

**Matter being dealt with by**

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26 April 2011

To: All Members of the Cabinet

Dear Member,

Cabinet - Tuesday, 26th April, 2011

I attach an amended copy of the following report for consideration at the above-mentioned meeting:

**6. MATTERS REFERRED BY THE OVERVIEW AND SCRUTINY COMMITTEE (PAGES 1 - 6)**

- b. Scrutiny Review of the Haringey Guarantee (To be introduced by Councillor Bull)

Note by the Head of Local Democracy and Member Services

Members are asked to substitute the attached copy of the covering report to the Scrutiny Review of the Haringey Guarantee. The amendments are to Section 8 of the report - Lead Financial Officer Comments.

Yours sincerely,

Richard Burbidge  
Cabinet Committees Manager

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Agenda item:

**[No.]****Overview and Scrutiny Committee****On 28<sup>th</sup> March 2011**Report Title: **Scrutiny Review of the Haringey Guarantee**Report of: **Councillor Basu, Chair of the review panel**

Contact Officer : Melanie Ponomarenko, Principal Scrutiny Support Officer

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Wards(s) affected: **All**Report for: **[Key / Non-Key Decision]****1. Purpose of the report (That is, the decision required)**

- 1.1. That the Overview and Scrutiny Committee approve the recommendations laid out in the attached report.

**2. Introduction by Cabinet Member (if necessary)**

- 2.1. N/A

**3. State link(s) with Council Plan Priorities and actions and /or other Strategies:**

3.1. This review links with the Sustainable Community Strategy Outcomes of:

- Economic vitality shared by all, specifically:
  - Maximise income
  - Increase skills and educational achievement.
- Healthier people with a better quality of life, specifically:
  - Tackle health inequalities

**4. Recommendations**

4.1. Review recommendations are laid out in the attached report.

**5. Reason for recommendation(s)**

5.1. Reasons for the recommendations laid out in the main report are covered within the main body of the attached report.

**6. Other options considered**

6.1. N/A

**7. Summary**

7.1. The Haringey Guarantee, established in 2006, is the council's strategic approach to tackling worklessness in the borough and is the main vehicle for delivering the Local Area Agreements around worklessness in Haringey.

7.2. The Haringey Guarantee has been funded through the Area Based Grant which no longer exists.

7.3. The Government is introducing a new 'Work Programme' which will replace all current pathways into work and will be contracted from the Department of Work and Pensions to Prime Contractors, who can then sub-contract some of this work locally. The Haringey Guarantee is hoping to become a sub-contractor under the Work Programme.

7.4. During the course of the review Panel Members spoke to a number of partners, providers and stakeholders for the Haringey Guarantee in order to make the recommendations as outlines below. The panel hopes that these recommendations add value to the work already being undertaken in Haringey around reducing worklessness and also that they assist in taking this work, and the work of the Haringey Guarantee forward under the Work Programme.

7.5. Key findings include:

- There is a need to focus on 18-24 year olds in any local programme around worklessness.
- Greater engagement is needed with local businesses to highlight the Haringey Guarantee and get local jobs for local people.
- There is a challenge in moving away from public sector jobs to private sector jobs.

- The holistic approach used by the Haringey Guarantee projects is beneficial to local residents.
- Commissioning for outcomes should be continued where possible, alongside the Work Programme output measures (should the Haringey Guarantee become a sub-contractor).

## **8. Chief Financial Officer Comments**

- 8.1. This report considers the outcomes of a review of the Haringey Guarantee by a panel of Members from the Overview and Scrutiny Committee. However, subsequent to this report going to Scrutiny Committee, the Council has been notified that it was not successful in being nominated as a subcontractor under the DWP Work Programme and thus the total level of funding available is now very limited.
- 8.2. The Haringey Guarantee was established in 2006 and is the council's strategic approach to tackling worklessness in the borough; it is the main vehicle for delivering the Local Area Agreements around worklessness in Haringey.
- 8.3. In 2010-11 the Working Neighbourhoods Fund (an element of the Area Based Grants) was used to fund both the Haringey Guarantee (£660,703) and an in-house project, Families into Work (£322,500). The Haringey Guarantee budget was used to commission other projects through the voluntary sector and other providers, including Northumberland Park Community School and Positive Employment.
- 8.4. As a result of the radical changes in government grant funding, which includes the abolition of Working Neighbourhood Funding and Area Based Grants, the Council is currently reviewing those projects previously financed through these funding streams with a view to re-prioritising future investment from a significantly reduced budget. As a first step the in-house project teams for Families into Work and Employment Action Network (which is currently funded by the London Development Agency) will be merged and transition funding of £500k has been allocated to Haringey Guarantee for 2011/12 whilst the review process is completed.
- 8.5. From summer 2011 the Government is introducing a new 'Work Programme' which will replace all current mainstream welfare to work programmes and will be contracted from the Department of Work and Pensions to Prime Contractors, who can then sub-contract some of this work locally. However, as the Council was not successful then the Haringey Guarantee will become a greatly reduced service.
- 8.6. Following this decision the Council needs to review the allocation of the limited resources remaining. Once the review process has been concluded recommendations on relative priorities and associated funding proposals will be presented to Cabinet for consideration.
- 8.7. The panel's review includes an economic impact assessment of two Haringey Guarantee projects (Women Like Us and 5E) in 2009-10. Whilst recognising the difficulty in accurately evaluating the success of such projects the report concludes that there were measurable financial benefits that flowed from the

investment these projects.
<p><b>9. Head of Legal Services Comments</b></p> <p>9.1. The Head of Legal Services has been consulted on the content of this report. There are no specific comments on the recommendations set out in the appended review report. The Council's powers to undertake the steps outlined are those included within Part 1 of the Local Government Act 2000 to promote or improve the economic and social well being of persons resident in their area.</p>
<p><b>10. Service Financial comments</b></p> <p>10.1. As above</p>
<p><b>11. Head of Procurement Comments – [Required for Procurement Committee]</b></p> <p>11.1. N/A</p>
<p><b>12. Equalities &amp; Community Cohesion Comments</b></p> <p>12.1. In Feb 2011, 6.9% (10,159) of the working age population were claiming Job Seekers Allowance (JSA). This includes 7.9% of all working age males and 4.7% of working age females. All three rates are the third highest in London.</p> <p>12.2. Location – In Feb 2011, 11.6% (1026) of the working age population in Northumberland Park were claiming JSA. This is the highest ward in London.</p> <p>12.3. Age – In Feb 2011, 10.4% of all 20-24 year olds in Haringey are claiming JSA. This is the highest proportion for all the 5 year age bands.</p> <p>12.4. Disability – In August 2011, 1.71% (2660) of the working age population were claiming Employment and Support Allowance (ESA). This is the 7th highest proportion in London.</p> <p>12.5. Ethnicity – The annual population survey states the unemployment rate for Haringey's ethnic minority groups was 17.2% (June 2009 – July 2010). This is the 4th highest rate in London.</p>
<p><b>11 Consultation</b></p> <p>11.2 Throughout the scrutiny review process views and evidence was considered from Council departments, NHS Haringey, Northumberland Park Community School, Families into Work, Job Centre Plus, Reed in Partnership, College of North East London, North London Partnership Consortium Ltd, Positive Employment, Women Like Us, ECORYS and Ecotec.</p>

**12 Use of appendices /Tables and photographs**

12.2 Please see Contents page in main report for appendices

**13 Local Government (Access to Information) Act 1985**

- Initial Work and Skills Plan, Haringey Council, April 2010
- Framework agreement for the provision of employment related support services, Department for Work and Pensions
- Haringey Guarantee Service Standards, Haringey Council
- The Coalition: Our programme for Government, Cabinet Office, 2010
- <http://www.dwp.gov.uk/policy/welfare-reform>
- Sustainable Community Strategy, Haringey Council, 2007-2016
- The Work Programme, Questions and Answers, DWP, 2010
- London Borough of Haringey, Integrated Youth Support Management Information Report, January 2011.
- The Cost of Exclusions: Counting the cost of youth disadvantage in the UK, Prince's Trust, 2010
- Mid Year Estimates, Office of National Statistics, 2009
- <http://www.dwp.gov.uk/policy/welfare-reform/>
- <http://www.dwp.gov.uk/policy/welfare%2Dreform/pathways%2Dto%2Dwork/>

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