APPENDIX 1

<u>City of London Corporation – Employability Strategy 2017-2020</u>

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Executive Summary

The Strategy

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Executive Summ	Executive Summary		
Employability is a key challenge for London	 Unemployment in London (5.9%) remains above the national average (4.7%), although the gap has closed in recent years. London's educational attainment is amongst the best in the country but London has 19% youth unemployment and a highly competitive labour market And too many jobs are low-paid (21% of London jobs pay below the London Living Wage) 		
The City creates a wealth of opportunities in the square mile and beyond	 With 455,000 jobs in the square mile (75% in finance and business services), the City also supports many additional jobs in service and support sectors (via the CoLC's procurement activity as well as City firms' supply chains) Demand for high-skilled staff for City roles is projected to rise, alongside skills shortages driven by automation and other technological changes (and the workforce implications of Brexit). 		
But finding the way in can be disproportionately difficult	 It is difficult for schools to find the resources and contacts to deliver effective work-related learning and up-to-date advice on skills and careers Employers recruitment methods are often closed or unnecessarily hard to negotiate London employers are less likely than the rest of the UK to offer an apprenticeship & there is a high drop-out rate from post-16 qualifications The apprenticeship levy has given control for some skills development to employers, but many are not ready to use it. 		
The prize for solving this is inclusive economic growth, where all of society benefits, and maintaining London's global competitiveness	 The City of London provides much-needed employment for Londoners but the wealth of opportunities generated by the City and in FRPS is not well understood and often closed to diverse talent Attraction and retention of talent is central to the competitiveness of both FRPS and the wider London economy. The City of London Corporation aims to ensure that for people with talent, background is no barrier to working and progressing in the City or in London. 		
And the Corporation is well placed to help resolve these challenges	 We are too small to manage the wholesale supply of skills and qualifications, but our relationship with square mile businesses and FRPS, our roles as education provider and planning authority, our relationships with partners across London, our cultural programmes and grant-making all combine to give us the chance to pilot/demonstrate shifts in thinking and practice As a significant employer in our own right, we can deliver employability initiatives for our own workforce to give us credibility with our main stakeholders and a foundation for telling the story of what the City Corporation does to support London. 		
So, we will:	i) Help City residents and students, and Londoners, acquire the right skills and knowledge to compete successfully for jobs, by;		

	 a) Helping school students to get the best exposure to the world of work with help from City businesses and their partners; and b) helping City and London residents move off benefits and stay in work ii) Ensure that jobs in the City's supply chain are more open to Londoners, by; a) Securing local employment through our own supply chains; b) encouraging large firms to open up access to jobs with their suppliers, and c) using our S106 to increase local employment in construction and end-use jobs in Central London developments iii) Work with partners and City firms to secure a supply of skilled people and reduce skills gaps and shortages by; a) identifying the skills needs in FRPS employers where we can make an impact, and b) promoting apprenticeships and increasing the number of apprentices in FRPS.
	 iv) Work with employers to open up more City jobs to Londoners of all backgrounds, by; a) changing recruitment and progression practices to increase the diversity and therefore size of the talent pool, and b) promoting the FRPS sector to talented Londoners from all backgrounds.
	 be an employer of choice where open, fair and inclusive recruitment and development create and maintain a diverse workforce better equipped to deliver our corporate plan, by; a) delivering the 'attracting talent' programme, b) appointing and supporting 100 people to obtain an apprenticeship every year c) implementing a new workforce planning process.
By doing this we will see:	 more City residents and Londoners getting jobs better outcomes and destinations for school-leavers more training and entry-level jobs secured with City suppliers and associated opportunities more apprentices employed in City firms & in the City corporation greater workforce at all levels in FRPS & in the City Corporation the City corporation actively and visibly engaged in change - walking the talk
Businesses will care about this because	 Employers will have access to a bigger and more diverse talent pool on their doorstep in London, as well as a better supply of recruits with the right skills Social value and responsible business activities will have more opportunities for impact through work with supply chains

1. What's the need?

Despite London's buoyant economy and recovery since 2008, the labour market doesn't always work for London

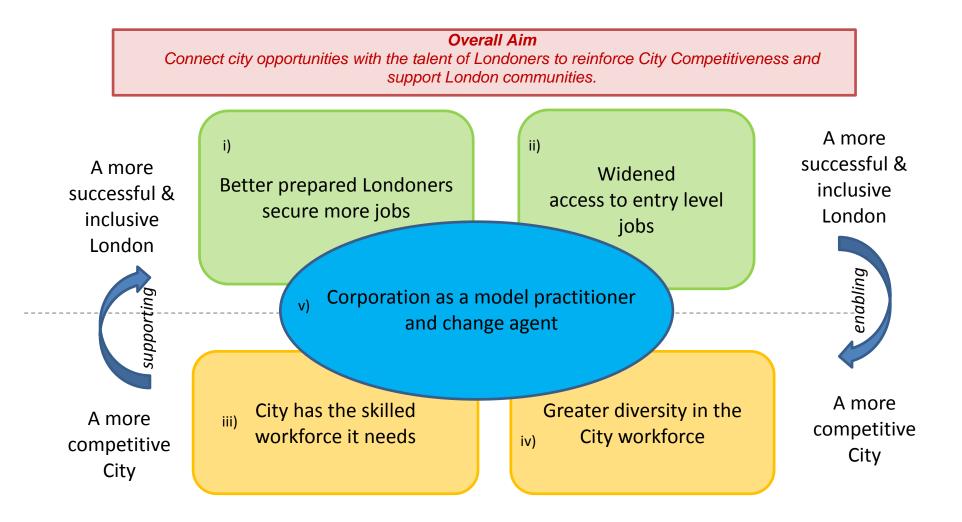
More Londoners aged 16-24 are unemployed compared to the national average. This suggests that young Londoners face greater challenges in accessing work (Work Foundation, Sep 2016).

The City of London faces challenges too.

The City workforce is less diverse than London's - particularly in elite professions.	 Lack of diversity hinders competitiveness. Diversity, if appropriately managed, can result in business benefits, but <u>if poorly managed</u> can also increase cost. Many initiatives are trying to open up the workplace to more people from diverse or less privileged backgrounds. However progress is slow and barriers remain - the City does not access the widest possible talent pool.
The City is highly skilled but struggles to find talent	 The City will require both an increasing number and an increasing proportion of staff with high (degree) level skills in the short and medium term (see Fig. 1); but skills gaps and shortages <u>already</u> cause concern The skills system is struggling to keep pace with the pace of automation and technological change in FRPS and doesn't meet employer needs Larger employers pay a premium for skills and investing in their own, or private, training; and there is a reliance on a non-UK workers Apprenticeships offer one way to fix this; the levy puts control and resources in the hands of large employers, but smaller and growing businesses may lack the capacity and knowledge to develop a scheme.
So we need to identify new	ways to secure the skills and talent the City needs to remain competitive.
The City also generates entry-level jobs, but these can be difficult for Londoners to access	 20,000+ jobs in the City are entry-level positions Many more jobs are created via outsourcing and in supply chains supporting the square mile but Over 280,000 Londoners are unemployed Young Londoners entering the labour market for the first time face fierce competition – London is a national and international magnet for jobseekers Many Londoners experience in-work poverty and precarious employment – the proportion of jobs paying less than the London Living Wage and the use of zero hours contracts are increasing And few City employers are actively using their buying power to support London employment and payment of London Living Wage

The City Corporation is already trying to address some of these gaps in the market	Directly: City Corporation programmes – connecting Londoners to City opportunities via internships, work tasters & experience, EDO programmes Our efforts as an employer – apprentices, work experience opportunities, aspiration-raising activity
	 Central London Forward - programmes to help unemployed Londoners with complex needs to come off benefits and into work City Bridge Trust - helping disadvantaged Londoners with employability, skills and aspirations, e.g. Prince's Trust programmes and Youth Offer grants Cultural programmes – instilling new flexible and creative skill sets in young Londoners . Heart of the City – helping businesses to act responsibly
But we're too small to close the gaps on our own	 Supporting unemployed adults into employment can cost between £1,200 - £10,000 each; we do not have the resources to fill the gaps left by mainstream employment services
It's a busy but fragmented marketplace	 There are many organisations helping Londoners into employment and working with businesses to diversify and develop talent And many bodies offering grants and/or financial support for employability initiatives However, activity is uncoordinated and the cumulative impact is unclear; and the City Corporation's contribution has often been low profile and unnoticed

2. What we will do



... and how this fits with the emerging Corporate Plan

Corporate Plan 2018 – 23

People

People live enriched lives and reach their potential

People enjoy good health and well-being

People enjoy our thriving and sustainable public spaces

People are safe and feel safe

Prosperity

The City has the world's best access to global markets and regulatory framework The City is the global hub for business innovation – new products, new markets and new ways of doing business

The City nurtures and has access to the skills and talent it needs to thrive

The City's activities at home and abroad are known to benefit society and business



Responsible Business and Supporting London Strategy



Employability Strategy



Education Strategy



Other strategies, e.g. Barbican plan, City Bridge Trust Strategy,



Sustainable Procurement Strategy

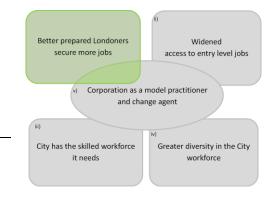


Departmental business plans

Outcome (i) Better prepared Londoners secure more jobs

We will help our residents, our students and other Londoners acquire the right skills and knowledge to compete successfully for jobs

Lead for the Corporation: Department of Community & Children's Services



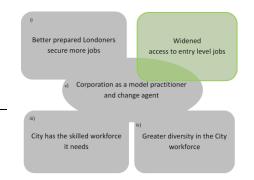
Why is this important (and why will it drive growth)?	 The labour market can be inefficient London's economy and educational attainment have improved, but equality of opportunity and better employment outcomes haven't necessarily followed – many Londoners, and some groups in particular, are left behind (e.g. 19% of 18-24 year olds are unemployed; BAME groups - 9.2%; disabled people - 11.6%; and there are additional barriers for care leavers and looked after children) Take-up of apprenticeships is low in London Highest concentrations of unemployment and low skills are increasingly found in areas with lower job density (outer London) Long-term unemployment remains substantial in London, unemployment amongst older workers is also a concern. Employers report a mismatch between their need for skills and applicants' readiness for work Competition for entry-level jobs is intense – meaning many people work below their skills level & graduates stay in entry level positions High travel and housing costs make taking an entry-level job in Central London a challenge Brexit – employers in retail, hospitality, facilities and logistics rely heavily on EU migrants
The City Corporation is interested in this because	 We want young Londoners to leave school with a richer experience of the career options open to them, able to make the right choices affecting future prospects, and ready to do well in further study or employment Our role as an academy sponsor gives us the opportunity to build on our relationship with City businesses and London employers to make sure young people in London'schools benefit from the highest quality work-related learning; this applies also to those children in the Corporation's care We wish to see City residents and tenants, and Londoners in general, enabled to overcome inequalities and barriers such as health and disability that may stop them from benefiting from London's job opportunities
What are we already doing?	 Our Education Strategy helps young Londoners to access the information, advice & experiences that will help them into fulfilling careers, by supporting:

	 the London Ambitions 100 hours target for work interactions & soft skills development provision of relevant & attractive labour market information in schools evaluation & use of pupil destination data to improve outcomes City Careers Open House – City-style work experience opportunities for young Londoners from the City fringe Careers & Enterprise Advisors (City Bridge Trust & CLF) Central London Forward – commissioning and management of welfare to work programmes in Central London
What's missing?	 Schools need support to deliver work-related learning & interactions with employers; direct input from employers is in short supply in certain areas Schools often prioritise direct progression to university at the expense of other pathways – many young people not on this pathway lack good guidance on alternative options for further study and training Multiple initiatives to support young people's skills & employability do much good individually, but cumulative impact is hard to assess
Success measures	 City residents and Londoners; school and academy students, children in and leaving our care are better prepared for the world of work.
We will achieve this by	 Delivering the Education Strategy and supporting its aims of sustained and high quality exposure to the work: Supporting delivery of the London Ambitions target - 100 hours of work related learning Plugging gaps in school capacity (labour market information, careers advice, advice & information on apprenticeships (for parents too), pupil destination data, job fairs) – to prepare young people for entry level jobs. Supporting programmes driven by the Culture Mile Learning programme to boost the skills of young Londoners by combining creative and technological skills to fill an increasing demand from employers in a range of sectors Helping London residents to become more employable, to get jobs and progress in work by supporting people
	with the toughest barriers to work, such as physical and mental health conditions, disabilities and long term unemployment, targeting those most in need of support a. Delivery of Central London Forward programmes – Working Capital and the Work & Health Programme (Central London Works) b. Preparing our residents, care-leavers and academy students for work c. Delivery of City Bridge Trust's <i>Bridge to Work</i> programme (supporting people with a range of disabilities into work)
	 Encourage CoLC's suppliers to undertake skilled volunteering in the form of careers advice and workshops as part of their social value offering. The focus would be on plugging skills gaps in each industry e.g. Quantity Surveying within construction or STEM subjects in general.

Outcome (ii) – Widened access to entry level jobs

We will ensure that jobs generated in the City's supply chain are more open to Londoners

Lead for the Corporation: Economic Development Office & City Procurement



Why is this important (and why will it drive growth)?

The City creates many entry-level jobs, both in the Square Mile and beyond, but these opportunities are not being connected with Londoners looking for work.

On the demand side:

- entry level jobs are crucial in maintaining the environment and services on which City businesses depend (hospitality, retail, logistics, facilities management etc)
- there are 20,000 City jobs (6% of total City jobs) in entry-level occupations, set to grow by 7% in retail & hospitality by 2025; and many more jobs in services procured by City firms to support head office functions
- The City Corporation procures over £400m of goods and services every year from a range of suppliers.
- in the construction sector, we stipulate local labour though our S106 policy, but targets are challenging due to a severe shortage of interested and job-ready Londoners (and 25% of London's construction workforce is non-UK EU national)
- · recruiting job-ready candidates in hotels, hospitality and retail is a challenge and turnover is high
- ▶ It's often who you know 28% of hotel & restaurant jobs are filled by word of mouth

And on the supply side:

- Some groups find it harder to get a job unemployment rates are well above London's rate (5.9%) for young people (19%); BAME groups (9.2%); disabled people (11.6%)
- Competition is tough graduates increasingly sit in entry-level jobs, and London jobs are a magnet for the UK & overseas
- Brexit future supply of EU migrants in retail & hospitality is uncertain (only 1 in 50 applicants for a job in Pret A Manger is British)

Rapid growth & demographic changes in London are raising the barriers for Londoners considering entry-level jobs in the City

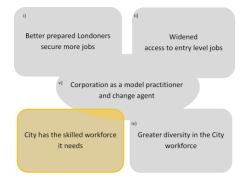
 Increasing numbers of unemployed and low-skilled Londoners reside in outer areas, further from concentrations of job opportunities

What are we already doing?	 The high cost of living in London (housing, travel, childcare) limits access to City/Central London jobs for increasing numbers of Londoners Increasing numbers are subject to in-work poverty, paid below the London Living Wage and having to take on multiple jobs CoLC is London Living Wage accredited, ensuring that jobs in our supply chains comply. Our planning policy (s106) supports entry into construction jobs & end-use employment in new developments – and we are working with Central London Forward on a construction careers programme to increase the number of Londoners ready to take these jobs The CoLC's sustainable procurement policy encourages bidders to show how they will support employment of Londoners and can be used as an example of good practice.
What's missing?	 We know the scale of job opportunities in the City but little about jobs, recruitment and progression in the City's supply chain (but only 8% of London employers took on an apprentice in 2014 - 11% in England) While the Corporation's own procurement opens up scope for encouraging good practice in local employment, purchasers and bidders need help to make it work
Success measures	More Londoners will access jobs in the City or the wider opportunities generated by Square Mile businesses
We will achieve this by	 Encouraging large City firms to secure employment & training opportunities through their supply chains and promote these to local job brokerages and employment support provision: scoping appetite for this agenda with City firms and securing support from influential employers & individuals (internal and external); planning a series of activities to achieve this objective, e.g. workshops, toolkits etc
	 Developing a sector-based approach to working with employers across central London via Central London Forward Increasing entry-level employment & progression, targeting residents of those London boroughs in the 10% most deprived nationally and people from socially excluded groups as part of our own procurement activity – by working with City Procurement to specify and measure employment outcomes and market development work to demonstrate standards and expectations.
	 Securing maximum benefit from S106 agreements: through monitoring and management of existing agreements; delivering the Central London Forward construction careers programme to ensure increased entry, retention & development of Londoners in the sector across Central London developments; and gathering evidence and working with planners to optimise implementation and development of section 106 policy as needs change

Outcome (iii) – The City has the skilled workforce it needs

We will work with partners and City firms to secure a supply of skilled people and reduce skills gaps and shortages

Corporation Lead: Economic Development Office



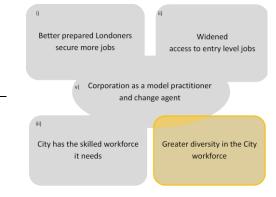
Why is this important (why will it drive growth)?	 Global competitiveness of the City and FRPS depends on a large supply of labour with the right skills to maintain productivity There are 455,000 jobs in the City, with 75% in finance & business services; financial services is the largest single sector with 164,000 jobs Forecast jobs growth in the City will be predominantly in highly-skilled roles City employers already increasingly report skills gaps (i.e. development needs in their own staff) & skills shortages (i.e. where they cannot recruit to vacant posts) restricting development/growth A push to modernise skills development is required to secure London's position as global lead for cyber security Increasing market share and level of cyber start-ups in London & the UK drives jobs growth & skills demand Lack of capacity to recruit & develop technical skills holds back high growth SMEs (Coutu - Scale Up Report)
City firms will pay attention to this because	 Large employers are often successful in developing and attracting the skills they need - but only 3% of FRPS employers are large, and smaller SMEs often lack capacity and resources to do it themselves Rapid technological change and other drivers constantly reshape skilled job roles Increasingly complex regulation following 2008 crash – compliance skills are in short supply Brexit - 11% of FRPS employees are non-UK EU nationalsand future supply is uncertain
What's already happening?	On the supply side: • Training providers (FE, HE & private) offer a wide range of provision (PA Consulting for CoLC, 2016) • Current CoLC activity supports talented young people to aim at City jobs (eg City Business Trainees) via work experience And on the demand side: • FRPS employers rely on in-house & outsourced training (and have increased their learning & development spend), and use higher salaries & overseas recruitment to fill gaps; • in Fintech & Cybertech – employer initiatives are driving new approaches to training & industry academies

What's missing?	 National policy brings challenge and opportunity for employers, but also a chance to engage and influence: the apprentice levy gives more businesses a stake in developing skills but many levy payers remain uncertain how to use it and apprentice schemes are more difficult for SMEs to manage; launch (in London) of the National College for Digital Skills; new national industrial & digital strategies
Success measures	City employers' ability to access the skills they need from the London workforce
We will achieve this by	 Refining our understanding of skills needs by developing timely and relevant data to identify priority skills gaps and shortages Engaging with national and London government, Further and Higher Education and private sector skills providers to develop an offer provision that supports competitiveness Supporting the development of professionally recognised standards in emerging areas. Promoting apprenticeships as part of the solution to future skills needs by: working with SME apprenticeship levy payers to provide a collective voice; helping SMEs to navigate the apprentice system and employ higher/degree level apprentices; raising awareness of apprenticeships amongst FRPS and Digital Sector employers and ensuring the 'system' meets employer needs by engaging with government apprenticeship infrastructure. Making sure our efforts to supply skills are supported by continually developing and maintaining the City's international attractiveness to business through our renowned cultural programmes

Outcome (iv) – Greater Diversity in the City Workforce

We will work with employers to ensure that more City jobs are open to Londoners of all backgrounds

Corporation Lead: EDO



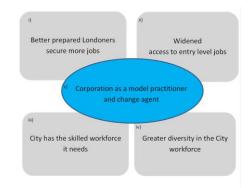
Why is this important (why will it drive growth)?	Companies with a more diverse workforce are more successful. The City's workforce is not as diverse as London's workforce. This hampers growth and competitiveness:
	 traditional recruitment practices can fail to spot talent that doesn't appear to 'fit' inflexible working practices and structures can limit retention, pay and progression reliance on short cuts to recruits (e.g. Russell Group universities) overlooks talent from other sources opportunities are often hidden (unadvertised/ word of mouth recruitment & promotion) negative perceptions of City jobs and institutions lack of awareness of opportunities & how to get into them (careers advice, lack of contacts/networks & exposure to work) relevant work experience is difficult to find without the right networks and connections
The City Corporation is interested in this because	We aim to maximise the availability of talent to the City by: • removing barriers to entry and progression; • supporting greater access to jobs on merit; and • strengthening trust in the City by means of a recognisably more diverse workforce
What's already happening?	There is a wide range of activity in support of recruitment, retention & progression including: • employers' diversity & inclusion policies (but quality and implementation vary); • excellent recruitment practice (e.g. Rare - contextual recruitment); • family-friendly policies and flexible working arrangements to attract and retain talent; • employee mentoring schemes; • alternative qualifications & professional routes (legal diplomas; higher level apprenticeship programmes); • Power of Diversity – research and best practice sharing;

	·
	 Business in the Community - Race for Opportunity & Opportunity Now awards; Gadhia & Davies reviews; schools partnerships, mentoring; access programmes to give work insights, but approaches vary widely, and impact is hard to measure) talent & access programmes (PRIME; Access to Accountancy) Social Mobility Foundation – Aspiring Professionals Programme for high achieving students from low income backgrounds the Corporation family is already doing much (Education Strategy; City Business Trainees; alongside City Bridge Trust (e.g. Move On Up) but activities cover a wide range and are not always clearly linked to CoLC
What's missing?	 Clear leadership and challenge and support for employers on good practice for open recruitment and progression practices Coordinated information and guidance on careers and routes into careers for talented people
	 Networks, mentors and exposure to work - children & young people with talent lack these means to build the confidence and self-awareness needed for professions Work experience – often essential, but the high proportion of unadvertised & low paid internships and the limited number of work experience placements available makes it hard to access the sector and develop the right contacts.
Success measures	Diversity is increased throughout all levels of the City workforce, including the most senior
We will achieve this by	 Working with employers and campaigns to change recruitment and progression practices to engage with a more diverse talent pool identifying evidence-based standards of good practice in inclusive recruitment and progression; establishing a policy position and areas where we can add value, including gender, disability, BME, LLW, paid internships, part-time working, contextual recruitment etc. developing more precise measures of talent and diversity for employers – including support for the Social Mobility Employer Index
	 Promoting FRPS and the full range of City opportunities as a desirable career for talented Londoners from all backgrounds Work with partners to collate useful information on roles and entry routes that can be shared with students, schools, parents/carers, careers advisors etc.

Outcome (v) – The Corporation as model practitioner and change agent

To be an employer of choice in open, fair and inclusive recruitment practices and development opportunities that will create and maintain a diverse workforce better equipped to deliver its corporate plan

Corporation Lead: Human Resources



Our HR business plan ambitions:	 We are an employer of choice for high performing individuals delivering excellent services and who are rewarded fairly We have an agile workforce empowered to achieve the goals set out in the Corporate Plan and who are skilled for the future, diverse, motivated and engaged We have the right people, in the right places with the right skills to deliver on priorities within a healthy and safe environment
To help us realise these ambitions our objectives for this year include:	 Review and propose a Total Reward package for all grades Complete the actions in the Equality and Inclusion Plan Implement a new workforce planning process to ensure that the right people are in the right places with the right skills, to underpin the creation of a Corporate Talent and Succession Plan
What HR will deliver to support the employability strategy and social mobility:	 Manage and recruit to the Graduate Programme Provide an exemplar quality standard of recruitment, induction, training and support for 100 Apprentices Lead and contribute to the Equality & Inclusion Board and Strategy Deliver the attracting talent project including, review and relaunch of the recruitment job site, branding, and recruitment processes; trialling anonymised shortlisting; simplified application forms and recruitment processes for lower grade posts; and review of qualification and experience requirements for vacancies.
Success measures:	The City Corporation will be an employer of choice with a diverse workforce, working effectively to deliver its key aims and objectives
We will achieve this by	 Equality & Inclusion Plan: delivering the "Attracting Talent" programme 100 apprentices: developing an exemplar programme for their recruitment, induction, training & support Implementing a new workforce planning process in support of a Corporate Talent and Succession Plan

3. We think that our Employability Strategy will drive growth because...

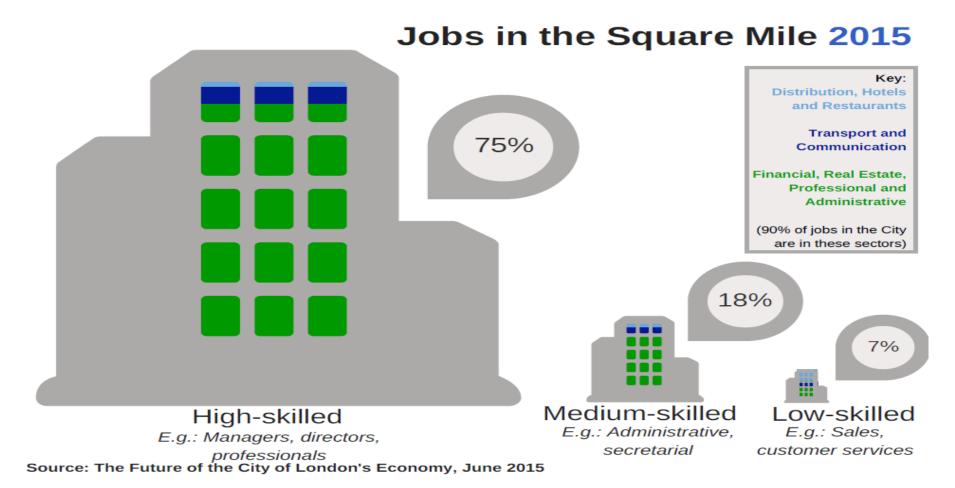
Drivers		And we will test this by	
thanks to greater awareness of pathwa	ment and progression opportunities for a more	 Developing detailed baseline measures and clear evaluation methods for our actions to deliver the strategy Sharing proposals and results with employers, sector and professional bodies and influencers, and our partners in national and local government Employer feedback and surveys, workforce surveys Feedback from academies and schools, pupils and parents, FE and HE institutions, private sector trainers Use of existing data (pupil and student destination data, surveys, benefit claims data, evaluations of other employability, skills and workforce diversity programmes, research reports) 	
	us to develop timely and relevant measures to keep pace with technological change and new s leading global position		
More relevant skills provision will boos developing a career	t London's attraction as a location for		
	d influencer for the FRPS sector on key local skills for Londoners, apprenticeship levy)		
Londoners will find it easier to get entry	y-level jobs and progress		

4. Governance of the Strategy

The success of our actions to deliver the strategy will monitored by our corporate steering groups using a dashboard of indicators (proposed below for agreement – <u>detailed baselines and targets to be developed for each</u>).

Strategic Outcome Steering Group		Steering Group	Dashboard Indicators (proposed)
i)	Better prepared Londoners secure more jobs	People	 a) Reduction in the City's claimant count (employment-related benefits) b) Pupil destination data from schools and academies engaged with our programmes c) More Londoners getting jobs through our programmes
ii)	Access to entry-level jobs	People	d) More companies secure employment opportunities for Londoners through their supply chains e) More Londoners will get into jobs in the City's supply chain
iii)	City has the skilled workforce it needs	Prosperity	f) Reduction in reported skills gaps & shortages in City/FRPS employers g) Increase in numbers of apprenticeships with City/FRPS employers h) More City/FRPS companies use apprenticeships
iv)	Greater diversity in the City Workforce	Prosperity	i) Greater diversity in the FRPS workforce j) Greater diversity at senior levels in the FRPS k) More FRPS companies adopt new approaches for recruitment and progression
v)	Corporation as model practitioner & change-leader	Strategic Resources	Greater workforce diversity m) Progress against appointment of 100 apprentices
WHO	LE STRATEGY	SUMMIT	ALL

Fig. 1



2015 projections indicated that by 2025 high-skilled jobs would rise by 14%; low-skilled (entry-level) jobs will rise by 6%; medium-skilled would fall by 5%