

GREATER LONDON AUTHORITY

Mayor's Office

City Hall
The Queen's Walk
More London
London SE1 2AA
Switchboard: 020 7983 4000
Minicom: 020 7983 4458
Web: www.london.gov.uk

Len Duvall AM

City Hall
The Queen's Walk
More London
London SE1 2AA

Our ref: MGLA190911-9294

Date: 26 OCT 2011

Dear Len

Re: Review into the employment and skills opportunities of the 2012 Games-time period

Thank you for your letter of 14 September. I am pleased that you share my ambition to maximise the employment opportunities generated by the Games.

As you know we now have a dedicated team at City Hall running our 2012 Employment and Skills Legacy programme, following its transfer from the LDA, and they have been working across a number of areas to ensure effective outcomes for workless Londoners. I have replied to your specific recommendations below, but have first provided a summary of progress, and of those GLA activities which touch on other areas of relevance to the report.

Progress Update – The full picture of Gametime employment opportunities is rapidly becoming clearer. LOCOG has worked with its major contractors on their 100,000 Games-time roles, many of which will be new. Around 10,000 will be new entry-level posts suitable for previously workless people with limited experience. These range across catering, cleaning, waste, security and retail and could provide a valuable first taste of employment for Londoners. Our team are working hard to promote take-up these opportunities through a number of mechanisms, namely:

- The Host Borough Employment and Skills and 2012 Employment Legacy projects, funded by GLA. These projects work directly with LOCOG, contractors, local authority, further education and third sector partners to train and support people into entry level opportunities.
- Publicising the scale of opportunity and support routes for individuals across a variety of networks including the London Employment and Skills Taskforce for 2012 (LEST 2012), and London Councils.
- Identifying challenges (see below) associated with using mainstream employment support activity (Jobcentre Plus (JCP) and Work Programme) to help people into Gametime jobs and working with LOCOG and government partners to address these.

GREATER LONDON AUTHORITY

- Helping partners to address some of your other report recommendations. For example: meeting with LOCOG and TELCO (London Citizens) to try and enhance third sector involvement in the recruitment process (Recommendation 5) and accessing GLA Intelligence Unit expertise to support and enhance LOCOG information gathering on length of residency (Recommendation 6).

Gamestime recruitment by contractors to entry-level jobs is already underway. Hard work by all partners is generating very high levels of turnout at the most recent open day events, and excellent conversion of interviews to job offers, with more than half of offers going to Host Borough residents.

It is also becoming clear that the impact of previous interventions funded by the LDA, and the number of indirect jobs generated by London 2012 may both be greater than anticipated, meaning we hope to come closer than we had expected at the time of your hearings to achieving the ambitious, pre-downturn LEST 2012 target of 70,000 previously workless Londoners accessing employment as a result of the Games.

Good progress is also being made on another challenge which you have identified in your report: namely that the short term nature of the Gamestime roles means that people will have concerns about the impact of taking a job on household finances, in case their return to benefit should not proceed smoothly. Jobcentre Plus are writing to claimants to explain the process for coming off and returning to benefit to them, and have also provided assurances to me and to our delivery partners that there should be sufficient capacity within the national network to process claims speedily. However, we are not complacent, and work proceeds on two fronts:

1. Reviewing with LOCOG on ongoing basis the number of JSA claimants being offered roles, in order to understand the likely number of re-claims and make any contingency capacity arrangements necessary;
2. Active planning with project partners to manage the end-of-Games process for their clients, and wherever possible secure immediate follow on roles to prevent them needing to return to benefit.

However, despite this positive outlook two significant challenges remain in recruiting previously workless beneficiaries to Gamestime jobs. These are:

- *Length of time between recruitment and starting work:* The requirements of security accreditation mean that contractors need to have completed their workforce recruitment and submitted employee details for clearance by 21 April 2012. To accommodate this process, many have started recruitment for Gamestime jobs already. However, this means that any successful candidates who are currently out of work could have to wait as long as nine months before taking up their job. There is a strong risk that during this delay they may lose interest in the opportunity or (more positively) find other work.
- *Short term nature of Gamestime employment/ compatibility with Work Programme:* You will be aware that the Work Programme is designed to support people into sustained employment, and Prime Contractors are paid, in arrears, once people have stayed off benefit for a minimum period of time (13 or 26 weeks depending on their work history). Unfortunately LOCOG contractor jobs are for the most part shorter than the minimum qualifying period, reducing the incentive for Primes to support people into these opportunities. We are currently in discussion with the Primes and LOCOG over this issue, to identify the most appropriate package of flexibilities on which to approach Government.

GREATER LONDON AUTHORITY

Specific recommendations: I have responded to your recommendations to me in turn below.

Recommendation 2: In their responses to this report by October 2011, the Host Borough Unit and the Mayor should update the Committee about the outcome of their discussions regarding the funding levels and flexibility of the GLA Olympic and Paralympic skills and employment programmes.

Response: Immediately upon assuming responsibility for the 2012 Employment and Skills Legacy Programme in July this year my team met with the Host Borough Unit, and attended the Project Steering Group meeting, to discuss desired flexibilities. The only specific flexibility requested at that time was to work with younger people who had been out of the labour market for a shorter period (six months or longer), and this request was immediately granted. This change equalised the terms on which the Host Borough and 2012 Employment Legacy projects could recruit.

In the light of the issues identified in the recent response from the Host Borough Unit to your letter we have provisionally identified some further changes to the project's funding structure, in order to support tactical training interventions allowing people to access Gametime roles. Discussions with partners on their desirability and implementation are currently underway.

Recommendation 3: The Mayor, the Host Boroughs and LOCOG must urgently meet the six London Prime Contractors and seek their commitment to supporting LOCOG's employment targets and filling Games-time roles with their clients. The Mayor must highlight the concerns of the voluntary and community sector as part of these discussions, as well as promoting the existing employment support networks which Prime Contracts should be linked into. The Mayor should report back to this Committee by October 2011 on the outcome of these discussions.

Response: Unfortunately the structure of the Work Programme deters Prime Contractors from working on Gametime jobs, as the jobs are for the most part too short to trigger the sustained employment payments which are the main source of Prime Contractor income (GLA are in discussion with LOCOG and Prime Contractor partners on the most appropriate flexibilities to request from Government). This problem needs to be resolved, so that Primes can get to work on the Olympic and Paralympic opportunity, for there to be value in exploring their links to the third sector in this context. More widely, and in the hope that we can find a basis for Primes to work on Gametime jobs, it is clearly important that community and voluntary organisations' expertise, networks and outreach capacity are harnessed to get people into work. Officers from my EPBU team meet with the Primes on a regular basis to discuss pan-London performance, and prior to the Work Programme commencing I set out an expectation that Prime Contractors would support the development of dynamic and flexible supply chains with specialist organisations, to reach into local communities and promote effective collaboration. I am also soon to launch a bespoke London Employment and Skills directory of services, funded through European Social Fund monies, to actively promote existing employment and skills support services in London (many of which are third sector led).

In addition my 2012 Employment and Skills team are in discussion with LOCOG and TELCO, the East London chapter of London Citizens on ways to build links between established recruitment partners (such as the Host Borough brokerages), contractors and third sector organisations.

Recommendation 8: By January 2012 LOCOG and the Mayor should report to the Committee the number of Personal Best graduates who have been recruited to the volunteer workforce. In its response to this report by October 2011, LOCOG and the Mayor should set out what lessons it has learned from the recruitment of Personal Best graduates that might be applied to the recruitment of paid positions.

GREATER LONDON AUTHORITY

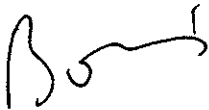
Response: Your report identifies that only a limited number of Personal Best (PB) graduates have applied to become Gamesmaker volunteers. LOCOG confirms that over 1,000 people from Personal Best applied, and LOCOG guaranteed them an interview. Around half have now had their interviews.

It is important to remember that there have been other positive outcomes from Personal Best, arguably delivering greater and more sustained impacts than Gametime volunteering opportunities. For example of the 4380 people who completed the programme in London, 735 have gone on to further training, 550 have entered employment and 1174 have taken up other volunteering opportunities- all having started from a base of no or very low level qualifications. We would not have expected, or wanted, early starters on the scheme simply to mark time until the Gamesmaker opportunity arose.

You are keen that lessons are learnt from the PB experience and applied to recruitment of paid posts, and I am confident that this has happened. With reference to candidate preparation, project partners are making immense efforts to ensure that their beneficiaries fully understand the contractor opportunities, and are well prepared for interview through a combination of employability support and relevant vocational training. With reference to ringfencing jobs, while the staffing imperative of delivering an outstanding Games makes this impossible, recruitment has been structured and timetabled to give out of work Londoners the first and most lengthy chance of any candidate group to gain an entry-level role.

I hope that this reassures you that we are acting on your recommendations, and that we continue to make every effort with regard to this exciting opportunity.

Yours ever,



Boris Johnson
Mayor of London