

Cabinet Member delegated decision 26 March 2019

Employment and Training – Section 106 Funding 2018-19

Wards: All

Report Authorised by: Interim Strategic Director for Sustainable Growth and Opportunity:
Emma Peters

Portfolio: Leader of the Council: Councillor Jack Hopkins

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Report summary

This report notes the staffing and programme expenditure of the Economic Inclusion team over the 2018/19 financial year, to be funded from Section 106 (S106) covenants relating to employment and skills. This report also notes the match funding for Economic Inclusion projects secured from external funding sources. Economic Inclusion programmes contribute to the achievement of the following key objectives from the Future Lambeth borough plan:

- 1) Reducing Inequality
- 2) Inclusive Growth

These programmes also support the achievement of targets noted in the Lambeth Investment and Opportunity Strategy (2015), Aspirational Futures report to Cabinet (2018), and Lambeth Equalities Commission (2017).

Finance summary

In 2018/19, total costs for proposed Economic Inclusion activity are **£1,445,895**. Of this total, **£593,359** has been secured through external funding sources and **£54,000** through Lambeth General Fund. A total of **£798,536** is therefore requested from appropriate S106 covenants to support Economic Inclusion activity in 2018/19.

Recommendations

- (1) To approve the use of **£798,536** from S106 fund to Economic Inclusion activity (staffing and programmes) in 2018/19, with £593,359 in external match funding to fund a total of £1,445,895 for Economic Inclusion activity.

1. Context

- 1.1 Published in 2016, **Future Lambeth – our borough plan** details the Council's commitment three key priorities from 2016-21:
- Inclusive growth
 - Reducing inequality
 - Strong and sustainable neighbourhoods
- 1.2 The **Investment and Opportunity Strategy** (adopted in 2015) sets out a number of targets relating to the employment and upskilling of local residents, including the creation of 22,000 jobs by 2031 primarily through new developments and economic growth in the borough. The Strategy also sets out targets to develop skills provision to make local people competitive in the labour market, ensure that young people receive the opportunities that they need to compete in the future economy, provide a more personalised employment-related support for unemployed people with complex needs, and working with employers to pay the London Living Wage.
- 1.3 **Aspirational Futures: Lambeth Council's Apprenticeship Prioritisation Commitment** paper to Cabinet details proposed a range of Economic Inclusion activities to promote access to Lambeth apprenticeships for disadvantaged groups, including Care Leavers and young people not in employment, education or training (NEET). This activity is in the context of Lambeth Council's target of creating 60-80 apprenticeships through the apprenticeship levy (circa £400,000 per annum).
- 1.4 The **Lambeth Equalities Commission** published in July 2017 also identifies key priority groups aged 18+ for intensive support around employment and skills, including our Black Caribbean, Somali and Portuguese communities as well as disabled residents (including people with physical and/or mental health conditions).
- 1.5 In July 2015, the **Employment & Enterprise Three Year Delivery & Finance Plan** was approved, detailing proposed funding and outcomes for Employment & Enterprise activity for 2015-2018. Proposed funding comprised £100,000 General Fund, £1,688,780 of external funding through New Homes Bonus, and £2,459,139 of S106 funds levied against delivery across a range of employment and enterprise outcomes.
- 1.6 Outcomes achieved include:
- 319 people supported into employment, including 76 young people into apprenticeship opportunities through Skills for Jobs (New Homes Bonus and S106 funded employment and skills project 2015-18)
 - Establishment of Opportunity Lambeth portal and web response service, providing single point of access for residents seeking employment opportunities on new site developments during construction and end use phases

2. Proposal and Reasons

- 2.1 In 2018-19, Economic Inclusion have proposed a range of employment support and training programmes and projects to directly support the achievement of outcomes

relating to key Borough Plan objectives, and specific targets identified within Aspirational Futures and Equalities Commission. These include:

Project	Target Group
<p>Pathways to Employment: a partnership between Lambeth, Southwark and Lewisham Councils with Jobcentre Plus, this programme aims to prevent residents with complex needs from becoming or staying long term unemployed and cycling in and out of different employment programmes. Individuals are supported by a key worker who works with them to address barriers to work including: skills shortages, housing, debt, family and childcare and set them on a pathway to employment. PtE aims to support 594 residents into employment across the three boroughs of which a target of 190 has been set for Lambeth, of which 94 will achieve a sustained job outcome of being in work for 26 weeks or more.</p>	<p>Long-term unemployed residents and those at risk of long-term unemployment</p>
<p>Community Employment for People with Disabilities: aims to support out-of-work Lambeth residents with a disability or long-term health condition who require more personalised and intensive support to address barriers to working. Three projects will receive funding to deliver this programme.</p>	<p>Unemployed residents with a disability, aged 25 or over</p>
<p>Loughborough Junction Community Enterprise (Marcus Lipton Estate): an intensive pre-employment support offer for Marcus Lipton centre users, focussing initially on engagement of hard to reach individuals to better understand barriers to employment and training, then providing signposting and one-to-one support in line with need to improve future employment prospects.</p>	<p>Unemployed people living in close proximity to Marcus Lipton Youth Centre, particularly those from BME backgrounds and young people</p>
<p>LIFE (Lambeth Inclusive Future Employment): working in partnership with Mencap and Capita to create bespoke opportunities through the Mencap ‘three ships’ model - supported internships, traineeships, and apprenticeships – within the Council and partners for people with neuro-diverse conditions (e.g. learning difficulties and disabilities, autism).</p>	<p>Unemployed residents with neuro-diverse conditions</p>
<p>Supported Employment for People with Learning Disabilities: personalised employment support for Lambeth residents with learning disabilities and difficulties, delivered by Camden Society. The project will work with 35 Lambeth residents, supporting 6 people into paid work and 12 into voluntary work.</p>	<p>Unemployed residents with a learning disability or difficulty</p>
<p>Opportunity Lambeth Portal & Web Response Service: single point of access for residents to access employment opportunities arising from Lambeth developments and more widely across the borough</p>	<p>Unemployed residents with barriers to employment</p>
<p>Workforce Plus: employment preparation, and employment support for disadvantaged residents including priority access to</p>	<p>Unemployed Lambeth residents who are either</p>

apprenticeship opportunities with Lambeth Council and Public Sector partners.	NEET young people, Looked After Children or Care Leavers
Steps to Success: intensive specialist support for Lambeth Looked After Children and Children Leaving Care to access training, employment and apprenticeship opportunities both within, and outwith the Council. The project seeks to support better linking across Council departments for the LAC/CLC cohort, including supported housing, benefits and revenues, economic inclusion and social care teams.	Looked After Children and Care Leavers from Lambeth
Construction Skills: At least 60 Lambeth residents will be supported with construction skills training (including CSCS cards) and 30 of them will start paid work. The project is delivered by Learning and Skills Solutions who have their own referrals sources and operational links with local colleges, schools and employability partners.	Unemployed Lambeth residents
YOLO (Young Opportunity Lambeth Offer): an innovative, young person-centred approach to employer activity in schools with a view to enhancing existing careers provision and improving progression outcomes. Linking in with key developers, contractors and end-use employers on Lambeth development sites, YOLO seeks to capitalise on commitments to schools and careers education secured through S106 agreements.	Year 9 students from two Lambeth schools
Lambeth Working link brokerage: providing personalised employment support to unemployed Lambeth residents, focusing on those with multiple barriers to employment; brokering suitable jobs with local employers, either those created through new developments or with existing employers	Unemployed Lambeth residents

2.2 The Economic Inclusion team have also levered in match funding through projects such as the Transformation Challenge Award which is funding the Pathways to Employment programme (across Lambeth, Southwark and Lewisham) delivered by St Giles Trust; DWP Flexible Support Fund for Steps to Success; and European Social Fund for Community Employment projects for people with disabilities.

2.3 This range of employment support and training programmes, as well as staffing costs for the Economic Inclusion team who commission this activity, is funded using S106 local labour in construction or employment and training contributions and the match funding highlighted above.

3. Finance

3.1 A detailed breakdown of the Economic Inclusion budget can be found in Appendix A. It is proposed that these activities and the staff time associated with them be funded from S106 contributions relating to employment and training, and local labour in construction.

3.2 Available S106 funding and proposed spend is as detailed below:

Covenant Type	Total Available (£)	Proposed Spend 2018/19 (£)
Employment & Training	1,152,514	323,491
Local Labour in Construction	1,903,387	475,045
Total	3,055,901	798,536

3.3 This table sets out the externally funded projects that match fund, compliment and are administered by the Economic Inclusion team. This is in addition to £54,000 from the General Fund which is used towards costs of the Economic Inclusion team.

Project	Funder	Partner	Amount (£)
Pathways to Employment	Transformation Challenge Award	St Giles Trust	445,413
Steps to Success (support for looked after children and care leavers)	DWP Flexible Support Fund	Drive Forward Foundation	47,946
Community Employment for People with Disabilities	European Social Fund	London Councils	100,000
Total			593,359

4. Legal and Democracy

4.1 Money paid to the council in accordance with covenants in Section 106 agreements must be spent in accordance with the purpose specified in the relevant agreement. Some of the agreements provide that sums must *'be applied by the Council towards the cost of vocational training and employment support to Lambeth Residents'* some provide that sums must be applied towards the provision of *'employment and training initiatives in the London Borough of Lambeth'* whilst other sums must be applied towards *'providing funding for organisations which provide training to persons in the construction industry and in the provision of training opportunities in the construction of the Development for construction trainees resident within the London Borough of Lambeth'*. The council must be able to demonstrate that the money is spent on the correctly in accordance with the agreements.

4.2 This proposed key decision was entered in the Forward Plan on 21 November 2018 and the necessary 28 clear days' notice has been given. In addition, the Council's

Constitution requires the report to be published on the website for five clear days before the proposed decision is approved by the Cabinet Member. Any representations received during this period must be considered by the decision-maker before the decision is taken. A further period of five clear days - the call-in period – must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5. Consultation and co-production

5.1 The Investment and Opportunity Strategy was as a result of extensive consultation and engagement with local partners:

- Strategic partners such as Jobcentre Plus, Lambeth College, mental health services and social housing Registered Providers;
- Local employment and training providers (Opportunity Lambeth Providers' Network);
- Local enterprise providers;
- Local businesses and Business Improvement Districts; and,
- Local funding organisations.

5.2 We continue to work with existing networks to jointly deliver these priorities. In some cases new arrangements will be needed to ensure ongoing collaboration in delivery, with either a strategic or operational focus. We will use our ability to bring partners together to facilitate these relationships so that local economic development activity is coordinated.

5.3 A wide range of officers from within the council were also been involved in the production of the strategy, through their involvement in the networks and discussions referenced above and through individual meetings.

6 Risk management

6.1 The Investment and Opportunity Strategy reflects the current economic conditions and forecasts for the future of the London economy. These conditions could change depending on state of the national economy. Any future economic downturns could restrict the number of jobs being created in the borough, making it more difficult for us to realise the benefits of growth for local residents and businesses. The principal current risk to the London economy is presented by the UK's withdrawal from the European Union (Brexit) and the unclear terms on which this will happen.

6.2 To mitigate this we are promoting economic growth in a range of sectors, to make sure that the local economy is diverse and not reliant on one industry. We are also working closely with our largest employers to ensure that the borough continues to meet their needs for a motivated and skilled workforce by improving the links between local employers and schools and ensuring that local skills provision is led by the demands from employers.

7 Equalities impact assessment

7.1 An Equalities Impact Assessment (EIA) was produced for the Investment and Opportunity Strategy and was presented to the EIA panel on 17 June 2015. This EIA is

still relevant as the proposals outlined in this report involve the implementation of that strategy.

- 7.2 The strategy is based on an evidence base from an analysis of both quantitative and qualitative information. This has allowed us to identify groups who need greater levels of support to benefit from the economic growth that has already taken place in the borough and will continue over the coming years.
- 7.3 The strategy recommends a more personalised approach to supporting people into employment and in enabling people to progress from low paid work. This recognises that there are a significant diversity of issues that each person faces in finding well paid work and only by treating people as individuals will be successful in helping them benefit as the economy grows.
- 7.4 Specific initiatives already underway are already supporting our most vulnerable residents. For example our Pathways to Employment programme, in partnership with Southwark and Lewisham, providing early intervention activities to unemployed residents with complex needs who are at risk of long-term unemployment is specifically targeted at residents with certain protected characteristics. Residents taking part in the programme are likely to have physical or mental ill health, many are lone parents, some do not have English as a first language, and others feel excluded from employment due to their age.
- 7.5 The Aspirational Futures scheme was developed in direct response to the recommendations within the Equalities Commission and the Jobs For All Scrutiny Commission and thus directly intended to have positive impact on equalities issues for the most disadvantaged communities. The rationale and evidence for targeting support for young people, including Looked After Children, people with mental health issues, people with disabilities, people from Black African, Black Caribbean and Portuguese backgrounds and people aged 50 or over, are set out in the Equalities Commission report.
- 7.6 Apprenticeships will form an important strand of the workforce equality and diversity plans including 'growing our own' talent schemes. The Aspirational Futures scheme will be an opportunity to attract and recruit target groups that are currently underrepresented in our workforce, including young people. Apprenticeships will also support workforce development and provide additional training and career development opportunities for staff.

8 Community safety

- 8.1 No anticipated impacts.

9 Organisational implications

- 9.1 Environmental

None

- 9.2 Staffing and accommodation

Expenditure authorised by this report will be used to cover some staffing costs within the Economic Inclusion team.

9.3 Procurement

Procurement of providers for commissioned schemes has been undertaken following procurement guidance and following the Procurement Framework approach.

9.4 Health

None direct, although some indirect work related positive benefits for those benefiting from the programmes paid for through the Economic Inclusion team.

10 Timetable for implementation

10.1 If approved, the recommendations in this report will be implemented with immediate effect.

Audit trail				
Consultation				
Position	Name	Date Sent	Date Received	Comments in para:
Leader of the Council	Cllr Jack Hopkins	13/03/2019	13/03/2019	
Interim Strategic Director Sustainable Growth and Opportunity	Emma Peters	13/03/2019	15/03/2019	
Director Development, Planning and Housing Growth	Sandra Roebuck	27/02/2019		
Head of Economic Inclusion	John Bennett	03/01/2019	09/01/2019	Throughout
Head of Business Development and Investment Monitoring	Michael Munnely	10/01/2019	10/01/2019	
Legal Services	Peter Flockhart	27/02/2019	13/03/2019	4.1
Democratic Services	Maria Burton	27/02/2019	01/03/2019	4.2
Assistant Director, Finance	Andrew Ramsden	27/02/2019	14/03/2019	3

Report history	
Original discussion with Cabinet Member	21.11.2018
Report deadline	N/A
Date final report sent	N/A
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	21.11.2018
Key decision reasons	Expenditure, income or savings in excess of £500,000
Background information	Cabinet, 8 June 2015, item 6 – Investment and Opportunity Strategy Cabinet, 5 February 2018, item 5 – Aspirational Futures
Appendices	Appendix A – Breakdown of S106 Costs in 2018-19

APPROVAL BY CABINET MEMBER OR OFFICER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have been consulted on this report:

Signature _____ **Date** _____

Post Nicola Whyte, Employment and Skills Manager

I confirm I have consulted the relevant Cabinet Members, including the Leader of the Council (if required), and approve the above recommendations:

Signature _____ **Date** _____

Post Councillor Jack Hopkins, Leader of the Council

Any declarations of interest (or exemptions granted):

Issue

Interest declared