

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 2 February 2011	<b>Meeting Name:</b> Regeneration and Leisure Scrutiny Committee
<b>Report title:</b>		Update on Southwark economic development strategy	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Graham Sutton Economic Development Manager	

## ECONOMIC DEVELOPMENT STRATEGY

1. The economic development strategy 2010-2016 was adopted by the council's cabinet in November 2010. The strategy prioritises
  - Tackling the barriers to work faced by priority groups
  - Increasing business and employer engagement
  - Raising skills for sustained employment
  - Supporting existing businesses
  - Developing key business districts and town centres
  - Increasing business start ups

The strategy has been published and is available at [http://www.southwark.gov.uk/info/347/economic\\_development/2024/economic\\_development\\_strategy](http://www.southwark.gov.uk/info/347/economic_development/2024/economic_development_strategy)

2. Economic development officers are working with colleagues across the council to ensure the strategic priorities feed into other regeneration and town centre strategies, through management of the cross-council Camberwell delivery team, and focusing on the Camberwell Action Area Supplementary Planning Document, Peckham and Nunhead Area Action Plan and the Elephant and Castle regeneration. (See item X update on town centre strategies).
3. The economic development strategy is supplemented by annual delivery plans for employment and enterprise; these provide an overview of the actions strategic partners are taking to deliver these priorities. Plans in place for 2010/11 are interim plans, as significant changes in national policy and funding during the year have had a major impact on planning of service delivery and interventions for all partners, and the adoption of the economic development strategy took place in mid-year.
4. At the end of the year achievements against the 2010/11 delivery plans will be reviewed and new delivery plans will be drafted for 2011-13. We anticipate that as 2011/12 progresses and the funding landscape stabilises we can work with partners to develop more thorough and measurable delivery plans. The delivery plans will be updated during the year to reflect any changes to provision in Southwark.

5. To this end it is proposed that presentation of next year's delivery plans to the scrutiny committee takes place in September 2011. At that point, our key partners in the delivery of employment and enterprise programmes for 2011/12 will have established their programmes and we will be able to propose which partners would be best placed to present to the scrutiny committee. It is suggested that these partners should commence with Jobcentre Plus and a Work Programme prime contractor.
6. The ending of Working Neighbourhoods Funding which the council was able to use to support local employment and enterprise provision will have a big impact on local provision. The government is implementing the Work Programme currently planned from July 2011 (see below). The impacts of this on local provision and the availability of locally based and targeted support is yet to be determined. A dialogue with the prime contractors (once appointed) would be a good opportunity to influence and shape provision in the borough for the next 3 years.
7. By the September meeting we will have more information on the challenges of delivering the strategy with reduced funding, dealing with continuing impacts of the recession and how the strategy has been used to steer provision in Southwark.

## **THE DWP WORK PROGRAMME**

1. The Work Programme is the centrepiece of the government's plans to reform welfare-to-work provision and will replace all current DWP programmes such as Flexible New Deal (FND) and Pathways. Roll out of the Work Programme will begin from spring 2011 and be in place across the country by summer 2011. It is being commissioned directly by DWP.
2. Three providers (prime contractors) will be selected to deliver the Work Programme in the east London contract package area (which includes Southwark among 17 local authority areas). They will support a wide range of client groups regardless of which out of work benefit they are claiming, and are therefore likely to require a delivery partner network which can provide specialist support for disadvantaged groups.
3. This reform of welfare to work provision means there will be fundamental changes to resources for reducing worklessness in Southwark, with funding going directly to the prime contractors via long term contracts, but there are also opportunities for local providers to become part of the specialist supply chain. Once selected, the prime contractors will be invited to join Southwark's Local Economy Group which oversees the economic development strategy and delivery plans on behalf of Southwark Alliance. At the time of this report, the council's economic development team is negotiating with prospective bidders to maximise the possible opportunities for local providers of employment and skills support to supply services to the DWP's prime contractors.