

CABINET MEMBER DELEGATED DECISION 07 APRIL 2021

Report title: S106 Expenditure Skills and Employment 2020-21

Wards: All

Portfolio: Councillor Jacqui Dyer: Cabinet Member for Jobs, Skills and Community Safety

Report Authorised by: Eleanor Purser and Sara Waller: Strategic Directors for Sustainable Growth and Opportunity

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REPORT SUMMARY

This report requests approval of funding for staffing and programme costs for the Skills and Employment service in the 2020-21 financial year, for draw down from Section 106 (S106) Local Labour in Construction and Employment and Training contributions.

In addition to providing continuing support for unemployed Lambeth residents with barriers to employment, due to the impact of Covid-19 on the labour market and rising levels of unemployment the Skills and Employment service has also played a crucial role in ensuring that residents whose employment and economic stability have been affected by Covid-19 have access to the support they need.

FINANCE SUMMARY

It is recommended that a maximum drawdown of £811,801 for Skills and Employment activity in 2020-21 is funded through an allocation from S106 monies held by the Council.

RECOMMENDATIONS

1. To approve a maximum drawdown of £811,801 from S106 employment and training contributions for Skills and Employment staffing and programmes in 2020-21.
2. To note £398,800 of external match funding secured, with £117,324 for drawdown in 2020-21.

1. CONTEXT

1.1. Strategic context

- 1.1.1 Skills and employment programmes in Lambeth are guided by the Skills and Employment Strategy, which was substantially complete in March 2020 but then reviewed in the light of the Covid-19 pandemic to ensure the implications of the emerging economic crisis were fully considered. The Skills and Employment strategy was then agreed by Cabinet in December 2020 and sets out the vision and five key objectives for employment and skills in Lambeth from 2020-2023.
- 1.1.2 The work of the Skills and Employment team is diverse, and cuts across all five objectives within the strategy. In addition to the locally delivered and commissioned employment support for residents, the service is represented in several cross-borough strategic partnerships, such as Better Placed (Lambeth, Lewisham and Southwark) Stride (Lambeth, Lewisham, Southwark and Wandsworth), Vauxhall Nine Elms (Lambeth and Wandsworth) and the Central London Forward sub-regional partnership.
- 1.1.3 Lambeth employment and skills programmes include those that target key priority groups of unemployed residents including care experienced young people, residents with complex barriers to employment and, as part of the Covid-19 emergency response, services that support those residents whose employment has been impacted by Covid-19. The service has also taken a central role in the co-ordination and quality improvement of employment and skills provision in the borough, establishing the Opportunity Lambeth and Youth Promise Provider Networks and developing a set of Provider Principles and Standards for agreement with Lambeth providers.

1.2. Impact of Covid-19

- 1.2.1. Unemployment in Lambeth is currently at its highest since 1996, rising from 9020 (3.7%) in March 2020 to 21,480 (8.9%) in January 2021. The difference between unemployment rates in Lambeth (8.9%) and London (8%) has increased by 0.2%, with a further 27,900 Lambeth residents currently furloughed.
- 1.2.2. Covid-19 has impacted disproportionately on the employment of young people in the borough, with the numbers of young people claiming out of work benefits increasing from 1270 (4.4%) in March 2020 to 3375 (11.4%) in January 2020. A Youth Futures Foundation and IES report on youth unemployment published in February 2021 identifies that nationally:
- Young people account for 46% of the total decrease in employment
 - Young people are bearing the brunt of lockdown, with 47% of those furloughed aged under 24
 - The fall in employment is 4 times higher for young Black people; 3 times higher for young Asian people
 - Young people in southern regions most affected
 - 200,000 of young people out of work have been unemployed for over 6 months
- 1.2.3. Covid-19 has also had a disproportionate impact on the employment people from Black, Asian, and Multi-Ethnic (BAME) backgrounds. Data is not available at a local level, but ONS data indicates the national rate of unemployment was 4.5% for people from a White ethnic background from October – December 2020, compared to 9.5% for people from BAME backgrounds, and 13.8% for Black people. 23% of the BAME workforce in the Food and Accommodation sector have lost their employment due to Covid-19 (compared to 13% of white workers) while the number of black women working in arts and entertainment has dropped by two-fifths.

2. PROPOSAL AND REASONS

2.1. Skills and Employment in Lambeth

- 2.1.1. This report requests approval to draw down £811,801 of funds from S106 Local Labour in Construction and Employment and Training contributions to fund staffing and programmes costs for the Skills and Employment team in 2020-21. Funding has been allocated from S106 covenants relating to the activity delivered, and proposed allocations agreed by Director of Enterprise, Culture and Skills through the Summary Allocation Process (report attached at Appendix A).
- 2.1.2. In 2020-21, the work of the Skills and Employment team has played an important role in both the Covid-19 emergency response, and recovery planning. New services to support those whose employment has been affected by Covid-19 have been deployed, and the Skills and Employment team has successfully secured external funding to support the delivery of strategically and corporately significant programmes such as Lambeth Made Youth Hubs and the Steps to Success employment programme for care experienced young people.
- 2.1.3. In light of Covid-19, employment services have moved to a primarily remote model of delivery using video conferencing, telephone, and email contact to deliver services to residents. Although initially engagement was higher than services had anticipated (particularly from young people), as lockdowns have continued that level of engagement has dropped, and employment services are starting to report more challenges in engaging residents remotely for meaningful support.
- 2.1.4. Despite these impact of Covid-19 on the labour market and the impacts of lockdown on engagement, Lambeth skills and employment programmes are on track achieve our corporate KPI for residents supported into employment, achieving 298 outcomes against a profile of 282 to the end of quarter 3 (December 20).
- 2.1.5. The Lambeth Skills and Employment team also take a pro-active role in the co-ordination and strategic development of sub-regional/devolved employment and training provision, seeking to maximise the benefits of funded programmes delivered on a local, regional, and sub-regional basis. Current examples of this include those programmes commissioned via Central London Forward: Central London Works (Work and Health Programme) and the Job Entry Target Scheme (JETS) delivered by Ingeus in Lambeth.

2.2. Lambeth Council Employment and Skills Programmes 20-21

- 2.2.1. The Skills and Employment team has developed a number of services rapidly in response to Covid-19: the Lambeth Rapid Response Service for newly unemployed residents and those whose employment has been impacted by Covid-19, and the Lambeth Made Youth Promise (including the Youth Hubs); ensuring that all young people in Lambeth have access to high quality IAG and employment support linked to jobs and apprenticeships wherever possible.
- 2.2.2. Kickstart has also been a significant focus for the service in 2020-21, with successful bids submitted to DWP for a Lambeth Council Kickstart Scheme (48 placements) and the Better Placed Gateway Kickstart Scheme (66 placements approved to date, with a further 350 potential placements identified through employer expressions of interest). Kickstart is the government's flagship employment programme for young people aged 16-24 who are in receipt of Universal Credit, providing six month paid work experience placements supported by a wage subsidy paid at National Minimum Wage relative to the age of the young person. Through the Better Placed partnership, Lambeth is leading on a tri-borough approach to Kickstart, creating new roles for young people and supporting local businesses to apply for placements across Lambeth, Lewisham and Southwark.

2.2.3. A detailed breakdown of Employment and Skills programme activity and outcomes is attached at Appendix B

2.3. Skills and Employment Funding

2.3.1. A total of £1,018,417 has been used to support delivery of Skills and Employment programme in 2020-21, including £811,801 of spend that this report proposes be drawn down from S106 contributions. Detail of how this spend is allocated against appropriate covenants is attached in the Summary Allocation Process report at Appendix A.

2.3.2. Detailed below is the 2020-21 spend on employment programmes by funding source.

- Table 1 below Employment and Skills programmes funded through S106 in 2020-21. Full detail of programme activity is attached at Appendix B.
- Table 2 identifies external match funding secured for Lambeth skills and employment programmes in 2020-21, with some match funded programmes also continuing into 21-22

Table 1. Employment and Skills 2020-21 – S106 funding

Programme	Activity	S106 funds
Skills and Employment staffing	Strategic development and oversight of Lambeth employment programmes including: <ul style="list-style-type: none"> • Opportunity Lambeth and Opportunity Lambeth Provider Network • Lambeth Made Youth Promise and Youth Promise Provider Network (including Lambeth Made Youth Hubs) • Lambeth Council Kickstart and Better Placed Gateway Kickstart Schemes • Opportunity Lambeth Construction • Central London Works (Work and Health Programme) and Central London Forward JETS 	£479,657
Opportunity Lambeth Portal and Provider Network	Opportunity Lambeth website, portal and client record management system <ul style="list-style-type: none"> • 660 residents registered in 20-21 Opportunity Lambeth Provider Network development	£19,000
Strategy Development and Research	Development of Skills and Employment Strategy Apprenticeships research Employer research for Covid-19 recovery	£24,184
Springboard Hospitality Training	Pre-employment training for the planned opening of The Civic restaurant and events space at International House <ul style="list-style-type: none"> • 18 residents completing hospitality training 	£5,971
Opportunity Lambeth Employment Support	Employment support for residents who are long term unemployed or facing complex barriers to employment <ul style="list-style-type: none"> • 85 residents supported • 45 residents progressing into employment, education, or training 	£48,000
Construction Youth Trust	Engagement of NEET young people for employment support, CSCS training, and delivery of Developer's Challenge	£11,110

	<ul style="list-style-type: none"> • 27 young people supported • 18 young people completed Level 1 Health and Safety training • 5 young people secured CSCS card • 10 young people progressed into education, employment, and training 	
Steps to Success	<p>Employment support for Lambeth care experienced young people</p> <ul style="list-style-type: none"> • 74 care experienced young people supported • 28 young people progressed into education, employment, and training outcomes 	£45,500
Marcus Lipton Employment	<p>Youth engagement and employment support for residents of Loughborough Junction</p> <ul style="list-style-type: none"> • 56 young people engaged in employment and training activity 	£24,898
South Lambeth BIDs Brokerage	<p>Employer engagement, Covid-19 advice, and recruitment support service for employers in the South Lambeth BIDs area</p> <ul style="list-style-type: none"> • 15 BID businesses engaged for recruitment support • 2 residents secured employment with BID businesses 	£24,926
Lambeth Redress Scheme	<p>Holistic employment and enterprise support for people affected by historical sexual abuse</p> <ul style="list-style-type: none"> • 12 individuals referred through Redress scheme supported 	£3,350
Discretionary Support	<p>Discretionary spend for Lambeth jobseekers e.g. travel, PPE, childcare</p>	£7,828
Lambeth Rapid Response Service	<p>Employment support for residents whose employment is impacted by Covid-19</p> <ul style="list-style-type: none"> • 147 residents supported • 49 residents progressed into employment 	£52,426
Lambeth Made Chartermark Awards	<p>Lambeth Made Business Awards ceremony</p>	£5,000
Lambeth Made Youth Promise	<p>Lambeth Made Youth Promise and Youth Promise Provider Network development Lambeth Made Youth Hubs Youth IAG Practitioners Forum</p>	£51,300
Marketing and Communications	<p>Opportunity Lambeth and Redundancy flyers Skills and Employment Strategy Lambeth Made Chartermark Awards</p>	£6,762
Legal and Property Costs	<p>Residual costs relating to Green Man Skills Zone</p>	£1,889
Total		£811,801

Table 2. Skills and Employment – External funding secured and spent

Programme	Activity	Match secured	Match spent 20-21
Department for Work Pensions (Flexible Support Fund)	Steps to Success - employment support for Lambeth care experienced young people (June 20 – July 21)	£75,000	£62,500
Department for Work Pensions (Flexible Support Fund)	Lambeth Made Youth Hubs (March 21 – February 22)	£199,800	£0
Central London Forward Construction Brokerage	Construction employment brokerage (October 20 – April 21)	£50,000	£33,880
Central London Forward ERO	Engagement to support increased referrals to Central London Works programme (2021-2023)	£74,000	£20,944
Totals		£398,800	£117,324

3. FINANCE COMMENTS

- 3.1 The 2020/21 cost of the Skills and Employment team is £1,018,417 of which its recommended that a maximum of £811,801 is funded through s106 allocations. The balance of £206,616 will be funded through existing budgets and grants. As the total funding available from COVID grants from Central Government is uncertain, it is possible that more of the team's activity can be funded from COVID related grants and thus reduce the need for S106 drawdowns. Therefore, the report requests a maximum S106 drawdown and the actual amount may be lower.
- 3.2 Table 4 below details a current breakdown of costs and funding:

Table 4: 2020/21 Costs and Funding

Service	2020/21 Costs	LLC s106	E and S s106	HRA	General Fund	Grant
Staffing	£596,482	£264,199	£215,458	£19,000	£43,000	£54,824
Commissioned Services	£421,935	£144,097	£188,047			£89,792
Total	£1,018,417	£408,296	£403,505	£19,000	£43,000	£144,616

- 3.2 Table 5 below details the available s106 balances available to fund recommended allocation:

Table 5: Available s106 Balances

Covenant type	Balance	Recommended Drawdown
Local Labour in Construction	£1,177,446	£408,296
Employment and Training	£1,509,586	£403,505
Totals	£2,687,032	£811,801

4. LEGAL AND DEMOCRACY

- 4.1 S106 agreements are entered into by landowners when planning permission is granted, to mitigate the impact of development. The Employment and Skills Supplementary Planning Document, adopted in February 2018, provides guidance on employment and skills obligations to be contained in these agreements.
- 4.2 It sets out the obligations which will be sought from developers at the construction and end user phases of development to contribute towards a range of employment and training measures to mitigate the impacts of development and to ensure that local people can better access job opportunities arising from new development.
- 4.3 Obligations can be both non-financial such as the production of employment and skills plans for on-site training and also financial obligations. Financial payments are used to help support those sections of the Lambeth workforce that are furthest from employment, having been out of work for a long period of time and/or having low levels of skills. The financial contributions are used by the Council to fund training and support to enable access to newly created employment opportunities arising from development for those who may struggle to access the opportunities without extra support, in particular the long-term unemployed and young people. It is these financial contributions which are recommended in this report to contribute to the funding of Lambeth's Skills and Employment Team.
- 4.4 This proposed key decision was entered in the Forward Plan on 08 February 2021 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. Employment and Skills programmes in Lambeth all contribute to the delivery of objectives within the Skills and Employment strategy. The Skills and Employment strategy has been produced through a process of ongoing engagement and consultation with a range of partners including:
 - Strategic partners such as Jobcentre Plus, Lambeth College, mental health services and social housing Registered Providers
 - Local employment and training providers
 - Local enterprise providers
 - Local businesses and Business Improvement Districts
 - Local funding organisations
 - Residents and employment service users
- 5.2. Stakeholder engagement has been critical to employment and skills programme development in 2020-21, including formal and informal consultations with employment and skills organisations operating 'on the ground' during Covid-19, and Opportunity Lambeth and Youth Promise provider network meetings. Employers have similarly been engaged in the development of services,

informing service design through commissioned research, business surveys, and proactive contact by Skills and Employment commissioned services.

6 RISK MANAGEMENT

6.1 Identify potential risks associated with the options and the proposed course of action.

6.2 The main risks that impede on the successful delivery of this procurement and contract are:

Item	Risk	Likelihood	Impact	Score	Control Measures
1	Impact of Covid-19 on residents' employment, and the labour market (i.e. availability of opportunities)	4	4	16	<ul style="list-style-type: none"> • Focus activity on areas where Council policy and/or spend can be used to create employment and training opportunities • Work closely with BIDs and borough employers to understand local labour market recovery and identify areas of sectoral growth e.g. green economy to prepare residents for forthcoming opportunities
1	Macroeconomic impact of Brexit	4	4	16	<ul style="list-style-type: none"> • Maintain up to date knowledge of developments affecting the labour market in post-Brexit transition period and subsequent impacts • Continue to promote economic growth in a range of sectors, ensuring the local economy is diverse and not reliant on one industry
2	Impact of Brexit on funding available for employment and skills activity	4	2	8	<ul style="list-style-type: none"> • Continue to lobby for increased devolution of funding to a London/local level • Ensure Lambeth is represented in development of devolved programmes so activity is tailored to local need • Maintain up to date knowledge of a range of funding options on a National, regional and local level to support delivery of employment and skills activity in the borough
3	Local people do not have the required skills to secure employment in growth sectors	3	2	6	<ul style="list-style-type: none"> • Work closely with employers to ensure that skills provision is industry led, and relevant to future jobs • Improving the links between local employers and schools, ensuring that local skills provision is led by the demands from employers

4	CMDDR request for S106 funding is not approved	1	8	8	<ul style="list-style-type: none"> • Close alignment of programme delivery with key corporate and political priorities, including Employment and Skills strategy, Lambeth Made Education, Skills and Employment strategic work programme, and Lambeth Safer Communities strategy • Funding requested from covenants specific to activity undertaken, with approval from S106 team secured for allocation of Employment and Training and Local Labour contributions
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Likelihood	Very Likely = 4	Likely = 3	Unlikely = 2	Very Unlikely = 1
Impact	Major = 8	Serious = 4	Significant = 2	Minor = 1

7 EQUALITIES IMPACT ASSESSMENT

- 7.1 Employment and skills programmes detailed in this report and appendices contribute to the delivery of key objectives from the Skills and Employment strategy. 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.
- 7.2 The proposals set out in the strategy are intended to have a positive equalities impact through addressing inequalities faced by some residents in the labour market. The Equalities Impact Assessment and accompanying data analysis is included as Appendix C. The Equalities Impact Assessment for the Skills and Employment Strategy was approved on 17th November 2020.
- 7.3 The focus for employment and skills is on interventions that support those most likely to be disproportionately affected by unemployment, insecure work and low skills. These groups will be prioritised in the design and commissioning of services by the Council and its partners:
- Residents from Black, Asian and Multi Ethnic (BAME) backgrounds
 - Young people who are care leavers, not in education, employment or training, or at risk of becoming NEET such as those known to the criminal justice system
 - People who are homeless or at risk of homelessness
 - People with health conditions and disabilities, including mental health problems, and their carers
 - Parents with young children
 - People at risk or victims of domestic violence
 - People aged 50 and above

8 COMMUNITY SAFETY

- 8.1 Being in employment, education or training is a preventative factor in reducing the likelihood of someone being involved in serious youth violence and other offending. Employment and skills

programmes detailed in this report are linked both to the Skills and Employment Strategy and the Lambeth Made Safer Strategy.

9 ORGANISATIONAL IMPLICATIONS

Environmental

- 9.1 Jobs being created in low carbon sectors and the green economy are recognised as being likely to grow in the coming years. The Employment and Skills team is working closely with Lambeth Climate Change colleagues and local environmental organisations such as Groundwork London to develop employment related activity in this area, inspiring and informing residents and young people of the opportunities presented by emerging green economy. Growth of the low carbon economy will also directly contribute positively to borough's efforts to tackle climate change.

Health

- 9.2 Lambeth employment and skills programmes would be expected to have a positive impact on health outcomes given the positive correlation between being in employment and good health and wellbeing. Higher levels of employment in the borough will provide not just economic benefits but also will help deliver increased wellbeing amongst local residents.

Corporate Parenting

- 9.3 Steps to Success is the Council's flagship programme supporting Lambeth care experienced young people into employment. In 2020-21, Steps to Success has supported 28 care leavers into education, employment and training (EET) destinations and has supported 73 young people with their progression towards EET.

Staffing and accommodation

- 9.4 None.

Responsible Procurement

Good Quality Jobs with Fair Pay and Decent Working Conditions

- 9.5 In line with the Skills and Employment strategy, Employment and Skills services are proactive in seeking good quality jobs with fair pay and decent working conditions for residents; and maintain commitments to promoting the London Living Wage locally (including through the Council's own supply chain).

Quality Apprenticeships, targeted Employment for Lambeth residents and Lambeth Priority Group

- 9.6 The Employment and Skills team work closely with Corporate HR and colleagues in Children's Services and Education to support the recruitment of residents from key priority groups to access quality apprenticeship opportunities, including those within the Council. The service also supports the transfer of apprenticeship levy to fund apprenticeship training within eligible Lambeth employers, or those employing Lambeth apprentices.

Reduce Emissions: Lambeth Council has a commitment to being Zero Carbon by 2030

- 9.7 Not relevant.

Single Use Plastics

- 9.8 Not relevant.

Positive Health and Wellbeing

- 9.9 As outlined in 9.2.

Other Offers (Innovation)

- 9.10 Not relevant.

10 TIMETABLE FOR IMPLEMENTATION

10.1 The table below details the stages and deadlines for implementing the recommendations:

Activity	Proposed Date
Date published on Forward Plan	8 February 2021
Publication on Decisions online	26 March 2021
Officer or Cabinet Member Decision	07 April 2021
End of Call-in Period (key decisions only)	14 April 2021

AUDIT TRAIL

Consultation

Name and Position/Title	Lambeth Directorate	Date Sent	Date Received	Comments in paragraph:
Councillor Dyer	Cabinet Member for Jobs, Skills and Community Safety	16.03.21	18.03.20	
Eleanor Purser and Sara Waller, Strategic Directors	Sustainable Growth and Opportunity	12.03.21	15.03.21	
Matthew Gaynor, Finance	Finance and Property	12.03.21	15.03.21	
Peter Flockhart, Legal Services	Legal and Governance	09.03.21	15.03.21	
Jacqueline Pennycook, Democratic Services	Legal and Governance	11.03.21	15.03.21	

REPORT HISTORY

Original discussion with Cabinet Member	01.03.20
Report deadline	18.03.20
Date final report sent	16.03.20
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	08.02.20
Key decision reasons	2. Expenditure, income or savings in excess of £500,000.
Background information	Lambeth Employment and Skills Supplementary Planning Document 2018 Youth Futures Foundation Report An Unequal Crisis: The impact of the pandemic on the youth labour market
Appendices	Appendix A – Employment and Skills S106 SAP 20-21 Appendix B - Employment and Skills Programmes 2020-21

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

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board, and taken account of their advice and comments in completing the report for approval:

Signature: _____ **Date:** _____

Post: Jacqueline Faulkner, Acting Head of Service, Economic Inclusion

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 Jacqui Dyer
Cabinet Member for Job, Skills and Community Safety

Any declarations of interest (or exemptions granted): None

Any conflicts of interest: None

Any dispensations: None