GREATER**LONDON**AUTHORITY

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2111

Title: Production of a Classification of Workplace Zones within London

Executive Summary:

A Classification of Workplace Zones for England and Wales was produced for ONS, but was found to have insufficient distinguishing power within London to be suitable for most purposes. The Census Information Scheme (CIS) members agreed that having a classification which provided a greater degree of differentiation within London would be a useful tool.

After preliminary internal investigation and in combination with a steering group comprising officers from GLA and others representing the CIS, it was agreed that this should be commissioned to an external agent. The funding will come from the Census Information Scheme.

Decision:

That the Assistant Director of the Intelligence Unit approves:

1. The award of a contract to Public Profiler and expenditure of up to £26,000 for the development of a London Workplace Classification Zone tool.

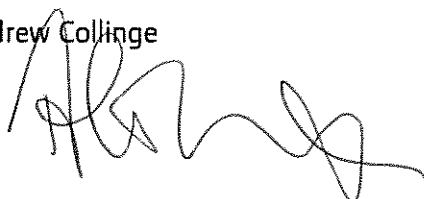## AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Andrew Collinge

Position: Assistant Director of Intelligence

Signature:

Date: 9/5/17

PART I - NON-CONFIDENTIAL FACTS AND ADVICE
Decision required – supporting report

1. Introduction and background

1.1. The Greater London Authority, together with other local authorities and related bodies in London uses a wide range of data to understand the population and economy of the city in order to plan, encourage prosperity and provide services and support appropriately.

1.2. In order to maximise the value of the data a consortium of public bodies within London seeks to produce analysis and outputs to enhance the raw statistics published from the Census. A classification of residential output areas across London, produced along similar lines to the national classification has had various applications, and the GLA is now seeking to produce a classification of workplace zones to understand its businesses, workforce and economy better. However, we recognise that employment and business operates within the context of its area, which can offer important clues to variations in how different areas operate or perform, so we are keen to extend the range of data beyond that of the workers and businesses to reflect those wider characteristics.

1.3. The Office for National Statistics (ONS) has published a number of area classifications. Following the 2011 Census, they published two for small areas across the country that relied specifically on 2011 Census data. The first was the Output Area Classification (OAC). The OAC was produced using cluster analysis of a selection of Census indicators and characterised the smallest geographical areas for which statistical data on populations are published on a nationally consistent basis. When considered in the national context, such areas within London were relatively homogeneous, having more in common with each other than with other parts of the country, to a large extent, meaning that output areas within London were classified in a relatively small range of the national types identified.

1.4. The GLA, on behalf of a consortium, consisting of all the London Boroughs and bodies in the GLA group, commissioned the producers of OAC to run a similar cluster analysis purely for output areas within the London region, generating a new classification, the London Output Area Classification (LOAC) which had greater distinguishing power within London. This has been used in a range of contexts from crime and community safety to transport and by London boroughs to help with targeting and planning.

1.5. Similar classifications have been or are being produced by ONS at different geographical levels with national coverage. Researchers from Southampton University produced a national Classification of Workplace Zones (CoWZ) for the ONS using data from the 2011 Census. This grouped workplace zones across England and Wales into seven Supergroups, each with between two and six subdivisions. These were: Retail; Top Jobs; Metro Suburbs; Suburban Services; Manufacturing and Distribution; Rural; and Servants of Society (Public Administration). A UK-wide version is expected to be published during 2017.

1.6. As with the OAC, London appeared relatively homogeneous in the national context, as according to CoWZ, workplace zones in London were overwhelmingly concentrated within two of the Supergroups; 'Top Jobs' and 'Metro Suburbs'. The GLA, on behalf of the wider consortium of London public sector organisations are seeking to commission a similar type of classification that would provide greater distinction within the Greater London area.

1.7. The national classification was based exclusively on workplace statistics from the 2011 Census but initial discussions have led the GLA to believe that there is scope to bring in a wider range of Census

and non-Census data to inform the classification and to enable more Boroughs and Planners to make more informed decisions and policies based on better understanding of Workplace Zones in London.

1.8. Furthermore, London is unlike other areas of the UK in respect of the geographical concentration of workplace zones within some parts of the city but not others, and so using a newly developed geography of Workplace Zones is particularly useful in London.

1.9. The GLA receives income from assorted contributors (namely boroughs and functional bodies) towards the Census Information Scheme (which is a decennial programme). The members of the Census Information Scheme agreed that a similar type of classification to that referred to in section 1.6, but bringing in a wider range of Census and non-Census data, to provide a greater degree of distinction within the Greater London area, would be a useful tool to help with economic, transport and other planning and to identify appropriate areas for siting projects.

1.10. As no appropriate framework exists for procuring this work, a competition for quotes was held. Eight suppliers were contacted to bid for this work. They were: Nordicity, Public Profiler (Consortium from University of Liverpool and UCL), Learning and Work Institute, Southampton University, Institute for Employment Studies, Peter Brett, Steer Davies Gleave, and Institute for Employment Research (University of Warwick). Three proposals were received, with the response from Public Profiler receiving the highest score against the evaluation criteria.

2. Objectives and expected outcomes

The classification will produce a grouping of Census workplace zones, as defined by ONS following the 2011 Census across London, to identify which zones within London are most similar but to make distinctions as appropriate. This will broadly consist of

- Identifying and construction of an optimal set of indicators to use, including theoretical and actual relevance and assessment of value.
- Construction of classification and platform to make it available.
- Full report and user guide

3. Equality comments

This work will use equalities information in construction. The uses to which the resulting classifications are put may then apply differentially to some areas reflecting different equalities characteristics.

4. Other considerations

a) *Possible risk/issues* – Work not completed to sufficient quality.
Mitigation – The work will be reviewed by the Senior Research & Statistical Analyst and signed off by the commissioning team.

b) *Links to Mayoral strategies and priorities* – The Workplace Zoning classification information will support work in Town Centres, around transport hubs, major developments and Economic Fairness.

c) *Impact assessments and consultations – The impact of making this purchase will be improved evidence base for decisions and policy in respect of the above.*

5. Financial comments

5.1 Approval is being sought for expenditure of up to £26,000 for the commissioning of consultants to support the development of a London Workplace Classification Zone tool.

5.2 The cost will be funded from the Intelligence Unit's budget for 2017-18.

6. Legal Comments

N/A

7. Planned delivery approach and next steps

Activity	Timeline
Procurement of contract	April 2017
Stage 1 report and meeting	April 2017
Presentation	May 2017
Stage 2 draft report	June 2017
Final report	July 2017
Presentation	September 2017

Appendices and supporting papers:

London Workplace Zones Classification Specification

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form –NO

ORIGINATING OFFICER DECLARATION:

Drafting officer:

Rachel Leeser has drafted this report in accordance with GLA procedures and confirms that the Finance and –if relevant– Legal teams have commented on this proposal as required, and this decision reflects their comments.

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 8 May 2017

HEAD OF FINANCE AND GOVERNANCE:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature: _(signature)_   **Date:** 08.05.17