

Agenda item:

**[No.]**

**Cabinet**

**On 20 April 2010**

Report Title: Work and Skills Plan

Report of Niall Bolger (**Director of Urban Environment**)

Signed :

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Wards(s) affected: **All**

Report for: Non-Key Decision

**1. Purpose of the report (That is, the decision required)**

1.1. Haringey Council has submitted a successful application to create 221 jobs as part of the Future Jobs Fund. Due to this successful application the Council now has a duty to produce an initial Work and Skills Plan by April 2010 and a full three year Work and Skills Plan by April 2011. This report presents the initial Work and Skills Plan for Cabinet's approval before submission to the Department of Work and Pensions and Communities and Local Government

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

- 2.1. Having a Work and Skills Plan is a statutory duty that the Council has to comply with, as part of submitting a successful Future Jobs Fund bid.
- 2.2. An initial Work and Skills Plan has to be completed by April 2010 with a full three year plan in place by April 2011
- 2.3. The initial Work and Skills Plans begins the process of further enhancing the Council's strategic framework to tackle worklessness while promoting and

supporting sustainable economic growth in the borough.

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

- 3.1. The initial Work and Skills Plan will cover the following **Council Plan** priorities:
- Encouraging lifetime well-being, at home, work, play and learning by starting the process of developing a framework for providing more sustainable and progressive employment opportunities to Haringey residents.
  - Promoting independent living while supporting adults and children when needed by promoting sustainable and progressive employment as a route out of poverty.
  - Delivering excellent, customer focused, cost effective services by starting the process of developing a more simplified employment and skills system for Haringey residents to access.
- 3.2. The initial Work and Skills Plan will contribute to the **Sustainable Community Strategy** outcome to deliver economic vitality and prosperity shared by all through improving the opportunities for accessing sustainable and progressive employment opportunities.
- 3.3. The initial Work and Skills Plan will also make a strong contribution to the priorities outlined in the Council's **Regeneration Strategy**.

**4. Recommendations**

- 4.1. That the Cabinet is asked to approve the initial Work and Skills in Appendix 1 for submission to Department for Work and Pensions and Communities and Local Government.

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

- 5.1. The Council has a duty to produce an initial Work and Skills Plan by April 2010. The recommendation to approve the initial Work and Skills Plan in Appendix 1 will fulfil this duty.

**6. Other options considered**

- 6.1. No other options were considered as the Council has a duty to produce an initial Work and Skills Plan by April 2010 and a full three year Work and Skills Plan by April 2011.

## **7. Summary**

- 7.1. The Council submitted a successful Future Jobs Fund application in October 2009 to create 221 jobs across the borough. 155 of these jobs will be created directly in the Council.
- 7.2. On 4 February two documents were published outlining the requirements for producing Work and Skills Plans:
- A joint Department for Work and Pensions (DWP) and Communities and Local Government (CLG) policy statement.
  - Draft detailed guidance commissioned by the Improvement and Development Agency (IDeA) and produced by Shared Intelligence. Comments on the draft guidance are invited up to 5 March 2010.
- 7.3. The Guidance advised that successful local authority led bidders will need to produce an initial Work and Skills Plan by April 2010 and a full three year Work and Skills Plan by April 2011.
- 7.4. This report presents the Council's initial Work and Skills Plan, which sets out the following:

### **1. A legacy plan for the Future Jobs Fund (FJF), which sets out the longer term benefits that the investment will produce**

The Council, with partners, submitted a successful FJF application in October 2009 to create 221 jobs; 155 of these will be in the Council. Delivery started in February 2010 and so far 20 people are in post. A further 24 people offered positions and will start work in April 2010.

In order to further support the Government's investment (which will fund the jobs for a maximum of 6 months) more needs to be done to ensure sustainability. As part of the Council's FJF bid 22 apprenticeships will be created, ensuring that these jobs will last for at least 12 months. Structured training plans for each FJF employee that will include NVQ qualification support, where appropriate are also being developed. The jobs created have been done so in strategic areas to support growth sectors and functions such as succession planning (e.g. the parks service) thereby increasing the chances that FJF employees are accessing opportunities that last beyond 6 months. The Haringey Strategic Partnership (HSP) will invest £210,000 from its Working Neighbourhoods Fund allocation to extend the lifetime of up to 65 FJF jobs to up to 12 months. Where jobs cannot last beyond the initial 6 months, investment through the Haringey Guarantee will continue to be made available to support people into employment.

While the bid is creating the single largest number of jobs, there are a number of other FJF bidders who are creating jobs in the borough. We will be working with Jobcentre Plus over the coming months to engage with these bidders to further strengthen the FJF legacy set out in the initial Work and Skills Plan.

**2. Evidence to inform the future of devolved worklessness funding, in anticipation of the next Comprehensive Spending Review, using the success of the Haringey Guarantee, Families into Work and the North London Pledge as key examples.**

Since the **Haringey Guarantee** was established in September 2006 it has engaged with over 2,300 residents and supported 432 people into sustained employment. Some 94 families are currently being supported though the **Families into Work** project with 16 people gaining employment (ahead of schedule), 14 people on skills courses and 8 people on work placements. The first phase of the **North London Pledge** has provided employment support to 500 residents, helped 211 people to gain basic skills qualifications and 166 people to gain level 2 qualifications across the Upper Lee Valley with 59 people supported into sustained employment. The success of the North London Pledge means that the London Development Agency (LDA) will invest £2m for the programme to support 400 people into sustained employment from February 2010 to July 2011.

All of these activities add value to mainstream provision and importantly reach and support people that fail to engage with mainstream services. One of the key reasons for this is that the provision from our local programmes is made available to individuals/families based on the barriers to employment they face and not the benefits they claim (unlike existing mainstream services). This personalised and tailored service makes it possible to support our residents in a holistic and effective way.

A practical example of how our programmes effectively add value to mainstream services is the FJF. It has become quite clear during delivery that the investment to create the jobs is not enough. Without the additional support provided by the Haringey Guarantee, many candidates would not have been fully prepared to take advantage of FJF opportunities, for which competition has proven to be fierce. This has reinforced our view that without this additional provision the bid could not be successfully delivered in a way that provides FJF participants with enough support to take advantage of current and future employment opportunities.

The importance of this additionality cannot be understated and importantly is being delivered while achieving value for money. We estimate that the average unit cost for supporting a Haringey Guarantee participant into sustained employment is £3,000. This compares favourably to Lord Freud's national estimate from 2007 of £5,110<sup>1</sup>.

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<sup>1</sup> Based on someone aged 25+ on the Employment Zone.  
Report Template: Formal Bodies

### 3. The case for involvement in the commissioning and performance management of the forthcoming Personalised Employment Programme

The Secretary of State for Work and Pensions announced on 16 June 2009 that the Personalised Employment Programme (PEP) will be piloted from March 2011 in the following areas:

- Barnet, Enfield and Haringey
- Hampshire and the Isle of Wight and Thames Valley JCP districts

The PEP will combine employment support for a number of client groups under a single contract that will be worth up to £70m in Barnet, Enfield and Haringey (Cabinet should note that this includes £15m that the LDA will be investing into the PEP in the three North London boroughs). These client groups include:

- Job Seekers Allowance claimants who have been unemployed for more than 12 months
- Employment and Support Allowance claimants
- Lone parents claiming Income Support with a youngest child aged 3-6
- Some partners of benefit claimants with a youngest child aged 3-6

The scale of the PEP means that it will replace Pathways to Work and that the Flexible New Deal will not be rolled out in the pilot areas.

The White Paper *Raising expectations and increasing support: reforming welfare for the future*, published on 10 December 2008, confirmed the Government's intention to establish a 'national spine' of employment provision, guaranteeing a minimum service standard, that is reinforced by local, wraparound provision. To deliver this the White Paper set out three levels of devolution to increase influence and accountability at a local level:

- **Consultation/engagement (level 1)** – Involving local areas in the design and commissioning of mainstream employment contracts.
- **Co-commissioning (level 2)** - Sub-regional partnerships (e.g. through Multi Area Agreement and City Strategy Pathfinder structures) adding value to DWP contracted provision through improved alignment of existing funding streams.
- **Devolving contracting responsibility to sub-regional partnerships (level 3)** – The Government intends to move to this level on a managed basis.

The three North London boroughs are very keen to have a significant involvement in the commissioning and delivery of PEP, in line with level 1 devolution, and, supported by the North London Strategic Alliance, are working with the DWP to develop this relationship, which has been strengthened by Haringey Council signing a 'Chinese Walls' agreement with the DWP meaning that named Council officers can be involved in the detailed discussions around commissioning the PEP provider. Barnet and Enfield Councils are expected to sign similar agreements with the DWP.

This relationship is important to ensure that the PEP is able to deliver services that are tailored to the needs of the workless residents in the three boroughs and also that PEP provision is truly complementary to existing local activities, such as the North London Pledge. Work to further develop these complementary services will be done as part of developing the full Work and Skills Plan.

#### **4. Areas that will be considered further as part of developing the full three year Work and Skills Plan.**

Areas to be considered as part of developing the full Work and Skills Plan have been identified in this initial Plan. This will be done as part of the framework in the draft IDeA and Shared Intelligence guidance covering:

- The strategic and economic context
- Governance and partnership arrangements
- A comprehensive analysis of the labour market
- Mapping provision to enable the development of customer journey
- Setting out the vision and priorities
- LAA commitments and targets
- Priorities for commissioning
- An action and investment plan
- Monitoring, management and evaluation arrangements

We are also keen to explore how this can be developed in line with the principles of Total Place.

As well as further developing the areas that have been highlighted in this initial Plan there will also be work done around:

- It is expected that the next few years will result in tight financial settlements for many public sector agencies. Because of the significant role the public sector plays as an employer in the borough the full Work and Skills Plan will consider how employment and skills services in the borough can be improved to better support this sector.
- Establishing a more comprehensive and integrated employer offer that will involve the LEP, Haringey Guarantee, skills providers and the business led partnerships like the Haringey Business Board.
- Working with the Council's Drug and Alcohol Action Team (DAAT) and JCP's drug co-ordinator to strengthen the employment and skills support for people with a drug and/or alcohol misuse problem.
- Supporting the Council's Community Safety Team and the work being done to increase the support to non-statutory offenders through the Haringey Reducing Re-offending Programme (HARRP).
- Working with the Council's Temporary Accommodation team to further reduce homelessness in the borough by increasing the access to employment and training opportunities amongst this client group.
- Strengthening the partnerships around young people, especially with those organisations that play an integral role in supporting NEETs, such as Connexions.
- Producing an Equalities Impact Assessment to support the priorities

included in the full Plan

- Ensuring the needs of the voluntary and community sector are adequately reflected by Compact proofing the full Plan.

The full Work and Skills Plan will be developed and agreed through the structures of the HSP.

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

- 8.1. The costs of making the Future Jobs Fund application and of preparing this report can be contained within existing budgets. Producing the Works and Skills plan is a requirement of the application process and failure to produce this plan may jeopardise the receipt of funding.
- 8.2. There are no direct Financial implications from the attached plan, but the development of associated strategies may have significant implications with respect to future costs and funding levels. These issues will be reported to Cabinet for agreement as appropriate.

## **9. Head of Legal Services Comments**

- 9.1. The Council has a statutory duty under Section 69 of the Local Democracy , Economic Development and Construction Act 2009 to prepare an assessment of the economic conditions of its area. The draft statutory guidance on this duty requires that economic assessments should contain a worklessness assessment that will provide the evidence base for the full Work and Skills Plan.
- 9.2. There are no specific legal implications arising from producing the initial Work and Skills, except in relation to the Council's Future Jobs Fund application, which is the reason why this Plan has to be produced.
- 9.3. The Secretary of State for Works and Pensions has power under section 2 of .the Employment and Training Act 1973 to provide funding to the Council acting as Lead Accountable Body (LAB) to support the creation of jobs for Eligible Individuals ("the Future Jobs Fund").
- 9.4. In exercise of her powers under the Act, the Secretary of State has determined that a maximum of £1.4m will be paid to the Council subject to compliance with the terms of the Determination Letter, the grant conditions attached and the letter of acceptance and acknowledgement signed on behalf of the Council.
- 9.5. For the purposes of the Future Jobs Fund (FJF) an "Eligible Individual" is defined as a person whose eligibility has been confirmed by Jobcentre Plus. They will generally either be long-term claimants of Jobseeker's Allowance aged 18 to 24 , or long-term claimants of out-of-work benefits in areas of high unemployment. Other individuals may be confirmed as Eligible by Jobcentre Plus at its discretion. Each eligible Individual may only be employed in a FJF job and the cost claimed by only one Organisation/Lead Accountable Body.
- 9.6. Legal Services has co-operated closely with Economic Regeneration in the drafting of the Future Jobs Fund Funding Agreement. The Council will enter into Funding Agreements with Implementing Agencies who will deliver the Services set out in the Project Specifications.

**10. Head of Procurement Comments –[ Required for Procurement Committee]**

10.1. N/A

**11. Equalities & Community Cohesion Comments**

11.1. Employment and skills services focused on welfare to work target people that are furthest from the labour market who tend to suffer from multiple forms of disadvantage. The initial Work and Skills Plan starts the development of a framework to better support people who are furthest from the labour market.

11.2. An Equalities Impact Assessment will be produced as part of the developing the full Work and Skills Plan by April 2011.

**12. Consultation**

12.1. A consultation event was held on 29th March at the Civic Centre with internal and external stakeholders to inform the development of the initial Work and Skills Plan.

12.2. CAB was briefed on the initial Work and Skills Plan on 11 March and CEMB received a draft of the initial Plan on 23 March.

**13. Service Financial Comments**

13.1. The costs of the initial plans have been contained within the existing budgets. There may be financial implications in relation to producing the full 3 year plan and the external funding that can be drawn down as a result of this. This will be reported to Cabinet at a later date.

**14. Use of appendices /Tables and photographs**

14.1. Appendix 1: Initial Work and Skills Plan

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

15.1. Department for Work and Pensions and Communities and Local Government (2010) *Work and Skills Plans: Next Steps Policy Statement*

15.2. Improvement and Development Agency and Shared Intelligence (2010) *Work and Skills Plans Draft Guidance*



## **Appendix 1: Initial Work and Skills Plan**

### **1. Introduction**

Haringey Council submitted a successful Future Jobs Fund (FJF) application in October 2009 to create 221 jobs within the Council and several partner organisations between February 2010 and November 2010. Due to this successful application the Council has a duty to produce an initial Work and Skills Plan by April 2010 and a full three year Work and Skills Plan by April 2011. This document sets out the initial Work and Skills Plan.

The requirement for English local authorities to develop Work and Skills Plans was a recommendation that emerged from the Houghton Review into tackling worklessness, published in March 2009. The Houghton Review argued that having such plans in place would simplify the framework for local partners to work together to deliver local employment and skills interventions and make it easier for central government to devolve more responsibility.

In the Government's response to the Houghton Review, published in May 2009, this recommendation was accepted and a mandatory duty was placed on all English local authorities leading on successful FJF bids to have a Work and Skills Plan in place by April 2010. Haringey Council is covered under this duty as it has recently submitted a successful FJF bid. However, as the Work and Skills Plan should be a response to local needs identified through the Local Economic Assessment the Government has agreed to a transitional period where initial Work and Skills Plans are produced by April 2010 with full Plans being in place by April 2011.

On 4 February 2010 two documents were published outlining the requirements for producing Work and Skills Plans:

- A joint Department for Work and Pensions (DWP) and Communities and Local Government (CLG) policy statement.
- Draft detailed guidance commissioned by the Improvement and Development Agency (IDeA) and produced by Shared Intelligence.

As outlined in the guidance published on 4 February this initial Work and Skills Plan will focus on two key areas:

1. Setting out an effective legacy plan for the FJF that demonstrates the longer term benefits that the investment will produce.
2. Providing Government with evidence to inform the future of devolved worklessness funding, in anticipation of the next Comprehensive Spending Review.

The initial Work and Skills Plan will also set out areas to be explored in more detail as part of developing the full Work and Skills Plan.

A consultation event was held on 29 March to give strategic and delivery partners an opportunity to contribute the development of the initial Work and Skills Plan. The initial Plan has also gone through the decision making structures of the Council.

## 2. Definition of worklessness

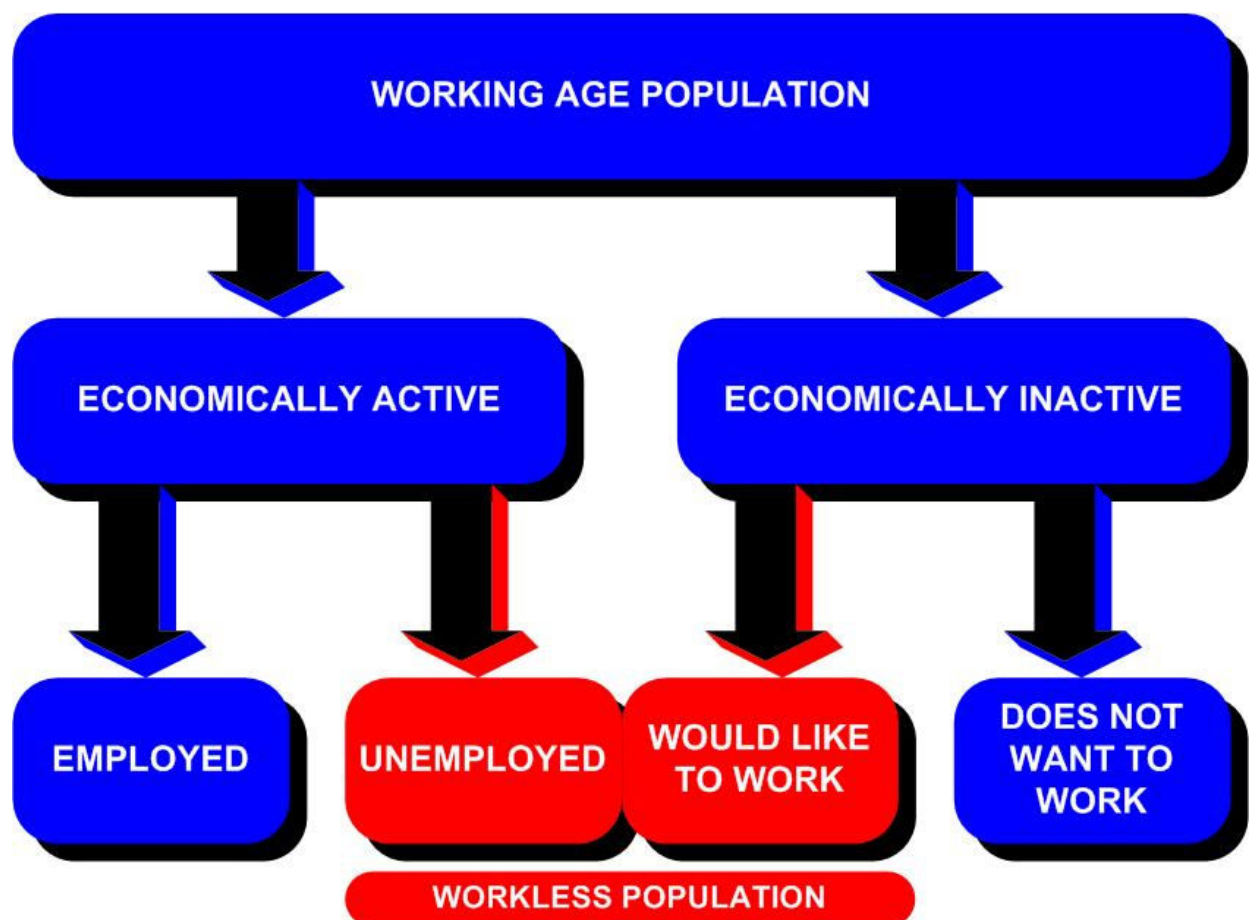
The definition of worklessness is wider than referring to unemployment. Whereas unemployment is a term that captures people who are actively seeking work or have sought work within a specified period of time, worklessness is a term that also captures people that are not actively seeking but would like to find work. Examples of people that may be workless include:

- People claiming an 'active' benefit such as Job Seekers Allowance (JSA).
- People claiming 'inactive' benefits such as Incapacity Benefit (IB), Employment and Support Allowance (ESA) and Income Support (IS)
- People with caring responsibilities
- People with a health condition or disability

People who voluntarily take themselves out of the labour market (e.g. full time students and people who have taken early retirement) are not normally included in the definition of worklessness.

The diagram below provides a summary breakdown of the labour market.

**Figure 1: Labour market breakdown<sup>2</sup>**



<sup>2</sup> Adapted from IDeA (2010) Work and skills plans draft guidance (report prepared by Shared Intelligence).

### 3. The importance of tackling worklessness

The strength of a country's labour market is a key determinant of general economic performance. Indeed, before the recession the United Kingdom's (UK) robust economic performance was, in part, been due to the strength and flexibility of its labour market. However, in order to minimise the impact of the recession and return to sustainable growth more needs to be done to tackle worklessness, particularly in areas where levels of worklessness still remain unacceptably high. In such areas, high levels of worklessness, as well weakening the local economy, can be the cause or effect of wider social exclusion issues such as: ill-health; crime, substance abuse, low educational attainment; child poverty; and family breakdown – all issues that will incur high financial and social costs.

The financial costs of tackling worklessness cannot be underestimated. Approximately £107.5m a year is spent on out of work benefit payments<sup>3</sup> in Haringey with payments in London and England being £2.8bn and £16.4bn respectively<sup>4</sup>. These costs rise to £4.6bn in London when including Housing and Council Tax Benefits<sup>5</sup>. The impact on tax revenues also has to be considered. Freud (2007) estimated that the savings (including exchequer gains) related to moving an IB claimant into work are £9,000 with the equivalent figure for a JSA claimant being £8,100.

### 4. Labour market analysis

Haringey is one of London's 32 boroughs. It is located in the north of the capital and more than 11 square miles in area. Nearly half of its 226,200<sup>6</sup> people come from ethnic minority backgrounds. According to the 2001 Census the largest groups are:

- Caribbean - 11%
- African – 10%
- Asian (Indian, Pakistani and Bangladeshi) - 8%
- Eastern European, Turkish and Kurdish - 5%
- Irish - 4%.

The diversity of the borough's population is illustrated by the fact that the Office National Statistics (ONS) places Haringey as the 4<sup>th</sup> most ethnically diverse local authority area in England and Wales<sup>7</sup>.

Haringey has a relatively young population with 44% of the borough's residents aged between 15-39 compared to 41% in London and 33% in the UK.

Currently 69% of residents of people in Haringey are of working age, compared to 67% in London and 62% in the UK. According to the latest population projections from

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<sup>3</sup> The out of work benefits included in this definition are: Job Seekers Allowance, Incapacity Benefit, Severe Disablement Allowance and Income Support (for lone parents and Incapacity Benefit and Severe Disablement Allowance claimants only).

<sup>4</sup> Work and Pensions Longitudinal Study, August 2009.

<sup>5</sup> London Councils (2010) *Worklessness Costs Audit* (report prepared by Inclusion Research and Consultancy)

<sup>6</sup> 2008 mid-year population estimates.

<sup>7</sup> Office for National Statistics (2006) *Focus on Ethnicity and Religion*

ONS, the proportion of the borough's population that is of working age will remain relatively stable over the next 20 years<sup>8</sup>.

The longest recorded period of economic growth in UK history came to an end in 2008 when the global credit crunch sent the UK into its first recession since 1992. After 63 successive quarters of economic growth, the 6 quarters of economic contraction between the second quarter of 2008 and the third quarter of 2009 made the latest recession the longest since official records began in 1955.

The recession has had a major (but less than expected) impact on the labour market with ILO unemployment<sup>9</sup> at the last count (November 2009 to January 2010) reaching 2.45 million, up by 18.5% on the year but down 1.3% on the quarter. The number of people claiming Job Seekers Allowance (JSA) currently (February 2009) stands at 1.59 million, up by 14% on the year but down 2% on the month. With there normally being a lag between output and labour market performance it is likely that unemployment will continue to rise.

Even when the economy was performing strongly Haringey had high levels of deprivation. The Indices of Deprivation 2007 found Haringey to be the 12<sup>th</sup> most deprived district in England<sup>10</sup>.

Worklessness remains a persistent problem in Haringey. In the year to June 2009, 62.3% of Haringey's working age population was in employment, lower than both the London and England averages of 69.2% and 73.4% respectively. This employment rate ranks Haringey amongst the bottom 5% local authority areas in England.

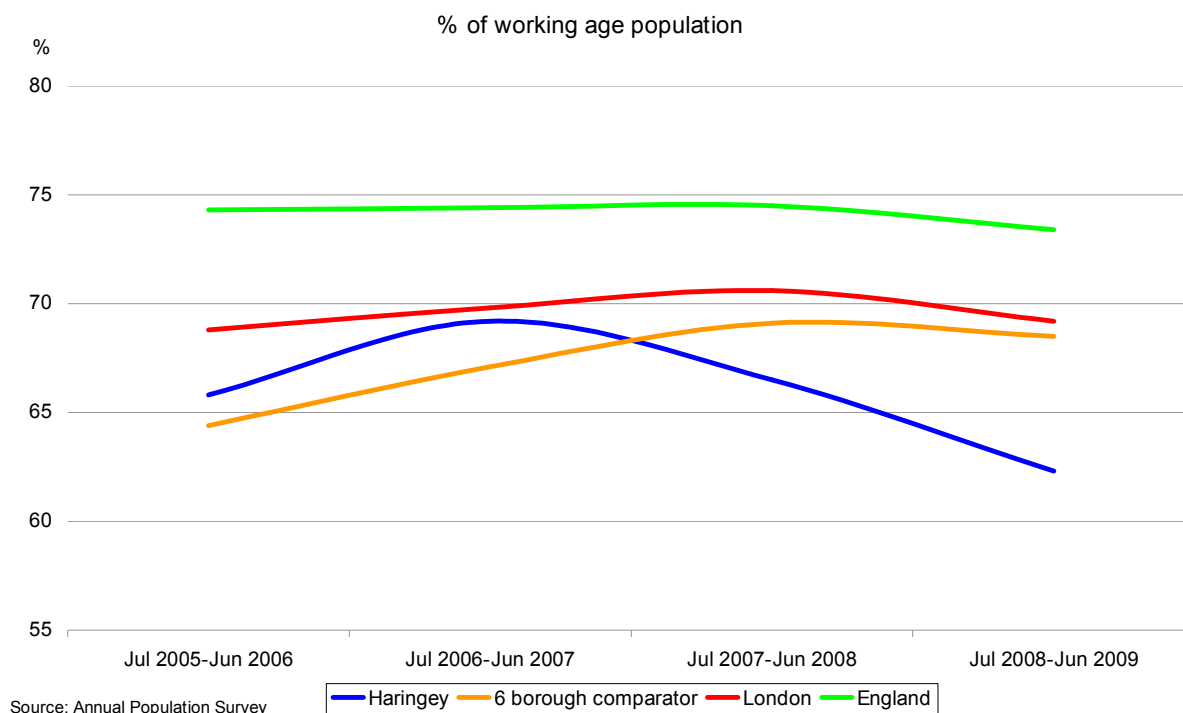
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<sup>8</sup> 2006 subnational population projections.

<sup>9</sup> ILO unemployment is a measurement based on the International Labour Organisation's, a United Nations (UN) agency, definition of unemployment. Somebody is defined as being ILO unemployed if: they have actively looked for work in the last four weeks and are available to start work in the next two weeks; or they are out of work but have found a job and are waiting to start it in the next two weeks. This is a wider measure of unemployment than Job Seekers Allowance.

<sup>10</sup> As measured by the Average Ranks measure of deprivation.

**Figure 2: Working age employment rate July 2005-June 2006 to July 2008 to June 2009<sup>11</sup>**



Alongside a low employment rate is high numbers of people claiming out of work benefits. At August 2009, 28,470 people in Haringey were claiming out of work benefits, representing 18.1% of the working age population. This rate is higher than the London and England averages of 13.7% and 13.2% respectively, and ranks Haringey amongst the bottom 15% local authority areas in Haringey.

There are three constituents of out of work benefits that have significant representation in Haringey: JSA, IB and the ESA, which together account for 76% of all people in the borough on out of work benefits.

At February 2010, there were 9,904 JSA claimants in Haringey representing 6.3% of the working age population, which is higher than the London and England averages of 4.5% and 4.3% respectively. It should be noted that while the number of JSA claimants in Haringey has risen by 17% since February 2009, this is lower than the level observed in the 1992 recession – 18,736.

At August 2009, there were 12,090 IB/ESA claimants in Haringey representing 7.7% of the working age population – higher than the London and England rates of 6.2% and 6.7% respectively. The number of IB/ESA claimants has risen by 14.8% since August 1999<sup>12</sup>. However, it should be noted that there has been a faster rise in the number of longer term claimants (2 years and above), up by 25.7% between August 1999 and August 2009 – this means that 77% of people in Haringey currently on IB/ESA have been claiming for two years or more. Government research shows that once someone

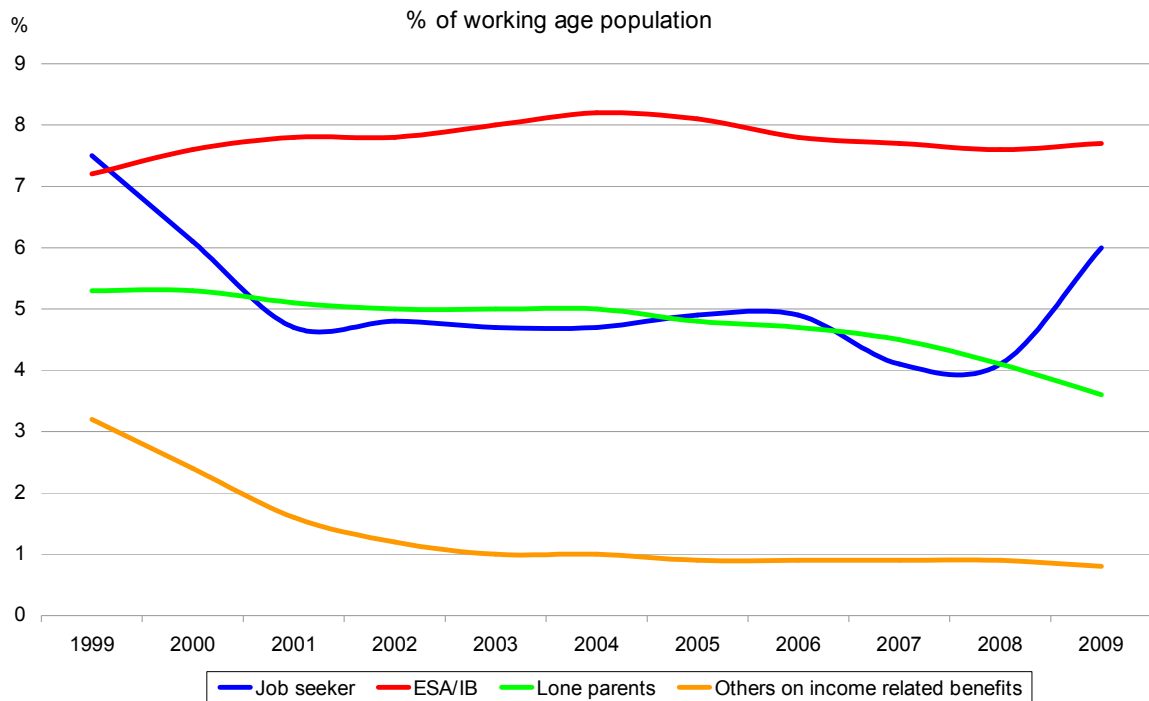
<sup>11</sup> The 6 borough comparator is comprised of the following boroughs: Brent, Hackney, Lambeth, Lewisham, Southwark and Waltham Forest. These are boroughs with similar characteristics to Haringey, as defined by the Neighbourhood Renewal Unit.

<sup>12</sup> It should be noted that ESA was introduced in October 2008.

has been claiming IB for more than two years they are more likely to die or retire than move off the benefit and return to work.

The chart below provides a statistical group<sup>13</sup> breakdown of out of work benefits.

**Figure 3: Out of work benefits by statistical group, August 1999 to August 2009**

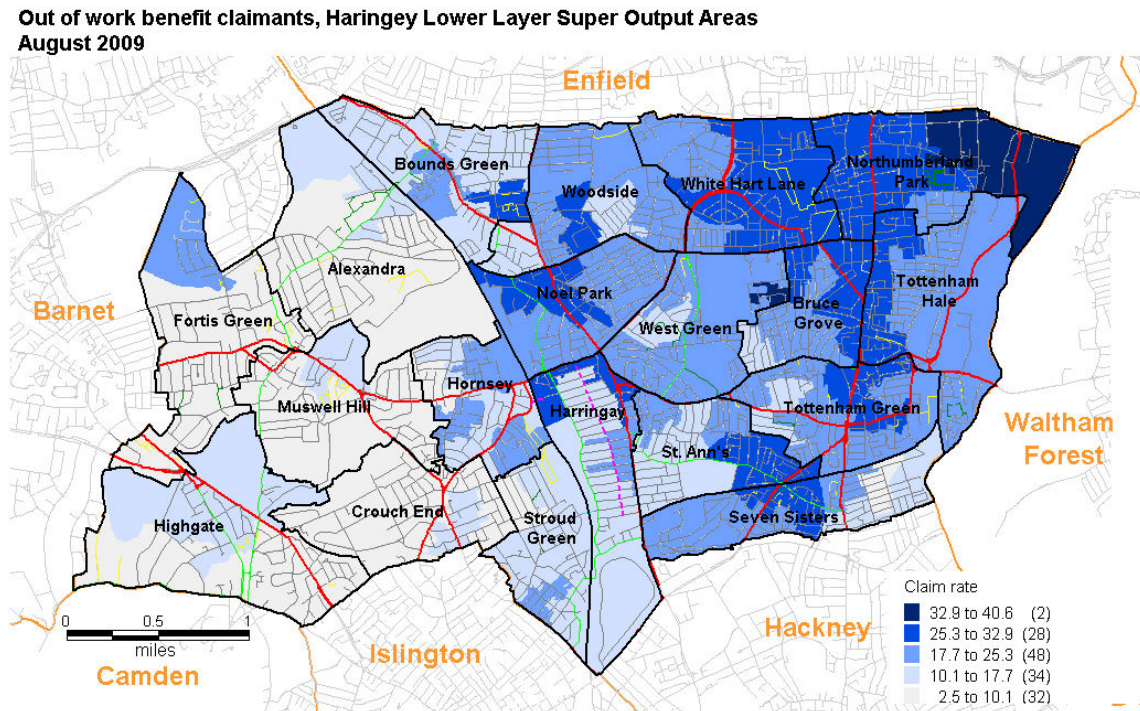


Geographically, worklessness is concentrated in the east of Haringey, predominantly in Tottenham. This is reflected by the fact that of the 28,470 out of work benefit claimants in Haringey, 62% reside in the Tottenham parliamentary constituency. The out of work benefits claim rate in Tottenham, at 22.9%, ranks the area amongst the bottom 5% parliamentary constituencies in England. Within Tottenham some areas suffer from even more acute deprivation. For example, Northumberland Park, according to estimates by the Greater London Authority<sup>14</sup>, has the highest JSA claim rate out of all wards in London.

<sup>13</sup> Data regarding out of work benefits are based on the following statistical groups derived by the Department for Work and Pensions: jobseekers, incapacity benefits, lone parents and other on income related benefits. These groups are hierarchical so, for example, a lone parent who claims both Incapacity Benefit and Income Support will be counted only once as an Incapacity Benefit claimant.

<sup>14</sup> Source: GLA claimant count estimates, February 2010.

**Figure 4: Out of work benefit claimants, Haringey lower layer super output areas, August 2009**

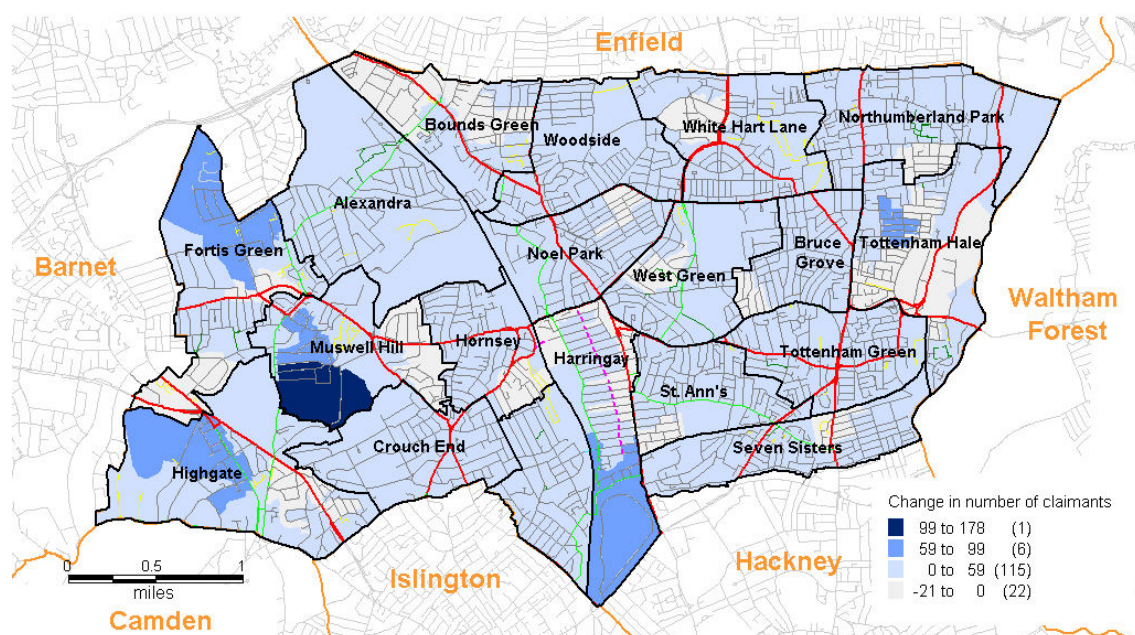


Source: Work and Pensions Longitudinal Study  
Produced by Economic Regeneration, Haringey Council  
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However, the recession has impacted on more affluent parts of the borough. The Hornsey and Wood Green parliamentary constituency has seen the number of JSA claimants increase by 20% over the past year compared to 15% in Tottenham. In some parts of Muswell Hill, in the west of the borough, the number of JSA claimants has increased by 178% over the past year (although this is based on a relatively low absolute number of claimants)



**Figure 5: Change in the number of JSA claimants, Haringey lower layer super output areas, February 2009 to February 2010**



Source: Nomis  
 Produced by Economic Regeneration, Haringey Council  
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Youth unemployment has increased in the borough, due to the recession, with the number of people aged 18-24 claiming JSA currently standing at 2,230, 11% higher than a year ago. This means that 10.4% of people aged 18-24 in Haringey are claiming JSA compared to 7.6% in London and 8.2% in England.

The recession has also impacted on the number of available employment opportunities. In the three months to February 2010 there were 480,000 vacancies available across the UK. Although this is up by 39,000 on the previous quarter, it is significantly down from the level 2 years ago of 685,000<sup>15</sup>.

At February 2010, Jobcentre Plus (JCP) were notified of 713 vacancies in Haringey compared to 640 a year ago. Some 79.4% of the JCP notified vacancies in the borough are in the banking, finance and insurance sector up from 60% a year ago. The proportion of JCP notified vacancies in the public sector declined from 13.3% to 4.5% over the same period. Looking at the wider labour market (London, South East and South West) – as two thirds of Haringey residents work outside of the borough – JCP were notified of 69,990 vacancies compared to 36,553 a year ago. Currently 50.9% of these vacancies are in the banking finance and insurance sector, slightly down from 53.3% a year ago. The proportion of vacancies in the public sector has also declined slightly over the same period, from 18.5% to 15.9%. A significant proportion

<sup>15</sup> These data are taken from the ONS quarterly vacancies survey. This survey only derives national level data.



of vacancies are also available in the distribution, hotels and restaurants sector – 15.6%; this is up from 14.2% a year ago<sup>16</sup>.

Despite being one of the richest cities in the world, 39% of children in London grow up in poverty<sup>17</sup> – the highest proportion of any UK region or country. Haringey, as one of the most deprived boroughs in the capital, is no exception to this broad London pattern. According to figures from the DWP, at May 2008 the percentage of children living in families who are in receipt of out of work benefits was 38.9%, significantly higher than the London and England averages of 27.6% and 19.2% respectively.

Low educational attainment and low skills levels is a major national problem, which is being exacerbated by the shift to more skilled, knowledge based industries. Poor skills go some way to explaining why productivity in the UK still lags behind other industrialised countries such as the United States and Germany. In London, some 43% of jobs are currently filled by workers with level 4 and above qualification (degree level and above) qualifications. The London Skills and Employment Board (LSEB) forecasts that by 2020 the demand for highly skilled workers in the capital will increase to the extent that 50% of employees will need a level 4 qualification<sup>18</sup>. Locally, poor education increases the chances of our young people adding to the workless population and being uncompetitive in the labour market.

The latest educational attainment results (2009) show that 45.7% of 15 year olds achieved 5 or more grade A\* to C GCSEs, including English and Maths. Although this is a significant improvement from 2006 when the equivalent figure was 34.3%, it still means that over 50% of young people are leaving Haringey schools without basic qualifications.

There are currently (February 2010) just over 287 young people aged 16 to 18 who are not in education, employment or training (NEET) in Haringey, representing 6.7% of all 16 to 18 year olds in the borough that are known to the Connexions service. Although this is below the LAA stretch target of 10.4%, we are committed to reducing our NEET cohort further.

Haringey is characterised by its polarised skills base. Some 25.2% of the borough's working age population has a level 1 or below qualification while 41.2% has a level 4 or above qualification. At 17.4%, Haringey has proportionately more residents with no qualifications than London (12%) and England (12.3%). However, Haringey has proportionately more residents with level 4 or above qualifications than London (38.6%) and England (28.7%).

The Government retains an aspirational target to achieve full employment, which would mean 80% of the nation's working age population being in work. For this aspiration to be achieved in the capital, over half a million extra Londoners would need to be in employment. In Haringey, this would require over 27,000 extra residents to find work.

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<sup>16</sup> It should be noted that JCP will not be notified of all vacancies available in an area. So, even though the JCP data may indicate an increasing number of vacancies it may in fact be the case that the overall number of vacancies is unchanged or even declining.

<sup>17</sup> Defined as children living in households with less than 60% of median income (after housing costs).

<sup>18</sup> London Skills and Employment Board (2007) *Globalisation, skills and employment: the London story*: London Skills and Employment Board.

## 5. Policy framework

### Haringey Sustainable Community Strategy

Haringey Council joined with local public agencies, community groups and businesses to create the Haringey Strategic Partnership (HSP) in April 2002. The HSP aims to improve public services and address the key issues in the borough through partnership working.

The shared vision for the future of Haringey and the HSP's priorities are set out in the new Sustainable Community Strategy (SCS) 2007-2016.

The vision for the borough to 2016 is:

**“A place for diverse communities that people are proud to belong to.”**

The priorities of the new Sustainable Community Strategy are:

#### ***People at the heart of change***

And, Haringey will:

1. Have an environmentally sustainable future
2. Have economic vitality and prosperity shared by all
3. Be safer for all
4. Have healthier people with a better quality of life, and
5. Be people and customer focused

Haringey's Sustainable Community Strategy (SCS) recognises these challenges with the following priorities related to tackling worklessness:

<b>Relevant SCS outcomes</b>	<b>Related priorities</b>
Economic vitality and prosperity shared by all	<ul style="list-style-type: none"><li>• Reduce worklessness</li><li>• Increase skills and educational achievement</li><li>• Increase sustainable economic activity</li><li>• Maximise income</li><li>• Address child poverty</li></ul>
People and customer focussed	<ul style="list-style-type: none"><li>• Draw on the strength of the voluntary and community sector</li></ul>

### Local Area Agreements

Haringey's current Local Area Agreement (LAA) contains one National Indicator (NI) related to tackling worklessness: NI 153 – Working age people claiming out of work benefits in the worst performing neighbourhoods. The original target was to reduce this rate by 4.7 percentage points by 2010/11. However, in light of the current economic climate this target has been renegotiated to one that maintains the baseline gap between the Haringey and London rates of -0.6 percentage points. Currently (four quarters to May 2009) the gap stands at -0.7 percentage points

There are also two worklessness stretch targets that have to be achieved by March 2010:

- Stretch target (1) – Number of people from the worst twelve wards supported into sustained work (this target is based on long-term Job Seekers Allowance claimants (6 months + and lone parents)
- Stretch target (2) – Number of people on Incapacity Benefit (IB) for more than 6 months supported into sustained employment

Additional employment and skills related indicators currently in the LAA include:

- NI 79 – Achievement of a Level 2 qualification by the age of 19
- NI 116 - Proportion of children in poverty
- NI 117 – 16 to 18 year olds who are NEET
- NI 171 – New business registration rate
- Number of registered Haringey Guarantee participants with a completed better off calculation (local indicator)
- Adults achieving a Skills for Life qualification and entered employment and those gaining a qualification in the workplace (local indicator)
- Adults achieving a full level two qualification and entered employed and those gaining a qualification in the workplace (local indicator)

The development of our full Work and Skills Plan will consider the next round of LAAs and the targets that should be included to deliver the priorities identified in the Plan.

### **Regeneration Strategy**

Flowing from the SCS and LAA is the Regeneration Strategy, which places **People, Places and Prosperity** and the heart of regeneration in Haringey. Through this Strategy the following priorities have been identified:

- **People:** To unlock the potential of Haringey residents through increasing skill levels and raising employment so that they can contribute to and benefit from being part of one of the most successful cities in the world.
- **Places:** To transform Haringey into a place in which more people want to live and invest by using the opportunity of major sites and key locations to create positive change.
- **Prosperity:** To develop a 21st century business economy that offers opportunities for sustainable employment and enterprise, and to help make Haringey a place people want to work, visit and invest in.

## **Child Poverty Strategy**

Haringey Council has adopted a Child Poverty Strategy that sets out the Council's (and partners) contribution to the Government's target to reduce child poverty by 2010 with full eradication by 2020. The Strategy contains five key objectives:

1. Addressing worklessness and increasing parental employment in sustainable jobs.
2. Improving take up of benefits and tax credits.
3. Reducing educational attainment gaps for children in poverty.
4. Ensuring children live in adequate housing.
5. Partners within the Haringey Strategic Partnership taking responsibility as corporate bodies for their employees in helping to reduce child poverty.

The Child Poverty Act, which received Royal Assent on 25 March 2010, includes a duty on local authorities to undertake a local child poverty needs assessment, produce a local child poverty strategy and take child poverty into account when developing their SCS. Our full Work and Skills Plans will inform and be informed by the local child poverty needs assessment and strategy.

## **Local Development Framework**

The Planning and Compulsory Purchase Act 2004 introduced a range of reforms to the planning system. The most significant reform is the introduction of a Local Development Framework (LDF) to replace the Unitary Development Plan (UDP). The process of replacing the adopted UDP policies and proposals should normally be completed within a three year period from adoption of the UDP. Haringey's UDP was adopted in July 2006 so the policies are automatically saved until July 2009.

The Haringey LDF is made up of a number of documents including the Core Strategy, Local Development Scheme and Statement of Community Involvement.

The Core Strategy is currently being developed with a period of public consultation on the Council's draft Strategy due to commence in April 2010. Work is being done with the Council's Planning department, as part of the Core Strategy's development, to strengthen the work around improving the access local workless people have to employment and training opportunities from physical developments in the borough. The result of this work will be reflected in the full Work and Skills Plan.

## **Local Economic Assessments**

The Sub National Review of Economic Development and Regeneration proposed a new statutory duty for local economic assessments to be conducted. This duty would be an obligation for upper tier and unitary local authorities to consult with key partners and, in London, the Greater London Authority to assess local economic conditions. These assessments would then contribute to regional strategic planning and target setting. This became legislation when the Local Democracy, Economic Development and Construction Bill received Royal Assent on 12 November 2009 and became an Act.

Fundamentally this duty is an extension of existing powers for local authorities to act where necessary to promote economic development. Joint assessments across two or

more authorities are recommended, to reflect the prevailing influence of sub-regional economies.

CLG has advised that local authorities should prepare to begin work on the assessments in April 2010 with assessments completed by March 2011 at the latest.

London Councils have produced a draft **memorandum of understanding** with the Greater London Authority to establish the roles and responsibilities of the key partners, including ourselves, in rolling out local authority economic assessments in London. The document covers the GLA, the London boroughs and London Councils and sets out:

- That London boroughs agree through London Councils, which sub-regions they would like to work in.
- That London boroughs utilise the completed assessments as part of the evidence base for LDFs, Community Strategies and other economic strategies.
- The need for a core set of data indicators to allow benchmarking across London.

It is not expected that each borough produces a stand-alone assessment, instead sub-regional submissions are expected. The North London Strategic Alliance (NLSA) has engaged officers from across North London to assess the viability of a sub-regional response. This work is ongoing in collaboration with the consultants, Rocket Science.

Assessments are expected to incorporate an understanding of:

- Economic Geography
- Business and Enterprise
- Worklessness
- Transport Infrastructure
- Environmental Sustainability and the Low Carbon Economy
- Housing Supply

As such the Local Economic Assessment will be developed alongside the full Work and Skills Plan to ensure that it is informed by robust evidence, upon which to determine strategic and delivery priorities.

## **Welfare Reform**

The Government is currently undertaking a substantial welfare reform programme that will have far reaching implications nationally, regionally and locally. This welfare reform programme has the intention of achieving the Government's aspirational target of an 80% full employment rate.

A raft of Green and White Papers have been published in recent years and the Welfare Reform Act gained Royal Assent on 12 November 2009. Following the Welfare Reform Act was the White Paper *Building Britain's Recovery: Achieving Full Employment*, published on 15 December 2009. Some of the major current and future changes articulated in these documents include:

- Introducing the Employment and Support Allowance (ESA), from October 2008, for people with a disability or long-term health condition.

- Reassessing all IB and IS (on the grounds of disability) claimants with the intention of moving them onto ESA by 2013/14.
- Rolling out Pathways to Work, a support programme for ESA and IB claimants, across the country from April 2008. The Government is currently reviewing Pathways and considering ways in which the support offered from this programme can be strengthened.
- Introducing Work Choice, a specialist disability support programme, from October 2010. Work Choice will replace WORKSTEP, Work Preparation and the Job Introduction Scheme.
- Consolidating the various New Deal programmes into one Flexible New Deal (FND) package, which started to operate from 2009. Haringey will be part of a London sub-region piloting the Personalised Employment Programme (PEP), meaning that FND will not be introduced in this area. Section 5 of this Plan will focus on the PEP in more detail.
- Transferring the majority of lone parents from IS to JSA once their youngest child reaches a certain age. The current age trigger is 10, which will be reduced to 7 in 2010.
- Eventually abolishing IS and creating an out of work benefits system around JSA and ESA.

The White Paper *Raising expectations and increasing support: reforming welfare for the future*, published on 10 December 2008, confirmed the Government's intention to establish a 'national spine' of employment provision, guaranteeing a minimum service standard, that is reinforced by local, wraparound provision. To deliver this the White Paper set out three levels of devolution to increase influence and accountability at a local level:

- **Consultation/engagement (level 1)** – Involving local areas in the design and commissioning of mainstream employment contracts.
- **Co-commissioning (level 2)** - Sub-regional partnerships (e.g. through Multi Area Agreement and City Strategy Pathfinder structures) adding value to DWP contracted provision through improved alignment of existing funding streams.
- **Devolving contracting responsibility to sub-regional partnerships (level 3)** – The Government intends to move to this level on a managed basis.

The Government's programme of Welfare Reform is very much focussed on supporting people who are furthest from the labour market into employment. This is a priority that is shared by the borough, highlighted by the introduction of the Haringey Guarantee, Families into Work and North London Pledge. More information about these programmes and the potential to increase their added value to the 'national spine' of provision will be provided in section 6.

## Skills Reform

The Apprenticeships, Skills, Children and Learning Act, which gained Royal Assent on 12 November, confirmed the intention, from April 2010, to give local authorities control over the commissioning of education and training provision for 14-19 year olds, with additional responsibilities for 19-25 year olds with learning difficulties and young offenders. The Young People's Agency Learning Agency (YPLA) will be created to fund the provision that local authorities commission and to support and enable local authorities to carry out their new duties.

London Councils has established the 14-19 Regional Planning Group (RPG) to oversee the smooth transfer of education for 16-19 year olds to local authorities and to ensure that all young Londoners are in a position to benefit from the 14-19 reforms.

The Department for Children, Schools and Families (DCSF) requested details on every local authority's proposed plans for joint working on 16-19 commissioning by the end of September 2008. The RPG submitted a proposal on behalf of all London local authorities, signed off by all 32 London Directors of Children's Services, to outline its approach. The RPG's proposals outline a groundbreaking system for commissioning 16 - 19 education. Local authorities will take the lead in determining local educational priorities in partnership with colleges, schools and other education providers, and the Regional Planning Group will ensure overall coherence between borough plans by offering a London-wide strategic vision to assist them in making commissioning decisions.

Structural characteristics of the capital means London faces significantly different challenges to other regions in responding to the needs of 14-19 learners. To address these the RPG proposes:

- **a regional framework** which empowers local authorities as champions of the education and training and economic well-being of all 14-19 year olds within their communities.
- **intuitive partnership working** across boroughs. Young people travel across all borough boundaries to access education and training - there is no clear data in London to suggest boroughs should work in sub-regions.
- **economic development**, to improve the economic wellbeing of London's young people and strengthen the employer contribution to 14-19 planning .
- **planning**, to implement a dry run in 2008/09 to learn from the process ahead of the transfer of responsibilities.
- **putting the learner first** in developing new arrangements for London and ensuring as much funding as possible goes to the front line.

A draft National Commissioning Framework has been developed and will be in place from April 2010. The National Commissioning Framework (NCF) aims to set out the core systems for planning, commissioning, procuring and funding for the education and training for 16-19 year olds, young people up to age 25 where a learning difficulty assessment is in place, and young offenders in youth custody.

For post-19 skills provision the Skills Funding Agency (SFA) will be established from April 2010 under the control of Department for Business Innovation and Skills (BIS).  
Report Template: Formal Bodies

Some strategic functions, including the production of a regional skills strategy, that were originally intended to sit within the SFA will be moved to Regional Development Agencies (RDAs). In London these strategic arrangements, to commence from 2011/12 are being finalised between BIS, the LDA and the LSEB.

We have concerns about the impact that the new arrangements for post-19 skills provision will have at a local level and these will be detailed in section 6.

## **National Skills Strategy**

BIS published *Skills for Growth – The National Skills Strategy* on 11 November 2009. The strategy presents the framework for placing skills development at the heart of economic growth and in this regard, making the UK a more competitive global player. The framework is structured around six key areas:

1. Promoting the skills that matter for economic prosperity in modern Britain.
2. Dramatically expanding the advanced apprenticeship system for young adults.
3. Ensuring the skills system responds to demand from businesses, while ensuring that key sectors for growth and employment sectors are better supported through the skills system.
4. Going further in ensuring all adults are empowered to equip themselves for future jobs.
5. Raising recognition among more businesses of the value of investing in workforce skills.
6. Further improving the quality of provision at further education colleges and other training institutions.

The main priorities that underpin this framework are set out below:

- A new overarching ambition that three-quarters of people should participate in higher education or complete an advanced apprenticeship or equivalent technical level course by the age of 30. This is intended to support the ambition that skills levels in the UK should be in the upper quartile of the OECD countries by 2020.
- A national scorecard that will measure skills progress, reported on by the UK Commission for Employment and Skills (UKCES).
- Up to 35,000 new advanced and higher level apprenticeships being made available over the next two years. The funding for this commitment will rise from £17m in 2010/11 to £115m in 2014/15.
- Continued work with the Department for Children, Schools and Families to support the development of University Technical Colleges that will offer new opportunities for 14-19 year olds to undertake vocational and applied study.
- An Apprenticeship Scholarship Fund that will provide a “golden hello” of up to £1,000 to 1,000 apprentices seeking to go into higher education.
- New priorities for increased skills funding include life sciences, digital media and technology, advanced manufacturing, engineering construction and low carbon energy.
- A commitment to strengthen links with the Migration Advisory Committee with the intention of ensuring that there is less need to fill skills gaps through migration.
- Regional Development Agencies to lead on producing regional skills strategies (note: the London Skills and Employment Board already has responsibility for this in London).



- A pilot of the Joint Investment Scheme from autumn 2010 to boost skills in priority sectors. This scheme will be jointly funded by the Government and employers and will prioritise advanced levels 3 and 4 qualifications.
- A fifth competitive bidding round of the National Skills Academy. Funding for the whole programme will amount to £16m in 2010/11.
- The introduction of skills accounts for every learner to give them choice over the courses they take and how and where they take them. To support this choice “traffic light” data about every college and course including, where feasible, its record of getting people into jobs will be produced.
- The Government will use its buying power through the procurement of over £220bn of goods and services a year to deliver 20,000 apprenticeship places over the next three calendar years.
- A new Framework for Excellence, to be introduced from 2011, that has the intention of delivering a lighter touch performance regime. Enhanced freedoms for outstanding colleges under this new framework will be made available.
- A reduction in the number of separate publicly funded skills agencies including: replacing the nine Learning and Skills Councils (LSC) with the SFA from April 2010; incorporating Investors in People UK within UKCES from April 2010; and substantially reducing the number of separate Sector Skills Council by 2012.
- Funding will be moved away from programmes that contribute less to the Government’s strategic priorities including: the full funding of repeat qualifications within Train to Gain; and the full funding of unit and short qualifications that is currently available to small and medium sized enterprises.

The Council and its partners are committed to ensuring that unemployed Haringey residents are supported into sustainable and progressive employment. As such the Haringey Strategic Partnership will be investing an additional £100,000 in 2010/11 to pilot new skills interventions to support the skills funding priorities outlined in the National Skills Strategy. More information about this investment will be presented in section 6.

### **London Skills and Employment Board**

The LSEB was established in December 2006 to provide leadership in improving adult skills and employment in London. The LSEB is chaired by the Mayor of London and will set the framework for the spending priorities of the London Learning and Skills Council and its impending successor, the SFA. The LSEB is also able to influence and direct the spending of other key agencies such as the London Development Agency (LDA) and JCP (JCP). The Board is accountable to the Secretary of State for Business, Innovation and Skills.

The LSEB published its first strategy, London’s Future: The Skills and Employment Strategy for London 2008 – 2013, in July 2008. This strategy was updated to take account of the current economic climate with the publication of *From Recession to Recovery: The Skills and Employment Strategy for London (2009-2014)* on 18 December 2009. The revised strategy reaffirms the LSEB’s strategic aims to:

- Work with employers to support them in developing their businesses and keeping London’s economy competitive to provide more job and skills opportunities to Londoners.

- Support Londoners to improve their skills, job and advancement prospects through integrated employment support and training opportunities.
- Create a fully integrated, customer-focused skills and employment system.

The LSEB has also set the following strategic targets to be achieved by 2014:

- Close the gap between London and UK employment rates to 2%.
- Reduce the gap in employment within London for BAME (Black, Asian and Minority Ethnic), disabled people and lone parents from 19.4% to 16%.
- Increase the percentage of Londoners with a qualification to 92.4%.

Supporting the work of the LSEB is crucial for two key reasons:

1. As outlined in section 4, in order for the Government's full employment aspiration to be reflected locally in Haringey 27,000 residents will need to find employment. This is not something that will be achieved through employment opportunities directly in the borough so wider labour market opportunities need to be accessed. Many of these wider opportunities lie in London, which before the recession was creating jobs at a rate of 70,000 a year<sup>19</sup>. The LSEB's ambition to create a more integrated employment and skills system in London has the potential to improve the access our residents have to these opportunities.
2. Concerns were expressed earlier in this section about the SFA and the influence that local and sub-regional partnerships will have over its investment priorities. It will be critical for Haringey to strengthen its relationship with the LSEB to ensure that the borough's priorities are adequately supported.

Further work on strengthening this relationship will be done as part of developing the full Work and Skills Plan.

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<sup>19</sup> HM Treasury (2006) *Employment opportunity for all: analysing Labour Market trends in London*  
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## 6. Local delivery framework

### Haringey Guarantee

The Haringey Guarantee, which was established in April 2006, is the HSP's flagship programme to tackle worklessness, primarily focused on people who are furthest from the labour market. The Guarantee currently uses £3m of funding from the Working Neighbourhoods Fund (WNF), LDA and European Social Fund (ESF) to employ an innovative approach to building robust pathways to sustained employment by focusing on:

- Stemming the flow of new workless and increasing the numbers of moving from worklessness into employment.
- Delivering larger interventions with a narrower focus on core populations such as young people, users of core public services and long term working age benefit claimants (i.e. JSA and IB).
- Better employment engagement and more demand led interventions.

The programme offers a guarantee:

- To local residents that we will deliver high quality information, advice and guidance, tailored education and training, and guaranteed interviews for job opportunities.
- That delivery partners and providers will deliver high quality, focused and professional services to jobseekers and employers.
- To businesses that we will produce committed trained workers to meet recruitment and skills needs.

Residents who successfully complete the programme, and are assessed as being 'Guarantee ready', will be offered a guaranteed interview with an employer who has signed up to participate in the Haringey Guarantee.

A range of projects (under one Haringey Guarantee brand) have been commissioned to deliver the priorities of the Haringey Guarantee. These are:

- **Tackling Worklessness** – This project is delivered by Northumberland Park Community School and aims to reduce the number of young people who are NEET and reduce the number of young people who leave school without a recognised qualification. This is achieved by providing an enhanced vocational offer at entry level and levels 1 and 2. The main focus is on Year 10/11 students but there is also early intervention for Year 9 students.
- **Dare To Succeed** – This project is delivered by the Windsor Fellowship and aims to support 14-16 year olds at risk of becoming NEET. The support provided includes: a mentoring programme; basic and career development skills; workshops delivered by business mentors; industrial visits; workshops for parents; and a graduation ceremony to celebrate success.
- **Moving Forward** – This project is delivered by Positive Employment and aims to engage full time College students leaving their course, part-time College students and the wider working age population. Interventions focus on job brokerage and preparation of clients.
- **Altogether Better** – This project is delivered by Working Links and involves outreach at Haringey Council and strategic partner settings to engage users of

public services and, in particular, services where residents may be affected by multiple barriers to employment. The project also involves engaging staff under threat of redundancy and residents who have recently been made redundant and/or recently started claiming JSA. Interventions are focused on barrier identification, Information, Advice and Guidance (IAG) and linking with London employers' job opportunities and Train to Gain.

- **Pathways2work** – This project is delivered by a consortium of Registered Social Landlords (RSLs) led by Family Mosaic and including London & Quadrant and Metropolitan Housing to engage residents of social housing through existing Housing Support Officers, direct marketing to properties and door-knocking. Specialist employment advisers are employed to provide IAG and link in with the rest of the Haringey Guarantee.
- **Working For Health** – This project is delivered by NHS Haringey and involves: targeting IB claimants through GP practices and other health care settings; employment advisors attending health centres to meeting patients either referred by medical staff or who approach directly; a Condition Management Programme around personal support rather than clinical intervention; and employment advisors providing one-to-one support to improve skills, access training and voluntary work experience and gain employment.
- **Ready To Work** – This project is delivered by the North London Partnership Consortium and involves structured work placement opportunities including National Open College Network (NOCN) accredited work placements arranged with a number of local employers including in the third sector. Work placements are combined with IAG to support participants into employment with a focus on the long-term workless.
- **Pathways To Care & Employment** – This project is delivered by 2XL Training Ltd and aims to create a basic Pathways to Care training programme, which comprises NVQ level 1 training followed by ongoing on the job training while participants progress to an NVQ level 2 in care.
- **Fashioning Haringey** – This project is delivered by Fashion Enter and aims to deliver employer led training that have employment opportunities in the fashion industry. Project participants will also have the opportunity to sell their fashion products in two retail boutiques in Croydon and Barking and a showroom in Kingston upon Thames. The project also has links with employers such as Jaeger and Aquascutum.
- **Employment Action Network** – This project is delivered by Haringey Council and is the front-end of Haringey Guarantee delivery outreach and engagement of local residents to access the programme.
- **Haringey Guarantee Extension** – This project is delivered by 5E Ltd and Women Like Us and extends the Haringey Guarantee to cover the whole borough (the core programme covers the twelve wards defined by the DWP as having significantly high worklessness rates<sup>20</sup>).
- **Haringey Sports Futures** - This project is delivered by the Haringey Sports Development Trust and aims to empower participants to gain accredited sports coaching qualifications leading to NVQs in coaching and sports development.
- **Employer Engagement In Haringey** - This project is delivered by Women Like Us and involves working with employers (including SMEs and third sector employers) to increase the provision of part-time employment opportunities.

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<sup>20</sup> These 12 wards are: Bounds Green, Bruce Grove, Hornsey, Noel Park, Northumberland Park, Seven Sisters, St Ann's, Tottenham Green, Tottenham Hale, West Green, White Hart Lane and Woodside.

- **JAD Employer Engagement** – This project is delivered by JAD Consultancy (in partnership with the Haringey Education Business Partnership and aims to provide employment opportunities to Haringey Guarantee participants, with a particular focus on the retail sector.

Financial, performance and quality monitoring is completed quarterly by the Greater London Enterprise

Ecotec has been commissioned to undertake an embedded evaluation of the Haringey Guarantee up to March 2011 that will assess the delivery and strategic priorities of the Haringey Guarantee, which will feed into the development of the full Work and Skills Plan.

Since the Haringey Guarantee was established in September 2006 it has engaged with over 2,300 residents and supported 432 people into sustained employment (13 weeks).

To further build on this success the HSP will be investing an additional £490,000 in the following interventions:

- Additional vocational training with a particular focus on skills highlighted in the recent National Skills strategy – green skills, low carbon, digital media and IT, advanced technology and life sciences raising the level of training and skills development
- Extending the existing available to social housing tenants in the borough.
- A co-ordinated employer engagement approach and delivery including signposting, recruitment/matching service for local businesses (including the Third Sector), training needs analysis, workforce development and linkages to complementary programmes.
- Extending and refocusing the employer/Business Support Engagement approach by working with to bring more employers - large and small - into contact with local unemployed people to meet their recruitment and training needs and develop further business support and sustainability and enterprise initiatives supporting local businesses to develop and create new employment opportunities.
- Extending up to 65 FJF jobs to up to 12 months
- Extending the successful Families into Work intervention to engage and support more families living in Northumberland Park ward.

All of these activities add value to existing mainstream provision and importantly reach and support people that fail to engage with mainstream services. One of the key reasons for this is that Haringey Guarantee provision is made available to individuals based on the barriers to employment they face and not the benefits they claim (unlike existing mainstream services). This personalised and tailored service makes it possible to support our residents in a holistic and effective way.

The importance of this additionality cannot be understated and importantly is being delivered while achieving value for money. We estimate that the average unit cost for supporting a Haringey Guarantee participant into sustained employment is £3,000, which compares favourably to Freud's (2007) national unit cost of £5,110<sup>21</sup>. It is therefore crucial that our delivery is able to continue to support mainstream provision.

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<sup>21</sup> Based on someone aged 25+ on the Employment Zone.

More information about how this is currently being achieved is provided later in this section.

### **Families into Work**

Section 4 highlighted the high rates of unemployment in Northumberland Park. Due to the extent of unemployment in this ward the HSP is investing £1m over three years on a project that focuses on testing out a family based approach, as part of the Haringey Guarantee, to achieving more successful employment outcomes by breaking the cycle of long-term, generational worklessness: Families into Work (FiW).

The vision for the FiW is to:

- Improve the life chances of people in Northumberland Park by working with families to identify and address their barriers to employment.
- Support children and young people to achieve success in education and develop knowledge and skills to gain work with career prospects.
- Increase family aspirations to succeed and gain independence.

The team works with families to:

- Identify barriers to work for parents and young people.
- Identify barriers to educational achievement for children.
- Develop a family action plan that includes a combination of services, that the family is already receiving, which will provide a holistic approach focused to that family's needs and barriers to work.
- Share action plans for the family across agencies which will support them into sustainable employment.
- Monitor progress against each family action plan. Ensure the services the family receives across agencies is provided in a joined up approach therefore meeting the support needs of the family.
- Provide support to reduce the drop out when things get tough and troubleshoot any problems which arise with service provision.

The project has an overarching target to support 100 families up to March 2011. To date, 94 families are being supported with 16 people gaining employment (ahead of schedule), 14 people on skills courses and 8 people on work placements.

## Future Jobs Fund

As part of Budget 2009 the Government committed £1bn to the FJF, which will support the guarantee, from January 2010, of a new job, training or paid work experience opportunity to every 18-24 who is approaching 6 months unemployment. Budget 2010 announced that additional investment will increase the number of jobs created across the country from 150,000 to 200,000 by March 2012 (previously by March 2011).

Haringey Council submitted a successful application to create 221 jobs in October 2009. Some 155 of these jobs will be created in the Council with the remaining 66 being created in the following partner organisations.

- arc Gallery
- College of Haringey, Enfield and North East London
- Haringey Association of Voluntary and Community Organisations
- Homes for Haringey
- I Can Do It
- NHS Haringey
- North London Business
- North London Partnership Consortium
- 5E Ltd

The investment the Government is providing for the jobs is up to £1.4m. This investment is being supplemented by using the Haringey Guarantee to work in tandem with JCP to further support FJF employees at both the recruitment and employment stages. Delivery on the bid commenced in February 2010 and so far 20 people have been recruited against a first month profile of 24. It has become quite clear during delivery that the investment to create the jobs is not enough. Without the additional support provided by the Haringey Guarantee, candidates would not have been fully prepared to take advantage of FJF opportunities, for which competition has proven to be fierce.

The FJF bid being delivered by Haringey Council is a clear example of how the 'national spine' can be effectively complemented by local provision. Without this additional investment our view is that the bid could not be successfully delivered in a way that provides FJF participants with enough support to take advantage of current and future employment opportunities.

The Government's FJF investment allows the jobs to last for up to 6 months, paid at least at the national minimum wage (currently £5.80 per hour for people aged 22 and over). Haringey Council has made a clear commitment to provide attractive employment opportunities by ensuring that all 221 jobs are paid at least at the London Living Wage (currently £7.60 per hour).

However, in order to further support the Government's investment more needs to be done to ensure its sustainability. As part of Haringey Council's FJF bid 22 apprenticeships will be created, ensuring that these jobs will last for at least 12 months. Structured training plans for each FJF employee that will include NVQ qualification support, where appropriate, are also being developed. The jobs created have been done so in strategic areas to support growth sectors and functions such as succession

planning (e.g. the parks service) thereby increasing the chances that FJF employees are accessing opportunities that last beyond 6 months. The HSP will also invest a further £210,000 from its Working Neighbourhoods Fund allocation to extend the lifetime of up to 65 FJF jobs to up to 12 months. Where jobs cannot last beyond the initial 6 months investment through the Haringey Guarantee will continue to be made available to support people into new employment.

While this bid is creating the single largest number of jobs in Haringey, there are a number of other FJF bidders who are creating jobs in the borough. We will be working with JCP over the coming months to engage with these bidders to further strengthen the FJF legacy that is set out in this initial Work and Skills Plan.

### **North London Pledge**

The LDA has invested £1.51m, as part of its Single Area Programme, for Haringey to work with Enfield and Waltham Forest Councils to deliver the North London Pledge across the Upper Lee Valley. This programme will run from 2008 to 2010 and supports existing activities in the three boroughs and provides a co-ordinated delivery package in relation to the following areas: skills training; condition management programme; in work support and employer engagement.

The first phase of the North London Pledge has provided employment support to 500 residents, helped 221 people to gain basic skills qualifications and 166 people to gain level 2 qualifications across the Upper Lee Valley with 59 people being supported into sustained employment<sup>22</sup>.

The success of the North London Pledge means that the three boroughs will receive a further £2m investment from the LDA to support 400 people into sustained employment (26 weeks) from February 2010 to July 2011.

We want to build on the North London Pledge as a means of further supporting the 'national spine' of provision and we see the PEP as a key way of achieving this. Further information about this is provided later in this section.

### **School Gates Employment Initiative**

The Child Poverty Unit announced in October 2009 a new School Gates Employment Initiative which had a national launch at the end of November 2009. The School Gates Employment Support Project will run until April 2011. Its goal is to increase the amount of employment and enterprise support provided to parents in and around their child's school. It is hoped that this will increase engagement with, and effectiveness of such services, which will in turn, increase the number of parents in low income families entering employment. The initiative in Haringey is being led by the Haringey Council in partnership with JCP.

The Child Poverty Unit is investing £53,000 in 2009/10 and £64,500 in 2010/11 for this project to be delivered in Haringey.

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<sup>22</sup> This includes forecast data



A project plan has been agreed targeting schools in the east of the borough focussing on primary schools with high proportions of children living in low income working and workless households. The first 8 schools have been identified. These are:

- Coleraine Park
- Devonshire Hill
- Downhills
- Mulberry
- Nightingale
- Noel Park
- Rislely
- South Harringay

JCP and Families into Work/Employment Action Network advisers have been identified/recruited to support delivery. The project was formally launched on 29 January 2010.

### **DWP/JCP funded provision**

Some £16m a year<sup>23</sup> is currently invested in Haringey to deliver a variety of DWP/JCP provision including the Employment Zone (EZ) (delivered by Ingeus UK, Reed in Partnership and Working Links) and Pathways to Work (PtW) (delivered by Reed in Partnership). This provision has been expanded to also include:

- Opening the Programme Centre provision up to day 1 unemployed.
- Incentives for customers wishing to go into self employment.
- A recruitment subsidy of £1,000 for employers who offer employment to JSA customers who have been claiming over 6 months and the job is expected to last for a minimum of 26 weeks.
- Through partnership work with the LSC making more opportunities for work focused training delivered through the local Further Education Colleges.
- Volunteering opportunities - the Broker will be a pan London Contract and will be British Trust for conservation volunteers (BTCV).
- One day seminars for non-professionals which will aim to give short, sharp information to customers on how to look for work.
- Graduate internships that form part of the Young Person's Guarantee.

This investment is significantly greater than the combined resources available to deliver the Haringey Guarantee, Families into Work and North London Pledge. We realise the importance of ensuring that this investment is as complementary as possible. To this end, JCP is a key member of the HSP, and Haringey Council and JCP have a Service Level Agreement (SLA) in place that covers the following areas:

- Haringey Council is signed up to the Local Employment Partnership (LEP)
- JCP refer clients to Haringey Guarantee providers
- JCP clients are able to access guaranteed interviews for Haringey Council vacancies
- Haringey Guarantee advisers operate from JCP offices

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<sup>23</sup> This figure is an estimate for 2009/10 and also includes the headcount in the two JCP offices in Haringey (Tottenham and Wood Green)

- LEP vacancies are available to Haringey Guarantee participants.
- A Rapid Response Group, comprised of officers from Haringey Council, JCP and the LSC, that meets on a 6 weekly basis works to ensure, as far as possible, a co-ordinated approach to employment and skills interventions in the borough.

As part of the HSP, JCP also has a role in influencing the commissioning of the services that fall under the Haringey Guarantee.

Section 4 highlighted the significant challenges associated with supporting ESA/IB claimants into employment. To improve the support available to this client group, Haringey Council and Reed in Partnership (as the Pathways to Work provider in Haringey) have signed a SLA that enables cross referrals between the Haringey Guarantee and PtW.

It should be noted here that the employment related LAA stretch targets set out in section 5 include conditions that prevent the Haringey Guarantee from supporting people who are already engaged on a mainstream programme (such as EZ and PtW). These conditions have severely restricted the ability to work towards a more integrated employment and skills system in Haringey. The expiration of the stretch targets (and their restrictive conditions) at the end of March 2010 means that an opportunity will be presented to work more collaboratively with DWP/JCP funded provision. As such the SLAs currently in place will be reviewed as part of developing the full Work and Skills Plan.

### **Personalised Employment Programme**

The Secretary of State for Work and Pensions announced on 16 June 2009 that the PEP will be piloted from March 2011 in the following areas:

- Barnet, Enfield and Haringey
- Hampshire and the Isle of Wight and Thames Valley JCP districts

The PEP will combine employment support for a number of client groups under a single contract. These client groups include:

- Job Seekers Allowance claimants who have been unemployed for more than 12 months.
- Employment and Support Allowance (ESA) claimants.
- Lone parents claiming Income Support with a youngest child aged 3-6.
- Some partners of benefit claimants with a youngest child aged 3-6.

The scale of PEP means that it will replace Pathways to Work and that the Flexible New Deal (FND) will not be rolled out in the pilot areas.

The three North London boroughs are very keen to have a significant involvement in the commissioning and delivery of PEP, in line with level 1 devolution, and, supported by NLSA, are working with the DWP to develop this relationship, which has been strengthened by Haringey Council signing a 'Chinese Walls' agreement with the DWP meaning that named Council officers can be involved in the detailed discussions around commissioning the PEP provider. Barnet and Enfield Councils are expected to sign similar agreements with the DWP.

This relationship is important to ensure that the PEP is able to deliver services that are tailored to the needs of the workless residents in the three boroughs and also that PEP provision is truly complementary to existing local activities, such as the North London Pledge. Work to further develop these complementary services will be done as part of developing the full Work and Skills Plan.

### **Skills provision**

The LSC currently invests approximately £23m<sup>24</sup> to deliver a range of education and training provision in the following areas:

- Further Education (FE)
- Apprenticeships
- Train to Gain

This is a significant investment, especially when considered alongside the figures cited earlier in this section related to DWP/JCP funding. To maximise the opportunities presented by this investment, the LSC is a key member of the HSP and is also part of the Rapid Response Group, highlighted earlier in this section, that includes Haringey Council and JCP. In addition to this Haringey Council is a signatory the Skills Pledge, which reinforces the Council's commitment to developing the talents of its staff.

Like JCP, the LSC's role on the HSP also gives its influence over the skills provision, highlighted earlier in this section, that is commissioned and delivered as part of the Haringey Guarantee. This also helps to ensure that local skills provision is relevant to the labour market.

However, as mentioned in section 5, we have concerns about the impending dissolution of the LSC and the arrival of the SFA from April 2010. The remit of the SFA will be regional at its lowest level, which will, in our view, have a negative impact on the strong local partnerships that have been established. An example of this would in relation to LAAs where, from April 2010, there will not be an overarching local presence that will offer adequate accountability to our skills related targets. This will also present challenges when negotiations begin over new LAAs that are expected to be in place by April 2011.

There is also a crucial mismatch between the DWP's desire to devolve powers around commissioning mainstream employment provision and the plans to effectively do the opposite with post-19 skills provision. This will make our ambitions to have a more integrated local employment and skills system more challenging. This is an issue that will be explored in more detail as part of developing our full Work and Skills Plan.

Apprenticeships are recognised locally as a key way of supporting our residents into sustainable and progressive employment opportunities. To support the LSC's investment in apprenticeships in the borough:

1. Haringey Council and its main contractors (e.g. Decent Homes and Building Schools for the Future) have committed to creating 25 apprenticeships in 2009/10

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<sup>24</sup> Financial figure relates to: FE funding for August 2008 to July 2009; apprenticeships funding from August 2009 to January 2010; and Train to Gain funding from August 2009 to February 2010.

and 70 apprenticeships a year from 2010/11. This year the target of 25 has been exceeded with 62 apprentices currently employed.

2. The creation of an Apprenticeships Delivery Steering Group, to deliver strategic direction, that includes Haringey Council, contractors, the LSC, National Apprenticeships Service (NAS), JCP, and the College of Haringey, Enfield and North East London
3. The College of Haringey, Enfield and North East London has established a Apprenticeships First, a company that will have a strong role around making apprenticeships more attractive to local employers.

Despite these achievements we are committed to strengthening the role of skills in developing more sustainable and progressive employment opportunities. This will be explored further as part of developing the full Work and Skills Plan.

## 7. Developing the full Work and Skills Plan

Areas to be considered as part of developing the full Work and Skills Plan have been identified in this initial Plan. This will be done as part of the framework in the draft IDEa and Shared Intelligence guidance covering:

- The strategic and economic context
- Governance and partnership arrangements
- A comprehensive analysis of the labour market
- Mapping provision to enable the development of customer journey
- Setting out the vision and priorities
- LAA commitments and targets
- Priorities for commissioning
- An action and investment plan
- Monitoring, management and evaluation arrangements

We are also keen to explore how this can be developed in line with the principles of Total Place.

As well as further developing the areas that have been highlighted in this initial Plan there will also be work done around:

- It is expected that the next few years will result in tight financial settlements for many public sector agencies. Because of the significant role the public sector plays as an employer in the borough the full Work and Skills Plan will consider how employment and skills services in the borough can be improved to better support this sector.
- Establishing a more comprehensive and integrated employer offer that will involve the LEP, Haringey Guarantee, skills providers and the business led partnerships like the Haringey Business Board.
- Working with the Council's Drug and Alcohol Action Team (DAAT) and JCP's drug co-ordinator to strengthen the employment and skills support for people with a drug and/or alcohol misuse problem.
- Supporting the Council's Community Safety Team and the work being done to increase the support to non-statutory offenders through the Haringey Reducing Re-offending Programme (HARRP).
- Working with the Council's Temporary Accommodation team to further reduce homelessness in the borough by increasing the access to employment and training opportunities amongst this client group.
- Strengthening the partnerships around young people, especially with those organisations that play an integral role in supporting NEETs, such as Connexions.
- Producing an Equalities Impact Assessment to support the priorities included in the full Plan
- Ensuring the needs of the voluntary and community sector are adequately reflected by Compact proofing the full Plan.

The full Work and Skills Plan will be developed and agreed through the structures of the HSP.