



ISLINGTON

**Annual Report of the
Executive Member for Economic Development**

Councillor Asima Shaikh
Environment & Regeneration Scrutiny Committee
17 October 2017

Outline



- Islington Council's approach to economic development – **Inclusive Economic Growth**
- Emerging **Economic Development Strategy** - Vision and Objectives
- Restructuring to meet our objectives: creation of the **Economic Development Team**
- **Progress** towards meeting our objectives
- Future challenges and opportunities



Context

- Islington is one of the most economically successful and dynamic parts of London, but many residents and small businesses are being left behind.
- The Council wants to encourage and support strong growth in Islington's economy.
- However, economic growth should not be at the expense of those who are currently unable to benefit from its success. It should not result in the displacement of local people and businesses or the disruption of local communities.
- The Council believes that economic growth should be genuinely sustainable and provide social benefits for all local people and businesses as well as financial prosperity.
- Building on the work of the **Fairness Commission** and **Employment Commission**, the council is committed to the principle of delivering 'inclusive growth' or 'good growth' through its emerging **economic development strategy**.



Inclusive Growth – OECD Definition

*“Inclusive growth is economic growth that creates opportunity for all segments of the population and distributes the dividends of increased prosperity, **both in monetary and non-monetary terms**, fairly across society.*

*In many countries, people have not seen their incomes rise for years. The gap between rich and poor has widened, with those at the top capturing the ‘lion’s share’ of growth. **Rising inequality in earnings and in wealth is a major concern, but money is just one aspect of people’s well-being.** In just about every area, whether it be education, life expectancy, or employment prospects, success is determined by socio-economic status, wealth and assets, sex, age or the places where people live.”*



The Council's draft Vision for Inclusive Growth

“Islington as an economy that works for everybody, where sustainable, inclusive growth is harnessed to reduce unemployment, poverty, and inequality of opportunity.”

The council's **emerging Economic Development Strategy** will set out how the council's vision for inclusive economic growth will be achieved.



Organisational Restructure

- Town Centre Management Team restructured to form a **new Economic Development Team**
- Team's work programme increasingly aligned to achieving the Council's vision of inclusive economic growth
- This includes:
 - leading on the development and delivery of an overarching **Economic Development Strategy** for Islington
 - developing and delivering the council's **affordable workspace strategy**
 - providing support for micro, small and medium-sized businesses
 - working more closely with business clusters and sectors across the borough



Draft Economic Development Strategy

Key Objectives

Six draft objectives are proposed in the emerging Economic Development Strategy

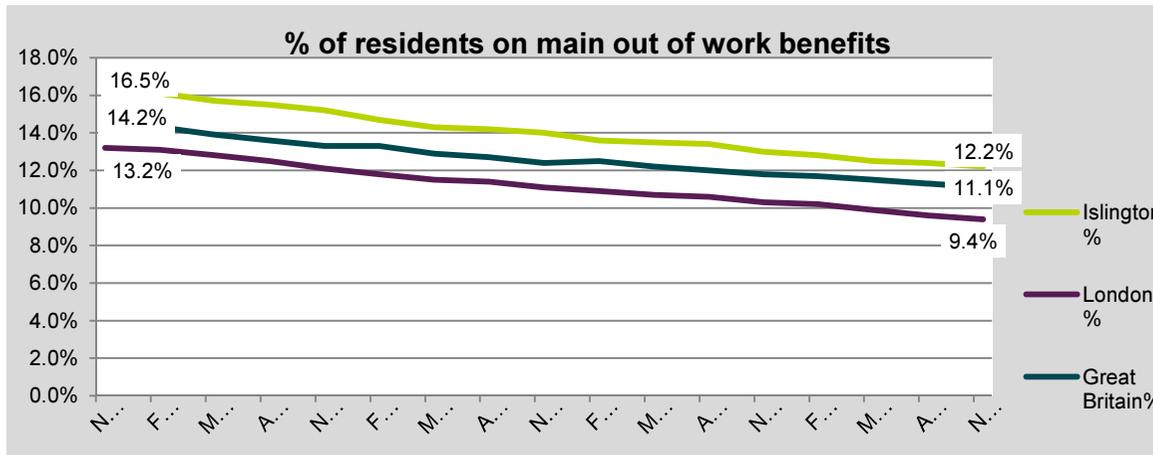
1. Ensure that Islington residents share in economic growth particularly through **employment** opportunities.
 2. Improve the **learning and skills** of Islington residents to enable them to take full advantage of available employment opportunities.
 3. Protect existing **employment space**, intensify employment uses in growth areas, and increase the provision of employment space including **affordable workspace**.
 4. Maximise opportunities for the growth of **Micro and Small Sized Businesses**.
 5. Support **local town centres** and **enable an evening economy that works for everyone**.
 6. To make a positive difference to the local economy through the **role of the Council as an economic agent**.
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Objective One

Ensure that Islington residents share in economic growth particularly through employment opportunities.



Out of work benefits

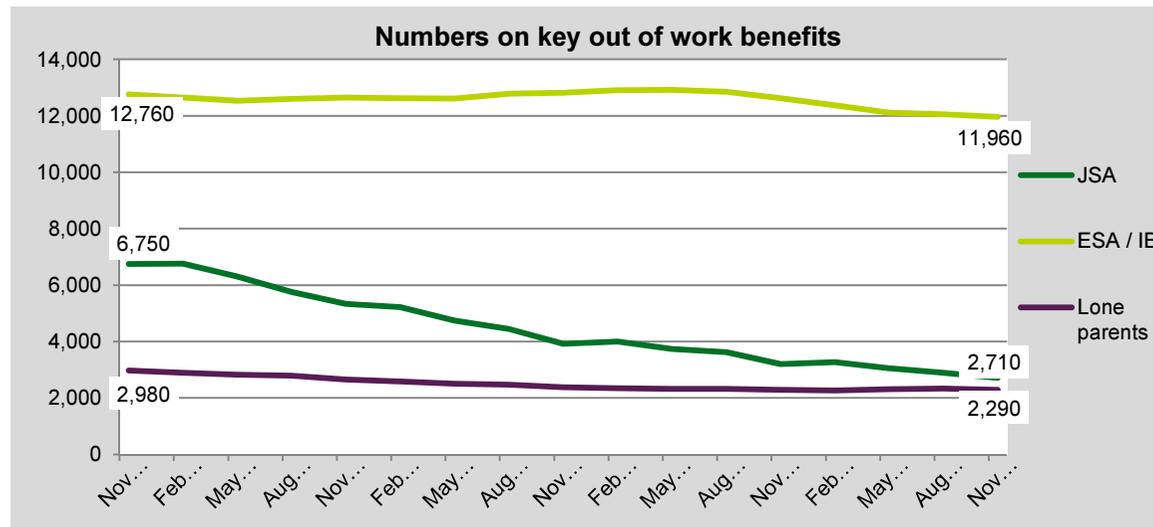


Total numbers on out of work benefits are reducing, but remain high

20,890 (12.2%) of Islington working age residents (aged 16-64) are claiming Out of Work benefits

17,370 (10.1%) are on key out of work benefits

Key out of work benefits



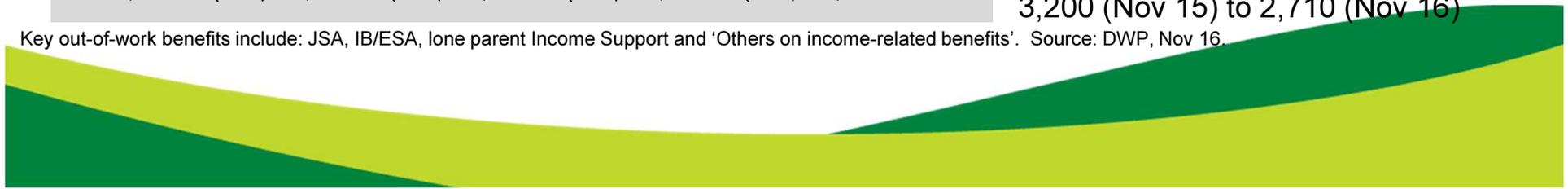
Almost 70% of those residents claiming key out of work benefits are on sickness benefits

Numbers on ESA have fallen by 800 against a target reduction of 450

However 7% of working age residents in Islington are still on sickness benefits, compared to 4.8% across London and 6% nationally

Numbers on JSA have fallen from 3,200 (Nov 15) to 2,710 (Nov 16)

Key out-of-work benefits include: JSA, IB/ESA, lone parent Income Support and 'Others on income-related benefits'. Source: DWP, Nov 16.



Employment support:



Key Strands of Council Activity

- **Employment support:** direct delivery of employment support to key groups of residents and work with partners across the borough to agree a shared understanding of good practise
- **Employer engagement:** working with local employers, and key job brokerage agencies to identify good jobs and apprenticeships and employability support to schools and residents
- **Supporting the next generation:** working with young people in schools/ post 16 to give them industry insights, employability training and a better understanding of apprenticeship pathways



Creating change for the people who need it: ISLINGTON

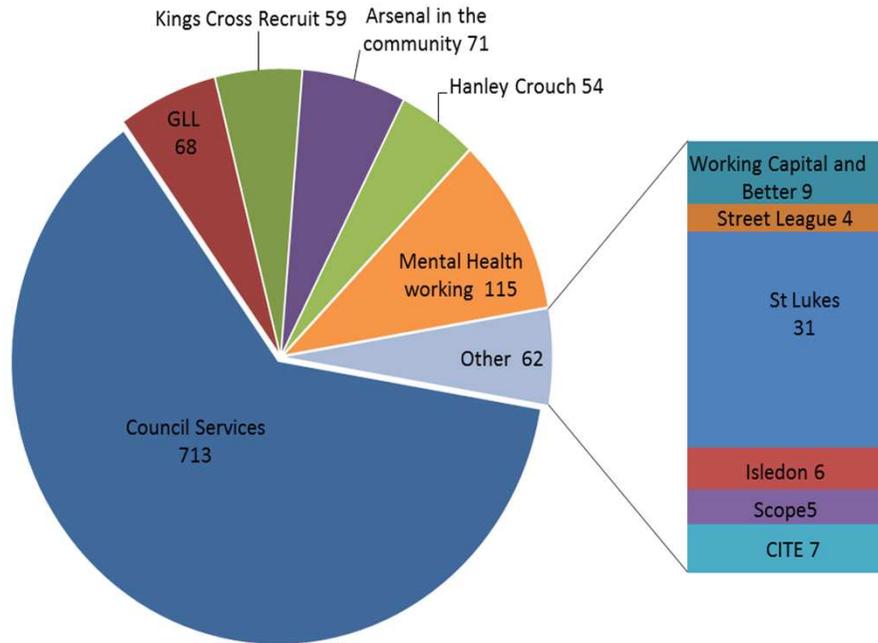
Direct Employment Support

- In response to the recommendations of the Islington Employment Commission, the Council has invested in high quality direct delivery of employment support, targeting those residents most in need of bespoke services.
- The iWork Employment support team is co-located with the Customer Service centre and the Income Maximisation team, and in close proximity to the Islington CAB at 222 Upper Street.
- It offers a coaching and mentoring service to residents who are either, long term unemployed , have multiple and complex needs, or are in receipt of in work benefits.

Building Local Partnerships

- The Council has taken its place as lead stakeholder in the local offer of employment support.
 - The Employment Practitioner Network: 4+ meetings per year, 60+ local organisations, Islington Employment Practitioner Charter regarding quality support.
 - The Wellbeing and Work partnership: Council DWP and Health partners, Focus on employment as a health outcome.
 - The Employment Clusters: established in Finsbury Park , Archway and EC1, commencing in Caledonian Ward.
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Employment Support: Paid job outcomes



1,142 residents supported into work (April 2016 to March 2017)

Our Employment support offer is now more coordinated building on the recommendations of the Employment Commission.

Residents are referred to the most suitable service, thus avoiding duplication.



Residents supported into work: targets and outcomes for 2016-17

Measure	Target 16-17	Actual 16-17	15/16	Comments
Support Islington residents facing additional barriers into employment	1,100	1,142	1,153	Year on year improvements in supporting residents into work. iWork accounts for about one third of the overall results but other resident facing services are embedding employment support into their role in line with the Employment Commission recommendations. The remaining results are gathered through monitoring of commissioned services, returns relating to school leavers, and reporting from council contractors and suppliers.
<i>Of which:</i> <ul style="list-style-type: none"> Parents (children aged 0-15) 	385	267	385	
<ul style="list-style-type: none"> Disabled or with long term health conditions 	200	203	192	The increase in the number of disabled people into work is largely due to client level data now being available from a commissioned council project 'Mental Health Working'. The project provides specialist employment support to people with mental health conditions living in Islington.
<ul style="list-style-type: none"> Young people (aged 18-25) 	300	341	342	The iWork services continue to work with employers to broker more apprenticeship opportunities.
200 council apprenticeships over 4 years (2014-2018)	50	42	44	Numbers taking up council apprenticeships were below target, with 42 placements in the year, but this was partly because of the new alignment with the school year. Numbers should peak in the autumn and spring.
Number of Islington residents supported into an Apprenticeship	100	122	104	Numbers of Islington residents supported into apprenticeships was 122 against a target of 100.

Employers creating change: Employer Engagement



Create a more flexible and diverse workforce	Develop your staff by getting involved locally	Recruit and retain staff by paying a living wage	Inspire the next generation	Develop the workforce of the future
Recruit better locally through flexible recruitment and job carving	CSR and volunteering opportunities including coaching and mentoring of those looking for work	London Living Wage	Provide mentoring and work inspiration for young people	Take on an apprentice or develop entry level roles for young people
165 employers involved 31 disabled residents employed in adjusted roles	25 Get Set For Work placements in Islington council – unemployed residents mentored through work placements. 6 businesses engaged with ACL learners	117 Islington Employers have accredited as London Living wage employer	110 Employers engaged with Islington Schools through youth employment team 9 business mentoring activities through the BIG alliance impacting on 7 schools , three 6th form colleges, 153 mentors and 228 students	20 Saturday Jobs Traineeship programme run for repairs team 122 residents supported into apprenticeships



A Sectoral Approach

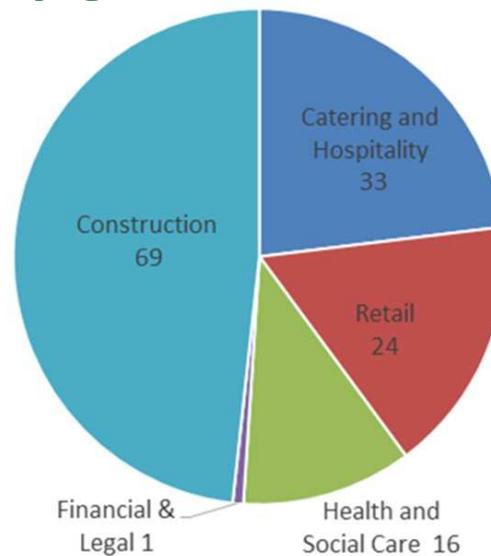
- Focused on growth sectors identified by the Islington Employment Commission
 - Construction sector
 - Hospitality
 - Retail
 - Health and Social Care
 - Finance and Legal
 - Facilities
 - IT and Digital



- Relaunch of Islington Business Board with sectoral representation
- Increased Council involvement with local business CSR forums including Urban Partners, Knowledge Quarter and Health and Social Care

LSE brokered jobs by key growth sectors

The Learning Skills and Employment Service brokered jobs/opportunities across a range of sectors.



The chart shows the number brokered in the key growth sectors as identified by the Islington Employment Commission.



Creating change for the next generation



- **Apprenticeships:** supported the brokerage and recruitment of 122 Islington residents into apprenticeships
- **Employability support:** traineeships- a successful programme was run in partnership with the repairs team resulting in 5 young people being recruited into roles in the council and with external employers
- **Saturday Jobs:** 20 Saturday jobs were brokered for school aged young people
- **Unemployed Young Adults:** 3 Aspire events in partnership with Arsenal in the Community, HASS community engagement team, and Progress Team. 54 employers engaged with 179 young people , and 34 young people entered into employment as a result
- **Youth Engagement pilot:** using young people to promote employment support and other opportunities to their peers, resulting in 15 young people aged 16-24 into paid work and 9 into learning



Creating a strong link between schools and businesses



Work in Schools

- Over 120 employers engaged with over 6735 pupil places filled over the academic year (Sept 16-July 17), delivering employability days, taster sessions, careers fairs, visits and talks.
- Key sectors engaged including construction, health & social care, hospitality, tech, professional & financial services.
- Apprenticeship promotion across all ten mainstream secondary schools, the PRU and Alternative Provision.
- Successfully supported a bid for ESF Careers Cluster to be delivered in the borough in partnership with City and Islington College . 18 local employers and higher education institutions committed to working with 9 local schools and the FE college.
- Activities include curriculum enrichment, employability skills, inspirational talks and teacher CPD around the labour market and apprenticeships.



Objective Two

Improve the learning and skills of Islington residents to enable them to take full advantage of available employment opportunities.



Skills

Adult and Community Learning

- Skills from Entry Level to Level 2 delivered by the Council's **Adult & Community Learning** service, engaging those furthest from the labour market including those with long-term health conditions and complex support needs
- Focus is on building skills for employment to get people into work – links to City & Islington College for ongoing progression
- External funding received from Education & Skills Funding Agency (ESFA) = £1.1 million

Other Skills Activity

- Islington Libraries continued to expand their offer in terms of Digital Inclusion, informal learning, homework clubs and study support.
- Strategic role in influencing wider provision – in Islington and London
- Central London Forward officer group developing a pan borough programme to meet skills gaps in the construction industry
- Joint work with Health and Social Care Partners on new pathways into the Health Sector, promoting apprenticeships, work experience and tasters



Adult Skills



Outcomes for 2016-17 academic year include:

- 2,023 residents enrolled onto ACL courses
- Over 500 courses and employment support packages delivered in more than 50 community venues
- The 2016-2017 retention and pass rates for qualifications are high and above national benchmark but the final data will not be available until end of September 2016 (due to outstanding exam results)
- We are currently running a progression survey on 2016-2017 learners to identify who progressed into employment, training or education. The survey report will be available by the end of September 2017
- *“I know how to prepare myself for my job interview, how to answer the questions, how to sell myself to the company and I feel more confident about an interview.” – resident feedback*



Libraries and Heritage

- A Reading Road Map was launched in every local primary school
- Summer Reading Challenge completed by 975 young readers (+10%)
- Reading Ahead Challenge completed by 129 readers (+300%)
- 120,671 residents accessed free computer use, IT short courses and 121 support
- Over 1 million visits to Islington Libraries ,an increase of 5%
- Arts Council award of 100k to heritage led initiative with residents to combat social isolation



Objective Three

**Protect existing employment space,
intensify employment uses in growth areas
and increase the provision of employment
space including affordable workspace.**



Local Plan

- Encouraging growth through planning (Local Plan)
- Protect existing commercial uses:
 - Offices protected across borough, particularly in Central Activities Zone (CAZ) and other designated areas
 - Strong protection of industrial use in Vale Royal/Brewery Road area
 - Retail uses - particularly shops - protected in Town Centres (Angel / Nag's Head (Major Town Centres) and Archway / Finsbury Park (District Town Centres)
- Promote new commercial uses
 - Promote new office floorspace in the CAZ and other designated areas
 - Secure proportion of new space in certain areas as affordable workspace
 - Encourage intensification of industrial uses in Vale Royal/Brewery Road area
 - New retail floorspace directed to Town Centres and Local Shopping Areas
 - Specific sites allocated for new commercial uses, particularly offices



Affordable workspace

- Micro and small businesses make up 90% of Islington's firms, providing employment and a productive, diverse and vibrant local economy
- Many are being priced out of the local market, with a significant impact on the economy, i.e. only being affordable for large corporations
- Affordable workspace can provide a mechanism to strengthen emerging growth sectors and advance the council's skills agenda. Enhanced skills provision is fundamental to boosting residents' eligibility to contribute to the local economy
- Affordable workspace secured on site through the Local Plan since 2013; as part of new development, with offsite contributions only in instances where onsite isn't viable
- Developing a strategy for alternative models of managing affordable workspace – but all focussed around delivering social value
- Good Growth Fund bid EoI submitted to deliver four new affordable workspaces in Finsbury Park,



Affordable workspace – current position

Stage of development	m2	Terms
Affordable workspace in use	400	1 year peppercorn, then incremental increase for 5 years
Heads of terms signed	1,000	In perpetuity
	349	20 years at 50% market
	300	15 years peppercorn
	1,262	10 years peppercorn
Heads of terms under negotiation	668	20 years peppercorn
Awaiting planning permission	1,445	10 year peppercorn

Off site contributions	£
Secured	285,000
Pending	488,000
In negotiation	250,000

Objective Four

**Maximise opportunities for the growth of
Micro and Small Sized Businesses.**



Micro & Small Businesses

- Developing Council's work in supporting micro and small businesses:
 - Securing affordable workspace for micro and small businesses
 - Delivering a programme of business support workshops (e.g. support with business rates, licensing, trading standards) working with other teams across the Council
 - Continued support for and working with Town Centre businesses
 - Developing Islington markets, including through a markets strategy and running campaigns (e.g. Love Your Market; Market Trader of the Year)
 - Emerging sectoral approach to support key sectors in specific parts of the borough:
 - Tech City (Old Street)
 - Bioscience and medtech (Kings Cross to City Road)
 - Design, craftspeople and makers (Clerkenwell)
 - Workshops (Vale Royal/Brewery Road)
 - Fashion and garment trade (Fonthill Road/Finsbury Park)
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Business Rates Reform

- Lobbied Central Government and the DCLG for changes to the business rates system through a campaign, including:
 - Media campaign
 - 15,000 signed petition
 - Close working with the Chamber of Commerce and Angel Bid
- Intensive Council support during revaluation process: advice and workshops to local businesses on the business rate regime and associated changes
- Organised meetings with the Valuation Office Agency and local traders on the business rates revaluation process
- Assisted traders to achieve business rates reductions in Wells Terrace, Finsbury Park



Objective Five

Support local town centres and enable an evening economy that works for everyone.



Town Centres – overview

- Continued support to our town centres and businesses
- Four Town Centres in Islington:
 - Angel
 - Archway
 - Finsbury Park
 - Nag’s Head
- Economic Development Officers provide support to town centres by:
 - bringing together businesses to identify their needs
 - improving the town centres by working closely with traders associations
 - by supporting town centre management groups



Town Centres – achievements last year

- Angel:
 - Support for businesses at Camden Passage during Thames Water flooding
 - Support for the re - election of the Angel BID
- Archway:
 - Launched Archway Loyalty Card (approx. 2,000 active users)
 - Completion of conservation-led shop front programme
- Finsbury Park:
 - Delivery of shop fronts programme
 - Generated support for and set up Town Centre Management Group
- Nag's Head:
 - Successful delivery of events



Town Centres – achievements

- Further achievements:
 - Promoted the town centres as destinations for shopping, leisure and employment through individual websites and social media
 - Contributed to environmental and street scene enhancements including the Archway gyratory removal, Archway's Zero Emission Network and Cleaner, Greener, Safer Campaigns
 - Developed a Visual Merchandising Workbook for businesses
 - Fundraised for and commissioned Christmas lights and held festive events
 - Licensing work to support music venues and the night time economy



Town Centres – going forward

Angel

- Continued support for policing
- Pursuing improvements to Chapel Market

Archway

- Two-year programme of events on the new public space
- Support the transfer of Archway Market to the new public space

Finsbury Park

- Increasing affordable workspace provision, including through the Good Growth Fund
 - Actively supporting Fashion Garment Retail and Tech Sector in Fonthill Road
 - Establishing new traders associations (including for Seven Sisters Road)
 - Supporting interested traders on Fonthill Road with Sunday trading
 - Improvements to public realm including the bridges
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Town Centres – going forward

- **Nag's Head:**
 - Support the improvement of the Nag's Head market
 - Improve Seven Sisters Road
- **General:**
 - Bespoke business workshops and training in each town centre
 - Business support information guides provided to all town centre businesses
 - Production of Economic Development calendar for businesses (including workshops, town centre events, FSB and Chamber of Commerce events)



Objective Six

To make a positive difference to the local economy through the role of the Council as an economic agent



Council leading by example

- Islington has achieved the highest number of Living Wage Employers in London
- Islington is the London Council's highest direct recruiter of apprentices to its own workforce
- New Social Value officer role and new corporate indicators agreed for supply chain employment



Future Challenges and Opportunities



Employment and Skills Devolution

- The new Work and Health programme will collocate with iWork ; - council will have greater control over shaping and evaluation of this programme
- ACL in London is likely to be significantly reshaped. The Council needs to identify and campaign for its preferred model of delivery
- In Work Poverty is a growing issue which needs to be addressed as part of the local delivery

Affordable Workspace

- Bid to Mayor of London's "Good Growth Fund" to expand affordable workspace within the borough.
- Planning Policy review during Autumn 2017 as part of the review of the Local Plan.
- Council developing a new model of affordable workspace which promotes local employability

Business rates

- The Council will continue to lobby the Government for a fairer business rate regime and to mitigate the impact on local businesses.



Questions and Comments

