

Meeting Name:	Education and Local Economy Scrutiny Commission
Date:	26 September 2024
Report title:	Local Economy Programmes
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	NA
From:	Cllr John Batteson, Cabinet Member for Climate Emergency, Jobs and Business

RECOMMENDATION

1. That the Education and Local Economy Scrutiny Commission note the contents of this report detailing Local Economy programmes 2022-2026

BACKGROUND INFORMATION

2. This report responds to the request of the Education and Local Economy Scrutiny Commission for the Cabinet Member for Climate Emergency, Jobs and Business to provide a holistic overview of key strategies and projects under the Cabinet member portfolio, including Southwark Pioneers Fund (SPF)

KEY ISSUES FOR CONSIDERATION

Southwark 2030 and Southwark Economic Strategy

3. Our new Economic Strategy 2023-30 was adopted by cabinet in December 2023. The strategy puts forward a vision for a more inclusive local economy, with a focus on narrowing inequalities and raising prosperity across all parts of the economy and in every neighbourhood, summarised as 'A fairer, greener, more resilient economy'.
4. The vision for Southwark's economy in 2030 is:
 - A high growth, low emission economy
 - An economy with opportunity for all
 - An economy of good work
5. The vision will be supported through eight delivery themes, under which sit the headline actions the council will work with partners to focus on. These are:
 - Investment and growth
 - A greener economy
 - Thriving high streets

- Inclusive neighbourhoods
 - Extending local ownership
 - Southwark's Youth Deal
 - Good work for all
 - Skills for now and the future
6. The strategy was developed with the involvement of resident and business communities and strategic partners. We will work with these partners to develop a full delivery plan aligned with the Southwark 2030 delivery plan. This will reflect activity already underway under each delivery theme, programme planned activity yet to commence and identify where additional resources will be required to meet the objectives in full.

Employment

Supporting residents into employment

7. The Council Delivery Plan 2022-2026 includes a target to support 2,500 Southwark residents from priority cohorts into work. As of Q1 24/5 a cumulative total of 1,904 residents from priority cohorts have been supported into jobs thus far during the Council Delivery Plan period, which is ahead of the profiled target for the period to date.

Southwark Works

8. Southwark Works is a network of employment support providers targeting a variety of priority cohorts and directly contracted by the council. Formed of specialist providers, the programme seeks to reach and support hard to reach groups into the labour market. Southwark Works was successfully recommissioned in 2023 for another 4-year period to 2027 and is now comprised of three elements:
9. A network co-ordinator directly contracted by the council, responsible for management of the network of employment support providers; service and data quality assurance; operation of the customer facing hub office; developing, managing and delivering service plans; triage and assessment of clients and referral to a network provider; and skills training.
10. Southwark Works Framework providers who form the Southwark Works Network, delivering employment support to clients based on their underlying needs and barriers to work, across 11 contracts for distinct priority cohorts, and who share the use of a hub office in the borough, managed by the Network Coordinator, from which intensive, in-person support is provided to clients.
11. The Employer Relationship Management contract is a new service co-designed with the network providers to improve the ability of Southwark Works to sustain long-term relationships with Southwark employers. GoodPeople have now been commissioned to facilitate more targeted approaches for employers to connect with residents and put additional mechanisms in place to ensure coherence between what employers need and the skills offer available via Southwark Works.

12. **Apprenticeships**

13. In the Council Delivery Plan we are committed to creating 2,000 new apprenticeships. As of Q1 2023/24, the Council has supported the creation of 1,270 apprenticeships, ahead profile target

13. This figure includes:

- Southwark residents supported into apprenticeships through council programmes.
- Southwark employers supported under council programmes to create and fill an apprenticeship.

If a Southwark employer creates an apprenticeship and it is filled by a Southwark resident, it is only counted once. Our apprenticeship data is reported at the end of each quarter.

14. Our apprenticeship programme consists of a range of active work-streams cutting across the Council, including:

- Apprenticeship Levy: we are continuing to partner with Workwhile who offer a free brokerage service linking SME's with Apprenticeship Levy payers to fund training costs for apprenticeships in Southwark SMEs from transferred unspent levy.
- Southwark Council Apprenticeship scheme – we have a successful internal Council scheme supporting 90 people into apprenticeships between April 2022 and March 2024.
- Construction Skills Centre – the centre is an employer-led, community focused training and apprenticeship provider, and despite challenges within the wider construction industry has supported 198 apprenticeships over the same period.
- Section 106: we routinely monitor our S106 obligations and continue to generate a consistent number of apprenticeships, contributing 251 to our overall target to date.
- The Passmore Centre, developed in partnership with LSBU, supports Southwark residents into higher level apprenticeships and supports local employers to create apprenticeship opportunities. The centre has contributed 593 local apprenticeships towards our Council Delivery Plan target at Q1 2024/25.

15. However, the wider apprenticeship system is facing challenges, particularly with starts decreasing over the last few years. We are developing activities to strengthen our pipeline and address challenges with a range of priority areas:

- Pre-Apprenticeship support
- Apprenticeships in schools
- Social value in major council contracts

16. **Paid Internships**

17. The Council Delivery Plan includes a renewed commitment to Create 250 paid internships for young people from disadvantaged backgrounds. In line with the strategy approved by Cabinet in 2019, the paid internship programme continues to be delivered principally via three schemes:
 - schools,
 - undergraduates/graduates,
 - Council.
18. Through a commissioned provider - Career Ready - the schools scheme supports sixth formers to access support such as mentoring and masterclasses and ultimately secure paid summer internships at a range of employers.
19. For the undergraduate/graduate scheme, we have partnered with Gradcore Ltd, a social enterprise who provide a programme of personalised career support to help eligible university students and recent graduates to develop key skills to enhance employability and secure paid internships and graduate jobs.
20. The council's own internship scheme has been in place since 2019 and is set to relaunch in January 2025 after a period of review. The refreshed scheme will target two internship cohorts a year and will build relationships with our local schools and universities to ensure that we are nurturing young talent within the borough
21. Since 2022, the paid internship programme has created 182 paid internships for young people and is on track to deliver the Council Delivery Plan target.
22. The 182 total can be broken down as follows:
 - School = 94
 - Graduate = 68
 - Council = 15
 - Other = 5 (internships created through council funding, i.e. business resilience grants, Thriving High Street Fund projects.)

Skills

Southwark Skills Plan

23. Southwark's Skills Plan was adopted in October 2023. It sets out a programme for delivering the shared priorities of the Southwark Skills Partnership until 2025. It builds on the ambitions of a fairer, greener and more resilient economy as set out in Southwark's Economic Strategy 2023-30, and supports the council's broader ambitions as articulated in the Council Delivery Plan and Southwark 2030.
24. The Skills Plan was developed by the Southwark Skills Partnership, formed of skills and employment providers, large employers, business groups and council teams. The partnership is responsible for the delivery of the actions

set out in the delivery plan, and ensuring it continues to respond to emerging skills needs.

25. The Skills Delivery Plan has nine themes that align with broader council ambitions, including a focus on key sectors of our economy. There are six sector-focussed themes:
 - Life sciences
 - Digital
 - Green
 - Health and social care
 - Creative and cultural
 - Hospitality
26. And three cross-cutting themes:
 - Apprenticeships
 - Careers information, advice and guidance
 - Essential skills
27. Commissioning activity is now underway to deliver on the priorities identified within the Skills Plan.

Southwark Construction Skills Centre

28. Since its inception in 2016, the SCSC has proven to be hugely successful in supporting Southwark residents into construction related employment and apprenticeships. Originally based at Elephant Park, the SCSC relocated in July 2021 to the Hawker House site in Canada Water.
29. The council has a MoU with British Land regarding the ongoing governance on the SCSC. A Board (chaired by the Cabinet Member for Climate Emergency, Jobs and Business) has oversight of the management and performance of the SCSC.
30. Some notable outputs and achievements from the SCSC to date (Q1 2024/25) include:
 - 6,939 Southwark residents trained
 - 2,000 jobs and apprenticeships for local residents
 - 2,500 existing Southwark construction workers upskilled
 - 6,000+ local school children engaged

Green Jobs and Skills

31. A Green New Deal for Southwark is a headline commitment of our Climate Change Action Plan and the creation of 2,000 green jobs is a commitment within the Council Delivery Plan 2022-26. We are on track to meet this target with 1,817 green jobs created as at Q1 24/25. When counting green jobs we follow the definition used in [research by London's sub-regional partnerships](#): a green job is employment in an activity that directly contributes to - or indirectly supports - the achievement of the UK's net zero emissions target and other environmental goals, such as nature restoration and mitigation against climate risks.

32. Our green jobs and skills delivery is grouped under three key objectives.
 - Establish a successful and sustainable Green Skills Centre to equip residents with skills for a net zero economy.
 - Meet the Council Delivery Plan target to create 2,000 green jobs by 2026.
 - Position Southwark for future opportunities using research, funding and policy development.
33. Delivery has been heavily partnership-led, reflecting shared priorities with neighbouring boroughs, skills providers and employers.
34. Activity supporting the delivery green jobs and skills in Southwark includes:
 - Support for the Green Skills Hub at London South Bank University as part of the Mayors Academy Programme, which is creating new qualifications, apprenticeships and job outcomes and raise awareness of training pathways into new low-carbon jobs.
 - Embedding green jobs into our Southwark Works employer engagement contract.
 - Implementing a monitoring framework across council services working on carbon reduction programmes to quantify job creation, agree measurement and promote opportunities for Southwark residents.
 - Using the development of the new social value framework to explore how more net zero employment and training opportunities for residents can be secured from council spend.
 - With Lambeth and Lewisham councils, jointly funding a shared post to lead and coordinate an approach to green skills across the three boroughs.
 - Feasibility and business case for additional local training facilities for low-carbon skills in anticipation of policy changes to stimulate the demand for low carbon skills at scale.
 - Securing additional funding resource to build capacity of local FE providers to deliver green skills, including a new solar PV installation and maintenance facility at Southwark College.
 - Exploring support for local SMEs and sole traders to gain accreditation that will enable them to secure work on housing retrofit and low-carbon energy projects.
 - Cross-borough work through Central London Forward to build knowledge of the green growth opportunities and skills gaps across central London.

Hospitality Skills

35. A study commissioned by Southwark Council (in partnership with Lambeth, Lewisham and Wandsworth Councils) in 2019 highlighted the large skills and recruitment gap in the prominent local hospitality sector. The final report made several recommendations, including the development of a hospitality training centre that would better meet employer needs and improved access to good quality job opportunities for local residents, while simultaneously acting as a catalyst to improve recruitment practice in the sector.
36. Due to the significant capital costs of a physical site and a lack of appetite from skills providers to operate a centre, a virtual hub and spoke model has been commissioned to act primarily as a co-ordinator between different stakeholders, relying on existing training infrastructure (spokes) to deliver

successful skills interventions. This option seeks to mirror the ambitions of the Mayor's Academies Hospitality Hub programme but with a clear focus on Southwark residents and the capability to provide support in key areas to tackle the hospitality skills gap challenge more effectively. The Southwark Hospitality Hub will start delivery in September 2024.

Employment and Skills for Life Sciences

37. Local health partners together with Lambeth and Southwark Councils have come together to establish SC1, a health science district for South Central London to deliver high impact innovation, driving improvements in health and wealth both locally and globally. The arrival of new businesses and employers, along with increased employment space through new development, offers a significant opportunity to create a high volume of new jobs to Lambeth and Southwark.
38. Founded by King's Health Partners (King's College London, King's College Hospital, South London and the Maudsley, and Guy's and St Thomas'), Lambeth and Southwark councils, and the Guy's and St Thomas' Foundation, SC1 is a place based initiative to support inclusive growth of the life science economy in south central London. Their vision is to create a Life Science District in the centre of London, dedicated to scientific and medical innovation to improve health for people locally and globally.
39. SC1 is overseen by a Board and an employment and skills sub-group of the Board has been created to put a strategy in place to pathways are put in place to ensure job, training and enterprise opportunities are available to local residents in Lambeth and Southwark.
40. Research commissioned by the sub-group sets out the potential scale and scope for employment, skills and enterprise delivery within SC1, along with a set of recommendations for securing these opportunities for local residents. The sub-group has developed an employment and skills action plan informed by the research, and will be taking a draft version of the plan to the SC1 Board later this year.
41. Southwark is also a member of the Inclusive Health and Life Sciences Coalition – a network of 8 central London boroughs working collectively to develop, test and scale innovative activities to encourage inclusive growth in the health and life sciences sector. The focus areas for the coalition are career pathways, enterprise support, inclusive innovation, and knowledge exchange.

Health and Social Care Skills

42. In partnership with Guy's and St Thomas' NHS Trust (GSTT), Southwark College and Southwark Works, the council has developed, trialled and mainstreamed a programme of support for unemployed residents to prepare them for vacant entry-level roles within GSTT. The programme is delivered by Southwark Works and is integrated with the Healthcare Sector-based Work Academy Programme at Southwark College. Learnings from the trial have been fed into a pan-London initiative, convened by the GLA's London Anchor Institutions' Network, to improve access to NHS jobs across the capital.

43. The council works closely with the South East London Integrated Care System's Health and Care Jobs Hub on initiatives such as the application support programme. The hub is part of the Mayor's Academies Programme and is funded for a two year period until March 2025 to improve access to skills and employment opportunities for residents from the five-Borough region.

Creative and Cultural Skills

On 11th September 2024 the council convened a group of skills providers and creative and cultural organisations to begin exploring how access to the sector can be improved for Southwark residents, particularly those from for communities significantly underrepresented in this sector. This session kicked off a process of working with a wide range of partners to develop and implement a programme of local skills and talent pathways for the sector, aligned with the development of a new culture strategy scheduled for 2025.

Digital Skills

44. As a strategic partner in the Peckham Digital Accelerator Zone (PDAZ), the council is helping to provide digital skills training to 200 young adults (aged 18-30) from Black and ethnic minority backgrounds in Southwark and South London. The programme is funded until spring 2025.
45. The Southwark Skills Plan includes an ambition to deliver a comprehensive entry to digital careers programme. Development of this programme will commence in late 2024, with learnings from the PDAZ helping to inform its design.

Business Support

Southwark Pioneers Fund

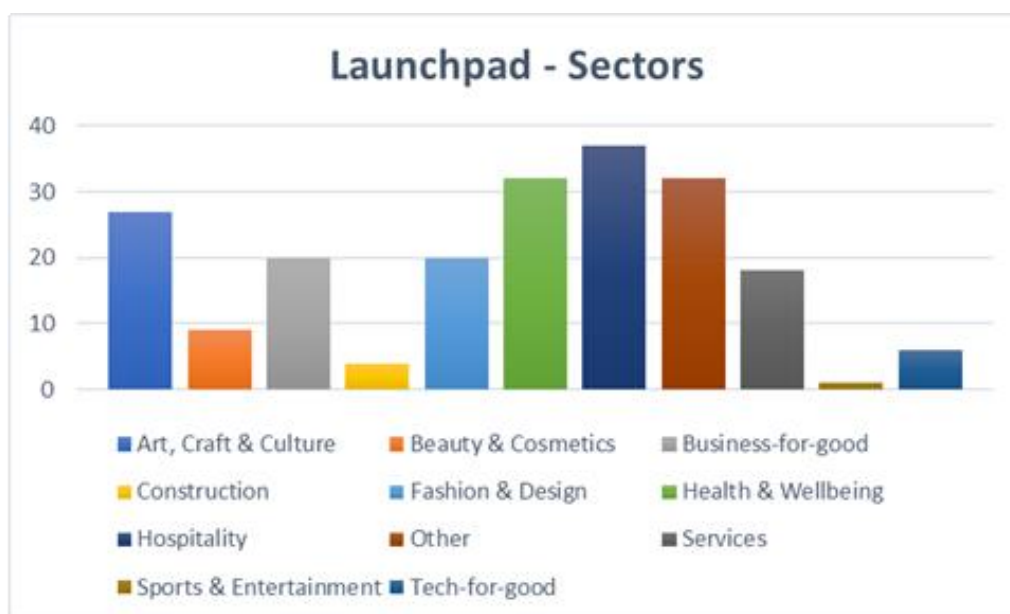
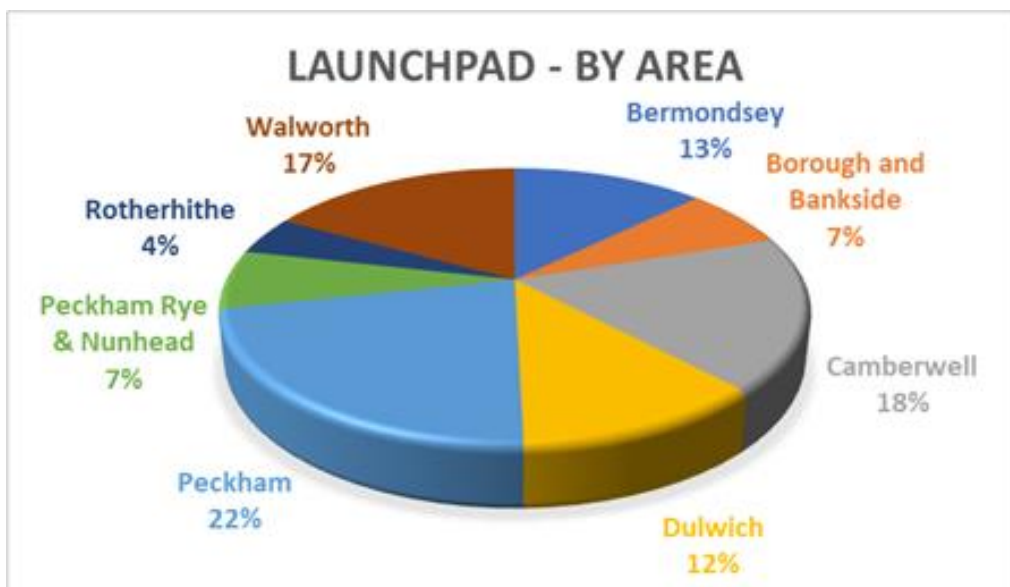
46. The Southwark Pioneers Fund (SPF) was originally developed in 2019 to generate inclusive growth by supporting the creation or scale-up of micro commercial and social enterprises (including revenue-raising charities). However, just as the SPF was launched, covid-19 struck and the £2m budget was necessarily repurposed into a Business Hardship Fund. A refreshed SPF Delivery Strategy was agreed in February 2022.
47. Since its original inception the economic climate has changed significantly (covid-19, Brexit, Climate Emergency, and Southwark Stands Together), making it particularly important that we support local enterprises to build resilience, sustain and grow. To deliver these aims and ambitions, the refreshed SPF has been split into four themes:
- Start-up Programme - Enterprise support for start-ups and aspiring entrepreneurs.
 - Growth Programme - Enterprise support for later-stage enterprises focused on growth.
 - Green Programme - Support for enterprises to decarbonise and reduce

their environmental impact.

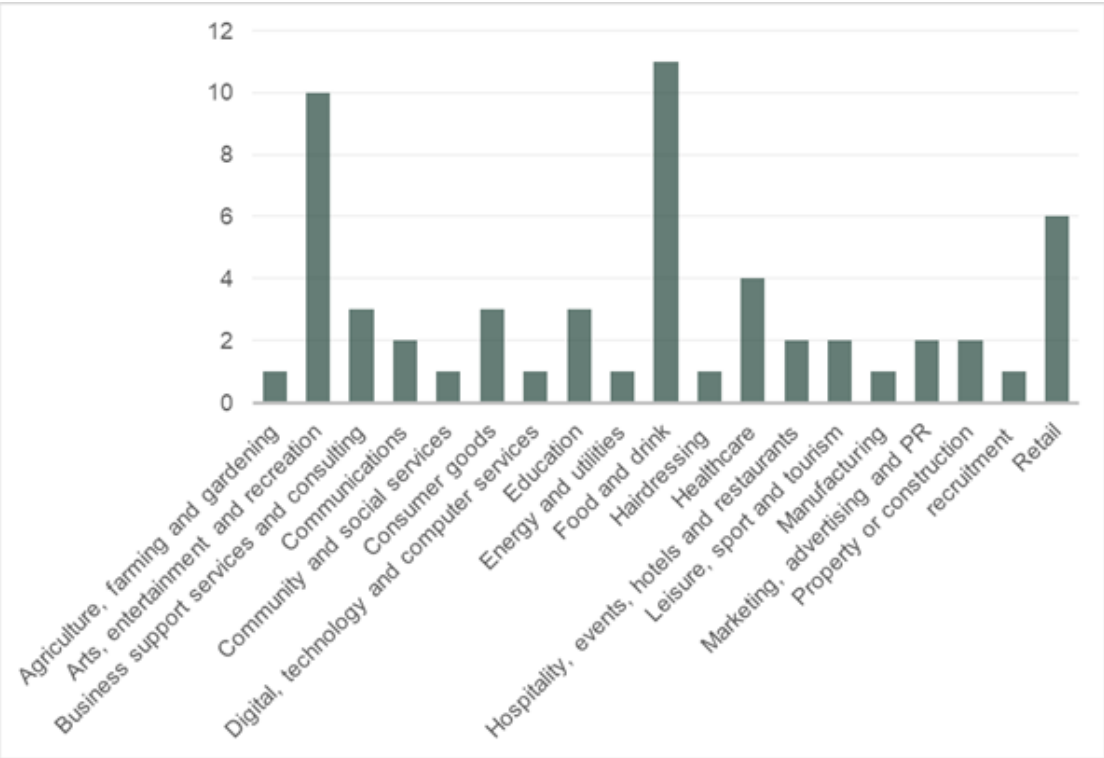
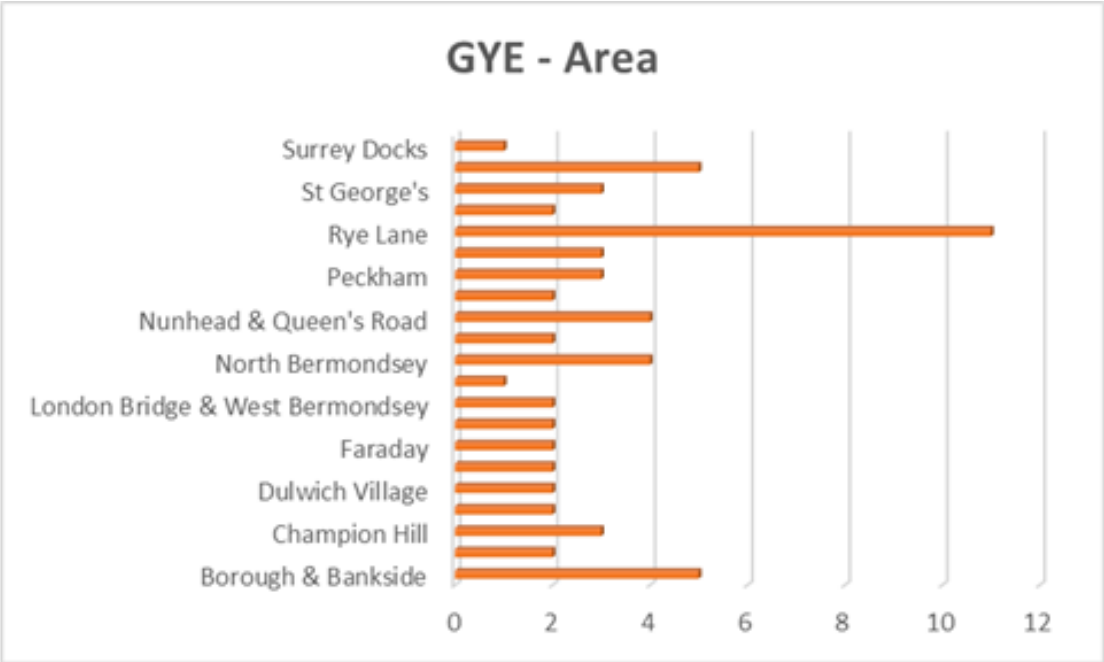
- Social and Community Programme - support for social and community enterprises led by women or people from Black or minoritised backgrounds.

48. Both the start-up and growth contracts commenced in July 2022. Trampoline NH CIC is delivering the Start-up Programme for anyone with a business idea, through to early-stage start-ups. Hatch Enterprise is delivering the Growth Programme for anyone with an established business looking to scale and take it to the next level.

49. To date, 206 start-ups and budding entrepreneurs have been supported via the main cohort programme (Launchpad) with many more offered tailored IAG to see if starting a business is right for them. In addition, £45k grant funding has been awarded to 18 enterprises to help them to develop their business ideas, products and services. The two charts below show Launchpad participants by area and sector.



50. On the growth programme (Grow Your Enterprise), 63 enterprises have completed an in-depth Accelerator and 12 of these have received combined grant funding of £102k to help their businesses to grow. Nearly 250 entrepreneurs have also been support via the Community offer, which includes 1-1 consultations and a range of online workshops and talks. The two following charts show Grow Your Enterprise participants by area and sector.



51. For the Green Programme, ReLondon have been commissioned to support high street businesses to trial circular economy business models to tackle those hard-to-abate consumption-based emissions. Approximately 15 high street businesses will receive grant support to implement a new, circular initiative in their business, either by procuring products/services from circular

innovators or by developing products from scratch. Grant applications are being considered and those successful will receive support to make best use of their grants until February 2025, when the programme concludes.

52. The Social and Community Programme is being delivered via the Local Access Programme (LAP), which is a partnership of local stakeholders with a shared vision of a collaborative, sustainable and diverse social economy, which delivers positive social impact and a better future for all Southwark's residents.
53. The LAP has received £900k grant funding from the Local Access Foundation to support social enterprises in Southwark and the council has match-funded this with £500k to bring the total enterprise support budget to £1.4m.
54. In addition to enterprise support, the LAP has been provisionally allocated £4.4m (£2.625m repayable capital, £1.85m grant capital) from Big Society Capital to invest in the social economy. Plans are being developed to make best use of this investment and provide a financial product not already available on the market.

Town Centres

Town Centre Action Plans

55. Thriving town centres and high streets are a key part of our new Economic Strategy (2023-2030) and are an integral part of the council's wider Neighbourhoods programme. Ambitions for our town centres include:
 - Protecting employment space and attracting new businesses investment.
 - Using planning powers and our role as a landlord to protect the role of markets and town centres, while promoting healthier high streets.
 - Supporting the recovery of the hospitality, night-time and cultural economy while also recognising and addressing health and community safety concerns.
 - Promoting safer high streets and encouraging businesses to sign up to good practice such as the Women's Night Safety Charter.
 - Encouraging businesses to switch to zero-pollution delivery vehicles, especially in town centres with poor air quality.
 - Supporting the development of business networks to encourage business and community engagement.
56. Governance arrangements for a whole council approach have been implemented, including a Director level group of officers that meet regularly with strategic oversight of all cross-council services, activities, engagement and other work aimed at supporting and revitalising our high streets and town centres. To help standardise our efforts across the borough, whilst also acknowledging that each town centre has a unique identity and may require a more targeted neighbourhood level approach, individual Town Centre action plans have been co-developed for Peckham, Camberwell, Elephant and Castle/Walworth, Bermondsey and Canada Water, with lead officers appointed for each.

Thriving High Streets Fund (THSF)

57. The THSF was launched in response to the CDP commitment to promote thriving high streets, while supporting our town centres to adapt to a range of challenging economic factors such as the recovery from the pandemic and cost of living crisis.
58. The projects aimed to attract more people to Southwark's high streets and town centres, and to increase spending in the area. Two rounds have been awarded, with grants of up to £25,000 awarded to businesses and voluntary sector groups. Funded through UK Shared Prosperity Fund (UKSPF), a total of £484,703 has been awarded to 21 organisations in town centres and high streets across the borough.
59. All funding is fully committed and additional funding will need to be secured if further grants are to be awarded. Future rounds of UKSPF funding could continue to fund the THSF if made available by the new Government.

Living Wage

Southwark's Living Wage Unit

60. The Council Plan 2022-26 includes a commitment to establish a new Southwark Living Wage Unit, tasked with doubling the number of Southwark employers who pay at least the London Living Wage to all their staff. The target is to have 498 Living Wage Employers by March 2026.
61. As at Q1 2024/25 we are making good progress, with 363 accredited employers. We have seen good growth in the number of Living Wage Employers in the Borough in recent months, however challenges have been posed by the significant rate rise from £11.95 to £13.15 per hour in November 2023. We have seen a small but growing number of employers failing to renew existing accreditations, so in addition to driving new accreditations, we must also ensure our Living Wage Employers are engaged within the programme and maintain their accreditation.
62. A programme of activity is driven by the council's Living Wage Unit. The programme includes:
 - A new grant scheme to remove barriers and incentivise new accreditations with Southwark employers.
 - Dedicated officer resource, raising awareness of the campaign across the borough and providing proactive encouragement and support to businesses to become accredited Living Wage Employers.
 - Support for the Southwark Living Wage Action Group that owns and delivers the Southwark Living Wage Place Action Plan.
 - Collaborative working with other council teams and officers to ensure best practice internally.
 - Support for policy development and implementation such as S.106, Residential Care Charter, Procurement and Social Value ensuring London Living Wage is a requirement

63. Our Living Wage Grant Scheme covers the accreditation fees for small and medium enterprises in Southwark to become newly accredited Living Wage Employers. Since its launch in November 2023, the grant has supported 36 Southwark-based businesses to become accredited and retain their accreditation through to May 2026.
64. In 2020, Southwark became the first recognised Living Wage Place in London and successfully renewed this status in November 2023.
65. The Living Wage Unit administers The Southwark Living Wage Place Action Group of 25 Living Wage champion organisations from across the borough including developers, trade unions, universities, Business Improvement Districts, charities and employers of all sizes. This group has proved an effective means of generating new accreditations and has allowed us to achieve a sector based, peer-on-peer approach.
66. The Living Wage Action Group was shortlisted for the Living Wage awards and is widely recognised as being one of the most effective Living Wage Action Groups in the UK. Two member organisations, Borough Market and Youth Music won their respective categories for work they have been doing in their sector.
67. Living Wage Week will be taking place in November which provides a great opportunity for our action group members to collaborate and deliver events which celebrate our achievements and raise awareness of Living Wage accreditation. The Living Wage Unit has elected a working group of six representatives from the action group to coordinate the week's events.
68. The Living Wage Unit continues to drive support across different council departments. This has supported implementation of policy such as the residential care charter. Colleagues in Planning and Growth have provided introductions to employers in the built environment sector which has resulted in new accreditations.
69. We have identified opportunities for continuous improvement of the programme to enhance our progress towards achieving our accreditation target. This includes the continued involvement of the Cabinet Member for Climate Emergency, Jobs and Business in advocacy, and an evaluation of the action plan after its first year of implementation. These opportunities will be reviewed in the coming weeks and months.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Southwark Economic Strategy 2023-30	Planning and Growth, 160 Tooley Street	Danny Edwards 020 7525 5105
Southwark Skills Delivery Plan 2023-25	Planning and Growth, 160 Tooley Street	Danny Edwards 020 7525 5105

AUDIT TRAIL

This section must be included in all reports.

Lead Officer	Danny Edwards, Head of Economy	
Report Author	Danny Edwards, Head of Economy; Nick Wolff, Employment and Skills Manager	
Version	Final	
Dated	17/9/2024	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Assistant Chief Executive, Governance and Assurance	No	No
Strategic Director, Finance	No	No
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	17/09/2024	

Note: Consultation with other officers

If you have not consulted, or sought comments from the Assistant Chief Executive, Governance and assurance or the Strategic Director of Finance, you must state this in the audit trail.