

# BUSINESS PLAN 2009/10





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# Foreword

2 This Business Plan for 2009/10 sets out how we will make significant progress over the coming year towards the objectives of the London Skills and Employment Board Strategy: *London's Future*. It also includes the short-term actions that the Board and its partners will put in place to mitigate the impact of the recession. During these challenging times for the capital's economy, the LSEB is determined to ensure that businesses get the help they need to sustain jobs in the capital and that Londoners can access the support and training they need to get jobs and stay in work.

We are now nearing the end of the first year of our five-year Strategy. During the coming months we will be preparing and publishing our annual review, which will update the Strategy in the light of the recession and consider the progress, achievements and lessons learned to date. We continue to address London's long-term challenges of high levels of worklessness and those with no qualifications alongside the new challenges arising from the recession *and* preparing for the recovery. Integrating publicly funded employment and skills provision has never been more important in the current economic climate and is a key theme for this business plan.

I am pleased to see the level of goodwill and commitment of public sector organisations to work together has never been higher and this is driving real improvements on the ground. The year ahead will see significant changes to the national organisations addressing education and skills and the Board is keen to ensure that the transition to these new arrangements continues to support the needs of London's employers, learners and jobseekers. We will hold the Delivery Agencies to account for progress on

implementing the LSEB Strategy and we will set out our ambitions for an agile, responsive, publicly funded infrastructure, which simplifies the route to services for both employers and individuals.

We hope all our partners and stakeholders will support the work programme set out here in order to provide a more coordinated approach to skills and employment at a time when London's employers and citizens need our help more than ever.

**Boris Johnson**

Mayor of London



## 1 The Board's Strategy

The London Skills and Employment Board (LSEB) was established in December 2006 as an employer led body with a remit to improve the employment and skill levels required for London's economy now and in the future. We are a statutory body, chaired by the Mayor of London and our members are leaders from large employers, small businesses, education and skills specialists, local authorities, the voluntary sector and trade unions. We have a duty to the Secretary of State to develop a strategy for adult skills and to keep it under review. Our statutory powers enable us to hold the LSC to account for complying with our Strategy. We do not hold the employment and skills budgets, commission or deliver programmes. Through the Mayor's leadership of the Board, we have all the main commissioning and Delivery Agencies round our table and the opportunity to influence, encourage and promote joint working and improved results through the objectives, targets and priorities we set in our Strategy and Implementation Plans.

As part of the development of our strategy, we commissioned an evidence base to ascertain the issues requiring action. We published the conclusions of this research in the *'London Story'*, in October 2007 and used it as the basis for a set of strategic propositions which we tested in a major consultation exercise later that year. Our Strategy was published in July 2008 and set out a blueprint for the changes required to improve skills and employment outcomes for London by 2013.

## 2 The Challenges for London

The evidence base painted a picture of a successful, dynamic city with a strong competitive position in many areas including the availability of qualified staff, access to markets

and its infrastructure. However, underlying this picture remains deep inequality and poverty of aspiration. London has an unacceptably high proportion of worklessness compared to the UK and significant levels of inequality among the employment rates of disadvantaged groups such as lone parents, those who are disabled and those who come from Black, Asian and Minority Ethnic communities. While the London labour market is increasingly demanding higher level skills, we identified a population where large numbers do not possess basic skills and over 600,000 have no qualifications at all. We found the skills and employment organisational landscape complex, cluttered and confusing. It is not sufficiently integrated for or accessible to the individuals and employers it was created to support. While we established that we could not make all of the changes we wanted overnight, we developed a set of Objectives to:

- Work with employers to better support them in providing more job and skills opportunities to Londoners, to the benefit of their businesses and to keep London's economy competitive;
- Support Londoners to improve their skills, job and advancement prospects through integrated employment support and training opportunities;
- Create a fully integrated, customer-focused skills and employment system.

The Implementation Plan for 2009/10 in Annex B is organised by these Objectives.

## 3 The Economy

Our Strategy was produced at a time of continued predicted growth. Since then we have witnessed unprecedented economic events on a global scale, which are now taking their toll on

4 London and the UK. At the time this Business Plan is being produced there are some signs that London is weathering the recession better than other parts of the UK. It is too early to say whether these trends will continue and the future remains uncertain:

- The employment trend in the capital is fairly flat, compared to a falling trend for the UK;
- The London UK claimant count rose by 44% in February 2009 compared to the same time last year, compared to 63% for the UK, though London's unemployment rate began to rise three months later than for the UK;
- The ILO definition<sup>1</sup> of the unemployment rate for London was 7.5% for London for the quarter to January 2009, compared to 6.9% a year earlier;
- The gap between those flowing on and off the unemployment register widened in February 2009, (a net increase of 20,000 on-flows) yet the February figure for off flows at 40,575 was the highest in any single month for three years.

What is clear is that the underlying challenges identified in the LSEB Strategy remain and action on these will be critical to the strength of our recovery. We therefore propose to take a balanced approach by responding vigorously to the short term impact of rising unemployment and threats to our business base alongside longer term action to tackle London's low level of employment and skills.

#### 4 Organisational Change

There are also challenges to implementing our Strategy as a result of the changes imminent to

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<sup>1</sup> The ILO Definition surveys those London residents who state they are looking for and available for work.

the employment and skills organisational landscape. Arguably, the most significant is the dissolution of the Learning and Skills Council from April 2010 and the creation of two new bodies: the Skills Funding Agency (SFA) which will be the funding body for those aged 19+ and the Young Persons Learning Agency (YPLA) a non-departmental public body which will be the funding agency for Local Authority commissioning plans for 14-19 provision. Within the SFA will be three national services: the National Apprenticeships Service, the adult advancement and careers service and the National Employer Service.

Other key national initiatives which will impact upon us are:

- Plans within DWP to devolve commissioning for some employment services;
- The joint Skills and Business Support Brokerage which aims to provide alignment of the provision to small and medium sized businesses;
- Plans to make the adult skills system 'demand led' through Skills Accounts for individuals and Train to Gain for employers;
- The introduction of Multi-Area Agreements, (MAAs), including the proposed MAA for the London Olympic Boroughs.

There will also be a General Election by June 2010.

#### 5 Implementation Plan 2009/10

To deliver on our Strategy we have set three broad **themes** for 2009/10. They are to:

- Increase our traction on the employment and skills system and to hold the Delivery Agencies to account for the achievement of the LSEB Strategy;

- Set standards for excellence in the integration of employment and skills building on the proposals to tackle the recession to progress the single employer and individual offer;
- Contribute to the debate about the shape of London's future economy by focusing on the employment and skills implications.

Further information is given about these themes below.

### **Theme 1: Increase our traction on the employment and skills system and to hold the Delivery Agencies to account for the achievement of the LSEB Strategy**

We are determined to make progress on the three Objectives that we set in the LSEB Strategy. As integration of the skills and employment system remains our long term goal, we will give a high priority to the initiatives which emphasise joint working between the Delivery Agencies and produce tangible changes in the services to employers and individuals. Our priority for 2009/10 is to produce a single offer for employers and individuals - starting with the initiatives designed to minimise the impact of the recession.

We want to involve London boroughs in this work, which are important partners in integrating the skills and employment system. They commission and deliver employment and skills services for their local communities and support local businesses. They have a local leadership role to co-ordinate and improve services, including a range which supports the long term unemployed with childcare, social housing, health, welfare advice and debt advice.

During the organisational changes outlined above, it will be important that there is a successful transition and that the momentum to deliver our Strategy will continue in the Delivery Agencies. As our Risk Register (as shown in Annex G), the potential for paralysis in the system is one of the major risks identified to our ability to deliver over the next 12 months and beyond. It will also be important that during these changes that LSEB is able to maintain – and ideally extend - its current traction on the employment and skills system.

The 'London Story' indicated the critical importance of getting education and career guidance right first time round. During 2008/09, we have begun to play a role in influencing the organisational changes that will affect the 14 – 19 age group, the future workforce of London. While this is not our core role we believe it is legitimate that we should play a role on the 14 - 19 Regional Planning Group. We will:

#### **a. Establish a single Offer for employers and Londoners**

We are determined to provide a single integrated offer to the capital's employers and Londoners for employment and skills. We will begin by ensuring that the new services designed to minimise the recession are the starting point for creating this new offer. We also intend to prototype the service in a small number of pilot locations so that we can experiment with a variety of models and learn from what works. We will feed these lessons into our design for the integration of employment and skills.

#### **b. Align and encourage co-commissioning of services**

6 We will identify opportunities to align services and also identify opportunities for joint commissioning. We will explore specifically the opportunities to integrate employment and skills highlighted by DWP, LDA, LSC and ESF funding.

**c. Set Targets**

We will set annual targets for employment and sustainable jobs with skills and create a scorecard that we rigorously monitor to ensure there is a clear focus for achieving them.

**d. Influence the transition and the development of the SFA**

The LSEB's current powers in relation to the LSC will be maintained in relation to the new SFA through the Act that sets up this new organisation. We will agree a Memorandum of Understanding with the Department of Business, Innovation and Skills (BIS) codifying practice to date and setting expectations of the SFA.

**e. Contribute to the development of the Young People's Learning Agency**

We will work with the YPLA, London Councils and the Regional Planning Group for 14 – 19 education to use our employer leadership to help to raise aspirations, ensure progression, and advise on how employer engagement can be brokered between education and the capital's employers.

**f. Encourage adoption of the LSEB Strategy at local and sub-regional level**

We will work with Government Office for London and London Councils to encourage the adoption of the LSEB Strategy framework at local and sub-regional level,

including Local Area and the developing Multi Area Agreements.

**Theme 2: Set standards for excellence in the integration of employment and skills building on the proposals to tackle the recession to progress the single employer and individual offer**

While our determination and commitment to deliver on the Strategy remains undimmed, we have learned significant lessons from the early stages of implementation. Chief of these is that while incremental improvements can be made by encouraging the Delivery Agencies to work together, we do not have enough of the right levers and drivers to enable an employer-led Board to fix the fragmentation and fractures in the current employment and skills system. We anticipate that these challenges will continue in the new skills organisations that will replace the LSC in 2010 and that the confusing and cluttered system that we described in our Strategy will remain.

As indicated above we are committed to ensuring better outcomes for both employers and Londoners and this is even more important when so many people and businesses need help in the recession. We have agreed that we will design and set a standard for excellence for integrating employment and skills services to benefit employers and Londoners. This will include piloting new styles of services as well as advocating structural change and new targets where they are needed. As our members said, 'No business would tolerate the continuation of a business model that does not deliver for its customers effectively and efficiently'. We will apply that same rigour to our work.

In seeking to integrate employment and skills we do mean to achieve more than collaboration in London. Collaboration is the basic foundation required to get anything different to happen but it tends to preserve the existing boundaries of budgets, resources, targets and accountability. Levels of collaboration and willingness to adapt to improve services are now much stronger and more evident in London than two years ago. But we intend to do more: to establish a service across boundaries - an integrated customer journey for employers and Londoners to increase the number of sustainable jobs with skills so that the capital can compete more effectively with other world cities.

We recognise that it will take time to design and achieve our vision for an integrated system and in 2009/10 we intend to make further incremental progress by prototyping and demonstrating progress in a number of priority areas. In 2009/10 we will:

**a. Create a high level design for integrated skills and employment services**

Our work will be based on our experience of implementing the Strategy and creating a single customer journey for the recession initiatives.

**b. Influence and advocate change to the skills and employment system where needed**

We will want to discuss our views with Ministers, other political parties and the UK Commission for Employment and Skills so that the lessons learned from the work of the LSEB Board can be fully taken in to account by those with the power to change the system.

**Theme 3: Contribute to the debate about the shape of London's future economy by focusing on the employment and skills implications.** 7

The LSEB Board has an important role in contributing to the debate about how London's economy will be shaped after the recession, focusing particularly on the jobs and skills requirements and the role of commissioners in meeting them. We will:

**a. Support the Skills and Employment Observatory**

We will support the launch of the Skills and Employment Observatory – a key part of our Strategy - so that we can identify where the current and foreseeable job opportunities will be in London in order to ensure that the commissioning and Delivery Agencies will supply the skills to meet them.

**b. Champion training in the recession**

We will encourage employers to take action to improve their businesses in the recession and champion the need for training to improve agility and productivity. We will hold the public sector to account for the targets they have agreed for Apprenticeships.

Annex B contains more detail on our Implementation Plan for 2009/10 and aligns the themes above with the three Objectives set in the LSEB Strategy.

**7 Governance, Organisational and Financial Resource**

The London Skills and Employment Board is presently the only skills and employment board in the UK to hold a statutory status. Initially put into statute by the Further Education and Skills

8 Act 2007, it is intended that the powers of the Board in relation to the LSC will be maintained in relation to the new Skills Funding Agency through the Apprenticeships, Skills, Children and Learning Bill 2009. As indicated above, we are in the process of agreeing a Memorandum of Understanding with BIS to ensure that there is seamless transfer of LSC's accountability to the LSEB Board to the SFA, that existing practice is codified and expectations clarified. The Board is chaired by the Mayor of London and we have statutory obligations to produce a strategy which is reviewed on an annual basis. The Board is appointed by the Mayor with the endorsement of the Secretary of State of BIS and are leaders from a wide range of employers across the capital. A full list of Board members and ex officio advisers can be found at Annex A.

The LSEB is not involved in delivery or commissioning and we rely on our delivery partners to achieve our aims. Our key delivery partners in London are the LSC, LDA, JCP which have responsibility both individually and collectively for implementing the various aims and objectives of the strategy. We also work closely with London Councils and the London Alliance of Sector Skills Councils to achieve our objectives. In 2009/10 there will be an ex officio adviser from the Higher Education Funding Council joining the Board to ensure effective links on reskilling, progression and employer engagement.

There are a number of sub-committees of the Board to help implement our Strategy. Members of the Board are also represented on a number of committees and taskforces of other organisations where relevant to the achievement of our Strategy. The structure is shown at Annex C.

The Board is supported by a small Secretariat responsible for ensuring that the LSEB is able to discharge its role and responsibilities efficiently and effectively. The composition of the Secretariat can be seen at Annex D. Key responsibilities of the Secretariat include:

- Lead the LSEB agenda with the delivery partners;
- Provide high quality information and analysis on policy developments and performance on the Strategy to the Board;
- Manage communications effectively to, within and from the Board
- Develop effective stakeholder relationships;
- Assess and monitor performance and ensure accountability on this to the Board;
- Maintain high standards of governance and resource management.

The Board and Secretariat are jointly funded by the LSC and LDA. The agreed budget for 2009/10 is set out at Annex E. In addition JCP has provided a secondee to support the Secretariat in 2009/10 and the LDA contributes accommodation and office costs over and above their contribution to the budget.

## 8 Measuring Success

While our Strategy set targets to be achieved over the next five years, the Business Plan includes our targets and focus for the next 12 months. It is crucial that we monitor our progress towards both the long term and short term challenges identified above. We have recently assessed our priorities in the recession and have designed a scorecard to monitor these rigorously and this is shown at Annex F. The scorecard demonstrates the trend data of the last three years in each of our priority areas and will be updated on a quarterly basis. It will be 'RAG rated' so that we can identify progress and areas for concern and

published as part of the annual review of 2009/10. We will hold ourselves and the agencies we work with accountable for achieving these targets.

We receive updates from each of the agencies at our quarterly Board meetings which highlight progress towards the implementation of the LSEB Strategy and any challenges requiring

resolution. As part of our annual review process we plan to set annual targets through to 2014. 9

## **9 Risk Management**

There are a number of inherent risks to delivering the Business Plan for 2009/10 and the LSEB Strategy. The Risk Register is shown at Annex G.

# Annexes

A: Board members as at 1 July 2009

B: Implementation Plan for 2009/10

C: Governance Structure

D: Composition of Secretariat

E: 2009/10 Budget

F: Scorecard

G: Risk Register



# Annex A

## Board members as at 1 July 2009:

### Chair

Boris Johnson Mayor of London

### Vice Chair

Harvey McGrath Chairman, Prudential plc

### Board Members

Lucy Adams	Director of BBC People, BBC
Sonita Alleyne OBE	Chief Executive, Somethin' Else
David Butcher	Managing Director Service Introduction, BT
Marianne Cavalli	Principal and Chief Executive, Croydon College
Ian El-Mokadem	Group Managing Director UK & Ireland, Compass Group plc
Keith Faulkner CBE	Chairman, Working Links
Barry Francis	unionlearn Regional Manager for the Southern and Eastern Regions
Richard Gooding OBE	Chief Executive, London City Airport
Tracey Hahn	Head of EMEA HR, Merrill Lynch International
Paul Head	Principal and Chief Executive, College of North East London
Grant Hearn	Chief Executive, Travelodge
James Kempton	Chair of London 14-19 Educational Regional Planning Group
David Latchman	Chairman London Higher and Master of Birkbeck College
Chris Melvin	Chief Executive, Reed in Partnership
Terry Morgan CBE	Chairman, Crossrail Limited
Jack Morris OBE	Chairman, Business Design Centre Group Ltd
Martin Stevens	Chief Executive, A1 Technologies
Nick Turner	Partner, Monitor Group
James Wates	Deputy Chairman, Wates Group Limited

### Ex-Officio Board Advisers

Dinah Caine OBE	Chief Executive, Skillset
Derek Hicks	Regional Consultant for London, HEFCE
Patrick Hughes	Director for London, Jobcentre Plus
Jill Lowery	Acting Regional Director for London, Learning and Skills Council
Peter Rogers	Chief Executive, London Development Agency

# Annex B

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## Implementation Plan 2009/10

Colour Code: Blue = high priority, yellow = medium priority

Objective 1: Engaging and Working with Employers Lead: LDA Governance: Employer Programme Board			
Work Programme	Date to be achieved	RAG Rating	Lead
<b>Key Action 1: Create a single employer offer for London</b> <b>a. Create a Single Employer Offer for employers on employment and skills with a short term focus on initiatives to combat the recession:</b> <ul style="list-style-type: none"> <li>- Ensure recession initiatives, including rapid response services, are well co-ordinated across delivery partners and correctly targeted to help employers access the support they need to maintain the skills required in their business to improve/maintain productivity;</li> <li>- Establish an integrated and flexible system, including a clear customer journey for employers with effective links to the customer journeys for individuals, (as set out in Objective 2, key action one);</li> <li>- Test and prototype a variety of approaches, including in pilot areas, to achieve the above including the IES Trials, Redundancy Response actions, the London Accord, the Enfield employer pilot, City Strategy Partnerships and other Joint Action Plan initiatives, with customer feedback, including extending this working within boroughs and sectors incorporating successes and lessons learned;</li> </ul>	Dec 2009		LDA (except where otherwise stated)
	Ongoing		LSC/JCP

<b>Objective 1: Engaging and Working with Employers</b> <b>Lead: LDA</b> <b>Governance: Employer Programme Board</b>			
Work Programme	Date to be achieved	RAG Rating	Lead
<ul style="list-style-type: none"> <li>- Evaluate the above to determine the level of success, lessons learned and good practice to determine how these approaches can be extended to form a single employer offer in future;</li> <li>- Improve the responsiveness of providers to employers;</li> <li>- Agree joint campaigning and branding issues for 2009/10.</li> </ul>	<p>Sep 2009</p> <p>Ongoing</p>		LSC
<p>b. <b>Single Brokerage:</b> Input to and review proposals to create a single contract for the brokerage service to identify how this can lead to further progress on the single employer offer.</p>	Sep 2009		LDA
<p>c. <b>London Accord:</b> Agree the future of the London Accord initiative and its contribution to the single employer offer and the LSEB Strategy.</p>	June 2009		LSEB with LDA, LSC, JCP
<p>d. <b>Champion employer agility during recession</b></p> <ul style="list-style-type: none"> <li>- training and flexible working;</li> <li>- lead age discrimination campaign in workplace (Mayoral Manifesto commitment).</li> </ul>	March 2010		LSEB with Delivery Agencies
<p><b>Key Action 2: Ensure the London Alliance of Sector Skills Councils contributes to the implementation of the LSEB Strategy</b></p> <ul style="list-style-type: none"> <li>- Agree funding with LDA and LSC for the Alliance of SSCs in London from LSEB Budget for 2009/10, identifying how this funding will help the Alliance to deliver on the LSEB Strategy;</li> <li>- Report on outcomes delivered as a result.</li> </ul>	<p>June 2009</p> <p>March 2010</p>		LSEB/LDA/SSCs

Objective 1: Engaging and Working with Employers			
Lead: LDA			
Governance: Employer Programme Board			
Work Programme	Date to be achieved	RAG Rating	Lead
<b>Key Action 3: Establish increased emphasis on public sector as a key contributor to the provision of jobs and training opportunities to combat the recession:</b>	March 2010		LSC/JCP/LDA with LSEB
- Agree priorities following April report to LSEB Board on Olympics and Cross Rail for which parts of the public sector might drive sustained jobs with skills during the recession and pass on lessons learned from the above;	June 2009		
- Engage with key London public sector employers including the NHS, the GLA Family and Local Authorities and discuss how many sustainable jobs with training they can provide, using initiatives such as the Future Jobs Fund and the Care First System	Ongoing		NAS/LSC
- Design a reporting mechanism to assess the uptake of apprenticeship places by public sector employers, including commitments made by the GLA Group and London Councils and identify/help unblock any obstacles in reaching targets; <b>Agree when the LSEB approach should be extended to health, housing and transport and with what priority.</b>	Ongoing		

<b>Objective 2: Supporting London's People</b> <b>Lead: Jobcentre Plus</b> <b>Governance: IES Programme Board</b>			
Work Programme	Date to be achieved	RAG Rating	Lead
<b>Key Action 1: Create a single offer for Individuals on employment and skills</b> <ul style="list-style-type: none"> <li>- Ensure recession initiatives, including rapid response service, are well co-ordinated across delivery partners and correctly targeted to help Londoners remain employed or move into and progress in work;</li> <li>- Establish an integrated and flexible system, including a clear and easy to navigate customer journey for Jobseekers, parents, and people with health conditions and/or disabilities which meets their individual and multiple needs, with effective links to the customer journey for employers, (as set out in Objective 1, key action one);</li> <li>- Test and prototype a variety of approaches, including in pilot areas, to achieve the above including the IES Trials, Redundancy Response actions and other Joint Action Plan initiatives, with customer feedback, including extending the coordination of this work to local level;</li> <li>- Assess what further actions may be needed to deliver effective employment, skills and progression outcomes at an individual level;</li> <li>- Assess how higher education opportunities might be made available and promoted to professional unemployed people needing to update skills or re-skill;</li> <li>- Ensure that proposals for jobs fairs and jobs portals are utilised effectively across key delivery partners and build upon and</li> </ul>	Dec 2009		<p>JCP</p> <p>JCP/LSC</p>

<b>Objective 2: Supporting London's People</b> <b>Lead: Jobcentre Plus</b> <b>Governance: IES Programme Board</b>			
<b>Work Programme</b>	<b>Date to be achieved</b>	<b>RAG Rating</b>	<b>Lead</b>
add value to existing opportunities; - Improve the responsiveness of providers to deliver sustained outcomes for individuals; - Scope the work and mechanisms to extend the customer journey to local level through London's Local Authorities; - Agree joint campaigning and branding issues for 2009/10.	Ongoing		LSC  LDA  LDA
<b>Key Action 2: A London Skills and Employment Observatory</b> - Agree LSEB Board view of purpose, audience, priorities for the Observatory - Launch London Observatory - Evidence base in London Story to be updated for the annual review of the Strategy - Programme of forward looking work for 2009/10 agreed and implemented	April 2009  February 2010 August 2009  Ongoing		LDA
<b>Key Action 3: Via an emphasis on the public sector establish an increased source of jobs and training opportunities for individuals to combat the recession:</b> - Encourage the integration of skills within the Future Jobs Fund offer and Mayoral initiatives to get Londoners back to work; - Ensure any further new measures for implementation consider integration of employment and skills.	March 2010		LSC/JCP

Objective 3: Customer focused skills and employment system			
Lead: LSC			
Governance: Joint Delivery Group			
Work Programme	Date to be achieved	RAG Rating	Lead
<b>Key Action 1: Increase our traction on the employment and skills system and hold the Delivery Agencies to account for the achievement of the LSEB Strategy</b> <ul style="list-style-type: none"> <li>- Ensure LSEB's Implementation work continues during the transition from the LSC to the SFA;</li> <li>- Secure LSEB powers in relation to the SFA, working with GLA in the Apprenticeships, Skills, Children and Learning Bill going through Parliament;</li> <li>- Agree Memorandum of Understanding with BIS to codify LSEB's powers;</li> <li>- Design an integrated employment and skills system and appropriate targets based on experience of single individual and employer offers in Objectives 1 and 2 that is appropriate to London's needs;</li> <li>- Agree with BIS how work can continue during 2009/10 when LSC staff will depart to set up the SFA and to the Local Authorities/YPLA, (similarly for LDA and JCP staff pressures);</li> <li>- Encourage adoption of the LSEB Strategy as a framework for employment and skills at local level, including LAAS and MAAs, working with GOL and London Councils.</li> </ul>	Ongoing		LSEB
	May 2009		
	June 2009		
	September 2009		
	July 2009		
	March 2010		
<b>Key Action 2: Keep LSEB Strategy under review</b> <ul style="list-style-type: none"> <li>- Produce first annual review 2009/10;</li> <li>- Produce LSEB Stakeholder Survey re LSEB progress and reputation;</li> <li>- Review LSC Performance for 2008/09 against their plan;</li> <li>- Review LSC Capital Programme for 2009/10 and ensure adequate investment</li> </ul>	September 2009		LSEB
	August 2009		
	December 2009		
	April 2009 and ongoing		
			With LSC where appropriate

Objective 3: Customer focused skills and employment system			
Lead: LSC			
Governance: Joint Delivery Group			
Work Programme	Date to be achieved	RAG Rating	Lead
<ul style="list-style-type: none"> <li>for London within new national framework;</li> <li>- Agree SFA Plan for 2010/11 in the light of the LSEB's updated Strategy;</li> <li>- Review revised Economic Development Strategy of LDA;</li> <li>- Assess lessons learned from economic recovery action plans</li> <li>- Produce LSEB Business Plan for 2010/11;</li> <li>- Contribute to the Young People's Learning Agency Regional Planning Group and provide employer leadership for the 14 - 19 agenda.</li> </ul>	<ul style="list-style-type: none"> <li>December 2009</li> <li>July and Autumn 09</li> <li>March 2010</li> <li>March 2010</li> <li>Ongoing</li> </ul>		
<p><b>Key Action 3: Identify and implement co-commissioning and other funding opportunities that promote the integration of employment and skills and improved outcomes.</b></p> <ul style="list-style-type: none"> <li>- Agree and publish the first Joint Investment Plan and through the implementation of this plan develop an evidence base to promote and further the aspiration for wider co commissioning arrangements to include JCP/DWP, LDA, LSC, Local Authorities and London Councils, Multi Area Agreements and City strategy Partnerships;</li> <li>- Update this plan for 2010/11 taking account of the transition to the Skills Funding Agency;</li> <li>- Ensure alignment of provision and exploit opportunities for co-commissioning of the single employer and individual offer to produce better outcomes and value for money;</li> <li>- Ensure alignment of services and co-</li> </ul>	<ul style="list-style-type: none"> <li>June 2009</li> </ul>		LSC

Objective 3: Customer focused skills and employment system			
Lead: LSC			
Governance: Joint Delivery Group			
Work Programme	Date to be achieved	RAG Rating	Lead
<p>commissioning works effectively at regional, sub-regional and local level;</p> <ul style="list-style-type: none"> <li>- Agree London response to DWP's proposals to devolve commissioning on the basis of a planned timetable of opportunities and the evidence base provided by the Joint Investment Plan;</li> <li>- Use evidence from the above to establish which models of aligning services and co-commissioning worked most effectively during 2009/10;</li> <li>- Extend Joint Investment Plan approach to London boroughs working through London Councils;</li> <li>- Ensure a joined up approach on any ESF co-financing rounds.</li> </ul>			
<p><b>Key Action 4: Influence the development of national policy to ensure this is appropriate for London</b></p> <ul style="list-style-type: none"> <li>- Influence the establishment of a national target on sustained jobs with skills for mainstream provision;</li> <li>- Use the lessons learned from implementation of Objectives 1 and 2 to influence national policy to improve the integration of employment and skills;</li> <li>- Provide information and analysis of the impact of national policy on employment and skills in London;</li> </ul>			LSEB with Delivery Agencies

# Annex C

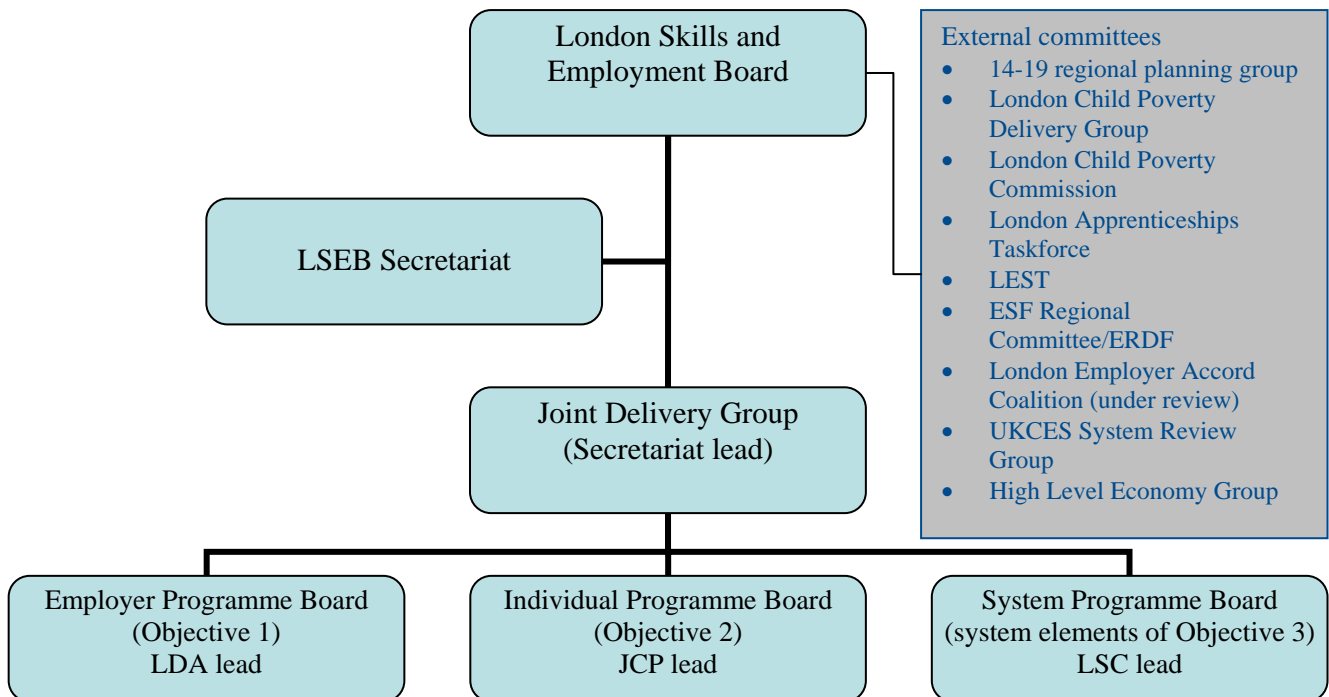
## 20 Governance arrangements

### 1. Board Committees and groups

The governance structure for overseeing the implementation of the Board's Strategy is set out below.

The Joint Delivery Group (JDG) has responsibility for programme management across all objectives and acts as an escalation body for the programme boards. The Employer Programme Board (Objective 1) and Individual Programme Board (Objective 2) each include a minimum of three Board members. The

programme management of Objective 3 will be split between the LSEB Secretariat – responsible for those elements relating to the Board's statutory functions – and the Officer sub-group System Programme Board which will be responsible for the system related elements, including the Joint Investment Plan. Should specific issues arise these will be referred to the relevant programme board to address, which may include establishing a task and finish group although the intention is to keep these to a minimum.



### Joint Delivery Group, (JDG)

The JDG is a sub-committee of the Board responsible for managing, coordinating, monitoring and reviewing the implementation of actions in LSEB's Implementation Plan. The JDG is chaired by Harvey McGrath, vice-chair of the LSEB and members include:

- James Kempton, Board member
- Nick Turner, Board member
- Jill Lowery, LSC
- Patrick Hughes, JCP
- Peter Rogers, LDA
- Judith Rutherford, LSEB Director
- Henry Abraham, Mayor's Office
- John O'Brien, London Councils
- Chris Hayes, Government Office for London

### Employer Programme Board

The remit of this Programme Board is to oversee the implementation of the actions contributing to Objective 1 of the LSEB Strategy including the single employer offer. The Programme Board reports to the LSEB via the Joint Delivery Group. Membership of this group is currently being determined.

### Individual Programme Board

The remit of this Programme Board is to

oversee the implementation of the actions contributing to Objective 2 of the LSEB Strategy including the single individual offer. The Programme Board reports to the LSEB via the Joint Delivery Group. It is chaired by Patrick Hughes, Jobcentre Plus and vice-chaired by Philippa Langton, LSC. Other members include:

- Members of the LSEB (Jack Morris, Keith Faulkner)
- LSEB Director
- JCP
- LSC
- LDA
- London Councils
- Mayor's Office

### System Programme Board

The remit of this Programme Board is to oversee the implementation of the actions relating to Objective 3 of the LSEB Strategy including that relate to the integration of the employment and skills system in London.

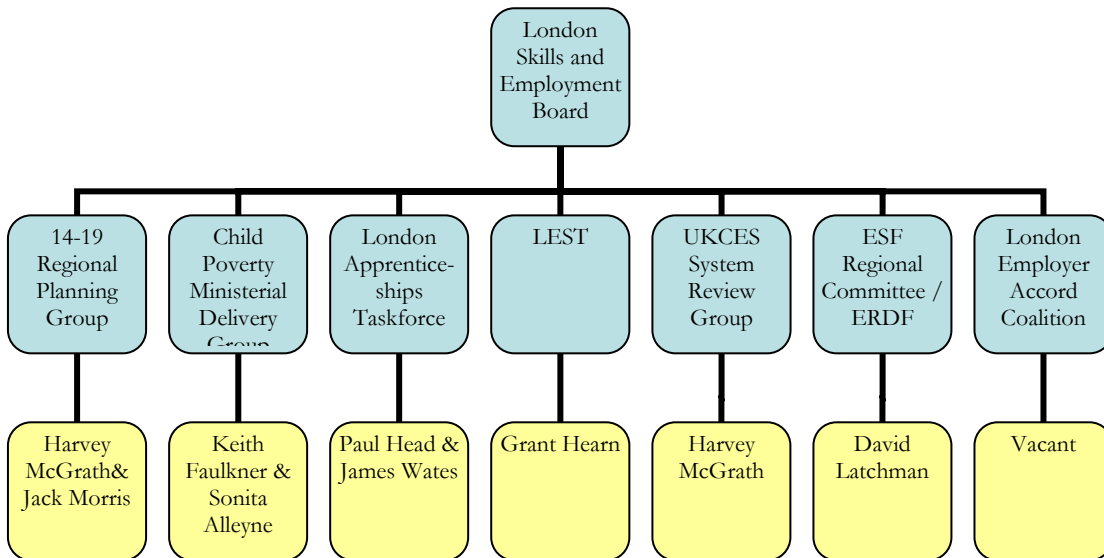
The group comprises:

- Judith Rutherford, LSEB
- Philippa Langton, LSC
- Rilesh Jadeja, JCP
- Stephen Evans, LDA

## 2. LSEB Representation on other groups relevant to the Strategy

Board Members also represent the LSEB at a variety of London wide committees relevant to the implementation of the LSEB Strategy. The Secretariat provides briefing for these. The Secretariat also provides speaking material for Board members asked

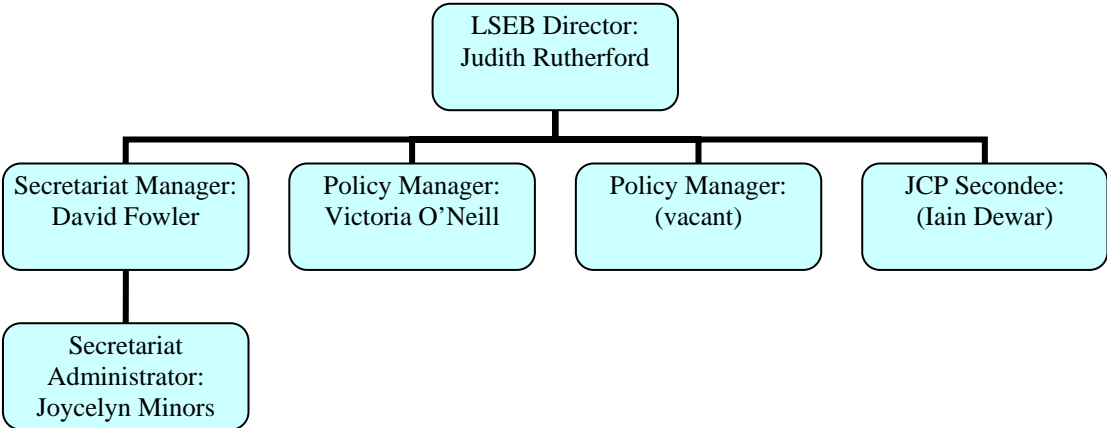
to represent LSEB at public engagements. Other members of the LSEB Board may also be on these Committees in an alternative capacity. The Committees where LSEB members are represented include:



# Annex D

## The LSEB Secretariat

The Secretariat is staffed by a small team as set out below:



# Annex E

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## LSEB Budget for 2009/10

In 2007 an agreement between the then Secretary of State and Mayor set the budget for the LSEB at up to 0.06% of the London adult skills budget. Using this formula the budget for

2009/10 could be up to £784K, however the budget agreed by the LDA and LSC for 2009/10 is £554K as set out below

### LSEB BUDGET FOR 2009/10

Description	Amount
Salaries	349,831
Programmes	204,169
Total	554,000
LSC Contribution	277,000
LDA Contribution	277,000
Additional LDA contribution in kind - premises & equipment	51,175
<b>Total Value LSEB Budget</b>	<b>605,175</b>

There are a number of assumptions underpinning this budget for 2009/10:





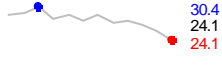


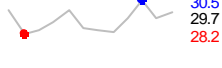







- Delivery costs associated with the implementation of the LSEB Strategy are picked up by the Delivery Agencies;
- All costs include VAT, which is not recoverable;
- GLA pays for any Board recruitment costs, (agreed with GLA March 2009);
- LDA does not charge LSEB for premises, (agreed as part of existing budget process);
- Should an agreement be reached on providing a grant to the Alliance of Sector Skills Councils in London, this will be funded by the LDA.

# Annex F

PRIORITIES			MEASURES OF PROGRESS					
Deliverable	Measure	Direction of travel	Strategy Target	Deliverable	Measure	Direction of travel - London	Cities in England (former metropolitan counties)	UK Comparator
Single offer for employers Single offer for Londoners	Integrated service and prototypes launched by March 2010		Increase the number of Londoners in sustainable work	Increase employment rate	% working age population in employment			
London Skills and Employment Observatory	Observatory launched Jan 2010			Reduce duration of time individuals remain on out of work benefits	% 0-3 month JSA still on benefit after further 3 months			
Awareness and engagement of stakeholders with LSEB Strategy	Stakeholder survey evidence of awareness of LSEB Strategy			Reduce duration of time individuals remain on out of work benefits	% 9-12 month JSA still on benefit after further 3 months			
Targets	Annual targets set by end June		To raise the skills levels of Londoners so that they have the necessary skills to compete in London's highly competitive labour market	Reduce amount of Londoners with no qualifications	% working age population with no qualifications			
Press for PSA target for sustainable employment with progress to be set	Target set by government			Increase % of employers engaged in training	NES (biennial)			
				Increase % of individuals engaged in training	% of employed had some training in last 3 months			
				Increase number of individuals with higher level qualifications	% working age population with NVQ 4+			
			09/10	STRATEGY REVIEW ACTIVITY				
FINANCE AND RESOURCES			STRATEGY REVIEW ACTIVITY					
Deliverable	Measure	Direction of travel	Deliverable	Measure	Direction of travel			
Funding to be co-commissioned	To be determined by September following publication of JIP		Review LSC Report for 08/09	LSC Plan to be fully delivered				
Funding to be aligned	To be determined by September following publication of JIP		Stakeholder Survey	Survey completed. Findings disseminated evaluated and acted upon by Secretariat				
LSEB using resources effectively to deliver the implementation plans	Delivery of implementation plans assessed as part of the annual review process		Governance and Reporting Review	Review carried out and findings implemented by Secretariat				
LSEB Budget deployed in line with 2009/10 Business Plan	Delivery of Business Plan and budget utilisation assessed Quarterly.		Review SFA Plan	SFA plan prepared by SFA to LSEB requirements and endorsed by Board				
			Review Capital Funding	Resource secured and fully utilised by LSC				
			Review Joint Action Plan Progress	Progress reviewed by Secretariat				

To view larger Scorecard please click link  
<http://www.london.gov.uk/lesb/docs/businessplan0910-scoreboard.pdf>

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Strategy Target	Deliverable	Measure	Direction of travel - London	Cities in England (former metropolitan counties)	UK Comparator
Increase the number of Londoners in sustainable work	Reduce gap for disadvantaged groups - BAME	Gap in employment rates (percentage points)	 10.3 8.9 8.9	 18.7 17 15.4	 14.1 12.4 12.4
	Reduce gap for disadvantaged groups – disabled people	Gap in employment rates (percentage points)	 29.2 28.2 25.9	 30.4 24.1 24.1	 28.2 26.2 26.2
	Reduce gap for disadvantaged groups – No qualifications	Gap in employment rates (percentage points)	 31.4 29.7 27.8	 30.5 29.7 28.2	 28.1 28 25.8
	Reduce gap for disadvantaged groups – lone parents	Gap in employment rates (percentage points)	 30.3 29.7 22.1	 21.5 17.4 17.4	 21.2 20 16.9
	Reduce gap for disadvantaged groups – 18-24s not in FT education	Gap in employment rates (percentage points)	 7 2.1 0.4	 3.7 2.5 -1.4	 2 2 -1.6

**Explanatory Notes to the Scorecard**

The scorecard contains a series of indicators for London and comparison indicators for London, the UK and Cities in England. This last group comprises the former Metropolitan Counties of the West Midlands, Merseyside, Greater Manchester, West Yorkshire, South Yorkshire and Tyne and Wear. Detailed information on this grouping is available quarterly within the Labour Force Survey as it is for London. The city character of the grouping makes a comparison with London rather more

appropriate than would be the case for a more rural region.

Figures shown relate to ‘the three years’ (definition given below) and to the latest information. The charts show the time series, the maximum within the last three years (blue dot and number), the minimum within the last three years (red dot and number) and the current/latest value (black number).

For Labour Force Survey microdata information (the majority) ‘the three years’ means the period from April-June 2006 to Jan-Mar 2009, for JSA claimant count derived information, it means June 2006 to May 2009, and for ONS monthly labour force survey information it is from May-July 2006 to Feb-April 2009. With the exception of ONS monthly labour force survey information, labour force survey data is not seasonally adjusted.

The **Employment rate** is the proportion of the working age population who are in employment. For London and UK, the source is ONS seasonally adjusted monthly figures. For Cities in England, it is Labour Force Survey microdata.

**Gaps for disadvantaged groups** are defined as the employment rate for the area e.g. London for the whole London population less the employment rate for the disadvantaged group. This means that a fall in the gap shown is a reduction in the gap. It should be noted that a reduction in the gap can arise from changes in the overall employment rate as well as that for the disadvantaged group.

**BAME groups** are defined using Census groupings, and do not include White Irish or White Other.

**Lone parents** are defined as the head of household in lone parent families with dependent children.

**Young people not in full-time education** are those aged 18-24 not full-time at school, college, sandwich courses or in nursing education. The gaps in employment rates for this group have been small, but nationally have increased with recession. Of those who are not employed, a

higher proportion of young people are unemployed than for other age-groups.

**Durations on out of work benefits.** This is initially confined to Jobseeker’s Allowance claimants for which a comprehensive set of duration figures are available. The charts shown are two series out of a possible five, but chosen to show the differences and similarities between flow behaviour for short-term and long-term unemployed. The method is to calculate the amount of people in a particular duration group as a percentage of those in the preceding quarterly duration group one quarter earlier. Therefore, we calculate the number of people who have spent 3-6 months on JSA as a proportion of those who were in receipt of JSA for 0-3 months three months before. The charts show the clear impact of the recession on durations of claim, and that the impact started slightly earlier for long-term unemployed than for short-term.

**Londoners with no qualifications.** This is a percentage of the working age population and is in long-term decline. Part of the decline is due to demographic changes due to factors such as the introduction of the Certificate of Secondary Education in the 1960s, feeding through as older groups who did not have this opportunity retire.

**Percentages of individuals engaged in training.** This is the percentage of the employed who reported they had some training within the last three months. The definition of training is very broad so the

28 percentages shown, while consistent between areas, seem high.

**Percentages of those with higher level qualifications.** This Labour Force Survey based analysis is based on current residents of

London or the other areas. Therefore migrants from elsewhere in the UK to London are included as Londoners, as are international migrants with high qualifications.

# Annex G

## Risk Register

The following is the LSEB Board's Risk Register. It will be monitored and updated by the Joint Delivery Group and the top risks reported to Board meetings.

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Risk	Impact	Likelihood	Mitigation
The pressures of the economic downturn impact adversely on the delivery of the LSEB Strategy and Implementation Plan.	High	High	Prioritise initiatives to minimise the recession within the Implementation Plan for 2009/10 recognising the reality of day to day activity and resource allocation. Prioritise progress on single employer and individual offer via recession initiatives and learn lessons from this to apply more widely.
There is a risk of paralysis of action in 2009/10: There's a real prospect of a General Election which would bring activity to a halt and may lead to further structural changes. As a result of the organisational changes already planned, LSC will lose senior managers early to the Skills Funding Agency and LAs, who would lead on the Implementation Plan. JCP has to recruit 3000 extra staff by September which taking management time.	High	High	Consider implications of various General Election manifestos for LSEB. Advice needed from Delivery Agencies on how these impacts can be minimised so that the LSEB Strategy can be implemented. Escalate unresolved issues to BIS, DWP etc. Monitor impact of this risk during 2009/10.
Alignment and engagement of other organisations with the LSEB Strategy: The SFA will replace the LSC and there is a risk that traction will be lost. There is no parallel duty on JCP to comply with the LSEB Strategy compared to LSC and the LDA. There is no traction on all organisations at regional, sub-regional and local level to be	High	High	Agree MOU with BIS in relation to the SFA and transfer of LSEB powers from the LSC. Encourage JCP to continue to align with the Strategy as part of the LSEB Board. Work with London Councils, Government Office and other partners to adopt the LSEB Strategy as their framework.

aligned/engaged with the LSEB Strategy, including Local Authorities, LAAs, MAAs etc.			
There are still no shared targets at national level for skills and sustainable jobs, which continues to be a drag on progress in integrating employment and skills. The current target regimes pull LSC, LDA and the LSC in differing directions.	High	High	LSEB should press for early resolution of a joint national target for sustainable jobs with skills via BIS/DWP to establish a basis for aligning work across the Delivery Agencies. LSEB could make common cause on this with the UK Commission for Employment and Skills.
The DWP proposed co-commissioning opportunities for employment programmes could lead to prioritising employment over the integration of employment and skills.	Medium	Medium	Ensure co-commissioning opportunities are used to promote the integration of employment <i>and</i> skills.
Reputational risk to LSEB if impact is limited in 2009/10 due to the factors above.	High	Medium	Business Plan prioritises measures to achieve impact. LSEB to conduct Stakeholder Survey to measure awareness and reputation with key stakeholders.