

Enfield's Skills and Employment strategy: April 2008 to March 2011



Leading learning and skills





89 Albert Embankment
London SE1 7TP
www.cesi.org.uk
paul.convery@cesi.org.uk

Final version (4.41)
October 2008

Contents

1	INTRODUCTION AND SYNOPSIS	4
	Our vision for skills and employment	4
	A strategy based on evidence and policy	5
	We are a rapidly changing Borough – with some new opportunities.....	5
	Our economy remains relatively weak	7
	Some of our population is under-skilled and under-employed	10
	The skills deficit	11
	Engaging employers	14
	Helping more disadvantaged people into work	15
	Forming a new strategy from past experience.....	19
	The strategy in summary	21
	Action plan	23
2	ENFIELD'S LABOUR MARKET	44
	Long term structural change has altered the Borough.....	44
	Enfield has a small share of growth sectors	49
	Small firms dominate the local economy	51
	New business formation rates are low	52
3	FUTURE DEMAND PROSPECTS	55
	London's economy has grown robustly	55
	The wider labour market matters ... but Enfield is relatively self contained.....	61
	The prediction for jobs growth in Enfield is very modest	62
	... but regeneration could deliver more.....	63
	The assumption of 2,000 net additional jobs may be an under-estimate.....	66
	“Replacement demand” requires many more jobs	67
	New jobs will require higher skills.....	68
	Most new openings will be in high skill occupations.....	73
	What do employers say they need?	73
4	THE EVIDENCE BASE: POPULATION CHARACTERISTICS	79
	The Borough's population is growing	79
	The employment rate is not improving	84
	The Borough has a “jobs gap”	85
	Young people may be missing out	86
	Older people seem to be doing OK	89
	... Disabled people are doing less well	90
	People with low qualifications are less likely to work	91
	Enfield has fewer high qualified ... more low skilled.....	92
	Residents fill upper <i>and</i> lower occupations	94
	Most schools are performing well ... but not all	95
	23,000 Enfield residents want to work	96
	The number of benefit claimants is not improving	99
5	THE NATIONAL, REGIONAL AND LOCAL POLICY CONTEXT	106
	Enfield's local policy framework	106
	Community Strategy and Local Area Agreement	106
	Regeneration and neighbourhood renewal	108
	Enfield's 14-19 Strategy.....	109
	Enfield's spatial planning.....	110
	London's policy framework	112
	National policy: increasing employment and raising skills.....	119
	National policy: welfare reform	123

1 INTRODUCTION AND SYNOPSIS

1.1 This Skills and Employment Strategy has been commissioned by the London Borough of Enfield on behalf of the Enfield Strategic Partnership's *Skills, Enterprise and Employment Special Delivery Group (SEESDG)*.¹ The function of this document is to set the context, identify the key issues and describe strategic goals and actions for the Borough and its partners. It provides an evidence base for future policy in Enfield by analysing both the supply and demand sides of the labour market – current and future. It sets out the population characteristics and the likely shape of business demand over the next decade:

- trends in the population of working age and workforce over the next 10 years.
- skills required by the local economy
- analysis of market failures that may hold back employment growth

Our vision for skills and employment

1.2 “Enfield’s Future, a Sustainable Community Strategy for Enfield 2007-17” is the statement of the Enfield Strategic Partnership which sets-out a vision to make Enfield:

“a healthy, prosperous, cohesive community living in a borough that is safe, clean and green”.

1.3 The Strategic Partnership’s thematic action group for economic development and enterprise is committed to:

“working together to have a Borough that is prosperous and attractive to our communities and visitors, local businesses and potential investors. Together we will create a sustainable, cleaner, greener and more vibrant Borough.”

1.4 Within these broad goals, this strategy identifies the particular economic and labour market challenges facing the Borough and sets a direction for the Skills, Enterprise and Employment Special Delivery Group and its constituent organisations. It aims therefore to:

enable residents from all sections of the community to obtain the necessary skills to be able to compete effectively for jobs commensurate with their abilities.

1.5 The Strategic Partnership aims to increase jobs and wealth in Enfield, tackle worklessness and poverty and create a more socially cohesive Borough in which our residents can secure a good standard of living and follow their ambitions and goals. To do so successfully requires us to foster enterprise, raise skills and increase employment throughout the Borough.

¹ The preparation of this strategy was funded by LSC North London.

- 1.6 This skills and employment strategy in itself does not set out a comprehensive economic plan for the Borough. Instead, it complements a number of parallel plans which are being developed, notably the Sustainable Community Strategy, the Core Strategy for the Local Development Framework and a “place shaping” strategy for the Borough. Taken together, this hierarchy of plans emphasises that the pressures of increased population and rising demand for housing are leading to significant change. Consequently, the Borough must protect and enhance its environment, safeguard land for social and community uses and tackle social deprivation and inequality.
- 1.7 At the heart of the Borough’s approach to the local economy is an acceptance that Enfield needs to expand, modernise and diversify its employment base. Partly this means encouraging new firms and start-ups but also retaining and growing the Borough’s existing businesses. Enfield particularly needs to reduce its reliance on firms in declining sectors and expand its share of businesses in the fast growing sectors that are doing well elsewhere in London. The Borough also has to strengthen demand and capacity in its town centres – for retail, leisure and other consumer services – that will meet the needs of the Borough’s residents and attract visitors.

A strategy based on evidence and policy

- 1.8 In drawing up our strategy, we have carefully assessed the evidence about our economy and our people. We have also ensured that this new strategy is set in the context of national and London-wide policy. National policy is especially important because, after many years in which the Borough has benefited from niche external funding, we anticipate that less discretionary funds will flow into Enfield in the near future. We will therefore have to rely more extensively on mainstream resources to make sure that Enfield’s needs are effectively met.
- 1.9 London-wide policy is equally important because just over a half of our residents work elsewhere in the capital; the Borough’s growth prospects depend upon key decisions about land use and transport policy; London’s employment and skills policy is now increasingly influenced by the Mayor to whom the strategic responsibility has been devolved – and who has a statutory duty to raise skill levels in London; and consequently our funding is increasingly dependent on city-wide priorities to which we must be attuned.

We are a rapidly changing Borough – with some new opportunities

- 1.10 Enfield is a Borough of many contrasts. It combines outer London’s cherished greenspace and prosperous suburbs with industrial and commercial areas and residential neighbourhoods that are now undergoing comprehensive economic and social regeneration. As a growing Borough that contains 285,000 people and 91,000 jobs, Enfield is both a place to live and to work.
- 1.11 However, Enfield is undergoing a process of transition as rapid demographic change begins to alter the character of much of the Borough – and this is mainly due to migration. Over the last 5 years, on average each year, almost 19,000 people left the

Borough whilst roughly the same number migrated in. Of this annual total, about 4,000 was due to international migration and the remaining 15,000 attributable to people coming to Enfield from elsewhere in the UK, including other London Boroughs. This turnover is equivalent to 7% of the Borough's population changing every year and, where this population "churn" includes children, it presents a particular challenge for our schools.

- 1.12 Consequently, we are becoming a more diverse place and gaining a younger population. Between 1991 and 2006, our population has grown by 10% whilst our working age population has increased even faster. Less than 60% of our population is now classed as white British and the increasing diversity of our population, particularly the arrival of migrants, has begun to have a significant impact on our labour market.
- 1.13 The nature of our business base has changed significantly as the industrial heritage has been replaced by retail, wholesale and haulage firms. Ten years ago 1 in 7 jobs were in manufacturing and today it is just 1 in 14. Our remaining manufacturing firms have become more specialised and some have concentrated on higher value, knowledge intensive processes and products.
- 1.14 Many of our old factory sites are being redeveloped into modern business parks that house a wide range of new firms. These new businesses are attracted by our good location, proximity to key transport nodes and by the attractiveness of the residential areas that are within easy access for their employees.
- 1.15 Our Town Centres also have acquired a vibrancy with the arrival of new leisure and cultural attractions, higher quality retail and many small firms operating in the business services sector. New types of housing have sprung-up in our town centres as a young and relatively affluent population has arrived and chosen to live in neighbourhoods that offer a new buzz and excitement. Reflecting this, the latest data show that retail, distribution and hospitality now account for a third of all jobs in the Borough.
- 1.16 Our economic future is partly dependent on the health of the London economy – of which we are just a small part. But we also have a number of competitive advantages which arise from our strategic position at the London end of a new growth corridor into Hertfordshire and Essex that will link our part of London with Stansted and Cambridge.
- 1.17 An area which is intended to accommodate a large part of the new growth generated in London and the South East is on our doorstep and we intend to maximise the advantages this opportunity presents. A significant part of our Borough consists of the 6 mile Upper Lee Valley corridor that runs south from the M25 to Tottenham Hale this designated Opportunity Area has the capacity to accommodate up to 15,000 new jobs and 900 new homes by 2016.
- 1.18 During the course of this strategy's production and public consultation phases, some very significant changes have occurred. The economic slowdown that began in late 2007 has added new risks to an already weakened local economy that badly needs modernising. The current economic conditions are unusually volatile and it remains unclear what are the medium term impacts of a recession.

- 1.19 Until early 2008, the accepted view was that London's economy and population would keep expanding and that the Capital would continue to benefit from a growth rate in excess of the UK average. A broad consensus now considers that London will be very badly affected by the crisis in credit markets and the effect of high energy and food prices, a struggling US economy and plunging UK consumer confidence. In particular, the financial services sector which has powered so much of London's growth in the last decade has suffered catastrophic effects of the global credit crisis. A UK-wide recession is widely predicted although its depth and extent are still uncertain. Like most other London Boroughs, Enfield will undoubtedly experience an adverse impact from the sharp downturn in confidence caused by credit shortages, collapsing equity markets and declining house values.
- 1.20 Short term trends are very difficult to predict and, although there are profound uncertainties for the immediate health of the economy, we remain hopeful that London will recover and Enfield's local economy will weather the tough times ahead. But in the coming months, this uncertainty may make it harder to rely on a model of continued economic growth as the main driver for change in Enfield.
- 1.21 There are also some institutional and political uncertainties that may affect this strategy and these flow from the change of administration at City Hall in May 2008. Mayor Johnson has expressed a clear intention to devolve more decision taking to the London Boroughs and it seems likely that he will make significant changes at the London Development Agency to re-focus its spending priorities. Although the revised London Plan was adopted in early 2008, it is also very likely that the new Mayor will propose some different policies and structures to those contained in the 2008 Plan. Although such further changes may take time to be finally implemented, these present new opportunities for Enfield.

Our economy remains relatively weak

- 1.22 Although we have some good future prospects and we have experienced a reasonable level of net growth in the last decade, our development has been hindered by many local factors. We have been set back by transport bottlenecks, blighted industrial sites and, in some neighbourhoods, by poor quality urban fabric, degraded environment and the perception of high crime rates – particularly violent crime.
- 1.23 In Edmonton and other localities, primarily on the Borough's eastern side and southern edge, the indicators of multiple deprivation have shown that our population experiences worklessness, low income, bad health, housing problems and a poor quality environment. This experience of deprivation is not contained within relatively small scale geographical areas but is beginning to be felt more widely in different parts of the Borough and, without carefully targeted interventions, the problems may worsen.
- 1.24 We have not benefited from all the forces that have underpinned the buoyant economic position enjoyed by London as a whole in the last decade and a half. Although our declining manufacturing base has begun to change, we have a very low

concentration of high technology and knowledge intensive industries. Our labour productivity remains low and we have a small share of growth sectors and a high share of declining ones.

- 1.25 Over the most recent five years, we have seen that manufacturing has continued to shrink but wholesale and retail have grown – as have the hospitality sector, construction and general business services. However financial services have shrunk (from an already low base) and so has transport and communications.
- 1.26 Enfield's economy has too many firms that are in low growth sectors and these have only limited scope to contribute new jobs. In particular, Enfield must acquire a greater share of the kinds of firms that have done extremely well in the overall London economy – especially business services, high technology manufacture, cultural, hospitality, retail, health and social care. These should be recognised as the Borough's priority growth sectors.
- 1.27 Most growth has been a consequence of public sector expansion. This is less likely to continue in the near future and more jobs growth must be generated in the private sector. However, public bodies will still continue to provide many jobs and, unlike the private sector, have a greater scope to deliberately recruit local people and create progression routes, especially in health and social care. Enfield Council itself has recently committed to creating and encouraging apprenticeships within its own workforce and amongst its contractors. However, a key part of this strategy must be to re-balance the Borough's labour market and to increase the share of overall employment that is driven by the market rather than by public spending.

We must strengthen the growth potential of these “priority sectors” by ensuring that a better labour market offer is available to these firms: learning & skills providers must be better equipped to provide the skilled staff that employers want – especially so that we retain existing firms and attract new ones. (SO1.1)

- 1.28 We will make sure that our curriculum offer to young people is expanded at all levels to include a range of courses which support the transition from education into the growth employment sectors. We will also ensure that, in the early phases of implementing the 17 new Diploma qualifications, we prioritise delivery of those which match the growth employment sectors.
- 1.29 Small and medium sized enterprises are assuming a more significant role in our economy. But, although they account for 5 out of 6 firms, enterprises with 10 or fewer employees only account for about a fifth of all Enfield's employment. Furthermore, their numbers are growing whilst the larger firms appear to be shrinking – both in number and in their share of the Borough's total employment. Over a third of the Borough's larger private sector employers are retailers.
- 1.30 A further drag on our capacity to create a vigorous and expanding economy is the low rate of new business formation. Although a relatively small number of businesses register for VAT purposes each year, Enfield's stock of such businesses – a total of

7,300 – has never been higher. If we can increase the number of new firms, maintain the survival rate of existing ones and help them grow and expand their workforce, we can supply more jobs that are needed in the Borough.

- 1.31 However, the current forecasts for the Borough are not very optimistic. Official estimates produced by the GLA anticipate the net increase in jobs will only be 2,000 over the next decade. Even if some sectors grow quite rapidly, they will only offset losses in others. It is possible however that Enfield's economy could grow more strongly if regeneration and investment efforts are successful. We remain cautiously sceptical about the current GLA estimates not least because they seem to under-state the effects of predicted population growth.
- 1.32 Even if the net growth in jobs is not particularly high, we have modelled the impact of job *turnover* which we estimate will produce almost 32,000 job openings over the next 10 years. These will be vacancies that are caused by further restructuring, by current job holders changing occupation and a sizeable number of people retiring.
- 1.33 We expect that a quarter of all openings (roughly 8,000) will be in the wholesale and retail trade with another fifth (about 6,000) in business services. Turnover in education, health and social services will generate about another quarter of all these new openings whilst hospitality will supply 2,500 (about 8%). The remaining sectors will account for a few thousand further vacancies over the 10 year period.
- 1.34 At least a third of these new jobs will require high level skills and be filled by people with a minimum of an NVQ level 4 qualification. Almost a half of all the vacancies will be filled by people in the top occupational categories (managers, professionals and associate professional and technical occupations). Only about a tenth will be filled by people in elementary occupations and another tenth will be in sales and personal services occupations. Our strategy therefore has to ensure that more of our residents acquire the skill levels and can enter the occupation groups that will increasingly characterise these new jobs.
- 1.35 We have also reviewed whether employers in the borough are ready for the new economic environment. In preparation for this Strategy we have specially commissioned two surveys including a recent telephone survey undertaken by PACEC with 240 firms in the Borough.
- 1.36 The result of these surveys and other evidence suggests that employers are not well prepared for change in their business or the future workforce they will require. Few of Enfield's firms appear to have well structured approaches to training and developing their employees. More than a half of all firms seem to have undertaken no training in the previous year.
- 1.37 Even firms that recognise they face recruitment difficulties do not feel this has an impact on their business. Three quarters of all firms said this. However, a number of employers – especially in business services – felt that their recruitment suffered from “low numbers of applicants generally”. And, the firms that did experience recruitment difficulties were not very aware of why this was. About a fifth of firms said that skill

shortages were restricted to technical and job specific skills. Only one in twenty thought that generic skills, like “team-working” and “problem-solving”, were a drag on their business. In the rest of North London, the National Employer Skills Survey finds that more than one in five firms identified these problems.

- 1.38 Conversely, evidence also suggests that Enfield firms are failing to attract the workforce they need. A survey undertaken in 2006 found that employers felt they were uncompetitive in recruiting the right employees: a quarter failed to hire because applicants were offered a “better job”; almost a third said they were beaten by a “better pay offer” and a fifth said that travel difficulties dissuaded applicants.
- 1.39 Shortage of skilled recruits is only one part of the problem. Many firms acknowledge that their existing staff are under-skilled for the work required. Almost 60 percent of sales and customer service staff were judged not to be fully proficient as were roughly 50% of managers, clerical staff, skilled manual workers and even employees in elementary occupations. However three quarters of firms did not think these skill gaps had an adverse impact on their business.

Some of our population is under-skilled and under-employed

- 1.40 The key driver of recent change in Enfield has been the growth in population. However, beneath the surface of the overall numbers lies a high rate of population churn – with arrivals being predominantly younger and increasingly drawn from ethnic minority communities. In particular, there has been a very substantial rise in the population who are Black African in origin – with a high concentration resident in just two wards – Edmonton and Edmonton Green.
- 1.41 Although many migrant workers are highly skilled, the increased number of new arrivals does have a negative impact on the levels of employment: poor English language competence is a barrier to work; foreign awarded qualifications may not be recognised in the UK; and employer discrimination may also have an effect.
- 1.42 As a result, compared with the average for Londoners who are white, Enfield’s non-white residents have an employment rate that is 10 percentage points lower; an economic inactivity rate that is 5 percentage points worse; and an unemployment rate that is more than twice as high.
- 1.43 The overall employment rate for the Borough is on an uncertain trajectory. For most of the period since 1999 Enfield’s employment rate roughly tracked the London average which has now sunk to 69%. However, the most recent data has been slightly erratic with some improvement recorded in recent years but a downwards dip in the most recently recorded period (2007).
- 1.44 There are several factors which may contribute to recent rises in the employment rate without necessarily reflecting an improvement in the Borough’s “underlying” position. Firstly, there may be an increase in the number of well educated young adults to whom parts of the Borough represent an increasingly attractive housing option;

secondly, for similar reasons the Borough has a relatively high number of eastern European migrants workers (although fewer than in adjoining Boroughs) who have high employment rates. However, these may be relatively transient population groups.

- 1.45 In particular, it is amongst women that the employment rate seems particularly low. If Enfield were to match the national average, a further 14,000 people (mainly women) would need to enter employment. Indeed, if the Borough were to match the Government's aspiration for an 80% employment rate 24,000 more people would need to be in work – and the vast majority of these would be women.
- 1.46 We have also identified that a declining proportion of young adults appear to be in work. Even though there appears to be a rising population of people in their early twenties who choose the Borough as a place to live, the evidence indicates that the population of young adults who have grown-up in Enfield have not made an effective transition into the labour market. A surprisingly high proportion of these young adults appear to be economically inactive – they are neither seeking employment nor ready to start work if it became available). Most of this group are young women – only about 50% of women aged 20-24 are in work compared with around 80% of young men of the same age. We will therefore concentrate efforts on helping women – including young women and those with very low skills – to get closer to the labour market through a programme of pre-employability services and deliver these where possible in neighbourhood settings.
- 1.47 We also find that the employment rate for disabled people is low – at just 50% – and this is significant considering the growing numbers of residents who now rely on incapacity benefits. As with the employment rate for young people, the situation is worse for women than for men.

The skills deficit

- 1.48 However, the most startling evidence relates to skill levels. Of our residents who lack any qualifications less than 4 out of 10 are in employment. But amongst graduates, we find that almost 9 out of 10 are in work. It is clearly a priority for this strategy to address low skills.
- 1.49 As a key priority, we must focus on meeting the skills challenges of our Borough. Around 48,000 of our residents (about 27%) have no qualifications or are skilled to only a very low level. Of these about 27,000 have no qualifications at all. The new jobs that are forecast for Enfield will overwhelmingly require higher level skills and it is estimated that only about a fifth will be filled by people who have low skills or who lack qualifications.

We must improve the skills of our residents especially by reducing the number of people who lack basic literacy, numeracy, language and essential ICT competence. (SO2.4)

- 1.50 Only about 30% of our residents have a level 4 qualification – and in our more disadvantaged neighbourhoods even fewer people are skilled to this level. Over the

next decade about 36% of new job openings in the Borough will be filled by people holding these higher level skills. Elsewhere in London, the gap will be even larger – in central London about a half of all new jobs are already being filled by graduates and others holding qualifications at level 4 or above. The LSC predicts that by 2020, at least 50% of jobs across London will require this level of qualification. Even in sectors such as retail and hospitality, there is an increasing expectation amongst employers that their staff will have a level 2 or 3 qualification at least. Many of these posts are in customer facing occupations where firms may not need highly qualified workers but good employability attributes are increasingly important: excellent customer skills combined with good language, ICT and numeric competence.

- 1.51 Government policy is actively encouraging an increase in skills. As one of the key drivers of productivity the Government recognises that global pressures requires a workforce that has greater flexibility, knowledge and adaptability especially in the use of technology. The Leitch Review “World Class Skills” identified that there are “looming skills gaps facing the economy” and that improvements in skills is required at all levels – dealing with the stock of low skilled people, increasing the number of people with intermediate skills; and increasing further the number of graduates and other with higher level skills.

We will reduce the number of residents who lack a first level 2 qualification and reduce the number of residents who have no qualifications at all. (SO4.5)

- 1.52 National policy also emphasises that delivery of new skills must be responsive to market needs. By 2010, all publicly funded adult vocational skills will be delivered through demand-led routes and will be individualised to employer requirements and learner needs. Individuals will access these services through individual skills accounts whilst employers will be served through a customer-led brokerage system of which Train to Gain is the emerging model.
- 1.53 The Government has promised a complete rationalisation of the vocational qualification system and will only support qualifications that meet standards set down by employer-led Sector Skills Councils. The main goal is to increase the numbers of people who have at least a level 2 qualification and a system of free tuition is in place to help people studying or training to reach this qualification level.
- 1.54 Part of the longer-term solution for Enfield lies in improving the skills base of our younger population. Although the majority of our future workforce is already in employment, the main driver of change lies in the skills level of new entrants. National policy clearly recognises the need to significantly improve the achievement levels of young people – especially those that are at risk of disengagement and eventual failure.
- 1.55 Success in our education system is critical to achieving this ambition. The “Tomlinson” reforms of 2004 are now being implemented throughout the country and Enfield has a particularly strong set of arrangements to deliver the new curriculum and lay the foundations for raising the education-leaving age. This year’s 11 year olds have

started their secondary school lives as the first cohort that will automatically stay-in the education and skills system until they reach age 18.

- 1.56 In Enfield, we are beginning to implement the Diploma offer – specialised lines of vocational learning that will provide occupationally relevant skills plus a firm grounding in maths, English and ICT knowledge. In line with Government policy, our 14-19 strategy also concentrates on re-motivating disengaged learners and ensuring that we reduce further the proportion of 16 to 18 year olds who are not in education, employment or training. Funding responsibility for the 14-19 phase will transfer from the Learning & Skills Council to the Borough’s ring-fenced education budget.
- 1.57 Our “Enfield Entitlement” offers all our youngsters a high quality curriculum with a strong vocational pathway, progression into work-based learning for those that want it backed-up with specialist provision for at-risk groups. The entitlement will equip them with the knowledge, skills and experience not only to cope with, but succeed in meeting the challenges of life and work in the 21st century. This can be achieved through the provision of an exciting and stimulating curriculum which provides choices for all levels of learners, provides different learning contexts and experiences and has clear and uncomplicated progression routes. All our colleges, schools and work-based learning providers are engaged in delivering this comprehensive offer that provides appropriate routes for young people (both vocational and traditionally academic) into employment or higher education.
- 1.58 We will strive to keep young people engaged in learning at the critical break points of 16 and 19. Increased participation and attainment at all levels will involve new pathways that expand the traditional routes to include Diplomas and Apprenticeships. We will ensure that all young people benefit from clear progression routes to pursue qualifications up to level 4 and this will be supported by high quality, impartial information, advice and guidance.
- 1.59 We will work alongside the “Aim Higher” initiative to help more young people aspire to level 4 qualifications and beyond. Recent funding changes should benefit young people in our more deprived areas especially those from families which might not have previously considered higher education.
- 1.60 We are increasingly confident that, through Enfield’s Strategic Partnership, we have excellent oversight of the funding and infrastructure arrangements for the 14-19 age group. The strategic control of funding will soon become the responsibility of the local authority, and this will simplify and strengthen decision-taking and give us very effective leavers to influence the take-up rates into Higher Education and to ensure that we successfully retain young people in learning up to and beyond the age of 18.
- 1.61 However, we recognise that not all our school students achieve at or above the national average. Pupils attending some of our schools achieving outstanding results at age 16 but this is not universally the case. At least five of our schools have a results profile for GCSE attainment which is well below the national average and most of

these schools predominantly draw their pupils from the eastern side of the Borough where evidence of multiple deprivation is most apparent.

In Enfield we must therefore make sure that we raise the attainment level of our young people and provide them with vocational learning that will equip them well in the workplace and deliver for employers exactly the qualifications and knowledge that their business requires.(SO1.2)

- 1.62 We will therefore concentrate on the delivery of functional skills in order that all young people have a solid foundation in the English, maths and ICT competence that employers expect. We will also continue to focus on those young people who are at risk of becoming economically inactive and disengaged from the learning system especially those aged 16-18 who are Not in Employment Education or Training (“NEET”).

Engaging employers

- 1.63 Direct engagement with employers will be critical to making reforms of the skills system and welfare-to-work a success. The Government has promised to integrate employment and skills and to ensure that public funding is delivered in a market responsive way. The London Skills and Employment Board has also proposed an “ambitious business-focused” programme to encourage employers to train and recruit more Londoners and has promised a “top notch” vacancy brokerage system for London’s 1,200 largest employers. This will be developed using the London Employer Accord branding and will integrate vacancy and Train to Gain brokerage with mainstream business support services.
- 1.64 Jobcentre Plus is also implementing Local Employer Partnerships which will help a wide range of employers to offer a “Jobs Pledge” of vacancies to non-employed people. In Enfield this could deliver at least two to three thousand vacancies over 3 years and help our disadvantaged residents into work. Jobcentre Plus will help employers to match candidates to these vacancies and provide them with customised training, work trials and job progression services.
- 1.65 However, the majority of firms and the bulk of our Borough’s employment growth is amongst small firms, so we cannot be sure that these mechanisms alone will significantly help our business base. It is essential therefore that, within and beyond this strategy, we ensure that business support services to new, small and growing firms are strengthened. A commitment to the inward attraction, start-up, retention and growth of firms must also include labour market services that will help firms to recruit, train and retain a suitably skilled workforce.
- 1.66 We particularly recognise that, although the Borough’s stock of VAT registered firms is at an all-time high, the failure rate of firms – as evidenced by VAT de-registrations and other measures of business failure – is still worrying. A key part of our efforts to grow new businesses must rest on increasing the rates of self employment in the Borough. Although the rate of self employment grew slightly in the middle part of this decade, it

has inched downwards recently. There are considerably fewer people in self employment in Enfield than in adjoining Boroughs, especially Barnet and Haringey and we need a strong drive towards encouraging people to start their own businesses.

- 1.67 Our Education Business Partnership also helps to forge relationships with employers and, as our 14-19 strategy matures and our Diploma offer gets underway, it will be essential that we have good relationships established with employers in the Borough. Firstly we want businesses to know our schools better and help foster a culture in which the world of work and enterprise is widely understood. Secondly we need to develop a transactional relationship with more of the Borough's firms so that a good range of work experience placements is guaranteed for our students as they undertake Diploma courses.
- 1.68 We will therefore build on the work of the EBP, utilising work experience placements and use more innovative ways of engaging employers in the design and delivery of the curriculum especially the new Diplomas. We will also ensure that enterprise is a focus of our education and training providers by using schools with specialist status to support a greater understanding among all providers and consequently learners.
- 1.69 Many businesses in the Borough already are actively involved in associations and informal groups that bring managers and business owners together. Firms already work together on the Borough's industrial estates and business parks whilst sectors such as retailers have an association that lobbies and represents their interests. Equally we have organisations that are beginning the process of preparing to bid for Business Improvement District status and we also have the North London Chamber and several other business led groupings.

We should establish a Business Leadership Council that brings together all the different business representative bodies and provides a clear leadership function for business in the Borough. (SO1.4)

- 1.70 A business leadership council would work alongside the existing structures and the Local Employment Partnership to bring greater focus, authority and a representative voice especially for small firms.

Helping more disadvantaged people into work

- 1.71 The Government has also committed itself to creating an "integrated employment system" that firmly connects welfare to work with skills training. By 2011, there will be a "single customer journey" so there is no point at which "jobsearch ends and upskilling begins". The Government's main commitments are:
- A universal adult careers and guidance service;
 - Personal skills accounts for all non-employed individuals;
 - An entitlement of free training to achieve NVQ level 2;
 - The offer of literacy, numeracy and language training.

- 1.72 There will also be a significant shift in client focus for Jobcentre Plus. The main priorities will be to concentrate increasingly on people who are furthest from the labour market especially those on incapacity benefits and lone parents. This will involve greater flexibility and a more personalised and responsive service that meets individual requirements such as help with skills, childcare, health needs and financial support.
- 1.73 As a result, commissioning patterns of the Department for Work and Pensions changed markedly in 2008 – with a small number of large prime contract holders delivering Pathways to Work. Beginning in 2009 a restructured offer of “flexible” New Deal services to JSA claimants will also be delivered through a number of prime contractors. It is likely that most of these will be large national private sector organisations some of which may seek to subcontract selected services through local providers.

We must therefore help to develop and support the Borough’s provider infrastructure by providing a regular forum with business and ways of sharing market intelligence, good practice and innovation between providers. (SO3.1)

- 1.74 The policy decision to deliver new forms of help for claimants of Incapacity Benefit is of great importance in Enfield. The evidence shows that by the middle of 2007 we had just over 12,000 ICB claimants and this total had been rising continuously over the last 5 years although it has fallen back a little in the most recent 6 months. The increase in the Borough’s total of disabled claimants has been one of the highest recorded anywhere in England. Only Haringey and Hackney have been worse. The vast majority of ICB claimants are very long term: nearly 80% of Enfield’s ICB recipients have been receiving their benefit for more than 2 years.
- 1.75 Pathways to Work has started in Enfield and is a programme that offers a mix of pre-work assistance and post-placement support including services that help to stabilise health conditions. In October 2008 a new Employment and Support Allowance replaced the current Incapacity Benefit and Income Support paid on grounds of incapacity. The new Allowance applies to new and repeat claims so its introduction will be incremental but all existing claimants will be asked to undergo more regular capability assessments designed to judge if they are fit to work. New claimants will only be eligible for the new Allowance if they undertake work related interviews and agree an action plan of steps that bring them closer to the labour market.
- 1.76 We must also ensure that more of Enfield’s lone parents are helped into work. We presently have 7,400 lone parents who are claiming Income Support and this total has risen continuously for over a decade. Almost 70% of this Borough’s lone parents have been claiming Income Support for more than 2 years.
- 1.77 Government policy means that more lone parent claimants will be expected to look for work. In October 2008 it became mandatory for anyone whose youngest child is 11 years or older to look for work because they will be transferred onto Jobseeker’s Allowance. There will also be a stronger support package for lone parents – including

a London-only extra tax credit and more affordable childcare – so they can prepare for a job and be supported whilst in-work. During the transition to JSA lone parent claimants will be helped with work focussed interviews and will receive a financial premium in return for activity that prepares them for full-time jobsearch.

- 1.78 However, we also recognise that the very low employment rate amongst women in the Borough does not simply reflect the number of lone parents on benefits. The evidence indicates that in London about 40% of households with children in poverty are not workless but are working families with low earnings topped-up by tax credits. The extensive under-employment of women in Enfield indicates that many households make do with a single earner's wages and face difficult choices in balancing the choice between work and childcare. The London Child Poverty Commission has recommended that all parents, regardless of benefit status, should receive high quality careers, training advice and be made fully aware of the training and advancement opportunities available to them. At present there are very limited offers of such help for non-claimants to enter work or to upskill themselves once they have found a job.
- 1.79 Changes in Government policy will result in a new priority given to claimants of Jobseeker's Allowance who are longer-term unemployed or who face particularly acute barriers to work. Intensive support will be increasingly reserved to those who need it most and a "light touch" system introduced for short term claimants and those who need less help in returning to work. After 12 months unemployment, JSA claimants will be referred to specialist return-to-work providers who will be funded on the basis of their results. These providers will be encouraged to offer a highly individualised service and be permitted new flexibilities in the way they deliver their services.
- 1.80 For all groups of claimants, there will be an increased expectation that, in return for greater help, that a non-employed individual will successfully return to work.
- 1.81 In Enfield, our most critical problem is not simply that we have so many claimants, but they are also geographically concentrated in a relatively small number of areas on the eastern and southern sides of the Borough. Taken as a whole, Enfield's total number of benefit claimants is equal to 17% of the Borough's working age population. But in many localities, the percentage is a great deal higher and represents a third of the entire working age population. This is especially true in parts of the 3 Edmonton wards, in Turkey Street, Haselbury, Ponders End and in Enfield Lock. There are other hotspots mainly focussed around local authority housing estates in Southbury, Chase ward, Southgate, Southgate Green, Bowes ward and Palmers Green.

Because so many of this Borough's claimants are concentrated in a small number of wards and localities, it is essential that employment services are intensified in our more disadvantaged areas. (SO2.1)

- 1.82 The majority of these claimants are economically inactive – the conditions for receipt of benefit currently do not require them to be available for work or to actively job seek. However, the evidence shows that 23,000 people in the Borough want to work but

most of these are economically inactive. A key ambition for the Borough is to help deliver services that bring these inactive people closer to the labour market.

- 1.83 We recognise that we must continue to attract the specialised funding that Enfield has received in recent years from central Government, the LDA and from Europe. We are very pleased that the Borough will benefit from the Working Neighbourhoods Fund – which replaces the Neighbourhood Renewal Fund and the Local Enterprise Growth Initiative. The Borough now expects to receive almost £3m in WNF support over the three year period to 2010/11 but we must continue to identify new sources of support.

We shall therefore have to intensify efforts to bring additional funds into the Borough and carefully coordinate the process of securing new resources (SO3.3).

- 1.84 Enfield's labour market is not disconnected from the rest of London and a key part of our employment base forms part of the Upper Lee Valley. This is a distinctive area of intensive commercial and industrial activity that crosses Borough boundaries to include parts of Haringey and Waltham Forest. A long history of industrial restructuring combined with significant population movement has led the Upper Lee Valley to become an area that has faced many problems.

- 1.85 Major efforts at physical regeneration have rescued many brownfield sites and have brought infrastructure investment and modern factories, warehousing and retail into the area to replace lost industries. Furthermore, the area has been earmarked as one of the strategic growth corridors for London and south eastern England which will result in substantial housing growth and associated businesses and services.

- 1.86 Despite this, the population in the neighbourhoods of the Upper Lee Valley continues to face problems. High levels of multiple disadvantage persist – in particular low employment rates and poor skills – and all three Boroughs recognise the common difficulties.

We will therefore work alongside Haringey and Waltham Forest to develop a three-Borough programme of labour market measures. (SO2.2).

- 1.87 This will focus on the disadvantaged neighbourhoods of our Borough and seek to deliver employability services at a neighbourhood level. An outreach and engagement model is being developed in each of the three Boroughs based on the concept of "Single Points of Access" that offer participants a standardised entry and assessment process irrespective of which Borough they live in. Such a programme would also coordinate efforts to exploit the development opportunities which arise from growth in population and new business activity in the Upper Lee Valley, including some opportunities that arise from London 2012.

- 1.88 All 3 Boroughs have already piloted neighbourhood-based approaches to worklessness amongst the harder-to-reach populations – the *Haringey Guarantee*, Enfield's *Jobs Net* and *WorkNet* in Waltham Forest. These employment and skills interventions already work alongside a suite of LDA funded services delivered as

Employ ULV primarily Construction Web, the Stansted Airport employment programme and a dedicated programme for Lone Parents in the 3 Borough area.

1.89 Our own local programme is delivered under the framework of commitments made in Enfield's Local Area Agreement. These include 2 childcare schemes, 5 training and work placement schemes, 2 self employment and community business initiatives and a Council-run job brokerage to support our programme to secure job entries. Our expectation is that about a third of beneficiaries come from the five priority wards identified in our Neighbourhood Renewal Strategy.

1.90 However, our ambition is not simply to acquire LDA funds or to deliver yet more projects and initiatives. Like our adjoining Boroughs, we are increasingly clear that the DWP and LSC's mainstream services need to be integrated at the local level and delivered alongside other neighbourhood services such as healthcare improvement (especially mental health) and children's services – such as the pilot approach in our One Large Intervention to tackle child poverty.

We therefore propose to deliver an integrated service that brings together different mainstream services and localised interventions as a coherent, single “Jobs Net” brand (SO3).

1.91 However, delivery at a local level also requires much tighter co-ordination of planning and funding at the Borough level. There are numerous lines of funding within the Borough and although decision-taking is already coordinated through SEESDG, we believe it is vital to strengthen the LSP's authority to take the strategic lead on acquiring and allocating funding and commissioning delivery partners.

To ensure better alignment, pooling and matching of funding streams, we propose to create a Joint Investment Framework for Enfield and propose to embed this within our Local Area Agreement (SO3.1).

1.92 An essential function is to improve networking, sharing information and learning better between strategic planners, fund-holders and providers. One key task is to find local ways to permit access to client information held by Jobcentre Plus. Recognising that this information is personally sensitive and subject to data protection procedures, the partnership should establish working methods that allow Jobcentre Plus to work directly with other caseload managers and service providers to better target clients who are either receiving mainstream or specialised services.

1.93 Additionally, we should establish a shared, live database of intelligence about employers, their recruitment patterns and key business metrics in order to help vacancy and work placement brokers to coordinate approaches to employers and to better understand their requirements.

Forming a new strategy from past experience

1.94 Some of Enfield's challenges are new whilst others have been evident for many years. So, in drawing up this strategy, we have not started with a blank sheet.

- 1.95 For almost two decades, LB Enfield and its partners have actively sought to address the challenges of long-term economic change and to secure the retention of businesses, encourage new investment and support measures to equip the Borough's residents with the skills necessary for work. Over the last decade and longer, the Borough has drawn considerable benefit from the Single Regeneration Budget, Regional Selective Assistance, ESF, ERDF and LDA Single Programme.
- 1.96 Against a rapidly changing economic background, the Borough has delivered considerable change – especially to the physical environment of the Borough's eastern side and attracting and building new businesses. But the Borough's social position has worsened considerably as the total of non-employed residents has increased at an unprecedented pace. This has happened despite an apparently benign background of healthy economic growth and an increase in jobs – both in Enfield and elsewhere in London.
- 1.97 In forming this strategy, we have particularly reflected on the role of other plans and strategies within the Borough and beyond. In 2004, for example, the LSP's Skills Enterprise and Employment Thematic Action Group devised a strategy for the Borough which identified 4 priority areas to tackle unemployment and encourage business growth. It concentrated on 4 actions:
- Increase the supply of language, literacy, numeracy and other skills;
 - Removing barriers to employment for disadvantaged groups;
 - Supporting local jobs for local people;
 - Supporting enterprise.
- 1.98 Reflecting the analysis contained in the Upper Lee Valley strategy adopted by the LDA for commissioning its Area Programme, Enfield's 2004 strategy also set-out a rationale for pursuing a sector-based approach in which policy should focus on industries that had significance or growth potential for the Borough. These key sectors were manufacturing, public services, leisure and tourism and creative and cultural industries.
- 1.99 In this latest strategy, we develop the 2004 themes in three significant ways.
- 1.100 Firstly, we emphasise the importance of being responsive to market requirements and to employer engagement; as a result, we recognise that employer and learner demand is the key driver to increasing the supply of skills and we aim to forecast what that scale and extent of that demand might be; secondly, we conclude that "local jobs for local people" is not a wholly reliable strategy partly because the scale of need compared to available employment makes it unachievable; thirdly, in the sectoral mix, we emphasise the importance of business services and fine-tune the significance of public sector jobs to focus on health and social care.
- 1.101 Our new strategy sets out some of the challenges for the future, identifies priorities for joint action and expresses a determination to fundamentally transform the economic circumstances and life chances for many of our residents.

The strategy in summary

Strategy objective 1: Support inward investment and business growth

1. Increase the private sector's share of employment and strengthen the Borough's growth potential industries – business services, high technology manufacture, cultural, hospitality, retail, health and social care
 - Ensuring providers can supply in-demand skills and meet firms' recruitment needs through bespoke training and job entry services
 - Making sure there is a good labour market offer to support inward investment and business growth services of different agencies including North London Business, its support, inward investment and property finding role;
 - Extending the job brokerage function (subject to a fuller demand assessment and market testing exercise)
 - Maintaining a "live" database of businesses in the Borough as a shared marketing tool for all labour market agencies

2. Increase the supply of skills for growth sectors – encouraging the Borough's colleges and work-based learning providers to:
 - deliver vocational lines of learning supporting the target sectors and occupations
 - offering more specialised and market sensitive training through Train to Gain and through the Borough's 14-19 Strategy

3. Engage employers and involve business leadership
 - Develop a Local Employer Partnership to deliver the "Jobs Pledge" and as a vehicle to strengthen links between public agencies (including schools) and the private sector
 - Develop a regular forum between employers and providers of employment support and business growth services
 - Strengthen the input of business into the design and delivery of new services.

4. Develop a business leadership council that brings together the sector or geographically based employer-focused groups in the Borough (e.g. Enterprise Enfield, Enfield Business Retail Association and Brimsdown Business Association) along with any potential BID organisations, North London Chamber of Commerce, North London Business, Construction Web and firms active in the Local Employer Partnership.

Strategy objective 2: Increase the skills and employability of the Borough's population

1. Reach hard-to-serve populations and target the most disadvantaged areas, principally in the south and east of the Borough by concentrating available resources into the Borough's priority neighbourhoods
2. Develop a three-Borough initiative with Haringey and Waltham Forest to link together each Borough's neighbourhood-based initiatives and to jointly exploit opportunities across the Upper Lee Valley.
3. In the lowest employment neighbourhoods, integrate the multiple interventions and mainstream services to:
 - deliver an integrated service through 'Enfield JobNet' as a single coherent and respected local brand
 - develop new outreach services involving voluntary, community and faith organisations – such as the community development trusts in Ponders End and Edmonton
4. Increase the supply of vocationally relevant and employer focussed and embedded Skills for Life provision that leads towards employment – encompassing literacy, numeracy, language and essential ICT
5. Reduce the numbers of residents who lack a first level 2 qualification; and reduce the number of residents who have no qualifications at all
 - stimulate new demand from potential learners
 - encourage employers to engage through Train to Gain
 - develop more pathways that offer intermediate training at level 1 as a progression route through level 1, level 2 and into work

Strategy objective 3: Better co-ordination, information sharing and networking

1. De-clutter the funding lines and decision-taking processes by pooling and aligning of funds and services through the Borough's LAA and a joint investment framework
 - Strengthen the role of SEESDG and its core officer group as the main coordinating body
 - Agreement of roles and responsibilities between different agencies
 - Improved data sharing, cross referrals and caseloading
2. Agree shared priorities for accessing external funds and better co-ordination of bids – including a closer collaboration with adjoining Boroughs
3. Support the networking, learning and intelligence sharing potential of forums for providers of skills, employment and enterprise services (both private sector and not-for-profit agencies)
 - Enhance the role of the Enfield Observatory to provide market intelligence
 - Actively track changes to the changing patterns, distribution and nature of employment in the Borough

Action plan

The overall ambition of the strategy is to increase jobs and wealth in Enfield, tackle worklessness and poverty and create a more socially cohesive Borough in which our residents can secure a good standard of living and follow their ambitions and goals.

This skills and employment strategy sets out our priorities for the 3 year period to March 2011. Not all of the actions suggested below will be implemented straight away and there will be some future actions not yet listed but which will emerge from experience, new ideas and changing priorities or in response to changing market conditions and as funding sources are identified. Future reviews of the Action Plan will need to have regard to the Local Development Framework's Area Action Plans and the Place Shaping projects.

The main actions we will take as a partnership are:

- Introducing a 'Joint Commissioning Plan' from March 2009 so that public spending and investment can be maximised and blended effectively;
- Prioritising neighbourhoods and population groups that are proving most difficult for our traditional ways of working to reach;
- Majoring on the skills and qualifications that people need to secure and sustain jobs that will be in demand in the future;
- Targeting support for businesses that are likely to thrive in Enfield;
- Implementing the Local Area Agreement (1 and 2) for Enfield and ensuring that the objectives established as part of the Local Development Framework are met.

Implementation of some indicative actions described in the Action Plan are already underway whilst others will take time and negotiation to begin. Others represent general ambitions but which will require significant external investment or development opportunities to exploit. Few of the actions can be delivered by one single agency although there may only be one funding source immediately apparent. Nonetheless, all these actions will require the resources and active collaboration of many partners. The Action Plan identifies the lead agency for each element and a resource/budget (although not the precise allocation). The Commissioning Plan proposed for future years will be more specific about the level of resource allocation and will take direct account of the national indicators of LAA (2) that are currently being finalised for implementation.

Key Targets	Baseline	Target		
		2008/09	2009/10	2010/2011
Working age people claiming out of work benefit in worse performing neighbourhoods	28.5%	28.0%	27.5%	26.5%
Entry level 3 numeracy	(2007/08) 270 places	272 places	277 places	284 places
Level 1 Literacy	(2007/08) 333 places	336 places	347 places	361 places
Level 2 in the workforce	(2006/7) 66.2%	+ 2.3% (68.5%)	Baseline +3.2%	+3.8%
Level 3 in the workforce	(2006/7) 49.5%	51.9%	53.1%	54.3%

Strategy objective 1: Support inward investment and business growth			
<p>1. Increase the private sector's share of employment and strengthen the Borough's growth potential industries – business services, high technology manufacture, creative / media, hospitality, retail, health and social care</p> <ul style="list-style-type: none"> ■ Ensuring providers can supply in-demand skills and meet firms' recruitment needs through bespoke training and job entry services; ■ Making sure there is a good labour market offer to support inward investment and business growth services of different agencies including North London Business, its business support, inward investment and property-finding role; ■ Extending the job brokerage function (subject to a fuller demand assessment and market testing exercise); ■ Maintaining a "live" database of businesses in the Borough as a shared marketing tool for all labour market agencies. 			
Aim	Activities	Lead Responsibility	Funding
<p>1.1 To increase the proportion of employment in the private sector from 68% to 69.25% (an estimated extra 650 private sector jobs on top of those forecast) by the 31st March 2011 (Subject to annual review in the light of macroeconomic trends)</p>	<p>1.1.1. The London Borough of Enfield, LSC, Jobcentre Plus and LDA shall, through the Skills, Employment and Enterprise Specialist Delivery Group (SEESDG) of the Enfield Strategic Partnership (ESP) produce a Joint Commissioning Plan for Enfield by 31st March 2009 and annually thereafter.</p>	SEESDG	None- tasked to officers
	<p>1.1.2. The proposed Joint Commissioning Plan shall provide for progression through basic employability skills through to advanced and higher levels, with emphasis on skills gained within the workplace and that contribute to business success.</p>	LSC	LSC adult Level 2 / Level 3 and Skills for Jobs (SfJ) budgets
	<p>1.1.3. The officers of SEESDG and North London Business should review the Joint Commissioning Plan to ensure that it provides for a suitable labour market offer to inward investors.</p>	SEESDG	None- tasked to officers
	<p>1.1.4. Increase the demand for skills gained in work, measured by participation and achievement in Train to Gain in each of the next three years:</p> <ul style="list-style-type: none"> • 2008/09 = 1250 starts @ Levels 2/3 & 175 SfL (55% Timely Success Rate [TSR]) • 2009/10 = 1700 starts @ Levels 2/3 & 225 SfL (70% TSR) • 2010/11 = 2200 starts @ Levels 2/3 & 300 SfL (80% TSR) <p>(This is based on the take up of Train to Gain in the Borough during the first two years of operation as follows: Academic year 2006/07 =740 Level 2 starts & 40 SfL</p>	LSC	LSC Train to Gain (TtG) budget

	<p>2007/08 = 950 Level 2 starts & 100 SfL with 40% TSR) These projections assume:</p> <ul style="list-style-type: none"> ▪ The supply of Train to Gain will be incorporated in the proposed Joint Commissioning Plan ▪ That Train to Gain will continue to be a key component of the Government, LSC and Mayor of London's strategies ▪ That resources will be sufficient to deliver the Train to Gain expansion plans published in may 2008 ▪ That Train to Gain and workforce development will be core elements of the offer made by North London Business to inward investors 		
	<p>1.1.5. The LSC, with LBE, to report on the use of databases by agencies in the Borough and include this in the joint commissioning plan</p>	<p>LSC / LBE</p>	<p>None – core function</p>

2. Increase the supply of skills for growth sectors – encouraging the Borough's colleges and work-based learning providers to deliver vocational lines of learning, supporting the target sectors and occupations, offering more specialised and market sensitive training through Train to Gain and through the Borough's 14-19 Strategy			
Aim	Activities	Responsibility	Funding
2.1 To increase the proportion of Enfield residents of working age ² who are qualified to level 2 as a minimum to 70% by 2010.	2.1.1. To build on the product of 14-19 education by ensuring: <ul style="list-style-type: none"> • That from 1st April 2009, every person who remains not in employment, education or training (NEET) at the age of 19 has an Individual Employment Plan that identifies what they have achieved to date and the best range of services, such as training and qualifications, to help them enter into employment • That the development of the Adult Advancement and Careers Service from 2009/10 provides effective and accessible careers information, advice and guidance in the area and works alongside Jobcentre Plus and the existing job brokerage services • That there are termly meetings of the officers of the 14-19 Strategic Partnership and officers of SEESDG from December 2008; • That there is an annual conference in June/July 2009 and thereafter, of providers serving the 14-19 age group and those dealing with adults, especially young adults up to the age of 25, to ensure the consistency of the offer available to both ages and to the local labour market 	Jobcentre Plus with Enfield Youth Service (Connexions) LSC	LSC budget Jobcentre Plus budget LBE (Connexions)
	2.1.2. To ensure the supply of sufficient high quality Skills for Life and basic employability skills opportunities throughout the Borough, irrespective of funding stream, as set out in this plan.	LSC	LSC SfL budget Jobcentre Plus Basic Skills budget (contracted by the LSC)
	2.1.3. To introduce Foundation Learning opportunities that offer progression pathways into work (with training wherever possible). The indicative (i.e. not finalised) Foundation Learning Tier (FLT) targets are: <ul style="list-style-type: none"> • 2008/09 375 E2E starts and 90 Skills for Jobs starts; 55% E2E progression and 50% SfJ progression. 	LSC	LSC FLT budget

² "Working age" is 19-64 for males and 19-59 for females (see 'National Indicators for Local Authorities and Local Authority Partnerships', DCLG)

	<ul style="list-style-type: none"> • 2009/10 (indicative) 400 FLT and 120 SfJ starts, both with 60% progression • 2010/2011 (indicative) 425 FLT and 150 SfJ starts, both with 67% progression <p>(Subject to review in the light of the FLT and SfJ settlement in Enfield)</p>		
	<p>2.1.4. Increase the level 2 (as a minimum) achievements of people of working age (over 18) in line with the targets agreed in the LAA:</p> <ul style="list-style-type: none"> • 2008/09 = 68.5% • 2009/10 = 69.3% • 2010/11 = 70.0% 	LSC	LSC L2 budgets 16-18 & 19+
	<p>2.1.5. Increase the proportion of Enfield residents of working age who achieve at least a level 3 qualification</p> <ul style="list-style-type: none"> • 2008/09 = 51.9% • 2009/10 = 53.1% • 2010/11 = 54.3% 	LSC	LSC L3 budgets 16-18 & 19+
	<p>2.1.6 Integrate employment and skills initiatives so that people have an opportunity to achieve qualifications that are relevant to their employability. Set three year targets for Jobcentre Plus and LSC programmes in September 2008</p>	LSC	LSC SfJ budget Jobcentre Plus Basic Skills budget (contracted by the LSC)
	<p>2.1.7 Investigate the feasibility of increasing childcare places within the Borough both as a source of employment, self-employment or training placement and as a service to facilitate return to the labour market</p>	LSC	LSC
	<p>2.1.8 Introduce Skills Accounts as part of the national roll-out in 2009/10</p>	LSC	LSC
	<p>2.1.8 Set targets in December 2008 for progression of adults to Level 4 provision and HE for the life of this plan.</p>	LSC to liaise with HEFCE and LBE	LSC

<p>3. Engage employers and involve business leadership</p> <ul style="list-style-type: none"> ■ Develop Local Employer Partnerships to deliver the “Jobs Pledge” and as vehicles to strengthen links between public agencies (including schools) and the private sector; ■ Develop a regular forum between employers and providers of employment support and business growth services; ■ Strengthen the input of business into the design and delivery of new services. 			
Aim	Activities	Responsibility	Funding
3.1 Increase the number of businesses engaged in Local Employment Partnerships (LEPs- employers working with Jobcentre Plus to help people from disadvantaged groups back into work)	<p>3.1.1. Ensure that increasing coverage by LEPs is a key component of the Joint Commissioning Plan:</p> <ul style="list-style-type: none"> • Set interim targets by December 2008 • Include three year targets in the Joint Commissioning Plan 	Jobcentre Plus	Jobcentre Plus
	<p>3.1.2. Increase the number of</p> <ul style="list-style-type: none"> • outlets that have signed up to LEPs operating in Enfield from the 2008-09 baseline to be set in March 2009 • Increase the total number of private companies employing more than 200 people that are based in Enfield and engaged in a LEP from the 2008-09 baseline to be set in March 2009 • Increase the number of SMEs engaged in a LEP from the 2008-09 baseline to be set in April 2009 • By December 2008 set targets for the number of people to be helped in 2009-10 and 2010-11 based on a target of 397 to be helped back into work during 2008-09, including 96 lone parents and 62 people with mental health conditions 	Jobcentre Plus	Jobcentre plus
3.2 At least 50% of employees in the Borough covered by a local skills pledge by 31 st March 2011	<p>3.2.1. Engage with providers and undertake marketing to increase the number of organisations in the public and private sectors that sign-up to the skills pledge up to March 2011 as follows:</p> <ul style="list-style-type: none"> • 500 Private sector organisations • 15 Public sector organisations 	LSC	LSC skills budget
	3.2.3 Make Skills for Jobs the recruitment source of choice for adult job entrants who do not have a level 2 qualification.	LSC	LSC skills budget
	3.2.2. Make Apprenticeships the recruitment source of choice for businesses	LSC	LSC Apprenticeship budget

	seeking entrants at Level 2 or 3 demonstrated by 2000 Apprentices employed in 900 private sector businesses in Enfield during the period 2008-2011.		
	<p>3.2.3. Make Apprenticeships the recruitment source of choice for Public Sector organisations in the Borough seeking entrants at Level 2 or 3 demonstrated by 165 Apprentices employed in the Public Sector during the period 2008-2011:</p> <ul style="list-style-type: none"> • 30 in 2008/09 • 50 in 2010/11 • 85 in 2010/11 	LSC	LSC Skills budget
	3,2,4. Promote Train to Gain as the preferred staff development route for businesses by developing the excellence and responsiveness of the offer demonstrated by 1,200 businesses and 5,150 employees participating in Train to Gain during the period 2008 – 2011.	LSC	LSC TtG budget
	3.2.5. Build the HR capacity within private sector businesses in Enfield so that they can take full advantage of the staff development offer available to them, by training 60 managers in private sector businesses in Enfield to Level 3 and 6 to Level 4. By 31 st December 2008, quantify the capacity of businesses in Enfield to assess their staff's competence using the Qualification and Credit Framework.	LSC	LSC - ESF & Train to Gain
	3.2.6 By 31 st December 2008, produce a plan to introduce Train to Gain into the Third Sector in Enfield.	LSC	LSC TtG budget
3.3 Increase the number of businesses engaged in education-business links activities	<p>3.3.1. Develop employer engagement in adult skills provision:</p> <ul style="list-style-type: none"> • Support the 14-19 Strategic Partnership in conducting an audit of activity that demonstrates the scale of employer involvement in provision for young people prior to Diplomas starting in September 2009; • Build on the number of employers engaged in 14-19 education, including: <ul style="list-style-type: none"> ○ 3,290 Work experience places in 2008/9 and, depending on resources being made available, maintained for each year of this strategy ○ 2,783 Innovative work-related learning experiences for 14-16 and 16-19 year olds in 2008/09 and depending on funding being made available, maintain a similar programme of work-related learning experiences for 14-16 and 16-19 year olds for the remainder of this strategy 	LSC / LBE	LSC / LBE Education-Business Links budget

	<ul style="list-style-type: none"> ○ Provide baselines in line with DCSF guidelines on employer involvement in the design and delivery of Diplomas as part of the pilot of ICT and Construction due to start in September 2009 and use these findings as part of the proposed Joint Commissioning Plan to be published in March 2009 and March 2010 (Assumes the maintenance of funding when transferred to LBE) • Employers engaged in post-19 education and training, including: <ul style="list-style-type: none"> ○ Apprenticeships (including Advanced Apprenticeships) = 1200 ○ Train to Gain = 1000 • Employers engaged in Higher education (e.g. through 'Higher Education at work: high skills, high value') to be identified by March 2009; • Employers engaged in provision for Learners with Learning Difficulties and Disabilities (LLDD) to be identified by March 2009 as part of an audit of activity 		
	<p>3.3.2 By 31st December 2008, establish a local plan to implement the regional Joint Commissioning Plan (JIF) between the LSC and NHS.</p>	<p>LSC</p>	<p>LSC (JIF)</p>

4. Develop a business leadership council to address business needs			
Aim	Activities	Responsibility	Funding
4.1 To improve business satisfaction with LA business regulation	4.1.1. LBE (with SEESDG) To establish a business leadership council of major employers and small-medium sized enterprises by 31 st March 2009	LBE (through SEESDG)	To be confirmed by SEESDG & CEDB
	4.1.2. Review business involvement in strategic decision-making and report by 31 st March 2010 on the potential for sector-based forums.	LBE	To be confirmed by SEESDG & CEDB
	4.1.3. Include in the proposed Joint Commissioning Plan (to be published in 2009) plans to develop the capacity of the employer groups in the Borough (e.g. Enfield Business Retail Association, Brimsdown Business Association) along with any potential BID organisations, so that they can develop their membership and authentically represent their views at the strategic level in the implementation of the LAA June 2008 – June 2011.	LBE	To be confirmed by SEESDG & CEDB
	4.1.4. To produce in conjunction with SEESDG Enterprise Working Group a plan by 31 st December 2008 for developing communications with the professional intermediaries and support agencies (e.g. accountants, Enterprise Enfield) working with small and micro businesses in the Borough to enable a better understanding of the special needs of that sector and the climate within which they are operating.	LBE	To be confirmed by SEESDG & CEDB
	4.1.5 To support the Mayor of London's plan to establish a 'London Employer Accord', evaluate its effectiveness in Enfield during 2009-10 and make a decision in June 2009 whether there needs to be a local supplement.	LSC on behalf of Officers of SEESDG	LSC

Strategy objective 2: Increase the skills and employability of the Borough's population			
1. Reach hard-to-serve populations and target the most disadvantaged areas, principally in the south and east of the Borough by concentrating available resources into the Borough's priority neighbourhoods			
Aim	Activities	Responsibility	Funding
1.1. Increase employment in the Borough as a whole	1.1.1 Promote the 'Jobs Net' brand in all skills and employability activities	Through SEESDG: LBE, LSC, Jobcentre Plus, LDA	None
	1.1.2 Deliver services that help workless people return to work: <ul style="list-style-type: none"> • New Deal for Young People = 280 people in 2008-09 • New Deal 25+ = 50 people in 2008-09 • Childcare assistance at a volume of activity dependant on numbers going onto JCP approved training (JCP does not have a limit) • Attendance at 'Options and Choice' events - 30% being of lone parents attending moving onto new deal plus for lone parents programme • Attendance at Guaranteed Job Interviews - to be confirmed in December 2008 • Take-up of Up-Front Childcare Costs payments -Entitlement is for Lone Parents returning to fulltime and requiring help with childcare. • New Deal: Self-employment for those who are 25 and over = 16 starts in 2008-09 • New Deal mentoring = 290 people in 2008-09 • Training in health and Social care = 60 people in 2008-09 • Music production training = 75 people in 2008-09 • Leisure & sport training - 35 • Hospitality training = 250 people in 2008-09 • In-work credit - Unemployed parents returning to fulltime work receive £60 per week for a full year. There is no limit on the numbers entitled to this benefit 	Jobcentre plus	Jobcentre Plus budgets

	<ul style="list-style-type: none"> • Basic Skills (contracted by the LSC) = 100 people in 2008-09 • European Social Fund-number to be confirmed when District has received allocation • Programmes for Lone Parents in 2008-09: <ul style="list-style-type: none"> • Confidence Building: 20 • Training in Health and Social Care: 120 • Paralegal: 25 • Mentoring: 250 <p>Set the performance criteria for the three years of this strategy by 31st December 2008.</p>		
	<p>1.1.3 By 31st December 2008, produce a timetable by when every person in receipt of benefits will have an Individual Employment Plan that identifies the range of services, such as training, they need to help them enter into employment</p>	<p>Jobcentre Plus</p>	<p>Jobcentre Plus</p>
	<p>1.1.4. Deliver 'Pathways to Work' to achieve the following job outcome targets: 2008/09 = 468 2009/10 = 722 2010/11 = 752 (2009 – 2011 targets are subject to review at the end of 2008/09)</p>	<p>Jobcentre Plus</p>	<p>Jobcentre Plus</p>
	<p>1.1.5 Deliver the North London Pledge in Enfield through the achievement of the outcomes set out in this plan by 2011.</p>	<p>LBE</p>	<p>LDA</p>
	<p>1.1.6. By 31st March 2009, explore the potential for volunteering to provide a stepping-stone to employment and include the results in the Joint Commissioning Plan</p>	<p>LSC</p>	<p>LSC ESF – Personal Best (volunteering programme for the 2012 Games)</p>
	<p>1.1.7 By 31st December 2008, produce a plan to work with Housing Associations and the Safer & Stronger Communities Thematic Action Group to re-engage disaffected young adults through diversionary activities that can lead to the acquisition of meaningful skills and qualifications.</p>	<p>LSC</p>	<p>LSC SfJ</p>

1.2. Increase employment in the worse performing neighbourhoods	1.2.1 Increase the rate of employment in south and east Enfield: <ul style="list-style-type: none"> • By bringing the skills system into closer alignment with the support given to people entering the labour market for the first time or those re-entering the labour market after a period on benefits • By providing individuals on benefit with individually planned and targeted support to secure and sustain employment • By providing employers with a package of support that enables them to recruit new staff with the precise skills and competences they require 	Jobcentre plus LSC LBE	LSC Jobcentre Plus LDA (via LBE)
	1.2.2 Number of working age people claiming benefit in worse performing neighbourhoods to be as follows: <ul style="list-style-type: none"> • 2008-9 = 28% • 2009-10 = 27.5% • 2010-11 = 26.5% (196 reduction in customers claiming benefit) (Baseline = 28.5%) 	Jobcentre plus	Jobs Net Jobcentre Plus budgets LSC employability programmes (SfJ, Basic skills)
	1.2.3 Align the implementation of this strategy with the Local Development Framework (LDF): <ul style="list-style-type: none"> • React to employment and land-use priorities that emerge in the LDF • Gear any specific initiatives so that they are sensitive to the priorities in the Area Action Plan areas • Support the employment and skills ambitions of the Ponders End Community Development Trust (PECDT) and the Edmonton Partnership Initiative (EPI) 	SEESDG	Fairshare / PECDT EPI
1.3 Increase employment in priority groups	1.3.1 The following groups have been identified as being disadvantaged in the local labour market: <ul style="list-style-type: none"> • 14-19 year olds • 18-24 year olds • Women, especially young women • Ethnic minority groups • People on incapacity benefits • People with mental health issues • Long-term unemployed • Lone parents • Refugee and asylum seekers 	Jobcentre Plus to lead	None – tasked to the officers of SEESDG

	1.3.2. For each of the above groups, develop baselines relating to skills and employment and publish these in the Joint Commissioning Plan in March 2009 together with the appropriate targets for improvement.	Jobcentre Plus to lead	None – tasked to the officers of SEESDG
1.4 Increase employment as a result of regeneration.	1.4.1 Deliver 'Personal Best', the pre-volunteering programme for the 2012 Games.	LSC	LSC
	1.4.2 Ensure that the Joint Commissioning Plan includes sufficient coverage of the needs of the 2012 Games in all its phases	LSC	LSC
	1.4.3 Ensure that the supply of learning opportunities matches the demand for skilled labour needed for major regeneration projects arising out of local development , e.g. in construction	LSC	LSC

2. Develop a three-Borough initiative with Haringey and Waltham Forest to link together each Borough's neighbourhood-based initiatives and to jointly exploit opportunities across the Upper Lee Valley			
Aim	Activities	Responsibility	Funding
2.1 To provide, through the 'North London Pledge', skills training for at least 358 workless residents by 31 March 2008	2.1.2. Introduce a 'North London Pledge' based on the employment initiatives in each Borough: <ul style="list-style-type: none"> • <u>Employment support</u> 2009-10 = 57 people 2010-11 = 110 • <u>Basic skills</u> 2009-10 = 33 people 2010-11 = 67 • <u>Level 2</u> 2009-10 = 8 people 2010-11 = 17 • <u>Other skills</u> 2009-10 = 23 people 2010-11 = 43 • <u>Sustained jobs</u> 2008-09 = 23 people 2009-10 = 57 2010-11 = 20 	LBE	LDA

<p>3. In the lowest employment neighbourhoods, integrate the multiple interventions and mainstream services to:</p> <ul style="list-style-type: none"> ■ deliver an integrated service through 'Enfield JobNet' as a single coherent and respected local brand ■ develop new outreach services involving voluntary, community and faith organisations – such as the community development trusts and partnerships in Ponders End and Edmonton 			
Aim	Activities	Responsibility	Funding
<p>3.1 Increase employment in the worse performing neighbourhoods</p>	<p>3.1.1. The Joint Commissioning Plan should provide for all local services to be branded 'Enfield Jobs Net'</p>	LBE	LAA 1 (including performance grant)
	<p>3.1.2 By the end of March 2009, produce comprehensive mapping of the services available to the priority groups.</p>	Jobcentre Plus through the Barriers to Employment Working Group	None
	<p>3.1.3 Reduce the proportion of children in Enfield who live in families in receipt of out of work benefits from the baseline of 30.9% to:</p> <ul style="list-style-type: none"> • 2008-09 = 30.7% • 2009-10 = 30.5% • 2010-11 = 30.4% 	Jobcentre Plus	Jobcentre Plus mainstream activities
	<p>3.1.3. By the end of September 2009 undertake a gap analysis to identify any overlaps / duplication and any significant gaps in supplying services that meet the needs of priority groups.</p>	Jobcentre Plus through the Barriers to Employment Working Group	None – core function
	<p>3.1.4. Ensure that the second Joint Commissioning Plan to take effect from April 2010 prioritises the gaps in services in future procurement processes.</p>	LBE	None – tasked to officers.

4. Increase the supply of vocationally relevant and employer focussed and embedded Skills for Life provision that leads towards employment – encompassing literacy, numeracy, language and essential ICT			
Aim	Activities	Responsibility	Funding
4.1 Achieve the volumes and targets for Skills for Life provision and fee income generation from such provision.	4.1.1. Deliver 400 Entry Level 3 numeracy places each year between 2008/09 – 2010/11 with at least 270 learners each year achieving the qualification aim. (To be reviewed in September 2008 when more accurate baselines have been established).	LSC	LSC SfL budget Fee income targets ESF
	4.1.2. Deliver an average of 783 ESOL and Level 1 literacy places each year between 2008/09 – 2010/11 with no fewer than 348 learners each year achieving their qualification aim.	LSC	LSC
	4.1.3 Skills for Jobs and progression pathways targets: <ul style="list-style-type: none"> • In 2008/09 deliver 90 places with 45 achieving sustained jobs with training • In 2009/10 deliver 120 places with 72 achieving sustained jobs with training • In 2010/11 deliver 150 places with 100 achieving 	LSC	LSC SfJ budget
	4.1.4 Deliver 100 places in 2008-09 through the Jobcentre Plus Basic skills programme commissioned by the LSC.	LSC	Jobcentre Plus
	4.1.5 Deliver Adult Safeguarded Learning (ASL) in Enfield according to an ASL plan prepared annually.	LBE (Lifelong and Community Learning)	LSC ASL Budget
	4.1.6 Include the training of Workplace Learning Representatives and working with unions as part of the Joint Commissioning Plan from March 2009.	LSC	LSC
	4.1.7 Ensure that the 2010 Joint Commissioning Plan includes an analysis of the use of EU funding sources that support the activities set out in this plan.	LSC / LBE (LCL)	LSC

<p>5. Increase the numbers of residents who possess a level 2 qualification; and overall increase the number of residents who have any qualification</p> <ul style="list-style-type: none"> ■ stimulate new demand from potential learners ■ encourage employers to engage through Train to Gain ■ develop more pathways that offer intermediate training at level 1 as a progression route through level 1, level 2 and into work 			
Aim	Activities	Responsibility	Funding
<p>5.1 To increase the proportion of Enfield residents of working age who are qualified to level 2 as a minimum to 70% by 2010.</p>	<p>5.1.1 Promotion of the benefits of learning shall be a component of the first Joint Commissioning Plan:</p> <ul style="list-style-type: none"> • That is clear on the role of Train to Gain to provide employability skills and progression, especially for adults, and of Apprenticeships to provide opportunities for young employees and adults • That results in sufficient leads for the Jobs Net offer to guarantee the achievements of targets. 	LSC	Not yet defined
	<p>5.1.2 Based on the proposed gap analysis of services, the second Joint Commissioning Plan (2010) should provide for appropriate outreach services and innovative delivery of education and skills to adults who do not possess a first level 2 qualification.</p>	LSC	Not yet defined

Strategy objective 3: Better co-ordination, information sharing and networking			
<p>1. De-clutter the funding lines and decision-taking processes by pooling and aligning of funds and services through the Borough's LAA and a Joint Commissioning Plan</p> <ul style="list-style-type: none"> ■ Strengthen the role of SEESDG and its core officer group as the main coordinating body ■ Agreement of roles and responsibilities between different agencies ■ Improved data sharing, cross referrals and caseloading 			
Aim	Activities	Responsibility	Funding
1.1. To ensure the achievement of all the LAA (1 and 2) targets assigned to SEESDG	<p>1.1.1. By 31 March 2009 the SEESDG Officer Group to produce a Joint Commissioning Plan as a key planning tool and to increase the supply of skills, especially in the identified growth sectors. The Joint Commissioning Plan shall have the following features:</p> <ul style="list-style-type: none"> ▪ It must incorporate the relevant commissioning plans of the LSC, Jobcentre Plus, London Borough of Enfield and London Development Agency ▪ It must distinguish between the support to new business start-ups, existing / established businesses (safeguarding existing jobs and maximizing the local take-up of 'replacement' jobs in the lifetime of the strategy) and inward investors ▪ It must be consistent with the Borough 14-19 education commissioning plan(s) ▪ It must include both a general offer to all businesses and an explanation of how the industries with growth potential will be prioritised ▪ It should incorporate localized elements of the sector skills and growth strategies deriving from the Sector Skills Councils, the emerging National Skills Academies and regional initiatives in specific sectors; such as the joint investment framework between the NHS in London and the LSC, legal apprenticeships arising out of the LSEB etc ▪ It should define the priorities for the supply of skills, including an assessment of the level of excellence in the provision of services and the need for building capacity within the supplier base 	SEESDG	LSC Jobcentre Plus LDA LBE LAA 1 performance grant
	1.1.2. SEESDG should renew the Joint Commissioning Plan annually, based on an evaluation of the previous year and a consultation on new priorities.	SEESDG	None – tasked to officers

	1.1.3. Partners should share data to enable appropriate targeting of services to businesses and individuals.	SEESDG	None – tasked to officers
	1.1.4. Providers of services to the 14-19 age group should network with providers of services to adults.	LBE	Not yet budgeted into the 14-19 budget nor adult budget
	1.1.5. The evidence underpinning this skills and employment strategy should be refreshed annually and submitted through the Enfield Observatory for use in planning provision locally.	LBE	LBE / ESP

2. Agree shared priorities for accessing external funds and better co-ordination of bids – including a closer collaboration with adjoining Boroughs			
Aim	Activities	Responsibility	Funding
2.1. To ensure the achievement of all the LAA (1 and 2) targets assigned to SEESDG	2.1.1. Partners and providers should work together to proactively assemble consortia to prepare bids for funding new projects to address gaps in provision	SEESDG	None – core function
	2.1.2. Where there is evidence of demand that crosses geographic boundaries, appropriate bids should be made.	LBE (via NLSA)	None

<p>3. Support the networking, learning and intelligence sharing potential of forums for providers of skills, employment and enterprise services (both private sector and not-for-profit agencies)</p> <ul style="list-style-type: none"> ■ Enhance the role of the Enfield Observatory to provide market intelligence ■ Actively track the changing patterns, distribution and nature of employment in the Borough: London Chamber of Commerce, North London Business, Construction Web and firms active in the Local Employer Partnership. 			
Aim	Activities	Responsibility	Funding
<p>3.1. To ensure the achievement of all the LAA targets (1 and 2) assigned to SEESDG:</p> <ul style="list-style-type: none"> • To increase the proportion of Enfield residents of working age who are qualified to level 2 as a minimum to 70% by 2010. • Increase employment in the worse performing neighbourhoods • To improve business satisfaction with LA business regulation <p>Increase the proportion of employment in the private sector from 68% to 69.25% (an estimated extra 2,200 private sector jobs on top of those forecast) by the 31st March 2011.</p>	<p>3.1.1. The ESP Management Team will provide a detailed specification by the end of April of each year which will specify the information required from partners during the subsequent 12 months and agree the frequency and format of reporting. This specification will include:</p> <ul style="list-style-type: none"> • The information needed to monitor progress against the LAA targets • Other information needed to produce regular Socio-Economic Monitoring Reports to the ESP, CEDB, Children's Trust Board and the Specialist Delivery Groups (SEESDG and Children's Trust Executive) 	LBE / ESP	None – core function
	<p>3.1.2. The information supplied as specified by the ESP Management Team shall be posted on the Enfield Observatory and used by the ESP and the Enfield Partners Panel to review performance and use of resources.</p>	LBE / ESP	LBE / ESP
	<p>3.1.3 The SEESDG Officer Core Group shall specify to the ESP Management Team by 31st March 2009 and annually thereafter, the data needed to monitor the performance of the Enfield economy and labour market and shall, through SEESDG, consult on any changes that need to be made to this strategy or the measures of its successful implementation.</p>	SEESDG	None

2 ENFIELD'S LABOUR MARKET

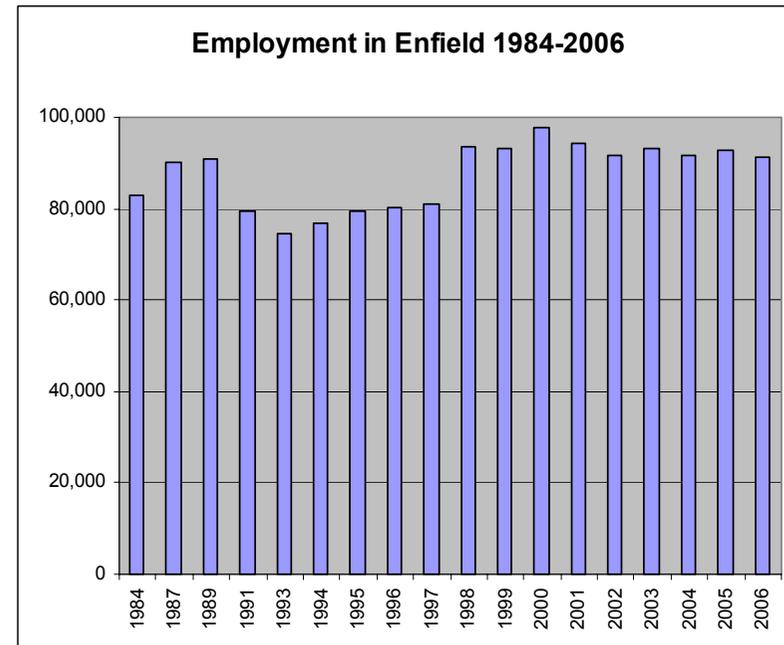
Long term structural change has altered the Borough

- 2.1 Enfield's economy has been dramatically restructured in the last 20 years. Having relied on a long established manufacturing base the Borough has adapted and changed to a broader service-based economy.
- 2.2 Like many other parts of London, Enfield suffered a slow decline in jobs after the recession of the early 1980s and experienced contraction again in the early 1990s. By 1993, the total employment base of Enfield had slumped to less than 75,000 but, over the last decade, the Borough's workforce has grown and by the end of 2006 it had expanded to around 91,000.³
- 2.3 Over the decade from 1996 to 2006, the Borough experienced quite healthy growth – expanding by 7,500 jobs. This 9% expansion compares reasonably well with the London average – the Capital as a whole grew by 14% over the same period. However, most of Enfield's employment growth occurred in the late 1990s and the total workforce has declined since a peak in 2000.
- 2.4 The last decade however has also seen a marked change in the overall composition of the Borough's employment. In

1996, manufacturing comprised 1 in 7 of all jobs but, by 2006, this had slipped to just under 1 in 14. Although the Borough retains a distinctive identity as one of the few concentrations of industrial activity in London, the footprint of manufacturing is declining rapidly and many of the Borough's former industrial sites have converted to retail, warehousing and haulage operations.

- 2.5 As a result, the Borough's manufacturing sector now supports only 6,000 jobs.

Chart 2.1



³ Source: Annual Business Inquiry.

Table 2.1

Employment by broad sector in Enfield 1996-2006

	1996	2000	2006	Change 1996-06		Per-cent of all jobs (2006)
Manufacturing	11,400	11,500	6,000	-5,400	-47%	7%
Construction	4,800	4,600	5,500	+700	+15%	6%
Wholesale and retail trade	16,200	18,400	17,400	+1,200	+7%	19%
Hotels and restaurants	4,300	4,300	5,100	+800	+19%	6%
Transport, storage and communication	4,700	7,500	6,800	+2,100	+45%	7%
Financial intermediation	6,100	5,700	2,900	-3,200	-52%	3%
Real estate, renting & business activities	11,300	14,400	14,000	+2,700	+24%	15%
Public administration and defence	4,600	4,700	5,300	+700	+15%	6%
Education	6,800	9,000	10,500	+3,700	+54%	12%
Health and social work	9,400	10,200	13,500	+4,100	+44%	15%
Other community, social & personal services	3,600	4,200	4,200	+600	+17%	5%
Total	83,800	97,600	91,300	+7,500	+9%	100%

Note: Four sectors are excluded: A: Agriculture, hunting and forestry; B: Fishing; C: Mining and quarrying; E: Electricity, gas and water supply. These sectors now account for only about 200 jobs in the Borough.

- 2.6 As manufacturing has declined, other types of business have replaced traditional industry whilst strong consumer demand has boosted the Borough's town centres. As a result, retail, distribution, hospitality and leisure now represent a third of all jobs in the Borough – and this significantly exceeds the London average.
- 2.7 Financial and business services represent a powerful growth driver elsewhere London but are seriously under-represented in Enfield. The sector accounts for 34% of all jobs in London but only makes up 18% of the Borough's employment.
- 2.8 Much of the recent growth in Enfield is attributable to the public sector which presently accounts for 32% of all jobs in the Borough – compared with a 23% average for London. Ten years ago, the public sector made up a quarter of Enfield's employment base and now it is a third.
- 2.9 Without this public sector expansion, the overall position for the Borough would have been far worse: the Borough would have 7,500 fewer jobs than in 1996.
- 2.10 These broad sector definitions tend to camouflage the individual industry subsectors and a more precise analysis of the "2 digit" SIC categories reveals these detailed changes. In particular, we can see that Enfield has a higher than typical concentration of several industry sectors.
- 2.11 Within Enfield's manufacturing and primary industries, it is noticeable that food and drink forms a relatively small part of

the total. Printing and publishing has an especially small presence and a correspondingly low Location Quotient (LQ)⁴ meaning firms in this subsector are not especially concentrated in the Borough – when compared with their presence elsewhere in London.

- 2.12 Furthermore, both these subsectors have declined in recent years. Food and drink has recently begun to recover in recent years whilst printing and publishing has contracted by 40% since 1998. Most of the Borough's remaining industrial workforce is concentrated in petrochemicals, metal and electrical, electronic and automotive manufacturing.
- 2.13 Although it only represents a twentieth of employment in the Borough, construction firms are relatively concentrated in Enfield. The sector grew rapidly in the period 1995 to 1998 but has contracted since; nonetheless, it accounts for 1,500 more jobs than 10 years ago but is still below a peak recorded in 1998. Specialist fabricators, in particular, have located on the Borough's industrial estates and supply housing interiors and fittings to London's rapidly growing house-building market.

⁴ The measurement of a Location Quotient demonstrates whether a particular sector is more concentrated in an area than it is present elsewhere. In this table, we have shown LQs in relation to London and are therefore have been calculated using the formula $(a/b)/(c/d)$ where a is the number of jobs for a chosen sector in the study area; b is the total number of jobs in the study area; c is the sector size in London; and d is the total number of jobs in London. If a sector is present in exactly the same proportion as it is within London as a whole, the LQ value will be 1. If it is more concentrated, the LQ will be higher than 1 e.g. an LQ of 2 means that the sector is twice as concentrated in the study area as it is in London.

- 2.14 The motor vehicle trade is quite strongly represented in the Borough with around 1,800 jobs in forecourts, repair and maintenance trades. Wholesale (at almost 6,000 jobs) also represents a significant part of the local economy compared with the London average.
- 2.15 Retail has a predominant position with almost 10,000 jobs and accounts for 11% of all employment in the borough, a location quotient of 1.18 and this is a sector that has grown strongly. However, there appears to have been a cut of almost a thousand jobs recorded in this sector between 2005 and 2006.
- 2.16 Hotels and restaurants account for just over 5,000 jobs and, although the sector has a LQ lower than the London average, it now accounts for 6% of jobs in the Borough and has grown by over ten percent. Recreational, cultural and sporting employment has just over 2,000 jobs and growth of almost 60% between 1998 and 2006.
- 2.17 Financial services account for 3,000 jobs and have declined quite sharply with the departure of several back office operations. However, other general business services make up 15% of the Borough's workforce and despite a slight overall decline since 1998, these have begun to grow strongly in the last three years. Equipment rental has a marked strength in the Borough, and although this sub-sector accounts for only 1,200 jobs, it has grown quite strongly in the last few years.
- 2.18 Public institutions are also highly concentrated in the Borough. Education accounts for 10,000 jobs whilst healthcare and social services have over 13,000 jobs. Both these two sectors have a location quotient of around 1.5 which means these are proportionately 50% more concentrated in Enfield as they are elsewhere in London.

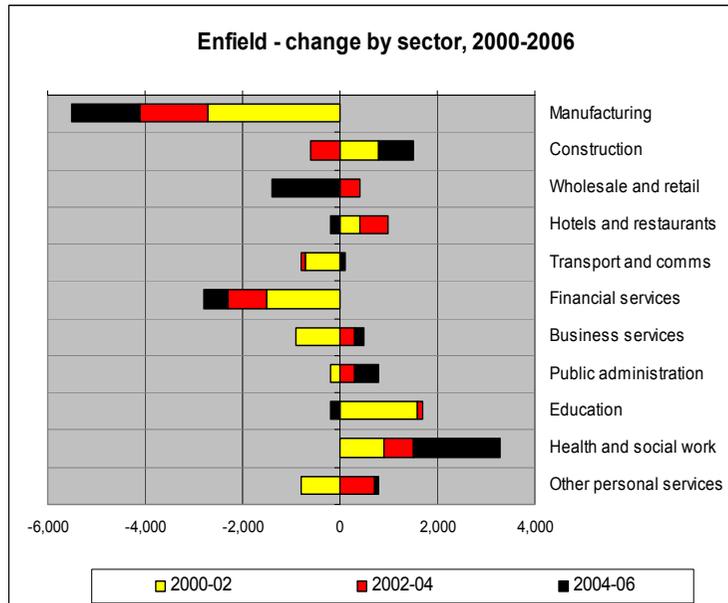
Table 2.2

Employment in Enfield, 2006 (aggregated from 2 digit SIC categories)

	total (2006)	share of all jobs in the Borough	1998 to 2006 change	LQ (2006)
Food, drink & tobacco	1,100	1%	-21%	1.79
Textiles and clothing	500	1%	-44%	2.41
Wood, pulp and paper manufacture	300	0%	0%	3.28
Publishing, printing and media reproduction	600	1%	-40%	0.34
Petroleum, chemicals, minerals & rubber	1,000	1%	+11%	2.30
Metal products manufacture	600	1%	-63%	2.39
Machinery and equipment manufacture	300	0%	-70%	1.30
Electrical and electronic equipment	600	1%	-70%	1.81
Transport equipment manufacture	600	1%	-45%	3.09
Other manufacturing (incl furniture)	300	0%	-70%	1.35
Water, electricity, waste recycling & sewerage	700	1%	-22%	1.37
Construction	5,500	6%	-25%	2.05
Sale, maintenance, repair of motor vehicles	1,800	2%	-22%	1.86
Wholesale trade	5,700	6%	-5%	1.59
Retail trade (excl motor vehicles)	9,900	11%	+2%	1.18
Hotels and restaurants	5,100	6%	+13%	0.78
Transport	5,200	6%	+44%	1.09
Post and telecommunications	1,600	2%	-43%	0.80
Financial services	2,900	3%	-56%	0.41
Real estate activities	1,100	1%	0%	0.52
Renting machinery/equipment, etc	1,200	1%	+71%	2.89
Computing and related services	1,300	1%	0%	0.54
Other business activities incl R&D	10,400	11%	-5%	0.56
Public administration and defence	5,300	6%	+23%	1.00
Education	10,500	12%	+46%	1.60
Health and social work	13,500	15%	+31%	1.52
Membership organisations	500	1%	+25%	0.45
Recreational, cultural and sporting	2,200	2%	+57%	0.58
Other service activities	1,100	1%	-8%	0.99
Total	91,300	100%	-3%	

2.19 As chart 2.2 demonstrates, there has been healthy growth recorded in the last couple of years in wholesale and retail, in construction and in business services.

Chart 2.2



2.20 Manufacturing has been consistently losing jobs for each year since 2000. We have picked this base year because the Borough's overall employment slipped-back in 2000 during a period of mild down-turn in the London economy and recovery has been underway since then. The chart shows other features:

- The rate of job loss in manufacturing has not slowed down;

- Construction has grown in the last two years but having declined a little in two of the preceding years;
- Wholesale and retail has lost jobs during the past two years having recorded growth in the period 2002-04;
- The hospitality sector has shrunk very slightly in the last two years having expanded between 2000 and 2004;
- Transport and communications has declined overall with a very slight recent recovery;
- Financial services has consistently shed jobs in each of the last 6 years;
- General business services lost jobs between 2000 and 2002 but have grown in the last three years – increasing by around 1,200;
- Overall, the public sector expanded in each of the past 6 years with education growing strongly in the early part of this decade and healthcare expanding strongly in the most recent two years.

Enfield has a small share of growth sectors

2.21 It is evident that the Borough has fewer of the kinds of businesses which underpin the competitive drive in the overall London economy. The overall direction of economic strategy in London is designed to increase the number of entry-level jobs. But it also aims to grow the businesses that have high productivity and economic output and which contribute to London's internationally-facing competitive advantage. Most of these businesses tend to be in high

technology or knowledge intensive occupations and industry sectors.

2.22 Using the Eurostat and European Commission⁵ definitions of "Knowledge Intensive" and "High Technology" sectors ("KIHT"), it is evident that London has almost 6 out of 10 jobs located in these sectors – one of the highest concentrations anywhere in Europe and significantly higher than any other city or region in the UK.

2.23 As the following two tables show, Enfield has a good share of these kinds of sectors but is very heavily dependent on the public sector as a source for this type of employment. Comparing the Borough with London shows that Enfield has 52% of all its employment in high technology or knowledge intensive sectors compared with 60% for London as a whole.

2.24 However, public sector jobs account for a large proportion of this and, excluding these jobs, the Enfield share drops to 34% of employment compared with 52% across London. This is mainly because the Borough has lost a significant proportion of the types of manufacturing jobs that have a high technology component.

2.25 Equally, the Borough has seen the departure of jobs within financial and business services which are either knowledge intensive or high technology. Although the Borough's overall share of these KIHT jobs has declined only slightly, if one

strips-out the public sector, the Borough's total has fallen by a fifth since 1998. Meanwhile, London's equivalent total has grown by a tenth.

London	All knowledge intensive jobs (2006)	share of London's total employment	1998-2006 change
Manufacturing	43,500	1%	-45%
Transport & telecoms	137,000	3%	-5%
Financial & business services	1,340,800	34%	+13%
Education	287,700	7%	+21%
Health and social work	388,100	10%	+26%
Other services	214,200	5%	+20%
All KIHT	2,411,300	60%	+13%
	1,735,500	52%	+9%

Enfield	All knowledge intensive jobs (2006)	share of Borough's total employment	1998-2006 change
Manufacturing	1,900	2%	-56%
Transport & telecoms	1,600	2%	-43%
Financial & business services	17,000	19%	-17%
Education	10,500	12%	+46%
Health and social work	13,500	15%	+31%
Other services	2,700	3%	+50%
All KIHT	47,200	52%	+1%
KIHT (excl public sector)	23,200	34%	-21%

⁵ 'Employment in the Knowledge Based Economy', in European Commission, 'Employment in Europe', 2000, pp. 55-65.

Small firms dominate the local economy

2.26 Enfield's economy is becoming more characterised by small firms especially micro-sized businesses. Between 1998 and 2006, the total number of firms increased from just under 8,300 to just over 9,600. Nearly all of this 1,400 net increase was recorded amongst firms with fewer than 5 employees.

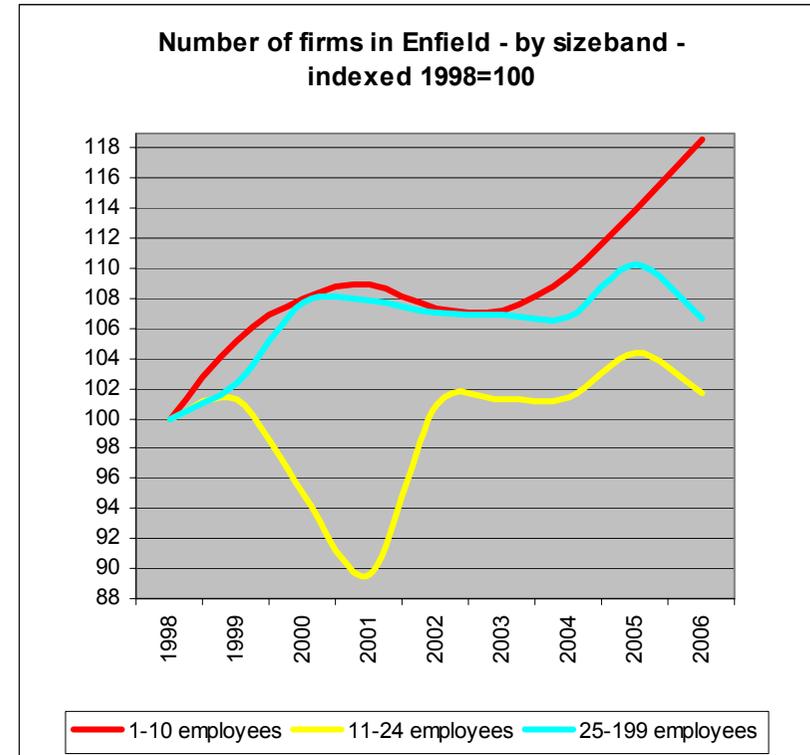
2.27 Businesses employing between 5 and 10 employees declined slightly whilst firms in the scale range 11-24 employees is now slightly higher than in 1998. However, there has been considerable churn amongst firms of 11-24 employees and there were two marked dips in 2000 and 2003 when the Borough lost firms of this size.

2.28 Although small firms are a very important growth segment, these employers do not account for a large proportion of the Borough's workforce. Firms employing between 1 and 10 people support some 20,200 employee jobs. So, despite making up 87% of all firms in the Borough, they only account for 22% of all jobs. The slightly larger firms – those employing between 11 and 24 staff – support another 9,900 jobs.

2.29 At the other end of the scale, there are only about 60 very large employers (those with 200 or more employees). Of these only 40 are in the private sector and 14 of these are large retailers. Altogether these larger private sector firms employ around 14,000 people – thereby accounting for less than 1% of firms but 16% of the Borough's jobs. Furthermore, these firms are contracting: in 1998, they employed almost

23,000 people – and, at that time, this was 24% of all jobs in the Borough.

Chart 2.3

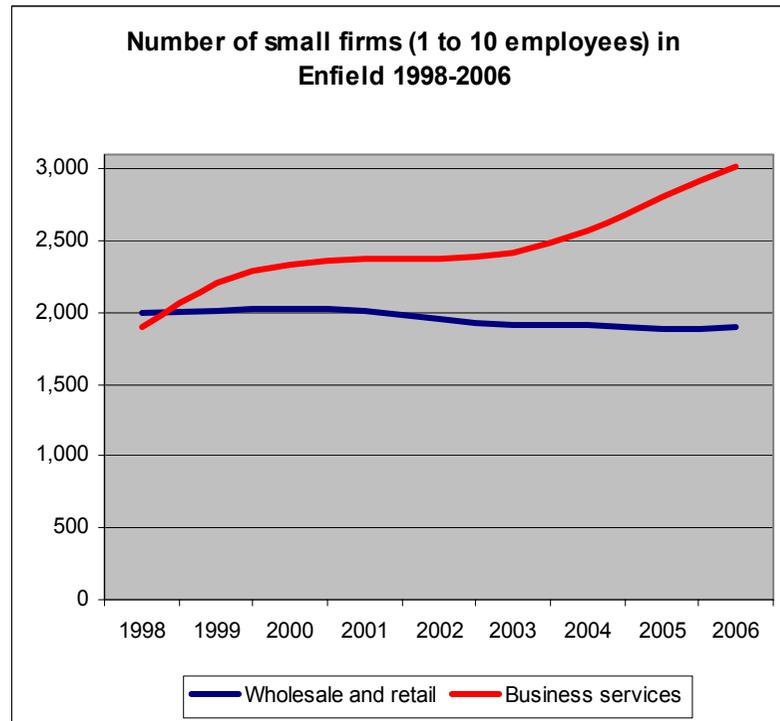


2.30 Clearly, it is amongst medium sized firms (and public institutions) where most of the growth has occurred – and where a large proportion of the Borough's employment is located. In total there are 540 employers which are in the scale band of between 25 and 199 employees.

2.31 These employers support 21,000 jobs in the Borough. So, they make-up 6% of the Borough's stock of firms but account for 38% of its total employment. However, over half of these jobs are in the public sector.

2.32 Of particular note is the extent to which very small firms are dominant in just two sectors: retail/wholesale and business services.

Chart 2.4



2.33 These two sectors alone represent 55% of all firms and account for 34% of all employment in the Borough. Within the

micro-sized (1-10 employees) part of the economy in Enfield, these two sectors account for 58% of all businesses and 52% of employment. Although the number of retail/wholesale firms has declined slightly, the number of firms supplying business services has grown very rapidly – from just under 1,800 in 1998 to just over 3,000 by 2006.

2.34 Despite the dominance of the public sector in the Borough, private businesses have broadly maintained their position and have grown at an encouraging pace. In 1998, there were 8,300 employers in the Borough, of which, 93% (total 7,700) were in the private sector. By 2006, the Borough had 9,600 employers and, of these, 92% (8,800) were private firms. However, these firms account for a significantly smaller share of the total number of people employed.

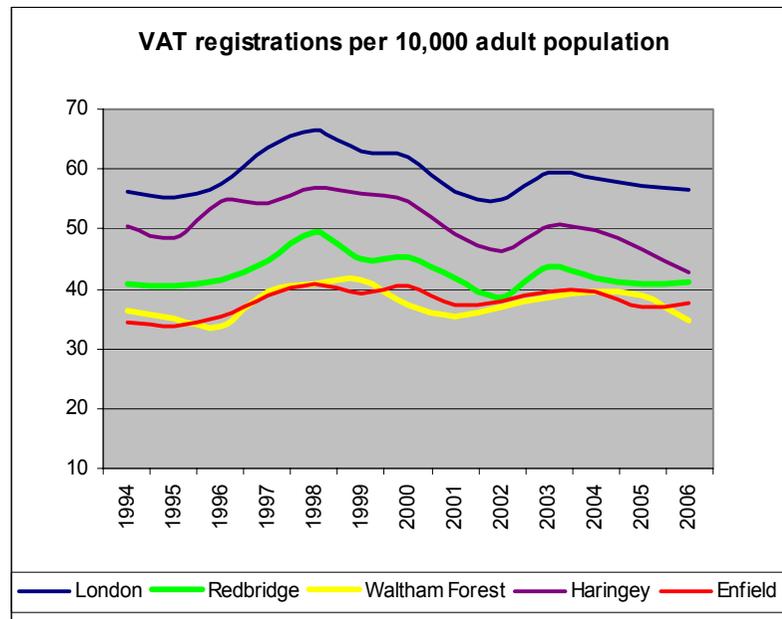
2.35 In 1998, these private firms supported 71,400 jobs (or 77% of all jobs); by 2006, this total had dropped to 61,700 (or 68% of all jobs). The average firm size in the private sector has declined from 9 employees to just 7 and, whilst this may indicate greater productivity in these firms, it may also hint at an increase in more marginal businesses operating in the Borough.

New business formation rates are low

2.36 The overall health of the Borough's entrepreneurial environment is also emphasised by the relatively low number of new firms established annually in the Borough. In 2006, the Borough had 865 new VAT registrations and this equates to a

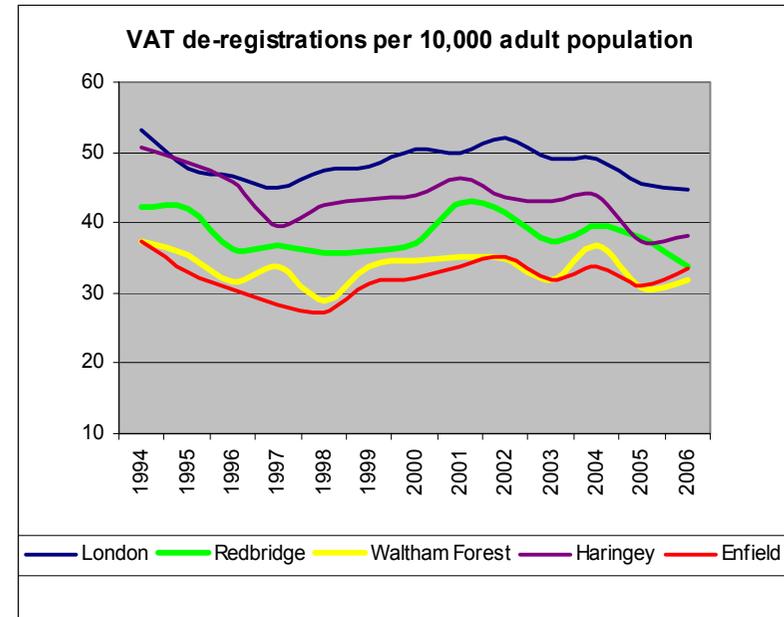
registration rate of 38 per 10,000 adult population compared with 37 in 2005 and 40 in 2004. Measured against the averages for London and adjoining Haringey, Enfield's enterprise formation rate is relatively low but is generally quite comparable to other nearby and similar Boroughs such as Waltham Forest and Redbridge.⁶

Chart 2.5



for over a decade. This is because the number of firms de-registering for VAT is well below the London average. In simple terms, we can say that “births” are higher than “deaths” so the total stock is rising. Compared with the London average, the survival rate of firms that decide to register for VAT is reasonably good.⁷

Chart 2.6



2.37 Despite this, the Borough's stock of VAT registered firms has never been higher and this total has consistently been rising

⁶ VAT registration is only mandatory for enterprises that have annual turnover exceeding £60,000 so the registration data inevitably under-records some micro-businesses.

⁷ The number of VAT registrations per 10,000 adult population is an established PSA target but the extent of *de*-registration is not so well recognised. The rate of registration is judged by Government to show entrepreneurship because it measures start-ups and/or growth. However, the rate of de-registration is an equally valid metric because it demonstrates the rate of business survival and/or shrinkage.

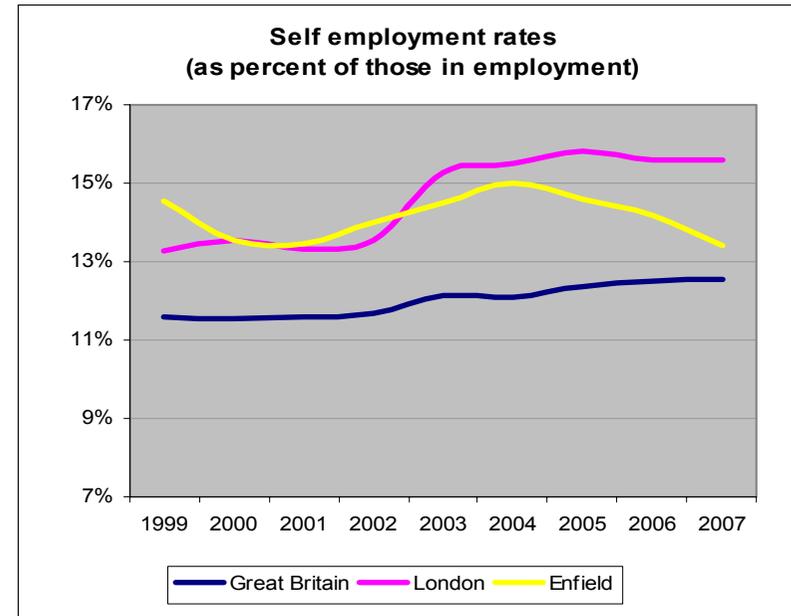
2.38 By contrast, in neighbouring Barnet, there has been a marked decline in new registrations and an upturn in de-registrations the combination of which has brought the Borough's total stock of firms down sharply.

2.39 However, we estimate that about a quarter of all employers in Enfield are not registered for VAT – and therefore trade at less than £64,000 in annual turnover. The Annual Business Inquiry shows that, in 2006, there were 9,600 employers in the Borough whilst the VAT data shows us there were 7,300 firms registered in the same year. This proportion has remained fairly unchanged over the past decade.

2.40 Self employment is another established indicator of entrepreneurialism and this reveals that Enfield is below the London average. About 16,000 of the Borough's population are self employed and this represents 14% of the Borough's employed population. Although the proportion is similar to Waltham Forest it is significantly below the 20% figures recorded in Barnet and Haringey.

2.41 Furthermore, the upwards trend seen in Enfield during the earlier part of this decade appears to have dipped downwards in the most recent three years. In 2004 the number of self employed residents of the Borough peaked at 19,000 and the total has been declining since.

Chart 2.7



2.42 Enfield also has a relatively low level of labour productivity. From 2003 data, it has been estimated that GVA per worker is only £36,762 compared with £40,825 in Outer London and £49,282 in London overall.⁸ Furthermore, the gap between Enfield and London has worsened: the estimate for Enfield shows a rise of about 12% between 1998 and 2003 compared with an increase of 25% for London.

⁸ ECOTEC analysis, based on ONS data, 2006

3 FUTURE DEMAND PROSPECTS

- 3.1 Changes in the Enfield labour market are exceptionally sensitive to the overall health of the London economy. Many of our businesses rely on customer and supplier purchase decisions taken elsewhere in London. For example, our large retail and wholesale sector is tightly locked-into the capital's wider economy. With around 55% of the Borough's population working outside Enfield, the patterns of demand in the London labour market also matter considerably.⁹
- 3.2 Current economic conditions in London are highly uncertain and the economy looks likely to experience a period of downturn not least because of the acute problems in the financial services sector. However, the long term structural trend still indicates that London's economy will grow. So, a key part of this strategy is to ensure that Enfield residents benefit from new jobs elsewhere in London whilst also creating the conditions that will attract more of London's economic growth to stimulate new employment within the Borough.

London's economy has grown robustly

- 3.3 After a decade of robust growth, London's employment level passed the 4 million mark in 2005 but then declined slightly in the following year. Having risen by just almost half a million jobs over ten years, this represents a 14% increase. Like

⁹ Census 2001, Standard Tables S121 www.nomisweb.co.uk

Enfield, the Capital has shed many manufacturing jobs over the decade – although nearly all the 91,000 decline happened in the last five years.

- 3.4 As the table overleaf shows, some of these skilled jobs have been made-up for by the 40,000 expansion in construction and transport/communication jobs. Retail, wholesale and hospitality grew by around 70,000 and business services expanded by nearly 285,000. Meanwhile, the public sector grew substantially – expanding by 170,000. Only the financial services sector experienced a reduction but most of its losses occurred after the year 2000 when significant restructuring took place throughout the sector. Although recent events have now profoundly affected this sector, throughout most of the last decade, it continued to expand rapidly as measured by GVA even though its workforce did not increase.
- 3.5 It is doubtful whether the next decade will simply replicate the last 10 years and the prospect of recession makes this even less likely. London's long term growth dynamic is well developed although its economy remains very sensitive to international economic conditions and fluctuations in global financial markets in particular. Although the effects of recession may be felt quite acutely in London, the Capital is still likely to benefit from above trend growth especially after 2010.¹⁰

¹⁰ "London's Economic Outlook: Spring 2008 - The GLA's medium-term planning projections", GLA Economics, Oct 2008
www.london.gov.uk/gla/publications/economy.jsp

Table 3.1

Employment by broad sector in Greater London 1996-2006

	1996	2000	2006	Change 1996-06		Per-cent of all jobs
Manufacturing	282,600	282,300	190,800	-91,800	-32%	5%
Construction	94,200	134,200	117,200	+23,000	+24%	3%
Wholesale and retail	556,900	623,000	567,700	+10,800	+2%	14%
Hotels and restaurants	224,500	264,800	285,000	+60,500	+27%	7%
Transport, storage and communication	281,100	317,900	297,000	+15,900	+6%	7%
Financial intermediation	328,600	342,600	310,700	-17,900	-5%	8%
Business services	745,600	1,017,700	1,030,000	+284,400	+38%	26%
Public administration and defence	223,800	218,200	232,600	+8,800	+4%	6%
Education	204,300	254,200	287,700	+83,400	+41%	7%
Health and social work	310,900	326,200	388,100	+77,200	+25%	10%
Other community, social & personal services	231,000	261,100	276,800	+45,800	+20%	7%
Total	3,502,400	4,060,700	3,996,600	+494,200	+14%	100%

Note: Four sectors are excluded: A: Agriculture, hunting and forestry; B: Fishing; C: Mining and quarrying; E: Electricity, gas and water supply. These sectors now account for 13,000 jobs in London.

- 3.6 The GLA's latest economic outlook shows that London's economy has outperformed the UK significantly in terms of annual GVA growth.¹¹ Annual output in London grew at just over 4% in 2006 and 2007 when the UK equivalent was just under 3%. Annual economic growth has been positive in London since 2002 and has been consistently stronger than the UK as a whole since the end of 2004.
- 3.7 According to the GLA's medium term economic forecasts for London, GVA growth rate should slow sharply to just 0.8 per cent in 2008 and only 0.2 per cent in 2009 before recovering slightly to 1.9 per cent in 2010. London is likely to see a fall in overall employment during 2008 and 2009 (falling by respectively 0.7 per cent and 1.1 percent) followed by stabilisation in 2010. Household incomes are expected to grow by only 1% each year which is considerably less than in previous years. Consequently, the GLA forecasts that household expenditure will actually fall slightly in 2008 and 2009.¹²
- 3.8 However, the most recent GDP data for the UK means the GLA's forecasts may prove to be over-optimistic and a more profound downturn may affect the London economy.¹³ Of particular concern within the latest GDP figures is the sharp

deceleration not just in financial and business services but also retail, hospitality and other service sectors.

- 3.9 Until very recently, much of London's strength reflected the dominance of the Central London economy – and much of this growth had relied on the financial services sector performing strongly. Until mid 2008, London had more of the world's deals in derivatives, global equities, eurobonds and foreign exchange than any other financial centre. The catastrophic collapse of confidence in these markets means this sector's future is extremely uncertain and inevitably, London's dependence on financial services may now prove to be a serious vulnerability rather than a strength.
- 3.10 The position of financial services in the Central London economy had been reflected in commercial property values which until late 2007 showed low vacancy rates and rising rent levels. However, the demand for office space fell very sharply towards the end of 2007 and had come to a near standstill by Autumn 2008.
- 3.11 It is impossible to predict how deep the impending recession will be and how long it might last. However, over the longer term, it remains likely that confidence will return and business levels will pick up, notwithstanding the likely retrenchment that London will experience in financial and other business services.
- 3.12 Two different sets of forward estimates are currently used for planning purposes. This should remain as a reasonably good long term guide to future trends. The first is the Skills for

¹¹ "London's Economic Outlook: Autumn 2008 - The GLA's medium-term planning projections" GLA Economics, October 2008

www.london.gov.uk/mayor/economic_unit/docs/LEO-autumn-2008-web.pdf

¹² These forecasts provide an indication of what is most *likely* to happen, not what will *definitely* happen.

¹³ "Gross domestic product, preliminary estimate – 3rd quarter 2008", ONS 24/10/08 www.statistics.gov.uk/pdffdir/gdp1008.pdf

Business estimates of national, sectoral and regional projections prepared for the Sector Skills Development Agency.¹⁴ The second estimates are the sectoral projections published by GLA Economics for 10 year growth in London as a whole alongside a series of estimates for individual Borough totals. These estimates are for the whole workforce and therefore include self employment.¹⁵ As estimates of long-term change, these were compiled before the period of economic difficulty began in 2007-08.

- 3.13 Over the coming decade manufacturing is expected to see significant further job losses even though economic output for the sector is still going to grow. The forecast is for modest growth nationally – averaging just below 2 per cent per annum – but with continuing gains in productivity meaning that employment levels will continue to decline. The sector is predicted to shed another 400,000 jobs over the ten years to 2014 – although this is a slower rate of decline than was seen between 1999 and 2005 when the sector lost a million jobs as it slumped to a total of just 4 million jobs.
- 3.14 In some high technology and R&D-intensive industries such as chemicals and engineering, economic growth may be higher than average for the sector but the capital-intensive nature of these firms means they have low requirements for

workers. Other parts of the manufacturing sector which are open to intense international competition (textiles, clothing and metals & metal goods) will continue to contract rapidly – except for those firms that have distinctive niche products.

- 3.15 Some sub-sectors like food and drink, printing, and media manufacture will probably retain their presence because they have distinctive regional and UK markets. The capital's 200,000 manufacturing jobs now represent just 1 in 20 of all jobs in London and it is likely that the sector will decline even faster than the UK average.
- 3.16 The construction sector – despite evidence of large volumes of commercial and residential building throughout the country – will probably grow at less than the pace for the overall economy. The industry grew robustly in the decade from 1995 to 2005 – up by just over a third – to a total of 1.2 million jobs. But across the UK it is projected to decline gently – by around 100,000 in the next decade. There are contradictory projections about how the sector will fare in London. The Skills for Business forecasts suggest a gentle increase – by around a thousand extra jobs each year. However, GLA estimates are more pessimistic and foresee a reduction of about a sixth in total employment.
- 3.17 Economic output in the transport & communications sector is forecast to grow annually by around 3½ per cent with communications displaying very strong growth. Because this is a sector that is benefiting from rapid productivity gains, this is likely to translate into growth of barely 50,000 additional

¹⁴ "Working Futures 2004-2014: Spatial Report", Skills for Business, 2006
www.ssda.org.uk/ssda/PDF/Working%20Future%2020042014%20Spatial%20Report%20R%20060215.pdf

¹⁵ "Working Paper 20: Employment Projections for London By Sector and Borough", GLA Economics, Feb 2007
www.london.gov.uk/gla/publications/economy.jsp

jobs over the next decade. And, in London, the sector's employment total is likely to remain static at best – but more likely to decline slightly – but this sector is particularly sensitive to the phasing of public transport investment decisions.

- 3.18 Nationally, the distribution, retailing, and hotels & restaurants sector is forecast to grow strongly – with over half a million additional jobs created in the next decade – and this growth is divided almost equally between retail/wholesale and the hospitality trade. Economic output is expected to grow by around 2% annually but, even in this labour-intensive sector, the pace of employment growth generated is less than 1% annually. London is likely to experience much stronger growth in output and jobs however – with an expansion of up to 50,000 new jobs in retail and wholesale and equivalent growth of up to 90,000 jobs in hospitality (a rise of almost 30%).
- 3.19 Employment in financial and business services is expected to expand by around 1% annually – although economic output is expected to grow by around three times that figure. Overall, this will generate around a million new jobs according to Skills for Business although only a very small proportion of these will be in specialist financial services. The GLA estimates that London is expected to take a sizeable share of the country's expansion – almost a third of the net growth – with an increase from about 1.5 million to 1.8 million over the decade. As a result, this sector's share of all jobs in London will rise from 32% to 36%.

- 3.20 Public sector jobs are inevitably due to see a sharp slowdown in the rapid growth rates of the last 10 years – although the UK workforce in public jobs is expected to grow by around 400,000. In London however, the prospects are a great deal less buoyant. Skills for Business estimates growth of 50,000 – a rise of about 5% over the decade; however, the GLA estimates are even more subdued – predicting that the total of public jobs will remain static. Both estimates expect there is likely to be some rebalancing within the public sector with administration jobs declining but health, education and social services increasing.
- 3.21 Overall, the GLA estimates predict a likely 460,000 expansion in jobs in London – which is a 10% rate of increase. The main sectors to experience significant growth will be in hospitality, business services and other services. Retail/wholesale will also grow although a little more modestly whilst manufacturing, construction and transport/communications are predicted to decline. Over two thirds of the next increase will come from growth in business services. The table overleaf shows the expected changes.

Table 3.2

Estimates of future employment change in Greater London 2006-2016 (by broad sector)

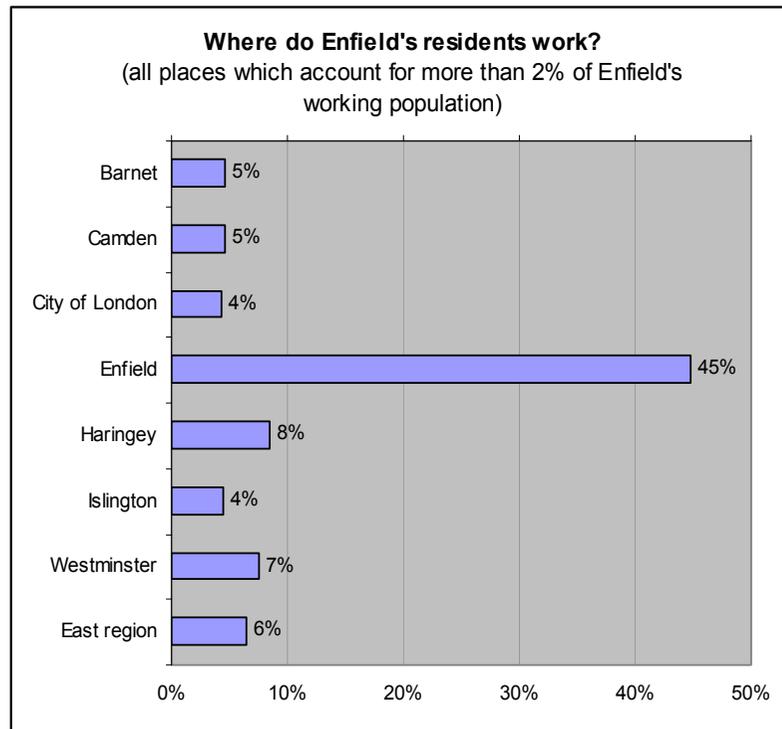
	2006	2016	Predicted change (number)	Predicted change (percentage)	2006 share	2016 share
Manufacturing	237,000	164,000	-73,000	-31%	5%	3%
Construction	216,000	183,000	-33,000	-15%	5%	4%
Wholesale	235,000	243,000	+41,000	+17%	5%	5%
Retail	406,000	439,000			9%	9%
Hospitality	327,000	421,000	+94,000	+29%	7%	8%
Transport & Comms	340,000	327,000	-13,000	-4%	7%	7%
Financial services	331,000	354,000	+23,000	+7%	7%	7%
Business services	1,142,000	1,453,000	+311,000	+27%	25%	29%
Public administration	244,000	222,000	-22,000	-9%	5%	4%
Health & education	710,000	728,000	+18,000	+3%	16%	14%
Other services	384,000	494,000	+110,000	+29%	8%	10%

Source: GLA Economics

The wider labour market matters ... but Enfield is relatively self contained

3.22 Unlike many London Boroughs, Enfield's labour market has quite a high degree of "self-containment". Although the wider labour market is very important, this finding is significant. Enfield firms have a surprisingly high tendency to employ local people whilst the Borough's residents tend to work locally to a far greater extent than in most other Boroughs.

Chart 3.1



3.23 Although just over a half (55%) of the Borough's population works outside the Borough this is a relatively low proportion when compared with adjoining Boroughs. Of Barnet's residents, 60% work outside the Borough, in Waltham Forest it is 64% and in Haringey, 70%.

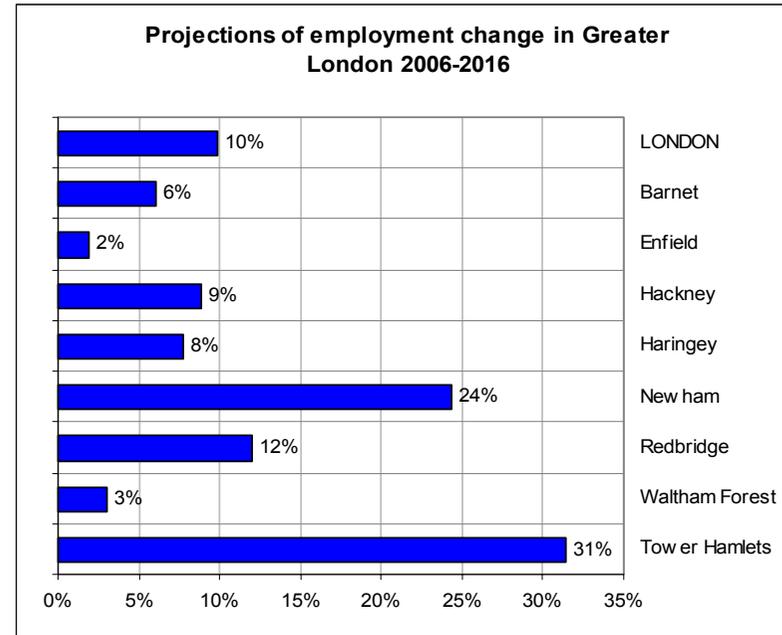
3.24 Of the resident population that travels outside the Borough to work, about a half are employed within the central London Boroughs. This is also considerably lower than in neighbouring Waltham Forest where almost two thirds of the "out-commuters" work in the central Boroughs. The extent of other cross-border movement to work is mainly confined to Barnet (5%), Haringey (8%) and workplaces in Hertfordshire and Essex (6%). Only 1% of Enfield's resident working population has a workplace located in Waltham Forest.

3.25 It is particularly noticeable that it is people in the higher occupations who tend to work outside the Borough – more than three quarters of managers and professionals who live in Enfield work elsewhere. Conversely, amongst Enfield residents who are in routine or semi-routine occupations, up to 60% are employed locally.

3.26 These trends are even more pronounced when measured by workplaces located in Enfield: some 61% of the jobs located in the Borough are filled by Borough residents with 17% filled by people living in Hertfordshire and Essex. Barnet residents

fill a further 5% of the Borough's jobs as do people living in Haringey. Another 3% are filled by Waltham Forest residents with the other London Boroughs accounting for the remaining 9% of Enfield's jobs. However, no single Borough accounts for more than one percent of this total.

Chart 3.2



The prediction for jobs growth in Enfield is very modest ...

- 3.27 The latest estimates predict that Enfield will only experience net growth of around 2,000 jobs over the next decade. However, it seems likely that Enfield has greater capacity for expansion and – providing that policy is sufficiently ambitious – could benefit from some significant drivers of growth.
- 3.28 The GLA's predictions for jobs in Enfield reveal that they expect the Borough to benefit from only a tiny fraction of the overall London-wide jobs growth.
- 3.29 Furthermore, recent predictions for overall economic growth in London have not yet been translated into individual Borough level estimates for jobs created. The reason Enfield is expected to enjoy so little of London's growth is partly caused by a methodological bias in the GLA model which is sensitive to assumptions about past growth rates, transport infrastructure, development density and available sites for employment uses.

- 3.30 As a result, the model predicts very little growth in the outer Boroughs but substantial growth in London's Central Activity Zone and the inner Thames Gateway Boroughs. The City, Tower Hamlets and Westminster are predicted to grow by around 60,000 each whilst Newham and Redbridge will grow by 20,000 and 10,000 respectively.
- 3.31 Other outer Boroughs like Haringey and Waltham Forest are only expected to grow by 6,000 and 2,000 respectively whilst comparator Boroughs like Croydon and Bromley are also pencilled-in for ten-year net growth of just 2,000 each.

3.32 The GLA's assessment seems particularly low considering the expectations of population expansion for the Borough. Enfield is likely to accommodate a proportion of London's growing population and the estimates of its scale vary:

- The GLA's population projections ("low estimate") made in 2005 suggested that the Borough would grow by 9,600 between 2001 and 2016 to reach a total of 286,900 by the year 2016.¹⁶ In the following year these were revised downwards to indicate growth of up to 5,500 extra people over the ten years to 2016. The latest estimates suggest that the Borough's growth will actually decline slightly between 2006 and 2016.¹⁷
- However, recent ONS trend-based estimates predict that Enfield's population will grow by rather more – by almost 16,000 between 2006 and 2016.¹⁸

3.33 Despite the GLA's relatively cautious estimates of population growth, the London Plan's revised housing targets indicate that, over the next 10 years, the Borough should accommodate a further 3,950 homes and this would be more consistent with the ONS population projections.¹⁹

¹⁶ "GLA 2005 Round Interim Demographic Projections", GLA, 2006
www.london.gov.uk/gla/publications/factsandfigures/dmag-briefing-2005-33.pdf

¹⁷ "GLA 2007 Round Population Projections", GLA, March 2008
www.london.gov.uk/gla/publications/factsandfigures/dmag-briefing-2008-07.pdf

¹⁸ "2006-based subnational population projections", ONS, June 2008
www.statistics.gov.uk/STATBASE/Product.asp?vlnk=997

¹⁹ "London Plan, Early Alterations" (Table 3A.1), GLA, 2006
www.london.gov.uk/mayor/strategies/sds/lon_plan_changes/docs-final/early-alts.pdf

3.34 Analysis by Professor Michael Batty of the UCL Centre for Advanced Spatial Analysis suggests that, in Outer London, every 100 extra residents equates to 23 additional local jobs generated.²⁰ On this basis, growth in housing would generate at least 2,000 extra jobs in purely local services and the ONS population growth estimates would suggest slightly more.

... but regeneration could deliver more

3.35 The Borough is well positioned to benefit from economic growth that is not simply tied to the needs of an expanding population. The economic planning framework for the Borough and its sub-region are geared towards increasing economic activity and the number of jobs.

3.36 The Sub-Regional Development Framework for North London²¹ argues that growth in population and consequently consumer expenditure will drive demand for new retail space. The SRDF argues that although demand for additional retail space in town centres can be met, efforts are required to boost culture, leisure and tourism activity.

3.37 The plan proposes actions to improve the image and environmental quality of the major town centres, by promoting a wider mix of businesses in retail, leisure, cultural, financial and business services – and developing the potential of an evening economy with good leisure and cultural facilities. The

²⁰ "More residents, more jobs? The relationship between population, employment and accessibility in London". GLA Economics, April 2007
www.london.gov.uk/mayor/economic_unit/docs/more_residents_more_jobs.pdf

²¹ "Sub-Regional Development Framework, North London", GLA, May 2006
www.london.gov.uk/mayor/planning/srdf/index.jsp

SRDF argues that “demand for additional employment and office space can be accommodated but the real challenge is to attract the employers to (locate).”

3.38 The SRDF also proposes to position Enfield and the Upper Lee Valley as a thriving business location and centre of innovation which takes advantage of its legacy as a communication and distribution corridor by:

- Improving business start-ups;
- Increasing the number of businesses which are attracted and retained in the area;
- Creating a range of premises which suit the needs of businesses including low-cost/affordable and mixed use;
- Improving the ability of firms to compete for higher value contracts to supply goods and services.

3.39 Comprehensive regeneration of the Upper Lee Valley will bring substantial economic growth benefits to Enfield. The ULV represents the London end of the designated growth corridor to Stansted, Cambridge and Peterborough. Two of the locations identified in the ULV as priorities for new development are in Enfield:

- “Northern Gateway” at Brimsdown/Innova Park is a new and revitalised business location strategically positioned to rail and motorway access. A revised masterplan has recently been approved which includes mixed use development incorporating sites allocated for B1 (mainly offices) and B2 use (general industrial) with a new City Academy and residential development.

- Central Leaside is a mixture of brownfield opportunity sites, older industrial estates which are being rejuvenated and new industrial accommodation which straddles the A406 North Circular Road.

3.40 The London Plan identifies the ULV corridor as having the capacity to accommodate an extra 10,000 jobs by 2016 and these two sites are expected to deliver a significant part of this total. The North London Strategic Alliance is developing a new vision and masterplan for the ULV which seeks to “change the old industrial character” but to make the most of physical assets – the Lee navigation, Lea river and reservoirs – much of which is hidden behind industrial estates, enclosed within the boundaries of Thames Water land or lying unseen beyond underused areas of the Regional Park. The ULV vision aims to develop a “sustainable new town” centred on the “waterside” of the area.

3.41 At its centre is a major change in the housing stock to introduce the full range of housing type, tenure and size and move away from the current concentration of social housing. But it will also be a mix in which population and businesses can grow: from social and starter homes, basic skills and small business units to larger units, higher skills and high end waterfront homes underlined by an ambition that people can stay and business can grow without moving away.

3.42 The vision identifies units with clusters of accessible business support services; a ‘skills improvement’ focus to ensure businesses can recruit the workforce they need without

extensive in-commuting; and strong public transport links both within the ULV and with improved strategic links to growth areas outside it.

3.43 These aims also underpin the Borough's draft Regeneration Strategy²² which identifies the strengths of the Borough, its investment sites, town centre growth potential and inward investment ambitions. The competitive advantages enjoyed by the Borough's geographic position are primarily its location within the growth corridor, easy accessibility to the M25, M11 and A406, direct train routes to central London, to Stratford and Stansted.

3.44 In addition, the Borough can demonstrate its attractiveness to inward investors and new residents from its excellent schools, attractive environment and a richly diverse community. Furthermore, the Borough Council has a determination to provide high quality services, leverage its strong tradition of partnership working and an ambition to deliver a programme of comprehensive regeneration.

3.45 Over recent years, the Borough's approach to regeneration had involved a mixture of physical and social redevelopment priorities:

- Industrial Land Strategy to rejuvenate older industrial estates and develop brown-field sites plus the green field Innova Park to attract inward investment;

- Regeneration of the tower blocks and shopping centre at Edmonton Green into a sustainable new town centre with new leisure and educational facilities and an integrated transport hub;
- Business growth services to support self-employment, new and growing firms and encourage inward investment – including social enterprise activities – and sector specific support particularly to manufacturing and creative/sector;
- The promotion of Enfield Town Centre for redevelopment to enhance the role of the borough's major retail centre plus town centre management initiatives as a means to revitalise the Borough's (nine) other town centres;
- The Comprehensive Development Initiative to tackle the run-down environment of housing estates by re-developing the under-used pockets of land to provide new homes.

3.46 In addition, the Borough and partners had worked – particularly in the more disadvantaged wards of the Borough – to reduce crime, improve transport interchanges, raise school attainment and improve adult skill levels.

3.47 The draft regeneration strategy set out some new ambitions for the Borough, in particular, to create 7,000 new jobs and build 11,000 new homes by 2016. Physical regeneration opportunities were identified: completing the improvements to older industrial estates; enabling development of vacant/underused lands in Central Leaside; completion of

²² "The Draft Regeneration Strategy for Enfield up to 2015", LB Enfield, 2005

Innova Business Park; facilitating redevelopment of Chase Farm Hospital; and developments in Enfield Town Centre.

The assumption of 2,000 net additional jobs may be an under-estimate

- 3.48 Plans to accommodate a growing population coupled with development plans to enhance town centres, attract inward investment and grow indigenous businesses should contribute towards higher growth rates than are currently predicted.
- 3.49 Some of the GLA's upbeat forecasts for London's pace of expansion have not yet been embedded in official estimates for long term employment growth for each London Borough. For the time being, policy planners must work to the relatively modest set of growth assumptions prepared by GLA Economics.
- 3.50 According to these, the total number of jobs located in Enfield is predicted to grow by only 2,000 over the period between 2006 and 2016.²³ The GLA's methodology is subject to regular review and revision²⁴ so it is conceivable that the

predicted growth for the Borough may be revised upwards in due course.

- 3.51 These are very modest estimates considering that the Borough's employment base grew by 10,000 in the preceding decade. Admittedly, the Borough's previous decade of growth was highly dependent on the public sector but that mainly compensated for structural changes in other sectors which have generally run their course.
- 3.52 Furthermore, the Borough's potential for employment growth could be significantly affected by any transport accessibility changes, major inward investment decisions or changes in the overall capacity of the Borough's employment sites. If Enfield's sectors were to grow at the same pace that the GLA predicts for London as a whole, the Borough's workforce would expand by around 9,000 jobs and not 2,000.
- 3.53 The GLA's estimates also contain forecasts for growth in different industry sectors (described earlier). We have applied weighted variations of these sector forecasts to the Enfield economy – but have constrained these to stay within what the GLA assumes to be the 2,000 capacity limit. In making these weightings, we have assumed that manufacturing will decline at a pace that is slightly slower than the GLA forecasts for the rest of London.
- 3.54 This is because we think there will be a slight "levelling-out" of the rate of decline. We have also assumed there may be some capacity limits to retail/wholesale, business services, public sector employment and other services.

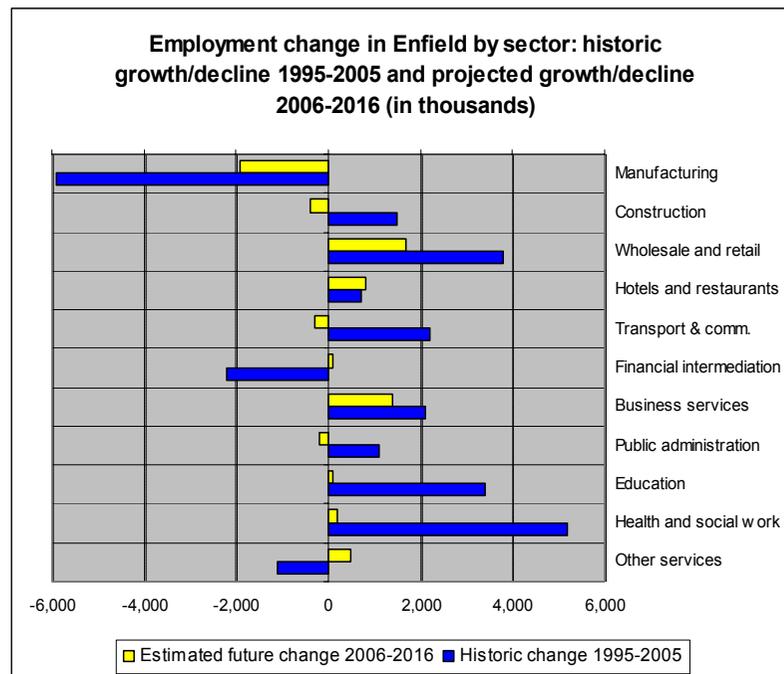
²³ "Working Paper 20: Employment Projections for London By Sector and Borough", GLA Economics, Feb 2007; "Current Issues Note 13: Updated borough-level employment projections to 2026", GLA Economics, Feb 2007).

www.london.gov.uk/gla/publications/economy.jsp

²⁴ The GLA methodology relies on a "triangulated" set of estimates based on available site capacity; transport accessibility; and a forward projection of historic trends. The methodology is explained in "Borough employment projections to 2026: The detailed methodology", GLA Economics Working Paper 18, October 2006.

www.london.gov.uk/gla/publications/economy.jsp

Chart 3.3



- Business services will **expand** by 1,400 jobs;
- Public sector employment will remain almost **unchanged** – rising by only about 100 jobs;
- Other services will **expand** by around 500 jobs.

“Replacement demand” requires many more jobs

3.56 But, even if Enfield’s *net* stock of jobs does only grow by 2,000 this will only be a very small part of the *gross* level of demand over the next 10 years. The 2,000 estimate is merely the “*expansion demand*” resulting from structural change in the overall levels of employment – and is the net change in total employment resulting from some sectors growing whilst others contract.

3.57 Even within sectors, such as manufacturing, that will continue to shrink in overall size, employers will still need to hire people. They will be replacing those workers who leave their jobs – due to mortality, retirement, career moves²⁵ or other reasons. This is known as “*replacement demand*” and, using a methodology based on the Skills for Business modelling, we estimate that Enfield will have nearly 30,000 openings for new entrants and re-entrants to the labour market over the next 10 years.

3.55 Consequently we expect the following *net* changes to occur:

- Manufacturing will **decline** by just under 2,000 jobs;
- Construction will **contract** slightly – by about 400 jobs;
- Wholesale and retail will **expand** by 1,700 jobs;
- The hospitality sector will **grow** by around 800 jobs;
- Transport and communication will **decline** slightly – by 300 jobs;
- Financial intermediation will **remain flat** – rising by perhaps 100 jobs only;

²⁵ When describing some job changes as “career moves” we only include people who change their occupation and we exclude the many more thousands of instances when people go from one firm to another but essentially do the same kind of job.

3.58 So, the net additional demand for people to fill jobs in Enfield over the next 10 years will be almost 32,000. In addition to expansion and contraction, we estimate the every sector will require employees (even the ones that will “decline”) and the requirements will be:

- Almost 2,000 openings in **manufacturing** – these will almost entirely offset structural decline in jobs;
- About 1,600 openings created in **construction** – although there will be 400 job losses to be offset;
- Nearly 8,000 required in **retail/wholesale** – taking into account structural growth as well as replacement demand;
- About 2,500 openings in the **hospitality** sector of which 800 will be accounted for by expansion demand;
- A requirement for 2,200 in **transport and communication** – although there will be a small contraction in the sector’s overall scale;
- Just over 1,100 required in **financial intermediation**;
- Almost 6,000 openings in **business services** created by expansion demand of around 1,400 plus healthy replacement demand;
- In **public administration**, a 1,600 requirement although this will have to offset a small contraction in the total number of such jobs;
- Around 3,400 required in the **education** sector
- Nearly 5,000 required in healthcare and social services;

- A requirement for 1,700 in **other services** – of which about a third will be attributable to structural growth.

New jobs will require higher skills

3.59 The new jobs created in the Borough will predominantly require people with higher level skills – although there is still considerable capacity for people with low skills or none.

3.60 Overall, we predict that about 36% of all openings will require a level 4 qualification – although this varies by sector. In business services, 50% of openings are likely to be at this skill level and in other services it will be even higher – for example 60% in other services.

3.61 However, two sectors (construction and hospitality) will probably only recruit 14% of its new workforce amongst people skilled to level 4 whilst in wholesale/retail it will be 20%. In the public sector, just under 50% of all new openings will be at level 4.

3.62 We also expect that only about 20% of new openings will be filled by people who are only skilled to level 1 or have no qualifications at all. In construction, this proportion will be 30% whilst in hospitality and in retail/wholesale, it will be 27% and 28% of recruits respectively. Only about 1 in 10 of recruits to openings in business services and other services will be in this “low or no qualification” category.

Table 3.3

Employment change in Enfield – historic and forecast compared – by broad sector

	1995	2005	Historic change 1995-2005		Forecast change 2006-2016	
Manufacturing	12,000	6,100	-5,900	-49%	-1,900	-31%
Construction	3,600	5,100	+1,500	+42%	-400	-8%
Wholesale and retail	15,700	19,500	+3,800	+24%	1,700	+9%
Hotels and restaurants	4,600	5,300	+700	+15%	800	+15%
Transport & comm.	4,700	6,900	+2,200	+47%	-300	-4%
Financial intermediation	5,400	3,200	-2,200	-41%	100	+3%
Business services	12,200	14,300	+2,100	+17%	1,400	+10%
Public administration	3,900	5,000	+1,100	+28%	-200	-4%
Education	7,000	10,400	+3,400	+49%	100	+1%
Health and social work	8,200	13,400	+5,200	+63%	200	+1%
Other services	4,900	3,800	-1,100	-22%	500	+13%
Total	82,900	93,100	+10,200	12%	2,000	+2%

Table 3.4

Components of estimated employment demand in Enfield 2006 to 2016 – by broad sector

	Employment totals (2006)	Expansion demand 2006- 1016	Replacement demand 2006- 2016	Net requirement 2006- 2016	
Manufacturing	6,000	-1,900	+1,950	+50	0%
Construction	5,500	-400	+1,630	+1,230	4%
Wholesale and retail	17,400	+1,700	+6,240	+7,940	25%
Hotels and restaurants	5,100	+800	+1,700	+2,500	8%
Transport & comm.	6,800	-300	+2,210	+1,910	6%
Financial intermediation	2,900	+100	+1,020	+1,120	4%
Business services	14,000	+1,400	+4,580	+5,980	19%
Public administration	5,300	-200	+1,600	+1,400	4%
Education	10,500	+100	+3,330	+3,430	11%
Health and social work	13,500	+200	+4,290	+4,490	14%
Other services	4,200	+500	+1,220	+1,720	5%
Total	91,300	+2,000	+29,770	+31,770	100%

Table 3.5

Estimates of employment demand in Enfield 2006 to 2016 – by broad sector and expected qualification level²⁶

	Net additional requirement, 2006-2016	of which:	Level 4+	Level 3	Level 2	Other quals	"Low & no" quals
Manufacturing	50		20	0	10	10	20
Construction	1,230		170	150	120	160	370
Wholesale and retail	7,940		1,550	1,150	1,360	1,220	2,250
Hotels and restaurants	2,500		340	250	230	300	670
Transport & comm.	1,910		470	260	270	250	430
Financial intermediation	1,120		480	150	170	150	180
Business services	5,980		3,000	610	530	400	730
Public administration	1,400		660	190	210	190	240
Education	3,430		1,620	460	510	470	590
Health and social work	4,490		2,120	600	670	610	770
Other services	1,720		1,030	230	120	120	190
Total	31,770		11,460	4,050	4,200	4,520	6,440
Percent of total			36%	13%	13%	14%	20%

²⁶ Note: these tables model the "expected" skill level that entrants to these jobs will possess, not necessarily the exact skill level demanded by employers. There are two caveats therefore: (a) employers may recruit people who are skilled to a level "above" that actually required by the job – as a way of differentiating between competing candidates; (b) there will be lower level occupations which are filled by people who are over-qualified. They might have to take work that is "below" their level of skills or educational attainment because they cannot find work at a level commensurate with their skills. Alternatively, they may be taking work to which they are over-skilled for "lifestyle" reasons.

Table 3.6

Estimates of employment demand in Enfield 2006 to 2016 – by occupation and expected skill level

	Net additional requirement		of	Level 4+	Level 3	Level 2	Other	"Low & no"
	2006-2016		which:				quals	quals
Managers and Senior Officials	5,760	18%		2,610	810	600	680	830
Professional occupations	3,970	13%		3,080	220	160	280	160
Associate Professional & Technical	5,800	18%		2,740	910	760	600	630
Administrative and Secretarial	4,630	15%		1,430	730	800	490	1,140
Skilled Trades	2,160	7%		230	310	190	510	590
Personal Services	1,190	4%		360	150	240	180	270
Sales & Customer Services	3,570	11%		540	530	820	530	1,050
Process Plant and Machine Operatives	1,120	4%		120	140	110	230	420
Elementary	3,550	11%		340	240	520	1,040	1,330
	31,750	100%		11,450	4,050	4,200	4,520	6,420
				36%	13%	13%	14%	20%

3.63 About 13% of recruits are likely to hold a level 3 qualification and, between the different industry sectors, this proportion is fairly consistent. A similar proportion are likely to be qualified only to level 2 although there is rather more variation forecast between sectors: only 9% of recruits in hospitality are expected to be qualified at this level only; in wholesale/retail 17% of recruits are likely to hold a level 2 qualification only.

Most new openings will be in high skill occupations

3.64 Nearly a half of all the new jobs (49%) will be created in the top 3 occupational categories (managers, professionals and associate professional and technical occupations). About 1 in 6 new jobs (15%) will be for administrative and secretarial staff and a similar proportion recruited into personal services, sales and customer services.

3.65 Skilled tradespeople will make-up only 7% of all new jobs whilst machine operators and elementary occupations will account for another 15%.

3.66 Not surprisingly, the majority of positions in the top 3 occupational categories will be filled by people skilled to level 4. About a half of all the managerial jobs will be filled by staff at this level as will those in associate professional and technical occupations. Of almost 4,000 jobs which will be in professional occupations, 80% of these will require a level 4 qualification.

3.67 Conversely, people recruited into jobs in the lower occupational categories will mainly be drawn from a population that has other qualifications, a level 1 qualification or none at all.

3.68 It should be noted that those with other qualifications are a diverse group of which approximately a half will have overseas qualifications that do not translate into the UK's structure of qualifications. Indeed, many may have achieved a very good standard of educational competence or professional attainment but their qualifications are not recognised as such.

What do employers say they need?

3.69 There are several sources of information that throw light on employer requirements in Enfield. Firstly, an LB Enfield survey²⁷ was undertaken in 2006 based on written questionnaires received from 260 employers. The survey was primarily designed to identify whether and how employers recruit from their locality.

3.70 A second employer survey – which sought to identify attitudes towards recruitment and skills amongst firms in the Borough – was commissioned in 2007 from PACEC. The fieldwork comprised a telephone survey of 240 Enfield based firms, of which, 62% were sole proprietorships, 28% were companies and 7% were partnerships.

²⁷ "Survey of Enfield Employers: Locality, recruitment and procurement", LB Enfield Economic Development and Sustainable Communities Team, October 2006.

- 3.71 The PACEC survey showed that 80% of firms were single site businesses and this was also strongly correlated with size of establishment, with the largest sites more likely to be a division or branch office.
- 3.72 On average, the surveyed firms had 5.9 full-time staff and 1.0 part-time staff – and this is consistent with the Annual Business Inquiry data which shows the average number of employees in the Borough to be 7 (excluding the public sector).
- 3.73 The most common occupations identified were sales and customer services, managers and skilled manual workers. The occupational breakdown of firms varies greatly with size: the proportion of managers drops rapidly with size (since almost every firm needs at least one manager but large firms do not need everyone to be a manager) while the proportion of staff which can be dedicated to sales and customer service tends to rise with the size of firm.
- 3.74 These findings approximately match the profile of occupations identified in the Annual Population Survey (workplace analysis). This shows that managers account for 20% of jobs in the Borough (excluding public sector) whilst sales and customer services are 12% and skilled trades are also 12% of occupations. However, the APS evidence suggests that two other occupations may be as important: elementary occupations accounting for 20% and administrative and secretarial occupations making-up 14% of private sector employment,

- 3.75 The PACEC survey respondents stated that, on average, 36% of employees were black or minority ethnic whilst 14% were aged 50+ and just 1% were known to be lone parents. Less than 1% of employees were reported as being disabled.
- 3.76 Respondents suggested that over half (57%) of Enfield firms have stayed the same size over the past 2 to 3 years. Almost 4 out of 10 have grown moderately whilst only 2% have grown rapidly and 2% have grown smaller. Larger companies are more likely to have grown over the past 2 to 3 years and less likely to have stayed the same size.

Approach to learning

- 3.77 The PACEC survey asked employers what processes, plans, policies, and accreditation they had in relation to skills and learning. Of these:
- 28% of firms have some sort of induction process;
 - 13% have an annual review/appraisal process;
 - 11% have a written training/learning plan;
 - 10% have a business plan which specifies objectives and skills needs.
- 3.78 These appear to be very low responses considering that the same question in the National Employer Skill Survey (NESS) showed:²⁸

²⁸ *National Employer Skill Survey*, Learning & Skills Council, 2006
<http://research.lsc.gov.uk/LSC+Research/published/ness/> and
<http://researchtools.lsc.gov.uk/ness/home/home.asp>. It should be noted that the

- 57% of firms in London North had an annual review/appraisal process (London, 65%);
- 43% in London North had a written training/learning plan (London 46%);
- 56% in London North had a business plan which specified objectives and skills needs (London 60%).

3.79 Just over a half (55%) of firms *had not* made any of the above commitments but this response varied by company size:

- it was 86% of firms with just 1 employee;
- but only 4% of firms with 50+.

3.80 About a half (54%) of all firms say that they have undertaken *no training* in the last 12 months (ranging from 75% of 1-employee firms to 22% of 50+ firms). This compares with 40% amongst firms in London North and 36% in London overall. Of the firms surveyed, 86% take training decisions at the site interviewed.

3.81 Among firms that undertake training, small firms are most likely to undertake staff training “as and when necessary”; and large firms are more likely to have implemented a written training policy. If no training at all is undertaken by a business, in 92% of cases, they cite “lack of need”.

Recruitment

3.82 The 2006 LB Enfield survey found that over 90% of employers considered the Borough to be “local” and 95% of employers considered their employees to be living locally. However the PACEC survey suggests a wider geographical horizon for hiring. When asked about recruitment patterns, firms said that :

- 43% of staff come from “the local area” (defined as being within three miles);
- 61% of staff come from within the Borough – but only 43% in the case of manufacture and 73% for public services;
- 16% specifically come from Edmonton – although this was a little higher at 21% for firms in leisure and retail.

3.83 The 2006 LB Enfield Survey strongly indicated that employers did not see place of residence as being a barrier to employment. But this may not be completely true if only 1 in 6 employees in the PACEC survey are recruited from Edmonton as this is a disproportionately low percentage. The 2006 survey identified that less than 1 in 20 employers considered that “living in an un-favoured or disadvantaged locality” was a reason why local people might not be able to secure jobs. Instead at least a quarter of employers identified caring responsibilities and disability as being significant obstacles to recruitment.

lowest level of geography provided by the NESS is sub-regional, in this case, the currently defined 4-Borough area of London North.

3.84 Surprisingly, in the PACEC survey, about a half of firms said they had *not* recruited in the past 12 years. Among those firms which had recruited, the main method was:

- 43% used newspaper advertisement or online;
- 16% used word of mouth;
- 10% a Jobcentre or careers office.

3.85 This evidence may understate the extent of newspaper advertising and other forms of recruitment. The 2006 LB Enfield survey found that 63% of firms used advertising, nearly 40% used websites, 50% used word-of-mouth, a third used recruitment agencies and 27% used Jobcentre Plus.²⁹

Hard to fill vacancies

3.86 In 38% of cases, firms with hard-to-fill vacancies stated that “there was no particular reason” for their inability to fill vacant positions:

- 15% said “low number of applicants with the right skills”;
- 13% said “low number of applicants with the required attitude”;
- 12% said that “total number of applicants generally was too small”.

3.87 For the first of these categories (“low number of applicants with the right skills”), the NESS found 30% of firms in this

position in London North and 36% for London as a whole. For the other two categories, the NESS found almost identical results.

3.88 The PACEC survey also identified that in business services, over a half of all employers identified that “not enough people interested in doing this type of job” was a main cause for having a hard to fill vacancy. A half of all business service firms also identified remote locations and poor public transport as key problems. An even higher proportion – 64% of all business service firms – said that filling vacancies was difficult because there was “a low number of applicants generally”. Only in the public sector were wage rates identified as a problem – with a quarter of employers citing these as a reason for having difficulty filling vacancies.

3.89 The 2006 LB Enfield survey found that competition from other employers was more intense. A quarter of respondents said that a “better job offer” meant they were unsuccessful in recruiting their preferred candidates. Thirty one percent said that a “better pay offer” was the reason and another 20% cited “travel difficulties”.

3.90 The PACEC survey also found that firms with hardest skills to obtain were technical, practical, or job-specific skills (20% of firms recruiting in the past 3 years). Only 6% cited “problem-solving skills” and 5% said “team-working skills”. The NESS found much higher response rates for these two questions: in both cases around a quarter of all firms identified these reasons.

²⁹ The 2006 LB Enfield survey excluded sites which employed local government personnel, it included other public sector employers and not-for profit organisations; the PACEC survey sampled all employers.

3.91 Despite the evidence above, the PACEC survey found that 76% of firms which had recruited in the past 3 years felt that hard-to-fill vacancies had no impact upon their establishment. 20% saw a minor impact, and 3% a major impact.

Skill shortages

3.92 The 2006 LB Enfield survey found a more serious indication that skills were a problem – with 57% of firms saying that inadequate skill levels were the reason they did not recruit applicants. Slightly over a half reported that “lack of experience” was a factor whilst almost 50% said they failed candidates because of their inability to speak and write English. Less than a quarter cited a lack of formal qualifications as a reason not to recruit an individual.

3.93 However, the PACEC survey found that 48% of employers said that there were no particular difficulties caused by skill shortages. Furthermore, 76% of firms (which had recruited in the past 3 years) said hard-to-fill vacancies “had no impact”. However this response varied by sector:

- 41% in utilities, construction, transport & communications said it did have an impact;
- But only 12% said the same in retail/wholesale and leisure sector.

3.94 In the few cases where an impact was reported, the most common effect was to increase workload for other staff (46% of these). Almost a half (49%) of establishments had recruited

in the past 12 months, of which most the frequent difficulty was in hiring:

- skilled manual workers;
- sales/customer service staff;
- professionals.

3.95 The NESS provides data on shortages of these types of staff. In London North, 13% of firms had difficulty recruiting skilled manual workers; 24% for sales/customer service staff; 16% difficulty with hiring professionals; and 21% reported difficulties with personal service staff.

3.96 There were also differences between sectors and the types of positions they had difficulty in hiring:

- manufacturing firms – require process, plant, and machine operatives;
- utilities/construction/transport and communications – require skilled manual workers;
- retail/wholesale and leisure – require sales and customer service staff.

Skills gaps

3.97 The firms surveyed by PACEC said the following percentages of current staff were judged fully proficient at their job (the NESS returned very similar results):

- over 80% for personal service staff;

- about 50% for managers, clerical/secretarial staff, skilled manual workers and elementary occupations;
- 42% for sales and customer service staff.

3.98 Despite this, 75% of respondents said skills gaps “had no impact” on their business. Of those firms that said they did have staff proficiency problems, 28% said it required other staff to work harder to compensate (this reason was reported by 50% of the public sector employers who were facing these problems).

3.99 We have to conclude therefore that the requirements of employers in the Borough are not clearly articulated. In part, we think that many smaller employers may have a limited forward view of their business development and will tend to be reactive to changing markets.

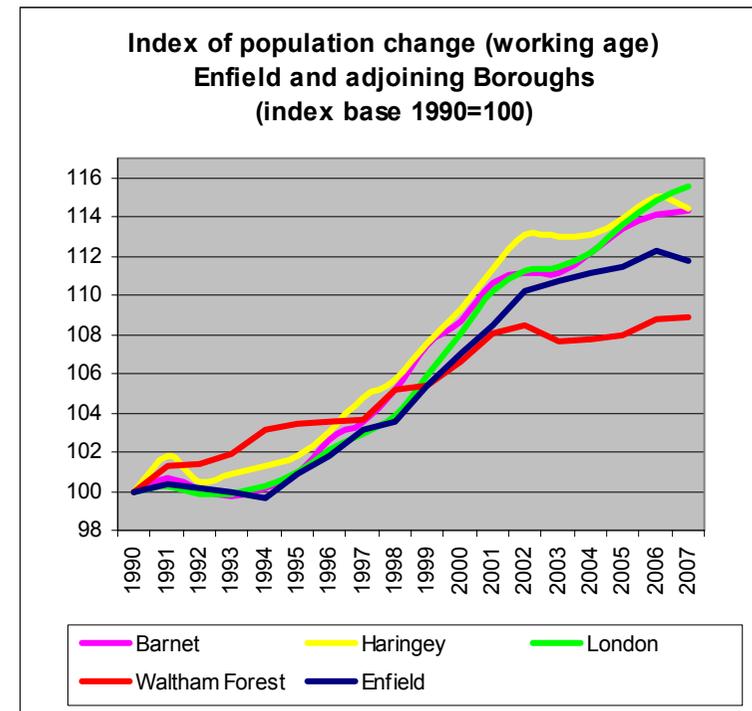
4 THE EVIDENCE BASE: POPULATION CHARACTERISTICS

The Borough's population is growing ...

- 4.1 Like other parts of London, Enfield has experienced a growth in population on a scale unprecedented in over sixty years.
- 4.2 The Borough's overall population had remained stable for most of the 1970s and 1980s – at around at 260,000 – although it declined very slightly before beginning to grow in 1989 and has been rising fairly evenly over the subsequent years.
- 4.3 Since 1991, the Borough has seen overall growth of 25,000 – and this is an increase of around 9% which is only slightly less than the London average. As the chart (right) shows, the working age population has grown slightly faster – having expanded by 19,500 which is an 11% increase.
- 4.4 Reflecting this, the number of children has also grown quite steadily between 1991 and 2007 – up by 7,000 and this represents an increase of 13% over the period.
- 4.5 Compared with the other three Boroughs in the North London sub-region, Enfield's working age population has grown more slowly than Barnet and Haringey but significantly faster than Waltham Forest.
- 4.6 Amongst the working age population, the years of most rapid growth were between 1999 and 2003 when annual increases

of around 1¼ percent was recorded to the most recent few years when the annual growth rate is down to about ½ percent.

Chart 4.1



- 4.7 While Enfield's total population is growing there is an underlying level of rapid "churn". Over the 5 year period, from 2001-02 to 2005-06, about 7% of the entire population moved

out of the Borough *in each of those years* and international migration forms a significant part of the overall growth.

4.8 The table below shows that the arrival each year of 4,100 international migrants outstrips the 2,000 Enfield residents who leave the country. Movement of people to and from other parts of the UK (including other London Boroughs) is higher: there were 15,000 people a year who moved into the Borough but slightly more (17,400) who departed. On average, these two groups of migrants almost exactly cancelled each other out and the net population change in the Borough is roughly zero.

Migration flows into and from Enfield 2001-02 to 2005-06 (annual averages)

	In-flow	Out-flow	net change
International migration	4,100	2,000	2,100
Migration from within the UK	15,000	17,400	-2,300
Net change	19,100	19,300	-200

4.9 The Borough's population has, of course, risen even though the migration flows have been in balance: births outnumber deaths so the population has grown.

4.10 One of the key changes to the overall population has been the dramatic change to its ethnicity. With the Borough receiving an average of 4,000 residents a year who are migrants from overseas, inevitably the Borough has become much more diverse. Indeed, it is highly likely that a significant

proportion of the people who are classed as migrants from elsewhere in the UK are also international migrants and who are moving to Enfield from initial places of residence in other London Boroughs. At the 2001 Census, only 61% of the Borough's population was White British and most of the change experienced in the Borough appears to have occurred over the decade since 1991. Much anecdotal evidence suggests that this pace of change has continued with new migrant population groups arriving.

4.11 The majority of the Borough's non-White British are foreign born and the labour market consequences of this dramatically increased diversity are three-fold:

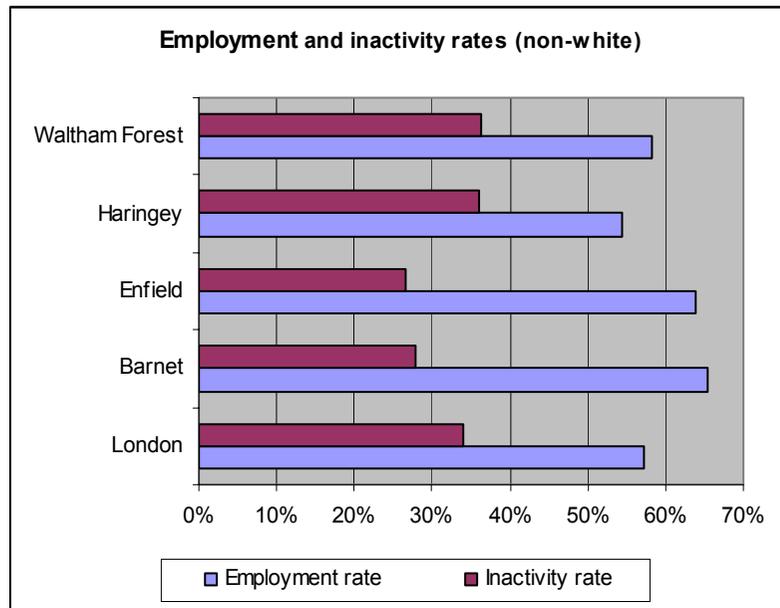
- Fewer of the Borough's non-white British have English as a first language and the risks of non-employment because of poor English are greater
- Higher levels of racial discrimination in employment are likely and candidates for employment will experience tougher competition in looking for work
- A higher proportion of the foreign-born population will have skills that cannot be easily attested by qualifications which are recognised in the UK

4.12 Although the majority of immigrant communities in the Borough have a very strong work ethic and an ambition to succeed, many also have a poor understanding of the labour market and the requirements of employers.

4.13 Others also have patterns of family organisation in which women tend to work far less than men. This is particularly true of communities from Pakistan and Bangladesh and some parts of West Africa. There are also some cultural traditions which can downgrade the role of waged employment by men – especially amongst Eritreans and Somalis.

4.14 However, all of these factors which apply differently to various population groups all tend towards lower employment rates and high inactivity rates.

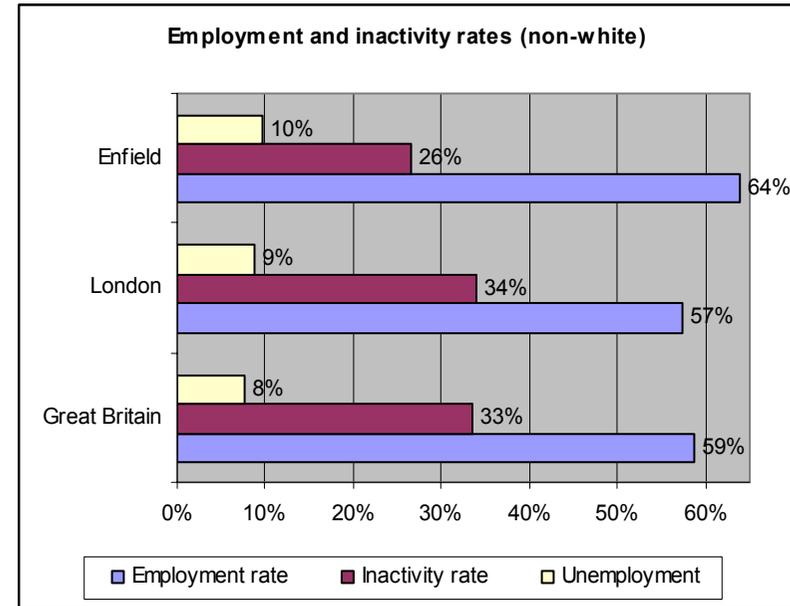
Chart 4.2



4.15 Compared with adjoining Boroughs and the London average, Enfield's non-white population actually has a relatively good

employment rate and lower inactivity rate. The unemployment rate amongst non-white Enfield residents is one percentage point higher than the London average and two points above the GB average.

Chart 4.3



4.16 However, it is worth putting this into context that the equivalent rates for the white population in London are:

- unemployment 4%
- inactivity 21%
- employment 74%

- 4.17 So Enfield's non-white population has an employment rate that is 10 percentage points adrift of the rate for all white Londoners; is 5 percentage points worse for inactivity; and has an unemployment rate that is more than twice as high.
- 4.18 The growth in foreign-born and other non-white British residents has an additional dimension: the change in population has been very unevenly distributed in the Borough with a majority of the non-white British population settling in neighbourhoods around Edmonton and elsewhere on the Borough's east side.
- 4.19 As the table overleaf demonstrates, most of the wards in the Borough experienced an overall increase in population between 1991 and 2001. But the three Edmonton wards, Enfield Highway and Jubilee wards saw sharp reductions in their White populations and quite large corresponding increases amongst their non-white residents.
- 4.20 Much of the population growth was amongst people of Black African origin – some 11,100 extra people, of whom a significant proportion majority moved to Edmonton and Edmonton Green wards.
- 4.21 These data are reinforced by evidence from school pupil records which show an even greater concentration of ethnicity amongst the Borough's population.
- 4.22 Analysis of the PLASC data for school children resident in the Borough reveals that only 35% of pupils are White-British. Of the remainder:
- 16 percent are Turkish or Greek;
 - 7 percent are from elsewhere in Europe;
 - 8 percent of pupils are of mixed heritage;
 - 6 percent are Indian, Pakistani or Bangladeshi;
 - 20 percent of pupils are Black African/Caribbean
 - 4 percent of schoolchildren are from families whose origins are elsewhere in Asia
 - 4 percent have a heritage from other parts of the world.
- 4.23 A recent factor that has accelerated population growth in the Borough arises from eastern Europeans, especially those from Accession 8 countries who became entitled to reside in the UK providing they have obtained work. The data for National Insurance Number registrations shows that Enfield had 2,200 workers from Eastern Europe in 2006-07. This was an increase from 1,600 in the previous year and this represents growth of slightly over a third. Of the 2,200 who were registrants from Eastern Europe, over a half were from Poland.
- 4.24 All together, the Borough had 5,700 migrant workers from all countries registered in 2006-07 which was an increase from 5,000 in the previous year. Enfield's position is less significant than the adjoining Boroughs of Haringey and Waltham Forest which have larger migrant worker populations – of 9,600 and 10,000 respectively.

Table 4.1

Population change in Enfield, by ethnic group and by ward, 1991-2001

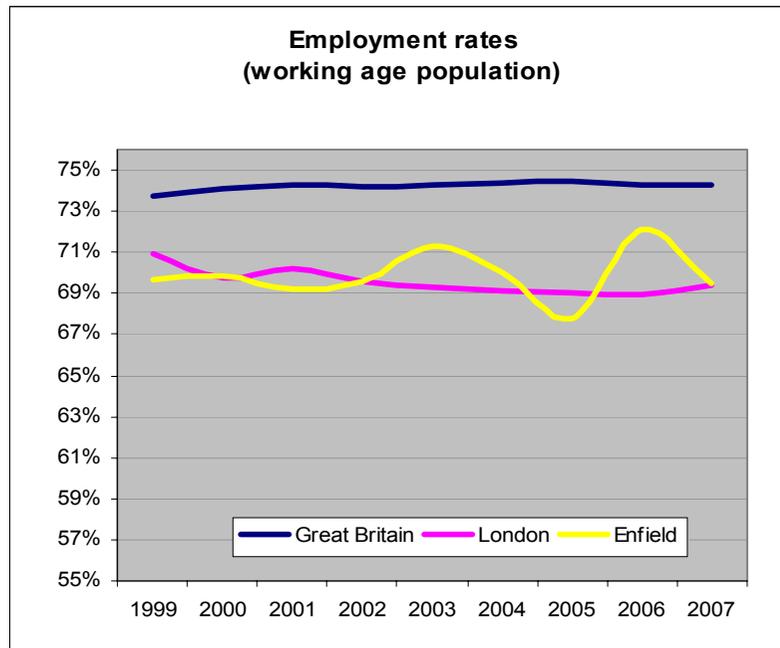
	All people	White	Indian	Pakistani & Bangladeshi	Other Asian (incl Chinese)	Black Caribbean	Black African & Black Other
Enfield	+14,800	-11,400	+1,800	+2,000	+4,800	+5,200	+11,100
Bowes	-190	-480	-350	+10	+140	+190	+210
Bush Hill Park	+150	-780	+150	+100	+160	+210	+260
Chase	+530	-290	+40	+80	+180	+120	+340
Cockfosters	+920	-130	+200	+150	+350	+50	+230
Edmonton Green	+720	-1,980	+40	+320	+330	+330	+1,570
Enfield Highway	+690	-750	+60	+140	+250	+280	+700
Enfield Lock	+1,830	+470	+40	+60	+160	+310	+710
Grange	+590	+40	+160	+20	+130	+120	+90
Haselbury	+1,450	-710	+90	+230	+330	+500	+900
Highlands	+590	-250	+160	+90	+200	+100	+200
Jubilee	+290	-1,360	+170	+70	+240	+450	+640
Lower Edmonton	+530	-1,250	+90	+100	+220	+480	+830
Palmers Green	+20	-740	+110	+60	+240	+150	+250
Ponders End	+720	-890	+120	+160	+240	+300	+690
Southbury	-100	-1,120	+30	+60	+240	+160	+490
Southgate	+1,960	+760	+250	+50	+430	+120	+300
Southgate Green	-440	-1,350	+150	+70	+200	+120	+310
Town	+1,410	+880	+40	+10	+90	+120	+240
Turkey Street	+370	-680	+40	+90	+130	+160	+580
Upper Edmonton	+2,480	-440	+200	+170	+340	+740	+1,330
Winchmore Hill	+350	-340	+70	+30	+210	+160	+250

The employment rate is not improving

4.25 Enfield's employment rate has been rather erratic in the 3 years since 2003 but the trend shows that the Borough has remained fairly close to the London average.

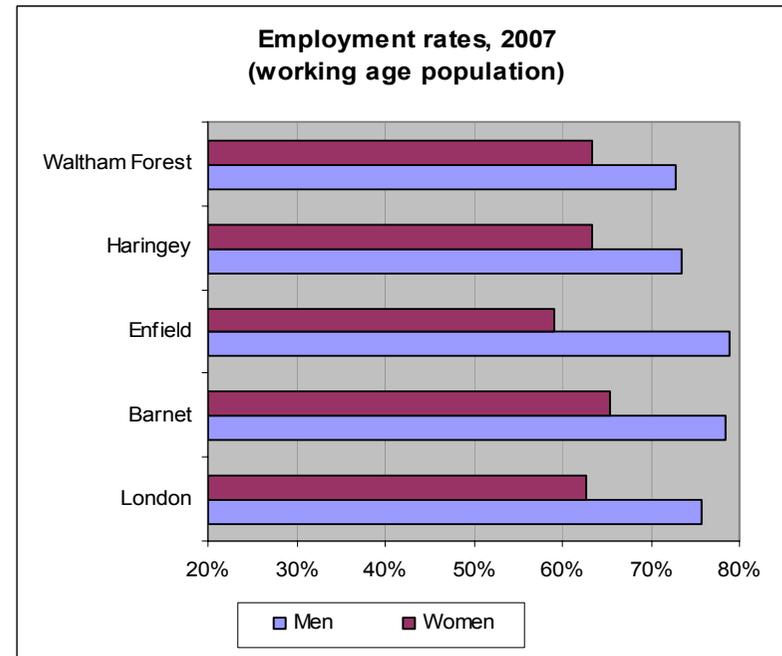
4.26 However, the London figure itself has deteriorated from 71% to 69% between 1999 and 2007. This means that the current Enfield employment rate remains 5 percentage points below the GB average.

Chart 4.4



4.27 Enfield's position partly reflects the very high rate for male employment. At almost 80%, this is one of the higher rates in London and obscures the rather worse position for women.

Chart 4.5

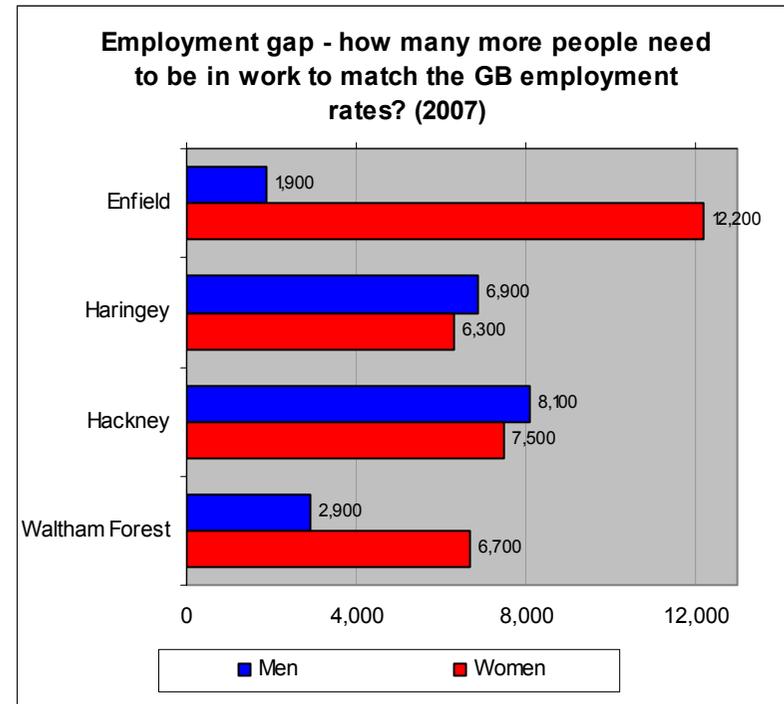


4.28 It is still unclear whether the variation in Enfield's employment rate reflects a definite trend. The 2003 and 2006 peak figures may well overstate the position whilst the 2005 and 2007 results could be erratically low. Because each of these results fall just within the Labour Force Survey's margin of error it seems fairly likely that the Borough is neither improving nor worsening. If so, then the Borough's position must be of great

concern because it is performing no better than the London average.

Chart 4.6

- 4.29 There is also a distinct possibility that the recent erratic feature in the employment rate in Enfield (also observed in adjoining Boroughs) reflects the presence of new and relatively transient population groups rather than any underlying improvement amongst the established population.
- 4.30 Firstly, many migrant workers have arrived from overseas (not just EU Accession countries) to settle in the north London Boroughs and these generally younger people tend to be in-work. Indeed, for many, their entitlement to residency in the country is conditional upon it.
- 4.31 A second group is also very evident, namely young adults who are new to London and who are taking their first jobs in professional and white collar occupations. Apartment building in all three Boroughs, especially in Town Centres, is yielding a noticeably younger population – almost all of whom will be in employment. In other words, a rise in the overall employment rate may not reflect any significant change in the circumstances of the Borough's non-employed population.



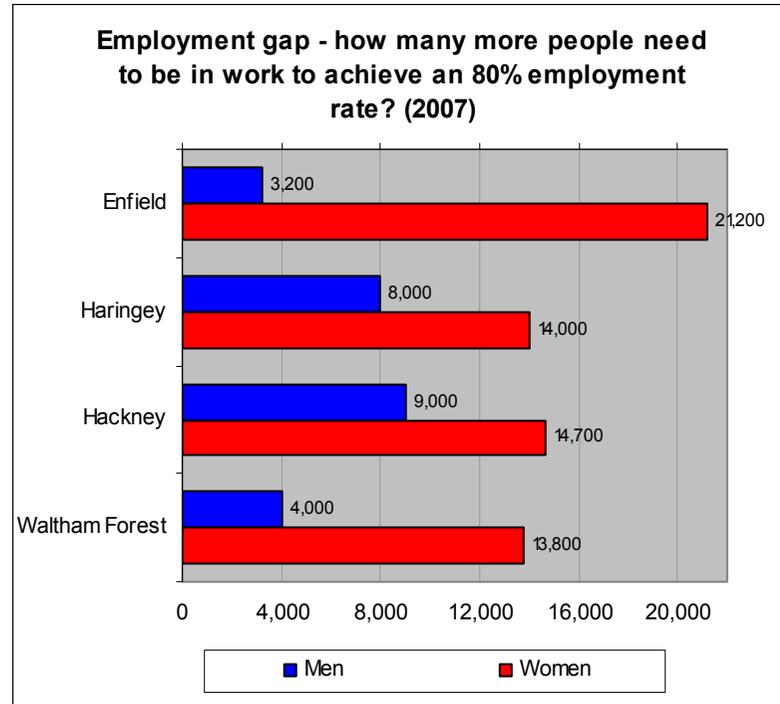
- 4.33 Because the employment rate for men in Enfield is quite close to the GB average, the graph (above) shows that it is mainly women who would need to enter employment for the Borough to match the GB average.
- 4.34 On the much tougher test of meeting the Government's 80% employment rate target, the Borough would have a great deal further to go – as would all the adjoining Boroughs. Because the Borough's employment rate for men is relatively good

The Borough has a “jobs gap”

4.32 Even though the employment rate is comparable to the London average, it still falls short of the GB average. Overall, the Borough would need to increase by 14,000 the total number of residents who are in work.

already, nearly all the Borough's employment gap is amongst women.

Chart 4.7



4.35 On this measure, Enfield would need to get 24,400 more of its residents into work – a target that is broadly more like the scale of challenge faced by the other North London Boroughs. But because of the particularly low female employment rate, much more of Enfield's increase would have to be amongst women entering the labour market compared with other Boroughs.

Young people may be missing out ...

4.36 The population aged 20 to 24 represents about 15,000 of Enfield's total population. Of these, a declining proportion is in employment. Since peaking in 2001 when 74% of the age group were employed, this percentage has now slipped back to 64%.

4.37 An alarmingly high percentage of this age group are economically inactive (rather than unemployed) – some 43% compared with averages of 29% for London and 24% nationally. Although some of this age group may be in full-time education (and Enfield has slightly more students than other outer London Boroughs) this will have only a slight effect on these numbers.

4.38 It is more likely these data indicate that the Borough has a population group that has not made an effective and lasting transition into the labour market.

Chart 4.8

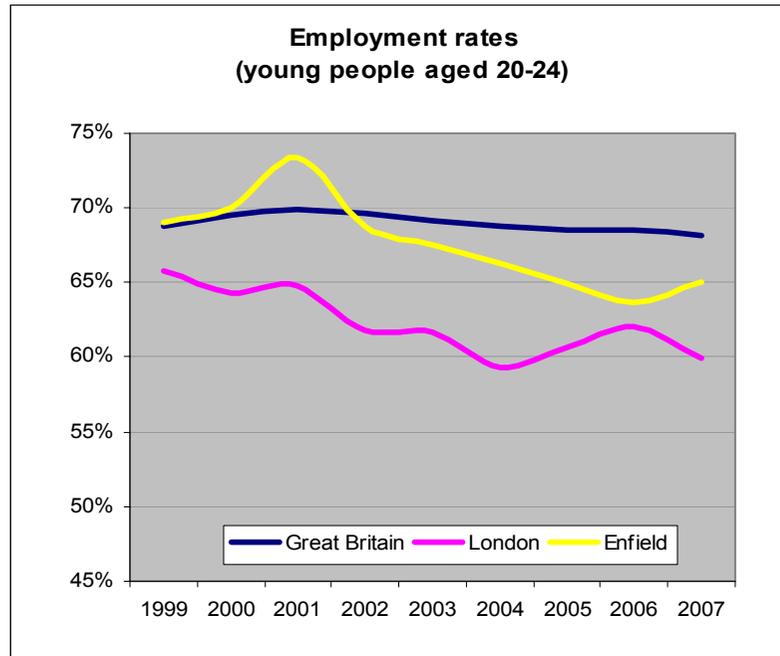
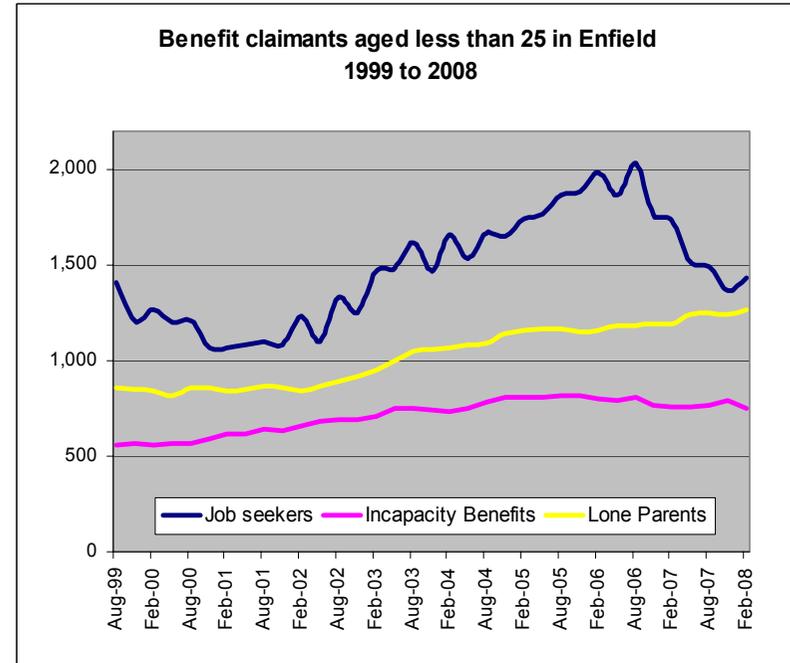


Chart 4.9



4.39 Because of sampling variability in the Annual Population Survey from which these data are sourced, the numbers need to be interpreted with considerable care. However, these data are perhaps underlined by the recent trends amongst benefit claimants who are aged under 25. This shows that claimant unemployment in the age group has been rising since about 2001 having fallen sharply in the late 1990s.

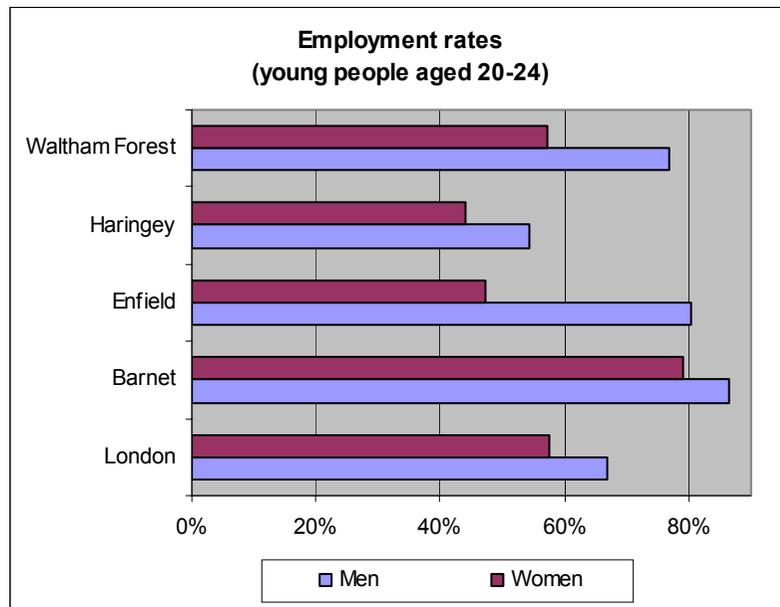
4.40 The graph above shows that the number of young adults claiming JSA, Incapacity Benefits or Lone Parent Income Support rose from 2,500 to almost 4,000 between November 2000 and November 2006 but subsequently declined to around 3,500 by early 2008. Although the JSA count has recently declined, it is noticeable that the number of young lone parents continued to rise.

4.41 Comparison with adjoining Boroughs also reinforces these conclusions – and suggests that the low employment rate problem seems to be concentrated amongst younger women.

4.42 As the chart below shows, there is a marked gap in the employment rates for young women in Haringey, Waltham Forest as well as Enfield.

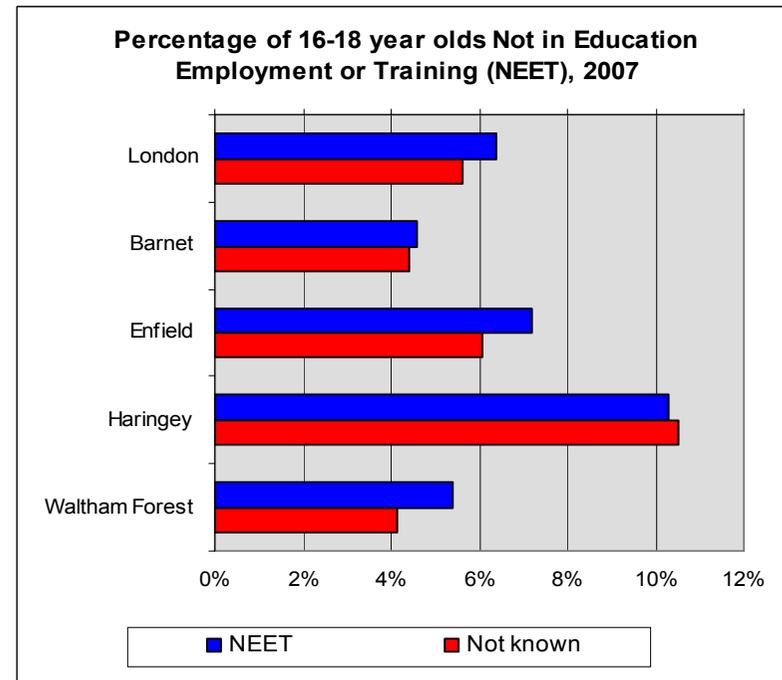
4.43 But, it appears to be greatest in Enfield where only 47% of 20-24 year old women are working compared with 80% for young men.

Chart 4.10



4.44 Like all London Boroughs, Enfield has made considerable efforts to address the problems of poor school to work transition – especially amongst the 16 to 18 age group. The population that are categorised as Not in Education Employment or Training (“NEET”) represent 7.2% of the Borough’s young people.³⁰

Chart 4.11



³⁰ Source: www.dfes.gov.uk/14-19/index.cfm?sid=42 The definition of NEET is the average of those identified by Connexions at the end of November 2007, December 2007 and January 2008. The NEET total excludes young people on gap years or in custody and is adjusted to include a proportion of those whose status is not known.

4.45 Enfield's percentage NEET was therefore a little worse than both the London and England averages (respectively 6.4% and 6.7%). However it was slightly higher than Waltham Forest and Barnet but significantly lower than Haringey. Apart from Hackney (which recorded 11.7%) Haringey had the highest percentage rate of NEET anywhere in London.

4.46 Enfield also has a 16-18 population whose status is unknown and this represents 6.1% compared with 4.1% in Waltham Forest and 4.4% in Barnet. The London equivalent is 5.6%.

4.47 The actual figure for Enfield's NEET population at the end of 2006 was estimated to be 670 – out of a total cohort of 9,250. Of these, about 40 are an estimate for those whose destination is unknown but who are “assumed” to be NEET. The trend in recent years seems to be improving: the equivalent figures (not including the “assumed” NEET) for previous and current years is:

2004	769
2005	790
2006	649
2007	670

4.48 Recent performance data collected locally by Connexions North London³¹ show that in September 2007 the number of NEETs was 522 and this represents 22% compared with the previous September. However, the cohort of Summer 2007 school leavers appeared to have an unusually high proportion

of “not knowns” and it is very likely that a proportion of these will turn out to be in the NEET category.

Older people seem to be doing OK ...

4.49 Employment amongst the population aged 50 years and over appears to be steadily improving. During the mid 1990s, there was a general perception that early retirement, redundancies and discriminatory hiring practices were having a serious effect on the employment rate of many older workers.

4.50 The Government categorised older people as a specific group facing disadvantage in the labour market and devised programmes (such as the New Deal for 50+) and encouraged employers to specifically recruit older, more experienced people into their workforces.

4.51 Age discrimination legislation now explicitly prohibits employers from denying jobs to older workers or operating discriminatory practices at work.³²

4.52 These factors plus a general tightening of the labour market over recent years seems to have had a marked impact on employment rates for older people, nationally, regionally and in Enfield too.

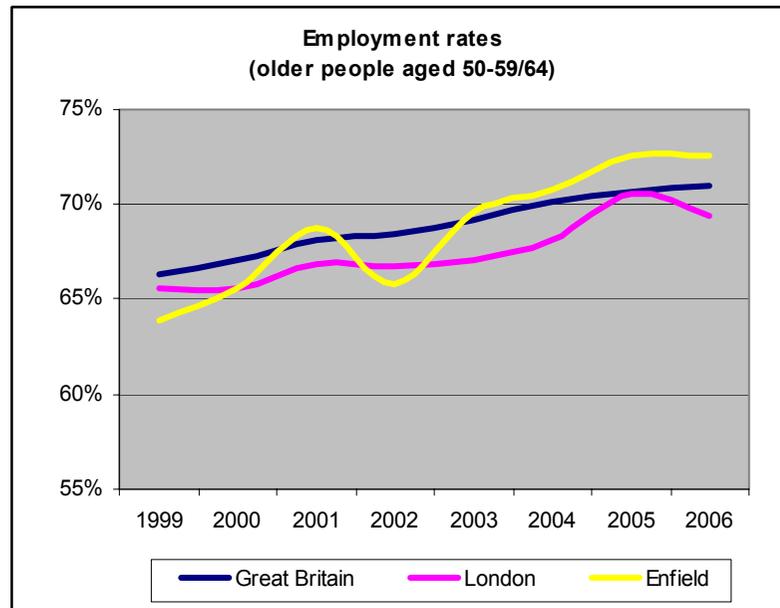
4.53 However, there is no reason to conclude that *all* older people enjoy a good position in the labour market. Older people who

³¹ “Enfield Performance Report”, Connexions North London, Sept 2007

³² The Employment Equality (Age) Regulations 2006 came into force in October 2006.

have poor health or a disability or whose English is poor or have other barriers to work remain disadvantaged. But their poor position reflects these other barriers more than their age and we conclude that age *in itself* is not a significant identifier of labour market disadvantage.

Chart 4.12

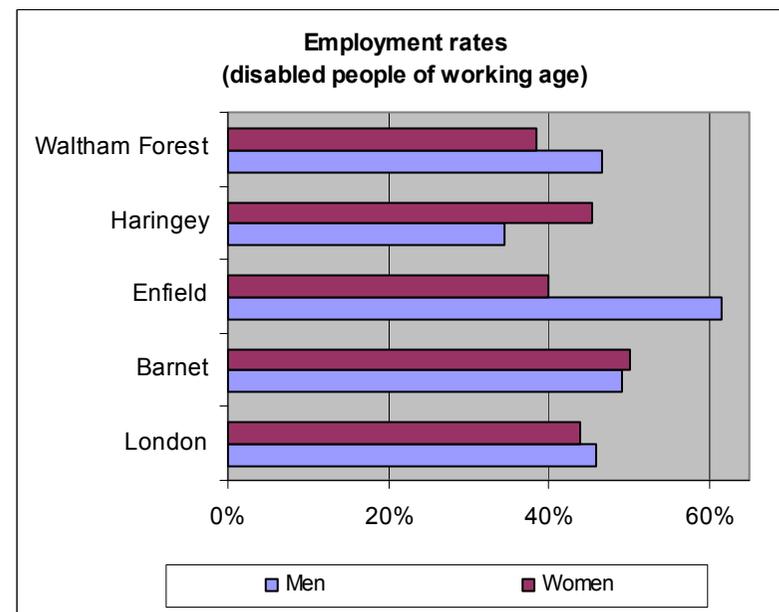


4.54 As the graph above shows, the employment rate for people aged 50 to statutory retirement age has consistently increased – although the Enfield figure for 2002 looks erratic. Whilst the employment rates are still slightly below the average for all people of working age, the gap has closed significantly for GB, London and, for Enfield, the rate has converged with the Borough average.

... Disabled people are doing less well

4.55 The national average employment rate for disabled people³³ (men and women) is 50% whilst for London it is 45%. Although Enfield's employment rate for disabled people is 50% and therefore exactly the same as the national average, it is still 22 percentage points adrift of the overall Borough employment rate.

Chart 4.13



³³ The definition used in the Labour Force Survey/ Annual Population Survey is all people who are: (a) Both DDA (Current disability) and work-limiting disabled; (b) DDA disabled (Current disability) only; (c) Work-limiting disabled only.

4.56 Furthermore, as the graph above shows, there is a significant gap between women and men: just 40% of disabled women in Enfield are working compared with 61% of men. Indeed, employment rate for disabled men in Enfield is rather higher than in any of the adjoining Boroughs or the London average.

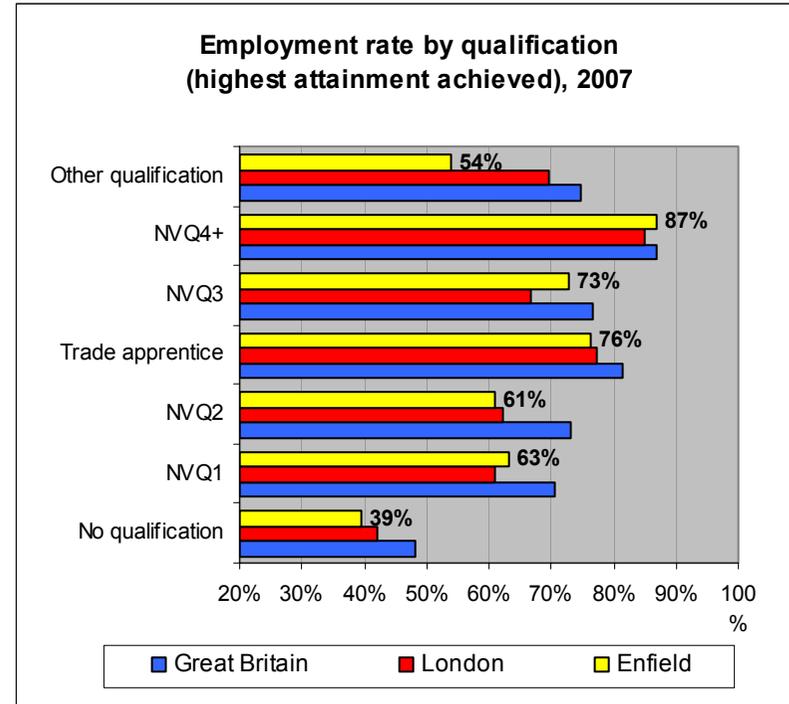
Chart 4.14

People with low qualifications are less likely to work

4.57 Barely 4 out of 10 Enfield residents are in work if they have no qualifications. Almost 9 out of 10 are in work if they hold a higher qualification (NVQ level 4 or higher). And the position is even worse for women with no qualifications – the employment rate is only 18%.

4.58 The highest employment rate is also found amongst those holding trade apprenticeships where over 90% of men are in work. People whose highest qualifications are at level 2 or 3 have employment rates of barely more than 60%.

4.59 Generally, across all qualification levels, Enfield residents have employment rates that are fairly close to the London averages.



4.60 The table below shows the full details of employment rates for men and women in Enfield compared with London.

Employment rates by highest qualification (working age population) 2007

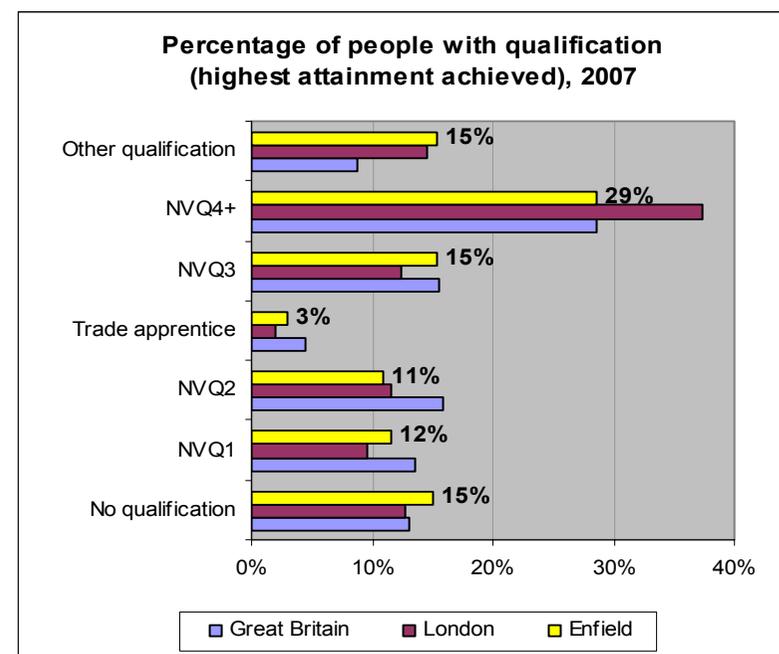
	All		Men		Women	
London						
NVQ4+	1,596,600	85%	870,300	89%	726,300	80%
NVQ3	414,400	67%	234,200	71%	180,300	62%
NVQ2	361,400	62%	177,500	66%	183,900	59%
NVQ1	292,300	61%	144,100	65%	148,200	58%
No quals	272,100	42%	180,000	55%	92,100	29%
Other	507,300	70%	321,900	81%	185,400	55%
Enfield						
NVQ4+	45,100	87%	25,300	89%	19,800	84%
NVQ3	20,300	73%	12,100	75%	8,200	69%
NVQ2	12,100	61%	5,800	66%	6,300	57%
NVQ1	13,200	63%	6,000	67%	7,200	61%
No quals	10,800	39%	8,500	59%	2,300	18%
Other	15,100	54%	10,300	80%	4,900	32%

Enfield has fewer high qualified ... more low skilled

4.61 Although the employment rates for Enfield's higher qualified residents are good, the Borough has fewer of these people than elsewhere in London.

4.62 Those qualified to level 4+ make up 29% of the working age population – compared with the London average which is 37%.

Chart 4.15

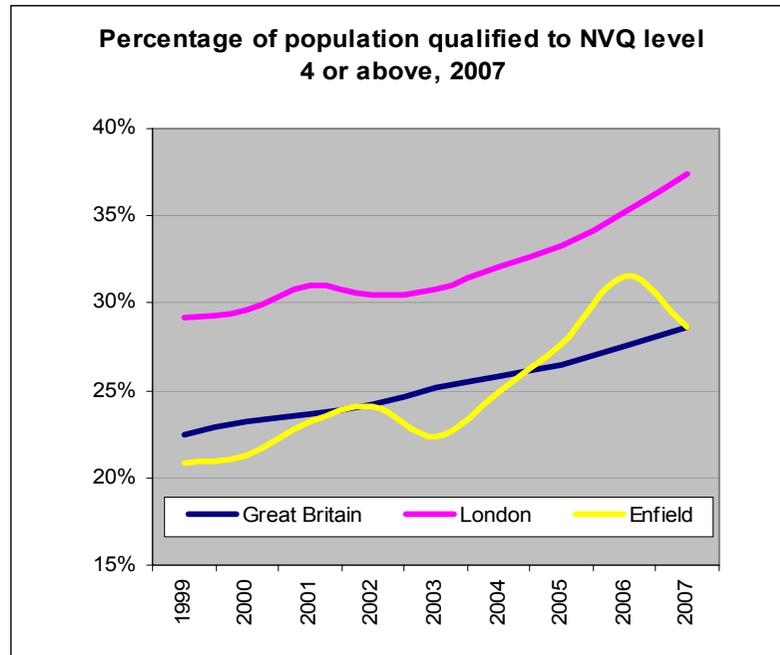


4.63 The proportion who only hold a level 2 qualification is slightly below the London average whilst the proportion that holds a level 3 qualification or is “no or low skilled” is greater than the London average.

4.64 For higher level skills, the position has generally improved. In 1999, the population with level 4+ qualifications made-up only 21% of the Borough's population. By 2006 it had reached

31% although the most recent year (2007) suggests a slight decline.

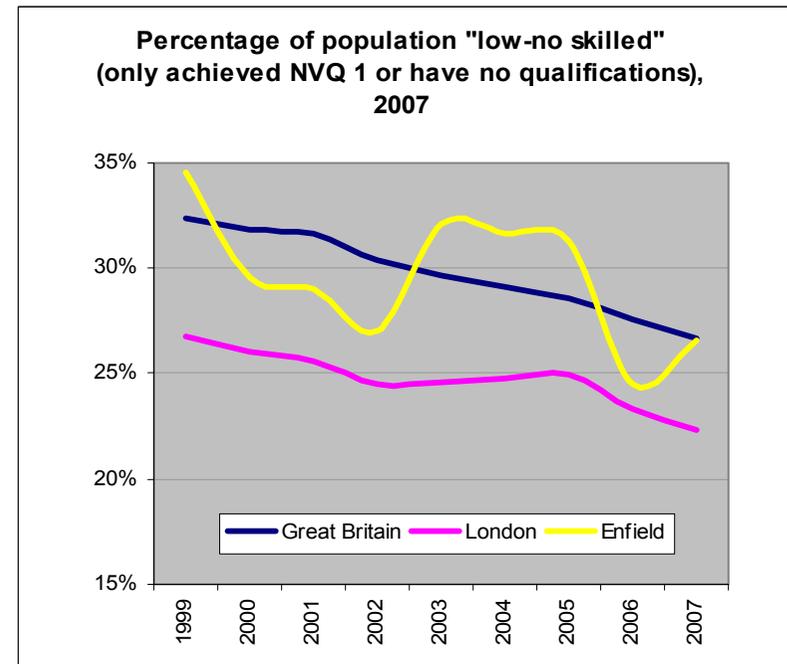
Chart 4.16



4.65 The Borough's low-skilled and unskilled population has been on a slight downwards path over the last decade although the trend has been rather erratic. Latest data suggests that this proportion has now dropped to around 27% although it is unclear whether this is an established trend or a single atypical year. If it has genuinely improved, the proportion in Enfield has now declined so that it is equal to the GB average but worse than the London average.

4.66 As such, the improvement recorded between 1999 and 2007 is quite substantial: there are now 48,000 Enfield residents who were "low-or-no" skilled compared with 58,000 in 1999. This represents a reduction of about a sixth over the 8 year period.

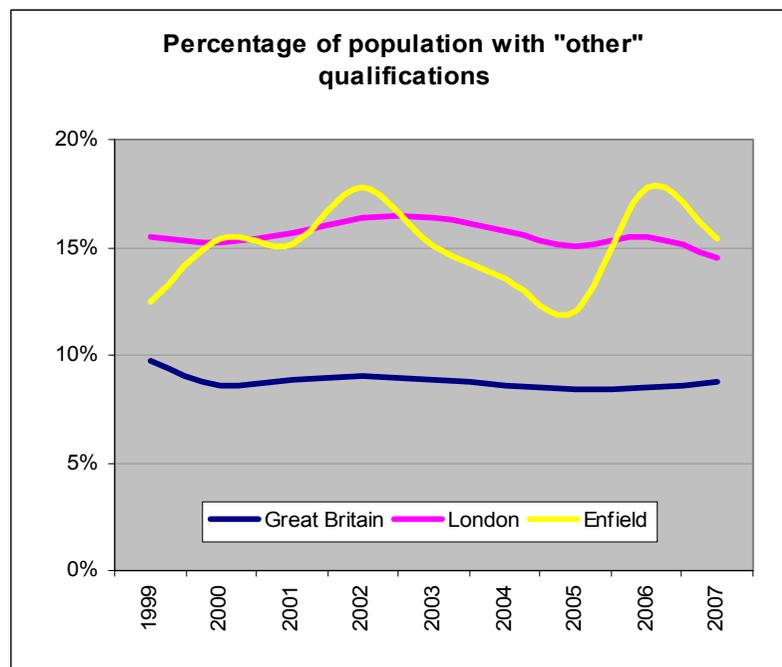
Chart 4.17



4.67 However, it does seem rather improbable that such a reduction could have occurred in a single year. Instead, it is possible that there has been an irregularity in the data because there was an increase in the population with "other

qualifications” since 2005. It is conceivable there has been a statistical transfer between categories.³⁴

Chart 4.18



4.68 As the above graph shows, between 2005 and 2006 the “other” qualified population in the Borough would appear to have risen from 12% to 18% of the working age population – an increase from 21,000 to 32,000 in single year – and this seems quite unlikely. The 2007 data shows this population still to be unusually high – at 28,000.

³⁴ At the Borough level, sampling variability in the LFS/APS is ±3 percentage points for the “other qualified” and ±2 percentage points for the “low-or-no” skilled.

4.69 On balance, we judge that a realistic estimate of the “no-or-low” skilled population in the Borough will show it is around 28% or 29% which would be equal to about 50,000 people.

Residents fill upper and lower occupations

4.70 Taken overall, the Borough’s occupational profile does not diverge markedly from the London average. The Borough has a high proportion of its employed residents in the top and bottom occupational groups.

4.71 Fifty percent of Enfield residents are in the upper 3 occupational categories and this is only marginally below the London average of 53%. It is worth recalling that 55% of jobs located in London are filled by people in these top 3 categories.

Resident population in employment by occupational group (2007)

	London	Enfield
Managers and Senior Officials	18%	23%
Professional occupations	17%	14%
Associate Professional & Technical	18%	13%
Administrative and Secretarial	13%	16%
Skilled Trades	8%	5%
Personal Services	7%	7%
Sales and Customer Services	7%	7%
Process, Plant and Machine Operatives	4%	2%
Elementary occupations	9%	13%
	100%	100%

- 4.72 More significantly, only 41% of the jobs located in Enfield are in the top 3 occupational groups – and just 36% of private sector jobs in the Borough.
- 4.73 The Borough has slightly fewer people in administrative and secretarial roles and fewer people employed in skilled trades. The proportion employed in personal services and in sales and customer roles is equal to the London average. Despite having a significant manufacturing presence located in the Borough, just 2% of employed residents are employed in industrial operative occupations. Finally, the Borough has rather more of its residents employed in elementary occupations than is the average for London.
- 4.74 The Borough has a higher than average proportion of its residents employed in management roles (almost a quarter), but fewer professionals or people in associate professional and technical occupations (“APT”).
- 4.75 Most of the Borough’s residents who are senior managers are employed in the private sector whilst most of the residents who are professionals or in APT occupations are in the public sector. Indeed, of the approximately 16,000 residents who are employed in APT roles, over a half (55%) are employed in public sector jobs. By contrast, only a third of London’s 440,000 people employed in APT occupations are in the public sector.
- 4.76 Of the Borough’s 16,000 residents who are employed in elementary occupations, almost a half work in retail, wholesale and hospitality – and this partly reflects the large

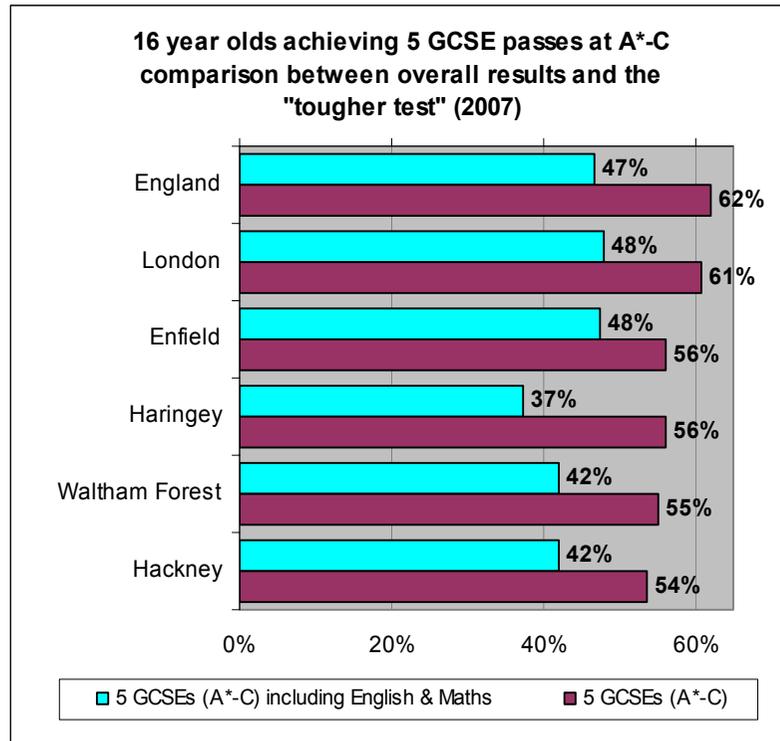
footprint these sectors have in Enfield (accounting for 27% of all jobs located in the Borough).

Most schools are performing well ... but not all

- 4.77 School results play an important part in this skills equation. Many of the Borough’s schools are outstanding and attract pupils from adjoining Boroughs and further beyond. However, the Borough average for achieving **5 GCSE passes at grades A*-C** is 6 percentage points below the national average of 62% for exams taken in 2007.³⁵
- 4.78 When applying the “tougher” assessment of 5 GCSE passes at grades A*-C **including English and Maths**, the Borough is performing rather better and is 1 percentage point above the national average.
- 4.79 These results underline the *wide range* of achievement amongst the Borough’s secondary schools – and the presence of some under-performing institutions. Of the 19 schools that submitted students for GCSE examinations in 2007, over the last 5 years, three schools (Palmer’s Green High School, St John’s Preparatory and Senior School and the Latymer School) have consistently recorded near perfect 100% scores for achievement of 5 passes at A*-C including Maths and English.

³⁵ Source: www.dcsf.gov.uk/performance/tables/

Chart 4.19



Albany School (19%), Lea Valley High School (30%) and Gladys Aylward School (23%). These schools are mainly located on the eastern side of the Borough where their catchment tends to be concentrated. The Borough average is markedly skewed downwards by these poorer achieving schools which 'outnumber' the higher achieving schools.

23,000 Enfield residents want to work

4.82 Because the Borough has an employment rate that is no better than the London average, it has a significant population that wants to work. There are 23,300 Enfield residents who are either unemployed or they are economically inactive but still want to work.

4.83 Almost three quarters of this 23,300 population are women and the overwhelming majority of these are not economically active – because they are not seeking work or they are not available to start a job. Only about 3,000 women in the Borough are classed as “unemployed” (i.e. economically active). Of the 14,000 who are inactive but want to work, a half (just over 7,000) say they have family or home responsibilities that act as a barrier to seeking work. Another 3,000 cite health difficulties or other reasons as an obstacle to employment.

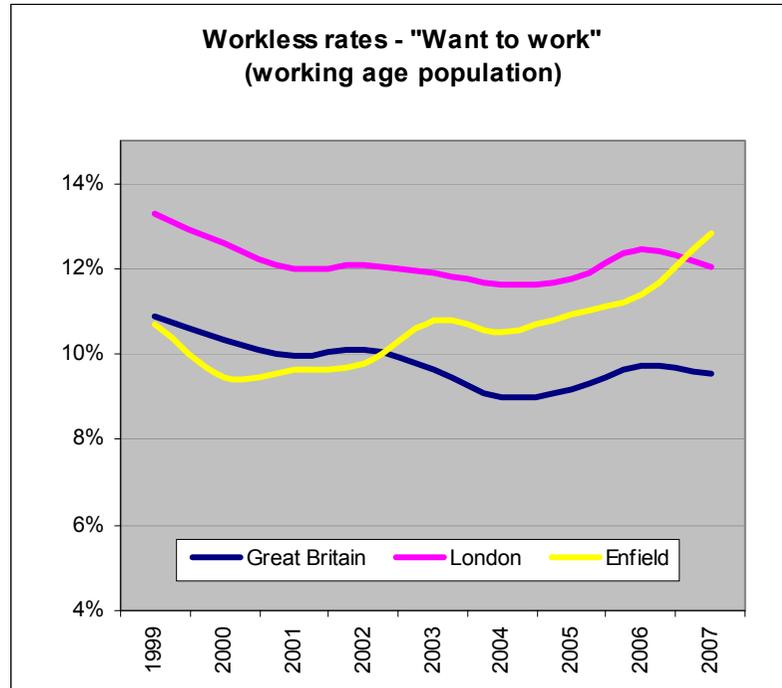
4.84 Amongst the 6,400 men who say they want-to-work, most are economically active. Although the remainder (about 2,500) who are economically inactive say they want to work, they

4.80 A further 8 schools tend to achieve results that are above the national average whilst another 4 schools have results that are currently between 4 and 10 percentage points below the national average.

4.81 There are 4 schools however which languish a long way below the 47% national average for GCSE results including Maths and English. These are: Salisbury School (22%),

mainly cite sickness or poor health as a reason for their low level of attachment to the labour market.

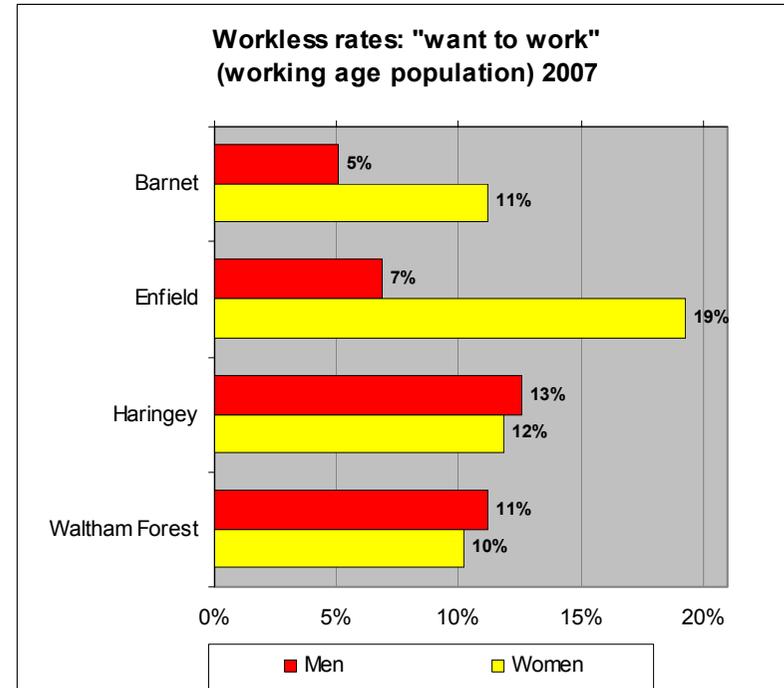
Chart 4.20



4.85 It is also worth noting that Enfield's want-to-work population has been increasing. Having declined to about 9½ percent in 2000, the proportion has risen consistently to the current level of 13%. This rise mirrors similar trends in the GB and London rates. Compared with adjoining Boroughs and the London average, Enfield's rate is now greater than the London average and more than in Haringey or other adjoining Boroughs.

4.86 However, the adjoining Boroughs have different features to their want-to-work populations.

Chart 4.21



4.87 Like Enfield, Barnet has more women than men in the want-to-work population. But in Haringey and Waltham Forest, it is roughly even proportions. Only Enfield has such a strikingly high percentage of its population that is female and wants to work. In this respect, Enfield is a little more like London overall, where women outnumber men in the want-to-work population.

Table 4.2

Labour market summary for Enfield – compared with adjoining Boroughs and London (2007)

	All		Men		Women	
Enfield						
Employed	120,700	67%	71,800	77%	49,000	56%
Want to work *	23,300	13%	6,400	7%	16,900	19%
Inactive **	37,500	21%	15,600	17%	21,800	25%
Barnet						
Employed	148,200	71%	82,400	77%	65,800	64%
Want to work *	16,900	8%	5,400	5%	11,500	11%
Inactive **	44,800	21%	19,200	18%	25,600	25%
Haringey						
Employed	103,500	66%	57,400	70%	46,200	61%
Want to work *	19,200	12%	10,300	13%	8,900	12%
Inactive **	34,300	22%	14,100	17%	20,200	27%
Waltham Forest						
Employed	99,300	68%	56,900	75%	42,400	60%
Want to work *	15,700	11%	8,500	11%	7,200	10%
Inactive **	31,400	21%	10,700	14%	20,700	29%
London						
Employed	3,518,400	70%	1,990,600	77%	1,527,800	63%
Want to work *	606,800	12%	277,700	11%	329,100	14%
Inactive **	911,900	18%	331,700	13%	580,200	24%

Percentage rates express each column total as a proportion of the working age population. Row totals sum to 100%.

* "Want to work" includes ILO unemployed and economically inactive who say they want a job.

Chart 4.22

The number of benefit claimants is not improving

4.88 Despite the reasonably good – and improving – employment rate, the data for Enfield residents who are claiming state benefits shows that the Borough's non-employment situation is not getting better.

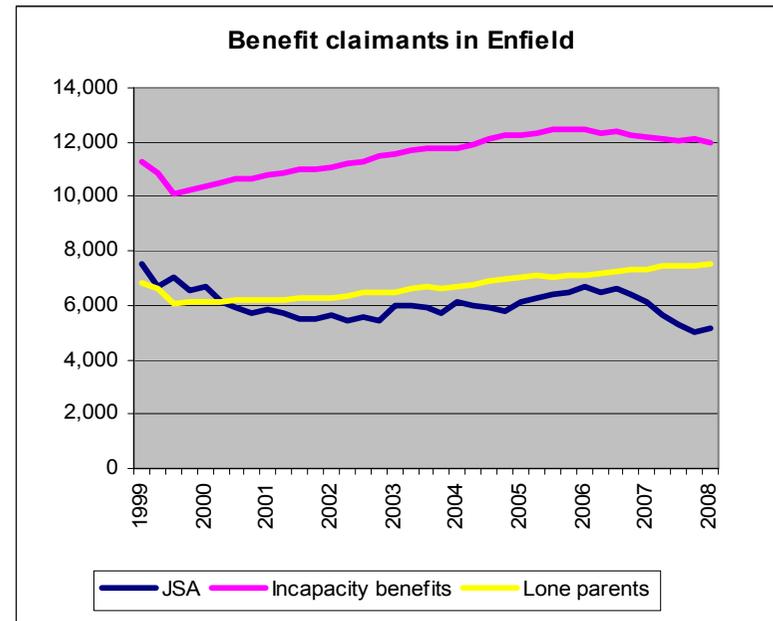
4.89 Just as the population described earlier as wanting-to-work has increased, so too has the total number of people claiming DWP working age benefits.

4.90 The graph below shows how the number of claimants for the three principal benefits has increased over the last 12 years.

4.91 By early 2008, the total number of claimants had risen so that there were 24,700 people in the Borough claiming one of the three principal DWP benefits:

- 5,100 in receipt of Jobseeker's Allowance
- 12,000 claiming Incapacity Benefit
- 7,500 lone parents receiving Income Support

4.92 However, a further 4,600 people were claiming a carer's benefit, other Income Support, Disability Living Allowance or bereavement benefits. The total number of claimants in Enfield therefore was 29,300 and this represents 17% of the Borough's working age population. This is more than 2 percentage points higher than the London average and, although 2 percentage points less than Haringey, slightly less than Waltham Forest and significantly higher than Barnet.



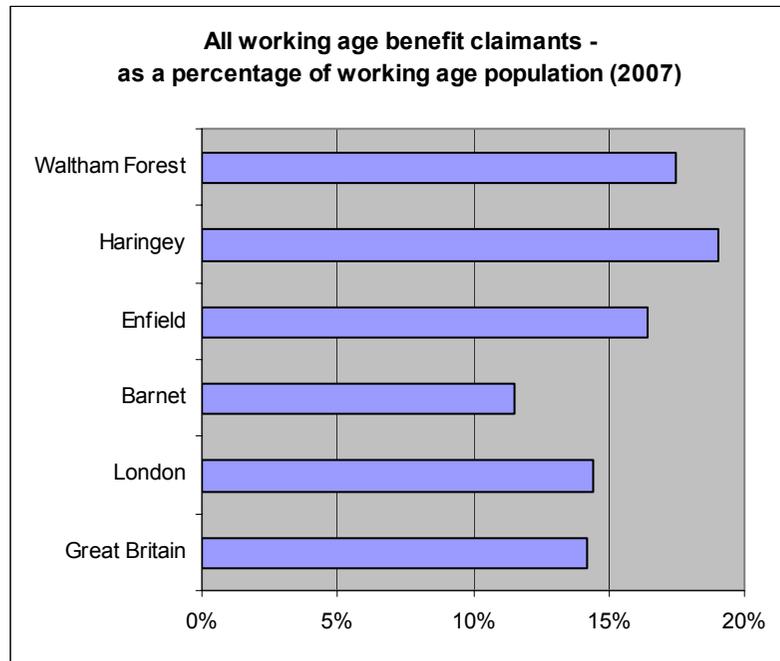
4.93 Enfield has reached this position after a decade (the 1990s) in which the total number of claimants had remained fairly stable.

4.94 However, the total number of claimants began to rise in the middle of 2000. This was partly because the previous lengthy decline in JSA claimants came to a halt as the impact of the minor downturn in 2000 began to be felt.

4.95 The number of people claiming incapacity benefit (ICB) had been rising quite continuously and reached 12,500 in early

2006. Since then, this total has eased off slightly, having fallen by about 500 in the first quarter of 2008.

Chart 4.23



4.96 The number of lone parents receiving Income Support rose continuously over the last decade – and presently stands at 7,500.

4.97 Of these some 3,300 (45% of the total number of lone parents) just have one child whilst 2,370 (32%) have 2 children. The remaining 1,770 of lone parent claimants in Enfield have 3 or more children and this latter group makes

up 24% of the Borough's lone parent population. The proportions of lone parents with 1 or 2 children are slightly below the national average whilst the proportion with 3 or more children is consequently a little higher than the national average of 22%.

4.98 The increase in ICB claimants in Enfield has been one of the most substantial rises recorded anywhere in London – with only Hackney and Haringey showing similar scale of increases. This growth – and its timing – reflects at least three particular local circumstances.

4.99 Firstly, although the Borough's manufacturing sector had been declining for most of the 1990s, the bulk of lay-offs have occurred since the year 2000. The displaced workforce will have been disproportionately made-up of older men.

4.100 The pattern seen elsewhere in the country has been for men in these circumstances to obtain an employer's severance payment and make a claim for benefits once this has been exhausted. Having been out of work or become "semi-retired" it is quite commonplace for such older men to claim Incapacity Benefit rather than JSA.

4.101 Secondly, there has been a sizeable movement of population into the Borough who are tenants of new Housing Association developments. Many of these will have been allocated new homes through the North London arrangements which, in effect mean that Enfield has been increasingly accommodating much of the housing need from adjoining Boroughs. It is very likely that this increase in social housing

has meant the inward migration of more people claiming benefits.

4.102 Finally, there has been a marked increase throughout London of people claiming ICB on grounds of stress and poor mental health. In recent years, Enfield has accommodated many recent international arrivals to London who are in demonstrable housing need.

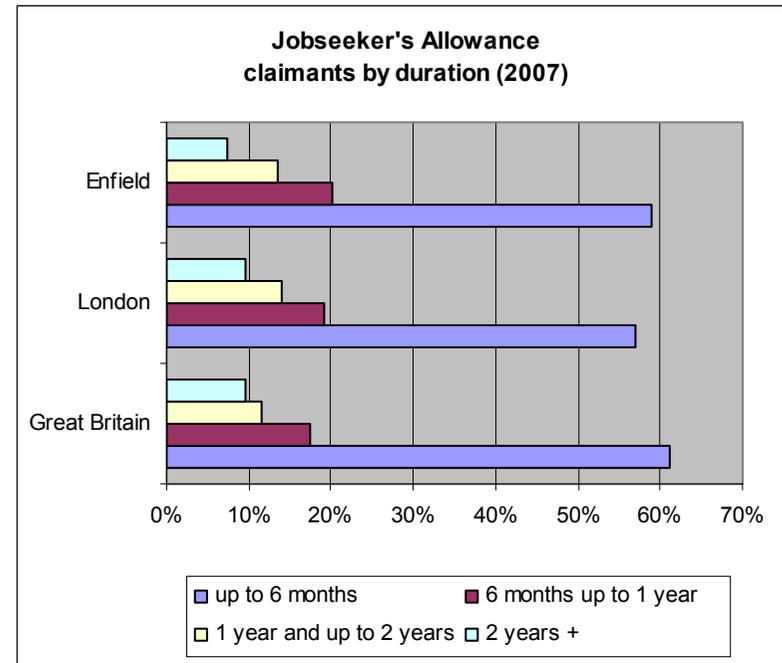
4.103 Many of these will have been refugees and asylum seekers from areas of conflict in west and east Africa. It is likely that these population groups will have experienced high levels of stress and trauma and will disproportionately have qualified for Incapacity Benefit rather than JSA.

4.104 The difference between JSA and the other benefits is shown very graphically by the following charts.

4.105 In Enfield, 59% of all JSA claimants had received the benefit for less than 6 months – slightly more than is typical elsewhere in London but less than the GB average (which is 61%).

4.106 About 20% of Enfield's JSA claimants have claimed for between 6 and 12 months (slightly more than the national average). Just over 14% have received the benefit for between 1 and 2 years; just 7% will have claimed the benefit for 2 years or longer.

Chart 4.24

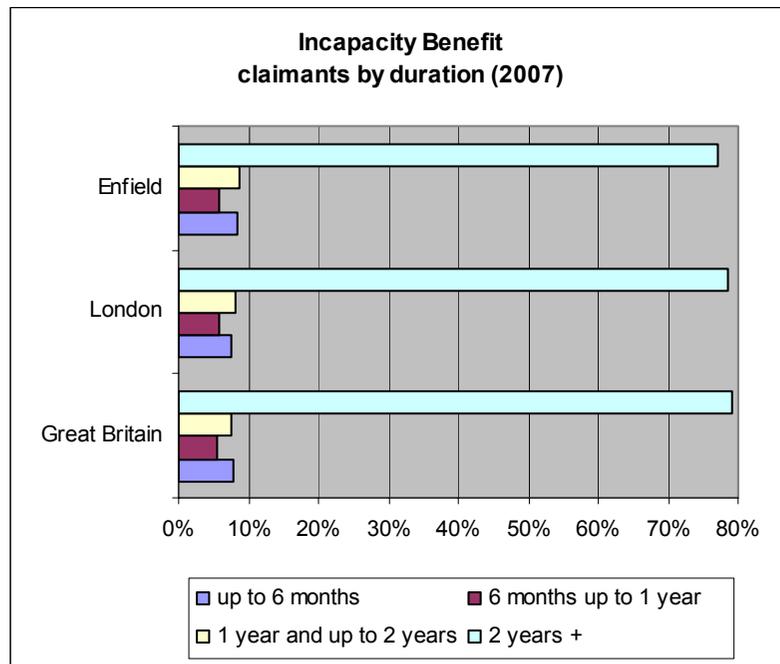


4.107 Similarly, of all the claimants of Lone parent Income Support in the Borough, 69% have been in receipt of the benefit for 2 years or more. A further 15% have been drawing the benefit for between 1 and 2 years. Only 16% of claimants have been in receipt for less than a year (the GB average is 21%).

4.108 The position is almost exactly reversed for claimants of ICB and lone parents receiving Income Support. In Enfield, 77% of ICB claimants were very long-term recipients (2 years or more) which is slightly lower than the national average (79%).

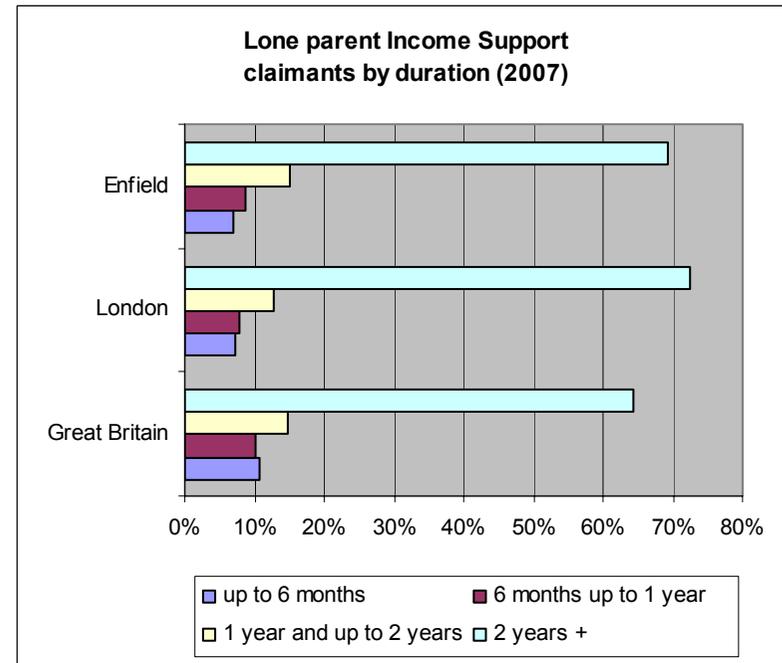
4.109 By contrast, only 1 out of 6 ICB claimants have been receiving this type of benefit for less than a year.

Chart 4.25



4.110 The entrenched, long-term nature of these patterns of benefit dependence are clearly an obstacle to increasing the proportion of claimants moving back into work.

Chart 4.26



4.111 Furthermore, the geographical distribution of benefit claims in the Borough is heavily weighted towards the Edmonton wards and to other areas on the eastern side of the Borough.

4.112 The claim rates for individual wards in the Borough show that almost 1 in 3 adults in Edmonton Green is in receipt of a working age benefit but less than 1 in 10 residents in Grange ward claim one of these benefits.

4.113 The table below above shows that nearly all the wards which exceed the Borough average (17%) are also the wards where

the overwhelming bulk of the increase in benefit claimants has occurred.

All working age claimants – Wards in Enfield (2007)					
	number	rate		5 year change	
Edmonton Green	2,775	30%		+120	+5%
Upper Edmonton	2,300	23%		+235	+11%
Lower Edmonton	2,115	23%		+460	+28%
Turkey Street	1,770	22%		+355	+25%
Haselbury	1,995	21%		+175	+10%
Enfield Lock	1,875	21%		+570	+44%
Ponders End	1,890	21%		+250	+15%
Enfield Highway	1,815	20%		+310	+21%
Southbury	1,560	19%		+200	+15%
Jubilee	1,580	18%		+180	+13%
Bowes	1,285	16%		-55	-4%
Chase	1,290	16%		+140	+12%
Palmers Green	1,240	14%		+40	+3%
Southgate Green	995	12%		-75	-7%
Highlands	825	11%		+30	+4%
Cockfosters	810	10%		+50	+7%
Southgate	820	10%		+125	+18%
Bush Hill Park	830	10%		+115	+16%
Winchmore Hill	730	9%		-60	-8%
Town	755	8%		+60	+9%
Grange	575	7%		+95	+20%

4.114 Even within these wards, there are more intensive “hotspots” of non-employment which the benefit data reveals. When the figures are analysed by Super Output Area, it shows that some localities have extremely high rates of benefit claimants.

4.115 As the map overleaf illustrates, a third or more of the population relies on benefits in several places including SOAs in the three Edmonton wards, in Turkey Street, Haselbury, Ponders End and in Enfield Lock. A small handful of “outlying” SOAs also have high rates – mainly in localities centred on local authority housing estates in Southbury, Chase ward, Southgate, Southgate Green, Bowes ward and Palmers Green

4.116 Of the Borough’s 181 SOAs, there are 12 that have rates that are 30% or more and a further 50 which are between 20% and 29%.

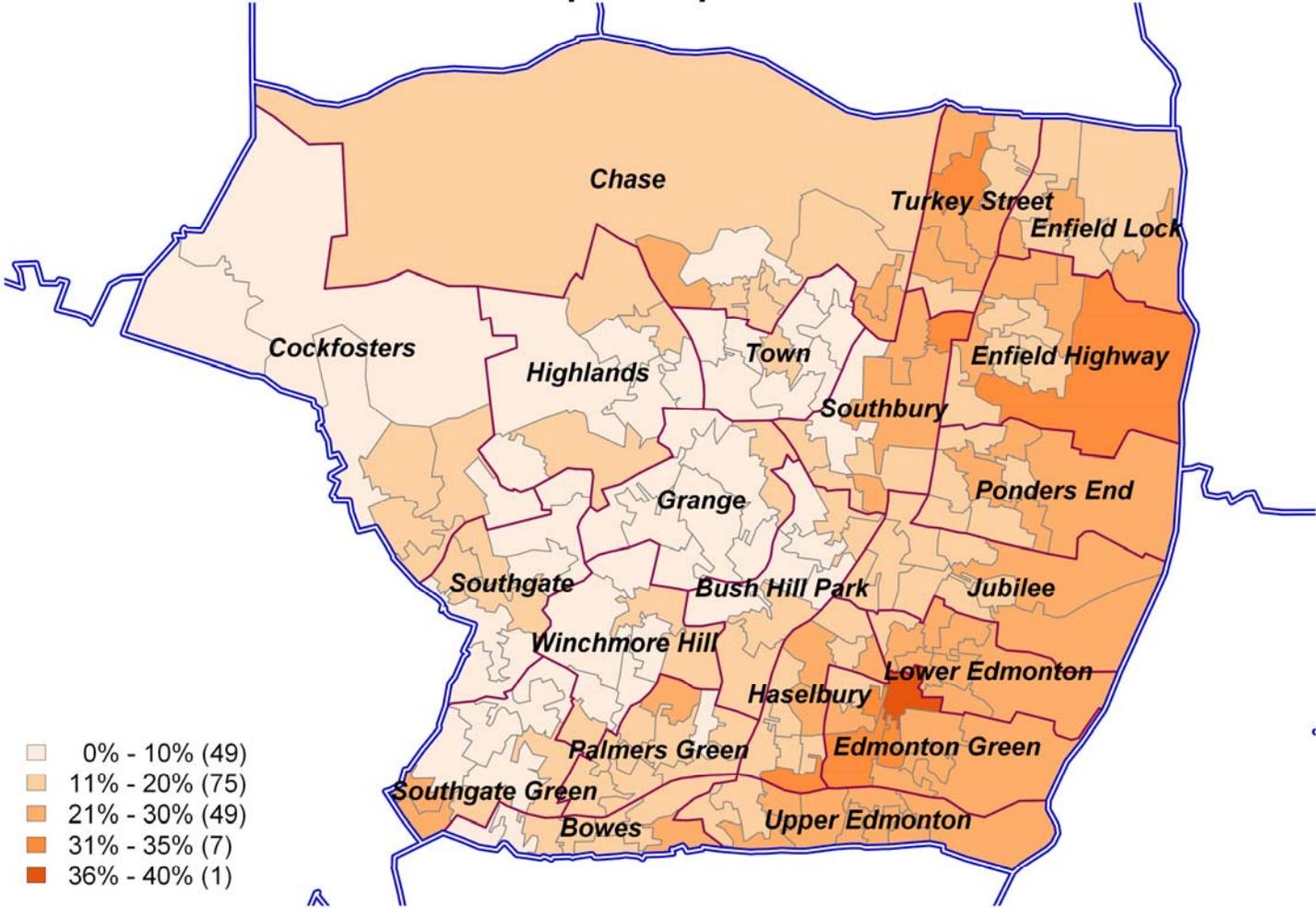
4.117 Many of the small areas that have the highest percentage rates have also experienced sharp increases in the last 5 years. Partly this reflects the building of new socially rented affordable homes – of which the starkest example is seen in the SOA covering the Enfield Island Village.

4.118 This has about a quarter of its adult population relying on benefits (roughly 450 people). Between 2003 and 2005 the adult population in the SOA is estimated to have risen by about 600 of which around a half are benefit recipients.

4.119 Similarly, the roads to the west of Edmonton Green around Montague Road towards the Claverings contain high density local authority housing. This area is covered by an SOA which has registered a sharp rise in population from new housing development (up by about 650 since 2001) but which has also seen the number of claimants rise by nearly 300.

4.120 However, the increase in benefit claimants also underlines the impact of the population in existing social housing becoming more intensively reliant on benefits. The SOA that covers the Edmonton Green tower blocks has the highest percentage of residents receiving benefits and has also increased by around a fifth in the last 5 years.

Working Age Benefits Claimant Rate 2007 Enfield - Super Output Area Level



5 THE NATIONAL, REGIONAL AND LOCAL POLICY CONTEXT

- 5.1 The drive towards full employment and higher levels of skills has been one of the Government's long term national priorities and policy continues to change in response to new circumstances.
- 5.2 Regional and local responses to worklessness and low skills are assuming greater importance and the Government is devolving more responsibility to the regional tier in London and to local authorities and their partners.

Enfield's local policy framework

Community Strategy and Local Area Agreement

- 5.3 The Borough's response to its economic and social changes and their impacts is expressed through the Sustainable Community Strategy. This is the "top level" strategy in the hierarchy of local plans for the Borough and sets the strategic direction for all public services in the Enfield.
- 5.4 A review of the Sustainable Community Strategy has recently been completed and its overall vision and objectives were drawn-up following extensive community consultation.³⁶

³⁶ "Enfield's Future - A Sustainable Community Strategy for Enfield 2007-2017"
www.enfield.gov.uk/esp/community-strategy.htm

- 5.5 It aims to make Enfield economically competitive and socially inclusive by addressing the structural weaknesses in its economy.
- 5.6 The new Strategy will cover the next decade and its overall vision is to "make Enfield one of the best places in which to live, work, study, visit and do business" and for:
- everyone in Enfield to access the same opportunities;
 - a community that is cohesive, united and inclusive;
 - a healthy community;
 - a clean, green borough; and
 - an economically prosperous borough.
- 5.7 In addition, the Borough and its partners have already set-out a range of economic priorities which are outlined in Enfield's Local Area Agreement.³⁷ The LAA identifies child poverty as a main focus for the Borough recognising that over 30% of the Borough's children live in poverty – and in the neighbourhood renewal area this increases to nearly 50%.
- 5.8 The Local Strategic Partnership has already pursued a strategy that allocates its Neighbourhood Renewal Funding to 'one large intervention' on child poverty. This targets services towards some of the Borough's most vulnerable and excluded families as well as addressing education and employment floor targets. The Borough's programme is targeted in the

³⁷ "Every child really does matter", Enfield's Local Area Agreement, March 2006

Edmonton and Ponders End areas and received £6 million between 2001 to 2005 and £5 million for the 3 years 2006 to 2008:

2001/02	£930,000
2002/03	£1,395,000
2003/04	£1,860,000
2004/05	£1,860,000
2005/06	£1,860,000
2006/07	£1,674,000
2007/08	£1,488,000
total	£11,065,000

5.9 The LAA also sets out how a wide range of local authority and other public funds will be pooled and aligned to meet agreed targets. The LAA particularly concentrates on efforts that will ensure that the Borough's children enjoy well-being, benefit from educational achievement, clean and safe environments and a healthy flourishing economy. Specifically the LAA is being used to deliver a package of projects designed to tackle the problem of worklessness of parents with children whilst the overall thrust of the LAA's "4th block" is to:

- Increase employment opportunities and reduce worklessness
- Promote business growth
- Deliver higher levels of skills
- Increase and improve childcare

5.10 The expectation in the LAA is that the Borough and its partners will achieve measurable results from sustained employment for disadvantaged groups (particularly

neighbourhood renewal areas) and the growth and sustainability of enterprise and small businesses. The LAA identifies a suite of projects and services that increase employability and skills levels and which build on the Employment Strategy devised by the LSP's Skills Enterprise and Employment Thematic Action Group in 2004. This identified 4 broad priority areas of action for partners:

- supporting local jobs for local people;
- (ESOL), Basic and Other Skills;
- removing barriers to employment for disadvantaged groups;
- supporting enterprise.

5.11 The Strategy also recognised the need to pursue a sector-based approach in which key sectors would be supported: manufacturing (despite its contraction), general public services (because of its size), health and social care (due to its growth), leisure and tourism (a growing sector of significant scale) and creative and cultural industries.

5.12 The LAA plan identifies a wide range of previous and existing interventions that have sought to safeguard jobs, encourage inward investment, raise basic skills, support small firms, improve school-to-work transitions and provide individualised into-work packages. These mainstream and project funded activities have been aimed at helping workless people increase their employability and enter the labour market.

5.13 The LAA describes how it will further marshal resources from ERDF, ESF, London Development Agency, North London

Credit Union, the Borough's own funds and NRF, LSC and Jobcentre Plus, LAA pump priming funds and contributions from the voluntary and community sector and from private trusts. Between 450 and 650 target beneficiaries are projected to enter work over a three year period and these would be individuals mainly from the disadvantaged wards who are not mainstream Jobcentre Plus clients.

Regeneration and neighbourhood renewal

- 5.14 Enfield's forward policy environment changed markedly towards the end of 2007. This reflects a shift in national policy that occurred following the Treasury's Review of Sub-national Economic Development which was published in July 2007.³⁸
- 5.15 The sub-national review proposed to "empower all local authorities to promote economic development and neighbourhood renewal" with greater flexibility, stronger partnership working and cooperation from other agencies. There would be a new duty for local authorities to "analyse economic circumstances and challenges of local economy" and provide an "economic vision and leadership". Local authorities would also be incentivised better to achieve economic growth and ensure disadvantaged areas benefit from and contribute to economic development.
- 5.16 The review also suggested a "differential approach" to support local authorities to work together more effectively, for example through pooling resources, responsibilities and targets at the

³⁸ "Sub-national economic development and regeneration review", HM Treasury, 2007 www.hm-treasury.gov.uk/media/9/5/subnational_econ_review170707.pdf

sub-regional level, and supporting the development of robust decision-making at this level. This suggested that Multi-Area Agreements would be the right vehicle to "pool economic responsibility on a more permanent basis".

- 5.17 Alongside the review it was also announced there would be a continuation of neighbourhood renewal funding from 2008 but it would be refocused:
- Fewer Local Authorities would be covered than are currently eligible for NRF
 - Future funding would be expected to concentrate "more closely on most deprived areas" within authorities
 - There should be an emphasis on tackling "economic aspects of deprivation, particularly a focus on joining neighbourhoods to areas of opportunity and on tackling worklessness".
- 5.18 The Comprehensive Spending Review announced in October 2007 revealed that a new line of funding would be introduced – the Working Neighbourhoods Fund.³⁹ Neighbourhood renewal funding will be £2bn over the spending period and this ceiling will cover the remaining commitments to New Deal for Communities partnerships, support estate transformation and provide the successor funds to NRF. It also announced that there would be no further funding rounds of the Local Enterprise Growth Initiative.

³⁹ www.hm-treasury.gov.uk/spending_review/spend_csr07/spend_csr07_index.cfm

- 5.19 The Working Neighbourhoods Fund will have “a deeper focus on the worklessness and enterprise aspects of deprivation”. It will be paid as part of the LAA area-based grant and the basis for allocations is derived from the new Index of Deprivation (“IMD 2007”) released in December 2007.⁴⁰ The new fund has replaced the Neighbourhood Renewal Fund and incorporates the DWP’s Deprived Areas Fund to create a single local pot.
- 5.20 In December 2007, the DCLG announced that 66 local authorities would receive a share of £1.5bn allocated to the Working Neighbourhoods Fund over the next 3 years.⁴¹ A further 21 authorities were granted transitional funding over two years. These were all local authorities that previously qualified for NRF but have been judged to experience insufficient worklessness to qualify for the WNF.
- 5.21 Enfield was originally included in the “transitional” list and awarded funding of just £893,000 for 2008/9 and £357,000 in 2009/10. However, a more recent proposal from the Government would allocate almost £2.9m to the Borough over the years 2009/10 and 2010/11.⁴²

⁴⁰ “Indices of Deprivation 2007”, DCLG
www.communities.gov.uk/communities/neighbourhoodrenewal/deprivation/deprivation07/

⁴¹ “£1.5bn for councils and communities to boost employment” DCLG, 6/12/07
www.communities.gov.uk/news/corporate/576590

⁴² “The Working Neighbourhoods Fund 2009-2011: Revising the Third Criterion - Consultation” DCLG, 4/11/08
www.communities.gov.uk/publications/communities/wnf200911consultation

Enfield’s 14-19 Strategy

- 5.22 The Borough’s 14-19 Strategy⁴³ reflects the combined efforts of the Borough, LSC and providers in a response to the disappointing 14-19 Area Wide Inspection which reported in early 2004. This had concluded that, whilst there were many examples of good or satisfactory practice and some identified strengths, the provision and strategy for 14-19 year olds in Enfield did not satisfactorily meet the needs of all learners, employers or the community.
- 5.23 Following the inspection, the Borough and partners drew-up a clear plan which set out to raise overall participation, standards and increase the numbers advancing into higher education. It will progressively introduce a coherent 14-19 programme across all schools, colleges and centres of work based learning. As a result, it should deliver a “fully comprehensive, high quality range of courses, pathways and progression routes being accessible to all learners in each institution”. This is being delivered primarily by enriching the curriculum offer (the “Enfield Entitlement”) to include:
- a strong vocational pathway
 - progression to work based learning
 - specialist provision for at-risk groups
- 5.24 This involves offering new vocational provision and alternative services to meet the needs of lower attaining, vulnerable and disaffected pupils. The Strategy also emphasised the need for

⁴³ “London Borough of Enfield, 14-19 strategy for education & training”, LSC, 2005

"distinctive" guidance and support that matches the needs, aspirations and potential of all learners.

5.25 Delivery of the strategy is led by a Partnership that incorporates the main statutory agencies (LSC, Borough and Connexions service) and all the main delivery institutions in the Borough (3 FE colleges, 17 secondary schools, support units and all the Borough's work-based learning providers). Employer engagement is secured through the central involvement of the Borough's Education Business Partnership whilst the involvement of Aimhigher ensures a link with vocational routeways into higher education. All these partners are represented on a 14-19 Strategy Group which reports to the Children's Trust Board which is accountable for delivering the Children and Young People "block" of the Local Area Agreement.

5.26 The 14-19 Strategy Group is able to demonstrate good progress being made towards the agreed goals. The Strategy Group has implemented the main themes in the 2005 Strategy - and delivered initiatives that strengthen and enrich the post 14 curriculum offer:

- In the most recent year (2006/07) over 700 pupils were engaged in work-based learning. More than 1,000 learning opportunities have been made available for 2007/08.
- Effective partnership arrangements exist between the 30 or so institutions and ensure there is a collaborative approach to managing the movements and referrals between schools, colleges and work-based learning

providers. There is, for example, a common charging policy in place and a "clearing house" to match learners with places.

- The Enfield Entitlement is branded as a comprehensive Learner Offer through an annual 14-16 prospectus.
- New programmes are being introduced at Entry and Level 1 including a one year Transition Programme for learners that have completed compulsory education but are not ready to progress to full-time education outside a school environment or to employment.
- Specialist provision has been introduced, for example, *Passport to Progress* aimed at learners based in Secondary Support Units and a recently completed *Uphold* project aimed at year 11 learners who are at serious risk of disengagement.

5.27 The main focus for the Strategy Group in the current year is to deliver the main elements of the national 14-19 reform agenda, in particular, supporting schools, colleges and work-based training providers to prepare for the new Diplomas and Specialist Diplomas. Their introduction requires the right level of employer engagement – in particular the vocational experience placements.

Enfield's spatial planning

5.28 The Borough is currently preparing a new spatial plan, the Local Development Framework (LDF). This supersedes the

previous Unitary Development Plan and is a more ambitious, but also more flexible plan.⁴⁴

- 5.29 The LDF will be a detailed suite of plans and guidance policies which are owned by the Local Strategic Partnership and other stakeholders. It is being produced in several stages each of which is subject to a public consultation process and referral to Government Office for London and the GLA. The LDF will be a detailed suite of policies that give spatial expression to the framework of strategic plans and, of these, the Sustainable Community Strategy is the top level policy in the hierarchy of plans.
- 5.30 The LDF's key policy statement is the "Core Strategy" which will provide the long term spatial vision, policies and implementation programme for delivery. It will also provide the context for more detailed strategies for areas of change.
- 5.31 The Council's preferred options for the Core Strategy were published for consultation in Spring 2008. This sets out the drivers for change, the opportunities and obstacles which will affect the Borough's physical development and the preferred options for meeting these challenges. It emphasises that economic growth, increased population and rising demand for housing will create new pressures and lead to significant change. Set against this are equally powerful imperatives to protect and enhance the Borough's environment, safeguard land for social and community uses and to tackle the Borough's social deprivation and inequality.

- 5.32 The Council's preferred spatial strategy is one of focused growth. Planned growth and regeneration in Enfield will be concentrated in 3 broad locations over the next 10-20 years. These are the Upper Lee Valley, the area around the North Circular Road at Bounds Green and Enfield Town because of their regional importance and the opportunities they offer to change and improve the quality of life for Enfield residents. Four Area Action Plans are being prepared for these areas and will underpin the Council's Place Shaping programmes for more focused areas within them. Area action Plans for North East Enfield and Central Leaside together cover the whole of the Upper Lee Valley Opportunity Area in Enfield. Consultation on the key issues and options facing these areas was carried out in Spring 2008. Preferred options will be published in early 2009 and it is expected that the final version of the Core Strategy will be submitted for independent examination later in 2009.
- 5.33 In relation to the economy and labour market, the Core Strategy Preferred Options report recognises that the Borough needs to expand, modernise and diversify its employment base. After many years of employment loss and slow growth in replacement jobs, the Borough contains too many firms in low growth sectors and too few businesses in the sectors that, over the last decade, have grown well elsewhere in London. The Borough's preferred option is to retain its contribution towards London's "strategic reservoir of industrial capacity" and to protect land needed for existing and future employment generating activities.

⁴⁴ All LDF documents are published at www.enfield.gov.uk/ldf

- 5.34 The Borough also has to strengthen demand and capacity in its town centres – for retail, leisure and other consumer services – that will meet the needs of the Borough's residents and attract visitors. Preliminary estimates have suggested that only 70% of potential demand for town centre activities could be accommodated within available land.
- 5.35 To support sustainable economic growth in the town centres, land use policy will have to encourage more intensive use, limit the loss of further commercial land and floorspace and encourage more mixed use development. Whilst policy will encourage retail intensification it also seeks to expand the entertainment, leisure and night-time economy. This requires careful planning to ensure that day-time and evening uses are complementary and sufficiently diverse to appeal to a wide range of ages and social groups.
- 5.36 Large format retail already has a considerable presence in the Borough and is clustered around 4 main retail parks. The Preferred Options report quotes substantive evidence that there is "no demand for additional retail warehousing units".

London's policy framework

- 5.37 The most important policy frameworks influencing change in Enfield are the Mayor's Spatial Development Strategy (the "London Plan")⁴⁵ and the revised Economic Development

Strategy.⁴⁶ These are supported by a sub-hierarchy of associated frameworks and plans which are designed to enable sustainable economic growth across London, accommodate a rapidly expanding population and meet the demands of the dynamic and rapidly growing economy of this global city.

- 5.38 The London Plan was revised in early 2008 to set out new aggregate housing targets for all the Boroughs and to reflect new powers and responsibilities given by the Government to the Mayor and GLA.⁴⁷ These include new lead roles for the Mayor in determining the housing strategy for London, a strengthened role over planning and additional strategic powers in waste, culture and sport, health, climate change and energy.
- 5.39 The Mayor now has a statutory duty to promote skills in London and to produce a Skills Strategy for London setting priorities and budgets. The Mayor now chairs the London Skills and Employment Board with membership drawn at a very senior level from business and other sectors.
- 5.40 The revised London Plan also brought in new sub-regional geographies so that Enfield, Barnet and Haringey have joined Westminster, Camden and Islington to form a new wedge-shaped sub-region that takes-in a large part of London's

⁴⁵ "The London Plan (consolidated with alterations since 2004): the Mayor's Spatial Development Strategy", GLA, 2008
www.london.gov.uk/mayor/planning/strategy.jsp

⁴⁶ "Sustaining Success – Developing London's Economy, London's Economic Development Strategy" LDA, 2005 www.lda.gov.uk/upload/pdf/EDS_Strategy.pdf

⁴⁷ "The GLA: The Government's Final Proposals for Additional Powers and Responsibilities for the Mayor and Assembly", DCLG, 13-7-2006
www.communities.gov.uk/index.asp?id=1500896

Central Activities Zone, inner city residential areas plus the three outer suburban Boroughs. However, the new Mayor has said that “it is becoming increasingly clear that the current sub-regional arrangements ... are not the most appropriate” and he announced a review which “will look to change them.”⁴⁸

5.41 London’s approach to economic development is shaped by the 2005 Economic Development Strategy.⁴⁹ This has been the economic blueprint for the London Development Agency and other parts of the GLA group for the last three years. However, the economic downturn of 2008 has prompted the Mayor to announce an economic recovery plan for London which is expected to focus on the priorities of new infrastructure investment and policies to retain jobs, skills and support economic growth.⁵⁰ The plan is due to be published in December 2008 and is likely to be broadly consistent with the EDS and the four investment objectives identified in it:

- develop infrastructure to accommodate London’s growth
- improve the labour market so that all Londoners “can realise their potential”;
- marketing and inward investment to promote London and attract firms;

⁴⁸ “Planning for a better London” GLA, July 2008
www.london.gov.uk/mayor/publications/2008/07/plan-better-london.jsp

⁴⁹ “Sustaining Success – Developing London’s Economy, London’s Economic Development Strategy” LDA, 2005 www.lda.gov.uk/upload/pdf/EDS_Strategy.pdf

⁵⁰ “Mayor developing recovery plan for capital’s economy” GLA, 27-10-08
www.london.gov.uk/view_press_release.jsp?releaseid=19457

- support for enterprise helping firms adapt to change and grow.

5.42 The EDS says that the London economy is very reliant on high value services and internationally-facing businesses and therefore needs a highly skilled workforce. But, equally, it recognises that London has “entrenched labour market disadvantages” that have led to the lowest employment rates of any GB region. The Strategy sets out four themes around which policy should be designed.

5.43 Firstly, *tackling barriers to employment* – developing active labour market measures that address factors such as the cost and availability of childcare and the disincentives built into the tax and benefit regime which are uniquely challenging in London because of its high living costs.

5.44 Secondly, *reducing disparities in labour market outcomes between groups* – recognising that much of London’s uniquely diverse population experiences discrimination or barriers that reflect the differences in age, culture, race and social class. The EDS says these disparities need to be equalised by ensuring Londoners benefit from measures to address the full range of factors that create and exacerbate disparities. Some of these reflect workplace and employer attitudes whilst others require interventions that improve the employability of people with poor skills, language competence or limited work history.

5.45 Thirdly, *addressing the impact of concentrations of disadvantage* – working with other agencies to regenerate

neighbourhoods with acute levels of worklessness where labour market disadvantage is reinforced by multiple problems such as poor schooling, housing and adverse health outcomes are reinforced by high levels of population transience.

5.46 Fourthly, *improving the skills of the workforce* – the EDS says that Londoners without the skills to command reasonable earnings will increasingly fall behind in the labour market and this will worsen the inequality and poverty in the Capital. But to maintain London's competitive position also requires a good supply of people with high level skills. The percentage of "businesses reporting a lack of appropriately skilled employees is a significant problem" and the EDS recognises that London's enterprises must be "fully engaged in identifying skills needs and developing provision to address them."

5.47 The additional labour market powers given to the Mayor reflect the emergence in 2003 of the London Skills Commission and the recent structural changes made to the Learning & Skills Council. This has now established the LSC as a pan London entity with partnership and management structures that mirror the sub-regional and Borough geographies. The LSC's current main priorities across London are to:

- Increase participation and achievement rates for young Londoners – to reduce the numbers of 16-18 year olds not in education, employment or training; to increase the percentage reaching level 2 by age 19, improve work-

based learning success rates; and to increase the numbers of young people progressing to achieve level 3 and higher qualifications.

- Reduce the skills gaps in London – by focusing on work relevant learning at levels 2 and 3 amongst adults; continuing to increase the number of adults with higher level qualifications; and improving numeracy skills and ESOL
- Help raise London's employment rate especially amongst disadvantaged population groups; concentrating on the more disadvantaged Boroughs and neighbourhoods
- Improve the quality and relevance of learning – by investing in new capacity; respond to employer requirements to reduce skill shortages and skill gaps; increase take-up of learning services (currently only a fifth of London employers use FE colleges); investing in COVEs and other high quality, sector specific providers.
- Make sure that Londoners are equipped to benefit from 2012 – including the construction employment, staging the games and from increased tourist demand resulting – which could involve over 70,000 people directly involved in delivering the Games.

5.48 These priorities built on the Regional Skills Action Plan⁵¹ which also stressed the need to:

- maximise opportunities for those suffering labour market disadvantage by increasing the supply of ESOL training

⁵¹ "World Class Skills for the Global City", LDA, 2005

for migrant workers, increasing the take up of Level 1 qualifications, increasing the supply of basic skills teachers and developing programmes enabling people to be ready for first time employment.

- provide employer-driven training for adults in work or entering work. This will involve ensuring all colleges and other providers have the capacity to deliver employer responsive training, as well as offering training to address simple barriers to work – competence in English, employability skills, or updating technical skills.
- Help London's key employment sectors recruit "a world-beating skilled workforce" through brokerage and direct skills support using sector and cluster programmes. The sectors are those that have scale or growth significance to the city's overall competitiveness and/or sectors that have capacity to generate entry level jobs: construction, financial services, retail, hospitality and tourism, advanced manufacturing, creative industries, health and social care

5.49 Strategic management of employment, learning and skills has now passed to the London Skills and Employment Board (LSEB). From its first meetings in 2006, the Board emphasised a bold ambition to "change the status quo" and to remove barriers that inhibit market responsive skills and employment services. The Board stated that its outcome "must be a more progressive and integrated skills and employment system led by the demands and needs of employers and Londoners."

5.50 The Skills and Employment Board published its reviews of evidence⁵² and has developed a new strategy. At the end of October 2007, the Board set out a draft plan and its *five challenges* in a consultation document.⁵³ This declared that "standing still is not an option" and the Board "is not interested in promoting incremental change". The Mayor has emphasised that the Board's decisions are not merely "abstract". The final strategy will – according to the Mayor – "directly shape the way the LSC allocates its resources in London and guide the spending of other public sector agencies such as Jobcentre Plus and the London Development Agency."

5.51 The consultation document concentrated on the processes of *how* London's skill priorities can be delivered in a way that is responsive to employers and the needs of Londoners.

5.52 **Firstly**, it calls for a fundamental change to the employment and skills support available for Londoners making it easier for individuals to access the help they need to move into work, and to help existing employees progress and/or develop new skills. This might be achieved through:

- a campaign to encourage Londoners to value and develop the skills they need for future success;
- an effective careers and advice service tailored to the distinctive features of the London labour market;

⁵² "The London Story", LSEB, Oct 2007

<http://www.london.gov.uk/lseb/docs/thelondonstory.pdf>

⁵³ "Skills and Employment in London: Proposals for the London Skills and Employment Board's Strategy", LSEB, Oct 2007

www.london.gov.uk/lseb/docs/proposalboardstrategy.pdf

- personalised pre-employment support focused on priority groups to build their employability skills; and
- effective arrangements to enable adults – in work and out of work – to improve their skills.

5.53 **Secondly**, an “ambitious business focused” programme for London employers to demonstrate the business benefits of workforce development, of recruiting locally and helping out-of-work Londoners back into work. This will require:

- a simplified and integrated service from the public sector to meet employers’ recruitment and skills development needs including “a new top notch brokerage system” for the largest 1,200 employers and support for small and medium sized employers;
- employers leading the way in developing their workforces at all levels from basic skills through to higher levels, working closely with their Sector Skills Council to ensure qualifications meet employers’ needs; and
- working with London universities, colleges and other providers to develop the skills of local people with curricula that prepare people more adequately for current and future employment needs.

5.54 **Thirdly**, a “new level of responsiveness from London’s learning and skills providers” to ensure that skills provision is focused on meeting genuine needs by:

- better links between pre and post-16 education;

- ensuring the FE sector is focused on employability and progression with closer links between further and higher education;
- opening up the market for publicly-funded provision to increase innovation

5.55 **Fourthly**, an integrated skills and employment infrastructure to be achieved by “radically changing the funding and delivery agencies so employment and skills services are seamless for employers and individuals”. This would also require all agencies “clarifying their roles and responsibilities, joint investment planning, and shared targets” in order to take people from welfare into work and then help them progress or develop new skills. It also requires shared data and labour market intelligence including the establishment of a London skills observatory.

5.56 **Fifthly**, ensuring that public funding for skills and employment in London is aligned to the challenges and priorities identified in the draft Strategy. This would require London “receiving a fair and appropriate share of public investment”; targets and incentives set by Government to support the delivery of the Strategy; and public funding which has the necessary flexibilities to meet London’s specific challenges.

5.57 The Board proposes three very simple quantitative targets to assess whether the Strategy is succeeding:

- Cutting the proportion of Londoners with no qualifications to 11% by 2013 focusing particularly on

improving functional literacy and numeracy. The current position is just over 13%.

- Increasing the proportion of the employed workforce engaged in training (“in the past 4 weeks”) to 15% by 2013. The current position is 14%.
- Progression to higher skills – the Board is still considering how to measure this.

5.58 In addition, the Board suggested a number of qualitative measures – firstly, to cover employers’ attitudes and behaviour in relation to recruitment, engagement in helping out of work Londoners back to work, workforce development and satisfaction levels with the outputs of the education system; and secondly to track changes in the attitudes and outcomes of Londoners in relation to skills and employment, for example, access to progression opportunities and advancement in their employment choices through other job or career paths.

5.59 The final version of the LSEB’s strategy and implementation plans were published in July 2008 and confirmed that there will be a “One Stop Shop Brokerage” for employers and this will begin in April 2009.⁵⁴ This will be based on the London Employer Accord branding and the Local Employer Partnerships to create an “integrated service for employers covering employment services and skills training ... including a single point of contact for employers in London”. The

Employer Accord has been developed by the LDA with JCP and the LSC and is a “deal” with employers to supply a more “integrated, responsive and bespoke service and the provision of job/training-ready candidates.” The new Accord will also integrate the LDA’s Business Link with the LSC’s Train to Gain brokerage. This will mean that skills and vacancy filling will be available to firms alongside other types of business support but structured on a London-wide basis.

5.60 For many policy makers in London, the persistence of child poverty is a critical problem partly because it is more entrenched and widespread in London and because it persists alongside considerable affluence.

5.61 The GLA and London Council jointly sponsored the London Child Poverty Commission which considered the extent of child poverty in the Capital and which published a series of evidence reviews and a report containing 26 recommendations for local, regional and national government.⁵⁵

5.62 The Commission has set out a strategic approach to tackling child poverty in London by increasing parental employment in sustainable jobs; expanding the housing choices available to families on low incomes; maximising income through improving the delivery of benefits and tax credits; reducing attainment gaps for children and young people in poverty.

5.63 The Commission called on national government to prioritise raising the job rate for parents in London with tougher targets

⁵⁴ “London’s Future: The Skills and Employment Strategy for London 2008 – 2013”, London Skills and Employment Board, July 2008
www.london.gov.uk/lseb/docs/london-futures-report.pdf and
www.london.gov.uk/lseb/docs/london-futures-imp-plans.pdf

⁵⁵ “Capital Gains: London Child Poverty Commission Final Report” February 2008 <http://213.86.122.139/docs/capital-gains.pdf>

for Jobcentre Plus matched by the necessary resources. It argues that increases in child tax credits and child benefit, alongside making work pay for families can have a significant impact on child poverty in the capital. Employers too can lead the way in offering flexible working opportunities, in-work training for parents starting off on the bottom rung of the ladder and tackling issues of discrimination to ensure that all have equal access to jobs. The Commission also recommends increased per pupil funding on the transition to secondary school based on deprivation as well as greater support for children in the early years and in extended schools.

- 5.64 The Commission's report also says that local authorities have a "key role to drive change at local level by ensuring that children's services, housing, economic development and regeneration all address family poverty." As deliverers of housing benefit, local authorities also have a crucial role in improving the take-up of housing benefit when people move into work. Achieving all the outcomes of Every Child Matters (health, safety, enjoyment and achievement, making a positive contribution and economic well-being) are all intrinsically linked to poverty.

National policy: increasing employment and raising skills

- 5.65 Skills are one of the principal drivers of productivity in the UK and seen as a key variable in ensuring the country's international competitiveness. Globalisation is increasing the premium placed on skills, enhancing the need for advanced economies to ensure that their workforce is flexible and skilled enough to take advantage of changes in technology and capable of moving into new areas of work.⁵⁶
- 5.66 Earlier this decade, the Government set an aim to raise the learning participation rate at age 17 from 75% to 90% over the next ten years by reforming the secondary curriculum to provide more flexible pathways through education, combining academic and vocational routes and ensuring improved information, advice and guidance (IAG) on post-16 choices. The Government first set challenging targets in the 2002 Comprehensive Spending Review, for example, a 40% improvement by 2010 in the number of people who are not skilled to level 2 or equivalent.
- 5.67 Policy has also emphasised that education and training must be increasingly led by employer demand and delivered

through a network of high quality, responsive, training providers. Engaging businesses in education and training, therefore, is imperative – not least because 70% of the prospective workforce for 2020 is already over 16 and out of compulsory education.

- 5.68 Much of the latest policy framework for skills has been developed through the enquiry chaired by Lord Leitch whose interim report⁵⁷ was published in December 2005 and a final report⁵⁸ in December 2006. Leitch highlighted the looming skills gaps facing the economy; he forecast that, even if the Government manages to achieve its ambitious targets, considerable problems will still remain in 2020 with at least 4 million adults lacking the literary skills expected of an 11 year old, whilst 12 million adults will be devoid of comparable numeracy skills.
- 5.69 Leitch recommended that it was necessary to strengthen skills at the top, middle and bottom ends of the labour market:
- tackling the stock of low skilled adults who lack qualifications, basic literacy and numeracy;
 - investing more in intermediate skills; and
 - increasing further the proportion of adults holding a level 4 qualification

⁵⁶ "Lisbon Strategy for Jobs and Growth: UK National Reform Programme" HM Treasury, 2005. See also "Productivity in the UK", HM Treasury 2000-2006 www.hm-treasury.gov.uk/documents/enterprise_and_productivity/ent_index.cfm and "UK Productivity and Competitiveness Indicators", DTI, 2006 www.dti.gov.uk/about/economics-statistics/economics-directorate/page21913.html and

⁵⁷ "Skills in the UK - The Long Term Challenge" HM Treasury, 2005 www.hm-treasury.gov.uk/media/4/A/pbr05_leitchreviewchapters_619.pdf

⁵⁸ "Prosperity for all in the global economy – world class skills", HM Treasury, 2006 www.hm-treasury.gov.uk/media/6/4/leitch_finalreport051206.pdf

5.70 The Government had already partly committed itself to addressing adult skills problems – which are most acute at the lowest skill levels – by introducing entitlement for free tuition up to Level 2 for any adult without this qualification and free training in literacy, language and numeracy skills. This is being delivered through FE colleges and other training providers through Train to Gain brokerages which also encourage employers to invest in level 3 training in areas of regional or sectoral priority.

A demand-led system

5.71 One of Leitch's key recommendations – which has been accepted by the Government – is that all publicly funded, adult vocational skills funding in England (apart from community learning and programmes for those with learning difficulties and disabilities) should go through demand-led routes by 2020. This will be delivered through individual skills accounts (for individuals) and a customer-led brokerage system (for employers) of which Train to Gain is the evolving model.

5.72 A new UK Commission for Employment and Skills became operational in 2008 and maintains an overview of progress towards the skills ambition. The Commission is intended to “strengthen the employer voice” and provide an external challenge to the employment and skills system. It will report in 2010 on whether a further statutory entitlement to training is appropriate and it will oversee performance and reform of the Sector Skills Councils (SSCs). Through the SSCs employers

will have the opportunity to play a leading role in the reform and development of vocational qualifications, so that only those vocational qualifications that meet the standards set by SSCs will be contained in the Qualifications and Credit Framework.

5.73 In return for making the system more demand-led, the Government expects employers to increase their investment in skills, training and qualifications at all levels and to clearly articulate what their skills needs and priorities are. Being able to invest in National Skills Academies will offer employers an opportunity to directly influence the content and delivery of skills training for their sector.

5.74 Employers will also be able to make the Skills Pledge to support their employees to become more skilled and better qualified. The Pledge is a public, voluntary commitment by employers to support their staff to get basic literary and numeracy skills and to work towards achieving their first full Level 2 qualification in an area that will be valuable to the employer. There were already 1.7 million employees covered by the pledge which was launched in June 2007.

5.75 Employers will be able to access support provided by Train to Gain to help them deliver on the pledge, including the support of an independent skills broker and free literacy, numeracy and first full Level 2 training for their staff. The Government has also said there will be “clearer financial support for those with the lowest skills and qualifications and those inactive in the labour market”.

An integrated employment system

5.76 The Government has said, in its response to the Leitch report⁵⁹ that there will be “no point where ‘job-search’ ends and ‘up-skilling’ begins”. Instead, there will be a “single customer journey, from poor skills or worklessness to sustainable employment and the skills to progress.” There will be a “professional and seamless customer service, underpinned by consistent employment and skills information, advice and guidance for individuals and employers”. In the future, non-employed people will benefit from:

- A new universal **adult advancement and careers service** to deliver a "tailored employment and skills offer"; the new service will be created from the current mix of *learnirect* and *nextstep* providers
- **Skills Accounts** that will give individuals "ownership and choice" over the type of training they use – and these will become the primary vehicle for unemployed individuals to access training
- Legislation to strengthen the **entitlement to free training** in basic literacy and numeracy and a first level 2 qualification through Train to Gain
- A new **Employability Skills Programme** which has just begun to provide literacy, language and numeracy qualification which Jobcentre Plus personal advisors will now refer individuals towards.

⁵⁹ “World Class Skills”, July 2007 www.dius.gov.uk/worldclassskills.pdf

5.77 The Government says it will “trial aspects of Skills Accounts nationally in 2009-10” and suggests a transition towards these Accounts being completed by 2010-11. The design and timing will depend on “what emerges from the Learner Accounts pilot” that will be trialled from late 2008 in the South East and East Midlands.

5.78 All people aged 19-25 are now entitled to a level 3 qualification which will be free to the individual and their employer. All 19-25 year olds who do not have at least level 3 qualifications will be entitled to training worth typically £7,000. This means that the current offer which is limited to college-based students studying in their own time will be extended to all 19-25 year olds including those being trained at work.⁶⁰

Supporting young people

5.79 For 14-19 year olds, the Government has begun to offer a wider choice of “what and where to study” and to develop new sixth forms and sixth form colleges where needed. The vocational route would be strengthened by “Young Apprenticeships” starting at age 14 and closer links between schools and employers. This approach was outlined in a White Paper⁶¹ that followed the recommendations of Sir Mike Tomlinson which reported in October 2004. The White Paper introduced three key proposals:

⁶⁰ “Workskills”, Cm 7415, June 2008 www.dius.gov.uk/policy/work-skills.html

⁶¹ “14-19 Education and Skills” DfES, Feb 2005 www.dfes.gov.uk/publications/14-19educationandskills

- The need to ensure that all young people achieve functional skills in English and Maths by, for example, providing more opportunities for teenagers who haven't achieved Level 2 by age 16 to do so afterwards. There will therefore be renewed emphasis on the basics of English and maths in the new general (GCSE) Diplomas and specialised Diplomas.
- The importance of extending and improving vocational provision – and this has led to new specialised lines of learning leading to Diplomas in 14 broad sector areas to help young people develop the specific skills they need for work. Diplomas will incorporate basic Maths, English and ICT skills as well as occupational-related skills and will be designed with employers through Sector Skills Councils. Diplomas are intended to replace the current system of more than 3,000 separate qualifications and provide an alternative gateway to higher education and skilled employment.
- Greater effort to re-motivate disengaged learners to ensure that students have extra support to master the basics, have more choice over where to learn and can benefit from a new programme for 14-16 year olds. To achieve this, the Government will offer more vocational opportunities, foundation and entry level qualifications. They will also develop a pilot programme for 14 – 16 year-olds, based on the post-16 Entry to Employment programme, involving a tailored programme for each young person and intensive guidance and support as well as significant work-based learning.

Post 16 and adult learning

- 5.80 Early in 2006, the DfES published its further education White Paper⁶² which proposes to make colleges more responsive to the needs of local economies and communities by “driving up the quality of teaching, rewarding colleges for success and making the sector more responsive to the skills needs of individuals and employers.”
- 5.81 The White Paper proposed a clear mission for the FE system focused on helping people gain the skills and qualifications for employability. It outlined measures to implement these recommendations and committed to move all FE providers in “another decisive shift towards a system that is driven by the needs of service users”. It proposed that all Colleges and providers should have at least one specialist centre of excellence and be part of new national sector-based networks led by Skills Academies.
- 5.82 The White Paper addressed the recommendations originally outlined in a review of further education prepared by Sir Andrew Foster in 2005.⁶³ This identified that further education requires a clearer vision to improve skills and employability. He recommended colleges should adopt specialist roles, focus on employers' and learners' demand and undergo a "relentless drive for quality improvement".

⁶² “Further Education: Raising Skills, Improving Life Chances” DfES, 2006
www.dfes.gov.uk/publications/furthereducation

⁶³ “Realising the Potential: A review of the future role of FE Colleges” DfES, 2005
www.dfes.gov.uk/furthereducation/uploads/documents/REALISING06.pdf

5.83 Sir Andrew's review proposed that colleges should operate within a framework of local commissioning, led by local LSCs, and "influenced very strongly by links with employers and informed by regional and national priorities and objectives." This should be reflected in governance arrangements that "incorporate the interests of the communities that colleges serve".

National policy: welfare reform

5.84 Employment policy is now increasingly geared towards a series of welfare reform packages unveiled over the last 18 months.⁶⁴ The aim is to "transform the welfare state ... end the legacy of benefit dependency and deprivation" in order to eradicate child poverty and reach an 80% employment rate for people of working age. Policy is primarily concentrated on changes that will increase the proportion of economically inactive claimants entering work by:

- reforming incapacity benefits;
- a £360m programme of Pathways to Work
- extending support to lone parents and older workers;
- reforming housing benefit
- creating a more flexible and personalised service for jobseekers;
- a stronger focus on job retention and progression;

⁶⁴ "A new deal for welfare: Empowering people to work", DWP, January 2006 www.dwp.gov.uk/welfare-reform/empowering-people-to-work.asp and "In work better off: next steps to full employment", Cm 7130, DWP, July 2007 www.dwp.gov.uk/welfare-reform/in-work-better-off/in-work-better-off.pdf

- working with major employers in "Local Employer Partnerships" to deliver a "Jobs Pledge" to provide a quarter of a million jobs to disadvantaged people.
- increasing employment among ethnic minority groups

A new flexible welfare system

5.85 The Government says that experience from Employment Zones and many other pilots such as Action Teams and Working Neighbourhoods shows that more flexible and individualised services have "demonstrated the effectiveness of a more tailored approach".

5.86 The new system is intended to provide a personalised and responsive service that offers support to "meet individual needs, including help with skills, health, childcare, financial support and accessing appropriate training." This means moving away from some rigid distinctions between groups eligible for help on the basis of a claimant's age or benefit type.

5.87 Furthermore, these different forms of delivery have shown there is "experience and expertise" from private and third sector organisations and other public agencies which the new system should use. The 2007 Green Paper signaled a major shift towards delivering many more employability services through local authority, private and third sector organisations to introduce "more competition and a more outcome-focused service".

5.88 Government thinking has also shifted away from a simple “jobs-first” approach. The new focus on retention and progression is designed to “help people stay in work and move up the ladder through better in-work support”. The Government expects to do this using a variety of instruments ranging from better advice services, financial incentives and more extensive training.

Employer engagement

5.89 The 2007 Welfare Reform Green Paper says that “employers will be at the heart of our reforms” primarily because the scale of job entry requires this – but also because the Government accepts that retention and progression is a key part of the new mix of policies. If job entrants are to stay in work, gain promotion, improve their skills and increase wages, the Government has to develop a longer term set of relationships with employers.

5.90 The Government will develop the current Local Employment Partnerships into a ‘Jobs Pledge’ with major employers who will offer a quarter of a million jobs to disadvantaged people. The new pledge had commitments from major national employers when it was launched on 18th July 2007.⁶⁵

5.91 The Local Employment Partnerships will involve commitments from employers to provide 2-4 week Work Trials to a given number of local benefit claimants – selected by the employer. Firms will offer a target number of places for

New Deal participants wishing to participate in the subsidised Employment option or taking up work experience or work placement. With Jobcentre Plus and the LSC, firms can also design pre-employment training relevant to their needs and agree, when hiring, to guarantee interviews or jobs to claimants who complete this training.⁶⁶

5.92 The Government has also indicated that firms will benefit from “a more integrated suite of recruitment services” supplied to employers by the LSC and Jobcentre Plus – notably building on the LSC’s Skills Pledge offering. This service will also include a more effective client diagnosis and guidance suite, pre-employment training plus employer designed in-work training.

5.93 Jobcentre Plus will dedicate new “Local Employment Partnership managers” to ensure the jobs committed by employers are filled quickly and effectively with suitable candidates through liaison with personal advisers. They will also ensure easier access to in-work skills training through Train to Gain so that “new recruits continue to develop their skills and careers in work”. Additionally, employer account managers in Jobcentre Plus will develop recruitment plans with local firms to establish how best to support them.

5.94 The Government has also suggested that employers should review their recruitment practices and flexibility of their employment contracts “to support fairer and more inclusive recruitment practices.”

⁶⁵ www.dwp.gov.uk/mediacentre/pressreleases/2007/jul/emp039-180707.asp

⁶⁶ www.hm-treasury.gov.uk/media/c/b/bud07_localemploymentagreement_85.pdf

Reforming sickness and incapacity benefits

5.95 From October 2008, a new Employment and Support Allowance (ESA) replaced Incapacity Benefit and Income Support paid on the grounds of incapacity. This will apply at first only to new claimants and will be a combined contributory and income-related allowance. It represents the first major step in a major programme designed to simplify the benefit system.

5.96 Unlike ICB/IS this new benefit will not be paid unconditionally to all claimants. The new ESA will be paid to most people in return for them undertaking work-related interviews, agreeing an action plan and participating in some form of work-related activity. Although the ESA regime is intended for new claimants, existing claimants will also be asked to undergo more regular Capability Assessments.

5.97 The key feature of the new benefit system is that new claimants will have to undergo a Work Capability Assessment (WCA). As a result of this assessment, individuals will be assigned to one of two categories:

- Work Related Activity Group (the majority of people are expected to be in this category)
- Support Group (for a small number of people “with the most severe limitations arising from their illness or disability” who will not be expected to prepare for a return to work)

5.98 The new benefit offers a work-related supplement (£24 a week) starting 14 weeks after the initial claim is made.

5.99 In the Government's analysis, although the number of people coming onto incapacity benefits has fallen by a third since the mid 1990s, people are staying on these benefits for longer. As a result, the total number of claimants remains broadly unchanged. So, the new regime aims to increase the *off-flow* from benefit but also to further reduce the *on-flow* of new claimants by:

- improving workplace health – through better occupational health, creating healthier workplaces and by helping employers to manage sickness absence more effectively and to support recovery and return to work
- modifying the ‘Gateway’ onto benefits – by changing the Personal Capability Assessment (PCA) process to emphasise a claimant's potential to work; ensuring that no one is eligible for more than they would be on JSA until they have completed the PCA; reviewing the mental health component of the PCA; speeding-up processes and minimising the number of appeals
- supporting GPs to help people back to work – by financial rewards to those supporting individuals to remain in or return to work; by piloting employment advisers in GP surgeries; revising the format of current medical certificates to provide advice on return to work;
- simplifying Statutory Sick Pay to ensure it helps people to stay in work.

5.100 In April 2008 a new national programme of *Pathways to Work* was fully rolled-out and this combines *pre-work* activities and *post-placement* support – including services that help to stabilise health conditions and minimise their effect on the ability to work.

5.101 Disabled clients are asked to attend a series of work focused interviews with a specialist personal adviser. They will have access to existing Jobcentre Plus support – such as New Deal for Disabled People – plus some extra support developed specially for Pathways to Work. This includes the Condition Management Programme delivered in partnership with the NHS which is designed to help people understand and manage their health condition in a work environment.

5.102 Pathways also offer a Return to Work Credit payment of £40 a week for people starting work of at least 16 hours a week and earning no more than £15,000 per year.

JSA claimants

5.103 The new process for JSA claimants will firstly involve a “light touch assessment” early in their claim. Those facing particularly severe barriers to work would get fast-tracked help but others who have “a history of long term reliance on benefits” could face tougher requirements. The main principle will be to maintain the current approach of “reserving intensive support” for those who need it most or who have been on benefits for a long time. Jobcentre Plus will deliver a new system that provides increasingly intensive support

combined with “escalating conditionality” over time. The new structure for interventions would be:

- first three months of benefit claim – Jobseeker’s Agreement drawn-up and a period of customer self-diagnosis and self help in which job hunting may be restricted to the claimant’s preferred employment or occupation
- after three-months, job search requirements would be widened – extending the area of travel to work and reducing expectations of wage and working hours
- after six months, the Gateway stage starts with a formal review of Jobseeker’s Agreement, drawing up a back-to-work action plan and selecting from an menu of mandatory activities; this stage will include a skills “health check” and may include referral to training. This is now being piloted and will be implemented nationally by about 2010.

5.104 At the 12 month threshold, claimants will be referred to a “specialist return to work provider from the public, private or voluntary sectors” and these will provide “the most appropriate intensive, outcome-focused service, funded on the basis of results”. The Green Paper says that entry to these services “could be earlier for more disadvantaged customers, including people on incapacity benefits and lone parents.” Although specialist providers will take responsibility for each claimant, Jobcentre Plus will retain a role in “applying benefit sanctions where necessary”.

5.105 Each claimant will only be referred to a specialist provider for “a defined period” and, if they fail to find work, they would then be required to undertake “a period of full-time work experience either in the community or with a regular employer”. This “flexible regime” of increasing levels of support will be “balanced with the responsibility on individuals to make the best use of that support or face a loss of benefit.”

5.106 The Government also intends to legislate so that JSA claimants will be obliged to “address their skills needs”. In Autumn 2008 Jobcentre Plus began to pilot a system requiring jobseekers to attend a full skills health check if initial screening has identified a skills need. Where a skills need is confirmed, attendance at an appropriate course will become mandatory for JSA claimants.

Lone parents

5.107 The Government's child poverty strategy says it will “join up the major expansion of childcare provision with employment programmes” and has committed to run “New Deal Plus for Lone Parents” until March 2011. This will increasingly be extended to all lone parents (starting first in London) and legislation will place a statutory duty on local authorities to supply sufficient childcare.

5.108 The In-Work Credit pilots (providing an extra £40 per week for lone parents moving into work) have been extended to cover 40% of the country including most of London and there will be financial support for up-front childcare costs in London. The Government will pilot the linking of the working credit to

adviser support to promote retention in work for lone parents based on the Employment Retention and Advancement model.

5.109 In addition, the New Deal for Lone Parents is to be reinforced by mandatory work-focused interviews for all new claimants and a “stronger support package” to help lone parents into work. This involves:

- interviews every three months with lone parents whose youngest child is at least 11 years old;
- six-monthly interviews (twice as frequent as now) for all lone parents who have been on benefit for at least a year and whose youngest child is under 11;
- piloting more intensive support for lone parents during the first year of their claim
- working with employers to develop work-taster programmes for lone parents;
- exploring new ways to increase the support that Jobcentre Plus can give to lone parents who are moving into work or who are already in work.

5.110 In October 2008, the rules changed so that lone parents are required to transfer to JSA when their youngest child reaches 12 years old. By October 2010, the Government will have progressively reduced this threshold even further – to age 7. Reintroduction into work will be a graduated process and lone parents moving into “suitable work” should be able to “combine work with their responsibilities as a parent”.

5.111 To achieve this “lone parents should get the appropriate support and advice” both before and after they cease to be eligible for Income Support. In the months before the changes take effect, the Government will offer more frequent Work Focused Interviews and offer a financial incentive (the Work Related Activity Premium) in return for undertaking activity directly related to preparation for entry to the labour market.

Older people

5.112 The Government argues that a culture of early retirement (voluntary or otherwise) has driven-down employment rates amongst those aged 50+. It recognises that there are now a range of structural, cultural and personal barriers to work for older people. Employment rates have begun to improve for older people and the Government proposes to accelerate this trend by:

- allowing the range of jobseeking support available through the New Deal for 25+ to be made available to older people and require those aged 50-59 to participate
- pilot face-to-face guidance sessions with people approaching 50 or over 50, to deliver tailored and relevant information on working, training and planning for retirement; and
- work with employers to extend flexible working opportunities to older workers.

Housing Benefit

5.113 There have already been extensive changes made to the administration of Housing Benefit (HB):

- 4 week run-on periods for people entering work;
- a simultaneous claim process for JSA and HB;
- aligned the HB and tax credit systems;
- eliminated the requirement for annual HB claim renewals; and
- simplified the process of starting work by making it a change of circumstance rather than a fresh claim.

5.114 However, the Government says the HB regime is still a barrier to work for many tenants in the social rented sector and says there is a correlation between high levels of HB receipt and low levels of employment. It concludes that “economic inactivity makes it necessary to consider the case for reform of Housing Benefit in the social housing sector.”

5.115 In April 2008, it introduced a Local Housing Allowance amongst tenants in the deregulated private rented sector. This is a system of standard maximum allowances – based on median rent levels in an area – reflecting the size of a household and location of property – rather than reimbursing whatever rent the landlord charges. Benefit will be paid to the tenant not the landlord in most cases.⁶⁷ The Government has not decided to extend the Housing Allowance regime to the socially rented sector.

⁶⁷ www.dwp.gov.uk/housingbenefit/lha/

