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# Resilience

## Making it happen

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An update on delivery





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# Foreword

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The story of Newham is essentially a British story. It has been at the heart of British industry and has a proud tradition of East End values and culture. For generations it has also been the first port of call for many arriving to make Britain and London their home. It is the most diverse place in the country and it is a place where 87% of people say those from different backgrounds get on well<sup>1</sup>.

But it also reflects a more problematic part of the British story. Maps of poverty in London, drawn up by Charles Booth in the nineteenth century, show that little has changed in terms of the concentration of poverty in East London. Newham is the second most deprived borough in England<sup>2</sup> and half of our children live in poverty<sup>3</sup>.

As a council we've long been committed to turning that round, to using the dynamism and energy of our people to overcome disadvantage and to make sure life chances here match those in the rest of the capital; to make this a business location where people choose to live, work and stay.

As an organisation we are committed to researching, gathering evidence and challenging ourselves to truly understand



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<sup>1</sup>Understanding Newham 2011, Newham Household Panel Survey (Wave 6) ipsos Mori

<sup>2</sup>English Indices of Deprivation 2010 <http://data.gov.uk/dataset/index-of-multiple-deprivation>

<sup>3</sup>Newham Household Panel Survey (Wave 5)

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the issues at hand. For the last few years we've been thinking again about the way we tackle deprivation, learning the lessons of what has and hasn't worked to ask "what will it take to truly overcome poverty and transform our community?" Our answer was published in the report *Quid Pro Quo Not Status Quo; why we need a welfare state that builds resilience* in 2011.

Since then we've committed to embedding the resilience approach in everything we do and the way we undertake our role as a council. At its heart, resilience is about recognising the overlapping and interconnected ways that different elements of people's lives and community affect their life chances. That means making sure everything we do hangs together to build resilience and being sensitive to the different ways in which we are impacting on personal skills, local relationships and the broader economic environment. It's an ambitious project and I've no doubt we've got a long way to go, but we are committed to change and real progress has been made on the first steps of the journey.

Since the launch of *Quid Pro Quo* Newham has also welcomed the world as the main host borough for the 2012 Olympic and Paralympic Games. This

once in a lifetime experience has helped kickstart real change in the borough, but it was also a huge logistical challenge for Newham. I'm proud of the show we put on and that we didn't let the Games distract us from the direction we're taking. I want to continue sharing our experience and hearing about the lessons of other boroughs. I hope this update gets that debate started.



**Sir Robin Wales**  
**Mayor of Newham**



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# Introduction

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In 2011 we published *Quid pro quo, not status quo: why we need a welfare state that builds resilience*<sup>4</sup>. This was both a policy statement and a delivery plan for the reform of council and other publicly funded services. We committed ourselves to the goal of building the resilience of our people, community and economy.

Our vision is for a welfare state that builds skills, community and a just economy, rather than creating dependence. We were critical of transactional services that do not make people active participants in tackling the issues they face or get to the real root of problems. We argued that we need a more relational and personalised way of working. We also recognised that it's vital that we build reciprocity into the system both to build the skills of local people and maintain the legitimacy of public spending and public services.

The report highlighted the ways we were already helping to build resilience in Newham and set out new delivery commitments. In the eighteen months since, we have made significant progress, whilst managing the impact of huge reductions in our budget.

This follow up report focuses on delivery. It sets out what we have achieved – allowing residents and partners to hold us to account. Of course, some things have been more successful, some changes have come more easily than others and some of our experience has implications for other policy makers or national government. In the Bigger Picture sections we share some of the lessons from our work so far and where the council is calling for regional or national policy change. Those calls for change are highlighted in bold text.

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<sup>4</sup><http://www.newham.gov.uk/YourCouncil/Buildingastrongcommunity.htm>

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# Economic resilience

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Economic resilience is about having stable, decently paid employment; the ability to withstand financial shocks; and the economic resources that allow us to make genuine choices about our lives. It means having a high enough income to move beyond the day to day struggle of survival and poverty. It gives you the freedom to develop personal skills and enjoy the relationships with friends, family and the community that build resilience more broadly.

Recently we have seen highly inflammatory language used about job seekers. But in Newham we know there are thousands of people looking for work who want to move beyond a life on benefits - we know because we work with those people through our employment service Workplace - and many others working on low incomes struggling to make ends meet. The answer to the unemployment crisis is to create real jobs, make work pay and support people who want to make the right choices. That's what economic resilience means in practice.

Here are some of our key policies to build economic resilience:

## **Workplace - helping people get sustainable jobs**

Work is the only sustainable route out of poverty and is vital to health, wellbeing and confidence. It's also a top priority for Newham residents. That's why despite deep cuts to our budget we have continued to invest £5.5m a year in Workplace, the council's flagship employment service. That figure will increase to £6m per year in 2014.



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Workplace offers a holistic service to address all the barriers that prevent people from moving into work. It includes personalised careers advice, help finding training or education courses and personal support to overcome low levels of confidence or self esteem.

Unlike other programmes, including the Government's Work Programme, we start with employers, with their skills needs and the jobs they need to fill, so that we are focused on real opportunities rather than generic up-skilling. We make sure our candidates are ready to get into and stay in work, rather than just moving in and out of the system.

Since launching only five years ago, we've helped get more than 16,000 local people into work, and 5,000 in the past year alone. Half of those people had been unemployed a year or more. Sustainability is vital for us, so we commissioned an independent review of the service; that research found that 76% of those who find work through Workplace are still in work a year later<sup>5</sup>. This compares with a national sustainability rate of just 52% after 6 months<sup>6</sup>. Moving into work has real and lasting benefits. It offers financial security but just as importantly it lowers the risk of a whole range of physical and mental health problems that inhibit personal resilience. It's an investment well worth making.

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<sup>5</sup>Workplace Sustainability, London Borough of Newham, July 2012

<sup>6</sup>ibid



### The bigger picture

The early results of the Work Programme have been disappointing<sup>7</sup>. For us that was no surprise since the programme actively excluded local authorities. Newham members repeatedly warned of the programme's weaknesses before it was launched.

Newham welcomes the skills, expertise and capital of the private sector. We also support payment by results for sustainable job outcomes – we are piloting working on this basis. However, a national programme that doesn't tap into local relationships with employers, skills providers and people looking for work was always destined to fail.

### **National schemes must involve local authorities in their commissioning arrangements and be employer led.**

Work must pay and employers must respect the rights of workers. Our experience has highlighted that many small employers are failing to pay the National Minimum Wage<sup>8</sup>. The minimum wage must be enforced with meaningful fines for those in breach of the legislation. We are taking part in joint raids with central government bodies, but more concerted and consistent action is needed at a local level. **Local authorities should have the power to enforce against minimum wage abuse as part of our broader enforcement activity.**

<sup>7</sup>House of Commons Committee of Public Accounts, Department for Work and Pensions: Work Programme outcome statistics, thirty third report of session 2012-13

<sup>8</sup>Non-compliance with the National Minimum Wage in Newham, ipsos Mori and Community Links, May 2012

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But in addition, for the minimum wage to be meaningful, for it to provide security and independence for those in work, it must be high enough for people to live on. So over time our members believe that **the minimum wage should be increased to the level of the living wage.**

We welcome the lower benefits withdrawal rate that will benefit many of our residents with the introduction of Universal Credit. However, to make work pay, and for equity across the income spectrum, our members believe **Government should move towards a benefits withdrawal rate that is no higher than the top rate of tax.**

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### **The Skills Place Newham**

Having the right skills to get into work is essential to our residents' economic resilience. We know that training for people who want to get into work can often be expensive and it can be tough to navigate all the different courses and qualifications that are available – too many just take money from hardworking people without really improving their chances of getting the job they want. That's why we opened The Skills Place Newham. It is the official retail academy for Westfield Stratford City, providing hands on training and a unique and flexible recruitment service. Since its launch in September 2011 Skills Place Newham has worked with more than 500 employers - from Marks and Spencer and John Lewis to Adidas - to create the bespoke training programmes they need in the run up to recruitment. Candidates are then put forward for interview, so employers know they have a strong selection of candidates with the skills they are looking for and candidates know exactly what to expect at interview.

So far 1,200 people have gained qualifications in hospitality, retail and facilities management. All programmes delivered have nationally recognised accreditations.



### **The bigger picture**

A skills shortage in the bottom half of the labour market is one of the biggest economic challenges facing Britain<sup>9</sup>. In Newham we see two major issues with national policy.

The first is that the vocational offer for young people who do not want to take an A-level and university route is poor by international standards. We must strengthen the relationship between providers and employers.

The second is that too much training offered by employment services is general. Unfocused up-skilling does not help people find work and can actually demotivate people when their efforts do not result in a job. This is why the Skills Place Newham only works with employers who have real vacancies.

Our members welcome the Labour Party's proposal to involve businesses more in the creation of training courses but local authorities are an underutilised resource in this area. We understand the local economy, have relationships with both training providers and employers and are able to broker deals with businesses through the planning process. That's what we did with John Lewis, who committed to employing 250 long-term unemployed people in its Westfield Stratford City store.

**Skills provision should be devolved to the regional and sub regional level (for example to East London including the six Olympic host boroughs) with a strong role for local leaders in setting skills priorities.**

<sup>9</sup>The Skills Dilemma; skills under utilisation and low wage work, Jonny Wright and Paul Sissons, January 2012

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# Personal resilience

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Personal resilience is about having the qualities and traits that allow us to navigate relationships, respond to challenges, learn new skills and find and succeed at work. From self-esteem and self-efficacy to aspiration and decision making, our outlook and emotional intelligence are essential to thriving.

High quality universal services that ensure all children get the best start in life and are able to develop the personal resilience that will help them achieve their potential are essential.

In *Quid Pro Quo* we were critical of services that ignore that insight or deskill people by doing things for them and stop them developing the skills they need to succeed. For instance we want people to feel more confident taking ownership of the challenges they face and efficiently manage the solutions. So we now ask people to make appointments for many council services instead of just turning up, or we support them to access information through our website instead of seeing someone face-to-face. In this way we are building the skills people need to navigate other areas of their lives but we are also making their interactions with us less stressful and more fruitful – less time queuing and more time dealing with the problem.

In the past 18 months we have strengthened our understanding of personal resilience and are finding new ways to support it all the time. But this is a new area for local authorities and we will continue to look at research and evidence on how our interactions with local people can build their personal resilience. In particular we are investigating how we can build



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emotional intelligence among adults struggling to deal with their circumstances. We will also do more work with staff so that they are able to encourage residents to feel confident and empowered.

Here are just a few of the new things we're doing to build personal resilience.

### **Life Changing Fund – planning for change together**

We will shortly be launching Newham's Life Changing Fund. The programme will begin as a pilot with an initial budget of £150,000 budget to loan to residents. We know from our work with local people that they can often be held back from making a change that would have a significant impact on their lives for want of a relatively small sum of money. It might be the cost of an exam entry that enables someone to get a professional qualification or driving lessons so they can take a promotion at work. People may need the deposit for a rented flat closer to a job or so that they can have their children to stay after a couple separates. These are the types of support that those in more affluent networks are often able to get from friends and family but are simply unavailable to many of our residents.

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The Life Changing Fund is based on a completely new way of working with people. Staff will take time, one on one, with residents to hear their plans and ideas and work with them to ensure their proposal will really help them achieve their goals. We'll use this moment to support people to think about broader changes they might want to make and point them in the direction of support: whether that's moving into work, becoming more involved in the community or taking control of their health and getting active. It's about identifying each person's goals and working with them on a roadmap to achieve it. The money will usually be a loan that recipients will be asked to pay back so that others in the community can benefit in the way that they have.

Staff will be trained to really listen and have a motivating conversation with people, to challenge negative thinking. For this to work those front line staff must be trusted and trained to make decisions and use their initiative. They must see themselves as responding to the needs and experiences of local people, not a part of a specific service with a fixed offer.



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### **The bigger picture**

The Life Changing Fund is based on a relational approach to public services. Its flexibility is vital so that it can work for people with a range of needs, ideas and experiences. It depends strongly on well trained and trusted staff who can build relationships and make sound judgements.

This programme aims to build personal resilience by making people active participants in solving the problems they face. We must end the transactional model that too often forces service users to be passive recipients.

This is a new way of working; it's likely some elements will work better and more effectively than others. When working in new ways we can't always know in advance what will be effective. We must experiment with the new approach and rigorously evaluate what we do. We will explore new types of training and believe there is scope for more frontline public service staff to be trained to work in a more relational way, with motivational interviewing and active listening training a standard part of development for those working in the public sector.

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### Free school meals – the raw ingredients for resilience

All children should have the right to develop their personal skills and resilience from the outset. Nutrition is vital to concentration in school, increasing attainment, and better health outcomes. That's why we're investing £4.2m this year, rising to £4.7m in 2013/14 to be one of only two local authorities in the country to offer universal free school meals for all primary school children.

Newham's free school meals offer support to 3,300 households with children living in poverty, who would not be eligible for them under the national scheme. It gives families the equivalent of an extra £566 per year of earnings per child, and that figure could be as high as £1,425 for families receiving tax credits<sup>10</sup>. The programme has an 84% take-up rate among primary school children.

The Institute for Fiscal Studies and the National Centre for Social Research conducted an evaluation report on free school meal provision in Newham. They found that the programme significantly increased attainment in the borough. Pupils made between four and eight weeks more progress over a two year period than similar pupils in other areas. Parents reported that they were more willing to try new food<sup>11</sup>.



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<sup>10</sup> London Borough Of Newham Data

<sup>11</sup> Evaluation of the Free School Meals Pilot; Impact report, NatCen, IFS and Bryson Purdon Social Research, July 2012

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Free school meals put money into the pockets of low income working families but they also improve children's educational attainment. The scheme is universal so it avoids work disincentives – a triple boost to local resilience.

### **The bigger picture**

Universal services are a vital way to ensure all children get the best start in life. They have a broader reach and don't stigmatise recipients.

Providing a good lunch for all primary children is an investment that has real academic benefits. It's vital that we ensure the basics are in place for all children regardless of their family circumstances. The guaranteed universal offer should be far richer and fuller for children to ensure that all children share in the benefits of the very best start in life.

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### English language skills

The diversity of our borough, where over 200 languages and dialects are spoken in our schools, is an incredible asset. But we can only benefit from that diversity if people can share their experiences and make links with each other. For a shared identity and sense of community we need a common language. That's why, for example, we have withdrawn foreign language newspapers from our libraries. Instead we will invest in helping people learn English.

Despite the expectation from ministers that migrants should be able to speak English the Government has cut funding for English language lessons for those who are not actively seeking work. Our Mayor and councillors believe that is a mistake: that it prevents people improving their language skills to get a better paid job, it means non-working parents aren't able to help their children with their homework or communicate with teachers, and it means those who aren't able to work are further isolated.



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In Newham, despite the withdrawal of funding, we're finding ways to make sure people can continue to access this vital resource. We're piloting the use of language software so that people can learn at the times and speeds that suit them in our Language Lab. But speaking a language is about interaction: it requires confidence and real world experience. So we're setting up 'chatterbox' sessions to bring people together to practise. This approach also means we're connecting local people and helping newcomers to integrate and get involved in the community. Our pilot offer uses both experienced English language tutors and Newham Volunteers so learners get the right support but also the informal atmosphere they need.

### **The bigger picture**

Overcoming disadvantage requires that individuals can participate, contribute to and draw on the support of the community. A shared language is essential.

### **The Government should reinstate funding for good quality language provision for all those who want to access it.**

But it is clear too that provision can be improved and do more to enrich the community. Too many of the old courses saw people returning term after term because they never gained the confidence they needed to use their skills independently. An approach that gets people talking and builds networks for those learning English will have greater long term benefits.

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### **Every Newham Child a Reader**

Too many children leave school still unable to read. It holds them back at school, knocks their confidence, and prevents them achieving their potential in later life. To help tackle this the Mayor of Newham has made a commitment to ensure that every child leaves primary school with the ability to read independently.

The Every Newham Child a Reader Guarantee enables the universal teaching of phonics in participating schools: 64 of the borough's 66 schools have taken up the offer. Understanding personal resilience means recognising that everyone's needs and ways of learning are different, so we also fund one to one support for children who are falling behind their peers. In addition children are supported by reading volunteers drawn from local businesses like Westfield, John Lewis and London City Airport, the council and the local community.

After one year we're already seeing great results from our pilot, with more children achieving the expected levels in phonics. Results for schools participating in phase one are up 15% and are now on average 11% ahead of the national average<sup>12</sup>.

One to one catch up has now been rolled out to all schools.



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<sup>12</sup>London Borough of Newham data

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This is just one part of our Every Child programme, which includes a range of opportunities from assessments to identify every child's sporting talents to trips to the theatre. Our Every Child a Musician scheme offers a free musical instrument and music tuition to all children in Years 5, 6 and 7. It has been taken up by 91% of children across participating schools. An evaluation by the Institute of Education found that tuition is of high quality, that children are enjoying learning and have high levels of social inclusion, health and happiness. By summer 2013 around 10,000 children will be receiving free music tuition<sup>13</sup>. It's about a universal offer for Newham's children that enables them to get the most out of their education and achieve their full potential.

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<sup>13</sup>Every Child a Musician; Project Evaluation 2011/12, International Music Research Centre and Institute of Education, October 2012

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### **The bigger picture**

By delivering universal services through our Every Child programme (see our full delivery update at the end of this report), we can tackle the root causes of disadvantage by developing young people's resilience – giving them the skills, abilities, qualifications and aspirations to achieve their potential, get the most out of their education and have control over their decisions and life direction.

Across the UK the welfare state's offer should be much fuller for children because the early years are central to our success in later life. Parents and families in Newham do a fantastic job, and money can't buy the love and warmth that makes the greatest difference to wellbeing. But investment can make a vital difference in terms of the opportunities and experiences young people are exposed to. All children should have the benefits of access to a rich and varied cultural life, like the experience of succeeding and overcoming challenges through trying a new sport or taking part in a theatre group, and all children should have personalised and targeted support at school. These are experiences and benefits taken for granted in wealthier families; the children of Newham and other disadvantaged areas deserve no less.



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Use of childcare is very low in Newham<sup>14</sup>. We know that cost is a significant barrier and that it prevents parents moving into work. We would like to consider investing in helping working families with the cost.

**Central Government should modify tax credits and plans for universal credit, to allow support with childcare costs without a negative impact on working claimants' benefits.** It is vital if local authorities are to have the autonomy to develop local solutions to this problem.

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<sup>14</sup>Understanding Newham 2011; Newham Household Panel Wave 6 Survey Findings, ipsos Mori and London Borough of Newham

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# Community resilience

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Community resilience is about networks and relationships. It's about recognising that part of our strength comes from those around us and the community we belong to. A resilient community is one where, for example, people can turn to each other for advice about how to find a job in an environment where employment is the norm. It's about emotionally supportive relationships, looser and more diverse networks that broaden the resources at our disposal, and recognising the power of social norms.

There is nothing new about building community, getting people involved and getting people together – it's bread and butter for local authorities. But in the past policies of this sort have been based on instinct and often lacked rigour. There has been significant commitment to community empowerment and engagement, but for every idea that worked another made no difference, or worse there was no evaluation or way of measuring impact.

So our commitment is to build our knowledge of what really makes a difference to people's networks and think in a more sophisticated way about how we can reflect that in all policies – not just community engagement. We will do more to incorporate the insights of network analysis and behavioural psychology into our work. But this is an area where there is a great deal more to do if we are to make this a part of our mainstream offer. It will also be important to develop a more evidence based approach and think hard about what we measure as success.



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Alongside recognising the impact of networks and relationships on the effectiveness of our interventions *Quid Pro Quo* also emphasised the need to encourage and support the positive values that benefit our community. That's why we are embedding reciprocity and contribution into our work with residents.

Over the past 18 months we've learnt more about the networks in our community and the way values and norms are shared and spread. In particular we conducted a research project with The Campaign Company and the RSA to map networks in three wards<sup>15</sup> and build our understanding of the values and motivations of local people. We are now working to put that knowledge into practice as we develop some of the work already in place and move towards our Community Hub model (discussed in more detail later in this report). However, this is a new approach for local authorities, and whilst experts are agreed that it matters and makes a difference to the effectiveness of policy interventions as yet there is a poor understanding of how to harness that power or the outcomes that we would hope to achieve and use to monitor our impact. The evidence base in this area is weak, so we'll commit to evaluating new programmes and sharing our findings. But this is an example where we must take a leap of faith, we'll commit to rigorously assessing what we do but we will also be prepared to accept that not everything we do will work and that results may take some time.

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<sup>15</sup>Networks and Values in Newham, RSA and The Campaigns Company, February 2013

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### **Social housing that rewards contribution**

Over time the effect of nationally led social housing policies has been to concentrate disadvantaged people into social housing. That has an impact on social networks, with the most disadvantaged geographically clustered together. But it has also created resentment and tensions within the community as some of those working on low incomes have come to feel excluded from this important element of social support. What's more, in order to get support, we've encouraged people to describe themselves and identify as needy, rather than rewarding and recognising their strengths and contributions.

That's why this year we have implemented a new allocations scheme that recognises contribution by prioritising those in work, those who have served in our armed forces, or those undertaking caring responsibilities. We are still focusing on those in housing need, but now those who take active steps to improve their circumstances will find their efforts rewarded. Over time this will create a greater mix in social housing and build the personal and community resilience of tenants. Instead of asking them to emphasise their need and what they can't do when they register for social housing, we want them to think about their strengths and potential. For those who aren't in work there will be real support to make the change through Workplace.



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### **Borough-wide licensing of the private rented sector**

A resilient community feels safe; it requires pleasant shared spaces and decent homes so that people feel able to get out and about.

Newham has a large and growing private rented sector and many of our landlords do a good job. However, too many are offering sub-standard accommodation and failing to manage their properties appropriately. That leads to anti-social behaviour with people packed into homes with squalid conditions. The results – rowdy neighbours, waste left in front gardens, and buildings falling into disrepair – have a knock-on effect on the feel of the whole area; on people’s fear of crime, their experiences of anti-social behaviour and inevitably on the health of the public and tenants. That’s why we are proud to be the first place in the country to introduce a borough-wide property licensing programme, which came into force on January 1 2013.

For the first time ever, all private tenants will have the assurance that their landlord, once licensed, is reputable and is able to carry out their duties. Enforcement is key to changing the attitudes and expectations of rogue landlords. The scheme is backed up by a strong enforcement team as we work to pinpoint and prosecute the minority of landlords who choose to exploit tenants and break the law.

Better quality housing will mean healthier residents, better community relations and a higher quality physical environment.

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### The bigger picture

There is a role for local authorities in creating the conditions to support community resilience, with mixed and balanced communities and a good quality environment.

**Legislation around licensing should be streamlined and simplified to make it easier for local authorities in other areas to introduce similar schemes.**

Landlords are just one part of the problem – poor practices from letting agents are just as big a problem for many tenants. We are establishing our own letting agency but **Government should act now to regulate letting agents in the same way that estate agents are regulated.**

This is another example, like the National Minimum Wage, where a greater role for local authorities in enforcement can make a real difference to local people.

Newham is working across sectors to support people whether they live in social or private rented accommodation. In the past progressives have been too focused on social housing as the solution to social problems. With declining stock and rising house prices greater numbers of people are living in the private rented sector long term; their experience of quality, costs and stability must be addressed.

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We want to become a player in the private rented sector to provide a better quality offer and raise standards. We also have plans to introduce a shared ownership scheme, supporting low income households to access the benefits of home ownership. In both cases government rules on council borrowing for housing investment significantly affect the impact we can have. These rules should be revisited and councils trusted to make prudent financial decisions and get the most out of our assets in the same way that housing associations are.

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## Community Hubs

To help build community we need to be at the heart of it, a part of local networks and sharing the day to day experience of our residents. That's why we're creating Community Hubs with greater flexibility in service delivery at the local level. The hubs are localised networks bringing together physical assets like libraries and community centres with social assets like volunteering and sports activities.

A core goal of the hubs is to increase people's networks and get more people involved in the community; their performance will partly be assessed on this. We'll use local survey data to track outcomes such as people's sense of belonging or the number of people running their own events and community activities. Of course, people meeting their neighbours, trying new things and getting out and about is great for its own sake. But it is also fundamental to building resilience. Getting involved in volunteering can build skills and increase confidence, that can help people go on to find a job, have the confidence to approach a doctor with a health concern or get involved in their child's school. People who meet at a local event or group can become important sources of support; maybe you make a friend who in the future can help share childcare arrangements with you or put you in touch with someone who can offer employment. Hubs are part of the infrastructure that makes networking and interaction easier.



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The hubs will aim to create a new kind of relationship with the community where local people can proactively approach us with ideas, from setting up sports teams or street parties to cookery lessons or befriending older residents. We'll build on the fantastic results of our Let's Get the Party Started programme. In 2012 the council provided small grants and support to over a thousand people and local groups to run their own street party or event. Thousands of people came together, met their neighbours and built local relationships whilst enjoying the Olympic spirit and celebrating our medal victories. As a result many have decided to get more involved locally by running their own events or joining our volunteer programme. From next year we'll be taking that further; the hubs will be able to support people to apply for grants to set up a group or club that will provide a sustainable way to be active. It's about making it easy for people to get started and then giving them the freedom to run the activities they want; the hubs model will give us the flexibility to do that.

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Our volunteering programme will work side by side with the hubs, creating more opportunities for meaningful involvement in supplementing services and making them work better for local people. For instance our Affordable Warmth Champions are trained to identify people in their neighbourhood who might be at risk of fuel poverty and to understand the issues involved. They can then get in touch with those people, recommending ways to cut their costs from a better energy tariff to referring them to schemes to support with costs of insulation. By managing this in the hubs volunteers can become involved in supporting their own neighbourhoods and really get to know their neighbours. Hub staff will have relationships with local people who want to get more active or who might need more help, they are perfectly placed to link people in and get things started.

Our aim is to give local people the sense that they can make a difference to the area and are able to take the initiative to improve their community. The role of councillors as locally elected representatives is essential to this process, to balancing the needs of different groups of people and ensuring everyone gets a say and can be involved.



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### **The bigger picture**

In the past too much engagement work has been about getting involved on our terms; through boards, committees or at ordered public meetings. Of course it's important to create formal roles of this sort in some cases but it won't reach out to new people and it won't build community. We must be led by what people actually want to do and the way they want to play a part.

There must be greater focus on the outcomes we want to achieve and understanding what really makes a difference. That's why we have worked hard to identify resilience outcomes and use these to drive the commissioning of the hubs.

There is a weak evidence base in this area, concerted efforts to gather and evaluate data are needed from all organisations who believe that community matters.

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# How we're changing the organisation

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Building resilience across Newham means changing the way we work as a council too. Many of our structures are based on outdated models of service delivery. To build resilience we need greater flexibility to let residents get involved in decisions that affect them and we need to recognise that a dedicated team in the council isn't the answer to every issue.

Below we've outlined the way we're changing and building our resilience.

## **Strategic commissioning**

We are changing the way our organisation is structured so that instead of working in silos we think about the overall outcomes we want to achieve and how we can work together to make them happen – strategic commissioning. We've worked with our local partners to develop a new outcomes framework that defines how we'll measure resilience. This has now been formally adopted and will provide the commissioning framework for our new ways of working. It's the outcome – things such as less anti-social behaviour, higher levels of school readiness in children or a healthier population – that we care about and that's what we should monitor and manage. That focus will ensure we stay on track and don't continue to do things just because they have always been that way. If activities don't deliver the resilience outcomes they are not helping us to transform the borough.



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As part of changing the way we work we have carried out a senior manager review to split commissioning and operations functions, saving £2 million in the process.

### **New delivery models**

We're committed to working differently, but in large organisations change can be slow. Our staff are talented and dedicated to making an impact on the borough but the size of local authorities and the breadth of our responsibilities can lead to opaque structures and complex processes. Those are put in place to ensure consistency, and some have their place, but too often they've actually meant that some issues are micro managed whilst others don't get the focus they deserve. This is a problem in large providers in the private and voluntary sectors as well as for the public sector.

So Newham is working to introduce new delivery models that use alternatives like small businesses, social enterprises and co-operatives and pays them for delivering results, not a specific service. By making it crystal clear the outcomes each provider must deliver and rewarding them accordingly we'll increase efficiency, but it will also be easier to hold those organisations to account for their performance. There will be no payment for failure and no new contracts for those who don't deliver. We've already run pilots for our employment service Workplace and Housing Benefit overpayment collection, with some advisors volunteering to make an element of their salary based on their success in getting people into sustainable work or the repayment of benefits paid in error.

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This is a big cultural change for local authority staff but one which we are proud has been embraced.

Alongside greater efficiency, alternative, smaller organisations can also provide a much better service for local people and have a higher quality of relationship with service users. They can be more personalised and respond to what's really needed; they aren't bound by fixed structures that mean they have to keep doing the same old thing. So for instance we are supporting people to establish micro-businesses providing services to disabled people and those with personal budgets. These will be able to adapt to what service users want and build a real relationship with them. This might mean someone to take them shopping or to get their hair done, or having someone you know and trust to sensitively provide care services. The flexibility of working in this way means it can open up employment to new people. Our programme is also offering support to disabled people who would like to set up their own business, creating new jobs for local people.



We've started a wide-ranging programme investigating how different elements of everything we do can be delivered in this way. We're assessing options in a whole range of areas: from the Every Child a Musician Programme to translation. We are clear though that we don't want to lose the passion and commitment that brought many of our staff into the public sector in the first place, not to mention the experience and untapped creativity they have built up. We also want to make sure that when we pay for results we help strengthen the local economy wherever possible rather than just adding to the

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profits of firms based miles away. Running a small business is tough, especially in the current economic climate, so we'll work with our staff offering support and secure contracts as they get themselves off the ground and compete with more established providers. This will increase the depth and capacity of local markets. We may also take an equity stake so that if our new models are successful it is their 'shareholders' - our residents - who benefit. Whether it's creating an asset backed vehicle to build local homes or supporting local people to set up businesses that compete in the care market we don't accept that austerity has to mean just cuts and outsourcing.

### **The bigger picture**

We will cut costs when we cut out the things that don't make a difference and unnecessary management. However, we aren't just handing our service delivery responsibilities over to big business. We're working with staff to take on these businesses. When they're in charge they will be able to use all the expertise they've built up through actually working on the front line. They'll have the freedom to do things the way they think is best without the bureaucracy of belonging to a large organisation.

Services should work more closely with frontline staff to make the most of their talent and expertise. By being open to new ways of working we strengthen the local economy, get more for local people and make vital savings.

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# What next?

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In *Quid Pro Quo* we set out our delivery plan. You can monitor the progress we have made by looking at the update grid at the end of this report.

However, it's not simply a case of ticking off the commitments on that list. We need to constantly be reassessing how we can build the resilience of our community. That's why we have here set out a range of new commitments.

**> An alternative offer for renters and a first step on the housing ladder** - With increasing house prices growing numbers of families are living long-term in the private rented sector. In addition to our licensing scheme we have plans to deliver large scale housing outside the limitations of the Housing Revenue Account. We will begin with building or acquiring 500 homes, building at least 2,000 over five years. These will be let at affordable rent levels and offer a better quality alternative to much of the existing private rented sector to local people on low incomes

**> Olympic Stadium** - We were proud to be the main Olympic host borough, but for us the real prize has always been legacy. The stadium offers an incredible opportunity to make that happen; to create a destination that brings people to the area, generate jobs and to give local people access to its fantastic facilities. That is why we are poised to become joint owners of the stadium with the London Legacy Development Corporation.

**> A quality sixth form offer** - Currently many of our highest achieving students choose to go outside the borough to study A-levels. To counter that, and



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ensure there are opportunities for the brightest to thrive, we're planning to develop a brand new high quality sixth form in Newham, to complement the good existing provision. The college will particularly focus on encouraging students to study maths and science so that young people are able to access the best education and continue into the highest quality universities. It's about the skills and resilience of the students who attend but it's also about enriching the resources in our community.

> **Every Child a Sportsperson** - Children should be exposed to a wide range of sports so they can improve their physical health and attitude to physical activity. Building on a pilot programme last year involving the University of East London, we're offering Year 7 pupils in Newham the opportunity to have their abilities tested for a range of 20 sports and get involved in the ones that suit their interest and talents best. The focus is on joining a club and sustaining participation.

> **Every Child a Theatre Goer** - We are working in partnership with Theatre Royal Stratford East and Stratford Circus to make sure all our young people get to access the world of the arts. It builds confidence, awareness and is vital for cultural capital. Free theatre tickets as part of this new scheme will help children in Year 5 to develop their learning experience – showing them how literature fits with performance and creativity. The programme will start this autumn.

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**> Making childcare more affordable and accessible** - Reliable, affordable childcare is essential to help families balance work and their caring responsibilities and to make work pay. It contributes to personal and economic resilience. But we know that the take-up of childcare in Newham is low compared to that of neighbouring boroughs. Our research shows that cost is a real barrier locally, along with a lack of trust in providers. So we're developing a range of interventions to overcome that. Deposits for childcare places are often prohibitive for parents wanting to move into work; we will launch a scheme to cover that cost. We will cover the cost of the first four weeks of childcare for parents moving into work through Workplace to cover the gap before tax credits kick in. And we will use local Childcare Champions to reach out into the community, share their positive experiences and encourage more families to think about using childcare.

**> Let's Get the Party Started** - following the success of this programme last year we will invest at least a further £300,000 so that people can run their own street parties and neighbourhood events. It builds the skills of local people who lead on the organisation and it brings people together, building trust and friendship among neighbours.

**> Improving the health of the public** - from 1 April Newham, like local authorities across the country, will take on responsibility for public health. We welcome that change. From investing in getting residents into jobs, to improving housing standards and providing opportunities for people to get active we already tackle the causes of poor health and wellbeing that are so critical to resilience. But we can do much more. We want to shift the focus onto prevention and support people to take control and responsibility



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for their health – for example by not smoking, eating healthily and taking exercise. We are doing this by investing in a wide ranging activities offer. We are also using Community Prescriptions where people at risk of poor health outcomes are prescribed non medical treatment like an exercise plan or smoking cessation course.

We recognise that social norms can make it hard for individuals to change their lifestyles and we'll be integrating the programme with volunteers and Community Hubs so that there is community support to help people make lasting changes to their lifestyle. This will help us tackle the long term health conditions like cardiovascular diseases and diabetes that affect too many of our residents.

We want to improve health and wellbeing in the crucial early years. One way we'll be doing this is by Family Nurse Partnership (FNP) a preventive programme for young first time mothers offering intensive and structured home visiting, delivered by specially trained nurses, from early pregnancy until the child is two.

Mental health and confidence issues can be a major barrier to people holding down a job or getting back into work after a period out of the labour market. We already invest significantly in working with individuals to identify challenges and support them to overcome barriers to employment but we have also committed to a major review of local mental health employment services with our health partners.

These are just some of the areas in which we have developed concrete local plans. However, our vision to build resilience will be at the heart of our approach to improving the health of the public in Newham.

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# Conclusion

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This has been an incredible year for Newham. We were proud of the image we presented to the world as a host borough of the Olympic Games and of the welcome we gave visitors from around the globe. Ours is a strong community with an incredible amount to give. Our new approach is about doing more to recognise and use those talents and that potential, to make local people as much a part of the solution as the council, government or business. It's about recognising the way we need to work together, on the real causes of poverty, to build resilience.

In *Quid Pro Quo* we called for a more substantial debate about the role of local government and recognition of the influence that local politics and services have on the community. Rather than procedure focused deliverers of services, we must see our role more creatively; with the potential to have the same level of impact as the big centralised planks of welfare such as the NHS or out of work benefits. It's not enough to be efficient, it's essential to have a goal and purpose: for us that is building resilience.

We've made a strong start and this report sketches out just some of the changes we've made and our ambitious plans for the future. There are challenges and risks, some things won't work, some changes will be harder for us to make. But only with continued focus on what we're trying to achieve can we finally move beyond the embedded poverty that has been a part of Britain's story for too long.



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# Delivery update

## **We said**

**We are investing in employability.**

**We are working with the private sector to bring jobs to the borough.**

**We will create an environment that is conducive to community resilience, with mixed and balanced communities and a good quality environment.**

## **We did**

We invested £5.5m in our employment service Workplace.

In partnership with Westfield we have opened The Skills Place Newham, a retail and hospitality academy to ensure our residents are equipped with skills to make them more attractive to employers.

We successfully led the call for London's Enterprise Zone to be in Newham.

This year we introduced a new housing allocations scheme linked to contribution.

We became the first borough in the country to introduce mandatory, borough-wide licensing for all private landlords.

We have committed to becoming a key player in the local private rented sector.

## **What happened**

In 2011/12 over 5,000 people were able to find themselves work through Workplace – around half of those had been unemployed for a year or more. Independent evaluation shows that a year later 76% of those who found work through Workplace had stayed in work, that compares with a national DWP sustainability rate of just 52%<sup>16</sup>.

Since opening in October 2011, 1,200 people have used the facility and gained themselves qualifications in hospitality, retail and facilities management. We have engaged with more than 500 employers to offer the skills residents need to get into work.

The Siemens Crystal - probably the most sustainable building in the world - is open for business in the Docks. The Crystal took just 19 months to build from planning to completion.

Residents are now rewarded for their contribution through employment, caring or membership of the armed services. They are encouraged to focus on their strengths and supported to find work.

By the start of February 2013, 27,000 licence applications had been received. The first 20 housing prosecutions against rogue landlords are already on the way to court. Good landlords are getting more support and those who are breaking the rules are being challenged to take responsibility for their properties

Starting this year we will build and purchase a minimum of 2,000 new affordable homes over the next five years which will be available for Newham residents to rent privately.

<sup>16</sup>Workplace Sustainability, London Borough of Newham, July 2011

## **We said**

**We will create an environment that is conducive to community resilience, with mixed and balanced communities and a good quality environment.**

## **We did**

We established a shared equity scheme to help hardworking families get onto the property ladder.

We have pledged to be tough on those who disrespect the community. We invested in 53 enforcement officers and 46 extra police officers. Those officers have been able to crack down on those who are not playing by the rules. Last year we served more than 1,500 notices to tackle waste in front gardens; 272 planning enforcement notices – more than six times the average for the rest of London; and brought one in six of all national housing prosecutions.

We are working across the board to make Newham a better place to work and do business.

We have continued language provision to ensure people can integrate in the community despite Government cuts.

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## **What happened**

With a social housing partner we are expanding the shared equity scheme to deliver 200 homes, so that residents who are unable to afford outright home ownership still make the step onto the housing ladder. With a total investment of more than £20m we are focusing on providing three-bed homes. This will be delivered over a four year period using existing council stock, the acquisition of street properties and new build homes. Our shared equity scheme will ensure the cost of deposits isn't a barrier and residents won't end up paying more than they would have done renting.

Residents are benefiting from real improvements in the local environment. Flytipping is down 39% year on year, crime is down and the borough is cleaner. Those who are breaking the rules are being forced to deal with the consequences of their behaviour.

We will be piloting new software in our Language Lab that allows people to learn at a time and at the pace that suits them. We're setting up 'chatterbox' sessions to bring people together to practice.

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## **We said**

**We will ensure there is support for all families.**

**We will end the culture of a social worker for life with the early intervention teams.**

**We will support childhood development through a strong universal offer.**

## **We did**

Newham has launched the Families First Programme to change the way we work with families experiencing a range of overlapping issues.

We are reforming the way our children's services are delivered. Early intervention teams based around schools, children's centres and Community Hubs work with families before difficulties become deeply engrained problems. Work is time limited and focused on building and sustaining family resilience and in the future will save millions of pounds.

We are one of only two local authorities across the country offering universal free school meals to all primary school children.

Through the Every Newham Child a Reader Guarantee we have made a commitment that every child will leave Newham schools able to read.

We have introduced Every Child a Sportsperson giving all children the opportunity to get involved in a range of sports.

## **What happened**

By commissioning three providers to try a range of approaches and identify what works best for us, families are being supported to turn their lives around. We are now planning to extend these approaches to more families over the next two years, where evidence shows they have made a difference.

In the Early Intervention Service's first year 547 families received support focusing on supporting them to live more independent lives. There is still much more work to do in this area to ensure we get the best outcomes for our families. We need to challenge ourselves and be innovative in our delivery models to build on our commitment to real change.

84% of all primary children have taken up the universal offer of free school meals; it puts money back in working families' pockets. Families would have to earn the equivalent of £566 a year per child in order to cover the cost of the meals. That figure rises to up to £1,400 per child for families claiming tax credits. Evidence shows that by taking up the offer families are also significantly increasing the attainment of their children.

All schools increased the proportion of children achieving the expected level or above for phonics (using the Early Years Foundation Stage Profile) in 2012 compared to the year before. The average performance increase was 15 percentage points.

Following a successful pilot with 2,000 children last year, from April 2013 all Year 7 pupils will get to choose to participate in a range of 20 sports, driving up activity and helping kids stay healthy.

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**We said**

**We will support childhood development through a strong universal offer.**

**We will bring people together in Community Hubs.**

**We will build reciprocity into the system to build personal resilience.**

**We will offer direct support to build resilience.**

**We will expect more for our older residents.**

**We did**

We have introduced Every Child a Musician, which means all children in Years 5, 6 and 7 receive free music tuition and a musical instrument.

We are moving to more devolved decision making and decentralised services.

We have introduced residency requirements to access certain services, notably Workplace and social housing.

We are introducing the Life Changing Fund to offer flexible financial support to help people take control of their lives.

We have introduced a new Advice and Resilience Service which helps people self-support through online service where possible and then offers more holistic face-to-face support for those whose problems are more complex.

We work with people to rebuild their strength after a fall or illness to help them live as independently as possible rather than offering a care package that accepts a lower level of health.

## **What happened**

The opportunity has been taken up by 91% of children across participating schools. An evaluation by the Institute of Education found that tuition is of high quality, children are enjoying learning and have high levels of social inclusion, health and happiness. By summer 2013 around 10,000 children will be receiving free music tuition<sup>17</sup>.

We have two Community Hubs pilots in place which are developing the model in Plaistow and Manor Park. The remaining hubs will be in place by the end of 2013.

Investment is focused on those who are committed to the area, building stability and reciprocity.

A pilot fund will be launched in May 2013 with an initial loan pool of £150,000. More funding will be made available where the evidence shows the scheme is having a real impact.

A pilot is underway for debt and benefits advice. Time is spent one on one with residents to get to the root of the problems they are facing. Staff work in partnership with people so that they play an active role in managing their own circumstances.

Over 885 people have received specialist support in their own home. Our approach is led by users' priorities and goals so they get the help that they really need and can continue to live as independently as possible.

<sup>17</sup>Every Child a Musician; Project Evaluation 2011/12, International Music Research Centre and Institute of Education, October 2012

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**We said**

**We will make the council an organisation fit to build resilience.**

**We will use our buying power to build resilience through a move towards small businesses.**

**We did**

We have developed a Resilience Outcomes Framework, which has been adopted across local partners.

The Council Services for Small Businesses programme is reviewing activity across the council to identify areas that could work on a different model, from mutuals and co-ops to small social enterprises.

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## **What happened**

That framework sets out clearly and transparently how we will measure resilience and will be the basis for strategic commissioning. That clarity will ensure we can commission for the outcomes we want and pay for the results that make a difference.

We have established a Leisure Trust, an independent social enterprise that brings together the borough's leisure centres, sports development and volunteering. It has been commissioned to get people more active through managing infrastructure, developing the capacity of local clubs and teams and using volunteers to run activities and motivate people. As a local organisation it is connected to the community and understands local needs.

We have also established a translation service as an in house small business, selling our expertise to other areas and organisations.

We have experimented with Payment By Results pilots in our Workplace and Housing Benefits teams. In these cases we realised real benefits in terms of savings and improved performance. We will continue to explore greater recognition for excellent performance.

We have a team working directly with the community to develop micro care enterprises. We are building local capacity to deliver a better quality offer for those with personal budgets – for truly meaningful control over how your care needs are met there have to be real choices and a range of providers. In addition people with disabilities are receiving support to start their own business allowing them to work in a way that suits their needs.

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