Appendix 1

Economic Development, Culture, Sport and Tourism Committee
24 March 2011

Transcript of Item 6: Review into the Skills and Employment Opportunities during the 2012 Olympic and Paralympic Games

Len Duvall (Chair): Just to set the scene, we have had two meetings and one visit to one of the Olympic boroughs to discuss with host boroughs some of their arrangements associated with this. Our key aims at this meeting are to discuss the employment and skills opportunities arising from the Games; see the challenges of making opportunities successful to the long-term unemployed Londoners, particularly those in the host boroughs; and to see what more needs to be done in maximizing the accessibility of these opportunities. Let's see where we can draw lessons. There is some valuable work - much is focused on the Games but there are other ways that people working in east London along with yourselves can give lessons to other parts of London in tackling unemployment.

Paul [Deighton], you wanted to make an opening statement?

Paul Deighton (Chief Executive, The London Organising Committee of the Olympic and Paralympic Games): Just to say really we absolutely endorse and support the objectives you laid out there. It is perfect timing to do this as we really begin the final planning for the ramp-up of the Games time staffing that we will need right across the project. Only on Tuesday in the room next door we had all our catering, cleaning and security contractors here with the host borough leaders to really talk about how we make this work. The time is really right to fine tune everything we are doing to make the best out of this.

The framework we use to think about this is very much a 'demand and supply' one. We think of ourselves, at the London Organising Committee of the Olympic and Paralympic Games (LOCOG), as the ones who are creating the demand. We have the roles and, as you know because you have seen the papers, they are right across our own paid workforce, our volunteer force and, most importantly, the contractor workforce which is a huge workforce; probably up to 100,000 roles, some 30,000 to 40,000 of which are net new jobs which we can make available. That is a big opportunity which is why doing this is so important.

The thing to remember about what we are doing, particularly for those contractor jobs, is this is a massive bulking up for a very short period, and so all the things that we need to do to make this work really have to understand the scale of it and the short-term nature of it and the fact that our principal objective is to put on the greatest show on earth in a way that makes this country proud, as well as creating real opportunities for local people. We are really working on making sure that all the information about how demands for those jobs are properly fed in so everyone understands who is providing people and what is required and when, which really takes you to the supply side which, for us, is the critical side which will determine whether or not we are successful in the objectives you laid out.

Just left to market forces we are going to end up filling these jobs from somewhere, but they would not necessarily fall the way we would ideally like them to. All the interventions and all the actions we are taking are really to try to make sure that it gets at the hard to reach crowd, that it is giving east London its fair share and that, out of whatever temporary opportunities we create, we can work them into a much more sustainable outcome over time.

Really for us and what we have been focused on is working with people who are directly responsible for the supply side - whether it is the host borough unit, the job brokerages there, Jobcentre Plus or Neale [Coleman] and his colleagues in London government - to make sure that the relationships and the plans are in place so that supply pipeline produces as many people as it can with the skills so that when we start the actual hiring process towards the end of the year, they are there. The simplest way to think about it is, if the people are there, they will get hired. So all our focus at the moment should be getting skilled-up, trained, ready and willing people that our contractors in particular can then pick up in the numbers and at the quality they want when they are ready to do it. That is where our focus really needs to be.

I would finally say we are really committed to this. For us one of the great things about the Games is it is a powerful catalyst. When people hear there is a job at the Games it gets their attention and their interest in changing their own lives and seizing the opportunity in a way that often other things do not. We really want to use the stardust the Games gives us to help with this in a significant way. We work very hard in our own workforce - we are up to about 20% now coming from the host boroughs. For the last six months now I have been leading a group which meets every quarter - we have got the third one next week - of the leaders and Mayors across the host boroughs to address this very issue. We have been planning and working with them to say, "This is a collective problem: if we only get 15% rather than 25% of the workforce that is our collective issue. It's not because we didn't take them or you didn't supply them; it's because we didn't get the supply and demand together in the right way to get the best possible outcome". I think that is how we should look at it.

This will be a challenge. We will have many more opportunities than the host boroughs will be able to provide people to meet, so the challenge is all about maximising that number because, if we do that effectively, our contractors in particular will take them.

Len Duvall (Chair): One of the levers that you have got is the contracts. Can you explain to the Committee what are the limitations of that and what we can and cannot do? Is it stick and carrot really - the encouragement factor? You would like to think people would do things for good reasons but they do not sometimes and they have to be really forced. Take us through that procedure. Then maybe talk about some of that learning around the contract issues. We are very keen to learn lessons that you are putting into the contracts or not and seeing whether they can be used in other areas of London, in particular around future projects.

Paul Deighton (Chief Executive, LOCOG): On contracts I will hand over to Jean to take us through how we have dealt with that. I will just make one or two opening comments. If you had been in the room with all the contractors on Tuesday this was not complicated. They simply said, "We'd love to hire as many people as we can from the East End. Let's figure out how we can train them together and get them". They would be delighted to hire all the people from here if they are available.

One of the reasons they understood was that right through our procurement process we made it crystal clear that that was an absolutely critical objective of the whole arrangement. Everybody in the room was totally aligned; it is just a matter of making it happen. It is important to understand, if they are there, they will hire them. I do not really see that as a particular issue. It is all about getting the people ready.

Victoria Borwick (AM): Are you doing a skills matrix of the skills they need and the skills we need to train people to? Could you put a bit of flesh on how that is going to take place.

Paul Deighton (Chief Executive, LOCOG): The answer is yes but why don't I ask Jean to take us through the process with the contractors and how we get the supply and demand matched up.

Jean Tomlin (Director of Human Resources, LOCOG): As Paul has said, we started - many years ago actually - thinking about how we could best leverage the opportunities through the potential 100,000 contractor opportunities that we have. We looked at the procurement process at a very detailed level and decided that we needed to access these potential contractors before the contracts were let. Built into any of the invitations to tender is a very, very clear description of what anyone who is thinking of applying for these contracts needs to fulfil. There is a very clear outline of the labour standards that we want our contractors to work to, there is a very clear description of the roles that we need to have fulfilled and there is a very clear description of the monitoring that we would like to take place from the outset. We fundamentally believe that if you set it up right you are more likely to get that partnership working.

I then looked at my own area in terms of how I needed to structure the department to be able to face off to the contractors. Now we have 100,000 contractor opportunities but the net amount of available new roles - because the contractors will bring their own existing staff - will be up to 40,000, and they are really across catering, cleaning, waste, security etc. We have broken down every single one of those jobs because we had to be clear, when letting the contracts, what the broad numbers were. Clearly the detail comes as we let the contracts and we start the dialogue. We have set up our organisation internally to make sure that we can absolutely educate those contractors as soon as they come on board. We have a protocol that they are aware of and we encourage them to work to those standards.

In addition to that we have worked very, very closely with the job brokerages and the host borough unitto make sure that what we are doing absolutely mirrors the opportunities in the host boroughs - but, clearly, that is not just about the host boroughs; it is about London in the wider context.

We absolutely do have a skills matrix. We understand what the demand is. We actually conducted a labour supply piece of research two years ago which demonstrated that we would have gaps in security, catering, chefs etc so we have been working with colleges to make sure that we had those training courses in place so that individuals can get fed through the system, attend those courses and be job ready to be recruited into these roles.

I think what we have got is a very integrated process - well communicated - the contractors know what they are coming into and what is required and that is all very clearly documented.

John Biggs (AM): When Paul Deighton was presenting at the beginning of the meeting he talked about targets and the need to have a collective effort to achieve those targets. The question in my mind was whether a failure to achieve that target would be a collective failure? You said it would be a collective issue. I just wanted to --

Paul Deighton (Chief Executive, LOCOG): Absolutely. An issue failure.

John Biggs (AM): Just for the record, you are very clear that, as far as Games time is concerned, the prime target holder and the prime party responsible is LOCOG itself, through structuring and ensuring --

Paul Deighton (Chief Executive, LOCOG): No, I think it is a collective issue. We need the supply delivered. We will absolutely take the supply if it is there. It is a collective challenge. That is the real point I wanted to get across.

John Biggs (AM): I do understand that but you do understand where I am coming from. We are a public body and you are a private company but you are, *de facto*, a public body because you are performing a public purpose. You are tasked with providing the Games and various contractors need to provide the various elements of the Games - catering or whatever. If we are looking for someone, like nailing jelly on a wall, you are the jelly that needs to be nailed to the wall in terms of the main holder of the target. Is that not a reasonable position?

Paul Deighton (Chief Executive, LOCOG): You have got my point of view. We will, from the demand side, absolutely work in every way we can with the available supply to make this work. If the available supply is not there we have to put the Games on. That is why we tackled it in an integrated way. It is the only way to look at it, John, in an integrated way.

John Biggs (AM): The world is full of wise guys, many of whom are politicians who, when things do not happen, say, "Aha". How do you have alarm bells ringing to ensure that you anticipate things not happening and correct as far as possible and then let people know, "Look, we've done everything we possibly can but it just ain't going to happen"?

Paul Deighton (Chief Executive, LOCOG): The way I approach problems like this is in reflecting what has been going on and the fact we have been working with all the different parties to understand what the challenges are and what needs to be done to give this the best possible chance to succeed. I am not really that interested in whether you are going to blame me or not; I am really only interested in doing the best job we all collectively can --

John Biggs (AM): Neither am I, but I like to have clarity as to who is responsible.

Paul Deighton (Chief Executive, LOCOG): We are absolutely committed to maximising the outcome here to be effective in that, with all the other parties who are involved to do their jobs too. That absolutely is collective. If I emerge from here with having got one point across it is that we will either all succeed together or we will all fail together and the outcome will be a result of that combined effort on both the supply side and the demand side. We will absolutely do our bit on the demand side, and work with people on the supply side so they have got everything they need to be able to get those people in front of us.

Jean Tomlin (Director of Human Resources, LOCOG): What I would say, to add to Paul's comments, is that we have a series of structures that are in place to do exactly as you describe so that we will be able to monitor at every step when things are not being delivered according to a time schedule. For example, we will work with the Human Resources departments of each of the major contractors to understand their programme and timeline of recruitment. If they say, by January 2012, we must have 40% complete in this category, if they are not 40% complete, we will be working with them to understand where the job brokerages are, where the outreach programmes need to go and where we need to target more. That is set up to happen.

In addition, the meeting that Paul has, where everyone who has an accountability will be around the table, so you will have the GLA there London Ambassadors will be there, my team will be there, and we will all be holding each other to account.

In simple terms, we have the monitoring mechanisms there to ensure that, if it does go off track, we are going to take the necessary action to bring it right back on track because that is in our interest. The Games will not be staged without the people. It is critical.

Len Duvall (Chair): To make people job ready must take some time - say 6 to 12 months. The host boroughs have been doing a lot of work. I accept in terms of some of the levers the process in itself, the awareness, the changes in attitude and working with the contractors. If the host boroughs cannot supply, what work is immediately being undertaken outside those host boroughs in areas of high unemployment to get them ready to take advantage of this? Are we sure that that is going on?

Secondly, the Olympics are core to this and core to our investigation. During the course of our discussions we have got Crossrail coming on big time and we have got the Thames Water relief tunnel. How do we make sure we are learning the lessons from east London to grab those jobs and see if those contracts are the same and their contractors are up for getting people job ready for some of the opportunities that may arise from those particular ventures?

Graham Houghton (District Manager City and East London, Jobcentre Plus): I would probably start by saying Jobcentre Plus recognises that we will work in partnership with each of the boroughs across London so my relationship, particularly with the six host boroughs, and also Havering and Redbridge as well. There are different arrangements in different places. The common theme is Jobcentre Plus having an account manager - which we have got in each of our boroughs - which has a simple relationship with the employing organisations. We see our role as mobilising local partnerships. It is different in different places and it can get complicated but the simple message is, once we understand what the employer is looking for, we equip people to apply. Very often that is online now so the application process itself becomes even more important that people are prepared and ready when that job goes live to go on to the website and put the right details in and that they are equipped with even simple things like who my last five references are, where did I work, dates, so all that simple stuff is done.

Where we know that we have got big demands is in security, retail and customer service, the whole network of provision, relationships with colleges in each borough is targeted towards what we think the opportunities are. It is very good to hear that supply side coming through because then the relationship becomes one with a further education (FE) college that we want a short course that prepares people with retail skills or elements of customer service. That network extends across London with my colleagues that work in other districts as well.

I do have a team based in Boardman House with the five host borough units which we will expand as the vacancies expand. Its job is to coordinate with Jobcentre Plus across London. It will not only be London because some of the venues are UK-wide as well. There is a dual commitment where we can get people locally to get those jobs and be successful and that is great, and a requirement also to the employer to say, "Trust us. We're going to get you the people". That level of engagement and trust is quite fundamental really to getting local people into jobs because they need to understand that we understand their requirements.

Len Duvall (Chair): Going back to the second part of my question, does Jobcentre Plus hammer on the door - you are public sector; they are public sector, except for Thames Water. Crossrail is a big public sector project - to say, "There are some jobs coming up here. We want those jobs because we've got some people that we think we can match them with and we want to know what your requirements are?" How does it work? Or, with no disrespect - this is not me whinging - is it a passive operation?

Graham Houghton (District Manager City and East London, Jobcentre Plus): It is a very active operation. Certainly for Crossrail, we have got a project team on that. We have got account managers who engage with all of the contractors in that network. Our reason for being is getting people back to work. Our success is measured in people leaving benefit and starting work. There is a driver in that. We are only as successful as the last week when we placed the people that have started work. It is very much an active operation. We do have a national network of account managers as well so what you will often find is that, once a big scheme is on the way - Westfield was a case in point - as those retailers start moving in, we have already got a relationship with Marks and Spencers or John Lewis which we then build on locally and mobilise.

We are, I think, more proactive than people would understand looking from the outside because, actually, we do not necessarily want to take credit for doing all of that. It goes back to my first point about this being a partnership. I do not care who actually gets someone in to work as long as I have helped them along the way.

Tom Travers (Head of Olympic Opportunity, London Development Agency): At the LDA we have hammered on the door of those big programmes over the last couple of years, notably Westfield, the Olympic Park Legacy Company (OPLC) and the Crossrail programme. That has proved to be successful in terms of instigating some of the clauses in the contracts, or at least a commitment from contractors within those developments, to follow some of the principles that Jean has outlined that LOCOG is adopting which have been very successful.

In terms of Crossrail, for instance, the construction training centres that we have in east London, there is now a commitment from Crossrail to train at those centres and to get candidates from those centres into the contracted workforce. That is just an example of the legacy of our work which hopefully will play out over the next five to ten years. Certainly we know for a fact that the OPLC - and probably in your investigations you will find from the OPLC – that there is a commitment to this very same agenda. Not only do those opportunities arise for the two to three months of the Games next year but then it will extend beyond that with a commitment from those project developers of those other projects to take those people on and to take other unemployed people on.

John Biggs (AM): Is it reasonable for us to blame the Mayor if things do not happen, rather than LOCOG?!

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): I think I do agree very much with what Paul has said here about this being a collective effort. It has to be seen like that. I do think that all the parties are actually working pretty well together. Paul has talked about the meeting that we had this week. Actually it was an extremely encouraging meeting I thought because it was very practical and down to earth. We had leaders of the host boroughs but we also had the people who owned the contractor companies in the room. There was a very wide range of different companies from small catering companies to big catering companies like Sodexo, G4S on the security side and whatever.

The interesting thing was what everyone was talking about there were the practical nuts and bolts of making this work in terms of how are we going to get all the catering contractors together to run common training programmes. A very good interchange, for example, between Chris Roberts [Council Leader] from the London Borough of Greenwich and the catering contractors about how we could do that, how we could build the models that they have developed in Greenwich, and I am sure we will be able to support and encourage that. There is a lot of public support and investment available for this both through the ongoing London

Development Agency (LDA) programmes which we are going to be supporting but, critically through Jobcentre Plus as well, where I know there are a lot of quite flexible arrangements to bring in additional funding to support particular training initiatives or getting people job ready. I actually think we are in quite a good place in terms of the relationships on the ground.

We do need to understand - and in some ways this is a good thing and not a bad thing - although we are going to be really making a big, big effort, and that is reflected in our funding in the host boroughs - we are going to be giving a lot of priority there in terms of funding and extra support - the scale of the jobs that we are talking about here mean that it is not just going to be people from those boroughs. The capacity just simply is not there. Therefore, there are opportunities right across London for people to access jobs. We will need to make this a programme that spans the whole of London and not just focuses on the host boroughs, albeit we will put a lot of priority into delivering there.

John Biggs (AM): Can I follow up with one tiny question. I make no apology for us focusing very much on local jobs but one of the ways to achieve local jobs is through local suppliers. Are the two of you content that we have the right fabric of contracts and sub-contracts that we are going to get good local suppliers for things like catering and security? Obviously, a small local catering firm will not be up there with the big players but there is an expectation that they might get a piece of the action.

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): Paul can say a bit more about how their procurements work. It is quite striking the mix of companies there with the different approaches, particularly in the catering sector. Within an area like security - and I am really speaking for Paul here - where clearly they have gone for a big company, the biggest company in the game, for understandable reasons - that company has done a huge amount of the Olympic Delivery Authority's (ODA) work on securing the Park. The very striking thing about that is how virtually all that recruitment has bought people in locally to do that and it has been very successful from that point of view. So, although you are right about suppliers, for some of the big suppliers there is a real incentive for them to recruit locally, and they have done that already.

Paul Deighton (Chief Executive, LOCOG): A couple of things. Firstly, obviously, for the really big critical contracts which require massive capacity, experience and skill, you are going to go for the people who have got that capacity and it narrows it down to small numbers, and security is the single best example. In practical terms what they all do is gear up and hire up for these individual jobs so, ultimately, they are all fishing in the same pool of people. Inter-mediating with smaller security companies is really neither here nor there; you end up with the same people coming into the same jobs.

Catering offers more local business opportunities for small and medium sized enterprises . The way that structure will work is that the major contractors, which do have a mix - we had an East End family who are doing some of our catering and then we had Compass which is one of the big players - will have sub contractors. One of the things we will do with the local boroughs is we will put on big meetings where local suppliers can come and meet the main contractor to determine what the opportunities are. We will be trying to facilitate that where it makes sense.

John Biggs (AM): Facilitate rather than drive?

Paul Deighton (Chief Executive, LOCOG): Again, the implication is that somehow we are making people within our suppliers do things they do not want to do. Our suppliers are delighted to find top notch local suppliers who can help them get their job done. If you do not

characterise any of this as a win-win it will not happen anyway. We always position all these things that it is both in the interests of our broader social and economic goals but also in the interests of the supplier in terms of building their business and delivering what they have undertaken to deliver in the contract.

Victoria Borwick (AM): Can we move on because I think that was a very good introduction. You have obviously got what I might describe as your inner circle but, inevitably, people from outside have asked us how they do get involved with the bandwagon. What can be done to improve the awareness of the various opportunities available to an even wider audience than those that you are currently attracting - carrying on from the positive theme of Paul's introduction? Obviously now we have got through the construction phase and we are on to the next phase. Again, how can we make sure that we do not just lose our current ways of contacting people but ensure that other people feel that there is an opportunity for them too, both in the training opportunities and not just through Jobcentre Plus?

Tom Travers (Head of Olympic Opportunity, London Development Agency): If I say a few words by way of introduction. That is one of the lessons that we are learning from the construction programme in that this time round we are going to have large numbers of vacancies that are going to be made available at a given time, making it much easier to communicate with individuals and intermediaries across the boroughs and across London as to what the precise opportunity is and be quite definitive about if there is an offer.

With the construction programme it was much harder to do that because, from one day to the next, you would not necessarily know if you had a vacancy or not. It might have only been one vacancy instead of 100. It becomes an easier way of communicating just by virtue of the nature of the opportunity.

Aside from that, what we very definitely want to do is work with LOCOG's jobs board which is the internet access to vacancies; so every vacancy will be advertised via the LOCOG's jobs board. Allied to that will be the telephone number access for individuals who are interested in vacancies which will route people through to the right place for support and help as well as tell people where to find out about the vacancy itself. Of course there is the Jobcentre Plus network across London which will have a multiple presence in every borough.

One of the key challenges we face will be around how we get particularly our counterparts in the boroughs themselves to work much more effectively with that community and voluntary groups and community third sector organisations that may well have an interest in supporting the long-term unemployed into work.

That is not a one size fits all solution that someone at a strategic level can necessarily deliver but there will be an increasing onus on those boroughs from the GLA particularly over the next couple of years to ensure that there is proper engagement and a proper understood route for the direction of candidates and potential job applicants into the vacancies, making it very plain that it is a telephone number, it can go via the internet or there is this contact at this brokerage which can help you with that vacancy. That is not an easy thing to do. It sounds very easy here to say that today but when you are on the field in Stratford, Newham, Tower Hamlets or wherever it may be, there are multiple agencies and you only had three of them at your last session. You can multiply that by ten at least.

It is not something that can be mandated from on high; it has to be something that will work with the existing programmes and the existing brokerages. The question we are asking them is what is your community network like and how can you ensure that it is not just the people on

your list that you are getting to but you are also encouraging people who are on other people's lists to have access to and understanding of the vacancies as they go forward? That is a huge challenge I think.

Victoria Borwick (AM): That is something that we are picking up: how to make it easy for those who have not necessarily got into the loop yet. Some of your training courses - you touched on that earlier - those are all done at local colleges. Are those widely advertised?

Tom Travers (Head of Olympic Opportunity, London Development Agency): In terms of the construction programme we delivered via a mixture of local colleges and bespoke training centres which were actually put in place. For the Games times opportunities I think we are going to respond to exactly what the contractor needs. That might be, in one instance, going with a local college in Hackney that delivers a catering offer to a contractor. In another instance it might be an independent training provider which can deliver it much more effectively than a college might be because it has got the capacity.

Victoria Borwick (AM): Back to those other people that you were talking about who are not at the moment in the loop; how would they then get the opportunity of being able, possibly, to send their candidates on those?

Tom Travers (Head of Olympic Opportunity, London Development Agency): The model that we are going to have to adopt is to almost treat the six host borough brokerages as the hub of information for that borough. Each agency that is interested in it will need to have that contact detail for the host borough and that host borough brokerage will then be required to catch the information about a) when the opportunities are coming forward, b) is there any pre-employment training available, c) is there any vocational training required and d) then how they are presented to the contractor going forward.

It is very difficult to mandate separately to all these myriad of organisations but the common denominator in my view is the host borough brokerages. They purport to represent that local borough and they should be able to engage and co-opt those other providers and those other agencies. The Work Programme providers as well. The Work Programme providers are going to be very important.

Jean Tomlin (Director of Human Resources, LOCOG): I would like to add a broader perspective to build on the volunteering approach that we took when we launched our Games Maker progamme. First of all that was a UK-wide programme but we absolutely were able to attract a large percentage of people from London and from the south east. 40% of our 240,000 applications were from people who have told us they have not volunteered before, which is unprecedented. We did a lot of work into outreach programmes, specific targeting. They are groups of individuals who may not see the traditional way of volunteering, even though they have lots of volunteering in their communities, as the route. Some of those individuals may not be in the rhythm of doing something in a systematic way. We think volunteering is a pathway to work as well.

We think that has been hugely successful and we have been really, really vocal in the opportunities and made the application form very accessible for individuals right across disabled groups as well. We have had a brilliant spread of ages as well: older people and younger people. Whilst we are focusing on contractors and paid roles, we are also very, very focused on the volunteering programme because that has been a superb opportunity to get people involved.

Graham Houghton (District Manager City and East London, Jobcentre Plus): If I could pick up on the point about how do you get engaged with the community? It is very much a theme for this year. We are want to get Britain running. In many respects we want community groups to set up work clubs for instance and we have got quite a number of those set up already working with people. We get a flow of vacancies out that way. A variety of organisations are running those, from local community groups to people like the Prince's Trust. There is very much an offer to groups to come into Jobcentres as well so we will do outreach and hosting. The Prince's Trust, again, we have got a commitment nationally to have its advisers working in Jobcentres. Next step advisers. Quite a lot of people are involved in trying to get mental health issues, for instance, working inside Jobcentres.

It is something we learned through the height of the recession a couple of years ago; we did not have the capacity within Jobcentre Plus to deliver. We did get organisations to host our advisers very successfully and we do not want to withdraw from that because that is the way to do it. Again, we have got advisers working in children's centres, in host boroughs, in schools, and we very much think that is the way to promote the Get Britain Working message. You cannot just do it all behind a desk in a Jobcentre.

Victoria Borwick (AM): A quick follow up to Paul. Do you have people other than Jobcentre Plus doing this role for you or is it all done that way?

Paul Deighton (Chief Executive, LOCOG): We are open for business to everybody. Alongside Jobcentre Plus we have got direct relationships with the brokerages themselves. We really work through the host borough unit across the six host boroughs to try to coordinate all that for us. If you look across the six host boroughs they have got very different histories and backgrounds of doing this. We talked about Greenwich earlier and the great success it had at creating local employment at the opening of the Dome. There you have got a history of how that was done and done well. Other boroughs have not had that kind of history and background so trying to get everybody learning from each other's best practice is something that can be done.

Last week I had a meeting with representatives from Telco. What they were really saying to us was that we are not sure we all have to come through the traditional route. You need to have more big meetings and invite people in and show them what you are doing - and have a meeting in a school. Those are things we will do together to open it up so that we really make a splash and get people in who might, for whatever reason, be a bit put off by the traditional routes.

Then, of course, we have Adecco, a private sector partner who is one of our sponsors which is a recruitment agency. We work very, very closely with it to source all our jobs. Again, just as we have established with our contractors on security, stewarding and catering etc how we go about this, Adecco absolutely understand how critical local employment and diversity and inclusion are to our objectives as we hire.

Len Duvall (Chair): You have directed on that. You have directed your contractor to say, "You're not coming on to virgin territory here. There has been some work here, relationships established and we want those relationships to continue". That is in your contract --

Paul Deighton (Chief Executive, LOCOG): And how we coordinate. There are two things going on. In one respect - and this is behind Victoria's question - we really have to open ourselves up to every source of potential supply because, for whatever reason, people do not necessarily come through the obvious and conventional ones. So we do that, but we need to do

it in a way which is highly integrated so we do not confuse everybody and not use the resources we have got, like the investment that the LDA is putting into it, in a way that is anything other than the most efficient.

Len Duvall (Chair): Your contractor has just established a website. Is that the website you referred to earlier on?

Paul Deighton (Chief Executive, LOCOG): The Adecco one. The jobs board. Yes.

Len Duvall (Chair): Paul, you mentioned the key word - you too, Tom: coordination. I think there is coordination. I think I understand what you said about it works in layers. We start with individual host boroughs at borough-wide level and we work up. Who is holding the ring? Where do you hold the ring amongst yourselves? Who is directing or saying, "Hold on. This is not working well here"? Have we got a two way process down to some of your providers, particularly some of the voluntary sector providers and others, who can feed stuff up to you saying, "We don't think this is working" or, "We don't think this is clear enough"? Where is that ring held and who is coordinating that bit?

Paul Deighton (Chief Executive, LOCOG): That is an excellent question and it is really at the heart of the challenge. Doing this on this kind of scale is not something that this market has had to do before, so that is why we kicked off probably about nine months ago with these meetings. There was a gap there so I said, "OK. We'll step into this" and get the leaders and Mayors, or their employment and skills representatives, around the table every quarter to assess where we are in ensuring that all this coordination is going on. That is the ultimate steering committee under which all the activities we have talked about today are coordinated so they get the maximum effect. We have done that for ourselves because this is a one off exercise in terms of its real scale which the traditional ways of doing things would not necessarily enable us to bring about the result we are all looking for.

Len Duvall (Chair): Presumably this is now going to be a semi-permanent session to drive this through some of these issues?

Paul Deighton (Chief Executive, LOCOG): The crowd we meet there really are the ultimate decision makers. Underneath them you have bodies like my employment team who are doing this day in day out. You have Graham's teams at Jobcentre Plus. You have the host borough units. They are very important because they are really doing the coordination from the supply side. If you think of my team doing the coordination from the demand side you have got the host borough unit doing it from the supply side and they are working well together. Then the role of the senior group - the way I perceive it - is to make sure they are on target and to make sure we are helping clear out of the way or bring to bear other things you need to really make this work.

Len Duvall (Chair): We might follow up outside the meeting and request some information maybe that jointly you can provide on the structure about where we are now and where that coordination plays and drop it down to host borough level. That would be quite useful.

Paul Deighton (Chief Executive, LOCOG): That would help us. By the way, any of you would be welcome to my quarterly meetings and help us figure out how to do this. It is really open to you.

Len Duvall (Chair): Thank you very much. John?

John Biggs (AM): Thank you. This is a question in several parts. It is about cuts, it is about public spending and about the capacity you need from the public sector. To start with, an easy one for some of you, what risks do you think there are from the abolition of the LDA and the reduced funding for employment programmes flowing from that?

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): I should probably start that. Obviously there has been some substantial degree of uncertainty for a while now about the level of funding that we would be able to put in to the employment and skills programmes. Following the pretty recent conclusion of discussions with Government around the LDA programmes and the outcome of that we are now in a much better position both in terms of removing that uncertainty but also in terms of the overall level of funding that we are now able to commit to the programmes.

Just to put a bit of context around this, if you look at the programmes that we will be putting, effectively, LDA funding into over the period leading up to the Games, we have got a total of £14 million in funding that will be going into a range of programmes. There are three main programmes that we are funding: the Construction Employer Accord programme which is the continuation of the work that is being done with the ODA, although it is important to stress this not just focused on the Olympic Park but also picks up other big construction sites in London. We will be maintaining the funding that we always intended to put into that programme, so there is another £500,000 going into that.

John Biggs (AM): The same level of funding?

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): The same level of funding going into that. Then there is the programme that we were intending to support the LOCOG jobs. It is called the 2012 Employment Legacy programme. It is a programme across London. There we are intending to put in £3.5 million which, again, is the same level of funding that was originally intended, and we can now commit to that programme. I am pleased to say that we are now very well advanced with that procurement. We are hoping to make a final appointment to that, a delivery partner for that programme, within the next two to three weeks I would hope and, therefore, they will be up and running and ready to go in time to provide the sort of support that LOCOG needs around that.

The third element is our specific support for the host borough programme. Here we did have a commitment over the next two years originally to put £10 million into the host borough programme. We are now proposing to put £9 million into that programme and, although clearly, that is a reduction, it is important to say that actually in the first year of that programme when we had been hoping to spend, again, £5 million, we were only able probably to spend in the region of £3 million. In effect, we are looking to substantially increase the amount of money that has been spent over the next two years to this programme and I believe that this is not really a reduction; if you look at what the capacity is to spend we will do extremely well to spend that £9 million over those two years.

We are going to take a range of measures to introduce some greater flexibility into the programme because one of the reasons why it has been difficult for boroughs to achieve performance here has been because of the quite tight and narrow criteria both in terms of eligibility for the programme and in terms of required outcomes. We recognise that and it is something we have learned and the boroughs have come quite strongly back to us that we need to put in a degree of greater flexibility.

Overall, this is a really positive outcome. As I say, if we look at it in one way it is a very marginal reduction in what we were originally intending to do but I would argue that, if you look at the performance we have achieved so far, particularly the last year's performance, we are looking at putting significant additional resources in turnover spend that we are hoping to achieve as part of our £14 million programme. I am personally relieved about that.

There is an issue about the running and managing of these programmes as well and that is another important transitional issue which I should probably say something about because there has been very significant downsizing at the LDA in terms of the resources that are available to manage and run these programmes. We think it is very important that there is a strong resource to do programme management around these, as there has been up until now. We are proposing to transfer the management responsibility for these programmes from the LDA to the GLA and our target for doing that is probably around June this year. We will be bringing proposals, which will see the light of day at your Business Management and Administration Committee (BMAC) meeting next week on 30 March 2011, for a team of three to carry out that responsibility based here within the GLA.

We are going to have to manage this transition carefully over the next three months, when we are probably under the greatest pressure, to make sure we have got the adequate resource in place. I am confident we can do that. I have got people in my team and also in Mark Kleinman's [Assistant Director - Economic and Business Policy] team here who are devoting quite a lot of time to managing that transition process, together with colleagues in the LDA.

John Biggs (AM): That is a very good and comprehensive answer to start with. You listed the three key areas where your fundings work. What areas are no longer being funded?

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): There are not any areas which we are not funding. Those were the three main programmes we were always intending to run specifically linked to Olympic jobs and skills. As I say, in two cases we are maintaining the level of funding that has always been reported to you before and the third one, if you want to argue it, we have come down from £10 million to £9 million, but we were not achieving that level of spend, and we are determined to introduce sufficient flexibility into the programme to make sure the boroughs can perform at that level.

John Biggs (AM): If we are talking about the wider range of programmes delivered through the host boroughs, have there been cuts in those which, incidentally, affect the capacity to provide employment opportunities in the host boroughs?

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): Not in my understanding, no. In a sense this host borough programme was never actually strictly an Olympic specific programme; it was designed as the main LDA support for employment and skills and that sort of work in the boroughs. Obviously it took on a big Olympic tinge but it is also there to support people in addition to the money Westfield itself is putting in to the opportunities that are coming there.

Tom Travers (Head of Olympic Opportunity, London Development Agency): The other funding the boroughs receive varies from borough to borough obviously, so you would have a 106 agreement for the Westfield site which contributes greatly, particularly to Newham but also to three other boroughs in the locality as well. Then you have Greenwich which would put its own resources in according to how it sees it as a priority from the leader downwards; other boroughs likewise. The common investment will be the host borough programme and it is then

for the boroughs themselves to decide the mix of funding they will put towards their brokerages and their support for unemployed people into Olympics jobs.

John Biggs (AM): I have a feeling that the answers - this is not in any way disparaging - we have been given are technically absolutely correct. I am sure they are. Perhaps you can provide us with a memo or something summarising the programmes so we can understand what they are.

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): We can certainly do that.

John Biggs (AM): I have a feeling though that when we talk on the ground to people - and indeed when we visited Workplace and we met people from the other borough units - a number of them were facing cuts in their capacity to provide support for people seeking employment in the Olympics and Olympic-related activities. Can anybody shed some light on that?

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): Maybe one thing I could add, John, is that, certainly until we got the recent settlement from Government around this, we had been talking - and this had certainly been reflected in some discussions that had taken place with the host borough unit - about a much larger reduction than the one I referred to in the LDA programme for the host boroughs. We had been talking about a reduction perhaps by as much as half in that programme. That is now not something that is necessary and the decision that has been taken around future LDA programmes is the one I have described. It may be that some of your discussions reflected that degree of uncertainty and the concern that there might have been a much more significant reduction in this programme, but that will not happen now.

John Biggs (AM): As an example, if I talk to people in Workplace they are fairly clear that once the Olympic construction has finished - which it more or less has - and once the peak of construction at Westfield has finished and the Section 106 money has started to disappear, then their capacity and their payroll there will reduce quite significantly and their ability to provide support to people - who will still be in fairly large numbers - seeking employment will start to decline. I think that is likely to happen. You are overseeing a fixed light project which ends in 2012. Where do you see your responsibilities lying in relation to all of this?

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): I suppose that comes back to me and to Graham because we are the organisations here who have a remit beyond the end of the Olympic Games and colleagues certainly do not. From Tom's point of view his organisation, for better or worse, will no longer be here. It is difficult for me - partly because it is not my area of responsibility directly - to say too much about that except that it clearly is critically important that things do not just end or come to a stop with the closing ceremony of the Paralympic Games in terms of this work around employment and skills. We do need to recognise that there are some particular peaks of activity - whether it is around Olympic construction, the initial hire for Westfield, the LOCOG jobs - that inevitably mean that we will be bringing on additional resource to cope with those peaks which will not be maintained at that level necessarily beyond that.

Again, it was really quite striking - I go back to the meeting we had this week where contractors were talking to us about some of the people who were going to get LOCOG jobs during the Games period and were saying, "Immediately after this retailers in London are gearing up for their Christmas period hire and we need to make sure we have got arrangements in place to

transition people into that sort of job". We have already talked about the Crossrail opportunities and the OPLC opportunities.

Graham Houghton (District Manager City and East London, Jobcentre Plus): I think there are two big strands to what we will do. One is the Work Programme where we are currently in the process of assessing the bids for two contract package areas for London. There will be three providers in each so east London will have three main providers. A lot of the people that are currently working on employment and skills work for me on contracts, Community Links, for instance, a community based organisation that delivers new deal, I know that it is part of the network of delivery that we will see in the Work Programme. There is I suppose some uncertainty out there for people that are currently delivering programmes that will be replaced by the Work Programme. We will know who is delivering that programme by about May 2011 and those contracts will start as soon as they are ready.

In terms of funding the hardest to help - that programme - is different from what has gone before in that we will not prescribe to those providers how to do their work; we will expect them to help the hardest to help individuals and reward them for people in sustained work. That is one strand.

The other strand is the pre-Work Programme part which funds the Jobcentres that I run. There is a challenge there - going right across the public sector - our headcount will reduce by about 26% in the next four years and 14%/15% over the next year, but that comes with a whole package of other changes as well which focus more on flexibility and getting advisers to work and giving advisers discretion to make the right choices with individuals. So, rather than delivering a centrally designed programme with lots of centrally designed targets, that is swept away with local flexibility. There is a plus and a minus there in that less people but more choice and more discretion about how we spend our time and money to help people locally, which fits with everything we have discussed this morning. I am not saying there is not a challenge there - of course there is. We are a public sector organisation and we will tackle it in the ways that we can.

The other thing across Jobcentre plus that we will be doing is moving those bits of our business that are back of house and transactional - people making a claim for instance. There is a big take up now coming on making a claim via the internet instead of people filling in forms and other people typing that information in to computers. We expect 80% of our claims for benefit to be made online in the next two years. Again, that is how we will achieve those levels of savings but, at the same time --

John Biggs (AM): Is that a centrally driven target or is that what is happening?

Graham Houghton (District Manager City and East London, Jobcentre Plus): That is a national estimate. What we will work on locally --

John Biggs (AM): That is a centrally driven target then.

Graham Houghton (District Manager City and East London, Jobcentre Plus): It is not a target but we will encourage people to use that route. Early indications are that, from a customer service point of view, it is good. Access to your account with the Department for Work and Pensions online in your own home is something that people have been asking us for and we will provide.

The challenge then for us and for me in east London is whether it works in east London That is where the relationships with community groups and groups who look after particular vulnerable people will absolutely come to the fore. Some of that is absolutely more helpful than the current system. People that do not speak English, for instance, on the system can get help with someone they know and accessing our systems in a way that they cannot when you have got an interpreter in play. It is quite a complicated picture. That is a summary of it.

Tom Travers (Head of Olympic Opportunity, London Development Agency): We have put a lot of our eggs in the brokerage basket so that the six host boroughs have a model that has worked historically and has its genesis in Greenwich and Newham. We have seen the success of that approach which is a borough sponsored and run service that engages and coordinates some of the other employment services in that locality to give a consistent coherent offer to its residents.

It is a good question that I do not think anyone around the table this morning has the answer to. The future with that model, not just in the host boroughs but across London and the United Kingdom, is if it will be continued and will national and regional policy continue to support that approach or not? There are other ways of delivering it but it happens that these brokerages are an effective way of delivering employment support around key developments.

You have our money and you have our support that goes into them that enables them to give a tailored service to a developer or a set of contractors and to your local residents. Is that something that will go forward post-Games? I do not know. I know the OPLC wants to work with the same setup going forward but there is a question about what the future of its funding is and how the boroughs intend to maintain that under changing circumstances.

Len Duvall (Chair): Right. Therein lies the problem about that infrastructure. Given that we do not know what the impact of the single Work Programme will be on infrastructure in terms of - Neale said it - life after the Olympics and continuing on, if you are in a borough that has the luxury of section 106 agreements to fund those activities, how do we bring in the rest of those boroughs on the periphery that do not? I am not able to invest in those brokerages - or whatever the new brokerage system is - because I suspect there still is a need for something to get into this brave new world. That is the challenge.

Now what we might need to do - it would be unfair of me to ask Members of the Committee on some of those issues - but we certainly need to ask some questions of some of the Mayor's political advisers to sensitise them to that issue and some of the wider issues as we come to finalise aspects of our report. That is about spending priorities in the future and support mechanisms once we see what is going on.

John Biggs (AM): For the record - unless anyone wants to contradict this - we have had written submissions. For example, LOCOG has said, "The prospects for reduced funding for unemployment and skills initiatives and arrangements for coordination do present challenges for us". The host borough unit told us that its job brokerage scheme was very much under threat at the moment. The LDA said very clearly it was important momentum is not lost and investment is protected as far as possible. Everyone is recognising that this is an area of some considerable risk. Unless anyone wants to really come back on that we can record that as part of our evidence --

Paul Deighton (Chief Executive, LOCOG): I think things have moved on. I wanted to endorse what Neale said. We were nervous about that. We sat down with Neale and the Mayor and said, "Let's work on this", and we are very grateful for the fact a) they have come up with

the money and b) that they are looking at making the use of that money more flexibly so that this can make a difference. We were concerned, we have seen action and now we are working on the detail to make sure the money is effectively deployed. I think we have moved on in a positive way since that initial discussion.

John Biggs (AM): You no longer have any anxieties?

Paul Deighton (Chief Executive, LOCOG): My anxiety has reduced! I am always moderately anxious; I find it is a good way to operate!

John Biggs (AM): OK. Here is a nice question for you then, Mr LOCOG! It is giving you an opportunity to spell out what support you need from the public sector to meet your targets. I think we have covered a lot of this ground already but is it all there?

Paul Deighton (Chief Executive, LOCOG): I think we have. Let's get the principles clear. If we get the supply line right we will achieve your objectives. It is a very important question to get the investment and the coordination right. I think the investment is right because I accept Neale's point that I do not think you could spend more money so it is down to us all to make sure it is allocated efficiently. I think that this challenge is such a big one for an infrastructure which clearly is different in the different boroughs and is undergoing some of its own challenges, so the reason we are all getting together to try to coordinate this is to really create the most efficient infrastructure for a temporary period to meet an unparalleled opportunity to give some people some jobs.

It is a very big challenge for a very specific job in a very specific point in time where it requires this collaborative approach to make what we have got work as well as we possibly can; given all the constraints that we are all operating under. It is not perfect but that is the reality.

The good news is everybody is alive in the objective. Nobody is trying to achieve something else. We are all trying to work out how best to coordinate what we have got to bring about that end.

John Biggs (AM): I could say spoken like an investment banker but I will not say that!

Paul Deighton (Chief Executive, LOCOG): I take a little bit of exception to that because we really have worked hard at trying to make this work --

John Biggs (AM): I admire investment bankers by the way. I have pictures of them on my wall.

Paul Deighton (Chief Executive, LOCOG): Getting these people into jobs, as we found with our own hiring, is person to person marketing. We will meet someone who has been laid off one day in Newham Town Hall, someone will spot them at one of the employment days, they will bring them in - the commitment to get this done in our organisation I am really proud of. We really do it on that person to person basis. Everybody buys into the mandate and it makes a real, real difference because you only make a difference at the margin person by person.

I think this is really hard. We are doing our best to make it work. We have another job to do which is to put on the Olympics Games which is really, really difficult. We could just say, "We'll hire whoever is out there", but we are not; we are really integrated with the people who want to make a difference here.

John Biggs (AM): A deal was announced with Tower Hamlets I think about LOCOG jobs as part of a settlement around their unhappiness on the marathon. Does that give some preference to Tower Hamlets residents as against other host borough residents for those opportunities?

Paul Deighton (Chief Executive, LOCOG): The answer to that is the same simple one at the heart of every question. Any person who is trained and available who wants one of these jobs will get a job, whether they are from Tower Hamlets, Hackney or any of the others. The constraint is not our demand to take them; the constraint is getting trained, available, willing people to apply for them. When we get to the point that any of the boroughs can show us a list of people who are trained up for the vacancies we have got, and who are not getting the jobs, I really want to have that conversation because we will move very swiftly to deal with it.

The issue is never about who is getting preference. If all the boroughs can produce the people these people will get the jobs. That is the way we need to think about this.

John Biggs (AM): You did the deal with Tower Hamlets in the safe knowledge that it would never be able to provide so many jobs that it would squeeze the other boroughs out?

Paul Deighton (Chief Executive, LOCOG): No. The arrangements we have with Tower Hamlets - I was at a leaders and Mayors meeting with all the leaders and Mayors the other week where we talked about all the things we continually work on with them to bring the benefits of the Games to east London. Whether it is participating in the torch relay, the volunteer programme, jobs and skills, the inspire programmes, the education programmes - all the things that they can benefit from. We work day in day out to try to maximise all of those in all the boroughs.

Each of them has particular interests. Tower Hamlets, for example, is very interested in promoting Brick Lane and its cultural facets to a broader community. Next week, when the International Olympic Committee is here we are having a reception there to give it some real publicity as the curry capital of the world, if you like. That was a particular interest of its. Each of the boroughs we really try to deliver on the things that it highlights as really important to it.

Len Duvall (Chair): To be clear, I think the deal was done on a specific issue about legal challenges over the marathon route. Are you doing any other deals with any particular host boroughs or is that just a standalone deal?

Paul Deighton (Chief Executive, LOCOG): We are talking to all the boroughs together. The real question is to what extent we codify what we are doing anyway. We are in discussions with the group en masse to codify all the things we are doing. They can turn round to their residents and say, "Look, this is already in action so you don't need to think you're disadvantaged because there was a particular bit of publicity around Tower Hamlets".

Len Duvall (Chair): OK. Let's cut to the chase really. We have talked about constraints. We have had representations made to us about some of the existing models - the single programme to come in later - of the LDA about the incentives to get people into employment on a 12 month basis; nothing wrong with that particular issue here. The minimum job number is 30 weeks of employment. It would be interesting to see what your take on that is. They are very short-term jobs. That is one problem.

We have got an issue for those people who may be sitting on benefits thinking, "Why do I want to disrupt my benefit system/housing benefit for a very short-term opportunity because the

bureaucracy will just be working against that. It never goes right. It puts me into more difficulty both in housing terms – maybe not financially - but there will be a period after". What are we doing about that and where does that fit into it, if one of our main aims is to target long-term unemployment and areas where there has been a degree of worklessness?

Can we deal with the incentivisation. We talked about the impact. We do not fully know what the impact of the single Work Programme will be. Presumably Graham you are going to be holding the ring over that. You did mention a make them do it. If you allow an unfettered role storming all over the patch and who takes what, that will disturb what you have been working very hard over the previous months and years to achieve in this part of London. What is your plan?

Graham Houghton (District Manager City and East London, Jobcentre Plus): Starting with the Work Programme I will hold the ring. We will also engage with each of the boroughs about are we making the most use of the opportunities and working with the community in the way that we expect the Work Programme to do. It is rewarding. The provider only gets the full payment after someone has been in work for a whole year but they are working with the hardest to help and what we expect that they will do is to use opportunities - volunteering and work experience - to get people into a position where they can sustain employment. We think - and absolutely I think the providers will think - that temporary opportunities and short-term work are a step towards the ultimate goal of sustained employment.

The relationship with the Work Programme provider could last up to three years so two years on programme and a year in work. That year in work is one where we expect the provider to continue to work with that person to make sure that they do not fall back into unemployment. It is much longer term. We see volunteering and work experience are very much part of what the Work Programme providers will do.

We listened to concerns about the supply chain and the main providers treating the people that work for them with fairness. DWP has got a Merlin standard. We will expect to make sure that the risk is not just pushed down the supply chain and, where organisations are delivering services behind a Work Programme provider, they get paid for that in a fair way because the reward will come much later. There are things being thought about how that will work.

Jobcentres will maintain a relationship with customers as well. Every fortnight someone is on a Work Programme we will see them. That is another opportunity to engage those people with short-term opportunities. We will not just let people go and not see them for three years; we will see them every fortnight. It is early to say how that is going to work. We do want the providers to bring their own unique talents and view about how they will deliver, but we will help to shape that with local partners.

Len Duvall (Chair): In the single Work Programme there will be the three contracts that you said. They are presumably sub-contracted?

Graham Houghton (District Manager City and East London, Jobcentre Plus): They will.

Len Duvall (Chair): There will be a shake out of the system of some of those smaller providers?

Graham Houghton (District Manager City and East London, Jobcentre Plus): Potentially, yes.

Len Duvall (Chair): In terms of you holding the ring and your ability to intervene on some of those smaller providers who have not got the reserves to fall on around payment incentives to keep going, is that ability there? I am just getting my head round those issues.

Graham Houghton (District Manager City and East London, Jobcentre Plus): I do understand. It will be for the Work Programme contractor to make sure that they mobilise and incentivise their supply chain. How they recruit that supply chain is for them but they will need to meet standards of fair treatment which are described.

There will also, from DWP, be a contract manager that sits separately from me. My role in that is the voice of the customer to make sure that the opportunities are getting filled. In contractual terms, holding the Work Programme provider to its contract, will be a DWP contract management colleague that I will work with as well. There is a more sophisticated system for making sure that the contract is managed properly.

Len Duvall (Chair): I come back to individual people in terms of the regime of the LDA. You are going to do less of this presumably but you have got some contracts that have a 12 month clause in, similar to our colleagues in Jobcentre Plus. What is the landscape looking like?

Tom Travers (Head of Olympic Opportunity, London Development Agency): Those existing contracts are part of the money that Neale mentioned earlier. They will be inherited by the GLA and I believe the GLA is listening - having heard the message from various delivery agents - to the issue around flexibility in terms of who they can help, ie do they have to be 12 months unemployed before they get access to this work which can be a hindrance to helping - a no wrong door policy.

Secondly, are you only going to get paid off after you put someone into a sustained job for 12 months. It is quite right to hold delivery agents to a principle of sustained employment but there are ways in which you can structure contracts which allows you to pay at various intervals. That is all up for negotiation now as part of the regime which will be managed within the GLA going forward. As I say, the LDA wants to play a role in this post-April/May/June this year.

Len Duvall (Chair): That will then be the GLA managing that infrastructure?

Tom Travers (Head of Olympic Opportunity, London Development Agency): Yes, the contract will be novated into the GLA for the delivery with delivery agents locally.

Len Duvall (Chair): In essence, under the single Work Programme, some of your organisations which have got a relationship with you will now may well be sub contractors, potentially, of others.

Tom Travers (Head of Olympic Opportunity, London Development Agency): Quite possibly. With the five host borough programme particularly, that is in general a contract with the boroughs themselves but what we do expect of the boroughs in delivering that is that they co-opt and work with the local delivery agents for the Work Programme. It makes no sense for them to operate separately. We need to attract as many people through as many doors as possible to the vacancies - which will be numerous; more than they can necessarily fill. It would be absolutely ridiculous to not utilise the Work Programme delivery agents, whoever they may be, and the Jobcentre Plus network to do that.

The expression of concern that the last forum was based around is fettering our ability to help everybody. Going forward with the LDA's programmes, which will become the GLA's

programmes, is an understanding of that and an ability to be more flexible in terms of what the individual needs and what our contractor needs, so that we can deliver the money to the right place.

Len Duvall (Chair): OK. Let's turn to individuals then: short-term jobs. That is the reality; great for students potentially. Great for those who are in that position. We particularly want to target people on benefits into that because we know it could be a pathway. We know from the Millennium Dome, the new jobs there that were short-term, were pathways back into employment for many, both from volunteering and others. This has got to be one of the toughest challenges going. What is your thinking about it? How do we get some of that target group into these jobs when everything seems to be working against that? What is the plan?

Graham Houghton (District Manager City and East London, Jobcentre Plus): You asked about the benefit system and making that more user-friendly and more customer-focused and that is absolutely our commitment to do. Part of that will be through better technology and being able to access things online, as I said before. We are already working with Her Majesty's Revenue & Customs and the boroughs to make sure that you tell us once. If you started to work then we will do that in to work process; get your tax credits and housing benefit sorted out. Equally, if you need to make a claim after a short-term job, then we have a rapid reclaim process so you do not go right the way back through the system. Our commitment is to make that work much better. I think we have made progress. It has been one of those things that has been a barrier for people. I think we have improved. I am sure there is a lot more that we can do.

One of our priorities as an organisation this year is to very much put the customer at the front rather than some of the processes. It is a very complicated benefits system. We are doing that also to work towards the Universal Credit launch, so some of the changes will be in line with what we would expect to a much more simple system.

Tom Travers (Head of Olympic Opportunity, London Development Agency): Key stages. You disseminate information about what is available very clearly in multiple forums and multiple methodologies, if you like. One of those methodologies may well be a local meeting in a traditional sense but you have got to have the opportunities there at that meeting otherwise it is a waste of time, frankly, because people go away thinking, "There's a vague sense that there's something coming our way". That was the problem we had with the construction programme; you went to these forums but you could not offer anything tangible.

The important thing is, when we know about demand - and that information comes from LOCOG in the near future - when we go into a community based forum - it may well be a public meeting or jobs fairs - we utilise the local delivery providers to be there and there is something tangible, "This is a job that you could go for. This is the process for doing it". Backing that up, once they are interested in good quality pre-employment support, which we hope the brokerage will deliver and we hope that Jobcentre Plus will deliver. Vocational training which is tailored to the needs of the contractor so we understand what the contractor needs for those jobs. We might well go into joint delivery of training with the contractor, training where the contractors themselves provide some of the resource and we provide some resource and it is delivered locally in a meaningful way that helps local people. Then delivery of job-ready candidates to the contractor at the time it needs them. That is the process that we need to go through.

Len Duvall (Chair): There is a bit missing isn't there? I have made, as an individual, a positive commitment; I have come in to get myself job ready. I am going through your programmes either by coercion or I am volunteering because I want work. Somehow I have made that

commitment. I am fortunate enough to get a great opportunity to work in the greatest Games in the world that happen to be here in London. After they have finished I am out of work. I come back and I face a bureaucracy that is going to make it more complicated and make delays going in and all those issues. It might have been better if I just did not go through that process because of all the complexity. It might be for some; it will not be for all. It might be. What is the aftercare? What can we do, particularly in the host boroughs, because somehow in that contact with those people we have captured them in some ways, we have enthused them, we have trained them, we have got them job ready for a bit and we want to drive along for the next challenge back in that market place? Where does that fit into it?

Tom Travers (Head of Olympic Opportunity, London Development Agency): Graham will say something I am sure but, from my perspective, that is the benefit of having sustained employment outcomes as your outcome from your concept.

Len Duvall (Chair): So the aftercare is hopefully still going to be from some of that infrastructure --

Tom Travers (Head of Olympic Opportunity, London Development Agency): There still needs to be interaction with someone who completes their LOCOG role, whatever it may be, because those providers are only being paid on the ability to keep them in work for six months, if not 12 months. You are then incentivising them to continue that dialogue and to get people in to the Westfield seasonal retail work that is coming up or into a permanent job in OPLC on the Park or whatever it might be. There is an incentive there to do it. That is how we are going to tackle that issue. That is why we cannot lose that principle of payment on sustained employment outcomes. There may be flexibility about how you pay it but certainly that principle needs to be there still.

Len Duvall (Chair): We might come back to you for some further information.

Victoria Borwick (AM): I am not clear so I want a point of clarification please. If they are paid because they have got people into long-term employment, that is fine, but I do not know how you can control it after the Olympics is over. They may not even work for all of it, they may work for part of it, so perhaps they only get six weeks of the 13 weeks. I am lost how you can change the rules - and that is where I need some help - as to how you incentivise people on the single Work Programme. Could you talk about what flexibility there is? Presumably there is a Government rule that says only if they are in certain employment and off benefits for a certain time then they would be eligible for the other incentives. I have not really - could you talk me through --

Tom Travers (Head of Olympic Opportunity, London Development Agency): I do not know about the Work Programme but in terms of the Mayor's resource which Neale mentioned earlier; those programmes are in the gift of the Mayor to deliver how he sees fit.

Victoria Borwick (AM): Absolutely. I was concerned about Government programmes that might not be as flexible.

Tom Travers (Head of Olympic Opportunity, London Development Agency): Right, OK. I would have to return to that.

Graham Houghton (District Manager City and East London, Jobcentre Plus): The relationship with the Work Programme provider for the individual is up to two years for a year in work so they would go back to the Work Programme provider and get ongoing support. Now

we pay the provider for that year in work in monthly stages so that payment is still there ready to be claimed by the provider when they take the individual back. There is an incentive on that long-term relationship and not just getting a short-term outcome.

Victoria Borwick (AM): Thank you. I needed some clarification because I just could not see how the system worked. I still think it is quite a challenge.

Len Duvall (Chair): Let's move on to the last questions on volunteering.

Victoria Borwick (AM): I know you touched on this briefly earlier so just give us a bit more flesh on this. How effective has the Personal Best programme been in providing a route for unemployed Londoners into volunteering and employment?

Tom Travers (Head of Olympic Opportunity, London Development Agency): Personal Best is a national programme but the LDA has been responsible for delivery in London so, from a London perspective, we see that as being a very successful programme. To give you some figures, 4,400 people completed the Personal Best programme from across London when it finished in December of last year. Half of those came from the six host boroughs. About 30% of that alumni, if you like, have gone into either employment or further training and education. What you have got to realise about this current group is that 60% of its participants have been unemployed for over a year and 40% for over three years. These guys have had zero or very little previous work experience or qualifications.

I know we had a discussion at the last forum about the value of the qualification that comes out of that programme. It is an equivalent level one qualification in event volunteering. It was created especially for the programme and has been seen to be helpful in securing paid employment at various employers like Wembley Stadium and Chelsea Football Club, so some of our alumni have gone into paid employment as stewards in those arenas. The industry does recognise it as being a valuable qualification.

In terms of people going on to do volunteering just over a quarter of the completers continue to volunteer after their involvement in the programme has finished. We reckon that about 20% of the London programme have applied for either the Games Maker programme which LOCOG runs, or the London Ambassador programme which, again, the LDA/GLA run --

Victoria Borwick (AM): Are they also eligible for the training you have talked about? My slight concern, filling out the form, is that it is for people who have skills already rather than the people who need training.

Tom Travers (Head of Olympic Opportunity, London Development Agency): One of the key sources of this systemically unemployed client group will be from the Personal Best programme. We have the alumni database and the intention is that, as we understand what the paid employment opportunities are, they are advertised to and communicated to that alumni. We already know that, for the security industry, there is a requirement to delivery security staff. There is a Bridging the Gap programme that is designed to get these people ready for that challenge - to get a doors supervisor qualification - and that is being promoted to that alumni - or will be in the next week - to enable them to get a guaranteed interview for a security role. If they complete that Bridging the Gap programme they will then get a guaranteed interview with G4S for a security role. That is how we intend to keep the legacy of this programme going; volunteering and paid employment.

Jean Tomlin (Director of Human Resources, LOCOG): To add to that, we are delighted that we were able to attract 750 people from the Personal Best programme to apply for the Games Maker programme. They have applied and we will now be interviewing those individuals and tracking those individuals to see how they progress. We have every intention to give as many of those individuals final opportunities to become volunteers for the Games.

Victoria Borwick (AM): Do you have any idea of the sort of numbers that you hope will end up with you?

Jean Tomlin (Director of Human Resources, LOCOG): As many as possible. We have absolutely said to these people for the past four or five years, "Here's a training programme. Here's the opportunity. This is what you need to be able to do to complete your form". We have given them training on how to complete the form and we did that over a period of years. Now they have applied, they are welcome to our centres and we are checking them. When we make our selections we will know how many of that 750 have been successful. We would like the vast majority of those to be successful. That is our aspiration.

Victoria Borwick (AM): What sort of flexibility will there be for volunteers because, obviously, for some people they will have family or other commitments or caring commitments that will mean that they will have to be more flexible about what time they can be available? Could you talk through how you think that is going to work?

Jean Tomlin (Director of Human Resources, LOCOG): Yes. If we look at the Olympic and Paralympic Games first. We have built into our criteria a requirement to work a minimum of ten shifts for each of those Games. Each of those shifts will be of eight hours duration. The London Ambassador programme does have more flexibility. Our programme is up to 70,000 in scale. We have to work within very tight parameters and have to be, also, very mindful of the cost profile, so we have had to build in those parameters. The London Ambassador programme offers fewer hours for the shifts and fewer days so, in actual fact, across the various programmes, you have got flexibility but the Olympic and Paralympic Games are slightly more of a requirement.

Victoria Borwick (AM): The main one is ten shifts of eight hours. That is the main volunteering programme. But the London Ambassadors programme will be --

Jean Tomlin (Director of Human Resources, LOCOG): Six hours.

Tom Travers (Head of Olympic Opportunity, London Development Agency): Yes, six days and five hours.

Victoria Borwick (AM): When you say ten shifts you mean the ten shifts --

Jean Tomlin (Director of Human Resources, LOCOG): The ten shifts apply to the Olympic Games --

Victoria Borwick (AM): Yes, and then there are going to be six shifts --

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): A minimum of six shifts of five hours for the Ambassador programme. I think we were hoping that we were creating the opportunity to do the middle of the day really --

Victoria Borwick (AM): I want to make sure I have got the figures down correctly. Obviously the main volunteering will cover up a full range of roles. The London Ambassadors is mostly meeting and greeting or --

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): It is a bit beyond that. It is visitor welcome, visitor information and visitor support in the city, which includes around the venues as well. In terms of quality of training there is a pretty broad equivalence between the two programmes. We will be providing some pretty good training and general skills - customer care but also specific skills around this.

The thing with the LOCOG programme is probably that there is a broader range of different types of opportunities. You could be chaperoning athletes, you could be stewarding or you could be doing higher skilled activity in a whole range of things. Ours is very much around welcoming and supporting visitors to the city at Games' time.

Victoria Borwick (AM): Thank you. A quick question then, will all these people be Criminal Records Bureau (CRB) checked? How will you cope with the security aspect?

Jean Tomlin (Director of Human Resources, LOCOG): Absolutely. Everyone who becomes a volunteer will be vetted and CRB checked and we will be launching a Young Games Maker programme and all the appropriate checks will be done to ensure that young and vulnerable adults are managed appropriately.

Victoria Borwick (AM): London Ambassadors. Will they also be vetted and CRB checked?

Jean Tomlin (Director of Human Resources, LOCOG): Yes, they will be.

Neale Coleman (Director of London 2012 Coordination, Greater London Authority): They will all be CRB checked.

Victoria Borwick (AM): OK. What is your previous experience from previous Games of people turning up to volunteer in either capacity and then deciding after a bit that, actually, it is not for them? I am concerned. I had to make a police visit earlier on and I am aware of the number of various security things and the great lengths of what is gone to to keep everybody safe; each aspect of the Games and each part of the venues have got their own security and programmes and so forth. One of the concerns expressed to us was that, "It's all very well, we're going to train all these thousands of people, they are going to get the hat and the t-shirt and then disappear off. Are you going to have your pool of reserve volunteers to then come in if, after day one, they all bunk off?

Jean Tomlin (Director of Human Resources, LOCOG): The question is very well posed in terms of experience from previous Games. We know from previous Games - Sydney - they had 30% turnover. We started from a basic premise that that was the sort of level of turnover that you could experience. However, the programme that we built - and I know that the London Ambassadors have gone through the same process - is to educate people very, very clearly up front as to the seriousness of taking on a volunteer role. It is not an easy role. We tried to be very clear about the commitment that individuals were making and the care and attention that we would pay to them, so we have gone through an education process which has demonstrated that the quality of people that have applied we know is higher than we otherwise would have got but we are absolutely building in at every stage of that selection process the fact that we will potentially incur attrition.

In addition to that we were over subscribed - 250,000 people applied - so we are going to build reserve pools, predominantly in London but obviously we will have that back up across the UK.

Victoria Borwick (AM): That was my concern really. You have obviously got it all covered but I think that is where the police had expressed concern; that they get some continuity and then suddenly you get a whole lot of - and I am sure that is when errors can occur just because of all sorts of reasons. Things can occur sometimes and there are consequences. One goes back to the point that you have done all this extra work, which is good. Does that mean that those who possibly are less skilled and perhaps less able to cope maybe lose out on the opportunity to volunteer?

Jean Tomlin (Director of Human Resources, LOCOG): No. We have had a very, very extensive programme to ensure that everyone felt welcome, so it is a programme for everyone, and the statistics that I mentioned earlier in terms of those disabled people, those individuals, have absolutely applied in numbers that have been unprecedented. We have had that feedback from the sector and we are very clear that if someone needs an adjustment made we will make that adjustment. We have roles like distributing uniforms that can be done from a seated position. Ticket takers, athlete chaperones. All these things can be done by a variety of different people.

A lot of our volunteering roles do not require pre-experience. We do have specialist roles but most of them are generalist.

Victoria Borwick (AM): We talked about physical handicaps. What about mental handicaps?

Jean Tomlin (Director of Human Resources, LOCOG): That is something that if an individual applies we will make the necessary adjustment to accommodate them if they meet the criteria. Absolutely.

Victoria Borwick (AM): Thank you.

Len Duvall (Chair): OK. Thank you for the way in which you have answered the questions. Do not be under any apprehension that we do not understand the difficulty of the challenges and the tasks that you face and we are very grateful - and I am speaking not just for the Members here but the Members who are not here today. Obviously we are going to come back to you with some further questions and hopefully our recommendations will help you in your endeavours, which we want you to succeed in. Thank you very much.