



**Middlesex
University
London**

DEVELOPING BARNET'S ECONOMIC STRATEGY

**Final Revised Report to Re
(Regional Enterprise) Ltd**

**Centre for Enterprise and Economic Development Research
(CEEDR)**

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Executive Summary – Priority Actions

Barnet's Economic Strategy should have a dynamic business focus, primarily grounded in developing and growing its vibrant micro business population. Barnet should actively promote the borough as the place for growing, thriving micro businesses rooted within a strategy that ensures that growth benefits residents and creates sustainable places for living and working. The proposed economic strategy builds upon what is present within the local economy to ensure a stronger and sustainable economic base by:

Promoting enterprise and SME growth

1. **Create an independent business support hub CIC** (Community Interest Company) to provide a central point of contact and portal to other services. This business hub would drive business engagement and networking activities and provide business information, advice and guidance. Services would be provided through a *digital platform* 'hub' providing information and signposting, to maximise the use of existing business support services. The virtual hub would be complemented by a *physical presence* through various 'spokes' comprised of incubator units, where wrap around services would include access to advisors, training sessions and educational institutions. Business support policy would focus on key growth sectors (e.g. IT, business services, health, education, the creative industries, the green economy) and business development stages. Given the high rate of failure of young businesses in the early growth phase (1-3 years trading) more intensive support would be targeted towards these micro businesses to establish their viability and deliver a growth pathway.
2. **Provide affordable workspace and incubator units for small businesses** to assist new and young businesses in particular to establish themselves in the borough and embed micro business growth. This will be achieved through the development of a series of business incubator units, making use of available Council assets, and located in accessible town centres and development areas. These would commonly provide easy-in/out, hot-desking office space and meeting and training rooms and IT facilities, but would have different models of operation to reflect local needs and opportunities. Active use of the planning system will also ensure new mixed use developments have a high level of affordable, accessible and flexible workspace.
3. **Deliver long term support for locally based ambitious, growth oriented SMEs** through a partnership led by MU Business School. This will identify the 'vital 6%' of ambitious businesses within the borough and develop a network of research led support that would be specifically designed to meet the needs, and maximise the growth potential, of participating businesses over a 3-4 year development programme.
4. **Promote graduate start-ups and spin offs** This will build on the presence of Middlesex University to support increased entrepreneurship, innovation and start-up activity within the Borough, Activity will particularly focus on building upon a key area of

graduate strength of MU in the creative/design/IT/media sector. This will be pursued through developing a '*creative hatchery*' in partnership with Middlesex University, which would create a physical site for graduate start-up businesses and spin-offs within the A5 corridor.

5. **Support the development of the home/work economy and home-based business**
Actions here would include promoting a network of home based businesses, providing spaces to support their development (e.g. for meetings, where businesses require a customer facing presence and for those ready to move out of the home) and making active use of the planning system to ensure new mixed use developments are amenable to the development of home/work and home based business, including through the provision of home/work units.
6. **Develop a buy-local policy using public procurement to stimulate local SMEs** This would ensure the operation of a procurement system that benefits local small businesses and social enterprises and voluntary and community organisations, as well as local workers and the local community. Actions here would comprise: improved provision of information on procurement opportunities; simplified processes; single point of contact; regular communication with suppliers; online business to business connection service; training to develop capacity of local SMEs and third sector organisations; recognition of social value; and promoting the payment of the London Living Wage.
7. **Improve digital infrastructure** through identifying gaps in provision and the digital needs of different business users (e.g. home based businesses; hi tech businesses). The target would be to achieve 100% super broadband coverage within the next few years and to provide guidance and support to business to develop their digital use to improve performance and productivity, making full use of existing schemes (e.g. the GLA connection voucher scheme) to achieve this.

Focusing economic growth and benefits in particular locations

8. **Promote a new economic basis for town centres** through developing diverse and distinctive town centres and redeveloping redundant office space, This will be achieved through a refashioned retail offer, the promotion of new office/business activity and the provision of other services, including leisure and night time activity where appropriate, to increase employment and footfall. Change will be directed by business led town centre partnerships which will develop a programme of coordinated development (e.g. including retail, offices, other commercial development, public realm, car parking, transport links) appropriate to local needs and wider economic possibilities. Investment and limited public funding will be strongly targeted towards those town centres which, on the basis of recent performance and development potential, are best suited to act as centres of economic growth. Successful town centres will require extensive and reliable public transport links and accessible, effective parking, and will benefit from developing superfast Wi-Fi hubs to support retailers, customers and micro-businesses.
9. **Actively pursue 'place making' development within A5 Corridor** through collaboration between Barnet Council and neighbouring Boroughs to ensure these are attractive locations for residents and business, This will include improving services,

accessibility and stimulating small business start up and retention through the provision of appropriate workspace and home/work space in new mixed used developments. This would be combined with other business support activity, such as the development of a 'creative hatchery', to attract a young and diverse population to live and work in this area.

10. **Attract in a number of major investments to generate employment within the A5 Corridor** in key developments such as Brent Cross and Colindale, These investments might include large private sector businesses (e.g. retailer head quarters, Council services or a MU Campus), and would provide employment and multiplier effects within this development area, and wherever possible, would support the development of emergent clusters of activity.
11. **Advance infrastructural projects to support development areas.** This will include a new Brent Cross train station to expand significantly the scope for business development in this area and ensure the road network has the capacity to cope with increased traffic. Actions to increase East-West transport accessibility, particularly into the new regeneration areas, need to be prioritised. This would include enhanced public transport provision, including exploring the possibilities for re-instating former railway lines and the development of a cycle super highway and associated cycle network to link new development sites to rest of the Borough and to enhance mobility within this area. Technologically, the potential to develop advanced digital capacities in specific development sites to encourage the growth of high tech digital industries, should be explored.
12. **Ensure employment and skills initiatives reach residents living in the areas of greatest disadvantage** To ensure the successful delivery of borough wide employment and skills initiatives to those living in the areas of greatest deprivation will require strong outreach activity focused in these areas. This will include services based close to the communities they serve, and the provision of advisors and ongoing support, alongside the use of physical incubator hubs to provide skills and workforce development information as part of business support provision.

Ensuring local residents and businesses benefit from economic growth

13. **Develop an integrated labour market solution** This integrated business, education, skills and jobs match approach, would be pursued through key programmes of apprenticeships, job brokerage, skills escalator, education for entrepreneurship and sector partnerships, operating across the borough and integrated with the WLA. It would include on-line linkages between the CIC (as a portal for SMEs), larger employers, JCP and local recruitment agencies and training providers, schools, colleges and universities. This would enable just-in time local training and recruitment alongside strategic longer term training and employment planning with regard to key employment growth sectors such as retail, care, health construction and education. This model will require: (a) strong engagement with business and understanding of business need (b) routine engagement with educational institutions (schools, Barnet and Southgate College and Middlesex University); (c) better co-ordination of employment and skills activities within the council;

(d) reformed co-ordination and delivery of government programmes; to ensure central government agencies deliver employment and skill programmes tailored to local need.

14. **Advance workforce development** through working with local employers to ensure the development of appropriate workforce skills. These should particularly focus on key employment sectors (e.g. retail, care, health, education and construction) which provide entry level positions and/or career progression opportunities. Sector based actions would include further focused development of the retail academy in Finchley Central to provide a full range of retail skills training and work experience opportunities appropriate to retail chains and smaller local retailers.
15. **Implement strong and effective Local Employer Agreements (LEAs)** to provide a central mechanism through which developers are required to support and participate in local employment and training initiatives and generate a funding stream to support their development. The aim would be to ensure that local residents have the best possible opportunity to access key construction, end occupier (e.g. retail/services) and associated jobs.
16. **Pursue a package of employment and training initiatives aimed at reducing NEETs** in the borough, by improving pre employment training and preparation and targeting job brokerage at NEETs, the long term unemployed and the most disadvantaged areas (mainly in the West and South East of the borough). Activity would target pre-employment training, work placement experience and job escalator training into the employment growth sector clusters, such as retail, construction, health/care, education and ancillary support services.
17. **Promote higher household incomes for those in low wage employment** through active promotion of Barnet as a London Living Wage borough requiring all contractors to pay the London Living Wage and encouraging other employers to do likewise. This would be supported by the development of initiatives to improve the provision of affordable childcare and housing within the borough.
18. **Work with the third sector** to develop socially valuable services which utilise the skills and experiences of older workers/retirees and provide work experience for younger people. There is a potentially important role for older people to play in providing business mentoring to local SMEs

1. Introduction

With the beginnings of an economic recovery apparent, and the London economy leading this recovery process, Barnet is well positioned to pursue a period of sustained local economic growth. Barnet has a vibrant local economy, with the third highest business stock and start-up rate in London and collects nearly £100m annually through business rates. It has a number of key components in place to pursue a growth agenda; a highly skilled workforce, a strong business base, high levels of new enterprise formation and self-employment, high levels of average household income, and the ongoing development of a number of major regeneration schemes. The major expansion of the Brent Cross Shopping Centre and nearly 26,000 new homes projected to be completed by 2026, will ensure a significant population growth and the generation of new employment opportunities, particularly in the West of the Borough.

Although the conditions for economic growth are in place, there are challenges too. Despite high levels of business activity there is also a high level of business churn and of business death rates. Household incomes have been increasing at a slower rate than the rest of London in recent years, falling on average by around 10 per cent between 2012 and 2013. There are also significant spatial variations across the borough with a number of areas experiencing high levels of deprivation, notably around the western boundary's 'A5 corridor' and in some priority housing estates.

Barnet's suburban nature means that its economy is deeply embedded within the London and wider regional economy as well as the sub-regional economy of West London. Therefore actions to promote growth locally must be informed by, and be complementary to, the trends and development actions being undertaken at these wider spatial levels. The challenge for Barnet's first Economic Strategy is to pursue a sustainable model of economic growth built upon a thriving small and medium size enterprise sector and realising the opportunities of major development sites within the Borough. However it also needs to ensure that the benefits of this growth are enjoyed by Barnet residents, particularly those most disadvantaged in the labour market and who live in the Borough's more deprived areas.

1.1 Aims

This production of an economic strategy for Barnet had three main aims:

- (i) To undertake an economic assessment of the Barnet economy
- (ii) To input the views of Barnet's stakeholder views into its development
- (iii) To set out options for an economic strategy and on the basis of analysis of these options, provide a series of recommendations

The focus of the strategy is translating updated data and evidence into a programme of support for economic growth in the Borough within the context of London, travel to work

patterns and national and global economic trends. Informing the strategy are three key themes around which the analysis, strategy and resulting options for action are organised:

- (i) *Employment and skills*: setting out the major changes and challenges apparent in the Barnet labour market and how employment and skills development can be used to meet business needs and promote economic growth and ensure that local residents benefit from the growth process;
- (ii) *Enterprise and business development*: identify the developing nature of the Barnet business and enterprise sector, and set out measures to enhance the performance and productivity of its diverse SME base in order to build a stronger local economy
- (iii) *Spatial development and regeneration*: consider the significant spatial disparities evident within the borough and the key role of its large number of town centres and major regeneration sites in the West of the borough, especially in the A5 corridor, and their potential role as drivers of economic growth.

1.2 Project Method

The project brief required bringing together recent research and data for Barnet into a coherent economic strategy for the Borough. The project method had three components:

Undertake an economic assessment of the Barnet economy

This comprised a two-tier approach:

Desktop review of all relevant recent reports/documents supplied by the Council as well as other relevant and updated materials related to the development of the wider London economy (e.g. employment growth sectors, skills needs, population estimates) from bodies such as the Greater London Authority (GLA), the London Enterprise Partnership (LEP) and the West London Alliance (WLA).

Update on key data analysis This responded to gaps in information identified from the desktop review and built on the data collected and presented in the most recent economic insight and analysis of the borough. Secondary data was accessed from the Barnet Observatory with additional up to date data from the latest ONS business unit data, demography data, and NOMIS business employment data.

Input from stakeholders

This was a small but crucial element in the production of the Economic Strategy. The previous review of business development in Barnet¹ included over 20 stakeholder interviews including large employers, developers, commercial estate agents, business intermediaries

¹ Middlesex University (2013) *Developing an Economic and Growth Strategy for Barnet*

(bankers and accountants), business support organisations (NLCC, FSB, NLB), third sector, local government, public sector employers and key employment and skills sector colleges and government agencies. In addition in 2013 Middlesex University completed a survey of business needs within the Borough². The stakeholder interviews and consultations undertaken built upon this past work, with some selective follow-up interviews as well as new ones to ensure a full coverage of issues, (See Appendix 1). These interviews gained input into understanding the nature of economic change within the borough and over possible strategic aims, options for action, the roles of private, public and third sector actors, and the practicalities of delivery and implementation.

Setting out options and recommendations for Barnet's Economic Strategy

The final strand of the project required clearly outlining the case for the most suitable way in which Barnet can take forward its economic strategy. On the basis of the assessment of the Barnet economy and input from stakeholders, as well as understanding of the existing policy and institutional context, key strategic objectives for each of the three areas of employment and skills, enterprise and business, and spatial development and regeneration were identified.

In order to achieve these strategic objectives a series of potential initiatives was identified and then systematically analysed. This included for each a SWOT analysis, consideration of different levels of intensity of provision (light, medium, high), the role of key partners, timescale, delivery model and key performance indicators. In addition, where existing evidence of the financial costs and benefits of these types of initiatives was available, this evidence is also included. On the basis of these assessments, a set of clear recommendations for action is put forward.

1.3 Organisation of the report

The following report is organised in two main sections. The first comprises three chapters each analysing one of the key themes of employment and skills, enterprise and business, and spatial development and regeneration. The second takes these three themes, and across three chapters sets out the strategic objectives for each, and then identifies and analyses possible development options. The recommendations from each of these sections are brought together in a concluding chapter, which sets out the core objectives for the Economic Strategy and key recommendations to achieve these.

² Middlesex University (2013) *Barnet Business Needs Survey*

SECTION 1: ASSESSMENT OF THE BARNET ECONOMY

2. Enterprise and Business Development

2.1 Introduction

Barnet is a predominantly small business economy, with a particularly high and growing proportion of self employment. The local economy is vibrant with Barnet having the third highest business base in London and collecting nearly £100m annually through business rates³.

Barnet's largest sectors of employment are professional, scientific and technical (PST), retail, health and education, with property and construction and infocomms also featuring amongst the sectors with the greatest proportions of business units. A key pattern since the 2008 Global Financial Crisis (GFC) has been the increase in the number of business units in the borough, but slight decline in overall employment, indicating a trend towards fragmentation with greater self employment and micro business activity.

The main growth sectors in Barnet in the past four years have been property, education and health in terms of employment, whilst PST has seen a significant increase in business units, but decline in overall employment. The Barnet Enterprise Dynamics Report (2013) highlights these as key sectors for Barnet's future economic growth. Retail, whilst flat-lining in recent years, may also provide considerable future growth with the redevelopment of Brent Cross and upgrading of a number of Barnet's Town Centres, along with the considerable house building and regeneration programmes in the West of the borough which will require additional retail and personal service provision.

A key issue for Barnet to address is its high rates of business churn, with higher rates of start-up and failure than are typically found in London, and a particular concern is the low survival rate of businesses within their first three years of trading.

Barnet has historically exhibited a laissez faire approach to business support, but it is evident that as Barnet becomes increasingly dependent on small business growth, there is a need to establish an integrated framework of business support in the borough, focusing on key growth sectors. Since a great deal of regeneration and economic growth will be focused on the Western A5 corridor, there is a strategic imperative to work with neighbouring London boroughs (e.g. Harrow, Brent) and local Hertfordshire Authorities within this corridor in order to form business support synergies (e.g. for attracting inward investment).

Key questions to be addressed in this section are:

- What would it take to make Barnet the best place to do business in London?
- Why do businesses not succeed in Barnet?

³ Barnet Business Engagement and Social Enterprise Briefing 15/11/2013

- How do we build more resilient businesses in Barnet?
- What are the growth sectors that will contribute to a successful Barnet?
- How does Barnet support and capitalise on its growth sectors
- What is the economic basis of the A5 corridor?
- What should Barnet's key economic ambitions be for the future?

2.2 Barnet's Business Population

The most recent IDBR data from March 2013 indicates that Barnet had 19,330 business units, representing almost one third (31.5%) of the businesses in the A5 corridor (including the London Boroughs of Barnet, Brent, Harrow and the Hertfordshire Local Authorities of Hertsmere, Watford and Dacorum). Barnet's largest sectors in terms of business units were Professional, Scientific and Technical (PST; 18.7%), construction (10.1%), retail (9.8%), information and communication (infocomms; 9.8%) and property (9.2%).

Barnet's business sector distribution is more in-line with that of the neighbouring A5 corridor than Greater London as a whole. Compared with London, it is overrepresented by construction, property and wholesale and underrepresented by transport and storage, accommodation and food, infocomms, financial services and PST.

Trends

Between 2009 and 2013 Barnet's business population increased by 7.6%. This included a 2.2% increase in the most recently recorded year to March 2013. Barnet's increase in business population (2009-13) was in-line with that for London as a whole and greater than that across the A5 corridor local authorities (5.6%) in this period. Barnet and London's growth was notably stronger than for England as a whole (-0.1% between 2009-13, and 0.7% in the year to March 2013).

The main growth sectors in Barnet during the past four years have been education (30%), property (25.8%), health (21.6%) and PST (20.3%). During the last recorded year, growth has been particularly strong in the property (8.5%), production (8.3%) and education (5.8%) sectors. Barnet's growth in property, education, health, PST and the motor trades sectors is particularly strong when compared to the A5 corridor and London as a whole. The recent growth in production activities has been particularly strong in Barnet, but is also exhibited in the A5 and London wide economies.

Of more concern is the weaker performance in Barnet of public administration (-20%), due to recent public sector cutbacks and outsourcing, and the arts, entertainment and other services (-7.2%), which have performed worse than in the A5 corridor, London and England in the period (2009-13). It is also notable that the growing infocomms sector has also under performed compared to London as a whole.

Policy Issues

Previous analyses⁴ have highlighted the importance of key growth sectors in Barnet, particularly in health, education, PST, infocomms, business services, property and construction and the most recent data underlines their importance to the future development of Barnet's economy.

2.3 Business size structure

Barnet is a small business economy, with a particularly high proportion of self employment. By March 2013⁵, Barnet (89.7%) had a higher proportion of micro businesses (0-9 employees) than Greater London (84.8%) and England (82.9%) and a smaller proportion of businesses with 20 or more employees (4.8%) than in London as a whole (7.7%) and England (8.9%).

Whilst the Barnet's economy has become increasingly small business oriented in recent years, the largest 53 employers with more than 200 staff represented 21.3% of the total borough workforce in 2008⁶. Major employers include the Local Authority, Middlesex University, McDonald's Head Quarters, Pentland Group (Head Office) and Brent Cross Shopping Centre. Other major private sector employers include Ultrachem Ltd, Bery Kaprow Lewis and Morris Angel and Sons Ltd.

Key Trends

Barnet's working age population (16-64) annual self employment rate was 16.8% at September 2013, higher than for Greater London (11.8%) and England (9.8%) and all neighbouring local authorities (Harrow 12.9%, Brent 12.1%). The rise in Barnet's self employment rate by 22.6% between 2004-13 is twice that for Greater London (11.3%) and more than three times that for England (6.5%). By contrast, during this period the neighbouring A5 corridor borough of Harrow has seen an increase of 18.3%, whilst in Brent there has been little change.

Policy

The recent Barnet Enterprise Dynamics Report (2013) highlighted the dearth of formally organised small business support in the borough and notably the lack of a local enterprise agency. North London Business (NLB), the recently disbanded sub-regional inward investment agency, provided assistance at the Employment and Enterprise Zone (EEZ) at Barnet College, offering drop-in advice to businesses at the EEZ, two mornings a week. NLB also ran the New Enterprise Allowance (NEA) programme for eight London boroughs, including Barnet.

⁴ Barnet Economic Insight (2011), CEEDR Enterprise Dynamics in Barnet (2013)

⁵ ONS IDBR Business Activity, Size and Location <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm%3A77-313744>

⁶ NOMIS Annual Business Inquiry (2008)

Table 2.1: Barnet's Broad Sector Distribution, 2013, Compared with A5, London and England.

	Barnet		A5 Corridor		London		England	
	Units	Col.%	Units	Col.%	Units	Col.%	Units	Col.%
Production	585	3.0	2315	3.8	14825	3.4	130935	5.9
Construction	1,955	10.1	6555	10.7	33885	7.8	227875	10.2
Motor trades	305	1.6	1345	2.2	6265	1.5	66160	3.0
Wholesale	1,280	6.6	4135	6.8	20730	4.8	108505	4.8
Retail	1,890	9.8	6030	9.8	41655	9.6	239340	10.7
Transport & storage (inc. postal)	325	1.7	1470	2.4	9915	2.3	72090	3.2
Accommodation & food services	875	4.5	2955	4.8	26070	6.0	138820	6.2
Information & communication	1,890	9.8	6935	11.3	50010	11.6	159470	7.1
Finance & insurance	475	2.5	1460	2.4	14825	3.4	57240	2.6
Property	1,780	9.2	3665	6	21280	4.9	82595	3.7
Professional, scientific & technical	3,610	18.7	10925	17.8	89640	20.7	340970	15.3
Business administration and support services	1,415	7.3	4435	7.2	35180	8.1	156455	7.0
Public administration and defence	80	0.4	270	0.4	2420	0.6	20530	0.9
Education	455	2.4	1385	2.3	9030	2.1	56140	2.5
Health	1,015	5.3	3085	5	21605	5	126695	5.7
Arts, entertainment, recreation and other services	1,360	7.0	4045	6.6	34160	7.9	151730	6.8
TOTAL	19,330	100.00	61230	100	432095	100	2234345	100

Source: IDBR, March 2013 (primary rural activities have been omitted from the table); A5 corridor group: Barnet, Brent, Harrow, Hertsmeire, Watford and Dacorum

Table 2.2: Barnet's Broad Sector Change, 2009-2013 and 2012-13, Compared with A5, London and England.

	Barnet		A5 Corridor		London		England	
	% Change from 2009	% Change from 2012	% Change from 2009	% Change from 2012	% Change from 2009	% Change from 2012	% Change from 2009	% Change from 2012
Production	1.7	8.3	-0.2	7.9	1.3	7.8	-4.2	2
Construction	-1.3	2.6	-1.5	0.6	-1.8	0.3	-10.2	-2.1
Motor trades	7	-1.6	5.9	1.1	4.5	0.8	-0.1	-0.3
Wholesale	-2.7	-1.5	-1.1	-0.5	-0.3	0.7	-2.5	-0.3
Retail	2.4	1.6	3.9	0.6	4.3	1.1	-2.5	-0.5
Transport & storage (inc. postal)	6.6	0	9.7	3.9	5.5	4.2	-1.5	2.3
Accommodation & food services	1.2	3.6	2.2	0.3	2.1	1.5	-5.2	-0.4
Information & communication	13.5	3.3	7.8	4.8	20.3	5.4	9.9	3.8
Finance & insurance	2.2	-4	-0.7	-1.7	1.5	2.3	-1.9	0.5
Property	25.8	8.5	16.7	7	9.8	4.4	2.5	3.1
Professional, scientific & technical	20.3	3.9	16.5	4.4	17.1	5.4	12.4	3.6
Business administration and support services	-4.1	2.2	-6.2	-0.4	0.2	4.9	-9.6	-0.7
Public administration and defence	-20	-5.9	-3.6	-1.8	-0.2	-5.8	3.9	1.1
Education	30	5.8	17.4	1.1	12.3	2.5	3.1	-0.7
Health	21.6	0.5	18.4	0.9	18.9	0.8	11	0
Arts, entertainment, recreation and other services	-7.2	-6.21	-6.5	-5	-0.1	-1.6	-6	-3
TOTAL	7.6	2.2	5.2	1.8	7.6	2.9	-0.1	0.7

Source: IDBR, March 2013 (primary rural activities have been omitted from the table)A5 group: Barnet, Brent, Harrow, Hertsmere, Watford and Decorum

Issues

With the abolition of Business Link local services in 2011 (it currently exists as a national website and telephone helpline), the lack of an established local enterprise agency and the short term nature of a number of intermediary business support policies, there appears to be a current lack of specialist small business support services within Barnet. The Barnet Enterprise Dynamic (2013) report highlights a consequence of this lack of an established business support framework in Barnet is that new funding programmes for business support to be attracted to neighbouring boroughs where there is already an existing support framework to work with.

2.4 Business Demography: births, deaths and survival rates

Barnet suffers from a high level of business churn. In 2012 Barnet saw 2,995 new businesses created and 3,175 business closures, representing a net loss of 180 businesses in the Borough⁷.

Barnet has particularly high rates of start ups. In 2012 they represented 15.5% of the business stock, compared to 15.1% in Greater London, 14.4% in the A5 Corridor and 10.7% in England. However, Barnet also experienced a high rate of closures in 2012, representing 16.4% of the business stock, compared with 11.9% in Greater London, 13.5% in the A5 corridor and 10% in England.

A high proportion of business closures were amongst businesses trading for less than three years and two thirds came from the PST (20%), administrative (17.5%), retail and wholesale (15.9%) and construction (12.7%) sectors.

Trends

Since the recession in 2008 there has been a considerable increase in the proportion of businesses trading for less than two years. In Barnet this increased from 19.4% in March 2009 to 33.4% by March 2011, whilst for Greater London the increase was even more pronounced (17.2% rising to 35.6%).

The most recent three year survival rates (2009-12) demonstrate that Barnet performs particularly poorly, with 53.1% compared to 56.2% for Greater London and 59.7% for England. Neighbouring local authorities all exhibited better survival rates (Brent 56.1%, Harrow 58.1%, Hertsmere 58.5%, Watford 61.7%, Dacorum 65.8%).

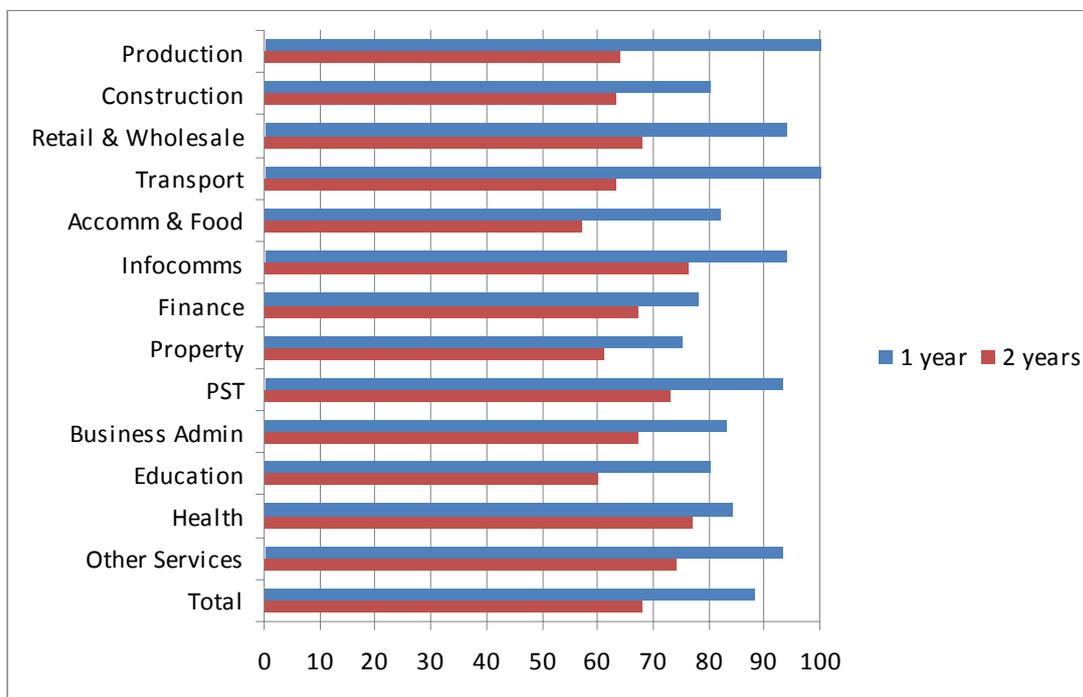
Business survival rates by broad sector, tracked from 2008 as the base year (the first year of the recession) indicate 2,610 business start-ups in Barnet. The overall one

⁷ ONS Business Demography 2012 <http://www.ons.gov.uk/ons/datasets-and-tables/index.html?pageSize=50&sortBy=none&sortDirection=none&newquery=business+demography&content-type=Reference+table&content-type=Dataset>

year survival rate was 88%, with the two year survival rate falling back to just 68% (Fig 3.1).

Barnet appears to attract a high proportion of start-ups, particularly in PST (23.4% of borough start-ups in 2010), retail and wholesale (16.2%), construction (12%), infocomms (11.3%) and administrative services (10.5%). Key informant evidence from the FSB and local Banks suggests that professional self employed services, which are prevalent in Barnet, are set up in order to give the impression of continuity of work on peoples' CVs. These 'shelf businesses' may engage in little or no trade and cease when other employment is found.

Figure 2.1: Barnet's One and Two Year Business Survival Rates from 2008, by Sector



Source: IDBR Survival Rates

Sectors which appear particularly vulnerable to business failure in year one appear to be financial services (78% survival rate) and property (75%). Contrasting 2008 start up one year survival rates with 2009, when 2,410 new businesses were formed in the borough, the overall survival rate fell to 86%, whilst property (75%) was again a poor performer, whilst the administrative (75%) and construction (81%) sectors also struggled. The two year survival rates from 2008 demonstrate that the poorest proportional rates of survival have been in accommodation and food (57%), followed by education (60%), property (61%), transport (63%), construction (63%) and production (64%).

Possible reasons for high business failure rates

Whilst insufficient is know specifically about why Barnet's businesses fail, nation

ONS⁸ data trends demonstrate that there are clear sectoral differences in the birth and death rates of businesses and the levels of 'churn'. For example, in 2010, services sectors such as food and accommodation (15.7% of businesses in the sector), information and communications (13.1%), professional services (13.6%) and business services (22.6%) exhibited particularly high death rates and levels of churn. ICT and business services sectors typically exhibit low entry costs and are highly competitive markets. They are, therefore easy to start and also to stop, more transitory in nature and particularly if a more secure employment opportunity comes along. Since many of these types of service activities are concentrated in Barnet, the influence of sector would appear to be a significant factor for consideration.

Policy

The New Enterprise Allowance (NEA) programme in Barnet had by the end of April 2012 received 95 referrals leading to 50 new business start-ups. Barnet had the highest number of new business start-ups amongst the programme's eight boroughs and the ratio of start-ups per referral was much higher for Barnet (53%), than in neighbouring boroughs: Enfield (18%), Haringey (17%)⁹. It appears that Barnet residents are more likely to be attracted to self employment, which may in part be related to their typically higher level of educational attainment, notably at NVQ level 4 and above. The contract for the NEA scheme ended in March 2013.

Issues

There is considerable identified demand for start-up assistance in Barnet and a lack of start-up and small, early stage business assistance. The high level of business churn and notably high death rates exhibited in the borough in recent times suggest a need for more intensive hands-on assistance for start-ups and early stage small businesses in the borough. On the one hand this might require locating a specialist enterprise agency inside the borough, but there are a number of other approaches that could prove effective, if suitably publicised and accessible. These include the maintenance of specialist drop-in small business support services in the borough, contracted in from other local specialist providers (e.g. a local enterprise agency providing advisers at least one day per week), or through wider use of existing business mentoring and networking services¹⁰.

The fragility of start-ups within certain sectors, notably those within the key drivers of the Barnet economy highlighted in the Barnet Enterprise Dynamics Report (2013), suggest that a growth strategy should focus on nurturing young growth oriented businesses in these key sectors. Although more established high growth SMEs can be identified on the basis of published performance statistics, for emergent small businesses, their identification requires ongoing active engagement with business support providers such as accountants, banks and business networks.

⁸ ONS Business Demography 2011

⁹ NEA data for 30/04/2012

¹⁰ Similar suggestions were made to the NLSA's Understanding Business Closure Rates in North London study (2012)

2.5 BAME businesses

The 2011 Census indicates that 35.8% of Barnet's population is of Black and Minority Ethnic origin lower than for London as a whole (40%). Whilst little is known about the proportion of BAME owned businesses in the borough, it is a reasonable assumption that these will increase, particularly in terms of their traditional sectoral activities running small independent high street retail, catering and personal services businesses, as well as within London's vibrant and developing creative industries sector.

Policy Issue

BAME businesses are notoriously difficult to measure, given the sensitivities around collecting such data. Inevitably the best knowledge of this sector tends to come from specialist local enterprise agencies (e.g. in Hackney) and trader groups (e.g. town centre and restaurateurs groups). There seems to be a lack of information in Barnet for this potentially growing local business sector and its potential for further growth, global trading potential and the inward investment opportunities it might offer. In the absence of a widespread and regular local business survey and of a local enterprise agency, further insight into these businesses might be gained initially through town centre engagement with local service providers (e.g. shops and restaurants and small business starter office provision in these localities).

2.6 Employment in Barnet

The largest share of Barnet's employment in 2012 was in health (15%), retail (13.5%), education (13.1%) and professional, scientific and technical services (9%).

Barnet has higher concentrations of employment than Greater London in retail (13.5% compared to 8.6%), health (15%; 10%), education (13.1%; 8.1%), construction (5.3%; 3.4%), wholesale (4.1%; 3.3%), property (4.8%; 2.6%), and motor trades (1.3%; 0.7%) (Table 3.2).

With regard to employment distribution from the latest 2012 BRES data and Barnet's relationship with the A5 corridor, the following points appear noteworthy:

- Whilst Barnet has one third of the A5 corridor business units it has only one quarter of the employment in the region. This is underlined by the particularly high proportion of self employment and micro businesses in Barnet.
- Barnet has greater alignment of employment distribution with the A5 corridor than London as a whole, the main employment sectors being health, education, retail and PST in both Barnet and the A5 corridor. In Barnet these are all at above the proportion at the national scale.
- Retail, education and health are all over represented in the A5 corridor when compared to London. However, this is skewed by the high levels of employment in these sectors in Barnet.

- PST is actually underrepresented in both Barnet and the A5 corridor, when compared to London as a whole (although above the proportion nationally) and business admin and support services are considerably underrepresented in Barnet when compared to both the A5 corridor and London, as is infocomms and financial services.
- Construction is overrepresented in both Barnet and the A5 corridor, when compared with London and property is overrepresented in Barnet when compared to the A5 corridor, London and nationally.
- Wholesale is overrepresented in Barnet and particularly the A5 corridor when compared to London, with the A5 corridor overrepresented when compared to the national scale.
- Whilst London and Barnet is underrepresented nationally by employment in manufacturing (circa one quarter of the national proportion), the A5 corridor has just over half the proportion of manufacturing employment exhibited at the national scale.
- Barnet is underrepresented by transport and storage when compared with the A5 corridor, London and the national scales.

Trends

Employment in Barnet's businesses fell by -0.8% to 119,805 between 2008 and 2012 (an overall loss of -979 jobs), compared to an increase of 2.7% for Greater London as a whole and a decline of -2.2% in England (Table 3.4). The main sectors of decline were motor trades (-33.25%), financial services (-25%), the public sector (-22.6%) and transport (-20.8%). In numerical terms the greatest job losses were in public services (-1,726), PST (-1,654) and business administration and support services (-1,570).

The contradicting pattern of increasing numbers of business units and decreasing employment in Barnet in recent years can be explained by larger employers, particularly in business services, shedding labour with highly skilled professionals (e.g. IT, finance and middle managers) being made redundant and setting up their own self employed and small businesses. There has also been an increasing pattern, notably in business services and construction, of business growth via subcontracting rather than increasing employment, facilitating a more flexible approach to labour, enabling worker tax efficiency and avoiding labour employment law requirements.

Property¹¹ (61.4%), education (44.5%) and health (18.2%) were the only sectors to exhibit significant employment growth in Barnet between 2008-12, with education experiencing the greatest numerical increase (4,848 jobs), followed by health (2,768) and property (2,183).

During the most recent recorded year (2012) the main sectors exhibiting employment growth were property (16.8%), health (12.1%), construction (10%) and education

¹¹ Property sector activities comprise the acquiring, planning, surveying and valuing of land, industrial, commercial and residential property and the selling, letting and managing of commercial and residential property.

(7%), although only construction outperformed the Greater London growth in these sectors.

Employment trends in relation to the A5 corridor

Overall employment change between 2008 and 2012 reveals greater reduction in Barnet than in the A5 corridor, where there has been little change, and in London where overall aggregate employment increased. Barnet, the A5 corridor and London all performed better than England as a whole in this period.

Barnet's growth in property and education has been particularly prominent (2008-12), being double that for the A5 corridor area and London and considerably above that for England as a whole. Barnet's growth in the health sector is more in line with the rest of the A5 corridor and London and again considerably stronger than that recorded nationally.

Construction has been more 'resilient' in Barnet in this period, with no change in employment, compared to decline in the rest of the A5 corridor, London and nationally. Construction has also shown increased levels of employment in the last 12 months recorded to the end of 2012, in both Barnet and the A5 corridor, suggesting a strong up-turn in the market, which is likely to be strongly associated with the large-scale house building and regeneration works in the A5 corridor area (including Colindale).

It is notable that the A5 corridor has shown strong growth in transport and distribution, but that this is a sector which has remained weaker in Barnet than elsewhere in London and England. Infocomms, PST, financial services, public administration, motor trades and the arts have also performed comparatively poorly in Barnet.

Retail has been more resilient in Barnet than in the rest of the A5 corridor between 2008-12 and had bottomed out in 2012. This performance is broadly in line with the national picture. Forthcoming regeneration schemes at Brent Cross and Barnet's Town Centres (developments focusing on improving customer access, environment and experience, wider or niche high end offers, evening economies and convenience elements), along with an economic up-turn, should lead to improved jobs growth in this sector and associated arts, entertainments and personal services found in high street locations.

Policy Issues

'The Economic Outlook for London'¹² indicates that between 2012-15 the main employment growth sectors will be PST, business administration, infocomms and construction, whilst education and health may exhibit some decline. This does not appear entirely in step with Barnet where there is currently growing demand for health and education services amongst a growing and ageing population.

¹² Oxford Economics: http://web.oxfordeconomics.com/FREE/PDFS/UKMFEAT3_1012.PDF

Table 2.3: Barnet's Broad Sectoral Employment Distribution 2012, Compared with A5 Corridor, Greater London and England

	Barnet		A5 Corridor		London		England	
	number 2012	% Employment for 2012						
Mining, quarrying & utilities	436	0.4	4,159	0.9	29,228	0.6	268,838	1.1
Manufacturing	2765	2.3	21,812	4.6	112,967	2.5	2,024,451	8.4
Construction	6303	5.3	26,449	5.6	158,281	3.4	1,106,782	4.6
Motor trades	1559	1.3	7,366	1.5	32,121	0.7	436,319	1.8
Wholesale	4860	4.1	29,942	6.3	152,960	3.3	1,007,314	4.2
Retail	16227	13.5	52,441	11	393404	8.6	2,463,183	10.2
Transport & storage	3143	2.6	22,962	4.8	220334	4.8	1,106,715	4.6
Accommodation & food	7964	6.6	29,310	6.2	341812	7.4	1,640,533	6.8
Infocomms	4085	3.4	22,066	4.6	319135	6.9	971,036	4
Financial & insurance	2185	1.8	9,670	2	360017	7.8	924,750	3.8
Property	5737	4.8	12,581	2.6	118847	2.6	441,341	1.8
Professional Scientific & Technical (PST)	10795	9	44,510	9.4	596891	13	1,935,846	8
Business administration & support services	7687	6.4	50,313	10.6	466805	10.2	2,009,601	8.3
Public administration & defence	5917	4.9	16,734	3.5	215956	4.7	1,113,887	4.6
Education	15736	13.1	46,146	9.7	370969	8.1	2,235,034	9.2
Health	17957	15	56,735	11.9	460272	10	3,073,981	12.7
Arts, entertainment, recreation & other services	6373	5.3	22,163	4.7	241849	5.3	1,080,313	4.5
Column Total	119805	100	475,566	100	4592478	100	24,177,615	100

Source: BRES 2012

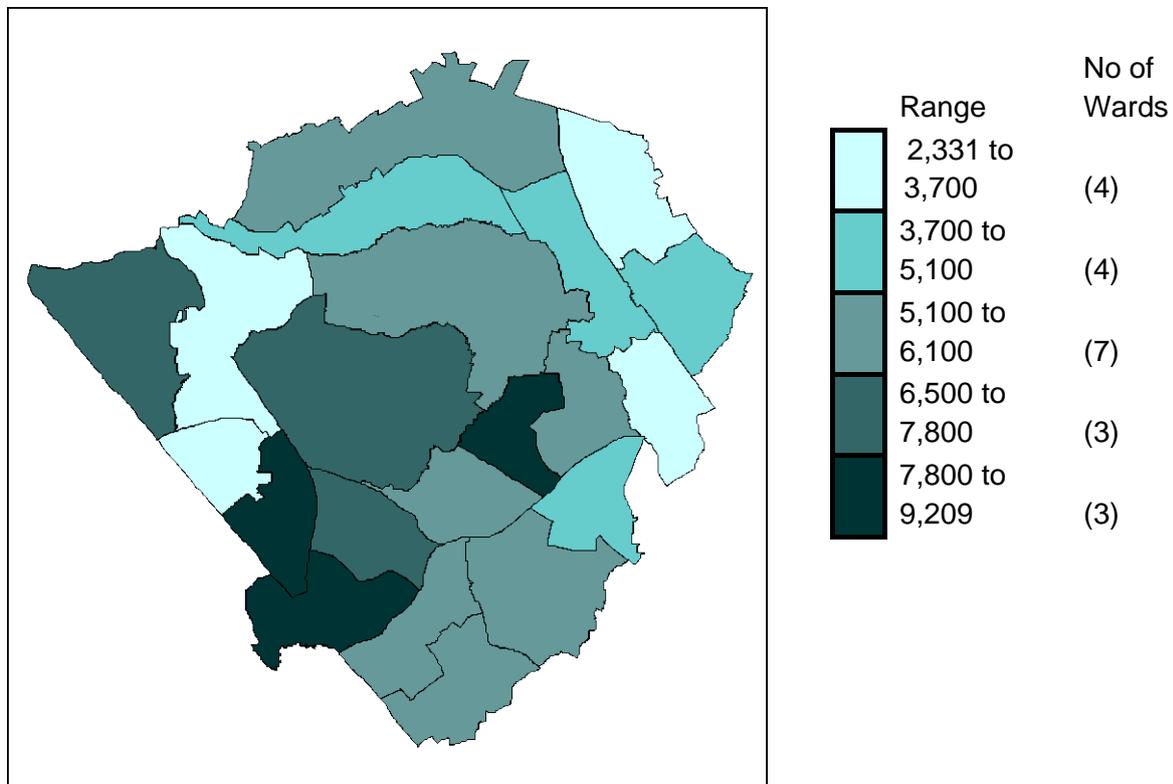
Table 2.4: Barnet's Broad Sectoral Employment Change 2008-12, Compared with A 5 corridor, Greater London and England

	Barnet		A5 Corridor		London		England	
	% Change 2008 - 2012	% Change 2011 - 2012						
Mining, quarrying & utilities	9.8	-20.1	18.5	4.2	14.1	13.3	19	5.7
Manufacturing	-13.6	-2.3	-11.6	6.6	-18	-2.9	-9.6	-2
Construction	0	10	-16.2	13	-6.2	5.8	-16.5	-4
Motor trades	-33.2	-5.3	-16.1	-4.2	-29.2	-14.3	-5.6	-0.9
Wholesale	-1.2	-3.3	5.5	3.7	-1	12.2	-6.3	-2.6
Retail	-4.3	-0.3	-8.6	-0.9	-1.1	3.8	-2.8	-0.3
Transport & storage	-20.8	-1	17	14.1	-8.3	1	-4	0.8
Accommodation & food	-9.9	1.7	-3.8	5.5	5.6	11.1	-1.9	3.6
Infocomms	-16.5	-21.8	-4.8	-4.5	-1.9	0.3	-2.3	0.9
Financial & insurance	-25	1	-26.1	-5.1	1.6	7.3	-7.1	-0.5
Property	61.4	16.8	31.1	8.1	36.9	20.1	12.4	8.5
Professional Scientific & Technical (PST)	-13.3	3	3.9	8.4	5.1	7.1	3.8	5
Business administration & support services	-17	-6.7	-5.4	4.3	0.6	3.4	-4.9	4.4
Public administration & defence	-22.6	-10.2	-17.2	-3.4	-3.1	-7.9	-7.4	-11.9
Education	44.5	7	23.8	2.3	16.7	12.4	2.1	0.8
Health	18.2	12.1	17.2	6.8	15.9	14	10.7	3.2
Arts, entertainment, recreation & other services	-9.5	-9.7	-4.9	-10.4	0.5	3.1	-5.6	-5
Column Total	-0.8	1.1	-0.1	3.4	2.7	5.9	-2.2	0.3

Source: BRES 2008-2012

2.7 Employment Concentration

Figure 2.2: Barnet's Concentration of Employment, by Ward (BRES, 2011)



Source BRES 2011

*See appendix 2 for key to ward locations

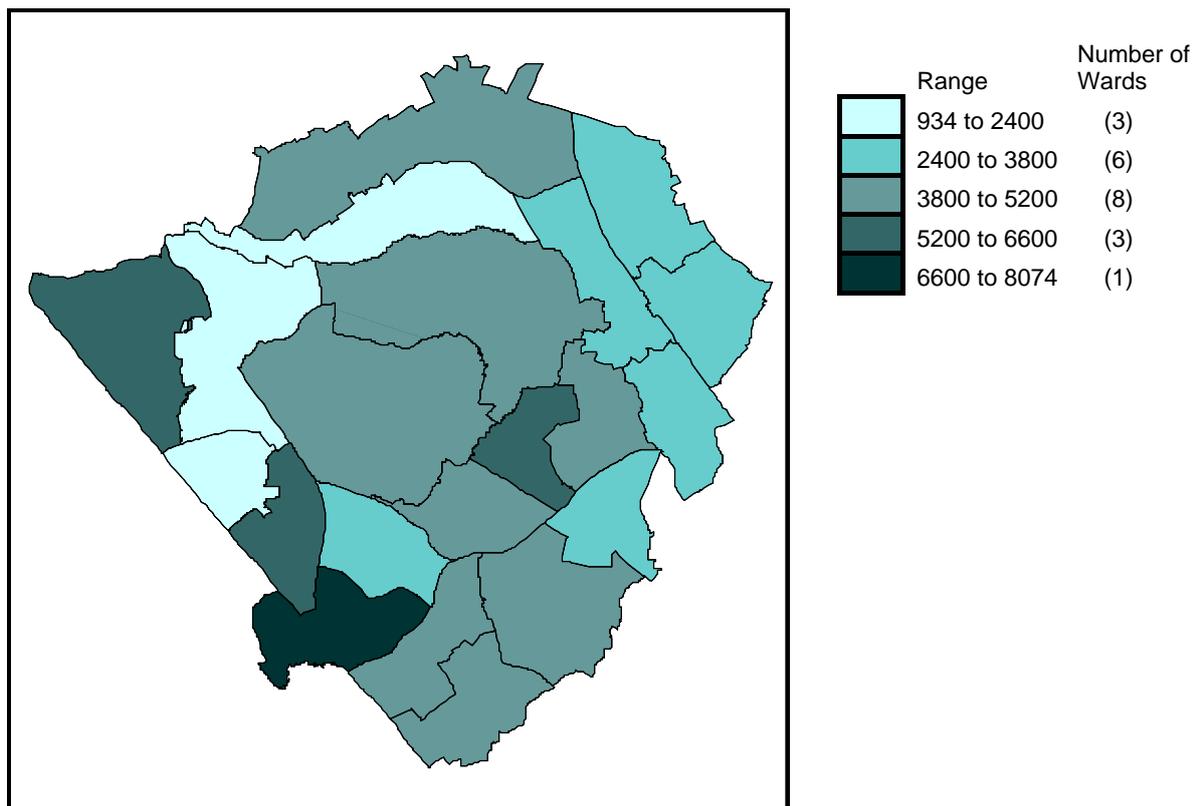
The largest employment wards in Barnet are West Hendon and Colindale located to the west of the borough along the A5 corridor and West Finchley in the centre of the borough on the Ballards Lane access route.

- **Retail** forms an important proportion of employment in West Hendon (50%) where Brent Cross Shopping Centre is located, Coppetts (26%), Golders Green (22%), Edgware (17%) and Childs Hill (16%).
- **Colindale** contains a high proportion of **public administration (30%**, mainly from police and college employees) and **health (16%)** jobs.
- One quarter of **West Finchley's** jobs are in **professional and scientific activities**. This includes one large employer in this ward, Berg Kaprow Lewis LLP, an accountancy firm, and the area also appears to contain a cluster of these types of accountancy and business service activities.
- **Health** jobs are particularly prevalent in **Burnt Oak (47%)** and **Underhill (60%)** due to the presence of hospitals in these areas.
- **Education** is a key sector in **Hendon (32%)**, where Middlesex University is a major employer.
- **Public administration** (i.e. Barnet Council employees) is a large employer in **Brunswick Park (43.4%)**.

- **Accommodation and food** is a large sector (**39%** of employment) in **East Finchley** because of **McDonalds HQ**.

As a significant proportion of education and health employment is concentrated in particular sites, mapping the spatial distribution of employment within the Borough without education and health employment removes these extremes, although the basic distribution of employment remains largely the same (see Figure 2.3).

Figure 2.3: Barnet's Concentration of Employment, by Ward Excluding Health and Education Employment (BRES, 2011)



Source BRES 2011

Trends

Five wards increased employment from 2008-10: Underhill (21%), Mill Hill (15.6%), Hendon (8.4%), Golders Green (6.7%) and Coppetts (5.2%). Employment growth in these wards has been linked to¹³:

- Education (up 122.1%) and health (15.5%) in Underhill
- Education (up 45.2%) and professional and scientific (26.3%) jobs in Mill Hill
- Education (up 113.5%) in Hendon
- Construction (up 128.4%) and property (31.4%) in Golders Green
- Transport (up 147.1%) and retail (7%) in Coppetts

¹³ Please note that BRES employment data at ward scale does not allow for individual business recognition.

Policy

Barnet's recent employment trend analysis clearly demonstrates that education and health are key growth sectors and are likely to play an important role in the borough's future employment growth, particularly in the West of the borough, along the A5 corridor. The plans for redevelopment in Colindale, which currently contains a high proportion of public sector work, will lead to a rebalancing of this area's patterns of work and employment.

Employment growth in the education and health sectors within the Borough has been driven by population growth, the expansion of a number of major employment sites (e.g. Middlesex University and Barnet Hospital) and growing demand for education and health services in the private sector from a largely affluent and aspiring population. With the population of the Borough set to grow substantially over the next twenty years, the health and education sectors will not only remain major employers within the Borough, but the presence of strong demand will also provide good opportunities for start-ups and private sector business growth within these sectors.

Retail remains a key sector across the borough, with a concentration in the larger town centres and particularly Brent Cross in the West of the borough (see 3.5). It is notable that retail employment in the borough has been in decline since 2008 (-4.3%, representing a loss of -724 jobs). The major redevelopment plans for Brent Cross in particular, alongside upgrading works in other key Town centres will provide new retail job opportunities and it will be important to ensure that the growing local population in the new estates in the West of the borough are able to offer the required skills to access these new jobs.

Barnet's property sector, in-line with London more generally, has remained relatively buoyant during the recent recession and is maintaining its growth during the recent economic up-turn. There are also signs that the construction sector is starting to grow again, with a 10% rise in employment and 2.6% increase in business units in 2012. This recent resurgence in construction, linked to local regeneration schemes, mainly sited in the A5 corridor, should continue to be a major job provider for local labourers and skilled contractors, indicating an important area for local skills development.

Issues

Recent surveys of local businesses, key stakeholders and support providers in 2013¹⁴ indicated that there was a lack of awareness and understanding of the funding options and support services that are available to businesses and that existing small business support provision is disparate and patchy in its coverage (see appendix 3). The main policy conclusions and recommendations that emerged from these studies of existing business support provision and business needs were:

(i) Barnet should move from its traditional 'hands off business' approach towards **a more strategic, co-ordinated strategy to assist local businesses**. Key elements identified included the need for: a more visible Education Business Partnership; more concerted efforts to co-ordinate cross borough partnership working, particularly in the West along the

¹⁴ Barnet Enterprise Dynamics (2013) and Barnet Business Needs Survey (2013)

A5 corridor; within the borough, more focused efforts through adopting '*Business Improvement Districts*' for regeneration (e.g, following Camden's recent bid for government BID funds with FSB assistance). Areas such as Chipping Barnet town centre could benefit from such a scheme. Currently organisations struggle to find and maintain strategic relationships, particularly in terms of networking to join up various business related policy initiatives.

(ii) **Barnet needs a 'one-stop' single point of entry for business advice and assistance**, as available in other local authorities, which all borough businesses know about and can easily access. Ideally, this should be a separately branded Barnet business support website, supported by the 'Business Growth and Employment Manager'.

(iii) There is very little **business start-up and early stage SME assistance** in Barnet, yet there are very high rates of business failure. Enfield Business Partners' working with Enfield Business Centre, housing NLCC and Enterprise Enfield, offers one established and successful integrated model of business assistance. There is a major need for better signposting, with a number of central government programmes that local businesses are unaware of.

(iv) Developing a **strong sectoral focus to policy**. Retail is a key sector and there should be a strategy for developing high quality, innovative retail activity and perhaps some associated wholesale activity. The recent establishment of a Retail Skills Academy at Barnet College should provide a catalyst for this. Policies should build on existing sectoral strengths, but also consider areas which seem weak but which Barnet should be doing much better. For example '*Catapult Centres*' might help develop a Knowledge Intensive Professional Services Cluster. This would attract new talent resulting in enhanced brand image of the region and could be linked to international diasporas (e.g. the Tel Aviv hi tech software sector).

(v) The need to **improve accessibility** particularly to town centres throughout the borough. Town centre businesses routinely identify the key importance of accessibility for their future development. Local retail businesses identify short-stay and seasonal free parking as particularly important in retaining customers, alongside a more general recognition of a need to improve the availability of car parking and ease of payment. There is also a need to reduce congestion, particularly at peak school and worker rush hour periods, through improving road networks, rail and bus services, and cycle routes.

(vi) **Attract investment** through improved collaboration with neighbouring boroughs, particularly within the A5 corridor area. It was widely recognised that Barnet has not developed effective partner working with strategic local authority groups and this has limited the possibility of providing a stronger inward investment promotional message. Key sectors such as the creative film and software sectors could benefit from this, developing on the existing television and film industry base at Elstree and St Albans/Hatfield to form an 'A5 Creative Corridor'. Barnet could also benefit from the expertise of harnessing the business support skills available in neighbouring boroughs, such as Harrow enterprise agency.

(vii) Ideally Barnet requires a **dedicated local small business development agency** which can provide the skills base to nurture key growth sector start-ups and early stage growth

oriented businesses through the troublesome first few years where there are particularly high business failure rates. This would also act as a catalyst to attract other forms of small business support, acting as a conduit to mentoring and networking programmes run by the private sector and through collaborating with local higher education establishments and potentially obtaining EU funding.

(viii) **Improved Barnet Council 'buy local' procurement policy**, which could also work alongside major employers in the borough to focus more on using local services and suppliers. Whilst it was acknowledged that Council has a local suppliers directory, many larger businesses continue to purchase from outside the borough.

(ix) A lot of SMEs, new starts and more established, have **access to finance issues**¹⁵. The failure of the high street banks to lend to SMEs has led to greater attention being placed on credit unions as SME lenders. There is a major lack of a venture capital network within Barnet and the wider North London area.

(x) The current shift towards localism in Business Rate retention provides a much greater motivation for Local Authorities to work with local businesses and nurture their development¹⁶. The Localism Act provides greater flexibility and the potential, for example, of introducing **business rate relief for new start-up businesses**.

(xi) There is much that could be done to **improve planning efficiency** to enable business development. Delays and lack of clarity relating to commercial planning issues in the borough are holding back business growth and could in some cases lead to relocation away from the borough.

(xii) The need for a clear contemporary **overview of available commercial land and premises** in Barnet. Barnet's commercial property vacancy register has limited information and with the recent loss of the NLB inward investment service, there is a potentially important information gap. Such a service could facilitate both inward investment and the retention of existing expanding businesses within the borough.

(xiii) The need for improved knowledge and engagement with BAME businesses, which are likely to play a growing role in the economy.

2.8 Social enterprise

Many voluntary sector groups are becoming more enterprising, with recent reductions in grant funding and cutbacks in public spending, meaning that they are having to change from charitable to social enterprise status and find new ways to generate income¹⁷. This has

¹⁵ GLA SME Finance in London Report (2013)
https://www.london.gov.uk/sites/default/files/15121%20-%20SME%20finance%20in%20London%20-%20final%20report%20November_1.pdf

¹⁶ Nick Clegg, BBC News 29th June, 2011: <http://www.bbc.co.uk/news/uk-politics-13952431>;
<http://www.parliament.uk/briefing-papers/SN06210>

¹⁷ Barnet Enterprise Dynamics Report (2013)

resulted in increased interest social enterprise start-ups, with around 25 enquiries in the borough to CommUNITY Barnet in 2013, resulting in 10 actual start-ups. There is an expectation of further growth in the social enterprise sector, particularly through volunteering and citizens participation, for example in relation to social care, changes in the libraries and development of the University of the Third Age.

CommUNITY Barnet is capacity building to provide support for this ongoing change. However continued support is needed if these voluntary sector organisations are to make the transition to social enterprises and compete successfully for contracts.

2.9 Key Questions

In drawing upon this analysis of enterprise and business in Barnet it is possible to return to a number of key questions

What would it take to make Barnet the best place to do business in London?

Barnet's business environment can be improved in a range of ways which will make it better for start-ups, retaining and growing businesses and also better for inward investment, including from existing business relocation. This will involve providing appropriate business support and networking assistance to encourage successful start-ups and business growth. Specialist targeted sectoral support might have merit and could help to engage with the growing BAME business sector locally.

Inward investment will be encouraged through strategic working with the wider sub regional groupings of local authorities, such as through the A5 corridor group, drawing together local authorities and key stakeholders with similar interests to promote key sectors. Barnet also needs to ensure that it has a suitable supply of premises that are fit for purpose for new starts, expensing business retention and attracting inward investors. Since the borough does not contain large sites suitable for industrial warehousing, transport, storage and major manufacturing, the focus more likely to be on light industry and commercial office space. The key here is to provide suitably flexible small-scale office space near high street locations, rather than the traditional larger office space which is no longer in demand.

The availability of suitable local financing structures might also encourage inward investment. Providing swift and helpful business friendly planning would also help, as a number of key informant businesses from the Barnet Enterprise Dynamics study (2013) complained about unhelpful planning constraints. London is traditionally an expensive place to locate, but this can be offset by its strategic market size and clusters of HQs. Initial cost of location offsetting by lower business rates and the availability of low cost loans or suitable equity finance might help.

Why do businesses not succeed in Barnet?

The success of businesses in Barnet will largely be dependent upon their sectoral activity and the availability of adequate business support. It has been noted that many of the new

start businesses in Barnet take place in highly competitive and relatively low cost, low overhead sectors (e.g. home working consultants). These may not necessarily be long term ventures and their success may be viewed as facilitating a pathway back into permanent employment. However, for others more intensive sectoral support might appear the best approach. This could involve specialist local enterprise agency work and engagement in sector cluster support and targeted incubator programmes, but a less expensive and intensive mentoring and networking approaches may prove equally effective.

How do we build more resilient businesses in Barnet?

Business resilience should mean more than simply survival. The way forward for a growing and thriving Barnet economy is for the facilitation of dynamic growing businesses. This can be achieved through the provision of adequate business support, helpful business planning provision to support the retention and expansion of local businesses, facilitating linkages with the local skills base and fostering a 'buy local' approach, founded on local authority support to encourage local SME contractors. Keeping business costs and overheads down (e.g. Business Rates¹⁸) and ensuring that infrastructure, including roads, rail, local parking, and super fast broadband are all as good as they can be.

What are the growth sectors that will contribute to a successful Barnet?

As stated the key growth sectors in Barnet are: Health, particularly supporting an aging population with care in the home policies; Education, notably through the concentration of Middlesex University within the borough; Property and construction, due to the rapid expansion of house building and regeneration activities in the borough, planned to take place over the next 10 years; retail and associated high street services, due to the major Brent Cross retail and entertainments development and redevelopment of Town Centres in the borough, with associated growth of the evening economy; potential growth in professional and ICT services notably in relation to the creative software industries and perhaps in concert with inward investment and internationalisation of activities linked to diasporas (e.g. Tel Aviv, high tech software sector).

How does Barnet support and capitalise on its growth sectors?

As stated above, Barnet needs to provide a suitably helpful infrastructure of support for businesses ranging from signposting businesses quickly and efficiently to appropriate local private and third sector professional/support agencies to stepping in and facilitating more in-depth targeted support where required. This may involve setting up a business support agency and clearer framework for assisting businesses, which could provide a one-stop shop port of call where local businesses know where to go – at least to get initial assistance and signposting to more specialist providers. It is noted that Business Link still operates a national website and telephone helpline, but essentially that will just refer local businesses back to finding local business support providers. In some areas this simply means the local private services, but in other more hands on LEPs there is direct provision support from the public sector funding of local enterprise agencies and support hubs.

¹⁸ Barnet may not set Business Rates, but it can lobby to keep them lower

What is the economic basis of the A5 corridor?

Following on from the above section, Barnet will need to devise a strategy, along with its A5 corridor partner authorities and key stakeholders for working with the private and third sectors to encourage linkages and growth. This will be most important in terms of developing a more coherent inward investment strategy for the sub region, which could focus on the television/film and associated creative software sector. Barnet has greater alignment with the neighbouring local authorities along the A5 corridor than with a Greater London as a whole and therefore can capitalise on developing key mutual sectors in health, education, property and construction. Strategically, there may also be some advantages also in linking with neighbouring western boroughs that have strengths in other sectors which may expand in the future such as infocomms.

What should Barnet's key economic ambitions be for the future?

From a business perspective Barnet's key economic ambitions should be to support and grow its businesses, providing a suitable business environment and relevant levels of support to assist business start-ups, development and retention and encourage inward investment. A special focus should be provided for the key sectors to ensure that they are linked to the developing skills base of the borough so that a symbiotic relationship develops whereby there is synergy between the local skills base and local business development. Barnet's extensive regeneration plans will lead to a considerable influx of new population and requirement for local services. These will range from high order professional services to key ancillary services and it is important that Barnet's population is equipped and willing to supply this wide range of services.

3 Spatial Development and Regeneration

3.1 Introduction

Barnet presents a complex mix of outer London suburban prosperity and pockets of deprivation. The persistent areas of deprivation lie mainly to the West of the borough in the A5 corridor, a major radial road and mainline rail transport link South with Central London and North through Hertfordshire to Luton Airport. From a regeneration perspective the A5 corridor, along with the predominant 16 Town Centre economies are the focus for investment and the potential drivers of the economy. There are seven regeneration areas and four town centres prioritised for development in the next decade.

Whilst the focus is on the A5 corridor and the extensive £4bn Brent Cross Cricklewood development, the largest of this type in North West London, there are also important developments at Mill Hill East and Dollis Valley and the town centres at Chipping Barnet, Edgware, Finchley Church End and North Finchley. Barnet is also a major location for new house building, notably in Colindale. The challenges of establishing a new town size development in the West of the borough, with the requisite services, travel and employment opportunities and linkages, also form a crucial focus for the borough's future development.

This section specifically examines questions relating to:

- What is the health of the market for business premises in Barnet?
- What is the impact of recent planning changes allowing the conversion of B1a commercial space to residential without planning permission?
- What are the crucial economic issues facing the different parts of Barnet reflecting the different business profiles of West versus East Barnet?
- What jobs will arise from the regeneration sites?
- How can Barnet's commercial opportunities at Brent Cross and Colindale be designed to meet the future needs of the economy?
- What are the infrastructure needs to realise Barnet's economic growth potential and employment patterns, particularly along the A5 corridor and areas of growth?
- What is the health status of Barnet's Town Centres and have they declined?

3.2 Spatial development and inequality

Barnet appears to be a relatively prosperous borough with a well qualified population, high employment rates and high earners. However, the headline figures belie a borough of significant contrasts. This is reflected in the 2010 Index of Multiple Deprivation (IMD), which shows Barnet at the mid point of English local authorities (165th out of 326) with a spread of deprivation scores in the borough from 36.42 (3,519th most deprived ward in England) to

4.64 (rank of deprivation of 30,415 out of 32,482 wards in England). Whilst there are no super output areas within the bottom 10%, there are twelve within the bottom 20% in England, with the borough's deprivation particularly concentrated into the Western wards of Burnt Oak, Colindale and West Hendon, along the A5 corridor, an area which is the focus for regeneration programmes (notably at Grahame Park). There are also pockets of deprivation in the south east at Coppetts and Woodhouse¹⁹. These inequalities are also reflected in the variations in housing stock. Whilst some family homes are valued in excess of £10m (e.g. in the wealthy area of Totteridge), these contrast to £125,000 one-bedroom 'starter' flats in New Barnet²⁰.

At ward level within Barnet, CACI 2011 data indicates that median household income follows the borough's ward IMD ranking, with Burnt Oak (-26.6%) and Colindale (-19.5%) having the lowest median income and Finchley Church End (16.6%) and Garden Suburb (32.6%) the highest. ONS ASHE 2011 data demonstrates that Barnet's median full-time employee weekly income (£583) is lower than that for London as a whole (£651), but second only to Redbridge (£600) amongst northern outer London boroughs. Overall, the picture is of the average level of Barnet's household income being raised by higher incomes achieved by those residents commuting to higher paid jobs outside of the borough, particularly from central London.

Trends

Barnet has also exhibited contrasting trends in Multiple Deprivation, with six super output areas moving out of the bottom 10% in England between 2007-2010, but with the overall borough ranking at 24th out of 33 in London, three places lower than in 2007. House prices have continued to rise in Barnet, but at less than the rate for London as a whole with the average domestic property price for Barnet rising by 109% between April 2000 and November 2013 to £497,941, compared with an overall rise across Greater London of 134% to £542,868 for the same period²¹. Barnet (5.18 reported crimes per 1,000 residents) has a lower crime rate than its neighbouring boroughs, with the exception of Harrow (4.22), but there are higher crime rates in the more deprived wards, particularly in West Hendon (10.4)²². Overall reported crime in the borough has declined by -3.5% in the last year and by -1.3% over the last two years.

Issues for Policy

The messages provided by socio-economic indicators including the IMD 2010, CACI 2011 household income and Metropolitan Police crime data, suggest overall improvements, but with mixed results within the borough. There are persistent issues relating to the pockets of deprivation which regeneration policy in the borough is seeking to tackle, particularly in the West along the A5 corridor (but also in the south east of the borough), as discussed later in this section.

¹⁹ Barnet Economic Insight, 2011

²⁰ Bairstow Eves, January 2014

²¹ Home Co UK http://www.home.co.uk/guides/house_prices_report.htm?location=barnet&all=1

²² Met Police, January 2014 <http://maps.met.police.uk/access.php?area=00AC&sort=rate>

3.3 Housing led regeneration

Barnet has extensive areas of Green Belt, accounting for about a third of the Borough. It also has 16 conservation areas, attractive villages, and rich architecture (2,205 listed buildings), all within relative proximity to Central London (12-14 miles). Estate agents cite many of the advantages of living in leafy areas with good schools with the accessibility of Central London for jobs and services. The high quality of Barnet's state schools is one of the main reasons why families move into the borough. Estate agents interviewed noted the two distinct demographic cohorts who demand housing in Barnet: the first-time buyers who want affordability and supply, and families who want good state schools in a country town atmosphere. The Borough has a good supply of both flats and family homes, which provides a good basis for retaining residents as they move up and down the property ladder. The borough is also a site of major investment in new housing, most notably in the west, and particularly in Colindale.

Trends

There is buoyant demand for housing in the borough and the conditions are right for new house building. The London Plan identifies three key sites in Barnet as designated areas of "opportunity" (Colindale and Cricklewood Brent Cross) and "intensification" (Mill Hill East). These denote respectively, areas of brownfield land in the borough with capacity for new developments, and those which are sufficiently developed (and connected) to warrant redevelopment at higher densities. Additionally, Barnet also has regeneration in Dollis Valley and in the West of the borough in the A5 corridor taking place in West Hendon (new town centre, road and railway station links) and Edgware (Stonegrove Spur Road estate) which also borders Brent and Harrow.

Policy

Barnet has a development pipeline of 13,700 units with planning consent. This approved pipeline includes the following key developments :

- Colindale's population is envisaged to grow by 20,000-50,000 as a result of new housing in the area. Nearly 11,000 units will be built by 2026. This includes a new student village of 900 bedspaces as part of the Peel Centre development
- Brent Cross/Cricklewood area will see a further 7,500 units as part of a 20 year regeneration programme
- Construction is underway on 2,174 new homes at Millbrook Park within Mill Hill East.

Issues

Dependent on dwelling stock but also noting London's priority for 1 and 2 person dwellings and affordable housing²³ and corresponding sector occupancy ratios of 2-2.5%, it is a reasonable supposition that up to 30,000 new houses will create an additional population of over 75,000 during the 10-15 years. This will require considerable parallel development in

²³ GLA (2006) Housing Space Standards. Report produced by HATC.

local infrastructure to facilitate increased demands for local services, transportation and employment.

3.4 Development of commercial space

Between 2000/01 and 2012/13, Barnet's rateable business property stock increased by 4.4%.²⁴ Barnet is characterised by retail, office and a limited amount of light industry workspace. Barnet (39.8%) had the second highest proportion of retail floorspace use to Redbridge (42.4%) amongst neighbouring London boroughs, and considerably higher than for Greater London (22.6%), whilst offices took up 28.9% of Barnet's commercial floorspace, a higher proportion than in other neighbouring boroughs. Barnet had a lower proportion of warehousing and factories commercial floorspace (28%) than other neighbouring boroughs²⁵. This tends to support the idea of Barnet being a dormitory borough providing homes for those working in neighbouring boroughs and Central London.

Trends

The future availability of office space in Barnet will be determined by property development trends, with the likely conversion of existing and potential office space to apartments in Edgware and Mill Hill. The London-wide oversupply of office space, combined with trends towards home working suggest a potential need for the provision of smaller flexible managed office spaces in and around Barnet's Town Centre locations²⁶. In summary, there is currently an over supply of old fashioned large-scale office space, particularly in Edgware and New Barnet, which is no longer suitable for contemporary office demand. The trend is for these offices to be converted to residential apartments. However, there is a demand, which is likely to grow with increasing self employment and professional micro business activities in Barnet for smaller flexible office space, close to Town Centres, in order to provide new service businesses with suitable client facing office space.

A central finding from interviews with commercial estate agents is that²⁷:

- There is decreasing demand for larger office space, possibly as businesses look to reduce operational costs to retain competitiveness
- There is a growing demand for smaller offices (less than 2,000 m²) for small service sector businesses, with close proximity to Town Centres and facilitating client facing activities
- There is a demand for 'turn key' premises, which are ready to use and offered on flexible leases
- Supply exceeds demand, particularly for larger office space, and is likely to worsen as more managed workspaces come on the market from developments in Central London (e.g. Kings Cross).

²⁴ Further details available from Jonathan Wooldridge, Chief Executives Office, LB Barnet

²⁵ ONS Neighbourhood Statistics, April 2008

²⁶ North London Business commercial agent opinion, December (2012)

²⁷ CEEDR Enterprise Dynamics in the Barnet Economy (2013)

- For new micro business services, the convenience of a local Town Centre presence could trump central London locations.

Policy

Current regeneration plans in the borough focus on residential development, town centres and potential inward investment in the form of office or light industry. Currently, residential development predominates. The major Brent Cross redevelopment will develop expanded retail employment. Elsewhere in the borough there is a lack of large new employment sites, The North London Business Park provides one such site, but its relatively poor location with regard to public transport means it does not have a strong record of attracting and retaining employers. Overall there is limited scope for economic development strategies based on inward investment and expansion of existing businesses. In the absence of a science park and larger transport and manufacturing plant space that other neighbouring boroughs have, Barnet's inward investment is probably best suited to attracting higher order business services.

Issues

Barnet lacks suitable commercial property and industrial brownfield land suitable for attracting major inward investment into a science park environment. There is a surfeit of larger office space and planned new office space in Mill Hill East and Brent Cross, will enter a highly competitive wider London market. However, the growing home business activity in the borough may require suitable flexible office arrangements in client facing locations around the borough's Town centres and the borough's leafy suburban environment could be attractive for the location of higher order services.

3.5 Town centre development

The changing high street

Barnet is organised around 16 town centres, which serve as district centres for the borough and in the case of Edgware and Brent Cross, as major retail, employment and administrative centres.

Barnet is served by major centres for shopping, including Brent Cross, the Spires Shopping Centre at Barnet, Broadwalk Centre at Edgware, and retail area at North Finchley (High Road), which act as the main locations for national retailers. Independent retailers are well represented in Edgware, Chipping Barnet, Temple Fortune, Cricklewood and Burnt Oak. The main banking areas are located in Edgware, Chipping Barnet, Church End and North Finchley.

Retail is the largest employment sector across the borough, much of which is concentrated in the town centres. There are signs that some of the town centres are in decline. For example, the high streets in Edgware and Burnt Oak have become a destination for low-end charity shops.

Table 3.1 – Town Centres in Barnet

Major Town Centres	District Town Centres	
Edgware	Brent Street	New Barnet
	Chipping Barnet	North Finchley
	Church End, Finchley	Temple Fortune
	East Finchley	Whetstone
	Golders Green	Colindale/The Hyde
	Hendon Central	Cricklewood
	Mill Hill	Burnt Oak

Source: based on GLA (2013)²⁸

Key: Green represents falling vacancies, red represents increasing vacancies 2003 to 2013

Retail performance

Consistent with the national picture, the commercial, especially retail sector has been subject to change over recent years, as a result of the Global Financial Crisis and subsequent double-dip recession. Contraction of Barnet's retail base, which acts as a primary sector in the economy (accounting for 13-14% of the Borough's employment) has led to increasing vacancies in commercial units, especially in town centres. The GLA TC Health Check (2013) reveals significant retail vacancy rates in the areas of North Finchley (44%), Temple Fortune (28%), Mill Hill (27.8%), Church End (26%), and Hendon (23%)²⁹, whilst the most recent LB Barnet Town Centre Survey for 2013 indicates that vacancies have declined in most of the borough's Town centres except for Chipping Barnet (9%), North Finchley (11%), Burn Oak and Edgware (around 5%), but with Brent Street, Church End, Hendon, New Barnet and Temple Fortune all improving but still exhibiting vacancy rates of over 5%.

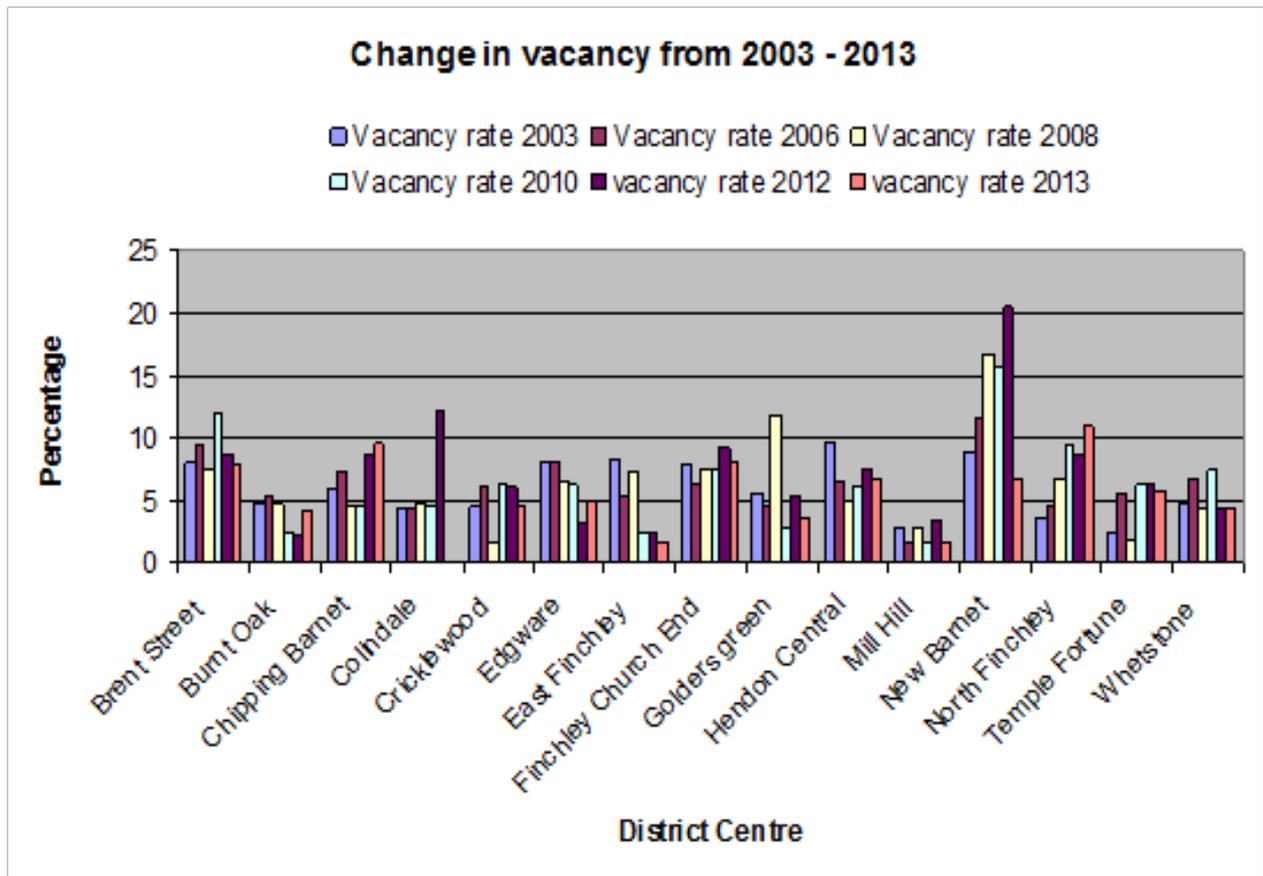
Recent trends exhibited include a fall in independent retail and personal services including convenience stores, hair and beauty salons, cafes, restaurants and women's clothes shops and a net increase in the numbers of national chain stores, including betting shops and bakeries.

Across Barnet, there are 278 vacant retail units, amounting to 38,243 m2 of unused retail space. Although the number of discount stores is increasing across the borough, this has been insufficient to act as replacement retail activity – discount stores account for 5.3% of the retail stock. The growth in the proportion of betting shops within the retail stock is evident in East Finchley, Golders Green, Hendon, North Finchley, Colindale and Burnt Oak..

²⁸ GLA (2013) Town Centre Health Check 2013

²⁹ Based on analysis of GLA (2013) Town Centre Health Check

Figure 3.1 Vacant Retail Space across Barnet, 2000-2013



Source: LB Barnet Planning Policy Team - Town Centre Surveys (2013)

Retail contraction has exceeded that for London as a whole but has fared better than other town centres across England. The increase in vacancy rates as noted above, and ‘retail churn’³⁰ are consequences of declining disposable income during a prolonged economic downturn, independent retailers struggling to survive, and national retailers reorganising to maintain operational profit.

The increasing costs of operating stores, the changes occurring in consumer behaviour, and the growing rate of virtual shopping (now representing 8% of the total retail market) raise questions about the sustainability of the retail sector in its current form. Much attention has been paid to the ‘High Street’ in recent years, in part as a result of the ‘Portas review’³¹. Deloitte³² note the key pressures now being placed on retailers, particularly the large

³⁰ CEEDR Enterprise Dynamics in the Barnet Economy (2013)

³¹ Portas, M. (2011) The Portas Review: An independent review into the future of our high streets. London: TSO

³² Deloitte (2011) The Changing Face of Retail. The Store of the future: the new role of the store in a multi channel environment.

national retailers, which they believe will lead to reductions of 30-40% within a 3-5 year period:

- Weak consumer expenditure will remain especially for discretionary goods
- Business costs will continue to rise increasing variable costs and also fixed central costs
- Evolving technology will change consumer shopping behaviour
- Intense competition will arise through both a shrinking market and an increasing number of players converging from other sectors and countries
- Retailers' sustainability agenda and policies will need to be inflected into commercial performance and strategies.

Furthermore, the long term trend towards customers using ICTs to gain information about products means that the role of shopping is changing to:

- Promotion of a brand – with shops not just about driving sales but about image and brand loyalty e.g. Apple
- Touch and Feel – to bring life to a product showcased online
- Convenience and Flexibility – using stores as sites for collection, with flexible options for returns, with new ways of payment.

All of this suggests fewer but larger stores, with an emphasis on shopping experiences and high-end customer destination shopping. Interviews with shoppers in Barnet reinforced this point by revealing the personal preferences of shoppers in the borough and the attractiveness of the 'shopping experience' of Shepherds Bush Westfield Centre in Central London (1 hour of travel) over and above the 'local shopping' offer of Brent Cross and the Spires. Interviewees noted the importance of leisure, food and entertainment in the retail experience, which creates a visitor appeal especially in the evening and at weekends. They did not see current or expanded provision at Wembley as providing greater appeal to Barnet, suggesting that the main competition was between town centres and Central London, rather than neighbouring boroughs, or the wider West London area.

This places considerable pressure on Barnet's retail and town centre offer, which exist in tandem. Retail is both a significant employer in Barnet as noted earlier, and a significant user of commercial space in town centres, which gives Barnet's town centres an economic role.

At a national level store counts are declining, a continuation of a long term national trend. There was a contraction of retail outlets of 4% in 2009 amounting to a decline in physical floorspace of 12 million sqm, whilst online retail added the equivalent of 25 million sqm of space³³.

³³ op. cit. Deloitte (2011) The Changing Face of Retail. The Store of the future: the new role of the store in a multi channel environment.

The wider retail and entertainment services mix

There is a mixed performance across the borough in terms of arts and leisure retail activity (Table 4.2). Edgware, Church End, Golders Green, North Finchley (Tally Ho Corner) and Cricklewood have high concentrations of restaurants – 107 units, which account for 56% of the Borough's restaurants. There is a high concentration of bars and pubs in Chipping Barnet, Church End, Colindale, and Cricklewood (24 units), amounting to 45% of the Borough's stock. Cinemas and theatres are restricted to the areas of Chipping Barnet, and East and North Finchley (especially in the Great North Leisure Park).

Table 3.2 Arts and Leisure Activity in Barnet, 2013 (sqm)

Centre	Cinemas and Theatres	Pubs and Bars	Restaurants	Cafes
Edgware	0	659	3,438	1,524
Brent Street	0	65	1,858	510
Chipping Barnet	297	1,868	1,933	800
Church End, Finchley	0	1,394	3,354	1,867
East Finchley	966	734	1,125	827
Golders Green	0	353	3,101	827
Hendon central	0	985	1,245	659
Mill Hill	0	632	1,513	734
New Barnet	0	716	510	427
North Finchley	195	790	4,530	1,245
Temple Fortune	0	214	1,170	1,113
Whetstone	0	576	1,785	826
Colindale/The Hyde	0	910	900	408
Cricklewood	0	2,462	2,359	1,338
Burnt Oak	0	855	121	1,142
Brent Cross	No data	No data	No data	No data

Source: based on GLA (2013) Town Centre Health Check

Review of differentiated performance

Four Town Centres in Barnet (New Barnet, Finchley - Church End, Chipping Barnet, and Edgware) have completed Town Centre Frameworks/Strategies, which assess their retail performance, consider their strengths and weaknesses, look at current land use, potential for development, and activities that could be addressed.

It is apparent from these and from the retail data outlined earlier, that many centres across the borough have distinct assets and perform different functions. Examples of these differences between TC and their relative performance include:

- New Barnet is located within a relatively affluent area but performs poorly, due in part to competing centres. There are anchor stores but poor aesthetics, poor mobility and

access from the station, and underused office space. It has high retail vacancy rates and low rental values and yield and is being eclipsed by neighbouring centres who offer better retail space, which causes New Barnet to suffer from a lack of commercial investment. The centre has a significant walk-in catchment but has poor (pedestrian) links to the transport hub.

- Chipping Barnet has good transport access and car parking, and a footfall from colleges and hospital services but outdated shopping space and under-used land, meaning that it is not fulfilling its potential.
- Finchley is dominated by independent shops and restaurants with good transport and a cluster of office space to provide weekday footfall but has limited draw to national retailers.

Policy

Barnet's Town Centres have been selectively assisted in recent years to enable their upgrade and modernisation. This has been funded by the Mayor's "Outer London Fund" (OLF) which has been used to provide temporary investment in Barnet (approximately £3.5m) but is inadequate to bring about the scale of investment needed to withstand further structural change in the retail sector and town centres across the borough. The OLF has delivered improvements such as cleaning and greening, shop-fronts and arcade renovations and new street furniture in North Finchley, Chipping Barnet and Cricklewood. Edgware received a small amount of Portas Review funding to support the establishment of the Town Team and deliver greening in the high street.

The Colindale Area Action Plan identifies development of a new "neighbourhood centre" in Colindale. Collectively, these centres act as the "focus of Barnet", with Barnet's Local Plan Core Strategy committed to promoting Barnet's Town Centres (Policy CS 6). The Plan provides for a variety of uses in town centres: from retail and office use, to leisure, entertainment, sports, and arts and culture.

Overall, Council policy reflects the changing nature of its Town Centres, There is increasing redevelopment to facilitate more residential property around Town Centres, more use of CCTV to prevent crime, and an emphasis on providing a higher quality street scene with improved shopfronts, furniture, pedestrianisation, green space and organised events (e.g. seasonal and visiting markets). These changes, together with key infrastructural transport linkages and traffic calming, aim to provide a better residential/retail mix in the Town Centres. A separate and competing issue is the balanced and strategic development of the evening entertainment and late night shopping environment.

Expansion of Brent Cross

Brent Cross Shopping Centre is the largest employer in the West of the Borough with a major retail offer which will expand by 100,851 sqm within 10 years, with a further 63,103 sqm of B1, C1, and D2 commercial uses³⁴. This amounts to some further 163,954 sqm of

³⁴ NPPF (para 26) (April 2010) classifies a range of different uses for buildings and land for planning purposes. There are 14 classes of use. Classes A1-A5 cover typical high street uses (A1- retail shops

new commercial space in combination; an area the size of the Shepherds Bush Westfield Development in Central London (150,000 sqm). The proposals for Brent Cross/Cricklewood tied to the expansion of the Brent Cross Centre and surrounding area will create an expanded retail offer but also a new town centre, new educational and community uses (including green areas), and major transport improvements. This will improve access and quality of life for residents and attract new visitors.

The later phases of this development will deliver a large amount of new commercial space. The developer Hammerson is currently evaluating options for the use of this space including the potential attraction of retail head offices. However, given the large amount of commercial space set to become available within London over forthcoming years, the focus in the first instance is likely to centre upon securing major employers to the area, and then evolving a strategy that is flexible to changing circumstances.

Issues for future policy

In the context of Barnet, the contraction of retail and the below average representation of other services activities (especially knowledge-intensive businesses³⁵) in town centres creates an economic vacuum, which will diminish the viability of the town centres across the borough in the years to come. When coupled with a national trend of decentralisation of retail and leisure/restaurants in urban areas outside (Central) London³⁶ this suggests that the *raison d'être* of town centres in Barnet is of immediate concern, to prevent further loss of key services such as access to banks, public services, and transport (which are concentrated around the Borough's centres).

A centre's retail relies on footfall as this determines the size of the market that retailers can sell to. Therefore, if town centres lack jobs, residents and/or leisure amenities, then this reduces the market that a retail sector can serve. In other words, retail is *secondary* to the economic function of a town centre, not the key driver³⁷. Weekend footfall is based on the retail offer itself, hence the appeal of Shepherds Bush, over Brent Cross/local town centres. Monday to Friday, the main generators are workers, non-working residents, and the users of public services. This means that in Barnet, those town centres with a big concentration of weekday footfall offer the greatest opportunity for economic growth. Sluggish retail is the symptom of an underperforming centre, not the cause of it, suggesting that the economic role of many of Barnet's town centres needs to be renewed, by providing an improved service offer and better transport linkages.

Barnet faces options as to which Town Centres to support and invest in to develop growth and vitality. There is a need to focus activity on a small number of town centres which have viable potential for growth. Identification of key priority centres such as Edgware, Chipping

for, A2 – financial and other professional services, A3 – restaurants and cafes, A4 – pubs and bars, A5 – take aways); B1 offices; C1 hotel; and D2 leisure.

³⁵ Knowledge Intensive Businesses (KIBs) professional and scientific knowledge based services such as ICT, financial services, management and technical consultants and scientists

³⁶ Kneebone. E. (2013) *Jobs Sprawl Stalls: The Great Recession and metro employment location*. Washington, DC: Brookings Institute

³⁷ Swinney, P. and Sivaev, D. (2013) *Beyond the High Street: why our city centres really matter*. London: Centre for Cities

Barnet (High Barnet), Finchley Church End (Finchley Central) and North Finchley can then lead to constructive policies.

3.6 Mobility and access

Transport infrastructure

Barnet has good transport access to Central London through the Northern Line of the London Underground, with journey times of 30 minutes or less. The Edgware branch of the line follows the A5 corridor, serving the centres of Golders Green, Brent Cross, Hendon, Colindale, Burnt Oak and Edgware in the West of the borough, where economic and commercial activities are concentrated. The Barnet branch serves the centres of East and West Finchley, Mill Hill, Totteridge and Whetstone, and High Barnet.

There are mainline rail services from Kings Cross and Moorgate to Oakleigh Park, New Barnet, and Hadley Wood. The A5 corridor in the West is also served by the Thameslink mainline rail service with two stations at Hendon and Mill Hill Broadway offering fast links to central London (15-20 minutes to Kings Cross, Farringdon and London Bridge) and strategic stops along the A5, including Elstree, St Albans and Luton Airport. The A5 corridor is considered to be a major economic driver for the borough and the focus of major regeneration work³⁸.

Whilst Barnet's North-South links to central London are good, Barnet typifies North London's problems in East-West travel links, with the M25 to the North and North Circular A406 to the South offering East-West major arterial road links outside of the borough. East-West linkages may grow in importance with the rapid housing developments in the West of the borough, and it is noted that 'Crossrail 2' plans do not include Barnet or the boroughs immediately to the West³⁹. The strain on East-West links is highlighted by the 46 bus routes operating in the borough, which predominately follow arterial roads and routes also running North-South, rather than East-West⁴⁰.

Twelve of Barnet's town centres have underground or mainline rail links. Three town centres have public transport coverage exceeding 95% of the local area: New Barnet (100%); Colindale (99%), and Temple Fortune (97%). Two centres have less than 55% coverage: Burnt Oak (55%) and Chipping Barnet (47%)⁴¹.

Public transport provision in the borough is supplemented by private car use, facilitated by the Borough's provision of car park spaces. There is excellent car parking in North Finchley (870 spaces), Chipping Barnet (341 spaces), Church End (243 spaces) and Burnt Oak (505 spaces). Other areas of the borough either have low or non-existent car park spaces.

³⁸ Barnet Economic Insight, 2011

³⁹ Transport for London Crossrail 2 Consultation, 2013

<http://www.tfl.gov.uk/corporate/projectsandschemes/27405.aspx>

⁴⁰ Transport for London Barnet Bus Route Maps

<http://www.tfl.gov.uk/gettingaround/maps/buses/barnet.aspx>

⁴¹ TfL (2013)

Table 3.3 Percentage of Barnet Town Centres covered by Public transport

New Barnet	100.0
Colindale/The Hyde	98.8
Temple Fortune	96.7
Golders Green	88.5
Hendon central	88.1
Church End, Finchley	87.5
Cricklewood	83.0
Mill Hill	79.7
North Finchley	79.7
Brent Street	79.4
Whetstone	75.4
Edgware	63.7
East Finchley	56.0
Burnt Oak	55.2
Chipping Barnet	46.9

Source: TfL

Trends

Transport for London estimates that transport provision in the Barnet area opens up a large area of opportunity for residents. Several centres have more than a million jobs available to them within 45 minutes of travel. These include East Finchley (1.7m), Golders Green (1.7m), Hendon (1.1m), Cricklewood (1.5m), Church End (1.2m), and Temple Fortune (1m). Moreover, projections indicate increased opportunities of circa 15% by 2031, as a result of economic growth of the London economy, improved transport links, and population growth.

Census 2011 data reveals that a quarter (25.5%) of Barnet residents of working age travel to work by road, whilst one in six (17.3%) travel by rail, with 4.9% working at home. Whilst 39% of the working population work in Barnet (down slightly from 41% in 2001), 55.9% work in other London boroughs (the inner London boroughs of Camden, Westminster, City and Southwark representing 32.1%) and 7.1% work outside of London. Eight per cent commute to neighbouring A5 corridor local authorities, with 3.2% commuting to Brent and 2.5% commuting to Hertsmere. These are similar patterns overall to those found in the 2001 Census.

Policies

Whilst control over much of transport policy lies outside of the borough, in the hands of Transport for London, it is important that the borough continues to develop policy to assist the regeneration of the borough, notably in the West, A5 corridor area. This includes plans for improved connectivity between transport terminals and Town Centres, such as a new mainline station at Brent Cross, improved linkages of Hendon station with the Town Centre and underground station improvements at Colindale and Mill Hill East in the centre of the borough. The council should also lobby for improved road and rail linkages throughout the borough and progress with cycle path provision. A major issue for many Town Centres is car parking which can have a major impact on their attractiveness and footfall.

Barnet Council⁴² sees the development of a new Brent Cross railway station as central to unlocking the further development potential of the Brent Cross area. This will improve accessibility to central London, with a 10 minute journey into Kings Cross, de-risking housing development in the area, improving public sector access to the shopping centre and enhancing opportunities to attract inward investors into the area. Office space is currently in over supply in central London locations, but there is future potential with an appropriate development model for business hub in this area, perhaps linking with a Higher Education establishment (e.g. Middlesex University), to develop a presence in this area, given the highly accessible location serving a large sub-regional area within the London economy, with students creating a welcome 'buzz' during the day. As part of the redevelopment of the Brent Cross Centre, there will also be a major improvement of the M1/A406 junction led by the developer Hammerson.

The £250 million estimated costs for the new rail station represents a major investment which requires external support. Currently funding is being sought through the creation of a retail led Enterprise Zone which would permit paying off the cost of the station over a 10 year period. The major attraction at a London level of support for this project is it will unlock a major housing development at a time of profound housing shortage within the capital.

There is also a planned access development for Hendon mainline station, providing better access to Hendon Town Centre and for developments of the underground stations servicing two major regeneration areas at Colindale and Mill Hill East.

Issues

Two transport issues emerging from interviews were:

- Accessibility from East to West of the borough – whilst the transport flow to and from Central London is good, this is not the case for movement across the borough, which is achieved only through bus provision or private car use. According to Barnet Economic Insight 2011, more should be done to develop East-West bus routes across the borough. In addition, the exploration of possibilities for re-instating former railway lines, the development of a cycle super highway route and even the highly ambitious proposal to tunnel a large part of the North Circular, all provide other possible options for improving East-West linkages within the Borough.

⁴² Interview with Cath Shaw and Pam Wharfe, January 2014

- Car Parking – the unequal (“inadequate”) provision of car parking across Barnet, and the recent changes in payment for car park spaces acts as a barrier for private travel.

3.7 Digital provision and industries

The increasing importance of digital services to living, working and service provision in the Borough is increasingly apparent. Barnet has a growing level of superfast broadband coverage with BT dominating supply, although other providers (Virgin; Sky) are also present. As table 4.4 shows, 81% of the total cabinets in BT exchanges have been deployed for the provision of superfast broadband⁴³. However there are significant gaps in the coverage and the precise location and numbers of residents who do not have access to superfast broadband is unknown.

Table 3.4 Deployment of Cabinets in BT Exchanges for Superfast Broadband in Barnet

Exchange	Total cabs in Exchange	Total Deployed	Total Not Deployed
Barnet	68	55	13
Colindale	50	43	7
Cricklewood	73	56	17
Edgware	42	34	8
Finchley	47	37	10
Golders Green	63	49	14
Hendon	57	44	13
Mill Hill	37	33	4
Muswell Hill	49	42	7
New Southgate	43	39	4
North Edgware	24	21	3
North Finchley	68	51	17
Total	621	504	117

Source: Barnet Council

There is increasing recognition of the importance of digital communications, particularly due to the significant ‘channel shift’ in customer interaction towards online (e.g. customers accessing resources, use for public consultation, residents receiving welfare benefits). As a result there is a current project to set up a digital platform for Council Services. There is also recognition that residents need skills so they can make effective use of online services and the digital environment, and projects have been developed to support the development of digital skills for certain more deprived groups and communities. One further current project is the development of street Wi Fi in a number of town centres. A concession has been

⁴³ BT Superfast Broadband is provided mainly through a Fibre to the Cabinet (FTTC) model, with optical fibre connection to a roadside cabinet and then a final connection to the customer from the cabinet

awarded to a commercial operator (Arqiva) to supply this and they will commence operation in April 2014.

There is also now consideration being given to how the advancement of digital use could support the growth of business and enterprise in the Borough. Barnet currently lacks a presence of digital and data industries (e.g. high tech companies, finance industries, research labs). As a result there has not been demand for the supply of the most advanced digital infrastructures within the Borough which would be required to attract and develop these industries. The GLA also recognises the importance of London's businesses having the most efficient broadband in order to be competitive globally. The Super Connected Cities scheme is being rolled out in Spring 2014 to all London's businesses, enabling those in poorer reception areas to £3,000 improvement vouchers⁴⁴, and Barnet businesses will have access to this scheme.

3.8 Barnet in the London economy

The A5 Corridor

The A5 corridor is at the core of Barnet's regeneration activities. Existing commitments to regeneration in the Borough, particularly around housing and physical development will present opportunities for growth through increased residents and indirect multiplier impacts. As highlighted previously nearly 26,000 new homes are expected to be developed in Barnet by 2026. Housing developments are aimed at professional, middle-income groups; the precise demographic cohorts characterised by high, disposable income and a high marginal propensity to consume⁴⁵. In this respect, major housing development across the borough will foster significant new economic especially retail growth (through discretionary income).

There are spatial variations in business activity with the largest concentrations in employment in West Hendon and Colindale, West Finchley, and in the areas of regeneration in the West of the borough. During the period 2009-12, there was above average growth in employment and business units with the highest growth recorded in: education (22.9%), health (21.9%), property (15.9%), and Information Services and Technology (IST) (15.8%). This continues a longer trend in expansion of property, education, and health in Barnet over the last decade.

The regeneration of Brent Cross/Cricklewood

The scale and scope of the Brent Cross/Cricklewood development over the next decade is considerable. It is the largest mixed retail, commercial and housing development in North West London.

⁴⁴ GLA Super Connected Cities scheme <https://www.connectionvouchers.co.uk/london/>

⁴⁵ Alvarez-Cuadrado and Mayssun El-Attar Vilalta (2012) Income Inequality and Savings. MGill University Discussion Paper, 7083/Paulin, G. (2008) Expenditure Patterns of Young Single Males. Bureau of Labor Statistics

Key deliverables include:

- Doubling Brent Cross Shopping Centre (91,509 additional sqm of retail and leisure space)
- Creation of a new town centre, spanning the North Circular Road
- 7,500 new homes
- New landscaped pedestrian bridge connecting Brent Cross and Cricklewood communities
- New bus station and improved link to Brent Cross underground station
- Major highway improvements e.g. M1 and North Circular junction
- New Claremont School and improved Clitterhouse Playing Fields
- 3,000 construction jobs, and 2,500 - 3,000 permanent jobs
- Commercial office space

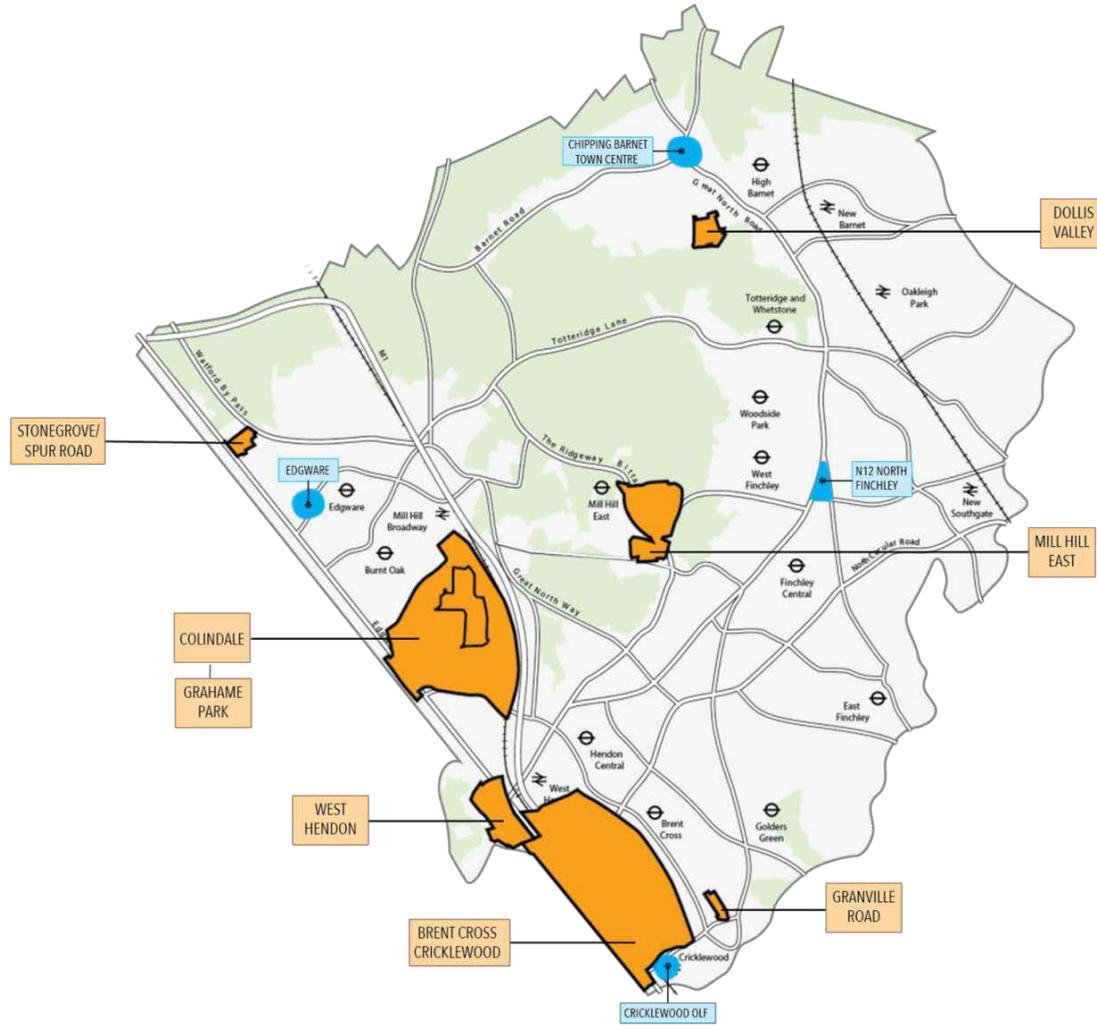
The Brent Cross/Cricklewood development provides a number of major opportunities:

- Creation of thousands of jobs and opportunities for local residents
- Large scale area of new housing
- Source of income to Borough
- Major development opportunity to create a vibrant new centre within the Borough

However it also produces a number of challenges:

- Strong reliance on private car/increased traffic congestion
- Local opposition
- Negative impacts on other Town Centres
- Limited supply chain linkages to large national/international retailers
- Limited benefits to local economy if local people do not access jobs and economic linkages are not realised
- Scale could reduce the capacity and funding available for development activity elsewhere in the borough

Figure 3.2 Major Regeneration Sites in Barnet



West London sub-regional development

Finding ways to anchor new residents to Barnet through place retention (i.e. using other tenures and housing stock in the borough as their career progresses), and finding ways to maximise economic growth through their local expenditure will be paramount in achieving genuine housing-led regeneration. At the same time, the West London Alliance ⁴⁶ notes the presence of services and growth industries to the West of London especially around:

- White City – thriving retail and media
- Wembley – growing industrial and retail offer
- Park Royal – Europe's largest industrial park with growth in food processing, back office creative industries (e.g. film), which will expand commercial offer and 22,000 new homes, with potential for a super hub station at Old Oak Common, connected to the HS2 project
- Brent Cross – expanded retail, 7,500 new homes and new commercial space

The opportunity for connecting to these opportunities through e.g. supply chains, seem greatest in neighbouring boroughs of Brent and Ealing. That said, there are limited opportunities to develop supply chains to global leaders in food processing at Park Royal or around Heathrow, or with back office 'creative' businesses located at Wembley.

Barnet and neighbouring boroughs are home to 6 higher education institutions, the largest being Middlesex University with a student population in London and through overseas campuses of around 40,000. This creates a significant latent potential for new areas of economic growth.

3.9 Key Questions

Returning to the key questions set at the start of the section we now present a summary of key findings in relation to these.

What is the health of the market for business premises in Barnet?

It is evident that Barnet is a service-led economy, with a predominance of retail and light commercial business units centred around 16 Town Centres. There is a shortage of suitable larger-scale brownfield space for a major science park, transport and warehousing and heavier industrial activities. Barnet's regeneration is focusing on upgraded Town Centres and light commercial premises. The borough currently has an over supply of larger-scale office space, particularly in Edgware, which is not competitive with other sites in London and does not meet the needs of new emerging service businesses.

⁴⁶ West London Alliance (2013) Future West London: an economic vision.

What is the impact of recent planning changes allowing the conversion of B1a commercial space to residential without planning permission?

In May 2013 the Government relaxed planning controls over conversion of B1a commercial space to residential property in the form of flats. By the end of 2013 the Council had approved 51 prior approval applications which involve loss of around 18,500m² of floorspace. This loss will create around 330 residential units.⁴⁷ However as demand for commercial premises is now increasing again and with the need to encourage commercial activity within the Borough, this practice needs to be reviewed. Local Plan policy encourages mixed used conversions of vacant office space as they provide investment opportunities in town centres to refresh tired buildings and introduce vitality and viability. However, it will also lead to demand for a wider range of services including education and health and improved transport and parking in order to avoid congestion. As part of the relaxation of planning controls these conversions no longer require planning permission and therefore are not liable to make S106 or Community Infrastructure Levy contributions to fund this infrastructure. The precise impacts of this change remain to be seen but the quality of such conversions may be of lower value and less likely to attract permanent residents, and developers may prefer other higher value and more profitable development opportunities. There may also be competing interests in terms of how the new town centre residents feel about increasing demands for evening economy developments around town centres. However, an increasingly young, vibrant population drawn to town centre living may embrace such changes.

What are the crucial economic issues facing the different parts of Barnet reflecting the different business profiles of the A5 Corridor compared with the rest of the Borough?

The Barnet business economy section highlights the concentration and spatial distribution of business activities in the borough. It highlights that Barnet is predominantly a small business service sector economy, but with some larger employers creating pockets of concentrations of employment in the borough.

In summary there is a spread of retail and associated high street services activity across the borough in the 16 Town Centres. However, there is a particularly high proportion of employment in retail along the A5 corridor, particularly at Brent Cross and West Hendon, but also in Edgware. There are also pockets of high concentrations of employment in key sectors where there are large public and institutional employers, such as Middlesex University in Hendon and the Police in Colindale and Hospital in Burnt Oak. Elsewhere in the borough there are also retail employment concentrations at Coppetts Barnet Hospital at Underhill, Barnet Council at (North London Business Park) Brunswick Park, professional services in Finchley Church End – particularly associated with Berg Kaprow Lewis LLP and a cluster of other accountancy firms, and accommodation and food in East Finchley.

This pattern of employment suggests that for Barnet residents to access appropriate jobs, there needs to be improved East/West linkages, particularly as a high proportion of new job generation will be in the west of borough.

⁴⁷ 2012/13 Authorities Monitoring Report

What jobs will arise from the regeneration sites?

It is difficult to predict exactly how many new jobs will arise from Barnet's planned regeneration schemes which are set to run for the next decade and beyond. Whilst they focus on the A5 corridor and will involve a considerable growth in retail and associated high street services activities (e.g. personal services, arts and entertainments, catering etc.), they

Table 3.5: Summary of Projected New Jobs from Barnet's Regeneration Schemes

Project	Location	Job Generation
Brent Cross	A5 corridor	3,000 construction jobs Up to 3,000 permanent jobs 27,000 new jobs in 20 years
Colindale and Grahame Park	A5 corridor	Construction jobs School, retail, business centre, health centre, energy centre jobs
Dollis Valley	Central	Construction Apprenticeships scheme and nursery jobs
Granville Road	A5/A405	Construction
Mill Hill East	Central	Construction Up to 500 retail/commercial jobs
Stonegrove	A5 corridor	Construction
West Hendon	A5 corridor	1,000 construction jobs 126 permanent retail jobs

Source: Barnet Annual Regeneration Plan 2012-14

will also include other service provision for the growing population through the new home building programme and this will result in new health and education jobs and also increasing demand for ancillary support services such as cleaning and improved transport services. There is also the sizeable regeneration scheme taking place in the centre of the borough at Mill Hill East, which will result in up to 500 mixed retail and light commercial office jobs

How can Barnet's commercial opportunities at Brent Cross and Colindale be designed to meet the future needs of the economy?

A high proportion of job generation resulting from Barnet's regeneration programmes will be within the A5 corridor in Brent Cross/West Hendon and Colindale. These jobs will include high end retail jobs, where training is undertaken in-house by large High Street retailers and associated high street services and entertainment job opportunities, as well light commercial office work. As these job opportunities will be occurring on the Western boundary of the borough, there is a high likelihood that neighbouring borough residents will take up these job opportunities, particularly where there are straight forward North-South rail links via Thameslink that facilitate easy commuter travel from South Hertfordshire and Central/North London.

It is therefore important that Barnet ensures that there are appropriate East-West transport links to enable borough residents to access the new job opportunities. There is also a need to ensure that residents have appropriate access to suitable local skills training. A further point is that there will be a considerable amount of lower paid ancillary jobs generated in relation to office/shop cleaning, as well as bar and restaurant staff. Many of these jobs will

be part-time and temporary, but might fit well with the growing local student economy and those seeking flexible working arrangements.

In the short to medium-term there will be a considerable amount of construction jobs generated and these can be serviced by Barnet residents, if they have the appropriate trade skills. The construction sector is forecast to be an important expanding job growth sector in Barnet over the next decade and it is important that major contractors are encouraged to look to local employees and subcontractors through local labour agreements.

What are the infrastructure needs to realise Barnet's economic growth potential and employment patterns, particularly along the A5 corridor and areas of growth?

Barnet's extensive regeneration programmes, particularly to the West of the borough in the A5 corridor will require considerable transport and infrastructural improvements in order to meet the needs of a rapidly expanding population resulting from its house building, and to enable commuting to the new jobs created, mainly in the West of the borough along the A5 corridor. The Brent Cross Cricklewood development will involve building a new station on the Thameslink line, offering rapid connection South to central London and North to Hertfordshire and Luton Airport. This will open up a considerable customer catchment for the retail and commercial development planned for this site, as well as commuting opportunities for the new housing residents. Further along the A5 corridor at Colindale, improvements to the Northern line underground station will be vital for the residents of the c.15,000 new homes in this area.

It is clear that Barnet will require much better West-East transport links, in order to enable borough residents to travel to where the new jobs are created. Regeneration developments in other parts of the borough, such as Mill Hill East (central to Barnet) which is benefitting from an improved Northern Line underground station are also better connected North-South than East-West. Therefore more must be done to improve commuting opportunities and access to retail/local services.

An additional consideration for infrastructural development is the provision of high speed broadband across the borough and to ensure that the borough's businesses (whether home based or commercial premises) are able to capitalise on this service and the potential opening up of borough services and trading on a global basis. This in turn might lead to closer diaspora linkages, and open up possibilities for sectors requiring high level digital provision, such as the Tel Aviv high tech sector, .

What is the health status of Barnet's Town Centres and have they declined?

Barnet is set to remain a service sector driven economy with town centres at the heart of its future growth. Whilst large-scale regeneration schemes at Brent Cross/West Hendon and Colindale take the eye, there is a need for strategic town centre upgrading across the borough.

Recent Town Centre surveys and feedback from key informants suggests that there is currently very mixed performance, with some town centres like the Spires and Edgware in need of upgrading and others like Burnt Oak relating more effectively to their local residents.

The most successful town centres appear to be offering suitable convenience shopping to local residents, a pleasant shopping environment, niche shops and a suitable mix of associated high street services such as restaurants and cafes. Critically the more successful town centres have successfully retained a role in meeting the needs of the local communities they serve. Where regeneration activity has been pursued, this has been most successful when led by local business.

Given that the retail environment is undergoing a period of profound and rapid change, some town centres will see their past retail service role further undermined and the scale of activity and footfall reduce. For town centres to refashion themselves they will need to develop a distinctive and entertaining shopping experience combined with providing a range of other services. This will require co-ordinate action across a range of domains, including infrastructural investment, improved transport links and parking, and careful planning around 'events' management.

4. Employment and Skills

4.1 Introduction

The purpose of this chapter is to analyse the key trends and issues related to employment and skills development within the Barnet labour market. In so doing it will address a number of central questions:

- What factors are driving changes in the Barnet and wider London labour market?
- How will disadvantaged individuals and groups benefit from anticipated employment growth? What factors act as barriers to their integration into the labour market?
- What role does Barnet Council and other partners play in relation to addressing labour market changes?
- What opportunities are there for exploiting and utilising current national and regional employment and skills programmes and funding initiatives in relation to a future labour market strategy?

This analysis takes into account the key objectives of the *Skills and Enterprise Plan 2012-2015*, currently being updated and refreshed, which in terms of labour market policy gives priority to targeted support to 16 to 24 years old NEETs and unemployed graduates and reducing worklessness across the borough. A strong cross cutting aspect is understanding the skills and employment needs of local businesses and linking business growth to a coordinated skills and training plan.

4.2 Demographic change in Barnet

Barnet is London's most populous borough, with 356,400 residents in 2011, experiencing a growth of 41,800 since 2001, an increase of 11.5%. This growth trend is characterised by a local population churn where annually 8.8% of population are new to the Borough replacing 7.7% who have moved out. The most recent ONS population estimates at June 2012⁴⁸ indicate that Barnet's population has increased to 364,000, with 63% of working age (16-64) compared with 66.5% in London, a similar rate of population aged under 16 (21.1%), but a higher rate of those aged 65 and over (15.9% compared to 13.4% in London as a whole).

Trends

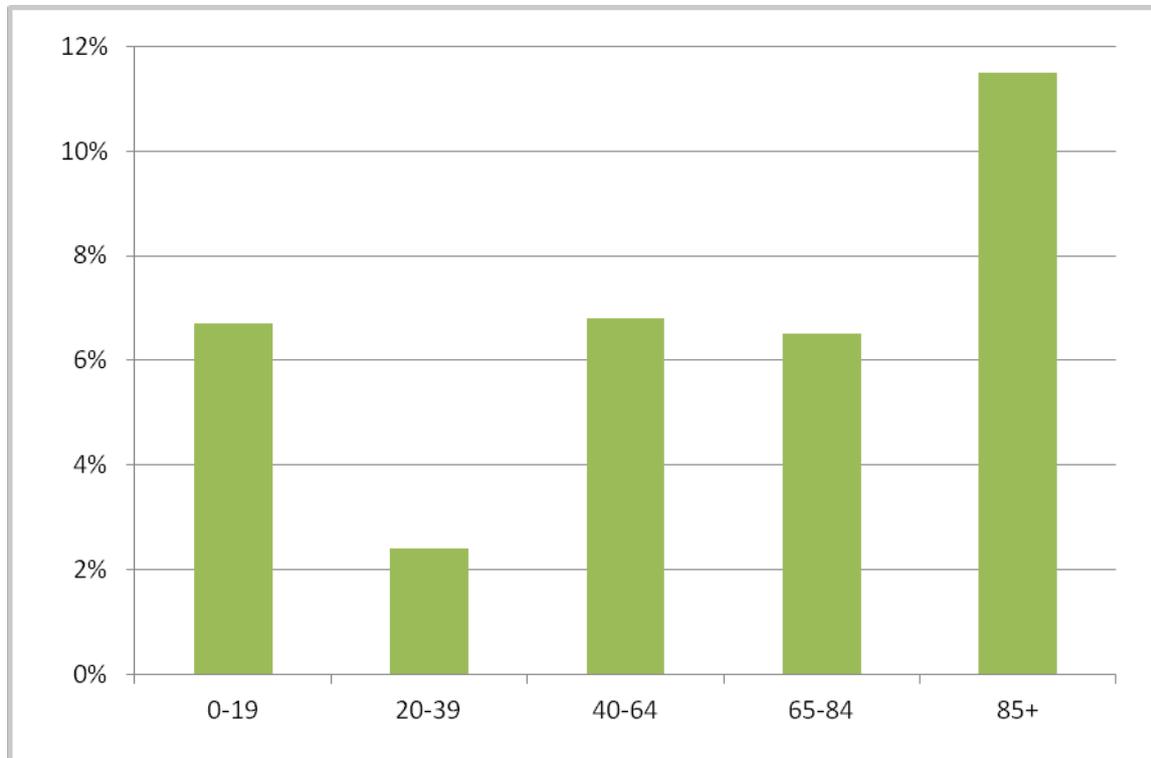
Barnet's population is predicted to increase to around 378,883 in 2020 and 394,308 by 2031. The age structure is forecast (2011-2016) (see figure 2.1) to develop as follows;

- increase in 5-14 year olds by 23% (6,600) by 2016
- general decline in 30-34 years by 1,000 (3%)

⁴⁸ NOMIS ONS June 2012 estimates

- a sizeable growth in the older population 40-59 year olds, especially 40-45 years, and a sizeable growth in 65-69 year olds (+2,100, 18 per cent)⁴⁹.

Figure 4.1 Predicted Change (%) in Barnet's Age Profile, 2011-16



Source: Barnet Borough report 2011

The growth in the younger population over the next 10 years is predicted to be greater than other cohorts as a consequence of regeneration programmes and recent high birth rates, which will have a significant impact in terms of the labour market. Also of significance is the trend towards the borough becoming more ethnically diverse with a forecast growth (5.6 percent) of the Black and Minority Ethnic (BAME) population from 33.1 to 35 percent of the total population – a faster rate than London as a whole (4.7 percent) although at a slower rate than other outer London boroughs (7.0 per cent)⁵⁰

Population growth and change will be concentrated in the west of the Borough, with an increase of around 15,000 residents between 2011-2016. This will be driven by a number of large new housing developments. The most significant growth will be in Colindale (36%) and West Hendon (11%) (see also 2.5 below).⁵¹

⁴⁹ Barnet Insight Unit (2011) *State of the Borough*, p4

⁵⁰ Barnet Insight Unit (2011) *State of the Borough*, p4

⁵¹ LBB (2012) *A growth strategy for Barnet: Supporting residents through the economic downturn: Creating the environment for growth*. See below in Section regarding the commentary on Barnet's regeneration programme.

4.3 Labour market change

4.3.1 Skills, qualifications and occupations

Barnet has relatively high proportions of individuals employed in the top three occupational sectors as professionals (Table 2.1). Over half of employed residents (60.3 per cent) are either managers or senior officials, or employed in professional or associate professional and technical occupations. This is above the London average of 54.8 per cent of residents employed in these higher skilled categories. On the other hand, occupations that tend to involve lower skill and paid work such as caring, leisure and other service occupations (7.7%) and elementary occupations (7.8%), are below the national average but still comprise significant proportions of the total work force.

Table 4.1: Barnet Employment by occupation (Jul 2012-Jun 2013)

	Barnet (numbers)	Barnet (%)	London (%)	Great Britain (%)
Soc 2010 major group 1-3	105,400	60.3	54.8	44.2
1 Managers, directors and senior officials	24,400	13.8	11.2	10.2
2 Professional occupations	57,600	32.7	25.0	19.6
3 Associate professional & technical	23,400	13.3	18.1	14.1
Soc 2010 major group 4-5	29,600	16.9	18.0	21.5
4 Administrative & secretarial	15,400	8.8	10.7	10.9
5 Skilled trades occupations	14,200	8.0	7.2	10.4
Soc 2010 major group 6-7	20,700	11.8	14.0	17.1
6 Caring, leisure and Other Service occupations	13,600	7.7	7.4	8.9
7 Sales and customer service occs	7,100	4.0	6.5	8.0
Soc 2010 major group 8-9	19,200	11.0	13.2	17.3
8 Process plant & machine operatives	5,500	3.1	3.9	6.3
9 Elementary occupations	13,800	7.8	9.1	10.9

Source: ONS annual population survey; Notes: Numbers and % are for those of 16+; % is a proportion of all persons in employment

Barnet's occupational structure reflects the broader London 'hourglass economy' with a tight corset of jobs available at level 3 qualifications, with the majority of jobs available at level 4 and above, or at level 2 and below.⁵² Nearly half of Barnet's residents (49.9 per cent) have an NVQ level 4 or above compared to London as a whole (47.6 per cent) and the British average (34.4 per cent). However, as table 2.2 demonstrates, there remain significant numbers of people on lower level skills (NVQ Level 3 and below).

⁵² London Borough of Hounslow (2013) Skills mismatch workstream: skills escalator to secure employment

Table 4.2 Barnet Qualification structure (Jan 2012-Dec 2012)

	Barnet (numbers)	Barnet (%)	London (%)	Great Britain (%)
NVQ4 and above	115,800	49.9	47.6	34.4
NVQ3 and above	146,700	63.1	63.2	55.1
NVQ2 and above	174,500	75.1	75.1	71.8
NVQ1 and above	198,400	85.4	83.6	84.0
Other qualifications	16,800	7.2	8.0	6.3
No qualifications	17,200	7.4	8.4	9.7

Source: ONS annual population survey; Notes: For an explanation of the qualification levels see the definitions section. Numbers and % are for those of aged 16-64, % is a proportion of resident population of area aged 16-64

The skills gap

In West London more broadly, 22% of vacancies in the area are judged to be 'hard to fill' compared to 15% for London as a whole. Over 20% of the employer base state that *skills gaps* are having a major impact on the way their establishment performs, (20% for London and 15% nationally). Around 20% of residents have a level 2 qualification or lower, but only around 10% of jobs are at this level⁵³, and 50% of jobs in West London demand high skills, (level 4 and above), whereas only 45% of local residents are qualified at this level.

This skills gaps is apparent too in Barnet where employers report having employees who are not fully proficient at their job. A strong match between the qualifications of the available workforce and employers' demand for skills is desirable for a strong and sustainable economy. A significant skills gap suggests failure of education and training systems to provide the skills that the market and economy require, thus companies have to search outside of the local area for employees that suit their needs. Barnet compares favourably with other London boroughs on this measure, and the UK overall, with 15 per cent of employers reporting that their employees did not meet the requirements, the 8th lowest in London where the average is 17 per cent (19 per cent for the UK).⁵⁴

In the retail sector, particularly important in Barnet, the need for higher-level skills at level 4 and above has been identified for some time. For example, the Skillsmart Retail Sector Skills Agreement of 2010⁵⁵ indicates that "retail has a rather higher proportion of employees who are not fully proficient in their jobs than other sectors" driven by the high staff turnover in the sector, and "retail skills shortage vacancies are nearly three times more likely to be in the managerial occupations". Although It is recognized that the skills that retail managers require are all at level 4 or above, managers in the retail sector are only about half as likely to hold a

⁵³ Ibid p6

⁵⁴ Information and data supplied by London Borough of Barnet.

⁵⁵ Skillsmart Retail (December 2010) *Sector Skills Assessment Summary: Skills Priorities for the Retail Sector in the UK and its Four Nations*, Skillsmart Retail

qualification at Level 4 as managers generally and over half of retail managers hold qualifications no higher than Level 2"⁵⁶.

The Sector Skills Agreement found that retail employers have a positive attitude to training and its impact upon performance. Employers have a strong preference for "internal, on-the-job methods of training" since it is designed to be "fit for purpose". However, existing 'public sector' provision is felt by employers to be often "clouded by lack of clarity", requiring a "streamlined and cleansed qualification offer". Perhaps as a consequence of this, some retail employers remained hesitant to fully engage with the learning development of their staff teams.⁵⁷

4.3.2 Wages and incomes

Barnet is a prosperous borough, as demonstrated by the above-average household income levels in the area (Table 2.3). In 2011 the median annual household income in Barnet was £36,215; nearly £2,800 (4%) higher than that of London (£33,441), which in turn is nearly £5,000 higher than the average for Great Britain (£28,445).⁵⁸

Table 4.3: Earnings by residence Barnet (2011)

	Barnet (pounds)	London (pounds)	Great Britain (pounds)
Gross weekly pay			
Full-time workers	594.5	613.3	508
Male full-time workers	663.5	651.3	548.8
Female full- time workers	547.1	574.9	449.6
Hourly pay			
Full-time workers	15.8	16.01	12.88
Male full-time workers	16.85	16.57	13.48
Female full- time workers	15.01	15.39	12.04

Source: Nomis

Since 2009, the number of low paid jobs has increased each year in London. The most common definition of low pay is the one used by the Office of National Statistics (ONS), is the national minimum wage, although studies of low pay in London use the living wage threshold⁵⁹. Barnet as a workplace appears to offer lower paid jobs compared to elsewhere

⁵⁶ Skillsmart Retail (December 2010) *Sector Skills Assessment Summary: Skills Priorities for the Retail Sector in the UK and its Four Nations*, Skillsmart Retail

⁵⁷ Information obtained from interview with Dr Darryll Bravenboer, Institute of Work Based Learning Middlesex University

⁵⁸ London Borough of Barnet (2012) *Skills Employment and Enterprise Plan*

⁵⁹ Melville D and Harker A (2008) *Patterns of low pay in London*, GLA Economics

in London. 18% of residents in work are in low paid employment and 21% of those who working in Barnet are classified as low paid. On average, full time workers working in Barnet are paid around 9.5 per cent less when compared to the London average, with average weekly incomes for the borough standing at £566.90 in 2009/10 compared to £627.40 in London.

The prevalence of retail industry and public sector jobs, is likely to contribute to this comparably low average wage, as jobs in these sectors tend to be lower paid, particularly the retail industry.⁶⁰ Around 168,000 low-paid jobs in London in 2012 were in retail and a further 115,000 were in hotels and restaurant services and together they accounted for 50% of low-paid jobs in London compared to 22% of jobs in London generally.⁶¹

The social care sector has been identified as a growing sector in terms of employment in Barnet⁶² with large numbers of hard to fill vacancies. However, as identified by recent research and the survey carried out by Middlesex University⁶³ the nature of employment in the sector can be precarious, often characterised by zero hour contracts, low pay and few opportunities for training and progression.⁶⁴ This means that employment growth whilst being welcomed has its challenges with an associated increase in working poverty, for example in Barnet 40% of Housing Benefits claimants gaining some income from work.⁶⁵

An important finding here is that whilst women's employment rate is relatively high and rates of unemployment are low, *women's labour market disadvantage* is underlined by their relative concentration in low paid employment and in specific sectors such as services and the public sector, the latter being vulnerable to significant job losses. For example, women tend to be concentrated in part-time jobs compared with men. In London in 2009-10, 33.7 per cent of females were in part-time employment compared with 12.8 per cent of males. During the same period Barnet had slightly higher proportions of females (36.2 per cent - 26,600 females) and males (12.7 per cent - 10,200 males) in part-time employment when compared with London as a whole.⁶⁶

4.3.3 Older workers and unpaid work

As figure 2.1 shows there is a significant projected increase in the older population in Barnet between 2011 and 2016. So far there are little quantitative and qualitative data at the level of the Borough which analyses the implications of the growth in older people and workers on the labour market (older workers are defined as 50 years or above).

⁶⁰ Economic Insight op cit p 66

⁶¹ Aldrich H et al (2013) *London's Poverty Profile*, New Policy Institute

⁶² Stakeholder interview

⁶³ Middlesex University (2013) *Developing an Economic and Growth Strategy for Barnet*, p.31

⁶⁴ Devins D et al (2014) *Improving progression in low paid, low skilled retail, catering, and care jobs*, Joseph Rowntree Foundation

⁶⁵ Source: London Borough of Barnet internal report.

⁶⁶ Economic Insight p 21

A recent GLA report⁶⁷ covering older workers in London, provides useful insights of their potential for contributions to the local economy. London has a relatively high employment rate for older workers although there are marked differences between men (82%) and women (56%) working full time. The most important sector where older workers are employed (compared to younger workers) is in human health and social work (circa 17%) and education (circa 16%), mainly concentrated in the public sector.

In addition to a relatively high proportion of older people already in work in London, there are also a significant number of older people actively seeking work if the opportunities arise. Survey data suggests that around 9% of those aged 50-69 who do not have a job had looked for one in the previous four weeks of the survey. Of those who do not have a job and are not actively seeking work, another 17% of those interviewed in the 50-69 years bracket would like a job.

The economic contribution of older people to the economy as part of the 'unpaid' labour market is significant. In the area of *caring activities* a significant 10% of older people in London provide unpaid care, and these tend to be older women. The estimated hours of care is around 33 per week, and in addition to the long hours of care, around 60% of carers stated that they would not be able to take a 2 day break without arranging cover.

Barnet's Joint Strategic Needs Assessment 2011 has analysed the impact of unpaid care in Barnet. Around 9 per cent of the population are currently carers of which 2,000 are 75 years or older, and with 5,000 carers providing 50 hours or more care a week.⁶⁸ The estimated value of unpaid care for London based on the median wages for Care Assistants is approximately £4.7 billion.

A relatively high proportion (around 39%) of older Londoners (aged 50-64) are involved in *volunteering* contributing to a wider range of services. As this age group tends to be relatively skilled, it is unsurprising that they often take more leading roles in organisations. The economic value of unpaid volunteering has been estimated to be around £0.8 billion for London. Barnet has a vibrant and dynamic civil society and voluntary sector although there is little known regarding the age profile and background of volunteers.

Older people also provide *childcare* and they tend to be grandparents. The proportion of grandparents in London who provide childcare is low compared to other regions (around 10%) but their provision can be vital in terms of mothers accessing work; around 17 % of grandparents look after younger children (0-2 years) which allows mothers to work longer (based on the assumption that it is women who tend to take on the primary caring role for children). The economic contribution of unpaid child care by older people amounts to £0.6 billion based on median childminder wages⁶⁹.

⁶⁷ Barrett A (2013) *The Economic Contribution of Older Workers*, GLA Economics, p 14

⁶⁸ London Borough of Barnet (no date) *Joint Strategic Needs Assessment: Barnet 2011-15*

⁶⁹ Barrett A (2013) *The Economic Contribution of Older Workers*, GLA Economics

4.4 The labour market and disadvantaged groups

4.4.1 Young people and NEETs

Barnet has a low percentage of NEET young people (those aged 16-18) not in education, employment or training) compared to London overall, and the level of NEETs has been declining since 2005. However, due to the large population in the borough, this equates to 319 young people and accounts for nearly 1 in 25 young people aged 16-18. From the start of the economic downturn youth unemployment (JSA claimants aged 18-24) increased from 1,005 in August 2008 (3.6% of the total cohort) to 1,430 in April 2012 (5.2% of the total cohort) showing an upward trend in young people seeking work⁷⁰. Since 2013 there has been a slight downward trend in youth unemployment, to a total of 780 in 2014, a rate of 2.5% broadly in line with the overall unemployment rate for the Borough⁷¹

Recent changes in government policy with regards to Raising the Participation Age (RPA) requires young people to continue longer in education, employment and training (EET). In response to this the L.B. Barnet has put in place an RPA plan which includes a number of initiatives to meet the RPA requirements.⁷² The number of young people who took up an offer of EET in September 2013 following their leaving Year 11 or Year 12, rose, and at a faster rate than Barnet's 'statistical neighbours'.

4.4.2 Long term unemployed and those claiming out of work benefits

Job Seekers Allowance registered unemployment can underestimate the true level of unemployment in the Borough. For example in West London the ILO measure of unemployment is 75,700 people however there are only 36,500 on JSA. In other words there are the same number again (48%) who are unemployed but *not* claiming JSA and this is higher than the national average⁷³. In more disadvantaged areas the rate of claiming is likely to be higher but there remain large numbers wanting work but not accessing benefits or support.⁷⁴ Table 2.5 shows the nature of long term unemployment (out of work for 6 months or longer) which tends to disproportionately impact upon lone parents and disabled people.

In October 2013, 2.4% of the residents working age population of Barnet were claiming Job Seekers Allowance, the same level as in January 2009. However, the numbers claiming JSA are likely to increase due to recent reforms of the benefit system involving stricter eligibility for claiming Employment Support Allowance (ESA) and with those formerly claiming Incapacity Benefit and ESA migrated to JSA. (see 2.4.4)

⁷⁰ LBB (2012) *Skills Employment and Enterprise Action Plan*

⁷¹ NOMIS (April 2014)

⁷² LBB (2014) *Update on Raising the Participation Age and Alternative Provision Report to Education and Overview Scrutiny Committee*, 19 March 2014

⁷³ West London Alliance (2013) *Long Term Unemployed Workstream Progress report*

⁷⁴ There is a view (source: stakeholder interview) that the numbers out of work but not registered is increasing because of the increase in restrictions for eligibility for claiming out of work benefits.

Table 4.5 Long Term Unemployed in Barnet (2013)

	Barnet no	Barnet %	London%	GB %
Jobseekers	6,640	2.8	3.8	3.7
Lone Parents	2,970	4.7	5.6	6.3
ESA and Incapacity Benefits	11,100	1.3	1.7	1.4
Other income related benefits	750	0.3	0.4	0.4
Total out of work benefits	21,450	9.1	11.5	11.8

Source: Nomis

4.4.3 Lone Parents

In Barnet lone parents are the largest cohort to claim out of work benefits, although unemployment rates for lone parents compare well with the London and national averages (see Table 4.5). Claimants are concentrated in areas of deprivation in the west of the borough in Colindale, Burnt Oak and Edgware. Lone parents are particularly disadvantaged in London because of the high costs of childcare provision and the barriers to making work pay.

4.4.4 Disabled and people with long term health conditions

In Barnet 46% of the total number of claimants of incapacity benefits, related to mental health issues (May 2010). Of these, 98% have been claiming benefits for at least 12 months, and nearly two-thirds have been claiming for at least five years⁷⁵. Around 93% of those in Barnet receiving secondary mental health services are not in paid employment.⁷⁶

Disabled and people on long term sickness benefits were formerly eligible to claim Incapacity Benefit (IB) and Severe Disablement Allowance (SDA). Benefit reforms have involved a reassessment, which started in February 2011, and is expected to have an impact on the nature of unemployment rates, as a significant proportion of clients will be found to be 'Fit for Work' and will migrate onto either Job Seekers Allowance (JSA) or Employment Support Allowance (ESA). According to the Economic Insight report, the Job Centre Plus (JCP) planning assumption is that 23% of customers will be disallowed ESA and will therefore migrate to JSA. In Barnet this would represent a transfer of 1,953 people to Job Seekers Allowance (based on August 2010 figure of 8,490 claimants).

Overall the performance for sustained employment on the Work Programme (WP) is poor both nationally and in London. There is a suggestion that because of the payments by results model there is a tendency towards 'creaming' and 'parking' occurring with many people with long term health conditions and disability remaining on the WP for the duration

⁷⁵DWP, NOMIS.

⁷⁶ Information supplied by London Borough of Barnet January 2014

and exiting on to other programmes. Even with the existence of the WP, the role of the local authority, NHS and voluntary and community sectors is crucially important in supporting disabled people in terms of both their health management and employability.

In Barnet 10.6% of clients with a Learning Disability of working age were in employment in 2009/10, above the national average of 6.4%. There are many challenges in finding work placement and employment opportunities for people with learning disabilities. Learning from the 'PSA16' and 'Right 4 Work' projects indicates that people with disabilities, in particular those with mental health problems and a learning disability, require intensive 1:1 support to prepare for, find and keep work. Furthermore, they also require reasonable adjustment being made to the way support is offered and in how jobs are packaged to ensure they meet their specific needs. Both issues highlight the need for closer collaboration with JCP and contractors of the DWP work programme to ensure that people with disabilities are able to make use of mainstream provision⁷⁷.

4.4.5 Black and Minority Ethnic Groups (BAME)

Unemployment for Black and Minority Ethnic Groups (BAME) remains consistently higher than overall average unemployment rate. The trend has been for an increase in unemployment amongst BAME groups since 2006 relative to non-BAME groups. In 2006 BAME unemployment rates were close to the Barnet average but experienced a sharp rise as a result of the disproportionate impact of the economic recession, to peak at 18.3% in 2010, compared to Barnet's overall average of 9%⁷⁸. With the subsequent improvements in local labour market conditions, BAME unemployment rates fell to 10.7% in 2014 but remain still nearly double that of the Barnet's average (5.7%)⁷⁹.

4.5 Spatial aspects of employment

A key feature of the spatial aspects of employment is that over half of Barnet's workforce is made up of local residents. Barnet continues to have strong economic linkages with neighbouring boroughs, particularly in North and West London and in Central London where significant proportion of the Borough's residents work. These commuting patterns are analysed in more detail in chapter 4.

4.5.1 Areas of deprivation

The Index of Multiple Deprivation (IMD) consists of seven 'indices' of deprivation relating to income, employment, health and disability, education, skills and training, barriers to housing and services, living environment and crime, reflecting the broad range of deprivation that people can experience. Figure 2.2 provides IMD 2010 data for Barnet at the Lower Super Output Area (LSOA) scale.

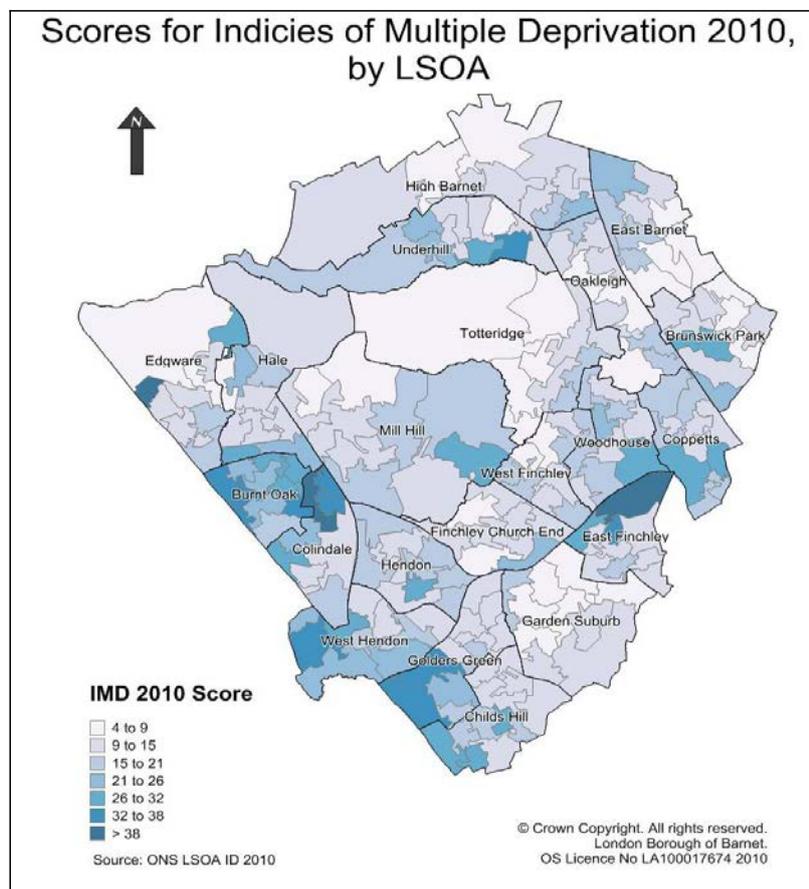
⁷⁷ London Borough of Barnet Joint Strategic Needs Assessment: Barnet 2011-15, p43

⁷⁸ See LBB (2011) Barnet Economic Insight Report, p 36

⁷⁹ Nomis, 13 May 2014

Barnet ranks 176th out of the 326 local authorities in England and Wales for deprivation, slightly better than the average (median 163, ranking from 1 being most deprived). Barnet's most deprived areas are concentrated to the west of the Borough although there are other areas of deprivation across the borough. Relative to other London boroughs, Barnet performs well and is ranked 25th out of 33 local authorities. This is four places higher than 2007 (21st) and one place higher than 2004 (23rd). Nearly all of the LSOAs in Barnet have become less deprived relative to the rest of London since 2007⁸⁰. Of the 10 most deprived LSOAs in Barnet (by rank on the basis of the IMD), four are located in Colindale. These include the three most deprived LSOAs in the Borough, followed by LSOAs located in East Finchley, Edgware, West Hendon, Burnt Oak, Underhill and Golders Green.

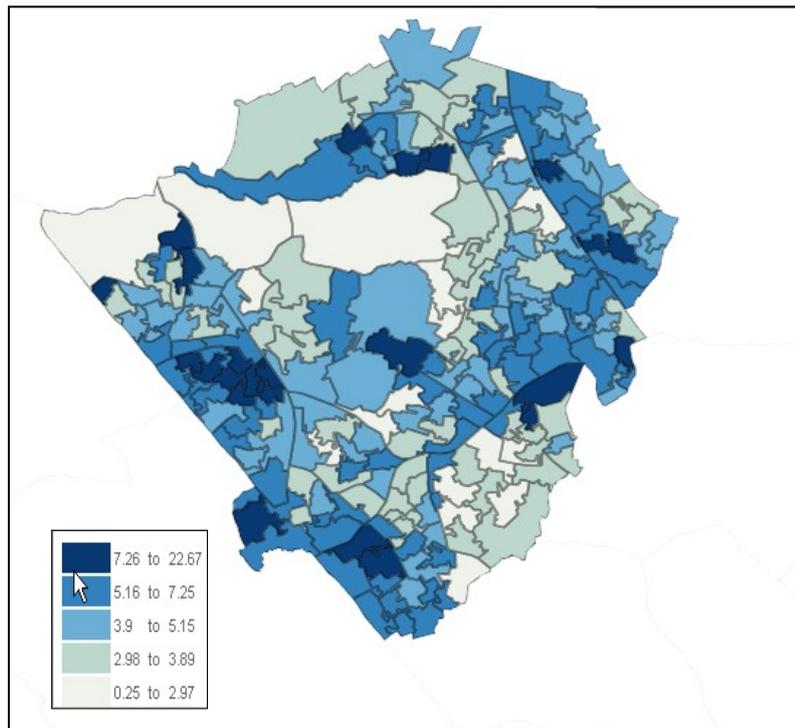
Figure 4.2: Areas of Deprivation in Barnet



As figure 4.3 demonstrates, patterns of unemployment follow closely these overall patterns of deprivation and display similarly strong spatial disparities.

⁸⁰ Barnet Insight Unit (2011) Insight update: Index of Multiple Deprivation 2010

Figure 4.3 Proportion of unemployed working-age residents (2011) by LSOA in Barnet



Source Barnet Observatory, 2011

4.6 Labour market strengths and weaknesses

Strengths

- As highlighted in the Economic Outlook Report, Barnet is an affluent and attractive borough with a well-qualified population, high employment levels and a higher proportion of residents employed in better paid roles than London overall, with the consequent higher levels of income; these aspects help make the borough a desirable place to live and work.
- Barnet's labour market is dynamic with high levels of skilled workers and occupations which provide the basis for future growth. There is evidence of health and education sector growth and of a recent resurgence in construction and property which will be tied into the borough's extensive regeneration activities over the next decade.
- There is mixed evidence of growth in specialised sectors geared to Information Technology and knowledge based sectors (IT) and the digital economy (infocomms) as well as specialist business and financial services. Whilst Barnet's retail sector has flat-lined in recent years, there is considerable potential for growth with the Brent Cross development and upgrading of several Town Centres in the near future. The potential for a growing cultural industries sector (Arts and Recreation) is yet to be realised, although there may be some growth in the fragmented creative software sector. This is seen as an important source of employment growth for the London economy.

Weaknesses

- Barnet has spatial concentrations of labour market disadvantage in terms of people claiming long term out of work benefits disproportionately affecting lone parents, low skilled and disabled people. These groups tend to have major barriers in terms of accessing and sustaining employment.
- Skills mismatches occur in certain sectors although sectors where there are hard to fill vacancies can be due to pay and working conditions as well as 'skills gaps.'
- As London leads the UK economy out of recession, skills gaps are already becoming more apparent in London than elsewhere in the UK. There is already a perceived lack of higher level (NVQ4) skills in retail, which is a potential key growth sector in Barnet.
- Barnet has an increasing older age population in work and seeking work. These people typically work in health, education and public sector employment. Whilst they may provide low cost labour replacement for public sector cutbacks (e.g. voluntary library services), there is a challenge to provide these people with meaningful paid jobs.
- In work poverty is now a growing problem on a par to worklessness both nationally and in London. Those sectors such as retail and social care where employment growth is anticipated tend to comprise high concentrations of low paid jobs where there are comparatively fewer opportunities for upskilling and career progression.
- Youth unemployment (16-24) remains a problem in Barnet and across London. Barnet's younger age population is set to increase and given the raising of the participation age to 18 from 2015, there will be considerable challenges to create sufficient, accessible starter jobs and improve the alignment of post 16 provision with job opportunities within the borough.
- The important health and related research sector is set to undergo significant employment decline within the Borough due to the closure and relocation of the National Institute for Medical Research (currently located in Mill Hill but moving to the Crick Institute in St Pancras in 2016/17), as well as the potential future closure of the Health Protection Agency located in Colindale, the merger of Barnet and Chase Farm Hospital with Royal Free Trust in July 2014, and changes to centralise NHS resources.
- The relatively poor performance of infocomms and the creative industries sectors reflects that the strong growth in these sectors has to date tended to cluster in particular locations within London (e.g. Shoreditch). However it suggests potential for attention to ensuring the growth of businesses operating in these sectors. Perhaps drawing on the television film and allied creative software sector activities taking place in neighbouring local authorities in Hertfordshire, or micro business spin outs from Middlesex University.

- A key issue is how to shape the labour market to improve the connections between recruitment and sustainable employment (through for example the adoption of the London living wage) where skills matching and progression can be achieved. In this respect there is a gap in our knowledge of the recruitment and training policies of low paid sectors in the Borough.

4.7 Institutional and policy environment

There are currently a number of changes occurring in the policy landscape which will have a bearing upon the working population of Barnet, especially those experiencing various forms of labour market disadvantage. The following provides an outline of the main policy developments at the national, London, sub-regional and local scales.

4.7.1 National

Welfare reforms and the implementation of Universal Credit (UC)

The Coalition Government's aim is that by 2016 all new benefit claimants will be claiming Universal Credit replacing income support, income based jobseeker's allowance, income related employment and support allowance and housing benefit. The roll out of UC will have significant implications for local labour market policy and how it impacts on disadvantaged groups in Barnet. As UC is designed to 'make work pay' there are challenges to this policy, particularly in London because of relatively high housing and childcare costs combined with many entry level jobs being low paid.⁸¹

Work Programme

The Work Programme (WP) is the Coalition Government's major welfare to work programme aimed to assist people claiming Jobseekers Allowance (JSA) who have been out of work for 12 months or longer to be mandated onto the WP. The WP will provide more intensive support for those with particular challenges in getting a job such as people with low level skills and qualifications, disabled people, lone parents, ex-offenders. The Work Programme is an important feature of labour market policy in Barnet in terms of expenditure and its focus on delivering targeted personalised support for disadvantaged groups in order to assist them to access employment and training opportunities.

Raising the Participation Age (RPA)

The Raising of the Participation Age requires young people to continue longer in education, employment and training (EET). This requirement was introduced for year 12 students in 2013/14) and from 2015, young people aged 16 and above will be required to participate in at least 2 years of EET until they are 18 years old. Meeting these RPA targets and objectives presents a number of challenges which requires developing a stronger collaborative working culture between schools, employment services, FE provision and employers. Local

⁸¹ Centre for Economic and Social Inclusion (2011) *Making work pay in London under Universal Credit: A Report for London Councils*, CESI

authorities are key players in this process and the LB of Barnet has put in place an RPA plan which includes a number of initiatives to meet the RPA requirements⁸². These include: addressing the risks of NEETs by establishing a support advice and guidance team for school students, establishing a 'Risk of NEET' indicator system, providing an RPA toolkit for schools, and developing closer partnerships with regeneration programmes to facilitate employment opportunities.

The London Borough of Barnet is situated in the West London Work Programme contract area with Reed in Partnership comprising the prime contractor and the former Shaw Trust (now CDG) as one of the main sub contracted providers. A key challenge in terms of analysing the operation of the WP within the Borough relates to the availability of up to date statistics and qualitative data regarding performance and outcomes.

The London Councils⁸³ has undertaken an analysis of the WP in London and it is possible to make some assessment of performance within the Borough. Table 2.6 shows that when comparing Barnet with other West London Alliance authority areas the borough has the third largest flow of referrals to the WP but the lowest job outcome rates.

Table 4.6 London Work Programme Performance to March 2013 Cumulative job outcomes and referrals (West London Alliance local authorities)

Local authority	Job outcomes	Sustained job outcomes JSA 25+% of total referrals	Sustained job outcomes 18-24+% of total referrals	referrals	Job outcomes % of referrals
Hillingdon	560	49	50	4020	13.9
Hounslow	390	32	73	3,170	12.3
Ealing	800	44	41	6,530	12.3
Harrow	310	25	18	2,770	11.2
Brent	750	28	22	7,640	9.8
Barnet	500	32	24	5,350	9.3
London	19,910	n/a	n/a	179830	11.1

Source: London Councils (2013) *The Missing Link: An Analysis of the Work Programme Performance*

One provider contacted as part of this research outlined their approach to dealing with people with multiple barriers to employment emphasising the importance of tailored support for clients to address different needs such as debt, benefit advice, skills training, childcare support and self-managing health conditions. This model is seen as the most appropriate to assist disadvantaged groups back into work.

The problems in signposting hard to reach and disadvantaged groups and achieving sustained employment outcomes tended to be outside the control of the provider. For example it was a problem making work pay considering housing and child care costs, and quite often the cuts in various support and identified 'wrap around' services, notably training

⁸² LBB (2014) *Update on Raising the Participation Age and Alternative Provision Report to Education and Overview Scrutiny Committee*, 19 March 2014

⁸³ London Councils (2013) *The Missing Link: An Analysis of the Work Programme Performance*.

budgets and health/social services, has provided constraints on the effectiveness of interventions.

Another key issue highlighted is that the current changes in health assessments are tending to categorise people as being 'fit for work' when in fact the provider still identifies clear health barriers to work. The lack of capacity or unwillingness of some employers to make reasonable workplace adjustments (workloads, working patterns) in order to accommodate people who have been out of work for some months, was also identified as a problem.

4.7.2 London Region

London Councils ESF programme

Employment and skills support for people looking for a job but not claiming an active benefit is provided through London Councils Co-Financing Organisation, running programmes worth around £10 million per year. It uses match funding from its own grants programme to run ESF programmes, and consults London boroughs to make sure that the specifications are targeted to meet local need. The ESF has been an important funding for programmes in Barnet aimed at improving links between schools and the labour market and reducing the numbers of NEETs.

London Enterprise Panel

The London Enterprise Panel (LEP) has been established to coordinate economic growth for Greater London and specifically the LEP has put forward key priorities in relation to employment and skills. A key policy is to develop an employer facing campaign in partnership with London boroughs to promote the skills and employment offer in London, including, but not limited to, apprenticeships, employability, work experience and emerging policy around pre-apprenticeships activity to stimulate demand from employers. It is anticipated that the LEP could be an important partner and play a key role in Barnet's Economic Strategy in terms of supporting business growth and skills development.

4.7.3 West London Alliance (WLA)

Barnet Council is an active member of the West London Alliance, a collaborative partnership between six West London boroughs (Barnet, Brent, Ealing, Harrow, Hillingdon, Hounslow) to promote economic development and regeneration within the Sub Region including the West London Jobs, Skills and Growth Programme. There are four delivery elements to the Alliance including housing, environment, employment, skills, town centres and hard and soft infrastructure

The borough councils in the West London Alliance and their West London partners in the public, private, voluntary and community sectors have launched a new programme of action to promote and develop economic growth, jobs and skills in West London.⁸⁴ The programme

⁸⁴Barnet Partnership Board, Update on Council's work with partners across West London to promote employment and skills and growth across the sub region,

is based on a 'whole place budget' approach which aims at 'rewiring' the way that public services are delivered in order to meet key economic and social objectives in West London. The programme is supported by the Government through a 'Public Service Transformation Network'.

The main West London stakeholders in this programme, alongside central government departments, are Barnet, Brent, Ealing, Harrow, Hillingdon and Hounslow councils; schools, colleges and universities; businesses and business organisations; voluntary and community organisations; Jobcentre Plus, Greater London Authority, London Enterprise Panel.

The partners have agreed to focus on five key issues/policies for the West London economy:

- supporting young people, particularly the more vulnerable, through education and into employment and training
- assisting long-term unemployed people find and stay in employment
- ensuring that learners are able to make informed choices about courses and qualifications and that skills provision is simplified for employers
- improving access to quality advice for new businesses
- supporting businesses with the potential to grow

4.8 Labour Market Policies in Barnet

There are a number of partners within the Borough which undertake a key role in developing labour market policies in Barnet. Along with the Council itself, these comprise Jobcentre Plus, Barnet and Southgate College, Middlesex University, and the voluntary and community sector (see appendix 4)

4.8.1 London Borough of Barnet 'Platform Programme'

In supporting young people aged 14-25 key transition points can be identified where intervention might make a difference. The three key transition points that have been identified as part of the West London Alliance Youth Workstream also informs the approach to apprenticeships as outlined in the 2012 *Skills Employment and Enterprise Action Plan*. These comprise: (i) young people aged 14-15 at risk of becoming unemployed/NEET; (ii) young people aged 16-17 at risk of moving into unemployment/JSA; (iii) young people aged 16 -24 where local authorities have or gain a duty of care.

Barnet Council's Children Services support the ESF contract holders in their work with 'pre NEET' children in schools as part of a preventative intervention programme providing a range of services, support, counselling, information advice and guidance so as to reduce school drop outs before completion of education, and in turn developing a closer link between the schools and the labour market. The local authority works with schools in the borough to identify those young people at risk of NEET using an at Risk of NEET indicator (RONI) and then provides support to the cohort to enable a successful transition after KS4.

£1m of Council 'Service Priorities' funds supports Platforms, to be delivered by Autumn 2014. The Platform Programme provides employment and training support for Barnet's 16-24 year olds who are Not in Employment, Education or Training (NEET). Projects have included Internships, Apprenticeships, Prince's Trust schemes with voluntary sector paid placements, employability support, enterprise start-up support, and supporting those with learning difficulties and disabilities.

4.8.2 Apprenticeships

The Council is currently introducing an internal apprenticeship scheme and is monitoring the targets set for the delivery of apprenticeships through its contracts with RE, CSG and its supply chain.

The Council has also supported the establishment of a *Barnet Apprenticeship Training Agency* (BATA) The BATA is an independent company which directly employs apprenticeships with the employment of a dedicated worker. Financial risks are transferred to BATA rather than SMEs who tend to experience financial barriers in terms of investing in work based training. The *Apprenticeship Training Grant* (ATG) involves Government paying 100% of training costs for age group 16-18 and 50% for ages 19-24. This subsidy acts an incentive for SMEs to recruit apprenticeships. An additional scheme is the Youth Contract a Central Government initiative which also involves a wage subsidy of £1,500.

4.8.3 Area Regeneration

The London Borough of Barnet's Growth and Regeneration Programme combines an ambitious programme of physical regeneration schemes and economic development initiatives (see section 3.3). The major regeneration schemes, in areas such as Grahame Park, Stonegrove Spur Road, Dollis Valley, West Hendon, Colindale and Brent Cross Cricklewood will create a significant number of new homes and a projected estimation of 30,000 jobs in the borough. The priority given to spatial targeting of regeneration programmes is underpinned by developing public procurement and job brokerage initiatives that will link regeneration, job creation, and skills development to the benefit of disadvantaged groups. This is being developed in relation to the provision of information, advice and guidance delivery and job brokerage services.

The job brokerage approach will operate within a wider framework via Local Employment Agreement using Section 106 powers, involving the following⁸⁵;

- *Forecasting of job opportunities*: This enables appropriate, job ready local candidates to be matched to job opportunities as they arise. Details of local contractors/suppliers/new employers working or locating on site should also be provided.
- *Notification of job vacancies*: with initial priority given over to local Barnet residents.
- *Local labour target*: a proportion of construction vacancies are filled by local residents.

⁸⁵ LB Barnet SPD on Delivering Skills, Employment, Enterprise & Training from Development through S106 – February 2014

- *Employability and job readiness*: providing schemes to ensure residents are ready to enter the labour market.
- *Jobs brokerage and skills training*: developers will link with Council's Jobs Brokerage Programme as well as coordinating with Council and partners in relation to skills training / employment initiatives. The Jobs Brokerage Programme is focused on finding / matching local skills to candidates and vacancies and supporting registered unemployed Barnet residents.
- *Apprenticeships and work experience*: developer or sub-contractor will deliver fully funded apprenticeships; work experience; and site visits and workshops for Schools / Colleges / Universities
- *Use of local suppliers*: developer to be encouraged to use local suppliers and ensure that local firms (within Barnet) are represented on each contract.

4.9 Policy development: opportunities and challenges

Opportunities

- *The Council's membership of the West London Alliance* provides a wider strategic focus for developing employment and skills policies. West London is a significant economic region and there are opportunities for economic growth, for employment and upgrading resident's skills, particularly with regard to the development sites in the area of the A5 corridor.
- *Barnet's Platforms Programme*, has strengthened the Council's relationship with the business community and delivered a good return for investment. A strong cross directorate approach has been developed to the delivery of Platforms and the Employability Group, involving a number of stakeholders including Barnet Council, Jobcentre Plus, and Barnet and Southgate College, has established joint working practice on labour market issues.
- As a member of the *National Skills Academy for Retail*, *Middlesex University* are involved in the development of a new national brokerage service that will seek to connect retail employers with providers of higher-level skills provision. The aim is to more effectively match the needs of retail employers with the range of provision offered by (currently) a small number of universities and other providers of retail-based higher education. This could provide a key focus for the launch of a new brokerage service at a local level and Middlesex University are involved in the Council's Let's Talk Shop Project aimed at maximising these opportunities.
- As an employer, the London Borough of Barnet has recently committed itself to the payment of the London Living Wage, making it well placed to promote this initiative with other employers in the borough.

Challenges

- *Partnership working which engages local employers is relatively under developed compared with other outer London Boroughs.*
- There is a need to build closer links between WP providers and local employment initiatives.
- There are *financial reasons for young people not taking up apprenticeships* such as low apprenticeship minimum wages.
- *There is a need for closer collaboration between the Council, JCP and contractors of the DWP work programme* to ensure that people with disabilities are able to make use of mainstream programmes
- *Models that are based on payment by results* need to be carefully considered and balanced against the intensive needs of some of the most vulnerable residents who require very resource intensive support and thus the number of outcomes generated is low.
- *Overall there is a low level commitment by many local businesses to skills development.* It has been argued by some large local employers⁸⁶ that there could be a more visible and coherent education business partnership in the borough. The employer driven training that has taken place, has been short-term and can create barriers for progression. This creates an emphasis on bespoke to individual employer course, rather than leading to recognised national qualifications in a particular sector.
- *Lack of affordable childcare for lone parents and low income families with young children:* The Barnet Childcare Sufficiency Assessment (CSA) undertaken in 2011, found that parents of young children in Barnet face potential barriers to employment due to the relatively high childcare costs in the borough compared to London overall.
- Evidence from the performance of the Work Programme in London suggests that there are *considerable challenges in terms of meeting employment outcome targets and sustaining employment.* This is reflected in the significant numbers of former WP clients who return to the WP and underlines the importance of personalised support for disadvantaged and vulnerable groups and being able to 'make work pay.'
- It is anticipated that the *roll out of Universal Credit* will impact on labour market policy whereby there will be winners and losers which will have implications for the implementation of targeted labour market and regeneration policies. This needs to be closely monitored and assessed.

⁸⁶ CEEDR (2013) Developing an Economic and Growth Strategy for Barnet

Section 2:

Options for Barnet's Economic Strategy

Introduction

On the basis of the analysis presented it is possible to identify a number of strategic objectives and associated initiatives related to the three key areas of:

- enterprise and business development
- spatial development and regeneration
- employment and skills,

This section will consider each of these three areas in the following chapters. Each chapter will identify the strategic objectives and set out and assess various options for initiatives that could be pursued to achieve these. These assessments will provide the basis for the recommended options presented in the final chapter of this report.

Each initiative identified is considered with regard to an overview SWOT analysis, varying degrees of intensity of intervention (light, medium, high) and consideration of key partners and potential delivery models. It is not possible to undertake a full cost benefit analysis with financial calculations for the various initiatives outlined here at this stage. For those options selected, a specific business case will need to be developed. However with regard to some initiatives it is possible to assess in a general way the potential and likely financial benefits that can accrue, particularly with regard to actions related to employment and skills. Where this is the case, we draw upon recent evaluation research of relevant programmes as a means of providing guidance as to the possible financial benefits and savings that can accrue⁸⁷.

⁸⁷ See for example Centre for Economic and Social Inclusion (2010) *Counting the Cost A Worklessness: Costs Audit Report for London Councils*, CESI

5. Enterprise and Business Development

Barnet is a borough of enterprise and entrepreneurship reflected in its high rate of new firm formation and one of the highest rates of self-employment within the country. It also has low survival rates and a poor existing environment of business support, indicating there is a significant gap where local interventions could make a difference. The emergence of a home/work economy within the Borough also has a number of implications for local economic development in relation to its impact on commuting patterns, shifts in the needs of space provision (i.e. away from traditional office space towards local workhubs and home based business) and the critical role of digital infrastructures.

At the present time the relationship between local business and the Council and other key local institutions is weakly developed. In order to develop a business support infrastructure that will serve the diverse needs of local business, a prerequisite is stronger and ongoing engagement with the business economy and stronger networking between businesses.

5.1 Strategic Objectives

From the analysis presented in chapter 2, it is possible to identify three strategic objectives for the development of enterprise and business within the Borough.

1. To improve the economic performance of locally based SMEs

The heterogeneous mix of predominantly service based small businesses that dominate the Barnet economy is characterised by relatively high failure rates and poor survival rates. With major reductions in the national provision of business support there is a need for improved provision of information and advice locally to support an improved performance of small businesses within the Borough, and to ensure Council services meet their business needs.

2. To encourage the development of high growth businesses in Barnet

Economic growth, improved productivity and the generation of employment is rooted within the development of a relatively small number of businesses. To improve GVA and the longer term development of the local economy it is desirable to identify and support the development of these higher growth businesses both through indigenous development and the attraction of inward investment. Such targeted business support will be informed by consideration of the current and future development of high growth sectors locally and within the wider London economy (e.g. business services, education, health, information technologies, creative/media, the green economy);,

major sectors of employment growth (e.g. retail, care, construction, education, health) and/or types of business (e.g. graduate start ups; home based businesses), in order to provide specialist support and services to encourage the development of higher growth businesses within the local economy.

3. To ensure Barnet is a place where businesses want to be based

Long term and sustainable business development requires a local environment conducive to the operation of business. In order to retain and attract business within the Borough there is a need to ensure that such an environment is in place. This ranges from promoting entrepreneurial education within schools, FE and HE institutions, through to aspects that directly relate to the running of a successful business, such as the provision of appropriate skilled labour (see chapter 7); road, rail and digital communications (see 6.2); and the quality of council planning, cleaning, refuse and parking services, as well as the provision of good schools, housing and leisure services to attract and retain business managers and entrepreneurs.

To date, the approach to business development adopted by the Council has focused on the last of these objectives principally through an emphasis upon Barnet as a comfortable living and working environment and a limited relationship with business. However, to ensure longer term sustainable economic growth within a borough which is set to experience significant population growth and where a number of major regeneration schemes are underway, there is a need to move beyond this limited approach and pay much greater attention to business needs and actions that have the potential to generate improved business performance within the Borough.

5.2 Initiatives to improve business performance

A number of areas of action to accomplish the above strategic objectives can be identified:

- Business engagement and networking
- Business information, advice and support
- Work space provision for small business development
- Public procurement processes to simulate local SMEs
- Cluster development and attracting inward investment

5.2.1 Business engagement and networking

Fundamental to any actions aimed at improving business and labour market performance within the Borough is to improve the level of business engagement, interaction and networking. A number of key dimensions are important here;

- a) the extent of local business to business networking and collaboration both inside the Borough and more generally;

- b) the relationship between the Council and local business;
- c) the degree of collaboration and support between educational institutions (HE; FE and Schools) and business within the local economy.

To date across all these dimensions, business engagement and networking is comparatively weak. This reflects the nature of the diverse and fragmented small firm economy which presents a considerable challenge to promoting engagement and collaborative activity, and that over many years the Borough has lacked any focus or active institutions dedicated to this type of activity. This includes the absence of strong business associations and sectoral partnerships operating within the area and that the Council has not pursued a strong and active relationship with local business. A recent survey indicated low levels of satisfaction from business⁸⁸ with regard to the way Barnet council supports businesses and there is currently no clear point of entry into the Council to help businesses find key areas of service provision related to their needs.

SWOT

Strengths:

- Provides the essential basis for other business and employment initiatives
- Promotes collaboration to improve business competitiveness
- Encourages local trading, linkages & multiplier effects

Opportunities:

- Lack of existing business networks within the area
- Limited supply of existing business networking and training events in Barnet
- Key local institutions increasingly keen to engage with business (Council; MU, Barnet College)

Weaknesses:

- Lack of tradition of engagement within local area
- Limited interest amongst the business community towards networking events
- Small businesses with limited resources for engagement
- Lack of clear easily identifiable single point of contact with Council and key educational partners (MU/BSC) for business
- Businesses can find Councils and educational institutions bureaucratic and lacking in flexibility in their approaches

Threats:

- High number of small firms which are challenging to engage and maintain relations with
- Mixed and confused messages being sent to local business through multiple and non co-ordinated contacts from different bodies (Council, Capita, MU etc.)

⁸⁸ Middlesex University (2013) *Barnet Business Needs Survey*, report produced for the London Borough of Barnet

- Pressured Council and HE/FE staff lack sufficient time and resource to invest in business engagement and networking
- Business networking needs to operate across a range of spatial scales, not just local

Intensity of Provision

Light	Medium	High
<p>Virtual networking – a central web platform that provides opportunities for businesses to network with each other and create themed groups</p> <p>Provision of a single gateway to core service provision for business (e.g. planning, parking, environmental services) and procurement of goods and services</p> <p>Online newsletter with details of events and features on local business</p> <p>Provide opportunity to showcase and publicise business activity in Barnet through annual business event</p>	<p>Support the development of an independent business hub to provide a clear focal for the entire local business community (see 6.2.2)</p> <p>Develop and organise a series of business networking events including monthly breakfast meetings; annual business conference and other regular events targeted at particular geographical areas and sectors</p> <p>Build business/council relationships through establishment of two-way dialogue and revised public procurement process (see 6.2.4)</p> <p>Build relationship with education institutions: Involvement of MU/BSC in supporting business start up and development. This includes workforce development and key roles in employment and skills initiatives (e.g. apprenticeships, job brokerage, skills escalator (see 5.2)</p>	<p>More intensive development of networking activity and events supported by staff to engage businesses and generate activity</p> <p>These could include development of sector specific partnerships and related events and other more specialist themed networking events (e.g. use of digital technologies; innovation and product development; venture finance etc)</p> <p>Provision of advanced market intelligence and business information services</p> <p>Activities to engage and attract inward investors and develop supplier linkages</p>

Key partners: Local business, business support hub, Middlesex University, Barnet and Southgate College, Barnet Council, Capita Plc. Other partners: North London Chambers of Commerce, UKTI, Greater London Authority/London Enterprise Panel, Financial institutions – Banks, Accountants, Solicitors etc

Timescale: Short term (2 Years): concentrated programme of events over initial 12 months period to raise profile of new business support hub and ensure engagement with a wide range of businesses. Ongoing engagement as a result of a well established hub and the related development of other specific business and employment and skills initiatives which include a crucial employer engagement element. Long term: development of more specialist and cluster/sector specific activities,

Delivery model: Currently there is a series of multiple, overlapping and highly partial points of engagement with the Barnet business community. A newly created business support hub (see 5.2.2 below for further discussion) would act as the central point of dialogue with the Council and education providers would take central responsibility for developing the programme of networking events and acting. Funding from the 'community fund' could be used to support the start up of this hub but sustainable funding would be achieved through a business subscription based model⁸⁹. Once established, networking events would be self funding through subscription, sponsorship and in kind contributions from other partners.

Central to the effectiveness of this model is the establishment of a clear, high profile single point of contact for business within the Borough with a governance structure which reflects business needs and will communicate effectively with the Council, major education providers (MU, BSC) and other partners. It is important to ensure that areas where there is a degree of existing engagement between the Council and local business (e.g. procurement activities ; new development schemes) and with the educational sector (e.g. skills development; placements etc.) are integrated into this 'single point of contact' approach.

Key performance Indicators: number of businesses that join the business support hub;; numbers participating at different events; the engagement of new businesses over time and coverage across different business types and sectors.

5.2.2 Business information, advice and support

The relatively high failure rates and poor survival rates of businesses within Barnet coupled with major reductions in the national provision of business support means there is a clear gap in local provision of information, advice and support for business. The existing provision of business support across the Borough is limited and patchy and there is no clear, high profile, single point of contact.⁹⁰ The need for improved business information, advice and support is apparent at two levels; (1) generically to serve the heterogeneous mix of predominantly service based small businesses across the Barnet economy; (2) targeted support for businesses with high growth potential,

⁸⁹ A business case for the creation of an independent local business support hub that would operate as a social enterprise has been produced and is currently under review *sustainable model for business support, growth and enterprise in the London Borough of Barnet* (2014).

⁹⁰ Report by CEEDR (2013) *Developing an Economic Development and Growth Strategy for Barnet*, for the London Borough of Barnet.

operating in key growth sectors and located within key development areas (e.g. new developments and town centres).

There is a considerable amount of existing information and support available nationally through official sources (e.g. at <https://www.gov.uk/> and online support at <https://www.gov.uk/business-support-helpline>) as well as through city and regional agencies and a range of market based providers. A key role would therefore be to signpost businesses to existing good quality support provision.

SWOT

Strengths:

- Evidence of the need for business support; expected high business take up
- Would contribute to improved start up, survival and growth rates of local businesses
- Available partners to support this role (eg MU, Barnet and Southgate College)
- Able to provide a range of services that would promote local growth oriented SMEs (e.g. finance, internationalisation, innovation)

Opportunities:

- For business support services clearly aligned to dominant small business needs and culture
- Potential to attract private sector support
- Potential to mobilise other sources of match funding
- Signposting and linkages to existing sources of business support provided at sub-regional (West London), London wide and national levels and through market based providers

Weaknesses:

- Potential low take up of services by small businesses focused on survival rather than growth
- Overlap with elements of existing provision within West and North London or with other providers within the Borough

Threats:

- Absence of guaranteed funding for start up
- Sustainable funding would need to be generated through private sector business subscriptions
- Those businesses most need of support will not use the service

Intensity of Provision

Light	Medium	High
<p>Online business portal that would provide clear signposting service to all forms of available business support Provision of economic data for the local economy through Barnet Observatory Establish a directory of local business support services</p>	<p>Creation of one single point of contact via a business hub within Barnet, to operate independently on a not for profit basis supported by membership subscriptions Signposting to existing business support services in public and private sector Regular events, training and master classes to promote SME competitiveness (e.g. access to finance; business planning; financial management; internationalisation; use of digital technologies etc.) Develop a network of business advisors/mentors using a combination of paid professional advisors and voluntary mentors drawn from other businesses and retired local business people Peer support through networking activities (see 3.2.2a) Dragons Den style events to encourage entrepreneurship and start ups Close working with educational providers, specifically Middlesex University Business School and Barnet and Southgate College as well as with local schools Identification of emergent sectors/clusters with potential for future development</p>	<p>Network of professional advisors providing ongoing support to target growth businesses at subsidised rates Business animators to develop specialist bespoke support activity for existing sectors/clusters (e.g. retail; care; IT and creative industries) and emergent ones Establish collaborative initiatives to support local business development (e.g. a Barnet trading platform; Barnet Discount Card) Creation of funding instrument to support local small businesses; develop venture capital fund activity in sub-region Develop internationalisation activities through identifying businesses interested in serving particular overseas markets and supporting the organisation of overseas trips Mobilisation of additional funding sources to expand scale and scope of activity</p>

Key partners: Barnet Council, Middlesex University, Barnet and Southgate College, private sector business, business support providers, Capita Plc, Barnet business forums. Other partners: neighbouring Boroughs of Brent and Harrow, West London Business, West London Alliance, LEP, Growth Accelerator Scheme

Timescale: Establishment of enterprise support body within 6 months; ongoing roll out of advice and support programme

Delivery model: At the core of the delivery of business information, advice and support is the creation of an independent enterprise support hub for Barnet to lead on the delivery of this role. This would provide one clear central point of contact and portal to other services. Given the imperative of business engagement to all aspects of taking forward the growth agenda, a business led, independent body working for the wider community interest appears the most appropriate model for this. Following a review of options, a recent report recommends the creation of a Barnet Enterprise Community Interest Company (CIC). The CIC form means the company operates in a commercial manner in line with that of a normal limited company but on a not-for-profit basis.

The scale of activity of such a support hub would be directly related to the amount of resource it could generate through subscriptions, other elements of support from local businesses and partners (e.g. staff time to deliver and organise events; secondments etc), ability to generate other income streams (e.g. through managing business hubs) and to lever in external resources from public and private sources (e.g Growth Accelerator for small business programme). The type of services provided would complement existing support services and reflect local business needs. These could range from the design of basic business plans for start ups through to branding, social media use and internationalisation strategies.

Key performance indicators: small business start up and survival rates; rates of growth and business productivity; development of key clusters/sectors; rates for patents and proof of concepts

5.2.3 Workspace provision for small business development

The strong need for higher levels of house building within London and the buoyant market conditions for residential property is placing increased pressure on the maintenance and development of employment land use and commercial premises. Much current office space is outdated and unattractive to small business needs. Recent years have seen much of this older office space converted to residential use. Against this background it is essential that employment use land is protected and that a supply of commercial space is available to support the business needs of the economy. Particularly important here is affordable, accessible and flexible space to support business start-ups, small business development and the growth of home-based businesses. There is the possibility of developing initiatives to achieve this through the use of the planning process, the development of incubator units and the development

of an 'innovation hub' focused on graduate start ups in the creative/IT/design/media sector.

SWOT

Strengths:

- Builds upon the existing high rate of business start up of small, micro and home based business activities
- Provision of affordable and accessible workspace and related supporting services will improve the survival and growth rates of local small businesses
- Provides appropriate space to target the development of particular types of business (e.g. micro; home based; graduate), clusters (e.g. creative industries), and areas (e.g. town centres; development areas)
- Use of new developments can be used to generate affordable and accessible workspace
- Builds upon local assets including Middlesex University staff and graduates in the design, IT, media and cultural industries
- In line with main element of government economic development policy which supports university/local economy interactions

Opportunities:

- Rising market demand for commercial premises as economic growth after the recession gathers pace provides commercial basis for workspace development
- Provides space for growth oriented home based business to move into premises more suitable to their development needs (e.g. employing staff; meeting rooms)
- Development of clusters of indigenous growth oriented small businesses will attract in external investors and businesses
- Central element in building a vibrant, growth oriented small business economy in Barnet

Weaknesses:

- Need to identify appropriate and accessible sites; can be difficult in existing town centres and existing Council assets may not always be in appropriate locations
- Difficult to identify scale of demand as much micro and home based business takes place 'under the radar'; need to pilot initiatives
- New build home/work spaces may have limited customer demand
- Lack of appropriate spaces for businesses to move to after the incubator period

Threats:

- Commercial returns available from residential developments makes developers resistant to workspace provision leading to the displacement of employment land use and limited new workspace provision
- Limited public sector funding streams

Intensity of Provision

Light	Medium	High
<p>Encourage new developments to include appropriate workspace and the retention of employment space</p> <p>Promote the market to provide workspace hubs in a number of key locations across the Borough</p> <p>Identification of underutilised Council space that could provide potential locations for business hubs</p>	<p>Use of planning to retain employment space within the Borough.</p> <p>Require mixed use developments to deliver affordable and flexible workspace capable of addressing the needs of small to medium enterprises (SMEs).</p> <p>Where a development involves the loss of employment space, the loss to be mitigated through contributions to business support, employment and training activities.</p> <p>Establish a number of small business hub incubator units in accessible locations making use of Council assets and working with local partners (who may also be able to provide potential sites) providing related support activities</p> <p>Develop an 'innovation hub' (or 'creative hatchery'); a unit providing space and business support to graduate start up businesses focused in the creative/IT sector</p> <p>Develop appropriate post-incubation' work space for those enterprises moving out of incubator units</p> <p>Use of empty shops on a 'pop-up' basis</p>	<p>Enhance planning obligations on developers to provide higher levels of workspace provision</p> <p>Develop the scale of business hub incubator provision across the Borough</p> <p>Ensure all business hubs have a high level of wrap around business support provision</p> <p>Develop live/work units and associated business hubs</p>

Key partners: Developers, Barnet Council, Middlesex University, Barnet enterprise hub, property agents, town centre partnerships

Timescale: Immediate provision of workspace within existing developments; 1-2 years development of incubator spaces; 3 years plus development of innovation hub and workspace in subsequent developments

Delivery model: Use of planning processes within new developments. The need to retain employment space and provide accessible and affordable office space is recognised within the current proposed Supplementary Planning Guidance⁹¹. This sets out guidance to protect employment space and to sponsor the provision of affordable and flexible office space. Under these proposals, within new development the Council will encourage (in addition to its LEA): (1) flexible and affordable workspace in office development or redevelopment; (2) small and affordable shop units in major retail developments. The Council will consider the use of legal agreements in order to manage the rents of these units to appropriate levels, to control their size, location and the nature of the occupant. Also included are details of how the financial costs of any loss of employment land would be mitigated.

Consideration should also be given to how the planning process could be made to be more supportive of home-based business⁹². With regard to the provision of live/work or home/work space, there remains scepticism from commercial agents as to how well these will work commercially, given customers tend to prefer to buy standard residential properties and then use a bedroom/shed for office space within this, as they are then secure with regard to resale value. However, the success or otherwise of live/work space depends on what is offered and how it is marketed⁹³, with examples of successful developments elsewhere in London (e.g. Greenwich). In seeking to create a path for future development of a new mixed-use development, there remains a case for the inclusion of a number of live/work units

Business incubator spaces: These would provide a focus for micro and small businesses to support them in their start up and early development stages in key locations within the Borough (development areas, town centres). These would provide commercial space at subsidised rates for local businesses, provision of communal services, and access to business support. Their development would take place in close co-ordination with the development of the Borough's Business Support Hub previously discussed. These incubator units could be managed by the business support hub itself. This would enable the development of wrap around support services, allow the co-ordination of activity within particular key locations and generate a potential revenue stream to support the work of the agency. Alternatively these incubator units could have their own independent management and rent space to the hub.

⁹¹ Full details at http://engage.barnet.gov.uk/housing-planning-and-regeneration/draft-suppl-planning-doc-delivering-seet/consult_view

⁹² For example see discussion at <http://www.theworkhome.com/introducing-policy-and-governance/>

⁹³ Various example of live/work space can be seen at <http://www.liveworknet.com/live-work-sec3.html>

There exist a number of different models for styles of business incubator units, reflecting the balance between market conditions for commercial property, availability of suitable premises, partners and funding sources and the precise objectives (e.g. degree of communal support services and advice functions) and target enterprises being pursued within a given area. For example the target role of such hub space might be to focus on supporting the development needs of home based business and micro-businesses, and there are examples of tailor-made business 'hubs' for home-based and live/work businesses⁹⁴ In the first instance different approaches might be piloted in different places within the Borough to reflect such differences. Such business incubators would be relatively small in size, although varying according to location and available space. Attempts would be made to make use of existing Council owned property in the first instance.

Innovation hub: This would be a collaborative venture between Middlesex University, the Council and other commercial partners as appropriate. It would operate as a 'creative hatchery' focused on supporting graduate start up businesses in the creative/IT/design/ media sector from Middlesex University, as well as other Universities. This is an area of strength for Middlesex University graduates and where there has is an existing track record of success through the Red Loop support agency, as well as being an economic cluster which will grow strongly in the future. Units would be small but supported by the provision of specialist equipment (e.g. 3Dprinting, laser soldering etc.) which businesses would not otherwise be able to afford. Activities might include high value manufacturing, making of prototypes, bespoke fashion items. Potential locations might include Colindale (on the former Public Health England site); or within the Brent Cross development site (in areas intended for office space close to the railway station), Once established, it is expected that the hub would attract in other companies to the area wishing to locate nearby. Complementary funding to support this development would be pursued through current policies supporting the development of HE/business relations.

Key performance indicators: occupancy rates within units; businesses moving out to other premises; survival and growth rates of businesses supported; development of specialist clusters; patents/proof of concepts

5.2.4 Public procurement to stimulate local SMEs

As a major procurer of goods and services, the Council can make use of the procurement process to stimulate local small businesses. Currently smaller businesses often fail to compete successfully for these services for a number of reasons, including a lack of knowledge of procurement opportunities, a lack of understanding or the processes, a feeling that the processes are overly bureaucratic and biased in favour of larger companies and a lack of understanding of what a successful tender would look like. The objective of action here would be to seek to increase the number of local

⁹⁴ See details at Live Work Network <http://www.liveworknet.com/live-work-sec68-1.html>

businesses winning public sector contracts through removing barriers, by re-engineering the business process to make it less bureaucratic and more accessible, and improve SME capacity through the provision of relevant advice and training.

SWOT

Strengths:

- Direct engagement with local SMEs
- Council has control of this process
- Builds capacity of local SMEs and Third sector organisations
- Procurement process can be used to meet other employment/skill objectives

Opportunities:

- To build engagement with local SME sector
- Design procurement contracts in a manner more favourable to SMEs
- Use Social Value Act to ensure added social value is factored into procurement

Weaknesses:

- Challenge of making procurement less bureaucratic
- Difficulties of engaging a wide range of SMEs in the procurement process
- Buyer must be willing to invest time in meeting with SME suppliers

Threats:

- Preference to work with one large supplier rather than many small ones
- Pre-procurement collaboration could impinge on competition laws

Intensity of Initiative

Light	Medium	High
<p>A web portal that clearly explains procurement processes for public sector contracts, the needs of the council and the characteristics of successful suppliers</p> <p>Improved provision of information on procurement opportunities</p> <p>Simplification of processes and reduction in processing times</p>	<p>Single Point of Contact for business queries and internal signposting</p> <p>Regular electronic information newsletter sent to registered businesses setting out the goods and services the council is planning to procure.</p> <p>'Meet the buyer' and 'co-design' events. Regular opportunities for face to face meeting with the council's procurement team; pre procurement collaboration/soft market testing between</p>	<p>Active SME/social enterprise development scheme comprising comprehensive advice, training and support for small businesses in the procurement process: from pre procurement/soft market testing, completing tenders, business plan advice through to advice and feedback on success/failure in procurement process</p> <p>Use of procurement processes to require the meeting of other employment/skill objectives</p>

	<p>commissioners and smaller providers (SMEs/social enterprises/charities) to prepare them for procurement opportunities</p> <p>Design procurement contracts in a manner that is friendly to smaller businesses (e.g. avoid unnecessary supplier requirements; break up larger contracts into smaller ones)</p> <p>Use of Social Value Act to ensure that added social value is factored into procurement decisions beyond immediate financial costs (e.g. in line with objectives to tackle employment and skills issues within local economy)</p>	<p>(e.g. apprenticeships, job-brokerage, skills development) and payment of London Living Wage</p>
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Key Partners: Barnet Council, Capita Plc, local SMEs, Community Barent, local third sector organisations; **Other Partners:** Greater London Authority, public sector organisations.

Time Scale: 12 months to co-design processes, develop local capacity and launch new procurement practices; then ongoing.

Delivery model: One component of Capita's agreement with Barnet Council to run its back office services through the Customer and Support Group (CSG), are a number of commitments related to improving the delivery of procurement activity within the Borough⁹⁵. These commitments include a desire to achieve a higher level of procurement from local business and a series of action to enhance the ability of local SMEs and community and voluntary organisations and social enterprises to secure procurement contracts. It is intended that this will be pursued through the creation of a 'local supply chain champion' within the procurement team and through a co-design process, with Capita working closely with local businesses to design the support that is most needed to help them compete effectively for procurement contract⁹⁶. This process

⁹⁵ See Customer and Support Group (CSG) agreement Barnet Council

⁹⁶ Capita were to conduct Initial co-design workshops with local suppliers and local third sector organisations in February 2014.

is to be supported through the Community Development Fund which was created as part of the agreement.

This activity provides an important opportunity to ensure that procurement practice benefits local SMEs. However this needs to be fully integrated into the work of the enterprise hub previously discussed as the procurement process provides a key means for engaging with local business, identifying their support needs, and providing appropriate advice and training to meet these needs. Integration and co-ordination of activity will avoid duplication of and the sending of mixed messages to local business.

Key Performance: Indicators for procurement activity would include: (i) Percentage of contracts awarded to local businesses; (ii) number of new businesses winning public sector contracts; (iii) process specific indicators resulting from re-engineering of the procurement process; (iv) improved business satisfaction levels

5.2.5 Long term support for ambitious, growth oriented SMEs

The objective of this approach is to develop a network of local business support that has much greater impact and is focused on the most ambitious SMEs in the local area, often referred to as the 'vital 6%' of SMEs that are the key generators of growth. This is achieved by developing a strong relationship with participating businesses over the longer term to allow them to realise their growth ambitions. It starts from achieving a deep understanding of business needs to then develop a working relationship through the provision of appropriate training events and personalised coaching support. This can also include developing action learning sets related to businesses operating in particular clusters or sectors.

SWOT

Strengths:

- Directly addresses a key target business element for achieving economic growth: ambitious, growth oriented SMEs
- Long term, sustainable development approach, working with businesses over several years
- Delivers business support related directly to business needs
- Generates strong engagement with local business
- Develops a strong business support community around participating businesses
- Results from similar schemes demonstrates the effectiveness of this approach

Opportunities:

- Capitalises on MU Business School expertise and research
- Complements the engagement and support activity of the business support hub CIC

- To operate at Barnet and/or wider sub-regional level

Weaknesses:

- Challenge of identifying ambitious, growth oriented local SMEs
- Requires some seed-corn funding in the set-up and recruitment phase

Threats:

- Lack of SMEs willing to participate on a paid basis in the programme
- Lack of additional co-funding to reduce the overall price to participating businesses

Intensity of Provision

Light	Medium	High
Provision of 'off the shelf' existing business educational products Recruitment of 100-200 SMEs Operation locally within Barnet	Development of business support emerging from analysis of participating business needs and delivered through an action learning style Recruitment of c 500 SMEs to achieve critical mass and greater impact Operation at the level of Barnet and some neighbouring boroughs in relation to key development sites	Recruitment of 1,000 SMEs Operation across a wider West London area

Key partners: Middlesex University, Telos Consultancy, Business Support Hub CIC, Barnet Council, WLA

Timescale: The process would proceed through a number of stages: (a) building a business community through period of intensive engagement (6 months); (b) run a series of workshops and diagnostic events to analyse businesses and define problems (6- 12 months); (c) Ongoing relationship with individual businesses (e.g. 1:1 support; programme of events; network using placement, student projects, KTPs as appropriate) (years 2-3); (d) economic and policy impact (3 years +)

Delivery model: This initiative would deliver long term business support to ambitious, growth oriented SMEs. This model identifies a group of 'ambitious business owners' (500 plus) in the local economy and undertake an action learning process between these businesses, Middlesex University and other business support organisations (accountancy, IT, banks, legal services).

The initiative would be delivered via a partnership model between MU, consultants and local delivery partner (e.g. business support CIC or if wider spatial coverage is desired perhaps through WLA or West London Business). The initial period of business engagement would require seedcorn funding, but once engaged businesses would pay for the services they receive (typically c£10,000 each under similar models). Experience from elsewhere suggests that identifying ambitious businesses is best achieved through ongoing engagement with local business support providers, such as accountants, banks and legal firms, who have contact with growth oriented businesses. MU is currently in discussion with Telos Partners over developing this type of initiative. Telos Partners have developed similar models for delivering this form of research oriented business support for SMEs at Cranfield School of Management, Cardiff Business School and Kent Business School⁹⁷. This model would also make use of existing government schemes aimed at growth businesses (such as the Growth Accelerator Programme) where appropriate.

Key Performance indicators: recruitment of number of businesses to the programme; measure of GVA performance of participating businesses, measure of employment generation of participating businesses; retention of participating businesses within the local economy

Cost Benefit Analysis

Evidence from Kent Business School/Telos partnership shows this process has delivered benefits to the local economy through: (a) increasing employment within the businesses engaged (average growth of 13.6%) creating 111.5 new jobs; (b) increased GVA (on average by 19.4%)

5.2.6 Cluster development and the attraction of inward investment

A characteristic of the Barnet economy is the absence of any distinct economic cluster driving local economic growth and the dominance of a diverse SME service sector base lacking in larger companies. Within a strategy for promoting economic growth within the Borough, it is important question to consider the extent to which a focus on particular clusters and associated attempts to attract inward investment to strengthen them, should provide an important part of the future development of the local economy.

SWOT

Strengths:

- Accessible location on the edge of London with access to major arterial M1 and A1 road routes and tube lines into central London
- Location proximate to wider clusters (e.g. film/media in Herts) and other major development areas within the wider sub-region

⁹⁷ See for example details of the Kent University scheme at <http://www.kent.ac.uk/kbs/business/sme/bus-big.html>

- Growth of design/IT/media/cultural industries within the Borough and strength in these areas within MU
- Attractive residential environment

Opportunities:

- Local assets that could provide the basis for the development of clusters and attraction of inward investment: Saracens Rugby Club at Copthall (sport/exercise), Brent Cross Centre (retail), local communities (e.g. long established Jewish community), Artsdepot (arts/culture)
- Areas of research/practice expertise at Middlesex University in potential growth areas: e.g. cultural industries, sport and exercise science; complementary health care, green industries
- Development sites in the West of the Borough (Brent Cross, Colindale)

Weaknesses:

- Absence of major, distinct clusters within the local economy
- Absence of larger companies in high growth sectors
- Absence of larger companies who are currently interested in coming to Barnet at the current time
- Limited employment sites within predominantly residential developments
- Absence of existing publicity materials and marketing function to attract inward investment to the Borough
- Limited local supply chains related to key retail sector

Threats:

- Other areas more competitive for the development of key clusters (e.g. creative industries in Tech City/East London)
- Other areas more attractive to inward investors, with better locations, offer and inward investment marketing function
- Inward investment and cluster development better pursued at wider spatial scale (sub-regional/city-wide/regional) rather than at the local level

Intensity of Provision

Light	Medium	High
Develop basic marketing and publicity materials to support the promotion of Barnet business	Identification of distinct and emergent clusters and encourage joint working between key local partners Explore opportunities for inward investment working closely with existing London/national agencies (London Partners; West London Business) Develop resource pack for	Development of local inward investment marketing function Select 2/3 key clusters and aggressively seek to attract inward investment to the Borough related to these

	businesses setting up and locating in Barnet Promote Barnet business through high profile annual exhibition/business event	
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Key partners: Barnet Council, Developers. MU, Business support hub, West London Business, London Partners. Other potential partners: Saracens RFC, Brent Cross Centre etc

Timescale: Short term development of publicity/marketing material. Longer term relationship building with potential inward investors. Cluster development; incubator hub for design/media/IT industries (see 6.2.3); longer term identification and development of potential growth clusters.

Delivery model: The proposed enterprise support hub could provide the basis for the development of publicity material and promote Barnet as a vibrant economic area and a good place to do business. However the development of a stronger inward investment function, either as part of the Barnet support hub or as an independent body, would be highly resource intensive. Given the costs of this, the lack of evidence of any demand and the difficulties of pursuing inward investment at the local level, there appears little rational and business case for pursuing this model.

Given the existing economic structure there appears to be little basis for the adoption of a highly targeted cluster based local policy at this time. One potential area for development relates to a cluster of small business in the design/IT/media and cultural industries through the development of an innovation hub based on endogenous development rather than inward investment (see 6.2.3). There are other clusters which might be explored through bringing together key partners to examine the scope for joint initiatives (e.g. sports and exercise science through Saracens and MU) and the development of nascent clusters through encouraging networking and collaboration. However the approach of local business support needs to be one of being responsive to, and supportive of, any emerging groupings rather than imposing pre identified clusters.

Key performance indicators: development of critical mass in sectors/clusters (number of enterprises/turnover/employment/performance); number of new businesses from outside the Borough locating in Barnet

5.3 Conclusions and Recommendations

Building upon an environment of *increased business engagement and networking*, the economic strategy should significantly improve.

- *generic business support* that will benefit all businesses within the Borough in order to improve their performance and competitiveness, specifically seeking to support micro-businesses in the critical 1-3 year period after start up.
- *targeted support towards businesses with ambition and growth potential* in order to ensure the Borough has a growing population of vibrant small businesses within the borough. Many of these are likely to be in key future economic growth sectors (finance and professional; digital; creative, hospitality and leisure; care sector, green industries), sectors traditionally important within the local economy (e.g. education, health), and critically, at the interstices of these sectors. This support relates to the so-called 'vital 6%' of high-growth private sector firms, responsible for a disproportionate share of net job creation and in driving innovation, The presence of these firms will also act to attract in other associated business investment.

The primary focus here is upon supporting the development of indigenous small business. However, alongside this, there is also a need to be alert to the *possibilities for attracting in inward investment*. This relates to attracting in major employers to key development sites within the borough as well as to support the development of any emergent clusters of business activity.

The following actions are recommended:

(1) Develop business engagement and networking

- The *creation of a business support hub CIC* to provide a *central point of contact for business engagement and networking* through a digital and physical presence, This business support hub would have the promotion of business engagement and networking as a main and immediate priority. An online business to business connection service will enable larger business to find and use local services, including from the Third Sector (building on CommUNITY Barnet's data), and encourage active links with schools and educational establishments.

(2) Provide local business support

- *Increased business information, advice and support*. A newly created *independent enterprise support hub (CIC)* for Barnet would provide a clear central point of contact and portal to other services. It would significantly improve current levels of provision of business information, support and guidance through a *digital platform 'hub'* providing information and signposting to maximise the use of existing business support services, and a *physical presence* through various 'spokes' comprised of incubator units, where wrap around services would include access to

advisors and training sessions. Business support policy would focus on key growth sectors (e.g. IT, business services, health, education, the creative industries, the green economy) and business development stages. Given the high rate of failure of young businesses in the early growth phase (1-3 years trading) more intensive support would be targeted towards these micro businesses to establish their viability and deliver a growth pathway.

- *Provision of appropriate and affordable workspace for small business development*
This will be achieved through (1) the development of a series of business incubator units, making use of available Council assets, and located in accessible town centres and development areas. These would have different models of operation to reflect local needs and opportunities and would provide easy-in/out office space and meeting and training room facilities; (2) active use of the planning system to ensure new mixed use developments have a high level of affordable, accessible and flexible workspace.
- *Develop a buy-local policy using public procurement to stimulate local SMEs*
Ensure the operation of the procurement system benefits local small businesses and social enterprises and voluntary and community organisations, as well as promotes the payment of the London Living Wage. This would be advanced through a range of measures: improved provision of information on procurement opportunities; simplified processes; single point of contact; regular communication with suppliers; training to develop capacity of local SMEs and third sector organisations; and recognition of social value,
- *Develop digital infrastructure:* identify gaps in provision and digital needs of different business users (e.g. home based businesses; hi tech businesses); achieve 100% super broadband coverage via commercial suppliers; maximise use of GLA connection voucher scheme; and provide guidance and support to business to develop their digital use to improve performance and productivity.

(3) Targeted support for ambitious, growth oriented start ups and SMEs

- *Deliver long term support for ambitious, growth oriented SMEs* in the local economy through a partnership led by MU Business School. This will identify the 'vital 6%' of ambitious businesses within the borough and develop a network of research lead support that would meet the needs, and maximise the growth potential, of ambitious business owners participating in this programme over a 3-4 year period.
- *Support the development of the home/work economy and the development of home-based business.* This will be achieved by the promotion of a network of home based businesses and a hub to support them, including meeting spaces and space for those ready to move out of the home, and making active use of the planning system to ensure new mixed use developments are amenable to

the development of home/work and home based business, including the provision of home/work units.

- **Promote graduate start-ups and spin offs** This will build on the presence of Middlesex University within the borough to support increased entrepreneurship, innovation and start-up activity, Activity will particularly focus on building upon a key area of strength of MU in the creative/design/IT/media sector. This will be pursued through developing a '*creative hatchery*' in partnership with Middlesex University, which would create a physical site for graduate start-up businesses and spin-offs within the A5 corridor.

6. Spatial development and regeneration strategy

Barnet's economy is characterised by a particular pattern of spatial development, This comprises: (i) a *large network of relatively small town centres*, plus the large, and growing, regional shopping centre at Brent Cross; ii) a *number of large*, residential led development sites, predominantly in the west of the Borough and particularly around the 'A5 Corridor'; (iii) a number of pockets of concentrated deprivation across the borough.

6.1 Strategic objectives

On the basis of the analysis provided in section two it is possible to identify the following strategic objectives with regard to spatial development and regeneration within the Borough.

1. *To ensure the development of a network of vibrant and sustainable town centres across the Borough*

As a large, suburban Borough, its large network of town centres are important for the delivery of a range of services as well as important employment sites, and as such are important local economic drivers. However given major changes in the retail environment and the challenges facing all UK town centres, there is a need to rethink the role of the various town centres and ensure that they can perform a future role as sustainable hubs of economic activity within the broader Barnet economy..

2. *To maximise the economic growth potential of the major development and regeneration sites within the West of the Borough, specifically in the A5 corridor*

Barnet has a number of major regeneration projects underway and planned which will lead to a major growth in housing and economic activity within the West of the Borough. This raises important challenges about how to ensure an appropriate mix between employment and residential use within these developments and how this area needs to be developed strategically in relation to the wider sub-region in which it is located.

3. *To promote physical mobility and access within the Borough to enable economic growth*

For Barnet to thrive economically requires the ability for residents to be able to move to sites of employment inside and outside the Borough and for business to be well linked via transport networks. Access to digital infrastructures is increasingly critical to high growth businesses and sectors and to the increasing number of self-employed and

micro businesses within the local economy. High quality digital infrastructures are essential to business and work within the Borough but also provide an opportunity to refashion past commuter flows and encourage greater localisation of activity in the home/work economy.

These three objectives also relate directly to other key strategic objectives and related initiatives set out previously in relation to both employment and skills, and enterprise and business development. Across both of these areas issues of spatial development and regeneration are strongly apparent, specifically in relation to the following initiatives:

- local employment agreements (7.2.1)
- co-ordinating employment and skills provision and delivery within deprived areas (7.3.1);
- development of workspace provision for SMEs (5.2.3)
- cluster development and attracting inward investment (5.2.6).

These objective also need to be placed within the context of other social and physical objectives being pursued by the council as part of its wider spatial and environmental strategy.

6.2 Spatial development, regeneration and infrastructure initiatives

A series of key initiatives to achieve the strategic objectives comprise:

- Town centre development
- Regeneration in the A5 Corridor
- Digital infrastructure and business
- Transport infrastructure

6.2.1 Town centre development

Retail is the primary sector of employment within Barnet and is largely focused in 16 town centres. As such town centres are a major location of employment within the Borough and sustain a significant level of economic value to the local economy. Although the success of each town centre and its retail offer differs, there is commonality in reduced retail performance across the borough, an increased drive for profit, tired assets (including units and space), and higher vacancy rates. Several centres report difficulty in attracting national retailers due to the size of current commercial space.

The large number of existing town centres means they are often in competition with each other for investment, retailers and customers, many of whom work outside the

Borough. Changes in the retail sector nationally and globally are leading to changes in the role of stores (and therefore, town centres), particularly the number and size of stores; with fewer but larger stores serving a wider catchment area. Town centres and retail areas will also need to compete with the 'experiences' on offer at larger retail centres in Central London and to the West, in Wembley etc. The proposed expansion of Brent Cross will provide an ability to compete with this retail offer but will also displace footfall from the Borough's own town centres.

At the current time, town centres in Barnet are facing a number of major challenges rooted in fundamental and rapid changes that are taking place in the retailing sector. Although these long term structural challenges, combined with the local impact of the major expansion of the Brent Cross Shopping Centre, provide many fundamental challenges, they also provide an opportunity to:

- rebalance the town centre network; with the expansion of some town centres the decline of others
- develop distinctive town centres based on both retail offer and the development of other economic activities

In developing initiatives to protect and enhance the viability of town centres, a number of issues require consideration:

(1) *concentrating resources in fewer centres* to prevent investment across neighbouring centres resulting in a zero-sum game and maximising the potential for additional GDP growth.

(2) *upgrading commercial units*, to increase appeal to national retailers and improve the potential for centres to secure anchor stores.

(3) *increasing the broader 'retail appeal' of town centres* by encouraging independent retailers to bring about variety in the retail offer and investments in street furniture and signage and campaigns to increase footfall

(4) *improving accessibility*, to maximise footfall, encourage links with the wider area each centre serves, encourage new visitors, and discourage loss to neighbouring centres and larger retail experiences

(5) *develop additional economic activity* in centres beyond the retail offer to provide a wider range of offer and ensure more employment within Town centres

SWOT

Strengths:

- an extensive network of town centres that operate across the whole Borough
- a number of town centres performing relatively well given the prevailing negative economic situation affecting town centres

- a major regional shopping centre (Brent Cross) that is embarking on a large expansion programme
- a relatively prosperous population with relatively low rates of economic inactivity and above average concentrations of residents in A/B social classes
- active town centre partnerships in some town centres

Opportunities:

- to rethink the role of existing town centres and reposition them to ensure distinctiveness
- to concentrate resources in fewer town centres ensuring these have a strong and sustainable future
- to bring together activities and services related to town centres in a co-ordinated programme
- to engage local businesses to take a lead role in developing their town centres
- to take advantage of Increasing levels of economic growth largely led by consumer spending
- to promote more independent retailers to create more distinctive retail environments

Weaknesses:

- A large number of town centres competing with each other to attract investment, retailers and customers
- A number of town centres struggling to attract commercial activity and customers
- Town centres often lacking in distinctiveness and personality
- Strong reliance on retail and lack of alternative economic activities
- Local opposition to declining town centres
- Problems over parking and access
- Loss of independent retailers due to landlords pursuing higher rents
- Independent retailers have poor survival rates and strategies based around them are high risk

Threats:

- Wider trends in retailing reducing and reconfiguring the need for local retail provision
- Doubling the size of Brent Cross Shopping Centre could have negative impacts on other town Centres within Barnet
- Growth of a number of other large, highly accessible shopping centres within the London region competing with Brent Cross and Barnet's retail offer
- Rising land costs and commercial property prices squeezing out independent retailers

Intensity of Provision

Light	Medium	High
<p>Complete town centre assessments for all centres, evaluating their recent performance, footfall, catchment area, commercial stock, potential for retail and other uses, customer appeal, and possible niche areas</p> <p>Aesthetic improvements to town centre urban realm through street furniture, new signage and pavements</p> <p>Encourage the creation of individual town centre partnerships</p>	<p>Prioritise development efforts and public investment in centres with greatest future potential. For these develop TC strategies that cover all aspects development (e.g. retail; commercial premises; public services; public realm; parking; night time economy; rates etc.)</p> <p>Develop distinctive town centres targeted to serve particular retail functions and serve particular markets (e.g. centres with national retail stores; independent retailers; clusters of specialised provision (e.g. homeware; arts and crafts; quality food products)</p> <p>Promote of alternative town centre uses: (e.g. leisure, health services (doctors, dentists etc), public services; child- care; business hubs; educational facilities; night time economy) to encourage employment within Town centres and increase footfall</p> <p>Attraction of anchor retail stores or other major inward investments (e.g. business hub; library/leisure/ educational facility to attract in other businesses/service providers)</p> <p>Pursue programme of animation to encourage mobilisation of TC interests and development of active business-led town centre partnerships</p> <p>Design and deliver retail campaigns (e.g. promote niche</p>	<p>Large scale investment in upgrading the commercial stock, improving the look and feel of town centres and improving access</p> <p>Land assembly and development in order to develop larger units attractive to larger retailers or to maintain as smaller units and promote zoning of activity</p> <p>Pursue radical solutions to create distinctive environments (e.g. pedestrianisation)</p> <p>Appoint an independent retail champion for the Borough to attract and nurture independent sector</p> <p>Develop local trading currency to encourage and retain spending in local economy</p>

	<p>markets; small local festivals and celebrations; pop-up food, fashion and arts activities; loyaltycards/ campaigns)</p> <p>Develop access through review of public transport and parking provision to maximise catchment areas</p>	
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Key partners: Barnet Council, Town Centre Partnerships. Town Centre Managers, commercial property agents, private investment consortia/developers, land owners, national retailers, local independent retailers, Transport for London, car parking providers

Timescale: Town centre assessments and animation of town centre partnerships to be completed in next 12 months. Timescale for the development of individual town centre will proceed differentially, depending on existing level of mobilisation of local business, whether a town centre framework exists and the scale of investment. Town Centres need to have strategies in place and activities underway well in advance of the opening of the enlarged Brent Cross Centre in 2018/19

Delivery model: Central role for town centre partnerships led by local businesses but include participation from local residents and other key interests. These will evolve differentially to suit local circumstances and interests. Barnet Council has an enabling role, encouraging and facilitating the setting up and functioning of these partnerships and ensuring there is clear communication between these groups and relevant council services.

The resource base for town centre development will be drawn largely from the private sector, with town centre partnership activity supported by local business. The Council's role will be in co-ordinating service provision in line with local TC priorities and helping to lever in additional resources from private investors (developers, anchor stores etc) and public bodies (e.g. Mayor's Outer London Fund, TfL etc.).

Key Performance indicators

Footfall in town centres; vacancy rates; presence of non-retail units in town centres; development of clusters of particular types of activity; accessibility via public transport; parking provision.

6.2.2 Regeneration in the A5 corridor

Within the Western part of the Borough, there are a series of major regeneration projects underway and planned which will significantly change this part of the Borough through large scale population increase and increased economic activity. A number of

the core developments, Brent Cross/Cricklewood, Colindale, Burnt Oak, Edgware, are located within what is sometimes referred to as the A5 Corridor. To date these have been taken forward as largely discrete developments and with limited collaboration with neighbouring Boroughs. A major consideration is whether it is possible to develop a wider strategic sub-regional vision around the A5 Corridor and these new largely residential-led developments, to promote economic development and infrastructure development in a co-ordinated and integrated manner to create a powerful economic growth area.

SWOT

Strengths:

- Major developments planned and underway will produce an estimated long term population increase (by 2031) of around 40,000 people in the West of the Borough
- Expansion of Brent Cross Shopping Centre as major economic driver
- Presence of Middlesex University and Barnet and Southgate College in the area
- Employment land use in the area

Opportunities:

- Major population increase will generate employment related to servicing this population
- Planned developments provide an opportunity to bring together partners (including different Boroughs) around a co-ordinated vision for the area
- Potential for improve rail links and new station at Brent Cross
- Potential to plan cycle super highways to serve the area

Weaknesses:

- The A5 is not a major arterial route; it is primarily used for local transport movement
- There are limited major development sites for employment use
- The area is located on the margins of the LBs of Barnet, Brent and Harrow which has resulted in limited co-ordination of development and service provision in the area
- The area is not seen as the priority areas for adjoining Boroughs (e.g. Brent's major regeneration focus is on Wembley)
- The A5 is an anonymous and untidy area with little to attract residents and business inward investment and little external recognition
- Road congestion is already high on the A5 and associated roads (A406/A1/A41) serving this area reducing accessibility

Threats:

- Competition from other major growth areas nearby which have competitive advantages (e.g. related to Crossrail) or better road accessibility outside of London

- The A5 corridor does not provide a strong and marketable proposition; within the Borough the M1 is a high profile major transport corridor which might provide a better basis for developing a sub-region attractive to inward investment
- Limited public and private funding opportunities

Intensity of Provision

Light	Medium	High
<p>Develop dialogue with LB Brent and LB Harrow about improved co-ordinated development for the area</p>	<p>Extend scope and scale of place making plans through active collaboration with neighbouring Boroughs to make the area more attractive location Attract in major businesses and employers into the area (e.g. private sector business; university campus, council building) (6.2.6) Stimulate small business base and develop innovation hub to stimulate graduate start ups related to IT/Design area (6.2.3) Improve transport links in the areas: alleviate congestion in major pressure points; upgrade railway link; develop cycle superhighways</p>	<p>Develop a strong vision for the area and associated public-private partnership body to brand and market the area to external investors and developers Develop an appropriate funding vehicle to lever in major public and private funds into the area Lobby for area to be recognised as a major strategic development area within London and for major improvements in transport infrastructures</p>

Key partners: Barnet Council, LB of Brent, LB of Harrow, major developers and investors, MU, Barnet and Southgate College, GLA, LEP, TfL, West London Alliance

Timescale: Development of improved dialogue and place making plans could commence immediately and progress over next 12 months. Development of investment, innovation hub and transport links over 5 year period. More ambitious vision would a longer term development.

Delivery model: To take forward co-ordinated development in the area would require increased partnership working. The precise nature of these partnership arrangements would need to reflect the development vision and objectives and the role of any partnership. Given that there is currently no shared vision for the development of the area by key partners, the starting point would be dialogue to ascertain the development vision and how best this could be realised.

It should be recognised that at the current time there is no champion for the A5 Corridor and little interest from partners in a grand visionary development for the area.

In the absence of strong leadership and vision, it would be envisaged that partnership working would initially focus on relatively modest co-operation around issues of mutual self-interest including: the development of the place-making agenda; improved co-ordinated service provision (e.g. education); joint working over future employment within the area and the attraction of new investment and businesses; and the development of road and other transport infrastructures.

Key performance indicators: Development of joint place-making plans; increased levels of employment; attraction of major inward investors; increased numbers of small businesses; improved accessibility.

6.2.3 Digital infrastructure and business

Access to high quality digital infrastructure is increasingly critical to high growth businesses and sectors and to the increasing number of self-employed and micro businesses within the local economy. These provide opportunities for businesses to increase their performance through working in different ways, as well as the refashioning of service delivery, and the development of Smart city solutions. Such infrastructures can promote changes to commuter flows and greater localisation of activity in the home/work economy, and hence stimulate local town centres and reduce traffic flows and congestion. Potential Initiatives in this area are of two main types. First, those that build digital infrastructures and provide access to technology to enable existing businesses to find new ways of operating and reach new markets. Second, those that support the creation of new local digital business and encourage existing business to move into the area

SWOT

Strengths:

- Reasonable existing levels of existing super broadband coverage
- Large and largely affluent population attractive to broadband providers

Opportunities:

- Rapid technological developments enabling new means of service delivery, business organisation and work organisation
- Small business base and home based business could generate further growth if have access to high quality infrastructures
- Recognition of the need for city-wide high quality digital infrastructure to retain London's competitiveness
- Major changes in public service provision to increase quality of provision and reduce costs
- Strong growth of digital and data industries within the London economy

Weaknesses:

- Areas of the Borough lack super broadband coverage
- Absence of existing digital/data industries (high tech businesses, finance industries and research facilities)
- Lack of supply of highest levels of digital infrastructure provision due to lack of business demand
- Council has only recently begun to advance the digital agenda

Threats:

- Other parts of London have developed higher quality digital infrastructure
- Dominance of BT restricts market competition as a means to improve provision\

Intensity of Provision

Light	Medium	High
<p>Study of existing levels of coverage of super broadband to identify where investment is needed</p> <p>Develop a digital team within the Council to improve use of digital services and oversee project delivery</p> <p>Enhance business broadband connectivity through use of Mayor's/GLA connection voucher scheme</p>	<p>Enhance superfast Broadband network; work with BT and other providers to achieve full coverage (100%) across the Borough</p> <p>Create Wi-fi network for town centres, evaluate its effectiveness and potentially extend</p> <p>Better understand the digital needs of local businesses of different types (home based, micro, social enterprises, SMEs)</p> <p>To provide support to small business to develop their digital presence and adapt existing business models</p> <p>Enhance digital skills of key target groups in the labour market (NEETs, unemployed etc) so they can access jobs and services</p> <p>Learn form other cities/regions which have been proactive in developing the digital agenda</p>	<p>Significant investment in the highest quality digital infrastructures (e.g. fibre to premises) as a means of attracting and developing data/digital industries</p>

Key partners: Barnet Council, BT and other commercial providers, local business community, business support hub, MU, town centres, Barnet and Southgate College

Timescale: Actions over next 12 months: map gaps in coverage, enhance superfast broadband network; develop digital skills of target groups; commence Wi-fi network in town centres. Business information and advice to be provided as soon as possible and proceed on an ongoing basis. Attraction and development of digital industries longer term project over next 5 years.

Delivery model: Use of market environment: Put pressure on BT to improve supply through use of the procurement process (i.e. identify number of residents not served by superfast broadband and put this out to contract). Wi-fi provision in town centre provided through a wireless concession contract which will provide a new service to town centres and generate additional income.

Support to small business To develop digital presence and use technology and the digital environment to develop their business activity. SMEs would be provided information, advice and training through the proposed business support hub.

Digital inclusion To be included as part of job brokerage activity and activities targeted at more deprived neighbourhoods

Provision of super fast broadband is dominated by BT which limits the ability of the Council to influence change. As provision is required across London, the Mayor/GLA should be leading on ensuring coverage.

Key Performance indicators: Superfast broadband coverage; uptake of voucher scheme; uptake of council digital services; business uptake of digital training provision; number of digital businesses in the Borough;

6.2.4 Transport infrastructure

Although the Economic Strategy seeks to encourage the development of local employment sites within town centre and development sites and a growth in the home/work economy, the vast majority of working age residents will need to travel to employment sites inside and outside the Borough. The presence of good transport networks and accessible locations remains critical to the performance development of many businesses

SWOT

Strengths:

- A number of major arterial routes (M1/A1/A406)
- Good tube and rail links into central London

Opportunities:

- Development of rail station at Brent Cross would stimulate residential and commercial development in this area

- Brent Cross Centre development will lead to associated road improvements
- Major residential and employment growth in West provides strong economic case for infrastructure investment

Weaknesses:

- Existing high levels of road congestion and a road network close to full capacity
- A number of major transport bottlenecks
- Weak East-West links
- Northern line in need of upgrading
- Current rail access to Brent Cross limits the scope for development
- Limited provision for cyclists and busy, congested roads are unattractive for cycle use

Threats:

- Major residential, commercial and employment development in the West of the Borough will put a major strain on existing transport infrastructures which would limit economic growth in this area
- Huge costs involved in major road improvements and high levels of disruption make large schemes (i.e tunneling of North Circular) unlikely to occur
- Barnet not served by Crossrail which is making other competitor suburban areas more accessible

Intensity of Provision

Light	Medium	High
<p>Improvements to the most congested road junctions in the Borough</p> <p>Improvement to road system (M1/A406) as part of the major expansion of the Brent Cross Centre</p> <p>Lobby TfL for further infrastructure improvements</p>	<p>Development of new Brent Cross Station to stimulate further office, commercial and residential development, with larger platform, regular service and 10 minute journey time into Kings Cross</p> <p>Development of an East- West cycle super highway and associated improvement in the cycle network, to improve cycle use and access particularly as part of developments in the West of the Borough.</p> <p>Exploration of the possibilities for re-opening former train lines</p> <p>Working with other partners in the West of the Borough and with TfL, GLA/LEP, develop economic case for major transport infrastructure investments</p>	<p>Major transport infrastructure projects (e.g. tunnelling of North Circular; development of tram system; major improvements to Northern Line)</p>

Key partners: TfL, Barnet Council, developers, Network Rail/Thameslink, WLA, neighbouring Boroughs, LEP, GLA

Timescale: New Brent Cross rail station priority development within 3 years; cycle superhighway within 3 years; road junction improvements 1-3 years; major projects long term

Delivery model: TfL are the lead agency with regard to transport infrastructure development and the Council's role is therefore primarily to make the economic case for investment for improvement to TFL, in conjunction with neighbouring Boroughs and the WLA. TfL would be the major funder for an East-West cycle superhighway and improvement in the cycle network although additional support could be sought from developers. Road improvements related to the expansion of the Brent Cross Shopping Centre are to be funded by the developers as part of the S106 agreement.

The £250 million estimated costs for the new rail station at Brent Cross represent a major investment which requires external support. Currently funding is being sought through the creation of a retail led Enterprise Zone which would permit paying off the cost of the station over a 10 year period. For this Barnet will need backing from the London LEP and GLA. The fact that the building of the station would unlock a major housing development at a time of profound housing shortage within the capital, provides a strong case for support for this project

Key Performance indicators: levels of congestion; number of journeys to work on bicycles; passenger levels at a new Brent Cross station.

6.3 Conclusion and Recommendations

Economic development needs to be promoted in locations within the borough that have the greatest growth potential, that is new development sites and existing town centres. The benefits of this growth need to be accessible to those living across the Borough and particularly in the areas of greatest disadvantage.

Town centres have a key role to play as the suburban nature of the Borough has produced a dispersed residential make up with a series of relatively small town centres where commercial activity is focused. These town centres provide established nodes with transport links but need to be redesigned, reimagined and rescaled. Profound changes in the retailing environment means these town centres need to develop a more distinct offer and diversify their service and employment base away from a reliance on retail activity.

The west of the Borough is the focus for the majority of large scale development activity which will produce a different demographic, residential and employment profile here to that of the rest of the Borough. There are opportunities here for more ambitious

developments (e.g. for commercial and residential development resulting from a new Brent Cross rail station; developing linkages with key institutions located in this part of the Borough (Saracens; Brent Cross Centre; MU; Barnet College), attracting new investors). However there are also threats if these sites fail to ensure residents have access to employment opportunities outside and within the Borough and to develop a sense of place and vibrancy.

The area referred to as the 'A5 corridor' is in fact a series of major, residential-led development sites which are not linked within a functional economic area through a strong transport corridor as the name suggests. At the current time there appears little scope for pulling together the regeneration activity taking place in this area as a means for branding and marketing it as an economic development area for a number of reasons: first it does not operate as a functional economic area; second the 'A5' is an anonymous area lacking in any brand identity; third, there is a lack of strong political will across the sub-region to develop a vision and strategy for the area at the current time, with other key partners prioritising other development areas. A more appropriate strategy therefore appears to be based around making these development sites attractive places to live with a strong sense of place, promoting business activity and employment within them and seeking to promote linkages between them wherever possible.

Recommended Actions

(1) Promote a new economic basis for town centres

- develop *diverse and distinctive town centres* through refashioned retail offer and promotion of office/business hubs, provision of other services and the development of leisure/night time activity, to increase employment and footfall.
- facilitate the development of active, *business led town centre partnerships* to lead their development as appropriate to local needs and wider economic possibilities.
- *target activity, investment and limited public funding towards a small number of town centres* which, on the basis of recent performance and development potential, are best suited to act as centres of economic growth.
- ensure the *co-ordinated development of town centres* (e.g. retail, offices, other commercial development, public realm, car parking, transport links etc). Accessibility is crucial here, with successful town centres requiring extensive and reliable public transport links and accessible, low cost parking,
- develop *superfast Wi-Fi hubs* to support retailers, customers and micro-businesses within town centres.

(2) Develop residential and business sites within the A5 Corridor

- *pursue strong 'place making' agenda* within A5 Corridor through active collaboration between Barnet Council and neighbouring Boroughs to make these attractive locations for residents and business.
- stimulate small business start up and retention through the *provision of appropriate workspace and home/work space* in new mixed used developments combined with other business support activity and the *development of the 'creative hatchery'*.
- *attract in a number of major investments* to key developments such as Brent Cross and Colindale (e.g. private sector business, retail head quarters, Council offices; MU Campus) to provide major employment sites and to stimulate and support the development of other emergent clusters of activity (e.g. in relation to the creative industries 'creative hatchery' or through developing sports related activity through a partnership of Saracens RFC and MU)
- *advance infrastructural projects to support development areas*. This would include the *development of a new Brent Cross train station* to expand significantly the scope for business development in this area and ensure the road network has the capacity to cope with increased traffic, and prioritisation of actions to increase East-West transport accessibility.
- develop a *cycle super highway and associated cycle network* to link new development sites to rest of the Borough and to enhance mobility within this area.
- evaluate the *potential to develop high capacity, advanced digital capacities* in particular development sites to encourage the development of high tech digital industries.

(3) Spatially target employment and skills initiatives,

- ensure the delivery of borough wide employment and skills initiatives reaches those living in areas of greatest disadvantage through, *strong outreach activity*, including services based close to the communities they serve, and the provision of advisors and ongoing support.
- *use of enterprise hubs* to provide skills and enterprise information to join up with other business support provision and maximise use of resources.

7 Employment and Skills Strategy

Barnet has a generally high skilled and affluent work force. However there are sectors of the economy where a lack of skills in the local labour market constrains growth. Furthermore there remains a significant element of the resident population who are economically inactive and are not benefiting from new employment opportunities. In addition there is a growing population of those in low wage work who are finding it increasingly difficult to live and thrive within the borough given the high cost of living.

There is a strong economic case for the promotion of skills and employment initiatives aimed at those individuals, groups and communities who suffer social disadvantage and are least competitive in the labour market, not only for their own benefit but also to support the recruitment needs of local business. The ongoing welfare costs resulting from young people not being in employment and training, the long term unemployed, and other disadvantaged groups, is considerable. Investment in getting these people into sustainable employment generates considerable savings over the longer term. There is a strong social case too. To realise the objective of developing cohesive and vibrant local communities requires opportunities available to all, not least in the realm of employment, skills and career progression.

7.1 Strategic objectives

Analysis of current trends in the local labour market and the existing wider policy framework indicates a number of strategic objectives in relation to developing employment and skills within the Borough.

1. *To improve labour market participation of young people*
Young people unable to gain access to the labour market and develop careers appropriate to their skills and qualifications has detrimental impacts upon their longer term employment trajectories as well as leading to wider social problems (e.g. crime, health) and the associated high cost of welfare provision. Challenges exist with relation to those with low skills through to graduates.
2. *To align levels of skills and qualifications with patterns of employment growth for the benefit of local residents and businesses*
Job growth in certain areas requires levels of qualification or skills that some local residents do not possess and leads employers to complain about the lack of appropriately skilled workers. This results in a 'skills mismatch' between supply and demand and the inability of local residents to compete for available jobs and improve their job position within a competitive labour market.

3. *To improve employment rates of disadvantaged groups*
There are a number of groups within the labour market (e.g. long term unemployed, disabled, those with health conditions; lone parents) that display lower than average employment rates and higher than average inactivity rates. This results in wasted potential and unrealised human capital as well as the costs of social exclusion and associated welfare costs.
4. *To tackle pockets of concentrated worklessness*
Those disadvantaged in the labour market are frequently concentrated in particular localities due to the operation of sorting mechanisms related to housing provision. Such concentrations of worklessness in particular neighbourhoods serve to further exacerbate cycles of disadvantage and the ability to develop suitable skills and secure and retain employment.
5. *To raise levels of income in low wage households*
Increases in the number of low wage jobs with limited opportunities for progression combined with high living costs within London, is leading to the increasing prevalence of 'in work poverty'. Along with the negative impact upon households and families themselves, the inability of lower income workers to maintain an appropriate standard of living is leading to such workers moving away from the Borough to lower cost locations with consequences for the future supply of lower cost labour within the local economy.
6. *To encourage active participation of older workers*
Barnet has a growing population of older and retired workers, often with high levels of skills and professional training. This population could provide an important potential stock of human capital which could be mobilised for voluntary and community activities, running social enterprises and providing advice to local business which would aid the local economy and have benefits to older people from remaining active and socially engaged.

To date, the approach to employment and skills development by the Council has been limited in scale and focused particularly upon seeking to reduce the number of NEETs within the local labour market and attempts to ensure that large regeneration schemes have employment benefits for local residents.

To further develop the employment and skills agenda and ensure it achieves successful outcomes requires:

Employer engagement: The extent and quality of the engagement and buy-in of local employers is central to the success of all employment and skills related actions. To date the impact and scale of employment and skill initiatives has been constrained by the limited engagement of local employers. Actions to

increase levels of business engagement are examined in the business development section (5.2.1).

Close partnership working with educational establishments: Strong partnership working with education institutions in the Borough is central to the development of skills and employment initiatives and entrepreneurship education (see 7.3.3). The Borough has a good presence of core institutions (Middlesex University, Barnet and Southgate College and well-performing schools) and many existing links between them, the Council and local business. However there remains considerable scope for extending these links, deepening the relationships and improving coordination to maximise efficiency.

Integration and co-ordination of employment and skills services: There are a number of services within the Council which are involved in and lead on different elements of employment and skills related activity, namely: Education and skills; Family Services (Youth and Community Service); and Re: Regeneration, Business and Enterprise. Externally other government agencies, particularly Job Centre Plus, have a central in service design and delivery.

Operating at the most appropriate spatial scale; Labour markets operate more widely than the borough of Barnet, so responses need to be developed and delivered at an appropriate spatial scale. The sub-regional dimension to the labour market requires cross Borough working and a potentially important role for the West London Alliance.

There is scope for better integration and co-ordination of these services within the Council, as well as with key agencies such as Job Centre Plus, to ensure the most efficient use of resources and to achieve successful outcomes. The West London Alliance is currently developing a community budget approach to skills and enterprise with work streams in 'tackling youth unemployment' and 'skills mismatch' to identify ways of reconfiguring design and delivery at a sub-regional level in these areas.

The aim here is to move towards a co-ordinated labour market solution characterised by an integrated business, education, skills and jobs match approach. This would be pursued through key programmes (e.g. apprenticeships, job brokerage, skills escalator and sector partnerships), operating across the borough and the wider WLA area, with integration enabled by on-line linkages between the enterprise support hub, larger employers, JCP and local recruitment agencies and training providers, schools, colleges and universities. Achieving this integration would create possibilities for just-in time local training and recruitment alongside strategic longer term training and employment planning with regard to key employment growth sectors such as retail, care, health construction and education.

7.2 Initiatives to Improve employment and skills

Given that levels of employment and skills are above the national average within Barnet and that there are strong constraints on public spending, there is a threefold rationale for initiatives in this area:

- Evidence of market failure (e.g. lack of appropriate labour and skills in certain key sectors; sections of the population excluded from labour market participation) which is limiting economic growth within the Borough
- Where action can add economic and social value to existing provision and services (e.g. by engaging partners and reorganising the governance and delivery of services)
- Where there is scope for generating savings over the longer term (e.g. by reducing the costs of welfare, health provision and crime)

On this basis a number of key initiatives to accomplish the above strategic objectives can be identified:

- Local employment agreements
- Apprenticeships, Internships and work placements
- Job brokerage
- Skills escalator
- Participation of older workers

These need to be supported by a number of cross-cutting actions:

- Co-ordinated provision and delivery within deprived areas
- Sector partnerships
- Building links with educational institutions
- Raising household incomes/reducing living costs

Value for money of employment and skills initiatives

There is strong evidence that employment and skills initiatives can represent value for money. The estimated savings for the Exchequer of an Incapacity Benefit claimant sustaining work comprise £5,900 savings on benefit expenditure, with wider exchequer gains of a further £3,000 a year.⁹⁸ These gains depend upon sustained employment for a period of 12 months which emphasises the need to focus on interventions that also include in-work support and close employer engagement. Furthermore the costs of non intervention are substantial. In 2012, youth unemployment was estimated to cost the

⁹⁸ GLA (2011) *European Social Fund Co- financing plan 2011-13*, <http://www.london.gov.uk/sites/default/files/archives/2011-13%20Greater%20London%20Authority%20Co-financing%20Plan.pdf> p8

Exchequer approximately £4.8 billion (more than the 2011-12 budget for further education for 16- to 19-year-olds in England) and £10.7 billion in the wider economy in terms of lost output⁹⁹

7.2.1 Local Employment Agreements

Upon adoption the SPD on Delivering Skills, Employment, Enterprise & Training from Development through S106 will introduced local employment agreements (LEAs). LEAs provide a mechanism to ensure that local people benefit from job opportunities arising locally from major regeneration projects. Given the scale of regeneration activity that is set to occur in Barnet over the next decade it is important to ensure that the employment benefits generated are enjoyed locally. LEAs can widen access to employment for local residents however they must be accompanied by job brokerage activity (5.2.3) to ensure that target groups (e.g. NEETS, unemployed) in the labour market have the necessary skills to compete for and access these jobs and apprenticeship opportunities.

SWOT Analysis

Strengths:

- Ensures that local people benefit from local employment opportunities
- Provides entry level job opportunities and possibilities for skill development and career progression
- Recruitment of local labour reduces travel and congestion and circulates money within the local economy

Opportunities:

- Major regeneration activity will generate jobs in Barnet particularly in sectors such as construction, retail and other services (security, cleaning)
- Work with developers and progressive local employers to support local labour recruitment

Weaknesses:

- Challenge of ensuring developers and businesses comply with terms of the agreement
- Employers consider requirements burdensome and costly

Threats:

- Inability to find sufficient workers with appropriate skills to meet the terms of the agreement

⁹⁹ ACEVO (2012) *Youth unemployment: the crisis we cannot afford*, AVECO
http://www.acevo.org.uk/leadingtheceoandchair?&nccsm=21&__nccscid=28&__nccsct=Free+D+downloads&__nccsplD=935

- More disadvantaged groups in the labour market do not benefit from job opportunities

Intensity of initiative

Light	Medium	High
Encourage employers to recruit locally One-off agreements in relation to selected developments Low targets for local employment and weak enforcement	Clear planning guidance with LEAs as a legal mechanism for managing development related job opportunities Within S106 agreements, legal obligations to cover key elements including substantive local labour targets (e.g. 30% of construction jobs) Supportive job brokerage activity to match supply and demand.	Pursue higher targets for locally recruited staff and related obligations Actively promote schemes that ensure necessary skill are developed locally Strong monitoring and enforcement of agreements Large scale and highly active job brokerage activity to ensure target groups benefit from these agreements Active promotion of employers to pay London Living Wage Strong engagement with employers to encourage similar style agreements outside of development sites. One Stop Shop for employer engagement (e.g. Lets Talk Shop project for retail)

Key partners: Barnet Council, developers

Timescale: variable depending on the scale of the development

Delivery model: Legally binding local employment agreements as part of S106 agreements¹⁰⁰.

Key Performance Indicators: These would relate specifically to the LEAs negotiated. More general performance indicators would include: number of residents from LB of Barnet accessing employment and training; number of residents from target deprived areas/groups accessing employment and training; wage levels in entry level jobs.

¹⁰⁰ The Council is currently pursuing the development of legally binding LEAs. A draft Supplementary Planning Document (SPD) on *Delivering Skills, Employment, Enterprise and Training (SEET) from development through Section 106 contributions*, is at the time of writing undergoing consultation (13th February 2014 until 27th March 2014). This sets out in detail proposed obligations and commuted sums in lieu of LEAs.
http://engage.barnet.gov.uk/housing-planning-and-regeneration/draft-suppl-planning-doc-delivering-seet/consult_view

7.2.2 Apprenticeships, internships and work placements

The development of a coordinated apprenticeship and internship programme provides a major instrument for getting young people into employment and improving their skills and hence reducing the numbers of NEETs within the Borough. Intervention here is able to build upon recent activity undertaken by the Council and involves supported work experience and accredited training with apprenticeships offering bespoke training up to NVQ level 2, 3, and 4. This programme needs to be developed in conjunction with job brokerage activity and a supply of opportunities can be generated through Local Employment Agreements (see below). There is a strong financial cost/benefit case for intervention in this area as detailed below.

SWOT Analysis

Strengths:

- Provides access to employment and opportunities to improve skills for young people with differing levels of skills and education
- Facilitates engagement with NEETs
- Internships provide useful stepping stones to apprenticeships
- Funding available
- Ability to target programme at particular groups/areas
- Savings in welfare and social costs

Opportunities:

- To use regeneration projects to develop apprenticeship opportunities through the use of Local Employment Agreements
- To engage with local employers in relation to promoting work based training and the development of an appropriately skilled workforce
- To draw on other national government funding programmes

Weaknesses:

- Difficulties in engaging with employers who can view apprenticeships as inappropriate to their needs
- Challenge of ensuring apprenticeships provide rigorous training and employers support in work learning
- Challenge to get young people to take up opportunities

Threats:

- Inability to find sufficient good quality apprenticeships/internships; over reliance on council supplying sustainable apprenticeship schemes
- Lack of supply of suitable apprentices
- Changes in funding

Intensity of initiative

Light	Medium	High
Provide information and advice to local employers on apprenticeship schemes. Reduce current levels of Council support for this programme	Maintain the scale and scope of current programme and model of delivery Revise to improve effectiveness and take account of current apprenticeship reforms	Scale up the size of the programme Invest greater resource in mentoring and work place support (e.g. Ealing style model of delivery) Extend over a longer time period (three year programme)

Key partners: Employers, Barnet Council, Jobcentre Plus, Barnet and Southgate College, Skills Funding Agency, National Apprenticeship Service

Timescale: 2-3 years

Delivery model: Review the use of the existing Apprenticeship Training Agency model (an independent company which delivers a package of support drawing on Section 106, Skills Funding Agency and National Apprenticeship Service that funds employer and Council run apprenticeships). The preference of some local employers is to employ directly and avoid the charges associated with the ETA model.

Packaged funds through Section 106, Skills Funding Agency and National Apprenticeship Service and Youth Contract, where until April 2015 employers are able to take advantage of wage incentives. These are worth up to £2,275 each where they employ an eligible 18 to 24 year old through Jobcentre Plus or from the Work Programme, generating around £1 million based on the current programme. The project leads to benefits saving on welfare and other social services. Delivery can be developed to target particular areas and groups. This might include targeting graduates, providing apprenticeships and internships and work placements to support graduate employability, which would involve key partners such as Middlesex University.

Key Performance Indicators: Meeting apprenticeship targets (numbers of NEETs) for work based apprenticeships; numbers receiving in work support and mentoring; numbers obtaining NVQ Level 3 and above; numbers participating in advanced level apprenticeships; number of SMEs participating in apprenticeships; employee retention in firm (numbers sustaining employment for 12 months)

Informing Cost Benefit Analysis

Apprenticeships: The Government introduced the Apprenticeship Grant for Employers (AGE) in 2012 as an initiative to combat rising youth unemployment. This specifically targeted SME's with a subsidy of £1,500 for wages and covering 100% of training costs

for delivering apprenticeships for young people. A recent CBA evaluation of AGE¹⁰¹ found;

Benefits for firms: A reduction of the net costs to employers on completion of a successful apprenticeship, which thereby increases the incentive to supply new vacancies. Employer costs are higher for younger apprentices, who tend to engage in programmes of longer duration and/or which require higher complementary resources. By targeting small businesses, which are more likely to have cost constraints to engaging in Apprenticeships, and those which have not been involved in the programme for some time (12 months), AGE results in substantial cost reductions to businesses.

Benefits for participants: Successful apprenticeship participants benefit from higher wages and better employment prospects. Over the working lifetime, higher wages associated with apprenticeship achievement lead to net benefits in present value of around £104,000

Impacts on the economy: The economic impact of spending on AGE is high for three reasons: (a) there is a generally high present value return of Intermediate and Advanced Apprenticeships to the economy; (b) Most of the apprenticeships created by AGE are genuinely additional and; (c) although AGE increases the costs of Apprenticeships, in relation to the long-term benefits, this increase is fairly moderate. Due to the substantial wage and employment returns to apprenticeships for apprenticeship achievers, relatively higher lifetime earnings repay this investment three to five times over. Assuming that only 78% of all apprentices supported by AGE are genuinely additional, as suggested in the AGE employer survey, the net of deadweight increase in public revenues is, at a conservative estimate, £18,800.

NEETs: The CBA case for intervention with NEETs is assessed in a West London Alliance paper¹⁰². Each NEET has been shown to cost £56,000 based on study carried out in 2008 – assuming a core NEET problem of 2,000 individuals across West London who become long term unemployed this equates to a cost of £112m over their lifetime based on 2008 prices. There are currently 3080 people under 25 who have been on benefits for more than 1 year in the 6 boroughs: 1510 have been receiving benefits for between 2- 5 years and 210 have been receiving benefits for more than 5 years. This means in 2013 £9.24m was paid in benefits to people under 25. The group of 210 on benefits for more than 5 years have received more than £3.1m in benefits in the last 5 years.

¹⁰¹ BIS (2013) *Evaluation of Apprenticeship Grant for Employers (AGE 16-24) Programme*, Business Innovation and Skills <https://www.gov.uk/government/publications/apprenticeship-grant-for-employers-evaluation>

¹⁰² West London Alliance (no date) *Business Case Proposition Youth Workstream*, Internal Paper

Looked after Children (LAC) cost even more and a recent Demos report showed the cost difference between a looked after child at 18 going into education and employment compared to one who had poor attainment was £91,804 by the time they were 30. Assuming a conservative figure of 34% LAC becoming NEET (other studies put this figure much higher at closer to 80%) then the cost of the 360 children in care in West London in 2012 will be £11.2m by the time they are 30.

There is also a relationship between some long term NEETs, looked after children and youth offending. Currently prison costs £47,000 for each adult person sent to prison and secure accommodation for young people is £5,000 per week equating to £260,000 a year.

7.2.3 Job Brokerage

Jobs brokerage activity focuses upon improving the match between supply and demand in the local labour market. It combines two elements. (i) Actions to improve labour supply: through providing career advice and guidance, confidence building, CV and interview preparation for job seekers who find themselves at a disadvantage in the labour market. (ii) Actions to improve the demand side, through working closely with employers and other agencies to identify skill requirements and recruitment opportunities and to develop appropriate training opportunities for the unemployed. Such activity can develop a focus upon particular target groups (such as those with health conditions and disabilities, the long term unemployed etc.) to reflect local labour market conditions. This type of activity was implemented in Barnet in 2012 via its 'Workfinder' programme which ran for 12 months. A revised programme is being developed to link in with the planned regeneration programmes in the Borough.

SWOT

Strengths:

- Meets gaps in current provision: (a) in relation to tackling long term unemployment and worklessness for those who fall outside the Work Programme; (b) provides personalised support and outreach
- Increases the ability of the unemployed to compete for available local jobs
- Ensures the unemployed can benefit from apprenticeships, jobs and training opportunities generated via development related LEAs through pre-employment preparation and training
- Ability to target disadvantaged areas and/or groups (e.g. NEETs, unemployed, disabled young people)
- Reduces high welfare and health costs of unemployed; highest savings for the most
- disadvantaged groups

Opportunities:

- To prepare local residents for the job growth, apprenticeship and skills and training opportunities resulting from development schemes as part of LEAs
- To achieve better alignment and coordination between key agencies (e.g. JCP, Work Programme providers and Barnet and South gate College)
- To work closely with local employers, business associations and key sectoral partnerships (e.g. retail, construction, care)

Weaknesses:

- Easier to place some individuals into the labour market – can lead to ‘creaming’ and ‘parking’ when target led
- Employer reluctance to recruit and train those with disrupted work histories, health/disability conditions and convictions – need for incentives to do so
- Substantial resource demands particularly when supporting the most disadvantaged groups
- Existing partnerships within Borough between key agencies and employers are under developed
- If only geographically targeted, disadvantaged groups outside these areas are not provided for

Threats:

- Scale of activity limited by funding availability
- Lack of flexibility in provision from mainstream agencies makes it difficult to orient towards local needs

Intensity of initiative

Light	Medium	High
Provision restricted to a small number of geographical locations One-off agreements with developers for selected developments	Wider geographic coverage across disadvantaged areas in the Borough Strong LEAs that generate funding and clearly stated ways of supporting job brokerage Strong partnership working between council, employers and other agencies (including possible Jobcentre Plus secondment) linked to the development of business support hubs wherever possible Strong joined up working within the council between	Coverage across the whole Borough through strong network of employment and training providers Stronger targeting of most disadvantaged groups Provision of more intensive use of advisors and active response to other support needs for the individual beyond skills (e.g. housing, mental health, criminal justice, transport, caring responsibilities) Possible Jobcentre Plus secondments similar to

	<p>relevant services On line resource to allow residents and employers to have the most up to date information on employment and skills opportunities Provide incentives to businesses to participate</p>	<p>other London programmes Development of employer engagement with job brokerage activity beyond LEAs Radical restructuring of employment and training provision and delivery with power devolved to local partnerships to decide on priorities</p>
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Key partners: Barnet Council, JCP, Work Programme providers, Barnet and Southgate College, sector-related partnerships, West London Alliance. Where targeted at particular groups involvement of other relevant agencies (e.g. for health and disability NHS, Mencap/Mind)

Timescale: 2-3 years in the first instance; rolling programme related to scale of development and local labour market needs

Delivery model:

Delivery would be via a network of training and employment providers and an online resource. Physical delivery sites, the number of which would be determined by the scale of the programme, would be close to the communities and areas they are targeting and in accessible locations (such as town centres, educational institutions, libraries). Where possible they could be combined with enterprise hubs to share costs and create synergies with employers.

Funding via a package of ESF finance, funding generated from LEAs under S106 agreements and private sector. Under a LEA the developer is required to set out an approach for linking with the Jobs Brokerage Programme to be approved in advance by the Council. Beyond this, the Council can also develop stronger relationships with developers and contractors to support local recruitment at all stages of construction and for end uses. The Workfinder Programme was an ESF co-financed bid and cost £389,500 for a 2 year programme (2012-2014). Where targeting particular disadvantaged groups there is the possibility of using other sources (e.g. NHS Commissioning and mental health budgets) as match funding

The funding and delivery model must recognise that it is easier to place some individuals into the labour market and that certain groups require higher levels of support. For example, a distinction can be made between progression into employment for a Barnet resident who has been registered unemployed for up to six months being offered work lasting at least 13 weeks; and for a Barnet resident who has been registered unemployed for more than six months being offered work lasting at least 13 weeks.

A more radical change in the development of mainstream provision and funding by central government and its agencies would permit the development and delivery of a job brokerage programme that would be better able to reflect local needs of residents and employers and could make use of existing funding streams.

Key Performance Indicators: number given information advice and guidance; number participating in pre employment training and preparation; number of disabled provided condition management health support facilitating self management; number (Lone parents, NEETs, BAME and low skilled from deprived areas supported into local jobs for 26 weeks; numbers receiving in work support to ensure job retention; number of disadvantaged groups accessing in work training; number for women and BAME accessing employment and training in construction.

Informing Cost Benefit Analysis

The CBA on the Lambeth model was undertaken benchmarking with evaluations undertaken by Centre for Economic and Social Inclusion on former LDA funded programmes. The value for money guide for such programmes is based on a cost per job differentiated according to specific target groups and based on sustained employment outcomes for 12 months. The average unit cost per sustained job, for a six-month sustained job, was £5,251, Weighted averages of the full set of figures produced government savings of £85 per week for JSA claimants in London moving into work, and £56 per week for IB claimants. Modelling LDA programme job entries as a 50:50 split between JSA and IB claimants (the original intention when the programme was designed) produced an average saving to the exchequer of £71 per week when programme customers enter employment. The above figure equates to a saving of £3,677 when a customer of the programme sustains a job for a year.¹⁰³

7.2.4 Skills Escalator Model

There is a significant disparity between the high skills requirements of jobs available locally and the lower skill levels of many of the resident workforce. This results in many workers becoming 'trapped' in low wage, low skill jobs and limits their ability to improve their job position and earnings. As a result they often remain reliant on in-work state benefits. The skills escalator model seeks to equip people to improve their labour market situation. It starts with personalised action plan based on careers advice and labour market information, which identifies the skills they will need to reach their goal and how they can do this over time. It should also provide help and follow up to make sure this happens.

¹⁰³ Bivand P Gardiner L (2011) *Assessing the London Development Agency Labour Market Performance: Report to the London Development Agency*, http://www.cesi.org.uk/sites/default/files/publications/CESI_assessing_LDAs_labour_market_programme_performance_0.pdf

SWOT

Strengths:

- Advances individuals in the labour market to raise earnings and reduce reliance on in-work benefits
- Movement up job escalator creates entry level job openings
- Reduces labour market churn whereby low skilled workers who were in welfare to work programmes return to benefits because inability to sustain employment.
- Reduces skill shortages and gaps leading to increased productivity
- Engages employers in workforce development

Opportunities:

- To provide a tailored package of support to individual workers to enable them sustain and develop in employment
- Increase in pay through progression
- To reduce skills mismatch
- To increase productivity
- To increase levels of economic activity
- Use national educational and training funding

Weaknesses:

- Challenges in engaging businesses, particularly SMEs, to support workforce development
- Need to engage participants to invest in skills development
- Reliance on self financing of skills and training for some

Threats:

- Need to demonstrate the provision of added value and that existing provision is built upon
- Complex eligibility rules for funding

Intensity of provision

Light	Medium	High
Undertake only individual needs assessment, including a basic skills assessment and action plan.	Provision of a degree of ongoing support and follow-up to enable participants to sustain and develop in employment	Provision of a well-resourced and tailored package of ongoing support
Limited focus on selected sectors	Broader sectoral coverage Clear targeting of those to be supported Flexible delivery	Target high level of engagement with SMEs, sole traders and the self-employed
Involve easy to engage employers	arrangements to access the maximum number of	Ensure cross sector coverage across a range of sectors with evidenced

	employees Links to Apprenticeships and other programmes	poor basic skills levels.
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Key partners: SMEs/employers, Barnet College, Barnet Council, West London Alliance, Chamber of Commerce, Skills Funding Agency, employer sector partnerships

Timescale: 1-2 years in the first instance

Delivery model: Provision should be flexible in delivery to provide a range of learning opportunities which are accessible to the target group. This should include premises which are centrally located and accessible evenings and possibly weekends. Where practical, and with the agreement of the employer, learning should also be undertaken in the workplace.

The West London Alliance is currently developing a business case for the development of the skills escalator model. Under their proposal the project would target the following groups: (i) in employment with skills at level 3 or below; (ii) full time/part time; (iii) housed in privately rented sector, (shorthold assured tenancy); (iv) claiming Local Housing Allowance; (v) may have been adversely affected by welfare reform, (eg individuals aged <35 who can only benefit from shared accommodation rate);

Education and training funding is available from national sources. This can be supplemented with funding from LEAs, and some self-funding from participants and employers. Additional funding is required to develop ongoing support and follow on services. Current national funding eligibility rules are complex. Free education/ training is available to those aged 18 and below, and adults needing basic skills. Those aged 19-23 studying their first level 3 qualification are also entitled to free training. Whether training is free or not depends on age and prior level of qualification attained. Some 'co-funding' is available for those aged 19 - 23 who are doing a second level 2 qualification or a level 3 qualification; and for those over 24 who do not have a level 2 qualification. Those over 24 with a full level 2 qualification or above are required to fund their training.

Key Performance Indicators: number receiving tailored personalised career development support; number receiving mentoring, coaching and information, advice & guidance; number receiving Skills for Life training (40% of training to be numeracy); number retained in employment (26 weeks) and (52 weeks); reduction in numbers of former JSA moving back to benefits; number achieving minimum Level 3 qualification; number of participating businesses; number of participating SMEs; level of support provide by business to participants.

Informing Cost Benefit Analysis

West London Alliance commissioned a piece of research that examined skills mismatches in West London. A key finding is to propose the Skills Escalator Model which was originally developed in the National Health Service. Direct benefits are individual gains skills and increased wages which over time enable them to exit the benefits system and become economically self sustainable, (10% - 20% of group may achieve this), Individual gains skills/extra working hours/wages which reduce their reliance on benefits and make them closer to self sustainment. New job openings at lower level for unemployed person can be created as a result of the above, increase in adult apprenticeships, and in particular for NEETs, and reducing costs of churn between work and benefits.

7.2.5 Participation of Older Workers

Barnet has a growing population of older and retired workers, a large proportion of which have high level skills and professional training. Labour market and business participation of this older population would benefit the local economy, through making use of this potential stock of human and social capital, and older people themselves, through maintaining levels of activity and social engagement beneficial to their well-being.

SWOT

Strengths:

- Maintain social and economic engagement of older population
- Use of human capital to increase resource base of voluntary sector
- Use of knowledge and skills to develop social enterprise activity
- Uses knowledge and skills to mentor small businesses

Opportunities:

- To take advantage of a growing and underutilised stock of human and social capital to add to economic and social value in the local economy
- To contribute to the well-being of the Borough's older population
- Reduce welfare and social costs of ageing population

Weaknesses:

- Only a proportion of the older population would be interested in such involvement
- Skills and expertise may not be appropriate to current employment and business needs

Threats:

- Capacity of voluntary and social enterprise sector to engage and support a larger number of older participants
- Lack of funding sources

Intensity of Provision

Light	Medium	High
Work with local voluntary and community organisations and social enterprises to encourage greater levels of engagement of the older population	Provide information on opportunities/needs within voluntary/community organisations through online tool Develop online resource tool of directory of available skills among older population Encourage participation in job brokerage and skills escalator schemes Encourage involvement in creation of social enterprises to add social value locally Encourage role as business advisors for small businesses	Active recruitment of older workers in relation to particular skills/professions Support for the development of voluntary and community organisations and social enterprises

Key partners: Barnet Council Voluntary sector, Older People's Assembly, Barnet College, Age Concern, London Age UK Jobcentre Plus and voluntary and community organisations

Timescale: From short term placements or project specific work through to longer term roles as advisors and managers

Delivery model: Close engagement with partners, particularly from the voluntary and community organisations and social enterprises. Engagement to be developed as part of other employment, skills and business programmes (apprenticeship, job-brokerage, skills escalator, business support activity) as advisors, and in other relevant capacities. Development of online tool with information of available opportunities and directory of individual skills and expertise would be developed in conjunction with other online tools for job brokerage and business support. Development of skills development programmes for the older population to be developed in conjunction with FE and HE institutions. Financial benefits would be derived from the additional resources for third sector bodies (e.g. unpaid work calculations) and additional third sector organisation service outputs as a result of volunteers.

Key Performance Indicators: number of older people/workers recruited; number of older people/workers receiving in work training; capacity/performance of organisations using older workers

7.3 Cross cutting initiatives

The above can all be supported and informed by a number of cross-cutting initiatives

within the Borough, related to spatial inequality, cross-sectoral partnerships, educational partnerships

- Co-ordinated provision and delivery within deprived areas
- Sector partnerships
- Building links with educational institutions
- Raising household incomes/reducing living costs

7.3.1 Co-ordinated provision and delivery within deprived areas

Given limited resources and considerable spatial inequality across the Borough, there is a strong case for the spatial targeting of the employment and skills initiatives outlined above, to ensure that the co-ordinated and intensive support needed is available. The case for this is strongest in relation to pockets of high levels of unemployment and benefits claimants concentrated in particular neighbourhoods and/or estates. For example in 2012 in the Colindale ward 13.7% of its working age population was claiming key out of work benefits. . However there may also be a case for this in relation to new housing development areas in the West of the Borough, as part of a process to ensure that these develop as sustainable communities and in areas where there is evidence of developing employment problems and rising levels of economic inactivity.

SWOT

Strengths:

- Enable provision of co-ordinated services in an intensive manner
- Makes schemes accessible to target communities and facilitate outreach and community engagement

Opportunities:

- To tackle areas with highest levels of unemployment and labour market exclusion
- To bring together services and funding to tackle related interrelated social and economic problems

Weaknesses:

- Challenging target groups with multiple problems makes entry into sustained employment difficult
- Inequality of provision across the Borough

Threats:

- Intensive support is expensive and funding is limited
- Need to maintain support over longer term

Intensity of Provision

Light	Medium	High
Limited spatial targeting Limited co-ordination with other service providers	Strong spatial targeting of areas with areas of highest levels of the unemployed, benefits claimants and NEETs Strong co-ordination of employment and skills support with other service provision Intensive support across a restricted time period	Extend focus to include other employment and economic criteria (e.g. low paid/low skill work; areas with low household income) to include new housing development areas (if appropriate) and areas with developing labour market problems Maintain provision over longer time period

Key partners: Barnet Council, JCP, local voluntary and community groups and range of relevant service providers,

Timescale: From one year intensive support to longer term programme depending on severity of employment and skills problems

Delivery model Multi-agency approach with Intensive support with outreach activities, specialist personal advisors working closely with clients and accessible locally based service to ensure benefit from apprenticeships, work placements, job brokerage and skills escalator programmes to develop skills and secure and sustain employment.

Key Performance Indicators: see related indicators for Local Employment Agreements, apprenticeships, job brokerage and skills escalator, but with specific area-based dimension related to identified deprived areas.

7.3.2 Sector related partnerships

There are a number of key sectors within the local economy (construction, retail, care, health and education) where employment is growing and which provide entry level positions and/or career progression opportunities. Given the limited tradition history of employer engagement within the Borough, focused sector and cluster related initiatives to support apprenticeships, job brokerage, skills escalator programmes, provide one means for developing active sector partnerships and enhancing business participation around initiatives relevant to their needs. The success of such Initiatives would be strongly dependent on achieving effective employer engagement.

SWOT

Strengths:

- Focused activity around sector needs increases business engagement
- Ability to identify key sectors for activity: construction, retail and care
- Strengthens relationship between Barnet council and employers

Opportunities:

- To develop strong business associations in key employment sectors and related clusters
- To enhance business engagement and cluster working with FE and HE providers
- Contributes to growth in productivity of key elements of the local economy

Weaknesses:

- Limited tradition of sector/cluster partnership working: local businesses not willing to cooperate and do not engage
- Competition between private sector businesses; work better in public sector related areas (e.g. education, health)
- Local focus when sector and cluster challenges might be sub-regional or regional in scale

Threats:

- Divergent business needs; competition between businesses for skilled workers
- Use of external labour rather than development of sector skills locally

Intensity of Provision

Light	Medium	High
Encourage development to sector related forums and initiatives	Targeted development in relation to specific sectors: construction, retail, care, health and education Investment of resources to initiate working in cluster partnerships Development of specialist training and employer advisors	Deepen scale and activities of partnerships and cluster related activity Extend to wider number of sectors and clusters

Key partners: Sector related businesses, new business support hub, North London Chamber of Commerce, Jobcentre Plus, Barnet College, Middlesex University, Barnet Council, Retail Academy, LEP

Timescale: Short intensive period (3-6 months) to set up partnerships initially; ongoing if to develop as sustainable entities

Delivery model: There is a wide range of sector and cluster related partnership models that can be developed which would reflect the particular balance of employer interests and local labour market conditions. Sector forums identify issues specific to the sector and to work with the businesses and partners in the development of an action plan that delivers against the issues. Businesses can fund a development post

to set up and maintain partnership through secondment or financial contributions. There is scope to develop specific initiatives such as a 'retail institute'.

Key Performance Indicators: number of sector related partnerships; number of businesses engaged with individual partnerships; involvement of other key stakeholders within partnerships; outcomes of partnership working (e.g. apprenticeships, local recruitment, unemployment, skills development etc as appropriate to objectives of the partnership); local sectoral and cluster performance.

7.3.3 Building links with educational institutions

Close partnership working with education institutions in the Borough is central to the development of skills and employment initiatives. The Borough has a good presence of core institutions and many existing links between the Council and them. However these relations are underdeveloped in some areas and could be built more strongly to realise a major asset for the Borough. There are opportunities for closer working with Schools to prevent children becoming NEETs and preparing them for the sectors of job growth within the local economy.

SWOT

Strengths:

- Middlesex University with its recent large scale investment in a modern campus located within Borough and close to main development areas in Colindale and West of the Borough
- Barnet and Southgate College with three campuses across the Borough including in the A5 corridor area at Grahame Park
- Well performing local schools
- A number of good existing relations in the delivery of existing skills and employability provision

Opportunities:

- To actively participate in the development of apprenticeships, internships, job brokerage and skills escalator programmes
- To actively develop entrepreneurship education within schools, and Further and Higher Education institutions

Weaknesses:

- School provision often weaker in relationship to vocational education and careers
- Relationships with MU and BSC remain underdeveloped in some areas

Threats:

- Lack of value placed on the development of vocational training, employability skills and career progression particularly with regard to lower paid and lower skill employment

Intensity of Provision

Light	Medium	High
<p>Encourage dialogue between educational establishments, employers and the Council and involvement in particular initiatives</p>	<p>Ensure active and routine involvement of education and training institutions in the development and delivery of employment and skills initiatives and entrepreneurship education. Development of work based learning, placements and internship activity</p> <p>Continue Children Services priorities for engaging School Children who are at risk at becoming NEET and link closely with other programmes (e.g. apprenticeships and internships; also learning from pre NEET ESF programmes (e.g. First Rung and others).</p> <p>Develop specialised advice to schools to develop careers advice and target disadvantaged pupils</p> <p>Develop initiatives that prepare school children for future local job opportunities in growth sectors such as retailing, care, construction, health and education</p>	<p>Prioritise strategically and operationally the development of a strong and active educational sector within the Borough that works as a matter of routine with a full range of employers and businesses and the Council</p> <p>Build a local work culture of ongoing skills and qualification development and work based learning</p> <p>Develop entrepreneurship education throughout the education system to encourage entrepreneurial activity and business start-ups.</p>

Key partners: Middlesex University, Barnet and Southgate College, local schools, Barnet Council, JCP

Timescale: Ongoing

Delivery model: To be developed as appropriate to the needs of individual programmes. The First Rung programme coordinates interventions with Children Services to support disadvantaged young school children and targets learners in year 10 and year 11. Interventions seek to support their learning, and prepare them for their transition to the post-16 learning and training environment. Such interventions are

relatively resource intensive but can create considerable savings in the longer term. Funding possibilities exist through the Education Funding Agency and ESF.

Key Performance Indicators: reduction in number of NEETs; increased level of school involvement with career counselling provision and apprenticeships

Informing Cost Benefit Analysis

Studies have demonstrated that early intervention in Schools is most effective and leads to substantial savings for local and central government (see above discussion on CBA related to NEETs for details).¹⁰⁴

7.3.4 Raising household incomes/lowering living costs

The growth of low wage employment and the rapidly rising cost of living, particularly with regard to housing costs, is creating a challenging situation for working families on below average earnings. The future growth of the Borough will produce a large number of job opportunities in service, care and retail industries, and to ensure that there is an appropriately skilled workforce that can meet these needs, there is a need for action to improve incomes, through support for employers to pay the London Living Wage, and to reduce key living costs.

SWOT

Strengths:

- Ensure availability of workforce necessary to the Borough's economic growth
- Reduction of in-work benefits payments
- Affordable childcare provision enhances levels of economic activity for lone parents, families with young children and women and stimulates the childcare market

Opportunities:

- Growing acceptance of the economic case for an enhanced minimum wage
- Increased political backing for London Living Wage across the political spectrum
- Facilitates women with children to take advantage of new employment opportunities
- Development opportunities provide scope for affordable housing provision

Weaknesses:

- Opposition of some employers to paying the London Living Wage, particularly among smaller businesses
- Demand for affordable housing continues to outstrip supply

¹⁰⁴ Coles B (2010) *Estimating the life time cost of NEET: 16-18 year olds not in Education Employment and Training*, University of York.

- Support for childcare provision resource intensive given high level of need across the Borough

Threats:

- Rising levels of in work poverty nationally and across the London economy
- Rising property prices and market based residential development failing to provide affordable housing

Intensity of Provision

Light	Medium	High
Encourage developers to maximise the provision of affordable housing Map current childcare provision and find out how what support is required to increase capacity and reduce costs	Encourage local employers to pay the London Living Wage Develop Initiatives for the provision of affordable childcare to enable access to employment for target groups (lone parents, women returners) in target areas, linked to job brokerage scheme Pressure developers to deliver on the provision of affordable housing requirements	Use contracting and procurement processes to require suppliers to pay the London Living Wage Affordable childcare initiatives to enable access to employment for target groups across the Borough Increase the required level of provision of affordable housing within new housing developments

Key partners: Employers, developers, child-care providers, Barnet Council,

Timescale: Ongoing. Specific 2 year initiative to support the development of affordable childcare

Delivery model: Use of Council's role as a major employer and procurer of services to encourage the adoption of the London Living Wage. Affordable housing requirements negotiated as part of new developments. Provision of affordable childcare for lone parents and families with young children could be pursued through the provision of a block budget that assists those who are still unable to afford childcare after claiming Working Tax Credit and unemployed people who require childcare support to access employment. The Early Intervention Grant (EIG) provides non-ring fenced funding for a large amount of local authority work with children and families and the 'Two year old offer' provides free early education to the most deprived two year-olds, with an aim to cover 20% of the national cohort by 2013. This funding would be matched by private sector contributions via Local Employment Agreements.

Key Performance Indicators: wage and income levels in the Borough: number of businesses and public sector organisations paying the London Living Wage; reductions

in hard to fill vacancies; supply of affordable childcare places; supply of affordable housing; rates of employment retention; productivity levels of businesses paying LLW

Informing Cost Benefit Analysis

The case for adopting a living wage (LW) has arisen by the prevalence of low paid work in London and it is the Mayor's policy to make the LW the 'norm by 2020.'¹⁰⁵ Employer surveys suggest that the London living wage has led to productivity improvements, with five out of six employers reporting that the living wage had enhanced the quality of their staff and two thirds reporting an increase in output per worker per. Increasing incomes for lower income groups can boost local economies as they tend to spend a higher proportion of their incomes locally than more affluent groups. Analysis of Tax Credits allocations shows that almost one third of tax credits went to low paid workers. If the LW was implemented across the board in London this could possibly save £690million¹⁰⁶.

7.4 Conclusions and Recommendations

The pursuit of economic growth must be supported by ensuring the necessary supply of appropriately skilled labour is available locally and that local residents are in a position to benefit from the employment opportunities being created. For those in lower wage employment, there is also an imperative to ensure that they are able to afford to live and work in the Borough, in order to provide the services required by a growing and ageing population (e.g. social care, health, retail).

Given the relative affluence of the borough and the strong prospects for economic growth, it is comparatively well positioned to tackle labour market disadvantage. The recommended initiatives therefore seek to add value to existing provision through addressing aspects of market failure, improving the governance and delivery of existing services, and generating welfare savings over the longer term. The focus is particularly upon lower skilled and lower wage employment as the labour markets for these jobs are more local in extent.

Recommended actions

(1) Develop an integrated labour market solution

- This would include on-line linkages between the business hub CIC (as a portal for SMEs), larger employers, JCP and local

¹⁰⁵ London Assembly (2014) *Fair pay: Making the London Living Wage the Norm*, <http://www.london.gov.uk/sites/default/files/Economy%20Committee%20Fair%20Pay%2011%20Feb%2014.pdf>

¹⁰⁶ Lawton K and Pennycook M (2013) *Beyond the bottom line: The challenges and opportunities of a living wage*, IPPR/Resolution Foundation <http://www.ippr.org/publication/55/10162/beyond-the-bottom-line-the-challenges-and-opportunities-of-a-living-wage>

recruitment agencies and training providers, schools, colleges and universities. This business, education, skills and jobs match approach, would be pursued through key programmes of apprenticeships, job brokerage, skills escalator and sector partnerships, operating across the borough and integrated with the WLA. This would enable just-in time local training and recruitment alongside strategic longer term training and employment planning with regard to key employment growth sectors such as retail, care, health construction and education.

- This model will require: (a) strong engagement with business and understanding of business need (b) routine engagement with educational institutions (schools, Barnet and Southgate College and Middlesex University); (c) better co-ordination of employment and skills activities within the council through putting in place a structure to ensure routine joined up activity between Education and Skills, Family Services and Regeneration Business and Enterprise; (d) reformed co-ordination and delivery of government programmes; to ensure central government agencies (such as Job Centre Plus) deliver employment and skill programmes tailored to local need. This would be pursued through working with the WLA on the development of such arrangements (e.g. in implementing the work escalator programme).

(2) Advance workforce development

- Working with local employers to ensure the development of appropriate workforce skills. These should particularly focus on key employment sectors (e.g. retail, care, health, education and construction) which provide entry level positions and/or career progression opportunities.
- Sector based actions would include the development of a retail academy/institute to provide a full range of retail skills training and work experience opportunities appropriate to retail chains and smaller local retailers.

(3) Develop strong and effective Local Employer Agreements (LEAs):

- to provide a central mechanism through which developers are required to support and participate in local employment and training initiatives and a funding stream to support their development The aim would be to ensure that local residents have the best possible opportunity to access key construction, end occupier (e.g. retail/services) and associated jobs.

(4) Implement a package of employment and training initiatives

- to operate to support each other; three core programmes comprising:
 - Retention and improvement of the *apprenticeship and internship programme*
 - Development of *job brokerage activity*, targeting NEETs and the long term unemployed, as well the most disadvantaged areas and development areas in the West of the Borough
 - Development of *job escalator scheme*

- *Use this package of employment and training initiatives to eliminate NEETs from the borough, by improving pre employment training and preparation and targeting job brokerage at NEETs, the long term unemployed and the most disadvantaged areas (mainly in the West and South East of the borough). Activity would target pre-employment training, work placement experience and job escalator training into the employment growth sector clusters, such as retail, construction, health/care, education and ancillary support services.*

(5) Promote higher household incomes for those in low wage employment

- Active promotion of Barnet as a London Living Wage borough requiring all contractors to pay the London Living Wage and encouraging other employers to do likewise.
- Develop initiatives to improve the provision of affordable childcare and housing within the borough.

(6) Work with the third sector to engage older workers/retirees:

- utilise the skills and experiences of older workers/retirees, as well as provide work experience for younger people, in the development of socially valuable services.
- develop a potentially important role for older/retired residents with business experience in providing business mentoring to local SMEs (e.g. through the business hub CIC).

8. Conclusions and Recommendations

A strategy for sustainable economic growth in Barnet

The pursuit of an economic growth agenda is fundamental to the prospects of the LB of Barnet. The future period of population increase will require increased local economic activity in order to provide a secure basis to meet the needs of its residents.

Barnet's future economic development is rooted within the context of the London and wider regional economy. Barnet's traditional suburban role will continue and its labour market will continue to be dominated by large scale flows of workers out of the Borough, particularly to central London.

Yet Barnet also has a growing local economy. Barnet has a vibrant small business sector characterised by a heterogeneous mix of small, service based industries, a highly qualified labour force and the trend towards self-employment, home working and the development of home based business is well established and a growing element of the local economy. Harnessing and expanding this entrepreneurial and innovative activity of micro businesses within the borough is central to Barnet's future economic growth.

Barnet's economic growth must also benefit local residents and local businesses. Local residents need to be able to take full advantage of new local employment opportunities and businesses require a workforce equipped with appropriate skills. Residents on lower incomes need to be able to continue to afford to live in the borough, not only to ensure a diverse and cohesive social mix, but also to meet the future employment and skills needs of business.

Barnet's past success has been built upon being a place where people want to live. There are significant development opportunities in the West of the Borough through a number of major residential led developments and the major expansion of the Brent Cross Shopping Centre, as well as within existing town centres. It is important that these major development areas not only grow economically but also develop a sense of place and identity, so these too are desirable places to live and work within the borough. Alongside this, Barnet needs a strong and revitalised network of town centres to meet residents' needs for services, leisure activities and employment across the borough.

A future vision

The vision for the Barnet economy will see it transcend its traditional suburban role to recognise the importance of a vibrant small business sector which will be at the heart of its future prosperity. The proposed economic development strategy builds upon what is present within the local economy to ensure a stronger and sustainable economic base by:

- Promoting enterprise and SME growth
- Focusing economic growth and benefits in particular locations
- Ensuring local residents and businesses benefit from economic growth

This local economic development activity must have *business at its centre*. Business must work closely in partnership with the Council, educational institutions – where the presence of Middlesex University, Barnet and Southgate College and a strongly performing school sector provides valuable educational assets - and other local actors, to ensure a sustainable long term process.

Local economic initiatives can make a difference. However it is important to recognise that many aspects crucial to Barnet's economic development process - such as the provision of major infrastructures, jobs and skills development, the development of clusters and inward investment promotion – are often most appropriately addressed at the *sub-regional and city-wide levels*. Consequently, fundamental to strategy development and implementation will be close and routine working between Barnet and neighbouring Boroughs, the West London Alliance, the Mayor/GLA, as well as with national government.

Barnet is well placed to benefit economically from growth in a post-recessionary period. It should be *ambitious* in the targets it sets itself, whether this is in relation to maximising small business start up and growth, eliminating NEETs, achieving 100% super broadband coverage or paying the London living wage.

Promoting enterprise and SME growth

Where we are now

Barnet is a borough of enterprise and entrepreneurship reflected in its high rate of new firm formation and one of the highest rates of self-employment within the country. It also has low survival rates and a poor existing environment of business support, indicating there is a significant gap where local interventions could make a difference. The emergence of a home/work economy within the Borough also has a number of implications for local economic development in relation to its impact on commuting patterns, shifts in the needs of space provision (i.e. away from traditional office space towards local workhubs and home based business) and the critical role of digital infrastructures.

At the present time the relationship between local business and the Council and other key local institutions is weakly developed. In order to develop a business support infrastructure that will serve the diverse needs of local business, a prerequisite is stronger and ongoing engagement with the business economy and stronger networking between businesses. The development of a strong small business culture needs to be supported by strengthened entrepreneurial education within schools, and Further and Higher Education institutions.

Where we need to get to

Building upon an environment of *increased business engagement and networking*, the economic strategy will significantly improve.

- *generic business support* that will benefit all businesses within the Borough in order to improve their performance and competitiveness, specifically seeking to support micro-businesses in the critical 1-3 year period after start up.
- *targeted support towards businesses with ambition and growth potential* in order to ensure the Borough has a growing population of vibrant small businesses within the key future economic growth sectors (finance and professional; digital; creative, hospitality and leisure; care sector, green industries). This relates to the so-called 'vital 6%' of high-growth private sector firms, responsible for a disproportionate share of net job creation and in driving innovation. The presence of these firms will also act to attract in other associated business investment.

The primary focus here is upon supporting the development of indigenous small business. However, alongside this, there is also a need to be alert to the *possibilities for attracting in inward investment*. This relates to attracting in major employers to key development sites within the borough as well as to support the development of any emergent clusters of business activity.

What needs to be done

(1) Develop business engagement and networking

- The *creation of a business support hub CIC* to provide a *central point of contact for business engagement and networking* through a digital and physical presence. This business support hub would have the promotion of business engagement and networking as a main and immediate priority. An online business to business connection service will enable larger business to find and use local services, including from the Third Sector (building on CommUNITY Barnet's data).

(2) Provide local business support

- *Increased business information, advice and support.* A newly created *independent enterprise support hub* (CIC) for Barnet would provide a clear central point of contact and portal to other services. It would significantly improve current levels of provision of business information, support and guidance through a *digital platform* 'hub' providing information and signposting to maximise the use of existing business support services, and a *physical presence* through various 'spokes' comprised of incubator units, where wrap around services would include access to advisors and training sessions. Business support policy would focus on key growth sectors (e.g. IT, business services, health, education, the creative industries, the green economy) and business development stages. Given the high rate of failure of young businesses in the early growth phase (1-3 years trading) more intensive support would be targeted towards these micro businesses to establish their viability and deliver a growth pathway.
- *Provision of appropriate and affordable workspace for small business development* This will be achieved through (1) the development of a series of business incubator units, making use of available Council assets, and located in accessible town centres and development areas. These would have different models of operation to reflect local needs and opportunities and would provide easy-in/out office space and meeting and training room facilities; (2) active use of the planning system to ensure new mixed use developments have a high level of affordable, accessible and flexible workspace.
- *Develop a buy-local policy using public procurement to stimulate local SMEs* Ensure the operation of the procurement system benefits local small businesses and social enterprises and voluntary and community organisations, as well as promotes the payment of the London Living Wage. This would be advanced through a range of measures: improved provision of information on procurement opportunities; simplified processes; single point of contact; regular communication with suppliers; training to develop capacity of local SMEs and third sector organisations; and recognition of social value,
- *Develop digital infrastructure:* identify gaps in provision and digital needs of different business users (e.g. home based businesses; hi tech businesses); achieve 100% super broadband coverage via commercial suppliers; maximise use of GLA connection voucher scheme; and provide guidance and support to business to develop their digital use to improve performance and productivity.

(3) Targeted support for ambitious, growth oriented start ups and SMEs

- Deliver *long term support for ambitious, growth oriented SMEs* in the local economy through a partnership led by MU Business School. This will identify the 'vital 6%' of ambitious businesses within the borough and develop a network of research lead support that would meet the needs, and maximise the

growth potential, of ambitious business owners participating in this programme over a 3-4 year period.

- Support the *development of the home/work economy and the development of home-based business*. This will be achieved by the promotion of a network of home based businesses and a hub to support them, including meeting spaces and space for those ready to move out of the home, and making active use of the planning system to ensure new mixed use developments are amenable to the development of home/work and home based business, including the provision of home/work units.
- **Promote graduate start-ups and spin offs** This will build on the presence of Middlesex University to support increased entrepreneurship, innovation and start-up activity within the Borough, Activity will particularly focus on building upon a key area of strength of MU in the creative/design/IT/media sector. This will be pursued through developing a '*creative hatchery*' in partnership with Middlesex University, which would create a physical site for graduate start-up businesses and spin-offs within the A5 corridor.

Focusing economic growth and benefits in particular locations

Where we are now

Barnet's economy is characterised by a particular pattern of spatial development, This comprises: (i) a large network of relatively small town centres, plus the large, and growing, regional shopping centre at Brent Cross; (ii) a number of large, residential led development sites, predominantly in the West of the Borough and particularly around the 'A5 Corridor'; (iii) a number of pockets of concentrated deprivation across the borough.

Where we need to get to

Economic development needs to be promoted in locations within the borough that have the greatest growth potential, that is new development sites and existing town centres. The benefits of this growth need to be accessible to those living across the Borough and particularly in the areas of greatest disadvantage.

The A5 Corridor contains a number of key residential and development sites. However it does not constitute an economically functional development corridor and is a largely anonymous area. Consequently rather than seeking to market this area as a cohesive sub-region, emphasis should be placed upon a strong place-making agenda, ensuring these various development sites become attractive locations for living and working, and do not become disadvantaged areas of the future. This would include encouraging linkages between them.

What needs to be done

(1) Promote a new economic basis for town centres

- develop *diverse and distinctive town centres* through refashioned retail offer and promotion of office/business hubs, provision of other services and the development of leisure/night time activity, to increase employment and footfall.
- facilitate the development of active, *business led town centre partnerships* to lead their development as appropriate to local needs and wider economic possibilities.
- *target activity, investment and limited public funding towards a small number of town centres* which, on the basis of recent performance and development potential, are best suited to act as centres of economic growth.
- ensure the *co-ordinated development of town centres* (e.g. retail, offices, other commercial development, public realm, car parking, transport links etc). Accessibility is crucial here, with successful town centres requiring extensive and reliable public transport links and accessible, low cost parking,
- develop *superfast Wi-Fi hubs* to support retailers, customers and micro-businesses within town centres.

(2) Develop residential and business sites within the A5 Corridor

- *pursue strong 'place making' agenda* within A5 Corridor through active collaboration between Barnet Council and neighbouring Boroughs to make these attractive locations for residents and business.
- stimulate small business start up and retention through the *provision of appropriate workspace and home/work space* in new mixed used developments combined with other business support activity and the *development of the 'creative hatchery'*.
- *attract in a small number of major investments* to key developments such as Brent Cross and Colindale (e.g. private sector business, Council offices; MU Campus) to provide major employment sites and to stimulate and support the development of other emergent clusters of activity (e.g. in relation to the creative industries 'creative hatchery').

- *advance infrastructural projects to support development areas.* This would include the *development of a new Brent Cross train station* to expand significantly the scope for business development in this area and ensure the road network has the capacity to cope with increased traffic, and prioritisation of actions to increase East-West transport accessibility.
- develop a *cycle super highway and associated cycle network* to link new development sites to rest of the Borough and to enhance mobility within this area.
- evaluate the *potential to develop high capacity, advanced digital capacities* in particular development sites to encourage the development of high tech digital industries.

(3) Spatially target employment and skills initiatives,

- ensure the delivery of employment and skills initiatives reaches those living in areas of greatest disadvantage through, *strong outreach activity*, including services based close to the communities they serve, and the provision of advisors and ongoing support.
- *use of enterprise hubs* to provide skills and enterprise information to join up with other business support provision and maximise use of resources.

Ensuring local residents and businesses benefit from economic growth

Where we are now

Barnet has a generally high skilled and affluent work force. However there are sectors of the economy where a lack of skills in the local labour market constrains growth. Furthermore there remains a significant element of the resident population who are economically inactive and are not benefiting from new employment opportunities. In addition there is a growing population of those in low wage work who are finding it increasingly difficult to live and thrive within the borough given the high cost of living.

There is a strong economic case for the promotion of skills and employment initiatives aimed at those individuals, groups and communities who suffer social disadvantage and are least competitive in the labour market, not only for their own benefit but also to support the recruitment needs of local business. The ongoing welfare costs resulting from young people not being in employment and training, the long term unemployed, and other disadvantaged groups, is considerable. Investment in getting these people into sustainable employment generates considerable savings over the longer term.

There is a strong social case too. To realise the objective of developing cohesive and vibrant local communities requires opportunities available to all, not least in the realm of employment, skills and career progression.

Where we need to get to

The pursuit of economic growth must be supported by ensuring the necessary supply of appropriately skilled labour is available locally and that local residents are in a position to benefit from the employment opportunities being created. For those in lower wage employment, there is also an imperative to ensure that they are able to afford to live and work in the Borough, in order to provide the services required by a growing and ageing population (e.g. social care, health, retail).

Given the relative affluence of the borough and the strong prospects for economic growth, it is comparatively well positioned to tackle labour market disadvantage. The recommended initiatives therefore seek to add value to existing provision through addressing aspects of market failure, improving the governance and delivery of existing services, and generating welfare savings over the longer term. The focus is particularly upon lower skilled and lower wage employment as the labour markets for these jobs are more local in extent.

What needs to be done

(1) Develop an integrated labour market solution

- This would include on-line linkages between the business hub CIC (as a portal for SMEs), larger employers, JCP and local recruitment agencies and training providers, schools, colleges and universities. This business, education, skills and jobs match approach, would be pursued through key programmes of apprenticeships, job brokerage, skills escalator and sector partnerships, operating across the borough and integrated with the WLA. This would enable just-in time local training and recruitment alongside strategic longer term training and employment planning with regard to key employment growth sectors such as retail, care, health construction and education.
- This model will require: (a) strong engagement with business and understanding of business need (b) routine engagement with educational institutions (schools, Barnet and Southgate College and Middlesex University); (c) better co-ordination of employment and skills activities within the council through putting in place a structure to ensure routine joined up activity between Education and Skills, Family Services and Regeneration Business and Enterprise; (d) reformed co-ordination and delivery of government programmes; to ensure central government agencies (such as Job Centre Plus) deliver employment and skill programmes tailored to local need. This would be pursued

through working with the WLA on the development of such arrangements (e.g. in implementing the work escalator programme).

(2) Advance workforce development

- Working with local employers to ensure the development of appropriate workforce skills. These should particularly focus on key employment sectors (e.g. retail, care, health, education and construction) which provide entry level positions and/or career progression opportunities.
- Sector based actions would include the development of a retail academy/institute to provide a full range of retail skills training and work experience opportunities appropriate to retail chains and smaller local retailers.

(3) Develop strong and effective Local Employer Agreements (LEAs):

- to provide a central mechanism through which developers are required to support and participate in local employment and training initiatives and a funding stream to support their development. The aim would be to ensure that local residents have the best possible opportunity to access key construction, end occupier (e.g. retail/services) and associated jobs.

(4) Implement a package of employment and training initiatives

- to operate to support each other; three core programmes comprising:
 - Retention and improvement of the *apprenticeship and internship programme*
 - Development of *job brokerage activity*, targeting NEETs and the long term unemployed, as well the most disadvantaged areas and development areas in the West of the Borough
 - Development of *job escalator scheme*
- *Use this package of employment and training initiatives to eliminate NEETs from the borough, by improving pre employment training and preparation and targeting job brokerage at NEETs, the long term unemployed and the most disadvantaged areas (mainly in the West and South East of the borough). Activity would target pre-employment training, work placement experience and job escalator training into the employment growth sector clusters, such as retail, construction, health/care, education and ancillary support services.*

(5) Promote higher household incomes for those in low wage employment

- Active promotion of Barnet as a London Living Wage borough requiring all contractors to pay the London Living Wage and encouraging other employers to do likewise.
- Develop initiatives to improve the provision of affordable childcare and housing within the borough.

(6) *Work with the third sector to engage older workers/retirees:*

- utilise the skills and experiences of older workers/retirees, as well as provide work experience for younger people, in the development of socially valuable services.
- develop a potentially important role for older/retired residents with business experience in providing business mentoring to local SMEs (e.g. through the business hub CIC).

Appendix 1: List of interviews/consultations

Waqar Ahmad (MU) Deputy Vice-Chancellor Academic and Deans of Schools (27/01/14)

Darryll Bravenboer, Middlesex University IWBL /Member of Retail Skills Academy (30/1/14)

Jeanne Cantorna, Barnet Partnership Manager DWP Barnet Jobcentre Plus (6/2/14)

Dave Carroll, Head of New Initiatives, LB of Brent (29/01/14)

Kit Davies, Director of Curriculum Development, Barnet and Southgate College (7/2/14)

Chris Dawson, Capita (procurement), 18/02/14

Adam Driscoll (RE) Infrastructure Planning and Delivery Manager (12/02/14)

Mark Gray, (MU) Head of Knowledge Transfer, 13/01/14

Saul Gerrard & Michael Izzi – Martyn Gerrard Estate Agents (03/02/14)

Rashmi Joshi Hirani, Project Manager First Run ESF Pre NEET Programme (31/1/14)

Gary Ince, Consultant/Former Chief Executive North London Business (10/01/14)

Melvyn Keen (MU) Deputy Chief Executive, 20/01/14

Sandra Lilley, Contract Manager Construction Industry Training Board (3/2/14)

Fiona Miller, Employment Services Manager, Barnet and Southgate College (22/1/14)

Tom Nathan, MD Brent Cross Shopping Centre (29/01/14)

Elaine Runswick and Sharon Glover, Barnet Children's Service

Manager Barnet Children's Services (12/2/14)

Cath Shaw (LBB) Enterprise and Regeneration Lead Commissioner (14/01/14 & 10/02/14)

Dina Shear, Manager CDG/Shaw Trust (3/2/14)

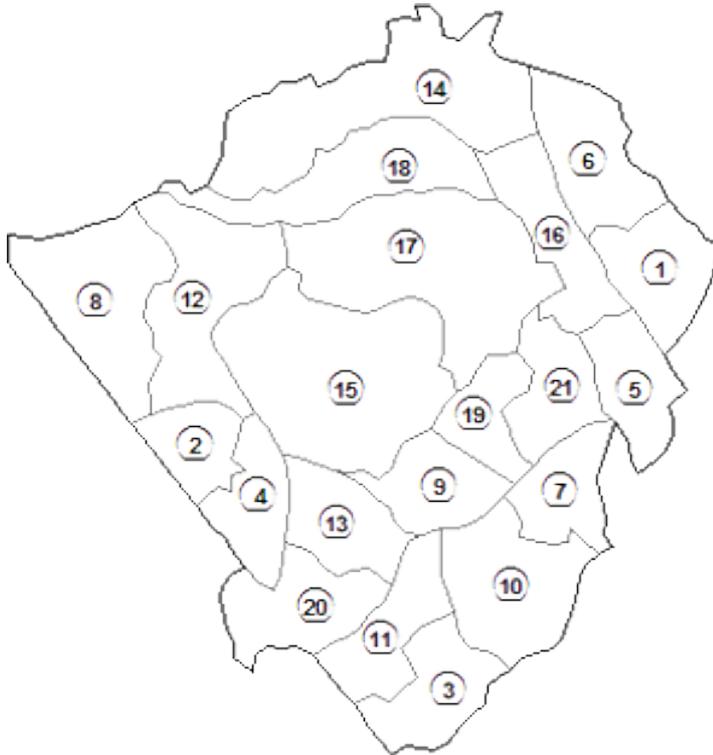
Martyn Thomas (MU) Director of Business Development (04/02/14)

Luke Ward (LBB) Commissioning and Policy Advisor (05/02/14)

Pam Wharfe (LBB) Strategic Director Growth & Environment (05/02/14)

Jodie Yandall (Re) Skills and Enterprise Manager (20/1/14 and 12/2/14)

Appendix 2: Key to wards in Barnet



1	Brunswick Park	12	Hale
2	Burnt Oak	13	Hendon
3	Childs Hill	14	High Barnet
4	Colindale	15	Mill Hill
5	Coppetts	16	Oakleigh
6	East Barnet	17	Totteridge
7	East Finchley	18	Underhill
8	Edgware	19	West Finchley
9	Finchley Church End	20	West Hendon
10	Garden Suburb	21	Woodhouse
11	Golders Green		

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Appendix 3: Barnet's Business Support Environment

Barnet's Enterprise Dynamics Report (2013) highlights key sectors which will be at the heart of the borough's future business growth and development. These include the traditional existing areas of work in retail and associated high street services, emerging growth sectors in property and construction, health and education and the potential growth areas relating to self employed IT and business consultants.

It was also evident that Barnet is more predominantly a small, micro business, economy than Greater London and that, with the increasing incidence of home working and self employment, Barnet's future employment growth is likely to be within the small business sector.

However, Barnet has no tradition of organised business support and the withdrawal of local Business Link services (it is acknowledged that Business Link maintains a national website and telephone helpline, but this is essentially a signposting service to local providers¹⁰⁷), allied to the lack of an established local enterprise agency means that there is very little small business currently support available.

Central Government support

Central government support operates through the 'GOV.UK' website and sets out its main objectives as making it easier to enable business growth. Key types of assistance listed are: encouraging better access to finance through banks and non bank sources such as the British Business Bank's activities (e.g. Funding Circle) and encouraging equity investment through tax breaks; tackling late payment; cutting taxes, such as through small business rate relief; improving employment regulations and providing recruitment assistance (e.g. Jobmatch and subsidies for trainees/apprenticeship grants); improve training from technical colleges; supporting innovation through vouchers and TSB grants; public sector procurement policies to assist SMEs; on-line assistance through the Broadband voucher scheme; export assistance through UKTI; challenging anti competitive behaviour; the finance and business support finder web tools on; national telephone helpline 0845 600 9006; MentorSME mentor finding service and Enterprise Nation professional services guide; reducing red tape.

Catapult Centres¹⁰⁸ are an attempt to provide seven national catalyst centres for innovative business development, bringing together industry and academics to support innovative new business development. Key sectors include: high value manufacturing,

¹⁰⁷ BIS Small Business Great Ambition (2013) sets out the national government objectives for SME support <https://www.gov.uk/government/publications/small-business-commitment/small-business-great-ambition>

¹⁰⁸ <https://www.innovateuk.org/-/catapult-centres>

cell therapy, offshore renewables, satellite applications, connected digital economy, future cities, and transport systems.

Whilst this may seem like an extraordinary list of support policies, a lot of it is either facilitatory, either reducing barriers to undertaking business or signposting businesses to private sector specialist providers. Without a local business support framework many new, young and potentially growing businesses may not receive the more intensive hands on assistance that they require.

Existing business support provision in Barnet

Barnet's existing small business support provision is quite disparate and can be categorised as follows:

- **Start-up assistance:** Barnet Youth Business Incubator, operated by Jesus House.
- **General small business assistance:** Employment Enterprise Zone (EEZ) operated by Barnet and Southgate College. Federation of Small Business, North London branch, membership subscription service. North London Chamber of Commerce (located in Enfield).
- **Town Centre Support:** Barnet Council has initiated schemes to assist Town Centres, including: four town centre development frameworks / strategies (Chipping Barnet, Edgware, Finchley Church End and New Barnet) ; in-depth working with Chipping Barnet Town Centre; a successful bid for £3 million of the Mayor of London's Outer London Funding for TC appearance improvements; planning focus on providing larger retail space; temporary permissions; improved infrastructure; improved trade waste disposal; reduced crime/improved safety; joint appointment with Middlesex University of a borough 'Business Growth and Employment Manager' to improve business growth, engagement and support.
- **Skills training linkages:** Platform programme offering apprenticeships and intern assistance for SMEs, support for young entrepreneurs and graduates, pilot work to establish a retail academy and specialist support assisting young people with learning difficulties into work. JCP work with local colleges and training providers to provide up to date short course to meet local employer skills shortages. The recent establishment of a Retail Skills Academy at Barnet College.
- **Property:** Barnet Council commercial property web page.

- **Third sector:** CommUNITY Barnet is the main umbrella organisation providing capacity building and networking support, start-up and on-going assistance to social enterprises in Barnet.
- **Other specialist providers:** Red Loop at Middlesex University offers design assistance to local SMEs.

Additionally, it should be noted that there are many national SME and start-up business support schemes including Business Link and Prince's Trust, as well as numerous specialist support providers located in other boroughs in North and Central London. Notably, these include enterprise agencies in Enfield, Harrow, Hackney, Merton and Croydon. As previously mentioned the national retail skills academy, operated by Urban Futures is located at Wood Green. More specialist access to finance is offered by the Big Society Bank for social enterprises and North London Community Finance, a credit union operating in Enfield which offers mentoring assistance to young entrepreneurs aged 18-24.

Appendix 4: The Role of Key Local Partners in Delivering Labour Market Policies

Jobcentre Plus

JCP services support unemployed people to access work experience, volunteering and ultimately full/part-time work. JCP advisors, now referred to as work coaches, carry out diagnostic interviews with their customers to ascertain the skills they currently have, any barriers or skills gaps they might have and what their employment goals are. They provide coaching to help them progress towards gaining employment. If skills gaps are identified they can refer customers to Skills Conditionality courses (funded by the Skills Funding Agency) which are commissioned through Barnet College and an organisation called 5E¹⁰⁹. Training provision is employer led through contact with local employers about their current workforce training requirements and requesting local providers to deliver courses that meet these needs. JCP is promoting the sector based academy approach where pre-employment courses are delivered within a 6 week period, offer a work placement and a guaranteed interview with an employer who has vacancies.

Barnet and Southgate College

Barnet and Southgate College (BSC) provides a range of vocational courses and apprenticeships as well as establishing links with local partnerships and employers in terms of linking course design to employer needs and requirements.

The College is a key strategic partner in the North London Skills and Training groups; a member of the 157 Group, North London Learning Alliance, and North London Strategic Partnership. The College also sits on a number of Local Authority strategic groups seeking to improve access to jobs for residents. In addition the College works closely with planning groups to identify incoming retail businesses and links in with Business growth personnel and the chamber of commerce to ensure employer engagement activities meet employers' needs.

The College has a proven track record of responsive employer provision and has developed a number of sector based work academies with JCP and the North London Chamber of Commerce that have demonstrated success in increasing sustained

¹⁰⁹ There is also the Support Contract which is delivered by an organisation called A4E

employment. It has a large business development Team with responsibility for employer engagement and business to business service development.

BSC is the first college in London to contract with REED recruitment to provide a full and free recruitment service to employers. The College has 4 REED recruitment consultants who will provide a bespoke service to the retail sector. They are currently working with ASDA, OCADO, Morrisons, Sports Direct placing over 40 students a month into part time work and apprenticeships.

The College is committed to working closely with the sector skills academy for retail and to be responsive to employer demand. SME organisations are prominent in the project area and the College is aware of the specific needs of these organisations through town centre managers and stakeholder relationships. A recent initiative is the *Retail Academy*, established by the College based at Hospitality House in East Finchley. This provides scope for innovation in the development and delivery of retail training and synergies with the hospitality sector.

Regeneration projects within the North London sub-region are some of the largest in London with significant retail expansion planned for the Brent Cross shopping centre, and there is major retail and leisure development planned at Wembley. The Retail Academy aims to provide opportunities for residents from disadvantaged areas to access the skills and training necessary to take full advantage of the development and business growth in their areas. It is hoped that the retail skills shop at Hospitality House will provide a focus for retail and related businesses in the area and raise the profile and reputation of retail training amongst employers

Middlesex University

Middlesex University has established close partnership links in Barnet in relation to labour market and skills development, providing higher education courses in relation to a range of areas of professional practice and business and management.

The Institute of Work Based Learning at Middlesex University is one of only two universities nationally to be selected to lead National Apprenticeship Service Higher Apprenticeship Development Projects and has developed work-based higher education programmes for Higher Apprenticeships in the Construction, Retail, Care and Aviation sectors. As a member of the National Skills Academy for Retail, Middlesex University is involved in the development of a new national brokerage service that will seek to connect retail employers with providers of higher-level skills provision. The aim will be to more effectively match the needs of retail employers with the range of provision

offered by (currently) a small number of universities and other providers of retail-based higher education.

Voluntary and Community Sector

Barnet's Voluntary and Community Sector is playing an increasingly important role in providing advice and support for vulnerable and disadvantaged groups who have been impacted by welfare and benefit reforms and are participating in the various welfare to work programmes.

Of particular importance is the Citizens Advice Bureaux (CAB),¹¹⁰ Barnet Lone Parent Centre and other organisations such as Mencap, Mind in Barnet, Barnet Independent Living Service and the Network (Mental Health), that support people with disabilities and mental health conditions who face barriers to accessing work. These organisations through their advice and support activities are increasingly forging closer links with Work Programme providers where the largest cohort of customers/clients are lone parents and those claiming sickness related benefits.

¹¹⁰ Barnet CAB Annual Report 2012/2013

Appendix 5: Index of Key Questions and Answers

Finding the evidence based narrative behind the recommendations.

Enterprise and Business Development:

What would it take to make Barnet the best place to do business in London?

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Why do businesses not succeed in Barnet?

Pages: 14-16; 29

How do we build more resilient businesses in Barnet?

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What are the growth sectors that will contribute to a successful Barnet?

Pages: 12-13; 17-19; 21-22; 29

How does Barnet support and capitalise on its growth sectors

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What is the economic basis of the A5 corridor?

Pages: 13; 19; 30

What should Barnet's key economic ambitions be for the future?

Pages: 25-27; 30; 140-144

Spatial Development and Regeneration

What is the health of the market for business premises in Barnet?

Pages: 34-39; 52-53

What is the impact of recent planning changes allowing the conversion of B1a commercial space to residential without planning permission?

Pages: 34; 50

What are the crucial economic issues facing the different parts of Barnet reflecting the different business profiles of west versus east Barnet?

Pages: 31-33; 50

What jobs will arise from the regeneration sites?

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How can Barnet's commercial opportunities at Brent Cross and Colindale be designed to meet the future needs of the economy?

Pages: 40-41; 46-47; 51-52

What are the infrastructure needs to realise Barnet's economic growth potential and employment patterns, particularly along the A5 corridor and areas of growth?

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What is the health status of Barnet's Town Centres and have they declined?

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Employment and Skills:

What factors are driving changes in the Barnet and wider London labour market?

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How will disadvantaged individuals and groups benefit from anticipated employment growth? What factors act as barriers to their integration into the labour market?

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What role does Barnet Council and other partners play in relation to addressing labour market changes?

Pages: 70-73

What opportunities are there for exploiting and utilising current national and regional employment and skills programmes and funding initiatives in relation to a future labour market strategy?

Pages: 67-70