local representatives and persons from under-represented groups constituted in accordance with the Act and statutory guidance as set out in [*Strong Safe and Prosperous Communities*](#).

You may wish to describe who has been involved in discussions and development of the proposal (*e.g. council, local community organisations and residents groups, parish or town councils, local partnership bodies, local or national organisations, political parties, church and faith organisations, local businesses or chambers of commerce and others*).

If you have not done so already please give brief details of relevant panel meetings.

Please note if you are submitting a joint application please provide details of consultation and local support across all areas.

We told our local communities about the SCA through the Council website, our borough-wide resident magazine; residents' eBulletin; the Members' Bulletin; and directly to a range of community and third sector groups. This generated over 100 ideas to be put forward by residents, community groups as well as some staff members and councillors.

Council officers examined all the original proposals to sift out ones that appeared to go against existing council policy; where the council already has powers to take the action proposed; or where the proposal does not fall within the scope of the SCA for some other reason.

These proposals then went to a newly formed SCA panel to consider. This panel included residents from groups that councils have traditionally struggled to engage or forum members of such groups, including a blind resident, a resident with learning disabilities, and a resident (with an interpreter) who spoke English as a second language. The panel held its meeting on Monday 29 June and members looked in detail at a number of proposals each in some detail. Their comments and indications of interest or enthusiasm enabled us to sift further the proposals which were considered by, and agreed by, our Council's Executive.

3.2 What are the views from this consultation? You may wish to provide evidence of local support for your proposal? This might include petitions or letters of support from the public, local councillors, Members of Parliament, businesses, public bodies and agencies? Please describe this evidence below. *(The local authority submitting the proposal is likely to wish to review such material and to summarise its content. Onward submission to the Selector of all original documentation will not normally be required).*

Islington Council previously agreed a motion seeking new powers to ensure to ensure that the London Living Wage can be paid under all council contracts.

Proposals may include a change/transfer of functions from one person to another. If this is relevant to your proposal please confirm that the duties under clause 2, subsection 3 of the act (consulting with organisations affected by a change in location of a function) have been carried out.

3.3 Please give brief details of consultation with any affected organisations

Not relevant.

3.4 Confirmation of council support

The process for formal endorsement is a matter for local discretion; however we anticipate that authorities will wish to gain political endorsement and clearance for the proposal through the relevant processes at local level. Please give details of how formal approval has been attained.

The proposals were agreed at the Council's Executive meeting on 9 July 2009.

3.5 General comments

This is an opportunity for the local authority to express any additional comments or views on the proposal: This may include: *(1500 words max)*

- the council's view of levels of local support for the proposal
- any local opposition or objections that the Selector should be aware of
- relevance of the proposal to the area's Sustainable Community Strategy and Local Area Agreement
- outcome of any local authority discussions with agencies or public bodies affected
- potential regional/national significance of the proposal, if replicated elsewhere
- any major resource implications for the council or its local partners
- any other factors influencing viability and achievability of the proposal

This proposal has widespread support across London and we are not aware of any objections. Of course, contractors would see costs increase but competing businesses would have the same costs.

Part 4: Assessment by the Selector

SCA proposals will be assessed by the LGA as Selector. This will include consideration, short listing and negotiation with the Secretary of State via the LGA Selector panel made up of councillors from the four parties represented on the LGA

The LGA Selector Panel is committed to undertaking the role in a transparent manner; as such reasons for decisions on proposals will be made available.

There will be no appeals process in relation to decisions of the Selector Panel.

4.1 Do you confirm your agreement to abide by the outcome of the Selector's assessment and decision-making processes?

Yes

4.2 Would your council, accompanied by the originators of the proposal, wish to make a short verbal presentation to the Selector Panel, should this opportunity be available?

Yes

Thank you for completing this form.

Please email it to selector@lga.gov.uk by 31 July 2009.