

ANNEX C

Committee(s)	Dated:
Policy and Resources	18 February 2016
Subject: Strengthening Economic Development Office work on Employability in London	Public
Report of: Director of Economic Development	For Decision
Report author: Damian Nussbaum, Director of Economic Development Office	

Summary

To strengthen the Economic Development Office's (EDO's) role in helping create a more competitive City and a more successful and inclusive London, it is proposed that its employability work be focused on a) playing a stronger role in providing a direction and vision for the City through high-profile strategy and policy leadership; b) developing a stronger strategic business engagement and relationship management function; c) commissioning fewer, more targeted and high impact programmes.

To support this role this report proposes reinforcing EDO's leadership and expertise to drive forward the City Corporation's employability agenda, at no extra cost to the City Corporation's budgets, by applying S106 resources ringfenced for 'skills, training and job brokerage' activity at a cost of up to £425,000 p.a. for three years, £1.276m in total. Some £1.112m is currently available and it is proposed that you give approval to commit the further £164K required once it is received. (Although S106 income is unpredictable, we anticipate this income within the coming year).

Recommendation(s)

The Committee is invited to:-

- a) note proposals to help the City to achieve maximum impact and visibility in its work to support London communities
- b) approve, subject to the receipt of the balance of £164k in S106 funding required, the use of up to £425,000 per year over three years of Section 106 funds (which are restricted for use on skills, training and job brokerage) to drive the City Corporation's role as a leader in employability.

Main Report

Background

1. The City Corporation is committed to encouraging jobs and growth in London's communities. In line with this, the Economic Development Office (EDO) has a strategic aim "to encourage, support and celebrate employability, enterprise and 'responsible business' in London". It has a track record of delivering 'employability' programmes over a long period.

Current Position

2. The City Corporation, together with key partners, has in recent times increased its focus on the topic of employability in London, Recent work includes:-
 - a. The senior, cross-sector Study Panel, initiated by your Chairman and co-chaired by Alderman and Sheriff Bowman, into employability among young people in London. This aims to increase the amount of activity by 'the City'. *A separate report on this is on the agenda.*
 - b. A senior officer group developing a framework for the City Corporation's activity in this area. This seeks to guide the City Corporation's activity, having regard to related activity as trustee of Bridge House Estates (through the City Bridge Trust), and as participants in, and funders of, Central London Forward and Heart of the City. *This framework is also the subject of a separate report on the agenda.*
 - c. Discussions on provision of support by EDO for the Power of Diversity programme across the City led by Dame Fiona Woolf.
3. EDO is responding to the work of the Panel by proposing to strengthen its work on employability as set out below.
4. A proposed outcomes framework, which is discussed in more detail in the accompanying report on this agenda, has been developed in response to the Study Panel, to increase the impact of the City Corporation's work on employability to help address the mismatch between the needs of City employers and the skills of Londoners. It involves:-
 - a) greater diversity in the City workforce
 - b) ensuring that the City has the skilled workforce it needs,
 - c) widened access to lower skilled City jobs,
 - d) better prepared Londoners secure more jobs and
 - d) the City Corporation as a model practitioner and change leader.

Proposals

5. EDO will strengthen its leadership and expertise by:
 - a. playing a stronger role in providing a direction and vision for the City, including facilitating higher profile policy leadership and convening; using robust research to develop strategies and high impact programmes in collaboration with senior stakeholders; and developing and showcasing good practice. In addition, we will support efforts to position the CoLC as an exemplar 'responsible business' delivering in the area of employability.
 - b. developing stronger strategic business engagement and relationship management to coordinate and enhance our work with business to maximise impact through policy and programme delivery, increasing visibility.
 - c. changing the emphasis to date on commissioning a large number of, generally smaller, programmes from external providers, in favour of commissioning and delivery of fewer, more targeted and high impact programmes.

6. We propose to allocate up to £425k of Section 106 funds p.a. over a total period of three years (spread over four financial years) commencing in June 2016. This would cover the cost of posts in EDO, associated costs, events and materials. This would be met from those Section 106 (planning obligation) funds restricted to activity to support 'skills, training and job brokerage'. These are allocated in accordance with planning policy and in line with criteria set out by your Committee and have been used to fund employability work, alongside other budgets, over a number of years .

Implications

7. Some £1.112m is currently available and would be used to cover most of the costs of these proposals for a three year period. It is proposed that you give approval to commit the further £164K required once it is received. (Although S106 income is unpredictable, we anticipate this income within the coming year. We also estimate that sufficient S106 resource will become available to commission carefully selected, high impact, activity from third parties).
8. Reconfiguration of staff will be implemented in consultation with the Director of HR and in line with City Corporation HR procedures (including making provision for termination costs in the event that funding is no longer available to fund the service at the end of the three year period).

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