

OVERVIEW AND SCRUTINY COMMITTEE

Thursday 14 March 2019 at 7.00 pm

MINUTES

PRESENT: Councillor Tim Briggs, Councillor Danial Adilypour (Vice-Chair), Councillor David Amos, Councillor Donatus Anyanwu (Chair), Councillor Liz Atkins, Councillor Mary Atkins (Vice-Chair), Councillor Peter Ely and Councillor Maria Kay

APOLOGIES: Councillor Jonathan Bartley

ALSO PRESENT: Councillor Jack Hopkins

2. INTRODUCTION AND DECLARATION OF PECUNIARY INTERESTS

Councillor Dontaous Anyanwu, Chair of the Overview and Scrutiny Committee (OSC) welcomed everyone to the meeting.

There were no declarations of interest.

1. MINUTES OF PREVIOUS MEETING

RESOLVED: That the minutes of the meetings held on 13 December 2018 and 30 January 2019 (subject to an amendment) be agreed as accurate records of the meetings.

In response to a question from the Committee, the Senior Democratic Services Officer, confirmed that all of the recommendations from the 30 January 2019 meeting had been sent to the lead officer but some responses were still awaited. The work programme report sets out the responses that had been received and any outstanding responses would be pursued.

3. LAMBETH LABOUR MARKET REVIEW

Councillor Jack Hopkins, Leader of the Council, introduced the item by highlighting that:

- He paid tribute to the Economic Inclusion team for their hard work that included joint work with various partnerships.
- Historically, the Council were successful in securing jobs by using procurement, the planning process, working with partners and Business Improvement Districts (BIDs).

To ensure the trend continued the Council worked with the Assistant Director Integrated Commissioning (Mental Health), Lambeth CCG to discuss mental health employment and ensure that employers were able to provide support for vulnerable people with different characteristics.

- Since last year, various job events by the Council were held and tracking work with employers undertaken to ascertain why employers preferred to work with specific groups. Work was also being undertaken to understand employers' social value and social impact to understand how this could be measured by the Council.

John Bennett, Head of Economic Inclusion, highlighted the following issues:-

- Changes pertaining to the labour market continued to increase over the past five years, as a result of the growing population, the development of new homes and families moving into the borough. Also, over the past five years an increase in migrants in Lambeth could be seen.
- The proportion of young people aged 20-34 were much higher in Lambeth compared to other London boroughs. Consequently, the proportion of school age children, older working people and the elderly was lower.
- Lambeth residents had high levels of qualifications which had increased over the last 5-10 years. The qualification levels reflected the types of jobs people obtained and the earnings they hoped to achieve.
- A large proportion of people in Lambeth existed that had not gained employment for a considerable number of years. They tended to claim health related benefits rather than claiming job seekers allowance. Also people aged 50-60, were more likely to remain unemployed in Lambeth compared to other boroughs and claimed benefits.
- Employment rates for people from the Black, Asian and Minority Ethnic (BAME) background was 10-15% lower than the overall employment rate. Similarly the disability employment rate was lower compared to people without a disability.
- Although only one in four residents that lived in Lambeth worked in the borough, significant numbers of people came into Lambeth to work.
- The health, construction, hospitality and retail sectors were considered to be significant employers for Lambeth. However, some of those sectors were poorly paid. The hospitality sector had a high proportion of jobs that paid less than the London Living Wage (LLW). The lower qualified and BAME people were more likely to be in low paid roles.
- Although high employment rates and high levels of qualifications existed in Lambeth, some groups of residents were not benefitting from the economic growth, due to being unemployed or in low paid employment.

The Chair then invited speakers who wished to contribute on the Lambeth Labour Market Review to address the Committee.

Lee Elliott, Employment, Information and Training Coordinator, Mosaic Clubhouse, said that:

- Mosaic had secured jobs for 63 people generated by mental health organisations from the private or public sector. However, difficulty existed to access big organisations in the borough such as from the Southbank Employers Group, despite them generating vast numbers of jobs, such as in retail.
- Mental Health Awareness Training programmes had been developed and made accessible to employers to reduce their anxiety of employing people with mental health problems.

- Although Mosaic worked with organisations that were open to diversity, such as Public Health England that led to permanent contracts being offered, Mosaic still felt there was room for improvement in terms of engagement with employers.

Colin Crooks, CEO, Tree Shepherd (social enterprise working for disadvantaged people and communities), said that:

- Lambeth residents, especially those with significant caring responsibilities, had difficulty travelling to work in Tulse Hill, as a result of inadequate transport links. Therefore, he had been advocating for additional local jobs to combat travelling costs for families.
- Jobs for the self-employed had not been adequately considered in the review, despite self-employment contributing to 15% of the workforce. He then made reference to a successful project held last year in Croydon, for disabled people which resulted in 45% of the cohort starting their own business. Also, older residents were encouraged to start their own business to reduce travel time, earn a living and remain closer to their families.

Ronnie Wilson, CEO, First Step Trust (FST) (charity providing opportunities for people excluded from work due to mental health conditions, learning disabilities, drug/alcohol and other disadvantages), said that:

- An Equalities Impact Assessment (EIA) should be undertaken by the Council to identify people with disabilities in reading and writing or of vulnerable need.
- Consideration by the Council was required to ascertain why some employers refused to pay the LLW to their employees. In Greenwich contracts were not awarded to businesses if they objected to paying the LLW.
- Social value contracts (to consider how the services organisations commissioned would improve the wellbeing of communities) with employers should be discussed before any contracts were awarded by the Council. Harriett Tawari a client of the First Step Trust, then outlined how she managed to secure a job at FST, despite suffering from mental health issues and the positive effect this had had on her own life.

John Bennett, Head of Economic Inclusion, responded to the points raised as follows:

- Data regarding self-employment had been obtained by the Council and this could be shared with Committee.
- Employers could be influenced through the planning process to provide employment. An example, for developers with major developments, the Council could impose that when employment opportunities existed, the Council must be notified of vacancies in order to secure planning permission. The new '*Lambeth Employment and Skills Supplementary Planning Document*' approved by Cabinet on 5 February 2018, enabled the Council to impose financial penalties on developers who failed to abide with their S106 agreements. Jobs secured through planning agreements were mostly construction work. Greater difficulty was encountered when the developer was uncertain which businesses would be moving into the development.

The Chair invited contributions from the representatives of Job Centre Plus (JCP).

Bal Virdee, MBE, Lambeth & Southwark Partnership Manager, said that:

- Regarding procurement, over the last 12 months good programmes were in place to

assist ex-offenders and longer term unemployed women back into employment. However, when those programmes ended, it could not be guaranteed those same providers would be engaged. Therefore, she liaised with the Council on a regular basis to discuss issues to ensure those same providers could be used.

- Good outreach work that provided assistance for vulnerable residents existed but there was a need to share information with organisations.
- Further work with BAME groups within the borough to provide employment would be undertaken and she welcome further support from the Council.
- JCP used a Dynamic Purchasing System (a procedure available for contracts for works, services and goods commonly available on the market). Though this did not enable them to choose a particular supplier, it could be used to help find provision for those furthest from the job market.
- More provision in the borough was needed to support people with disabilities but some good support existed to support the ethnicity gap.

Kirsty McGregor, Employment Engagement Manger, said that:

- Health Confidence Fairs were arranged that supported people who were not ready for the job market.
- Tailored job fairs to assist women and parents to obtain local jobs were held.
- The Mentoring Circle, aimed at finding employment for 18-24 year old young people from BAME backgrounds would be re-launched in June 2019. It was noted that the campaign held in 2014 had resulted in 18 young people securing permanent employment within six months.

The Chair then opened up the discussion to Members of the Committee and in response to the questions raised the following points from John Bennett, Head of Economic Inclusion were made:

- A variety of programmes existed for residents. The Work and Health Programme provided assistance for people with health conditions. It also provided assistance to ensure people understood their health conditions, the impact on their jobs and any changes employers might need to make in the workplace. The programme had only been in operation since March last year and attendance figures continued to improve. Also other employment support programmes and 50+ specific programmes existed to support residents. Bal Virdee MBE, Lambeth & Southwark Partnership Manager, Job Centre Plus, also made reference to a smaller health support programme that provided support for disadvantaged groups, especially the disabled BAME and over-50s. She endeavoured to share further information with the Committee and also welcomed any further suggestions.
- The Council aimed to trial a business rate discount scheme (similar to Lewisham, Greenwich and Brent) to ensure employers paid the LLW and became accredited. It was hoped that employers, especially in the hospitality industry, would be encouraged to pay the LLW. No provision currently existed to force employers to pay the LLW through the planning process.
- Officers could look into whether businesses could be offered discounted advertising rates for adverts placed in Lambeth Talk and/or billboards within Lambeth if they agreed to pay the LLW to their employees.
- The Council had a quarterly monitoring system in place for developments where an

s106 agreement existed and involved employment and skills plans. The developer/employer must ensure that they adhered to their terms in order to prevent formal processes being undertaken.

- Employment opportunities from planning or licensing applications were not considered by the Council but jobs through major developments would be considered. However, on an informal basis, if a new shop or restaurant opened in the borough, the Job Centre could be informed by the Council to see if local residents could be employed.
- Reference was made to page 73 of the agenda pack which outlined the employment rates predicted across London within the next 20 years. In Lambeth, there was a need to focus on the creative and digital industries to secure employment in the future.

Councillor Jack Hopkins, Leader of the Council, confirmed that:

- As a Council with the largest provider of affordable workspace, a stipulation was made that businesses was required to pay the LLW to the Council, as a landowner. However, this could not be secured for private businesses in private ownership.
- A wider campaign had been undertaken to encourage businesses to be accredited as LLW employers.
- The S106 option also provided an opportunity for developers to remove money to invest in programmes to assist people finding employment.
- It was vital that apprentice jobs and work experience was secured with various organisations, such as the health sector to ensure that people obtained the right skills. Such sectors could be fed by local colleges.
- In response to the issue raised regarding good jobs, there was need to ensure that employers understood the needs of their employees, especially those with mental health and the disabled and the challenges they faced to ensure they were happy in their jobs. He suggested that the Committee might wish to visit some of the employment providers that worked with people from different backgrounds to gain an understanding of the work it entailed.

The Chair then highlighted the following issues:

- There was a need to consider whether adequate jobs existed within the borough and if they suited the needs of individuals. Also, to create job opportunities through the Council's contractual obligations with other partnerships, adequate jobs must be created by the Council to support the needs of residents.
- It was recognised that certain groups in the community had difficulty obtaining employment, especially the BAME and disabled people who were disadvantaged. Consequently, the Council needed to investigate how they can become employed and the relationship between the Council, DWP and other partners in the process of job creation was crucial.
- There was a need to examine low paid employment and to ensure that the Council's contractors and other employers paid the LLW but the Committee appreciated that issues existed.
- The Committee would like to monitor employment within the borough, paying attention to whether residents had access to the same level of employment opportunities compared to other boroughs.
- An examination of the training opportunities available for residents should be carried out to ensure they were equipped for the competitive employment market.

Members also highlighted the following issues:

- They requested an update next year regarding the gig economy and how this effected the Council. The update should include data on the self-employed detailing whether they had been exploited in the gig economy.
- An investigation by the Council should be undertaken to ascertain how organisations such as Mosaic, Tree Shepherd and First Step Trust could be brought into the gig economy world.

RESOLVED:

1. That the Committee welcomes and endorses the work being done by organisations such as Mosaic Clubhouse, First Step Trust and Tree Shepherd, as well as the support offered by Job Centre Plus (JCP), to support Lambeth residents who are furthest from the jobs market, but believes that greater communication and engagement are required to further improve outcomes. To this end the Committee recommends that JCP consider remapping their outreach activity to ensure connections between employers and support organisations are maximised.
2. That the Committee acknowledges the potential for self-employment as a route into work, especially for those residents for whom flexibility is a key requirement, and would like to see greater efforts devoted to encouraging self-employment.
3. That the Committee requests further information and data regarding how contracts are currently monitored to ensure the delivery of employment-related social value benefits.
4. To request an evaluation of the Work and Health programme, including details of the numbers of people enrolled and outcomes secured by participants.
5. To request that JCP share details of the smaller, more localised support programmes referred to which are aimed at those groups who are over-represented in the borough's unemployment figures (including disabled, BME and over-50s).
6. That the Council considers introducing discounted advertising rates (for example, in Lambeth Talk and/or billboards around the borough) as an incentive to encourage businesses to become London Living Wage accredited.
7. That consideration be given to introducing a mechanism by which employment support organisations can be systematically alerted to new planning or licensing applications which are likely to provide employment opportunities.
8. To request further detail regarding how the Council plans to forecast the way in which the borough's employment market will evolve over time, and how this data can be used to ensure employment opportunities are maximised for Lambeth residents.
9. To request further analysis of self-employment data to ascertain what proportion relates to the "gig economy" and what can be done to ensure those working in this sector are not being exploited

4. JOBS FOR ALL SCRUTINY COMMISSION: UPDATE

John Bennett, Head of Economic Inclusion, introduced the report by highlighting the following:

- The Commission report along with the action plan that supported the 32 recommendations had been updated since its implementation by Cabinet in June 2018.
- Various officers across the Council had contributed towards the updates produced. For example, ten local people had secured apprenticeships within the Council. Also various people with learning difficulties had started roles within the Council. However, it was recognised that further progress with the recommendations were required. Despite this, positive progress had been made with the recommendations which were also reflected in policies and activities wherever possible.

The Chair then invited Councillor Mary Atkins, Vice-Chair and Commission Member to address the Committee and the following points were noted:

- The Commission had been started by the late Councillor Matt Parr which sought to assist disadvantage groups into work, as previously discussed.
- She paid tribute to the organisations that had contributed to the Commission which assisted to formulate the recommendations, including Mosaic, Tree Shepherd, First Step Trust and Job Centre Plus.
- Concerns regarding implementation of the recommendations existed, although she appreciated the work progressed by officers. However, it was difficult to measure the work achieved, as there was a lack of baseline data. Although she was content that ten apprentices had been appointed, she questioned whether more apprentices could have been engaged, as no success rates were measured.
- The Opportunity Lambeth website was difficult to navigate, especially for vulnerable residents.
- Whilst it was recognised that work was being undertaken by officers, further improvements were required.

The Chair invited speakers to provide contributions regarding the Commission action plan.

Colin Crooks, CEO, Tree Shepherd, said that:

- He was pleased with the progress made by the Council but expressed disappointment that the Local Multiplier 3 (LM3) to procure contracts (agenda page 96) would not be implemented by the Council.
- LM3 showed the money retained within the community including the money spent by the Council. Therefore, he felt it was incumbent on the Council to ensure that that its money was retained in the community for investment and spent on local services to create local employment. The LM3 model had been successfully implemented in Manchester and he believed it should be considered by Lambeth. 13 social value contract measures existed in Lambeth which was difficult to evaluate, compared to one measure in Manchester. The LM3 model would influence the Council to liaise with other large organisations, including the health sector, to ascertain how much of their funding remained in borough to provide employment opportunities. An eight-hour training course was available to provide support to officers.

Lee Elliott, Employment, Information and Training Coordinator, Mosaic Club, said that:

- In relation to recommendations 8 and 19 (agenda page 100), members raised issues regarding their difficulty in accessing employment among some employers that declared social value responsibility as they were reluctant to employ people with mental health problems but preferred to employ young dynamic people instead.

Ronnie Wilson, CEO, First Step Trust, said that:

- Social value should only be rewarded when the provider could show a positive track record in this regard, rather than simply making promises that were not necessarily delivered

The Chair invited representatives from Job Centre Plus to contribute on the Commission.

Bal Virdee, MBE, Lambeth and Southwark Partnership Manager, said that:

- She welcomed the opportunity to have further dialogue with Mosaic and the First Step Trust regarding employment opportunities, in order to put clients forward to gain employment.
- There was a need to perform further out-reach work with various organisations across the borough including networking with partners, employers and residents to provide employment opportunities for disadvantaged groups.

Kirsty McGregor, Employment Engagement Manager, said that:

- Employers were notified beforehand that some customers had care responsibilities or a disability to ensure that employers were aware of their condition.

Guillotine

During the discussion of this item the guillotine fell at 9.00 pm.

MOVED by the Chair, and

RESOLVED: That the meeting continue for a further period of up to 30 minutes.

The Chair opened up the debate to members of the Committee, who highlighted the following issues:

- They requested further information on the successful bid for the South London Innovation Corridor (recommendation 15, agenda page 98) and welcomed a written update on timescales and benchmarks the Council intended to use over the coming years to ascertain its success.
- The Council's role as procure and influencer needed to be strengthened with much more auditing of contracts required.

John Bennett, Head of Economic Inclusion, Sasa Glisic, Senior Category Manager, Finance (Procurement) and Hannah Jameson, Head of Policy and Partnerships, responded to the points raised as follows:

- It was recognised that further engagement with employers was required and the Economic Inclusion team would be willing to arrange a session with some local employment support providers, as the Council had good influences and jobs from s106 agreements. Further partnership working around employment and skills including a further strategic discussion on how the Council worked with the DWP,

colleges and skill providers, big employers and BIDs was required.

- It was appreciated that the Opportunity Lambeth website was not fit purpose and work was being undertaken to make improvements to ensure it was more user-friendly and further ideas for improvement was welcomed.
- The South London Innovation Corridor was a four-borough project with Lambeth, Lewisham, Southwark and Wandsworth, that aimed to promote economic growth within each borough. Lambeth had received £8m to fund additional workspaces to focus on the creative and digital business growth industries. The Council aimed to acquire more people to work in the creative and digital industries by working with employers to provide apprenticeships. The Council would ensure that people received the correct support such as coaching and training to enable them to apply for those job opportunities. Also, career progression opportunities for people would be created. Further conversations with other boroughs was being considered and an update will be provided to the Committee when available.
- Regarding procurement, the pre-qualification questionnaire to decide which suppliers should be selected had been changed to a Standard Self-Certification Questionnaire (SSQ) and was simplified (with open and restricted procedures) to assist Small and Medium-Sized Enterprises (SMEs). The restricted procedure could be used to include additional questions on social value, done on a tender to tender procurement basis.
- The decision had been made by the Council not to use LM3, as some bids submitted would be difficult to monitor under social value and the measure was considered to be subjective.
- A strong overlap with the report and the Equality Commission existed regarding the extent of the programme the Council had in place to support disadvantaged groups.
- Although conversations with Manchester, Wirral and Preston regarding procurement had taken place, it was recognised that the Council had a range of policy tools available to generate social value but it was not always viable to compare those values. Therefore, it was believed that additional systematic work could be undertaken to decide how those tools should be prioritised and the Equalities Commission could be considered as a starting point.

Councillor Jack Hopkins, Leader of the Council highlighted the following issues:

- He recognised the challenges faced to work with various professionals in order to understand the needs of client groups and to judge how social value will be impacted. Therefore, there was a need to track the progress of businesses through the procurement process.
- He would be willing to converse with Councillor Andy Wilson, Cabinet Member for Finance, regarding procurement and to find out costs for the training course mentioned. Cabinet were currently reviewing the Council's procurement policy and the issues raised were being addressed. A consultation process would also be undertaken to examine all issues. Therefore, he was confident that issues would be taken forward.
- There was a need to work with various organisations across different demographics to provide adequate employment skills and ensure that local people were employed. Business Improvement Districts (BIDs) had a role here. It was noted that not all of the borough was covered by BIDs and that this could lead to some areas losing out on opportunities. While it might not be possible to extend coverage to the whole borough since BIDs were funded and driven by local businesses, the creation of forums or networks to cover all of Lambeth may be possible.

The Chair concluded the discussion by highlighting the following issues:

- He emphasised the need for employment opportunities to be created to enable residents within the borough to be employed.
- There was a need to work with certain disadvantaged groups and monitor the Commission's action plan to examine progress.
- Also dialogue with Job Centre Plus, partners and employers was required to discuss issues and to ascertain how actions could be delivered.

The Chair thanked officers and speakers for the attendance and contributions.

RESOLVED:

1. To commend the positive work that has been done in response to the commission's recommendations but to request that more data be included in the next update report in order to enable the Committee to measure the success of the measures being taken.
2. To request that the Council revisits the decision not to implement Local Multiplier 3 (cf recommendation 12) as a means of systematically measuring social value. At a minimum this should include an appropriate officer undertaking the training course referred to and conducting an evaluation of the benefits and drawbacks of introducing LM3.
3. To welcome the work being done to improve the Opportunity Lambeth website and request further details of this.
4. To request more information on the successful South London Innovation Corridor bid (cf recommendation 15) including timescales and benchmarks, and how this might help people from priority groups.
5. To acknowledge the important role played by Business Improvement Districts and to urge the council to work to ensure that the whole borough is covered by business networks (whether a BID or a more informal network/forum) in order that no part of the borough misses out on the benefits these can bring to residents in terms of employment and skills.

5. 2018-19 OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME

The Committee discussed the work programme.

RESOLVED:

1. To agree the following outline focus for forthcoming Overview & Scrutiny Committee meetings:
 - May 2019: Homes for Lambeth / Borough Plan refresh
 - July 2019: Health & Adult Social Care
 - Sept/Oct 2019: Contracts/procurement

The meeting ended at 9.30 pm

CHAIR
OVERVIEW AND SCRUTINY COMMITTEE
Date Not Specified

Date of Despatch:

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