



Partnership and Place Overview and Scrutiny Committee

Report from the Director of Regeneration and Major Projects

For Information

Wards Affected:
ALL

Employment & Enterprise Update

1.0 Summary

This report builds on the previous report shared with the Committee in December 2012 by providing an update on:

- Establishment of the new Employment & Enterprise Team
- Overall objectives for the team
- Immediate priorities and workstreams

2.0 Recommendations

2.1 None – this report is for information only.

3.0 Detail

Background and Context

3.01 As detailed in the last report to this Committee (December 2012), in May 2012 the Regeneration and Major Projects Department commissioned an external review of employment provision within the borough. The review was to inform the development of an ambitious new programme to improve the life chances of our residents by increasing overall employment rates, particularly for our most disadvantaged residents. This was within a context of the economic downturn in which Brent fared badly. The borough has seen spiralling deprivation, with a widening gulf between the most prosperous and socially excluded communities. The Borough is now the 35th most deprived in the country with unemployment and deprivation spreading to the historically wealthier areas of Mapesbury and Welsh Harp. Unemployment is rising, lengthening and spreading. And the gulf between London average and Brent average in most indicators, including employment level, skills and qualification level and average earnings is widening.

3.02 The outcome of the review was a series of recommendations which sought to not replicate the Council's previous successful self-delivery of employment provision but see the implementation of innovative activities which complement and drive better value from existing provision. This included the establishment of an Employment & Enterprise team, to be led by a Head of Employment and Enterprise and to include the pilot Navigator Service (more detail of this service is below).

Objectives

3.03 The review also set out clear objectives for the team, aligned to our Borough Plan and Regeneration Strategy:

- To enable more excluded residents to access and benefit from services;
- To enable more excluded residents to move into sustained employment;
- To increase opportunities for progression in employment;
- To derive greater value from existing employment-related expenditure/services across the borough;
- To maximize the social value of council (and supply chain) employment opportunities;
- To draw in additional funding to the borough;
- To support the establishment and growth of new enterprise.

Update – Team

3.04 *The Navigators* - An interim Navigator Manager was identified to shape and deliver the Navigator Service in October 2012. Subsequently, six Navigators were recruited and inducted over December 2012 with the service commencing in January 2013. In March 2013 the recruitment process for identifying the permanent Navigator Manager successfully confirmed in post the consultant, Kamini Sanghani, who was undertaking the role on an interim basis. This ensured that there was a continuation of the successful launch of the service, at a critical time, as it prepared to ramp up activities. The Navigator Service commenced before the appointment of the Head of Employment & Enterprise, given the urgency and immediacy of the impact of the Welfare Reforms on Brent.

3.05 *Head of Employment & Enterprise* – A new Head of Employment & Enterprise, Shomsia Ali, started in post in March 2013, following her appointment in December 2012. Shomsia has worked closely with the Head of Regeneration Policy, who has been looking after the Employment & Enterprise remit in the interim, to ensure a smooth handover.

3.06 It was anticipated that the full team would be in place and operational at the start of this financial year. It was also anticipated that once in post, the Head of Employment & Enterprise would shape her team. Given that Shomsia started in March there has been a subsequent delay with this. The priority is to have the full team in place and operational within the first 6 months of being in post.

3.07 A new function of the team is the *Business Development & Partnership Team*. The Business Development function is designed to draw in external funding to the borough, to support the delivery of employment, skills and enterprise provision. This team will work closely with our voluntary and community sector partners to strengthen the chances of the borough as a whole secure external monies. The team will also be responsible for designing and commissioning services to either drive

better value from existing provision or to plug gaps in provision to meet priority needs. The team includes a Bid Writer and a Performance Analysts. The recruitment for the Business Development Manager has commenced, with interviews taking place May 30th 2013.

3.08 The Head of Employment & Enterprise is also undertaking a review of the existing Wembley Works and Supply Chain services. Existing members of staff (3) are aware that a restructure process will commence in due course.

Key Work Stream

3.09 The immediate 6 month priorities for the Employment & Enterprise team are:

- To establish a highly-motivated and ambitious team and service, which operates within a target-driven and entrepreneurial culture;
- To ensure there is an effective and coordinated employment and skills focused response to mitigate against the impact of the welfare reforms. This will include ensuring better value from existing services, particularly Jobcentre Plus;
- To position the Council as a leader in the employment landscape within the borough. Establishing strong and honest relationships with key partners including Jobcentre Plus, Work Programme Providers and the voluntary and community sector, in which partners can support and challenge one another to ensure the best outcome for our residents;
- To move the pilot Navigator Service from implementation phase to full delivery phase, ensuring lessons learnt are captured to inform the on-going shape and direction of the service;
- To develop the apprenticeship offer within the borough for Brent residents, including promoting apprenticeships with local businesses and working with HR to support the expansion of internal Council apprenticeship scheme. And, to lead by example by ensuring the Employment & Enterprise team and our department actively recruit and support the development of apprentices;
- To actively support the review of BACES so that BACES is at the heart of the borough's employment offer;
- To progress the initial recommendations of the external scoping exercise of establishing an Intermediate Labour Market model in child care in the borough (detail below);
- To maximise the opportunities for Brent residents to secure upcoming employment opportunities on the London Designer Outlet, due to open late October/early November (more details below).

3.10 Update on progress

• Navigators

The Navigator Service has been in operation since January 2013. Their immediate priority and focus has been to work with those households most impacted by the welfare reforms, in particular those impacted by the Overall Benefit Cap and likely to lose £50 or more/week.

The Navigator Service was designed to be a sign-posting service, supporting our residents navigate through the various services and provision, with a clear focus on employment outcomes.

In the first three months of operation what has become apparent is that there is a lack of effective employment provision in the borough. There are a number of factors contributing to this, including reduction in available external funding and the introduction of the Government's flagship employment programme, the Work Programme. Since coming into operation in June 2011, it is now seen as the 'only game in town'. With restricted eligibility criteria and referrals only happening via the Job Centre this provision is not open to our most vulnerable residents, most of whom are on 'inactive' benefits, including Income Support. The Navigators, as a result, have been delivering elements of job brokerage services.

The Navigators have a clear target of supporting 35% of those they engage with into employment. This is based on engaging with 300 households, which equates to 108 job outcomes in the first year of delivery. Initial performance has been promising with over 180 referrals/engagement and 7 job outcomes.

- **Reducing the impact of welfare reform**

The Employment Working Group of the Welfare Reform Group is now chaired by the Head of Employment & Enterprise. A Terms of Reference for the group has been agreed, as has an initial Action Plan, which is designed to be live and dynamic. Key members of the group include Jobcentre Plus, representatives from all three Work Programme providers, Children & Families and BACES.

The key objectives for the Group are:

- To secure sustainable work for those households most impacted by welfare reforms;
- Increase in job outcomes for the most excluded groups;
- To support households entering employment who require childcare, access childcare provision.

Key associated targets include:

- 35% of households impacted to be supported into employment (Job Centre Plus action);
- 35% of most excluded residents to enter employment (Navigator Service action).

Please note; the team is to agree baseline data for childcare provision from which an associated target can be agreed in terms of increasing take-up of child care provision.

Co-location of key partners in Mahatma Gandhi House (MGH) is ensuring that there is better coordination of service to residents. This includes having the Navigators sit within our Housing team as well as having a Jobcentre Plus colleague based at MGH so that direct referrals to her can be made.

An eight-week monitoring exercise of referrals of those residents in temporary accommodation to Jobcentre Plus was undertaken. This highlighted some concerns with the quality of service being delivered by Jobcentre Plus which we are raising with appropriate senior colleagues to ensure a more effective response from Jobcentre Plus in Brent. Following this pilot, the recruitment for a fixed-term Welfare

Reform Monitoring Officer is in progress. This post will continually monitor outcomes for residents to ensure service improvement and focus of resource in areas of need.

- **BACES review**

A review of BACES is now fully underway with a Project Board established. It is estimated that the review will take 18 months for full implementation. The project is managed by an external consultant, who works closely with Head of Service at BACES. The Project Board meets every 4-6 weeks and includes: Director of Regeneration and Major Projects; Assistant Director, Early Help & Education; Head of BACES Service; and Head of Employment & Enterprise.

The review is designed to ensure BACES is at the centre of the borough's employment offer. This vision pitches BACES as an employment centred training organisation, offering a range of provision tailored specifically to the needs of employers and growth sector industries. It is a vision in which BACES will look and feel like a high quality, energetic, employment-focused organisation – where job seekers come out of every interaction with BACES knowing that it is taking them a step closer to work, and employers have absolute confidence that BACES will deliver a choice of excellent candidates for work.

In order to reach this vision likely changes include:

- A rebrand and rename of the service;
- Preparation of 'back to work' plans for all workless clients;
- A curriculum which specifically addresses local people's barriers to work and meets the needs of the local economy and employers;
- Access to high quality job brokerage services for all clients;
- BACES following through will all clients who secure employment to ensure that the transition into the world of work runs as smoothly as possible
- A strong understanding of the local economy.

- **Intermediate Labour Market (ILM)**

The feasibility/scoping study is currently underway to explore the potential of setting up an ILM type model either in child care or the hospitality industry.

The draft report on the hospitality ILM has recommended that at this stage it is not feasible to set up an ILM model in this sector. This is primarily because of the requirement of significant upfront investment, with breakeven point taking some time to reach (up to five years) and due to a lack of suitable, available premises. However, the consultants have managed to broker a meeting with the main hotel chains in the borough who are keen to be involved in a programme which supports and trains local residents to access jobs in the hospitality industry.

The child care draft report has made recommendations to pilot 'atypical child care' in one of our estates. This will provide flexible and affordable child care to residents for whom child care is a barrier to accessing employment. The 'atypical childcare' pilot will see the offer of childcare from 6am-8am and 6pm-8pm, to fit in around flexible working and to address the gap in affordable childcare at these times (which are

otherwise restricted to the more costly option of child-minders). The Employment & Enterprise team are now working with Children & Families to scope the viability of this.

- **Wembley Works**

The team at Wembley Works continue to engage with employers to meet their recruitment needs, supporting 107 residents into employment in the last year, including at the new Hilton Hotel. The team is currently undertaking recruitment for Europa, the FM leads at the Civic Centre. In addition, the team is liaising with Quintain and the LDO so that Wembley Works is the single point of contact for the LDO's recruitment needs. A working group consisting of College of North West London, BACES, Jobcentre Plus and the Work Programme providers is being convened to coordinate recruitment activities so that Brent residents are able to secure as many of the estimated 1500 jobs expected to be created on site.

The team is also working closely with colleagues in Planning to build in employment and supply chain clause in contracts/consents issued to developers. This includes the requirement for developers to complete and submit an Employment & Training Plan to the team, detailing the number of jobs and training opportunities expected to be created and filled by local residents, against which performance will be measured. This was piloted with Network Housing on the Brook Avenue scheme. Network Housing has signed the contract and are happy to comply with conditions set out in the Brent Employment and Training Initiative (which incorporates the Employment & Training Plan). This will now be rolled out in all legal contracts issued to developers.

The SupplyBrent programme continues to go from strength to strength, supporting local businesses to secure contracts with large scale developers in the borough. On the Civic Centre £2,358,446 worth of contract was issued to local businesses/suppliers. On Elizabeth House, next to Brent House, £2 million of contract was secured by local businesses. SupplyBrent will expand its remit to include linking local suppliers to large scale service contracts in the boroughs, in addition to the construction contracts it already does.

4.0 Financial Implications

4.1 The employment programme is currently funded for three years with a budget of £1million per annum, funded through a ring-fenced reserve. Additional funding to support the programme will be sought through other sources including European Social Fund, London Councils and Jobcentre Plus. To support with this recruitment of the Business Development Manager is underway.

5.0 Legal Implications

5.1 None

6.0 Diversity Implications

6.1 A full impact assessment will be undertaken once the full employment

programme has been agreed and full team is in place.

7.0 Staffing/Accommodation Implications (if appropriate)

- 7.1 The anticipated restructure of the existing team (Wembley Works and SupplyBrent) will impact three (3) members of staff. The Head of Employment & Enterprise is working closely with HR to ensure this process is as smooth as possible with relevant staff being kept updated.

Contact Officers

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