IMPROVING EMPLOYMENT PROSPECTS POLICY COMMISSION



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Foreword

I have great pleasure in presenting the report of the Improving Employment Prospects Policy Commission.

At the outset, I would like to thank all Members, Officers and our partners who have made their various contributions to what I hope will be an informative and thought provoking read but, above all, I hope will contribute to the work to reduce the barriers to employment.

The Government has placed a great deal of emphasis on the removal of barriers to employment and to helping a higher proportion of people into work. The Council welcomes this aspiration and recognises that borough residents face a number of barriers to employment ranging from the lack of basic skills to the discrimination faced by members of our community because of race, age and disability.

The regeneration of Barking Town Centre, Barking Riverside, Dagenham Dock and South Dagenham will bring substantial additional local employment opportunities for borough residents. The borough is also in the process of submitting an application under the Local Enterprise Growth Initiative which would provide significant additional funding to help expand the local stock of businesses. The borough's excellent transport links mean that opportunities within London are already accessible, and will be expanded through the regeneration of the wider Thames Gateway and the 2012 Olympics. The London Borough of Barking and Dagenham is working to ensure that all members of the community have the opportunity to access the employment opportunities that will be generated.

This report and its associated action plan will build upon the excellent work that has been already undertaken within the borough.

Councillor Sid Kallar Chair of the Policy Commission

Background

The Improving Employment Prospects Policy Commission was established by The Assembly at its meeting held on the 3rd November 2004 and its Members were appointed on 5th January 2005. The members of the Policy Commission are detailed below:

- Councillor Kallar Chair of the Improving Employment Prospects Policy Commission and portfolio holder for Regeneration
- Councillor J. Denver
- Councillor M. A. R Fani
- Councillor D. Hemmett
- Councillor D.S Miles
- Councillor Mrs V.M. Rush
- Councillor I.S. Jamu
- The late Councillor J.P. Wainwright and
- Councillor L.R. Waker

It was agreed that the Commission would run for a period of 6-9 months and meet on average every 4-6 weeks. Taking into account the proposed scope of the Commission as determined by the Assembly, the following Terms of Reference were agreed at the first meeting of the Policy Commission held on 17th February 2005:

To consider and make appropriate recommendations with regard to:

- tackling the low skills base within Barking and Dagenham
- the barriers to employment faced by local people
- the development of the local and regional economy
- the development of the local existing and future workforce
- strengthening the leadership role of the Council on employment.

Members were provided with an information pack containing relevant data to support the work of the Commission that included:

- a statistical analysis of local geographic factors
- a statistical analysis of local demographic factors
- a local and regional economic review
- employment trends
- a framework for supporting employment in Barking and Dagenham

and the following key documents

- The Council's Economic Development Strategy and underpinning Workforce Development and Access to Skills Strategies
- The Community Strategy, 'Building Communities Transforming Lives'

- The Performance Management Frameworks (PMFs) for the Better Education and Learning for All and Regenerating the Local Economy sub groups of the Local Strategy Partnership (The Barking and Dagenham Partnership))
- The English Indices of Deprivation 2004: The Position of the London Borough of Barking and Dagenham.

The Policy Commission invited a number of expert witnesses to support the process. They provided their opinions/views from their various areas of expertise. The following expert witnesses have given their professional views to the Policy Commission process:

Alan Lazell Interim Head of Lifelong Learning, Department of

Education, Arts and Libraries

Mark Adams Adult Basic Skills Co-ordinator, Department of

Education, Arts and Libraries

Simon Usher Antalis – representing views from manufacturing

industry

Sarah Wilkins

Adele Harrison

John Lock

London Development Agency

London Development Agency

University of East London

Joy Barter Early Years & Childcare Service

Sister Margaret Gallagher Harmony House – representing the Training

and Toyin Tukasi Providers Network
Debbie Herrington Job Centre Plus

Lesley Hawes Disablement Association of Barking & Dagenham Elaine James Disablement Association of Barking & Dagenham

Anita Bonnyman Learning & Skills Council London East

Aims

The aims of the Commission were to:

- investigate ways in which to improve the employability of local people
- identify particular areas of concern locally
- consider analyses of the situation and to identify gaps
- produce findings and make recommendations.

Objectives

The Policy Commission wishes to ensure that:

- local residents are able to develop and improve the basic and vocational skills that will enable them to access employment opportunities both locally and regionally
- consideration is given to all relevant equalities and diversity, health, social inclusion, sustainability and health and safety issues
- local employers are able to recruit the people that they need locally
- the incomes of local people are increased and the gap with the London average is narrowed.

Introduction

Barking and Dagenham is undergoing its biggest transformation since the borough was first industralised and urbanised. It is proposed to build over 25,000 new homes and create thousands of new jobs over the next 10-15 years. The Council's 2020 vision is for a vibrant local economy with a wide variety of retail, leisure and cultural facilities and a well educated, highly skilled population able to compete for new jobs whether within the borough or in the wider Thames Gateway and London as a whole.

The work of the Commission is concerned with helping local people into employment and into more rewarding, better paid jobs. It has highlighted the need to strengthen the current work undertaken to develop and empower local residents with the relevant skills and qualifications to enable them to access future employment opportunities. It also recognises that there is a need to further investigate the opportunities to accelerate this process.

The commission considered the following areas and the report has been subdivided accordingly:

- the skills base in Barking and Dagenham
- young people (14-19)
- adult learners
- barriers to employment
- the development of the local, existing and future workforce
- the leadership role of the Council on employment.

For each topic members sought information from a number of sources, including:

- a visit to Knowsley Council, which has received Beacon status for its work in this area, as well as looking at best practice from across the country
- referring to demographic information and local, sub-regional and national strategies concerning the labour market and skills
- discussing issues with expert witnesses.

The Skills Base in Barking and Dagenham

The Government continues to place learning and skills among its highest priorities. A growing proportion of skilled and qualified people are essential to sustaining a competitive, productive economy that drives prosperity. Various studies have shown that the lack of basic skills is one of the major barriers to obtaining secure employment.

The Key Facts:

- Barking and Dagenham has the highest proportion of adults without a Level 2 qualification in London (58.6 %)
- The borough the highest proportion of adults with no qualifications in London (39.5%)
- In five wards the proportion of residents without qualifications was over 45%: Mayesbrook, Parsloes, Alibon, Valence and Heath. Only three wards have less than a third of residents without qualifications: Abbey, Longbridge and Whalebone.
- Only 10.2% of residents have degree level qualifications, compared to 31% in London and just fewer than 20% in England.

Nationally and Regionally

The 2005 White Paper, *Skills: Getting on in business, getting on at work* has set out the Government's plans for the next major phase in relation to raising the learning and skills levels of the nation. The aim is to ensure that employers have the right skills to support the success of their businesses and that individuals have the skills they need to be both employable and personally fulfilled.

Regionally, skills partnerships have been established which in London brings together the London Development Agency, the London Learning & Skills Councils, Jobcentre Plus, Small Business Service and Sector Skills Councils to drive regional economic development. These strategic partners have developed a Framework for Regional Employment and Skills Action (FRESA) which guides their funding programmes.

Locally

The London Borough of Barking and Dagenham is committed to the development of a culture of life long learning. The Economic Development Strategy outlines the approaches that the Council is taking to ensure that individuals are helped to gain new skills and qualifications and to access work opportunities.

The Commission addressed this issue by firstly focusing on young people aged 14–19 where there is a commitment to ensuring that all pupils benefit from a successful education. This commitment will provide them with the necessary qualifications and skills to meet their aspirations, whether further education, entering the job market or alternatively become the next generation of entrepreneurs. Secondly the commission was provided with information pertaining to adult learners with particular focus on the area of basic skills¹. Statistical evidence supports the need for basic skills development within the borough.

¹ **Basic Skills** – Basic skills is defined as the "ability to read, write and speak in English and to use mathematics at a level necessary to function and progress at work and in society in general.

Young People (14-19)

The Council, in line with Government policy, is committed to ensuring that all pupils benefit from a successful education. In real terms this will mean that it becomes near universal for young people to stay on in some form of education or training at least until the age of 18. This will ensure that young people have the option to enter the labour market with the skills and qualifications that are valued by employers or alternatively further their education.

The Key Facts:

- The percentage of 16-19 olds not in education, employment or training in Barking and Dagenham (15.8%) is much higher than the Learning & Skills Council London East Skills average of 11%.
- The government target is to reduce the NEET population by 20% by 2010.
- The borough has a Local Public Service Agreement (LPSA) target of 95% of students gaining 5 or more A*-G GCSE grades, including maths and English by 2006.

Nationally and Regionally

The Government has proposed a number of challenging targets to ensure that all young people have the best possible opportunities to fulfil their personal ambitions. The targets emphasise issues pertaining to employability where it is proposed that young people upon reaching the age of 19 are ready to enter skilled employment or alternately higher education. To enable this, government reforms for the sector aim to substantially increase the proportion of young people achieving full Level 2 qualifications (equivalent to five GCSEs at grades A*–C). In addition it is proposed that the numbers of young people successfully completing Apprenticeships be increased by 75%.

Locally

The Policy Commission was informed about the success of the Local Education Authority (LEA) and secondary schools in working to raise the educational achievements of its young people. Over the past 10 years the LEA's progress in GCSE attainment has been greater in absolute terms than that of any other LEA in the country (19.5% in 1995 rising to 49.1% in 2003 – a 29.6% increase).

GCSE results in 2002/03 were the highest in the borough's history. In 2004, results slipped back overall by 3% to 46.3% (national 53.7%), although early indications are that the LEA's target for 2005 of 51.4% will be reached. The borough has a Local Public Service Agreement (LPSA) target of 95% of students gaining 5 or more A*-G GCSE grades, including Maths and English by 2006. The current performance is below this (2004: 88.8%).

In relation to A levels in 2004 the average points score per entry at Level 3 (A - Level equivalent) was 67.1 (C/D grade) against the LSC London East average of 73.5, and an England average of 78.7.

It has been noted that relatively low numbers of young people move on from school to higher education, although the Aim Higher Project ² is having a significant impact. In 2004, 412 young people (from schools and the local further education college) gained a place at university. This represents a 20% increase on the previous year and a 58% increase since the Aim Higher project started in 2001, albeit working from a very low base. Many more young people now gain the grades they need to attend a university but the fear of debt is known to prevent some from applying and many more limit their applications to institutions within easy travelling distance of home.

Progression to full time education and training for 16-17 year-olds is 4% below the national average. The breakdown is approximately 45% to sixth forms (44% nationally), 40% to further education colleges and 15% to work based learning (mostly at Barking and Dagenham Training Services). This profile is similar for London East.

Sixth form education is organised principally through two consortia, which involve eight of the nine secondary schools. Provision is good at Level 3 as students have access to over thirty-five courses in academic subjects and nine in vocational areas with Barking College offering the largest selection of courses in the borough.

It was noted that 15.8% of our young people aged 16 -19 fall within the NEET category which is significantly above the London East total of 11% and the reduction of this figure is a key priority for the Council.

In order to address the lack of vocational courses and to meet the needs of local young people the Council has pioneered pre-vocational GCSE courses which are directly aligned to skills shortage areas in the Thames Gateway sub-region. Approximately one in four of young people follow one of the following:

 an art & design endorsed course in Technical Print (providing technician level opportunities in the print industry)

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² **Aim Higher Project** - The Aim Higher project is designed to increase the numbers of young people progressing to higher education. The project is bringing about significant improvement (although working from a low base).

- a single or double-GCSE award in engineering (the latter combining engineering and systems & control technologies)
- catering
- an art & design endorsed course in Theatre and Performance Design.

European Social Fund monies are being used to develop a qualifications pathway in the cultural and creative industries, in line with the intention to develop Barking Town Centre as a hub for the sector, building on the Broadway and opportunities presented by the Malthouse.

In terms of career advice all secondary schools, the Youth Offending Team (YOT), the Tuition Centre, Barking and Dagenham Training Services and the local college of further education now actively promote the use of Fast Tomato, an interactive careers guidance and tutorial programme. This development has considerably improved access to information about courses and qualifications available in the area, and nationally. Those pupils in year 11 (aged 15 or 16) who are undecided about their next steps also have the opportunity to participate in a programme of 'taster' courses in 17 vocational areas provided by Barking, Havering and Redbridge Colleges, as well as with other local training providers. All students in Year 10 are able to understand the opportunities available to them in higher education by visits to local universities, by events held in schools and through access to detailed information including the borough's dedicated website area.

Barking and Dagenham Training Services (BDTS) provides apprenticeships in Construction, Horticulture, Care of Adults and Early Years Care and Education to young people aged 16-24. It also provides an Entry to Employment (e2e) programme which is aimed at young people aged 16-19 who are not in further education, employment or a modern apprenticeship and are not ready to directly enter into one of those routes. There are currently around 150 learners on the programme.

The Council, in partnership with Barking College, has developed a number of alternative learning paths specifically aimed at young people who may be at risk of exclusion from their schools or young learners, who have expressed interest in a particular vocational pathway or who are in danger of becoming disaffected with school. An example of an alternative learning provision is provided at Barking College where approximately 60 young people attend a half day link course at Barking College in Construction Crafts. This combines with their GCSE course in school in design and technology.

Secondary schools also send students on a part-time basis to the College to study for vocational qualifications that contribute to their overall GCSE performance score. Staff from the college travel to the Jo Richardson Community School to teach young people in the school's specialist vocational rooms.

Young people identified as struggling to remain engaged with school also have the opportunity to join a Flexi-Learning Programme. This involves drawing up a tailored part-time programme for each individual student comprising a period of extended work experience and the chance to study for a vocational qualification at a further education college or with a training provider. For other young people showing signs of disaffection from school, work-relevant programmes have been developed with organisations in the voluntary and community sector.

Best Practice

There is currently a shortage of acknowledged Best Practice nationally to tackle underachievement and exclusion within schools. Detailed research undertaken recently in Scotland identified key groups of young people within the NEET category, including those:

- leaving care
- with low levels of qualifications
- with a criminal record
- with physical and mental health problems
- with persistent truancy records
- with a history of drug and alcohol abuse
- who are lone parents and other carers

The borough maintains close and regular liaison with neighbouring boroughs, and specifically Newham, Tower Hamlets, Hackney and Havering in order to share effective practice and achieve economies of scale when possible for these priority groups of young people.

Set out below is an example of Best Practice which has been developed by York City Council to tackle underachievement and exclusion within schools.

York City Council

York City Council has developed a number of initiatives to tackle underachievement by targeting resources at groups who were at risk of underachievement and exclusion. They have included:

- Hosting an interagency conference on inclusion with a view to identifying target groups;
- For exclusions from key Stage four, work related programmes have been established and
- The development of a "One stop" response whereby schools experiencing specific difficulties with individual pupils could access co-ordinated support accessing different council and other services.

Analysis

The Commission acknowledges the good progress that has already been made in relation to raising the educational achievements of the borough's young people. However it is clear that further work would need to be undertaken to raise local aspirations and to bring local achievements into line with the rest of London.

It is noted that enhanced multi-agency work and co-operation has enabled the Council to include an increasing number of pupils within the mainstream who would have previously been excluded. The range of alternative learning programmes in place aimed at those pupils that are at risk of exclusion from school has been welcomed.

The Council has placed the reduction of the NEET figure as a key priority for the authority and has drawn up an action plan. This priority is also reflected within the Performance Management Framework of the Better Education and Learning for All Sub Group of the Barking and Dagenham Partnership. Commission members are keen that future strategies to enable the reduction in the NEET figure should take account of best practice.

Gaps

The numbers of young people not in education, employment or training (NEET) remains high. The target for 16-18 year olds for 2006 is 11.6% (source London East Connexions Partnership). A NEET task group has been established which is working towards the reduction of the NEET figure. Members have indicated

that they are keen that all future strategies should take into account Best practice.

There is a shortage of courses at foundation and intermediate levels (equivalent to GCSE grades D-G, and A*-C respectively) for students in school sixth forms. These courses would be aimed principally for those young people wishing to remain at school at post-16 who are not necessarily academically higherachievers. This measure should go some way to encouraging young people to remain in further education.

There is a demand for courses in the sector of health and social care at present but limited provision for this type of course within the borough. Relevant courses and qualifications should also be developed to maximise the opportunities presented by the Olympics and Paralympics.

There is a need to improve careers guidance for every young person. This will enable young people to make informed decisions about their future.

Recommendations

- More provision needs to be made for vocational courses for young people aged 14-19. Specifically these should be in the areas of construction; health and social care, and sport leisure and tourism, in order to reflect the opportunities presented by the Olympics / Paralympics, and the Thames Gateway. This requires a greater flexibility to be shown in the provision and funding of courses by the local college of further education, and by Learning and Skills Council London East.
- Given the high NEET figure within the borough, all future strategies should take into account local and national best practice.
- Further courses should be developed at foundation and intermediate levels (equivalent to GCSE grades D-G, and A*-C respectively) for students in school sixth forms:
- The issues pertaining to improved career guidance for all young people should be investigated further.

Adults

Improving the attainment levels of adults in basic skills is one of the key priorities facing the borough if it is to enable residents to access the employment opportunities that will arise through regeneration of the borough, the Thames Gateway and the 2012 Olympics.

The Key Facts:

- Barking and Dagenham has the highest proportion of adults with basic skills needs in London (58.5%)
- Barking and Dagenham also has the highest proportion of adults with no qualifications (39.5%)
- In the five wards the proportion of residents without qualifications was over 45%: Mayesbrook, Parsloes, Alibon, Valence, and Heath. Only three wards have less than a third of residents without qualifications: Abbey, Longbridge and Whalebone.
- In Barking and Dagenham the latest figures show an employment rate of 64.8%, compared to 69.3% in London and a national figure of 74.3%.

Nationally and Regionally

Nationally it is a key Government aim to ensure that all adults have an entitlement to free training up to Level 2 (equivalent to A*-C GCSE's). The Government recognises that by 2012, some two thirds of all jobs (both new and existing) are expected to require qualifications at level 3 or higher. The next stage of the Skills Strategy will be working towards strengthening the opportunities for people to progress to Level 3.

The Government will invite Regional Skills Partnerships to assess how best to use existing public funding to meet Level 3 priorities in colleges and training providers and in the workplace. It was noted that London has more knowledge intensive sectors than any other region in the UK³. It is clear that in order to access future employment opportunities both locally and regionally that qualifications and skills up to at least Level 3 will be a requirement.

Locally

³ Spreading success – How London is changing, GLA Economics, January 2003.

Policy Commission members were informed that employment in the knowledge driven sectors within Barking and Dagenham is below the national average. The borough's increase in knowledge sector employment over the past decade is amongst the lowest in the Country. However, this will change within the next few years affecting the types of occupations available in the future.

In the Thames Gateway study it showed that there were clear links between low basic skills and other measures of social disadvantage. In addition the Census figures and population projections revealed that Barking and Dagenham has the fastest growing ethnic minority population of any London borough. However there is limited information available locally regarding the needs of this client group. The Council is also unclear about the demand for ESOL⁴ courses within the borough. Another key area of concern is white males within the borough who have traditionally been employed in the manufacturing industry. It was felt that this group may not have the relevant skills and qualifications to access future employment opportunities.

In terms of the Council workforce the development of the basic skills agenda for employees is a major priority and one that has received national recognition. The borough now has over one hundred Union Learning Representatives. The Adult Basic Skills Initiative (ABSI) has taken the leading role in the London Local Authorities Embedding Workplace Basic Skills Project. This project has sought to embed Literacy, Language and Numeracy (LLN) across the organisation and has successfully established basic skills as a top priority for the Council. Given that 60% of Council employees live within the borough the training and development of staff will have a direct impact on the local community.

It was noted that there are four main providers of Adult and Community Learning which encompasses the basic skills agenda and ESOL. In addition there is flexible learning provision in the form of online learning over the internet and at nine local Learn Direct Centres.

In 2007 further provision will be made available through the Barking Lifelong Learning Centre. The borough has also made a major contribution towards integrating the voluntary sector through its support for Barking and Dagenham Training Providers Network (TPN)⁵. In terms of strategy the Borough's Workplace Development Strategy key objective is to raise the skills levels and incomes of local people.

Simon Usher, Managing Director of Antalis, outlined the difficulties that he had encountered in obtaining, training and retaining highly skilled people to work within the Manufacturing sector. He added that this continuing difficulty would lead to various aspects of the work being outsourced to ensure the availability of

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⁴ ESOL- Basic Skill courses – English for speakers of other languages.

⁵ TPN – Training Providers Network supports local providers in the borough to provide quality training and coordinates access to funding. It serves as a regional model of good practice.

a skilled workforce. He concurred with Policy Commission members that there was not only a need to upskill but also to encourage early careers advice and training which was relevant to local industry.

Best Practice

Members of the Policy Commission visited Knowsley Metropolitan Borough Council to establish what initiatives were in place to encourage the take up of training and employment opportunities particularly aimed at white males.

Knowsley Metropolitan Borough Council

Knowsley Metropolitan Borough Council has adopted a number of innovative initiatives to encourage residents into training and employment, particularly white males. The visit emphasised the need to engage with the local community by the authority becoming a role model for the employment of local people. Initiatives had involved the employment of local trainees and reviewing the recruitment process with a view to ensuring that it was accessible to local people. The Council is working in partnership with local agencies and employers with a view to establishing what are the skill shortages. Training and Development has been organised to match the skill shortages in the employment sector. Commission members visited a number of projects aimed at developing the skills of local people which will enable them to access employment opportunities.

Analysis

The national and local strategies for improving adult basic skills and workforce development present unique opportunities to tackle the high level of need within the borough. The Council's role in the London Local Authorities Embedding Workplace Basic Skills Project has received national recognition and acclaim.

The Council, with its partners, needs a clear strategy aimed at improving employability and providing clear progression routes to enable residents to access better job opportunities. The establishment of the Outer East Employment and Skills Partnership is a critical contribution to this agenda.

Gaps

It is clear from the evidence provided to the Commission that the basic skills level of the borough residents is below the national and London averages. Research commissioned by the Basic skills agency in 1997 estimated that residents aged 16-60 in the Borough were 4th from bottom in literacy and second from bottom in numeracy out of 400+ local authorities. The current initiatives represent only the tip of the iceberg in terms of what is needed to address this issue.

There is a need to raise public awareness of basic skills learning provision throughout the borough. It was noted that a web based prospectus outlining the training and development opportunities throughout the borough is currently being developed. However members have requested that in addition to this a grassroots approach be adopted. There is also a need to substantially increase pre-employment training and to ensure there are clear progression routes to better jobs.

Recommendations

- Given the low level of basic skills in the borough all initiatives need to include provision for basic skills training and will need to operate closely with the Adult Basic Skills Initiative and local providers.
- That the Adult Basic Skill Initiative, which has successfully supported the Council's own employees, is highlighted as a successful model and rolled out to other employers in the borough to ensure that all of our residents, regardless of employment status, have access to this type of support.
- In order to increase the awareness of, and participation in training and development opportunities within the borough, it is proposed that a borough prospectus is made widely available, that proactive community based methods of engagement be actioned and that best use is made of community venues such as Children's Centres to deliver information, advice and guidance and training courses.

Barriers to Employment

Unemployed people face a number of barriers to employment. These can include one or more of: a lack of basic skills (including IT); a lack of vocational skills relevant to available work opportunities; a lack of recent work experience; a lack of formal qualifications; a lack of affordable childcare; a record of offending; discrimination on the basis of race, age and disability. Specific barriers include care responsibilities, problems of health or disability and concerns over financial benefits (the benefits trap) or insecurity of work.

The Key Facts:

- Barking and Dagenham employment rate is 64.8% compared to 69.3% in London and 74.3% nationally.
- The borough has 6,982 lone parent households which represents about 10% of all households. A significant number of lone parents in LBBD are not working and remain on benefits on average two years longer than comparable parent in other North East London Boroughs.
- 39.5% of adults aged 16-74 had no qualifications.
- There are only 4 childcare places per 100 children in the borough the lowest figure in London.
- In August 2003 8,825 people in Barking and Dagenham in Barking and Dagenham between the ages 16 and 65 claimed either incapacity benefit or severe disability allowance and of this number 11% are below 30 years old. 16% of working age people in the borough regards themselves as having a long term limiting illness or disability.
- 24.5% of the Borough's working age population have a disability.

Nationally and Regionally

Members were informed that the Government is undertaking a range of crosscutting measures to break down the various barriers to employment. It is recognised that, given demographic trends, it will not be feasible for employers in any sector to rely only on the flow of young people coming into the labour market. In addition to the cross-cutting measures there will be targeted support for particular groups who need it. Some of these measures include:

- the Women and Work Commission will be reporting back on ways of ensuring a fairer deal for women in the work place
- the Childcare Strategy developed to tackle one of the major obstacles that parents (particularly mothers) face in balancing work and family responsibilities
- implementation of the recommendations of the National Employment Panel concerning the obstacles faced by the ethnic minority groups in gaining fair access to employment and
- an investigation of the mechanisms to meet the needs of disabled learners

Locally

Unemployed people in the borough are likely to face at least one barrier to employment, if not more. The Commission received presentations highlighting some of the barriers to employment for the borough's residents. Members received presentations pertaining to the following:

- childcare
- unemployment
- disability
- work with refugees and asylum seekers

Childcare

Members of the Commission received a presentation from the Early Years and Childcare Service which highlighted the recent work associated with bridging the gaps in childcare provision within the borough. They received information relating to the development of new childcare places throughout the borough. The increase in childcare places would be provided by the children's centre programme, neighbourhood nurseries and increasing the number of childminders.

Members were also informed of the difficulties encountered by lone parents who wanted to access the employment market but fell within the benefits trap. This was further compounded by trying to find high quality affordable childcare.

It was noted that the costs of nursery provision within the borough was amongst the lowest in London. However, local residents have indicated that fees are still too expensive for them to access. Members were informed that difficulties could arise in relation to the long term sustainability of childcare provision within the borough because a large proportion of local residents with childcare needs who are unable to access high paid employment may not be able to make use of local childcare provision.

Members heard of the difficulties associated with the benefits trap and the demoralisation experience by parents returning to work who claim Working Tax Credit but who lose out on other benefits such as Housing benefit. Commission

members suggested that in order to improve the employment prospects for local people with childcare needs it was imperative that the provision of affordable, flexible, local childcare be made available to all who require it.

In terms of lone parents Commission members were informed of an example of one project which is aimed at unemployed lone parents. The Exploring Pathways to Employment group is a partnership facilitated by the Council to share relevant information with Abbey, Gascoigne, Thames View and Marks Gate Sure Starts, Jobcentre Plus and Harmony House. Through this partnership the Council has supported a successful application for £236,000 by the Daycare Trust (with Harmony House as main training deliverer) to train unemployed lone parents to NVQ Level 3 in childcare.

Unemployment

Jobcentre Plus provided members with information relating to local employment patterns. It was noted:

- that there is a lower proportion of managerial jobs in Barking and Dagenham than in London and Great Britain
- fewer vacancies were advertised locally compared to other boroughs it had been suggested that employers often have a low regard for the local labour force
- employers in the borough pay less than elsewhere
- there is a skills gap in relation to the jobs which require specific skills and qualifications and the work generally sought by residents.

The Commission were informed that Jobcentre Plus aims to help people into work by providing:

- specialist Incapacity Benefit and lone parent advice
- pre-employment training
- a network of intermediaries providing job search
- specialist programmes to support priority customer groups, including a Childcare Partnership Manager
- services to employers such as work trials and financial incentives in addition to working with partners, including the LDA, NHS and the Council.

Members welcomed the recently established Partnership Agreement signed between the Council and Jobcentre Plus. The agreement aims to maximise the employment opportunities for unemployed residents by ensuring that at least entry level vacancies are advertised through Jobcentre Plus. The agreement aims to work towards placing as many Barking and Dagenham residents into Council vacancies. It particularly aims to place:

- 20 people who are disabled or currently in receipt of incapacity Benefit and
- 20 people who are lone parents and in receipt of benefit.

Disability

Members were informed by representatives from the Disablement Association of Barking and Dagenham (DABD) of the particular issues faced by disabled people in relation to obtaining and retaining employment. The presentation provided an insight into the work of DABD, which has a local focus targeting all disabled people. This included young people, disabled people of working age with no/low qualifications and in or seeking employment/ upskilling. DABD has adopted a holistic approach to their clients and provides support in relation to upskilling, training and development, and also works with employers.

Commission members were informed of various activities through which the Council, in partnership with various agencies, is working to help disabled people into employment. Examples included:

- Welfare to Work for Disabled People is a small project, funded by the Neighbourhood Renewal Fund, and hosted by the Disablement Association of Barking and Dagenham. The project brings together a range of partners from the voluntary sector, along with Council departments (including Corporate HR) and Jobcentre Plus. The aim is to help disabled people into employment. The project runs a variety of training, CV-writing and work experience/placement activities for disabled people. The LDA have recently agreed to provide up to £350,000 to fund another voluntary sector organisation, Tomorrow's People, to provide a service helping people on incapacity benefit into work.
- Valence Employment Project is led by the Osborne Partnership and supported by the Department of Regeneration and Environment and Social Services and will provide paid work and training opportunities for people with learning difficulties (through Osborne Partnership) and mental health problems (through Rethink Employment Services). The project is working with an automotive component manufacturer, Trelleborg Stanton, who wish to outsource some of their provision to community partners.

Refugees and Asylum Seekers

Sister Margaret Gallagher from Harmony House provided the Commission with an overview of the work undertaken to enable refugees and asylum seekers to be integrated into the local community. Harmony House provides a range of training and developmental courses. At the same time they also endeavour to meet the needs of people who have been traumatised by their various experiences, working closely with health providers, police, the Council and other local agencies. Discrimination, language skills and transferability of qualifications were among the issues faced by this client group.

Analysis

The lack of high quality affordable childcare within the borough is an issue of concern. This issue is a priority for the Council and forms one of the strategic objectives of the Barking and Dagenham Partnership through its work on the Better Education and Learning and For All Sub Group. However the difficulty arises because a large proportion of local residents with childcare needs who are unable to access high paid employment may not be able to make use of local childcare provision. This issue is further compounded by the need to encourage the take up of childcare places to ensure sustainability of childcare provision within the borough.

Jobcentre Plus identified some key client groups in the borough, including recipients of incapacity benefit and lone parents claiming benefits. The numbers in these groups far exceed the number of unemployed people claiming Jobseekers Allowance. There is a clear need to ensure that access to work and skills initiatives are tackling the needs of these groups.

Commission members have welcomed the work which has been undertaken to encourage the training and development of disabled people and lone parents.

Gaps

There is a lack of affordable, high quality childcare provision which is being addressed by a programme of development of initially 8 children centres by 2006 creating 433 extra childcare places. It is worth noting that although childcare provision within Barking and Dagenham is amongst the lowest priced in London it is still too expensive for many borough residents. The issue of cost will be area which will require further investigation.

The partnership agreement between Jobcentre Plus and the Council is a step in the right direction. However, it may be necessary to undertake more investigative work to more appropriately target groups which the Council is failing to reach. The mechanism to enable this will be through the Economic Development and Enterprise Block of the Local Area Agreement.

Recommendations

The Council will make use of its Local Area Agreement to set targets, monitor performance and assess the impact of all skills and employment activity delivered in the borough to ensure that those residents who most need support get it and that it is tailored to their needs. Further work should be undertaken to more appropriately target groups which the Council and its partners are failing to reach.

• In order to make childcare affordable for the local community further work will need to be undertaken to ensure the long term sustainability of childcare provision within the borough.



The Development of the Local and Regional Economy

The Key Facts:

- East London should plan for an additional 249,000 jobs up to 2016.
- Barking Riverside is highlighted as a key developmental area for the capital.
- Nationally the Treasury has predicted a growth of 1.3 million jobs by 2012, 65% of which will require Level 3 Skills.
- Men with GCSE's earn 12-21% more than those without formal qualifications
- Men with A levels earn an additional 15-18% above those with GCSE's.
- Thames Gateway residents have a poorer skill profile when compared to the rest of London and the UK

Regionally

Policy Commission members received a presentation from John Lock from the University of East London which provided an overview of the Thames Gateway Skills base and compared it with the London wide trend. Members noted that there is an oversupply of residents with low level skills. This has led to an imbalance between the supply of level two skills and the demand for this level and an undersupply of residents with level 3 qualifications. It was recommended that in order to redress this imbalance there is a need for the residents of Barking and Dagenham to upskill which will enable them to access the new jobs which will be created by Thames Gateway.

With regards to the public/private ratio the outer boundaries of the Thames Gateway has a higher supply of private sector employers whereas Barking and Dagenham has a significant undersupply of private employers. It was suggested that there is a need for the borough to encourage new businesses into the area and to promote a culture of enterprise within schools and college as an option. The Commission felt that it was imperative that the borough capture the value of major investment as it happens i.e. the Olympics.

It was suggested that in order to redress the issues outlined above it was essential that the borough retains its existing production industries, creates new business parks and business zones, invests in student entrepreneurship, develops retail, tourism and upskills the workforce to ensure that local people are able to access opportunities as they arise.

Research has implied that there will be shortage of young people to replace the current workforce in the labour market within the next five years. It is now essential to draw upon new workers from the pool of unemployed and economically inactive people.

Locally

Previous presentations, discussions and reports have set out the crucial role of skills in a modern economy and the future plans for improving skills levels nationally. This has been outlined more recently in March 2005 *White Paper Skills: Getting on in business, getting on at work.* The Commission has also looked at some of the barriers to work faced by residents, such as disability, childcare and identified some key target groups where more work is required. The work of the Policy Commission has highlighted the need to set in place mechanisms which will create a culture of lifelong learning and skill development amongst local residents particularly focusing on groups who traditionally have not accessed adult education. In order to capture major future investment Barking and Dagenham will be required to work towards making the borough an attractive place for private and public sector investment.

Members received a report which outlined how key partners are working together at a local level to give practical effect to each organisation's respective objectives. It was noted that in respect of improving access to jobs and raising skills levels, the Council's Economic Development Strategy sets out as its aims:

- to provide leadership and co-ordination to economic development activity in Barking and Dagenham
- to help local people into employment and into more rewarding, better paid jobs, by increasing their access to employment opportunities and improving skills, mobility and employability
- to use the Council's power as a major local employer and purchaser of goods and services to foster economic growth.

The authority has a number of key strategic partners with whom they are working to ensure that existing residents benefit from the regeneration of the borough and the wider Thames Gateway:

- Jobcentre Plus
- Learning and Skills Council London East (LSCLE)
- London Development Agency
- Thames Gateway London Partnership

- Barking and Dagenham Training Providers Network
- London Borough of Havering

An Outer East Employment and Skills Partnership Group has been established in order to formulate a shared view of the local situation in terms of jobs and skills, particularly as they relate to the opportunities presented by planned developments. The group will:

- determine local priorities
- agree targets where appropriate
- commission a range of activities to address these priorities
- contribute to the relevant Local Strategic Partnership sub-groups in the borough (Regenerating the Local Economy and Better Education and Learning for All), achievement of relevant floor targets and in shaping Block 4 of the Local Area Agreement
- in conjunction with the borough's 14-19 Strategy Group, develop a seamless service which helps local residents from school to retirement age maximise their awareness of training and employment opportunities and access to them.

LSC London East have identified and produced workforce development strategies for 10 key sectors of the London East economy: health and social care; construction; manufacturing; retail; voluntary and community; financial services; transport and logistics; public administration; cultural and creative; hospitality. The Economic Development Team within Regeneration are working to co-ordinate activities supporting these sectors and a range of projects are either planned or in existence.

An example for the construction sector is the Building East Construction Skills sub-group. This has been established to work to ensure local construction training and job opportunities are maximised for residents in Barking and Dagenham and Havering. The group has representatives from Barking and Havering Colleges, LDA, LSC London East and community partners. A small research project is looking to relate the scale of construction activity in the boroughs to the current level of training provision and will make recommendations for the use of section 106 planning gain monies to support this area of work. It has being taken forward with a range of partners, including Barking and Havering Colleges and LSC London East.

Analysis

The importance of working in partnership to establish practical solutions in respect of improving skills and employment opportunities for local people has been welcomed by the Commission. It has also emphasised the Council's leadership role in order to progress the many issues that have been raised by the Policy Commission.

Gaps

The Council and its partners currently have projects that are beginning to look to address some of the recruitment and skills needs of key sectors of the economy. There is a need to ensure that these project activities are strengthened and expanded where successful and that actions to cover the remaining sectors are developed. This is particularly the case for sectors that are crucial to the development of the Thames Gateway and the 2012 Olympics, such as construction, retail, hospitality, health and social care and transport and logistics. This will have resource implications that the Council needs to pursue through the Outer East Employment and Skills Partnership and through Block 4 of the Local Area Agreement.

A particular issue is the relative lack of an enterprise culture locally. This is beginning to be addressed through the production of an Enterprise Plan as part of an application for funding under the Local Enterprise Growth Initiative (LEGI). This has three pillars: to increase total entrepreneurial activity; to support the sustainable growth – and reduce the failure rate – of locally owned businesses; to attract appropriate inward investment. Regardless of the success of the LEGI application the Council needs to work to support the activities identified in the Enterprise Plan with the input of its key partners.

Recommendations

- The Council needs to work with partners to implement activities identified in the Enterprise Plan and LEGI bid which:
 - o increase total entrepreneurial activity
 - support the sustainable growth and reduce the failure rate of locally owned businesses
 - attract appropriate inward investment to the borough.
- The Council needs to work with key partners in the Outer East Employment and Skills Partnership to ensure that training and access routes to jobs are available to residents into sectors that are key to the development of the Thames Gateway and 2012 Olympics, including health and social care, construction, hospitality and leisure, retail and transport and logistics.

The Leadership Role of the Council on Employment

The final Chapter of the Policy Commission will continue the focus on the Councils leadership role in relation to addressing the barriers to employment.

The Key Facts:

- The Council is the largest employer in the London Borough of Barking and Dagenham, providing employment for 8,000 employees of which 60% are from the local community. However it is noted that a large proportion of this local workforce is located within the lower graded jobs.
- The borough has a low proportion of residents in employment, well below the national figure of 75%. The government has an aspiration to raise this to 80%.
- The Council, in its role as local planning authority, can try to secure job and training opportunities for local residents, including apprenticeships for young people.
- The Council is a significant procurer of goods and services and can use various means to secure jobs and training opportunities through this route.

Locally

The Policy Commission has explored the many barriers to employment which are faced by the residents of Barking and Dagenham. The Commission has noted that unemployed residents are likely to face at least one barrier to employment if not more. These include a lack of appropriate qualifications and skills, lack of affordable childcare to enable access to jobs, poor transport access and discrimination as a result of race, religion, gender or disability.

Policy Commission members were informed that the Council is the largest employer within the London Borough of Barking and Dagenham. It employs 8,000 staff of which 60% are from the local community, albeit many are within lower graded positions. As part of the Council's Leadership role and in order to maximise the employment opportunities for unemployed residents the Council has entered into a partnership agreement with Jobcentre Plus. In essence the agreement will ensure that all entry level vacancies for the Council are advertised through Jobcentre Plus. Jobcentre Plus will provide the Council with recruitment response handling services, initial sifting of applications, compilation of statistical information and targeting recruitment at underrepresented groups. It particularly aims to place:

- 20 people who are disabled or currently in receipt of Incapacity Benefit and
- 20 people who are lone parents and in receipt of Benefit.

Council employees benefit from a range of developmental opportunities including release for basic skills training (co-ordinated through ABSI), advice from Union Learner Representatives, a Career Trainee Scheme (a three year programme) and access to a range of training opportunities.

Future initiatives include the Council joining the National Graduate Development programme in March 2006 and working towards joining the Learning and Skills Council Local Government Apprenticeship scheme. The development of top leadership is also being progressed (to take the Council forward as part of the next CPA assessment). The Council recognises that development of its own workforce will directly impact on the local community.

The Council has also been involved in other activities to encourage local people into employment or training opportunities. These have included:

- Gateway to Health and Social Care, a project which promotes a range of training and career opportunities in health and social care, including developing specific local training activities with providers such as Barking College. This works with both young people and adults.
- Retail Skills Group has bought together a range of partners to oversee skills and training support to the retail sector in the borough. It has overseen customer care training for retailers in Barking Town Centre (34 having achieved NVQ Level 2 customer care qualifications), that will shortly be extended to Dagenham Heathway. Barking College, Reed in Partnership, Ethnic Minority Enterprise Project, Vision On Consulting and LSC London East are represented on the group.
- Heart of Thames Gateway Jobnet a general job brokerage service funded principally through the LDA helping local people into work in Barking and Dagenham and Havering, adding value to Jobcentre Plus provision.
- Barking & Dagenham Training Providers Network an umbrella body for learning and training providers, funded by the LDA through the Regeneration Implementation Division. The Network is overseen by a steering group that also includes Barking and Dagenham Council for Voluntary Service, Disablement Association of Barking and Dagenham and Harmony House.

The London Borough of Barking and Dagenham Workforce Development strategy outlines some key issues for improving workforce development in the borough. The key aims of the strategy are to:

Raise the skill levels and incomes of local people

 Enable current and future employers to up skill their workforces, boosting their competitiveness and role as ongoing assets to the borough and its residents.

The LSP is working in partnership with various agencies to ensure that it meets the strategic objectives of the Community Strategy. The Community Strategy has a central focus on upskilling and employment of the local community. The Commission also heard that it was possible for the Council, in its leadership role, to also use its influence in the following areas:

- as a planning authority where local labour and training conditions could be included on local development applications. This could require developers to maximise the use of local labour in the construction phases of development (which can include opportunities for work-related learning for the 14-19 age group) and for the end use phases of development e.g. retail units. This can also be used to generate funding for training and needs to be seen as a competing priority for use of these funds. The Council has set out its aims in this respect by approving Planning Advice Note no. 2 Local Labour and Local Business Agreements.
- in its procurement role it is possible, in accordance with domestic and European law, to invite companies for contracts to express a commitment to supporting local recruitment and training. This element of the tender documentation would not form the basis on which the contract was awarded but could be included in as a contract condition for the winning tenderer. It would be most effective in terms of service contracts but would also raise the profile of agencies looking to help people into work for all companies doing business with the Council.
- The borough, together with Barking College and the University of East London, is establishing a "public sector training college" in the borough, known as the Barking Learning Centre. This will be up and running in January 2007 and will provide training in health, social care, education and public administration from basic to degree level.

Best Practice

Set out below is an example of Best Practice which has been developed by the London Borough of Greenwich, which has successfully placed local people into local jobs using existing planning regulations.

Greenwich Local Labour and Business (GLLaB)

GLLaB was established in 1996 as a key mechanism for linking people to new employment opportunities arising within the London Borough of Greenwich.

Greenwich Council has made use of the planning process through section 106 agreements to secure commitment from developers for using GLLaB to source local Labour from construction through to end user employers. In return, GLLaB offers a job brokerage service and trains local residents to match their specific skill requirements.

Their achievements have included:

- the gap between the London and Greenwich unemployment rates narrowed from 2.9% in 1993 to 1.1% today
- long term unemployment reduced by 57% since 1995
- youth unemployment reduced from 21.6% in 1993 to 11.1%
- 5,600 local residents trained in skills relevant to new job opportunities and
- 500 people placed into work, with 49% of job placements from ethnic minorities.

Analysis

The partnership agreement between Jobcentre Plus and the Council is a step in the right direction. It will provide a mechanism to attach local people into entry level positions within the Council. The additional support given by this agency to the community will provide applicants with the necessary skills to apply successfully for the positions on offer. Savings could also be made in advertising costs, an element of which could be potentially be redirected to support preemployment training giving residents the best possible chance of gaining employment. The training and development opportunities available to staff once employed by the authority will have a direct impact on the community particularly as 60% of staff are local residents.

The presentation given by John Lock highlights a real need for residents of Barking and Dagenham to upskill to enable them to access future job opportunities.

It is clear from an analysis of best practice elsewhere that there are significant benefits to be gained through the use of the planning system to secure employment and training opportunities for local residents. Similarly, use of the Council's significant purchasing power can also play a role, not least through showing the Council's commitment to local recruitment. The Council's Economic Development Strategy has highlighted the use of both of these mechanisms to support local recruitment and businesses and some progress has been made

through the production of Planning Advice Note no. 2 – Local Labour and Local Business Agreements.

Gaps

It is clear from the evidence provided that the Council is keen to use its leadership role to improve the employment prospects of local residents. The partnership agreement with Jobcentre Plus is a step in the right direction to enabling the employment of local residents into entry level jobs with the Council. The effect of this will need to be reviewed over time.

At present the use of planning conditions to secure employment and training opportunities has not been exploited in a significant way by the Council. The approval of a planning advice note covering local labour agreements has set out the Council's expectations in this respect. The scale of planned developments for the borough provides a significant opportunity for this to have an impact.

Recommendations

- The Council should regularly review the working of the partnership agreement with Jobcentre Plus and actively consider how further efforts to recruit locally can be made targeting under-represented groups such as young people.
- The Council should actively use planning regulations to secure better employment and training opportunities for its residents, as set out in Planning Advice Note No. 2 – Local Labour and Local Business Agreements.
- The focus for the use of monies generated for employment and skills support through section 106 contributions should be:
 - construction apprenticeships and other support for residents to access this sector, developed in partnership with Barking College and other key local providers
 - the development of short, customised vocational training courses for adults, including interview skills and guaranteed interviews, with employers locating within the borough.
- The Council, as a significant purchaser of goods and services, should inform all organisations with which it does business of its commitment to local recruitment and, where possible, ask for a commitment in this respect as part of the tender process.
- All projects impacting upon employment/training issues should automatically be referred to the Economic Development Team for comment so that the Council can develop a co-ordinated approach. This should cover recruitment, planning and procurement.

Summary of recommendations

- 1. More provision needs to be made for vocational courses for young people aged 14-19. Specifically these should be in the areas of construction; health and social care, and sport' leisure and tourism, in order to reflect the opportunities presented by the Olympics / Paralympics, and the Thames Gateway. This requires a greater flexibility to be shown in the provision and funding of courses by the local college of further education, and by Learning and Skills Council London East.
- 2. Given the high NEET figure within the borough, all future strategies should take into account local and national best practice.
- 3. Further courses should be developed at foundation and intermediate levels (equivalent to GCSE grades D-G, and A*-C respectively) for students in school sixth forms;
- 4. The issues pertaining to improved career guidance for all young people should be investigated further.
- 5. Given the low level of basic skills in the borough all initiatives need to include provision for basic skills training and will need to operate closely with the Adult Basic Skills Initiative and local providers.
- 6. That the Adult Basic Skill Initiative, which has successfully supported the Council's own employees, is highlighted as a successful model and rolled out to other employers in the borough to ensure that all of our residents, regardless of employment status, have access to this type of support.
- 7. In order to increase the awareness of, and participation in, training and development opportunities within the borough it is proposed that a borough prospectus is made widely available, that proactive community based methods of engagement be actioned and that best use is made of community venues such as Children's Centres to deliver information, advice and guidance and training courses.
- 8. The Council will make use of its Local Area Agreement to set targets, monitor performance and assess the impact of all skills and employment activity delivered in the borough to ensure that those residents who most need support get it and that it is tailored to their needs. Further work should be undertaken to more appropriately target groups which the Council and its partners are failing to reach.

- 9. In order to make childcare affordable for the local community further work will need to be undertaken to ensure the long term sustainability of childcare provision within the borough.
- 10. The Council needs to work with partners to implement activities identified in the Enterprise Plan and LEGI bid which:
 - o increase total entrepreneurial activity
 - support the sustainable growth and reduce the failure rate of locally owned businesses
 - o attract appropriate inward investment to the borough.
- 11. The Council needs to work with key partners in the Outer East Employment and Skills Partnership to ensure that training and access routes to jobs are available to residents into sectors that are key to the development of the Thames Gateway and 2012 Olympics, including health and social care, construction, hospitality and leisure, retail and transport and logistics.
- 12. The Council should regularly review the working of the partnership agreement with Jobcentre Plus and actively consider how further efforts to recruit locally can be made targeting under-represented groups such as young people.
- 13. The Council should actively use planning regulations to secure better employment and training opportunities for its residents, as set out in Planning Advice Note No. 2 Local Labour and Local Business Agreements.
- 14. The focus for the use of monies generated for employment and skills support through section 106 contributions should be:
 - construction apprenticeships and other support for residents to access this sector, developed in partnership with Barking College and other key local providers
 - the development of short, customised vocational training courses for adults, including interview skills and guaranteed interviews, with employers locating within the borough.
- 15. The Council, as a significant purchaser of goods and services, should inform all organisations with which it does business of its commitment to local recruitment and, where possible, ask for a commitment in this respect as part of the tender process.
- 16. All projects impacting upon employment/training issues should automatically be referred to the Economic Development Team for comment so that the Council can develop a co-ordinated approach. This should cover recruitment, planning and procurement.