



# CABINET

<b>7.30 pm</b>	<b>Wednesday 11 April 2018</b>	<b>Council Chamber - Town Hall</b>
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Members 9: Quorum 3

Councillor Roger Ramsey (Leader of the Council), Chairman

**Cabinet Member responsibility:**

Councillor Damian White

Housing

Councillor Robert Benham

Children & Learning

Councillor Wendy Brice-Thompson

Adult Social Services and Health

Councillor Osman Dervish

Environment and Community Safety

Councillor Melvin Wallace

Culture and Community Engagement

Councillor Clarence Barrett

Financial Management, Transformation & IT

Councillor Ron Ower

Housing Development Company and  
OneSource Management

Councillor Joshua Chapman

Deputy Cabinet Member for Housing

Councillor Jason Frost

Deputy Cabinet Member for Environment,  
Regulatory Services & Community Safety

**Andrew Beesley**  
**Head of Democratic Services**

**For information about the meeting please contact:**

**Debra Marlow tel: 01708 433091**

**e-mail: [debra.marlow@onesource.co.uk](mailto:debra.marlow@onesource.co.uk)**



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in the webcast will be able to sit in the balcony,  
which is not in camera range.**

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Members of the public are entitled to report on meetings of Council, Committees and Cabinet, except in circumstances where the public have been excluded as permitted by law.

Reporting means:-

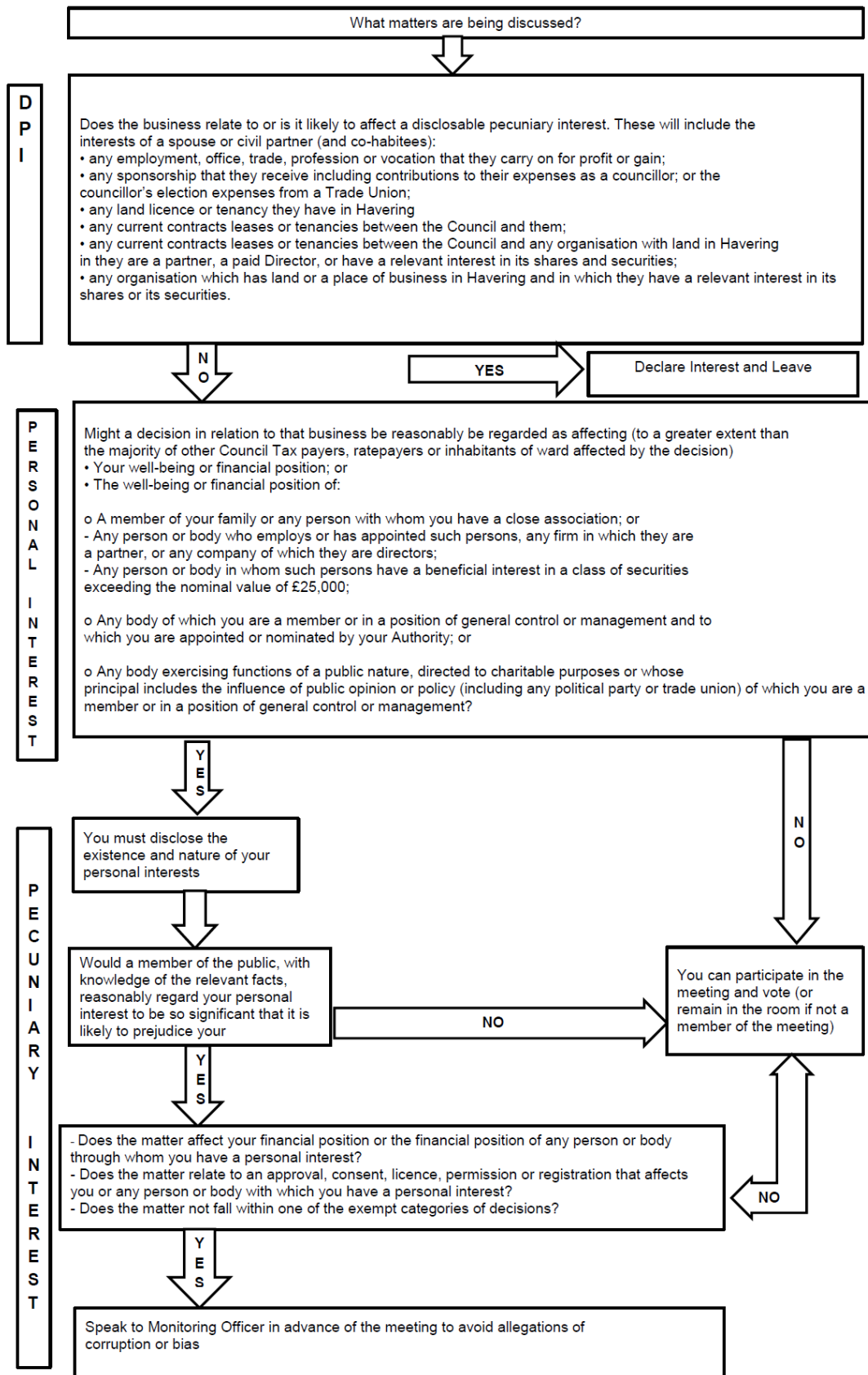
- filming, photographing or making an audio recording of the proceedings of the meeting;
- using any other means for enabling persons not present to see or hear proceedings at a meeting as it takes place or later; or
- reporting or providing commentary on proceedings at a meeting, orally or in writing, so that the report or commentary is available as the meeting takes place or later if the person is not present.

Anyone present at a meeting as it takes place is not permitted to carry out an oral commentary or report. This is to prevent the business of the meeting being disrupted.

Anyone attending a meeting is asked to advise Democratic Services staff on 01708 433076 that they wish to report on the meeting and how they wish to do so. This is to enable employees to guide anyone choosing to report on proceedings to an appropriate place from which to be able to report effectively.

Members of the public are asked to remain seated throughout the meeting as standing up and walking around could distract from the business in hand.

## DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF



## **AGENDA**

### **1 ANNOUNCEMENTS**

On behalf of the Chairman, there will be an announcement about the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

### **2 APOLOGIES FOR ABSENCE**

(if any) - receive

### **3 DISCLOSURES OF INTEREST**

Members are invited to disclose any interests in any of the items on the agenda at this point of the meeting. Members may still disclose an interest in an item at any time prior to the consideration of the matter.

### **4 MINUTES** (Pages 1 - 12)

To approve as a correct record the minutes of the meeting held on 7<sup>th</sup> February, 2018, and to authorise the Chairman to sign them.

### **5 ROMFORD BUSINESS IMPROVEMENT DISTRICT PROPOSAL** (Pages 13 - 24)

### **6 INTEGRATED COMMUNITY EQUIPMENT SERVICE** (Pages 25 - 36)

### **7 EMPLOYMENT AND SKILLS PLAN** (Pages 37 - 132)

### **8 QUARTER 3 CORPORATE PERFORMANCE REPORT 2017/18** (Pages 133 - 156)



**MINUTES OF A CABINET MEETING**  
**Council Chamber - Town Hall**  
**Wednesday, 7 February 2018**  
**(7.30 - 9.00 pm)**

**Present:**

Councillor Roger Ramsey (Leader of the Council), Chairman

**Cabinet Member responsibility:**

Councillor Damian White  
Councillor Robert Benham  
Councillor Wendy Brice-Thompson  
Councillor Osman Dervish  
Councillor Melvin Wallace

Housing  
Children & Learning  
Adult Social Services and Health  
Environment and Community Safety  
Culture and Community  
Engagement

Councillor Clarence Barrett

Financial Management,  
Transformation & IT

Councillor Ron Ower

Housing Development Company  
and OneSource Management

Councillor Joshua Chapman

Deputy Cabinet Member for Housing

Councillor Jason Frost

Deputy Cabinet Member for  
Environment, Regulatory Services &  
Community Safety

**35 ANNOUNCEMENTS**

Announcements were made in relation to the evacuation procedure in the event of fire or other emergency.

**36 APOLOGIES FOR ABSENCE**

There were no apologies for absence.

**37 DISCLOSURES OF INTEREST**

There were no declarations of interest.

**38 MINUTES**

The minutes of the meeting of Cabinet held on 17<sup>th</sup> January, 2018, were agreed as a correct record and signed by the Chairman.

**39 THE COUNCIL'S FINAL 2018/19 BUDGET, MEDIUM TERM FINANCIAL STRATEGY AND COUNCIL TAX PROPOSAL**

*The Leader of the Council, Councillor Roger Ramsey, presented the report to Cabinet.*

The report followed on from various updating reports that came before Cabinet in October, December and January, all of which advised and updated on the position regarding the budget gap in the lead up to the Budget Setting Cabinet meeting.

Cabinet agreed to receive the Second Dispatch Agenda which detailed the full version of Appendix 1.

The Council is required to set an annual budget for 2018/19 and a Mid Term Financial Strategy for the five year period ending 2022/2023. The report details recommendations to Council for the formal Budget Setting process and the setting of a Council Tax increase of 1%, plus a 2% Adult Social Care precept, for the Havering element of Council Tax. The report recommends to Council the Council Tax level at band D as £1363.83 before the inclusion of the GLA precept.

The Local Government Financial Settlement (LGFS) has been confirmed and some additional funding has been allocated as a result including the Adult Social Care Supplementary Grant of £600,000 which will be placed in reserves for that sole purpose. There has also been a change in the New Homes Bonus which gives extra income of around £30,000 and some other smaller adjustments in tariffs and top ups. This is all very welcome and does not affect the budget recommendations being made to Cabinet in this report.

The Senior Leadership Team of the Council continues to work hard to develop proposals to balance the 2018/19 budget. Savings proposals and the application of the Government Grants have reduced the budget gap of £4.158 million in 2018/19 rising to £33.355 million by 2022/23 and this is demonstrated in Table 1 of the report.

The Mid-term Financial Strategy and Budget Update report went for discussion to the Overview and Scrutiny Board on 23<sup>rd</sup> January, 2018. There were no comments to be brought forward to Cabinet.

The results of the public consultation produced a wide variety of views and were satisfying in so far as 60% agreed with the Council Tax Budget Strategy.

The public engagement and budget consultation engaged to understand residents' views on 2018/19 Budgets and the Medium Term Financial

Strategy (MTFS) saving proposals and Council Tax changes began on the 5<sup>th</sup> January and closed at mid-night on Friday 2 February 2018.

There were a total of 251 responses. The top three priority services responses want to protect are:

- School and education - 55.38%
- Adult Social Care - 36.25%
- Roads and Transport - 34.66%

The top three priority services responses want to reduce are:

- Parking - 50.60%
- Council Tax Support - 45.02%
- Planning and Building control - 39.84%

When asked if there were any comments on the Budget Strategy as a whole there were 177 responses and these were grouped into themes as follows:

- **Salaries:** reducing councillor's allowances and senior staff salary
- **Council tax** (general comments)
  - Of the 40 that commented on Council tax increase,
    - 16 were in favour of an increase
    - 22 were not in favour whilst
    - 2 were neutral
- **Protecting vulnerable residents** such as the elderly and children service
- **Roads:** complaints about "unnecessary" council spending on road improvements such as the installation of speed bumps, enforcement of Yellow box junction
- **Cutting council administration costs** and back office spending
- **Waste** – introduction of bins
- **Central government cut**
- **No option in consultation for not cutting any services**

There was a particular emphasis on Yellow Box Enforcement and whether such enforcement is cost effective and whether such enforcement is correctly used to generate income.

The Local Government Financial Settlement details also the schools funding. The Government plans to introduce a national funding formula for schools starting this coming financial year. Havering will be able to move straight to this National Formula following consultation. This will mean that all schools will receive a minimum increase of 0.5% per pupil up to a maximum of 3% per pupil and this is demonstrated in Table 3 of the report.

One of the key aspects is the cessation of the Education Services Grant from September, 2017. For 2018/19 a sum of approximately £0.590 million has been included in the new Central School Services Block. This leaves a shortfall against the cost of providing LA statutory services and this is depicted in Table 6 of the report. It is intended that the shortfall will be managed as part of the ongoing transformational review of the service

which will include an investment in education traded services which will be used to supplement the £0.835 million shortfall.

Table 7 of the report depicts the forecast overspend along each directorate which is reducing. In the main, this has been due to the planned contribution from the corporate risk budget to Children's Services and further improvements in Neighbourhoods, OneSource and the Chief Operating Officer forecasts.

Demographic growth continues to impact on the level of demand for services in the Borough particularly in housing and adult social care and this is a trend that is expected to continue in the coming years.

Negotiations continue with the Government over the pay award increase. Any changes in this will be reported back to Cabinet when known and an update will be provided for the Council meeting, if available.

Fees and charges have been reviewed in order to deliver an increase in income of 3%. Government and specific grants are reducing outside of the general grant. The provisional Public Health Grant has seen a £0.289 million reduction.

The New Homes Bonus has been reduced by £2.640 million and it is anticipated that this will reduce to approximately £3.8 million by 2018/19. Levying Bodies need to be taken into account. The levies are part of the Local Government Settlement and are therefore taken into account when setting the Havering element of the Council Tax.

The estimated ELWA levy for 2018/19 is £15.992 million. If this is confirmed, this will represent an increase of 7.15% or £1.067 million and is £0.067 million more than expected. The ELWA levy is based on the weight or rubbish disposed of by residents whether in the normal waste or by way of recycling and this continues to present as a significant financial pressure.

Residents can assist here and make a substantial contribution to reducing the future levy by participating in the Council's waste management and recycling initiatives.

Payments to external bodies have seen a welcome reduction and initiatives such as the Freedom Passes project have produced a benefit.

The Corporate Risk Budget is available to support the corporate organisation to meet a range of necessary expenditure to meet financial pressures and unavoidable overspends. It was reported in the 2017/18 MTFS that the Corporate Risk Budget has reduced significantly in recent years. As margins reduce there is a greater need to balance the budget tightly.

The Greater London Authority (GLA) precept covers the services of the Metropolitan Police, the London Fire and Emergency Planning Authority, the

London Development Agency together with the core functions of the GLA and Transport for London. The precept is outside the control of the Council. It has been very disappointing for Havering to have suffered such a decrease in policing generally.

The Green Paper on Adult Social Care has been delayed until the summer of 2018 so there is real uncertainty here. This has been reflected in the assumption that the improved Better Care Fund will not continue beyond 2019/20. Cabinet will be updated as more information comes through in relation to Social Care Funding and the Fair Funding Review.

Tables 10, 11 and 12 of the report detail the Capital Programme.

There are a number of schemes which were considered by Cabinet in December. Most notably, these consist of Economic Development which includes the Bridge Close Regeneration, Mercury land Holdings Business Plan Schemes and Rainham Beam Park Regeneration. In addition the SLM Leisure Contract was considered by Cabinet in November 2017.

Mercury Land Holdings has been successful in generating a worthwhile income for the Council and it is hoped that the company will continue to flourish.

### **Cabinet:**

1. **Noted** the forecast outturn on service directorates at period 9 and the actions being taken by SLT to manage expenditure within approved budgets set out in section 5 of the report.
2. **Approved** the income generation and savings proposals as set out in **Appendix A** of the report.
3. **Considered** the advice of the Chief Finance Officer as set out in **Appendix F** of the report when recommending the Council budget.
4. **Approved** the following budgets for 2018/19:
  - The Council's General Fund budget as set out in **Appendix D** of the report.
  - The Delegated Schools' draft budget set out in section 4 of the report
  - The Capital Programme as set out in section 9 and **Appendix G** of the report.
5. **Delegated** to the Chief Financial Officer the implementation of the 2018/19 capital and revenue proposals once approved by Council unless further reports or Cabinet Member authorities are required.
6. **Agreed** that the Chief Financial Officer be authorised to allocate funding from the Capital Contingency included within the draft Capital Programme.

7. **Agreed** that the relevant Cabinet Member, together with the Cabinet Member for Financial Management, ICT (Client) & Transformation be delegated authority to commence tender processes and accept tenders for capital schemes included within the approved programme under the block programme allocations or delegation arrangements set out in this report.
8. **Agreed** that to facilitate the usage of unringfenced resources, the Chief Financial Officer in consultation with Service Directors will review any such new funds allocated to Havering; make proposals for their use; and obtain approval by the Cabinet Member for Financial Management, ICT (Client) & Transformation.
9. **Delegated** to the Chief Financial Officer in consultation with Service Directors the authority to make any necessary changes to service and the associated budgets relating to any subsequent specific grant funding announcements, where delays may otherwise adversely impact on service delivery and/or budgetary control, subject to consultation with Cabinet Members as appropriate.
10. **Approved** the schedule of proposed Fees and Charges set out in **Appendix J** of the report, with any recommended changes in year being implemented under Cabinet Member delegation.
11. **Agreed** that if there are any changes to the GLA precept and/or levies, the Chief Financial Officer authorised to amend the recommended resolutions accordingly and report these to the next Council meeting as required.
12. **Will recommend to Council for consideration and approval:**
  - The General Fund budget for 2018/19
  - The Council Tax for Band D properties and for other Bands of properties, all as set out in **Appendix D**, as revised and circulated for the Greater London Authority (GLA) Council Tax.
  - The Delegated Schools' budget for 2018/19, as set out in section 4 of the report.
  - The Capital Programme for 2018/19 as set out in section 9 and supported by Annexes 1, 2 and 3 of **Appendix G**.
  - That it passes a resolution as set out in section 11.3 of the report to enable Council Tax discounts to be given at the 2017/18 level.

40 **THE HOUSING REVENUE ACCOUNT (HRA) BUDGET FOR 2018/2019 AND HRA MAJOR WORKS CAPITAL PROGRAMME 2018/19 - 2022/23**

*The Cabinet Lead Member for Housing and Deputy Leader of the Council, Councillor Damien White presented the report to Cabinet.*

The report detailed the annual process required to set the HRA rents and service charges for the financial year 2018/19 and the Capital Programme. The approach adopted has been the same since 2012, enabling the business plan to be designed to provide long term management to the Council's housing assets and services.

The report reflects the update given to Cabinet in November, 2017 and incorporates how the HRA can support the regeneration projects the Council is proud to be taking forward, most notably the 12 Estates Joint venture (JV) and the affordable housing provision on Bridge Close. It also sets out the budget requirements for the operation of services.

The Deputy Leader indicated the primary functions of the report are to:

- Approve the rents to be charged for 2018/19
- Approve the service charges and other fees for 2018/19
- Approve the overall costs of running the housing landlord services, and
- Approve the capital programme

**For this year there is an additional function in that the report seeks Cabinet**

- To approve the funding for 12 sites JV and the Bridge Close JV within the Capital Programme as detailed in the Cabinet reports of November, 2017 and January, 2018. For this reason the Capital Programme included in the report is a **five year programme** rather than the usual three years. It was therefore agreed that the title of the report be amended to read from **2018/19 – 2022/23** and not 2018/19 – 2020/21.

The Cabinet Lead Member and Deputy Leader of the Council went on to detail the report contents.

## **Rents**

The Council continues into a third year of a reduction in rents by 1% as set out by the Government. This reduction will also be applied to Supported Housing, namely sheltered housing and hostel accommodation. The overall average reduction in rents is £0.97 per week.

This reduction is made when Housing Services have high rent collection rates, low vacant property levels and has made significant efficiency in operating costs over the last two to three years.

## **Service Charges**

It is the aim of the Council to ensure that those benefiting from service provision are paying for them and to ensure the cost of each service, including overheads, can be fully recovered from service users. These

principles have been adopted for a number of years and now meet with good practice guidance.

Work has been carried out and will continue to improve the value for money of services either by reviewing the staffing and costs of the service or by renegotiation of contracts with some service providers. A limit of 25% has been placed on such increases and this has led to some decreases in charges.

### **Other fees and Charges**

Garage charges have increased by 7% to fund repairs and upgrades. Careline and telecare charges are increasing by CPI plus 1% or 4%.

### **Capital Programme**

Stock investment, detailed in the report will ensure that the Council's existing housing stock will be maintained at the "decent homes standard".

The investment in new build and regeneration projects supports the strategy to increase the supply of affordable homes in the Borough which are affordable at local income levels.

Cabinet agreed in January, 2018 to award preferred bidder status on the 12 estates initiative. The £63.3 million initial equity together with the £50.5 million for buy backs and rehousing costs are included within the 5 year Capital Programme.

The cabinet Lead Member and Deputy Leader pointed out that the Bridge Close JV detailed to Cabinet in November, 2017 agreed to fund 30% affordable housing with the aspiration that 35% will be achieved. Negotiations are progressing well to this figure.

### **Cabinet:**

**Agreed** to amend the date in the title of the report to **2018/19-2022/23** and:

1. **Approved** the Housing Revenue Account Budget as detailed in Appendix 1 of the report.
2. **Agreed** that the average rents chargeable for tenants in general needs Council properties owned by the London Borough of Havering be decreased by 1% from the w/c 2 April 2018 in line with the indicative figures contained in paragraph 2.1.7 of the report.
3. **Agreed** that the average rents chargeable for tenants in supported housing Council properties, such as sheltered housing and hostels, owned by the London Borough of Havering, be reduced by 1% from the w/c 2 April 2018 in line with the indicative figures contained in paragraph 2.1.8 and 2.1.9 of the report.

4. **Agreed** the four rent-free weeks for 2018/19 as being: w/c 20 August 2018, the two weeks commencing 17 and 24 December 2018, and the week commencing 25 March 2019.
5. **Agreed** that service charges and heating and hot water charges for 2018/19 are as detailed in paragraph 2.2.2 of this report.
6. **Agreed** that the service charges for homeless households accommodated in the Council's hostels 2018/19 are as detailed in paragraph 2.2.3 of the report.
7. **Agreed** that charges for garages should be increased by 7.5% in 2018/19 as detailed in paragraph 2.3.1 of the report
8. **Agreed** that the service charge for the provision of security and support in sheltered housing for 2017/18 shall be as detailed in paragraph 2.4.1 of the report.
9. **Agreed** that the Careline support charge should be increased by 4% for 2018/19 as detailed in paragraph 2.5.1 of the report.
10. **Agreed** that the Telecare support charges should be increased by 4% for 2018/19 as detailed in paragraph 2.5.1 of this report.
11. **Approved** the HRA Major Works Capital Programme, detailed in Appendix 2a of the report and refer it to full Council for final ratification.
12. **Approved** the HRA Capital expenditure and financing for the 12 Sites Joint Venture, detailed in paragraphs 3.19.1 to 3.19.8 and Appendix 2a of the report and refer it to full Council for final ratification.
13. **Approved** the HRA Capital expenditure and financing to acquire up to 375 affordable dwellings from the Bridge Close JVLLP, detailed in paragraphs 3.20.1 to 3.20.5 and Appendix 2a of the report and refer it to full Council for final ratification.
14. **Agreed** to delegate to the Lead Member for Housing, after consultation with the Director of Neighbourhoods, the Monitoring Officer and the s151 Officer, authority to finalise agreement on the terms of the acquisition of affordable housing on Bridge Close referred to in recommendation 13 of the report.
15. **Agreed** to redirect both the balance in the RTB debt repayment reserve and future RTB attributable debt receipts towards the funding of the Estate Regeneration Programme and associated vacant possession costs.
16. **Agreed** to release balances and redirect the proceeds from the disposal of HRA shared ownership properties and other HRA disposals towards the funding of the Estate Regeneration Programme, associated costs of vacant possession and the HRA New Build Programme.

**41 TREASURY MANAGEMENT STRATEGY STATEMENT, PRUDENTIAL INDICATORS AND MINIMUM REVENUE PROVISION STATEMENT FOR 2018/19**

*The report was presented to Cabinet by the Cabinet Lead Member for Financial management, Transformation and IT, Councillor Clarence Barrett.*

The Council is required to formally approve the Treasury Management Strategy Statement, Prudential Indicators and the Minimum Revenue Provision Statement following the recommendation from Cabinet.

A primary objective of the Treasury Management Service is to ensure that the Authority's cash flow is adequately planned, with cash available when needed. Surplus monies are invested in counterparts or instruments commensurate with the Authority's appetite for risk and liquidity requirements as priorities before considering investment return.

The second main objective is to ensure property funding of the Authority's capital expenditure plans. The capital plans provide a guide to the borrowing need of the Council.

On 31<sup>st</sup> December, 2017 the Authority held £229.5 million of borrowing and £230.3 million of investments. Table 1 of the report is based on the proposed Capital Programme for 2018/19 which will require the Council to borrow a further £10 million in 2019/20 and a further £30 million in 2020/21.

The borrowing strategy objectives will be informed by:

- Interest rate forecasts and the shape of the interest rate curve.
- Spread of current debt maturities to avoid high concentrations in any year
- Shape of the Authority's future capital finance requirement (CFR) curve; and
- Balance of callable long term debt and non-callable long term debt in the portfolio.

The Authority's borrowing strategy continues to address the key issue of affordability without compromising the long term stability of the debt portfolio.

Appendix 4 of the report details the Authority's Debt Portfolio of the Authority's fixed term borrowing and Appendix 5 details the Authority's Minimum Credit Rating Criteria but it should be noted that investment decisions are never based solely on credit ratings and will take into account other relevant factors such as external advice. There is confidence in that investments would only be carried out through a very robust due diligence process.

The CIPFA Prudential Code and TM Code requires authorities to set treasury indicators and these are set out in Appendix 7 of the report. No breaches are likely in 2018/19.

**Cabinet:**

1. **Approved** the Treasury Management Strategy Statement (TMSS) 2018/19.
2. **Approved** the Treasury Management and Prudential Indicators set out in Appendix 7 of the report.
3. **Approved** the Annual Minimum Revenue Provision (MRP) Statement for 2018/19 set out in Appendix 8 of this report.
4. **Will recommend** the annual TMSS and MRP statements 2018/19 to Council for approval.
5. **Delegated** future changes required to this Strategy to the Chief Financial Officer in consultation with the Cabinet Member for Financial Management, ICT (client) & Transformation. This will provide the additional flexibility to swiftly respond to changing financial markets.

42 **FINANCIAL INCLUSION STRATEGY**

*The Leader of the Council, Councillor Roger Ramsey presented the report to Cabinet.*

There are many individuals and families in the Borough in Havering and nationally, experiencing financial difficulties and pressures due to rising living costs, welfare reforms and stagnant salaries. This impacts significantly on the general wellbeing of residents and also generates demand on the services that Councils and their partners provide.

In order to address this, the Council has developed a new Financial Inclusion Strategy which focuses on identifying, prioritising and tackling the major causes of financial exclusion whilst also promoting services that will facilitate financial inclusion.

The strategy, produced at Appendix 1 of the report seeks to help local residents access the information they need to help them manage finances and prioritise their financial commitments. In addition it helps to highlight the importance of educating children and young people to ensure they know how to access financial services both now and in the future.

The Financial Inclusion Strategy contributes to the achievement of all four thematic areas of the Corporate Plan. It is one of a number of strategies that the Council has in place to help prevent and mitigate the effects of poverty and deprivation in the Borough.

**Cabinet:**

1. **Agreed** the Financial Inclusion Strategy attached at Appendix 1 of the report.

## 43      **EMPLOYMENT AND SKILLS PLAN**

*The Employment and Skills plan report was presented to Cabinet by the Cabinet Lead member for Environment and Community Safety, Councillor Osman Dervish.*

The local job market in Havering is based predominantly on low skilled work and low wage levels. There are pockets of long term unemployment and economic inactivity which leads to under employment, poor career progression and in-work poverty.

The local job market is changing and as a result it is important that Havering residents are equipped with the right skills to meet demand and to adapt to future employment trends. Businesses need to be able to access a work force that can meet their requirements and prosper economic growth.

It is also important to note that the Department for Work and Pension's (DWP) mainstream programmes have been developed nationally with very limited input from Local Authorities. This Plan will allow Havering to tailor input appropriate to the local need of the Borough.

Together with the Financial Inclusion Strategy there are a number of plans and strategies in place to prevent and mitigate the effects of deprivation and poverty. The Plan should therefore be read alongside other related documents. There is not currently a strategy in place to address issues relating to unemployment and underemployment. As a result the Council commissioned consultants to develop this Plan which is commended to Cabinet for approval in draft form to return back to Cabinet in April for the final document to be considered.

### **Cabinet:**

- 1) **Approved** the draft Employment and Skills Plan (**Appendix 1** of the report) for consultation with the local business community, Joint Venture partners and other key stakeholders.
- 2) **Agreed** that a final version of the Employment and Skills Plan be presented to the Cabinet in April 2018 for adoption.

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**Chairman**

## CABINET

**Subject Heading:**

**Romford Business Improvement District Proposal**

**Cabinet Member:**

**Councillor Osman Dervish**

**SLT Lead:**

**Steve Moore, Director of Neighbourhoods**

**Report Author and contact details:**

**Helen Payne, 01708 433276**  
[helen.payne@havering.gov.uk](mailto:helen.payne@havering.gov.uk)

**Policy context:**

The proposal relates to the Places and Opportunities strands of the Havering vision.

**Financial summary:**

In order to proceed with the ballot the council will incur a nominal charge of £0.002m for Electoral Reform Society services.

Should the BID ballot be successful the Council would be liable for payment of an annual levy of additional business rates currently estimated at £0.023m per annum.

The Council provides services to the BID in order to collect the levy on NNDR; these services are annual billing, in year account maintenance, recovery and reconciliation. The Council charges the BID for these services at the rate of £0.020m per annum.

RTMP has requested that the council consider an advance payment to cover set up costs in advance of the receipt of the levy should the ballot be successful. Subject to systems being established post ballot to collect the initial levy payments, the funding should be recoverable by the Council within the financial year.

**Is this a Key Decision?**

The proposal is the subject of a Cabinet report because it will have a significant impact on users/customers; and significant implications for service delivery, and a

**When should this matter be reviewed?**

significant effect on two Wards.

The BID period proposed is 5 years, after which a further request would need to be made to the Council for a re-ballot. Agreement to a re-ballot would be a non-key executive decision.

**Reviewing OSC:**

Towns and Communities

**The subject matter of this report deals with the following Council Objectives**

Communities making Havering  
Places making Havering  
Opportunities making Havering  
Connections making Havering

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**SUMMARY**

The Romford Town Management Partnership Limited (Company number **10315705**) (RTMP) has submitted a request to the Council in accordance with Business Improvement District Regulations, to hold a ballot within Romford Town Centre, to establish a Business Improvement District (BID). This report provides background information on BIDs and on the priorities set out in the draft Business Plan, and on the role of the Council in supporting and delivering BIDs. It seeks approval to supporting the ballot being held and to voting to support it in relation to the Council's properties in the area.

**RECOMMENDATIONS**

The Cabinet is recommended to:

1. Review and approve the Romford Town Management Limited BID Proposal to go to ballot in June 2018;
2. Agree to support the formation of a BID in Romford Town Centre, subject to a successful ballot taking place in accordance with the Business Improvement Districts (England) Regulations, 2004;

3. Note that the Council will be subject to payment of the levy on its properties within the BID area; and,
4. Agree that the Head of Property Services (one Source) be authorised to cast the Council's vote to support the establishment of the BID in relation to all the council properties within in the BID area; and,
5. Delegate authority to the S151 Officer in consultation with the Director of Neighbourhoods to negotiate and settle agreements in relation to any advance funding for the BID of no more than £230,000, subject to a successful ballot, the creation of the BID and the production of a costed workplan and cashflow acceptable to the S151 officer detailing the funding requirements.

<b>REPORT DETAIL</b>
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**1. Business Improvement Districts**

- 1.1 A Business Improvement District is a defined area in which a levy is charged on all business rate payers in addition to the business rates bill. The levy is used to develop projects which will benefit businesses in the local area.
- 1.2 (RTMP is a company limited by guarantee, formally established in September 2015 as a successor to the Romford Town Centre Partnership (RTCP) which had been meeting as a discussion forum for the previous decade. The RTMP aims to harness the combined power of the public and private sector to improve Romford town centre and stimulate prosperity in Romford.
- 1.3 RTMP has submitted a request to the local authority to take the proposal to a ballot in June 2018. The proposal sets out the services to be provided and the size and scope of the BID. It also sets out who is liable for the levy, the amount of levy to be collected, which is 1.5% of rateable value, how it is calculated, and the businesses and organisations that would be eligible for exemptions, such as non-retail charities and schools.
- 1.4 Businesses that are subject to the levy, as set out in the proposals, vote in a ballot. This determines whether the scheme goes ahead. A successful vote is one that has a simple majority both in votes cast and in rateable value of votes cast. Each business entitled to vote is allowed one vote in respect of each property occupied or (if unoccupied) owned by them in the geographical area of the Business Improvement District.

- 1.5 Once the Business Improvement District is in operation the levy is charged on all businesses within the Business Improvement District area (regardless of whether or how that business voted in the ballot).

- 1/6 BIDs can run for a maximum of 5 years before they need to seek renewal through another ballot. The Romford BID term will be 5 years. If a BID is established in Romford, it will be the second BID operating in Havering. The London Riverside BID has been in operation since 2006, and has now successfully held 3 BID ballots.

## **2. Romford BID**

- 2.1 RTMP was set up in 2016 with the purpose of improving the town centre. It currently has 5 Directors, including shopping centre managers, and business managers from the town centre. .

- 2.2 During the course of 2017 the RTMP has been working with the wider business community in the town centre to identify their priorities, and is proposing a number of improvements outlined in their draft business plan as summarised below.

## **3. Pledge One. Market, promote and inspire.**

- 3.1 To reinvigorate our profile and promote the town as a prime destination making sure people know about Romford's unique offer. To create new and engaging ways of putting Romford on the map - locally, regionally and nationally.

## **4. Pledge Two. Create a safe, diverse and vibrant evening and night time experience.**

- 4.1 To enhance our offer so we can appeal more effectively to the modern consumers who are increasingly demanding more from their town centre experience. To encourage and support more diverse businesses, creating a better balanced offer that enhances the vibrancy of our town centre. This is while ensuring it operates well at all time periods and appeals to the full range of people who live, work and play in our town centre.

## **5. Pledge Three. Ensure a warm welcome by creating a positive place.**

- 5.1 To focus on making Romford clean, green, safe and ensuring a warm welcome for all. To look at expanding our events and festivals programme and through it reimagine our town centre delivering exciting public realm improvements across the Romford BID area.

## **6. Pledge Four. Lead, champion and influence.**

- 6.1 To represent the needs of the whole Romford business community, we will make sure your voice is heard and aim to become a positive champion of their

needs. We'll do this by improving communication, creating new ways to network and helping share information both internally and externally.

## **7. BID Area**

- 7.1 The proposed area to be covered by the BID includes Central Library, the Como Street Car Park and properties opposite on North Street, as well as properties within the boundary of the ring road, as set out in the map appended to the report. The proposed area contains around 447 hereditaments of which 10 are owned by the local authority.
- 7.2 The Council will be entitled to votes for each of these 10 properties, and it is recommended that the Head of Property Services votes on behalf of the Council.

## **8. Council's Role**

- 8.1 Under the BID regulations the Council is obliged to support the establishment of a BID once a formal proposal is received. The Council can veto a BID proposal if it conflicts with any policies that the council already has in place or it places a significantly disproportionate or inequitable financial burden on any individual or group of businesses. The Council also plays pivotal roles as regulator and service provider, and as custodian of the public realm.
- 8.2 The local authority is required to provide the relevant rateable value data to the BID Company, together with establishing the necessary systems (including software changes) to enable collection and enforcement of the BID levy. The systems to provide this service are already in place for the London Riverside BID and will operate in the same way for the Romford Town Centre BID should the ballot be successful.
- 8.3 The local authority is required to set up and manage the BID ballot on behalf of the BID Company. The register must link the persons eligible to vote to the relevant property, and its rateable value. The role of the Electoral Registration Officer is prescribed by regulations as the person who will create the list. The holding and administration of the Ballot will be undertaken by the Electoral Reform Society.
- 8.4 The local authority is required to provide statutory services to an acceptable level, including via contractors. The local authority and RTMP will agree an acceptable baseline service level for a wide range of environmental, community safety and other services, and this has been set out in a set of baseline service statements, signed off by officers. These will be defined and listed in the BID proposal, so that business understand what services are provided by the Council, and that additional services will be funded through the BID levy. Any additional services provided are chargeable by the Council.

- 8.5 Over the last year, and in the lead up to the proposed ballot, the Council has been providing staff resource and funding to support the RTMPs work on the BID proposal. Specific staff resource will be continued until the ballot.

## **REASONS AND OPTIONS**

### **9. Reasons for the decision:**

- 9.1 Under the BID Regulations the Council is obliged to support the establishment of a BID once a formal proposal is received. The Council can only veto a BID proposal if it does not cover all of the points laid out in Schedule 1 of the BID Regulations, or if it conflicts with any policies that the Council already has in place. Officers will work with the RTMP to ensure that the BID proposal is compliant with Schedule 1 requirements.

### **10.1 Other options considered:**

- 10.1 Under the legislation the Local Authority must support the establishment of a BID when asked by the BID proposer to provide such a request in line with the terms of the regulations. Should the BID not proceed; the funding that would have resulted from the levy will not be available to support improvements to the town centre.

## **IMPLICATIONS AND RISKS**

### **11. Financial implications and risks:**

- 11.1 The Bid process is largely obligatory for the Council. However the provision of funding in advance is a decision for the council to make on receipt of the business plan and is not as such an obligation.

#### **11.2 The following financial Implications pertain to the Council:**

##### £0.002m BID Ballot

The Council is obliged to conduct and pay for the BID ballot. The Electoral Reform Society will be contracted to undertake the Ballot and the cost of this will be contained within the Development service.

#### **11.3 £0.020m income from Levy Collection**

The Council will provide services to the BID in order to collect the levy on NNDR; these services are annual billing, in year account maintenance, recovery and reconciliation. The Council charges the BID for these services. Delays in entering into a BID may impact on the level of income received as this amount may be pro rata in year 1. The council will charge VAT on this service.

- 11.4 If the BID is successful the Council will provide limited staffing resource to coordinate the Councils input to the BID Board, and the services provided as set out within the Baseline Agreements, and this will be contained within existing resources.

11.5 £0.023m Bid Levy

The local authority as a property owner of 10 businesses with rateable value fall within the BID boundary, if the ballot results in a BID the Council will be liable for a £0.023m per annum Levy. Delays in entering into a BID may impact on the level of Levy Charged as this amount may be pro-rata in year 1.

- 11.5 The cost of proceeding to ballot has been supported by the Council, and includes the direct ballot costs and supporting the BID proposal development process. Resources have been provided from within the Development budget to support the work, and to fund the ballot process. All service areas affected by the BID will need to identify funding streams in relation to their element of the £0.023m Levy from within existing budgets

Request for payments in advance

- 11.6 The RTMP will be unable to commence activity until levy payments start to be made. As this will not happen immediately post ballot, they have requested the Council consider making an advance payment to fund setup costs. Systems would need to be put in place following a “yes” vote to enable mid-year billing, and the costs of this should be covered by the charges for the billing process. Subject to this being done, bills could be sent out in early October, and the bulk of the pro-rata levy should have been received by the end of November.
- 11.7 The treatment of the up front payment from the Council would need to be clarified in terms of the amount required, the set up costs or other outgoings being covered, how much the RTMP was requesting and the length of time over which the organisation would pay back the pre-funding. The council may have to treat the advance as a soft loan and as such interest may need to be charged on to the RTMP. The council would have to ensure that such payments satisfied state aid requirements.
- 11.8 At present there is not enough information to confirm this position, and this would need to be clarified during the ongoing negotiations. The amount of any loan should be negotiated on the basis of a sustainable funding profile for the BID company set out in a costed workplan and cashflow, and should be up to a maximum of £230,000. Confirmation of this treatment would need to form part of the delegated decision making included in recommendation 5 of this report. If an advance payment was made, there is no specific budget approved for this, so the sum would need to be drawn from corporate reserves.

**11.7 Below are the financial implications to the BID:**

It is anticipated that a BID would result in securing external funding via the levy into the Town Centre of up to £0.660m for a full year on the basis of the current hereditaments.

**12. Legal implications and risks:**

- 12.1 Business Improvement Districts (England) Regulations 2004 (The Regulations) provide the statutory powers and framework to enable a Business Improvement District (BID) to be created. This report and its appendix explains how a BID is established and sets out the BID Proposal process and maps out the future stages in the process in the event that the BID Proposal proceeds to Ballot.
- 12.3 At this stage in the process the Council, as billing authority, is only required to instruct the Returning Officer to hold a ballot once satisfied that the Bid Proposer has met all the requirements under the Regulations. Officers are satisfied that these requirements have been met. Where the relevant billing authority is of the view that the BID proposals conflict with a policy formally adopted by and contained in a document published by the authority the authority shall, as soon as reasonably practicable after receiving the proposals, notify the BID body in writing explaining the nature of that conflict.
- 12.4 The Council has legal powers to enter into arrangements to facilitate the BID including levy collection and may enter into a Baseline Agreement for the Provision of Standard Services and an Operating Agreement to confirm agreed arrangements. It should be noted that these do not constitute legally binding agreements as these are subject to change from time to time.
- 12.6 Council has right to exercise a veto after the outcome of the Ballot if the council consider the arrangements are likely to either conflict to a material extent with any of their published policies or place a disproportionate and inequitable financial burden on any person or group of persons through manipulation of the BID geographical area or the structure of the BID levy.
- 12.7 It is highlighted that the Council as owner of hereditaments in the BID and certain duties under the Regulations may not coincide. Although this is unlikely in practice it may be necessary put in place arrangements to deal with a conflict of interests. The role on voting is to be delegated as per the recommendations in this report.

**13. Human Resources implications and risks:**

- 13.1 There are no Human Resources implications for the proposal.

**14. Equalities implications and risks:**

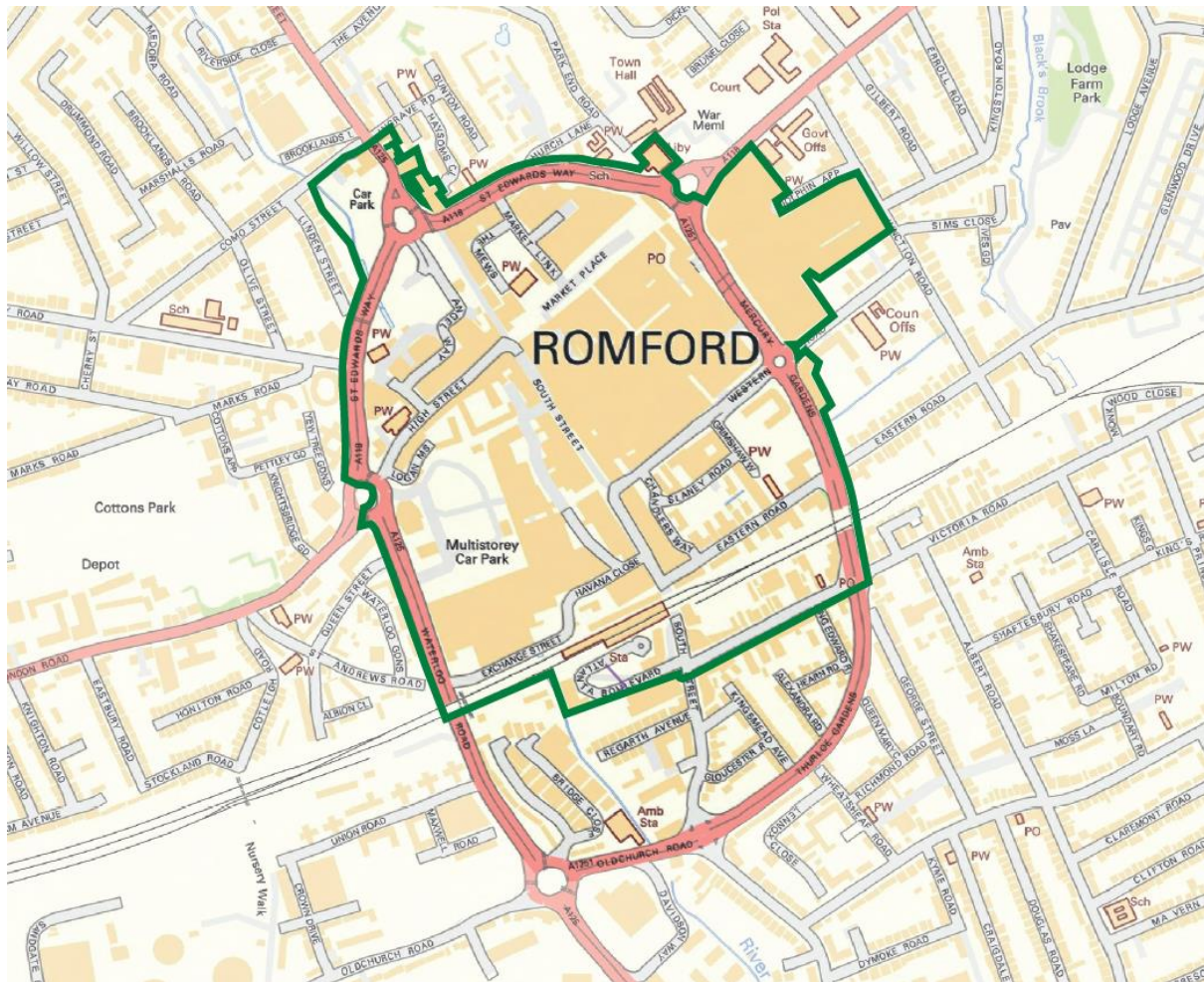
- 14.1 The promotion of equality and enhancement of community cohesion will be intrinsic to the Romford BID, which operates within the spirit of the Equality Act 2010 and Havering Council's Fair to All Equality Policy. No individual or group involved with the BID will experience discrimination or detrimental treatment due to any 'Protected' characteristic, as set out in equality legislation. The BID will also be utilized as an opportunity to promote improved health and wellbeing.

<b>BACKGROUND PAPERS</b>
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None

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Appendix A



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## CABINET

### Subject Heading:

**Integrated Community Equipment Service**

### Cabinet Member:

Councillor Wendy Brice-Thompson, Cabinet Member for Adult Services and Health

### SLT Lead:

Barbara Nicholls, Director of Adults Services and Health

### Report Author and contact details:

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### Policy context:

Supports priorities in the Joint Health & Wellbeing Strategy:

Greater integration between social care, education and health in the provision of support for adults and children most at risk

### Financial summary:

An Integrated Community Equipment Service across BHR partners will release an annual saving of £0.055m on current LBH Community Equipment spend of £0.516m (based on 2016/17 Outturn).

### Is this a Key Decision?

Expenditure or saving (including anticipated income) of £500,000 or more

### When should this matter be reviewed?

6 months following sign off

### Reviewing OSC:

Individuals

### The subject matter of this report deals with the following Council Objectives

Communities making Havering

[x]

Places making Havering

[]

Opportunities making Havering

[]

Connections making Havering

[]

**Place an X in the [] as appropriate**

## **SUMMARY**

Community Equipment is provided by the Council ("LBH") to allow the frail, elderly and physically disabled adults and children to live independently within their own homes or community and school environments and to facilitate discharge from hospital. This equipment ranges from simple daily living aids to more complex equipment such as beds, lifts, hoists.

LBH currently commissions the service through the London Borough of Redbridge (LBR) "Framework Contract for the Community Equipment Service" ("the Framework") originally established in 2011. The Framework was most recently retendered in 2015 and Millbrook Healthcare Limited was appointed as sole provider for a term of 4 years, from 1st December 2015 to 30th November 2019.

As part of the system wide partnership and governance arrangements it was recognised that community equipment services were fragmented across Barking Havering and Redbridge (BHR) and a piece of work was commissioned by the Discharge Improvement Working Group (DIWG) to explore potential benefits of establishing an integrated community equipment service. The DIWG is a group established as part of system wide governance to explore opportunities to improve the discharge process. The review evaluated the current and alternative integrated service options in terms of service delivery, quality and value for money.

The recommendation was to establish a single Integrated Community Equipment Service hosted and led by LBR through a section 75 agreement with all named BHR partners across health and social care.

This recommendation was approved by DIWG on 4<sup>th</sup> September 2017 and went on to be approved by the Joint Commissioning Board (JCB) on 6<sup>th</sup> September 2017 which is a sub group of the Integrated Care Partnership Board (ICPB). This approval was subject to formal approval by each partner through their internal governance arrangements.

## **RECOMMENDATIONS**

It is recommended that the Cabinet:

- **Approves** the Council joining an Integrated Community Equipment Service (ICES) with BHR health and social care partners, hosted by London Borough of Redbridge.
- **Authorises** the Director of Adult Services to sign the Section 101(LGA 1972) / Section 75 (NHS Act 2006) agreement and all further documentation necessary to facilitate the participation of the Council in the Integrated Community Equipment Service.

<b>REPORT DETAIL</b>
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## **1. Background**

- 1.1. Community Equipment is provided by the Council to allow the frail, elderly and physically disabled adults and children to live independently within their own homes or community and school environments and to facilitate discharge from hospital. This equipment ranges from simple daily living aids to more complex equipment such as beds, lifts, hoists.
- 1.2. LBH currently commissions the service through the LBR “Framework Contract for the Community Equipment Service” (“the Framework”) originally established in 2011. The Framework was most recently retendered in 2015 and Millbrook Healthcare Limited was appointed as sole provider for a term of 4 years, from 1st December 2015 to 30th November 2019. The current participating authorities on the Framework include:
  - LBR (which commissions under joint Section 75 agreement on behalf of both itself and RCGG);
  - London Borough of Havering (“LBH”);
  - North East London NHS Foundation Trust (“NELFT”), (which provides intermediate care services to Barking and Dagenham CCG (“B&DCCG”) and Havering CCG (“HCCG”);
  - London Borough of Kingston;
  - City of London; and
  - London Borough of Newham.
- 1.3. The Framework provides that any public body who constitutes one of the London Borough Councils and all NHS bodies associated with London Borough Councils (including but not limited to Clinical Commissioning Groups (“CCGs”)) may become a participating authority to the Framework at any time during its term.
- 1.4. The other health bodies in Barking, Havering and Redbridge area (“BHR”) commission equipment by a variety of alternative routes including:
  - B&DCCG and HCCG procure in excess of £620K by ‘spot purchase’ direct from a variety of supplier’s;
  - Barking, Havering and Redbridge University Hospital NHS Foundation Trust (“BHRUT”) employ a mix of arrangements including purchasing direct or assessing and requisitioning through LBH, LBB&D or the CCGs.

London Borough of Barking & Dagenham (LBB&D) opted to commission the service by arrangements through the “London Borough of Kensington & Chelsea” (“LBK&C”) Framework.

- 1.5. In 2016/17 the social care, education and health services within BHR spent in excess of £4.4m on community equipment and the supporting logistics services to stock, deliver and fit, undertake minor adaptation installations, provide regular inspection and servicing, respond to emergency repair call outs, collect equipment back when no longer required and refurbish and credit items which are economically viable to reuse. BHR's services, excluding the activity for NELFT and BHRUT, delivered 19,323 orders containing in excess of 26,000 items of equipment to 13,709 service users / patients.
- 1.6. Of the total BHR activity, LBH spent in excess of £0.516m, delivering 5,180 orders containing in excess of 5,760 items of equipment to 4,692 service users / patients.

## **2. Review**

- 2.1. The eight social care, education and health bodies in BHR ("Partners") agreed to commission an independent review of the Community Equipment Service to evaluate the cost benefits of alternative options to establish a single integrated service across BHR. The remit for the review commissioned by the Partners through the DIWG (5th June 2017) included soft market testing (an approach by which indicative market values can be obtained from providers without going through formal procurement discussions) of contractor and supply chain providers and benchmarking against commissioning best practice in the UK.
- 2.2. The review highlights that a number of the Partners are delivering a fragmented service of lesser quality and at a greater cost due to:
  - a) Delay in delivering equipment to service users and patients due to a combination of the plethora of alternative and complex administrative arrangements, an over reliance on manual practices and lengthy screening processes to authorise orders;
  - b) Fragmented services relying on multiple 'local back office' support arrangements which are inefficient and costly;
  - c) The practice of procuring equipment directly from suppliers is not only more expensive to purchase but also suffers hidden cost and risk due to:
    - The additional cost of new equipment as the items are not collected, recycled and reused; and
    - Risk of injury or fatality and cost as there are neither arrangements to ensure that the equipment is inspected, serviced and maintained nor service to undertake emergency repairs;
  - d) Diseconomy of scale and consequential loss in 'buying power' when going out to tender.

- 2.3. The recommendation approved by DIWG on 6th September 2017 was to establish an “Integrated Community Equipment Service” (ICES) hosted and led by LBR through a Section 75 / 101 agreement with each of the health and social care partners across BHR.
- 2.4. Initially the service will be provided via the current LBR Community Equipment Framework Agreement. The parties participating in the Section 75/101 agreement will form a partnership which shall then enter into an Access Agreement with LBR to become a single Participating Authority eligible to receive the services under the framework.
- 2.5. Subject to each partner obtaining the requisite approval to enter into the Agreement, the intention is for the Agreement to come into force as soon as possible. All those party to the Agreement will notionally form a single entity that will then access the existing LBR Community Equipment Framework as a “New Participant”. For those partners who, prior to the Agreement, were not receiving the Service as an individual participant in the Framework there will be a period of transition during which they will move entirely to the new arrangement. The ICES will then be delivered under the Framework until the expiration of the Framework on 30th November 2019 before which partners will have to tender for a new service.
- 2.6. The integrated service went live for LBR, BHRUT and the three CCG’s on 5<sup>th</sup> February 2018. LBH joined in shadow form with aligned operational processes. LBH officers have continued to examine financial detail and assurance around benefits for Havering, and following this due diligence, are now seeking Cabinet approval to join the S75/101 agreement to realise the full benefits of the partnership arrangement

### **3. Savings**

- 3.1. The financial case sets out the cost benefit analysis of the options broken down by each Partner and detailed the key financial benefits and projected savings. In summary it found that an LBR hosted ICES leveraging the current Framework is the most cost-effective option specifically:
  - Lower product costs – on average 14% below the best alternative on Product Costs of £2.900m; and
  - Equipment collection and re-use rates averaging 64% compared to the next best alternative averaging 34%.
- 3.2. The financial case goes on to confirm that the Partners could potentially release savings of c£0.952m per annum. Of this total it is estimated that the total LBH saving is projected to be £0.077m per annum. Savings are addressed in further detail in the financial section below.
- 3.3. The savings are generated through a combination of the following;
  - a) Switching to alternative better value products
  - b) Reducing the No. of orders issued from 1.1 to 1 per user pa
  - c) Increase collection and re-use of equipment

Table 1, Appendix 1 provides a breakdown of the savings

#### **4. Benefits**

- 4.1. By extending the LBR framework to include health and social care partners across BHR, the partners will order equipment through a single BHR ICES service and common set of operating procedures.
- 4.2. Online requisitioning, authorisation and tracking will be managed through a single online hosted Warehouse Management and Ordering system across all partners replacing the current fragmented mix of manual and paperwork processes and removing the bottlenecks and delays.
- 4.3. There is an agreed criterion to differentiate between Health and Social Care need which will speed up ordering and authorisation process by automating and streamlining in real time reducing necessary delays.
- 4.4. The new arrangement will ensure delivery of priority equipment (4 hours – 5 days) in support of the Home First and Admission Avoidance agendas.
- 4.5. Practitioners across the BHR system will be enabled to follow one process and use one system reducing the time taken when ordering equipment.
- 4.6. This integration will provide a platform for a greater economy of scale and buying power to take to the market to obtain better value at the next re-tender in 2019.

#### **5. Recommendation**

- 5.1. It is proposed that LBH together with the BHR Partners support LBR to set up a joint ICES by entering into agreement under the provisions of Section 101 of the Local Government Act 1972 and Section 75 of the National Health Service Act 2006. The BHR Partnership will include:
  - Host, London Borough of Redbridge;
  - London Borough of Havering;
  - Redbridge Clinical Commissioning Group;
  - Barking & Dagenham Clinical Commissioning Group;
  - Havering Clinical Commissioning Group;
  - Barking, Havering and Redbridge University Hospitals NHS Trust; and
  - North East London Foundation Trust.

**REASONS AND OPTIONS**

**6. Reasons for the decision:**

- 6.1. The findings from the review concluded that an integrated service hosted by LBR will provide better quality, better value and generate the release of significant savings.
- 6.2. The proposed integrated arrangement will remove some of the factors contributing to a lower quality service including:
  - a) Delays in ordering equipment for service users due to the range of alternative and complex administrative arrangements.
  - b) Fragmented services relying on multiple 'local back office' support arrangements which are inefficient and costly
  - c) Diseconomy of scale and consequential loss of 'buying power' when going out to tender
  - d) The practice of procuring equipment directly from suppliers which is more expensive to purchase but also suffers hidden cost and risk due to the additional cost of new equipment as the items are not collected, recycled and reused.

**7. Other options considered:**

- 7.1. The options evaluated included:
  - Option 1. 'As Is' – continue with current arrangements. This option was discounted as it is inefficient, fragmented and costly for the partnership, particularly the NHS;
  - Option 2. All Partners in BHR go out to tender to establish an ICES. This option is not possible at this stage as a number of the Partners are legally committed to existing contracts for the next 1 to 2 years;
  - Option 3. LBR host an ICES. This is the recommended option providing better quality and better value. The LBR Framework already provides a Community Equipment service to 4 of the 8 Partners in BHR;
  - Option 4. London Borough of Barking and Dagenham ("LBB&D") host an ICES. The Options Appraisal found that both in terms of quality and cost this option falls significantly below the Option 3, LBR host an ICES;
  - Option 5. Health – CCGs go out to tender separately. This option was discounted in the Options Appraisal as RCGG is already committed through the LBR Framework and both LBR and LBK&C only recently tested the market with a greater volume and economy of scale.

<b>IMPLICATIONS AND RISKS</b>
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**8. Financial implications and risks:**

- 8.1. The projected savings for LBH based on 16/17 activity are £0.077m per annum which will be generated through a combination of:
  - a) Switching to alternative better value products – gross saving £0.053m
  - b) Reducing the number of orders issued from 1.1 to 1 per user per annum – gross saving £0.010m
  - c) Increasing the collection and re-use of equipment – gross saving £0.014m
- 8.2. The gross saving is shown before the cost of LBR's Management Fee of £0.022m for hosting and managing the new ICES arrangement. LBR have agreed that this fee will be charged at 50%, £0.011m until the point where there is clear evidence that LBH are projecting a saving at or above the target £0.077m detailed above. At that point the fee will increase to £0.022m. While the Management Fee represents a new additional cost to LBH it is a relatively small value and will be off-set by the projected savings of £0.077m per annum before the Management Fee cost.
- 8.3. In respect of the financial management and control, LBR will set up and manage a pooled budget to monitor and track the costs and partner contributions to fund the service. Individual partner costs centres will be set up within the pooled budget to ring fence, track and control each partner's budget. The provider's monthly Invoice will be split by each Partner and supported by a detailed schedule of the Orders and transaction costs again split by Partner. The charges will be posted against the cost centre for each of the partners who will receive individual copies of their Invoice Statement and supporting Orders and transaction costs. LBR will provide a monthly financial report to the operations board detailing the budget and actual spend to date highlighting under or over spends by partner together with any underlying trends. The partners will maintain their own financial monitoring and control arrangements as they do now and will have the mechanism through the monthly financial report to the operations board to check and reconcile their costs against the pooled budget. A year-end reconciliation process will be in place to identify any under or overspend and arrange for the reimbursement or recharge of any balance based on each partner's contribution compared to their actual spend.
- 8.4. The pooled budget for the next financial year will be set and agreed by the partner's through the Joint Commissioning Board as part of the annual review and renewal meeting in January / February each year.
- 8.5. A potential financial risk of the new arrangements adversely impacting LBH funding specific items of equipment using the Disabled Facilities Grant (DFG) has been identified. A combination of the switch from Millbrook invoicing LBH directly to LBR recharging through Partner contributions to the Pooled Fund together with the additional LBR management fee could open up the potential to challenge the funding as the direct audit trail is removed, and the additional cost of the management fee charged by LBR represents an additional pressure which is currently deemed to be

revenue, rather than being treated as capital and thus qualify to be funded from the grant.

- 8.6. A number of steps have been identified to mitigate if not eliminate the risk of challenge including:
- a) Millbrook will provide an invoice statement to LBH identical in format and structure to the current Invoice. This will provide the direct audit trail to support the DFG funding
  - b) Explore the option with Millbrook to include an on-cost function on the Invoice Statement to recover the additional management fee costs as an integral component of the rationale and basis for providing the equipment which will be compliant with the required basis to support DFG funding.

## **9. Legal implications and risks:**

- 9.1. The Care Act 2014 provides that Local Authorities have a statutory duty in respect of adults over the age of 18 who are assessed as requiring either community equipment or minor adaptations.
- 9.2. Furthermore, duties to children with disabilities (up to age 18), are set out in the Chronically Sick and Disabled Persons Act 1970, the Children's Acts of 1989 and 2004 together with the Education Health & Care Plan (EHC) requirements for Children with special educational needs and disabilities (based on the Children & Families Act).
- 9.3. Under Section 101 of the Local Government Act 1972 and Section 75 of the National Health Service Act 2006, certain local authorities and NHS bodies are enabled to enter into integrated partnership arrangements in relation to the exercise of certain functions of local authorities and the NHS. Section 75 agreements aim to provide a more streamlined service and to pool resources, if such arrangements are likely to lead to an improvement in the way their functions are exercised. It is pursuant to these powers that the Section 75/101 Agreement detailed in this Report is proposed.
- 9.4. A section 75 agreement for the provision of services to a local authority by a health authority and vice versa are excluded from the Public Contracts Regulations by virtue of Regulation 11 as such an agreement is made on the basis of an exclusive right pursuant to a law, regulation or published administrative provision which is compatible with the Treaty on the Functioning of the European Union. The same principle applies to a section 101 agreement between local authorities. As such, the London Borough of Redbridge are not under an obligation to conduct a competitive process before awarding the section 75/101 agreement.

## **10. Human Resources implications and risks:**

- 10.1. There are no direct HR implications or risks, to the council or its workforce that can be identified from the recommendations made in this report.

**11. Equalities implications and risks:**

- 11.1. An Equalities Assessment is not required for the ICES agreement as there are not anticipated to be any negative impacts arising from this proposal to current and future users of this service. The current contract for service delivery will remain in place, the Section 75 just allows for the integration across partners to reduce the fragmentation and delays in the system.

**BACKGROUND PAPERS**

None

## Appendix 1

A	B	C	D	E
Item	Expenditure	Outturn 2016/17	Budget 2017/18	Budget 2018/19
		£m	£m	£m
1	Equipment / Products	0.512	0.522	0.533
2	Delivery, Installation & Collection	0.108	0.110	0.112
3	Inspection, Servicing & Repair	0.084	0.086	0.087
4	Total Gross Cost	0.704	0.718	0.732
5	Credit on Collected Re-Used Items	(0.188)	(0.192)	(0.196)
6	Net Cost	0.516	0.526	0.536
7	<b><u>Projected Saving under BHR ICES - (Based on 2016/17 Activity)</u></b>			
8	Switch to Alternative Better Value Products	(0.053)	(0.054)	(0.055)
9	Reduce No. of Orders Issued From 1.1 to 1 per User pa	(0.010)	(0.010)	(0.010)
10	Increase Collection & Re-use	(0.014)	(0.014)	(0.015)
11	Gross Saving	(0.077)	(0.078)	(0.080)
12	LBR Management Fee	0.011	0.011	0.011
13	Net Saving	(0.066)	(0.067)	(0.069)
14	Projected Net Cost after Saving	0.449	0.458	0.468
15	<b><u>Service Delivery - Activity</u></b>		<b>Average per User</b>	
16	No of Users	4,692		
17	No of Orders	5,180	1.1	
18	No. of Items of Equipment	5,763	1.2	
19	Average Cost per User (Exc PPM & Minor Adaptations)	£132.06		

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## CABINET

11 APRIL 2018

**Subject Heading:**

### Employment and Skills Plan

**Cabinet Member:**

Cllr. Osman Dervish – Lead Member for Environment and Community Safety

**SLT Lead:**

Jane West – Chief Operating Officer

**Report Author and contact details:**

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**Policy context:**

The Connections theme of the Corporate Plan contains a priority around facilitating access to jobs and opportunities. It commits that the Council will ensure that residents are able to access employment and training opportunities locally and that we will ensure that the borough maximises employment, high quality skills and career opportunities. There is a specific action to start a new Employment and Skills Plan which will help residents into work and support businesses with a better skills and employment offer.

The Opportunities theme of the Corporate Plan contains a priority relating to high quality skills and careers and commits the Council to working with businesses to secure high quality skills and careers through the investment of the new Apprenticeship Levy. There is a specific action to develop better approaches to support the development of high level skills and progression.

In addition, the Employment and Skills Plan will play a key role in supporting implementation of the Council's wider regeneration strategies.

**Financial summary:**

There are minimal financial implications resulting from approving the Plan for consultation. Implementation of the Plan is expected to cost £1.1m over three years. Funding has been identified from a combination of Council General Fund and HRA budgets, European Social Fund (ESF) grant and Section 106 allocations.

**Is this a Key Decision?**

Yes

**When should this matter be reviewed?**

By January 2021

**Reviewing OSC:**

Towns and Communities

**The subject matter of this report deals with the following Council Objectives**

Communities making Havering  
Places making Havering  
Opportunities making Havering  
Connections making Havering

☐  
☐  
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**SUMMARY**

In February 2018, the Cabinet approved a period of stakeholder consultation on the Council's draft Employment and Skills Plan 2018 -2021. This report sets out the findings of the consultation and seeks Cabinet's approval of the Plan and its associated implementation plan.

**RECOMMENDATION**

That the Cabinet **approves** the draft Employment and Skills Plan (**attached at Appendix 1**) and the associated Implementation Plan (attached at **Appendix 3**).

<b>REPORT DETAIL</b>
----------------------

## **1. Background**

- 1.1 Whilst Havering has employment rates which are higher than in neighbouring boroughs, this masks a local job market based predominantly on low skill jobs and low wage levels, and pockets of long term unemployment and economic inactivity, leading to under-employment, poor career progression and in-work poverty. The details of this are set out in the borough's "data story" at **Appendix 2**.
- 1.2 At the same time, the local economy and job market are changing and it is important both that residents are equipped with the right skills to meet current demand and adapt to future employment trends, and that businesses are able to secure a local labour force which meets their requirements. This requires a measured approach that will raise the ambition of residents and instil in businesses the confidence to work in partnership with the Council and providers to shape the local employment and skills landscape.
- 1.3 In addition, the Department for Work and Pensions' (DWP's) mainstream programmes, such as the Work Programme, have historically been commissioned nationally with limited, if any, input from local authorities in terms of preferred providers. The Work and Health Programme is now being commissioned to replace the Work Programme and Work Choice. The Local London Work and Health Programme (LLWHP) is designed to support the long term unemployed and those with health or disability challenges to access the labour market. This work is being led by the London Borough of Redbridge on behalf of Local London and is estimated to be worth £47m over five years. It will target 19,000 people who are in receipt of Job Seeker's Allowance plus the Employment Support Allowance Work Related Activity Group (WRAG). Havering has fewer residents classified as WRAG than other boroughs and so, because of the lack of scale and returns from a provider perspective, there is a risk that Havering could miss out on its fair share again if it does not take a planned approach to engaging with this. It is therefore also important that the borough makes appropriate provision for undertaking this work locally as well as seeking to secure its fair share from other funding sources.

1.4 The Council already has a number of plans and strategies in place to prevent and / or mitigate the effects of poverty, deprivation and financial exclusion. The Employment and Skills Plan should therefore be read alongside, but does not replace, related documents such as the Demand Management Strategy, Housing Strategy, Customer Experience Strategy, Local Plan, Private Sector Landlord Licensing Scheme and Financial Inclusion Strategy.

1.5 However, the Council has not hitherto had a specific strategy to address the identified issues relating to unemployment, under-employment, and the current incongruence between the current and future skill needs of local employers and the skills of local residents. Therefore the Council commissioned the Rocket Science consultancy (“the consultants”) to develop an Employment and Skills Plan (“the Plan”) for the Council (attached at **Appendix 1**). This report summarises the key findings and recommendations, as well as the feedback received from the local business community and other stakeholders.

1.6 The proposed Employment and Skills Plan considers the challenges facing the Council and the borough from two perspectives:

**Demand management:** Developing a responsive service based on an assessment of:

- the scale of demand from residents on Council services;
- the level and type of activity that is currently carried out across Council departments to help residents to develop skills and to access and sustain employment;
- the effectiveness of this activity; and
- how such activity is funded and for how long.

**Driving prosperity:** Developing strategies for supporting the needs of businesses through workforce development that will drive economic growth in the borough.

1.7 The consultants found that service delivery is currently fragmented across the Council. The Employment and Skills Team currently has an establishment of 2 Full Time Equivalents but has no core budget other than to cover the costs of these staff. Meanwhile, other services also deliver a variety of employment and skills related support. This fragmented approach does not maximise the potential leverage of resources to secure greatest benefit for the borough. In addition, the borough does not currently monitor the impact of its various employment and skills interventions in a way which

can inform future policy development and investment decisions or underpin bids for new funding.

1.8 As a result, the Plan is based on three core principles which should inform future policy development:

- (i) **Working towards the Havering Vision:** Recommendations and actions should have a clear relationship to, and contribute towards, the achievement of the Havering vision.
- (ii) **Embedding a Havering way of working:** Recommendations and actions should rely on greater cross-service collaboration and develop a universal 'Havering way of working' that is client centred and focuses on reducing duplication and costs.
- (iii) **Preparing Havering for the future:** Implementation of the Plan should build the policy and delivery infrastructure for maximising employment and skills funding and investment into the borough beyond 2020.

1.9 The Plan envisages these principles being implemented through the delivery of three priority areas:

- (i) **Making the most of Havering's strengths, relationships and assets:**
  - Developing the local workforce and ensuring effective recruitment of local people at key employment sites and in established sectors facing workforce challenges, and
  - Making better use of the Council's resources and opportunities to secure the borough's fair share from external funding, and using the Council's relationships, contracting and procurement activity to secure greater social value for businesses and residents.
- (ii) **Improving prospects and prosperity:** There are groups of residents with specific challenges and needs, particularly those stuck in long term unemployment or low paid / temporary / low quality work, lone parents, and young people. Tailored packages of support are needed to secure jobs for such people so that employment can be sustained and careers developed.
- (iii) **Growing our own:** Building on the strengths of an entrepreneurial Havering, the growth of micro businesses in the borough, the rise of self-employment and the ambition to create opportunities for local people and care leavers.

- 1.10 The draft Plan has been developed following extensive consultation with various services across the Council. It assesses the labour market and current services provided by various Council departments to support residents into work.
- 1.11 Since the Cabinet meeting in February 2018, the local business community and other key stakeholders have also been consulted on the draft Employment and Skills Plan. A number of interested bodies have been engaged with, including:

- The Apprenticeship Provider Forum
- Havering Chamber of Commerce
- Havering College
- Havering College's Careers Forum
- The Residential and Nursing Care Forum
- The Homecare Forum
- Havering Business Network
- Various local businesses

Consultees generally welcomed the Plan and the general consensus was that it is of good quality and focuses on the key areas. There was broad agreement that the Plan should seek to ensure that the skills developed within the local workforce are aligned with current and future employment opportunities. Other key comments received and the Council's responses are outlined below:

<b>Feedback</b>	<b>Council Response</b>
The Employment and Skills Plan needs to be aligned with the Economic Development Strategy and must link to the Social Care Academy.	<p>A number of consultation events have been undertaken jointly by the Economic Development and Employment and Skills Teams. Liaison between the teams will continue to ensure that the strategies and associated work plans complement one another appropriately.</p> <p>A section detailing the links with the Social Care Academy has been included in the Employment and Skills Plan (in section 3.2) as a direct result of this feedback.</p>

<b>Feedback</b>	<b>Council Response</b>
The borough must be clear about its rationale for driving growth and in which sectors. Particular efforts should be made to develop the skills needed in the engineering and manufacturing sectors, in order to increase the business base in the borough and in so doing provide future income to the Council through business rates as well as increasing the earnings potential of local residents	The case for action is set out in Section 3 of the Employment and Skills Plan. Sectors critical to the Havering economy and the delivery of Council services, as well as other and emerging sectors important to the growth and future prosperity of the borough are outlined within Priority 3. The proposed Plan sets out a number of actions to support these sectors through improved targeting of workforce development support, including apprenticeships. The Plan recommends that the Council agrees a workforce development strategy for each sector and works with its provider network to develop a brokerage package for each.
The Council needs to tackle the needs of SMEs within Havering, including by ensuring that there is sufficient space for start-ups and other companies to grow in Havering. The need to develop housing units in the borough needs to be balanced with the needs of a growing commercial economy.	The Council's new Local Plan will set out policies to guide how and where development should take place in Havering up to 2030/31. This has been informed by a robust evidence base including an Employment Land Review, the Romford Development Framework and Rainham Masterplan. It seeks to build a strong and prosperous economy for Havering, including by protecting and intensifying the most important employment land; supporting the Business Improvement Districts in Rainham and Romford, and promoting opportunities for small and medium sized enterprises. The proposed Employment and Skills Plan suggests that regular monitoring and review meetings take place between the Planning department and Employment and Skills team to

<b>Feedback</b>	<b>Council Response</b>
	ensure that commitments are progressing well.
In order to move residents into higher paid jobs, the Council needs to ensure that opportunities exist for such employment.	The proposed Employment and Skills Plan sets out a new approach to commissioning employment and skills support which rewards job outcomes based on their quality and sustainability (e.g. their status and pay level).
Up to date local economic and business information needs to feed into the employment and skills agenda and to be shared with local businesses.	<p>A detailed “Data Story” was compiled to inform the development of the Employment and Skills Plan, which is attached at <b>Appendix 2</b>.</p> <p>A baselining study has also been commissioned to inform the emerging Economic Development Strategy, and will also be used to guide future employment and skills interventions.</p> <p>A range of data relating to local businesses and the local economy has recently been added to the Data Intelligence Hub, where it is accessible to local businesses and residents as well as internally. This will be kept regularly updated from hereon in.</p> <p>The proposed Plan also includes actions for services to work together to agree data sharing protocols internally and externally, and to collate greater intelligence on the local offer and to use this to work with providers to identify gaps in training and vocational provision and develop new projects / pathways to address these.</p>
The Employment and Skills Plan must deliver the requirements of local employers. The upskilling of residents needs to benefit	The proposed Plan sets out how the Council intends to work with providers, schools and colleges to enable better connections and communications between them, as

<b>Feedback</b>	<b>Council Response</b>
the local economy, rather than encourage residents and businesses to leave the borough for better paid jobs or a more highly skilled workforce.	well as between them and employers, so that young people and other residents are able to access and benefit from local career opportunities.
The Council should carry out a granular assessment of geographical issues in Havering with a view to supporting employers to source staff from areas that are currently hard to recruit from due to geography and transport links.	<p>Plans are set out within Priority 2 of the Employment and Skills Plan to work with key services within and outside of the Council to help remove the structural barriers to employment faced by some residents, including transport.</p> <p>The Council's Corporate Plan further sets out the Council's commitment to providing fast and accessible transport links. The Council has committed to enhancing the borough's transport network to ease congestion in the borough and also to continuing to negotiate for improved transport infrastructure. It has specifically committed to working with partners such as Transport for London and Crossrail to start studies to support important projects such as a north to south link by light rail or tram, and to redesigning Gallows Corner to improve transport links in the borough.</p>
Delivery of the Plan should be supported by a strong and consistent engagement plan. Employers should be consulted on their development plans over the medium to long term, so that local skills match local needs as far as possible. SMEs, in particular, need to be engaged on a regular	The proposed governance structure is illustrated on page 37 of the Plan and includes a Provider Forum and various business groups. The Plan recommends streamlining and simplifying existing engagement mechanisms in order to disseminate common messages and to inform and publicise the employment and skills offer more effectively. It recommends the development of a corporate

<b>Feedback</b>	<b>Council Response</b>
basis on the implementation of the Plan. Providers also need to be kept informed about how implementation is progressing, in order to inform their own strategic plans.	employer engagement strategy which local employers, including sector specific groups and BIDs will be invited to inform. Through this mechanism, various business networks will be kept up to date on the implementation of the Plan and wider employment and skills activity, along with other stakeholders such as education and training providers and the voluntary and community sector. The proposed Plan also recommends the continued development and implementation of a “key accounts” approach to responding to employer needs, Finally, the proposed Plan sets out an intention to engage local employers more closely in the development of future bids for funding.
The Plan must have clear criteria for measuring and reviewing success, outcomes and priorities. Where possible, performance should be measured against any national rates.	The high level plan set out at pages 32-35 of the Employment and Skills Plan details the desired outcomes along with a number of measures and targets. These will be developed further as part of the corporate planning process for 2018/19. Where possible, local performance will be benchmarked against other areas and national averages. Various impact assessment tools are available to assist in evaluating the impact of this type of work, and the suitability of these for Havering’s purposes will be explored as part of the mobilisation phase.

<b>REASONS AND OPTIONS</b>
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**2 Reasons for the decision:**

2.1 Consultation carried out as part of the development of the Plan, both internally and externally, has identified that the borough is not currently:

- Maximising the benefit from the funding it secures;
- Making the best use of its collective resources to support people into sustainable work, or
- Working most effectively to support key and growing employment sectors that are important to the borough.

2.2 The Plan considers in detail the challenges the Council faces in delivering the proposed priorities and sets out the case for a more structured approach to service delivery based on:

- (i) Managing and developing employment and skills provision through a central jobs and skills brokerage service which co-ordinates services and offers residents a consistent response based on their assessed needs.
- (ii) A more co-ordinated approach, utilising a single, corporate Referral Management System, which enables a coherent process of managing and tracking individual residents' access to services across the various providers both within and outside the Council. This system will also assist the Council in measuring the impact of its interventions.
- (iii) The Council acting as an interface between employers and training providers to develop greater employer ownership of skills development and a training offer that is responsive to local employers' needs.
- (iv) The Council providing strong leadership in the development of strategic and operational partnerships and the development of funding bids in co-ordination with sub-regional and London partners including the Local London Partnership, the Greater London Authority (GLA), the Skills Funding Agency, and the Department for Work and Pensions (DWP).

2.3 The Plan concludes that, in order to respond effectively to these challenges, it is necessary to strengthen the existing Employment and Skills team to enable it to:

- Provide a central co-ordination and monitoring function;
- Develop and deliver a jobs and skills brokerage service;
- Work with training providers and employers to co-produce and develop customised training to meet business needs, and
- Develop support packages which maximise the leverage of existing funding, including by building on the extensive work already underway to create jobs and apprenticeships and raise local skill levels through the regeneration of 12 key estates in the borough, as well as through the Council's negotiation of S106 agreements and its other commissioning and procurement activity.

2.4 It is envisaged that the proposed approach will:

- Prevent residents having to move from provider to provider, often repeating the same types of training and further disengaging from the skills and / or employment process.
- Increase the ability of the borough to attract funding from a range of sources, as it will be better able to demonstrate the kind of coordinated and responsive infrastructure needed to deliver programmes and outcomes.
- Assist the Council to develop targeted interventions for specific priority/demand groups, outside of provision that is already funded (for example through the ESF). This will enable greater value to be added to current skills and employment provision and can be developed to meet the full spectrum of training needs from entry level to the higher level skills demanded by businesses.
- Encourage providers to work collaboratively with the Council and each other to secure the type and quality of provision that is needed to move clients into work and support them to progress in work and sustain well paid employment.
- Engage employers in working with training providers to develop "employer led" training which meets the needs of industry, supports workforce development, enhances productivity and, crucially, is of a quality and scope that businesses are prepared to pay for.

2.5 The consultants' Cost Benefit Analysis estimates that the Council would receive a "return" (in either cashable savings or cost avoidance) of around £1.83 for every £1 invested in this area of work over the life of the Plan, with the benefits accruing predominantly to those departments working with

Troubled Families, the long term unemployed, those with complex health conditions, looked after children (LAC) and care leavers, and those not in education, employment or training (NEET).

**Other options considered:**

2.6 As part of the development of the Employment and Skills Plan, the following alternative options were considered:

- 1) Do nothing
- 2) Implement the remainder of the Employment and Skills Plan, but not the Referral Management System
- 3) Implement the Referral Management System but not the wider Employment and Skills Plan

2.7 None of these options are recommended as it is considered that, if the Employment and Skills Plan is not delivered in its entirety (including through the implementation of a Referral Management System), the Council will not be able to exert the necessary influence over and involvement in the myriad of skills and employment activities that take place within Havering and the consequential impacts on local growth and prosperity. Interventions would not be most effectively coordinated and will opportunities would be lost to maximise benefits by avoiding duplication.

2.8 The Referral Management System and the wider Employment and Skills Plan need to be delivered alongside one another, and also in tandem with the Employer Brokerage Service to be funded through the European Social Fund, in order to provide a credible and attractive offer to residents and businesses supported by a tangible jobs and training infrastructure beyond that offered by sub-regional and regional skills provision.

<b>IMPLICATIONS AND RISKS</b>
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**Financial implications and risks:**

3.1 There are minimal financial implications resulting from approving the Plan. Implementation of the Plan is expected to cost £0.456m in 2018/19, £0.407m in 2019/20 and £0.252m in 2020/21. Estimated costs and funding sources are summarised in Table 1 below:

*Table 1 – Costs and funding to deliver the Plan*

<b>Costs / Funding</b>	<b>2018/19 £</b>	<b>2019/20 £</b>	<b>2020/21 £</b>	<b>TOTAL £</b>
<b>Costs</b>				
Staffing	253,217	253,217	200,029	<b>706,463</b>
Tracking system	20,000	5,000	5,000	<b>30,000</b>
Adult education (HCFHE)	14,542	14,542	0	<b>29,084</b>
Supplies and services	32,000	32,000	28,154	<b>92,154</b>
Membership and subscriptions	3,000	3,000	3,000	<b>9,000</b>
Project delivery	132,791	98,823	15,737	<b>247,351</b>
<b>TOTAL COSTS</b>	<b>455,550</b>	<b>406,582</b>	<b>251,920</b>	<b>1,114,052</b>
<b>Funding</b>				
Core staffing budget for Employment and Skills team	150,990	150,990	150,990	<b>452,970</b>
Core non-staffing budget for Employment and Skills team	25,330	25,330	25,330	<b>75,990</b>
HRA funding for Community Engagement	75,600	75,600	75,600	<b>226,800</b>
ESF grant	57,022	57,022	0	<b>114,044</b>
Business Risk Reserve	77,500	77,500	0	<b>155,000</b>
S106 allocations for Employment and Skills	69,108	20,140	0	<b>89,248</b>
<b>TOTAL FUNDING</b>	<b>455,550</b>	<b>406,582</b>	<b>251,920</b>	<b>1,114,052</b>

3.2 Should the Employment and Skills Plan not be approved by the Cabinet, the majority of activities would likely continue, utilising the funding sources identified, but in the same uncoordinated manner in which such interventions are currently provided.

3.3 However, draw-down of some of the Section 106 funding identified is dependent on the Council being able to demonstrate that it has the necessary infrastructure in place to support delivery of certain employment and skills initiatives, so failure to agree the Plan could put at risk the Council's ability to draw down these funds. Should the identified funding not be reallocated as proposed, the Council may be required to return this Section 106 funding to the developers, which would not only mean that the benefit of these funds would be lost, but might also impact on the Council's ability to secure future Section 106 funding for this purpose.

3.4 It is essential that the conditions of the European Social Fund (ESF) grant are adhered to in order to ensure that the grant is not withdrawn.

3.5 Post 2020/21, replacement funding for the ESF funding will be sought via the UK Shared Prosperity Fund. In addition, continued efforts will be made to secure ongoing benefits via Section 106 agreements and to access other external funding as it becomes available. Officers will also seek to deliver additional benefits through the Council's commissioning and procurement of services.

It should be noted that funding from the HRA is only available if it can be demonstrated that its use is beneficial to tenants. It is envisaged that delivery of the Plan will ensure such benefits are realised.

**Legal implications and risks:**

4.1 Delivery of the Plan involves applications for grants and the use of Section 106 and grant funding. Legal advice will be available in relation to these aspects.

**Human Resources implications and risks:**

5.1 Implementation of the Plan will require additional staff resources with 4.5 new posts being created (including two apprentice posts) and recruited to along with a vacant post already established. Posts that are externally funded will be fixed term, with contracts aligned with the duration of funding agreements. Job descriptions have been developed and will require evaluation by the HR service under the Council's GLPC job evaluation scheme.

5.2 ESF funding agreements require adjustments to be made to all relevant job descriptions to reflect that they are associated with delivery of ESF funded

projects, and job descriptions have been accompanied by a note to this effect.

5.3 Any other HR implications and risks should be minimal and any that may arise will be managed in accordance with advice from the HR service.

**ICT implications and risks:**

6.1 Advice will be required from the ICT department on the specification of the Referral Management System and its compatibility with the Council's other IT systems.

6.2 Advice and guidance will also be sought from the Information Governance team within the IT department with regard to data management, protection and security.

**Equalities implications and risks:**

7.1 The Employment and Skills Plan has been developed to support the economic well-being and social inclusion of residents of the borough, with a particular focus on those who are at the margins of economic wellbeing.

7.2 The Public Sector Equality Duty ("PSED") set out within section 149 of the Equality Act 2010 requires the Council to have due regard to (i) the need to eliminate unlawful discrimination, harassment, victimisation and other conduct that is prohibited by or under the Equality Act 2010; (ii) the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it, and (iii) the need to foster good relations between people who share a protected characteristic and those who do not. The Council is committed to improving quality of life for all, and supports wider social and economic growth through social and physical regeneration which includes employment and skills activity.

7.3 A detailed Equalities Impact Assessment has been undertaken of the Employment and Skills Plan, which is attached at **Appendix 4**. The Assessment takes into account the accessibility of services and support by all residents of the borough and sets out how people who share "protected characteristics" will be supported to access this and to provide feedback on their experience to better represent their needs.

**BACKGROUND PAPERS**

None

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London Borough of Havering

# Employment and Skills Plan

2018 - 2021

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# 1. Executive Summary

This document is the culmination of research, consultation and analysis conducted by Rocket Science to support the development of an Employment and Skills Plan for Havering for 2018 to 2021.

Although relatively understated, the employment and skills activity already taking place in the council has the potential to be transformative, particularly for residents where investment and support to date has been minimal or less effective than it might have been.

The challenge for Havering is making its case for investment for government funding. This is a borough that has relative wealth and is without the same scale of disadvantage (in terms of numbers of people affected) as other areas within its devolved sub-region. There are many unknowns about the future, but we are beginning to see the impact of the London housing market and low value employment sectors in the borough (like others) on the cost of living and homelessness.

Combined, and if left unaddressed, these factors will inevitably create greater polarisation between wealth and disadvantage, and leave those already stuck in long term unemployment or poor quality jobs further behind. Ultimately it will also lead to increased demand on council services and budgets in the short and longer term.

Our assessment of the case for action has focused on understanding the impact unemployment, poor quality jobs and low skills have on the **costs of council services**. We have also determined where the council is missing out on employment and skills investment by not having a strategic plan which is resulting in **opportunities lost** for the council, businesses and its residents.

We have identified that the council is NOT:	We have recommended:
Maximising the funding it secures and missing out on over £2 million of external funding through ESF. The potential to continue to miss out on this funding over the next two years is very high if action is not taken.	<ul style="list-style-type: none"> <li>Improved processes for engaging and supporting providers to work in the borough to help residents access training and employment.</li> <li>Developing programmes that better target and support residents at risk of placing high demand on council services.</li> </ul>
Making the best use of its resources to support people into work and ensure this is sustainable. This is likely to impact on housing costs the most.	<ul style="list-style-type: none"> <li>Establishment of a Referral Management System to help coordinate employment interventions for clients accessing key council services.</li> <li>Continued support to help people manage the transition to employment and ensure they sustain employment</li> </ul>

We have identified that the council is NOT:	We have recommended:
Working effectively to support key and growth employment sectors important to the borough	<ul style="list-style-type: none"> <li>Using secured funding to help make savings in social care through workforce development.</li> <li>Developing responsive and integrated sector focused interventions.</li> </ul>

Our findings have shown that there is real potential for the council to use this plan to act on several fronts. Recognising that this is the first Employment and Skills Plan the Council has developed, we have structured it around three principles to support interventions, with clear ambitions for change and for the future.

- First Principle - Working towards the Havering Vision**

Recommendations and actions have a clear relationship to, and contribute towards, the achievement of the Havering vision (see section 2.2).

- Second Principle - Embedding a Havering way of working**

Recommendations and actions rely on greater cross-service collaboration and developing a universal ‘Havering way of working’ that is client centred and focuses on reducing duplication and costs.

- Third Principle - Preparing Havering for the future**

Implementation of the Plan should build the policy and delivery infrastructure for maximising employment and skills funding and investment into the borough beyond 2020.

## How much will this cost?

We have estimated that the council spends approximately £400,000 per year to support employment and skills activity. Yet in 2016/17 it has generated over £1.5 million alone through the current Employment and Skills team and Adult College. It also has many opportunities to support the agenda through funding vehicles at its disposal such as the Apprenticeship Levy and social value provisions within procurement and commissioning. **Employment and skills activity generates income for the council.**

Based on the cost benefit analysis conducted, the proposed Referral Management System could also generate a return for the Council of £2.71 for every pound spent by year 3. Potentially this could lead to £4.9 million in savings and cost avoidance over 10 years, although we expect returns to be greater.

But this is not just about a cost or return for the Council. Proposed interventions will provide a return for local businesses and for the Havering residents that need it and will benefit the most.

We are confident that the Employment and Skills Plan 2018 -2021 provides a blueprint for the Council to:

- take concerted action, with clear returns in savings and cost avoidance to support demand management, and
- a practical way forward to build capacity within the organisation to prepare the ground for, and be more resilient to, changes in policy and funding for employment and skills beyond 2020.

## 2. Introduction to the Plan

### 2.1 Background

In September 2016, the Economic Development service commissioned Rocket Science to undertake research and consultation into the development of an Employment and Skills Plan and a business case for establishing an employer brokerage service. This work has built on an assessment of employment and skills in the borough conducted in July 2014. Our research and consultation has been focused on understanding the need and potential opportunities for Council-led intervention.

It is important to acknowledge that this is the first time a strategic plan specifically targeted at employment and skills interventions has been developed for Havering. It is also important to note the forthcoming changes to funding, particularly the European Social Fund (ESF), and overall uncertainty regarding replacement funding. There is also uncertainty about the impact of devolution of the Adult Education Budget taking place in 2019/2020.

Employment and Skills has, until April 2017, been positioned within the Economic Development service. It has been a relatively modest function to date with other departments such as Housing having some employment and skills functions as their remits have grown. This has led to a lack of coordination across the Council although the majority of funding for employment and skills activity is managed through Economic Development. This funding has been opportunity-led (i.e. responding to available funding and initiatives) and linked to securing external funding and Section 106 agreements. However, during the course of this research, there have been internal changes and departmental restructures and the Employment and Skills team has moved into the Policy, Performance and Community service. The move represents a real opportunity to embed employment and skills considerations across Council policy making and commissioning, specifically in helping to achieve the Havering Vision.

This Employment and Skills Plan sets out recommendations and a business case for developing a Referral Management Service. This is in addition to the ESF funded employer brokerage service which is due to be delivered by the Employment and Skills team.

### 2.2 Havering's vision for employment and skills

The development of a new Employment and Skills Plan to help residents into work and support businesses with a better skills and employment offer was a specific commitment in the Council's Corporate Plan for 2017/18.

Within its Corporate Plan, the Council committed to providing access to jobs and opportunities for its residents. It has undertaken to ensure that residents are able to access employment and training opportunities locally, including by matching employment opportunities to skill needs by

developing a pilot employer brokerage service using European funding. Through investment in business development and improving the transport network, the Council has committed further to maximising employment, high quality skills and career opportunities.

The Council will continue to set an example for businesses by developing the skills of its workforce through traineeships, apprenticeships and graduate programmes, as well as by providing and coordinating training and upskilling opportunities for local residents through European Social Funding (ESF) projects such as “Routes to Employment”. The Council will also work with businesses to secure high quality skills and careers through the investment of the new Apprenticeship Levy, which will work towards achieving the government’s target of apprentices representing 2.3% of the workforce by 2020. The Council will particularly consider how it can provide further opportunities for looked after children; people who are not in education, training or employment (NEET); the long term unemployed and disabled people in the borough. It has made a specific commitment to ensure that young people leaving care are provided with a carefully planned programme of support for their transition into adulthood, making sure they have life skills and giving them the very best chances in education and employment.

The Council will utilise its relationships with businesses to establish sector specific initiatives leading to local employment and to develop better approaches to support the development of high level skills and progression.

## 2.3 Principles and priorities for the Employment and Skills Plan

Reflecting on the opportunities for the borough, tight financial constraints and the need to focus efforts where the Council has the greatest control, we have established guiding principles to support both the buy in and implementation of the Plan.

<b>First Principle</b>	<b>Working towards the Havering Vision.</b> Recommendations and actions have a clear relationship to, and contribute towards, the achievement of the Havering vision.
<b>Second Principle</b>	<b>Embedding a Havering way of working.</b> Recommendations and actions rely on greater cross-service collaboration and developing a universal ‘Havering way of working’ that is client centred and focuses on reducing duplication and costs.
<b>Third Principle</b>	<b>Preparing Havering for the future.</b> Implementation of the Plan should build the policy and delivery infrastructure for maximising employment and skills funding and investment into the borough beyond 2020.

Supporting these principles are three priorities for taking forward employment and skills work in the Council for the benefit of the borough. These were identified early in our consultation and have resonated well with stakeholders.

### Priority one

**Making the most of Havering’s strengths, relationships and assets.** This has two strands. The first is centred around building Havering’s economy by developing the local workforce and ensuring effective recruitment of local people at key employment sites (e.g. Rainham) and in established sectors facing workforce challenges (Construction, Health and Social Care and Retail). The second is about making better use of the council’s resources and opportunities to get the borough’s fair share from external funding (e.g. from EU and any replacement programmes, City Hall, the Apprenticeship Levy, Section 106 agreements and government investment) and using the Council’s relationships and contracting activity to secure greater social value for businesses and residents.

### Priority two

**Improving prospects and prosperity.** Whilst Havering has a relatively high employment rate, there are groups of residents with specific challenges and needs, particularly those stuck in long term unemployment or low paid/temporary /low quality work, lone parents and young people. Tailored packages of support are needed to secure jobs for these people so that employment can be sustained and careers developed.

### Priority three

**Growing our own.** This plays very well to the strengths of an entrepreneurial Havering, given the growth of micro businesses in the borough, self-employment and the ambition to create opportunities for local people and care leavers.

## 2.3 Approach to the development of the plan

Applying these principles and focusing our approach on the identified priorities, this plan sets out our understanding of the challenges and barriers facing Havering as well as the opportunities that the borough is facing, so that recommendations for the plan are both realistic and achievable. This has involved:

- Consultation with the Leader, council Members and the Senior Leadership Team as well as Heads of Services and officer leads to determine the ambitions, expectations and potential of employment and skills interventions. This is summarised in **Chapter 3**.
- A review of employment and skills data to help identify potential targets for support and to determine priorities for action. This has been summarised into a short Data Story in **Appendix 1** and illustrated in **Chapter 3**.
- An assessment of the governance, commissioning and contracting arrangements that Havering Council sits within, to determine the role for the Council and the potential scale of external employment and skills investment into the borough. This is set out in **Chapter 3**.

- Development of an overarching ambition for the plan including governance and management arrangements, set out in **Chapter 4**
- Research into, and an assessment of, options for different delivery models to ensure that people are supported into and sustained in quality employment in the borough. The options assessment that informed a subsequent consultation workshop has been set out in **Appendix 3**.
- A consultation workshop with service leads and members of the Senior Leadership Team to explore options and recommend a preferred option. This has led to the design of the preferred option, a Referral Management System, which can integrate with the forthcoming ESF programme, as set out in **Chapter 5**.
- An assessment of the cost benefits of the Referral Management System using the Rocket Science Cost Benefits Analysis (CBA) Tool. The tool and methodology guidance notes are set out in **Appendix 4** and a summary of the anticipated benefits and returns highlighted in **Chapter 5**. The Rocket Science CBA tool has been designed to assess the potential savings / cost avoidance the Council could achieve based on returns derived from reducing poverty through employment.

We would like to extend our thanks to staff from the Employment and Skills team for their support of this work and help accessing insight and information from the Council. We would also like to thank all those who have supported the research for their help and insight.

## 3. Making the case for action

### 3.1 Summary of the challenges

On first impressions Havering, compared to other outer London boroughs, fares relatively well in terms of employment. It has enjoyed a higher than average employment rate, is relatively well connected and is considered a desirable place to live.

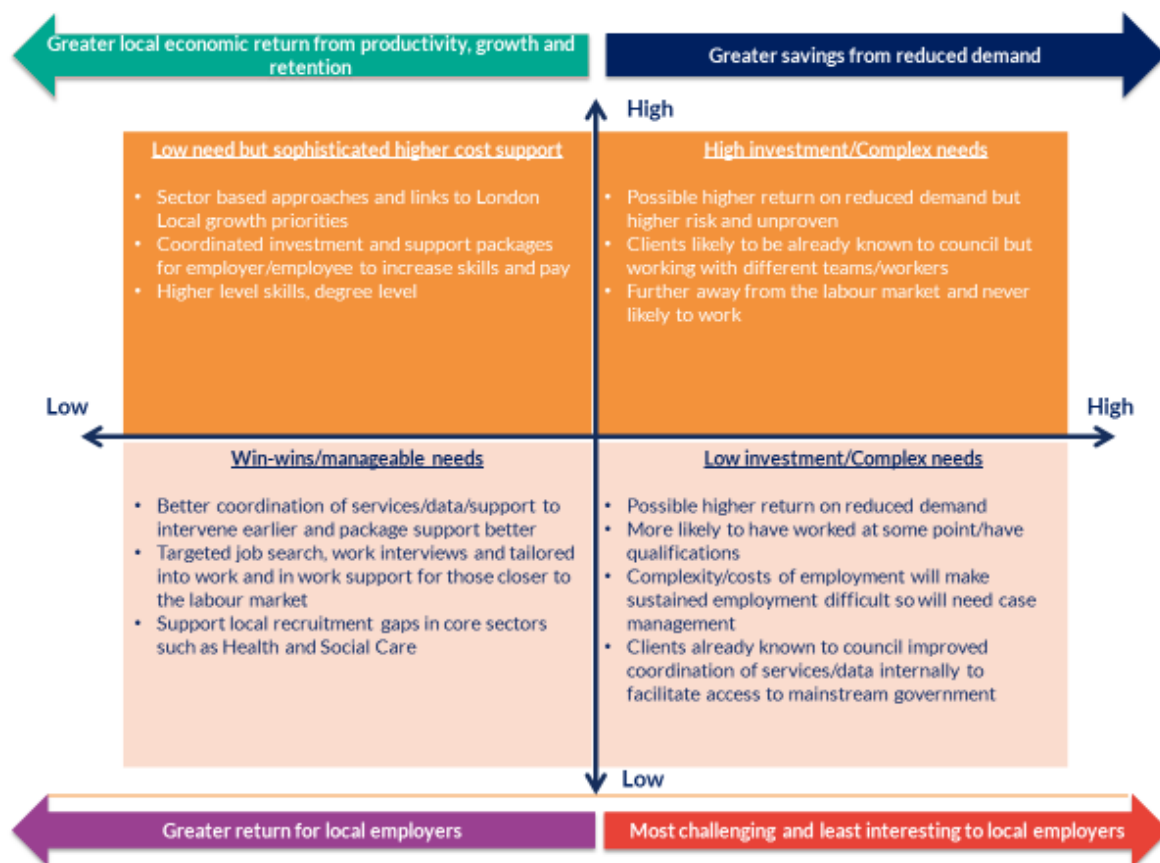
However, like many other boroughs, this picture masks some more challenging issues such as low attainment rates for young people, low numbers of residents with higher level qualifications, long term unemployment, the emerging impact of welfare reform on families and the effect of the London housing market, all of which have the potential to impact on current and future Council spending. Havering, like other councils, is focused on making efficiency savings and determining the greatest returns it can bring by better managing demand on its services.

Our assessment of the case for strategic action has focused on understanding the impact unemployment, poor quality jobs and low skills have on the **costs of council services**. We have also determined where the council is missing out on employment and skills investment by not having a strategic plan which is currently resulting in **opportunities lost** for the council and its residents.

Developing a case for action around employment and skills is complicated. A plan purely focused on reducing costs and managing service demand through employment and skills interventions is very different to a plan that is focused on driving economic growth through workforce development. Our findings have concluded that the Plan will need to consider interventions to:

- prevent current and future costs of people either in or at risk of long term employment and impacted by welfare reforms by reducing barriers to employment and thereby helping to prevent homelessness and other negative consequences, and
- reduce the costs of services needed to meet statutory requirements through workforce development, particularly in health and social care.

Whilst these interventions will contribute to the demand management agenda, it is important also to acknowledge the need to consider what might be needed to support local economic resilience and growth and prevent service demand into the future.



**Figure 1 Understanding how employment and skills supports demand management and economic growth**

This diagram attempts to summarise the differences between demand management and what employers want and a local economy needs. As it shows, the higher the cost and complexity of issues, the less attractive a person will be to an employer. It also shows that there needs to be different approaches to address different needs. In this respect, developing a case for action has several dimensions.

Our recommendation is that the Council needs to tailor its efforts for different groups but also needs to focus efforts on where it can get the greatest return. There is also a case for providing support where it can result in other benefits such as improved independence for residents with complex needs who present high costs but are unlikely to secure employment.

To set the context for this recommendation, the following section unpacks the challenges around:

- Costs - both in terms of prevention and reduction and current Council investment
- Council influence – in terms of Local London, ESF and government commissioning
- Targets – who the Council should be supporting as part of the plan. The Data Story in **Appendix 1** sets out in more detail the key issues, numbers affected and the potential impact.

## 3.2 Understanding the demand management challenge

### Impact of welfare reform and Universal Credit on council costs

Although the borough has relatively high employment (currently at 77%), it does have pockets of need for specific groups of residents that are long term unemployed, not working or caught in low paid/unsustainable employment.

Many of these residents are likely to be presenting to council services and bringing associated costs with them, some of which could be mitigated by helping them secure sustainable employment. This is particularly the case for those impacted by the benefit cap which is affecting 469 households. Most of these households (some 69%) need to find up to £100 per week (and others need to find more) to address an income shortfall which equates to working around 16 hours a week each year on the National Minimum Wage<sup>1</sup>.

Welfare reforms introduced in April 2017 are also impacting on households with more than two children. Coupled with the benefit cap, these households are at risk of increased indebtedness and potential homelessness through not being able to afford rent or mortgage payments. Findings from our consultation with Housing showed that many families in emergency accommodation had been made homeless from the private rented sector because of welfare reform. Our analysis of the data has also shown that welfare reform is primarily affecting lone parents that have more than two children.

### Reducing costs and supporting the care sector

#### Health and social care

Demand on health and social care services is increasing and costs are rising, yet the workforce is aging. Market conditions in the sector make it more attractive for individuals to work in the private sector, at rates well above those the Council can afford. This is creating a shortage of care workers in the borough, whilst the availability of jobs in the sector is increasing. The Council is exploring new ways of funding support which relies less on expensive agency staff and is focused on developing the Personal Assistant market. This is where individuals are self-employed and provide care to people that is brokered directly by social services at a significantly reduced cost. Although such workers are self-employed, the Living Wage Foundation has established that these workers should be considered eligible for the London Living Wage of £9.75<sup>2</sup> per hour.

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<sup>1</sup> For data references please refer to the Data Story in Appendix 1

<sup>2</sup> <http://www.livingwage.org.uk/what-is-the-living-wage>

Comparing this to the Homecare rate of £14.94 per hour<sup>3</sup>, the Council could save over £5.00 per hour which equates to a reduction of about a third of the current hourly rate.

However, there are structural challenges facing the adult care sector around the quality of jobs and level of pay. Based on current information, the borough needs to recruit at least **400** Personal Assistants to meet projected demand and whilst self-employment can be an attractive option it is not without risk as work and hours are not guaranteed. In one of our interviews it was felt that costs to the Council could be prevented by having a programme targeted at people affected by the benefit cap.

The Council has also launched a Social Care Academy across Adults' and Children's Social Care which will offer clear responsive pathways for development for staff, managers and partners. The Social Care Academy comprises six faculties: Social Workers in Training, Social Workers and Advanced Practitioners, Leadership and Management, Alternative Social Care Pathways, Audit and Evaluation, and Providers. The Council's Workforce Development Strategy is being reviewed in line with this approach and the impact of the Social Care Academy will be continue to monitored, particularly as the Council moves towards providing more integrated services, both internally and with its partners.

On one hand, it makes sense to invest efforts to supporting people into the sector, particularly where this offers flexibility around personal care arrangements. On the other however, this may not generate the job security or financial return to meet the income shortfalls faced by households affected by Universal Credit. Latest workforce information provided by Skills for Care in October 2016 shows that, compared to London as a whole, Havering has:

- the highest turnover of direct carers at over 37% - 14% higher than London average
- the lowest pay across all levels – from professionals through to care workers
- higher numbers of workers on zero hours contracts (5% higher than the London average)
- lower numbers of the workforce with a relevant qualification (at 37%, 17% less than the London average).

This example illustrates the complexities of attempting to marry up demand management with workforce development. Therefore, this Plan needs to consider what needs to be done to address these workforce challenges in addition to reducing service costs.

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<sup>3</sup> <https://www3.havering.gov.uk/Documents/Adults-and-older-people/Adult-care-costs/Non-residential-Care-Charging-Policy.pdf>

## Childcare

Another example that illustrates the interdependencies and complexities of demand management and workforce development is within Early Years. There are 1,860 one parent families in the borough and one parent families make up 80% of households that are affected by Universal Credit<sup>4</sup>. They will need to work to ensure they do not fall into arrears, face eviction and end up as homeless and presenting themselves back to the Council for support. Without appropriate and accessible childcare, employment will be impossible to secure for households that do not have access to other informal care arrangements such as lone parents and those without extended families.

In some parts of the borough, particularly where there are higher numbers of unemployed lone parents (e.g. Harold Hill), there is a projected deficit of Early Education Entitlement places to 2020. Although the borough has sufficient childcare overall, this is in places that – for some families - would be too difficult to get to and manage with other caring and employment responsibilities, and without a car. For example, Hacton Ward has an over-supply of places nearly equivalent to the under-supply projected<sup>5</sup> in Harold Hill. However it is important to note that many parents do not take up childcare near where they live, so planning for places is complicated when factoring in personal choice.

Our consultation discussions also considered opportunities for working with lone parents and adults in households in areas where there is a place deficit to train them into childminding. This type of employment could better fit their lifestyle and family caring needs. This would have a double positive impact for the Council, firstly by increasing the number of early years places and secondly by reducing demand arising from welfare reform. On the face of it, this would seem a sensible solution. However, childminding is self-employment and financial sustainability is reliant on the following factors:

- The age and numbers of children a childminder is registered to look after, considering the numbers and ages of their own children and the suitability of their premises to provide a service in the first place. If households have high numbers of children, registration and numbers of places the childminder can offer will be limited, impacting on the income they could achieve.
- The ability to optimise income from full time places. This relies on attracting parents that have reliable and sustainable employment. Providing childcare for people on short term/zero hour contracts is unsustainable for the childminder, which is why part-time or more flexible childcare can be difficult to offer. This also impacts on the parent using the service who would be required to pay for a place regardless of whether they work or not.

<sup>4</sup> For data references please refer to the Data Story in Appendix 1

<sup>5</sup> LB Havering Childcare Sufficiency Assessment 2016/17

The council is keen to increase the number of childminders and improve the quality of provision, so this is clearly a workforce development issue. But unless childcare is affordable and accessible for families impacted by welfare reform, reducing demand and the costs of services will be far more difficult.

Our recommendation is that, to be effective, the Plan needs to deliver employment and skills interventions from both the demand management and workforce development perspective. **This works towards achieving Priorities 1, 2 and 3.**

### 3.3 Understanding current Council investment

#### Investment into demand management and workforce development

##### Staff and resources

We estimate that the council currently invests around £400,000 per annum in employment and related skills activity in some form or another. Some of this is linked directly to the Employment and Skills team's salaries and some is based on other activities to help move people into work. Most of the Council's current investment in activity is linked to Information, Advice and Guidance (IAG) and in some cases management support, delivered internally and provided by different service areas in order to help:

- reduce barriers to employment - such as childcare information provided by the Family Information Services;
- move people into employment focusing on early intervention – e.g. within the Leaving Care service, or
- prevent homelessness and rent / mortgage arrears.

Our findings show that, in most cases, IAG relies on referring clients into other services and provision either to access training, support and/or a job. These services are often delivered outside of the Council and providers are chosen based on the personal knowledge of advisors or from advisors sourcing contacts independently. There is no single source of information that captures provider information (i.e. what is provided, where and by / to who, and what outcomes have been achieved), so tracking the impact and measuring the quality of support in achieving sustained employment is very difficult and, in many cases, non-existent.

Services are duplicating their efforts, particularly around employer engagement, and are operating different case management and action planning approaches which results in the potential for residents to disengage from support, especially when they transition between services. The Troubled Families, Leaving Care, Housing and Housing Benefit teams are applying different approaches to their client assessment and case work. In some cases, teams are also likely to be working with the same clients.

Our assessment of this investment is that it is not joined up or coordinated and outcomes are not tracked to ensure that the investment (internal and external) the Council currently makes is leading to potential savings.

Our recommendation is that savings could be made, costs avoided, additional investment secured, and better outcomes achieved by improving the coordination of existing activity within the Council. This has two elements; improving the tracking of outcomes achieved by individuals, particularly to ensure they are securing and sustaining work, and improving the coordination of engagement with employers and other external provision to ensure individuals are accessing opportunities. **This works towards Embedding a Havering Way of Working.**

As part of the development of the Employment and Skills Plan, we have produced a cost / benefit analysis for a Referral Management System (**see Chapter 5**). When assessing the costs and benefits of employment interventions, we need to look at returns that are based on sustained employment. Although the Government generally measures sustainment in employment as 26 weeks in employment, we suggest that sustainment measures need to be longer – at least 12 months. This is to be reasonably confident that potential savings or cost avoidance for the Council are both realistic and achievable. However, unless sustainment is tracked effectively, it is hard to determine whether any savings or returns could be or are being achieved.

Our recommendation is that the Council will need to invest in a process/system for tracking sustained employment outcomes for the residents it wants to support, in order to be assured that the returns and savings it is expecting are being realised. **This works towards achieving Priority 1 and Embedding a Havering Way of Working.**

### Apprenticeship Levy

It is important to note the potential of the Apprenticeship Levy. Although only just implemented, Havering Council must have 2.3% of its workforce working towards an apprenticeship, the funding for which comes from its Levy contribution of 0.5% of the PAYE bill.

The Havering Levy is being led by the OneSource HR service and plans are at an early stage. Councils are using the funding in different ways to address both workforce development needs (to support pay and career progression) and to support local employment, particularly for young people.

Our discussions with Members highlighted the ambition to create an employment and skills pathway for looked after children using the returns from the Levy to develop a specific programme of support, work experience and learning. We have since learnt that OneSource has developed a project with the Leaving Care team which is in its early stages. As part of its corporate parenting responsibility and in respect of Ofsted's recommendations around bolstering support for transition into adulthood, we see this as being a real opportunity to provide much needed support for care leavers. Our assessment of the data showed that a high proportion of care leavers are Not in Education, Employment or Training (NEET).

Our recommendation is that the Council builds on this newly developed project supporting care leavers by providing work experience, training and support within the Council and funded in part through the Levy. **This works towards Achieving the Havering Vision and Priorities 1, 2 and 3.**

### What does the Council secure through external funding?

The Employment and Skills team recently delivered a contract from the Flexible Support Fund to deliver advice and support to households impacted by welfare reform up to December 2017. The team has also been given an indication from London Councils that it can access £114,000 of ESF funding to March 2020. The team has also generated income (of £244,248 to be spent over the next two years) through Section 106 to work with Segro and match funding from Harold Hill Ambitions and Gooshays developments.

Havering Adult College (which is part of Havering Council, and all its staff are LBH employees) is wholly funded through the Skills Funding Agency. The Adult College secured £1,555,940 funding in 2016/17. The college provides a range of vocational and employment related training as well as offering employability courses to support local residents through its partnership with Job Centre Plus.

The Public Health Grant provides £700,000 funding to deliver the Council's statutory duty to support careers information, advice and guidance and the tracking of young people in the borough into education, employment and training which is currently contracted to Prospects. In addition, the Troubled Families team can claim funding through two employment and skills related outcomes and has two advisors provided by DWP to provide employment advice to families.

Overall this paints a relatively healthy picture of the investment into employment and skills related activity, although this is not as coordinated as it could be, nor is it guaranteed beyond the lifetime of the funding period.

Devolution of the Adult Education Budget to the Mayor of London could be quite risky to the borough and the Adult College when this comes into effect by 2020. Although uncertain, decisions on that investment would be made at the London level and could impact on Havering's share depending on the mayoral priorities at the time and the extent to which this is further devolved to Local London. In addition, there are other funded programmes through various sources that the Council could access directly or by working with others to secure opportunities for its residents. We explore this issue in more detail in 2.4, but we estimate that the borough could be missing out on over £2 million from its fair share of skills and employment funding to 2019.

Our recommendation is that Havering focuses its efforts on ensuring effective delivery of the current external investment by clearly linking this to the three priorities. We also recommend that the Council uses this Plan to put in place the systems and processes to

help prepare for the future commissioning landscape. **This works towards Achieving the Havering Vision (Principle 1) and Preparing Havering for the future (Principle 2).**

### 3.4 Devolution and the employment and skills landscape

#### Strategic relationships

Havering sits within a relatively complicated employment and skills landscape. It has functional relationships as part of the Local London sub-region, but also shares business rate responsibility with Barking & Dagenham, Thurrock and Basildon. It has relationships with both the London LEP and South East LEP and sits within a larger East and South East area for skills development. The council also shares HR functions with Newham and Bexley. We suspect that whilst there is a lot of activity at a strategic level, Havering is losing out in terms of its employment and skills voice in such a crowded space. This is unlikely to change.

Although the borough has clear need for employment and skills investment, this is not at the same level and intensity as other boroughs. These other boroughs are likely to have a greater say or at least a louder voice in relation to decisions affecting employment and skills at the sub-regional level. These decisions will impact on investment, contracting and the employment and skills infrastructure within the borough, which we explore further on.

The following diagram illustrates this complexity and highlights a few of the strategic and commissioning relationships Havering operates within. Whilst it is important that the Council maintains a watching brief over these relationships, influence can be best achieved through the Local London CEO and Leaders Forum. This is in recognition that the various arrangements are being led and directed by different agencies, policy agendas and government departments and the extent to which the Council can influence and control this bigger picture is very limited.

Our recommendation is that the Council needs to prioritise its time by maximising the benefits and investment these relationships can bring into the borough rather than expending effort trying to influence what is essentially out of its direct control. **This works towards achieving Priority 1 and helps towards Achieving the Havering Vision.**

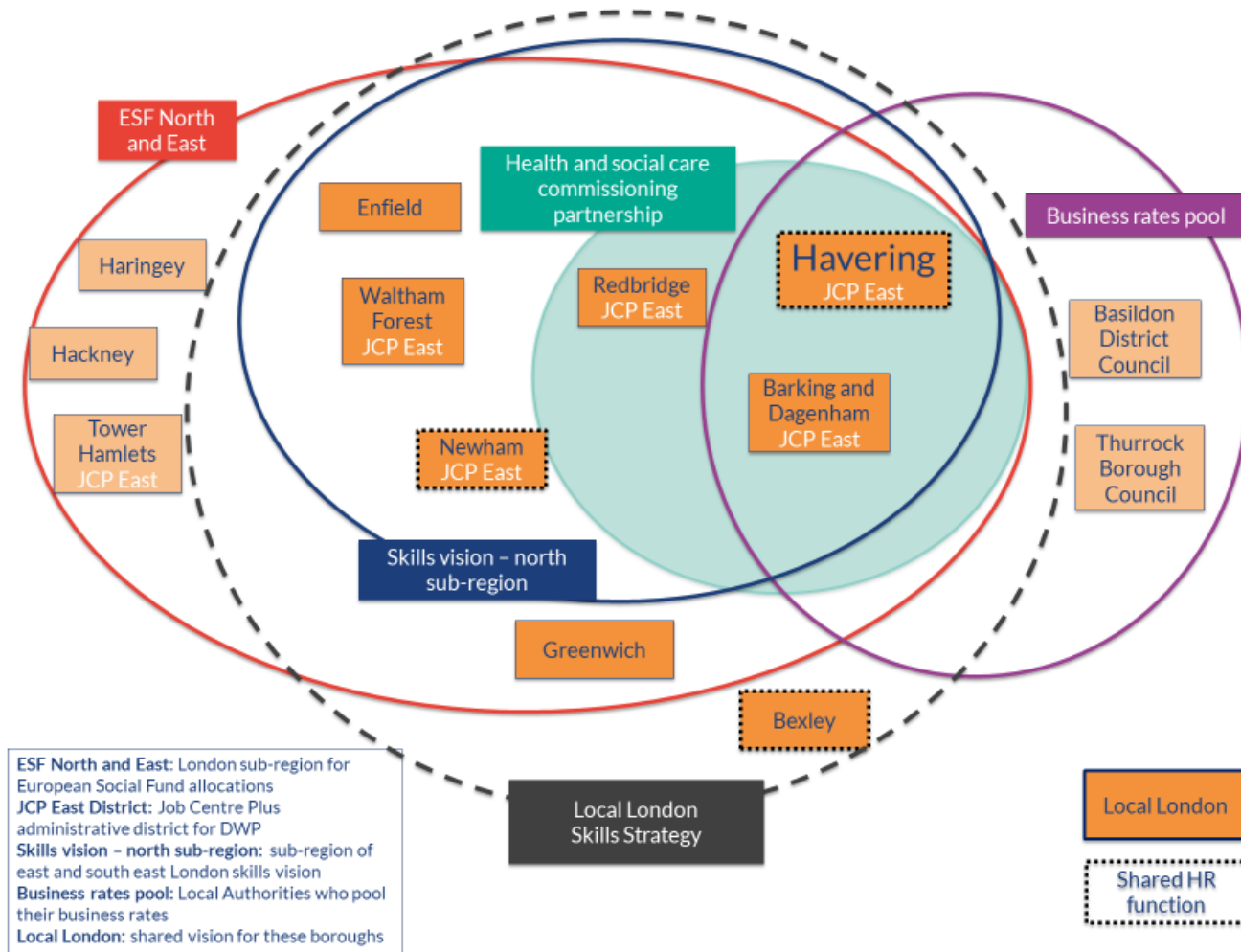


Figure 2 Strategic relationships that Havering sits within

## Contracting and investment relationships

There is a complicated map of employment and skills investment operating in the Local London area and there are several ways in which Havering is disadvantaged.

### DWP investment

Traditionally, the DWP's mainstream programmes, such as the Work Programme, have been commissioned nationally with limited if any input from local authorities in terms of preferred providers. The Work and Health Programme is being commissioned to replace the Work Programme and Work Choice and this is led by the London Borough of Redbridge on behalf of Local London. This is estimated to be worth £47 million over five years and targeting 19,000 people that are on Job Seekers Allowance plus the Employment Support Allowance Work Related Activity Group (WRAG). Havering has 750<sup>6</sup> residents classified as WRAG, which is less than other boroughs and therefore, because of lack of scale and returns from a provider perspective, there is a risk that Havering could miss out on its fair share again.

### European Social Funding (ESF) and other investment

In addition, there is a range of co-financing arrangements for the distribution of ESF money to London through the DWP, SFA, London Councils, GLA and (more recently) the Big Lottery Fund through Building Better Opportunities. Some of this funding is linked to specific needs; some of it is linked to specific borough needs, and some of it is distributed according to a mix of need and targeting specific geography.

All of this is commissioned independently by the co-financing body through their own arrangements and there is little if any influence by London boroughs as to which provider/solution they want in place. This has resulted in a complicated patchwork of provision, delivered by many different providers, with different models, payment mechanisms and outcomes and different contract management, monitoring and impact measurement arrangements. There is no central directory of provision covering opportunities for all residents or a cross-Council brokerage function to help connect residents effectively to these programmes. The following chart illustrates where existing contracts and ESF/SFA funding are being invested and the potential investment that Havering could be accessing for its residents. We have sourced this information from the websites of various commissioners (and, in some cases, is not clear or available to view). Therefore, this illustrates the potential value rather than being a 100% accurate analysis.

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<sup>6</sup> Please refer to the Data Story in Appendix 1 for data references

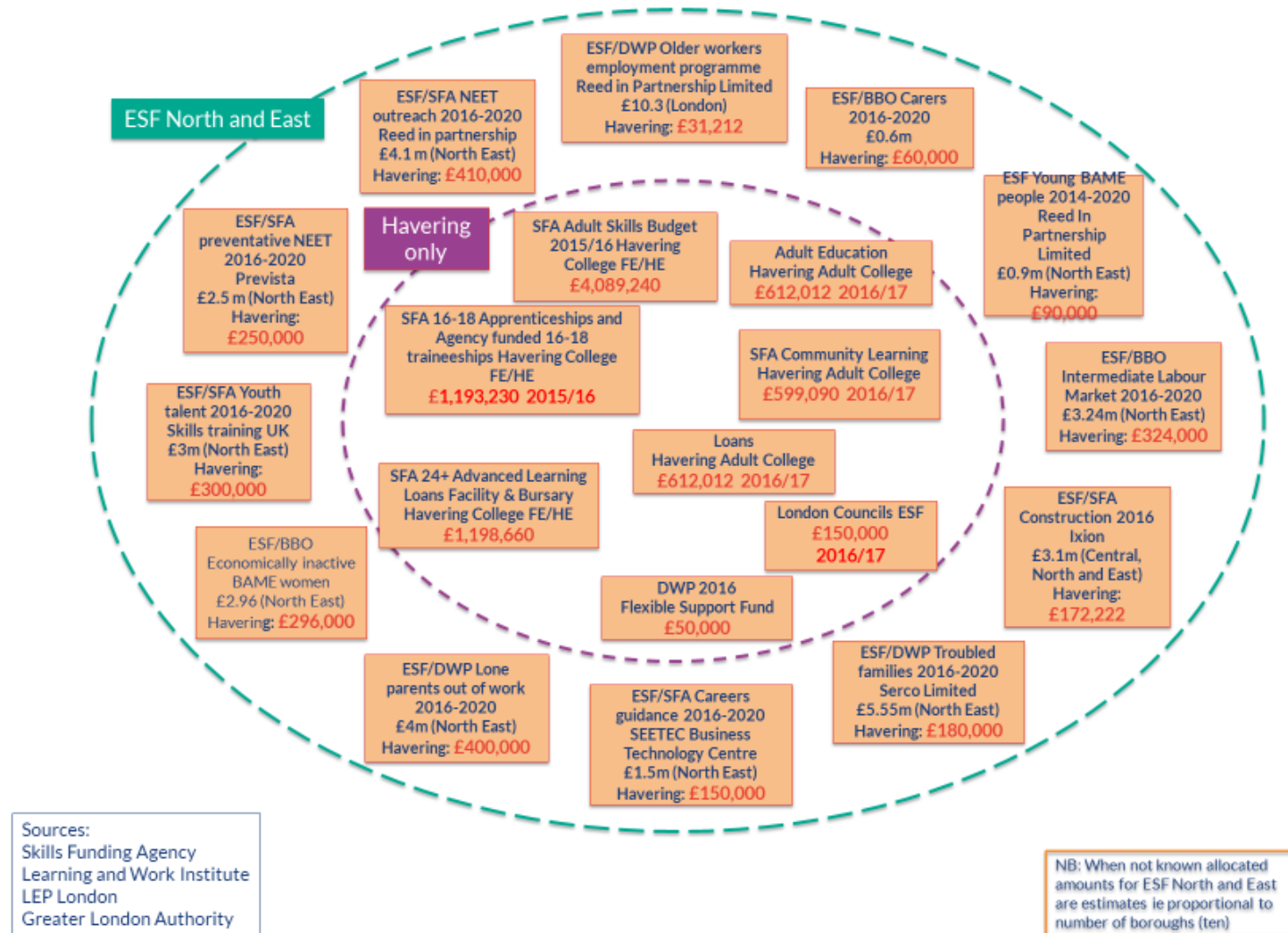


Figure 3 Contracting and investment relationships

Based on our consultation and review of the data, our assessment is that referrals for clients supported by the Council and possibly other residents are not being made effectively into this provision. This is resulting in Havering not getting its potential share of the £2.6 million investment we have estimated based on available data.

We recommend that the Council further investigates the potential contracting landscape as funding announcements are made and contracts awarded. Any funding the Council secures should target and support residents or vocational areas which are not being met by the existing infrastructure to avoid duplication and displacement. **This works towards achieving Priorities 1, 2 and 3.**

As there is no control and limited influence by boroughs and, at best, indicative allocations for how contract investment needs to be spread across local authority areas. Providers will invest in areas where they will get greater returns from their contract. Participation in these programmes is, in most cases, voluntary (other than for those mandated by Government and enforced through benefit sanctions), therefore decisions regarding where providers focus their investment will be based on two things:

- Concentrating delivery in areas where there is a greater level of need and the provider can meet most of their contract volumes. This results in clients from areas with lower needs having to travel to provision, which:
  - incurs costs for the client and could discourage them from participating, and
  - acts as a barrier for participation for clients that have mobility or health issues, or those that are least motivated to take up the opportunity.
- Where they have an existing footprint and therefore can build on existing infrastructure without needing to invest in new premises and staff.

The issue for Havering is that it is likely clients will face barriers to participation in these programmes because of location and travel. Havering has always had lower levels of need which has resulted in a weak provider footprint. This leads to a natural disinvestment in the local provider infrastructure and results in less choice and limited local provision for residents. Unless the Council commissions or provides services directly, it will have little control or influence over what is provided and how. Therefore, to ensure Havering get its share of this investment, it needs to incentivise and support those providers commissioned by others to deliver services where they are needed most in the borough.

We recommend that this can be done in two ways. The first is by facilitating access to common client groups (Troubled Families, people with disabilities etc.) by actively managing their referral and supporting interventions so that services are working effectively around the person and minimising disengagement. The second is by offering free space for providers to deliver services locally and helping them make effective connections to local employment opportunities through Council contracts and relationships so that local people can benefit most. **This works to support all three principles and priorities for the plan.**

### 3.5 Council-led interventions

#### Supporting demand management – Principles 1 and 2, and Priorities 1, 2, 3

In order to maximise the returns that could be achieved from Council-led interventions, there is a need to create ways to improve the targeting and support of higher cost residents, intervening earlier and preventing disengagement from support. In the short term, this will be almost entirely concentrated on mitigating the impact of welfare reforms and preventing costs to the Council linked to housing and homelessness. In the longer term, it needs to focus on preventing long term unemployment for young people, including looked after children and care leavers.

The Council should also consider what it could achieve by working with partners to support the 360 people (JSA claimants aged 25-64 and ESA WRAG)<sup>7</sup> who have been unemployed for longer than six months but less than one year to prevent them from moving in to long term unemployment and to mandated programmes. Preventing long term unemployment and reducing the amount of time people spend claiming unemployment benefits has several positive impacts. Our work in Dundee highlighted the increased probability of becoming long term unemployed between six and 12 months of claiming JSA. These six months represent a window of opportunity to make concerted efforts to support people into employment and avoid long-term unemployment. We know gaps in employment make people less attractive to employers, and also that long term unemployment can lead to other health and wellbeing challenges and present costs to council services in the future.

In terms of making the most of the Work and Health Programme investment into the borough, the Council could also consider how to support those residents it is funding through adult social care budgets who are also within the WRAG group (750). This will require additional mapping to identify those receiving support that are in the WRAG group. It will also be helpful to identify those that might be impacted by the benefit cap in the future that are living in the private rented sector.

The following table shows our recommendations for the groups of residents the Council needs to target in the short to medium term (within the next 12 to 18 months), the

<sup>7</sup> Refer to the Data Story in Appendix 1

numbers affected and the types of interventions needed to help individuals access and remain in sustained employment:

Target group	Numbers affected – Data sourced from Data Story – Appendix 1	Costs to the council	Interventions needed
<b>Lone parents</b>	375 lone parent families affected by Universal Credit	<ul style="list-style-type: none"> <li>• Housing arrears</li> <li>• Eviction costs</li> </ul>	<ul style="list-style-type: none"> <li>• Early help and advice to move lone parents/at least one adult in a two-parent workless family household into employment as early as possible –and as soon as the youngest child is entitled to 15 (30) hours of free childcare</li> </ul>
<b>Troubled families</b>	1450 families within the programme	<ul style="list-style-type: none"> <li>• Emergency and Temporary Accommodation</li> <li>• Advice and Guidance</li> <li>• Council Tax</li> <li>• Costs for additional social work support</li> <li>• Cost of failure to sustain outcomes achieved because of subsequent homelessness</li> </ul>	<ul style="list-style-type: none"> <li>• Removing barriers to employment – by developing options for and improving access to childcare and high level employability skills</li> <li>• Sourcing of flexible employment that supports caring responsibilities or family friendly employers</li> </ul>
<b>Families already living in hostel, bed and breakfast and private sector leasing accommodation</b>	c.200 families are living in expensive hostel accommodation and in bed and breakfast accommodation. As they are not affected by Universal Credit, this is creating high and long term housing costs to the Council	<ul style="list-style-type: none"> <li>• Cost of hostel accommodation</li> <li>• Cost of private sector rented accommodation (average per family)</li> <li>• Cost of Bed and Breakfast accommodation per family</li> </ul>	<ul style="list-style-type: none"> <li>• Supporting families to sustain employment through mentoring and ongoing support</li> <li>• Budgeting and money management advice</li> <li>• Interim financial help to cover shortfall in rent to prevent arrears and evictions</li> </ul>
<b>Looked after children/Early Help</b>	34 Care Leavers are currently under the care of the Council and 23 are in the NEET cohort	<ul style="list-style-type: none"> <li>• Casework and support to help looked after children into work/employment</li> <li>• Costs for social work support</li> <li>• Costs to meet legal responsibilities as a corporate parent</li> </ul>	<ul style="list-style-type: none"> <li>• Targeted support and mentoring to help the young person through transitions into work/independence</li> <li>• Access to training and vocational opportunities such as apprenticeships</li> </ul>
<b>NEET transitions (18-24 and over)</b>	375 claimants in the 18-24 cohort	<ul style="list-style-type: none"> <li>• Possible homelessness/housing costs</li> </ul>	<ul style="list-style-type: none"> <li>• Establishment of sustainable and flexible pre-apprenticeship and pre-employment/traineeship opportunities</li> </ul>

## Making best use of ESF funding – Principles 1 and 2 and Priorities 1, 2 and 3

The Council is awaiting confirmation of funding over the next two years to invest in employment activity for local people through ESF. Meanwhile, we have conducted research into best practice in the design of effective employment interventions in order to recommend approaches to the Council and this is explained in more detail in **Appendix 3**.

The Employment and Skills team will need to recruit additional team members to take this work forward, using the external funding. To ensure that this programme does not displace other provision, we suggest that this is an opportunity to help local people access entry level jobs within the Council, its suppliers and key account employers. Specifically, we recommend that the team develops the following elements with the funded project:

- **Personal Assistant and Childminding Pathway** - Including promotion of and access to a self - employment programme. This would require working with the adult social care and early years sectors to integrate their existing training and support into an enhanced model. Some of the ESF funding could be used to pay for specific training, DBS checks and possibly initial insurance/set up costs, with an agreed qualification and registration requirement so that council teams can be confident in referring clients.
- **Preventing long term unemployment** - Targeting of young people aged over 18 who are at risk of becoming long-term unemployed as well as supporting people who have been on Job Seekers Allowance for more than three months but less than 12 into jobs with the council, its suppliers and development opportunities. These groups are likely to be much closer to the labour market and require minimal support and intervention to help them access work. We suggest that this is kept very flexible but would focus on providing:
  - enhanced advice and guidance to support job readiness,
  - work tasters (where these can be arranged internally),
  - removal of barriers to work such as providing travel cards, uniforms, specific training/certification, or childcare support and
  - case management support to help manage transitions into employment once a job is secured.
- **Pathways to employment from the Flexible Support Fund and the next wave of households at risk.** We recommend that this funding is also used to target those that have been supported through the recent FSF programme which was targeted at Universal Credit Claimants to work with those households now to prevent risk in the future. This will mean close working with the Housing team on a referral pathway to this programme and additional support to help move these people into sustainable work. It may be possible to use some of the funding to support those individuals that are in part-time work but are not earning sufficient money or working enough hours to cover their costs. This will require quite sophisticated case management and job matching.

## Supporting workforce development - Principles 1 and 3 and Priorities 1, 2 and 3

There is a case for the Council to focus greater efforts on supporting broader workforce development, particularly to help achieve the Havering Vision. However, this requires a strategic approach to address longer-term workforce development, which is greatly influenced by economic, funding and structural issues outside the control of the Council.

Clearly there is a strong argument for developing strategies that support the key sectors for Havering - Health and Social Care, Construction and Retail and others relating to the physical development taking place in the borough. We have set out in this chapter where we recommend the Council focuses its efforts to support these sectors.

There is a further challenge in how the employment and skills agenda fits within the broader economic and physical regeneration of the borough. Moving the Employment and Skills team from Economic Development into the Chief Operating Officer's Directorate is beneficial and makes the most sense from a coordination and internal influencing perspective. However, this runs the risk of losing some of the potential connections and links with the Economic Development service that are easier to make and develop when you are in the same team. Plans will need to be put in place to ensure that workforce development is an integral part of the inward investment and business growth offer which could be coordinated by the Employment and Skills team. In addition, given that the success of both Economic Development and Employment and Skills initiatives rely on businesses (many of them the same businesses) participating and cooperating, the coordination and management of these business relationships is key.

We recommend that the Employment and Skills team works closely with Economic Development to ensure businesses have a responsive and effective council offer. The proposed governance arrangements and employment and skills impact assessment process set out in 4.3 will facilitate this work and develop further over the lifetime of the plan.

### 3.6 Summary

This chapter has provided an in-depth assessment of the case for action in developing the Employment and Skills Plan 2018 -2021.

What has become very clear is the level of complexity and complication involved in developing interventions to support the employment and skills agenda in the borough.

Based on our assessments drawn from consultation, research and analysis, the Council needs to focus its efforts where it will have the greatest impact on services, prosperity and the local economy.

The following chapter sets out how the council can achieve this.

## 4. The Employment and Skills Plan

### 4.1 Context and recommendations

So far, this document has set out a case for action to help frame the design of an Employment and Skills Plan. In this section, we present

- a summary of the issues, challenges and opportunities using a SWOT analysis to help set the baseline and ambition for action
- an overall plan linked to the recommendations and clear ambition about where the Council needs to be in 2021
- the governance and management structures that will need to be put in place to ensure the effective implementation of the plan.

We have already set out some guiding principles that clearly link all the recommendations and actions to the achievement of the Havering Vision. These should also encourage collaboration across teams and services to work together to reduce costs of services and prepare Havering for changes in 2020.

The challenge facing any organisation embarking on a new way of working is significant, particularly in an environment that is constantly subject to review and change as national policy and investment shifts. We do not underestimate this challenge. We have focused our thinking on actions that have a clear rationale for implementation, that have been suggested as part of our consultation with staff and Members and can be measured.

The following SWOT analysis summarises the borough's strengths, weaknesses, opportunities and threats from both the council and local economic and policy perspectives.

## Summary of Strengths and Weaknesses

Strengths		Weaknesses	
Internal	External	Internal	External
<ul style="list-style-type: none"> <li>• Commitment across the organisation to use employment as a means to supporting 'at risk' residents and existing examples of practice and caseworking</li> <li>• High level of knowledge about the borough, its history, opportunities and challenges amongst the workforce</li> <li>• A small but experienced employment and skills team with insight and knowledge of workforce and structural challenges in the borough – examples of existing initiatives such as business support for social care providers</li> <li>• Relative success in securing external funding for economic development activity through Section 106, European Social Fund and Greater London Authority</li> <li>• Highly regarded Adult Skills provision through the Adult College</li> <li>• <b>Havering Vision</b> as road map to harness opportunities for the borough and residents</li> </ul>	<ul style="list-style-type: none"> <li>• Traditionally high levels of employment within the borough and higher levels of performance in government funded programmes</li> <li>• Highly regarded FE college, the borough is net importer of learners and has key assets eg Rainham Construction Centre</li> <li>• Lower levels of young people Not in Education, Employment and Training compared to neighbours and higher take up of Apprenticeships</li> <li>• High levels of entrepreneurship and business start up with emerging high value sector in Science and Technology, growth in Construction</li> <li>• Regeneration and 'London effect' driving new opportunities for the borough such as Crossrail and Housing Zones, Rainham</li> <li>• Relationships with developers such as Segro at London Riverside and ambition to improve transport and connectivity within, across and to the borough</li> </ul>	<ul style="list-style-type: none"> <li>• Council has not had an employment and skills strategy in place due in part to labour market performance and perceived lack of need/reluctance to intervene</li> <li>• Lack of knowledge of who is working with at risk residents and what interventions are in place to help residents access sustainable employment across services</li> <li>• Lack of cross service working and tracking is resulting in duplication of assessment and referral processes and potentially impacting on quality of provision and disengagement</li> <li>• Combined with lack of data and insight on costs of supporting residents and potential savings means impact cannot be assessed effectively</li> <li>• Organisational change impacting on staff churn and focus on immediate savings/demand management impacts on longer term planning</li> </ul>	<ul style="list-style-type: none"> <li>• Despite employment rate, entrenched issues for vulnerable residents, challenges for Looked After Children, Lone Parents and residents at risk of homelessness including those in work– this results in greater polarisation and inequality</li> <li>• Low base of medium/large employers</li> <li>• Issue around job quality and focus on low pay sectors will impact on residents' ability to afford to live in the borough and potentially create high costs for the council as a result of homelessness and welfare reform</li> <li>• Employment and skills commissioning is outside of council's control and influence– limited engagement and relationships with existing provision</li> <li>• Havering is a 'poor relation' in devolution partnership as needs are not as high as other boroughs</li> <li>• Perceived low need has driven disinvestment in provision infrastructure resulting in reduced access to opportunities</li> <li>• No oversight on quality and performance of provision for the borough</li> <li>• Sporadic employer engagement and uncoordinated</li> </ul>

## Summary of Opportunities and Threats

Opportunities		Threats	
Internal	External	Internal	External
<ul style="list-style-type: none"> <li>Transfer of employment and skills function to directorate with wide corporate remit is an opportunity to embed employment and skills oversight across the organisation to identify opportunities and enable greater collaboration</li> <li>Leading to opportunities to maximise resources and council investment into service commissioning, procurement through social value building on Section 106</li> <li>Improved insight and intelligence on how services are supporting high cost residents result in improved collaboration between services, supporting early action and reducing duplication of effort both in terms of assessment and support</li> <li>Opportunity to use internal assets such as the Adult College to deliver targeted training and support.</li> <li>Use community spaces to provide space and resources to deliver targeted support</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity to maximise existing external funding secured by the council £150,000 to support residents and council services through improved collaboration and joint planning</li> <li>Investment in Referral Management System to maximise access to external provision and secure over £2.6 million worth of provision to residents and deliver savings to the council</li> <li>New programmes such as Work and Health Programme providing c£2million of support to long term unemployed and people with disabilities in the borough</li> <li>Opportunities for local residents to secure employment through regeneration and developments at London Riverside</li> <li>Apprenticeship Levy for the council can support some Looked After Children and extend to other groups</li> <li>Improve coordination of business and employer offer for Havering businesses</li> </ul>	<ul style="list-style-type: none"> <li>Moving employment and skills function away from Economic Development could impact on connections to business support, employer engagement and regeneration activity – need to ensure connections and collaboration are maintained and developed</li> <li>Not addressing workforce challenges around adult social care and childcare in meeting statutory support could result in greater costs for the council longer term</li> <li>Lack of plan and strategy for engaging with business, providers and stakeholders will impact on external investment being used to benefit the borough</li> <li>Pace of organisational change and future cuts in funding and services could impact on the delivery of employment and skills plan in the future through staff changes, cost savings</li> <li>Focus on immediate demand management may result in lack of planning for longer term impacts where council has little control or influence ie young people's attainment rates</li> </ul>	<ul style="list-style-type: none"> <li>External funding through ESF will be impacted by Brexit and no idea of scale or type of investment beyond 2018/19 - planning beyond this is impossible at moment – lack of plan or strategy to support council/borough to be ready for the challenge could result in lack of investment post 2020</li> <li>Impact of Crossrail not known, risk of skills flight and housing plans forcing business flight - tipping the balance on affordability and access to business/office space</li> <li>Extent of devolution powers not known or role of the London Mayor on decisions eg around Adult Education Budget which may impact on Havering's already limited voice and influence on employment and skills decisions in the London Local/ London area</li> <li>New cuts and policies introduced by Government which will impact on services, residents, infrastructure and economy</li> </ul>

## Recommendations

The SWOT analysis shows a mixed picture of challenges and opportunities, but a context in which much can be achieved through improved coordination and targeted support. The following 10 recommendations have been developed to respond to these challenges and opportunities.

### **Priority 1 - Making the most of our assets, strengths and relationships to secure the borough's 'fair share' of employment and skills investment**

#### **Recommendations**

- 1.1 Bring employment and skills investment into, and maximise what is already commissioned for the borough through other agencies, by incentivising and supporting providers to deliver services within the borough and helping residents to access and benefit from these opportunities.
- 1.2 Enable savings and cost avoidance to be achieved through sustainable and quality job outcomes for higher cost residents, by improving the coordination of existing employment and skills activity within the Council and optimising returns for the borough from external investment through the establishment of a Referral Management System.
- 1.3 Ensure that additional investment secured by the Council through ESF/DWP and other sources such as Section 106 is focused on plugging the gaps in mainstream and other provision and focused on supporting key sectors for borough (i.e. Health and Social Care) or removing barriers to work (e.g. supporting childcare provision).
- 1.4 Ensure that, where appropriate, the Council's key strategies, procurement and commissioning and development plans realise opportunities for employment and skills investment into the borough.

### **Priority 2 - Improving prospects and prosperity for residents in or at risk of poverty and unemployment**

- 2.1 Work with key services to provide a continuous assessment of 'at risk' residents and, through the proposed Referral Management System, support them to access and sustain employment to reduce their risk of presenting to Council services (particularly Housing).
- 2.2 Develop agreements and new ways of working with businesses and local providers to help residents access sustainable quality jobs through effective employer targeting, work interviews and phased employment to support transitions into work, as well as through in-work support to help residents sustain their employment and reduce their risk of cycling in and out of work.
- 2.3 Work with key services within and outside the Council to help remove the structural barriers to employment faced by some residents, such as access to affordable childcare and transport, and access to quality, relevant training.

**Priority 3 - Growing our own – Supporting local people and businesses to thrive**

3.3 Support key sectors critical to the Havering economy (e.g. Construction) and delivery of Council services (e.g. Health and Social Care) through coordinated workforce development interventions.

3.4 Support other and emerging sectors important to the growth and future prosperity of the borough and higher value sectors (i.e. Logistics, Manufacturing, Engineering and Technology) through better targeting of workforce development support including apprenticeships.

3.3 Work with providers, schools and colleges to enable better connections and communication between local employers and providers, so that young people/residents access and benefit from career opportunities both locally, regionally and nationally.

The following sets out the Plan in more detail; the recommendations, the activities and the ambition including outcomes and outputs to be achieved by 2021 and how these contribute to achieving the Havering Vision.

## High level plan 2018-2021

### 1 - Making the most of your assets, strengths and relationships and secure the borough's 'fair share' of employment and skills investment

**1.1 Bring employment and skills investment into, and maximising what is already commissioned for the borough through other agencies, by incentivising and supporting providers to deliver services within the borough and helping residents to access and benefit from these opportunities.**

What do we need to do?	Where do we want to be in 2021?	How does this help us meet our vision?
<ul style="list-style-type: none"> <li>Develop relationships with external providers and assess their ability/needs to deliver into the borough and work with the council to deliver <b>1.2</b> – providing additional space and resources as needed</li> <li>Negotiate referrals into their provision through <b>1.2</b> in return for management information on referral progress and success</li> <li>Provide ongoing support and connections into existing and other initiatives/funding including the Apprenticeship Levy</li> <li>Encourage providers to locate services in the borough and become part of a local provider network to work together for the benefit of local people and businesses</li> </ul>	<ul style="list-style-type: none"> <li>ESF investment from London Local and Pan London commissioning into Havering has been optimised with over £2 million of this funding supporting Havering residents</li> <li>Havering Council has used its Apprenticeship Levy to offer apprenticeships to local people and has embedded a learning programme for Looked After Children (LAC) to gain skills and work experience</li> <li>Havering has developed a stronger and effective provider infrastructure that is working together to secure and maximise replacement EU funding and other investment to support employment and skills post 2020</li> </ul>	<p><b>Communities Making Havering</b> – Supporting vulnerable residents in our communities helping them secure sustainable employment and reduce risk of homelessness.</p> <p>- Ensure our care leavers are given a good start to their working life</p> <p><b>Opportunities Making Havering</b> – Supporting a thriving local economy where local people benefit from all of the employment and skills opportunities that are available to them.</p>

**1.2 Enable cost savings to be achieved through sustainable and quality job outcomes for higher cost residents, by improving the coordination of existing employment and skills activity within the council and optimise returns for the borough from external investment through the establishment of a Referral Management System.**

What do we need to do?	Where do we want to be in 2021?	How does this help us meet our vision?
<ul style="list-style-type: none"> <li>Establish the service function by April 2018 – including recruitment of staff and put in place management information system.</li> <li>Agree internal case work model and referral process to ensure consistency across key services,</li> <li>Work together with services to agree data sharing protocols, internally and externally</li> </ul>	<ul style="list-style-type: none"> <li>A return of 2.73 pounds for every pound spent on the service has been saved by helping residents access sustainable employment and demand on services has reduced</li> <li>400 households have avoided homelessness by securing sustainable employment</li> </ul>	<p><b>Communities Making Havering</b> – Supporting vulnerable residents in our communities helping them secure sustainable employment and reducing their risk of homelessness</p> <p>-Ensure our Care Leavers are given a good start to their working life</p> <p><b>Opportunities Making Havering</b> –Supporting businesses to offer training and development opportunities to local residents and help them sustain their employment</p>

## 1 - Making the most of your assets, strengths and relationships and secure the borough's 'fair share' of employment and skills investment

**1.3 Ensure that additional investment secured by the council through ESF/DWP and other sources such as Section 106, is focused on plugging the gaps in mainstream and other provision and focused on supporting key sectors for borough (i.e. health and social care) or removing barriers to jobs (i.e. supporting childcare provision).**

What do we need to do?	Where do we want to be in 2021?	How does this help us meet our vision?
<ul style="list-style-type: none"> <li>Develop delivery model to support current ESF/DWP investment to 2019 combined value of £300,000.</li> <li>Focus investment on areas which reduce dependency on benefits/support service delivery including – access to childcare and Personal Assistant self-employment – NEET/6 months plus unemployed given turnaround support to help access employment – LTU and ESA target clients to get ready for the Work and Health Programme</li> <li>Through greater intelligence on the local offer work with providers to identify gaps in training and vocational provision and develop new projects/pathways for future delivery supporting <b>1.1, 1.2, 2.2 and 3.1</b></li> </ul>	<ul style="list-style-type: none"> <li>50 residents are now operating as childminders to address sufficiency shortfall providing 100 places</li> <li>100 residents are operating as Personal Assistants and have contributed to a reduction in agency costs for social care to the council</li> <li>300 NEETS over age 19 have avoided going into long term unemployment and are now working</li> <li>500 residents have secured sustained employment including ESA/LTU through programmes like the Work and Health Programme</li> <li>Greater insight on gaps in provision and provider collaboration has improved the local skills offer making it relevant and supporting key employment sectors in the borough</li> </ul>	<p><b>Communities Making Havering</b></p> <ul style="list-style-type: none"> <li>We have supported vulnerable residents with effective and efficient social care services by having more Personal Assistants</li> <li>Increased early years provision in areas where there is a deficit, contributing to a good start for children to reach their full potential</li> </ul> <p><b>Opportunities Making Havering</b></p> <ul style="list-style-type: none"> <li>Supporting a thriving local economy where local people benefit from all of the employment and skills opportunities that are available to them</li> <li>Helping key sectors critical for making Havering work for residents and businesses access to a local skilled and experienced workforce</li> </ul>

**1.4 Ensure that, where appropriate, the council's key strategies, procurement and commissioning and development plans are assessed to identify the potential and then supported to realise opportunities for employment and skills investment into the borough.**

What do we need to do?	Where do we want to be in 2021?	How does this help us meet our vision?
<ul style="list-style-type: none"> <li>Establish cross council agreement on the development and embedding of an Employment and Skills Impact Assessment process across the council</li> <li>Establish cross council governance on employment and skills</li> <li>Agree Terms of Reference, reporting on performance and success (see Slide 10 on governance arrangements).</li> </ul>	<ul style="list-style-type: none"> <li>Opportunities for work, careers and experience for our residents are systematically secured through our suppliers and their supply chain</li> <li>Employment and skills impacts are routinely considered and evaluated in policy and strategy development and new service delivery</li> <li>Additional investment and support is being leveraged through social value for employment and skills activity in the borough</li> </ul>	<p><b>Opportunities Making Havering</b></p> <ul style="list-style-type: none"> <li>Working more efficiently internally and with partners to support sustainable economic growth that generates wealth and opportunities for local people</li> </ul> <p><b>Connections Making Havering</b></p> <ul style="list-style-type: none"> <li>Through improved business development practice internally we are increasing access to employment, high quality skills and careers for our residents</li> </ul>

## 2 - Improving prospects and prosperity for residents in or at risk of poverty and unemployment

### 2.1 Work with key services to provide a continuous assessment of 'at risk' residents, and through Havering Works (1.2), support them to access and sustain employment to reduce risk of presenting to council services – particularly housing.

What do we need to do?	Where do we want to be in 2021?	How does this help us meet our vision?
<ul style="list-style-type: none"> <li>Agree a common assessment process across key council services to identify at-risk residents and through common action plan and referral process recruit them into the service at earliest opportunity</li> <li>Agree process for sharing data and insight on client progress and assessment on potential savings from early intervention</li> </ul>	<ul style="list-style-type: none"> <li>A Havering Council common assessment and referral process for supporting residents into work is embedded across key council services</li> <li>Services are identifying 'at risk' residents earlier and referring them into Havering Works or alternative provision</li> <li>Clearer insight on savings generated for the council through residents accessing employment has validated business case</li> </ul>	<b>Communities Making Havering</b> – Supporting vulnerable residents in our communities earlier and helping them secure sustainable employment to reduce their risk of homelessness and falling into poverty.

### 2.2 Develop agreements and new ways of working with businesses and local providers to help residents access sustainable quality jobs through effective employer targeting, work interviews and phased employment to support transition into work and in-work support to help residents sustain their employment and reduce their risk of cycling in and out of work.

What do we need to do?	Where do we want to be in 2021?	How does this help us meet our vision?
<ul style="list-style-type: none"> <li>Work with internal services, economic development and external providers to agree and incentivise common approach and messaging to local employers to support recruitment of residents</li> <li>Use ESF and other funding to trial new ways of supporting people into work into the borough for target groups</li> <li>Commission and deliver job outcomes that are measured on quality and sustainability potential ie status and pay level.</li> </ul>	<ul style="list-style-type: none"> <li>Local employers are confident and willing to recruit local residents and are working with providers and services to help them sustain their employment</li> <li>Employment pathways have been adapted and higher numbers of at risk residents are accessing employment and being supported in employment</li> <li>Payment on job outcomes that are at London Living Wage and secure is common across local provision</li> </ul>	<b>Opportunities Making Havering</b> – Supporting a thriving local economy where local people are benefiting from accessing and remaining in sustainable quality employment.

### 2.3 Work with key services within and outside the council to help remove the structural barriers to employment faced by residents, such as access to affordable childcare, transport, access to quality, relevant training.

What do we need to do?	Where do we want to be in 2021?	How does this help us meet our vision?
<ul style="list-style-type: none"> <li>Use our resources and influence (1.1, 1.2, 1.3, 1.4. 2.2) to work towards reducing barriers for our residents to access and sustain employment that we have influence over.</li> </ul>	<ul style="list-style-type: none"> <li>Collective and coordinated action within the council and with our partners has helped reduce barriers around access to childcare, improved our local skills offer and plans in place to improve transport connections</li> </ul>	<b>Connections Making Havering</b> - Through improved collaboration within and outside the council we are increasing access to employment, high quality skills and careers for our residents.

### 3 - Growing your own – supporting local people and businesses to thrive

#### 3.1 Support key sectors critical to the Havering economy (construction) and delivery of council services (health and social care) through coordinated workforce development interventions.

What do we need to do?	Where do we want to be in 2021?	How does this help us meet our vision?
<ul style="list-style-type: none"> <li>Identify support and funding to help our key sectors, working with businesses and providers to better fit local provision to workforce needs</li> <li>Use ESF and other resources to support sectors and use local assets better (ie Construction Centre, BID for Retail and Leisure)</li> </ul>	<ul style="list-style-type: none"> <li>Our key sectors are reporting improvement in productivity and recruitment through workforce development support ie reduction in skills gaps, increased local recruitment</li> <li>Increased insight and intelligence on local workforce development needs has better shaped local provision – employers and residents are choosing to work with local providers for their training and recruitment needs</li> </ul>	<b>Opportunities Making Havering</b> - Havering's employers in our key sectors have access to resources and funding to support their training and development needs

#### 3.2 Support other and emerging sectors important to the growth and future prosperity of the borough i.e. logistics, manufacturing, engineering and technology through better targeting of workforce development support including apprenticeships.

What do we need to do?	Where do we want to be in 2021?	How does this help us meet our vision?
<ul style="list-style-type: none"> <li>Agree our workforce development strategy for sectors and through our brokerage expertise, package offers for sectors working with economic development teams and our provider network</li> </ul>	<ul style="list-style-type: none"> <li>Businesses already in the borough are reporting that their workforce development needs are being met locally</li> <li>New businesses are attracted to the borough (in part) as a result of the local workforce offer</li> </ul>	<b>Opportunities Making Havering</b> – We will use workforce development support to augment our inward investment offer and work with Segro to ensure local people can access jobs at London Riverside

#### 3.3 Work with providers, schools and colleges to enable better connections and communication between local employers and providers, so that young people/residents access and benefit from local career opportunities.

What do we need to do?	Where do we want to be in 2021?	How does this help us meet our vision?
<ul style="list-style-type: none"> <li>Develop an effective local partnership between providers and schools through a Provider Forum to improve our collective messaging to young people and learners on local career opportunities.</li> <li>Streamline our collective engagement with local employers agree common messages and engagement protocols to underpin a universal employer offer.</li> </ul>	<ul style="list-style-type: none"> <li>Local people are benefiting from improved employer engagement through increased opportunities for work experience, apprenticeships, traineeships, graduates</li> <li>Local employers are reporting improved relevance of skills and aptitude of local people to support their recruitment and productivity</li> </ul>	<b>Opportunities Making Havering</b> – Working with employers, partners and investors we will ensure that opportunities are generated for local people to benefit from, supporting them to be part of our growth and improve local wealth

## 4.3 Governance and management

### Governing and managing the Plan

This Plan relies on improved collaboration and cross-departmental support to make the most of the funding and investment opportunities. Critical to its success will be effective and clear governance. There have been various groups established to respond to specific policy challenges such as the Welfare Reform Group. In our consultation, Members expressed an interest in the idea of a Star Chamber on employment and skills.

Given the cross cutting nature of the interventions of the Plan and the need to bring greater coherence to policy, services and investment, we are recommending the establishment of a cross-departmental Employment and Skills Group reporting to the Senior Leadership Team. The purpose of this group will be to oversee the delivery of the Plan. It will also have a role to play in maintaining a watching brief of the employment and skills agenda including new policy (e.g. around welfare reform and funding opportunities) in order to develop a corporate response. The group will be administered and serviced by the Employment and Skills team.

We recommend that the group is chaired by a Member and is drawn from a mix of service heads and operational staff. This will include representatives from key services such as Housing, Care Resources, Troubled Families, and Havering Adult College as well as Economic Development, other Children's Services, Adult Social Care, Procurement and HR.

The establishment of this group will help embed a process of review and action around the employment and skills agenda supported by an implementation plan to measure progress and performance.

The Employment and Skills team will need to be remodelled to have two clear functions; a delivery focus which manages the proposed Referral Management System (see Chapter 5); and a strategic focus with clearer responsibilities for the strategic development of employment and skills for Havering. The latter will include a quality management and oversight function of the Plan's performance, a role in developing external relationships with providers and businesses and responsibility for new developments and funding.

The following diagram illustrates what we envision the governance and management structure should be:

## Suggested Governance Structure

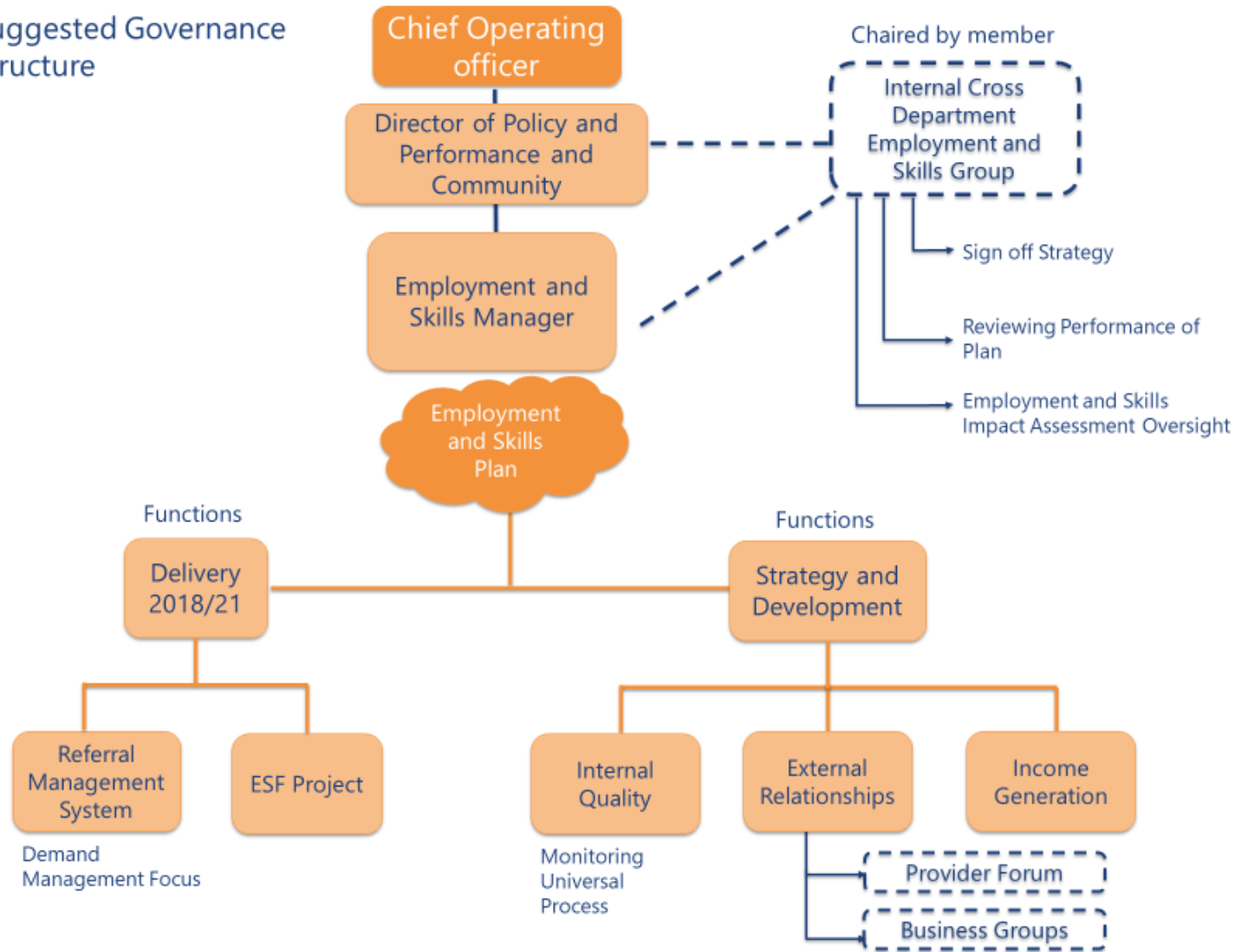


Figure 4 -Governance and management chart

## Staffing and resourcing

The current Employment and Skills team comprises 2.5 FTE led by the Employment and Skills Manager. This will need to be increased (using external funding) to accommodate delivery of the ESF programme. If the proposed Referral Management System (**Chapter 5**) is also approved by Council, this will increase the team by 4.0 FTE posts, two of which will be apprentices. Responsibility for the delivery of the Plan will fall under the team and be led the Employment and Skills Manager.

## Stakeholder engagement

To enable effective communication of the Plan's objectives, implementation of the Plan and reviews of performance, the following sets out key stakeholders both internal and external, their relationship to the Plan and the proposed engagement method.

To support this, the Employment and Skills team will become the single point of contact for stakeholder engagement on employment and skills issues and for developing and applying the corporate stance on policy and implementation. The Employment and Skills team will have overall responsibility for ensuring that stakeholders are engaged, the Plan is communicated, and any issues acted upon.

### Internal

Stakeholder	Relationship to the delivery of the Plan	Engagement method
Leader and Chief Executive	<ul style="list-style-type: none"> <li>- Council and political oversight</li> <li>-Representation of the Plan at Local London at Leader and Chief Executive level</li> </ul>	<ul style="list-style-type: none"> <li>-Agreement of the Plan's recommendations at Cabinet</li> <li>-Performance and achievement reports</li> </ul>
Lead Members	<ul style="list-style-type: none"> <li>-Chair of the Employment and Skills Group</li> <li>-Support for implementation at Cabinet</li> </ul>	<ul style="list-style-type: none"> <li>- Employment and Skills Group meetings and progress reports</li> <li>-Ad hoc support as required</li> </ul>
Senior Leadership Team	<ul style="list-style-type: none"> <li>- Support for implementation at Council and directorate level</li> </ul>	<ul style="list-style-type: none"> <li>-Performance and achievement reports</li> </ul>
Assistant Director of Policy, Performance and Community	<ul style="list-style-type: none"> <li>-Line management of the Employment and Skills Manager</li> <li>-Member of Employment and Skills Group</li> </ul>	<ul style="list-style-type: none"> <li>-Supervision and appraisals</li> <li>-Monthly reporting</li> <li>-Sign off of performance and achievement reports</li> </ul>
Assistant Directors and Heads of Services – Housing, Adult Social Care, Children's Services, Economic Development, Procurement, HR, Learning and	<ul style="list-style-type: none"> <li>-Members of the Employment and Skills Group</li> <li>-Responsible for supporting delivery of the Plan by helping service areas deliver effectively and remove any</li> </ul>	<ul style="list-style-type: none"> <li>-Terms of reference</li> <li>-The overall plan and supporting action plan</li> <li>-Employment and Skills Group meetings and progress reports</li> </ul>

Stakeholder	Relationship to the delivery of the Plan	Engagement method
Achievement, Joint Commissioning Unit, and Public Health	blockages to delivery -Oversight of the Employment and Skills Impact Assessment function	
Service delivery – Emergency Housing, Money Advice, Community Development, Early Help, Troubled Families, and the Adult College	As above plus: -Effective delivery of services to support interventions -Support for and implementation of the Referral Management System -Agreement of and implementation of a universal case management approach to employment and skills	As above plus: -Reporting of service and referral information for performance management -Close working with the Employment and Skills team -Ad hoc meetings or workshops to support the review, design and adaptation of interventions

## External

Stakeholder	Relationship to the Plan	Engagement method
London Councils	- Funding of the ESF “Routes to Employment” programme -Advising and supporting employment and skills policy at London level within local government	- Programme reporting on Routes to Employment -Attendance at networking and officer level policy groups
Local London	-Important to keep up to date with progress and issues arising within the borough and from devolution -Link to the delivery of the Work and Health Programme in Havering and other Local London commissioned/led activity for employment and skills.	- Leader-level as appropriate - Chief Executive level as appropriate -Employment and Skills Manager – office network meetings
JCP	-Supporting referrals into Council-delivered ESF provision -Funder of the Community Budgets programme (previously Flexible Support Fund)	-Regular meetings with the Employment and Skills team -Attendance at associated forums

Stakeholder	Relationship to the Plan	Engagement method
ESF and Work and Health Programme providers (e.g. Reed, Serco, Prospects, Seetec, Maximus)	- Support and links to the Referral Management System process including data sharing and referral handovers	- Active management with the Employment and Skills Manager -Attendance at associated forums
Other employment and skills providers (including the college) and education providers	- Insight and information on provision to improve the quality of the local offer -Support for and possible involvement in future bids for funding -Agreement of ways in which to better support employers, young people and other target audiences	- Attendance at associated forums -Employment and Skills Manager as designated single point of contact for the Council
Havering Business Forum - To have a regular ongoing dialogue with employers and target sectors	-Access to local employers and business that can provide work placements and jobs -Insight into the needs of local businesses to inform workforce development activities	- Attendance at meetings and reporting of progress around the plan -Advising on a local employer engagement strategy
Section 106/other developers	- As above	- Planning department to notify all developments to the Employment and Skills Team, so that contact and dialogue can be established -Monitoring and review meetings to take place monthly between the Planning department and Employment and Skills team to ensure that commitments are progressing well and adhered to.
Employers including sector specific groups and BIDs	-Providing job opportunities, work placements and apprenticeships -Insight into workforce development needs -Through sector approaches and targeted initiatives	-Employer engagement strategy for the Council and borough -Sector-based approaches to support key and emerging sectors -Key accounts respond to employer requests for assistance with vacancies and training needs

## 4.4 Summary

This chapter has set out the context, recommendations, governance and engagement requirements for the Plan, as well as an overarching document that establishes the need and ambitions for 2021. We believe this is achievable as the Plan provides a framework for improved coordination and collaboration across the Council. The business case for action is clear and most of the funding to achieve the Plan is in place – at least until 2019/20.

In the next and last chapter, we provide detail on the proposed Referral Management System and what the returns might be from Council investment, including getting the borough's fair share of the employment and skills funding for residents.

## 5. The Referral Management System

### 5.1 The case for intervention

Chapter 3 sets out a detailed assessment of the employment and skills issues and challenges facing the Council and proposed recommendations for intervention. In this chapter, we provide further detail and an assessment of the costs and benefits of the proposed Referral Management System. There are two main factors driving the business case for developing a Referral Management System:

#### Factor 1 – No current assurance that demand is being effectively managed

The first is ensuring that the investment and services the Council provides through a range of services including Housing, Troubled Families and Early Help is helping clients to secure sustainable employment and thereby reduce demand and costs.

Our assessment is that services currently have different models and approaches, most of which are focussed on information, advice and guidance and referring on to other agencies. There is no formal tracking of what happens to clients from that point on; quality assurance of the provision they are referred into, or confidence that people are accessing jobs and sustaining them. The Council can only be sure it is saving money and / or avoiding costs if it has evidence that the clients it supports access and sustain work.

Even if clients access a job, there is no guarantee of its quality (i.e. pay, hours and conditions). Coupling poor quality jobs with the lack of in-work support will result in clients going back to unemployment as their work cannot be sustained longer term.

Our recent evaluation of a £2 million employment programme in another borough found that over 40% of the people supported through it had returned to being unemployed within approximately six months. This was because of the temporary nature of jobs people accessed, low pay and inability of people to manage their employment because of other pressures, e.g. childcare, travel and shift work.

#### Factor 2 – No current way of securing the borough's fair share of funding

The second is ensuring that the estimated £2.6 million of European Social Funding and other investment in employment and skills that is commissioned outside of the borough (i.e. through the Work and Health Programme) is secured for Havering's benefit.

Our assessment is that this is certainly not the case for most of the provision that we have currently identified. The reasons for this are many:

- There is no current formal mechanism for engaging with external providers, nor a single point of access for them to make effective connections to Council services. This results in ad hoc engagement, if any. The exception to this is the ESF Troubled Families programme which has a requirement to access referrals

from Havering. There is likely to be other provision available to these families that they are not accessing.

- There is currently no single formal mechanism of keeping track of what is being or has been commissioned by others into the borough. This results in the borough being on the 'back foot' when it comes to negotiating with the successful contractor on an offer for the borough.
- Although providers may have indicative allocations for working in Havering, it can be easier for them deliver their contract outputs and outcomes in other areas where they have better connections, footprint and higher numbers of clients.

If the borough is to secure its fair share of this funding, then it needs to improve its offer to providers and incentivise them to work with the Council's different clients.

### What does an effective and sustainable employment pathway look like?

A final consideration of the case for intervention is understanding what constitutes a quality employment service. A great deal of research has been undertaken, nationally and internationally, on what an effective employment service needs to look like. There are seven elements:

1. Effective outreach to attract clients into the programme
2. Good quality assessment and eligibility checks
3. Induction and action planning that fits the needs of the client
4. One to one casework and support including tracking
5. Group activities where clients can work with and be supported by their peers
6. A suite of specialist activity to support the client, including training and support to remove barriers to work such as childcare
7. In-work support to help the client maintain their employment.

The following diagram illustrates this pathway, and how support should not end once employment has been secured.

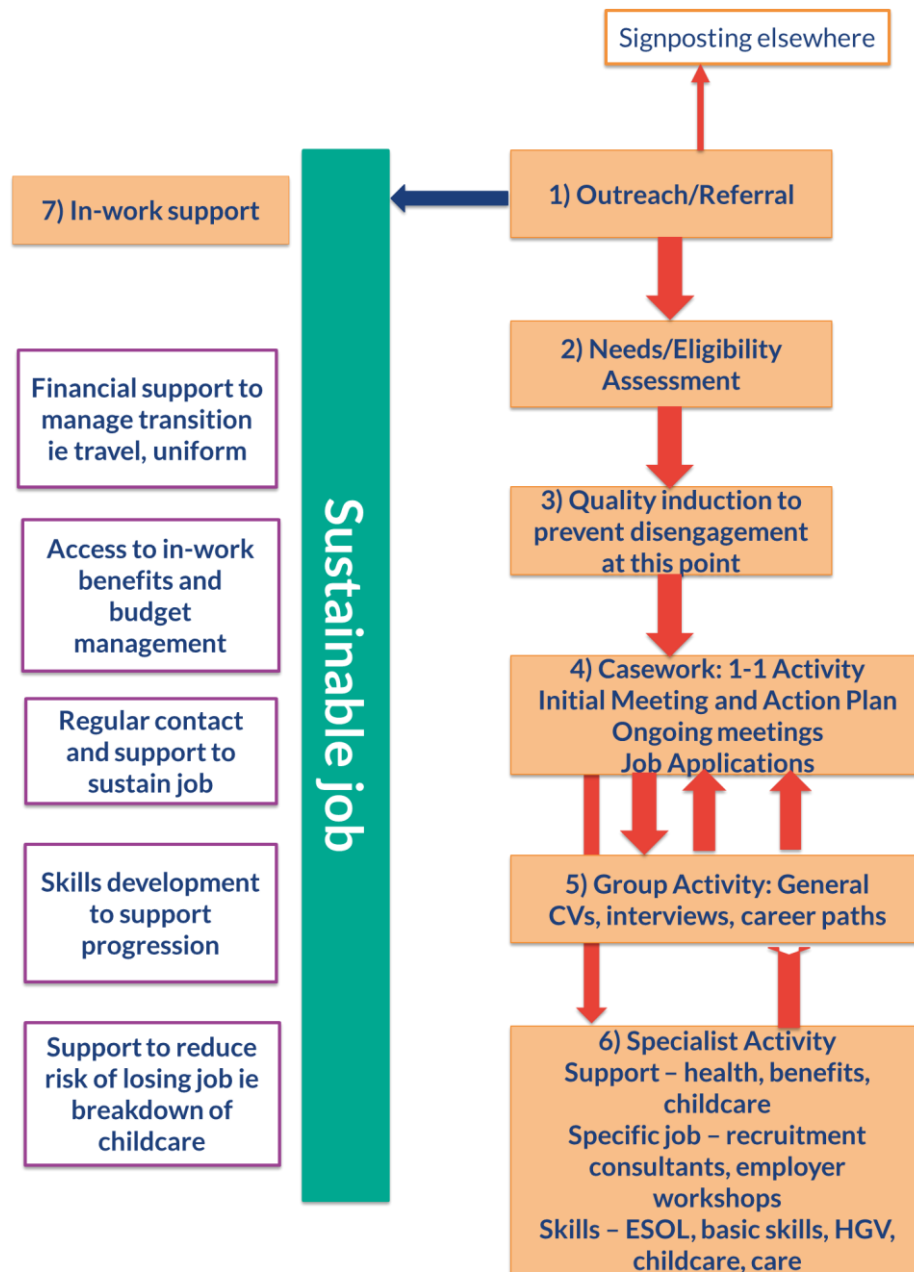


Figure 5 - Effective pathway to employment and sustainment

Our assessment of current employment support in the Council is that this is at best uncoordinated across services; casework is not universal and, in effect, services are offering only a few of these elements (and in some cases only parts of them). There appears to be no in-work support on offer other than that provided to care leavers who have been helped into work through the Early Help team. It is therefore critical that clients are supported into quality provision to increase their likelihood of getting and sustaining employment.

## 5.2 Consultation on the Referral Management System

On 12<sup>th</sup> January 2017, an options workshop was held with service representatives from across the Council to explore three options presented for a referral management system. Using personas of typical client groups supported by teams in Housing, Troubled Families and Children's Services, attendees mapped current Council approaches to support them into employment. With this information and using their respective expertise, groups assessed which of the following three options would provide the best outcomes for both the Council and the client:

- Option 1 – Signposting - Creating a referral process for clients across services into existing external provision using a common database and with additional support to secure opportunities from providers and track client outcomes.
- Option 2 – Signposting Plus – Similar to option 1, but offering an enhanced service which includes internal matching to opportunities, additional case work support and supporting retention of job outcomes through tracking and regular in-work contact and support.
- Option 3 – Creating a managing agent model – This required establishing a new service whereby the Council could design and deliver a bespoke, borough-wide service and bid alongside commercial providers to win programmes and funding.

Groups were asked to reflect on the extent to which each option would enable people to get a job quicker, sustain that employment longer and increase their income. In part this was to help determine which option could deliver better outcomes, but also to develop assumptions to support the Cost / Benefit Analysis in **Appendix 4**.

Although it was agreed that Option 3 would give the Council greater control and influence over quality, delivery and performance, this would be at a considerably greater cost to the Council with no guarantee of return in the short term. It would also require establishing a centralised service which could compromise existing service arrangements, particularly for Looked After Children and Troubled Families and require a long lead in time.

Option 2 was considered the most appropriate option as it provided greater surety that client progress and outcomes could be monitored than Option 1, as well as ensuring that additional support was in place to help clients sustain those outcomes. It was also in recognition that opportunities available to residents were time limited, as they are funded through ESF, so every effort needed to be made to maximise the potential investment for Havering before 2020. However, service leads were very clear that Option 2 should not create a separate team of caseworkers. It should use existing resources and systems better and provide added value and support to case workers within each of the services working with the target client groups.

A detailed assessment of the options for intervention and the requirements of an employment service which informed the consultation into a preferred option is set out in **Appendix 3**.

The following outlines the model, structure and potential costs between 2018 to 2021.

## 5.3 How will it work?

### Core elements

The service, which is an enhanced referral and case work model, requires two main elements to make it work:

- The first element needs to engage, support and enable external providers that have an obligation to deliver services to Havering residents to operate effectively in the borough. Providers need to be incentivised to focus efforts in the borough and to have effective relationships with the Council. This includes:
  - Access to targeted Council clients that are eligible for the provision on offer. Providers need to meet their targets and know that clients are eligible for provision.
  - Support to ensure that referrals made to providers are “warmed” and ready and therefore less likely to disengage from provision.
  - Access to additional support and services that can add value to the provider offer and help them achieve their contract outcomes. These are likely to be one, all or a combination of advice services, premises (provided free or at low cost to support delivery), access to vacancies in the council, through its supply chain or other employer relationships and any other training and support on offer.

In return, providers need to be willing to share information on progress and outcomes of referrals so that these can be tracked and monitored internally. This will enable the service to generate management information to track client progress and identify where savings have been made and/or costs prevented. It will also provide information back to services on their clients.

- The second is a universal process of assessing the ‘readiness’ of clients to be referred into provision; their ability to secure a job and then access support to help sustain that employment or move to alternative employment if needed.
  - Providers are paid on achieving a job outcome and sustainment which is often at 13 and 26 weeks of employment. To reduce the likelihood of clients becoming unemployed during and post 26 weeks, additional help needs to be in place. This is likely to be one, all or a combination of;

ongoing mentoring/support to deal with any issues or challenges faced by the client provided by the service

- early identification for those at risk of becoming unemployed again (i.e. due to shorter term contracts or temporary positions) and support put in place to help them find alternative work
  - access to other support such as debt advice.
- This needs a common assessment process used by the different services in the Council to assess readiness. Currently there are several different processes of varying intensity and quality for assessing need and delivering case work. For the model to work effectively this needs to be done consistently and requires a universal 'Havering' assessment process.

## Monitoring

A tracking and monitoring system needs to be put in place to underpin these elements and to gather the management information to illustrate the progress and outcomes clients are achieving and the savings that are being made and / or costs avoided through them securing employment. The system needs to be focused on tracking and reporting interventions and outcomes but also able to interface with other systems being used across the Council. This is to facilitate the exchange of data and information about clients with their key or case workers as well as ensure that client contact is being managed and recorded effectively.

This will require access by team members, case/key workers, the Employment and Skills team and providers to share information on clients relevant to their employment and progress. There will be a requirement to ensure that clients are willing to share data but this can be built into consent forms and action plans.

The following charts illustrate the potential client journey and delivery structure:

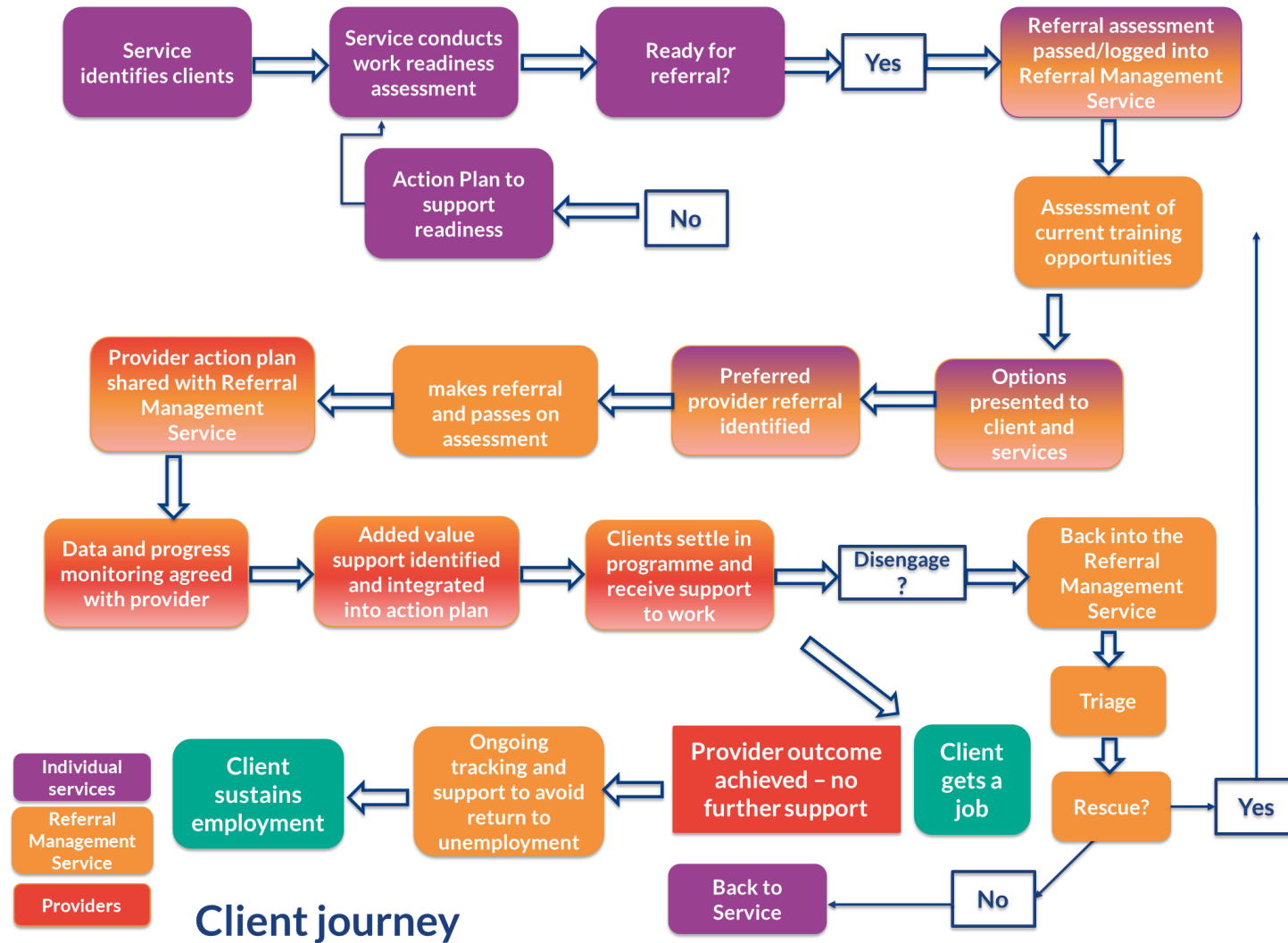


Figure 6 Proposed client journey for the Referral Management System

## Proposed structure

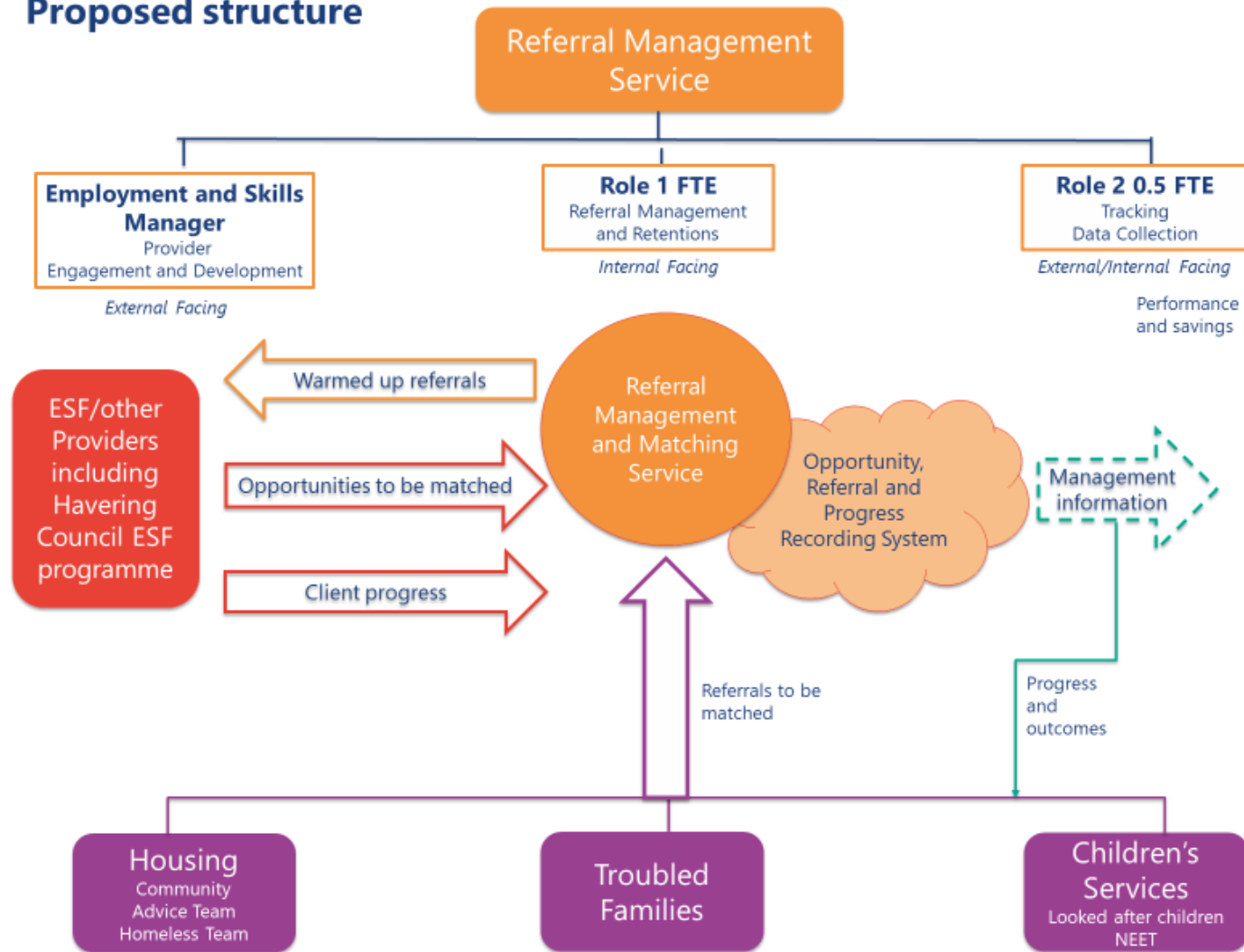


Figure 7 - Proposed management and delivery structure

## Staffing and resources

We have suggested that this function could be serviced by two additional people. We recommend the following:

- Provider development role - focused on developing opportunities with providers and supporting retention of referrals. This should be managed by the Employment and Skills Manager.
- Referral matching and management role - focused on developing referrals and working with services to sustain employment outcomes. This role needs to be recruited to.
- Data, information and analyst role (part time) - to support collection and analysis of client and outcome data. This role also needs to be recruited to.

In addition, this model would require a client management and tracking system to be in place. Our estimate based on the market is that this would require set up costs in year one and license arrangements over the three years. We have estimated the set-up costs to be up to £20,000 in our modelling but this could be achieved for less.

## 5.4 Assessing the costs and benefits of the service

### Explanation of the CBA model

We have developed a Cost Benefit Analysis (CBA) Toolkit to identify the savings to / costs avoided by the Council over three years as a result of the intervention. These savings / cost avoidance opportunities arise from reducing poverty-related demand for council services by reducing unemployment in the borough. This model has been developed by Rocket Science as an alternative way of modelling returns when cost information has been difficult to access.

The basis of this model is drawn from the 2016 Joseph Rowntree Foundation report “Counting the Cost of UK Poverty”, a UK-wide study looking at what proportion of local authority spending was a result of poverty.<sup>8</sup> For example, it found that 44% of spending on housing and 26% of spending on Adult Social Services by local authorities was a result of poverty.

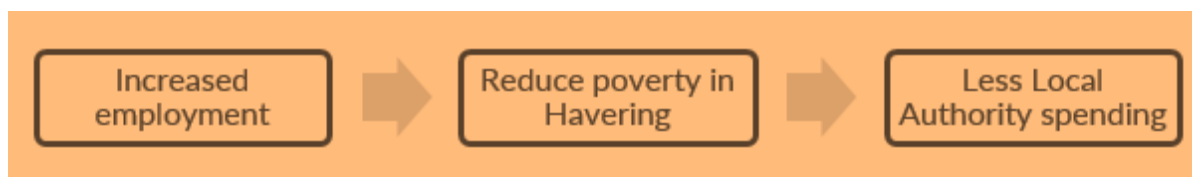
We have combined this with data indicating that around 20% of the borough’s households are in poverty<sup>9</sup> and an ONS study showing that “over the period 2007 to 2012, of people aged 18 to 59

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<sup>8</sup> <https://www.jrf.org.uk/report/counting-cost-uk-poverty>

<sup>9</sup> <http://www.londonpovertyprofile.org.uk/indicators/topics/low-pay/low-pay-by-place-of-residence-and-work/> and <https://www.jrf.org.uk/report/monitoring-poverty-and-social-exclusion-2016> and [http://www.learningandwork.org.uk/gridhosted.co.uk/wp-content/uploads/2017/01/Work\\_in\\_progress\\_full.pdf](http://www.learningandwork.org.uk/gridhosted.co.uk/wp-content/uploads/2017/01/Work_in_progress_full.pdf)

who were not working and living in a household in poverty, 70% of those who entered employment left poverty.”<sup>10</sup> The causal links in the model are therefore:



The model calculates the costs and benefits of the intervention – and the return on investment which is the ratio of the two – for the first three years of the programme. This is because estimates become less accurate the further into the future the model looks. However, we would expect benefits from reduced poverty to last longer, and we have also included an indicative value of the benefits from lifting one person fully out of poverty for 10 years.

Overall, we consider this model to be a conservative estimate of the savings that could be made and costs avoided within three years. Reductions have been made in the calculations for deadweight – what would have happened with no intervention – and to account for “optimism bias”, as recommended by the Manchester New Economy CBA guidance. We have also conducted a sensitivity analysis to identify which variables the model is most sensitive to, and ensured these are particularly robust.

### Costs and returns expected

Under current parameters we estimate that the return on investment from the intervention will be £0.69 per £1 in the first year, £2.14 in the second year, £2.71 in the third year, and £1.83 overall<sup>11</sup>.

As we would expect, the return on investment increases over time, as more people are lifted out of poverty and demand for council services readjusts. These figures have been based on working with an average of 570 clients per year.

The benefits accrued for the Council over ten years of lifting one person fully out of poverty are in the region of £22,818 in today’s price terms. Based on the projected numbers achieving the outcome, in our analysis this would equate to over £4.9 million.

<sup>10</sup>

[http://webarchive.nationalarchives.gov.uk/20160105160709/http://www.ons.gov.uk/ons/dcp171776\\_395768.pdf](http://webarchive.nationalarchives.gov.uk/20160105160709/http://www.ons.gov.uk/ons/dcp171776_395768.pdf)

<sup>11</sup> This is currently based on figures which are subject to quality review by the council’s accounts team but unlikely to change significantly.

	Year 1	Year 2	Year 3	Total
<b>Programme Costs</b>	£99,239	£95,244	£97,034	£291,517
<b>Programme Benefits</b>	£68,154	£203,509	£263,241	£534,903
<b>Return on investment</b>	£0.69	£2.14	£2.71	£1.83
<b>Cost benefit ratio</b>	1 : 0.69	1 : 2.14	1 : 2.71	1 : 1.83

Figure 8 Headline figures from investment based on the CBA analysis in Appendix 4

The full cost benefit analysis spreadsheet and accompanying technical note can be found in Appendix 4.

## 5.5 Summary

This chapter has set out the case for developing a Referral Management System, a proposed delivery structure, client journey and an assessment of the possible returns to the Council.

There are clearly a number of benefits from this service which align with the three principles we established for the Plan; Achieving the Havering Vision, Embedding a Havering Way of Working and Preparing Havering for 2020.

But this is not just about a return for the Council. This service provides a return for residents and local businesses by maximising external investment in employment and skills through improved provider engagement and management. Whilst it is difficult to estimate what this will mean financially in practice, it is likely that a good proportion of the estimated £2.6 million will be secured for the Havering residents that need it and will benefit the most.

Finally, it is important to reflect on the potential client management data tool and process to support cross departmental and service collaboration. Our findings have shown what the potential could be around client centred support in mobilising services to work together, sharing information and supporting efficient working across the council.

In this respect, there is scope to consider the adoption of the Referral Management System as an opportunity to pilot and learn lessons for future client management structures and systems in the council.

## 6. Conclusion

This report has set out for Havering Council a clear case for action, a roadmap and action plan for delivery and an options appraisal for developing its employment and skills capacity.

Although relatively understated, the employment and skills activity in the council has the potential to be transformative, particularly for residents where investment to date has been minimal or ineffective.

The challenge for Havering is making its case for investment for government funding, in a borough that has relative wealth and is without the same scale of disadvantage (in terms of numbers of people affected) as others within its devolved sub-region.

There are many unknowns about the future, but we are beginning to see the impact of the London housing market and low value employment sectors in the borough on the cost of living, which will inevitably lead to greater polarisation between wealth and disadvantage.

We believe the findings and recommendations provide a blueprint for the Council to:

- take concerted action, with clear returns on savings and / or cost avoidance to support demand management and
- a practical way forward to build capacity within the organisation to prepare the ground for, and be more resilient to, changes in policy and funding for employment and skills beyond 2021.

# Appendix 2 – Data Story

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Developed November 2016

Key issue	Numbers affected	Impact and opportunities
1) There are <b>10,950</b> residents claiming employment related benefits, most of which are likely already to be supported by a council service or have reduced council tax liabilities.	<ul style="list-style-type: none"> <li>1,775 residents are claiming Job Seekers Allowance. <b>475</b> (27%) have been unemployed for over a year</li> <li>6,210 residents are claiming Employment Support Allowance. 30% of ESA clients are aged 55+. At least 830 will be out of working age in the lifetime of the plan</li> <li><b>730</b> residents are in the Work Related Activity Group – WRAG. 78% have been unemployed for longer than 2 years</li> <li><b>1,155</b> residents are long term unemployed</li> </ul>	<ul style="list-style-type: none"> <li>Numbers will be targeted through the Work and Health Programme but the Council has no influence on the chosen provider for Havering</li> <li>80% reduction from Work Programme spend but WRAG not mandated</li> <li>Long term unemployed likely to be presenting to Council services now and at the end of working age (due to limited pensions and personal savings)</li> </ul>
2) Limits came into force on 7 <sup>th</sup> November capping benefits at £23,000 and further impacts expected as Universal Credit is rolled out	<ul style="list-style-type: none"> <li><b>469</b> households are affected by the benefit cap</li> <li><b>315</b> (67%) are facing a shortfall of up to £100 per week - <b>£5,200</b> extra needed over a year - Based on the over 25 rate for the National Minimum Wage (£7.20phr), they would need to work at least <b>16 hours per week</b> over 52 weeks to make up the difference</li> <li><b>81%</b> of households affected have more than <b>4</b> children</li> </ul>	<ul style="list-style-type: none"> <li>Potential increase in rent arrears and impact on those in the Private Rented Sector</li> <li>Affecting those on JSA/ESA, lone parents and larger families.</li> <li>Larger families will face greatest challenges</li> <li>Advice and guidance has been put in place and £50k secured from DWP to support 50 families for one year to December 2017.</li> <li>Employment is the only real option to raise income but the employment status of affected individuals is not known</li> </ul>
3) Welfare reform coupled with a buoyant property market will be affecting homeless rates as private landlords end tenancies and tenants fall into arrears due to Universal Credit	<ul style="list-style-type: none"> <li><b>100 families</b> are living in Hostel accommodation</li> <li><b>C.100 families</b> are living in Bed and Breakfast accommodation</li> </ul>	<ul style="list-style-type: none"> <li>Families being evicted are predominantly from the private rented sector and are on benefits</li> <li>Cost to the council for emergency housing</li> </ul>
4) The borough has a higher proportion of lone parents compared to other boroughs living in the more deprived areas. These areas are reported to have insufficient childcare to meet the Early Education Entitlement	<ul style="list-style-type: none"> <li>There are <b>1,830</b> lone parents in the borough</li> <li>Harold Wood is projected to have a deficit of <b>631</b> Early Education Entitlement places from 2016/17 to 2020/21. There are also insufficient places in some other wards</li> <li><b>80%</b> of UC claimants are lone parents</li> </ul>	<ul style="list-style-type: none"> <li>Lone parents will be most affected by Universal Credit</li> <li>Childcare costs are disregarded within Universal Credit but capped so create an issue for families with several children.</li> </ul>

Key issue	Numbers affected	Impact and opportunities
5) The Troubled Families programme has been operating in the borough and new funding of nearly £5.6m has been made available through the ESF for 10 boroughs in the North and East London area to 2019. Contract has been awarded and starting imminently.	<ul style="list-style-type: none"> <li>1,450 families to be worked with by 2020</li> <li>98 have achieved continuous employment (13 to 26 weeks sustainment). 28 individuals have achieved continuous employment to date in phase 2.</li> </ul>	<ul style="list-style-type: none"> <li>Programme targeting 2,941 families (min) over 10 boroughs. Funding equates to approx £1,900 per family. Havering’s allocation is c.£180,000 but the Council has little influence over delivery.</li> <li>Likely to be families impacted by Universal Credit and/or on benefits</li> <li>ESF Programme delivered by a company with a contract worth £35 million</li> </ul>
6) Young People Not in Education, Employment or Training (NEETS) in the borough	<ul style="list-style-type: none"> <li><b>C.280</b> NEETs (around <b>4%</b>) which is inline with London average.</li> <li>1% whose destinations are unknown (less than the London average), with greater concentrations in Havering Park, Gooshays, Harold Wood and Romford</li> <li><b>83</b> young people available for EET are aged 17/18</li> <li><b>96</b> are not available for EET for various reasons.</li> <li><b>23</b> are care leavers/in care, <b>17</b> are known to the YOT and <b>23 have</b> Learning Difficulties or Disabilities</li> </ul>	<ul style="list-style-type: none"> <li>Raising of the Participation Age (RPA) likely to have made an impact on NEETs</li> <li>However positive participation rates have reduced for 17 year olds, suggesting this cohort is likely to be experiencing greater challenges.</li> <li>Pockets of issues for smaller groups, needing greater tailoring of support and targeting</li> </ul>
7) Young people, attainment rates and apprenticeships– Havering ranks as the second lowest borough for attainment rates at Levels 2 and 3	<ul style="list-style-type: none"> <li>Attainment gaps for disadvantaged young people at KS4 and KS5 (<b>31% and 30%</b>) are double the London average</li> <li>Higher rate of participation (5%) in apprenticeships for 16-18 year olds than London</li> <li>The Council has <b>30 looked after children</b> in semi independent care</li> <li>Care leavers service has helped 34 young people to access employment and apprenticeships</li> </ul>	<ul style="list-style-type: none"> <li>Havering is an importer of learners from other boroughs</li> <li>Apprenticeships and vocational routes require functional level skills at Level 2 – so provision needs to support young people who struggle with Maths and English</li> </ul>
8) The Apprenticeship Levy was introduced in 2017. Local authorities have a statutory duty to provide 2.3% of the workforce with apprenticeships and 0.5% of payroll levied, which can be recouped to pay for training and accreditation.	<ul style="list-style-type: none"> <li>165 employees estimated to be affected at Havering</li> <li>33 apprentices are currently employed in the council</li> </ul>	<ul style="list-style-type: none"> <li>Funding could be available to support apprenticeships in the council during the lifetime of the plan</li> <li>Support workforce development for existing staff</li> <li>Opportunities to support a ‘grow your own’ programme for local young people/adults into entry level jobs, with a possible focus on LAC</li> <li>Use existing resource in the Adult College to provide training and maintain quality control</li> </ul>

Key issue	Numbers affected	Challenge and impact
9) Vacancies are not being filled - UKCES data published in 2016 highlighted that there are considerable vacancies and hard-to-fill vacancies in Havering.	<ul style="list-style-type: none"> <li>There were <b>5,557</b> vacancies in Havering in 2015. <b>266</b> of these were in skilled trade occupations; <b>199</b> were in professional occupations, and <b>194</b> were for caring, leisure and other services staff</li> <li>There were <b>448</b> hard-to-fill vacancies</li> </ul>	<ul style="list-style-type: none"> <li>Employers report a lack of applicants with the required skills or the required attitude, motivation and personality to fill vacancies</li> <li>This impacts on staff workload and loss of business has a knock on effect on productivity.</li> </ul>
10) Businesses are reporting that skills gaps are causing greater challenges than vacancies, but only 27% have training budgets in place.	<ul style="list-style-type: none"> <li><b>677</b> employers report that they have skills gaps within their organisation</li> <li><b>193</b> of these are among elementary staff, <b>172</b> are among managers and <b>126</b> are among sales and customer services staff</li> </ul>	<ul style="list-style-type: none"> <li>Employers report that <b>1,782</b> staff are not fully proficient. <b>482</b> of these are sales and customer services staff, <b>369</b> are elementary staff and <b>301</b> are managers.</li> <li>There is a range of skills gaps at both the higher and lower end of job grades, so a tailored offer is needed</li> <li>Opportunity to use the BID as a means to raise skills levels within the retail/service sector</li> </ul>
11) Employee pay - Organisations pay their full-time employees less than the London average and women are particularly disadvantaged.	<ul style="list-style-type: none"> <li>Gross weekly pay for full-time staff in Havering is <b>£622.90</b> compared to the London average of <b>£632.40</b>.</li> <li>Women in Havering are paid <b>£536.20</b> compared to the London average of <b>£585</b> and <b>c£140</b> less than men</li> </ul>	<ul style="list-style-type: none"> <li>There are signs of a low-wage economy in the borough based on workplace analysis.</li> </ul>
12) Significant growth in micro-businesses. These account for 92% of the business base ( <b>8,460</b> ). Between 2012 and 2016 the number of businesses in Havering increased by <b>2,285</b> . <b>2,185</b> (96%) of these were new micro businesses.	<ul style="list-style-type: none"> <li>The sectors with the greatest increase were construction (<b>450</b> new businesses); professional, scientific and technical (<b>450</b>); business, administration and support services (<b>285</b>) and information &amp; communication (<b>265</b>).</li> <li>There were only <b>40</b> new retail micro businesses and the total number of small retail businesses decreased by <b>5</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Investment and support for businesses needs to be targeted to help those sectors that are growing</li> <li>Opportunities to align business planning and support with workforce development and connecting businesses to readymade talent to enable them to grow</li> </ul>
13) There is increasing demand for office space in the borough. The projected growth in office space is mainly attributed to ongoing demand for space within Romford Town Centre.	<ul style="list-style-type: none"> <li>There is additional demand of up to <b>17,132 m<sup>2</sup></b> of office space in the period up until 2031.</li> <li>Net demand of industrial space is predicted to be <b>–24 hectares</b>.</li> <li>The vacancy rate for commercial office floor space is predicted to be <b>1.22%</b></li> </ul>	<ul style="list-style-type: none"> <li>Conversion of office space as designated housing may impact on the ability to grow the business base and result in business flight</li> <li>The new developments at Rainham supported by Section 106 arrangements and opportunities to cluster developing sectors building on the GEMF&amp;L</li> </ul>

**YEAR ONE EMPLOYMENT AND SKILLS  
IMPLEMENTATION PLAN**

**Appendix 3**

Objective	Actions	2018			2019
		April-June	July- Sept	Sept-Dec	Jan-March
1.1	<p><b>Bring employment and skills investment into, and maximising what is already commissioned for, the borough through other agencies, by incentivising and supporting providers to deliver services within the borough and helping residents to access and benefit from these opportunities.</b></p>	<p>Develop relationships with external providers and assess their ability/needs to deliver in the borough and work with the council to deliver 1.2 – providing additional space and resources as needed</p> <p>Negotiate referrals into their provision through 1.2 in return for management information on referral progress and success</p> <p>Provide ongoing support and connections into existing and other initiatives/funding including the Apprenticeship Levy</p> <p>Encourage providers to locate services in the borough and to work together for the benefit of local people and businesses</p>			
1.2	<p><b>Enable cost savings to be achieved through sustainable and quality job outcomes for higher cost residents, by improving the coordination of existing employment and skills activity within the Council. Optimise returns for the borough from external investment through the establishment of a Referral Management System.</b></p>	<p>Establish the service function by the end of April 2018 – including through recruitment of staff and putting in place the referral management system.</p> <p>Agree internal case work model and referral process to ensure consistency across key services</p> <p>Work together with services and partners to agree data sharing protocols, internally and externally</p>			
1.3	<p><b>Ensure that additional investment secured by the Council through ESF/DWP and other sources, such as Section 106, is focused on plugging the gaps in mainstream and other provision and focused on supporting key sectors for borough (e.g. construction and health and social care) and / or removing barriers to jobs (e.g. supporting childcare provision).</b></p>	<p>Develop delivery model to support current ESF/DWP investment to 2020.</p> <p>Focus investment on areas which reduce dependency on benefits (i.e. by targeting those who are NEET, especially if for more than 6 months) / support service delivery (including access to childcare and self-employment of Personal Assistants). Support LTU and ESA target clients to get ready for the Work and Health Programme</p> <p>Through greater intelligence on the local offer, work with providers to identify gaps in training and vocational provision and develop new projects/pathways for future delivery</p>			
1.4	<p><b>Ensure that, where appropriate, the Council's key strategies, procurement and</b></p>	<p>Establish cross-Council agreement on the development and embedding of an Employment and Skills Impact Assessment process across the council</p>			

	<b>commissioning activity and development plans realise opportunities for employment and skills investment into the borough.</b>	Establish cross council governance on employment and skills				
		Agree Terms of Reference for the governance body/ies, including arrangements for reporting on performance and successes				
2.1	<b>Work with key services to provide a continuous assessment of ‘at risk’ residents, and support them to access and sustain employment to reduce their risk of presenting to Council services, particularly housing.</b>	Agree a common assessment process across key council services to identify at-risk residents and, through a common action plan and referral process, recruit them into the appropriate service at earliest opportunity				
		Agree processes for sharing data and insight on client progress and savings achieved / costs avoided from early intervention				
2.2	<b>Develop agreements and new ways of working with businesses and local providers to help residents access sustainable, quality jobs through effective employer targeting, work interviews and phased employment, supporting transitions into work and providing in-work support to help residents sustain their employment and reduce their risk of cycling in and out of work.</b>	Work with internal services and external providers to agree and incentivise a common approach and messaging to local employers to support recruitment of residents				
		Use ESF and other funding to trial and evaluate new ways of supporting people (especially from target groups) into work in the borough				
		Commission and deliver job outcomes that are measured on quality and sustainability potential, ie status and pay level.				
2.3	<b>Work with key services within and outside the Council to help remove the structural barriers to employment faced by residents, such as access to affordable childcare and transport, as well as access to quality, relevant training.</b>	Use our resources and influence to work towards reducing barriers for our residents to access and sustain employment				
3.1	<b>Support key sectors critical to the Havering economy (construction) and delivery of council services (health and social care) through coordinated workforce development interventions.</b>	Identify support and funding to help key sectors, working with businesses and providers to better fit local provision to workforce needs				
		Use ESF and other resources to support sectors and use local assets better (e.g. through the development of a Construction Centre, and / or a bid for retail and leisure)				

3.2	<b>Support other and emerging sectors important to the growth and future prosperity of the borough (i.e. logistics, manufacturing, engineering and technology) through better targeting of workforce development support including apprenticeships.</b>	Agree a workforce development strategy for sectors and, through the employer brokerage service and in partnership with the Economic Development service and providers, package offers for sectors				
3.3	<b>Work with providers, schools and colleges to enable better connections and communication between local employers and providers, so that young people/residents access and benefit from local career opportunities.</b>	Develop an effective local partnership between providers and schools to improve the collective messaging to young people and learners on local career opportunities.				
		Streamline our collective engagement with local employers by agreeing common messages and engagement protocols to underpin a universal employer offer				

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## Equality Impact Assessment (EIA)

### Document control

Title of activity:	Havering Employment and Skills Plan 2018 - 2021
Type of activity:	<p><b>This is :</b></p> <ol style="list-style-type: none"> <li>1. <b>a strategy</b> which outlines the London Borough of Havering's approach to supporting the Employment and Skills agenda and</li> <li>2. <b>A service</b> to coordinate employment and skills provision across the borough ( internally and externally) to ensure that Havering is able to realise the full benefits of national, regional and sub-regional provision</li> </ol> <p>The service will deliver employment and skills brokerage to local residents who are unemployed, under employed or at risk of experiencing "in work poverty" through the provision of comprehensive wrap-around support consisting of :</p> <ul style="list-style-type: none"> <li>• Information, advice and guidance</li> <li>• Needs assessment</li> <li>• Personalised action planning</li> <li>• Training and employment support and in-work support.</li> </ul> <p>All Havering residents accessing this support will be issued with a Havering Skills Passport which will ensure that residents experience a consistent service that seeks to improve their employment and skills situation. Residents will be encouraged to engage in shaping and planning their</p>

	<p>career path in terms of progression, diversification and skills development. Participants will be referred to provision funded from various sources including Section 106 agreements and the European Social Fund (ESF). The service will move residents as appropriate between the varied provision to support residents into employment and training.</p> <p><b>A Referral Management System</b> will also be established to match residents' needs with appropriate provision, monitor their progress and measure the impact of the interventions.</p> <p>There will be opportunities for participants to provide feedback on their experiences and help to contribute to the future design of services to make sure that they meet residents' needs.</p> <p>The service will work with employers and learning / training providers to develop customised training to support local residents into employment. It will develop strategic and operational partnerships to progress the needs of local residents and businesses in terms of employment and skills from entry level to higher level skills.</p>
<b>Lead officer:</b>	Deborah Moonasar Skills and Business Engagement Manager Policy, Performance and Community
<b>Approved by:</b>	Pippa Brent-Isherwood Assistant Director of Policy, Performance and Community
<b>Date completed:</b>	09/01/18
<b>Scheduled date for review:</b>	31/03/19

<b>Did you seek advice from the Corporate Policy &amp; Diversity team?</b>	<b>Yes / No</b>
<b>Does the EIA contain any confidential or exempt information that would prevent you publishing it on the Council's website?</b>	<b>Yes / No</b>

# 1. Equality Impact Assessment Checklist

## About your activity

1	Title of activity	Havering Employment and Skills Plan 2018 - 2021
2	Type of activity	<p>This is :</p> <ol style="list-style-type: none"> <li>1. <b>a strategy</b> which outlines London Borough of Havering's approach to supporting the Employment and Skills Agenda</li> </ol> <p>and</p> <ol style="list-style-type: none"> <li>2. <b>A service</b> to coordinate employment and skills provision across the borough ( internally and externally) to ensure that Havering is able to realise the benefits of national regional and sub regional provision</li> </ol> <p>Please see further details provided above.</p>
3	Scope of activity	<p>The Havering Employment and Skills Plan is specifically designed to support residents who are at risk of experiencing disadvantage due to lack of skills, unemployment or under-employment.</p> <p>The work being proposed will include :</p> <ul style="list-style-type: none"> <li>• <b>Development of targeted interventions for specific priority/demand groups.</b> This will enable value to be added to current skills and employment provision and can be developed to meet the full spectrum of training needs from entry level to the higher level skills demanded by businesses.</li> <li>• <b>A central management and coordination role</b> will facilitate a common referral process across a range of provision including direct delivery from within the Employment and Skills team and other Council services.</li> <li>• Encouraging providers to <b>work collaboratively</b> with the Council and other providers to secure the type and quality of provision that is needed to move residents into work and support them to progress within work and sustain well paid employment,</li> </ul>

- **Utilising Section 106** funding and maximising opportunities from the Council's **procurement and commissioning activities** to service local labour market requirements.
- **Employer Led Training Provision** - The Council has a role to play in engaging employers in working with training providers to develop "employer led" training, which meets the changing needs of industry and also, crucially, is of a quality and scope that businesses are prepared to pay for.
- **The development of a comprehensive local partnership of providers, businesses and the local authority** to attract funding from a range of sources. The ability to demonstrate a coordinated and responsive infrastructure will be key to attracting funding going forward.

**This approach:**

- Offers a multi layered and comprehensive approach by utilising existing funding and support that is being provided on a regional and sub-regional basis. This can provide additional value when used alongside Planning Gain and other funding opportunities to enhance and augment provision.
- Utilises local partnership activity and funding to address some of Havering's specific needs (for example, addressing job sustainability and progression through improved skills levels linked to jobs available).
- Enables engagement in sector based approaches to respond to employers' specific needs, support workforce development and enhance productivity.

The Plan will to respond particularly to the higher levels of deprivation and unemployment within known hotspots in Havering, particularly Gooshays, Heaton, Romford Town and Havering Park. These wards have the highest numbers of unemployment related benefits claimants, and the highest number of claimants of Employment Support Allowance (which supports people who cannot find a job through long term illness or disability). They are the most income and employment deprived wards in Havering and also have the highest numbers of children living in poverty (according to the Indices of Multiple Deprivation 2015).

4a	Is the activity new or changing?	New
4b	Is the activity likely to have an impact on individuals or groups?	Yes
5	If you answered yes:	Please see the EIA on the next page.
6	If you answered no:	N/A

Completed by:	Deborah Moonasar Skills and Business Engagement Manager Policy, Performance and Community
Date:	12/01/18

## 2. Equality Impact Assessment

Background/context
<p>The Employment and Skills Plan is specifically intended to support people who are disadvantaged or at risk of becoming disadvantaged through lack of skills, unemployment, under-employment and / or in-work poverty. The Plan sets out a range of activities that will be carried out to support unemployed residents to access and sustain work, and also to help those who are in work to increase their prospects of progression and increased prosperity.</p> <p>As part of the proposed Referral Management System we intend to manage and monitor the effectiveness of this activity in supporting residents, including those who have “protected characteristics”. The system will also facilitate the movement of residents between programmes to maximise their outcomes.</p> <p>This activity will help us to :</p> <ul style="list-style-type: none"> <li>• Ensure that Havering residents have access to all of the opportunities available to them.</li> <li>• Efficiently and reliably move residents through programmes so that they are supported to meet their employment and skills needs currently and in the future.</li> <li>• Review, analyse and act on feedback from residents on the extent to which provision meets their needs; the quality of their experience, and how we could better shape activities in the future to meet residents’ needs.</li> </ul> <p>The Employment and Skills Plan 2018-21 is intended to respond particularly to the higher levels of deprivation and unemployment within known hotspots in Havering, particularly Gooshays, Heaton, Romford Town and Havering Park. These wards have the highest number of unemployment related benefits claimants, and the highest number of claimants of Employment Support Allowance (which supports people who cannot find a job through long term illness or disability).</p> <p>Gooshays, Heaton and Havering Park are the most income and employment deprived wards in Havering and also have the highest numbers of children living in poverty (according to the Indices</p>

of Multiple Deprivation 2015).

Whilst the borough appears to enjoy a relatively good economic outlook and experiences some of the lowest levels of unemployment when compared to other London boroughs, there are areas where support is needed to lift the economic prospects and wellbeing of residents, especially amongst groups with “protected characteristics”.

## The EIA

Age: Consider the full range of age groups		
Please tick (✓) the relevant box:		<b>Overall impact: Positive</b>  Despite a 76.5% rate of employment (higher than the London average), Havering residents experience comparatively poor rates of pay, levels of education and skill levels. This situation will impact on the future prosperity and wellbeing of residents. The Employment and Skills Plan aims to address this by supporting residents to improve their employment prospects.  The implementation of a Referral Management System will ensure that the council is able to monitor and improve as necessary the support provided to those with “protected characteristics”
Positive	V	
Neutral		
Negative		
<b>Evidence:</b>  Havering has 252,800 residents (Nomis 2016). The borough current experiences some of the lowest wage rates and levels of educational attainment in London. Households earnings average £44,430 per annum compared to £48,530 in other outer London boroughs and a Greater London average of £51,770.  Low qualification levels are a prominent issue for Havering, as almost three quarters of the adult population have either no qualifications or are qualified only to level 1 or 2, with less than a quarter having attained degrees. The proportion of Havering residents with NVQ1 qualifications and above is 85.8%; slightly above both the UK and London averages. However, the proportion of 16-64 years olds with NVQ2 qualifications and above is below the UK average. 70.2% in Havering have this qualification compared with 76.4% across London and 73.3% across the UK. These figures suggest that the Further Education is one of the key areas that require improvement in the borough.  The figures are heavily skewed by the 50-64 population, but there are relatively low levels of level 4 and above qualified residents across all age brackets, whilst the future projections for the London job market are heavily skewed towards higher level qualifications, particularly level 4, being necessary. Havering has a low proportion of people with skill levels of NVQ4 and above with 25.7% of 16-64 year olds holding a qualification at this level and above, compared with 49.1% across London and 36.0% across the UK. The percentage of 16-64 year olds with NVQ3 level qualifications is also below the UK and London average, with Havering at 47.8% compared with 64.7% for London and 56.7% from the UK as a whole.  The borough also ranks low in the London tables for A Level and Equivalent Outcomes. For example, the borough ranks 28 <sup>th</sup> out of the 33 London boroughs in terms of Key Stage 5 points per entry. This puts the number of points per entry at 4% below the London average.		

There is a historically significant issue of early school leaving with over 50% of the adult population having left full-time education aged 16 or under. This means that Havering has the highest proportion of the adult population that left education aged 16 or under compared with neighbouring boroughs, which is significantly above the London average (24%).

**Sources used:**

[http://www.nomisweb.co.uk/reports/lmp/la/1946157270/subreports/einact\\_time\\_series/report.aspx?](http://www.nomisweb.co.uk/reports/lmp/la/1946157270/subreports/einact_time_series/report.aspx?)

Havering Employment and Skills Plan 2018-21

Renaissi Havering Skills and Employment Study 2014

The Havering Data Story – Rocket Science November 2016

**Disability:** Consider the full range of disabilities; including physical mental, sensory and progressive conditions

*Please tick (✓)  
the relevant box:*

<b>Positive</b>	<b>V</b>
<b>Neutral</b>	
<b>Negative</b>	

**Overall impact: Positive**

The Employment and Skills Plan will impact positively on this group of residents as currently the support provided to this group of residents is un-coordinated and often of an inconsistent quality. Through the delivery of the Employment and Skills Plan, the Council will work to ensure that outcomes for this group of residents are monitored and that people with disabilities are able to influence the design and development of future support.

**Evidence:**

There are 7,788 residents aged between 16-64 living with moderate physical disabilities, and 809 people aged 16-64 with moderate or severe Learning Disabilities living in the borough. Gooshays, Heaton, Romford Town and Havering Park have the highest numbers of claimants of Employment Support Allowance (ESA), which support people who cannot find a job due to long term illness or disability.

There is currently no specific provision within the borough for this group of residents and access to mainstream provision is un-coordinated. There is strong evidence that health and wellbeing can be enhanced through employment activity, and the Council is keen to utilise this route to enhance the life chances and wellbeing of people with disabilities.

Through the delivery of the Employment and Skills Plan, the Council will facilitate support and referral networks and will be able to monitor the impact of programmes. Access to activities and referral networks will be maximised by coordinating with departments and services such as Improving Access to Psychological Therapies (IAPT), Adult Social Care, Public Health, and relevant voluntary and community sector organisations to make sure that these opportunities are well publicised to those requiring them.

**Sources used:**

This is Havering

<b>Sex/gender:</b> Consider both men and women		
<i>Please tick (✓) the relevant box:</i>		<b>Overall impact: Positive</b>  Delivery of the Employment and Skills Plan will support all residents of Havering and will be mindful of the responsibilities of those residents with caring responsibilities for children and / or other family members.  There is some evidence of gender inequality in pay between males and females within the borough, so we will work to raise attainment and achievement levels to bring about a greater balance.  The implementation of a Referral Management System will ensure that the council is able to monitor and improve the support provided to both men and women.
<b>Positive</b>	<b>V</b>	
<b>Neutral</b>		
<b>Negative</b>		
<b>Evidence:</b>  Males in Havering typically command higher salaries than their female counterparts (at £36,530 compared with £28,243). The Council will work to achieve greater wage equality for females where possible but, as a whole, we will work with both groups to raise skill levels and progression prospects since Havering experiences some of the lowest wage rates in London. This is particularly relevant when set against rising housing and living costs and the impact of thresholds of Housing Benefit Support.		
<b>Sources used:</b>  GLA intelligence – Borough profiles Nomis The Havering Data Story – Rocket Science November 2016		

<b>Ethnicity/race:</b> Consider the impact on different ethnic groups and nationalities		
<i>Please tick (✓) the relevant box:</i>		<b>Overall impact: Positive</b>  Havering is one of the most ethnically homogenous places in London, with 83% of its residents recorded as White British; higher than both London and England as a whole. About 90% of the borough's population was born in the United Kingdom. This is a changing picture, however, and continued growth in the BAME population is expected. Delivery of the Employment and Skills Plan will work to support BAME groups to actively participate in and benefit from employment and skills interventions. BAME communities are a target group for ESF funding so will particularly benefit from the employer brokerage service to be delivered through this route. The associated targets will be integrated into the work programme of the Employment and Skills team. The implementation of a Referral Management System will further ensure that the Council is able to monitor and improve the support provided to BAME groups.
<b>Positive</b>	<b>V</b>	
<b>Neutral</b>		
<b>Negative</b>		

<p><b>Evidence:</b></p> <p>While Havering is one of London's least diverse boroughs, 10% of the population was born outside of the UK according to the 2011 census. The majority of residents born outside of the UK were from Ireland, Nigeria and India as well as Eastern Europe. It is projected that the Black African population will increase from 3.8% in 2015 to 5.2% of the Havering population in 2030.</p>
<p><b>Sources used:</b></p> <p>This is Havering 2016</p>

<p><b>Religion/faith:</b> Consider people from different religions or beliefs including those with no religion or belief</p>		
<p><i>Please tick (✓) the relevant box:</i></p>		<p><b>Overall impact:</b></p> <p>There is no information held at either local or national levels that can be used to carry out a viable EIA against this factor</p>
<p><b>Positive</b></p>	<input type="checkbox"/>	
<p><b>Neutral</b></p>	<p><b>V</b></p>	
<p><b>Negative</b></p>	<input type="checkbox"/>	
<p><b>Evidence:</b></p> <p>Please see above</p>		
<p><b>Sources used:</b></p> <p>N/A</p>		

<p><b>Sexual orientation:</b> Consider people who are heterosexual, lesbian, gay or bisexual</p>		
<p><i>Please tick (✓) the relevant box:</i></p>		<p><b>Overall impact:</b></p> <p>There is no information held at either local or national levels that can be used carry out a viable EIA against this factor</p>
<p><b>Positive</b></p>	<input type="checkbox"/>	
<p><b>Neutral</b></p>	<p><b>V</b></p>	
<p><b>Negative</b></p>	<input type="checkbox"/>	
<p><b>Evidence:</b></p> <p>Please see above</p>		
<p><b>Sources used:</b></p> <p>N/A</p>		

<b>Gender reassignment:</b> Consider people who are seeking, undergoing or have received gender reassignment surgery, as well as people whose gender identity is different from their gender at birth		
<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  There is no information held at either local or national levels that can be used carry out a viable EIA against this factor
<b>Positive</b>		
<b>Neutral</b>	<b>V</b>	
<b>Negative</b>		
<b>Evidence:</b>  Please see above		
<b>Sources used:</b>  N/A		

<b>Marriage/civil partnership:</b> Consider people in a marriage or civil partnership		
<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  There is no information held at either local or national levels that can be used carry out a viable EIA against this factor
<b>Positive</b>		
<b>Neutral</b>	<b>V</b>	
<b>Negative</b>		
<b>Evidence:</b>  Please see above		
<b>Sources used:</b>  N/A		

<b>Pregnancy, maternity and paternity:</b> Consider those who are pregnant and those who are undertaking maternity or paternity leave		
<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  There is no information held at either local or national levels that can be used carry out a viable EIA against this factor. However it is known that there around 16,000 children in the borough aged 0-4 and, as part of the delivery of the Employment and Skills Plan, we will be supporting parents (particularly lone parents) to find flexible employment and training support to suit their circumstances.
<b>Positive</b>	<b>V</b>	
<b>Neutral</b>		
<b>Negative</b>		

**Evidence:**

There are approximately 16,000 children aged 0-4 resident in the borough and 1,860 one parent families in the borough. One parent families make up 80% of households that are affected by Universal Credit. These parents will need to work to ensure they do not fall into arrears, face eviction and possible homelessness, and so present themselves to the Council for support. Without appropriate and accessible childcare, employment will be impossible to secure for households that do not have access to other informal care arrangements (such as lone parents and those without extended families). Some parts of the borough (e.g. Harold Wood) have particularly high numbers of unemployed lone parents compared with the rest of the borough.

**Sources used:**

<https://www.nomisweb.co.uk/reports/lmp/la/1946157270/report.aspx>

The Havering Data Story – Rocket Science November 2016

**Socio-economic status:** Consider those who are from low income or financially excluded backgrounds

Please tick (✓)  
the relevant box:

**Positive**

**V**

**Neutral**

**Negative**

**Overall impact:**

The Employment and Skills Plan will specifically work with residents who are from low income or financially excluded backgrounds, who will be able to access support across a range of provision as outlined in the background to this EIA. The support will be consistent, comprehensive and support residents for as long as they wish to be supported to a) seek employment; b) gain further skills and progression whilst in work, and c) transition to further opportunities.

**Evidence:**

The average gross annual pay for residents is £ 32,274.  
There are 11,953 unemployed claimants in receipt of Housing Benefit. There are also 3,955 employed claimants in receipt of Housing Benefit, which means these households or individuals are experiencing “in work poverty”.

**Sources used:**

London Borough of Havering Housing Benefits team  
GLA Intelligence – borough profiles

## Action Plan

Protected characteristic	Identified negative impact	Action taken to mitigate impact*	Outcomes and monitoring**	Timescale	Lead officer
<b>People with disabilities or long term health conditions</b>	No	Referral Management System will monitor the take up, quality and type of provision and success in meeting the needs of this group of residents	<ul style="list-style-type: none"> <li>Numbers of residents accessing services</li> <li>Numbers supported into employment</li> <li>Numbers gaining accredited skills</li> <li>Numbers supported into non-accredited training</li> <li>Numbers supported into work experience</li> <li>Numbers supported onto Apprenticeships</li> <li>Numbers supported into volunteering opportunities</li> </ul>	April 2018- March 2021	Deborah Moonasar (Skills and Business Engagement Manager)
<b>All age groups</b>	No	Referral Management System will monitor the take up, quality and type of provision and success in meeting the needs of this group of residents	<ul style="list-style-type: none"> <li>Numbers of residents accessing services</li> <li>Numbers supported into employment</li> <li>Numbers gaining accredited skills</li> <li>Numbers supported into non-accredited training</li> <li>Numbers supported into work experience</li> <li>Numbers supported onto Apprenticeships</li> </ul>	April 2018- March 2021	Deborah Moonasar (Skills and Business Engagement Manager)

Protected characteristic	Identified negative impact	Action taken to mitigate impact*	Outcomes and monitoring**	Timescale	Lead officer
			<ul style="list-style-type: none"> <li>Numbers supported into volunteering opportunities</li> </ul>		
<b>People experiencing the full range of disabilities; including physical mental, sensory and progressive conditions</b>	No	Referral Management System will monitor the take up, quality and type of provision and success in meeting the needs of this group of residents	<ul style="list-style-type: none"> <li>Numbers of residents accessing services</li> <li>Numbers supported into employment</li> <li>Numbers gaining accredited skills</li> <li>Numbers supported into non-accredited training</li> <li>Numbers supported into work experience</li> <li>Numbers supported onto Apprenticeships</li> <li>Numbers supported into volunteering opportunities</li> </ul>	April 2018- March 2021	Deborah Moonasar (Skills and Business Engagement Manager)
<b>Men and Women</b>	No	Referral Management System will monitor the take up, quality and type of provision and success in meeting the needs of this group of residents	<ul style="list-style-type: none"> <li>Numbers of residents accessing services</li> <li>Numbers supported into employment</li> <li>Numbers gaining accredited skills</li> <li>Numbers supported into non-accredited training</li> <li>Numbers supported into work experience</li> <li>Numbers supported onto</li> </ul>	April 2018- March 2021	Deborah Moonasar (Skills and Business Engagement Manager)

Protected characteristic	Identified negative impact	Action taken to mitigate impact*	Outcomes and monitoring**	Timescale	Lead officer
			Apprenticeships <ul style="list-style-type: none"> <li>Numbers supported into volunteering opportunities</li> </ul>		
<b>Minority ethnic groups and nationalities</b>	No	Referral Management System will monitor the take up, quality and type of provision and success in meeting the needs of this group of residents	<ul style="list-style-type: none"> <li>Numbers of residents accessing services</li> <li>Numbers supported into employment</li> <li>Numbers gaining accredited skills</li> <li>Numbers supported into non-accredited training</li> <li>Numbers supported into work experience</li> <li>Numbers supported onto Apprenticeships</li> <li>Numbers supported into volunteering opportunities</li> </ul>	April 2018- March 2021	Deborah Moonasar (Skills and Business Engagement Manager)
<b>Those who are pregnant and those who are undertaking maternity or paternity leave</b>	No	Referral Management System will monitor the take up, quality and type of provision and success in meeting the needs of this group of	<ul style="list-style-type: none"> <li>Numbers of residents accessing services</li> <li>Numbers supported into employment</li> <li>Numbers gaining accredited skills</li> <li>Numbers supported into non-accredited training</li> <li>Numbers supported into work experience</li> </ul>	April 2018- March 2021	Deborah Moonasar (Skills and Business Engagement Manager)

Protected characteristic	Identified negative impact	Action taken to mitigate impact*	Outcomes and monitoring**	Timescale	Lead officer
		residents	<ul style="list-style-type: none"> <li>Numbers supported onto Apprenticeships</li> <li>Numbers supported into volunteering opportunities</li> </ul>		
<b>Those who are from low income or financially excluded backgrounds</b>	No	Referral Management System will monitor the take up, quality and type of provision and success in meeting the needs of this group of residents	<ul style="list-style-type: none"> <li>Numbers of residents accessing services</li> <li>Numbers supported into employment</li> <li>Numbers gaining accredited skills</li> <li>Numbers supported into non-accredited training</li> <li>Numbers supported into work experience</li> <li>Numbers supported onto Apprenticeships</li> <li>Numbers supported into volunteering opportunities</li> </ul>	April 2018- March 2021	Deborah Moonasar (Skills and Business Engagement Manager)

## Review

- This Equalities Impact Assessment will be reviewed annually. The next review will be carried out by 30<sup>th</sup> April 2019.
- The review will reflect quantitative data accessed from the Referral Management System in relation to the outcomes achieved by the groups identified within this Equalities Impact Assessment. The Referral Management System will collect and collate data on residents generically and will be able to provide comparative reports on the benefits delivered to residents with “Protected Characteristics”. Data will be anonymised and handled in accordance with the General Data Protection Regulations (GPDR) to be implemented from May 2018.

- The review will also capture feedback from residents who have accessed employment and skills provision. This data will be compiled throughout the year and capture information on the quality, suitability and appropriateness of provision to meet their needs.



## CABINET

11 APRIL 2018

**Subject Heading:**

Quarter 3 Corporate Performance Report (2017/18)

**Cabinet Member:**

Councillor Clarence Barrett

**SLT Lead:**

Jane West, Chief Operating Officer

**Report Author and contact details:**

Pippa Brent-Isherwood, Assistant Director of Policy, Performance and Community  
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 01708 431950

**Policy context:**

The report sets out Quarter 3 performance against each of the strategic goals set out in the Corporate Plan

**Financial summary:**

There are no direct financial implications arising from this report. However adverse performance against some corporate performance indicators may have financial implications for the Council.

All service directorates are required to achieve their performance targets within approved budgets. The Senior Leadership Team (SLT) is actively monitoring and managing resources to remain within budgets, although several service areas continue to experience financial pressure from demand led services.

**Is this a Key Decision?**

No

**Is this a Strategic Decision?**

No

**When should this matter be reviewed?**

The Corporate Performance Report will be brought to Cabinet at the end of each quarter, with an annual report brought at the end of Quarter 4.

**Reviewing OSC:**

The six overview and scrutiny sub-committees (Children and Learning, Crime and Disorder, Environment, Health, Individuals, Towns and Communities) have each selected a basket of indicators that they will track performance against throughout the year. Progress against these indicators will be reported to the Overview and Scrutiny Board on a quarterly basis. Many of these will either duplicate or be “feeder” indicators for the PIs featured in the Corporate Performance Report.

**The subject matter of this report deals with the following Council Objectives**

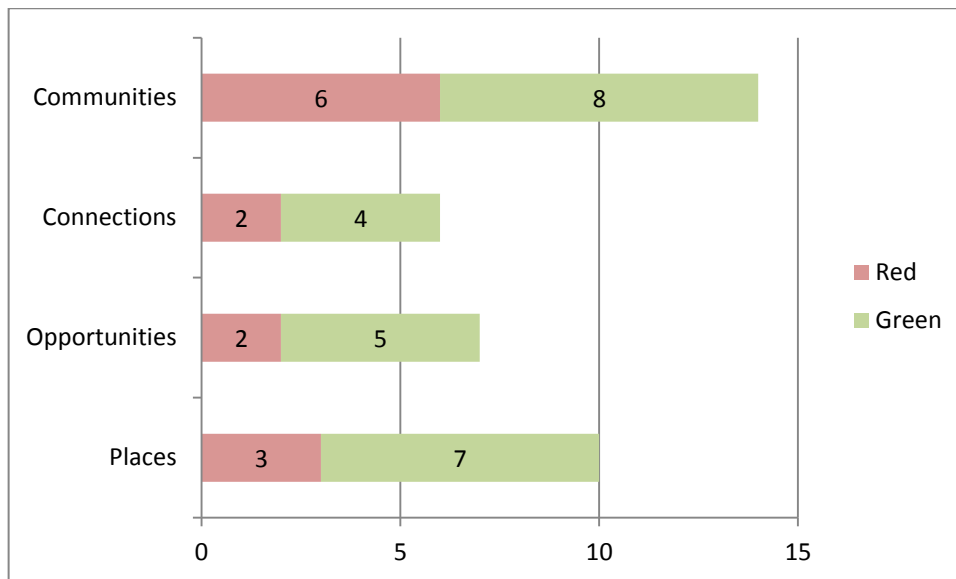
Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

## **SUMMARY**

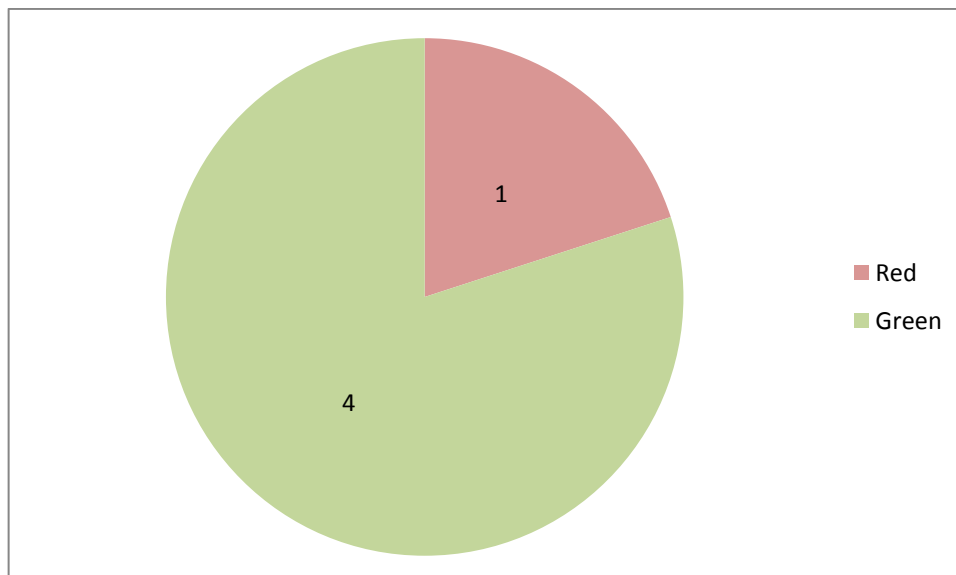
1. The Corporate Performance Report provides an overview of the Council's performance against each of the strategic goals. The report highlights areas of strong performance and potential areas for improvement.
2. The report identifies where the Council is performing well (**Green**) and not so well (**Red**). The definitions applied to the report are as follows:
  - **Red** = outside of the quarterly target, or 'off track'
  - **Green** = on or better than the quarterly target, or 'on track'
3. Where performance is rated as '**Red**', '**Corrective Action**' is included in the report. This highlights what action the Council will take to improve performance.
4. Also included in the report are Direction of Travel (DoT) columns, which compare:
  - Short-term performance – with the previous quarter (Quarter 2 2017/18)
  - Long-term performance – with the same time the previous year (Quarter 3 2016/17)

5. A green arrow (↑) means performance is better and a red arrow (↓) means performance is worse. An amber arrow (→) means that performance has remained the same.
6. For Quarter 3, a **Red** or **Green** status has been provided for 37 of the 47 Corporate Performance Indicators and five of the 18 perception / engagement indicators.

**Quarter 3 Summary – Corporate Performance Indicators**



**Quarter 3 Summary – Perception / Engagement Indicators**



7. In summary, of those PIs classified as either on track or off track:
  - **24** (65%) of the Corporate Performance Indicators have a **Green** (on track) status
  - **13** (35%) of the Corporate Performance Indicators have a **Red** (off track) status

- **4** (80%) of the reported perception / engagement indicators have a **Green** (on track) status
- **1** (20%) of the reported perception / engagement indicators has a **Red** (off track) status

This is a decline in performance on the position at the end of Quarter 2 (when 71% of performance indicators were rated **Green** and 29% were rated as **Red**) but an improvement since Quarter 2 in terms of the perception / engagement indicators (from 75% being rated **Green** and 25% being rated **Red**).

8. The current levels of performance need to be interpreted in the context of increasing demand on services across the Council. Also attached to the report (as **Appendix 2**) is a Demand Pressures Dashboard that illustrates the growing demands on Council services and the context that the performance levels set out in this report have been achieved within.

## RECOMMENDATIONS

That the Cabinet:

1. **Reviews** the performance set out in **Appendix 1** and the corrective action that is being taken.
2. **Notes** the content of the Demand Pressures Dashboard attached as **Appendix 2**.

## REPORT DETAIL

### COMMUNITIES MAKING HAVERING

1. The Council's progress in delivering this theme of the Corporate Plan has been broadly positive, with performance against 57% (8 of 14) indicators being rated Green or "On Track".
  - 1.1 **Highlights:**
    - (PI 7) Pupil progress in eight subjects from the end of primary to the end of secondary school (the "Progress 8" score) improved on last year, resulting in Havering's ranking improving 42 places to 72 out of 152.
    - (PI 8) The proportion of looked after children who cease to be looked after as a result of permanency continues to improve and was above target at the end of Quarter 3. Up until the end of December, 24 children had been granted either an Adoption or Special Guardianship Order, which is significantly improved on last year's outturn.
    - (PI 17) Take-up of self-directed support (SDS) within Adult Social Care is above target and improved on both the previous quarter and the same time last year. As at the end of December 2017, 1,766 service users receiving their care

through SDS, representing 87.7% of service users. At the same time the previous year, there were 1,775 recipients of self-directed support, representing 85.1% of the client base.

**1.2 Improvements required:**

- (PI 1) Indicative figures suggest that rates of reoffending for those completing alcohol treatment referrals and drug rehabilitation requirements are significantly higher than target. Many offenders have complex needs relating to issues such as substance misuse, mental health and housing issues. The Council's commissioned drug and alcohol support services provider is drafting a joint working protocol with Mental Health and Children's Services to reduce offenders' propensity to re-offend. The Community Rehabilitation Company (CRC) has also employed a specific Interventions Manager to improve communications with partner agencies so that risks of re-offending can be identified and addressed at an earlier stage.
- (PI 13) The percentage of care leavers in education, employment or training is significantly below target. However it should be noted that the local target was set to be deliberately stretching. Havering performs well against this measure compared with other London boroughs, ranking 7<sup>th</sup> out of 33 in a peer benchmarking exercise carried out in September 2017. There is an ongoing focus on the outcomes of care leavers through the Face to Face Pathways Innovation Programme. A job club officially started on 22 February at The Cocoon following a successful funding bid to the DWP. An application has also been made to the DWP Community Budget to enable a programme to be delivered aimed at supporting young people to attain employment and/or embark on further education.

**CONNECTIONS MAKING HAVERING**

2. The Council's progress in delivering this theme of the Corporate Plan has been positive, with performance against 67% (4 of 6) indicators being rated Green or "On Track".

**2.1 Highlights:**

- (PI 21) There has been a further reduction in avoidable contact for Customer Services during this quarter. Performance against this indicator is now firmly below target (where lower is better), at 18.28% against a target of 25%. This means there are fewer customers seeking clarification of correspondence, chasing visits (e.g. repairs or missed waste) or the status of applications / correspondence submitted.

**2.2 Improvements required:**

- (PI 22) The programme at Beam Park Station has slipped due to a gas pipeline intruding into the platform area and delays in partners signing off the design of the station. Following a high level meeting with the GLA, the slippage due to the pipeline and subsequent redesign work has now been resolved. The GLA is now taking full project responsibility, post GRIP 3 (design stage) through to completion. Officers will continue to liaise with the GLA and other partners to ensure this integral part of the Beam Park development is delivered on time.

## **OPPORTUNITIES MAKING HAVERING**

3. The Council's progress in delivering this theme of the Corporate Plan has been positive, with performance against 71% (5 of 7) indicators being rated Green or "On Track".

### **3.1 Highlights:**

- (PI 28) The number of investment enquiries converted into a new business or expansion has exceeded the annual target. During Quarter 3, six businesses relocated within the borough (safeguarding jobs and retaining business rates) and 47 new businesses moved into Havering.
- (PI 33) At the time of writing, the planning application for the proposed new Hornchurch Sports Centre is to be considered by the Planning Committee on 5 April 2018. Tenders for the construction have been received and awarded, subject to planning permission being granted. Construction is due to commence in May 2018.

### **3.2 Improvements required:**

- (PI 35) The number of businesses expressing an interest in relocating to the Borough which have a turnover of £10m+ or international recognition is considerably below target. This is a new indicator and the target set was overly ambitious particularly in light of the increase of permitted development activity in the borough. The Economic Development Strategy and Master Planning for Romford Town Centre will seek to address the current retraction in commercial development to create a balanced environment going forward. An inward investment magazine and campaign have also been launched to an audience of industry leaders from various development, planning and architecture organisations at an event in central London.

## **PLACES MAKING HAVERING**

4. The Council's progress in delivering this theme of the Corporate Plan is also strong, with performance against 70% (7 of 10) indicators being rated Green or "On Track".

### **4.1 Highlights:**

- (PI 41) The number of anti-social behaviour (ASB) offences committed during the first nine months of the financial year is 12% below the profiled target and 13% below the number that had been committed at the same point last year. A reduction of 623 calls against last year represents good progress towards achieving the year end target of fewer than 6,100 incidents.
- (PI 43) The proportion of adult safeguarding cases in which the adult's desired outcomes were expressed and either fully or partially met (at 96.2%) is above target and improved on both the previous quarter and the same time last year.

### **4.2 Improvements required:**

- (PI 38) The level of waste per head of population presented to the East London Waste Authority (ELWA) is above target and higher than during Quarter 2. If tonnages continue at this level during Quarter 4, we will outturn slightly above target, however tonnages are projected to decrease through the winter months

as the amount of garden waste reduces. The Waste team continues to deliver various waste prevention campaigns and the Council is reviewing operations in Highways and Grounds Maintenance in order to reduce waste. Along with the ELWA, the Council is also considering strengthening policies targeting potential commercial waste entering the domestic waste stream at the household recycling centre.

- (PI 39) The number of burglary offences committed remains above target and is higher than last quarter. Residential burglary has increased by 37% compared to the same period last year despite pre-planned targeted operations in the run up to Christmas to disrupt offenders. Delivery of Safe Zones will continue to increase awareness of crime prevention in areas which have historically experienced burglary and the police will continue to raise awareness of simple, proven and cost-effective products to deter burglars.
- (PI 40) The number of non-domestic violence with injury offences committed is slightly above target, at 1,002 to the end of Quarter 3, against a target of 996. Havering has seen a 2.8% increase in this crime type, whilst London as a whole has seen a 3.2% increase. In December 2017, two multi-agency nights of action were held in Romford and Hornchurch which involved licensing inspections, swabbing of premises for drugs, and stops and searches of individuals, which resulted in several arrests. Feedback from licenced premises and door staff was very positive, and further operations are planned for the coming months.

## **PERCEPTION / ENGAGEMENT INDICATORS**

### **5.1 Highlights:**

67% of families supported by the Early Help service between January and December 2017 showed continued overall progress following their initial assessment, against a target of 50%.

### **5.2 Improvements required:**

The percentage of respondents to the Police Public Attitudes Survey who are worried about crime in the area has improved compared with the previous quarter and previous year, but is slightly above target, at 29% against a target of 28%. The Community Safety Communications Plan continues to be delivered to help reassure residents that Havering remains a relatively safe borough in which to live and work. Findings from the survey will inform the development of the communications plan for the year ahead.

6. The full Corporate Performance Report is attached as **Appendix 1**.

<b>REASONS AND OPTIONS</b>
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**Reasons for the decision:** To provide Cabinet Members with an update on the Council's performance against each of the strategic goals set out in the Corporate Plan

**Other options considered:** N/A

<b>IMPLICATIONS AND RISKS</b>
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**Financial implications and risks:**

There are no direct financial implications arising from this report. However adverse performance against some Corporate Performance Indicators may have financial implications for the Council.

All service directorates are required to achieve their performance targets within approved budgets. The Senior Leadership Team (SLT) is actively monitoring and managing resources to remain within budgets, although several service areas continue to experience significant financial pressures in relation to a number of demand led services such as Housing and Children's and Adults' Social Care. SLT officers are focused upon controlling expenditure within approved directorate budgets and within the total General Fund budget through delivery of savings plans and mitigation plans to address new pressures that are arising within the year.

Further information on the financial performance of the Council has been reported as part of the Medium Term Financial Strategy (MTFS) report to the Cabinet in February.

**Human Resources implications and risks:**

There are not any implications arising directly from this report that impact on the Council's workforce.

**Legal implications and risks:**

Whilst reporting on performance is not a statutory requirement, it is considered best practice to review the Council's progress against the Corporate Plan and Service Plans on a regular basis.

**Equalities implications and risks:**

The following Corporate Performance Indicators currently rated as "Red" could potentially have equality and social inclusion implications for a number of different social groups if performance does not improve:

- (PI 1) Rates of reoffending for those individual offenders completing drug and alcohol treatment referrals (measured through a follow-up 6 months after completion)
- (PI 4) Percentage of looked after children who are in long term foster placements (lasting 18 months +)
- (PI 5) School readiness - % of children achieving a good or better level of development at age 5 (EYFSP)
- (PI 6) % of children in good or outstanding schools
- (PI 10) Carers receiving a needs assessment or review and a specific carer's service, or advice and information
- (PI 13) Percentage of care leavers in both education, employment or training and suitable accommodation

**Cabinet, 11 April 2018**

- (PI 39) Number of burglary offences
- (PI 40) The number of non-domestic violence with injury offences

The commentary for each indicator provides further detail on steps that will be taken to improve performance and mitigate these potential inequalities.

**BACKGROUND PAPERS**

The Corporate Plan 2017/18 is available on the Council's website at:

[https://www.havering.gov.uk/downloads/download/575/corporate\\_and\\_service\\_plans](https://www.havering.gov.uk/downloads/download/575/corporate_and_service_plans)

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RAG Rating		Direction of Travel (DOT)	
GREEN	On or better than target On track	↑	<b>Short Term:</b> Performance is better than the previous quarter <b>Long Term:</b> Performance is better than at the same point last year
		→	<b>Short Term:</b> Performance is the same as the previous quarter <b>Long Term:</b> Performance is the same as at the same point last year
RED	Worse than target Off track	↓	<b>Short Term:</b> Performance is worse than the previous quarter <b>Long Term:</b> Performance is worse than at the same point last year

Description	
Outturns reported cumulatively	(C)
Outturns reported as a snapshot	(S)
Outturns reported as a rolling year	(R)

Line.no	Indicator and Description	Value	2017/18 Annual Target	2017/18 Q3 Target	2017/18 Q3 Performance	Short Term DOT against Q2 2017/18	Long Term DOT against Q3 2016/17	Comments	Service & Supporting Service
<b>Communities: Healthy and Active Lives</b>									
1	Rates of reoffending for those individual offenders completing drug and alcohol treatment referrals (measured through a follow-up 6 months after completion)	Smaller is better	14% (Alcohol) 38% (Drugs)	14% (Alcohol) 38% (Drugs)	39% (Alcohol) 45% (Drugs) RED	-	NEW	Following Q3, the rate of those reoffending following completion of an Alcohol Treatment Requirement is at 39%, significantly higher than our target of 14%. The re-offending rate for those completing Drug Rehabilitation Requirements has seen a rate of re-offending at 45% compared to our target of 38%.  <b>Corrective Action:</b> Many offenders have complex needs, e.g. relating to substance misuse, mental health, housing and homelessness issues. The Council's commissioned drug and alcohol support services provider (the Westminster Drugs Project) is drafting a joint working protocol with mental health and children's services in order to help offenders develop more effective coping strategies and so reduce their propensity to use drugs and re-offend. Work is also taking place to strengthen the relationship with the National Probation Service and the Community Rehabilitation Company, both of which have struggled to attend meetings recently due to restructuring and other priorities within their own organisations. The CRC has now employed a specific Interventions Manager to improve communications with partner agencies so that risks of re-offending can be identified and addressed at an earlier stage.	<b>Policy, Performance &amp; Community</b> • Public Health
2	The number of people who die from preventable causes like deprivation, accidents, and air quality – but not related to clinical care, per 100,000 population (R)	Smaller is better	Better than England (Annual 3-year rolling period)	Better than England (Annual 3-year rolling period)	164 per 100,000 population (2014-2016) GREEN	-	N/A	The latest available data relates to the period 2014 - 2016. For this period, Havering's mortality rate from preventable causes (164/100,000) was not significantly different from the London average (169/100,000) but was significantly lower than the England average (183/100,000).  Although the 2014-2016 rate for Havering appears higher than the previous period (2013-2015), the difference is not statistically significant.	<b>Public Health</b> • Environment • Adult Services • Children's Services
3	% of people (aged 65 and over) who were still at home 91 days after discharge from hospital into reablement / rehabilitation services	Bigger is better	87%	N/A	N/A	-	N/A	This indicator is not measured until Q4	<b>Adult Services</b>
<b>Communities: A good start for every child to reach their full potential</b>									
4	% of LAC who are in long term foster placements (18 months+)	Bigger is better	65%	65%	61.5% RED	↓	64.4%	There are currently 88/143 Looked After Children who have been in their placement for at least 18 months. However there are a number of LAC who have been in their placements for just short of 18 months so we should see improvements in the upcoming months.  <b>Corrective Action:</b> There is a service wide focus on looked after children being cared for in a suitable and long term family environment. In the first instance consideration is given to adoption and Special Guardianship Orders, however long term fostering is in the best interests of many LAC. The number of LAC achieving permanency through an SGO has increased this year and it is likely that the other consideration for these children would have been long term fostering. If we combine the % of LAC in long term fostering with the % granted an SGO or adoption we can see that over 80% of our LAC are achieving permanency through some means. This focus on permanency will continue.	<b>Children's Services</b>

Line.no	Indicator and Description	Value	2017/18 Annual Target	2017/18 Q3 Target	2017/18 Q3 Performance	Short Term DOT against Q2 2017/18		Long Term DOT against Q3 2016/17		Comments	Service & Supporting Service
5	School readiness - % of children achieving a good or better level of development at age 5 (EYFSP)	Bigger is better	73%	73%	72% (2016-17) RED	-	N/A	↑	71% (15/16 Results)	<p>The proportion of children achieving a Good or better level of development at age 5 improved again this year and remains above national levels (with Havering ranked 52nd out of 152 local authorities), but did not quite reach the local target.</p> <p><b>Corrective Action:</b> The LA has applied to the Strategic School Improvement Fund (SSIF) to help improve pupil judgements. From the first round of funding, a bid for a joint venture with Redden Court and Royal Liberty was successful. The second round of applications for funding shut at the end of October, in which a joint venture with Broadford and Mead proposed a programme to raise the number of pupils achieving higher attainment levels at the foundation stage. This funding bid was successful</p>	<b>Learning &amp; Achievement</b> • Children's Services
6	% of children in good or outstanding schools	Bigger is better	83%	83%	81% RED	↓	84%	↑	80%	<p>The percentage of children in good or outstanding schools has decreased during Q3 from 84% to 81% and is now just below target.</p> <p>There were three inspections during the last quarter. One school retained its previous judgement, one came out of special measures and one school fell from a Good rating to Requires Improvement.</p> <p><b>Corrective Action:</b> Havering schools had been under inspected up to the end of Quarter 3, with only six inspections taking place to date compared with 12 to 15 for the same period in previous years. There have been 11 inspections in Quarter 4, the outcomes of five of which are yet to be reported publicly. If initial judgements remain, we should see an improvement in performance of one percentage point by year end.</p>	<b>Learning &amp; Achievement</b> • Children's Services
7	Pupil progress in 8 subjects, from the end of primary school to the end of secondary school ("Progress 8" score)	Bigger is better	-0.1	N/A	-0.04 (2016/17) GREEN	→	-0.04	↑	-0.14 (15/16 Results)	The Progress 8 score improved upon last year's result to be in line with the state-funded national average (-0.03), resulting in Havering's national rank improving 42 places to 72 of 152.	<b>Learning &amp; Achievement</b> • Children's Services
8	% of looked after children who ceased to be looked after as a result of permanency (Adoption and Special Guardianship Order)	Bigger is better	20%	20%	26.7% GREEN	↑	21.3%	↑	15.9%	So far this period 2017/18 we have seen 24 children cease to be looked after due to the granting of an adoption order or a special guardianship order, which gives us a year to date outturn of 26.7%. This is a great improvement on our 16/17 outturn of 14.7%, and comfortably above our 17/18 target of 20%.	<b>Children's Services</b>
9	% of parents receiving an offer of their first choice school	Bigger is better	85% primary 80% secondary	N/A	N/A	-	NEW	-	NEW	Data is available on an annual basis and will be available in the Q4 report	<b>Learning &amp; Achievement</b> • Children's Services
Communities: Families and communities look after themselves and each other											
10	Carers receiving a needs assessment or review and a specific carer's service, or advice and information	Bigger is better	620	440.8	203.9 RED	↓	140		335	<p>To date 402 carers have been assessed. At the same stage last year there had been 680.</p> <p><b>Corrective Action:</b> Work is currently ongoing to identify where carers have been involved in an assessment in order to data cleanse. Significant improvements are expected in Q4.</p>	<b>Adult Services</b>
11	Number of volunteers supporting Council services	Bigger is better	1,135	1,090	1,172 GREEN	↓	1,226	-	NEW	Performance is very strong and the year end target was exceeded in Quarter 2. Performance has decreased as the end of Quarter 3 but has still surpassed the end of year target. The strong performance can particularly be attributed to the success of volunteering initiatives within Housing Services. The largest drop in volunteers for this quarter was in Library Services. This is due to seasonal variance as students who were available during the summer period to support the Summer Events Programme have now returned to college and university etc. Libraries have also experienced success in volunteers securing paid employment.	<b>Policy, Performance and Community</b> • Culture and Customer Access • Housing • Children's Services • Environment
12	Placeholder: Reported outcomes for residents delivered by the community and voluntary sector	Bigger is better	TBC (Annual)	N/A	N/A	-	N/A	-	N/A	This indicator is currently in development by the Joint Commissioning Unit and will be co-produced with newly commissioned providers. The start of the new contracts has been delayed from September to February, hence the delay in confirming the target and outturns associated with this indicator.	<b>Adult Services</b> • JCU
Communities: Supporting vulnerable residents in our communities											

Line.no	Indicator and Description	Value	2017/18 Annual Target	2017/18 Q3 Target	2017/18 Q3 Performance	Short Term DOT against Q2 2017/18		Long Term DOT against Q3 2016/17		Comments	Service & Supporting Service
13	% of care leavers in both education, employment or training and suitable accommodation	Bigger is better	75%	75%	55.5% RED	↑	55.2%	↑	55.2%	<p>There are currently 81/146 Care Leavers that are in both education, employment or training with suitable accommodation. Prospects is commissioned to work with schools to identify those at risk of not participating and provide early intervention to reduce NEET levels locally. Care leavers are specifically targeted for support. It is also important to note that, whilst current performance against this indicator is disappointing to the Council, the local target was set to be deliberately stretching. Havering performs well against this measure compared with other London boroughs, ranking 7th out of 33 in a peer benchmarking exercise carried out in September 2017.</p> <p><b>Corrective Action:</b> There is an ongoing focus on the outcomes of care leavers through the Face to Face Pathways Innovation Programme. Most recently, an application has been made to the DWP Community Budget to enable us to deliver a programme aimed at supporting young people to attain employment and/or embark on further education. If successful, the programme will be launched in four phases and will focus on functional skills qualifications, becoming 'work-ready' and stepping into employment. In addition to this, the Council has been awarded funding from the DWP to set up a Job Club at The Cocoon. The Job Club will officially start on 22/02/18 and will operate on a fortnightly basis. To start with, the Job Club will be comprised of drop-in sessions that provide practical support and help to unemployed young people in care and care leavers aged 16 – 24. We will also bring in employers, agencies and service providers to contribute their expertise, skills and training to the Job Club during events and workshops. The % of care leavers in suitable accommodation remains above the 95% target. Consideration is being given to ensuring that the categorising of the accommodation as 'suitable' takes into account the young person's view as well as that of the professionals involved.</p>	<b>Children's Services</b> • Policy, Performance and Community
14	The proportion of repeat victims of domestic abuse (C)	Smaller is better	27%	27%	25.2% GREEN	↑	25.8%	↑	29.5%	The reduction against last year can be largely attributed to a repeat rate of 6.2% in July 2017 against an otherwise regular level of demand. This in turn has lowered the average rate to 25.2%, which sets Havering on course to achieve the annual target of an average rate lower than 27%.	<b>Policy, Performance and Community</b> • Adult Services • Children's Services
15	Number of families assisted in finding their own housing solution/prevented from becoming homeless per month	Bigger is better	40%	40%	60% GREEN	↓	69.4%	-	NEW	An increase in prevention activity means that families can remain in their accommodation or move into alternative accommodation before they become homeless. Therefore, the need for temporary accommodation which can be costly and unsuitable is reduced.	<b>Housing</b>
16	Rate of permanent admissions to residential and nursing care homes per 100,000 population (aged 65+)	Smaller is better	660	480	356.8 GREEN	↓	209.8	↑	538.6	At the end of quarter 3, there had been 165 older people newly admitted into long term residential or nursing care. At the same stage last year there had been 247. As with previous quarters the majority of new admissions are over the age of 85.	<b>Adult Services</b>
17	Number of adults and older people who can choose how their support is provided to meet agreed health and social care outcomes in the year (self-directed support)	Bigger is better	86%	86%	87.7% GREEN	↑	86.5%	↑	85.1%	There has been an increase in the percentage of people who receive their care via self directed support from Quarter 2 to Quarter 3. There has also been an increase in the percentage of people who receive this service from December 2016 to December 2017. As at December 2017 there were 1,766 people receiving their service through self-directed support.	<b>Adult Services</b>
18	The number of instances where an adult patient is ready leave hospital for home or move to a less acute stage of care but is prevented from doing so, per 100,000 population (delayed transfers of care)	Smaller is better	TBC	TBC	5.92	↑	6.3	-	N/A	There is no target for this indicator as the definition was not approved until well into 17/18. There is also no long term direction of travel as the measurement of this indicator changed from 16/17 to 17/18. To date in 17/18 there has been an average of 11.69 days delayed. This is an improvement on Q2, when there was an average of 12.4. Data for this indicator is likely to change for the positive due to resubmissions of Non Acute data.	<b>Adult Services</b>
19	Placeholder: Residents reporting good outcomes from their community service (home care service)	Bigger is better	TBC	TBC	N/A	-	NEW	-	NEW	This indicator is currently in development by the Joint Commissioning Unit. The service has collected initial data, which appears largely positive, but is awaiting independent verification of these results from Healthwatch before reporting this.	<b>Adult Services</b> • JCU

Connections: A digitally enabled borough

Line.no	Indicator and Description	Value	2017/18 Annual Target	2017/18 Q3 Target	2017/18 Q3 Performance	Short Term DOT against Q2 2017/18		Long Term DOT against Q3 2016/17		Comments	Service & Supporting Service
20	Improved Socitm score for the www.havering.gov.uk website	Bigger is better	3	N/A	3 GREEN	→	3	↑	2	The Council has been awarded 3 out of 4 stars in a review of its website and how it provides quick and easy 'customer journeys'. The Better Connected survey was carried out on 416 council websites by The Society of IT Managers in the Public Sector (Socitm). As well as performance in tasks, the survey looks at the quality of a website's search function and its accessibility for mobile devices and for people with disabilities. The result puts Havering in the 'providing a good service' category and recognises the improvements taking place as part of our Customer Experience Programme to improve the way we do business with our customers. A web review project was started in the wake of the web project ending to further improve the customer user experience and start the more detailed page rewrites to eliminate any customer confusion as they transacted with us. The Socitm report highlighted Adult Social Care as being in need of an improved journey and as such a dedicated working group has formed to bring Carepoint content onto the Havering website whilst overhauling the entire ASC offering on the site.	Culture and Customer Access / Transformation • OneSource (ICT)
21	Avoidable customer contact for Customer Services	Smaller is better	25%	25%	18.28% GREEN	↑	22.23%	-	NEW	Monitored monthly within a two hour sample window period, Q3 has experienced a reduction in avoidable contact being recorded by the Contact Centre. The main reasons for avoidable contact are customers seeking clarification of correspondence issued and chasing visits (e.g. repairs, missed waste ) and the status of various applications / correspondence they have submitted.  During Q3 Customer Services handled 80,633 calls. 18.28% (amounting to 14,745 calls) could be classed as unnecessary.	Culture and Customer Access / Transformation • OneSource (ICT)
Connections: Capitalising on our location and connectivity											
22	Completion of Governance for Railway Investment Projects (GRIP) stage 3 at Beam Park station by November 2017	N/A	GRIP stage 3 achieved	N/A	Off Track	→	Off Track	-	NEW	The programme has slipped for GRIP 3 completion due to gas pipeline issues and delays to design sign off by C2C. The GLA has agreed to convert additional funding required to complete the GRIP 3 process to non repayable grant subject to LBH agreeing the terms of a Deed of Variation.  <b>Corrective Action:</b> Following a high level meeting with the GLA, the slippage due to the pipeline and subsequent redesign work has now been resolved. The GLA is now taking full project responsibility, post GRIP 3 (design stage) through to completion. Officers will continue to liaise with the GLA and other partners to ensure this integral part of the Beam Park development is delivered on time.	Development
23	Delivery of public realm improvements at the borough's three Crossrail stations	N/A	Improvements delivered	N/A	Off Track	→	Off Track	-	NEW	Romford Crossrail supplementary works have now been completed. Gidea Park works are on track and progressing well. The Harold Wood scheme is not on track due to a slipped programme from a Crossrail contractor, over which Havering has no direct control.  <b>Corrective Action:</b> It has been agreed with TFL to carry forward funding to 2018/19 to achieve full spend and deliver works. Consequently the end date has now changed to accommodate the delay.	Development
Connections: Fast and accessible transport links											
24	Improve air quality in the borough by reducing the level of NO2	Smaller is better	40 µgm-3	N/A	N/A	-	NEW	-	NEW	The Air Quality Action Plan has been given approval at Cabinet, and consultation launched which ends on 18/03/18. The GLA has responded with only small amendments required and complementing it as a, 'well put together plan'.  The Council has also had conversations with the GLA regarding major investment in transport infrastructure to provide residents with better and more suitable transport choices. These will inevitably contribute to meeting this Performance Indicator resulting in lower emissions.	Environment • Development
Connections: Access to jobs and opportunities											

Line.no	Indicator and Description	Value	2017/18 Annual Target	2017/18 Q3 Target	2017/18 Q3 Performance	Short Term DOT against Q2 2017/18		Long Term DOT against Q3 2016/17		Comments	Service & Supporting Service
25	Proportion of adults in contact with secondary mental health services in paid employment	Bigger is better	7.2%	7.2%	8.7% GREEN	↓	10.9%	↑	7.8%	This indicator looks at the percentage of people subject to the 'Care Programme Approach' who are in paid employment. The number of people subject to the CPA will vary across the course of the year. There has been a drop in the number of people who are on CPA from December 2016 to December 2017 (a decrease from 604 in December 2016 to 527 in December 2017). There has also been a decrease in the number of service users with mental health needs (on CPA) who are in paid employment from 68 in September 2017 to 46 in December 2017. However as a percentage, performance has overall improved from 2016/17 and is above target	<b>Adult Services</b> • Policy, Performance and Community
26	Proportion of adults with learning disabilities in paid employment	Bigger is better	8.3%	4.3%	4.3% GREEN	-	N/A	→	4.3%	Performance for this measure is currently on target . We currently have 22 service users with a learning disability in paid employment. At the same stage last year there were also 22.	<b>Adult Services</b> • Policy, Performance and Community
<b>Opportunities: First class business opportunities</b>											
27	Number of jobs created and safeguarded through Economic Development's London Riverside Programmes	Bigger is better	10	1	0 RED	→	0	-	NEW	The PI encourages strategic growth in London Riverside by supporting CEME in increasing workspace and providing relevant support to young businesses in a prominent sector for the borough. The PI complements the corporate priority identified in the Corporate Plan as "Opportunities making Havering" by maximising opportunities for businesses in the borough.  <b>Corrective Action:</b> The target is based on a 2 year programme, which ends on 31/01/19. CEME and LBH are re-profiling the outcomes because staff changes within CEME have created a delay in achieving quarterly targets. Targets should be on track by programme end.	<b>Development</b> • Policy, Performance and Community
28	Number of investment enquiries to the Borough converted into a new business or expansion	Bigger is better	50	38	81 GREEN	↑	28	-	NEW	Performance is strong and has exceeded the year end target. There was a total of 53 new/safeguarded businesses in Q3, 6 of the businesses have relocated within the borough, safeguarding jobs and retaining business rates, and 47 new businesses moved into Havering.	<b>Development</b> • Communications
29	Total number of planning applications approved for new or extended commercial floor space, providing at least or greater than 100sq of floor space.	Bigger is better	75	N/A	N/A	-	NEW	-	NEW	This is an annual target. Data collection is underway for reporting in Q4.	<b>Development</b>
<b>Opportunities: High-quality skills and careers</b>											
30	% of 16-18 year olds who are not in education, employment or training or not known	Smaller is better	4.3%	4.3%	4.2% (Provisional) GREEN	↓	3.6%	-	NEW	The NEET and Not Known three month average was changed by the DfE to cover the December, January and February period, rather than the historical calculation which was based upon the November, December and January figures.  4.2% is an indicative figure based on the following: Final December 2017 performance was 4.2% Provisional January 2018 performance was 4.2% Resulting in the indicative Dec to Feb average of 4.2% if the figures remain the same for February  As a result of the new combined measure the methodology has changed, resulting in a slight manufactured increase compared to last outturn. Performance remains better than target	<b>Learning &amp; Achievement</b> • Policy, Performance and Community
31	Number of apprentices (aged 16-18) recruited in the borough	Bigger is better	770	N/A	N/A	-	N/A	-	N/A	2017/18 data has not yet been published by the Department for Education (DfE) on the Further Education (FE) apprenticeship data library	<b>Learning &amp; Achievement</b> • Policy, Performance and Community
32	Number of apprentices (aged 19+) recruited in the borough	Bigger is better	1330	N/A	N/A	-	N/A	-	N/A	2017/18 data has not yet been published by the Department for Education (DfE) on the Further Education (FE) apprenticeship data library	<b>Learning &amp; Achievement</b> • Policy, Performance and Community
<b>Opportunities: Dynamic development and infrastructure</b>											

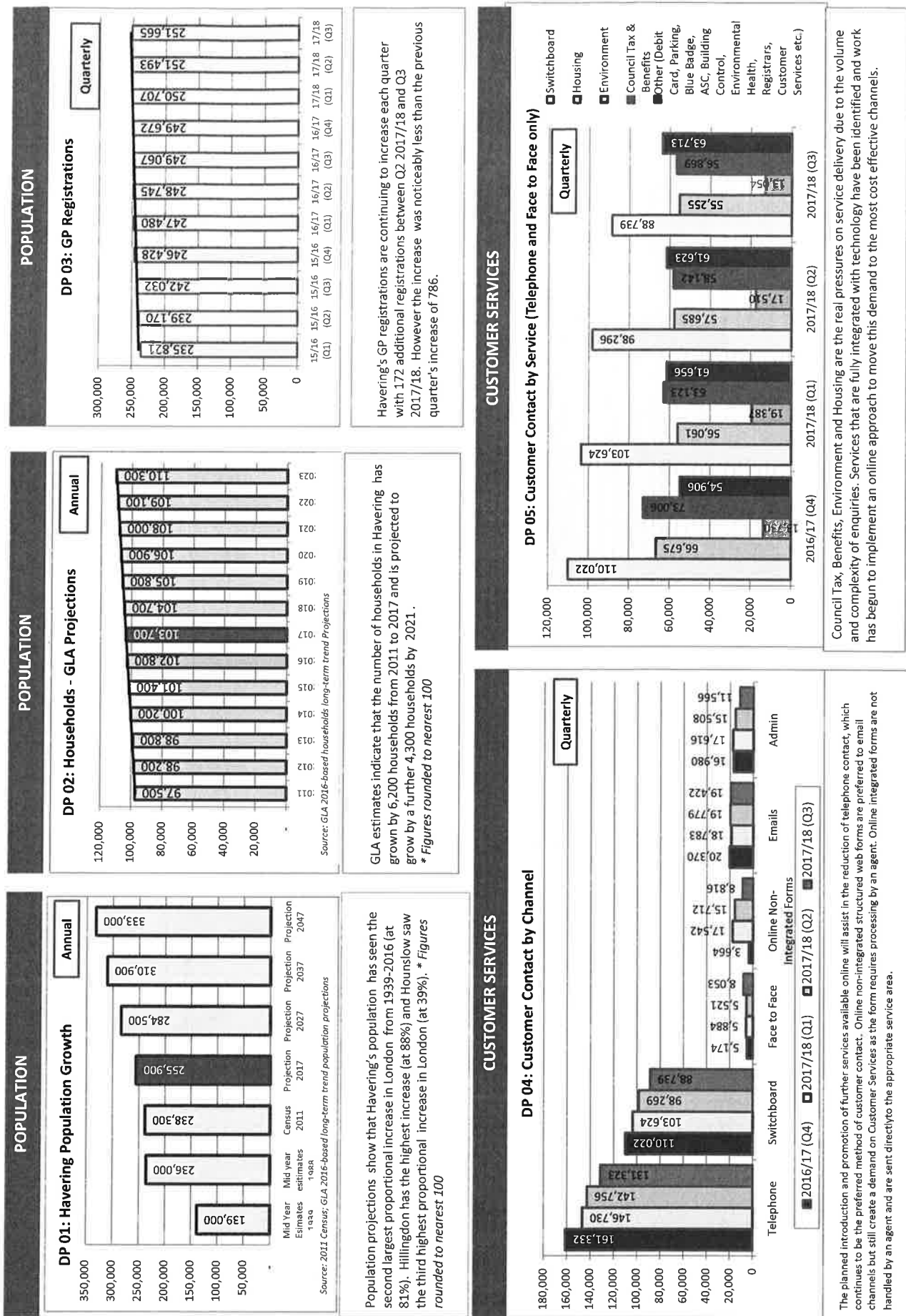
Line.no	Indicator and Description	Value	2017/18 Annual Target	2017/18 Q3 Target	2017/18 Q3 Performance	Short Term DOT against Q2 2017/18		Long Term DOT against Q3 2016/17		Comments	Service & Supporting Service
33	New Hornchurch Sports Centre planning application approved and contract given to build the new centre	N/A	Timescale achieved	N/A	On Track	↑	Off Track	-	NEW	At the time of writing, the planning application for the proposed new Hornchurch Sports Centre is due to be considered by the Planning Committee on 5 April 2018. Tenders have been received by SLM for the build, with Metnors being appointed to construct the new facility subject to planning permission being granted. Construction is due to commence in May 2018.	Culture and Customer Access
34	New Romford Leisure Centre opened by Spring 2018	N/A	Facility opened	N/A	On Track	→	On Track	-	NEW	The new Romford Leisure Centre has been named "Sapphire Ice and Leisure" to celebrate the sapphire jubilee of Queen Elizabeth II.  Sapphire Ice and Leisure achieved Practical Completion on 8 January 2018, and the building has now been 'handed over' to SLM. There are some minor works to be completed before opening to the public, plus SLM's fit out is to be completed. This includes, for example, the health and fitness kit installation. The opening date has been brought forward to 3 February 2018. SLM has sold over 1,000 new memberships for Sapphire Ice and Leisure through pre-sales	OneSource (Asset Management) • Culture and Customer Access
<b>Opportunities: A thriving local economy</b>											
35	The number of businesses expressing an interest to relocate to the Borough with a turnover of £10m+ or international recognition.	Bigger is better	150	113	20 RED	↑	11	-	NEW	Nine enquiries were received expressing an interest in the borough during Quarter 3. Three of those businesses have taken on premises in the borough. This is a new indicator and the target set was overly ambitious particularly in light of the increase of permitted development activity in the borough.  <b>Corrective Action:</b> The Economic Development Strategy and Master Planning for Romford Town Centre will seek to address the current retraction in commercial development to create a balanced environment going forward. An inward investment magazine and campaign have also been launched to an audience of industry leaders from various development, planning and architecture organisations at an event in central London.	Development • Communications
36	Proportion of businesses showing employment growth	Bigger is better	79,790 (+1% growth)	N/A	83,000 (2016) GREEN	-	N/A	↑	79,000 (2015)	This indicator measures the total employee count in Havering and is only available annually using Business Register and Employment Survey data.  The data for 2016 has now been released. However the methodology of counting employees has changed and therefore the old (2012-2015) data is not comparable. Solely PAYE based businesses are now included in the count. The new methodology has also been applied to 2015 data so it is possible to continue to set a target of 1% growth. The target has been exceeded.	Development
37	Developments approved with an obligation requiring a Skills and Training Plan	Bigger is better	100%	N/A	N/A	-	NEW	-	NEW	Data is only available on an annual basis with collection beginning once the Employment, Skills and Training Planning Advice Note, which will set out basis for when a skills and training plan is needed, has been published.	Development • Policy, Performance and Community
<b>Places: A clean, safe environment for all</b>											
38	The level of waste per head of population presented to the East London Waste Authority (ELWA)	Smaller is better	441.01 kg per head	330.75 kg per head	340.05 kg per head (provisional) RED	↓	235.65 kg per head (Provisional)	-	NEW	This PI measures the total waste delivered to the ELWA. This includes collected household waste, waste from the reuse and recycling centre and municipal waste from Highways and Parks Management activities. If tonnages continue at this level throughout the year we will outturn slightly above target, however tonnages are projected to decrease through the winter months as the amount of garden waste reduces.  <b>Corrective Action:</b> Various waste prevention campaigns focusing on home composting, reuse, and Love Food Hate Waste, particularly through the Sainsbury's funded food waste reduction activities and through the Rewards and Incentives Scheme's Food Waste Challenge, are in place to help achieve the target. We are also reviewing operations in Highways and Grounds Maintenance to reduce waste and, with the ELWA, are considering strengthening policies targeting potential commercial waste entering the domestic waste stream at the household reuse and recycling centre. Without restrictions on the amount of waste we collect through the household waste collection service, containing and reducing tonnages is very challenging and relies on attitudinal change.	Environment • Communications

Line.no	Indicator and Description	Value	2017/18 Annual Target	2017/18 Q3 Target	2017/18 Q3 Performance	Short Term DOT against Q2 2017/18		Long Term DOT against Q3 2016/17		Comments	Service & Supporting Service
39	The number of burglary offences (C)	Smaller is better	1,812	1,350	1775 RED	↓	1,070	↓	1,366	The total number of burglary offences is 30% higher than at the same point last year. When broken down into types, the residential rate has increased by 37% and the non-residential rate by 7%. This is despite pre-planned operations in the run up to Christmas to disrupt offenders.  <b>Corrective Action:</b> Delivery of Safe Zones will continue to increase awareness of crime prevention in areas which have historically experienced high levels of burglary. Future messages from the Police will also focus on raising awareness of simple proven methods, rather than using costly crime prevention products. Further engagement opportunities will also be taken to disseminate messages, as was done over the Christmas period in the pop-up safety shop in Mercury Mall.	Policy, Performance and Community
40	The number of non-domestic violence with injury offences (C)	Smaller is better	1,311	996	1,002 RED	↓	653	↓	975	The rate of non-domestic violence with injury offences has increased by 2.8%, which is slightly less than the 3.2% increase seen across London.  <b>Corrective Action:</b> Work continues with night-time economy partners to reduce crime in Romford town centre, which contributes a significant amount of non-domestic violence with injury. In December two multi-agency nights of action were held in Romford and Hornchurch. These involved licensing inspections, swabbing of premises for drugs, and stops and searches of individuals, which resulted in several arrests. Feedback from licenced premises and door staff was very positive, and further operations are planned for the coming months.	Policy, Performance and Community • Children's Services (YOS) • Culture and Customer Access (Youth Services)
41	The number of anti-social behaviour (ASB) offences (C)	Smaller is better	6,100	4,762	4,187 GREEN	↓	3,037	↑	4,810	A reduction of 623 calls against last year represents good progress towards achieving our target of fewer than 6,100 incidents at the end of Q4. Our figure for the financial year to date is 13% lower than at the same point last year, and the London-wide rate has also seen a reduction, at 9% lower than the same period last year.	Policy, Performance and Community • Children's Services (YOS) • Culture and Customer Access (Youth Services)
42	Local Plan progressed and successfully adopted in accordance with the timeframe set out in the Local Development Scheme	N/A	Timescale achieved	N/A	On Track	→	On Track	-	NEW	On 17th January 2018 Cabinet endorsed a number of material modifications to the Local Plan arising from the public consultation that took place in 2017. The Cabinet and Council have agreed to these modifications which now enables the submission of the Local Plan to the Secretary of State.	Development
43	Making Safeguarding Personal: % of cases where desired outcomes were expressed and these were either partially or fully met	Bigger is better	90%	90%	96.2% GREEN	↑	93.6%	↑	92.1%	There has been an increase in performance in this indicator when comparing Q2 to Q3. There has also been an increase in performance when comparing December 2017 to December 2016. As at quarter 3, 237 service users who had gone through the safeguarding process had expressed their desired outcomes. This compares favourably with 228 at the same stage last year.	Adult Services
Places: High-quality homes											
44	Delivery partner selected for the HRA regeneration programme by March 2018	N/A	Delivery partner selected	N/A	On Track	→	On Track	-	NEW	The procurement process for the selection of the 12 sites Joint Venture (JV) Development Partner will be concluding shortly. A Cabinet report to approve the selection of the partner is due for 17 January 2018 and formal contract award is scheduled for 10 March 2018, subject to the mandatory standstill period.	Housing
Places: Award-winning parks and open spaces											
45	% of parks supported by a "Friends" group	Bigger is better	17%	17%	17% GREEN	→	17%	-	NEW	17 out of 100 parks and green spaces continue to be supported by a Friends Group	Environment • Policy, Performance and Community
46	Number of Green Flag Awards	Bigger is better	13	13	13 GREEN	→	13	↑	11	The Green Flag Award is the benchmark national standard for publicly accessible parks and green spaces. Havering has been awarded a further two awards from last year increasing the total to 13. The parks that currently hold the award are: Harrow Lodge Park, Haynes Park, Raphael Park, Bedfords Park, Cottons Park, Harold Wood Park, Hylands Park, Lawns Park, Lodge Farm Park, St. Andrew's Park, Upminster Park, Rise Park and Central Park.	Environment • Policy, Performance and Community
Places: A vibrant cultural and leisure destination											

Line.no	Indicator and Description	Value	2017/18 Annual Target	2017/18 Q3 Target	2017/18 Q3 Performance	Short Term DOT against Q2 2017/18		Long Term DOT against Q3 2016/17		Comments	Service & Supporting Service
47	Deliver the Romford Market Transformation Support Programme for 2017/18	N/A	Transformation support programme delivered	N/A	On Track	→	On Track	-	NEW	<p>The Romford Market Transformation Support Programme is progressing. A business plan and brief is being prepared setting out the short, medium and long term objectives of the programme.</p> <p>A range of events was held in Romford Market over the Christmas period including the Kingdom of Elves, a mini fun fair and Winter Wonderland.</p>	Development
Perception / Engagement PIs											
Police Public Attitude Survey Page 150	% of respondents worried about crime in the area ®	Smaller is better	28%	28%	29% (Q1 17-18) RED	↑	33% (Q4 16-17)	↑	32% (Q1 16-17)	<p>This figure was at 32% a year ago and sat at this level until the survey covering the period up to March 2017 when it rose to 33%, before falling to 29% in the most recent survey.</p> <p><b>Corrective Action:</b> Reducing this figure relies upon disseminating the right messages to the public to attempt to overcome these fears and demonstrate that the area is relatively safe. This will form the basis of the community safety aspect of the communications plan for the year ahead</p>	Policy, Performance and Community
	% of respondents worried about ASB in the area (R)	Smaller is better	15%	15%	15% (Q1 17-18) GREEN	→	15% (Q4 16-17)	↓	14% (Q1 16-17)	<p>This figure has fluctuated between 14% and 15% for Havering over the last five periods data is available for, which covers back to July 2015. The London wide figure was at 20% a year ago and is currently at 23%</p> <p>Reducing this figure relies upon disseminating the right messages to the public to attempt to overcome these fears and attempt to demonstrate that the area is relatively safe and this will form the basis of the community safety aspect of the communications plan for the year ahead.</p> <p>The Strategic Assessment highlighted a discrepancy between local and national reporting rates; which shows that although concerns about ASB are higher in Havering than the national average, the rate of incidents reported is lower than average. This suggests that the level of worry is based on a wider perception rather than just issues which residents have actually experienced and reported to police. As shown above, there has been a significant improvement on last year's reported level of ASB.</p>	Policy, Performance and Community
LGA / Populus Survey	Satisfaction with the way Havering Council runs things	Bigger is better	65%	N/A	N/A	-	N/A	-	61% (2016)	Performance against this PI is measured biennially. The last survey was completed in 2016. The next survey is scheduled to be carried out in 2018.	Communications
	Satisfaction with Havering as a place to live	Bigger is better	88%	N/A	N/A	-	N/A	-	88% (2016)		Communications
	Strength of belonging to the local area	Bigger is better	80%	N/A	N/A	-	N/A	-	79% (2016)		Communications
	Trust in Havering council	Bigger is better	70%	N/A	N/A	-	N/A	-	70% (2016)		Communications
Housing Status Survey	Satisfaction with the service provided by LBH Housing Services	Bigger is better	85%	N/A	N/A	-	N/A	-	N/A	The 2017/18 survey has been sent to residents and the responses are being collated and analysed. Results are expected to be available next quarter. No survey was completed in 2016/17. The outturns for 2015/16 were 85% and 73% respectively	Housing
	Satisfaction that LBH Housing Services listens to tenants' views and acts upon them	Bigger is better	75%	N/A	N/A	-	N/A	-	N/A		Housing
Adult Social Care Survey	% of respondents reporting control over their daily life?	Bigger is better	71%	N/A	N/A	-	N/A	-	75.5% (Annual 16-17)	The Adult Social Care Survey is completed annually. The 2017/18 survey was distributed in January 2018 and provisional results should be available for Q4 17/18	Adult Services
	Overall satisfaction with the care and support services received	Bigger is better	61%	N/A	N/A	-	N/A	-	62.4% (Annual 16-17)		Adult Services
	% of respondents reporting feeling safe	Bigger is better	68%	N/A	N/A	-	N/A	-	69% (Annual 16-17)		Adult Services

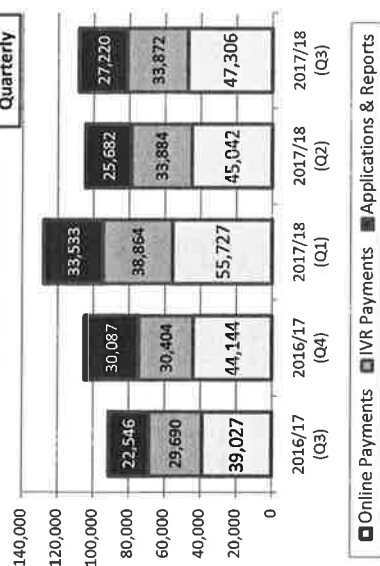
Line.no	Indicator and Description	Value	2017/18 Annual Target	2017/18 Q3 Target	2017/18 Q3 Performance	Short Term DOT against Q2 2017/18		Long Term DOT against Q3 2016/17		Comments	Service & Supporting Service
Carers Survey	Overall carers' satisfaction with the support or services carers and service users have received from Social Services in the last 12 months	Bigger is better	35%	N/A	N/A	-	N/A	-	34.2% (Annual 16-17)	The Carers Survey is completed biennially. The last survey was completed last year, and is therefore not scheduled to be completed again until 2018/19.	Adult Services
	% carers reporting that, over the last 12 months, they have been involved or consulted as much as they wanted to be, in discussions about the support or services provided to the person they care for	Bigger is better	66%	N/A	N/A	-	N/A	-	71.4% (Annual 16-17)		Adult Services
	% carers reporting that, over the last 12 months, they have found it easy to find information and advice about support, services or benefits	Bigger is better	67%	N/A	N/A	-	N/A	-	66% (Annual 16-17)		Adult Services
Early Help Service	Proportion of families who show continued overall progress after their initial assessment.	Bigger is better	50%	50%	67% (GREEN)	-	N/A	-	N/A	Performance against this indicator is measured through the Outcome Star assessments. An outturn is now available for January to December 2017 and is positive (67%).	Children's Services
Public Health Outcomes Framework	Percentage of respondents scoring 0-4 in response to the question "Overall, how happy did you feel yesterday?"	Smaller is better	Better than England	N/A	7% (2015/16) GREEN	-	N/A	↑	9.8% (2014-15)	The most recent data available from Public Health England is for the period 2015-16. Havering's outturn of 7% is better than England's (8.8%, where smaller is better) and better than the year before.	Public Health
	Percentage of respondents scoring 6-10 in response to the question "Overall, how anxious did you feel yesterday?"	Smaller is better	Better than England	N/A	18% (2015/16) GREEN	-	N/A	↑	21% (2014/15)	The most recent data available from Public Health England is for the period 2015-16. Havering's outturn of 18% is better than England (19.4%, where smaller is better) and better than the year before.	Public Health
Annual Resident Survey	Questions to cover Environment services (TBC)	N/A	TBC	N/A	N/A	-	N/A	-	N/A	The Council has plans to undertake a full residents' survey which will include questions covering Environment services. The survey is planned for early 2018/19.	Environment & Communications

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## CUSTOMER SERVICES

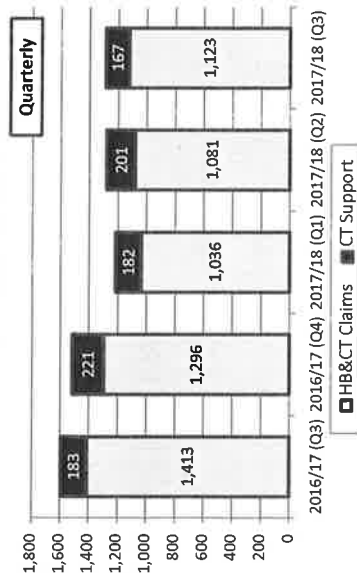
DP 06: Online Transactions



There have been an increase in online transactions compared to last quarter and the same period last year

## HOUSING BENEFIT

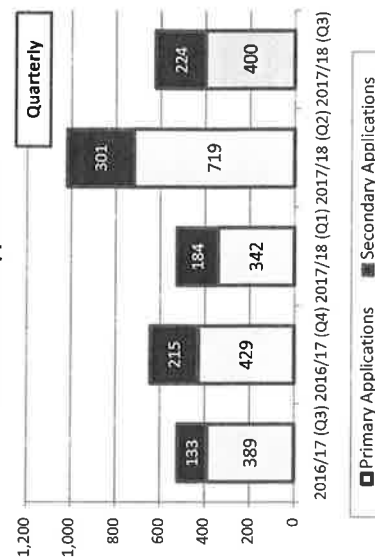
DP 07: New Housing Benefit/Council Tax Claims



The total number of new Housing Benefit and Council Tax claims has increased by 3.9% from Q2 2017/18 to Q3 2017/18. However there were 17% fewer new Council Tax Support claims in Quarter 3 than in Quarter 2. The Universal Credit (UC) rollout did not significantly affect numbers of claims given that new customers will claim UC instead of Housing Benefit and UC is administered by the DWP.

## SCHOOL APPLICATIONS

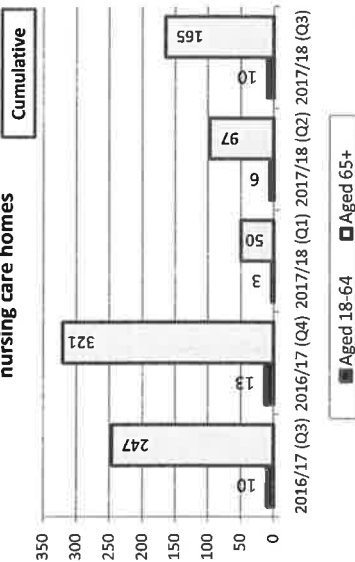
DP 08: School Applications



Compared to Q3 2016/17, the total number of applications has increased. We have experienced many applications this quarter where pupils are new to the country or moving into Havering from another part of the UK

## ADULT SOCIAL CARE

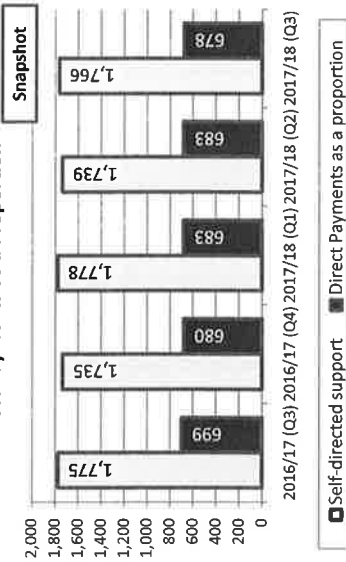
DP 09: Permanent admissions to residential and nursing care homes



By the end of Q3, there had been 10 adults aged 18-64 in council-supported permanent admissions to residential and nursing care, which is the same as in Q3 in 16/17. There had been 165 adults aged over 65 in council-supported permanent admissions. In 2016/17 there had been 247, a decrease of 82.

## ADULT SOCIAL CARE

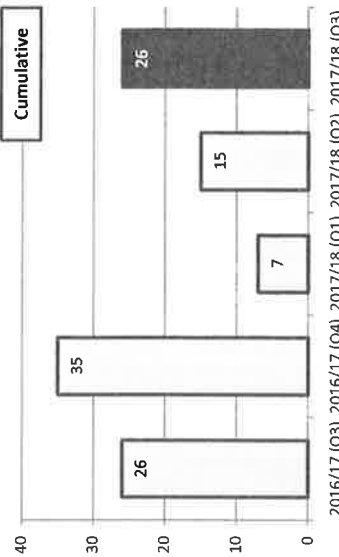
DP 10: Self Directed Support and Direct Payments as a Proportion



At the end of Q3, there were 1,766 service users receiving self directed support (representing 87.7% of the client base), compared to 1,775 (representing 85.1% of the client base) at the same stage last year. As at the end of December 2017, 38.4% of those in receipt of self-directed support received direct payments, compared to 39.4% in December

## ADULT SOCIAL CARE

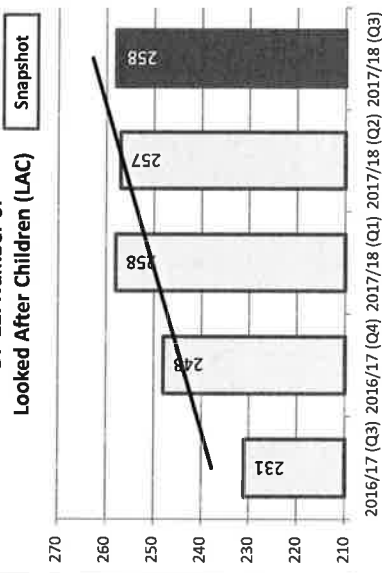
DP 11: Residents Requiring On-going Service After Reablement



The number of service users requiring long term services after a successful reablement episode has been sustained with 26 service users returning in December 2017, the same as during December 2016. However, there has been an increase in the total number of people receiving a reablement service, meaning that a percentage reduction (where lower is better) has been achieved.

## CHILDREN'S SERVICES

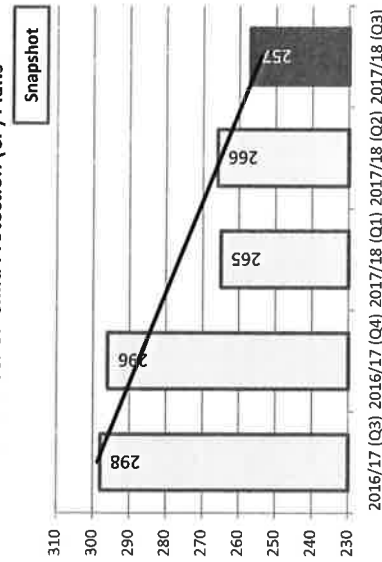
**DP 12: Number of Looked After Children (LAC)**



The number of looked after children in Q3 (at 258) is considerably higher than at the same point last year (an increase of 11.7%). The size of the cohort has increased very slightly since Q2., however is still lower than our all time high of 261 (seen in July).

## CHILDREN'S SERVICES

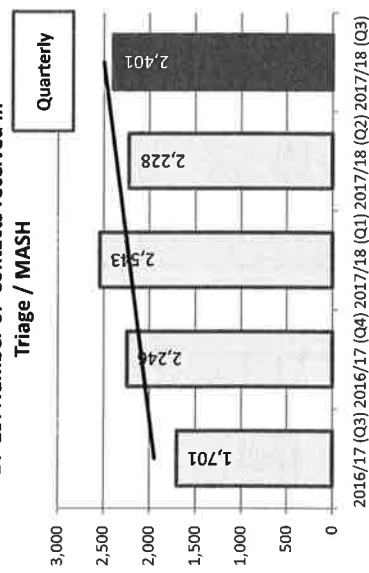
**DP 13: Number of Child Protection (CP) Plans**



Despite a high start to the quarter, (273) the number of CP cases (257) has decreased by (-13.2%) compared to Q4 2016/17, and is currently lower than at this point last year.

## CHILDREN'S SERVICES

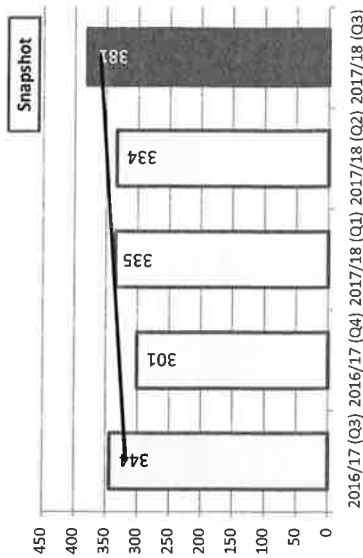
**DP 15: Number of Contacts received in Triage / MASH**



There were 2,401 contacts received in Triage / MASH in Q3 2017/18; not quite as high as Q1's 2,543, but 700 (41.2%) greater than the same period last year.

## CHILDREN'S SERVICES

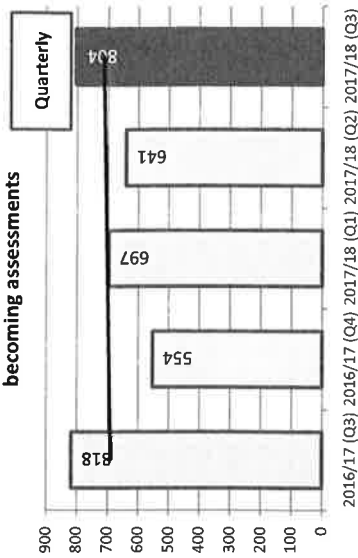
**DP 14: Number of Children in Need (CIN) Plans**



The number of CIN plans has had another sharp increase in Q3 (+14% on Q2) and is currently the highest Havering has ever seen. This rise is likely to be linked to the reduction of the number of CP Plans.

## CHILDREN'S SERVICES

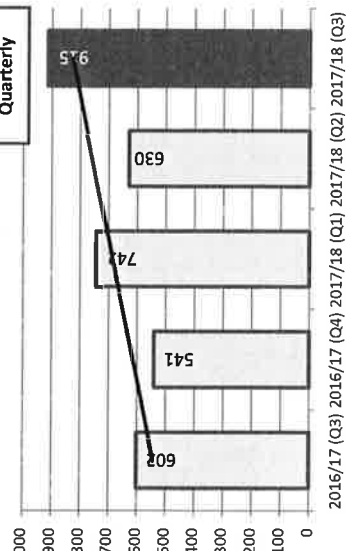
**DP 17: Number of referrals becoming assessments**



There were 804 referrals that became assessments in Q3 of 2017/18; an increase of 25% on the previous quarter but a slight decrease compared to the same period last year. This correlates with higher numbers of contacts and referrals.

## CHILDREN'S SERVICES

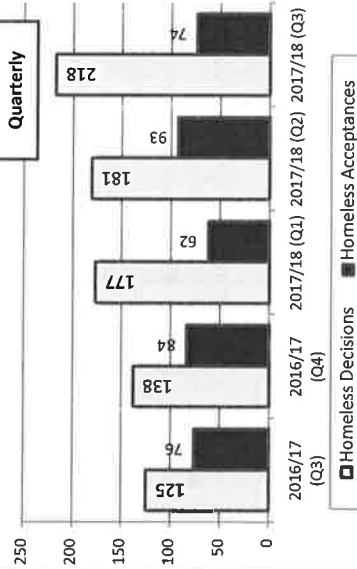
DP 18: Number of contacts referred to Early Help



After Q2's decrease, the number of contacts referred to Early Help has seen a sharp increase to 915 contacts for Q3. This is very reassuring for our year end outcome, with a projection of 3,049 contacts being referred to Early Help.

## HOMELESSNESS

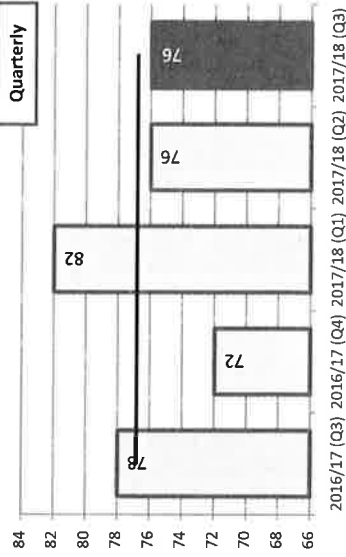
DP 19: Homeless Decisions and Acceptances



The number of homeless decisions and acceptances continue to increase. The number of homeless decisions has increased by 74% since the same period last year. However the number of acceptances has not increased markedly.

## COMMUNITY SAFETY

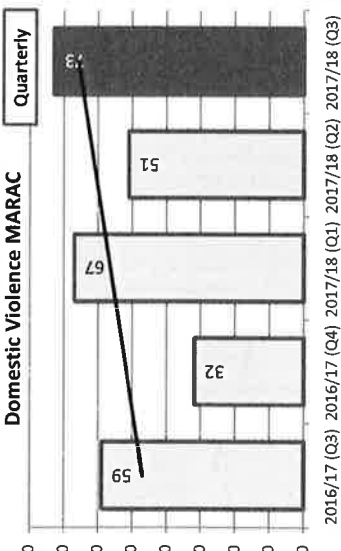
DP 20: Offenders supported through IOM



The ideal capacity of the group is 80 persons. Despite being lower than in Q1, a cohort of 76 persons at the end of Q3 demonstrates both that there is demand for the service, and that effective work can be carried out with current resources.

## COMMUNITY SAFETY

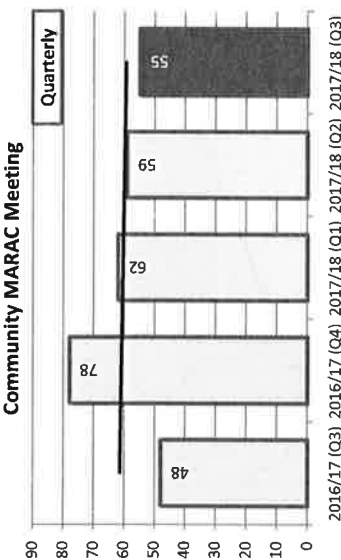
DP 21: Number of cases referred to the Domestic Violence MARAC



Referrals increased for Q3 after work was carried out to raise awareness of the process in an effort to ensure everyone who needs support is referred to the panel.

## COMMUNITY SAFETY

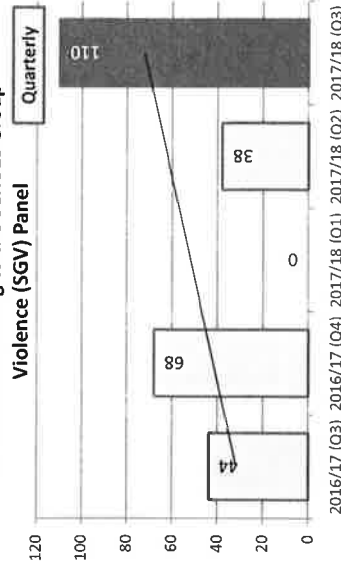
DP 22: Number of cases referred to the ASB & Community MARAC Meeting



The ASB Panel and Community MARAC meetings were combined in January 2016 to reduce duplication of cases being presented at both panels. Q3 referrals have increased by 15% compared with the same period last year.

## COMMUNITY SAFETY

DP 23: Cases coming to the Serious Group Violence (SGV) Panel



SGV meetings were not held in Q1 due to a problem with receiving data from the Police. This has now been rectified, and monthly meetings have resumed, with an emphasis on quality discussion of risk subjects rather than quantity.