LONDON DEVELOPMENT AGENCY

Tackling London worklessness:

Achieving more with less

Stephen Evans

Director of Employment and Skills

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The London Challenge

Structural worklessness and the impact of recession

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London has a low and falling employment rate...

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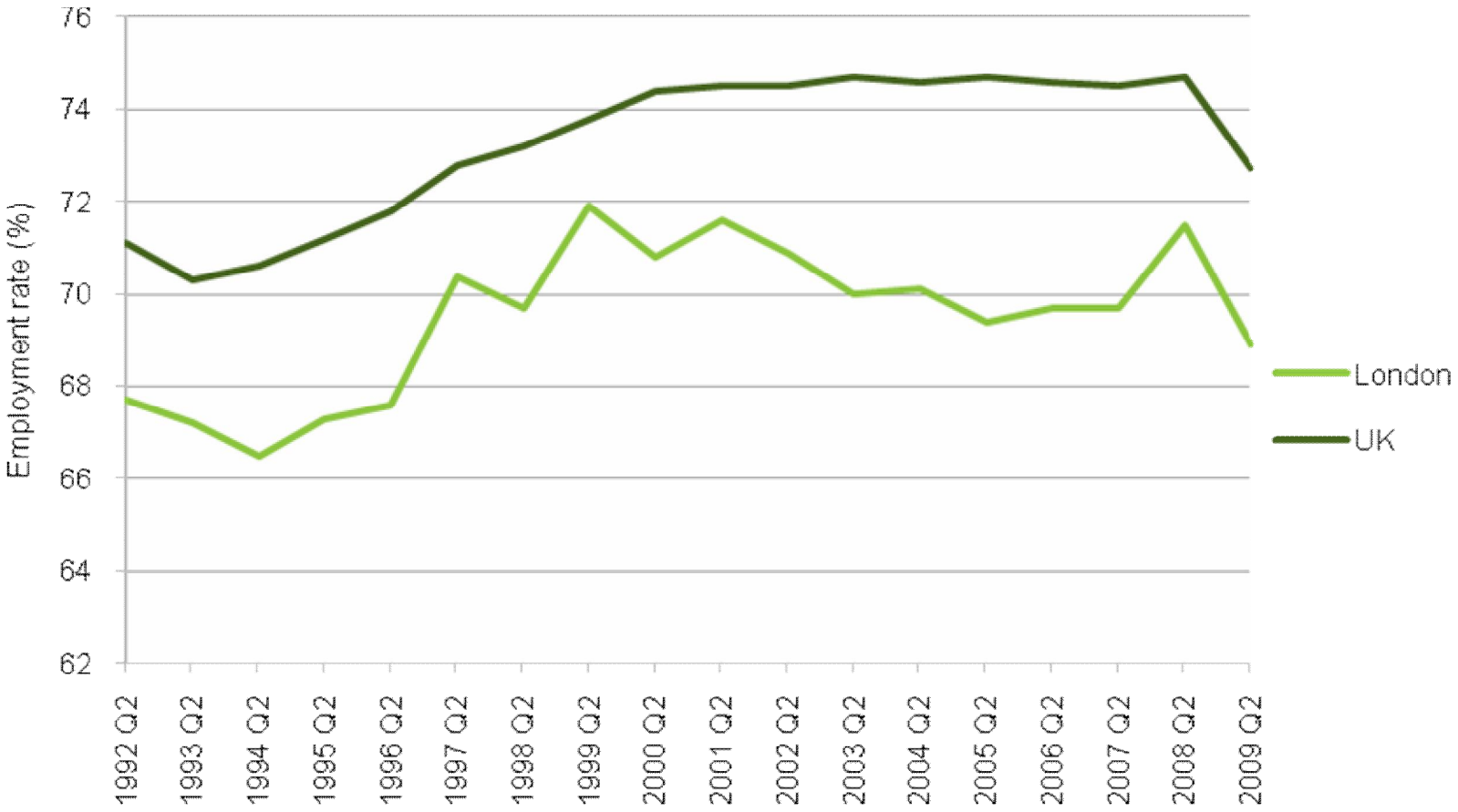

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...with key disparities between groups...

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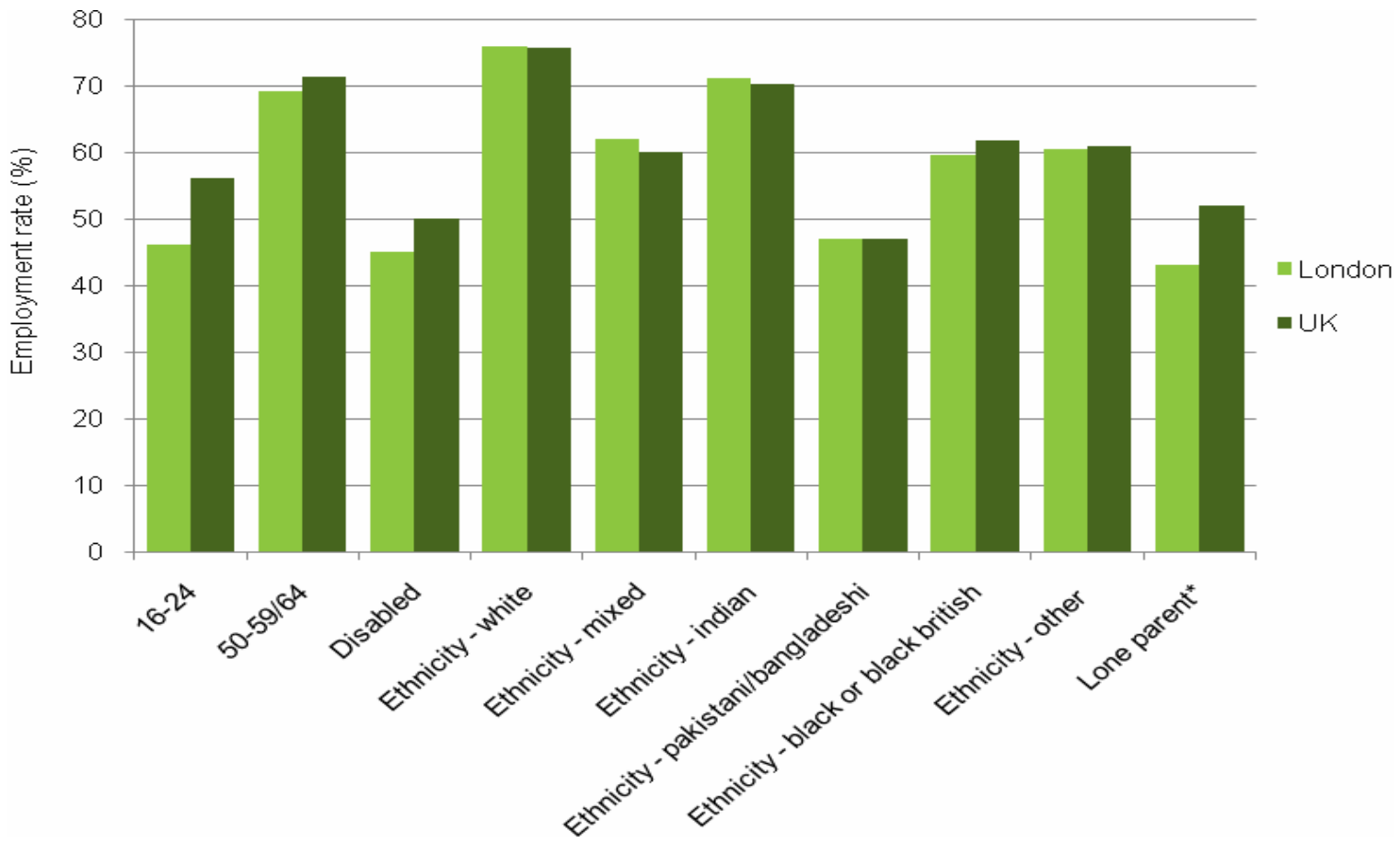

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...although the largest challenge remains long-term worklessness...

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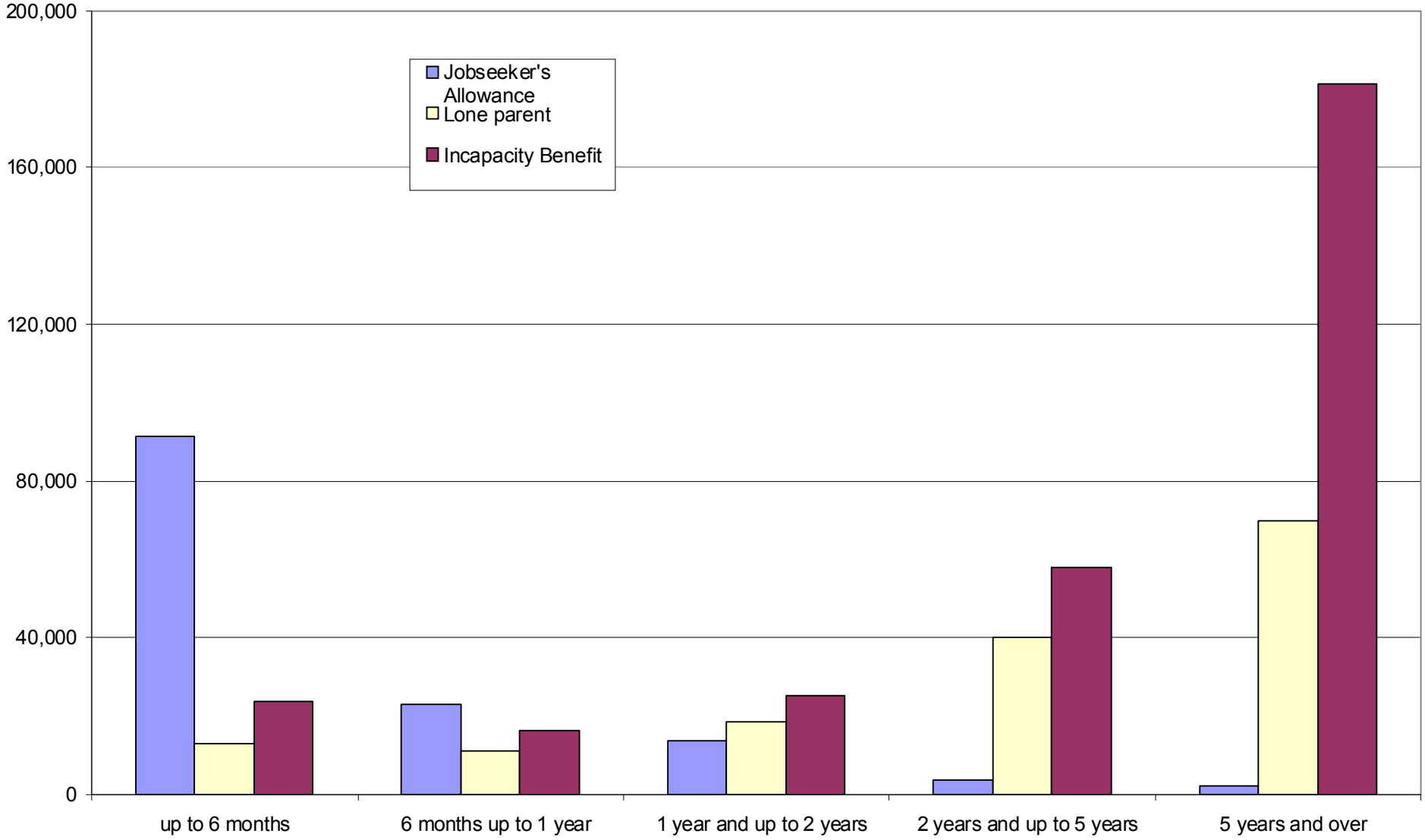

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...and doing better to help people stay in work...

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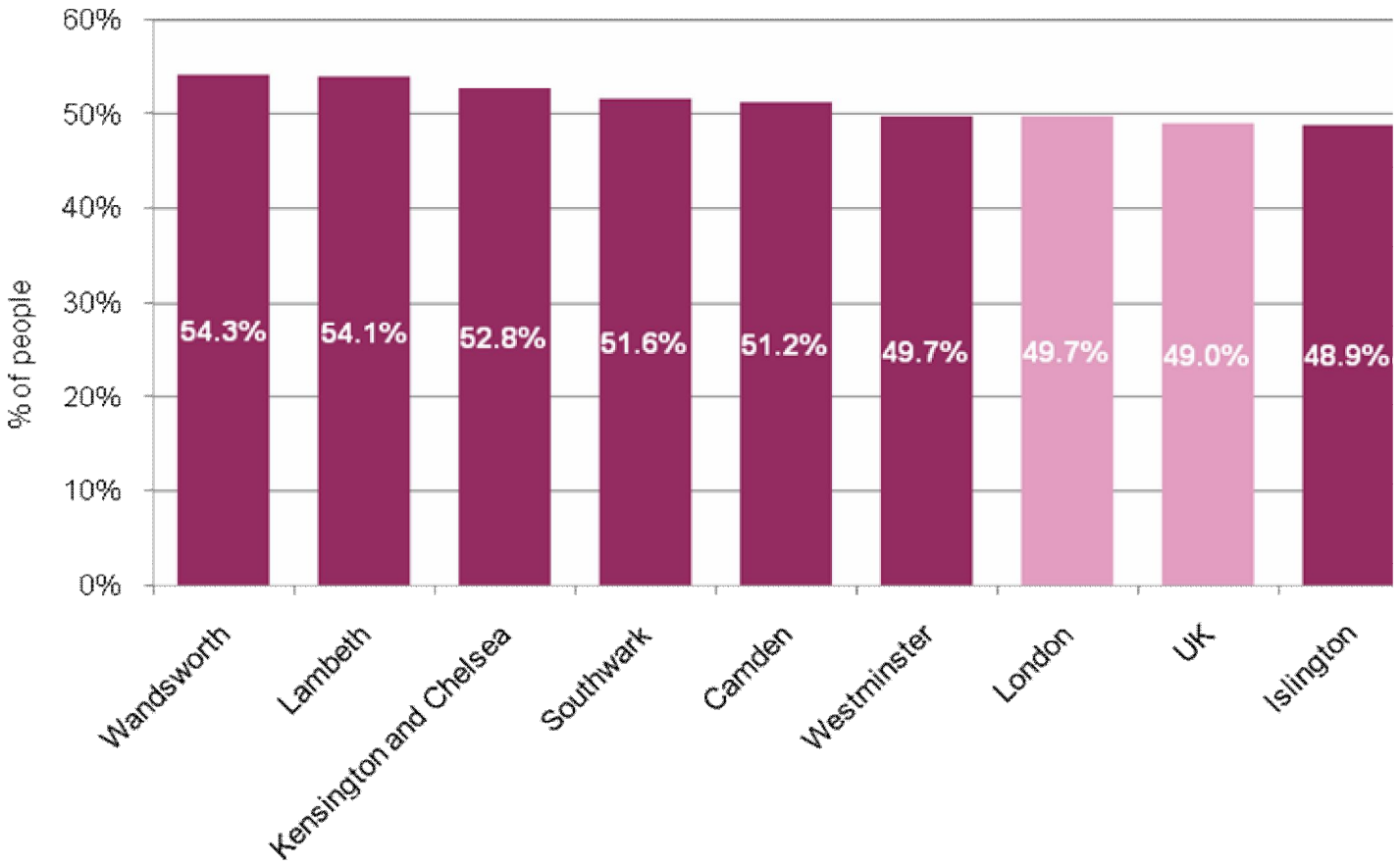
The proportion of out of work benefit claimants returning to benefits within six months of their previous claim



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...but the good news is job growth still expected

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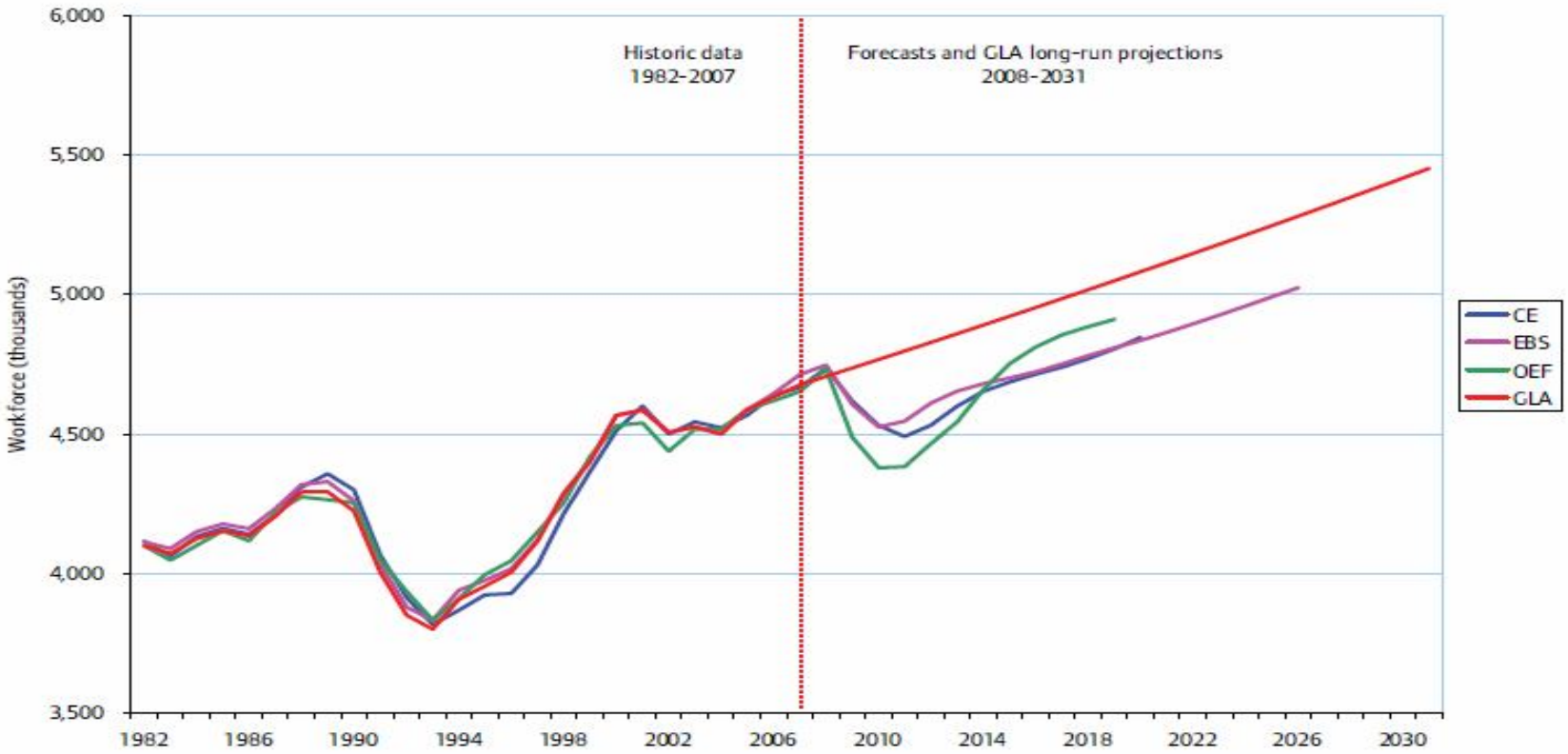
Figure 4.2: Employment forecasts for London by various forecasters and the GLA's long-run employment projection to 2031



Source: Cambridge Econometrics, Experian Business Strategies, GLA Economics, Oxford Economics

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The London Challenge

A complex system with less resources

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The policy environment is crowded and siloed…

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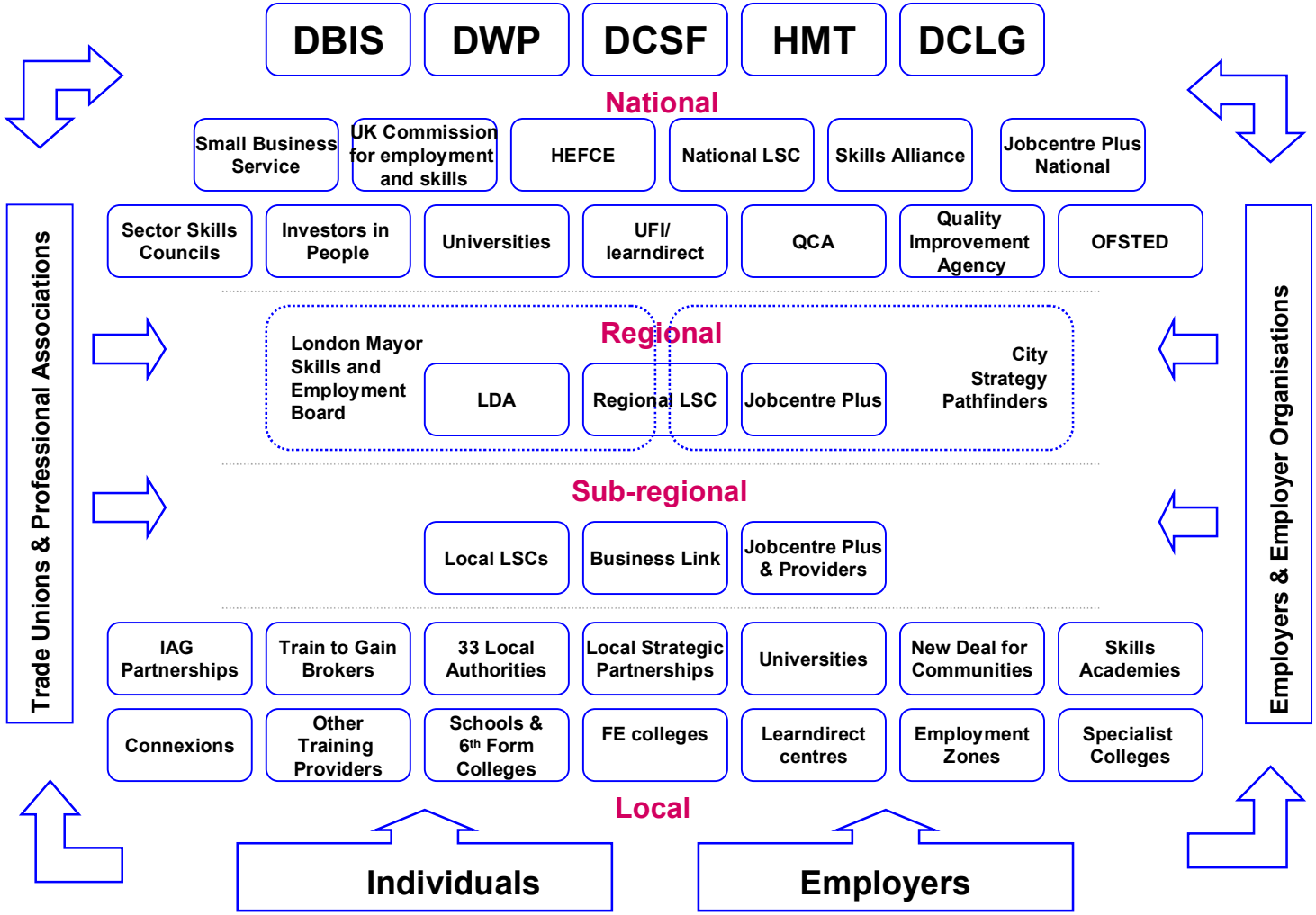

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...with four key agencies in London...

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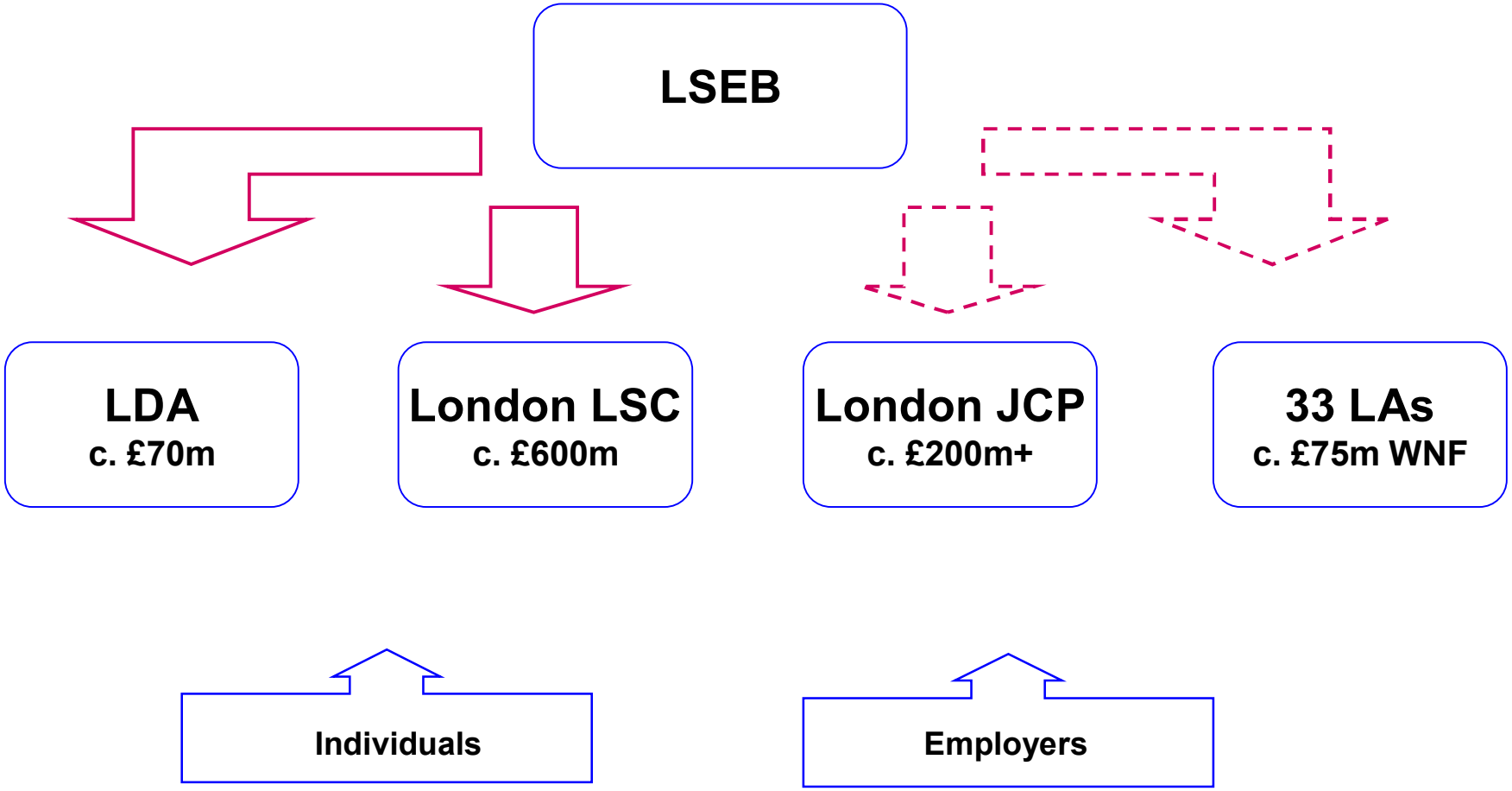

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...and the LDA was more complex than most

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IF4 Tackling barriers (£44-48m)	IF5 Reducing Disparities (£21-16.5m)	IF6 Addressing concentrations (£6.5-7.2m)	IF9 Improving workforce skills (£1.6-1.8m)
Employment support	**Skills (General)**	**Skills (Other)**	**Skills (L2)**
15. Influence and partnership (£1.45m)	20. Influence and Partnership (£3.5m)	23. Influence and Partnership (£1.3m)	25. Influence and Partnership (£0.16m)
16. Youth (£10m)	18. Employability basic skills (£11-15m)	21. Pre and in-work employability (£14-9m)	24. Locally-based employment (£4-4.5m)
17. Childcare (£8m)	19. Olympics employment (£13m)	22. DWfL (£2.6-3.7m)	35. Workforce Development (£1.4-1.6m)

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The London Response

Achieving more with less

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Joining up through the LSEB Strategy

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- LSEB Strategy sets a framework for all agencies to work together for three Strategic Aims:
  - Aim 1: Better engaging employers and meeting their needs
  - Aim 2: Better supporting Londoners in their ambitions
  - Aim 3: Building a customer-focused integrated system

With cross-cutting themes of adding value, maximising impact & focusing on sustained employment & progression

London Skills and Employment Observatory

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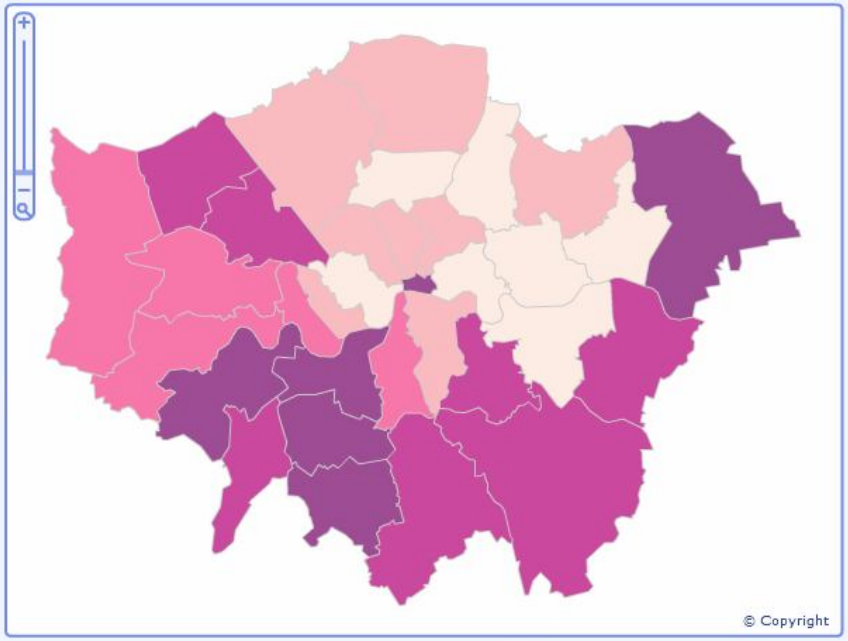
London Skills & Employment Observatory

Core Indicators : Employment (All working age) >> 01/03/2009

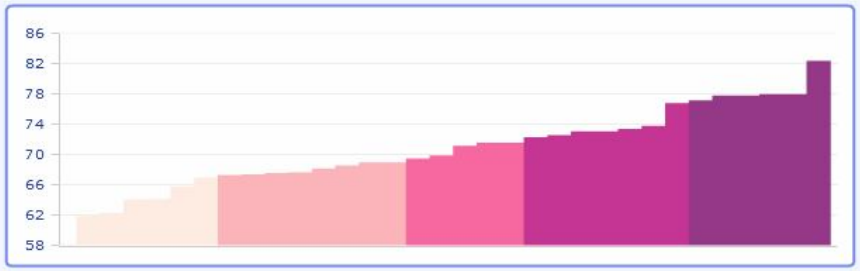
Data | Filter | Help

Eng_Wales_Scot_LA_2009.shp
- 58.1 - 66.9
- 67.0 - 68.9
- 69.0 - 71.5
- 71.6 - 76.7
- 76.8 - 82.3

Comparison area	%
London	70.1
National comparitor	73.7
Outer London	71.9
Inner London	67.6
West London Working	71.7
Thames Gateway Lond...	67.5
Olympic area	63.8



Borough	%	Number
Barking and Dagenham	64	65100
Barnet	68.9	146700
Bexley	73	100000
Brent	73.3	135600
Bromley	76.7	141100
Camden	67.6	117100
City of London	82.3	4400
Croydon	73.7	160100
Ealing	71.1	148400
Enfield	67.3	123600
Greenwich	66.9	98300
Hackney	67.2	95100
Hammersmith and Fulham	69.8	86200
Haringey	62.2	98200
Harrow	72.5	100600
Havering	77.9	108500
Hillingdon	71.5	115800
Hounslow	71.5	107200
Islington	68.9	94400
Kensington and Chelsea	67.5	86500
Kingston upon Thames	73	79200
Lambeth	69.4	136100



01/12/2006 | 01/03/2007 | 01/06/2007 | 01/09/2007 | 01/12/2007 | 01/03/2008 | 01/06/2008 | 01/09/2008 | 01/12/2008 | 01/03/2009

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LDA investment

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1. **Focus on sustainable outcomes.** Sustained employment (12 months) and progression.
2. **Outcome-based commissioning.** Payment by results, focusing on outcome not process, gaining economies of scale.
3. **Joint investment.** Co-commissioning with DWP, Boroughs and LSC. C.50% of investment now made in this way
4. **Segmenting the market.** Ensuring we add value by focusing on those missed or not effectively supported by the mainstream system.

33% reduction in unit costs in one year

Increase in added value, reduction in deadweight

Thoughts for the future

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- **Single, integrated programme for employment and skills?**
  - LDA considering piloting this 'Jobs Plus' approach later in 2010
- **New funding models?**
  - AME / DEL split, accelerator funding model.
- **Role of customer empowerment in driving costs down and outcomes up?**
  - Skills Accounts, LDA pilots of Careers Accounts
- **Greater focus on outcomes?**
  - Sustained employment and progression for WHOLE system