

# **Resident Impact Assessment**

Procurement Strategy and Grant of Under-Lease Agreements for Affordable Workspace 2019 -2023

**Service Area: Planning and Development** 

# 1. What are the intended outcomes of this policy, function, etc.?

- 1.1 Islington has experienced significant economic growth in recent years. The number of jobs in the borough has increased substantially and the latest employment projections suggest that Islington's employment will continue to increase in numbers. Islington is also the top third London borough for new businesses, with over 3,700 new businesses registered during 2017¹. Whilst the economy is growing, unemployment amongst Islington residents remains above the London average and there is an inequality of opportunity for local residents and businesses, linked to the rise in living costs and land prices. Conditions for Small and Medium Sized Enterprises (SMEs) are challenging as Islington has the highest new business failure rates in London, with less than a third of new businesses surviving during 2017².
- 1.2 The Council wants to support economic expansion but in a way that is fair to residents and businesses in an environment that is economically inclusive. An inclusive economy uses economic growth as a means of reducing inequality of opportunity within the local community, and of sharing the benefits of that growth. The council has recently introduced an innovative approach to bring benefit to the local community from new developments, with the introduction of an Affordable Workspace Strategy.
- 1.3 The Affordable Workspace Strategy will be guided by the overarching Inclusive Economy Strategy principle of creating a fairer Islington and building a local economy that provides everyone with equal access to opportunity. The aim of the Procurement Strategy and Grant of Under-Leases for Affordable Workspace (PSGULAW) initiative is to play a significant part in bringing about an economy in Islington that works for everybody, where

<sup>&</sup>lt;sup>1</sup> London Datastore, Enterprise births 2017. Data extracted from Business Demographics available at https://data.london.gov.uk/dataset/business-demographics-and-survival-rates-borough

<sup>&</sup>lt;sup>2</sup> Based on comparison between Islington's business births and deaths during 2017. Data extracted from Business Demographics available at <a href="https://data.london.gov.uk/dataset/business-demographics-and-survival-rates-borough">https://data.london.gov.uk/dataset/business-demographics-and-survival-rates-borough</a>

sustainable, inclusive growth is harnessed to reduce unemployment, poverty and inequality of opportunity.

- 1.4 Affordable workspace refers to the creation of long-term, and low cost workspace in areas of the borough that might be otherwise unaffordable. This is primarily to help create sustained space for individuals who want to develop their own business and who may need specialist support. Through the implementation of the Affordable Workspace Strategy the Council will actively target residents and small businesses that are at disadvantage and are facing barriers to access local opportunities to progress on their professional careers and business plans.
- 1.5 The PSGULAW report seeks to complement the operation of the new affordable workspaces that are secured by the Council from the planning process, through the obligations secured in Section 106 Agreements. The procurement function in this programme is used to commission specialist organisations to manage the workspaces on behalf of the council and to deliver a wide range of initiatives for the benefit of the local community, as well as to offer specialist support to the users of the workspace.
- 1.6 The main aim of the activity that will take place at the workspaces is inclusivity through development and opportunity for local businesses and significant social value outcomes for the local community. This will be manifested in the form of jobs, training, entrepreneurial support, low cost workspace and wraparound incubator support as well as other social value. The social value outcomes will be extended to the residents and the wider business community through the delivery of business development advice, training in skills required by specific sectors, job readiness, job outputs (where possible), and career advice activities for pupils from local schools.
- 1.7 By creating a procurement strategy for affordable workspaces, the Council wants to ensure that there is a robust and fair process to select the organisations that will manage the workspaces. This will enable the appointed organisations to adhere to social value measures that bring real benefit to the local community, and that actively target community groups that are experiencing socio-economic disadvantage. In addition, the procurement process will allow the Council to monitor, measure and evaluate the significant benefits that this long-term activity will bring.
- 1.8 The procurement process consists of a qualitative Method Statement questionnaire supported by a set of quantitative social value measures that which will be completed by affordable workspace providers. It has been designed to secure and evidence outcomes for each of the following themes: rent affordability; development of support programmes for entrepreneurs and small businesses; delivery of training and employment outcomes for local residents; development of career initiatives on education and skills to engage local young residents; equality and diversity inclusion; supporting the development of local business clusters; and any other social innovation measures that can be considered

to be of benefit to the local community such as community and climate change mitigation initiatives.

1.9 The tender documents that form part of the procurement process are offered on different formats to ensure their accessibility (e.g. available in Braille).

### 2. Resident Profile

2.1 The PSGULAW initiative will cover the whole borough. The table below includes key demographic and socio-economic measures at London and borough levels based on the 2011 Census data<sup>3</sup>.

		London profile	Islington profile
		Total: 8,173,941	Total: 206,285
Gender	Female	51%	51%
	Male	49%	49%
Age	Under 16	20%	16%
	16-24	12%	14%
	25-44	36%	42%
	45-64	21%	19%
	65+	11%	9%
Disability	Disabled	14%	16%
	Non-disabled	86%	84%
Ethnic	вме	40%	52%
group	White	60%	48%
Religion	Christian	48.5%	40%
or belief	Muslim	12%	10%
	Other	10%	4.5%
	No religion	21%	30%
	Religion not stated	8.5%	17%
Socio-	Unemployment rate	7%	7%
economic indicators	Index of Multiple Deprivation score*	23.6%	32.5%

<sup>\*</sup>Data from the Indices of Deprivation 2015 for London published by Department for Communities and Local Government. Averages for wards calculated based on values for lower super output areas.

# 3. Equality impacts

<sup>&</sup>lt;sup>3</sup> Data source available at <a href="https://www.nomisweb.co.uk/census/2011">https://www.nomisweb.co.uk/census/2011</a>

- 3.1 The implementation of the PSGULAW initiative will deliver positive socio-economic impacts overall on residents and local businesses, and will contribute to outcomes such as:
  - the development of the borough's business support offer for entrepreneurs and existing small businesses;
  - the upskilling of residents;
  - · the enhancement of local economic cluster activities;
  - the creation of affordable hubs that residents can use as their workplace.
- 3.2 The main beneficiary groups of the PSGULAW initiative are the organisations appointed through a procurement process to manage the affordable workspaces, the workspace users, and other residents and local businesses outside the workspace. This section of the Resident's Impact Assessment summarises the PSGULAW initiative and considers the potential impacts that it may have in relation to the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 3.3 The council officers implementing the PSGULAW initiative are also considered as part of this RIA, however, there were no impacts found on the assessment of this group. There are therefore three distinct groups for the impact assessment:
  - Operator organisations managing the affordable workspaces (Section 3.4)
  - Users of the affordable workspaces (Section 3.5)
  - Wider community local residents (Section 3.6)

#### 3.4 Operator organisations managing the affordable workspaces

#### 3.4.1 **Context**

- 3.4.2 These are the organisations that are appointed through the procurement process described in the PSGULAW report. The council has engaged with 54 organisations, from which almost a half operate locally. A high number of these are not-for-profit who, apart from providing workspace, focus their efforts on delivering business support initiatives and on engaging with entrepreneurs and resident groups from the local area.
- 3.4.3 The new procurement strategy for affordable workspace will allow for the council to advertise forthcoming opportunities to manage workspace to the open market, from April 2019 onwards. However, the council will continue to have a mailing list with the current organisations so that any opportunities arising can be shared with them. During this year the Inclusive Economy (IE) team will carry out market warming exercises to continue to maximise interest from local organisations on the affordable workspace offer by using regional, sub-regional, and local business networks.

3.4.4 Any organisation that is procured to manage affordable workspace will be signing a contract agreement with the council. The terms of this contract contain clauses in reference to the Equality Act 2010 that ensures that the organisation managing the workspace shall not unlawfully discriminate within the meaning and scope of any law, enactment, order, or regulation relating to discrimination of the nine protected characteristics during the provision of the service.

## 3.4.5 **Positive impacts**

Protected Characteristic	Specific positive impacts	
Age	The procurement strategy will encourage bidders to propose to hire apprentices or have schemes that look to promote the equality of opportunity for those who may be discriminated against because of their age, as these will be scored higher in bid evaluations. This will have a positive impact on the workspace provider's employees, as well as providing an opportunity to advance the quality of opportunity for people who might face discrimination because to their age.	
	The procurement strategy and legal documents that will bind the appointed workspace will also ensure this by having a social value plan drawn up as part of the contacting phase.	
Disability	The proposed workspaces will all be accessible. Assistance will be offered in the tender pack to providers who require specialised documents or assistance with completing the tender process. This ensures that the process is accessible.	
Gender reassignment	No specific impacts identified for this protected characteristic.	
Pregnancy and maternity	As part of the PSGULAW requirements and list of measures, the Council includes requirements to encourage staff well-being and to have policies in place to ensure that this is implemented, complied with and monitored throughout the organisation/s appointed.	
Race	The council expects that as a minimum, providers will be expected to match Islington's profile on racial diversity in its beneficiaries' profile.	
Religion or belief	The council expects that as a minimum, providers will be expected to match Islington's profile on racial diversity in its beneficiaries' profile.	
Sex	No specific impacts identified for this protected characteristic.	

Sexual orientation	No specific impacts identified for this protected characteristic.	
Socio- economic status	Islington's index of multiple deprivation score shows that local levels of deprivation are higher compared to the London average. Approximately a half of the 54 organisations that the IE team has engaged with through the existing procurement framework operate in the borough. Most of these organisations are often not-for-profit, small-sized and run support programmes for the benefit of the local business communities and residents. Giving the opportunity to these organisations to manage any of the council's affordable workspaces at no rental cost will help them to settle and expand their provision of services in the borough. This will not only be for the benefit of the organisations, as the appointed managers of the workspaces will be required to deliver a comprehensive programme of social value measures, reaching those parts of the local community that are at disadvantage and are underrepresented in the local economic activity.	
	The Council will continue engaging and sharing opportunities with these organisations with the implementation of the new procurement strategy. Furthermore, the new way for procuring organisations to manage workspace will allow the council to reach new organisations beyond the existing list, and to target other organisations that operate locally through market warming exercises, collaboration with local business and community networks and other relevant service areas from the Council such as iWork and Voluntary and Community Sector.  In addition, the organisations appointed through this procurement process to manage the workspaces are required to pay the London Living Wage to their staff, this requirement is built into the contract agreement.	

# 3.4.6 Potential negative impacts

Protected Characteristic	Specific negative impacts	Mitigating actions
Age	No specific impacts identified for this protected characteristic.	
Disability	No specific impacts identified for this protected characteristic.	

Gender reassignment	No specific impacts identified for this protected characteristic.	
Pregnancy and maternity	No specific impacts identified for this protected characteristic.	
Race	No specific impacts identified for this protected characteristic.	
Religion or belief	No specific impacts identified for this protected characteristic.	
Sex	No specific impacts identified for this protected characteristic.	
Sexual orientation	No specific impacts identified for this protected characteristic.	
Socio- economic status	Through the procurement strategy for affordable workspaces, the Council seeks to implement a competitive procurement process to ensure that only the most economically advantageous tender proposals are accepted. The tender proposals should demonstrate clear evidence of an ambitious but realistic social value offer for the local community that is followed consistently during the management of the workspace.  The establishment of an open competitive process for organisations to manage new workspace might affect negatively some workspace management organisations that are already established locally and that don't wish to apply to the Council's scheme.	The Council will mitigate any potential negative impact on local organisations that are already running a workspace by organising a series of regular market warming events to share forthcoming opportunities to manage affordable workspace locally. This activity will not also inform them of new opportunities but will also help fostering new relationships with local businesses and will help for any potential alignment on shared objectives for the benefit of the community.

## 3.5 Users of the affordable workspaces

### 3.5.1 **Context**

3.5.2 The users of the workspaces are the direct beneficiaries of the services provided at the workspace. These could range from individuals renting desk space to those receiving business support and participating in the courses offered within the workspace. This class overlaps with the residents with the wider community covered in point 3.6, as there might be residents that are not necessarily using the workspace as a workplace but do receive training or employability support.

### 3.5.3 Positive impacts

Protected Characteristic	Specific positive impacts
Age	The procurement process has been designed to ensure the advancement of equality of opportunity for those who may be discriminated against because of their age. Extra weighting has been given to proposals in the method statement to ensure that providers who will work with schools, create apprenticeships etc. are scored higher.
Disability	The procurement process for affordable workspaces has been designed to ensure the advancement of equality of opportunity for those who may be discriminated against because of a disability. Proposals that show schemes which may result in employment opportunities, or workspace user training or schemes for disabled people will be scored higher.  The council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the appointed organisation/s.
Gender reassignment	No specific impacts identified for this protected characteristic.
Pregnancy and maternity	No specific impacts identified for this protected characteristic.

Race	Islington has a higher proportion of residents from Black, Asian and other minority backgrounds in comparison with the London average. The selection criteria that will be used to evaluate organisations through the procurement process actively targets and asks for evidence on the inclusion of residents and non-residents using the workspace that are from minority backgrounds.  The Council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the
	appointed organisation/s.
Religion or belief	The council expects that as a minimum, providers will be expected to match Islington's profile on religion or belief diversity in its beneficiaries profile.
Sex	Islington has a slightly higher proportion of women living in the borough than men. The selection criteria applied through the procurement process requires that the organisations managing the workspaces monitor the participation of women in the workspace. The measures will also favour organisations that actively target women's inclusion in employment sectors where there is significant underrepresentation such as Tech industries.
Sexual orientation	No specific impacts identified for this protected characteristic.
Socio- economic status	The provision of low-cost workspace that offers, training and career advancement could assist residents from disadvantaged economic backgrounds in accessing workspace and developing their business plans to continue growing.  The business support offer that the organisation/s managing the workspaces will develop and deliver in partnership with the Council will help residents' entrepreneurs and local business owners to grow, as well on their inclusion in local supply chains created from new service provision. The potential impact of this is that residents looking to establish or grow their business in Islington could benefit from business support programmes and networking initiatives that are inclusive of the local economy and residents regardless of their economic background or protected characteristics.

# 3.5.4 **Negative impacts**

Protected Characteristic	Specific negative impacts	Mitigating actions
Age	No specific impacts identified for this protected characteristic.	
Disability	No specific impacts identified for this protected characteristic.	
Gender reassignment	No specific impacts identified for this protected characteristic.	
Pregnancy and maternity	No specific impacts identified for this protected characteristic.	
Race	No specific impacts identified for this protected characteristic.	
Religion or belief	No specific impacts identified for this protected characteristic.	
Sex	No specific impacts identified for this protected characteristic.	
Sexual orientation	No specific impacts identified for this protected characteristic.	
Socio- economic status	No specific impacts identified for this protected characteristic.	

### 3.6 Wider community - Residents

#### 3.6.1 **Context**

3.6.2 The wider community includes all Islington residents that might be impacted in a more indirect way by the creation of new workspace in the borough. This will include those residents benefiting from outreach activities that the workspace organisations will deliver and any other beneficial outcomes that will be generated from the various initiatives offered (i.e. young people considering self-employment as a career route, job outcomes from any placement or training opportunity delivered)

### 3.6.3 Positive impacts

Protected Characteristic	Specific positive impacts	
Age	The procurement process has been designed to ensure the advancement of equality of opportunity for those who may be discriminated against because of their age. Extra weighting has been given to proposals in the method statement that seek to work with schools, create apprenticeships etc.	
	The council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the appointed organisations.	
Disability	The procurement process for the affordable workspaces has been designed to ensure the advancement of equality of opportunity for those who may be discriminated against because of a disability. Proposals that show schemes which may result in employment opportunities, or workspace user training or schemes for disabled people will be scored higher.	
	The council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the appointed organisations.	
Gender reassignment	No specific impacts identified for this protected characteristic.	
Pregnancy and maternity	No specific impacts identified for this protected characteristic.	
Race	Islington has a higher proportion of residents from Black, Asian and other minority backgrounds in comparison with the London average. The selection criteria that will be used to evaluate organisations through the procurement process actively targets and asks for evidence on the inclusion of residents and non-residents using the workspace that are from minority backgrounds.	
	The Council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the appointed organisation/s.	
Religion or belief	No specific impacts identified for this protected characteristic.	

Sex	Islington has a slightly higher proportion of women living in the borough than men. The selection criteria applied through the PSGULAW requires that the organisations managing the workspaces monitor the participation of women in the workspace. The measures will also favour organisations that actively target women's inclusion in employment sectors where there is significant underrepresentation such as Tech industries.  The council will monitor regularly the correct implementation, compliance and continuous improvement of this measure through the contract monitoring and reporting arrangements set out in the contract with the appointed organisation/s.
Sexual orientation	No specific impacts identified for this protected characteristic.

### Socioeconomic status

The potential impacts of the provision of low-cost workspace that offers, training, career advancement and community initiatives for residents that fosters inclusion will bring benefits for residents wanting to get involved in professional areas that they may have otherwise not considered and that

The business support offer that the organisation/s managing the workspaces will develop and deliver in partnership with the council will help residents' entrepreneurs and local business owners. Residents and local businesses will benefit from contracted in inclusion in local supply chains created from new service provision. The potential impact of this is that residents looking to establish or grow their business in Islington could benefit from business support programmes and networking initiatives that are inclusive of the local economy and residents regardless of their economic background or protected characteristics.

The activity generated from the workspaces is also expected to create new opportunities for progression into employment and job placement outcomes where possible. The measure indicators embedded in the award criteria of the procurement process requires organisations to develop a comprehensive employment and skills offer and to work closely with the council's employment service iWork to ensure that any opportunities are shared with unemployed residents.

The award criteria also include requirements on educational and skill measures to be delivered by the organisations managing the workspaces in existing sector clusters (i.e. tech sector or creative industries), that focus on the career development of young people, particularly those that may be more vulnerable to face barriers in accessing employment opportunities (i.e. young people not in education or employment or young offenders).

In addition, there are further measures that organisations should consider during the procurement process and as part of their social value offer such as climate change mitigation initiatives and community engagement activities. It is anticipated that these will bring further benefit to the wellbeing of the wider local community.

### 3.6.4 Negative impacts

Protected Characteristic	Specific negative impacts	Mitigating actions
Age	No specific impacts identified for this protected characteristic.	
Disability	No specific impacts identified for this protected characteristic.	

Gender reassignment	No specific impacts identified for this protected characteristic.	
Pregnancy and maternity	No specific impacts identified for this protected characteristic.	
Race	No specific impacts identified for this protected characteristic.	
Religion or belief	No specific impacts identified for this protected characteristic.	
Sex	No specific impacts identified for this protected characteristic.	
Sexual orientation	No specific impacts identified for this protected characteristic.	
Socio- economic status	No specific impacts identified for this protected characteristic.	

## 4. Safeguarding and Human Rights impacts

#### 4.1 Safeguarding risks for children and vulnerable adults

4.1.1 The workspace activities delivered by the appointed organisations to manage the workspace might include participants that are children (i.e. only for school visits) and vulnerable adults. The contract (built into the procurement process) and lease agreement that the council will sign with the appointed organisation/s requires these to be compliant with the Council's Safeguarding children and vulnerable adults' policies. These policies will be shared with the appointed workspace providers.

#### 4.2 Human Rights breaches

4.2.1 The delivery of the PSGULAW initiative will not pose any breaches of the Human Rights Act 1988. The contract agreement that will be signed with the appointed organisations requires these to comply with the act.

If potential safeguarding and human rights risks are identified, then **please contact equalities@islington.gov.uk to discuss further**:

# 5. Action

- 5.1 The implementation of the PSGULAW initiative will be reviewed internally on a monthly basis and through the Affordable Workspace Strategy Board. To ensure that the delivery of the council's affordable workspace offer continues to result in no negative impacts for existing workspaces, local business owners and entrepreneurs and other residents.
- 5.2 The RIA will be updated as action plans evolve with in line with any changes in strategy through implementation of the new Local Plan policies in relation to affordable workspace, expected for 2020.

Action	Responsible person or team	Deadline
The council will mitigate any potential negative impact on local organisations that are already running a workspace by organising a series of regular market warming events to share forthcoming opportunities to manage affordable workspace. This activity will not also inform them of new opportunities but will also help fostering new relationships with local businesses and will help for any potential alignment on shared objectives for the benefit of the community.	Inclusive Economy	December 2019
There will also be various forms of publicity and marketing about the new affordable workspaces that will be shared across various regional, subregional and local channels (newspapers, websites, other local authorities and think-tank organisations and employment cluster groups).		
Existing workspace providers will be given the opportunity through this new procurement strategy to apply for any of the available opportunities.		
The Council will also monitor closely the inclusion and positive impacts of residents with all of the nine protected characteristics in the activities and operation of the affordable workspaces. This will be part of the contract management mechanism that will be established with the organisations managing the workspaces.	Inclusive Economy	Ongoing

Please send the completed RIA to equalites@islington.gov.uk and also make it publicly available online along with the relevant policy or service change.

This Resident Impact Assessment has been completed in accordance with the guidance and using appropriate evidence.

Staff member completing this form:		Head of Service or higher:	
			Karen Surrivan.
Signed:		Signed:	
Date:	Click here to enter a date.	Date:	23/01/2019