

Leaders' Committee

Pledges to Londoners - Update on Progress in Supporting Business and Inclusive Growth

Item no: 6

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Summary: This paper provides an update on the supporting business and inclusive growth pledges agreed by Leaders' Committee as part of its wider Pledges to Londoners.

Recommendations: Leaders' Committee is asked to note and comment on this report.

Pledges to Londoners – Update on supporting business and inclusive growth

Introduction

1. Pledges to Londoners states that London is the business capital of Europe and the most outward looking global city on the planet. All London boroughs are committed to nurturing that success and ensuring that all Londoners can share in it. Boroughs aspire to be the first choice of every London business when it wants a conversation with London government.
2. While London continues to see strong employment and economic growth, the benefits of this growth are not spread equally. Some Londoners, such as disabled people and some BAME groups, are more likely to be unemployed and in-work poverty is high, with 58 per cent of Londoners in poverty living in a working household. This is a 50 per cent increase over the last decade¹.
3. The following Pledges were adopted by Leaders in the supporting business and inclusive growth policy areas:
 - Co-designing a Charter for Business with London businesses, improving London as a place to do business, promoting inclusive growth and positive dialogue.
 - Lobbying to ensure that post-Brexit development funding provides at least as much support to London as the current EU ESIF programme.
 - Working alongside the Mayor to transform adult skills training through the devolved powers starting in 2019; supporting in work progression and ensuring that we meet the job aspirations of learners and the skills needs of business in each part of London.
 - Working towards a better start for young people through improved careers advice, work experience for every young Londoner and building the case to extend skills devolution to include 14-19 provision.
 - Working in partnership with London businesses to help government reform the apprenticeship levy; including using London levy underspends to support training within London.
 - Creating a comprehensive local welfare support offer for those transferring to Universal Credit or at risk of homelessness, supported by work with government to develop more effective funding models based on invest to save principles.
 - Supporting 55,000 disadvantaged Londoners towards a job through the devolved employment programme agreed with the DWP.

¹ <https://www.trustforlondon.org.uk/publications/londons-poverty-profile-2017/>

- Lobbying government for co-location and joint working of council and Jobcentre Plus services.
4. The delivery of these pledges is being overseen by the Executive member for Business, Europe and Good Growth, the Executive member for Skills and Employment and the Executive member for Welfare, Empowerment and Inclusion. They reflect shared pan-London priorities for Leaders over the next three years but the list does not reflect the entirety of London Councils work around the economy, skills, employment and welfare for this period.

Progress Update

Supporting business

- i. Co-designing a Charter for Business with London businesses, improving London as a place to do business, promoting inclusive growth and positive dialogue.
 - ii. Lobbying to ensure that post-Brexit development funding provides at least as much support to London as the current EU ESIF programme.
5. London Councils has reviewed the current approach of London boroughs to business engagement, publishing a report and hosting a series of best practice seminars to inform the development of the Charter for Business. We are actively consulting boroughs and business groups on the Charter. The draft Charter will be presented to the Executive and Leaders' Committee in the autumn and we aim to launch it before the end of 2019.
 6. London Councils and the Mayor have agreed a set of principles and objectives we want to see from the UK Shared Prosperity Fund (UKSPF), which will replace the current European Structural and Investment Fund (ESIF) programme. We currently await a consultation from central government on proposals for the new fund and how it will operate.

Skills and employment

- i. Working alongside the Mayor to transform adult skills training through the devolved powers starting in 2019; supporting in work progression and ensuring that we meet the job aspirations of learners and the skills needs of business in each part of London.
- ii. Working towards a better start for young people through improved careers advice, work experience for every young Londoner and building the case to extend skills devolution to include 14-19 provision.

- iii. Working in partnership with London businesses to help government reform the apprenticeship levy; including using London levy underspends to support training within London.
 - iv. Supporting 55,000 disadvantaged Londoners towards a job through the devolved employment programme agreed with the DWP.
 - v. Lobbying government for co-location and joint working of council and Jobcentre Plus services.
7. London Councils nominates five Leaders² to sit on the Skills for Londoners Board, which advises the Mayor on the devolved Adult Education Budget (AEB) and skills more widely. London Councils has worked with the Sub-Regional Partnerships (SRPs) to develop a set of skills pilot projects that aim to demonstrate and test out changes that we want to see in the skills system. The pilots cover a range of issues - creating clear progression routes in key sector, testing out employer-led provision, bringing together skills and employment provision; improving provision for learners with special educational needs and disabilities (SEND), dealing with fast changes in skills requirements using technology, testing out how to scale up successful pilots and adding to the evidence base around in-work progression. The GLA will publicly support the pilots and we are working with them to identify funding and other support to implement them.
8. London Councils is working with SRPs and boroughs to develop a Skills and Employment Vision for London with the GLA. The vision will inform parts of London's Local Industrial Strategy, which will set out policies and priorities to increase productivity and inclusive growth. The Skills and Employment Vision will be published separately to the LIS in September 2019. The vision will set out a strong pitch for future UK Shared Prosperity Fund and other funding and argue for more fundamental reforms to London's skills and employment system, including for young people, and for powers to London government to achieve the vision. London Councils has developed proposals for a clear borough role in delivering the vision and the LIS.
9. London Councils hosted a conference on STEM skills, with a range of major employers such as Google. We have engaged extensively with professional organisations, charities and others looking to engage with London's school age pupils. We will be conducting a survey of boroughs' work in this area, as well as supporting boroughs involvement in the annual Skills London careers event in October 2019. London Councils has worked with the GLA to commission research to explore progression opportunities for young people with SEND, and the education and employment trajectories of young people in London

² These are: London Councils' Executive member for employment and skills, plus the Leaders who chair four sub-regional skills and employment boards.

following their GCSEs. The final report will be published in September 2019. London Councils will also be working with Impetus PEF to analyse data sets on young people not engaged in education, employment or training in London at a granular level. This research should help build an evidence base to extend skills devolution.

10. We continue to lobby for greater freedoms and for London to retain more of its apprenticeship levy. London Councils led the development of joint submission to government with a range of business groups, the GLA and the SRP, which was submitted to the Chancellor and Minister for Apprenticeships and Skills. We also used the proposals to input into the government's review of the apprenticeship levy. A meeting was subsequently held with the Minister for Apprenticeship and Skills to discuss the proposals.
11. The four devolved Work and Health Programmes (WHPs) in London have been running for just over a year. After a slow start, where referrals and starts were well below profile, SRPs (who manage the programmes) have worked closely with DWP and Jobcentre Plus to improve these figures and get referral and start levels back to profile. London Councils has also worked with the SRPs to commission a pan-London evaluation of the WHPs in London. This evaluation is underway and will add value to the national one, delivered by DWP.
12. London Councils has also published its 'Better Ways to Work' report, setting out recommendations for further reform to employment services in London, to reflect the changing job market. One of these recommendations was around co-location and joint working of council and Jobcentre Plus services. We have received a positive response from Jobcentre Plus to this. Following a site visit to Croydon Jobcentre, where councils and JCP services are co-located, London Councils is planning an event in the autumn for borough and JCP officers to explore how this model could be extended across London.

Welfare

- i. Creating a comprehensive local welfare support offer for those transferring to Universal Credit or at risk of homelessness, supported by work with government to develop more effective funding models based on invest to save principles.
13. London Councils has begun work to develop a new local welfare support offer by mapping existing local welfare provision in London. A survey was issued to London Councils' members to establish what local welfare services are currently being provided by London local authorities. The findings of this survey are being used to produce a report showcasing innovative approaches to local welfare in London, to be published in the Autumn. London Councils has also held a workshop to seek local authority officers' views

on the shortcomings of the government's existing model of local welfare and explore how a new local welfare support offer could work. The findings from this workshop will be used to draw up a proposal for a new comprehensive local welfare support offer. London Councils is also working with the Local Government Association to co-design financial support pathfinders with local councils. The pathfinders aim to deliver a more integrated offer of advice and support, discretionary payments by building on existing service delivery and partnerships with the voluntary sector. It is expected the evaluation and learning from the London pathfinders will be used to inform the design of the new support offer.

Next Steps

14. London Councils officers and Executive members will continue to work on supporting the implementation of the pledges as outlined in this report and will keep Leaders updated on a regular basis.

Recommendations: Leaders' Committee is asked to note and comment on this report

Financial implications for London Councils

None

Legal implications for London Councils

None

Equalities implications for London Councils

None