

1.0 Haringey Guarantee Evaluation

This paper provides headline preliminary findings from ECORYS' Evaluation of the Haringey Guarantee.

1.1 Haringey Guarantee

1.1.1 Economic impacts

- Estimates of economic impact are based on a survey of 100 participants of the Haringey Guarantee undertaken in July 2010.
- Survey evidence suggests that the number of participants supported into work has been underestimated (26 percent of those recorded with no employment outcome on MegaNexus reported that they had obtained employment by July 2010). Ecorys estimate that 600 participants (from 1,700 registered) had moved into employment at this stage (in contrast to the 259 recorded on MegaNexus).
- The programme as been most successful in moving people into part-time work (with 66 percent of those moving into employment obtaining part-time employment). Those moving into employment reported an average hourly wage of £7.76 (low in comparison to borough averages). Ecorys estimate those moving into work are collectively earning £5.8m per annum (an average £9,593 per annum each). This equates to a GVA impact of £10.7m.
- Responses to the survey indicated that 45 percent of those moving into work would not have done so without the support they received from the Haringey Guarantee (see table below).

Table 1.1 Additionality of employment outcomes

Response 'How likely is it that you would have found this job without the support you received?'	Number of respondents	Percentage of respondents	Assumed additionality
Would definitely have found this job anyway	22	42	0.00
Would probably have found this job anyway	8	15	0.25
Would have found a job, but at a later date	4	8	1.00 ¹
Would have found a job, but with lower wages	0	0	1.00
Would possibly have found this job anyway	5	9	0.75
Would definitely not have found this job anyway	14	26	1.00
Total	53	100	0.45

Source: ECORYS Participant Survey

¹ While the outcomes associated with those that have would have found a job at a later date are assumed to be 100 percent additional, the impacts are assumed to endure only on a temporary basis (see section 1.7 below).

- The majority of respondents (89%) would not have found similar alternative support in the absence of the programme.
- Overall, it is estimated that Haringey Guarantee has helped move 240 individuals into employment that would not have done so without the programme, with associated GVA impacts of £4.2m.
- Accounting for substitution effects, displacement, leakage and multiplier effects, it is estimated that the programme supported 200 net additional residents into employment (creating £3.6m of GVA).
- At the London level, the net impact of the programme is estimated at 70 residents supported into employment (£1.2m in GVA). Impacts at the London level are estimated to be lower as Haringey residents will have displaced residents of other boroughs competing for vacancies.

Table 1.2 Net additional employment and GVA impacts

Net additional impacts	Haringey	London
Net additional people supported into employment	201	70
Net additional GVA created (£m per annum, residence based)	3.6	1.2

Net additional impact = Gross additional impact x (1 – Substitution) x (1 – Leakage) x (1 – Displacement) x Multiplier effects

1.1.2 Value for Money

- Over the first year of programme delivery, projects funded through the Haringey Guarantee spent £556,500¹.
- This equates to a cost per net additional person into employment of £2,800 (£7,900 at the London level) and a return on investment of £6.3 in GVA per £1 of spending (£2.2 at the London level).
- The cost per net additional person supported into employment is low in comparison to other initiatives, although GVA per £1 invested is broadly comparable. This is likely due to the high proportion of participants that have obtained part-time employment.
- Overall, this suggests the Haringey Guarantee has demonstrated good value for money to date. Additionally, the programme is likely to generate further impacts in the future as a result of new and past participants, which may further improve value for money measures.

¹ Note that this excludes payments made to projects in Year 1 for outputs that would be delivered in year 2.

Table 1.3 Value for Money Benchmarks

Programme	Local impacts		Regional impacts	
	Cost per net additional job created (£)	£ of GVA per £1 invested	Cost per net additional job created (£)	£ of GVA per £1 invested
Haringey Guarantee	2,800	6.3	7,900	2.2
Relay London Jobs ¹	-	-	13,700	1.4
Local Employment and Training Framework ²	-	-	13,900	2.0
London South Central Enterprise and Employment Programme ³	-	-	14,600	4.8
Thames Gateway JobNet ⁴	-	-	10,400	2.1

1.1.3 Wider survey evidence

- The labour market and social demographic characteristics of beneficiaries of the Haringey Guarantee illustrate that the programme has been relatively effective in terms of engaging with and supporting those that furthest from the labour market and experiencing long-term worklessness.
- Job Centre Plus has played a significant role in terms of raising awareness, signposting and referring beneficiaries to the programme with over one third becoming aware of the programme this way. There are also indications of efforts to raise awareness of the Haringey Guarantee's intervention amongst linked health and employment practitioners which proved to be a valuable means of communicating the nature of support on offer.
- However, there is much which can be done to improve the overall visibility of the Haringey Guarantee brand, to raise the profile of the programme amongst its target group. 77 percent of participants were not aware of the programme before they accessed support.
- Overall, 82 percent of beneficiaries regarded the quality of the support they received to be of a good or very good standard, with around 70 percent of beneficiaries completed their course of advice or training.

¹ Source: Evaluation of the London Employment and Skills Taskforce, ECOTEC Research and Consulting, 2010. Results include multiplier effects but exclude monetised losses of leisure time to ensure comparability.

² Source: Evaluation of the London Employment and Training Framework, Roger Tyms and Partners, 2009. This study assumed the GVA effects of the programme would endure for 3 years, not 1 as assumed here.

³ Source: Evaluation of the London South Central Employment and Enterprise Programme, ECOTEC Research and Consulting, 2009. Results include effects of a range of enterprise projects, for which impacts are assumed to endure for 3 years.

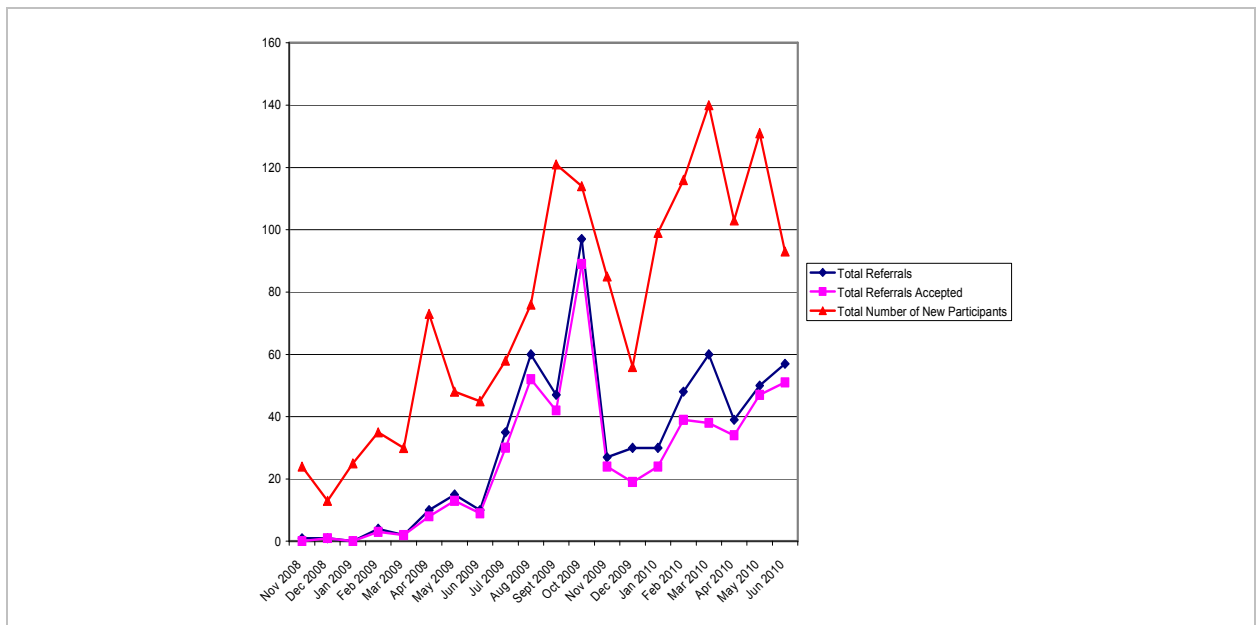
⁴ Source: Interim Evaluation of the Thames Gateway JobNet, Adroit Economics, 2008, results are based on all sources of funding, note that £ of GVA per £1 invested rises to £4.1 where impacts are assumed to endure for 3 years.

- The reported benefits and outcomes were varied, but many beneficiaries claimed that it has helped them to improve their confidence at interviews, enhance the quality of their CV and job applications, and help them to identify what employers were looking for.
- Approximately a quarter of beneficiaries have also gained a qualification as part of the support they received. Additionally, nearly two thirds of those supported through the programme that applied for jobs were interviewed and just over half were offered employment. The type of work secured was predominately in the service sector including public administration, education and health.

1.1.4 Referral analysis

- MegaNexus data has been explored specifically for the purposes of investigating the quality of the referral process.
- Amongst the 1,528 participants for which data was available in July 2010, 319 or 21 percent of participants benefited from at least one referral during the course of the programme. 642 referrals were made by the initiator organisation in which 534 were accepted by the recipient organisation.
- Both participation in the Haringey Guarantee *and* the number of referrals have been rising steadily over time, with no evidence to suggest that projects are increasing the rate at which they refer to partners.

Figure 1.1 Total Number of New Participants, Referrals, and Accepted Referrals by Month



- Employment Action Network appear to be the most active of the projects in terms of Haringey Guarantee (referring 179 individuals, or 29 percent) of any the Haringey Guarantee organisations, with KIS Training making a large number of referrals to Working Links.

- The evidence suggested that projects were willing to refer participants to a wide range of partners (suggesting they understood the types of provision they offered) but not in large volumes.
- The efficiency of the referral process appears to have improved over the duration of the programme, particularly in 2010, with the average duration between a referral being initiated and being accepted falling from a peak of 45 days in December 2009 to under 5 days in June and July 2010. However, there is evidence that some projects take substantially longer than others to accept referrals.
- The evidence suggests that beneficiaries of referrals are equally likely to reach positive outcomes as the average Haringey Guarantee participant, with around 13 percent finding work, and 2 percent sustaining employment for 26 weeks. However, these outcomes are achieved over 154 days rather than 114 days.
- This could either be a sign that the referral process is working well (i.e. those in need are receiving more intensive support from a wider range of projects), or of inefficiency (the referral process introduces delays which slow down the realisation of the final outcome).

1.1.5 Next steps

- Qualitative research with projects and participants to explore the issues raised by the survey evidence and monitoring data in more detail, and to identify areas for potential improvement.
- Research with non-participants to explore branding issues in more detail.