

London Borough of Hackney  
Skills Economy & Growth Scrutiny  
Commission Municipal Year: 2020/21  
Date of Meeting: Monday 21<sup>st</sup> June 2021

Minutes of the proceedings of  
the Skills Economy and growth  
Scrutiny Commission held  
from Hackney Town Hall, Mare  
Street, London E8 1EA

---

<b>Chair</b>	<b>Cllr Polly Billington</b>
<b>Councillors in Attendance</b>	<b>Cllr Steve Race, Cllr Sam Pallis, Cllr Gilbert Smyth, Cllr Carole Williams (Cabinet Member for Employment, Skills and Human Resources)</b>
<b>Officers in Attendance</b>	<b>Andrew Munk (Head of Employment, Skills &amp; Adult Learning)</b>
<b>Other People in Attendance</b>	<b>None</b>

**Members of the Public** 87 views  
**YouTube link** **The meeting can be viewed at**  
<https://www.youtube.com/watch?v=uEuO0c1PgY0>  
**Officer Contact:** **Timothy Upton**  
 020 8356 1872  
 [timothy.upton@hackney.gov.uk](mailto:timothy.upton@hackney.gov.uk)

---

## Councillor Polly Billington in the Chair

- 1 **Apologies for Absence**
  - 1.1 Cllr Richard Lufkin sent apologies.

## **2 Urgent Items / Order of Business**

- 2.1 There was an urgent item; following the departure of Cllr Mete Coban, election to chair and vice chair was required.
- 2.2 Cllr Race nominated Cllr Billington for the position of Chair. It was seconded by Cllr Pallis and was therefore accepted.

## **3 Declarations of Interest**

- 3.1 There were no declarations of interest.

## **4 Adult Learning & Skills Offer Question Time**

- 4.1 The chair welcomed Cllr Carole Williams & Andrew Munk (Head of Employment, Skills & Adult Learning) to the meeting and advised that this item would be broken down into parts: What the council knows and understands to be problems around skills, what the council is doing in response to the emerging issues in the economy & equalities impacts, and what the external drivers for the issues are.
- 4.2 Chair asked Cllr Williams for an overview of the current landscape around skills.
- 4.3 Cllr Williams advised there has been a focus on employment and skills since 2018, noting that significant changes have been made since then. It was advised that prior to this date, a lot of the efforts made in this area were undertaken by the regeneration team, and Cllr Williams' team have rebranded and continued their efforts.
- 4.4 Cllr Williams advised that the Hackney Works team has grown since that time, introducing several schemes such as the apprenticeship scheme, the Hackney 100 scheme, and the team has worked around central government's Kickstart scheme to give it a Hackney-focus. Cllr Williams advised that these programs have not been delivered in isolation but with other teams and public sector entities.
- 4.5 It was advised the skills and employment landscape has inevitably changed since the outset of the pandemic. It was noted since March 2020, the number of claimants has increased, specifically in London by 4.8%. It was noted that unemployment is disproportionately affecting young black men in London with unemployment rates of around 33% compared to 15% of white men.
- 4.6 It was noted that the skills funding landscape is complex to the point where it can be a hindrance to delivering skills and employment outcomes that the council would like to affect. It was noted that work around rebuilding the economy in an inclusive manner is going to be crucial in coming months and years.
- 4.7 Cllr Williams advised that in 2016 a conversation began about how to integrate adult learning at the Hackney Learning Trust and the council's work. Cllr Williams advised that this work was expediated by the pandemic. Adult learning services like computer skills, and maths & English, had to be moved online during the pandemic, but that late last year the services were successfully integrated. This progress will allow a similar approach as the one taken with employment and skills; a pathway (to learning and employment) will be created for low-skilled workers as well as high-skilled workers, older workers as well as younger, and those who might be graduating.

- 4.8 It was advised that £113,000 pounds has been secured from the Greater London Authority to enhance work with adult learners. That enables the team to work with those who were previously digitally excluded by providing 200 laptops, Chromebooks, and electronic devices to enhance their learning.
- 4.9 In terms of the funding landscape, there are complex challenges and is lacking some of the integration that might be desired. There are varied funding sources, and even prior to the pandemic, the further education sector was stretched having borne the brunt of funding cuts. A robust further education and skills offer is needed to develop skills that learners need for career opportunities in an increasingly competitive modern labor market. Cllr Williams advised the offer would have to be modern, fit for purpose, and able to adapt to the future.
- 4.10 Cllr Williams advised the skills white paper promised reforms to simplify funding for removing unnecessary rules and ringfencing, but there are few proposals to deliver the skills sector that is required. The department for education makes a case in the white paper for longer term funding settlements with providers judging on outcomes, but in reality, the sector won't see this until the next round of spending review. The paper itself contains no additional funding to what was announced last November.
- 4.11 It was advised that Hackney responded to funding requirements with a combination of section 106, funding from GLA (Greater London Authority), and the overall budget that Hackney has is £2.25m.
- 4.12 Cllr Williams advised that Hackney has demonstrated it can provide a comprehensive and quality approach to the employment offer, but the borough has to be able to do that for Adult Education and Skills also. There will need to be conversation about how to work in partnership with further education and higher education organisations to improve the council's reach. The pandemic presents this opportunity. Meetings with higher education institutions have begun, as have initial conversations with officers about how to formalise and embed these partnerships to improve future options for Skills and Employment, noting that a robust framework would need to be in place for this to be successful in the next administration.
- 4.13 The chair thanked Cllr Williams and opened the item to questions.
- 4.14 Cllr Race asked about need and modelling, and around how the council understands what level of services is necessary now and in the future. The question was whether there is data available around whether current demand matches need.
- 4.15 Andrew Munk advised the Adult Education and Skills & Employment Services were integrated in September and soon after that the council worked to develop an evidence base to underpin decision making around adult learning. It was advised that the need in terms of qualification levels in the borough was looked at.
- 4.16 The borough still has 19% of working age residents who have Level 1 qualifications or lower, or just under 40,000 residents. Adult learning funding from Greater London Authority stipulates it can only be used for level 2 and below, which means huge need remains for residents to have basic functional skills like maths and English.
- 4.17 Evidence around the need for education at this level include waiting lists for

courses including ESOL (English for Speakers of Other Languages), functional skills, and vocational skills.

- 4.18 Andrew advised that demand for reskilling and vocational skills is increasing, and not just due to pandemic and furloughing. Sectors like hospitality and retail were cited as examples of sectors with employees seeking reskilling. Demand is increasing also in more resilient sectors.
- 4.19 Cllr Race asked for further detail about how the council models for future demand, agreeing that as pandemic restrictions & emergency funding are eased, more businesses will likely collapse, leading to a more competitive jobs market and a need for reskilling.
- 4.20 Head of Employment, Skills & Adult Learning advised that before responding, context is required. It was advised that adult learning funding was recently devolved to GLA. The funding rules were focused on numbers of learners rather than outcomes, which the GLA is now focused on, which aligns with Hackney's objectives. It allows Hackney to focus on demand rather than just numbers of learners. Upskilling, functional skills, and adult learning as a way of addressing social isolation were cited as three main areas of focus that affect the borough's planning around demand.
- 4.21 Head of Employment, Skills & Adult Learning advised the borough is developing a systems approach to funding where different organisations and partners in the borough work together in terms of adult learning approach. An example was given of making sure courses aren't duplicated unnecessarily, but instead compliment one another.
- 4.22 Cllr Race asked whether the council's future systems approach have targets and how they will be measured.
- 4.23 Head of Employment, Skills & Adult Learning advised an outcome framework is in production which work in conjunction with the 3 areas of focus outlined earlier in the meeting. In each area, desired outcomes will be set, and each area will have different metrics. An example was given around upskilling and a metric around numbers moving into Hackney works. Andrew advised that generally the council is trying to steer away from metrics only concerned with numbers of learners, adding that such methods can lead to perverse incentives, giving the example of the difference in cost between level 2 and unaccredited courses.
- 4.24 The chair posed a follow up question asking whether real-time data has been used to model demand thus far, and what kind of sectoral approach the council might make in the circumstances of an uptick in unemployment following pandemic.
- 4.25 Head of Employment, Skills & Adult Learning advised that one of the benefits of adult learning sitting alongside Hackney works is that certain real-time analysis is available. An example was given of residents signing up for Hackney Works doing so via a digital service – the digital service allowed the council to directly ask participants which sectors they are interested in. It was advised that the information has fed into planning for the next year's curriculum. It also allows the council to have conversations with employers around agreements by which someone can go on a course and have a subsequent pathway into work with them.
- 4.26 The chair made an observation that using real-time data to determine what kind of work residents would like to do is distinct from modelling out sectoral demands for skills, adding that it would be useful to understand the numbers of unemployed, as

well as the skills gap and reskilling need.

- 4.27 Cllr Williams agreed, observing that the real-time data being used is primarily concerned with participants in Hackney works, and fails to depict a full spectrum of what is happening in the borough and across London, giving the example of those excluded from the labor market, particularly because of the impact the pandemic will have had on the labor market. It was advised that last year there was a disproportionate impact on minoritised communities and that will continue to be the case as the impact of pandemic becomes clearer. Cllr Williams added that women have been severely affected by unemployment, as have young black men, and a robust model with this information is required to make sure there are adequate preparations within the service. Without a robust model and a sectoral understanding, the council could continue to target and provide opportunities in disproportionately hit sectors.
- 4.28 The chair observed that this point should be the basis of a recommendation from the commission.
- 4.29 Cllr Smyth advised that he is shocked by the stated number of 40,000 residents with lower functional skills, adding that it should be a high priority area. Cllr Smyth advised that Hammersmith and Fulham have 500 part-time courses available, and they work with community groups – Cllr Smyth posed the question as to whether the council is working with community groups also, and how many courses are presently available.
- 4.30 The chair requested that this question be answered in the next section of the item.
- 4.31 The chair asked about where unemployment numbers are heading as furlough is withdrawn.
- 4.32 Cllr Williams advised that the GLA has highlighted hospitality as well as arts & entertainment will be hardest hit, and both sectors will see employment opportunities reduced by a further 10% this year.
- 4.33 Cllr Race asked whether the invited guests agree with GLA's assessment on the future of those sectors, noting that those sectors may bounce back quite quickly due to their nature.
- 4.34 Cllr Williams advised that the question is about precarity and what that means long term for the sector. The GLA has projected a return to pre-pandemic levels by 2023 for those sectors, but the quality of employment is still unclear, needs further work, particularly when it comes to reducing inequality in that area.
- 4.35 Cllr Race asked whether the ongoing Brexit situation has been factors into these projections, citing the exodus of Eastern European workers as an example.
- 4.36 Cllr Williams advised that the GLA has advised Brexit has been factored into their projections but noted that her expertise are not on the statistical analysis side, so it is a difficult question to fully answer at this point.
- 4.37 Head of Employment, Skills & Adult Learning added that colleagues in DWP are predicting a major rise in unemployment as well once furlough draws to a close, that will be across the board, and that will include people who are low-skilled and haven't been unemployed before. It was noted that people in this position will be worst affected by an increasingly competitive jobs market.

- 4.38 The chair observed that something robust around this needs to be in place in the borough adding that so far (in the meeting) retail hasn't been mentioned, but will be a severely affected sector.
- 4.39 Chair asked what proportion of the money for the Hackney employment and skills offer comes from central government and how much of that money is ringfenced to cover the adult skills offer specifically.
- 4.40 Head of Employment, Skills & Adult Learning advised that the budget is passed from the Skills Funding Agency to GLA who then pass it onto Hackney. It was £2.2m this year, will be £2.3m next year. Within that, there are two funding sources. £1.6m of that can be used very flexibly, and the other £0.6m must be used for accredited courses. It was noted that the £1.6m can be used for accredited courses also. It was advised it has traditionally been used for community learning, but it is generally worth noting that the GLA are being cautious in moving to an outcomes-based system, but that does not prevent Hackney from moving to such a system.
- 4.41 Cllr Smyth asked what executive and fiscal decisions can be made to support unemployed adults in the borough, and, what can the council do to encourage employers to improve the training of their staff noting that this area has been lacking.
- 4.42 Head of Employment, Skills & Adult Learning advised that in terms of section 106, the policy is shaped by Hackney and the Planning Authority. Over the past two years, Employment and Skills has worked closely with planning to shape the focus. There has been a focus in recent years on local labor, apprenticeships, partnership working with Hackney Works, and a focus on equalities groups. Head of Employment, Skills & Adult Learning advised that this means that the funding that goes to section 106 has those conditions around its use attached to it. It was advised that adult education funding conditions sit with the GLA, but the council works to influence their framework, and the set of objectives within their framework are very reflective of the borough's inclusive economy aspirations.
- 4.43 Cllr Smyth asked what areas are a priority in terms of the 40,000 without qualifications, or level 1.
- 4.44 Head of Employment, Skills & Adult Learning advised that London's economy requires a basic level of skills, level 2 as a minimum. Head of Employment, Skills & Adult Learning advised that maths and English are important but noted that for those with a poor experience of the education system, or those who learned in another country, community learning and non-accredited courses can act as a useful bridge into more formal education, especially in areas of deprivation where there is less confidence in seeking out education.
- 4.45 Cllr Smyth asked how the 'bridge' idea is working at the moment.
- 4.46 Head of Employment, Skills & Adult Learning advised this bridge has been a strong focus of community learning & adult learning, but noted a drawback in how long it can take to enter the labor market from that point. It was advised that the council should be better at tracking the situation during those interludes in education and making sure there are no gaps.
- 4.47 The chair observed that inequalities embedded and entrenched by levels of unemployment meant that simply keeping people's incomes sufficient to make ends meet will form a significant part of the challenge for the council.

- 4.48 Cllr Pallis asked what the council is doing to capture and engage those coming out of school with level 1 or below qualifications and transition into further adult education.
- 4.49 Head of Employment, Skills & Adult Learning advised that since the summer, the mayor and Cllr Williams have been keen for the council to think about 18–24-year-olds. There has been work with New City College to create something of a youth hub with a strong focus on adult education alongside the Kickstart work and employment support. It was noted that traditionally adult education hasn't had a particular focus on younger adults. Head of Employment, Skills & Adult Learning advised this work has been important in its focus on shorter courses directly linked to employers – the council will be looking to do more of this, but noted that the challenge does lie with people who have had a negative experience with education so far in their lives
- 4.50 Cllr Williams echoed that making the right choices around these programs will be a significant challenge, noting that making these decisions in partnership with colleges and the voluntary sector will be key.
- 4.51 Cllr Pallis asked about how the council is ensuring that funding provisions are administered in a way that does not disproportionately benefit certain groups.
- 4.52 Head of Employment, Skills & Adult Learning advised the model for adult learning is partly delivered in house but significantly delivered by smaller community-based providers to ensure there are rich insights into different parts of the community. Head of Employment, Skills & Adult Learning gave examples of Mind, and Core Arts which have a focus on residents with mental health needs. The Haredi community was also given as an example. This has often been based in children's centers, but its application will be looked at in the next year for improvements; community halls & estates were given as possible locations for further work to take place.
- 4.53 Cllr Pallis asked, in terms of the Haredi community, when that engagement piece started, what it looks like, and what the future of that work is.
- 4.54 Head of Employment, Skills & Adult Learning advised the scheme has been ongoing for years, and engagement with providers has been essential. Head of Employment, Skills & Adult Learning advised starting this process is important so that community groups have ample opportunity to bid for partnership arrangements and to foster a dialogue between the council and these partnership groups. It was advised this process will look to continue this year, even despite Covid, and acknowledged the value of working with these groups.
- 4.55 The chair asked whether Head of Employment, Skills & Adult Learning's team is working with the community groups to understand what the impacts of unemployment on the community may be in order for them to reshape the offer for emerging need.
- 4.56 Cllr Williams advised that this is not happening presently but that more conversations with offers to develop these ideas would be needed.
- 4.57 Cllr Pallis asked whether there are any groups that the council have aspirations to work with (on adult learning), and whether there is ongoing work to map them out.
- 4.58 Head of Employment, Skills & Adult Learning advised there is more work to do to

understand who is accessing services based on different equalities groups.

- 4.59 Cllr Williams advised there have been great strides in this area, in terms of equalities work, citing the apprenticeship program and the recent Black Lives Matter work undertaken at town hall, and noted that looking holistically at more groups when designing this work will be needed.
- 4.60 Cllr Smyth asked whether Hackney Works engaged employers to train and reskill their workers.
- 4.61 Head of Employment, Skills & Adult Learning advised there has been substantial work with employers over the past few years. The aim is to have employment and skills plans set out with major employers in the area, whether that is a contractual arrangement via section 106, or a partnership arrangement, like at Here East work campus. Head of Employment, Skills & Adult Learning advised that there is work with smaller employers to transfer apprenticeship levy where possible to assist employers to train apprentices, take them on, and train existing staff in a way that is aligned with the council's values on the subject. It was noted that a main objective of this partnership work is to direct these opportunities at more disadvantaged residents.
- 4.62 Cllr Smyth asked if tax credits could be used to provide a pocket fund for employees to invest in their future and ensure their security.
- 4.63 Cllr Williams advised that this was an idea that she would need to think about in more detail before answering.
- 4.64 Cllr Williams noted that part of the Inclusive Leadership work the council is doing with employers is at least in part about identifying talent among their existing employees, especially those from minoritised communities, this approach ensures that the council's partners are helping to close the minorities pay-gap.
- 4.65 Cllr Pallis observed the importance of considering how companies which are experiencing increased profits during pandemic could benefit residents toward adult learning, asking further whether the council has any levers over this which are not currently being pulled.
- 4.66 Head of Employment, Skills & Adult Learning advised under the framework of inclusive economy, there has been a robust employment and skills plan put in place that delineates what is being looked for in the labor supply chain. It was advised that a pathway being in place for quality jobs is essential, and training sitting alongside real opportunities is a part of ongoing procurement work.
- 4.67 Chair asked what kind of impact social distancing has had on the practicalities of the skills offer that the council makes, and how it has affected frontline delivery staff of these adult learning courses.
- 4.68 Head of Employment, Skills & Adult Learning advised as many courses as could be moved online were, and from September the requirement was that all in-house and external adult learning courses to be delivered digitally. It was advised it has been challenging on front line education delivery staff, and that there has been training in place to use digital platforms like Zoom and Meets. It was noted that certain curriculum areas are more challenging such as ESOL – delivering digital skills training is difficult if the learner has a poor standard of English. It was advised that close work with ICT to deliver digital skills, and a blended approach of digital and 'analogue' course delivery is being explored for next year.



- 4.69 Cllr Race asked what the level of drop-off was when learning moved online midway through courses.
- 4.70 Head of Employment, Skills & Adult Learning advised he would have to look at the details but acknowledged there was a drop-off. It was added that this was not necessarily due to the move online but could be due to the generally shocking nature of the unexpected pandemic. Head of Employment, Skills & Adult Learning advised that tutors had worked well, and alongside them, an 'information, advice and guidance' team was rolled out who contributed to support and pastoral care for learners. Head of Employment, Skills & Adult Learning cited getting mobile phones to this team to communicate with learners via WhatsApp was a noteworthy success in these efforts.
- 4.71 Cllr Smyth asked what proportion of people in training are retraining and asked how important it is for the council to appreciate that distinction.
- 4.72 Head of Employment, Skills & Adult Learning advised that most courses delivered to date are for a level of qualification they do not already possess. Whether people are retraining in terms of sectors is not presently known, but given the structural changes to the economy, it is likely to increase in the coming years.
- 4.73 Chair observed that the money allocated for 200 electronic devices is unfortunately insignificant against the ~40k residents with level 1 qualifications or lower and asked what kind of resources would be needed to satisfy this gap.
- 4.74 Head of Employment, Skills & Adult Learning advised that it's important to understand the nature of the problems around digital divide noting that 'motivation' (i.e. wanting to get online), is often overlooked for the more obvious issues around access to digital devices. Head of Employment, Skills & Adult Learning advised therefore money is not all that is required. Head of Employment, Skills & Adult Learning advised the council has resources for partnership working giving the example of the IT directorate working with telecoms companies to establish social value agreements to provide things like improved broadband to estates. This is where, again, partnership working is so key to ensure resources are being used well.
- 4.75 The chair asked, in terms of the limited finances available and the government framework, what works well.
- 4.76 Head of Employment, Skills & Adult Learning advised that the GLA package compared to other funding packages, the package is quite flexible in terms of delivering good quality outcomes. It is not particularly prescriptive. It was noted it works less well for level 2 and below. Head of Employment, Skills & Adult Learning noted other funding for higher levels would be useful.
- 4.77 Cllr Williams gave an example of the Kickstart scheme advising the council has to use its own creativity and additional funding to deliver quality programmes that will benefit the sort of young people the borough has who need access to this learning. Cllr Williams advised the parameters of the scheme only require a minimum wage for apprentices, but a decision was made to pay the national living wage. Encouraging employers across the borough to sign up through Hackney to the scheme and pay something towards that national minimum wage was necessarily to make it work for Hackney.
- 4.78 The chair referenced the Future Jobs Fund that was brought in after the 2008

financial crisis and asked how the Kickstart scheme differs from that.

- 4.79 Head of Employment, Skills & Adult Learning advised that the scheme is quite similar, but the minimum wage offer is a notable difference. It was also observed that since the Kickstart scheme is offered through DWP and a strong operational partnership is in place to ensure that Hackney placements go to Hackney residents, whereas the general rule for such schemes is an 8-mile radius which of course would not guarantee this. This was made possible by Hackney's intervention and would not have been possible with the Future Jobs Fund.
- 4.80 The chair advised there will need to be further input at a future time from the guests, particularly about understanding of cost-of-living increases and how they will affect reemployment and skills related offers from the government. It was asked what efforts there have been from central government to understand the risks to the midlife work force who may be losing their jobs with a risk of not working again.
- 4.81 Head of Employment, Skills & Adult Learning advised various groups have called into question whether the Kickstart scheme should be extended to over 25-year-olds, but to date there has been no answer from central government. There are no similar programmes for mid-life residents.
- 4.82 Chair asked the administration to look at the differential impact between generations when considering this employment and skills work to ensure everything is done in line with Hackney's ambition to be an age-friendly borough, and not to squander the resource and talents of mid-life workers.
- 4.83 Cllr Williams advised this would be a good topic to take to the Central London Forward partnership.
- 4.84 Cllr Pallis brought up the government policy of getting rid of the Union Learning Fund which they called a pivotal fund that supports 200k workers a year. Cllr Pallis asked if that will impact on Hackney's adult learning provision and whether there is any coproduction that occurs between the council and unions.
- 4.85 Cllr Williams advised the slashing of the fund is an oversight on the part of central government, particularly when considering the chair's points about midlife workers. Cllr Williams advised that further partnership work with the trade unions will be needed about the future of the fund, and what can be done more broadly for them.
- 4.86 Cllr Smyth asked about the lack of funding for level 3 and above asking if the commission could make a recommendation around better funding to fill the gap, noting that most jobs in London require level 4 education as a minimum.
- 4.87 Chair requested the scrutiny officer note that recommendation.
- 4.88 The chair drew the item to a close, thanking the present guests for their input.
- 4.89 Cllr Williams added that this will be the first start of the academic year where the adult learning has been integrated with the employment and skills team and would welcome the opportunity to return and speak on that further.

<b>ACTION:</b>	<b>Scrutiny officer to note the possibility of having the recommendation taken forward to highlight the gap between level 4 requirements for jobs and a lack of funding for education of that level.</b>
----------------	--

## **5 Skills Economy & Growth Work Programme**

- 5.1 The chair noted that the municipal year is over as far as the commission is concerned, and next year's work programme will be discussed informally offline, and formally at the next meeting in June.
- 5.2 Cllr Race reminded that there is an AGM in March and to be mindful of new members having input to the next municipal year's work programme and suggested holding an informal meeting for that purpose.

<b>ACTION:</b>	<b>Scrutiny officer to arrange informal session for new members of the commission to contribute ideas to the work programme</b>
----------------	---

<b>RESOLVED:</b>	<b>That the Commission's work programmes for 20/21 and 21/22 and the rolling work programme for SEG be noted.</b>
------------------	---

## **6 Minutes of the Previous Meeting**

- 6.1 The minutes were agreed and noted.
- 6.2 It was noted by Cllr Race that the commission was awaiting a written response on several items.
- 6.3 Chair advised this will be picked up in future.
- 6.4 Cllr Smyth asked the scrutiny officer to pursue the formal CIL levy letter that had previously gone to Cllr Nicholson.

<b>RESOLVED:</b>	<b>That the minutes of the meeting held on 10<sup>th</sup> March be agreed as a correct record and that the matters arising be noted.</b>
------------------	---

## **7 Any Other Business**

- 7.1 There was n other business.