

**Report for:** Cabinet Member Signing

**Title:** Acceptance of European Social Fund Funding for an Employment and Skills Programme 'Connecting Communities'

**Report authorised by:** Peter O'Brien, Assistant Director of Housing, Regeneration & Planning

**Lead Officer:** Helen McDonough, Head of Employment and Socio Economic Regeneration

**Ward(s) affected:** All

**Report for Key/ Non Key Decision:** Key

## **1. Describe the issue under consideration**

- 1.1. This report seeks the Cabinet Member for Employment, Skills, and Corporate Services to approve the acceptance of £668,138 European Social Fund (ESF) revenue funding to deliver additional employment support and employer engagement through Haringey Works and intermediate labour market support (10 fully-funded placements for 6 months at London Living Wage) with a focus on residents who have most impacted by the pandemic. The funding allows for additional employment advisors and an employer engagement post to be created in Haringey Works as well as a business manager and administrator to support the roll out and ongoing delivery of the programme. The programme provides additional capacity to deliver against the Good Economy Recovery Plan and associated Employment and Skills Recovery Action Plan (ESRAP) priorities supporting residents into good work during a period of high unemployment.
- 1.2. The report is to be considered by the Cabinet Member for Employment and Corporate Services as Contract Standing Order (CSO) 17.1 states where the Council receives a grant from an external body, the process for approving or varying the agreement for the grant shall be the same as that set out in CSO 9.07 (i.e. the Director may approve receipt of a grant valued less than £500,000. For approval of receipt of grants valued at £500,000 or more, a Cabinet decision is required).
- 1.3. Notification of the successful bid was not received until October 2021 with a proposed start date for this additional capacity of 4th January 2022 with staff expected to be in post by 13th December 2021. In order to meet pressing programme deadline this item has been tabled for the earliest Cabinet Member signing available. A letter of the Outcome of ESF Full Application Appraisal can be found in the appendices which includes the Borough Revenue Breakdown

## **2. Cabinet Member Introduction**

- 2.1. Covid has had a major impact on Haringey's residents and economy and has compounded pre-existing employment inequalities for those already experiencing disadvantage in the job market. Supporting our residents with this challenging

situation is a key objective of the Council's Employment and Skills Recovery Action Plan.

- 2.2. On 12 May 2021, Members of the Central London Board agreed to submit a proposal for European Social Fund funding to deliver employment support provision across the twelve Central London Forward boroughs including Haringey. The proposal was successful, and Haringey will receive a grant of £668,138 for a programme of employment support aimed at helping people to improve their skills and prospects. We will also support young people as well as those furthest away from the labour market

### **3. Recommendations**

- 3.1. For the Cabinet Member for Employment and Corporate Services to approve the implementation of Contract Standing Order 9.07.1d and Contract Standing Order 17.1 ((all contracts valued at £500,000 (five hundred thousand pounds) or more at the time of award may only be awarded, assigned, or novated by the Cabinet.)) and approve receipt of the ESF grant of £668,138 for the Connecting Communities programme to provide for additional capacity for employment and skills support for Haringey residents.

### **4. Reasons for decision**

- 4.1. On 12th May 2021, Members of the Central London Board (Borough Leaders with CEOs in attendance), agreed to submit a proposal to ESF to deliver employment support provision across the twelve CLF boroughs. The acceptance of the grant follows on from the success of the proposal. The ESF funding was secured through a partnership bid called 'Connecting Communities' with the 12 Central London Forward (CLF) boroughs. CLF staff worked closely with the boroughs to develop and submit the proposal in June 2021 following approval from the CLF Board in May 2021.
- 4.2. This bid responds to the aim of the ESRAP to support Haringey residents adversely affected by the economic impact of Covid. This programme will support the 'Targeted Approach' workstream of the ESRAP, the objective of which is to reduce the unemployment rate of those most impacted by Covid. Haringey has the highest claimant count rate for Central London (9.3%). The ESRAP also outlines the need to address in-work poverty in the borough, which this grant will support by assisting residents with in-work support. The Connecting Communities programme will play a role supporting the delivery of the Good Economy Recovery Plan and associated Employment and Skills Recovery Action Plan.
- 4.3. The programme will also provide intermediary labour market opportunities that unlike Kickstart, are paid at London Living Wage which aligns with one of the 9 London Recovery Board's missions; 'Helping Londoners into Good Work'
- 4.4. The Haringey Works team have a number of advisors that work with residents to provide employment and skills support. The aim of this provision is to support the existing service by working closely with those furthest away from the labour market, by getting people on steps closer towards employment. The pandemic has caused an increase in the number of people unemployed, the outputs

therefore will be related to employment, education and/or training and encouraging longer term support.

- 4.5. The programme is for long-term unemployed people, economically inactive people that are furthest away from the labour market. Focusing on the Work and Health programme leavers that did not secure employment, and those hardest to help groups with multiple and complex barriers (e.g. ex-offenders, individuals with drug/alcohol problems, individuals without literacy/numeracy skills, individuals facing homelessness, BAME communities, over 50's, lone parents and individuals with health and disability issues). The proposed start date for the programme is 4th January 2022 with staff expected to be in post by 13th December 2021.

## **5. Alternative options considered**

- 5.1. Option to not accept -In a period of continuing employment challenges for Haringey's residents as unemployment pressure is expected to continue in to 2022, not accepting the funding would make the Council less able to support into employment those furthest away from the job market. It would also counter an agreement made in principle with Central London Forward of participating in a programme that would support the borough whilst facing high numbers of unemployment post Covid.

## **6. Background information**

- 6.1. Pre-Covid, Haringey's economy was growing but its proceeds were not being equally shared and there continued to be significant employment challenges for those furthest away from the job market. The pandemic has had a major national and local impact on the economy and local people and has compounded pre-existing employment inequalities faced by Black and Minority Ethnic groups, women, younger and older people, and those already experiencing disadvantage in the job market.
- 6.2. The economic shocks of the pandemic have triggered large scale redundancies and unemployment, exceeding the levels reached in the last recession. In the year since the pandemic started (March 2020/21), there has been a 140% rise in London in the number of Londoners claiming universal credit for unemployment. In Haringey, the economic impact has been acute, with 170% rise in claimant numbers and there were over 22,000 residents unemployed in the summer of 2021. Whilst output is expected to recover in 2022, it is also expected that employment recovery will be slower and long term economic scarring of Haringey's labour market will continue with prolonged unemployment expected to remain through to mid 2023, making the need for support for those furthest away from the job market a continuing priority.
- 6.3. On 12 May 2021, Members of the Central London Board (Borough Leaders with CEOs in attendance), considered preferred options to prioritise for ESF bidding, and agreed to submit a proposal to ESF to deliver employment support provision

across the twelve CLF boroughs with an aim to significantly develop the ‘no wrong door’ workstream as part of the Good Work for All mission.

- 6.4. The programme is for 21 months, 15 months with participants being supported and a further 6 months of in-work support. The programme will cumulatively; engage with 15,000 unemployed/inactive participants. Support a minimum of 6,000 participants (40%) into sustainable employment (with a minimum of 40% sustaining employment at 6 months), support a minimum of 2,000 participants into education or training, 750 participants progressing onto supported job search activities following the programme. The table below sets out the outputs that Haringey is expected to deliver. There is an element of payment by results included, a relatively low percentage of the overall contract value, this detail will be provided at contract stage.

<b>6.5. Criteria</b>	<b>6.6. Outputs</b>
6.7. Registered to programme	6.8. 575
6.9. Jobs	6.10. 144
6.11. Education & Training	6.12. 125

- 6.13. Delivery is set to start from January 2022 to December 2023 with staff training scheduled for December 2021.
- 6.14. CLF will manage the grant contract and offer the Programme Management Office support to the boroughs. At this point European Programme Management Unit have advised that ILM support should be ringfenced for ESF priority 1.4 participants (those furthest from the Labour market). There will be 120 ILM opportunities in total, 10 per borough.

## **7. Contribution to strategic outcomes**

- 7.1. This grant will support activity to deliver Outcomes 14 and 15 of the Borough Plan:

Outcome 14. A borough where all residents have access to training skills and development opportunities and more people are supported into work.

Outcome 15. A borough with more quality jobs with opportunities for progression and

- 7.2. Employment and Skills Recovery Action Plan priorities: The contract supports sector focus on jobs for Haringey residents in the Construction, Health and Social Care and Engineering sectors, and in work progression. It also aligns with the Council's targeted approach of focusing employment and skills training support on those most impacted by Covid by using data to support that focus for example the newly unemployed, young people, care leavers, residents with disabilities both physical and mental, women, people from Black, Asian and Minority Ethnic backgrounds, low earners, people over 50 and those who are digitally excluded.

## **8. Statutory Officers comments**

### **8.1 Finance**

8.1.1 This report is for Cabinet to approve the implementation of Contract Standing Order 9.07.1d. ((all contracts valued at £500,000 (five hundred thousand pounds) or more at the time of award may only be awarded, assigned, or novated by the Cabinet.)) and formally accept the ESF grant of £668,138 for the Connecting Communities programme to provide for additional capacity for employment and skills support for Haringey residents.

## 8.2 Procurement

8.2.1 Strategic Procurement note the contents of the report and that it does not relate to a procurement matter.

## 8.3 Legal

8.3.1 The Head of Legal and Governance (Monitoring Officer) has been consulted in the preparation of this report.

8.3.2 In accordance with Contract Standing Order 9.07.1(d)\_ and Contract Standing Order 17.1 Cabinet has authority to approve receipt of grants valued at £500,000 or more.

8.3.3 The Head of Legal and Governance (Monitoring Officer) sees no legal reasons preventing Cabinet from approving the recommendations in the report.

## 8.4 Equality

8.4.1 The council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not

The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/fait, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

8.4.2 The decision refers to accepting the ESF funded “Connected Communities” programme to deliver additional employment support and employer engagement through Haringey Works. The funding enables an ESF programme to provide additional capacity in the Haringey Works team to deliver against the Employment and Skills Recovery Action Plan (ESRAP) priorities supporting residents into Good Work during a period of high unemployment.

8.4.3 Haringey Works aims to equip Haringey residents with necessary employment and skills support to obtain sustainable employment. The funding will enable additional support within the Haringey Works team as the programme will focus on supporting people that are ready for employment as well as long-term unemployed people, economically inactive people that are furthest away from the

labour market and those hardest to help groups with multiple and complex barriers (e.g. ex-offenders, individuals with drug/alcohol problems, individuals without literacy/numeracy skills, individuals facing homelessness, BAME communities, over 50's, lone parents and individuals with health and disability issues).

- 8.4.4 Equality issues were considered in the bidding process by Central London Forward (CLF). As the recommended acceptance of grant does not represent a change to the Haringey Works service methodology or the target cohorts, this will not have a negative impact on equality.

**9. Use of Appendices**

Appendix A: Outcome of ESF Full Application Appraisal & Borough Revenue Breakdown

**10. Local Government (Access to Information) Act 1985**