



**London Borough of Merton**

Report and Recommendations arising from the Scrutiny Review of Adult Skills  
and Employability

Sustainable Communities Overview & Scrutiny Panel

June 2013

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## **Acknowledgements**

We would like to thank all the officers and external witnesses who have taken the time to provide written and verbal information and discussed their ideas with us. All contributors are listed in Appendix 1 of this report.

<b>Index</b>	<b>Page</b>
Foreword by the Chair of the Task Group	5-6
Executive Summary	7
List of Recommendations	8-9
Introduction	10-11
What the Task Group Did	11-12
Background	12-17
Reducing Unemployment	17-28
Ensuring the right adult education provision	28-37
Attracting inward investment	37-44
What is Merton's offer?	44-45
Concluding Remarks	45
What happens next?	45-46
<b>Appendices</b>	
Appendix 1 – Whom we spoke to	47
Appendix 2 - Equalities impact assessment	48-51

## **Foreword by Councillor Ray Tindle, Chair of the Adult Skills and Employability Task Group**

### ***Necessity is the mother of all invention!***

In 2010, 73% of Merton residents worked outside of the borough and unemployment stood at 7.3%. When we embarked on this review we were very aware of the changing economy and the need to increase the available employment opportunities, as well as the employability of our residents. With this in mind we sought to explore three key work streams: reducing unemployment; ensuring the right adult education; and attracting inward investment. We acknowledged that each work stream, whilst supporting the achievement of one another, involved a great deal of planning, work and negotiation in its own right. These areas also directly impacted upon each other, for example, you need employers who want to locate to Merton and a ready workforce with the appropriate skills that can be utilised, to ensure a reduction in unemployment. Whilst this sounds simple, the Task Group were very aware of the role of various council departments and partner organisations in bringing these work streams together and how important it was to continue to develop working relationships internally and externally.

Attracting inward investment became a focus in our review given its status as a facilitator in reducing unemployment in the long term and in increasing prosperity. A council wide strategy is key to this programme and needs to be performance managed. If we plan to contact fifty companies in the next year who may be interested in relocating within our borough, then we need to measure the success of this task whilst not fearing rejection, learning from our experiences along the way. We must celebrate our brand, and in particular, utilise the international reputation of Wimbledon to attract investors into the borough.

The councils Future Merton team have been forward thinking in refreshing the councils Economic Development Strategy, which includes objectives around the development of an inward investment strategy and improving Merton's offer to secure investment, as well as working with partners and providing support programmes to enable existing business to thrive and grow. However, to attract companies to Merton we will need premises from which they will operate. Business parks and industrial estates that reflect a professional, clean, efficient image of a borough that is in the fore front of technology and the right place to do business must be central in our strategy. The council's regeneration plans will play a significant role in ensuring our land and sites are fit for purpose.

It is also critical that Merton has a skilled population and this is where adult education is key and should be driven by demand, from residents, existing companies and prospective investors. The supply of labour and the ability to be able to train staff will be an influencing factor for companies viewing what Merton has to offer them as potential employers. Adult education has a clear direct impact on reducing unemployment and plays a supportive role in the short to medium term, getting people into work, whether that be in or out of the borough.

Going forward the Task Group have generated a set of recommendations that we feel are feasible and tangible and support the long term economic development goals of the borough. The importance of nurturing our partners, stakeholders and

government agencies, who can wave the Merton banner for us, is critical, setting out our stall to sell the benefits of Merton as a great place to do business and a great place to work.

Our report then covers where we are today economically and it proposes where we need to be in the future – now we need a plan of how to do it and a dynamic team to deliver upon our priorities.

**Councillor Ray Tindle – Chairman of the Adult Skills and Employability Task Group**

## Executive Summary

The Task Group have undertaken this review with enthusiasm and commitment, acknowledging the diversity and number of services that impact upon adult skills and employability, and the wide remit of this review. In doing so we have considered where we are now and where we want to be. We wish for this report, and the associated recommendations, to communicate a number of key messages to ensure that we can move forward, looking ahead in the short and long term, to increase the economic viability and prosperity of the borough.

Central to **reducing unemployment** is **attracting inward investment** and ensuring a sufficiently **skilled workforce** to be available to take up the employment opportunities created by new companies in Merton.

To encourage businesses to locate to Merton we need to ensure we are selling ourselves as a borough and highlighting all the wonderful things we have to offer. Capitalising on Wimbledon as an international brand and utilising the work underway by the Wimbledon Business Improvement District (BID) to increase the number and diversity of businesses, cultural and leisure facilities and office space, opportunities for employment can be made available to Merton residents.

The lessons that can be learned from the good practice of the Wimbledon BID should be taken forward in the regeneration plans for the borough as a whole. Equally, 'enterprise zones' linked to the opportunities that new regulations surrounding business rates may present in attracting investment to the borough should be fully explored and implemented, where appropriate. Councillors, officers and partners should be ambassadors for Merton and proactive in identifying the opportunities available and highlighting Merton's offer.

Publicising and marketing Merton as a great place to do business is central to this programme of work. Setting clear targets that are timely, specific and have the agreement of all key stakeholders, in particular the Merton Chamber of Commerce and the wider Merton Partnership, is fundamental. This programme of work should be a key priority for the councils Future Merton team and the continuity of effective working relationships with our partners will be important in this endeavour and in ensuring appropriate performance management.

Finally, a responsive adult education service should be priority and the development of the existing provision should look to enhance the type, level and number of courses available, as well as engage university partner organisations, to enhance MAE and ensure its viability as a commercial brand, enabling qualifications to be delivered up to Foundation Degree and HE level.

It is these key developments and improvements that we have tried to capture in the recommendations we have made and in the presentation of the evidence in this report.

## List of recommendations

Recommendations	Stakeholder/Responsible Team
<b>Reducing Unemployment</b>	
<p><b>Recommendation 1</b> That Cabinet engage the councils apprenticeship group, and work closely with the Economic Wellbeing Sub Group to utilize existing good practice, to increase the number and diversity of apprenticeships available to adults from 18 years onwards (and beyond 24 years of age) to increase employment opportunities for adults.</p>	Cabinet
<p><b>Recommendation 2</b> That Cabinet identifies and establishes 100 new apprenticeships in the borough for adults of all ages within the next 12 months.</p>	Cabinet
<p><b>Recommendation 3</b> That the Council, engaging with all relevant departments increase the number of apprenticeships available for adults through the:</p> <ul style="list-style-type: none"> <li>• Tendering process;</li> <li>• Community Plan; and</li> <li>• Regeneration Plans for Merton</li> </ul>	Cabinet
<p><b>Recommendation 4</b> That Cabinet considers establishing an information portal for use by partner organisations to facilitate greater information sharing, working with the Economic Wellbeing Sub Group.</p>	Cabinet
<p><b>Recommendation 5</b> That Cabinet support/endorse adult employment and skills activities being delivered through the Partnership's Economic Wellbeing Sub Group.</p>	Cabinet
<p><b>Recommendation 6</b> That Cabinet endorse the provision of tailored support programmes in local libraries to support writing applications, CV's, and accessing online resources for interview practice etc, building upon the good practice that already exists in libraries, as part of the councils assisted digital strategy.</p>	Cabinet
<b>Attracting inward investment</b>	
<p><b>Recommendation 7</b> That Cabinet agree to debate and consider the Councils inward investment Strategy by December 2013.</p>	Cabinet
<p><b>Recommendation 8</b> That Cabinet undertake an appraisal of the opportunities for exploiting the SW19 brand to attract investment to the borough, working with the Wimbledon Business Improvement District, to develop a partnership led strategic vision for the borough.</p>	Cabinet
<p><b>Recommendation 9</b> That Cabinet consider the feasibility of offering business rate incentives and more flexible packages to attract investment into the borough.</p>	Cabinet

<b>Ensuring the right adult education provision</b>	
<p><b>Recommendation 10</b> That Cabinet, in consultation with local businesses, considers the viability of offering additional courses/training that meet employer demand and may increase the employment opportunities of residents in the borough. The Task Group acknowledges that any delivery model and the courses that will be delivered are part of a wider Cabinet decision on the outcomes of the Public Value Review being undertaken of Merton Adult Education.</p>	Cabinet
<p><b>Recommendation 11</b> That Cabinet explore the possibility of offering an enhanced set of courses and qualifications that are more attractive to employers for example, offering bespoke training to local companies or diplomas that enable students to graduate and move into the second year of a degree programme.</p>	Cabinet
<p><b>Recommendation 12</b> That Cabinet support the development of the Merton Adult Education service as a commercial brand, alongside longer term work on further developing the reputation and provision of MAE.</p>	Cabinet
<p><b>Recommendation 13</b> That Cabinet consider setting up a virtual Merton Business School that will support Merton residents and existing and prospective businesses.</p>	Cabinet
<p><b>Recommendation 14</b> That Cabinet agree to Merton Adult Education becoming accredited to deliver higher level qualifications and to engaging local in the delivery of these courses.</p>	Cabinet
<p><b>Recommendation 15</b> That Council endorse the development and refresh of the Adult Skills Strategy and engage Future Merton and partners in this process to make the relevant linkages in terms of economic development in the borough.</p>	Council

## **Final Report of the Adult Skills and Employability Task Group**

### **1. Introduction**

#### *Purpose:*

- 1.1 The Council's Sustainable Communities Overview and Scrutiny Panel, at its meeting on 5th July 2012, agreed to establish a Task Group review of adult skills and employability and appointed a small number of Members to the Task Group.
- 1.2 At the Sustainable Communities Overview and Scrutiny Panel meeting on 18<sup>th</sup> September 2012, Terms of Reference for the Task Group review were agreed. The overarching aim for the review was established as follows: to support the council, and its partners, in their work to increase the prosperity of the borough.
- 1.3 The review was split into three key areas of investigation with corresponding terms of reference as follows:

#### **Reducing unemployment:**

- To identify the issues faced and barriers to employment for Merton residents;
- To determine what the council is doing to tackle the barriers that people face in accessing employment;
- To determine the level of educational attainment and the destination of school, FE and HE leavers;
- To identify how many people are unemployed, and how many jobs available are not filled and why;
- To determine how the Welfare Reform Act 2012 will impact on unemployment levels and the support requirements of unemployed people in the borough;
- To determine how the council will respond to the changes to benefits resulting from the Welfare Reform Act 2012; and
- To determine how information sharing between key bodies could be facilitated

#### **Ensuring the right adult education provision:**

- To consider the data the Council holds on the skills base that exists in the borough;
- To identify the current training provider supply to address skills gaps;
- To determine the role of Merton Adult Education in supporting delivery of the Economic Development Strategy and Employment and Skills Strategy;
- To determine how the council and its partners promote training and development opportunities to residents, particularly those who are unemployed;

- To determine how the council can ensure a responsive and flexible training provision to attract new employers to the borough

#### **Attracting new business:**

- To determine what the council is doing to attract new businesses to the area;
- To determine how the competitiveness of the borough as an attractive place for businesses is ensured and maintained;
- To determine how suitable businesses are identified/approached by the Council to encourage them to locate to Merton;
- To determine what Merton's offer is to prospective businesses that might locate to the borough;
- To identify what factors impact on new businesses coming to Merton;
- To determine if the availability of land/office accommodation is an issue when seeking to attract new businesses to the area; and
- To consider the councils regeneration plans and how they will impact on attracting new businesses, the creation of jobs and access to employment for residents

1.4 The Task Group agreed to undertake the review with the aim of gathering evidence and making recommendations that would contribute to the work already being undertaken by the council and its partners, strengthening links and partnership working, in the following areas:

- Promoting Merton as a great place to do business;
- Reducing unemployment amongst residents, especially those in the East of the borough, to a low level, as is feasible;
- Providing adult education and training, to ensure residents are appropriately skilled and able to access employment; and
- Attracting value added employers to the borough

## **2. What the Task Group Did**

2.1 The Task Group held a number of meetings during the course of the review at which a wide range of evidence was considered and the public invited to attend to contribute their views, as outlined below with corresponding recommendations that resulted from these discussions.

In doing so, the Task Group sought to answer the following questions:

- How can we sell the existing positive aspects and strengths of the borough to prospective businesses?
- How could Merton become more attractive to prospective employers?
- What will it take to reduce unemployment in the borough, particularly in the East of the borough?
- How can we marry skills training to the nature of the current and prospective businesses in the area?

- How can adult education support the council to attract inward investment?
- What role do/could partner organisations play in reducing unemployment?

### **3. Background**

- 3.1 At the outset of the review Members considered the impact that the economic recession and slowdown had upon Merton and heard that the council had responded by preparing a new Growth Strategy with the aim of guiding the borough in delivering an ambitious vision for a new future.
- 3.2 The Task Group considered Merton's economic position, examining the current trends facing the borough in terms of employment, businesses, workforce, and places and communities. Members learned that Merton is a strong and successful borough with a highly skilled workforce, well connected town centres and a high quality of living. In addition, Merton residents earn relatively high salaries on average and are more likely to work in highly skilled occupations.
- 3.3 However, the borough faces economic challenges in terms of creating new jobs, and supporting residents and businesses to fulfil their potential. Equally, the borough is a collection of diverse town centres and communities and not all parts of the borough have experienced the same level of economic success. Members heard that this would need to change if Merton was to achieve its vision of becoming a prosperous and sustainable borough. Furthermore, the continued uncertainty regarding national and international economic prospects meant that local places needed to create their own economic destiny.

#### *Economic Development Strategy*

- 3.4 Merton's Economic Development Strategy sets out the Council's, and its partners, programme of actions to tackle the current economic challenges, facing the borough, and to maximise jobs, business and investment opportunities. It is the key component of Merton's Growth Strategy, along with the Council's Regeneration Delivery Plans and Local Development Framework.
- 3.5 The Task Group was informed that the Economic Development Strategy was shaped and driven by a number of economic factors, including the following:
- The impact of the recession on Merton's economy and how to manage its side effects;
  - The "Lost decade of new jobs" and a lack of new job growth in the borough for nearly a decade despite an average London job increase of 4.1%;
  - The forecast of between 4,000 and 8,000 jobs to be created within the next 10 years;

- Jobs and business opportunities presented by future physical development and investments in the borough;
- Weakness in the borough's business base;
- The increase in unemployment, particularly youth unemployment;
- The continuing economic divide between the more affluent West and poorer East of the borough; and
- Changes in the funding, employment & skill and business support infrastructure

3.6 The Task Group heard that Merton's Economic Development Strategy aims to drive economic growth, create new jobs, support businesses, support the local economy and tackle unemployment in the following ways:

- By retaining large and medium size companies;
- Supporting business growth and start-ups;
- Attracting new companies into Merton (inward investment);
- Supporting Shopping / Town Centre growth, including BIDs (Business Improvement Districts);
- Supporting identified sectors; and
- Supporting unemployed people into work

#### *Economic Wellbeing sub group*

3.7 Members also considered the work of the Sustainable Communities Thematic Partnership and the work of the Economic Wellbeing Sub Group. The Group had been set up with similar aims to those of the Task Group Review which were as follows:

- Build a strong working relationship between suppliers and providers of skills, training and employment;
- Understand the barriers that exist in Merton to employment and training opportunities, including financial, social and in particular the changes to welfare benefits that affect employment and economic wellbeing;
- Develop coherent ways of communicating opportunities for employment and skills development;
- Seek and review feedback from employers in order to develop employment led skills and training initiatives to meet their employment needs;
- Monitor the development and delivery of the Skills and Training Action Plan;
- Create of a Work Readiness Programme including apprenticeships and volunteering opportunities that lead onto employment;

- To bid for funding that supports the aims and objectives of the Economic Development Strategy and other council strategies promoting employment, skills and training;
- To share information and good practice, hence better use of public and our partners resources;
- Establish an understanding of the council's role and our partner's roles;
- To provide the Merton Partnership with economic and employment performance management information; and
- To review membership and invite other partners involved in the delivery of employment skills and training

3.8 The Task Group considered how their work might compliment the Sub Group review, rather than duplicate their efforts, acknowledging the good work that was being undertaken by the group at present. Members agreed to engage representatives, including the Co-Chairs, from the Sub Group in their review to seek evidence and information on activities underway to avoid making recommendations on improvements that were already being made or considered.

#### *Merton's economy*

3.9 Members learned that Merton is a small borough with a population of 199,700 and a small business economy, comprising 7,420 businesses, employing 57,000 people. Merton has 69,800 jobs (the equivalent to 33 jobs per 100 residents) and the majority of Merton's businesses (82%) are micro businesses, employing 4 or less staff. Merton also has 20 large private sector companies and 178 medium size firms.

3.10 The main sectors in terms of employment size in Merton are :

<b>Sector</b>	<b>Employment numbers</b>
Business & Professional Services, Finance and IT	20,470
Retail & wholesale	12,603
Health & Education	12,343
Manufacturing and construction	6,835
Hospitality & food service	5,781
Transportation and storage	3,557
Creative industries	2,195
Public admin	2,142

3.11 The major private sector companies located in Merton include:

- Tesco and Sainsbury's;
- Capsticks (Legal);
- Square Enix (IT & computer games);
- White Light (Creative); and

- Carclo Plastics (High Tech manufacturing)

*Merton's economy in common with the rest of London*

3.12 Members heard that Merton is dominated by the service sector, with a far lower proportion of employment in Financial Services, IT and business and professional services compared to London as a whole. The higher proportion of employment is based in wholesale, retail and accommodation/leisure services. However, construction and manufacturing industries, though accounting for a low total employment, account for relatively more jobs in Merton, compared with London as a whole.

*Future Merton*

3.13 The Council's Regeneration Department has an Economic Development Team to lead on this activity. The Future Merton Team is responsible for:

- Developing strategies and programmes to bring jobs, support businesses and attract new companies into the borough;
- Working in partnership with employment & skills agencies, relevant Council depts. and local voluntary organisations to tackle the unemployment and skills problems, particularly in the East of the borough; and
- Leading on the borough's Economic Development and Skills & Employment Strategies and Action plans

*Merton: current employment and unemployment position*

3.14 Members learned that there has been very little jobs growth in the last 10 years in Merton. The overall employment rate stood at 71%, which was above the London average of 68%. The unemployment rate stood at 7.3%, compared to the London average of 9.2%. In addition, the borough had 2.7% of its population on Job Seekers Allowance (3,865 residents) which was relatively low compared to London's unemployment rate of 4.2%.

3.15 Members established that the volume of those seeking job seekers allowance were higher in comparator boroughs in South West London. For example, in Lambeth (11,870); Southwark (10,970) Croydon (10,640); Lewisham (10,350); and Sutton (3,450). However, Sickness Related Unemployment (SRU) was a major problem for Merton with more than 5,220 claimants. The wards with the highest unemployment were Cricket Green, Figge's Marsh and Pollard's Hill. The Task Group also heard that youth unemployment and young people claiming JSA stood at 4.2% which was lower than either the London (5.3%) or England (5.4%) average.

3.16 The Task Group learned that Merton has a highly skilled workforce with 50% of Merton residents holding a degree level qualification or higher which is much higher than the equivalent level in London (41.9%) or England (31.3%). Furthermore, 41.5% of the Merton workforce is

employed in either managerial or professional occupations compared to 36% across London as a whole and 29.2% in England.

- 3.17 The residents in the borough are economically mobile with a lower proportion of Merton's residents (27%) that "live and work" in the borough. The median annual salary of residents is £33,241 - higher than both the London (£31,935) and England (£26,615) averages.
- 3.18 In Merton the working age population stands at 145,800 (69.8% of the population) within an overall employment rate for Merton at 73.2%. Merton has 69,800 jobs equivalent to 33 jobs per 100 residents. Furthermore, the median annual salary of Merton residents is £33,200 which is higher than London (£31,900) and England (£26,600). Members heard that the data held on wages suggests that Merton has more employment in lower value sectors compared to London, with males on average earning a third more than female residents (much higher than the London average (15%).
- 3.19 However, Members were informed that there were stark differences between the East and the West of the borough.

#### *The Geographic divide: West*

- 3.20 The West is more prosperous with a higher number of jobs and higher skilled residents, accounting for 69% (48,400) of total employment. Residents in the West have significantly higher average levels of skills than individuals in the East with 62.8% of working age residents in Wimbledon having degree level skills or better, compared to just 36.2% of working age residents in Mitcham & Morden. Residents in the West have higher earning power with the "average earning" of Wimbledon residents being £40,400, compared to £28,000 in Mitcham and Morden.

#### *The geographic divide: East*

- 3.21 In the East there are fewer jobs due to the decline of industrial base and lack of businesses with growth and job creation potential. The area is more deprived with less employment opportunities and a lower skilled population. There are significant problems with the following amongst residents in the East:
- Generational unemployment;
  - Sickness related unemployment;
  - Literacy, numeracy, language, lack of motivation & employability skills problems - particularly among the NEETs;
  - A dependency on benefits and fear of moving away from them; and
  - Some clients from families with multiple issues needing longer term intervention and support

#### *Economic Inactivity in Merton*

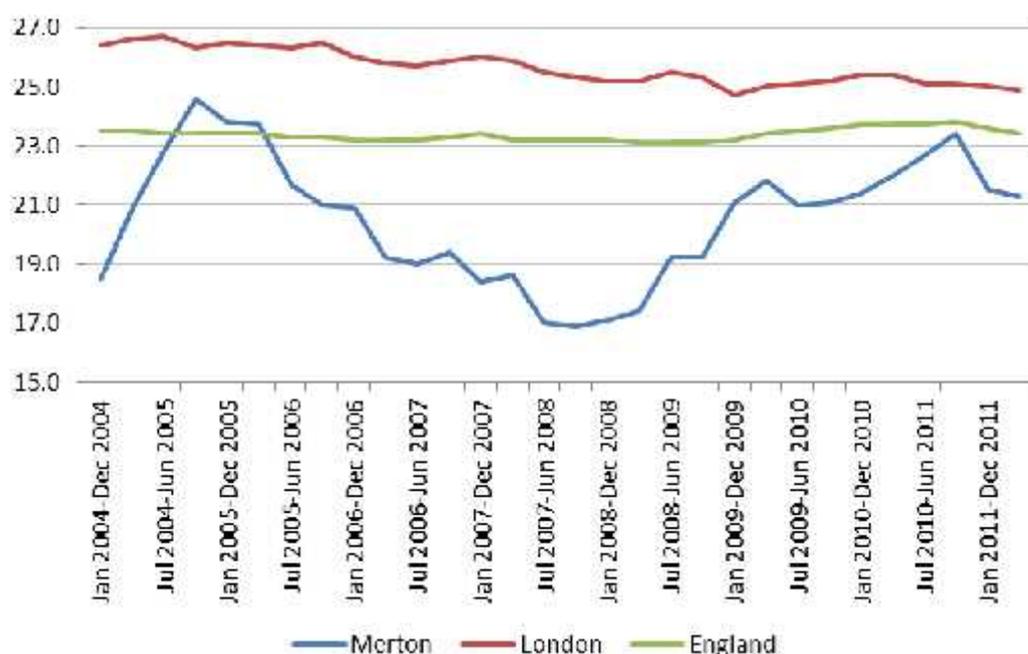
- 3.22 Members heard that working age residents who are not working and are not claiming work-related benefits are defined as 'economically inactive'. The increase in unemployment over the last three to four years has been

accompanied by a significant rise in the number of working age residents who have become economically inactive. Between 2008 and 2011, the proportion of economically inactive residents increased from 16.9% to 22.5%, whilst the equivalent proportion across London and England remained relatively stable.

3.23 Members learned that this indicates that part of the population in the borough has responded to the reduction in employment opportunities caused by the crisis by withdrawing from the labour market. Therefore in Merton, much more than in London or in England, there was a considerable risk that the increase in unemployment caused by the 2008 recession may become persistent over time.

3.24 The Task Group noted the economic inactivity rates in the borough, as represented in the table below:

*Economic inactivity rate as a % of working age population (2004 – 2012)*



Source: ONS Annual Population Survey.

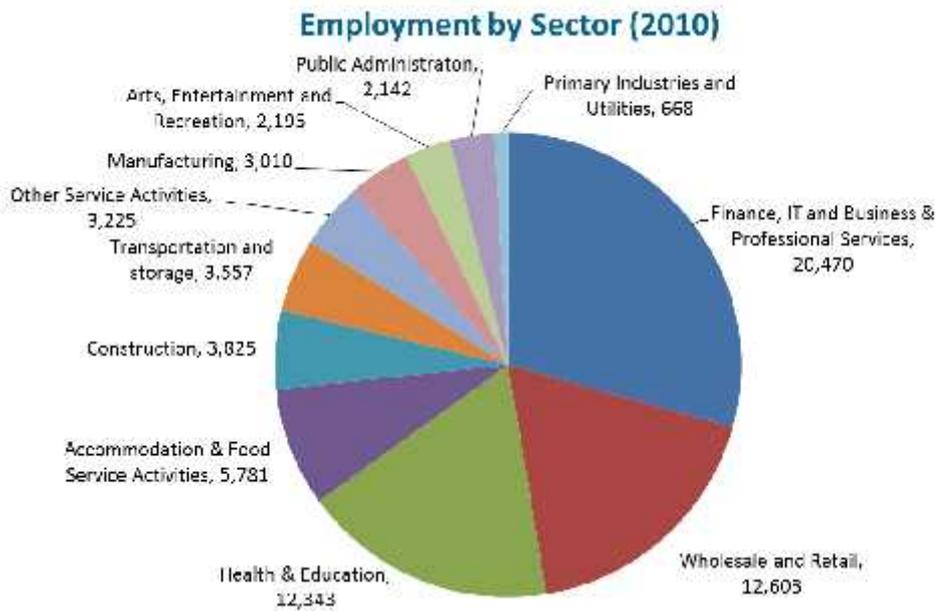
#### 4. Reducing unemployment

4.1 Members heard that there had been significant reforms to welfare and benefits, education, and skills policies by the Government in their attempts to reduce unemployment, improve skills and make the welfare and benefits system more efficient, some of which were explored by the Task Group and are outlined below.

##### *Employment levels in the borough*

4.2 The Task Group investigated the employment and unemployment levels in the borough, including the work that the council and partners were undertaking to address unemployment. Members also sought to establish a list of barriers to employment for those currently unemployed, on both a short and long term basis, to inform their recommendations.

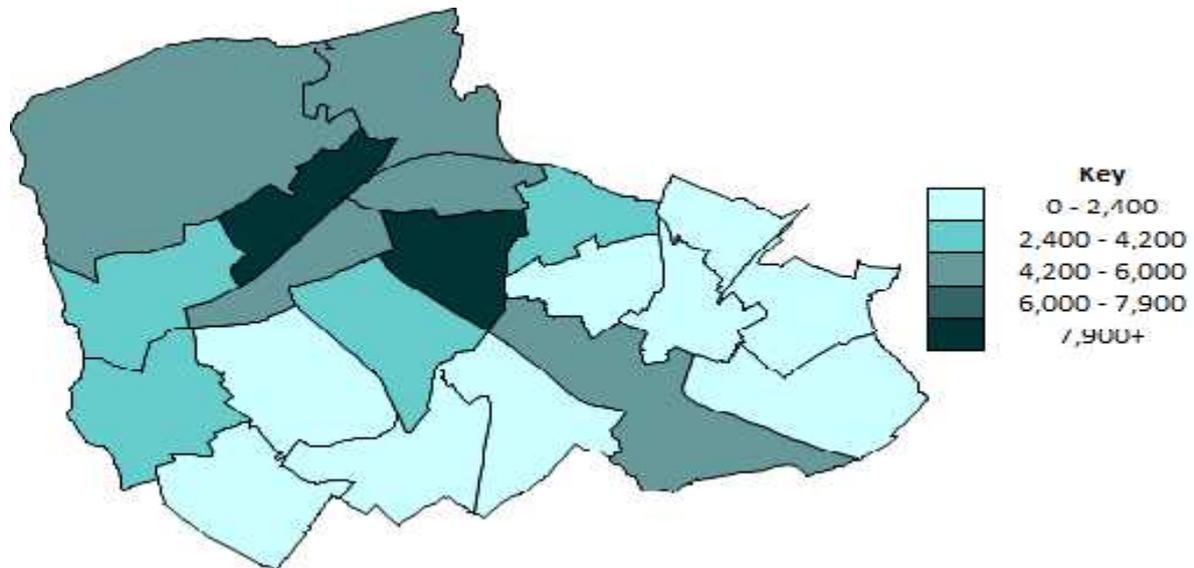
*Total Merton residents employed by sector:*



4.3 Acknowledging the issues highlighted and the gaps in the employment and skills levels in the East and West of the boroughs, Members explored the concentration of employment by ward, and the concentration of those in receipt of jobseekers allowance, as shown in the maps below:

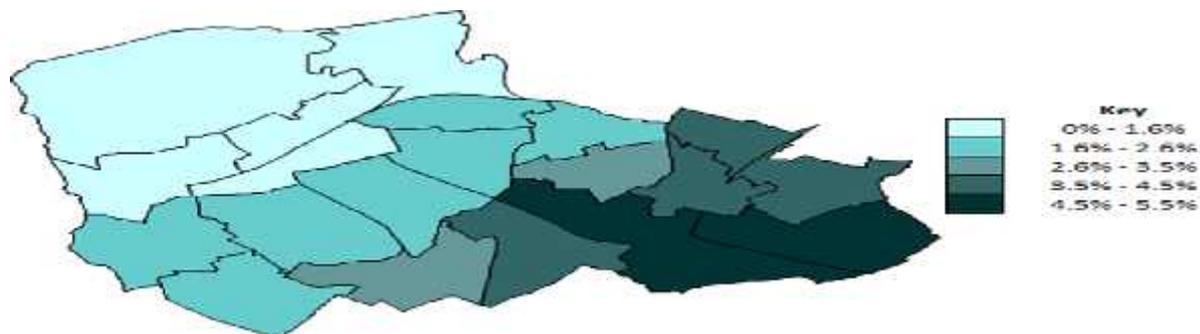
*Employment Concentration (by ward)*

Source: DWP Claimant Count with Rates and Proportions.



## Map of Merton - JSA Claimant Rate (as a % of working age population) by Ward (July 2012)

Source: DWP Claimant Count with Rates and Proportions.

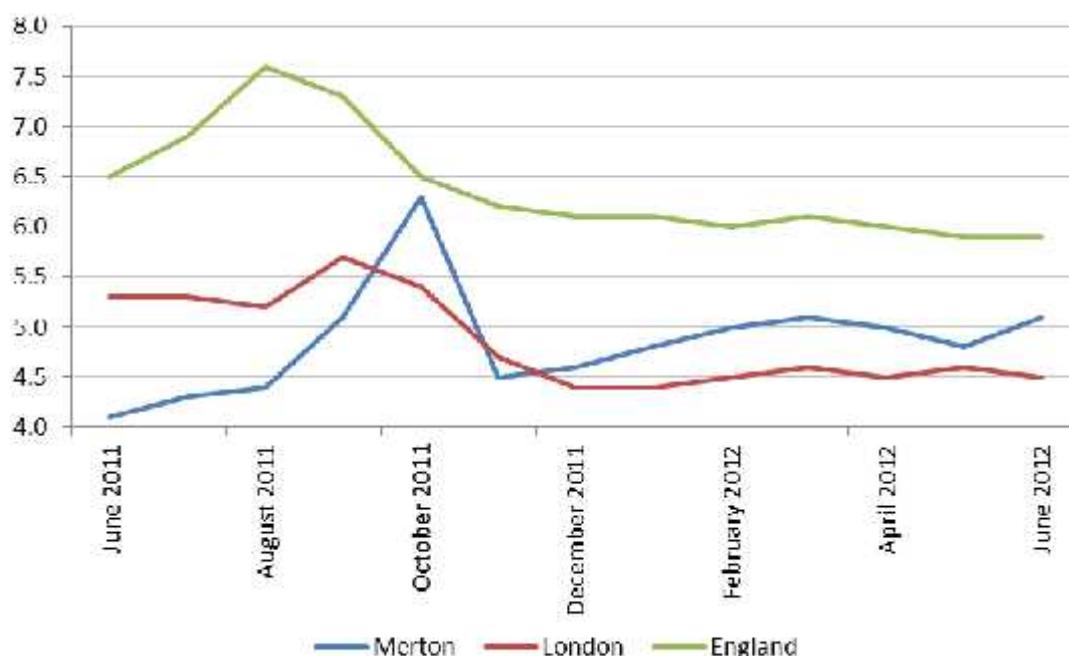


### NEET - Not in Education, Employment or Training

4.4 Members considered how young people have been affected by the recession looking at the proportion of 16-18 year olds who were not in employment, education or training (NEET)<sup>1</sup>. The latest data suggested that there were 294 young people in Merton who could be classified as NEET, though this figure should be considered with caution as it includes some young people for whom there is no information.

4.5 The graph below suggests that in the past year there has been a notable increase in the NEET population in Merton, which contrasts with the downward trend observed in England and in London. The proportion of young people classified as NEET in Merton is 5.3%, which is lower than the national average but higher than the London average.

### Proportion of 16-18 year olds who are NEET (%) (2011-2012)



Source: London Skills and Employment Observatory.

- 4.6 Members heard that young people who are classed as NEET are overwhelmingly concentrated in the east of the borough, particularly around Mitcham and that within the borough, there is a slightly higher proportion of males than females who are identified as NEETs, at 55% to 45%. Over 40% of observed young people who are classified as NEET are suspected to require some kind of hands-on support to maximise the chances of achieving employment. 20% of NEETs in Merton are considered to require 'intensive' support.
- 4.7 Members invited the following stakeholders from community organisations to highlight their work in tackling unemployment and, from their experience of working with unemployed residents, to outline what they felt were the barriers that existed for those seeking work.

#### *Merton Chamber of Commerce*

- 4.8 Members invited the Chief Executive of Merton Chamber of Commerce (MCC) who explained that the Chamber was a limited company and non-profit making organisation which was set up in 1992. The overall objective of the Chamber was to protect and develop the interests of the business community based in the London Borough of Merton. Through MCC Business Solutions, the Chamber also provide a range of services for start up and established businesses, working in partnership with many local organizations to support their members to connect with services they offer, including training, apprenticeships and links with the Mayor of London and the Greater London Authority, and other sub-regional partnerships.
- 4.9 In interacting with the business community the Chamber had sought feedback from employers on the issues they faced in accessing the skills pool they require to meet business need in the borough. Members learned that whilst larger businesses in the area as employers are attracted by access to a well qualified pool of labour, employers had increased choice in the current market and often chose people who were overqualified.
- 4.10 The Task Group heard that unemployed people also needed to be *earning rather than rehearsing*. Despite the availability of work placements and apprenticeships, they tend to be short term and therefore the candidates don't get sufficient experience of a working environment. The Chief Executive of MCC advised that placements needed to be longer term to be a positive experience for the individual and to ensure that it motivated people to seek employment and/or continue training and skills development outside of the placement.
- 4.11 The Chief Executive of MCC also highlighted that attitude and aptitude were key to securing work placements and employment and that sometimes people do not have the appropriate approach to securing employment or the correct attitude. This requires some management of expectations of employment or work experience amongst unemployed people.

- 4.12 Members were informed that the harder to help clients were the focus of the Jobcentre Plus. The length of unemployment recorded by the centre stood at 6 months or less for the majority of people who flow on and off the unemployment register. 57% of those people unemployed are of prime working age, between 25 and 49 years of age. Members were not surprised to hear that the bulk of unemployment was in the East. However, more men than women were looking for work and many had expressed that they would not be willing to undertake work experience to facilitate their route into employment.
- 4.13 Whilst the number of jobs available was a primary barrier, there were also issues regarding what unemployed people felt willing or able to do to access employment. For example, some people in the East of borough were only willing to travel 0-2 miles to work, with people in the west more likely to commute and secure employment outside of the borough. The key issue here, it was suggested, was instilling confidence and motivating people whilst supporting them through the process of identifying jobs, applying, interviewing and overcoming the barriers they feel exist, as illustrated above, in travelling within or outside of the borough for work.

#### *Commonside Community Trust*

- 4.14 Members met with the Manager of the Commonside Community Trust, who was also the Co-Chair of the Economic Wellbeing Sub Group of the Sustainable Communities Thematic Partnership (along with the Chief Executive of MCC). The Economic Wellbeing Sub Group responsible for overseeing delivery of an Employment Action Strategy, highlighting the importance of partnership working in sharing opportunities, monitoring performance, and delivery of projects to tackle unemployment.
- 4.15 Members heard that Commonside Community Trust deliver community events, and support community development, as well as facilitating the following activities to support unemployed people into work, to develop the necessary skills, including soft skills such as confidence and motivation:
- Provide an information portal for local companies/employers to find out what support is available;
  - Café in the centre for people to drop in and seek support;
  - Workshops delivered by volunteers to support people back into employment;
  - Lunch Club for older people offering support;
  - Accreditation for volunteers who work at the Trust; and
  - Step Forward Programme, working with 100 families per year who require support to manage everyday living, tailoring support to ease them back into work
- 4.16 Members were pleased to hear evidence from a volunteer at the Commonside Community Trust who delivered workshops to unemployed people and provided a drop in session which supported residents with

application writing, CV production and interview skills, as well as job searches and entitlement to support and welfare.

- 4.17 The barriers identified focused on soft skills such as confidence and motivation. Members heard that the enthusiasm of people seeking to find employment can wane if they are constantly failing to secure employment or if they find it too hard to write CV's or perform well at interviews.

### *Grenfell Housing*

- 4.18 Members heard from Steve Boucher, Grenfell Housing, a voluntary sector group that provides housing for young single people to prepare them for independent living. Members were informed about a programme that was being delivered that focused on the individual holistically, providing young people with independent living training and on moving them forward with their qualifications and into employment.
- 4.19 Members learned that this programme was funded by the Skills Agency in the main and also the London Learning Consortium. Grenfell Housing also received a Performance Reward Grant which was jointly applied for by voluntary sector organisations and the council. Each of the 5 organisations involved employed 5 young people. Each person then worked on a full time basis for 9 months with a host organisation and undertook training alongside this placement. The training involved young people working together to enrol another 50 young people into the programme and has resulted in placements at the council, YMCA, Citizens Advice Bureau, Merton Chamber of Commerce, and Merton Priory Homes.
- 4.20 As part of the programme young people presented ideas to a Panel of employers, taking part in project planning and marketing, brand management and also participating in borough wide consultation on, for example, regeneration plans for Mitcham. Further to the programme 4 of the 10 people involved have secured jobs and 3 of the 10 people have secured extra time on placements with employers. The scheme also has a good retention rate. The Task Group were pleased to hear that the training programme has now been expanded to the local community and aims to up skill low skilled people.
- 4.21 Members heard an example of one of the programmes called 'Making moves' which uses music as a hook to get young people involved. Engagement in the programme helped young people with employability skills and has resulted in 8 young people securing employment. Members were informed that there was a demonstrable increase in confidence, and in basic skills such as literacy, numeracy and IT. The Task Group was informed that these programmes were not just about qualifications, but also about encouragement, motivation and confidence building.
- 4.22 The Task Group heard that future programmes would be delivered as the organisation had secured an additional £700,000 funding for skills training, as part of a demand led pilot scheme. The involvement of partners in delivering these programmes was key. For example, the involvement of Job CentrePlus, with their knowledge of where the pool of jobs is, can influence the make up of the courses to reflect skills need.

4.23 Steve Boucher informed Members that there were a number of avenues for improving the opportunities to young people, including increasing the number of apprenticeship schemes available that offer technical skills, as well as softer and academic skills, making people more aware of the expectations of employers when people undertake employment or work experience placements, and engaging employers by offering incentives.

#### *Citizen Advice Bureau*

4.24 Members heard that the Citizens Advice Bureau had seen 986 new clients in 2012/13, at outreach, seeking advice on unemployment, redundancy and benefits. A breakdown by ward was provided which indicated that a significant number of clients seeking this advice are based in the East of the borough.

4.25 Members heard that the barriers to accessing employment and support were i:

- The effects of poverty on health, social well-being and ability to train and take advantage of opportunities (for example, the digital divide, travel to interview or travel to work costs, basics like good hygiene and presentable clothing are a problem);
- Costs of childcare – despite subsidies parents are expected to find 30% of the cost outside of the benefits they receive as part of the tax credits scheme;
- Lack of job opportunities due to wider economic factors;
- Stigma surrounding benefit claiming, especially while in work. There is an increasing problem due to demonization of claimants by the government and media and a distortion of “scroungers”; and
- Poor housing – there is an increasing cost of housing that is of a poorer quality which is an issue. There is a fear factor in complaining to landlords because of a shortage of accommodation and insecurity arises from poor housing and insecure tenancies.

4.26 Members learned that support into employment is hampered by these issues, with people less likely to engage. The coercion into work through the benefit system only worked to a limited degree, in the experience of the officer from the Citizens Advice Bureau. Furthermore, he added that forthcoming benefit changes were also likely to make the situation worse.

#### *Whitelight Ltd*

4.27 Members met with the owner of Whitelight Ltd which is a creative company that provides entertainment lighting. As a creative company it receives a lot of interest from people seeking employment in this area, both graduates and non-graduates. Whitelight Ltd offer an apprenticeship scheme to train people to become semi-skilled in terms of warehouse operations and to acquire a number of qualifications by the time they leave to enable them to

join other entertainment venues. Most applications for apprenticeships are received through the website.

- 4.28 Whitelight Ltd employ people who have a passion and an interest in the service and has taken on 4 apprentices in the last year, with 3 offered jobs at the end of the apprenticeship. Some of the company's staff live in the borough. Members heard that those employed by White Light who do live in the borough tend to be less well skilled.
- 4.29 Members learned that Whitelight Ltd also supported the local community through the Wimbledon Civic Theatre Trust and founded the South Wimbledon Business Association with help from the council. This programme involved 220 businesses providing better quality services for the business estate.
- 4.30 The owner felt that local industry should be more involved in careers advice at schools and colleges to prepare people for work and that with creative industries, as with other businesses there would be benefits in developing a hub to promote businesses in Wimbledon. Members were informed, however, that the Council was looking at a portal for the creative industries with Wimbledon Art College at present.

#### *Barriers to employment*

- 4.31 The Task Group heard from the range of stakeholders on the barriers to employment which were identified as the following:
- Literacy, numeracy, language, lack of motivation & employability skills problems - particularly among the NEETs;
  - Generational unemployment ;
  - Sickness related unemployment;
  - A dependency on benefits and fear of moving away from them;
  - East is relatively poorly connected in terms of transport links to access employment;
  - Having the right qualifications;
  - Lack of experience of the work place;
  - Unrealistic expectations;
  - Poor job hunting/CV skills;
  - Lack of experience;
  - Lack of confidence;
  - Entrenched in unemployment as a way of life which some people find it hard to get out of;
  - Poor social skills;
  - Poor behaviour;
  - Not aware of how to apply for jobs;
  - Need lots of support to find work;
  - Motivation;
  - 50% of population don't have access to a PC;
  - Access to funds to get clothing for interviews/travel;
  - State of mind about employment;

- Parents conclude they are better off staying at home linked to the benefits system;
- English as a second language;
- Disability and health; and
- Intergenerational unemployment

**Recommendation 6 – That Cabinet endorse the provision of tailored support programmes in local libraries to support writing applications, CV’s, and accessing online resources for interview practice etc, building upon the good practice that already exists in libraries, as part of the councils assisted digital strategy.**

*What is the council doing to tackle unemployment?*

4.32 The key aims for the council in supporting Merton’s unemployed back into work are:

- Providing the necessary skills and supporting the long term and young unemployed into work;
- Ensuring that education and training provision is informed by employer demand;
- Reducing the numbers of NEETs / youth unemployment;
- Reducing long-term unemployment;
- Increasing the numbers of apprenticeships;
- Addressing barriers to work; and
- Using local procurement to support improved employment and skills outcomes for unemployed residents

4.33 The council is seeking to tackle unemployment with partners in the following ways:

- MAE delivers 5000 courses across 3 locations and holds 2 contracts;
- Adult Skills Budget delivers qualifications and first step programmes;
- Community learning for non-qualification courses is delivered;
- Merton Priory Homes support residents via the Training and Employment Centre;
- Delivering a Business Enterprise Programme supporting start-ups, delivering repairs, maintenance contracts and Decent Homes – local jobs and apprenticeships;
- South Thames College provides a range of employability courses – retail, door supervision, cleaning, health sector, ESOL, IT, preparing for employment and delivering apprenticeships;
- Volunteer Centre Merton have a work programme for people with mental health problems/learning disabilities;
- Merton’s Transforming Families programme includes employment support initiatives for families;

- Commonsense Trust provides CV and job search drop in sessions (as detailed above);
- Merton Chamber of Commerce engage with businesses to support consult and advise;
- The councils Economic Development Strategy proposes increased partnership working to step up engagement with businesses;
- Merton Priory Homes work with construction companies delivering repairs, maintenance contracts and Decent Homes creating local jobs and apprenticeships;
- South Thames College offers courses in civil engineering, building services, hairdressing, dental nursing, facilities management, business administration and customer services;
- Skills for Life Programme;
- Employees Assistance Programme;
- Council have set up an inward investment, Skills Strategy, Business Support Programme, and Loan Fund as part of its Economic Development Strategy;
- Economic Wellbeing Sub Group co-ordinate apprenticeship programme/outreach, match employer need and access funding;
- Merton Adult Education provide pre-apprenticeship training as part of the Merton Workforce Development Strategy;
- Volunteer Centre Merton have a contract with the council to run a 3-4 year libraries programme; and
- JobCentre Plus has initiatives to work with local employers to ensure greater provision of work experience, offers financial support to address barriers to work, and works with partners to target clients in deprived wards

**Recommendation 4 - That Cabinet considers establishing an information portal for use by partner organisations to facilitate greater information sharing, working with the Economic Wellbeing Sub Group.**

#### *Impact of the Welfare Reform Act*

- 4.34 Members considered the changes to the current benefit and welfare regime brought in under the Welfare Reform Act to establish the impact it would have on the numbers of people seeking employment, as well as the support requirements of those currently in receipt of benefits that may no longer receive it.
- 4.35 The Welfare Reform Act received royal assent on 8 March 2012. The Act makes changes to a number of elements of the existing benefits regime which include:
- introduction of a benefit cap for out of work households;
  - introduction of Universal Credit to replace existing benefits such as Income Support/ JSA;
  - measures to tackle under occupation in the social rented sector;
  - changes to the local council tax support scheme;

- Introduction of the localised replacement for the Social Fund, Crisis Loans and Community Care Grants.
  - Introduction of personal independence payments to replace working-age disability benefits.
- 4.36 From April 2013, the Government introduced a benefit cap to limit the total amount of weekly welfare benefit and housing benefit paid to out of work families of single claimants. Total benefit caps are set at £350 per week for single claimants and £500 per week for couples and lone parents.
- 4.37 The Department for Work and Pensions have indicated that approximately 290 households in Merton will be affected by the cap. Of those affected, DWP have also indicated the following:
- 15 families could be over £350 per week worse off
  - 30 families between £200 and £349 per week worse off
  - 64 families between £100 and £199 per week worse off
- 4.38 The Department for Work and Pensions (DWP) has sent direct mailings to all potentially affected households. Merton will administer the cap by reducing a claimant's housing benefit by the excess above the relevant cap. This reduction was effective from the 1 April 2013.

#### *Introduction of Universal Credit*

- 4.39 Members learned that the Government are also implementing Universal Credit which will be a single payment covering state benefits and housing costs. It is meant to encourage work and make the benefits system easier to understand and access. It is anticipated that from October 2013 the council will experience a reduction in new benefit claims received as new claims and change of addresses claims will start to be made directly to the DWP for Universal Credit under phase one. The Council currently receives in the region of 450 – 550 new claims per month: some of these (estimated between 60-80%) will still be made as they are not included in phase one (claims from pensioners and in work customers).
- 4.40 From April 2014 there will be a further reduction in the council's involvement in the process as all new claims and change of address claims for non-pensioners will be made directly to the DWP. The DWP have not yet indicated how they will transfer the remainder of claims over to Universal Credit but the timescale is for this to be completed by 2017. However, the latest position from the DWP is that council will retain the administration of housing benefit claims for claimants in temporary accommodation and supported accommodation.

#### *Under occupation in the Social Rented Sector*

- 4.41 From April 2013 claimants that live in the social rented sector will have their housing benefit levels reduced if they under occupy their home. The DWP has indicated that there will be approximately 70,000 working age claimants affected in London and the average weekly reduction in housing benefit will be £21. There will be a 14% reduction in rent for under occupation of one spare bedroom and a 25% reduction for under occupation of two or more spare bedrooms. There are approximately 7,500 social rented sector housing benefit claims in Merton.

4.42 Members heard that the DWP impact analysis for London and the South East shows that 22% of working age claimants will be affected. Pensioners and some other categories are exempt from this change.

*Local Council Tax Support Scheme*

4.43 The Task Group was informed that the Local Council Tax Support schemes will replace the existing national council tax benefit scheme. From April 2013 all councils will be responsible for their own council tax support scheme which will see a 10% funding reduction. Members were pleased to hear that Cabinet had proposed to absorb the funding reduction and retain the existing scheme as its local council tax reduction scheme.

*Discretionary payments under the Social Fund*

4.44 Members heard that under new arrangements Crisis Loans and Community Care Grants would cease and that a grant would be given to Council's to develop a local support scheme from April 2013. The DWP indicated that in 2013/14 Merton would receive £366,000 of funding, along with £77,000 administration costs.

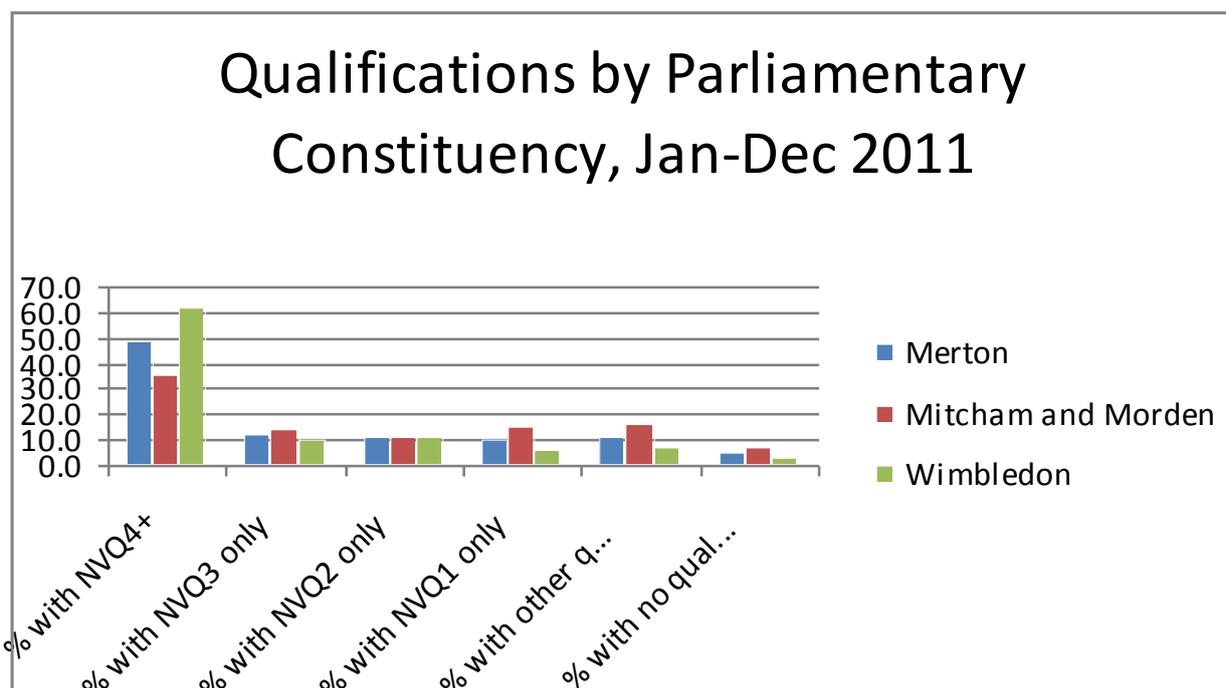
*Introduction of a Personal Independence Payment*

4.45 The Task Group were informed that the reform of disability living allowance (DLA) would mean that DLA would be replaced by a personal independence payment (PIP) for those of working age from April 2013.

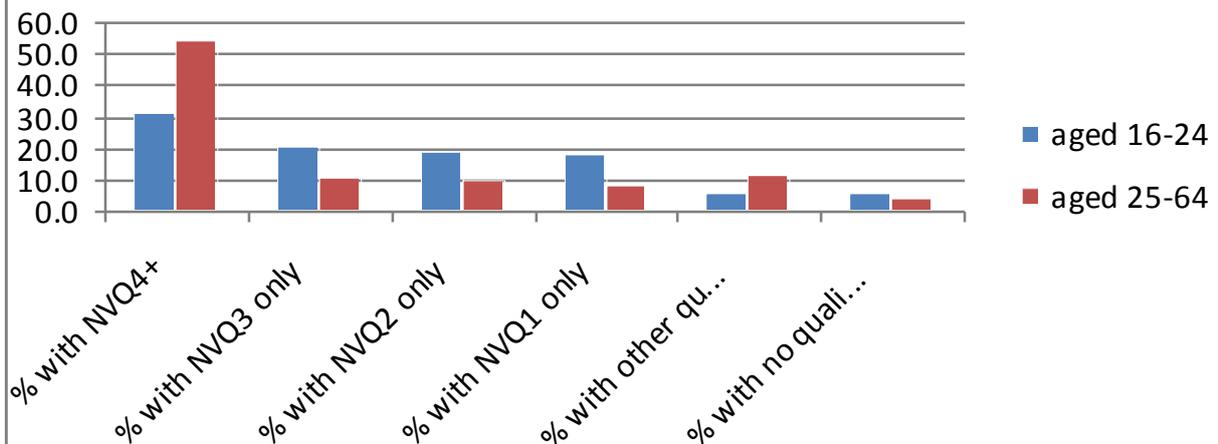
**5. Ensuring the right adult education provision**

5.1 Members considered the skills base of residents in the borough to determine if Merton Adult Education, and other providers, were offering the right courses and opportunities for skills and technical skills development in their current syllabus. Members reviewed the current skills base in the borough by ward, gender, age and by proportion of working age (16-64) residents with a degree or no qualifications.

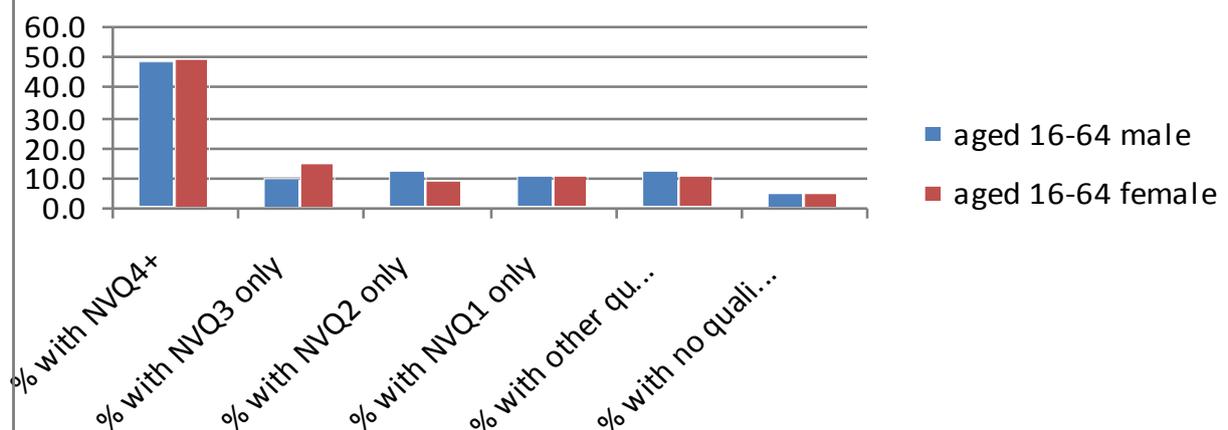
*Current Skills base*



## Qualifications by Age Groups (Merton), Jan-Dec 2011



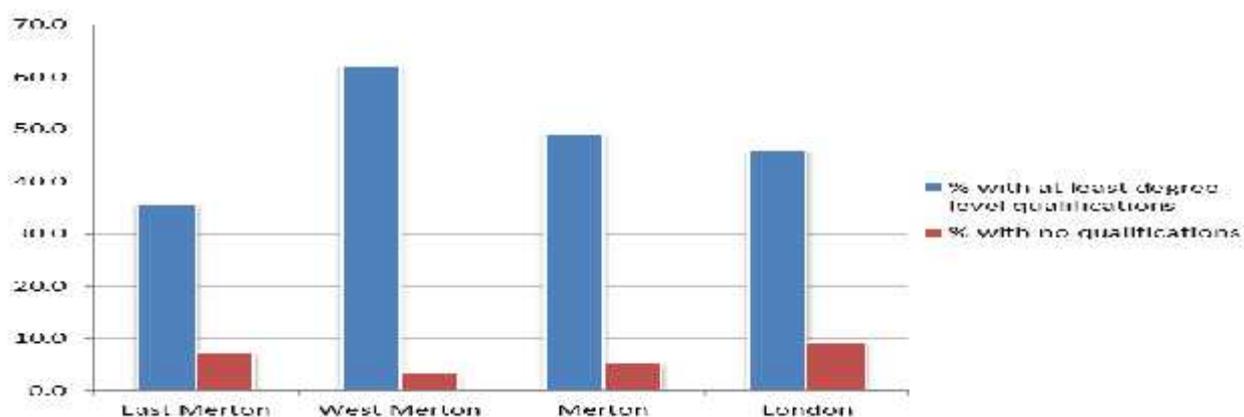
## Qualifications by Gender (Merton), Jan-Dec 2011



## Proportion of working age (16-64) residents with at least degree level or no qualifications (2011)

Source: ONS Annual Population Survey

- More working age **male** residents have degree level (NVQ5) or higher
- A greater proportion of **women** hold A-Level or FE qualifications
- There is very little difference between the proportion of men/women who have no qualifications



5.2 Members met with the Head of Community Education and heard that Merton Adult Education (MAE) delivers courses to over 5000 learners annually. A key priority for the service had been to widen participation amongst the more disadvantaged learners. Courses were delivered over 3 main sites, in partnership, funded primarily by the Skills Funding Agency and Department for Business, Innovation and Skills. Funding is negotiated in line with clear criteria set by the funding body. Members were informed that the service also receives additional funding for NEET's (Not in Education, Employment or Training). This provision helped subsidise some other courses.

5.3 The Task Group heard that provision covers qualifications, non-qualification courses and community learning. Members were pleased to hear that there was an opportunity to look at how softer, as well as academic and technical skills can be developed through study, equipping them with the confidence and the skills they need to get a foot in the door and to ease them into training/learning and employment.

5.4 Merton Adult Education delivers programmes under 3 distinct contracts, as follows:

### Adult Skills Budget (ASB)

5.5 Qualification programmes based on formulae related to the number of learning hours generated. **First Steps** courses are short non-qualification courses designed to support progression into further education. **For qualifications courses:**

- 34% of learners live in a disadvantaged ward
- 72% of learners are non-white
- 63% of learners are entitled to concessions

<b>Qualification Courses</b>		
	<b>Enrolments</b>	<b>%</b>
Crafts	8	1
English	105	9
ESOL	545	49
Early Years	93	8
IT	8	1
Maths	86	8
Mind & Body	9	1
Foreign Language	25	2
MAE Training	117	10
Learning Difficulties	121	11
<b>Total Learners</b>	<b>1117</b>	<b>100</b>

<b>First Steps</b>		
	<b>Enrolments</b>	<b>%</b>
Employability	46	11
ESOL	37	9
Early Years	14	3
IT	122	30
Mind & Body	63	16
Foreign Language	88	22
MAE Training	32	8
<b>Total Learners</b>	<b>402</b>	<b>100</b>

## Community Learning

5.6 Non qualification courses including Personal Community Development Learning, Family Learning, Family English and Maths and Neighbourhood Learning for Deprived Communities. For the **personal development courses**:

- 23% of our learners live in a disadvantaged ward
- 29% of our learners are non-white
- 23% of our learners are entitled to concessions

## 16-18 Funding

5.7 Qualification programmes for 16-18 year olds delivered.

## Curriculum areas

5.8 Members heard that the following curriculum areas are offered by Merton Adult Education:

<b>Merton Training</b>	Teacher Training, Customer Services, Business Administration, Health and Safety, Health and Social Care, CIPD, Adult Social Care, Food Hygiene, Leadership and Management Bespoke programmes. NEET Work Preparation
<b>Employability</b>	Passport to work, Job Search, Social Enterprise
<b>Fine Art &amp; Crafts</b>	Jewellery, Stained Glass, Upholstery, Woodwork & Furniture Restoration, Wood Carving, Photography, Using a Digital Camera, Portrait and Life, Pottery, Sculpture, Interior Design, Literature Appreciation: The Family, Mosaics, Oil Painting, Drawing and Painting, Painting all media, Pastel Drawing, Art & Patronage in Smaller Italian Cities, Flower Arranging and Floristry, Hand Tied Bouquet, Clothes Making, Embroidery, Soft Furnishing,
<b>Fitness &amp; Wellbeing</b>	Flamenco, Not Strictly Ballroom, Acoustic Guitar, T'ai Chi Ch'uan, Yoga, Pilates, Zumba
<b>Mind &amp; Body</b>	Manicure, Nail Art, Skin Care, Indian Head Massage, Reflexology, Nutrition, Waxing, Shiatsu, Head, Neck & Shoulder massage, Acupressure, Reiki, Self hypnosis & NLP, Mind Fitness,
<b>Early Years</b>	Childcare, Classroom Assistant, Learner Support, Early Years
<b>Family Learning</b>	Delivered in partnerships with schools and voluntary sector, Keeping up with the Children, Family IT, Science, Mosaics, Funky Flowers, Spanish, French, Crafts, Art, Play
<b>Information Technology</b>	Web Construction, Desktop Publishing, Microsoft Project, Computing for Small Business, Computer Aided Design, Digital Imaging & Restoration, Internet for Silver Surfers, IT to get that job, PC Trouble Shooting, Excel, Word, Outlook
<b>English &amp; Maths</b>	Maths English, GCSE English, GCSE Maths, AS Level English Literacy, Fashion and Media with Literacy, and workshops for CV writing, Get that Job etc
<b>Modern Foreign Languages</b>	Chinese, French, German, Greek, Italian, Japanese, Polish, Russian, Spanish, Portuguese, British Sign Language,
<b>ESOL</b>	ESOL, ESOL for Work, British Citizenship and ESOL/Citizenship, ESOL/Literacy, ESOL/Numeracy, ESOL/ICT and ESOL for Vocational Learning
<b>Towards Independence</b>	Provision for adults with learning difficulties / disabilities Mental Health and Confidence Building – Art, Self Advocacy and Stress Management, Physical Disabilities – Art, T'ai Chi, Learning Difficulties/ Disabilities – Cookery, Pottery, computers, photography, media studies, personal safety

**Recommendation 10 – That Cabinet, in consultation with local businesses, considers the viability of offering additional courses/training that meet employer demand and may increase the employment opportunities of residents in the borough. The Task Group acknowledges that any delivery model and the courses that will be delivered are part of a wider Cabinet decision on the outcomes of the Public Value Review being undertaken of Merton Adult Education.**

**Recommendation 11 - That Cabinet explore the possibility of offering an enhanced set of courses and qualifications that are more attractive to employers for example, offering bespoke training to local companies or diplomas that enable students to graduate and move into the second year of a degree programme.**

**Recommendation 12 – That Cabinet support the development of the Merton Adult Education service as a commercial brand, alongside longer term work on further developing the reputation and provision of MAE.**

**Recommendation 13– That Cabinet consider setting up a virtual Merton Business School that will support Merton residents and existing and prospective businesses.**

**Recommendation 14– That Cabinet agree to Merton Adult Education becoming accredited to deliver higher level qualifications and to engaging local in the delivery of these courses.**

**Recommendation 15– That Council endorse the development and refresh of the Adult Skills Strategy and engage Future Merton and partners in this process to make the relevant linkages in terms of economic development in the borough.**

**Recommendation 5 – That Cabinet support/endorse adult employment and skills activities being delivered through the Partnership’s Economic Wellbeing Sub Group.**

### ***Apprenticeships***

5.9 The Task Group considered apprenticeships as a mechanism by which to address unemployment and to ensure skills development to meet business needs and equip individuals with the right qualifications to secure employment in the future.

#### *National Apprenticeship Scheme*

5.10 Members considered the opportunities that apprenticeships offered. Members learned that the The National Apprenticeship Service (NAS) supports, funds and co-ordinates the delivery of Apprenticeships throughout England, responsible for increasing the number of apprenticeships and simplifying the process of recruiting an apprentice through an online system.

5.11 The Task Group heard that apprenticeships bring considerable value to organisations, employers, individuals and the economy and those businesses across the country were increasingly realising the enormous benefits that Apprenticeships create, not only in terms of developing a highly skilled workforce but also by boosting productivity and staff retention. Research shows that Apprenticeships are an optimal way of training, developing and up, skilling people for the future, helping businesses to secure a supply of people with the skills and qualities they need and which are often not available on the external job market. Apprenticeships funded by the government, however, are only for people aged 18-24 years old.

5.12 Furthermore, the UK Commission for Employment and Skills has agreed the following set of principles around employer ownership of skills, with apprenticeships taking centre stage, by:

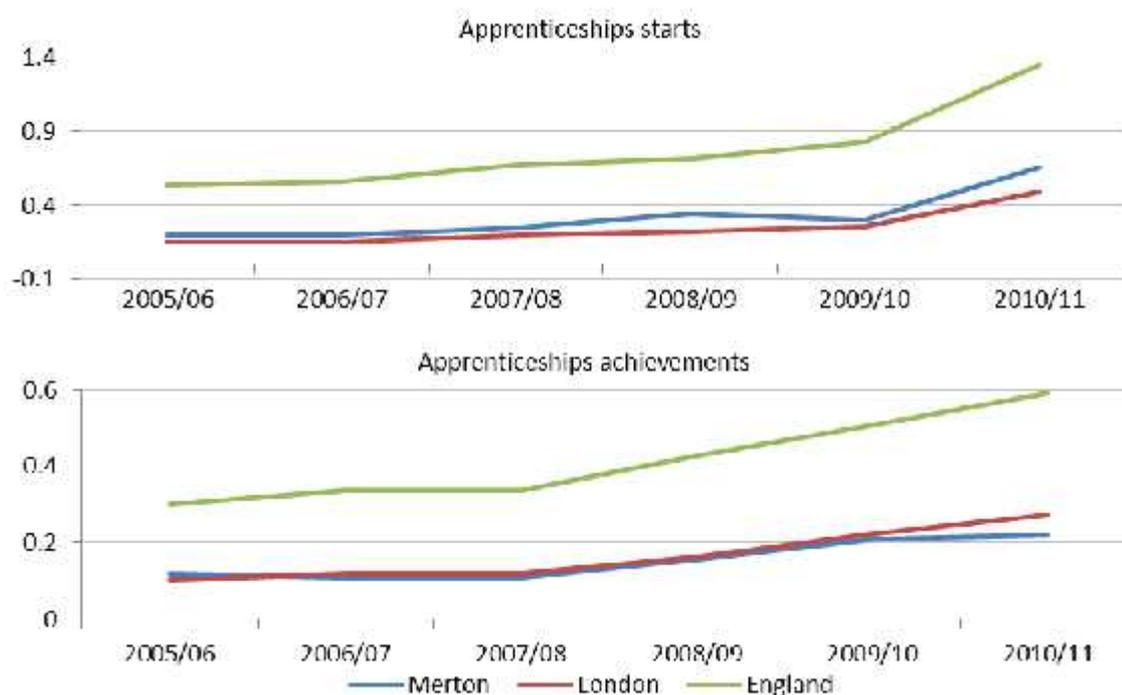
- Funding employers directly for apprenticeships;
- Moving from qualifications based provider funding to employer based investments and loans in skills;

- City Deals – agreements between LA's/LEPs and central government by policy commitment; and
- Apprenticeships - Aim to increase High or Advanced Apprenticeships (40% min target) And broaden access to programme from ethnic minorities and people with learning disabilities

### *Apprenticeships in Merton*

5.13 Merton has a relatively high proportion of apprenticeships to jobs compared to London, but significantly fewer apprenticeships per job compared to the England average. The graph below illustrates the proportion of apprenticeship starts and achievements as percentage of the economically active population in Merton, London and England. Although the number of starts and achievements has been rising over the past six years in Merton, the rate of apprentices in the borough is still very far from the national average.

*Apprenticeship Starts and Achievements as % of economically active population (2005/06 – 2010/11)*



Source: The Data Service - Apprenticeship Framework Achievements and Starts by Local Authority

### *Apprenticeships – Training and Recruitment Partnership*

5.14 Members consulted TRP as one organisation that delivers apprenticeship programmes in the borough. Training and Recruitment Partnership Ltd (TRP Ltd) is a private company located in Morden which is funded by the Skills Funding Agency (SFA) to provide advanced apprenticeships and apprenticeships for young people and adults in South London and the south east of England. Whilst the bulk of the work is funded through the SFA, a small number of apprentices are privately funded. TRP deliver Work Skills for unemployed customers across South London, working with a number of partners to increase the provision of apprenticeships.

5.15 TRP offers the following qualifications through their apprenticeship schemes, demonstrating the diversity of the apprenticeships available:

<ul style="list-style-type: none"><li>• <b>Accountancy</b></li><li>• <b>Advice &amp; Guidance</b></li><li>• <b>Bricklaying</b></li><li>• <b>Business Administration</b></li><li>• <b>Carpentry</b></li><li>• <b>Children &amp; Young People's Workforce</b></li><li>• <b>Contact Centre Operations</b></li><li>• <b>Customer Service</b></li><li>• <b>Fenestration</b></li><li>• <b>Health &amp; Safety</b></li></ul>	<ul style="list-style-type: none"><li>• <b>Learning, Development &amp; Support services For Young People</b></li><li>• <b>Maintenance</b></li><li>• <b>Management</b></li><li>• <b>Motor Vehicle / Paint Spraying</b></li><li>• <b>Painting &amp; Decorating</b></li><li>• <b>Plumbing</b></li><li>• <b>Site Maintenance</b></li><li>• <b>Supporting Teaching &amp; Learning in Schools</b></li><li>• <b>Team Leading</b></li></ul>
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5.16 Members were informed that apprenticeships are a positive route to employment for the following reasons:

- They offer an alternative pathway to young people;
- They combine on and off the job training with work skills; and
- They are the Government's primary route to skills and employability

5.17 The benefits to businesses employing apprentices can also be identified as providing a fully trained, competent workforce and reduced recruitment costs, with greater staff retention and motivation. For the individual, the benefits are waged employment, the opportunity to acquire a nationally recognised qualification, and the development of personal qualities and occupational competence.

5.18 Members learned that there are a range of apprenticeships available which result in differing levels of qualification, for example:

- Apprenticeship - equivalent to five good GCSE passes
- Advanced Apprenticeship - equivalent to two A-level passes
- Higher Apprenticeship - the apprentice will work towards a Level 4

5.19 Apprenticeships offer a work based programme designed around the needs of an employer, lead to recognised qualifications (BTEC or City & Guilds Award; NVQ or Functional Skills qualifications) and enable individuals who want a work-based learning approach to gaining qualifications with an opportunity to working towards Higher Apprenticeships and a Foundation Degree.

5.20 Members heard that an Apprenticeship generally takes between one to three years to complete with a mixture of on and off the job training, with the majority of time being spent in the workplace, supported by a mentor. The remaining learning is delivered by a learning provider which could be a specialist provider or an FE College.

5.21 The Task Group were informed that applicants for apprenticeships must have evidence of aptitude, motivation, a willingness to learn and the ability to achieve at level 2. Most colleges ask for GCSE or equivalent in line with

standard entry requirements and most employers look for relevant work experience in the sector.

5.22 The skills required of apprentices are as follows:

- Good communication skills, both verbally and in writing;
- Knowledge of customer care, able to deal professionally with personal and telephone callers;
- Accurate IT skills and knowledge of Word and Excel;
- Accurate and meticulous with a good attention to detail;
- Able to work flexibly within a team, asking for and giving support as needed;
- Able to follow procedures and to learn to work to deadlines; and
- Able to understand and respect the importance of confidentiality, inside and outside the workplace

5.23 Members were pleased to hear about the success of the apprenticeship schemes delivered by TRP, as outlined in the table below:

		National Success Rates for All Providers					
		2008/09	2009/10	2010/11	2011/12 R15		
All Frameworks		Overall	73.5 %	71.2 %	76.5 %	73.0 %	
		Timely	60.9 %	62.8 %	60.0 %	57.1 %	
		Provider Full Year				National	
		2008/09	2009/10	2010/11	2011/12	2011/12	
Overall	Achievers	49	71	30	690	266,530	
	Leavers	56	81	44	758	360,930	
	Success Rate	84.5 %	87.7 %	68.2 %	92.1 %	73.8 %	
Timely	Achievers	37	49	30	480	241,130	
	Leavers	52	114	86	793	422,170	
	Success Rate	45.1 %	43.0 %	34.9 %	61.7 %	57.1 %	

5.24 Members enquired about the role of the local authority in supporting apprenticeship schemes such as those delivered by TRP. The representative from TRP explained that the council could assist by providing internal vacancies, opportunities for work experience, and links to partner organisations and employers that may be interested in offering apprenticeships and by facilitating close working links with Jobcentre Plus. The Task Group was informed that Merton did run an apprenticeship programme with 25 apprenticeships being offered.

**Recommendation 1 – That Cabinet engage the councils apprenticeship group, and work closely with the Economic Wellbeing Sub Group to utilize existing good practice, to increase the number and diversity of apprenticeships available to adults from 18 years onwards (and beyond 24 years of age) to increase employment opportunities for adults.**

**Recommendation 2 - That Cabinet identifies and establishes 100 new apprenticeships in the borough for adults of all ages within the next 12 months.**

**Recommendation 3 - That the Council, engaging with all relevant departments increases the number of apprenticeships available for adults through the:**

- **Tendering process;**
- **Community Plan; and**
- **Regeneration Plans for Merton**

## **6. Attracting inward investment**

6.1 Throughout the course of the review it became clear to Members that going some of the way to addressing issues regarding unemployment in the area was to strengthen opportunities for attracting inward investment to the borough. This relied upon Merton's offer to prospective businesses and being clear about what this offer was and what could realistically be delivered. Working with the constraints the borough has in terms of land, buildings, its long term economic position, and the types of sectors that should be given priority and invested in to ensure prosperity in the future, the offer Merton has needed to be considered carefully.

### *Attracting inward investment – UK Context*

6.2 Members were informed that inward investment can provide significant economic benefits, in particular, the creation of a large number of jobs within a short period of time. In 2011/12 foreign companies created or safeguarded 112,659 jobs in the UK (UKTI) with foreign companies creating 52,741 new jobs in 2011/12.

6.3 The sources of inward investment are from the USA (with 24% of total investment, companies included Amazon and Warner Bros Entertainment); China (as the 3rd largest investor, with increased investment by 55%) and covering key sectors such as software, advanced engineering, finance, environmental technology and creative & media services.

### *Attracting inward investment: London Context*

6.4 The Task Group learned that London was the leading destination for inward investment for any UK region or European city attracting over a third of all Foreign Direct Investment (FDI) in 2008/9 and 2010/11. It is estimated that there are 8,400 foreign owned companies in London which have created 835,000 jobs in the capital. London therefore is the UK's market leader in several inward investment sectors including financial services, creative/media and fashion.

6.5 Inward investment in the delivery structure in the UK and London is overseen by UK Trade & Industry (UKTI), a government agency responsible nationally for promoting and attracting foreign inward investment (foreign companies) into the UK. The UKTI's role includes:

- Promoting the UK as a business location;
- Trade missions and international promotional trips; and
- Following up enquiries from foreign companies interested in locating in the UK and referring enquiries to regional partners.

6.6 London & Partners (L&P, formerly Think London) are an agency of the Mayor of London with lead responsibility for promoting London and attracting foreign companies into London with a target of delivering 200,000 inward investment related jobs over the next 4 years – from 2012/13.

#### *Current inward investment development and trends - London*

6.7 Members heard that inward investment attracted to the London area is mainly service orientated consisting of smaller scale, high value added projects, creating fewer but higher quality and highly skilled jobs. This has mainly been office/commercial development with locational preference to central London, Docklands/Canary Wharf, and West London. Members were mindful of the difficulties they might face in attracting inward investment in an outer London borough such as Merton.

6.8 The Task Group was informed that there was intense competition for inward investment between other EU countries and emerging markets and between London boroughs (as Merton will be competing for inward investment with Sutton, Kingston, Richmond and Croydon).

6.9 Members acknowledged that there was an increasing trend of foreign firms and even UK firms moving production and services to low cost countries which resulted in a poor outlook for the UK economy. Furthermore, Members heard that some London companies were considering moving out to other regions because of the lack of quality business space/industrial premises, to expand, and the high cost associated with doing business in London.

6.10 The Task Group were informed that investors gravitated to where like minded companies were located as they view the area as having a competitive edge. Other factors that influence investors locating to Merton were identified as quality of life, infrastructure and transport (because it is close to central London). However, where Merton faces issues in selling itself as a borough is its shortage of modern office space, appropriate sites, and the issues concerning planning barriers.

#### *Key drivers and requirements for attracting inward investment*

6.11 London and Partners advised that the following key drivers and requirements of businesses looking to locate to London should be considered:

- Modern, suitably–size and affordable business premises/space;
- Vacant and serviced sites – with the necessary planning consents for development ;

- Sector specific requirements such as:
  - Markets: size and growth prospects; proximity and access to markets/customers;
  - Pre-existing facilities and infrastructure for related supporting industries - such as suppliers, university research facilities etc.;
  - Presence of existing industries and sectors/clusters;
  - Good image and track record
- Good transport infrastructure and links;
- Availability of skilled and semi- skilled labour;
- Quality of life requirement; and
- Financial and other incentives

*Merton sites and premises (employment land offer)*

6.12 Members were informed that Merton had the least employment land compared to the other South London boroughs and 2nd lowest amount of office space in the SWL boroughs. Merton's office and industrial space is typically less modern than those found elsewhere in London, with 74% of Merton's B class employment land being Industrial, concentrated mainly in Mitcham, Mitcham Junction and South Wimbledon. Furthermore, 26% of B class employment land is office, heavily concentrated around Wimbledon Town Centre with smaller concentration around Morden and Mitcham Junction. The demand for commercial premises is mainly for office space, particularly within the Wimbledon area, with less demand for the other centres. Finally, demand for industrial premises is fairly low; however, there is demand for small modern units with good parking.

*Merton Councils commercial property offer*

6.13 Merton has mainly shops and industrial property which is worth approx. £50m and managed by the Council's Property Team. Industrial tenants range from large multi nationals (e.g. BT) in large units (3,000 sq ft to 20,000 sq ft) to small and new start up companies in small starter units (600 sq ft to 2,000 sq. ft.). The Property team has also recently secured high quality small business let's including a dentist, tailor and an Asian clothing shop.

6.14 All of the Councils commercial premises all fully let or under offer with key Council sites for potential inward investment located at Hartfield Road Car Park, Broadway Car Park and Wimbledon Community Centre.

**Recommendation 8 - That Cabinet undertake an appraisal of the opportunities for exploiting the SW19 brand to attract investment to the borough, working with the Wimbledon Business Improvement District, to develop a partnership led strategic vision for the borough.**

*Council led measures to attract inward investment*

- 6.15 Members were informed that Merton's business base was smaller and more vulnerable than that of London as a whole. Merton has fewer businesses relative to its population and these businesses tend to employ fewer people than the London average and achieve lower levels of turnover. Merton firms are also subject to larger levels of 'churn' than in London as a whole, with high rates of business 'births' matched by a high rate of business 'deaths.'
- 6.16 Merton has relatively few large and medium sized firms. The low number of large firms means that there is relatively little in the way of developed sectoral 'clusters' within the borough. Instead there are pockets of high value activity focussed around specific firms. Members noted that there were a range of companies that are part of the economic make up of Merton that should be engaged in discussions around the Merton offer and how they might assist in developing Merton as a brand. Going forward, officers explained that it would be important to work with the larger firms in the borough and those with growth potential in order to ensure that these firms can continue to expand within Merton.
- 6.17 Members were pleased to hear that an inward investment and business retention strategy was currently being developed which had a more tightly focused marketing campaign (including partnering with commercial/estate agents) to attract office-based companies that are already in London, into Wimbledon. The Strategy also supported the development of new, high quality office space and the refurbishment of existing space to a higher specification through the planning process and the business community to shape the Wimbledon "offer".
- 6.18 Furthermore, Merton Council was working with 'Love Wimbledon' BID to develop a prospectus to drive inward investment by capitalising on the SW19 global brand and working with the UKTI, London & Partners, developers and other partners to attract office, creative and manufacturing and other industrial investment to the borough. Members learned that a Business Improvement District (BID) is a not for profit company set up by businesses to improve an area. It is directed and funded by businesses to make improvements to the trading environment. The Wimbledon Business Improvement District was an area that the Task Group felt should be capitalised upon and welcomed the work of the 'Love Wimbledon' in driving forward a powerful focused agenda for change in the town centre, making it more attractive, vibrant and ensuring it was well represented, serviced and promoted.
- 6.19 Members consulted with the following businesses in the area to determine what attracted them to the borough and what they felt Merton's offer was to prospective businesses.

#### *KNK Building Services*

- 6.20 KNK provides facilities maintenance, repairs and improvement services, employing 50 staff. Members heard that staff turnover is minimal and that there is a constant stream of enquiries about employment opportunities to the company. The Director of KNK informed Members that the company

were keen to employ local people where the skills base was available and that they offer a number of apprenticeships each year.

6.21 Members learned that the reasons KNK chose Merton were:

- Location;
- Transport links;
- Business rates;
- Cost; and
- Infrastructure

6.22 The Director of KNK felt that making the borough attractive to prospective businesses was key and could be achieved through:

- Keeping the borough clean;
- Reducing the number of empty properties;
- Issuing business and trade permits to enable businesses to travel freely and without charge around the borough;
- Encouraging free holders to maintain empty properties to a certain standard;
- Business rate reductions to encourage businesses to occupy empty shops for short periods as an incentive; and
- Support activities and programmes for local businesses

6.23 Members were informed by local businesses that empty properties can contribute to decline in an area and therefore should be offered as 'pop up' shops in the interim to ensure people are still shopping in the area and to give smaller, newer businesses an opportunity to establish a customer base, even if it is in the short term.

6.24 Members discussed how empty business properties were managed and if the volume in the borough had been accounted for. It was confirmed that this work was undertaken as part of business rates monitoring and management. However, the Task Group was informed that the local authority had no rights to go into the property.

6.25 The Director of KNK added that Merton Chamber of Commerce had a good approach to getting problems resolved and that membership for businesses should be encouraged. Members noted the support activities and programmes delivered by the council and Merton Chamber of Commerce that could be utilised as a selling point for prospective and existing businesses in the borough.

#### *WhiteLight Ltd*

6.26 Members also invited the owner of WhiteLight Ltd, John Simpson, to comment on attracting inward investment. John Simpson suggested that the council play an advocacy role on behalf of struggling businesses to ensure landlords consider the possible ways of alleviating problems with payment of rent at certain periods. Whilst Members acknowledged that the council should do everything in its power to support businesses, it was

also important to remember that it can only support in defined ways. It would also wish to avoid the perception amongst businesses that the council provided a way of them 'propping themselves up' in this way in the long term.

- 6.27 John Simpson also proposed that the council offer incentives to prospective businesses looking to locate to the area, for example, rent subsidies to prospective businesses as a way of attracting inward investment.

#### *London and Partners*

- 6.28 London & Partners is the official promotional organisation for London attracting and delivering value with a focus on maximising opportunities for the capital as a place for businesses. London and Partners support organisations by developing a business case to encourage them to relocate to London, offering information on sector Intelligence, legal requirements, and a cost-effective set-up. They seek to find the right location and property by establishing what the transport links are, building and availability, the market and potential clients, the labour pool, and demographic mapping.

- 6.29 Members were informed that London and Partners develop good working relationships with London Boroughs as they are a vital and influential stakeholder and key to their understanding of the London offer and to introduce investors to borough opportunities and networks.

- 6.30 Members heard that London and Partners help businesses on a case by case basis and that investment was key as 1 in 7 employees in London works for a foreign owned company. There is also an assessment of the Gross Value Added jobs that could be created and what they add to the economy when attracting foreign investment.

- 6.31 The Task Group were informed that the dominant sectors that were being proactively targeted by London and Partners were:

- ICT;
- Creative; and
- Technology

- 6.32 The Task Group learned that 70% of foreign investors locate to inner London, and 30% locate to outer London. In terms of the regional overview for outer London boroughs, a number of sub regional partnerships had been set up to consider how to increase inward investment, for example, the South London Business Partnership and the South London Alliance.

- 6.33 Members heard that 1% of overseas investment to London located in Merton (equivalent of 7 businesses) which is relatively healthy given that the majority locate to central London, making Merton 21<sup>st</sup> out of 33 boroughs.

- 6.34 The Task Group heard that companies look for the following when making an investment decision:

- Suitable premises;

- Skills;
- Availability of low cost space;
- Availability of specific business support;
- Access to clients;
- Transport links; and
- Costs

6.35 Members also learned that business growth loans were offered by London and Partners. Loans of £10k and £20k are offered to businesses. Members were surprised to hear that there wasn't a shortage of loan funds for businesses it was just that they were not accessing them and that they needed to be publicised more widely.

6.36 Members considered the programmes and activities that the council undertakes to support businesses in Merton and the possible funds available to existing and prospective businesses (which stood at £600,000):

- Business Loan Fund;
- Finance Readiness Scheme – to prepare to prepare and support Merton's small businesses to obtain finance from banks and other sources;
- Merton Business Support Services (MBSS) – A new business support service- to provide high quality advice and support for small businesses (including new start-ups) to expand and survive the recession;
- Shopfront improvement grants;
- Support for Industrial Estates, Town Centres and key Sectors (particularly Retail, Creative and Green sectors);
- Investment in infrastructure; and
- A programme to support large & medium size companies as well as attracting new firms into the borough

6.37 Members heard from local businesses that felt that the council should do more to market the fact that the council and its partners offered a wide range of business support activities. It was felt by those businesses that there was a perception amongst the business community that only Merton Chamber of Commerce offered these services.

6.38 Members considered the funding available for business support programmes and were informed that the council provides funding to the Merton Chamber of Commerce to provide some of its business support activities. Members were also pleased to hear that the council had commissioned Merton Chamber of Commerce to undertake a piece of work on encouraging all businesses to take up membership of the chamber.

6.39 In addition, the Task Group heard that a business engagement programme was being set up by the council with the aim of having more regular dialogue with companies. The council had also compiled a list of the top 100 biggest businesses in the borough and were starting to discuss the support available to them from both the council and Merton Chamber of Commerce.

6.40 Having considered the importance of attracting inward investment and how such activity might be supported by regional partners, Members were keen to explore the current opportunities and to establish what interest there was from foreign companies in the borough. However, they were urged to be cautious by officers as a number of considerations would need to be made prior to seeking inward investment, for example, planning regulations can be a challenge in getting construction off the ground for new premises, and competing with neighbouring boroughs is a concern, as Croydon is an enterprise zone which offers tax relief to businesses (something Merton does not offer).

6.41 With this in mind the Task Group gave some thought to the vision for the council in terms of the sectors it wants to attract, and also what Merton's offer is to avoid promoting Merton too early to prospective businesses if it can't deliver to limit the potential of losing existing businesses.

**Recommendation 9 – That Cabinet consider the feasibility of offering business rate incentives and more flexible packages to attract investment into the borough.**

**7. What is Merton's Offer?**

7.1 Members were advised that Merton's Key Strengths and 'offer' for attracting inward investment was the following:

- The "Wimbledon SW19 " international image and brand – makes it a prime location for attracting HQ potential, high quality retail, leisure and office development investment;
- Good transport links for access to markets/customers;
- Retail, business & financial locations : for potentially attracting investment in these sectors - particularly Wimbledon, Raynes Park, Colliers Wood, Mitcham;
- Potential for manufacturing, environmental and other industrial investments in large industrial estates;
- Supply chain/cluster opportunities: strong base in retail, creative, advanced manufacturing – could provide supply chain/cluster opportunities for inward investors; and
- Skilled population and workforce: Merton's working age residents have at least degree-level qualifications (London average is 42%)

7.2 Having considered all of the evidence presented, Members felt that the following should inform the development of the council's strategy setting out how Merton would attract inward investment, alongside its commitments within the Economic Development Strategy:

- Use reputation that Wimbledon has internationally to sell the borough to prospective investors;
- Target specific sectors, for example, green technology and creative industries;
- Continue support activities to limit decline of existing businesses and areas;

- Indicate long term investment in skills development to develop competitive edge when seeking to attract inward investment;
- Communicate and market council support services for businesses more widely;
- Utilise empty properties, for example, set up 'pop up' shops;
- Be proactive, engaging in networks and events to attract inward investment;
- Increase number of value added jobs in the borough;
- Train/educate staff to communicate Merton's offer;
- Invest in infrastructure to make the borough more attractive to prospective investors (utilising section 106 monies)
- Emphasise the 'quality of life' that Merton offers;
- Offer discounted office space for new businesses;
- Market innovation centres well – for example, university research facilities, to attract employers

**Recommendation 7 - That Cabinet agree to debate and consider the Councils inward investment Strategy by December 2013.**

**8. Concluding Remarks**

8.1 Our recommendations impact on the Council and key stakeholders, seeking to build upon existing relationships with the Merton Chamber of Commerce and the wider Merton Partnership. The recommendations cover:

- Ensuring we are in the best position to attract inward investment;
- Utilising the Wimbledon business district and ensuring the development of an inward investment strategy for the borough, capitalising on the reputation of SW19;
- Development of enterprise zones in Mitcham, Morden and Colliers Wood;
- Development of a publicity and marketing strategy to highlight Merton's offer;
- The need for specific and timely targets which involve partner organisations in setting and delivery;
- The priority that should be accorded to this work, in particular attracting inward investment, by the Future Merton Team; and
- Development of an employer responsive adult education service, engaging a university partner, to developing MAE as a commercial brand and ensure a competitive adult education service with qualifications up to Foundation degree/HE level

**9. What Happens Next?**

9.1 This report will be presented to the Sustainable Communities Overview and Scrutiny Panel meeting on June 25th 2013 for the Panel's approval.

9.2 The Panel will then send the report to the Council's Cabinet meeting in July or September 2013 for discussion and to seek agreement to the recommendations presented.

- 9.3 The Cabinet will be asked to provide a formal Executive Response and Action Plan to the Panel within two months of the submission of the report to its meeting in October/November 2013. The Cabinet will be asked to respond to each of the task group's recommendations, setting out whether the recommendation is accepted and how and when it will be implemented. If the Cabinet is unable to support and implement some of the recommendations, then it is expected that clearly stated reasons would be provided for each.
- 9.4 The lead Cabinet Member (or officer to whom this work is delegated) should ensure that other organisations, to which recommendations have been directed, are contacted and that their response to those recommendations is included in the Executive Response and Action Plan.
- 9.5 The Panel will seek a further report six months after the Cabinet response has been received, giving an update on progress with implementation of the recommendations (anticipated January 2014).

## **Appendix 1**

Whom we spoke to

### **External Organisations**

John Simpson, White Light Ltd

Steve Boucher, Grenfell Housing

Naomi Martin, Commonsides Community Trust (Chair, Economic Wellbeing Sub Group)

Leon Moorcroft, Commonsides Community Trust

Matt Brown, Citizens Advice Bureau

Ann Hoblyn, JobCentre Plus

Phillip Solomon, KNK Building Services

Craig Harrison, London and Partners

Diana Sterck, Merton Chamber of Commerce

### **Officers**

James McGinlay, Head of Sustainable Communities

Eric Osei, Business Growth Officer

Sara Williams, Regeneration, Investment and Renewal Officer

Yvonne Tomlin, Head of Community Education

David Keppler, Head of Revenues and Benefits

### **Cabinet Members**

Councillor Nick Draper

Councillor Andrew Judge

Councillor Martin Whelton

## Appendix 2

# Equality Impact Assessment (EqIA) template

## Initial Screening



This form should be completed in line with the Equality Impact Assessment guidance available on the [intranet](#)  
The blue text below is included to help those completing the template and should be overwritten.

EqlA completed by: (Give name and job title)	<b>Rebecca Redman, Scrutiny Officer</b>
EqlA to be signed off by: (Give name and job title)	<i>Julia Regan, Head of Democracy Services</i>
<b><u>Department/ Division</u></b>	<b>Corporate Services, Democracy Services</b>
<b>Team</b>	<b>The Scrutiny Team</b>
<b>EqlA completed on:</b>	<b>6<sup>th</sup> June 2013</b>
<b>Date of Challenge Review (if you have one):</b>	<b>N/A</b>
<b>Date review of this EqlA is due (no later than 3 years from date of completion):</b>	<b>TBC</b>

1. What are you assessing? (Tick as appropriate)

- Policy:** A policy is an adopted approach by the Council to a specific issue or position, usually in the long term. It provides a set of ideas or principles that together form a framework for decision making and implementation.<sup>2</sup> A policy may be written or unwritten, formal or informal. For example, the Corporate Equality Scheme.
- Strategy:** A strategy sets out the activities and actions that have been identified as most likely and cost-effective to achieve the aims and objectives of a council policy e.g. the Consultation Strategy.
- Procedure:** A procedure sets out the way in which practices and actions are to be undertaken at an individual level in order to achieve the policy in local situations, for example using a flow chart approach. Procedures also outline who will take responsibility on a day to day basis for decisions in the implementation of the policy.<sup>3</sup> For example, this procedure for carrying out an EqIA.
- Function:** A function is an action or activity that the Council is required to carry out for example emergency planning arrangements.
- Service:** A service is a facility or provision made by the Council for its residents or staff for example the Library service or Translation service.

2. Title of policy, strategy, procedure, function or service

A Scrutiny Review of Adult Skills and Employability, undertaken by scrutiny councillors on the Sustainable Communities Overview and Scrutiny Panel (supported by the Scrutiny Officer).

3. For functions or services only: Does a third party or contractor provide the function or service? If so, who?

Not applicable.

4. Who is the policy, strategy, procedure, function or service intended to benefit?

Residents of Merton – primarily the adult population, in particular those who are unemployed, either on a long or short term basis, or seeking employment. And the population of Merton in terms of attracting inward investment of future job opportunities and the regeneration possibilities in the area.

5. Who else might be affected?

Not applicable.

6. What is known about the demographic make up of the people you have included in your answers to questions 4 and 5?

Men and women aged 16 to 65 years of age, living in Merton, short or long term unemployed, students/graduates.

7. Have you already consulted on this policy, strategy, procedure, function or service? If so, how?

<sup>2</sup> See the Council's Policy Handbook [http://intranet/policy\\_handbook\\_final\\_agreed\\_nov\\_07-2.doc](http://intranet/policy_handbook_final_agreed_nov_07-2.doc)

<sup>3</sup> As above

There are a number of strategies and plans surrounding the three key areas this review focused on:

- Reducing unemployment
- Ensuring the right adult education; and
- Attracting inward investment

The following strategies are in development and/or proposed to meet the councils priorities in these areas:

- Economic Development Strategy (agreed);
- Attracting Inward investment Strategy (proposed);
- Attracting Inward Investment – Marketing Strategy (proposed);
- Regeneration Plans (agreed); and
- Employment and Skills Action Plan (in development)

The council have engaged other council departments and partner organisations in consultation during the development of these documents and also identified the relevant stakeholders that will need to be consulted for those strategies and plans that are proposed.

The Task Group engaged stakeholders in the delivery of these strategies in discussion to gain an understanding of the work underway and of the improvements that could be made, in particular, how the council might better support those agencies. The Task Group have also made a number of recommendations regarding the development of the council's adult education and skills and inward investment strategy (in particular on what Merton's offer is).

8. How will you measure the success of your policy, strategy, procedure, function or service?

The Task Group have made a number of recommendations above which, subject to Cabinet approval, will be outlined in an action plan that will be performance monitored at appropriate intervals by the Sustainable Communities Scrutiny Panel. The councils Community and Housing and Environment and Regeneration Departments will also undertake their own performance monitoring of development and delivery of the above strategies and their associated services, through corporate performance monitoring.

9. How often will the policy, strategy, procedure, function or service be reviewed?

The agreed recommendations will be monitored on a six monthly basis by the Sustainable Communities Scrutiny Panel and by the departments on a monthly/quarterly basis, as identified on the corporate performance dashboard.

10. When will the policy, strategy, procedure, function or service next be reviewed?

The Sustainable Communities Scrutiny Panel will consider the action plan and Executive Response to the recommendations that have been made two months after Cabinet consideration of the Final Report (anticipated November 2013).

11. Please complete the following table and give reasons for where:

- (a) The policy function or service could have a positive impact on any of the equality
- (b) groups. The policy function or service could have a potential negative impact on any of
- (c) the equality groups.

Think about where there is evidence that different groups have different needs, experiences, concerns or priorities in relation to this policy, strategy, procedure, function or service.

Equality group	Positive impact		Potential negative impact		Reason
	Yes	No	Yes	No	
Gender (inc. Transgender)	✓				The recommendations made seek to attract inward investment and to support residents into employment through increasing job opportunities, supporting short and long term unemployed to get back into work, and to be responsive to employer and employee need in terms of adult education and skills development.
Race/ Ethnicity/ Nationality	✓				
Disability	✓				
Age	✓				
Sexual orientation				✓	
Religion/ belief				✓	
Socio-economic status	✓				

12. Did you have sufficient data to help you answer the above questions?

- Yes
- No

If there is a potential negative impact on one or more groups, or there was insufficient data to help you answer the above questions, you should complete a full EqIA

13. Is a full Impact Assessment required?

- Yes
- No

<b>EqIA signed off by:</b>	Julia Regan, Head of Democracy Services.
<b>Signature:</b>	
<b>Date:</b>	

