



## Mayor and Cabinet

### **Lewisham Works – adoption of the ‘Connecting Communities’ ESF grant award to provide all-age employment support to Lewisham residents**

**Date:** 9 March 2022

**Key decision:** Yes.

**Class:** Part1

**Ward(s) affected:** All

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### **Outline and recommendations**

That Mayor and Cabinet agree to establishing the Council-delivered ‘Lewisham Works’ all age employment service.

That Mayor and Cabinet approve receipt of a European Social Fund grant of £755,637.40, brokered by Central London Forward, to deliver the ‘Connecting Communities’ employment support programme until September 2023

### **Timeline of engagement and decision-making**

**There are no past formal decisions relating to Lewisham Works. This decision will be subject to scrutiny.**

## **1. Summary**

- 1.1. Lewisham Works is a new service to support residents 18+ with their employment. The service has been established in response to the Covid-19 pandemic’s impact on resident employment and the labour market. To commence Lewisham Works, the Council has secured £755,637 of European Social Fund (ESF) which will fund a team of specialist employment advisers and provide tailored individual support plans for

residents who are out of work.

- 1.2. The service will provide residents with up to six months of support to become work ready. Once a resident has secured employment, the service can provide further support to help keep them in work for a further six months. This will be a holistic service. It will first understand the needs and aspirations of the resident before creating a personalised action plan to achieve their goals. This service will fill gaps in the offer available to residents, particularly those not claiming Universal Credit. There will be a focus on supporting young adults, residents over 50, lone parents, residents with health and disability barriers to work and residents from a Black, Asian or Minority Ethnic background.
- 1.3. This report provides a background on the labour market challenges which has led to Lewisham Works being proposed. It also provides a summary of the ESF contract requirements, developed in partnership with Central London Forward.

## **2. Recommendations**

- 2.1. That Mayor and Cabinet agree to establishing the Council-delivered 'Lewisham Works' all age employment service.
- 2.2. That Mayor and Cabinet approve receipt of a European Social Fund grant of £755,637.40, brokered by Central London Forward, to deliver the 'Connecting Communities' employment support programme until September 2023

## **3. Policy Context**

- 3.1. Covid-19 has had a significant impact on resident employment, the local & regional labour market. It is proposed that Lewisham Council establish a new employment service to address the jobs and skills challenges in the borough. The Government's 'Plan for Jobs' has seen the introduction of new mainstream employment support services such as 'Restart' and 'JETS', provided by the Department for Work and Pensions. These catch-all programmes do not fully meet local needs and the wide range of challenges affecting resident employment. As a result, we propose local action which understands the local needs of Lewisham and its residents.
- 3.2. "Future Lewisham: Our borough's recovery", sets out the four themes at the heart of the Council's response to the impact of the pandemic. One of the four themes is "An economically sound future". The new service would help deliver that theme through ensuring residents have support to access secure and fairly paid jobs.
- 3.3. This proposal directly delivers on the Lewisham Council's 2018-2022 Corporate Strategy theme "Building an Inclusive Local Economy", in particular:
  - Supporting residents to access work and progress
  - Access to high quality learning
  - Delivering high quality work, involving working with employers to hire diverse local talent
  - Providing good-quality local employment offers and linking residents to work that does not exploit
  - Supporting a thriving local economy

## **4. Background**

- 4.1. Over 15,000 working-age residents (as of November 2021) are claiming unemployment support, doubling since March 2020. Although vacancies and unemployment have

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improved in recent months, this 'recovery' has not been felt evenly. Unemployment is more common among young people, it is harder to re-enter the labour market for those aged over 50, and ethnicity and disability employment gaps in the borough persist.

- 4.2. The Jobs and Skills Team was created in 2021 to lead the Council's response to employment challenges facing residents. In recent months, the team has established an 18-25 Youth Employment Hub to provide intensive support for young adults in Lewisham, complemented by the Council's long-standing activity supporting apprenticeships and resident access to local construction vacancies. It is now recommended that Lewisham Council launch a new flagship programme, 'Lewisham Works', an all-age employment services for residents and local businesses.
- 4.3. Lewisham has the opportunity to 'kickstart' Lewisham Works with a European Social Fund (ESF) grant. The 'Connecting Communities' programme will be delivered across the Central London Forward (CLF) partnership of 12 London Boroughs. The funding has been secured by CLF from the Greater London Authority (GLA). £755,637 has been made available to Lewisham Council to deliver all-age employment support for unemployed residents. The funding can be used to fund the Lewisham Works team and fund individual support needs for residents accessing the programme.

## **5. Consideration 1 – Establishing 'Lewisham Works'**

- 5.1. Mayor and Cabinet are asked to consider whether Lewisham Council should establish a directly-delivered employment service. Lewisham Works will provide an all-age employment support offer to Lewisham residents. The Council would provide a 'single front door' where residents seeking employment support will be directed to the most appropriate support or be supported directly by an in-house team of advisers. At present, there are gaps in the support available to residents – particularly for those who are unemployed but unable to claim unemployment support (such as Universal Credit).
- 5.2. There are deep, historic inequalities facing residents in the labour market regardless of Covid-19 impact. The ethnicity employment gap remains around 11% (the gap in employment rate between white residents and residents from a Black, Asian or Minority Ethnic background). The disability employment gap in London is 46.5%. In 2019, Lewisham had the highest rate of 18-24 year olds not in employment, education or training (NEET) rate for any London borough at 20%, rising to 34% for those with few/no qualifications.
- 5.3. Lewisham Works will support residents to overcome these challenges through holistic 1:1 coaching; training and skills support; support to find work and sustain employment. This is commonly known as a 'job brokerage' service. Lewisham Works will also support local employers with a recruitment service, improving the link between residents and local jobs. The proposed delivery model would see Lewisham Council establish a resident-facing service in the Old Town Hall - Catford, complemented by hubs such as Lewisham Shopping Centre (18-25 Youth Hub provision) and 'job clubs' in libraries and other locations in the borough.
- 5.4. Introduction of Lewisham Works will see the Council play a far more active role in tackling local employment inequalities and challenges. The service will work at the centre of the local employment and skill support system, improving resident access and maximising support available to residents. Pockets of support are delivered by dozens of providers and charities in the borough, as well as main partners like Lewisham College and Adult Learning Lewisham. This active role in the local system will allow the Council to better address weakness and gaps in the support available to residents.

## **6. Consideration 2 – ESF Grant Funding**

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- 6.1. Mayor and Cabinet are also asked to approve adoption of European Social Fund (ESF) grant funding which has been secured by Lewisham Council to deliver the 'Connecting Communities' employment support programme. The funding has been secured through Central London Forward (CLF), and this programme will be delivered in a joined up way across the 12 Central London Boroughs and the City of London. The programme will commence in early 2022 and run until June 2023.
- 6.2. The grant allows Lewisham Council to employ a Project Manager, five Employment and Training Advisers, an Employment Engagement Officer and an Apprentice Administrator on a fixed-term basis. The team will provide up to six months of pre-employment support to residents followed by up to six months of in-work progression support once a resident has started employment. The grant also provides flexible funding to support individual needs. For example, the Council will be able to pre-pay childcare for parents, before their first paycheck, to remove the childcare cost barriers facing low-income residents. Since the programme is delivered across CLF, the Council will be able to access jobs secured by the City of London and elsewhere, beneficial to Lewisham where local job availability is far lower than in Central London.
- 6.3. The programme is incredibly broad, supporting unemployed residents regardless of their benefit status or how ready they are to work. The Council can support up to 750 residents through this programme – providing significant capacity. The programme also has individual targets to support lone parents, Black, Asian and Minority Ethnic residents, over-50s, individuals with disabilities and those without essential English and maths skills.
- 6.4. The ESF funding is well timed. This will allow us to kickstart Lewisham Works with more capacity than would otherwise be possible without the grant. It also provides individual resident support otherwise unfunded in the local system. Connecting Communities also allows us to develop an effective delivery model for Lewisham Works beyond this programme. A further report will be brought to Mayor and Cabinet later in 2022 to outline proposals for how Lewisham Works will be sustained and delivered beyond the ESF funding period, likely using Section 106 funding.

## **Financial implications**

- 6.5. The Council has been awarded a European Social Fund grant of £755,637.40 by the GLA, to deliver the 'Connecting Communities' employment support programme. The grant is ringfenced for staff salaries and programme delivery. Match funding is sourced from existing Central London Forward employment programmes, and therefore no Council match funding is required.
- 6.6. All jobs will be offered on a fixed-term basis within the grant period.
- 6.7. Following clarification of the terms of grant payment, the GLA has stated that it is their intention to make all payments promptly on time in line with specified periods detailed in the payment schedules. Where grant recipients fail to provide sufficient qualitative evidence to justify their claim for funding, the GLA may withhold the payment for that proportion of the grant and will only release the payment on receipt of the correct paperwork. The Council must therefore ensure that payment requests are timely and sufficient evidence is provided.
- 6.8. As expected there are also penalties for non-delivery of the contract, but the risk of these being triggered is low. The Project Manager will have a clearly defined role to manage reporting, targets and ESF grant claims.

## **7. Legal implications**

- 7.1. Under "Executive matters reserved to members" page 331 paragraph 5 of the Constitution, decisions relating to the introduction of new services, or the cessation of

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services where the value of the concern is or would be if introduced is at least £500,000 per annum, are decisions for members.

- 7.2. The rationale for the proposed acceptance of the grant and the establishment of the service by the recruitment of Council staff are set out in the body of the report.
- 7.3. The decision is a key decision given the value of the proposed arrangement.
- 7.4. The service should comply with the obligations set out by the grant provider in the grant agreement and follow the necessary procedures required by HR in recruiting for the service. The grant is a standard grant agreement and does not impose unusual or unexpected requirements.
- 7.5. The Equality Act 2010 (the Act) brings together all previous equality legislation in England, Scotland and Wales. The Act includes a new public sector equality duty (the equality duty or the duty), replacing the separate duties relating to race, disability and gender equality. The duty came into force on 6th April 2011. The new duty covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.6. In summary, the Council must, in the exercise of its functions, have due regard to the need to:
  - eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
  - advance equality of opportunity between people who share a protected characteristic and those who do not.
  - foster good relations between people who share a protected characteristic and those who do not.
- 7.7. As was the case for the original separate duties, the new duty continues to be a “have regard duty”, and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 7.8. The Equality and Human Rights Commission issued guides in January 2011 providing an overview of the new equality duty, including the general equality duty, the specific duties and who they apply to. The guides cover what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guides were based on the then draft specific duties so are no longer fully up-to-date, although regard may still be had to them until the revised guides are produced. The guides do not have legal standing unlike the statutory Code of Practice on the public sector equality duty, the guides can be found at:  
<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-duties/new-public-sector-equality-duty-guidance/>

## **8. Equalities implications**

- 8.1. The principle and delivery of Lewisham Works is embedded in equalities and supporting residents to overcome labour market inequalities, be they individual disadvantage or structural labour market inequalities – such as racism and ageism. Lewisham Works will:
  - Provide holistic support to Black, Asian and Minority Ethnic residents to overcome labour market inequalities. Experience of racism commonly affects self-esteem and confidence, which we will support residents to overcome. The Council will also

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engage employers on this issue.

- The programme will support challenges faced by disabled residents. Physical disabilities and long-term health conditions may be best supported by the existing Work and Health Programme. Lewisham Works will play a key role in supporting residents with mild to moderate learning difficulties and autistic spectrum disorder. The Council will also work with local employers on positive approaches to hiring staff with disabilities.
- There are particular challenges facing our oldest and youngest residents in the labour market. The ESF grant funding has targets to address both of these, with a particular focus on young residents.
- Re-entry to work by lone parents, particularly women, is a challenge. This programme will emphasize support for lone parents. This will be the first mainstream employment support in Lewisham to offer support, in advance, for childcare costs until an individual is established in post.
- There is little existing support available for benefit non-claimants. This disadvantages those who cannot claim employment support, such as asylum seekers and refugees. With Lewisham Works, residents unable or unwilling to claim unemployment support from DWP will have a comprehensive employment support offer available to them. This will also be linked to essential English and Maths support.

## **9. Climate change and environmental implications**

- 9.1. There are no direct climate or environmental implications stemming from Lewisham Works or the ESF Connecting Communities Grant. Lewisham Works will focus on skills and jobs in the 'green economy'. Achieving net-zero carbon emissions by 2030 cannot be achieved without the skilled workforce to decarbonise the economy. The initial focus will be on skills for construction and retrofit.
- 9.2. The Council's Jobs and Skills Team are working closely with our 'Better Placed' partners of Lambeth and Southwark Councils to develop a green skills action plan. The Council is currently co-funding a Strategy Officer to develop this proposal.

## **10. Crime and disorder implications**

- 10.1. Creating Lewisham Works as a single front door will allow the Council to better support ex-offenders to rehabilitate back into society after a custodial sentence. The Council is already convening existing support from specialist agencies, but will also be able to provide specialist support for ex-offenders. Last year, over 500 people re-entered Lewisham following a custodial sentence. Youth Offending also often overlaps with a lack of opportunity and vocation.

## **11. Health and wellbeing implications**

- 11.1. Lewisham Works will tackle the direct link between work, income and poor health. GP feedback locally suggests an increase in frequent attendees for psycho-social problems, made worse by low/insecure incomes and poor-quality work. With significant cost of living pressures expected in 2022, it is important that the Council provides more holistic support to residents struggling to meet ever rising living costs. The Council will work closely with health services in the borough to promote holistic employment support model. The Council's person-centred approach will help residents across bespoke and appropriate support for health conditions, be they physical or mental.

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## 12. Background papers

- 12.1. (ESF) Grant Agreement between City of London and Borough of Lewisham (Appendix A).

## 13. Glossary

- 13.1.

Term	Definition
ESF (European Social Fund)	This is a grant Councils and other agencies can apply to for money to run employment and skills projects. It is administrated by the Greater London Authority (Mayor of London)
CLF (Central London Forward)	A partnership organisation created by 12 Councils in Central London to work together on shared challenges, such as jobs and skills.
GLA (Greater London Authority)	The regional governance body for London led by the Mayor of London. Also known as "City Hall", it has responsibility for some essential public services including Transport for London, the Police and economic planning.
NEET (Not in employment education, or training)	A commonly used phrase to describe a young adult (aged 18-24) who is unemployed and not in any form of education.

## 14. Report author(s) and contact

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## 15. Appendices

- 15.1. Appendix A (ESF) Grant Agreement between City of London and Borough of Lewisham

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