

Report Title: **Tackling Worklessness in Haringey**

Forward Plan reference number (if applicable):

Report of: **Assistant Director - Economic Regeneration**

Wards(s) affected: **ALL**

Report for: **Scrutiny**

1. Purpose (That is, the decision required)

1.1 To note and comment on the work led by Haringey Council in tackling worklessness in Haringey.

2. Introduction by Executive Member (if necessary)

2.1 Haringey has particularly high levels of worklessness which despite a number of significant interventions in recent years including SRB programmes, European funding, NRF have persisted.

Haringey Council and the Enterprise Partnership Board have adopted a new strategic approach to tackling worklessness in the borough.

3. Recommendations

- For the Board to note the content of this report.

Report Authorised by: **David Hennings**
Assistant Director of Economic Regeneration

Contact Officer: **Martin Tucker**
Employment & Skills Manager
X2932

4. Director of Finance Comments

4.1 N/A

5. Head of Legal Services Comments

5.1 N/A

6. Local Government (Access to Information) Act 1985

6.1 N/A

7. Strategic Implications

7.1 The new strategic approach adopted by the Enterprise Board is being implemented through the SSCF funded Tackling Worklessness programme - The Haringey Guarantee. This forms the basis of the economic development strand in the Local Area agreement.

8. Financial Implications

8.1 None. Programme grant funded.

9. Legal Implications

9.1 None.

10. Equalities Implications

10.1 As is clear from the data below, worklessness disproportionately affects those from disadvantaged neighbourhoods. Equality Impact assessments of the tackling worklessness programmes for the Local Area Agreement were carried to ensure that our programmes will not have significant consequences for particular groups. The geographic focus of our Tackling Worklessness programmes has targeted the wards with severe deprivation and suffer the worst labour market position relative to the rest of the borough. These wards also contain the highest level of claimants. By targeting these wards and their communities and residents the programmes not only address needs but will also have the greatest impact on reducing the overall claimant count and improving the borough employment rate.

11. Consultation

11.1 Extensive consultation with all the partners on the HSP's Enterprise Theme Board including voluntary and community sector representatives was carried out on the tackling worklessness programmes and the design, commissioning and management of the programmes were discussed and agreed at the board.

12. Background

12.1 Worklessness – The Scale of the Problem

12.1.1 London

London is Britain's worst employment blackspot with the lowest employment rate of any part of Britain.

Indeed, in five of London's boroughs, employment is below the already-low European average. Those five - Newham, Tower Hamlets, Hackney, Haringey and Barking & Dagenham - account for more than half of only eight local authorities in Britain where employment is below the EU average of 63.3%. By contrast, Britain's average employment rate is a healthy 74.7%, a record high.

Employment remains below the national average across much of the rest of inner London, with only outlying boroughs enjoying employment that is at or above the UK average. London's average employment rate is the worst of any part of the country at 69.4%. On unemployment the

picture is nearly as bad. London's jobless rate of 6.6% is significantly worse than the national average of 4.7% and second only to the north-east.

12.1.2 Haringey

The employment rate in Haringey is 60.3 % (well below the national average of 74.7%.) The following claimant statistics from JCP in July 2006 give an indication of the scale of the problem.

- 12,860 people in receipt of Incapacity Benefit
- 9,275 people in receipt of JSA
- 16,680 people in receipt of income support

12.1.3 Educational Attainment and Skills Poverty

Low educational attainment and low level skills are major problems and are crucial in understanding and tackling worklessness in Haringey. Poor education results in Haringey reinforce the problem of low skills among young people in the workforce.

12.1.4 Education

50% of school leavers reached the level 2 threshold of five good GCSEs this year. Although this has risen it still means that 50% of our young people do not achieve 5 good GCSEs.

Educational attainment is improving but is still poor and while Haringey may hit the national average (56%) we are a long way off achieving the needs of a knowledge based economy where 70% of jobs will need NVQ3 + skills.

In January 2006 there were 598 young people in NEET (16-18) and approx. 700 new young people are adding to stock of worklessness each year.

12.1.5 Skills Poverty

Linked to poor educational attainment in the borough are low skills levels amongst the adult population. Low-skilled individuals clearly have difficulty accessing employment and it follows that areas with many low-skilled residents will have lower employment rates. This is certainly the case in Haringey.

40% of Haringey residents have Level 1 and below skills (with most of these people living in the east of the borough) but only 31% of employers need staff with Level 1 and below skills.

On the other hand 33% of residents have Level 4+ skills (mainly concentrated in the west of the borough) while 28% of Haringey employers need staff with Level 4+ skills. (Source: Haringey Skills Audit. Local Futures 2005)

There are fewer jobs for low skills than people with low skills and this is true across London. Local people with low skills must upskill to get work.

12.2 A New Strategic Approach to Tackling Worklessness

To achieve long-term change we need to stem the flow of new workless and to increase the numbers moving from worklessness into employment. We need to deliver larger interventions which have a narrower focus on core populations.

Haringey's Employment and Skills Strategy is being linked closer to other agendas and themes. We are developing synergy with work on education, children's services, social services, welfare reform, anti-poverty, housing needs and development, capital developments, sub-regional and regional developments and opportunities. Strategic links are being properly developed with city growth and the knowledge economy.

Core populations at which employment programmes will be targeted are:

- Those in contact with other Haringey Council and other public services
- Young People
- Incapacity Benefit claimants
- Workers in low paid/low skilled employment

Tackling worklessness interventions have to be additional to mainstream provision delivered by Jobcentre Plus and Employment Zone providers and should influence and bend the focus of public services in their approach to worklessness. This includes linking work across all council services and partnership through the LAA with JCP and LSC.

Two new programmes have been developed and commissioned to implement the strategic approach (see appendix A and B). These programmes are additional to the work of mainstream providers – JCP and Employment Zone providers in Tottenham who are profiled to deliver approximately 2000 jobs each year.

13. Conclusion

- 13.1 Worklessness is a key issue facing the Borough. The programmes outlined at Appendix A and Appendix B will deliver over 450 jobs for Haringey residents from disadvantaged backgrounds. A further 400 jobs will be delivered under LAA Economic Development stretch targets.
- 13.2 Further development and strategic work will need to continue across council services and with mainstream employment and skills providers to ensure a coherent strategic approach and delivery of sustainable employment outcomes.

14. Use of Appendices / Tables / Photographs

- 14.1 Appendix A: London Councils NRF ESF Co-financing Programme 2006-08
- 14.2 Appendix B: A Haringey Guarantee