



Haringey Council

Contents

- **Good news and bad...**
- **Recession Statistics To Date**
 - not straight forward...
 - Trends and Likely Impacts
- **Towards a Resilience Plan:**
 - What we are doing now
 - What we are considering doing
 - What other London Councils are doing
 - What do you think ?



The Recession – Good News and Bad...

- “... there is a consensus that the **worst of the recession is over**..no reason why the bounce back should not be robust in 2010...led by business services; high value engineering; post and telecoms”... David Smith Economic Outlook Sunday Times 10-5-09
- “... In 2010 the UK govt. will be spending 52% of GDP – but only receiving 38% in revenue.. **These are numbers one would expect in a time of war.** In real terms govt spending will have to be stagnant over 2 parliaments – this will mean pay freezes and reduction in public benefits/spending...” Martin Wolf FT Economist 8-5-09



Haringey Council

Statistics of the Recession 1.

...where are we in April/May 2009 ?....

- **Unemployment: 2006/08 – not as bad as EU – 8.2%**
 - UK 6.6% – 6.7% of working age pop (1.6m)
 - London 7.9% – 7.9% (292k)
 - Haringey 9.7% – 8.2% (10k) (but increase in economically inactive population)
- **Employment Rate: 2006/08 – but 200k jobs go in London**
 - UK 74% – 74% of working age pop (28m)
 - London 69% – 70% (3.6m)
 - Haringey 69% – 64% (101k)



Haringey Council

Statistics of the Recession 2.

- **Vacancies JCP: 2005/09** – other figs show UK vacancies down 222k in a year
 - England 247k – 229k
 - London 26k – 28k
 - Haringey 782 - 812
- **Claimant Count: 2008/09**
 - England up to 1.3m +81% on last year
 - London up to 219k +64% on last year
 - Haringey up to 9k +45% on last year – (note last recession in 1992 – 20k in Haringey)
 - 38% increase in Tottenham over the past year – but bigger increases in Hornsey and Wood Green (57%)



Haringey Council

Statistics of the Recession 3.

- **Basic Skills (up to level 2) 19-64 years: 2004/08**
 - England 66% – 73%
 - London 64% - 73%
 - Haringey 53% - 74%
- **Business Skills and Staff Training Needs 2008**
 - London Business surveys and level of innovation always show London businesses/managers to be lacking in skills, little training being given to staff and few apprenticeships
 - Recent Surveys of businesses in Haringey by North London Business and Business Link showed that businesses here are less downbeat about their future than across and many were likely to try and expand!!!
 - The Employer Zone was launched in February 2009, a partnership between Haringey Council, KIS Training, CONEL and the Haringey Guarantee to provide SMEs with the opportunities to develop their staff and to assist with recruitment.



Haringey Council

Statistics of the Recession 4.

- **Haringey – Enterprise and Council Income Impacts 2008-09**
 - Business insolvency/liquidation – 27% increase
 - Private firms are increasingly cutting wages and moving to shorter working weeks
 - Business Rates recovery will become a problem
 - Nos of planning/building control applications – down 20%
 - S106 agreements will be affected
 - New housing development and affordable schemes are hard to make happen
 - Regeneration projects will stall – e.g. Tottenham Hale; Heartlands
 - Town Centre vacancy rates – no real change



Haringey Council

Statistics of the Recession 5.

- **Haringey – Enterprise and Council Income Impacts 2008-09**
 - Council receipts from property sales/rent renewals – will be affected
 - Council treasury investment income is falling
 - No impact yet on debts owed to Council
 - Council Tax recovery will be affected
 - Leisure fees have gone up – press reports show voluntary/private sector struggling
 - Car Parking income will be affected



Haringey Council

Statistics of the Recession 6.

- **Haringey – Debt and Poverty Impacts 2008-09**
 - New Claims for Housing/Council Tax Benefit – 100% increase
 - Homelessness – this will increase
 - Mortgage and rent arrears are on the increase
 - Private Landlord repairs will take longer
 - Citizens Advice on welfare, debt, housing and employment has gone up 50-100%
 - Voluntary Sector – greater demands on it but very limited extra support from local councils
 - Fuel poverty will be a problem
 - Free School meals – 75% of the school roll is eligible



..towards a Resilience Plan

...this is what we are doing now...

Supporting Residents:

1. Maintaining Haringey Guarantee (HG), Families in Work and North London Pledge Programmes
2. Extend HG to support newly unemployed and new access from up to 40 additional community locations in the Borough
3. Closer working relationship with JCP, SLA with Reed Partnership and preparing for new national £1bn (April Budget) Future Jobs Fund
4. Expansion of the Haringey Apprenticeship scheme to include the Council; Building Schools for the Future and Decent Homes programmes, and other members of Haringey Strategic Partnership – Council committed to 25 places this year and 70 next year.
5. Promotion of Fuel Poverty programme to help those on low incomes pay for adequate heating and energy
6. Promotion of “Claim it” and “Reaping the Benefit” campaigns to ensure people get what they are entitled to
7. Promotion of Free Schools Meals for those who are eligible



..towards a Resilience Plan

...this is what we are doing now....

Supporting Enterprise

8. Establishing the “Employer Zone” in partnership with CONEL – where businesses can post vacancies and can access staff training
9. Business advice/support information in the Council’s annual business rates demand
10. Maintain advice and support on Business Rate Relief – this has been growing each year
11. Programme to move from 21 days guaranteed payment of invoices to local SMEs – to 10 days in 09-10
12. Production of an easy-read Business Guide to Council Services



..towards a Resilience Plan

...this is what we are doing now....

Supporting Enterprise

13. More active advice for local businesses to bid for public and Olympic contracts
14. Quarterly Meetings with local banks and business representatives
15. Regular business advice and networking meetings, (through North London Business) to advise businesses on managing the recession
16. Establish a Haringey Business Board and supporting and meeting Main and District Centre Town Centre Business Groups (Wood Green; Tottenham; Green Lanes; Crouch End; Muswell Hill) – to find out what the Council might do to help
17. The Homes and Communities Agency – Haringey Investment Plan, to support and bid for funding for housing and infrastructure schemes
18. Production of a “Recession Dashboard” to track the impact of the recession on Haringey and the local economy.



Haringey Council

The Recession Dashboard

Indicator	Frequency	Data Provider/ Officer	HARINGEY				LONDON				ENGLAND				Commentary
			Previous data	Latest data	Trend	RAG	Previous data	Latest data	Trend	RAG	Previous data	Latest data	Trend	RAG	
Sports and Leisure facilities - usage	Annual	Recreation Services John Morris	1,179,584 (2008/09)	2,443 (to May 09)	↑	Green	LOCAL INDICATOR								There were over 1.2 million users of leisure facilities in 2008/09, compared to over 900,000 in 2007/08
Usage of public libraries per 1,000 pop	Monthly with a 1 month time lag	Library Services Diana Edmonds	9,528 (2008/09)	9,484 (Year to May 09)	↑	Green	LOCAL INDICATOR								The target number of users per 1,000 population for 2009/10 is 9000 and the average for the year to date is above this.
Working age employment rate	Quarterly (based on 4 quarter average) with a 6 to 8 month time lag	ONS/Nomis Ambrose Quashie	65.9% (Jan 2007 to Dec 2007)	63.7% (Jan 2008 to Dec 2008)	↓	Red	69.8% (Jan 2007 to Dec 2007)	70.4% (Jan 2008 to Dec 2008)	↑	Green	74.4% (Jan 2007 to Dec 2007)	74.2% (Jan 2008 to Dec 2008)	↓	Amber	In the year to December 2008 the employment rate in Haringey was 63.7%, down a rate of 65.9% in the previous year. Haringey's employment rate remains below the London (70.4%) and England (74.2%) averages.
ILO unemployment rate	Quarterly (based on 4 quarter average) with a 6 to 8 month time lag	ONS/Nomis Ambrose Quashie	8.4% (Jan 2007 to Dec 2007)	7.3% (Jan 2008 to Dec 2008)	↓	Amber	6.9% (Jan 2007 to Dec 2007)	7.1% (Jan 2008 to Dec 2008)	↑	Amber	5.4% (Jan 2007 to Dec 2007)	6.0% (Jan 2008 to Dec 2008)	↑	Red	In the year December 2008 the ILO unemployment rate in Haringey was 7.3%, down from a rate of 8.4% in the previous year. However, it should be noted that the economic inactivity rate (i.e. people not actively seeking work) in Haringey increased from 28.0% to 31.3% over the same period, suggesting that more people in the borough are making themselves unavailable for work. Haringey's unemployment rate is currently above the London (7.1%) and England (6.0%) averages.
Out of work benefits claim rate (Haringey)	Quarterly with a 6 month time lag	ONS/Nomis Ambrose Quashie	17.8% (Nov 2006 to Aug 2007)	16.8% (Nov 2007 to Aug 2008)	↓	Green	12.8% (Nov 2006 to Aug 2007)	12.3% (Nov 2007 to Aug 2008)	↓	Green	11.6% (Nov 2006 to Aug 2007)	11.3% (Nov 2006 to Aug 2008)	↓	Green	In the year to August 2008, the out of work benefits claim rate in Haringey was 16.8%, down from a rate of 17.8% a year ago. On an annualised basis, this is the lowest the out of work benefits claim rate has been in Haringey since comparable records began. However, it should be noted that these figures do not fully reflect the impact of the recession on the labour market.
Out of work benefits claim rate in the worst performing neighbourhoods	Quarterly with a 6 month time lag	ONS/Nomis Ambrose Quashie	27.9% (Nov 2006 to Aug 2007)	26.3% (Nov 2007 to Aug 2008)	↓	Green	27.4% (Nov 2006 to Aug 2007)	26.0% (Nov 2007 to Aug 2008)	↓	Green	30.2% (Nov 2006 to Aug 2007)	29.4% (Nov 2007 to Aug 2008)	↓	Green	In the year to August 2008 the out of work benefits claim rate in the worst performing neighbourhoods was 26.3%, down from a rate of 27.9% a year ago. The out of work benefits claim rate in Haringey's worst performing neighbourhoods is below the rate for similar neighbourhoods in England (29.4%) but slightly above the rate for similar neighbourhoods in London (26.0%). It should be noted that these figures do not fully reflect the impact of the recession on the labour market. Provisional data indicate that between the year to November 2008 and the year to February 2009, the claim rate in Haringey's worst performing neighbourhoods changed from 26.2% to 26.5%.
Claimant count unemployment	Monthly with a 1 month time lag	ONS/Nomis Ambrose Quashie	4.2% (Jul 2008)	6.1% (Jul 2009)	↑	Red	2.8% (Jul 2008)	4.3% (Jul 2009)	↑	Red	2.3% (Jul 2008)	4.1% (Jul 2009)	↑	Red	At July 2009, 6.1% of Haringey's working age population was claimant count unemployed, up from a rate of 4.2% a year ago. This is the highest this rate has been since September 2000. It should be noted that the welfare reform changes affecting lone parents, who are being transferred from Income Support to Job Seekers Allowance, will also have an impact on these figures. Haringey's claimant count unemployment rate remains above the London (4.3%) and England (4.1%) averages.
Incapacity Benefits claim rate	Quarterly with a 6 month time lag	ONS/Nomis Ambrose Quashie	7.7% (Feb 2008)	7.6% (Feb 2009)	↓	Amber	6.1% (Feb 2008)	6.0% (Feb 2009)	↓	Amber	6.7% (Feb 2008)	6.6% (Feb 2009)	↓	Amber	At February 2009, the Incapacity Benefits claim rate in Haringey was 7.6%, down from a rate of 7.7% per cent a year ago. On annualised basis this is the lowest the Incapacity Benefits claim rate has been in seven years. However, it should be noted that the figures for February 2009 also include Employment and Support Allowance (ESA) claimants. ESA replaced Incapacity Benefit for new claimants from November 2008 and the more stringent eligibility criteria for this benefit will have an impact on the claimant figures. Haringey's claim rate remains above the London (6.0%) and England (6.6%) averages.



The Recession Dashboard

- PEOPLE AT THE HEART OF CHANGE
 - Sports and Leisure facilities - usage
 - Usage of public libraries
- AN ENVIRONMENTALLY SUSTAINABLE FUTURE
 - Market price of low quality, high volume recyclables
- ECONOMIC VITALITY AND PROSPERITY SHARED BY ALL
 - Working age employment rate
 - ILO unemployment rate
 - Out of work benefits claim rate (Haringey)
 - Out of work benefits claim rate in the worst performing neighbourhoods
 - Claimant count unemployment
 - Incapacity Benefits claim rate
 - New business registration rate (VAT and PAYE)
 - Take up of free school meals
 - Percentage of school roll eligible for free school meals.
 - Mortgage possession orders in the Edmonton county court (closest county court to Haringey)
 - Landlord possession orders in the Edmonton county court (closest county court to Haringey)
 - Average house prices for Haringey
- SAFER FOR ALL
 - Serious acquisitive crimes per 1,000 population
- HEALTHIER PEOPLE WITH A BETTER QUALITY OF LIFE
 - Number of new adult social care assessment/care package applicants
- PEOPLE AND CUSTOMER FOCUSED
 - Business rates collection rate
 - Business rent arrears to the council
 - Number of housing/council tax benefits claims
 - Council Tax collection rate
 - Council tax reminders issued
 - Council tax summonses issued
 - Search fees comparison with same month previous year
 - Planning application fees
 - Pre-application income
 - Disposals - prices achieved at auction
 - Homelessness approaches



Haringey Council

..towards a Resilience Plan

...what is the Haringey SP is thinking of doing -
extra...

- Could credit unions services be expanded into Haringey?
- Recognition for businesses who employ local people
- Work with the Voluntary sector to increase “volunteering as a route back to work”
- Work with CAB to increase support for growing community advice needs
- Promote flexible working and working from home as an alternative to redundancy



Haringey Council

..towards a Resilience Plan

...other London Councils ideas – what do you think of these?

The Regeneration Team reviewed what 22 Councils were doing to support residents and businesses during the recession. Mainly we found Councils all doing similar things. But here are some projects that Haringey is not doing – what do you think?:

- **Taxes** - Spreading the Payment of Council Tax and NNDR over 12 months not 10
- **Town Centres** – increase parking and reduce charges; shop and buy local campaigns; shop improvement grants
- **Procurement** – move to purchase 50% of all goods and services in 3 years time (WF); slim down pre qualification system/information; more simple electronic procurement
- **Business Costs** – review all Council services to reduce business costs



Haringey Council

..towards a Resilience Plan

...other London Councils ideas – what do you think of these?

- **Property** – make some council property free to businesses; move to monthly rental payments not usual quarterly in advance payments
- **Business Advice** – more trade and business to business fairs – this is easier for businesses to ask for what they want and make business contacts and loan guarantee schemes
- **Business Finance** – create loan funds (Wandsworth/Croydon); create local bank (Essex)
- **Skills** – more and better advice on “self employment “ and “business start up” as routes out of employment



Haringey Resilience Plan

Please let us know what you think.

Contact the Regeneration Team

Thanks